



BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
TUESDAY, OCTOBER 8, 2013
10:43 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 October 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 will be taken to ascertain the attendance of Members, as follows:
9 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 has been constituted.

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

October 8, 2013

0 YEAS

0 NAYS

9 PRESENT

P Barclay
P Bronner
E Fuentes
P Goetz
P Gold

P Knox
E Leonard
E Lonstein
E O’Brien
P Parish

E Pedersen
P Poole (VIA AUDIO CONFERENCE)
P Tessler
E Zeller
P Mr. Chairman

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 October 8, 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 September 10, 2013 and the Financial Statements for the Month Ended September 30, 2013 were taken up for consideration.

Vice Chairman Goetz moved for the adoption of the Minutes and the Financial Statements.

Member Knox seconded the motion.

And on that motion, a vote was taken resulting as follows: 9 Yeas; 0 Nays; 0 Answering Present.

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

IV. Acceptance of the Financial Statements

See Agenda Item III.

V. Approval of Project Reports and Resolutions

Chairman Brandt directed Mr. Frampton to present the projects and resolutions without guests or abstentions to the Board.

Mr. Frampton presented the following projects and resolutions:

Business and Industry Projects

Item 1: Item 1 is a request for Industrial Revenue Bond financing.

Sterling Lumber Company and SLC – Phoenix, LLC are requesting approval of a **Preliminary** Bond Resolution in an amount not-to-exceed **Ten Million Dollars** (\$10,000,000).

Bond proceeds will be used by Sterling Lumber Company, an Illinois corporation, and its affiliate SLC-Phoenix, LLC, an Illinois limited liability company (collectively, the “**Borrower**”), to (i) finance or refinance the acquisition of approximately 60 acres of land and the purchase and substantial renovation, and equipping of an approximately 514,000 SF manufacturing facility located thereon at 323 E. 151st Street, Harvey (Cook County), Illinois 60426. Additionally, bond proceeds may also be used to pay bond issuance costs.

Vice Chairman Goetz moved for the adoption of the following project: Item 1.

Member Knox seconded the motion.

And on that motion, a vote was taken resulting as follows: 9 Yeas; 0 Nays; 0 Answering Present.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

Educational, Cultural and Non-Healthcare 501(c)(3) Projects

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

Columbia College Chicago is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Nine Million Dollars** (\$9,000,000).

Bond proceeds will be used by Columbia College Chicago (“**Columbia**”, the “**College**”, or the “**Borrower**”) to (i) currently refund all of the outstanding Illinois Educational Facilities Authority Revenue Bonds, Columbia College Chicago, Series 2003 (the “**Series 2003 Bonds**”) maturing on December 1 of each of the years 2014 through 2018 and a portion of the Series 2003 Bonds maturing on December 1, 2023 (collectively, the “**Refunded Series 2003 Bonds**”), and (iii) pay certain costs relating to the issuance of the Series 2013 Bonds, all as permitted under the Act (collectively, the “**Financing Purposes**”).

Item 4: Item 4 is a request for 501(c)(3) Revenue Bond financing.

Benedictine University and Founders Woods, Ltd. are requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Seventy Million Dollars** (\$70,000,000). This financing is being presented for one-time consideration.

Benedictine University, an Illinois not for profit corporation (“**Benedictine**”) and **Founders Woods, Ltd.**, an Illinois not for profit corporation (“**Founders**” and together with Benedictine, collectively, the “**Borrowers**”), have requested that the Authority issue not to exceed aggregate total principal amount \$70,000,000 (excluding original issue discount or premium, if any) of revenue bonds consisting of two or more series of Revenue Bonds (Benedictine University Project) Series 2013A (the “**Series 2013A Bonds**”) and its Revenue Bonds (Benedictine University Project) Series 2013B (the “**Series 2013B Bonds**” and together with the Series 2013A Bonds, the “**Series 2013 Bonds**”) and loan the proceeds thereof to the Borrowers in order to assist the Borrowers in providing a portion of the funds necessary to do any or all of the following: (i) finance the costs of the construction of a new academic building on Benedictine's main campus located at 5700 College Road, Lisle, Illinois (the “**Project**”), (ii) refund the following bonds: (a) County of DuPage, Illinois, Variable Rate Demand Revenue Bonds (Benedictine University Building Project) Series 1999 (the “**1999 Bonds**), (b) Illinois Finance Authority (successor to Illinois Educational Facilities Authority) Variable Rate Demand Revenue Bonds, Founders Woods, Ltd. – Benedictine University Project, Series 2000 (the “**2000 Bonds**”), and (c) County of DuPage, Illinois, Educational Facility Revenue Bonds (Benedictine University Project) Recovery Zone – Series 2010A (the “**2010A Bonds**” and together with the 1999 Bonds and the 2000 Bonds, collectively the “**Refunded Bonds**”); (iii) establish a debt service reserve fund for the benefit of the Series 2013A Bonds, if deemed necessary or desirable; and (iv) pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Refunded Bonds, all as permitted by the Act (collectively, the “**Financing Purposes**”).

Details regarding the original use of the Refunded Bonds are identified in the Bond Resolution for this Project and in excerpts from the IFA Board Summary report that are posted online on IFA’s website.

Healthcare Projects

Item 6: Item 6 is a request for 501(c)(3) Revenue Bond financing.

Westminster Village, Inc. is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Seven Million Dollars** (\$7,000,000). This financing is being presented for one-time consideration.

Bond proceeds will be used by **Westminster Village, Inc.** (the “**Corporation**” or the “**Borrower**”) to (i) pay or reimburse the costs of acquiring, constructing, renovating, remodeling and equipping the Corporation’s existing facilities located at 2025 East Lincoln Street in Bloomington, Illinois (collectively, the “**Project**”), and (ii) pay certain costs related to the issuance of the Bonds, all as permitted by the Act (collectively, the “**Financing Purposes**”).

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following projects: Items 3, 4, and 6.

Leave was granted.

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

Resolutions

Item 7: Item 7 is a Resolution Providing for the Issuance of Not-To-Exceed \$15,000,000 Principal Amount Illinois Finance Authority Revenue Refunding Bond, Series 2013 (Elim Christian Services Project); Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and Related Documents; and Approving Related Matters.

Item 8: Item 8 is a Resolution Authorizing the Issuance of Not-To-Exceed \$140,000,000 in Aggregate Principal Amount of Illinois Finance Authority Taxable Revenue Bonds, Series 2013 (Elmhurst Memorial Healthcare), the Proceeds of Which are to be Loaned to Elmhurst Memorial Healthcare.

Item 9: Item 9 is a Resolution Authorizing Actions to Assist with Proposed Master Trust Indenture Obligation Substitution for Proctor Hospital

Item 10: Item 10 is a Resolution Approving the Terms of Various Contracts

Item 11: Item 11 is a Resolution Approving the Terms of Trustee/Custodian Services

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following resolutions: Items 7, 8, 9, 10 and 11.

Leave was granted.

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

Chairman Brandt directed Mr. Frampton to present the projects with expected guests to the Board.

Mr. Frampton presented the following projects:

Public Infrastructure Projects

Item 2: Item 2 is a request from the **Illinois Environmental Protection Agency** (hereinafter, the “**IEPA**”) for approval of a Resolution authorizing the issuance of an amount not to exceed \$175,000,000 in aggregate principal amount of State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds, Series 2013, of the Illinois Finance Authority; authorizing the sale thereof; authorizing the execution and delivery of certain documents; approving the designation of a Master Trustee; approving the distribution of a Preliminary Official Statement and an Official Statement; and related matters.

Pursuant to the Illinois EPA’s request, proceeds of the Bonds will be used to (i) refund the Authority’s \$41,850,000 outstanding principal amount of the Series 2002 Bonds and the Authority’s \$57,270,000 outstanding principal amount of the Series 2004 Bonds in order to realize debt service savings and be bound by less onerous covenants than under the master trust agreement associated with the Prior Bonds, (ii) provide additional funds to be used for loans under the IEPA’s State Revolving Fund Programs by funding a portion of the State Match required under the Clean Water Program and the Drinking Water Program for Federal fiscal years 2011, 2012 and 2013 (the “*Project*”, which constitutes a “public purpose project” under the Illinois Finance Authority Act); and (iii) pay costs of issuance, all as permitted under the Act.

This matter is being presented for one-time consideration. The Authorizing Resolution referenced herein will be posted on IFA’s website in its entirety.

Executive Director Meister announced that Mr. Thomas Liu, Managing Director of Bank of America Merrill Lynch, Mr. Albert R. Grace, Jr., Co-Founder and President of Loop Capital Markets LLC, and Mr. Ramon Ortega, Financial Advisor of Samuel A. Ramirez & Co., Inc., were present on behalf of the project.

Chairman Brandt announced that Ms. Lisa Bonnett, Director of the Illinois Environmental Protection Agency, was present and ready to speak on behalf of the project.

Director Bonnett thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Director Bonnett.

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following project: Item 2.

Leave was granted.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

Healthcare Projects

Item 5: Item 5 is a request for 501(c)(3) Revenue Bond financing.

Washington and Jane Smith Community – Orland Park, d/b/a Smith Crossing is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Forty-Five Million Dollars** (\$45,000,000).

The proceeds will be used by **Washington and Jane Smith Community – Orland Park, d/b/a Smith Crossing** (the “**Corporation**” or the “**Borrower**”) to (i) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were

used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain “projects” (as such term is defined in the Act) for the Borrower’s senior living community located in Orland Park, Illinois; (ii) refund all or a portion of the \$20,110,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003A (Smith Crossing Project) (the “*Series 2003A Bonds*”); (iii) refund all or a portion of the \$4,250,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003B-2 (Smith Crossing Project) Extendable Rate Adjustable Securities (EXTRASSM) (the “*Series 2003B-2 Bonds*” and, together with the Series 2003A Bonds, the “*Prior Bonds*”); (iv) refinance all or a portion of a construction loan, the proceeds of which were used by the Borrower for the payment of the costs of the acquisition, construction, renovation, remodeling and equipping of approximately 76 independent living units and 30 assisted living units, the conversion of approximately 16 assisted living units to skilled nursing units and the renovation, remodeling and equipping of certain other portions of the Borrower’s existing campus, all located in Orland Park, Illinois (the “Construction Loan”); (v) provide working capital to the Borrower, if deemed necessary or advisable by the Authority or the Borrower; (vi) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (vii) fund a debt service reserve fund, if deemed necessary or advisable by the Authority or the Borrower; and (viii) pay certain expenses incurred in connection with the issuance of the Bonds, the refunding of the Prior Bonds and the refinancing of the Construction Loan, all as permitted by the Act (collectively, the “*Financing Purposes*”).

Chairman Brandt announced that Mr. Ray Marneris, Chief Financial Officer of Smith Senior Living, was present and ready to speak on behalf of the project.

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

Chairman Brandt recognized and thanked Mr. Marneris.

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following project: Item 5.

Leave was granted.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

Chairman Brandt reminded Members of the Board, Authority staff and all guests present that the regular meeting of the Board in November will be held on November 14, 2013.

At the time of 11:01 a.m., Vice Chairman Goetz moved that the Board do now adjourn until November 14, 2013, at 10:30 a.m.

Member Knox seconded the motion.

The motion prevailed.

And the Board stood adjourned.

Minutes published by:

Brad R. Fletcher

Assistant Secretary of the Board