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Date: September 14, 2021

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

Roger Poole  
José Restituyo  
Timothy Ryan  
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:

***The Illinois Finance Authority is Our State's Climate Bank***

As of the afternoon of September 13, 2021, amendments to Senate Bill 2408 had passed both chambers of the Illinois General Assembly with supermajorities, and the bill was on its way to Governor Pritzker's desk. See Governor Pritzker's Press Release, dated September 13, 2021, attached to this Message. Senate Bill 2408 changes and strengthens the Authority in the following ways:

- Designates the Authority as the Illinois Climate Bank;
- Adds combatting climate change as a public policy goal and mission of the Authority: (a) promoting a vigorous economy; (b) reducing the cost of public benefits to taxpayers and ratepayers; and (c) otherwise enhance the quality of life in Illinois;
- Clarifies the Authority's statutory powers to make working capital loans and allows for joint ventures; and
- Otherwise improves the Authority Act by setting the stage for future statutory changes in order to more effectively combat climate through financing.

We look forward to working with each of you to advance this new mission for the Authority.

***Recent Federal Developments***

On the evening of Friday, September 10, 2021, Chair Richard Neal of the U.S. House Ways and Means Committee released a draft of its provisions for the federal budget reconciliation process. Of particular interest to the Authority and its conduit borrowers, the draft includes:

- The restoration of advance refunding (federally tax-exempt refinancing of conduit bonds) that was eliminated on January 1, 2018. Prior to its elimination, advance refunding represented a material percentage of the Authority's bond issuance volume and related revenue and impact;
- The long overdue modernization of industrial revenue bonds and beginning farmer bonds; and
- The creation of a new category of federally tax-exempt conduit (or private activity bonds) to support the financing of electric vehicle charging stations.

We have previously discussed the importance of these provisions with you. The House Ways and Means Committee intends to work through the above provisions and others in a process known as Mark-Up on September 14 and 15, 2021. This is an important step forward, but it is not the entire journey by any means. We will keep you updated as matters develop.

### ***Bradley University***

The Authority is proud to assist Bradley University with its proposed refinancing on today's agenda. Bradley University is a not-for-profit educational institution located on a stunning 85-acre campus in Peoria, Illinois. Founded in 1897, Bradley University serves approximately 5,400 undergraduate and graduate students each year, providing more than 185 academic programs across the University's six colleges. A portion of the outstanding tax-exempt bonds to be refunded originally financed construction and equipping of the University's Convergence Center.

### ***Roosevelt University***

Next on today's agenda is a refinancing for Roosevelt University, a not-for-profit institution of higher education. The University's Loop Campus features the iconic 32-story Wabash Building, originally built with Authority conduit bond proceeds, and is a signature part of the Chicago skyline. The University also operates a second campus in Schaumburg, which is the home of the University's Pharmacy School and allied health programs.

Issuance of the contemplated tax-exempt bonds would complete the University's efforts to refinance all of its outstanding bonded indebtedness for savings; a methodical process that began in 2018. The Series 2021A Bonds are expected to result in a significant reduction in interest expense (and debt service payments) compared to the Series 2007 Bonds that will be refunded. Additionally, Roosevelt will accomplish these debt service savings without changing the principal repayments featured on the Series 2007 Bonds.

### ***Franciscan Communities, Inc.***

Franciscan Communities, Inc. is a not-for-profit organization dedicated to caring for seniors across the Midwest. Through its various ministries, Franciscan Sisters of Chicago and its affiliates have provided community-based housing and healthcare services to seniors for approximately 127 years.

Issuance of the contemplated tax-exempt bonds are expected to provide interest savings to Franciscan Communities and improve its debt service and cash flow.

*Agricultural Projects*

There are two beginning farmer bonds on the agenda that will assist individuals with the purchase of approximately 88 acres of farmland in White County and the purchase of approximately 60 acres of farmland in Clinton County. There is also a resolution authorizing the substitution of collateral of approximately equal value for the current pledged collateral on a loan that has the benefit of the Authority's agricultural guarantee that is backed by State taxpayer dollars (unlike the Authority's federally tax-exempt conduit bond products).

Respectfully,

A handwritten signature in black ink, appearing to read 'C. Meister', with a long horizontal flourish extending to the right.

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Christopher B. Meister  
Executive Director

***Gov. Pritzker Statement on the Senate Passage of Historic Climate Legislation  
Press Release - Monday, September 13, 2021***

SPRINGFIELD — Governor JB Pritzker released the following statement on the Senate passage of the comprehensive energy package, Senate Bill 2408, that puts consumers and the climate first:

"Today, with the Senate passage of SB 2408, the State of Illinois is making history by setting aggressive standards for a 100 percent clean energy future. After years of debate and discussion, science has prevailed, and we are charting a new future that works to mitigate the impacts of climate change here in Illinois.

"SB 2408 puts the state on a path toward 100% clean energy and invests in training a diverse workforce for the jobs of the future. Illinois will become the best state in the nation to manufacture and drive an electric vehicle, and equity will be prioritized in every new program created. SB2408 puts consumers and climate at the forefront, prioritizing meaningful ethics and transparency reforms, and institutes key ratepayer and residential customer protections.

"I'd like to thank Leaders Cunningham and Hastings and Sen. Villanueva for the many hours spent in working group meetings and negotiating sessions. I am proud of the collaborative work between stakeholders, Senate President Don Harmon and Speaker Welch that resulted in a package that makes meaningful progress in protecting our climate and consumers.

"I look forward to signing this historic measure into law as soon as possible, because our planet and the people of Illinois ought not wait any longer."