



BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
TUESDAY, JULY 8, 2014
10:44 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 July in the year 2014, 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: 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 had been constituted.

Having been absent when the Quorum Roll Call for Attendance was taken, Member Fuentes and Member Knox were both recorded as present at the time of 10:46 a.m.

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

July 8, 2014

0 YEAS

0 NAYS

11 PRESENT

P Bronner

P Leonard

P Poole

P Fuentes (ADDED)

P Lonstein

P Tessler

P Goetz

E O’Brien

E Vaught

E Gold

P Parish

P Zeller

P Knox (ADDED)

E Pedersen

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 July 8, 2014, 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 June 10, 2014 and the Financial Statements for the Month Ended June 30, 2014 were taken up for consideration.

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

Member Lonstein 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 the Financial Statements were adopted and accepted, respectively.

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 without guests or abstentions to the Board.

Mr. Frampton presented the following project:

Business and Industry Projects

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

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

Bond proceeds will be loaned to **Peddinghaus Corporation**, a Delaware corporation (hereinafter, the "**Borrower**") in order to assist the Borrower in providing a portion of the funds necessary to do any or all of the following: (i) finance a portion of the costs of the acquisition and installation of equipment at its existing manufacturing buildings located at 300 N. Washington Ave. and 301 N. Washington Ave., in Bradley (Kankakee County), Illinois, 60915, including necessary site work or improvements therein, all for use in expanding the Borrower's manufacturing capabilities to produce proprietary drilling, sawing, punching, and thermal cutting Computerized Numerical Control ("**CNC**") equipment for the metal working and fabricating industries (the "**Project**"), (ii) paying capitalized interest, if deemed necessary or desirable by the Borrower, and (iii) pay

certain expenses incurred in connection with the issuance of the Series 2014 Bond, all as permitted by the Act (collectively, the "**Financing Purposes**").

Mr. Frampton stated that Peddinghaus Corporation is a return borrower. The Illinois Finance Authority issued \$3.57 million of Industrial Revenue Bonds for Peddinghaus Corporation in 2007. Proceeds were used to expand the Borrower's Bradley manufacturing campus by financing the purchase, rehabilitation, and equipping of a 45,500 SF manufacturing facility located at 300 N. Washington in Bradley, located across the street from the Company's existing Bradley facility.

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

Member Lonstein seconded the motion.

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

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

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

Mr. Frampton presented the following projects:

Item 2: Item 2 is a request for Industrial Revenue Bond financing.

MDC Bloomington, LLC is requesting approval of a **Preliminary** Bond Resolution in an amount not-to-exceed **Two Million Two Hundred Fifty Thousand Dollars** (\$2,250,000).

Bond proceeds will be loaned to **MDC Bloomington, LLC**, a Kansas limited liability company (hereinafter, the "**Borrower**"), for the purpose of providing the Borrower with all or a portion of the funds for the purpose of assisting in the financing the costs of purchasing and renovating an existing 16,240 square foot mail/cargo/freight handling facility and constructing and an approximately 7,360 square foot addition thereto situated on approximately 151,588 square feet of land owned by the Bloomington-Normal Airport Authority located at or near Central Illinois Regional Airport, Bloomington, (McLean County) Illinois, all as permitted by the Act (collectively, the "**Project**").

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

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

The University of Chicago is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Seven Hundred Million Dollars** (\$700,000,000). This financing is being presented for one-time consideration.

Bond proceeds will be loaned **The University of Chicago**, an Illinois not for profit corporation (the "**University**"), to (i) finance, refinance or be reimbursed for all or a portion of the costs of the planning, design, acquisition, construction, renovation, improvement, expansion, completion and/or equipping of certain of its facilities constituting "educational facilities," as defined in the Act (the "**Project**"), including

capitalized interest and working capital expenditures related to the Project, if deemed desirable by the University, (ii) currently refund, advance refund or provide for the payment of all or a portion (if any) of the Illinois Finance Authority Revenue Bonds, The University of Chicago, Series 2008B, issued and currently outstanding in the original aggregate principal amount of \$500,000,000 (the “**Series 2008B Bonds**”), the proceeds of which were loaned to the University and used to finance, refinance or be reimbursed for all or a portion of the costs of the acquisition, construction, renovation, improvement and equipping of certain of the University’s facilities constituting “educational facilities,” as defined in the Act (collectively with the Project, the “**Financed Properties**”), (iii) fund one or more debt service reserve funds for the Bonds (as hereinafter defined) if deemed desirable by the University and (iv) pay certain costs relating to the issuance of the Bonds and the current refunding, advance refunding or provision for the payment of all or a portion (if any) of the Series 2008B Bonds, all as permitted under the Act (collectively referred to as the “**Financing Purposes**”).

Chairman Brandt acknowledged that Mr. Rowan Miranda, Senior Associate VP for Finance & Administration and Treasurer of The University of Chicago was present.

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

Rogers Park Montessori School is requesting approval of an **Amendatory** Bond Resolution in an amount not-to-exceed **Twenty Million Dollars** (\$20,000,000).

As now proposed, Bond proceeds will be loaned **Rogers Park Montessori School**, an Illinois not for profit corporation (the “**Borrower**”), to be used, together with certain other funds, to (i) pay or reimburse the Borrower, or refinance certain indebtedness the proceeds of which were used to pay or reimburse the Borrower, for the costs of acquiring, constructing, renovating, remodeling, expanding and equipping certain of the Borrower’s school facilities located at 1800 West Balmoral Avenue, Chicago, Illinois 60640 (the “**School Facility**”), including without limitation, an approximately 13,000 square foot expansion to the School Facility; the addition of classrooms, art, drama and music rooms, science spaces, presentation spaces, group work spaces, tutoring alcoves, and co-curricular spaces to the School Facility; and renovating, remodeling, expanding and equipping the gymnasium of the School Facility (together, the “**Project**”); (ii) currently refund, advance refund, or defease all or a portion of the outstanding principal amount of the \$11,750,000 original principal amount of Illinois Finance Authority Educational Facility Revenue Bonds, (Rogers Park Montessori School Project) Series 2004 (the “**Prior Bonds**”); (iii) fund a debt service reserve fund for the Bonds, if deemed necessary or advisable by the Borrower; (iv) capitalize a repair and replacement reserve, if deemed necessary or advisable by the Borrower; (v) fund a capitalized interest fund for the Bonds, if deemed necessary or advisable by the Borrower; and (vi) pay certain costs incurred in connection with the issuance of the Bonds, and the costs of refunding the Prior Bonds (collectively, the “**Financing Purposes**”).

Chairman Brandt acknowledged that Ms. Debbie Senoff Langford and Ms. Karen Salmon, Board Member and CEO/Principal, respectively, of Rogers Park Montessori School were present.

Item 5: Item 5 is a request for Qualified Student Loan Revenue Bond financing.

Midwestern University Foundation is requesting approval of a **Preliminary** Bond Resolution in an amount not-to-exceed **Fifteen Million Dollars** (\$15,000,000).

Bond proceeds will be loaned **Midwestern University Foundation**, an Illinois not for profit corporation (the “**Borrower**”), to be used, together with certain other funds, to (i) finance the making of education loans for the benefit of University students that are registered students at Midwestern University’s Illinois campus, (ii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower, (iii) pay capitalized interest on the Bonds, if deemed necessary or advisable by the Borrower, and (iv) pay costs relating to the issuance of the Bonds if deemed necessary or advisable by the Borrower (collectively, the “**Financing Purposes**”).

Healthcare Projects

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

The Carle Foundation is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty-Eight Million Dollars** (\$28,000,000). This financing is being presented for one-time consideration.

Bond proceeds will be used by **The Carle Foundation** (“**Carle**”, the “**Corporation**”, or the “**Borrower**”) to: (i) refund all or a portion of the outstanding Illinois Finance Authority Revenue Bonds, Series 2009A (The Carle Foundation) (the “**Prior Bonds**”); and (ii) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of Prior Bonds, all as permitted by the Act (collectively, the “**Financing Purposes**”).

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1 to the following projects: Items 2, 3, 4, 5 and 6.

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

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

Mr. Frampton presented the following resolutions:

Resolutions

Item 7: Item 7 is a Resolution Providing for the Establishment of a Program to Permit the Issuance of the Revenue Bonds of the Illinois Finance Authority to Finance an Educational Loan Program Pursuant to the Higher Education Loan Act of the State of Illinois.

Mr. Frampton stated that Exhibit A to this Resolution provides initial guidelines as required under the Higher Education Loan Act to establish a Program of “general applicability” within the meaning of the Internal Revenue Code of 1986, as amended.

Item 8: Item 8 is a Resolution Approving and Ratifying the Issuance of an Alternate Letter for Credit for Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2008 (Marwen Foundation Project) and Authorizing, Approving and Ratifying Certain Other Matters.

Item 9: Item 9 is a Resolution Approving the Closed Meeting Minutes of the Illinois Finance Authority, Maintaining the Confidentiality of the Minutes Where it Still Exists, Making

Portions of the Minutes that no Longer Require Confidential Treatment Available for Public Inspection, Authorizing the Destruction of the Verbatim Recordings and Ratifying Certain Matters Related Thereto.

Item 10: Item 10 is a Resolution Authorizing the Executive Director to Renew Existing Contracts with Marj Halperin Consulting and Hill+Knowlton Strategies, Inc.

Item 11: Item 11 is a Resolution to Adopt the Fiscal Year 2015 Budget of the Illinois Finance Authority.

Item 12: Item 12 is a Resolution Delegating to the Executive Director of the Illinois Finance Authority the Power to Fund and Administer an Appropriation Anticipation Loan in an Amount Not-To-Exceed \$370,000 to the Joliet Arsenal Development Authority (“JADA”) and Ratifying Certain Matters Related Thereto.

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1 to the following projects: Items 7, 8, 9, 10, 11 and 12.

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

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 next regular meeting of the Board will be held on August 12, 2014.

At the time of 10:58 a.m., Vice Chairman Goetz moved that the Board do now adjourn until August 12, 2014, 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