

Date: November 10, 2020

To: William Hobert, Chair
Michael W. Goetz, Vice Chair
Peter Amaro
Drew L. Beres
James J. Fuentes
Mayor Arlene A. Juracek
Roxanne Nava
George Obernagel

Terrence M. O'Brien
Roger Poole
José Restituyo
Eduardo Tobon
Randal Wexler
Jeffrey Wright
Bradley A. Zeller

From: Christopher B. Meister, Executive Director

Subject: *Message from the Executive Director*

Dear Member of the Authority:

Clean Water Initiative Revolving Fund Revenue Bonds, Series 2020

Consistent with the *Climate Process* under the Authority's *Transformation Initiative*, you will consider a Final Bond Resolution in connection with the proposed issuance of *State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds, Series 2020 ("CWI/SRF Bonds")* in the aggregate principal amount of \$500 million. Consistent with Governor Pritzker's Executive Order No. 6 on climate change, the Series 2020 CWI/SRF Bonds will build upon the programmatic and financial success of the Series 2019 CWI/SRF Bonds which were the first State of Illinois bonds to be labeled with a 'Green Bond' designation. The Authority anticipates that the diverse transaction team of the Series 2020 CWI/SRF Bonds will enhance the existing 'Green Bond' designation in a manner that will both (i) strengthen the marketing and related financial success of the bonds, and (ii) further expand the Authority's tools to build a resilient, clean Illinois economy. It is further anticipated that the Series 2020 CWI/SRF Bonds will be the fifth 'AAA-rated' (S&P Global/Fitch) bond issue by the Authority on behalf of the Illinois Environmental Protection Agency ("IEPA") since the creation of the modernized master trust agreement in 2013.

The Series 2020 CWI/SRF Bonds will further expand of financial capacity of IEPA to provide low-interest loans for waste water and drinking water infrastructure projects built and operated by Illinois local governments under the IEPA State Revolving Fund ("SRF"). The SRF is an elegant example of responsible and sustainable federal-state-local environmental financial innovation. The SRF functions like an environmental infrastructure bank by providing low-interest loans to eligible local government water projects. As the underlying loan principal and interest is repaid over time by local governments, the monies are recycled back to IEPA SRF to make new low-interest loans to other eligible local government borrowers.

The positive benefits of the SRF are tangible and measurable: clean water at a lower cost. Local Illinois taxpayers and ratepayers benefit from reduced financing costs – lower interest rates and transaction costs. Since the water projects financed by the SRF are built by Illinois local governments, these projects are generally built by the trained and efficient women and men of the unionized buildings and trades.



Easter Seals Metropolitan Chicago, Inc. (“ESMC”)

The Authority is proud to welcome Easter Seals Metropolitan Chicago, Inc. (“ESMC”), a not-for-profit provider of important human services. ESMC serves 10 counties in the Chicago area, Rockford area, and Northwestern Illinois. ESMC serves approximately 10,000 children and adults per year. ESMC specializes in child care services through Head Start but is best known for providing services to individuals (and their families) with disabilities or other special needs that will improve quality of life and maximize independence. ESMC conducts activities from facilities throughout its 10-county Illinois service area.

The proposed financing will refinance a bank construction loan for a new 24,000 square foot Fitness Center at ESMC’s Chicago Therapeutic School located at its Chicago campus in the Illinois Medical District at 1314 W. 13th Street. Savings derived from this tax-exempt financing will help offset a portion of the additional cost burden imposed by the COVID-19 health crisis. It is gratifying for the Authority to provide low-cost financing to reduce organizational overhead expenses at such a critical time.

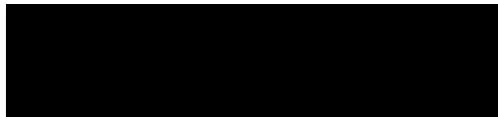
Beginning Farmer Bond

For the first time since February 2020, the Authority will consider a federally tax-exempt conduit Beginning Farmer Bond to help acquire farm ground in West Township, Effingham County.

Northwestern Memorial HealthCare (“NMHC”) Amendment

The Authority will also consider an amendment resolution in connection with the affiliation of Palos Community Hospital with NMHC.

Respectfully,



Christopher B. Meister
Executive Director