



BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
TUESDAY, MARCH 12, 2013
10:40 A.M.**

I. Call to Order & Roll Call

At the regular meeting of the Board of Directors of the Illinois Finance Authority (the “Board”), begun and held at One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601, on the second Tuesday of March in the year 2013, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the “Act”), William A. Brandt, Jr., Chairman of the Board, called the Board to order and presided over deliberations.

By direction of the Chairman, a roll call was taken to ascertain the attendance of Members, as follows: 11 Present.

On the question of a quorum of Members physically present at the location of this open meeting, the Assistant Secretary of the Board declared that a quorum had been constituted.

**ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
QUORUM ROLL CALL FOR ATTENDANCE**

March 12, 2013

0 YEAS

0 NAYS

11 PRESENT

P	Barclay	P	KNOX (VIA AUDIO CONFERENCE)	P	Poole
P	Bronner	P	Leonard	E	Tessler
P	Fuentes	E	O’Brien	P	Zeller
P	Goetz	E	Parish	P	Mr. Chairman
P	Gold	P	Pedersen		

E – Denotes Excused Absence

II. Chairman's Remarks

Chairman Brandt welcomed Members of the Board, Authority staff and all guests present.

Chairman Brandt, Chairman, from the Committee of the Whole to which all items of this meeting's agenda were referred, action taken earlier on March 12, 2013, reported the same back and that all items were thoroughly reviewed.

III. Adoption of the Minutes

Minutes of the regular meeting of the Board held on February 12, 2013 and the Financial Statements for the Month Ended February 28, 2013 were taken up for consideration.

Member Pedersen moved the adoption of the Minutes and the Financial Statements.

Vice Chairman Goetz seconded the motion.

And on that motion, a vote was taken resulting as follows: 11 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes and Financial Statements were adopted.

IV. Acceptance of the Financial Statements

See Agenda Item III.

V. Approval of Project Reports and Resolutions

Chairman Brandt directed Ms. Lenane to present the projects and resolutions to the Board.

Ms. Lenane presented each of the following projects and resolutions:

Agriculture Projects

Item 1(A): Agenda Item 1(A) is a Beginning Farmer Bond Project. The applicant is requesting approval of a Final Bond Resolution. This financing is being presented for one-time consideration.

Richard and Danielle Bergmann are requesting approval of a Final Bond Resolution in an amount not-to-exceed Ninety-Five Thousand Dollars (\$95,000). Bond proceeds will be used to finance the acquisition of approximately 20 acres of farmland located in Sante Fe Township in Clinton County.

Item 1(B): Agenda Item 1(B) is a Beginning Farmer Bond Project. The applicant is requesting approval of a Final Bond Resolution. This financing is being presented for one-time consideration.

Cyrus M. Hopper is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Seventy-Three Thousand Seven Hundred and Fifty Dollars (\$273,750). Bond proceeds will be used to finance the acquisition of approximately 50 acres of farmland located in Whitley Township in Moultrie County.

Item 1(C): Agenda Item 1(C) is a Beginning Farmer Bond Project. The applicant is requesting approval of a Final Bond Resolution. This financing is being presented for one-time consideration.

Brian Pool is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Forty Thousand Dollars (\$240,000). Bond proceeds will be used to finance the acquisition of approximately 40 acres of farmland located in Ridgeland Township in Iroquois County.

Item 2: Agenda Item 2 is an Agri-Debt Guarantee Project. The applicant is requesting approval of a State Guarantee. This financing is being presented for one-time consideration.

Mildred L. Bastert is requesting approval of a State Guarantee in an amount not-to-exceed 85% of a proposed first mortgage loan of Five Hundred Thousand Dollars (\$500,000). Loan proceeds will refinance an existing First Bankers Trust real estate loan in the amount of Three Hundred Thirteen Thousand One Hundred and Eighty-Two Dollars (\$313,182), a First Bankers Working Capital Loan in the amount of One Hundred Twenty-Eight Thousand Dollars (\$128,000) and a Farm Credit Services Loan of Fifty-Eight Thousand Eight Hundred and Eighteen Dollars (\$58,818). The State of Illinois will guarantee Four Hundred Twenty-Five Thousand Dollars (\$425,000) of the face first mortgage loan amount. This State Guarantee represents Illinois Agricultural Loan Guarantee Funds in the State Treasury at risk.

Business and Industry Projects

Item 4: Agenda Item 4 is a request for Solid Waste Disposal Revenue Bond financing.

Kuusakoski USA LLC and its affiliates are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Seventeen Million Dollars (\$17,000,000).

Bond proceeds will be used by Kuusakoski USA LLC and its affiliates (collectively, “Kuusakoski”, the “Company”, or the “Borrower”) to (i) finance, refinance, and reimburse the Borrower for costs associated with the purchase, renovation, and equipping of two buildings totaling approximately 165,000 square feet located on an approximately 12.25 acre site at 13543 South U.S. Highway 30 in Plainfield, Illinois (the “Project”), (ii) pay capitalized interest during construction and renovation, if deemed necessary or desirable by the Borrower, and (iii) pay bond issuance costs (collectively with the Project, the “Financing Purposes”). The Project will be used as a qualified solid waste facility.

Executive Director Meister recognized and thanked Mr. Joseph Pilewski, who was present on behalf of the project.

Local Government Projects

Item 5: Agenda Item 5 is a request for Local Government Bond financing.

City of Elgin is requesting approval of a Final Bond Resolution in an amount not-to-exceed Five Million Twenty-Five Thousand Dollars (\$5,025,000). This financing is being presented for one-time consideration.

The project will (i) entail the acquisition and installation of a radio communication system and improvements made to the water and sewer systems *and* (ii) pay for certain costs associated with the issuance of the Bonds.

Item 6: Agenda Item 6 is a request for Local Government Bond financing.

Elgin Community College District Number 509 is requesting approval of a Final Bond Resolution in an amount not-to-exceed Ten Million Dollars (\$10,000,000). This financing is being presented for one-time consideration.

Bond proceeds will be used by Elgin Community College District Number 509 (the “College”, the “District”, or the “Borrower”) to (i) build and equip a Health Careers Center, a Library and a Regional Public Safety Training Facility; build, equip, alter, renovate and repair academic buildings; build and equip additions to community college buildings; purchase and improve land for community college purposes; install technology (the “Project”) and (ii) pay for certain costs associated with the issuance of the Bonds (and together with the Project, the “Financing Purposes”).

Educational, Cultural and Non-Healthcare Projects

Item 7: Agenda Item 7 is a request for 501(c)(3) Revenue Bond financing.

Northern Illinois University Foundation is requesting approval of a Final Bond Resolution in an amount not-to-exceed Six Million Six Hundred Thousand Dollars (\$6,600,000).

Bond proceeds will be issued on behalf of Northern Illinois University Foundation (“Foundation” or the “Borrower”) and used, together with certain other funds, to (i) finance the costs of the constructing and equipping the Chessick Practice Center Facility at Northern Illinois University (the “University”), which facility will be connected to the Yordon Center at the corner of Stadium Drive East and Stadium Drive North on the University’s campus in DeKalb, Illinois (the “Project”), (ii) pay capitalized interest during the construction period and (ii) pay a portion of the costs of bond issuance (collectively, the “Financing Purposes”).

Item 8: Agenda Item 8 is a request for 501(c)(3) Revenue Bond financing.

Countryside Montessori School is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Million Five Hundred Thousand Dollars (\$2,500,000). This financing is being presented for one-time consideration.

Bond proceeds will be loaned to Countryside Montessori Schools, Inc. (the “School” or “Borrower”) for the purpose of providing the Borrower with all or a portion of the funds to (i) refinance existing debt, (ii) finance acquisition of additional property at 1965 Pfingsten Road in Northbrook, Illinois, (iii) finance the construction and rehabilitation of additional classrooms to accommodate 7th and 8th grade students within the new building and to finance renovations and improvements at the Borrower’s existing campus, the main address of which is located at 1985 Pfingsten Road, Northbrook, Illinois, including, but not limited to connecting the buildings on the Borrower’s campus (collectively, the “Project”), and (iv) pay certain costs incurred in connection with the issuance of the Bond, all as permitted by the Act (collectively, the “Financing Purposes”).

Resolutions

- Item 12: Resolution Authorizing the Execution and Delivery of a First Amendment to Bond and Loan Agreement Relating to the Illinois Finance Authority Revenue Bonds (Northern Illinois University Foundation Project) Series 2006; Approving Certain Other Documents; and Authorizing and Approving Certain Related Matters
- Item 13: Resolution Authorizing the Issuance of Not-To-Exceed \$10,000,000 Aggregate Principal Amount of Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2013 of the Illinois Finance Authority and Authorizing the Sale Thereof; Authorizing the Execution and Delivery of a Loan Agreement, an Indenture of Trust, a Tax Exemption Certificate and Agreement and Related Documents in Connection with the Bonds, and Approving the Distribution of Related Documents in Connection with the Bonds; and Related Matters
- Item 14: Resolution Authorizing the Illinois Finance Authority to Fund and Administer a Pilot Program to Provide Working Capital Participation Loans to Small and Emerging Contractors to Assist Them in Obtaining Surety Bonding for Public Works Contracts in Illinois

Chairman Brandt requested leave of the Board to use the last unanimous roll call vote for the adoption of the following projects and resolutions: Items 1A, 1B, 1C, 2, 4, 5, 6, 7, 8, 12, 13 and 14.

Leave was granted.

These projects and resolutions, having received the votes of a quorum of the Members of the Board, were declared passed and adopted, respectively.

Chairman Brandt then directed Ms. Lenane to present the projects to the Board which may have guests present:

Ms. Lenane presented the following projects:

Business & Industry Projects

- Item 3: Agenda Item 3 is a request for Gas Supply Revenue Bond financing.

The Peoples Gas Light and Coke Company is requesting approval of a Final Bond Resolution in an amount not-to-exceed Fifty Million Dollars (\$50,000,000). This financing is being presented for one-time consideration.

Bond proceeds will be used by The Peoples Gas Light and Coke Company (“Peoples Gas” or the “Borrower”) for the purpose of refunding \$50,000,000 aggregate principal amount of the Illinois Development Finance Authority, Gas Supply Refunding Revenue Bonds, Series 2003A (the “Prior Bonds”), the proceeds of which were issued to refund \$50,000,000 aggregate principal amount of the City of Chicago, Illinois, Adjustable-Rate Gas Supply Revenue Bonds, 1985 Series A (the “Original Bonds”) which were issued for the purpose of defraying the cost of certain gas supply facilities, designed as “facilities for the local furnishing of electric energy or gas” within the meaning of Section 103(b)(4)(E) of the Internal Revenue Code of 1954, as amended (the “Prior Project”).

Chairman Brandt announced that Mr. Tchapo Napoe and Ms. Vicki Langer were present and ready to speak on behalf of the project.

Mr. Napoe thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mr. Napoe and Ms. Langer.

Educational, Cultural and Non-Healthcare Projects

Item 10: Agenda Item 10 is a request for 501(c)(3) Revenue Bond financing.

The University of Chicago is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Four Hundred Million Dollars (\$400,000,000).

Bond proceeds will be combined with other funds to finance all or a portion of the costs of various educational facilities and used by The University of Chicago (the “University” or the “Borrower”) to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement and expansion of certain of its educational facilities, including, without limitation, the construction and equipping of the William Eckhardt Research Center, the renovation, expansion and equipping of the Borrower’s Laboratory Schools, the renovation, construction and equipping of the Borrower’s educational facilities located at 5757 S. University Avenue in Chicago, Illinois, the planning, design, construction and equipping of a new residence hall, and the acquisition, construction, renovation, improvement and completion of various other administrative, academic, research, infrastructure and campus projects and the equipping of the foregoing, and including related landscaping, signage and other similar improvements (collectively, the “New Projects”), (ii) refund, advance refund or provide for the payment of all or a portion of certain tax-exempt revenue bonds (the “Prior Bonds”), the proceeds of which were used, among other things, to finance, refinance or reimburse the Borrower for certain costs relating to the acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including, without limitation, the planning, design, construction, renovation and equipping of the Booth School of Business Harper Center, the Gordon Center for Integrative Science, the Donnelly Biological Sciences Learning Center/Knapp Building, the Knapp Center for Biomedical Discovery and other new research and academic buildings, the renovation, expansion and equipping of Biological Sciences Division, the planning, design, construction and equipping of new residence halls, the renovation and equipping of existing residence halls, the renovation of the Searle Chemistry Building, the renovation and expansion of the law school building, the construction and equipping of a library

addition, the expansion and renovation of the steam plant, chillers and other infrastructure improvements, the construction, expansion, renovation and equipping of various administrative and academic buildings and residence halls and the completion of a wide range of other campus improvements, (iii) pay certain working capital expenditures if deemed desirable by the Borrower, (iv) fund one or more debt service reserve funds required to be maintained (if any) in accordance with one or more trust indentures between the Authority and one or more trust companies or banks having the powers of a trust company, as trustee, and (v) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds, all as permitted under the Act (collectively, the “Financing Purposes”).

Chairman Brandt announced that Ms. Lorraine Arvin, Mr. Russell J. Herron and Mr. Cory Sandrock were present and ready to speak on behalf of the project.

Ms. Arvin thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Ms. Arvin, Mr. Herron and Mr. Sandrock.

Healthcare Projects

Item 11: Agenda Item 11 is a request for 501(c)(3) Revenue Bond financing.

Three Crowns Park is requesting approval of a Final Bond Resolution in an amount not-to-exceed Four Million Dollars (\$4,000,000).

Bond proceeds will be used by Three Crowns Park (the “Corporation” or the “Borrower”) to: (i) pay or reimburse the Borrower or a corporate affiliate for the payment of the costs of acquiring, constructing, renovating, remodeling and equipping the Borrower’s continuing care retirement community, including but not limited to the costs of the renovation, remodeling and equipping of the Corporation’s existing 48-bed nursing care facility and all necessary attendant facilities, equipment, site work and utilities, all located on the Borrower’s existing campus in Evanston, Illinois (the “Project”); (ii) fund a debt service reserve fund for the benefit of the Bonds; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (iv) provide working capital, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for credit enhancement or a liquidity facility for the Bonds, if deemed necessary or advisable by the Borrower.

Chairman Brandt announced that Ms. Susan Morse was present and ready to speak on behalf of the project.

Ms. Morse thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Ms. Morse.

Chairman Brandt requested leave of the Board to use the last unanimous roll call vote for the adoption of the following projects: Items 3, 10 and 11.

Leave was granted.

These projects, having received the votes of a quorum of the Members of the Board, were declared passed.

Educational, Cultural and Non-Healthcare Projects

Item 9: Agenda Item 9 is a request for 501(c)(3) Revenue Bond financing.

DePaul University is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Forty-Two Million Dollars (\$42,000,000).

The proposed financing will enable DePaul University (the “University” or the “Borrower”) to issue one or more series of Revenue Bonds to refund, advance refund, or provide for payment of all or a portion of the outstanding Illinois Finance Authority Revenue Bonds (DePaul University, Series 2004C), the proceeds of which were used to finance certain educational facilities of the University (the “Financing Purposes”).

Chairman Brandt announced that Mr. Jeff Bethke, Mr. Pete Harris and Mr. Doug Stanford were present and ready to speak on behalf of the project.

Mr. Bethke thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mr. Bethke, Mr. Harris and Mr. Stanford.

By direction of the Chairman, a roll call was taken for the adoption of the following project: Item 9.

And on that direction, a vote was taken resulting as follows: 10 Yeas; 0 Nays; 1 Abstain (Gold); 0 Answering Present.

Member Gold desired to be recorded as abstaining from the vote as his employer serves as borrower’s counsel in connection with Item 9.

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

At the time of 11:04 a.m., Vice Chairman Goetz moved that the Board do now adjourn until April 9, 2013, at 10:30 a.m.

Member Barclay seconded the motion.

The motion prevailed.

And the Board stood adjourned.

Minutes published by:
Brad R. Fletcher
Assistant Secretary of the Board