

**MINUTES OF THE NOVEMBER 19, 2012, JOINT MEETING OF THE INFRASTRUCTURE,
TRANSPORTATION AND ENERGY COMMITTEE AND THE LEGISLATIVE AFFAIRS
COMMITTEE OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (“IFA” or the “Authority”), pursuant to notice duly given, held a Joint Meeting of the Infrastructure, Transportation and Energy Committee and the Legislative Affairs on November 19, 2012 at 3:00 p.m. in the Chicago Office of the IFA, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601.

IFA Board Members Present:

1. Michael W. Goetz, Chair, Infrastructure, Transportation and Energy Committee (via telephone)
2. James J. Fuentes (via telephone)
3. Mayor Barrett F. Pedersen (via telephone)
4. Lerry Knox
5. Roger E. Poole (via telephone)
6. Bradley A. Zeller (via telephone)
7. Terrence M. O’Brien, Chair, Legislative Affairs Committee (via telephone)
8. Gila J. Bronner (via telephone)
9. Edward H. Leonard, Sr. (via telephone)
10. Mordecai Tessler (via telephone)

IFA Board Members Absent:

1. William J. Brandt, Jr.

IFA Staff Present:

Christopher B. Meister, Executive Director
Sohair Omar, Policy and Operations Analyst
Andrew Muller, Fellow

Others Present:

Lisa Bonnet, Deputy Director, Illinois Environmental Protection Agency (the “Illinois EPA”) (via telephone)
Elmo Dowd, Assistant Director, Illinois EPA (via telephone)
Jordan Snow, Urban Transportation Center, University of Illinois at Chicago
Samantha Fields, Illinois Department of Transportation
Representative LaShawn K. Ford (via telephone)
Senator Mattie Hunter (via telephone)
Howard Kenner, IFA Legislative Lobbyist

I. Call to Order

Chairman Goetz and Chairman O’Brien called the meeting to order at 3:05 p.m. Mr. Muller called the roll and there being six (6) members present for the Infrastructure, Transportation and Energy Committee and six (6) members present for the Legislative Affairs Committee, a quorum was present for both committees.

II. Review and Adoption of the Minutes

Mr. Poole made a motion to approve the Minutes of the August 13, 2012 Meeting of the Infrastructure, Transportation and Energy Committee. Mr. Zeller seconded the motion. The motion carried unanimously. Ms. Bronner made a motion to approve the Minutes of the December 13, 2011 meeting of the Legislative Affairs Committee. Mr. Leonard seconded the motion. The motion carried unanimously.

III. Presentation of the Clean Water Initiative and the State of Illinois Revolving Loan Fund Program Financing

Director Meister introduced Lisa Bonnet and Elmo Dowd of the Illinois EPA. Ms. Bonnet outlined Governor Quinn's Clean Water Initiative and highlighted the tremendous need that the State of Illinois Revolving Loan Fund Program Financing (the "Program") is to address. Ms. Bonnet said that the partnership with the IFA, which will issue bonds for the Program, will allow Governor Quinn to address Illinois' needs in drinking water and waste water. Mr. Dowd described how the Illinois EPA has been actively spreading awareness of the Program to communities in need of financing.

Mr. Knox noted that this is a great opportunity for the IFA to make a positive impact on the State of Illinois. Mayor Pederson concurred and said that he thought the Village of Franklin Park would want to participate. Chairman Goetz stated that this Program will help the IFA with its mission of job creation. Representative Ford noted that this Program would strengthen existing businesses and Mr. Dowd said that it would create many new jobs.

IV. Presentation of and Letter of Support for Senate Bill 2491

Director Meister introduced Representative Ford and Senator Hunter. He then introduced Ms. Fields. Ms. Fields discussed Senate Bill 2491. She said it creates a revolving loan fund that allows the Illinois Department of Transportation ("IDOT") to make loans to Disadvantaged Business Enterprises ("DBEs") certified by IDOT to participate on construction contracts.

Ms. Bronner asked whether or not the \$150,000 average loan would be adequate to address the financing needs of DBEs. Ms. Fields said that there is flexibility, but that this proposal is meant to fill a gap. Mr. O'Brien asked if the loan is for a specific project. Ms. Fields responded affirmatively.

Mr. Knox asked if there is an interest rate on the loan. Ms. Fields responded affirmatively and said that there is a variable interest rate but that it is intended to be lower than commercially available loans. Mayor Pederson stated his approval of the proposal and thanked the presenters for bringing it forward.

Representative Ford noted that this is an initiative of the Secretary of IDOT. Chairman Goetz noted his support for the bill and asked what the IFA's role would be. Director Meister replied that the IFA would play the role of supporting IDOT and the efforts of Representative Ford. He said that the IFA has drafted a letter of support to send to the Illinois General Assembly. He proceeded to read the letter into the record.

"Dear Members of the Illinois General Assembly,

After having met with the members of the Infrastructure, Transportation and Energy Committee and the Legislative Committee of the Illinois Finance Authority, I am writing to express our Agency's full support on behalf of Senate Bill 2491. The members of the Illinois Finance Authority commend Senator Mattie Hunter and Representative LaShawn Ford for their leadership and commitment to creating opportunities for minority-owned, women-owned, and disadvantaged business enterprises ("M/W/DBEs") in the State of Illinois. Senate Bill 2491, if enacted, will help M/W/DBEs obtain working

capital which is otherwise not easily available to such businesses in the financial market, as documented in the 2011 Disadvantaged Business Enterprise Disparity Study commissioned by the Illinois State Toll Highway Authority to participate competitively in state construction and construction related contracts of the Illinois Department of Transportation. Should you have any questions please do not hesitate to contact my office or contact me directly.

Sincerely,

Christopher B. Meister
Executive Director
Illinois Finance Authority”

Mayor Pederson made a motion to authorize the preparation and submission of the letter of support. Chairman Goetz seconded the motion. The motion carried with all members voting in the affirmative.

V. Report from the Executive Director regarding Federal Policy Matters

Director Meister reported that he had several meetings on federal tax exemption. He said that it had been a topic of discussion in Washington. Chairman Goetz asked if the Illinois congressional delegation was supportive of federal tax exemption. Director Meister said that they were generally supportive.

VI. Other Business

No other business was discussed.

VII. Public Comment

No public comment was made.

VIII. Adjournment

Mr. Pool made a motion to adjourn. Ms. Bronner seconded the motion. The motion carried and the meeting adjourned.

Minutes submitted by:
Andrew Muller
Fellow