MEETING DETAILS

REGULAR MEETING OF THE MEMBERS
Tuesday, February 14, 2023
9:30 AM

Michael A. Bilandic Building
160 North LaSalle Street
Suite S-1000
Chicago, Illinois 60601

Printed by authority of the State of Illinois, 2/10/2023, published electronically only

ILLINOIS FINANCE AUTHORITY

February 14, 2023
9:30 a.m.

REGULAR MEETING

Michael A. Bilandic Building
160 North LaSalle Street
Suite S-1000
Chicago, Illinois 60601

I.	Call to Order & Roll Call
II.	Approval of Agenda
III.	Public Comment
IV.	Chair's Remarks
V.	Message from the Executive Director
VI.	Committee Reports
VII.	Presentation and Consideration of New Business Items
VIII.	Presentation and Consideration of Financial Reports and Report on the Climate Bank Plan
IX.	Monthly Procurement Report
X.	Correction and Approval of Minutes
XI.	Other Business
XII.	Closed Session
XIII.	Adjournment

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

I. CALL TO ORDER AND ROLL CALL

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Chicago, IL 60601
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312-651-1350 fax
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II. APPROVAL OF AGENDA

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IFA
ILLINOIS FINANCE AUTHORITY

Thursday, February 9, 2023

PUBLIC NOTICE OF REGULAR MEETING OF THE MEMBERS OF THE ILLINOIS FINANCE AUTHORITY

The Illinois Finance Authority (the "Authority") will hold its regularly scheduled meeting of the Members of the Authority in the Authority's Chicago Office, 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601 on **Tuesday, February 14, 2023 at 9:30 a.m.**

Due to ongoing health concerns related to the novel COVID-19 virus, members of the public are encouraged to attend the regularly scheduled meeting via audio or video conference pursuant to the determination and declarations by the Chair attached hereto. The Audio Conference Number is (312) 626-6799 and the Meeting ID 843 1339 4927 followed by pound (#). When prompted for a Participant ID, please press pound (#) and wait for the Password prompt. Upon being prompted for a Password, please enter 884606 followed by pound (#). To join the Video Conference, use this link https://us06web.zoom.us/j/84313394927?pwd=dGZzUHJXeDc0UUVYWVhXWGpmTVRMQT09 and enter passcode 884606. Guests wishing to comment orally are invited to do so, pursuant to the "Guidelines for Public Comment" prescribed by the Authority and posted at www.il-fa.com. Guests participating via audio conference who find that they cannot hear the proceedings clearly can call (312) 651-1300 or write info@il-fa.com for assistance. Please contact an Assistant Secretary of the Board at (312) 651-1300 for more information.

ILLINOIS FINANCE AUTHORITY
REGULAR MEETING OF THE MEMBERS
Tuesday, February 14, 2023
9:30 AM
AGENDA:

I. Call to Order & Roll Call
II. Approval of Agenda
III. Public Comments
IV. Chair's Remarks
V. Message from the Executive Director
VI. Committee Reports
VII. Presentation and Consideration of New Business Items (see attached)
VIII. Presentation and Consideration of Financial Reports and Report on the Climate Bank Plan
IX. Monthly Procurement Report
X. Correction and Approval of Minutes
XI. Other Business
XII. Closed Session
XIII. Adjournment

All meetings will be accessible to handicapped individuals in compliance with Executive Order #5 (1979) as well as pertinent State and Federal laws upon notification of anticipated attendance. Handicapped persons planning to attend any meeting and needing special accommodations should contact Mari Money at the Illinois Finance Authority by calling (312) 651-1319, TTY (800) 526-0844.

NEW BUSINESS

CONDUIT FINANCING PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
Private Activity Bonds - Revenue Bonds *Final (One-Time Consideration)*						
1	The University of Chicago	Chicago (Cook County)	$300,000,000	-	-	RF
Property Assessed Clean Energy Bonds - Revenue Bonds *Final (One-Time Consideration)*						
2	White Oak Global Advisors, LLC	Statewide	$250,000,000	-	-	BF
	TOTAL CONDUIT FINANCING PROJECTS		**$550,000,000**	-	-	
	GRAND TOTAL		**$550,000,000**	-	-	

RESOLUTIONS

Tab	Action	Staff
Conduit Financings		
3	Resolution authorizing the execution and delivery of a First Supplemental Trust Indenture to the Trust Indenture relating to the Illinois Finance Authority Revenue Refunding Bonds, Series 2016 (Rush University Medical Center Obligated Group) (the “Series 2016 Bonds”), to provide for certain amendments relating to the interest rate calculations and certain other matters; authorizing the execution and delivery of any other documents necessary or appropriate to effect the matters set forth in such First Supplemental Trust Indenture; and authorizing and approving related matters	SP
4	Resolution authorizing and approving Amendments to the Bond Trust Indentures relating to the Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Rehabilitation Institute of Chicago) and Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Rehabilitation Institute of Chicago) and certain other matters	SP
5	Resolution authorizing and approving Amendments to Bond Trust Indentures relating to the Illinois Finance Authority Variable Rate Revenue Bonds, Series 2019A (Smith Village Project) and the Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2019B and Series 2019C (Smith Village) issued for the benefit of Washington and Jane Smith Community – Beverly	SP
6	Resolution authorizing the execution and delivery of a First Bond and Loan Agreement Amendment and terms of Interest Period, relating to the $20,200,000 original principal amount Illinois Finance Authority Midwestern Disaster Area Revenue Bond (Kone Centre Project), Series 2017, which Amendment has been requested by the Borrower and the Purchaser; and related matters	RF/BF
7	Resolution authorizing the execution and delivery of a First Amendment to Amended and Restate Indenture of Trust, which amends and supplements that certain Amended and Restate Indenture of Trust dated May 1, 2012, in connection with the Illinois Finance Authority Variable Rate Revenue Bonds, Series 2012 (Metropolitan Family Services Project), which amendment provides for the addition of a new Index Interest Rate; and related documents; and approving related matters	RF/BF
8	Resolution authorizing the execution and delivery of a Fourth Amendment to Bond and Loan Agreement among the Illinois Finance Authority, Smart Hotels/Olympia Chicago, LLC and BMO Harris Bank, N.A., and approving the execution of an Amended Bond and certain other agreements relating thereto; and related matters	RF/BF

DETERMINATION AND DECLARATIONS BY THE CHAIR OF THE ILLINOIS FINANCE AUTHORITY

I, Will Hobert, as the Chair of the Illinois Finance Authority (the "Authority"), hereby make the following determination and declarations:

THAT the Governor of the State of Illinois issued a Gubernatorial Disaster Proclamation on February 3, 2023 finding that, pursuant to the provisions of the Illinois Emergency Management Agency Act, a disaster exists within the State of Illinois related to public health concerns caused by Coronavirus Disease 2019 ("COVID-19") and declaring all counties in the State of Illinois as a disaster area, which Proclamation remains in effect for 30 days; and

THAT in accordance with the provisions of Section 7(e) of the Open Meetings Act, as amended, I have determined that an in-person meeting of the Authority on February 14, 2023, the next regularly scheduled meeting of the Authority, is not practical or prudent because of the disaster declared by the Governor on February 3, 2023; and

THEREFORE the next regular meeting of the Authority scheduled for February 14, 2023 at 9:30 a.m. shall be conducted via audio and video conference, without the physical presence of a quorum of the Members of the Authority, in accordance with the provisions of Section 7(e) of the Open Meetings Act, as amended; and

THAT all members of the body participating in the meeting, wherever their physical location, shall be verified and can hear one another and can hear all discussion and testimony; and

THAT members of the public present at the regular meeting location of the body can hear all discussion and testimony and all votes of the Members of the Authority; any interested member of the public will be provided access to contemporaneously hear all discussion, testimony, and roll call votes by telephone via audio conference; and

THAT the Executive Director of the Authority shall be physically present at the regular meeting location; and

THAT any other meetings of the Authority or any meeting of its committees held between the date of this determination and March 5, 2023 shall also be held in accordance with the above practices.

Signed:

/s/ Will Hobert	February 8, 2023
Will Hobert, Chair	Date

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

III. PUBLIC COMMENT

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Chicago, IL 60601
312-651-1300
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IV. CHAIR'S REMARKS

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ILLINOIS FINANCE AUTHORITY
160 North LaSalle Street
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Chicago, IL 60601
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V. MESSAGE FROM THE EXECUTIVE DIRECTOR

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ILLINOIS FINANCE AUTHORITY

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

To: Members of the Illinois Finance Authority

From: Chris Meister, Executive Director

Date: February 14, 2023

Subject: ***Executive Director Message***

Continued Progress on C-PACE Financing

On October 11, 2022, the ***Illinois C-PACE Open Market Initiative***, a newly organized, nonprofit component unit of the Authority, held its first Board of Directors meeting. I am pleased to report that on January 19, 2023, the Internal Revenue Service determined that the ***Illinois C-PACE Open Market Initiative*** is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, in addition to already being exempt from income tax under Illinois law. Importantly, such federal determination is expected save recurring administrative costs in connection with annual federal filings as well as assist the Authority's marketing efforts to further encourage the adoption of the Illinois Finance Authority PACE Program by counties and municipalities throughout Illinois.

During January 2023, three municipalities established the Illinois Finance Authority PACE Program: (i) Village of Mount Prospect, (ii) City of Springfield, and (iii) City of Rochelle. Moreover, the Village of Roselle held a discretionary public hearing regarding its prospective establishment of the Illinois Finance Authority PACE Program, and the Village received no public comments.

On today's agenda, the Members are being asked to consider ***White Oak Global Advisors, LLC*** as the newest approved capital provider that may purchase bonds or notes issued by the Authority to finance or refinance PACE Projects. As noted in today's Climate Bank Report, the Authority's transaction experience in the C-PACE financing industry is expected to enhance future competitive applications by the Authority for climate-related federal funds.

Litigation related to P.A. 101-610 (SB 1300) Nears Final, Favorable Outcome

You are aware of the sizable startup loans made by the Authority to the Police Officers' Pension Investment Fund (POPIF) and the Firefighters' Pension Investment Fund (FPIF) which, by the way, are performing.

As a reminder, effective January 1, 2020, Governor Pritzker and the Illinois General Assembly enacted amendments the Illinois Pension Code consolidating the investments of the more than 650 local Police and Firefighter pension funds. Although the amendments transferred all investments to the two newly created statewide investment funds, POPIF and FPIF, the amendments did not change the authority of the local boards to determine and pay pension benefits. Certain members of the local funds sued in the Circuit Court in Kane County, arguing that the amendments violated the Pension Protection clause of the Illinois Constitution, Ill. Const. 1970, art. XIII, § 5. Illinois Finance Authority was sued because the amendments authorized the IFA to lend startup funds to the two new consolidated investment funds. The Circuit dismissed the lawsuit. On February 7, 2023, the Second District Appellate Court affirmed, holding that the constitution was not violated because the amendments did not change any benefits and did not modify the authority of the local funds to determine the benefits to be awarded to retirees and beneficiaries. A copy of the Appellate Court's opinion is attached. It is possible for the plaintiffs to seek further review by petitioning the Illinois Supreme Court for leave to appeal. Statistically, the Illinois Supreme Court grants leave to appeal in about 5% of the applications in civil cases.

Today's Agenda

We are always grateful to welcome ***The University of Chicago***, one of our state's great competitive assets in the global market, to today's agenda.

Furthermore, there are six items related to the transition from LIBOR to SOFR, among other changes, regarding outstanding federally tax-exempt conduit bonds issued by the Authority. While each requested amendment is somewhat unique due to preferences of each applicable bank, the relevant language in each set of the bond documents has a common thread thanks to the Authority staff. Standardizing such language therein took a sustained and lengthy negotiation among transaction participants involving Authority outside counsel, ***Brad Fletcher***, ***Sara Perugini,*** and ***Rich Frampton***. Even so, all parties relied heavily on Authority General Counsel ***Elizabeth Weber*** to lead this challenging process, and Elizabeth's decades of private-sector experience continues to prove essential for the Authority. I ask the Members to thank and recognize Elizabeth and the rest of our team for their work on these amendment resolutions.

There will also be a standing Report and Plan Modifications related to our Climate Bank activity.

Continued Remote/Hybrid Public Meetings

We expect to continue to have a remote attendance option for the regular meetings of the Members scheduled on March 14, 2023, April 11, 2023, and May 9, 2023. If this plan changes, we will be in touch with you.

Attachments:

1. IRS 501(c)(3) Determination Letter for Illinois C-PACE Open Market Initiative, dated as of January 19, 2023
2. February 7, 2023, 2023 IL App (2d) 220198, *The Arlington Heights Police Pension Fund, et. al v. Jay Robert "J.B." Pritzker, in His Official Capacity as Governor of the State of Illinois, et. al*

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

Date:
01/19/2023
Employer ID number:
[redacted]
Person to contact:
Name: Customer Service
ID number: [redacted]
Telephone: (877)829-5500
Accounting period ending:
June 30
Public charity status:
170(b)(1)(A)(vi)
Form 990 / 990-EZ / 990-N required:
Yes
Effective date of exemption:
April 20, 2022
Contribution deductibility:
Yes
Addendum applies:
No
DLN:
[redacted]

ILLINOIS C-PACE OPEN MARKET INITIATIVE
C/O ILLINOIS FINANCE AUTHORITY
160 N LASALLE ST SUITE S-1000
CHICAGO, IL 60601

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

[redacted]

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

Letter 947 (Rev. 2-2020)
Catalog Number 35152P

2023 IL App (2d) 220198
No. 2-22-0198
Opinion filed February 7, 2023

IN THE

APPELLATE COURT OF ILLINOIS

SECOND DISTRICT

THE ARLINGTON HEIGHTS POLICE PENSION FUND, THE AURORA POLICE PENSION FUND, THE CHAMPAIGN POLICE PENSION FUND, THE CHICAGO HEIGHTS POLICE PENSION FUND, THE CHICAGO RIDGE POLICE PENSION FUND, THE CICERO POLICE PENSION FUND, THE De KALB POLICE PENSION FUND, THE ELGIN POLICE PENSION FUND, THE ELMHURST POLICE PENSION FUND, THE EVANSTON POLICE PENSION FUND, THE MOKENA POLICE PENSION FUND, THE PALOS HEIGHTS POLICE PENSION FUND, THE RANTOUL POLICE PENSION FUND, THE VILLA PARK POLICE PENSION FUND, THE WOOD DALE POLICE PENSION FUND, THE WOODRIDGE POLICE PENSION FUND, THE MAYWOOD FIREFIGHTERS'PENSION FUND, THE PLEASANTVIEW FIREFIGHTERS' PENSION FUND, THOMAS HENDERSON,SCOTT MAY, LAWRENCE SUTTLE, DANIEL HOFFMAN, PATRICK SIMONS, PATRICK KELLY, GENE KEELER, STEVEN ANKARLO, LEE MORRIS, DEAN MANN,PAUL MOTT, JIM KAYES, JAMES ROSCHER, THOMAS QUIGLEY, VICTOR VALDEZ, THOMAS TUREK, WILLIAM CZAJKOWSKI, DAVID DELANEY, RICHARD WEIKAL, DAVID FLOWERS SR., ROBERT MILLER, DAN RANKOVICH, AARON WERNICK, TIMOTHY SCHOOLMASTER, DAVE LOEHMAN, MIKE HERBERT, MATTHEW	)	Appeal from the Circuit Court of Kane County.

BROSS, MICHAEL TITTLE, SCOTT SHROEDER, BENJAMIN DEFILIPPIS, JORDAN ANDERSON, DENNIS KOLETSOS, WILLIAM BODNAR, and FRED MALAYTER,	)	
Plaintiffs-Appellants,	)	
v.	)	No. 21-CH-55
JAY ROBERT "J.B." PRITZKER, in His Official Capacity as Governor of the State of Illinois; CHRISTOPHER B. MEISTER, in His Official Capacity as Executive Director of the Illinois Finance Authority; DANA POPISH SEVERINGHAUS, in Her Official Capacity as Acting Director of Insurance; THE BOARD OF TRUSTEES FOR THE POLICE OFFICERS' PENSION INVESTMENT FUND; and THE BOARD OF TRUSTEES FOR THE FIREFIGHTERS' PENSION INVESTMENT FUND,	)	Honorable Robert K. Villa,
Defendants-Appellees.	)	Judge, Presiding.

PRESIDING JUSTICE McLAREN delivered the judgment of the court, with opinion.
Justices Hutchinson and Jorgensen concurred in the judgment and opinion.

OPINION

¶ 1 The plaintiffs who are individual active- and retired-beneficiary representatives from multiple suburban and downstate police and firefighter pension funds appeal from the trial court's order granting summary judgment in favor of defendants. We affirm.

¶ 2 I. BACKGROUND

¶ 3 In 2019, defendant Governor Jay Robert "J.B." Pritzker signed into law Public Act 101-610 (eff. Jan. 1, 2020) (Act) that, *inter alia*, amended portions of the Illinois Pension Code (40 ILCS 5/1-101 *et seq.* (West 2018)). Prior to the Act, there were approximately 650 local police and firefighter pension funds for municipalities with populations between 5000 and 500,000.

These funds were governed by five-member boards comprised of two appointed members, two members elected by active members, and one member elected by other beneficiaries (*i.e.*, retirees). *Id.* §§ 3-128, 4-121. Each board was responsible for determining the retirement, disability, and death benefits payable to fund members and other beneficiaries. *Id.* §§3-148, 4-139. Member and employer contribution requirements were set in the Pension Code. See *id.* §§ 3-125, 3-125.1, 4-118, 4-118.1. Employers were required to make contributions that, added to the employee contributions, were sufficient to cover the fund's "normal cost" (the amount necessary to pay the additional benefits earned by current services) and to fund 90% of its actuarial liabilities by 2040, paying down unfunded liabilities by a specified amount each year. *Id.* §§ 3-125, 4-118.

¶ 4 Among other things, the Act consolidated all existing relevant police and firefighter pension fund assets into two statewide police and firefighter pension investment funds, one for police and one for firefighters. The local funds were to transfer custody of and investment responsibility for their assets to the appropriate investment fund, which was to invest and administer the pooled assets of the funds collectively. However, each local fund retained a separate "account" such that the "operations and financial condition of each participating pension fund account shall not affect the account balance of any other participating pension fund." 40 ILCS 5/22B-118(c), 22C-118(c) (West 2020). The returns on the investments were to be "allocated and distributed pro rata among each participating pension fund account in accordance with the value of the pension fund assets attributable to each fund." *Id.* The statewide investment fund boards were to be comprised of nine members: three officers or executives from participating municipalities, three active participants of the local funds (who were elected by active participants), two beneficiaries from the local funds (elected by beneficiaries), and one member recommended by the Illinois Municipal League (appointed by the governor and confirmed by the

Senate). *Id.* §§ 22B-115(b)(1)-(4), 22C-115(b)(1)-(4). The Act provided that the local funds retained "exclusive authority to adjudicate and award" retirement and other benefits, and the investment funds "shall not have the authority to control, alter, or modify, or the ability to review or intervene in, the proceedings or decisions" of the local funds. *Id.* §§ 3-124.3, 4-117.2. In addition, the Act authorized the Illinois Finance Authority to lend up to $7.5 million to each investment fund that, if borrowed, would be repaid with interest. *Id.* §§ 22B-120(h), 22C-120(h).

¶ 5 Plaintiffs filed a three-count complaint seeking declaratory, injunctive, and other relief and a finding that the Act violated article XIII, section 5, of the Illinois Constitution (Ill. Const. 1970, art. XIII, § 5), commonly known as the pension protection clause (count I), and/or article I, section 16 of the Illinois Constitution (Ill. Const. 1970, art. I, § 16), commonly known as the contracts clause (count II), and/or article I, section 15 of the Illinois Constitution (Ill. Const. 1970, art. I, § 15), commonly known as the takings clause (count III). The trial court granted certain of defendants' motions to dismiss; all of the named funds were dismissed as plaintiffs for lack of standing, and count II was dismissed against the remaining plaintiffs for failing to state a cause of action under the contracts clause. These rulings are not challenged on appeal. The trial court later entered summary judgment on counts I and III in favor of defendants. It is from this grant of summary judgment that this appeal arises.

¶ 6 II. ANALYSIS

¶ 7 Plaintiffs contend that the trial court erred in granting summary judgment in favor of defendants. Summary judgment is appropriate only when "the pleadings, depositions, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." 735 ILCS 5/2-1005(c) (West 2020). A triable issue that will preclude the entry of summary judgment exists where the material facts are disputed or where reasonable persons might draw different inferences from undisputed facts. *G.I.S. Venture v. Novak*, 2014 IL App (2d) 130244, ¶ 8. In determining whether a genuine issue of material fact exists, we must construe the materials of record strictly against the movant and liberally in favor of the nonmoving party. *Harlin v. Sears Roebuck & Co.*, 369 Ill. App. 3d 27, 31 (2006). While the use of summary judgment is to be encouraged as an aid in the expeditious disposition of a lawsuit, it is a drastic means of disposing of litigation and should be allowed only when the right of the moving party is clear and free from doubt. *G.I.S. Venture*, 2014 IL App (2d) 130244, ¶ 8. A grant of summary judgment is reviewed *de novo*. *Harlin*, 369 Ill. App. 3d at 31.

¶ 8 Plaintiffs first argue that the trial court erred in granting summary judgment on count I, where the court found that the Act did not violate the pension protection clause, which states: "Membership in any pension or retirement system of the State, any unit of local government or school district, or any agency or instrumentality thereof, shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired." Ill. Const. 1970, art. XIII, § 5. Our supreme court has held that "the clause means precisely what it says: 'if something qualifies as a benefit of the enforceable contractual relationship resulting from membership in one of the State's pension or retirement systems, it cannot be diminished or impaired.' " *In re Pension Reform Litigation*, 2015 IL 118585, ¶ 45 (quoting *Kanerva v. Weems*, 2014 IL 115811, ¶ 38). Once someone begins work and becomes a member of a public retirement system, "any subsequent changes to the Pension Code that would diminish the benefits conferred by membership in the retirement system cannot be applied to that individual." *Id.* ¶ 46. The protection of the pension protection clause "is broad because it 'protects *all of the benefits* that flow from the contractual relationship arising from membership in a public retirement system.' " (Emphasis added.)

Williamson County Board of Commissioners v. Board of Trustees of the Illinois Municipal Retirement Fund, 2020 IL 125330, ¶ 32 (quoting *Matthews v. Chicago Transit Authority*, 2016 IL 117638, ¶ 54).

¶ 9 Plaintiffs first assert that the Act violates the pension protection clause because it impairs the members' rights to vote in the election of local pension board members "and to have that local board control and invest local pension funds." According to plaintiffs, voting rights are a benefit that flows from the contractual relationship and, therefore, cannot be changed.

¶ 10 Plaintiffs are correct that the clause's protections extend beyond the pension payment itself. For example, in *Williamson County*, the plaintiffs, all elected members of the Williamson County Board of Commissioners, had satisfied the requirements of the Pension Code to participate in the Illinois Municipal Retirement Fund (IMRF). The legislature subsequently amended the Pension Code to add a requirement that altered the IMRF eligibility for elected county board members, requiring county board adoption of an IMRF participation resolution within 90 days of each election when a member of the county board is elected or reelected. *Williamson County*, 2020 IL 125330, ¶ 9. The plaintiffs' participation in IMRF was terminated when Williamson County failed to adopt such a resolution in a timely manner.

¶ 11 In finding the amendment to the Pension Code unconstitutional, our supreme court noted that "immediate and direct diminishments to public pension benefits *** is not the only category of unilateral legislative change prohibited by article XIII, section 5, of the Illinois Constitution." *Id.* ¶ 40. To "illustrate this distinct protection of article XIII, section 5, of the Illinois Constitution that prohibits the legislature from unilaterally imposing new limitations or requirements on public pension benefits that did not exist when the public employee was hired" (*id.* ¶ 42), the court reviewed two cases in which the court had previously found improper new requirements placed on pension benefits: (1) *Buddell v. Board of Trustees*, 118 Ill. 2d 99 (1987) (involving changes to employees' right to purchase service credit for time spent in military service, without limitations), and (2) *Carmichael v. Laborers' & Retirement Board Employees' Annuity & Benefit Fund*, 2018 IL 122793 (involving amendments to the Pension Code that eliminated the ability of the plaintiffs to purchase service credit during a leave of absence to work for a local union). Noting that "the calculation of retirement annuity benefit is based on a formula that considers the number of service credits of the employee and the employee's final earnings on the date of retirement," the court concluded that the termination of the plaintiffs' continued participation in IMRF, predicated on the new statutory requirements, "decreased their service credits and negatively impacted their annuity benefit calculation." *Williamson County*, 2020 IL 125330, ¶ 48. Thus, the amendment constituted a new requirement for the plaintiffs' continued IMRF participation and it "diminished or impaired their protected public pension benefits." *Id.* ¶ 50.

¶ 12 The benefits at issue in *Williamson County*, *Buddell*, and *Carmichael* were benefits that affected the participants' ability to continue participation (*Williamson County*) or their ability to increase their service credits (*Buddell* and *Carmichael*), thereby negatively affecting the calculation of their eventual benefit payments. These are the types of benefits "that flow from the contractual relationship arising from membership in a public retirement system." (Internal quotation marks omitted.) *Id.* ¶ 32. These benefits directly impacted the participants' eventual pension benefit.

¶ 13 As our supreme court has said:

> "The benefits protected by the pension protection clause include those benefits attendant to membership in the State's retirement system, such as subsidized health care, disability and life insurance coverage, and eligibility to receive a retirement annuity and survivor

> benefits (see *Jones v. Municipal Employees' Annuity & Benefit Fund*, 2016 IL 119618, ¶ 36; *Kanerva*, 2014 IL 115811, ¶¶ 39, 41), along with the right to purchase optional service credit in the state pension system for past military service (see *Buddell v. Board of Trustees*, 118 Ill. 2d 99, 105-06 (1987))." *Carmichael*, 2018 IL 122793, ¶ 25.

¶ 14 We determine that the ability to vote in the election of local pension board members and to have that local board control and invest local pension funds is not of the same nature and essentiality as the ability to participate in the fund, accumulate credited time, or receive health care, disability, and life insurance coverage. Voting for the local board is, at best, ancillary to a participant's receipt of the pension payment and other assets. The local boards were entrusted with investing the contributions so that payments could be made to participants. However, choosing who invests funds does not guarantee a particular outcome for benefit payments. The local boards also did not have any say in the actual method of funding; contribution requirements were set in the Pension Code. See 40 ILCS 5/3-125, 3-125.1, 4-118, 4-118.1 (West 2018). Our supreme court has held that the pension protection clause does not control the manner in which state and local governments fund their pension obligations. See *Jones v. Municipal Employees' Annuity and Benefit Fund of Chicago*, 2016 IL 119618, ¶ 38. Voting for the board members who deal with the funding of the pension fund is no more than a procedure that may have some impact on the funding; it is not a direct impact on the payment of benefits. Where the methods of funding a retirement system are not governed by the pension protection clause, we cannot say that the right to choose who invests the funds of the system is more of a protected benefit. Thus, we conclude that the trial court did not err in granting summary judgment on this basis.

¶ 15 Plaintiffs next argue that the trial court failed to consider their argument that the Act diminishes and impairs their pension benefits because it "requires the local funds to pay for the newly-created and consolidated funds' startup costs, administration, and operation, as well as transition costs of up to $15,000,000 plus interest." Plaintiffs make no argument as to how the requirement to pay for the administration of the funds would in any way impair or diminish the payment of their pension benefits. The local funds are already required to pay the costs of administration of the local funds, and plaintiffs do not cite any evidence to show that the costs of administration of the new funds, even including startup costs, would be any greater. The quotation referencing $15 million plus interest is misleading, at best. Section 22B-120(h) of the Act does not require the borrowing, let alone spending, of $15 million for such expenses. It merely authorizes the Illinois Finance Authority to lend up to $7.5 million to each investment fund that, *if borrowed*, would be repaid with interest. See 40 ILCS 5/22B-120(h), 22C-120(h) (West 2020). We further note that the level of benefit payments is not determined by the level of funding in the fund. Member and employer contribution requirements are set in the Pension Code; if more money were to be required to pay the already-established benefits, future contribution requirements could be amended. Plaintiffs present no evidence that the Act actually reduced the funding available for the payment of benefits.

¶ 16 We find no error in the trial court's grant of summary judgment in defendants' favor as to count I and grant plaintiffs no relief.

¶ 17 Plaintiffs next contend that the Act violates the takings clause of the Illinois Constitution. Article I, section 15 of the Illinois Constitution states: "Private property shall not be taken or damaged for public use without just compensation as provided by law. Such compensation shall be determined by a jury as provided by law." Ill. Const. 1970, art. I, § 15.

¶ 18 Plaintiffs spend a great deal of their argument attacking the trial court's conclusion, based on the case of *Empress Casino Joliet Corp. v. Giannoulias*, 231 Ill. 2d 62 (2008), that a takings clause claim must be tied to real property. However, we are not bound by the reasoning of the trial court and may affirm on any basis presented in the record. See *People ex rel. Alvarez v. $59,914 United States Currency*, 2022 IL 126927, ¶ 24. We need not address the issue of real property, as plaintiffs failed to establish the existence of an elemental requirement—that of "private property." As we stated in our pension protection clause analysis (*supra* ¶ 14*)*, while plaintiffs have a constitutional right to receive pension benefits, they do not have a property right in any particular assets or level of funding. Plaintiffs are individual active and retiree/beneficiaries of the local funds: they have no right to the investments held by the funds; rather, they are entitled only to present or future payments from the funds. No plaintiff has any right to direct the investment of the monies held by the funds or direct that they receive any different course of payments (either in amount or frequency) beyond that established by statute and the funds. Simply put, plaintiffs do not own the funds that the Act requires to be transferred to the new statewide police and firefighter pension investment funds. The Act does nothing more than require one type of government-created pension fund to transfer assets to another type of government-created pension fund. Plaintiffs' rights to receive benefit payments are not impacted by these transfers. As the "property" at issue here is not the private property of the plaintiffs, the takings clause is neither relevant nor applicable here. Thus, we find no error in the trial court's grant of summary judgment on count III.

¶ 19 III. CONCLUSION

¶ 20 For these reasons, the judgment of the circuit court of Kane County is affirmed.

¶ 21 Affirmed.

***Arlington Heights Police Pension Fund v. Pritzker*, 2023 IL App (2d) 220198**

Decision Under Review:	Appeal from the Circuit Court of Kane County, No. 21-CH-55; the Hon. Robert K. Villa, Judge, presiding.
Attorneys for Appellant:	Daniel F. Konicek, and Amanda J. Hamilton, of Konicek & Dillon, P.C., of Geneva, for appellants.
Attorneys for Appellee:	Kwame Raoul, Attorney General (Jane Elinor Notz, Solicitor General, and Richard S. Huszagh, Assistant Attorney General, of counsel), Richard F. Friedman and Langdon D. Neal, of Neal & Leroy, LLC, Michael A. Scodro and Brett E. Legner, of Mayer Brown LLP, and Joseph M. Burns, Taylor E. Muzzy, and David Huffman-Gottschling, of Jacobs, Burns, Orlove, and Hernandez LLP, all of Chicago, for appellees. Paul Denham and Jill D. Leka, of Clark Baird Smith LLP, of Rosemont, for *amicus curiae* Illinois Municipal League. Joseph Weishampel, Margaret Angelucci, and Jerry Marzullo, of Asher, Gittler & D'Alba, Ltd., of Chicago, for *amicus curiae* Associated Firefighters of Illinois.

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VI. COMMITTEE REPORTS

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VII. PRESENTATION AND CONSIDERATION OF NEW BUSINESS ITEMS

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RESOLUTION 2023-0214-CF01

RESOLUTION PROVIDING FOR THE ISSUANCE BY THE ILLINOIS FINANCE AUTHORITY OF NOT TO EXCEED $300,000,000 AGGREGATE PRINCIPAL AMOUNT OF REVENUE BONDS FOR THE BENEFIT OF THE UNIVERSITY OF CHICAGO, IN ONE OR MORE SERIES, AND AUTHORIZING THE SALE THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE TRUST INDENTURES, ONE OR MORE LOAN AGREEMENTS, ONE OR MORE BOND PURCHASE AGREEMENTS, ONE OR MORE TAX EXEMPTION CERTIFICATES AND AGREEMENTS AND RELATED DOCUMENTS; APPROVING THE DISTRIBUTION OF THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT RELATING TO SUCH BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the Illinois Finance Authority (the *"Authority"*), has been created by the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et. seq.,* as amended (the *"Act"*); and

WHEREAS, The University of Chicago, an Illinois not for profit corporation (the *"University"*), has requested that the Authority issue not to exceed $300,000,000 (excluding original issue discount or premium, if any) in aggregate principal amount of revenue bonds consisting of one or more series (collectively, the "*Bonds*") and loan the proceeds thereof to the University pursuant to one or more promissory notes (each, a *"Note"*) to be issued by the University pursuant to the related Loan Agreement (as hereinafter defined) and assigned by the Authority to the Trustee (as hereinafter defined) pursuant to the related Indenture (as hereinafter defined) as security for the related series of Bonds to (i) finance, refinance or reimburse the University for all or a portion of the costs (including capitalized interest, if any) 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, including, without limitation, including, without limitation, the renovation, improvement, expansion, completion and/or equipping of the David M. Rubenstein Forum, The John Crerar Library, the McGiffert House, the Keller Center, the Gleacher Center, Ryerson Laboratory and Eckhart Hall, parking lots, HVAC systems, steam system, dining commons, athletic facilities, elevator improvements and various other administrative, academic, research, infrastructure and campus projects, including related landscaping, signage and other similar improvements (collectively, the "*Projects*"), (ii) refinance certain taxable commercial paper (the "*Taxable Commercial Paper*") issued to finance, refinance or reimburse itself for certain costs relating to the planning, design, acquisition, construction, renovation, improvement, expansion, completion and/or equipping of certain of its facilities constituting "educational facilities" under the Act, including, without limitation, the renovation, improvement, expansion, completion and/or equipping of the David M. Rubenstein Forum, The John Crerar Library, the McGiffert House, the Keller Center, the Gleacher Center, parking lots, HVAC systems, steam system, dining commons and various other administrative, academic, research, infrastructure and campus projects, including related landscaping, signage and other similar improvements (collectively, the "*CP Projects*"), (iii) pay certain working capital expenditures if deemed desirable by the University, (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 refinancing or provision for payment of all or a portion of the Taxable Commercial Paper, all as permitted under the Act (collectively referred to as the *"Financing Purposes"*); and

WHEREAS, the University is a "private institution of higher education," as defined in Section 801-10(t) of the Act, and the educational facilities being financed or refinanced consist of "projects," as defined in Section 801-10(b) of the Act; and

WHEREAS, in connection with the issuance of the Bonds, the Authority is requested to authorize the execution and delivery of one or more Trust Indentures (each, an *"Indenture"*), each by and between the Authority and Computershare Trust Company, N.A, as trustee (the *"Trustee"*), one or more Loan Agreements (each, a *"Loan Agreement"*), each by and between the Authority and the University, one or more Bond Purchase Agreements (each, a *"Bond Purchase Agreement"*), each by and among the Authority, the University and BofA Securities, Inc., Jefferies LLC and the other underwriters named therein (collectively, the *"Underwriter"*), and one or more Tax Exemption Certificates and Agreements (each, a *"Tax Agreement"*), each by and among the Authority, the University and the Trustee; and

WHEREAS, drafts of the following documents have been previously provided to and are on file with the Authority (collectively, the *"Authority Documents"*):

(i) a form of Indenture, including the form of Bond attached thereto as Exhibit A;

(ii) a form of Loan Agreement, including the form of Note attached thereto as Exhibit B; and

(iii) a form of Bond Purchase Agreement; and

WHEREAS, in connection with the issuance of the Bonds, the following additional documents may be executed and delivered by parties other than the Authority (collectively, the *"Additional Transaction Documents"*):

(i) one or more Official Statements, substantially in the form of the Preliminary Official Statement (the "*Official Statement*") previously provided to and on file with the Authority related to the offering of the Bonds; and

(ii) one or more Notes.

NOW, THEREFORE, Be It Resolved by the members of the Illinois Finance Authority as follows:

Section 1. *Findings*. Based upon the representations of the University, the Authority hereby makes the following findings and determinations with respect to the University, the Bonds to be issued by the Authority, the Financing Purposes and the facilities to be financed or refinanced with the proceeds of the Bonds:

(a) The University is a not for profit corporation organized under the laws of the State of Illinois and is qualified to do business in the State of Illinois;

(b) The University is a "private institution of higher education" (as defined in the Act);

(c) The University has properly filed with the Authority its request for assistance in providing funds to the University, the Bonds will be used for the Financing Purposes, and the facilities to be financed or refinanced with the proceeds of the Bonds will be owned and operated by the University (those facilities are included within the term "project" as defined in the Act);

(d) The facilities to be financed or refinanced with the proceeds of the Bonds do not include any institution, place or building used or to be used primarily for sectarian instruction or study or as a place for devotional activities or religious worship;

(e) The indebtedness to be refinanced, redeemed or defeased with the proceeds of the Bonds was issued for purposes which constitute valid purposes under the Act, all of the proceeds of such indebtedness made available to the University were expended to pay, finance or refinance indebtedness the proceeds of which were expended to pay, a portion of the cost of a "project" (as defined in the Act) owned or operated by the University, such financing or refinancing is in the public interest, alleviates a financial hardship of the University and is permitted and authorized under the Act; and

(f) The Bonds are being issued for a valid purpose under and in accordance with the provisions of the Act.

Section 2. *Bonds*. In order to provide funds to carry out the Financing Purposes, the Authority hereby authorizes and approves the issuance at one time or from time to time of the Bonds, issued under and secured by and under the terms and provisions set forth in the related Indenture in one or more series, in an aggregate principal amount not to exceed $300,000,000, excluding original issues discount or premium, if any, the designations of which shall be approved by any of the Chairperson, Vice Chairperson, Executive Director, or General Counsel of the Authority (and, for purposes of this Resolution, any person duly appointed by the members to serve in such offices on an interim basis or otherwise authorized to act as provided by resolutions of the Authority) (each, an *"Authorized Officer"*); the form of Bond now before the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of each Indenture, be, and the same hereby is, approved, which such approval shall be evidenced by such Authorized Officer's execution and delivery of the Indenture; the Bonds shall be issued only as fully registered bonds without coupons and be executed on behalf of the Authority by the manual or facsimile signature of the Chairperson, Vice Chairperson or

Executive Director of the Authority (and, for purposes of this Resolution, any person duly appointed to any such office on an interim basis or otherwise authorized to act as provided by resolutions of the Authority) and attested with the manual or facsimile signature of the Secretary or any Assistant Secretary of the Authority, and may have the seal of the Authority impressed manually or printed by facsimile thereon; the Authorized Officer shall cause the Bonds of each series, as so executed and attested, to be delivered to the Trustee for authentication; and when the Bonds are executed on behalf of the Authority in the manner contemplated by this Resolution, they shall represent the approved form of Bonds of the Authority; *provided* that each series of Bonds shall bear interest at one or more fixed rates not to exceed a weighted average annual rate of 6% per annum, shall be payable over a term not exceeding forty (40) years from their date of issuance and shall be sold to the Underwriter at a purchase price of not less than 98% of the aggregate principal amount thereof (without regard to original issue premium or discount) and accrued interest, if any, to the date of delivery thereof.

The Authority hereby delegates to each Authorized Officer the power and duty to make final determinations as to the Bonds to be refunded, principal amounts, number of series or subseries of Bonds and any names or other designations therefor, dated date, interest rates, maturities, uses of proceeds, mandatory sinking fund redemption dates and amounts (if any) and optional and extraordinary redemption provisions for each series of Bonds and the purchase price and the Underwriter of the Bonds, all within the parameters set forth herein. The execution by an Authorized Officer of the Indenture pursuant to which each series of Bonds is issued shall constitute such Authorized Officer's approval and the Authority's approval of the final terms and provisions of such series of Bonds.

The Bonds of each series and the interest thereon shall be limited obligations of the Authority, payable solely from the income and revenues to be derived by the Authority pursuant to the related Loan Agreement and Note (except as such income and revenues as may be derived by the Authority pursuant to Unassigned Rights as defined in the related Indenture). The Bonds of each series and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) the proceeds from the sale of such Bonds, (ii) the income and revenues derived by the Authority pursuant to the related Loan Agreement and Note (except pursuant to Unassigned Rights), (iii) other amounts available under the related Indenture and (iv) moneys arising out of the investment or reinvestment of such proceeds, income, revenues or receipts.

Section 3. Authority Documents. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Authorized Officer and the delivery and use, of one or more of the Authority Documents, in substantially the same form as the Authority Documents previously provided to and on file with the Authority; the Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to any Authority Document. The Authority Documents shall be substantially in the form previously provided to and on file with the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of any and all changes or revisions therein from such Authority

Documents and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms of the Bonds and the purchases thereof.

Section 4. Tax Agreements. The Authority is hereby authorized to enter into one or more Tax Agreements with the University and the Trustee, each in the form to be approved by bond counsel, by counsel for the Authority and by counsel for the University; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver each Tax Agreement in the form so approved; when each Tax Agreement is executed and delivered on behalf of the Authority as hereinabove provided, such Tax Agreement will be binding on the Authority; and that from and after the execution and delivery of each Tax Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Tax Agreement as executed.

Section 5. Additional Transaction Documents. The Authority does hereby approve the execution and delivery of the Additional Transaction Documents. The Additional Transaction Documents shall be in substantially the forms previously provided to and on file with the Authority and hereby approved, with such changes therein as shall be approved by, or in such final forms as are approved by the Authorized Officer of the Authority executing the Indentures, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the final forms of the Additional Transaction Documents or any changes or revisions therein from such forms of the Additional Transaction Documents.

Section 6. Authorization and Ratification of Subsequent Acts. The members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including, without limitation, the execution and delivery of one or more escrow agreements or other agreements providing for the refinancing of the Taxable Commercial Paper and any additional documents that may be necessary to provide for one or more additional series or subseries of Bonds and the acceptance of any continuing disclosure agreement of the University pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended) as may be necessary to carry out and comply with the provisions of these resolutions, the Authority Documents and the Additional Transaction Documents, and all of the acts and doings of the members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Authority Documents or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer, any two members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Indentures.

Section 7. Distribution of the Preliminary Official Statement and Official Statement. The Authority does hereby approve the distribution of a Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering and sale of the Bonds, such Preliminary Official Statement and Official Statement to be substantially in the form of the draft Preliminary Official Statement provided to and on file with the Authority, with such changes to the sections covered by the Authority, as described therein, as shall be approved by an Authorized Officer of the Authority executing the Authority Documents, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the Authority sections contained therein.

Section 8. Severability. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 9. Conflict. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 10. Effective Date. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved and effective this 14th day of February, 2023.

ILLINOIS FINANCE AUTHORITY

By____________________________________
Executive Director

ATTEST:

By ____________________________________
Assistant Secretary

[SEAL]

RESOLUTION No. 2023-0214-CF02

RESOLUTION AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT TO EXCEED $250,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY TAXABLE PROPERTY ASSESSED CLEAN ENERGY REVENUE BONDS FOR PURCHASE BY WHITE OAK GLOBAL ADVISORS, LLC OR ITS DESIGNATED TRANSFEREE.

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by, and exists under, the Illinois Finance Authority Act, as amended (20 ILCS 3501/801-1 *et seq.*) (the "Act");

WHEREAS, the Authority is authorized pursuant to the Act in general and Article 825 thereof specifically, and further authorized in Section 35(a) of the Property Assessed Clean Energy Act (50 ILCS 50/5) (the "PACE Act") to issue revenue bonds to finance, among other things, "PACE Projects" (as defined or provided for in the Act);

WHEREAS, pursuant to the PACE Act, governmental units (as defined in the PACE Act) may create a property assessed clean energy program (a "PACE Program") within their respective jurisdictional boundaries known as a "PACE area" (as defined in the PACE Act, each a "PACE Area" hereunder), and may further delegate the administration of such PACE Program to a program administrator (a "Program Administrator");

WHEREAS, pursuant to the PACE Act, a "record owner" (as defined in the PACE Act, and a "Record Owner" hereunder) of "property" (as defined in the PACE Act) within a PACE Area may apply to a governmental unit or its Program Administrator for funding to finance or refinance certain "energy projects" (as defined in the PACE Act, and "PACE Projects" as defined in the Act, which are hereafter defined as "Energy Projects") and that the governmental unit may impose an assessment under a PACE Program pursuant to the terms of the recorded assessment contract ("Assessment Contract") with the Record Owner of the property to be assessed;

WHEREAS, the Authority is authorized under the PACE Act to issue property assessed clean energy revenue bonds ("PACE Bonds") or provide a warehouse fund, in each case to provide liquidity for the financing or refinancing of certain Energy Projects for Record Owners that have complied with the requirements of the PACE Act and the rules and guidelines of a PACE Program administered on behalf of or at the discretion of a governmental unit by a Program Administrator;

WHEREAS, White Oak Global Advisors, LLC, a Delaware limited liability company (the "Capital Provider") wishes to purchase PACE Bonds, or have such PACE Bonds purchased by its designated transferee, secured by Assessment Contracts related to one or more PACE Programs administered on behalf of or at the direction of one or more governmental units by the related Program Administrator;

WHEREAS, such PACE Bonds shall be issued pursuant to one or more Master Indentures (each a "Master Indenture") among the Authority, the applicable Program Administrator (if required by the scope of duties of the Program Administrator under the applicable PACE Program), the Capital Provider, and a bank or other financial institution selected by the Capital Provider or the applicable Program Administrator to serve as bond trustee (a "Bond Trustee"), setting out the parameters, terms and conditions pursuant to which a series of PACE Bonds may be issued pursuant to an Issuance Certificate (an "Issuance Certificate") among the Authority, the applicable Program Administrator (if required as aforesaid), the Capital Provider, the applicable Bond Trustee, and an applicable servicer (if any); and

WHEREAS, PACE Bonds shall be secured by certain related Assessment Contracts assigned to the Authority by the applicable governmental unit (acting at the direction of the applicable Program Administrator or the Capital Provider) pursuant to an Assignment Agreement (an "Assignment Agreement" and together with the applicable Master Indenture and the related Issuance Certificate, the "PACE Bond Documents"), executed by the Authority and the applicable governmental unit.

NOW, THEREFORE, BE IT RESOLVED by the Members of the Illinois Finance Authority as follows:

Section 1. Bonds. In order to obtain the funds to loan to certain Record Owners party to Assessment Contracts to be used for the purposes of financing or refinancing Energy Projects, the Authority hereby authorizes the issuance of PACE Bonds subject to the terms and conditions set forth in one or more Master Indentures and the related Issuance Certificate(s) in substantially the form attached to such Master Indenture, along with the execution and delivery of Master Indentures and related Issuance Certificates in substantially the forms previously provided to and on file with the Authority, and with such changes as are permitted by Section 2 hereof. PACE Bonds shall be issued, executed and delivered under and secured by applicable Assessment Contracts ("Assigned Contracts") assigned to the Authority pursuant to one or more Assignment Agreements, and shall have the terms and provisions set forth in the applicable Master Indenture and an applicable Issuance Certificate, subject to the following limitations:

(a) the aggregate principal amount of PACE Bonds that may be issued pursuant to one or more Master Indentures and any related Issuance Certificates and purchased by the Capital Provider as "Initial Purchaser" (as defined in the applicable Master Indenture) or its "Designated Transferee" (as defined and identified and identified in any related Issuance Certificate) collectively, the "PACE Bond Purchaser") shall not exceed $250,000,000;

(b) the PACE Bonds for sale to the PACE Bond Purchaser may be issued in one or more series, of which any such series may be issued in two or more subseries, with such additional series or subseries designated in such manner as approved by an Authorized Officer (as defined herein) of the Authority, which approval shall be evidenced by such Authorized Officer's execution and delivery of a Master Indenture and applicable Issuance Certificate;

(c) no PACE Bonds for sale to the PACE Bond Purchaser shall have a maturity later than 40 years from the date of their issuance or such shorter period set forth in the applicable Master Indenture securing such PACE Bonds, provided the PACE Bonds may be subject to serial maturities or mandatory bond sinking fund redemptions as provided in the applicable Master Indenture and applicable Issuance Certificate pursuant to which PACE Bonds are issued;

(d) no PACE Bonds for sale to the PACE Bond Purchaser shall bear interest at stated rates exceeding 20.00% per annum;

(e) no PACE Bonds for sale to the PACE Bond Purchaser shall be issued pursuant to a Master Indenture and a related Issuance Certificate after the date that is three (3) years after the date of approval of this Resolution without further authorization to act as provided by one or more resolutions of the Authority;

(f) PACE Bonds for sale to the PACE Bond Purchaser shall be subject to optional, mandatory and extraordinary redemption and be payable all as set forth in the applicable Master Indenture and the applicable Issuance Certificate;

(g) PACE Bonds for sale to the PACE Bond Purchaser shall be issued only as fully registered bonds without coupons;

(h) PACE Bonds for sale to the PACE Bond Purchaser shall be executed on behalf of the Authority by the manual or facsimile signature of its Chairperson, Vice Chairperson or Executive Director and attested by the manual or facsimile signature of its Secretary or any Assistant Secretary, or any person duly appointed by the Members of the Authority to serve in such office on an interim basis, and may have the corporate seal of the Authority impressed manually or printed by facsimile thereon; and

(i) PACE Bonds for sale to the PACE Bond Purchaser shall be issued by the Authority for the consideration set forth in the applicable Master Indenture and applicable Issuance Certificate at par value.

Any PACE Bonds for sale to the PACE Bond Purchaser issued pursuant to a Master Indenture and any applicable Issuance Certificate and the interest thereon shall be limited obligations of the Authority, payable solely from the income and revenues to be derived by the Authority pursuant to the Assigned Contracts and certain amounts on deposit with the applicable Bond Trustee under the applicable Master Indenture. PACE Bonds for sale to the PACE Bond Purchaser issued pursuant to a Master Indenture and any applicable Issuance Certificate and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) proceeds of the sale of such PACE Bonds, (ii) the income and revenues derived by the Authority pursuant to Assigned Contracts and other amounts available under the applicable Master Indenture and any applicable Issuance Certificate and (iii) any money arising out of the investment or reinvestment of said proceeds, income, revenue or receipts.

The Authority hereby delegates to the Chairperson, Vice Chairperson or the Executive Director of the Authority or any other Authorized Officer (as hereinafter defined), the power and duty to make final determinations as to the PACE Bonds to be issued and sold to the PACE Bond Purchaser, including but not limited to, the principal amount, number of series or subseries of such PACE Bonds and any names or other designations therefor, dated date, maturities, purchase price, any mandatory sinking fund redemption dates and amounts, optional and extraordinary redemption provisions, and the interest rates of each series or subseries of such PACE Bonds, each series or subseries of which may be issued or sold on separate dates pursuant to separate Master Indentures and related Issuance Certificates, and further to issue, execute and deliver such PACE Bonds pursuant to a Master Indenture and related Issuance Certificate, all within the parameters set forth herein.

Section 2. PACE Bond Documents. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, or General Counsel, or any person duly appointed by the Members of the Authority to serve in such offices on an interim basis (each an "*Authorized Officer*"), and the delivery and use, of the PACE Bond Documents and any amendments, supplements, modifications and waivers with respect to the Assigned Contracts (together with the PACE Bond Documents, the "PACE Program Documents"). The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to any PACE Program Document. The definitive PACE Program Documents shall be substantially in the forms previously provided to and on file with the Authority, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution and delivery to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of any changes or revisions therein from such forms of the PACE Program Documents and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms of any PACE Bonds issued pursuant to the PACE Program Documents and the purchase thereof.

Section 3. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including, without limitation, the execution and delivery of one or more supplemental bond indentures, escrow agreements, servicing agreements, or other agreements providing for the security and/or payment of the PACE Bonds and any additional documents that may be necessary to provide for one or more additional series or subseries of PACE Bonds) as may be necessary to carry out and comply with the provisions of these resolutions, the PACE Program Documents, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the PACE Program Documents or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer, any two Members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the PACE Program Documents.

Section 4. Severability. The provisions of this PACE Bond Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this PACE Bond Resolution.

Section 5. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 6. Effectiveness. This PACE Bond Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Adopted and effective this 14th day of February, 2023:

Ayes:

Nays:

Abstain:

Absent:

Vacancy:

ILLINOIS FINANCE AUTHORITY

By ____
Executive Director

ATTEST:

____
Assistant Secretary
[SEAL]

RESOLUTION NO. 2023-0214-CF03

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE TO THE TRUST INDENTURE RELATING TO THE ILLINOIS FINANCE AUTHORITY REVENUE REFUNDING BONDS, SERIES 2016 (RUSH UNIVERSITY MEDICAL CENTER OBLIGATED GROUP) (THE "SERIES 2016 BONDS"), TO PROVIDE FOR CERTAIN AMENDMENTS RELATING TO THE INTEREST RATE CALCULATIONS AND CERTAIN OTHER MATTERS; AUTHORIZING THE EXECUTION AND DELIVERY OF ANY OTHER DOCUMENTS NECESSARY OR APPROPRIATE TO EFFECT THE MATTERS SET FORTH IN SUCH FIRST SUPPLEMENTAL TRUST INDENTURE; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (as supplemented and amended, the "Act"); and

WHEREAS, the Authority has previously issued its $50,000,000 original aggregate principal amount Illinois Finance Authority Revenue Refunding Bonds, Series 2016 (Rush University Medical Center Obligated Group) (the "Series 2016 Bonds"), all of which are currently outstanding; and

WHEREAS, the Authority authorized the issuance of the Series 2016 Bonds pursuant to Resolution No. 2016-0512-HC06 adopted by the Authority on May 12, 2016 (the "Original Resolution"); and

WHEREAS, the Series 2016 Bonds were issued pursuant to that certain Trust Indenture dated as of June 1, 2016 (the "Original Indenture"), between the Authority and Computershare Trust Company, National Association, as successor trustee (the "Bond Trustee"), and the proceeds from the sale thereof were loaned to Rush University Medical Center, an Illinois not-for-profit corporation (the "Borrower") pursuant to that certain Loan Agreement dated as of June 1, 2016 between the Authority and the Borrower; and

WHEREAS, the Series 2016 Bonds were originally purchased by, and continue to be owned by, The Northern Trust Company (the "Purchaser"); and

WHEREAS, under the terms of the Original Indenture, the Series 2016 Bonds bear interest at an Index Interest Rate (as defined in the Original Indenture); and

WHEREAS, currently under the Original Indenture, the Index Interest Rate is established using an index rate formula that utilizes the London Interbank Offered Rate otherwise known as "LIBOR" as the Index (as such term is defined in the Original Indenture); and

WHEREAS, LIBOR is expected to be discontinued on or about June, 2023; and

WHEREAS, as a result of such discontinuation of LIBOR, the Borrower and the Purchaser desire to amend the Original Indenture to (i) replace the LIBOR based Index that may be used to establish the Index Interest Rate with an Index based upon Term SOFR (as defined in the hereinafter referred to First Supplemental Indenture) that may be used to establish the Index Interest Rate for the Series 2016 Bonds, and (ii) make certain other related modifications (collectively, the "Amendments"); and

WHEREAS, in order to effect such Amendments, the Borrower has requested that the Authority and the Bond Trustee execute and deliver (i) a First Supplemental Trust Indenture, between the Authority and the Bond Trustee (the *"*First Supplemental Indenture*"*), supplementing and amending the Original Indenture, and (ii) such other documents as may be necessary to effect the Amendments; and

WHEREAS, the Purchaser, as 100% holder of the Series 2016 Bonds, and Rush System for Health d/b/a Rush University System for Health, as the current obligated group representative (the "Group Representative"), have agreed to approve the Amendments by executing consents to the execution and delivery of the First Supplemental Indenture; and

WHEREAS, it is currently expected that the Amendments will not cause the Series 2016 Bonds to be deemed reissued for purposes of the Internal Revenue Code of 1986, as amended; however, should a reissuance occur, additional documentation may be required; and

WHEREAS, a draft of the First Supplemental Indenture describing the Amendments has been previously provided to the Authority and is on file with the Authority; and

NOW, THEREFORE, Be It Resolved by the Illinois Finance Authority as follows:

Section 1. Recitals. The foregoing recitals are incorporated in and made a part of this Resolution by this reference.

Section 2. Approval of the Amendments. The Authority hereby approves the Amendments.

Section 3. First Supplemental Indenture. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, General Counsel or Assistant Executive Director, or any other person duly appointed by the members of the Authority to serve in such offices on an interim basis or otherwise authorized to act as provided by the Resolutions of the Authority (each an "*Authorized Officer*"), and the delivery and use, of the First Supplemental Indenture. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to the First Supplemental Indenture. The First Supplemental Indenture shall be substantially in the form previously provided to and on file with the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of any changes or revisions therein from such form of the First Supplemental Indenture and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms thereof.

Section 4. Other Documents. The Authorized Officers and any other officer of the Authority be, and each of them hereby is, authorized to (i) execute and deliver such documents, certificates and undertakings of the Authority, including but not limited to any amendments or supplements to any tax exemption agreement relating to a reissuance of the Series 2016 Bonds, the Internal Revenue Service Form 8038 for the Series 2016 Bonds, if any, and certificates or other tax documents (collectively, the "Other Documents"), (ii) approve the execution and delivery of such other documents, certificates and undertakings of other parties, including, without limitation, the Borrower, the Group Representative, and the Purchaser, and (iii) take such other actions as may be necessary or required in connection with carrying out and complying with this Resolution and execution, delivery and performance of the First Supplemental Indenture, the Original Indenture, and such Other Documents, all as authorized by this Resolution; and all of the acts and doings of the Authorized Officers which are in conformity with the intent and purposes of this Resolution and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and hereby are authorized, ratified, approved and confirmed.

Section 5. Other Acts. All acts of the members, officers, employees and agents of the Authority which are in conformity with the purposes and intent of this Resolution within the parameters set forth herein, shall be, and the same hereby are, in all respects, ratified, approved and confirmed. Unless otherwise provided therein, wherever in the First Supplemental Indenture or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer to take such action, by any two members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Original Indenture.

Section 6. Severability. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 7. No Conflict. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict. The foregoing notwithstanding, the Original Resolution is hereby confirmed, except to the extent otherwise supplemented by this Resolution.

Section 8. Effective Date. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved this 14th day of February, 2023 by vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Vacant:

ILLINOIS FINANCE AUTHORITY

By ____________________________________
Executive Director

ATTEST:

____
Assistant Secretary

[SEAL]

RESOLUTION 2023-0214-CF04

RESOLUTION AUTHORIZING AND APPROVING AMENDMENTS TO THE BOND TRUST INDENTURES RELATING TO THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE REFUNDING BONDS, SERIES 2016A (REHABILITATION INSTITUTE OF CHICAGO) AND ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE REFUNDING BONDS, SERIES 2016B (REHABILITATION INSTITUTE OF CHICAGO) AND CERTAIN OTHER MATTERS.

WHEREAS, the Illinois Finance Authority (the "*Authority*") has been created by, and exists under, the Illinois Finance Authority Act, 20 ILCS 3501-801-1, et. seq., as amended (the *"Act"*); and

WHEREAS, the Authority has previously issued its (i) Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Rehabilitation Institute of Chicago) in an aggregate principal amount of $24,915,000 (the "*Series 2016A Bonds*"), and (ii) Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Rehabilitation Institute of Chicago) in an aggregate principal amount of $49,830,000 (the "*Series 2016B Bonds*" and, together with the Series 2016A Bonds, the "*Series 2016 Bonds*"), pursuant to two separate Bond Trust Indentures each dated as of December 1, 2016, each as previously supplemented and amended (collectively, the "*Existing Bond Indentures*"), between the Authority and Computershare Trust Company, N.A., as successor bond trustee, the proceeds of which were loaned to Rehabilitation Institute of Chicago d/b/a Shirley Ryan AbilityLab, an Illinois not for profit corporation (the *"Borrower"*), pursuant to separate Loan Agreements each dated as of December 1, 2016 (collectively, the "*Loan Agreements*") between the Authority and the Borrower; and

WHEREAS, all of the Series 2016A Bonds were purchased, and are currently held, by Wintrust Bank, N.A. (the "*Series 2016A Purchaser*") and all of the Series 2016B Bonds were purchased, and are currently held, by The Northern Trust Company (the "*Series 2016B Purchaser*" and collectively with the Series 2016A Purchaser, the "*Purchasers*"); and

WHEREAS, each series of the Series 2016 Bonds currently bears interest at a rate equal to the Index Floating Rate (as defined in the respective Existing Bond Indentures) which is determined according to a formula which includes, among other things, a percentage of the London Interbank Offered Rate ("*LIBOR*") plus a credit spread; and

WHEREAS, in accordance with the terms of the Existing Bond Indentures, the Borrower and the Purchasers wish to change the market index that is used to determine the interest rate on the Series 2016 Bonds from LIBOR to the Secured Overnight Financing Rate (*"SOFR"*), by (i) amending certain definitions within the Existing Bond Indentures, (ii) changing references to certain defined terms in the Existing Bond Indentures, (iii) permitting the execution of indentures supplemental to the Existing Bond Indenture and (iv) making certain other related modifications, in each case, to implement the change from LIBOR to SOFR or any other alternative market index (collectively, the *"Amendments"*); and

WHEREAS, in connection with the Amendments, the Borrower and the Purchasers may convert the Series 2016 Bonds to a new Index Floating Rate Period based on SOFR (the "*Conversion*") in order to extend the period the Purchasers will hold the Series 2016 Bonds; and

WHEREAS, in connection with the requested approval of the Amendments and the Conversion, a supplemental bond trust indenture or an amended and restated bond trust indenture for each of the Existing Bond Indentures will be prepared along with any additional documents (including a replacement bond for each series of the Series 2016 Bonds, if necessary) necessary or appropriate in order to implement the Amendments described herein (collectively, the *"Authority Documents"*), and will be executed and delivered by the Authority in order to evidence the Authority's approval of the Amendments; and

WHEREAS, the Existing Bond Indentures permit the Amendments with the consent of the holders of the Bonds; and

WHEREAS, the Purchasers will consent to the Amendments by executing the Authority Documents; and

NOW, THEREFORE, BE IT RESOLVED by the Illinois Finance Authority as follows:

Section 1. Approval of Authority Documents. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by the Chairperson, Vice Chairperson, Executive Director, General Counsel, or any person duly appointed by the Members of the Authority to serve in such offices on an interim basis (each an *"Authorized Officer"*) and the delivery and use of the Authority Documents. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest, and may affix the official seal of the Authority to the Authority Documents. The Authority Documents shall be substantially in the form of the Authority Documents approved by the Authorized Officer of the Authority executing same with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the Authority Documents.

Section 2. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including, without limitation, the execution and delivery of a tax certificate required in connection with a deemed tax reissuance of the Series 2016 Bonds, if any) as may be necessary to carry out and comply with the provisions of these resolutions, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved, including but not limited to, amending other provisions of the Existing Bond Indentures to change the market index that is used to determine the interest rate on the Series 2016 Bonds from LIBOR to SOFR with the consent of the Purchasers and the Borrower. Unless otherwise provided therein, wherever in the Authority Documents or any document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer to take such action, any two Members of the Authority, each of whom is hereby authorized, empowered, delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Existing Bond Indenture, as supplemented and/or amended.

Section 3. Severability. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 4. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 5. Effectiveness. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Section 6. Continued Effectiveness of the Prior Approving Resolution. This resolution shall be and is intended to be in all cases a ratification of the authority granted under Resolution No. 2016-1110-HC04 approving the original issuance of the Series 2016 Bonds, as supplemented under Resolution No. 2021-0413-CF04 (together, the "Prior Approving Resolution"). Notwithstanding anything set forth herein, the Prior Approving Resolution shall remain in full force and effect.

Adopted and effective this 14th day of February, 2023:

Ayes:

Nays:

Abstain:

Absent:

ILLINOIS FINANCE AUTHORITY

____
Executive Director

ATTEST:

____
Assistant Secretary

[SEAL]

RESOLUTION 2023-0214-CF05

RESOLUTION AUTHORIZING AND APPROVING AMENDMENTS TO THE BOND TRUST INDENTURES RELATING TO THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2019A (SMITH VILLAGE PROJECT) AND THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE REFUNDING BONDS, SERIES 2019B AND SERIES 2019C (SMITH VILLAGE) ISSUED FOR THE BENEFIT OF WASHINGTON AND JANE SMITH COMMUNITY – BEVERLY.

WHEREAS, the Illinois Finance Authority (the "*Authority*") has been created by, and exists under, the Illinois Finance Authority Act, 20 ILCS 3501-801-1, *et seq.*, as amended (the *"Act"*); and

WHEREAS, the Authority has previously issued its (i) Illinois Finance Authority Variable Rate Revenue Bonds, Series 2019A (Smith Village Project) in a maximum principal amount of $23,608,000 (the "*Series 2019A Bonds*"), currently outstanding in the principal amount of approximately $23,465,000, (ii) $25,000,000 Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2019B (Smith Village) (the "*Series 2019B Bonds*"), currently outstanding in the principal amount of approximately $23,220,000, and (iii) $5,119,000 Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2019C (Smith Village) (the "*Series 2019C Bonds*" and, collectively with the Series 2019A Bonds and the Series 2019B Bonds, the *"Series 2019 Bonds"*), currently outstanding in the principal amount of approximately $4,762,000, pursuant to three separate Bond Trust Indentures, each dated as of October 1, 2019 (collectively, the *"Existing Bond Indentures"*), each between the Authority and UMB Bank, National Association, as bond trustee, the proceeds of which were loaned to Washington and Jane Smith Community – Beverly, an Illinois not for profit corporation (the "*Borrower*"), pursuant to three separate Loan Agreements, each dated as of October 1, 2019 (collectively, the "*Loan Agreements*"), each between the Authority and the Borrower; and

WHEREAS, all of the Series 2019A Bonds and the Series 2019C Bonds were purchased, and are currently held, by Old National Bank (as successor by merger to First Midwest Bank) (the *"Series 2019A/C Purchaser"*) and all of the Series 2019B Bonds were purchased, and are currently held, by Huntington Public Capital Corporation (the *"Series 2019B Purchaser"* and, together with the Series 2019A/C Purchaser, the *"Purchasers"*); and

WHEREAS, the Borrower anticipates that all of the currently outstanding Series 2019B Bonds will be assigned by the Series 2019B Purchaser to the Series 2019A/C Purchaser in accordance with the terms of the Series 2019B Bonds and the Existing Bond Indenture related to the Series 2019B Bonds (the *"Series 2019B Bond Assignment"*) prior to the execution date of the documents for the Amendments (as defined below); and

WHEREAS, upon the execution of the Series 2019B Bond Assignment, all of the outstanding Series 2019 Bonds will be owned and held by Old National Bank (the *"Sole*

Bondholder") and bondholder consent to the Amendments will only be required by the Sole Bondholder; and

WHEREAS, each series of the Series 2019 Bonds currently bears interest at a rate equal to the Private Placement Floating Rate (as defined in the respective Existing Bond Indentures) which is determined according to a formula which includes, among other things, a percentage of the London Interbank Offered Rate (*"LIBOR"*) plus a credit spread for the period commencing on October 25, 2019 (the *"Closing Date"*) to, but not including the earliest of (i) October 25, 2029, (ii) the Conversion Date (as defined in the respective Existing Bond Indentures) next succeeding the Closing Date, (iii) the date on which the respective series of the Series 2019 Bonds is purchased or redeemed in full, and (iv) the maturity date for each series of the Series 2019 Bonds (October 10, 2049); and

WHEREAS, in accordance with the terms of the Existing Bond Indentures, the Borrower and the Sole Bondholder wish to change the market index that is used to determine the interest rate on the Series 2019 Bonds from LIBOR to the Secured Overnight Financing Rate (*"SOFR"*) or any other alternative market index (the *"Amendments"*); and

WHEREAS, the Borrower and the Series 2019A/C Purchaser executed two separate interest rate swaps (the *"Series 2019A/C Swaps"*) to modify risk of interest rate changes with respect to the Series 2019A Bonds and the Series 2019C Bonds; the Borrower and The Huntington National Bank, an affiliate of the Series 2019B Purchaser, executed an interest rate swap (the *"Series 2019B Swap"* and, together with the Series 2019A/C Swaps, the *"Series 2019 Swaps"*) to modify risk of interest rate changes with respect to the Series 2019B Bonds; and the Authority and the Borrower integrated the Series 2019 Swaps with the Series 2019 Bonds on the Closing Date; and

WHEREAS, in connection with the Series 2019B Bond Assignment, the Series 2019B Swap will be terminated and the Borrower and the Sole Bondholder will execute a new interest rate swap for the Series 2019B Bonds (the *"New Series 2019B Swap"*); the Borrower will request the Authority to integrate the New Series 2019B Swap with the Series 2019B Bonds within 15 days of the execution date of the New Series 2019B Swap in accordance with the the Internal Revenue Code of 1986, as amended (the *"Code"*); and the Series 2019A/C Swaps will remain in place and will not be impacted by the Series 2019 Bond Assignment; and

WHEREAS, a separate indenture supplemental to each of the Existing Bond Indentures (collectively, the *"Supplemental Bond Indentures"*) will be prepared along with any additional documents (including a replacement bond for each series of the Series 2019 Bonds, if necessary, an identification certificate for the integration of the New Series 2019B Swap with the Series 2019B Bonds and a tax certificate required in connection with a deemed tax reissuance of the Series 2019 Bonds) necessary or appropriate in order to implement the Amendments described herein (the "*Amendment Instruments*" and, together with the Supplemental Bond Indentures, the *"Authority Documents"*), and will be executed and delivered by the Authority in order to evidence the Authority's approval of the Amendments; and

WHEREAS, Section 902 of the respective Existing Bond Indentures permits the Amendments upon the consent of not less than a majority of the holders of each series of the respective Series 2019 Bonds; and

WHEREAS, the Sole Bondholer will certify under the respective Amendment Instruments that it is the sole holder of the respective series of the Series 2019 Bonds and will consent to the Amendments; and

WHEREAS, Section 903 of the respective Existing Bond Indentures permits the Borrower to consent to the Supplemental Bond Indentures so long as the Borrower is not in default under the Loan Agreements and the Members of the Obligated Group are not in default under the Master Indenture (as such terms are defined in the Existing Bond Indentures); and

WHEREAS, the Borrower will represent and certify under the Amendment Instruments that it is not in default under the Loan Agreements and the Members of the Obligated Group are not in default under the Master Indenture (as such terms are defined in the Existing Bond Indentures) or that any covenant defaults have been waived or forborne by the Sole Bondholder and will consent to the Amendments; and

WHEREAS, drafts of the Supplemental Bond Indentures describing the Amendments have been previously provided to the Authority and is on file with the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Members of the Illinois Finance Authority as follows:

Section 1. Approval of Amendments. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, General Counsel, or any person duly appointed by the Members of the Authority to serve in such offices on an interim basis or otherwise authorized to act as provided by resolutions of the Authority (each an *"Authorized Officer"*) and the delivery and use of the Supplemental Bond Indentures and the Amendment Instruments. Each of the Supplemental Bond Indentures shall be substantially in the forms of the Supplemental Bond Indentures previously provided to and on file with the Authority and are hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of each of the Supplemental Bond Indentures. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest, and may affix the official seal of the Authority to the Amendment Instruments.

Section 2. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of this Resolution, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of this Resolution and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved, including, but not limited to, amending other provisions of the Existing Bond Indentures to change the market index that is used to determine the interest rate on the Series 2019 Bonds from LIBOR to SOFR with the consent of the Sole Bondholder and the Borrower. Unless otherwise provided therein, wherever in any document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer to act, any two Members of the Authority, each of whom is hereby authorized, empowered, delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the applicable document.

Section 3. Severability. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 4. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 5. Effectiveness. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Section 6. Continued Effectiveness of the Prior Approving Resolutions. This Resolution shall be and is intended to be in all cases a ratification of the authority granted under Resolution No. 2019-0910-CF-01, approving the original issuance of the Series 2019 Bonds, (the "*Prior Approving Resolution*"). Notwithstanding anything set forth herein, the Prior Approving Resolution shall remain in full force and effect.

Adopted and effective this 14th day of February, 2023:

Ayes:

Nays:

Abstain:

Absent:

ILLINOIS FINANCE AUTHORITY

____
Executive Director

ATTEST:

____
Assistant Secretary

[SEAL]

IFA RESOLUTION NO. 2023-0214-CF06

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST BOND AND LOAN AGREEMENT AMENDMENT AND TERMS OF INTEREST PERIOD, RELATING TO THE $20,200,000 ORIGINAL PRINCIPAL AMOUNT ILLINOIS FINANCE AUTHORITY MIDWESTERN DISASTER AREA REVENUE REFUNDING BOND (KONE CENTRE PROJECT), SERIES 2017, WHICH AMENDMENT HAS BEEN REQUESTED BY THE BORROWER AND THE PURCHASER; AND RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "**Authority**"), including, without limitation, the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq., as supplemented and amended (the "**Act**"), is authorized by the laws of the State, including, without limitation, the Act, to issue its bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to defray, among other things, the cost of the acquisition and improvement of "projects" as defined in the Act; and

WHEREAS, the Authority previously issued the $20,200,000 original principal amount Illinois Finance Authority Midwestern Disaster Area Revenue Refunding Bond (Kone Centre Project), Series 2017, which is outstanding as of the date hereof in the aggregate principal amount of $17,471,575.20 (the "**Bond**"); and

WHEREAS, the Bond was issued pursuant to a Bond and Loan Agreement dated as of December 1, 2017 (the "**Original Agreement**"), among the Authority, Financial District Properties KP, L.L.C., an Illinois limited liability company (the "**Borrower**"), and First Interstate Bank f/k/a Great Western Bank (the "**Purchaser**") pursuant to which the proceeds of the Bond were loaned by the Authority to the Borrower refund the $20,200,000 original aggregate principal amount Illinois Finance Authority Midwestern Disaster Area Revenue Bonds, Series 2010 (Kone Centre Project) (the "**Prior Bonds**"); and

WHEREAS, the Bond has borne interest during the Initial Interest Period at a fixed rate of 3.646% per annum and the Initial Interest Period ended on January 4, 2023; and

WHEREAS, the Purchaser has agreed to retain the Bond as of January 5, 2023 (the "**Initial Purchase Date**") and, pursuant to Section 3.3(b)(iii) and Section 3.3(c)(2), the Borrower and the Purchaser have agreed to a Fixed Rate for a new Interest Period that commenced on January 5, 2023 and will be in effect to, but not including, January 5, 2027 (the "**Subsequent Purchase Date**"); and

WHEREAS, the Purchaser and the Borrower wish to establish a subsequent Interest Period pursuant to the terms of the Original Agreement, set forth the terms of such Interest Period, and provide an updated Amortization Schedule for the Bond which is consistent with the terms of the Original Agreement; and

WHEREAS, the parties to the Original Agreement also wish to make certain additional changes to the Original Agreement relating to subsequent Interest Periods; and

WHEREAS, to effectuate the modifications to the terms of the Original Agreement and to establish the terms of the subsequent Interest Period as described above, the Borrower and the Purchaser have requested that the Authority enter into a Bond and Loan Agreement Amendment and Terms of Interest Period, to be dated the date of its execution (the "**First Amendment**"); and

WHEREAS, a form of the First Amendment, among the Authority, the Borrower and the Purchaser has been provided to the Authority; and

WHEREAS, Bond Counsel has informed the Authority, the Borrower and the Purchaser that the method by which the Fixed Rate on the Bond has been determined pursuant to the Original Agreement will likely cause the Bond to be considered "reissued" for federal income tax purposes and that certain supplemental tax or other certificates will be required to be executed by the Authority and the Borrower (the "**Supplemental Certificates**"); and

WHEREAS, in order to effectuate the above, the Borrower has requested the Authority to approve and to enter into the First Amendment in substantially the form submitted to the Authority and before it at this meeting, and to enter into or provide any Supplemental Certificates; and

WHEREAS, it is necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of the First Amendment;

NOW THEREFORE, BE IT RESOLVED by the Members of the Illinois Finance Authority as follows:

Section 1. That all of the recitals contained in the preambles to this Resolution are full, true and correct, and are hereby incorporated into this Resolution by this reference.

Section 2. That the Authority is hereby authorized to enter into the First Amendment with the Borrower and the Purchaser in substantially the same form now before the Authority; that the form, terms and provisions of the First Amendment be, and they hereby are, in all respects approved; that the Chairperson, the Vice Chairperson, the General Counsel or the Executive Director of the Authority, or any person duly appointed by the Members to serve in such offices on an interim basis (each, an "**Authorized Officer**"), be, and each of them hereby is, authorized, empowered and directed to execute, and the Executive Director, Secretary or any Assistant Secretary of the Authority be, and each of them hereby is, authorized, empowered and directed to attest and to affix the official seal of the Authority to, the First Amendment in the name, for and on behalf of the Authority, and thereupon to cause the First Amendment to be delivered to the other parties thereto in substantially the form now before the Authority or with such changes or revisions therein as the Authorized Officer executing the First Amendment on behalf of the Authority shall approve, his or her execution thereof to constitute conclusive evidence of such approval of any and all changes and revisions therein from the form of the First Amendment now before the Authority; that when the First Amendment is executed, attested, sealed and delivered on behalf of the Authority as hereinabove provided, the First Amendment shall be binding on the

Authority; that from and after the execution and delivery of the First Amendment, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the First Amendment as executed; and that the First Amendment shall constitute, and hereby is made, a part of this Resolution, and a copy of the First Amendment shall be placed in the official records of the Authority and shall be available for public inspection at the office of the Authority.

Section 3. That any of the Authorized Officers, the Secretary and any Assistant Secretary of the Authority be, and each of them hereby is, authorized to execute and deliver such documents, Supplemental Certificates, certificates, and undertakings of the Authority and to take such other actions as may be required in connection with the execution, delivery and performance of the First Amendment authorized by this Resolution, including without limitation the signing of an IRS Form 8038 and the filing thereof with the Internal Revenue Service if required by Bond Counsel.

Section 4. That all acts of the officers, employees and agents of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, be, and the same hereby are, in all respects, ratified, confirmed and approved.

Section 5. That the provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 6. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 7. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved and effective this 14th day of February, 2023 by vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Vacancy:

Attest: ILLINOIS FINANCE AUTHORITY

[SEAL]

By ______________________________________
Executive Director

By ______________________________
Assistant Secretary

RESOLUTION NO. 2023-0214-CF07

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO AMENDED AND RESTATED INDENTURE OF TRUST, WHICH AMENDS AND SUPPLEMENTS THAT CERTAIN AMENDED AND RESTATED INDENTURE OF TRUST DATED MAY 1, 2012, IN CONNECTION WITH THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2012 (METROPOLITAN FAMILY SERVICES PROJECT), WHICH AMENDMENT PROVIDES FOR THE ADDITION OF A NEW INDEX INTEREST RATE; AND RELATED DOCUMENTS; AND APPROVING RELATED MATTERS.

WHEREAS, the Illinois Finance Authority (the "*Issuer*") has been created by the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (as supplemented and amended, the "*Act*"); and

WHEREAS, in accordance with Resolution No. 2012-0410-AD09 adopted by the Issuer on April 10, 2012 (the "*Original Resolution*"), the Issuer has previously issued its $12,700,000 original aggregate principal amount Illinois Finance Authority Variable Rate Revenue Bonds, Series 2012 (Metropolitan Family Services Project), of which $12,700,000 remains outstanding (the *"Bonds"*); and

WHEREAS, on June 1, 2012, the Issuer issued the Bonds pursuant to that certain Amended and Restated Indenture of Trust dated as of May 1, 2012 (the "*Existing Indenture*") between the Issuer and U.S. Bank Trust Company, National Association, formerly U.S. Bank National Association, (the "*Trustee*") and pursuant to that certain Amended and Restated Loan Agreement dated as of May 1, 2012 (the "*Existing Loan Agreement*") between the Issuer and Metropolitan Family Services, an Illinois special charter not-for-profit corporation (the "*Corporation*"); and

WHEREAS, the Corporation entered into an Additional Covenant Agreement dated as of May 1, 2012 (as amended, modified, restated or otherwise modified to date, the "*Additional Covenant Agreement*") with PNC Bank, National Association (the "*Purchaser*") in connection with the sale of the Bonds to the Purchaser on a private placement basis and the proceeds from the sale thereof were loaned to the Corporation; and

WHEREAS, under the terms of the Existing Indenture, the Bonds bear interest at an Index Interest Rate (as defined in the Existing Indenture) from the Conversion Date (as defined in the Existing Indenture) of June 3, 2019 until June 3, 2024; and

WHEREAS, currently, under the Existing Indenture, the Index Interest Rate is established using an index rate formula that applies a LIBOR Interest Rate for a LIBOR Index Interest Rate Period (as such terms are defined in the Existing Indenture); and

WHEREAS, the London Interbank Offered Rate ("*LIBOR*") is expected to be discontinued on or about June 30, 2023; and

WHEREAS, as a result of such discontinuation of LIBOR, the Issuer and the Trustee, with the consent of the Corporation and the Purchaser, desire to amend the Existing Indenture to (i) replace the LIBOR Index Rate as an index that may be used to establish the interest rate, with the SOFR Index Rate (as defined in the First Amendment to Existing Indenture as defined below), as a new index that may be used to establish the interest rate for the Bonds and (ii) to make certain other related modifications (collectively, the "*Amendments*"); and

WHEREAS, in order to effect such Amendments, the Corporation has requested that the Issuer execute and deliver (i) a First Amendment to Amended and Restated Indenture of Trust between the Issuer and the Trustee (the "*First Amendment to Existing Indenture*"), supplementing and amending the Existing Indenture, (ii) an amended and restated Bond (the "*Replacement Bond*"), and (iii) such other documents as may be necessary to effect the Amendments; and

WHEREAS, a draft of the First Amendment to Existing Indenture including a form of the Replacement Bond, has been previously provided to the Issuer and is on file with the Issuer; and

NOW, THEREFORE, Be It Resolved by the Members of the Illinois Finance Authority as follows:

Section 1. Recitals. The foregoing recitals are incorporated in and made a part of this Resolution by this reference.

Section 2. First Amendment to Existing Indenture. The Issuer does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, or General Counsel, or any person duly appointed by the Members to serve in such offices on an interim basis or otherwise authorized to act as provided by the Resolutions of the Issuer (each an "*Authorized Officer*"), and the delivery and use, of the First Amendment to Existing Indenture. The Secretary or any Assistant Secretary of the Issuer is hereby authorized to attest and to affix the official seal of the Issuer to the First Amendment to Existing Indenture. The First Amendment to Existing Indenture shall be substantially in the form previously provided to and on file with the Issuer and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Issuer executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Issuer's approval of any changes or revisions therein from such form of the First Amendment to Existing Indenture and to constitute conclusive evidence of such Authorized Officer's approval and the Issuer's approval of the terms thereof.

Section 3. Replacement Bond. In order to carry out the effectiveness of the Amendments, the Issuer hereby authorizes and approves the execution and delivery to the Purchaser of the Replacement Bond, such Replacement Bond to be in substantially the form attached to the First Amendment to Existing Indenture as Exhibit A and previously provided to and on file with the Issuer or with such changes therein as any Authorized Officer shall approve, the execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions therein from such form; such Replacement Bond shall be executed in the name, for and on behalf of the Issuer with the manual or facsimile signature of its Authorized Officer and attested with the manual or facsimile signature of its Secretary or any Assistant Secretary and the seal of the Issuer shall be impressed or imprinted thereon; the Authorized Officer of the Issuer shall cause such Replacement Bond as so executed and attested, to be delivered to the Purchaser, as bond registrar, for authentication; and when such Replacement Bond is executed on behalf of the Issuer in the manner contemplated by the Existing Indenture, as supplemented and amended by the First Amendment to Existing Indenture, and this Resolution, it shall represent the approved form of such Replacement Bond.

Section 4. *Authorization and Ratification of Subsequent Acts*. The Members, officers, agents and employees of the Issuer are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including the execution and delivery of a Certificate of the Issuer and any additional documents as may be necessary to carry out and comply with the provisions of this Resolution and execution, delivery and performance of the First Amendment to Existing Indenture, the Replacement Bond or the Existing Indenture, and all of the acts and doings of the Members, officers, agents and employees of the Issuer which are in conformity with the intent and purposes of this Resolution and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the First Amendment to Existing Indenture, the Replacement Bond or any other document executed pursuant hereto it is provided that an action shall be taken by the Issuer, such action shall be taken by an Authorized Officer of the Issuer, or in the event of the unavailability, inability or refusal of an Authorized Officer, any two Members of the Issuer, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Issuer, all within the parameters set forth herein and in the Existing Indenture.

Section 5. *Severability*. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 6. *No Conflict*. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict. The foregoing notwithstanding, the Original Resolution is hereby confirmed, except to the extent otherwise supplemented by this Resolution.

Section 7. *Effective Date*. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved this 14th day of February, 2023 by vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Vacant:

ILLINOIS FINANCE AUTHORITY

By ____________________________________
Executive Director

ATTEST:

____
Assistant Secretary

[SEAL]

RESOLUTION NUMBER 2023-0214-CF08

RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A FOURTH AMENDMENT TO BOND AND LOAN AGREEMENT AND RELATED DOCUMENTS AMONG THE ILLINOIS FINANCE AUTHORITY, SMART HOTELS/OLYMPIA CHICAGO, LLC AND BMO HARRIS BANK N.A., AND APPROVING THE EXECUTION OF AN AMENDED BOND AND CERTAIN OTHER AGREEMENTS RELATING THERETO; AND RELATED MATTERS.

WHEREAS, the **ILLINOIS FINANCE AUTHORITY** (the "Authority"), has been created by the Illinois Finance Authority Act, 20 ILCS 3501/801-1, as supplemented and amended (the "Act"); and

WHEREAS, the Authority issued its Illinois Finance Authority Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2017 (the "Original Bonds"), in the principal amount of $19,651,408.90 for the benefit of **SMART HOTELS/OLYMPIA CHICAGO, LLC**, a Delaware limited liability company (the "Borrower"), for the purpose of assisting the Borrower in providing all or a portion of the funds necessary to: (i) refund all or a portion of the Authority's Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2010 (the "Prior Bonds"), and (ii) pay all or a portion of the costs of issuance for the Original Bonds, all as permitted by the Act (collectively, the "Financing Purposes"), all as permitted by the Act;

WHEREAS, the Original Bonds were issued pursuant to an Amended and Restated Bond and Loan Agreement, dated as of March 1, 2017, as amended (as previously amended, the "Original Bond and Loan Agreement"), among the Authority, Borrower and the hereinafter defined Purchaser; and

WHEREAS, the Original Bonds were sold to BMO Harris Bank N.A., a national banking association (together with its permitted successors and assigns, the "Purchaser"); and

WHEREAS, the London Interbank Offered Rate (LIBOR) used in the Original Bonds and the Original Bond and Loan Agreement is being phased out and the Borrower and the Purchaser wish to use the Secured Overnight Financing Rate (SOFR) as a replacement rate and such modification does not result in a reissuance under Treasury Regulations Section 1.1001-6; and

WHEREAS, the Borrower and the Purchaser have requested that the Original Bonds and the Original Bond and Loan Agreement be amended to change the interest rate and make certain other amendments, including without limitation amending the definition of Maximum Rate to be the highest rate permitted by applicable law, and in connection therewith to deliver an amended bond (the "Amended Bond"); and

WHEREAS, a draft of the following document has been previously provided to and is on file with the Authority (the "Authority Document"):

(a) a Fourth Amendment to Bond and Loan Agreement and Related Documents, among the Authority, the Borrower and the Purchaser (the "Fourth Amendment" and together with the Original Bond and Loan Agreement, the "Bond and Loan Agreement");

NOW, THEREFORE, BE IT RESOLVED by the Illinois Finance Authority as follows:

Section 1. Findings. Based solely on the representations made by the Borrower, the Authority hereby makes the following findings and determinations with respect to the Borrower, the Amended Bond and the facilities financed or refinanced with the proceeds of the Original Bonds:

(a) The Borrower is a limited liability company organized under the laws of the State of Delaware and is qualified to do business in the State of Illinois;

(b) The Borrower previously filed with the Authority its request for assistance in providing funds to the Borrower through the issuance of the Original Bonds;

(c) The facilities financed or refinanced with the proceeds of the Original Bonds do not include any property used or to be used for sectarian instruction or as a place of religious worship nor any facility which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination or the training of ministers, priests, rabbis or other professional persons in the field of religion; and

(d) The Original Bonds were issued for a valid purpose under and in accordance with the provisions of the Act.

Section 2. Delivery of Amended Bond. The Original Bonds shall be amended, shall be secured by the Bond and Loan Agreement and shall have the terms and provisions set forth therein. A form of the Amended Bond is attached to the Fourth Amendment.

The Amended Bond shall be executed on behalf of the Authority by the manual or facsimile signature of its Chairperson, its Vice Chairperson, its Executive Director or its General Counsel (and for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis or otherwise authorized to act as provided by resolutions of the Authority) and attested by the manual or facsimile signature of its Executive Director, Secretary or any Assistant Secretary, or any person duly appointed by the Members of the Authority to serve in such office on an interim basis, and may have the corporate seal of the Authority impressed manually or printed by facsimile thereon.

The Amended Bond and the interest thereon shall be a limited obligation of the Authority, payable solely from the income and revenue derived by the Authority pursuant to the Bond and Loan Agreement (except such income and revenues as may be derived by the Authority pursuant to the Unassigned Rights (as defined in the Bond and Loan Agreement)). The Amended Bond and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) the income and revenues derived by the Authority pursuant to the Bond and Loan Agreement and (ii) any money arising out of the investment or reinvestment of said proceeds, income, revenue or receipts.

Section 3. Fourth Amendment. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, or General Counsel, or any person duly appointed by the Members to serve in such offices on an interim basis (each an "Authorized Officer") and the delivery and use of the Fourth Amendment. The Fourth Amendment shall be substantially in the form previously provided to and on file with the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of any changes or revisions therein from the form of the Fourth Amendment, and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms of the Amended Bond.

Section 4. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including without limitation the execution and delivery of a document setting forth the agreement and certification of the parties thereto relating to certain federal tax matters) as may be necessary to carry out and comply with the provisions of these resolutions, the Fourth Amendment, the Amended Bond and all of the acts and doings of the Members, officers, agents, and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Authority Document or any other documents executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer, any two Members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Bond and Loan Agreement.

Section 5. Severability. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of remainder of the sections, phrases and provisions.

Section 6. Repeal of Conflicting Provisions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 7. Full Force and Effect. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

SIGNATURE PAGE TO FOLLOW

Adopted this 14th day of February, 2023 by roll call vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Vacancy:

ILLINOIS FINANCE AUTHORITY

____

Executive Director

[SEAL]

____

Assistant Secretary

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

VIII. PRESENTATION AND CONSIDERATION OF FINANCIAL REPORTS AND REPORT ON THE CLIMATE BANK PLAN

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160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

To: Members of the Authority

From: Ximena Granda, Manager of Finance and Administration

Date: February 14, 2023

Subject: ***Presentation and Consideration of Financial Reports as of January 31, 2023***

****All information is preliminary and unaudited.**

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

a. **Total Annual Revenues** of $2.4 million are $429 thousand or 22.0% higher than budget primarily due to closing and administration fees, interest and investment income, and mark-to-market, non-cash appreciation of investments. * Closing fees of $1.1 million are $90 thousand or 8.5% **higher** than budget. Total annual servicing fees (e.g., fees for outstanding bonds of the former Education Facilities Authority, outstanding bonds on behalf of Illinois Environmental Protection Agency, loan guarantees, fire truck and ambulance loans, etc.) of $193 thousand are $91 thousand higher than budget. Total annual administrative fees (e.g., document amendments, host TEFRA hearings, etc.) of $147 thousand are $109 thousand higher than budget. Annual application fees of $13 thousand are $7 thousand higher than budget. Accrued interest income from loans in connection with the former Illinois Rural Bond Bank local government borrowers and other loans totaled $189 thousand (which has represented a declining asset since 2014). Net investment income position is $691 thousand for the fiscal year which is $256 thousand higher than budget (this increase in net investment position reflects a $221 thousand mark-to-market, non-cash increase in investments).

b. In **January,** the Authority recorded closing fees of $25 thousand, which was $125 thousand lower than the monthly budgeted amount of $150 thousand. The closing fees were in connection with the issuance of tax-exempt bonds for five beginning farmer projects.

c. **Total Annual Expenses** of $1.7 million are $205 thousand or 10.8% **lower** than budget, which has been driven by below budget spending on employee-related expenses and professional services. Total annual employee-related expenses of $931 thousand are $195 thousand or 17.3% **lower** than budget due to staff vacancies. Total annual professional services expenses of $478 thousand are $21 thousand or 4.2% lower than budget primarily due to reduced external legal expenses. Total annual occupancy costs of $107 thousand are 5.4% higher than budget while general and administrative costs of $167 thousand are 1.0% higher than budget due to the purchase of miscellaneous IT equipment. Depreciation Expense totals $8 thousand but such expense is a non-cash expenditure.

d. In **January,** the Authority recorded operating expenses of $270 thousand, which was $1 thousand lower than the monthly budgeted amount of $271 thousand. Despite various staff vacancies, employee-related expenses were higher than prior months due to retirement contributions and employer payroll taxes paid at the start of the new calendar year.

**** Governmental Accounting Standards Board (GASB) Statement No. 31.** This Statement establishes accounting and financial reporting standards for all investments held by governmental external investment pools. For most other governmental entities, it establishes fair value standards for investments in (a) participating interest-earning investment contracts, (b) external investment pools, (c) open-end mutual funds, (d) debt securities, and (e) equity securities, option contracts, stock warrants, and stock rights that have readily determinable fair values.*

e. **Total Monthly Net Loss** of $15 thousand was primarily attributable to lower than expected closing fees.

f. **Total Annual Net Income** of $685 thousand was due to higher than expected closing fees, interest and investment income, and the non-cash mark-to-market appreciation of investments.

2. GENERAL OPERATING FUND-ASSETS, LIABILITIES AND NET POSITION

In the General Fund, the Authority continues to maintain a net position of $59.1 million at the end of January 31, 2023. Total assets in the General Fund are $62.4 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total $47.9 million (with $5.3 million in cash). Notes receivable from former Illinois Rural Bond Bank ("IRBB") local governments total $5.0 million. Participation Loans, Natural Gas Loan Program, DACA (pilot medical student loans in exchange for service in medically underserved areas in Illinois) and other loans receivable are $7.5 million.

3. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION

The Assets, Liabilities and Net Position for all other funds is not available are not available at this time.

4. AUTHORITY AUDITS AND REGULATORY UPDATES

On January 23, 2023, the entrance meeting was held to start the Expenditures, Payables and Equipment Audit. Such audit will be performed by Central Management Services, Bureau of Internal Audit.

The Shakman, Personnel, and Payroll Audit is in progress. Staff has nothing to report at this time.

5. OTHER SUPPLEMENTARY FINANCIAL INFORMATION

The Fiscal Year Comparison of Bonds Issued, the Fiscal Year 2023 Bonds Issued, and the Schedule of Debt will not be available until further notice.

Recommendation:

Staff recommends approval.

ILLINOIS FINANCE AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
THROUGH JANUARY 31, 2023
(PRELIMINARY AND UNAUDITED)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	YEAR TO DATE ACTUAL	FY 2023 BUDGET	BUDGET VARIANCE TO Y-T-D ACTUAL	BUDGET VARIANCE (%)
Operating Revenues:											
Closing Fees	$ 97,837	$ 227,655	$ 140,975	$ 71,125	$ 167,538	$ 412,180	$ 25,497	$ 1,142,807	$ 1,052,990	$ 89,817	8.5%
Annual Fees	14,157	39,642	28,284	28,024	26,531	28,434	27,731	192,803	101,831	90,972	89.3%
Administrative Service Fees	17,000	7,000	5,000	4,000	27,000	84,650	2,000	146,650	37,917	108,733	286.8%
Application Fees	100	3,000	2,300	5,200	1,500	100	1,000	13,200	5,833	7,367	126.3%
Miscellaneous Fees	99	107	-	-	400	-	93	699	-	699	0.0%
Interest Income-Loans	24,783	29,910	26,902	27,162	26,843	27,289	26,555	189,444	186,633	2,811	1.5%
Other Revenue	155	76	76	75	74	73	-	529	128,508	(127,979)	-99.6%
Total Operating Revenue:	**$ 154,131**	**$ 307,390**	**$ 203,537**	**$ 135,586**	**$ 249,886**	**$ 552,726**	**$ 82,876**	**$ 1,686,132**	**$ 1,513,712**	**$ 172,420**	**11.4%**
Operating Expenses:											
Employee Related Expense	$ 129,917	$ 130,976	$ 136,053	$ 132,470	$ 129,584	$ 130,320	$ 141,953	$ 931,273	$ 1,126,676	$ (195,403)	-17.3%
Professional Services	44,707	54,413	72,189	63,982	65,586	87,021	89,924	477,822	498,750	(20,928)	-4.2%
Occupancy Costs	14,507	15,215	15,194	15,065	14,918	16,938	15,537	107,374	101,827	5,547	5.4%
General & Administrative	23,968	26,783	25,174	24,001	23,253	22,719	21,473	167,371	165,667	1,704	1.0%
Depreciation and Amortization	1,500	1,500	1,500	1,500	752	683	683	8,118	4,375	3,743	85.6%
Total Operating Expense	**$ 214,599**	**$ 228,887**	**$ 250,110**	**$ 237,018**	**$ 234,093**	**$ 257,681**	**$ 269,570**	**$ 1,691,958**	**$ 1,897,295**	**$ (205,337)**	**-10.8%**
Operating Income(Loss)	**$ (60,468)**	**$ 78,503**	**$ (46,573)**	**$ (101,432)**	**$ 15,793**	**$ 295,045**	**$ (186,694)**	**$ (5,826)**	**$ (383,583)**	**$ 377,757**	**98.5%**
Nonoperating Revenues (Expenses):											
Miscellaneous Non-Opertg Rev/(Exp)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -	n/a
Bad Debt Adjustments (Expense)	-	-						-	-	-	0.0%
Interest and Investment Income	52,529	64,513	77,669	61,305	82,355	84,481	105,727	528,579	435,167	93,412	21.5%
Realized Gain (Loss) on Sale of Invests	(1,430)	(3,163)	(6,409)	886	(11,689)	(11,330)	(24,708)	(57,843)	-	(57,843)	n/a
Mark-to-Market Fair Value Adj - (Appr-De	532	(22,172)	(43,022)	13,239	82,220	99,569	90,177	220,543	-	220,543	n/a
Total Nonoperating Rev (Exp)	**$ 51,631**	**$ 39,178**	**$ 28,238**	**$ 75,430**	**$ 152,886**	**$ 172,720**	**$ 171,196**	**$ 691,279**	**$ 435,167**	**$ 256,112**	**58.9%**
Net Income (Loss) Before Transfers	**$ (8,837)**	**$ 117,681**	**$ (18,335)**	**$ (26,002)**	**$ 168,679**	**$ 467,765**	**$ (15,498)**	**$ 685,453**	**$ 51,584**	**$ 633,869**	**n/a**
Transfers:											
Transfers in from other funds	$ -	$ -	$ -	$ -	$ -			$ -	$ -	-	0.0%
Transfers out to other funds	-	-	-	-	-			-	-	-	0.0%
Total Transfers In (Out)	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Net Income (Loss)	**$ (8,837)**	**$ 117,681**	**$ (18,335)**	**$ (26,002)**	**$ 168,679**	**$ 467,765**	**$ (15,498)**	**$ 685,453**	**$ 51,584**	**$ 633,869**	**n/a**

ILLINOIS FINANCE AUTHORITY

ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
January 31, 2023
(PRELIMINARY AND UNAUDITED)

	GENERAL FUND
Assets and Deferred Outflows:	
Current Assets Unrestricted:	
Cash & cash equivalents	5,227,295
Investments	38,262,526
Accounts receivable, Net	3,632
Loans receivables, Net	296,908
Accrued interest receivable	378,712
Bonds and notes receivable	709,800
Due from other funds	1,380,031
Prepaid Expenses	177,563
Total Current Unrestricted Assets	**$ 46,436,467**
Restricted:	
Cash & Cash Equivalents	$ -
Investments	-
Total Current Restricted Assets	**$ -**
Total Current Assets	**$ 46,436,467**
Non-current Assets:	
Unrestricted:	
Investments	$ 4,429,080
Loans receivables, Net	7,188,014
Bonds and notes receivable	4,256,847
Due from other local government agencies	-
Total Noncurrent Unrestricted Assets	**$ 15,873,941**
Restricted:	
Cash & Cash Equivalents	$ -
Investments	-
Bonds and notes receivable from State component units	-
	-
Total Noncurrent Restricted Assets	**$ -**
Capital Assets	
Capital Assets	$ 878,604
Accumulated Depreciation	(836,007)
Total Capital Assets	**$ 42,597**
Total Noncurrent Assets	**$ 15,916,538**
Total Assets	**$ 62,353,005**
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred loss on debt refunding	$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**$ -**
Total Assets & Deferred Inflows of Resources	**$ 62,353,005**

ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
January 31, 2023
(PRELIMINARY AND UNAUDITED)

		GENERAL FUND
Liabilities:		
Current Liabilities:		
Payable from unrestricted current assets:	$	927,390
Accounts payable		48,688
Lease Payable		21,751
Accrued liabilities		694,819
Due to employees		116,020
Due to other funds		1,380,001
Payroll Taxes Liabilities		18,728
Unearned revenue, net of accumulated amortization		45,153
Total Current Liabilities Payable from Unrestricted Current Assets	**$**	**3,252,550**
Payable from restricted current assets:		
Accounts payable		-
Obligation under securites lending of the State Treasurer		-
Accrued interest payable	$	-
Due to other funds		-
Other liabilities		-
Unamortized bond premium		-
Total Current Liabilities Payable from Restricted Current Assets	**$**	**-**
Total Current Liabilties	**$**	**3,252,550**
Noncurrent Liabilities		
Payable from unrestricted noncurrent assets:		
Noncurrent payables	$	585
Lease Payable	$	15,700
Accrued liabilities		-
Noncurrent loan reserve		-
Total Noncurrent Liabilities Payable from Unrestricted Noncurrent Assets	**$**	**16,285**
Payable from restricted noncurrent assets:		
Unamortized bond premium		-
Assets	**$**	**-**
Total Noncurrent Liabilities	**$**	**16,285**
Total Liabilities	**$**	**3,268,835**
DEFERRED INFLOWS OF RESOURCES:		
Net Position:		
Net Investment in Capital Assets	$	42,597
Unrestricted		58,356,120
Current Change in Net Position		685,453
Total Net Position	**$**	**59,084,170**
Total Liabilities & Net Position	**$**	**62,353,005**

ILLINOIS CLIMATE BANK PLAN STANDING REPORT
Report to the Illinois Finance Authority
February 14, 2023

Brief Background: Considering the rapidly expanding field of potential federal funding opportunities connected with the Authority's statutory designation as the Climate Bank, of the State of Illinois on November 10, 2022, the Authority adopted Resolution No. 2022-1110-EX16 (Climate Bank Plan Resolution). Due to the timing and complexity of these potential federal funding opportunities, it may not be practical or feasible for the Authority Members to meet in a timely manner to obtain the necessary approvals, allocate resources, and authorize spending to compete for these potential federal funding opportunities. Failure to compete for these federal funding opportunities may result in these federal funds being awarded to states other than Illinois. Accordingly, the Executive Director will continue to work jointly with the Chair, in close consultation with the Administration, on each of the items and will report back to the Members for consideration and approval.

Section 4 of the Climate Bank Resolution authorizes the Chair and the Executive Director to modify the Climate Bank Plan from time to time to conform to the requirements of, or guidance from, any entity with authority over the Climate Bank Plan programs. Attached separately, is the ***Climate Bank Plan for Fiscal Year 2023 dated February 14, 2023***, with updates and modifications, which will inform the Members on the evolving plan considering joint work with the Chair and in close consultation with the Administration.

Section 5 of the Climate Bank Resolution requires the Executive Director to report to the Members on all material actions taken under the resolution and all substantive modifications made to the Climate Bank Plan between meetings. The Members may then affirm, modify, or disapprove of any modifications to the Climate Bank Plan.

This February 14, 2014 Climate Bank Plan Standing Report is consistent with Section 5 of the Climate Bank Resolution. It summarizes all material actions taken under the Climate Bank Plan, and all substantive modifications to the Climate Bank Plan. Following consideration by the Members, I ask the Members to affirm this modified Climate Bank Plan, in full.

ACTION SUMMARY

1. Intergovernmental Agreement (IGA). See Attachment 1. This Agreement, identified in the November 10, 2022, Climate Bank Plan and further authorized by Resolution No. 2022-1209-EX09. Under the IGA, a competitive procurement for vendor resources to assist with federal funding opportunities was undertaken by the parties. As of printing, this competitive procurement process is nearly complete.

2. Pursuant to a small purchase agreement authorized under the Procurement Code, the Authority executed two contracts with the Accelerate Group, a vendor with specialized and unique expertise with respect to the federal funding opportunities and which has plans to work with other parties representing the diversity of Illinois and providing specialized and unique expertise with respect to the federal funding opportunities. In January 2023, the

Authority expended $19,000 with the Accelerate Group. The work product of the Accelerate Group is reflected in both Attachments 2 and 3 as well as in this Standing Report and the Climate Bank Plan for Fiscal Year 2023 dated February 14, 2023.

3. The Authority has engaged with Jobs and Justice Advocates on Guiding Principles which are anticipated to be important to federal funding opportunities.

4. The Authority is working with the Coalition for Green Capital, which is developing an application for those portions of the Greenhouse Gas Reduction Fund (GHGRF), which the Authority, on its own, may not be able to apply for.

CALENDAR YEAR 2022 KEY ACCOMPLISHMENTS

In the first full calendar year of the Illinois Climate Bank's operations, the Authority deployed **$257.3 million** in private capital to support Climate Bank activities, including:

- **$215.8 million** for clean water (sewer) public projects and **$17 million** for drinking water public projects deployed from the Series 2020 Green-designated Illinois Clean Water Initiative/State Revolving Fund Bonds (SRF)
- **$23.5 million** in Commercial Property Assessed Clean Energy (C-PACE) financing
- **$1 million** in local government loan repayment of public funds for mitigation of negative impact of climate change (resilience) loans

62% of drawdowns from the SRF are communities where the majority has been federally designated as a disadvantaged community or has been state-designated as an equity investment eligible community.

90.8% of the IFA/Climate Bank's C-PACE projects are in federally designated disadvantaged communities:

- Illinois Building, Springfield, IL – $1,963,421.35
- PNC Building, Springfield, IL – $1,401,327.98
- Homewood Suites Hotel, Skokie, IL - $12,300,000
- Holiday Inn/Staybridge Suites Hotel, Rosemont, IL - $5,700,000 (also an Illinois-designated Equity Investment Eligible Community)

As of printing, USEPA had not published guidance on funding opportunities provided by the Greenhouse Gas Reduction Fund (GHGRF). You can access the 727 complete submission of EPA EFAB to the EPA Administrator on the IRA Section 134 Greenhouse Gas Reduction Fund (GHGRF):

https://www.epa.gov/system/files/documents/2023-01/efab-greenhouse-gas-reduction-fund.pdf.

It is comprehensive & combined in one document. **The 3-page transmittal letter provides the highlights but the 70 pages of PowerPoint is also useful**. The best way to work with is by word search. Importantly, the IFA's complete comments (the public listening session transcripts and the shorter-more succinct written comments to EPA) are included in the 727 pages. IFA submitted comments to both the EPA docket and to directly to EFAB.

KEY UPDATES AND MODIFICATIONS TO THE CLIMATE BANK PLAN

Update on previously approved activities

The Illinois Climate Bank is pursuing an aggressive strategy to accelerate the state's clean energy, climate, and equity goals by creating new finance tools and programs to ensure the benefits of the clean energy economy are equitably distributed and accessible to all.

Since November 2022, the Climate Bank has been working to mobilize IFA staff and consultants to develop competitive federal grant applications and to engage potential partners to support the applications and the ultimate deployment of programs to achieve those goals.

Per the initial plan approved by the Members in November 2022, the Climate Bank has been working with consultants to develop a strategy for the development of successful applications for following federal funding opportunities:

- *Estimated* $50 million - $1 billion from the Greenhouse Gas Reduction Fund, Inflation Reduction Act Section 134. Expected application deadline in Spring 2023.
- Approximately $8 million/year from U.S. Department of Energy for Grid Resilience, Bipartisan Infrastructure Law Section 40101(d). Application deadline March 31, 2023.

New opportunities

Additionally, the Climate Bank has identified additional opportunities that will help achieve its goals. Working jointly with the Chair and in close consultation with the Administration, the Executive Director has modified the Climate Bank Plan, pursuant Climate Bank Plan Resolution to incorporate these additional efforts.

- Changing the color of the Authority's logo, letterhead, and website, from a reddish orange to green to reflect our statutory purpose and role as Illinois' Climate Bank.
- Leading a state application to secure $138 million in federal funds under the U.S. Department of Energy's Grid Resilience Innovative Partnerships Program to accelerate transportation electrification in rural and small-town communities.
- Working with Illinois EPA to submit a state application to secure a one-time award of approximately $15.3 million from the U.S. Department of Energy under the Energy Efficiency Revolving Loan Fund Capitalization Grant Program (Sec. 40502 of federal Bipartisan Infrastructure Law or "BIL") to form a new Climate Bank revolving loan fund to support building upgrades and retrofits and other authorized uses.
- Supporting an application led by Elevate, an Illinois non-profit, to educate and support energy efficiency businesses under the Resilient and Efficient Codes Implementation funding opportunity from the U.S. Department of Energy.
- Development of a public sector revolving loan fund program supported by bond issuance that supports the electrification of public fleets.

- Working with other relevant state agencies to support efforts and processes as part of the U.S. EPA's Climate Pollution Reduction Grants program, which is deploying $250 million to states to develop plans for reducing greenhouse gas emissions and other harmful air pollution and making $4.6 billion available for competitive implementation grants.

Considering these new opportunities, the Climate Bank Plan as modified is provided for the consideration of the Members. The Members may affirm, modify or disapprove of the modifications to the Climate Bank Plan provided in conjunction with this report. The modified Climate Bank Plan will allow the IFA/Climate Bank to pursue these opportunities, receive funding to support the planning and execution of these initiatives, and enter into intergovernmental and other agreements necessary to establish IFA/Climate Bank's leadership and roles for the State of Illinois in the execution of these initiatives. These efforts are more fully described in the Climate Bank Plan.

Strategic Imperatives

The IFA/Climate Bank is taking several important steps to support its pursuit of these opportunities and the development of new programs, including:

- The development of a Guiding Principles documents with advocates supporting the development of the Illinois Clean Energy Jobs & Justice Fund to enable the strategic coordination of efforts.
- Entry into discussions with the Coalition for Green Capital around the development of a National Nonprofit Financial Institution that intends to pursue a portion of the $20 billion funds set aside in the Greenhouse Gas Reduction Fund for such eligible entities.
- Entry into discussions with other regional green banks / climate banks / state entities to coordinate efforts for a possible regional application to pursue a portion of the $20 billion funds set aside in the Greenhouse Gas Reduction Fund for such eligible entities.
- The development of a comprehensive stakeholder outreach and engagement plan to support the design and development of its new resilience programs and climate & equitable finance programs.
- The engagement of consultants to support the development of comprehensive strategy and top-caliber applications to federal funding applications.
- Establishing an Interagency Working Group to ensure collaboration with other relevant state entities on these and other relevant opportunities.

The Executive Director is excited about the prospects for the Climate Bank to create a meaningful impact on people and communities in Illinois, and expects further opportunities and activities to emerge in the weeks ahead.

Enclosed:

1. Electric Vehicle IGA among the Department of Commerce and Economic Opportunity, the Illinois Finance Authority, the Illinois Environmental Protection Agency, and the Board of Trustees of The University of Illinois (host of the Illinois Innovation Network)
2. GRIP Concept Paper
3. Elevate Energy Concept Paper

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY,
THE ILLINOIS FINANCE AUTHORITY,
THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY AND
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

This Intergovernmental Agreement (the "Agreement") is between the Illinois Department of Commerce and Economic Opportunity ("DCEO"), the Illinois Finance Authority ("IFA"), the Illinois Environmental Protection Agency ("EPA") and The Board of Trustees of the University of Illinois ("University"), a body corporate and politic of the State of Illinois (the "State") (each a "Party" and together, the "Parties"). All Parties are "public agencies" of the State and this Agreement is made pursuant to the Intergovernmental Cooperation Act (5 ILCS 220/1 *et seq*.).

WHEREAS, DCEO is a State agency created by statute (20 ILCS 605/605-1 *et seq*.) and is the lead State agency responsible for enhancing Illinois' economic competitiveness in the global economy, and it administers a wide range of economic development programs, services and initiatives designed to create and retain high quality jobs and build strong communities;

WHEREAS, IFA is a body politic and corporate created by statute (20 ILCS 3501/801-1 et seq.), which also serves as the Illinois Climate Bank, and provides financing and financial assistance to promote a vigorous growing economy and avoid involuntary unemployment for Illinois residents; reduce the cost of indebtedness to State taxpayers and residents; otherwise enhance the quality of life in Illinois by benefiting the health, welfare, safety, trade, commerce, industry, and economy of the people of Illinois consistent with its statutory declarations of policy; and combat climate change by providing financial assistance;

WHEREAS, the EPA is a State agency created by statute (415 ILCS 5/1 *et seq*.) and partners with businesses, local governments, and the public to provide a healthy environment and safeguard the State's natural resources from pollution;

WHEREAS, the University hosts the Illinois Innovation Network ("IIN"), and IIN provides expertise to drive inclusive and integrated research, innovation, and economic development equitably across Illinois, working in concert with and through membership agreements with the 15 members of the IIN Council, to deliver services;

WHEREAS, the Electric Mobility and Innovation Director in the DCEO Director's Office is responsible for coordinating, developing and implementing strategy to attract manufacturers along the electric vehicle supply chain to Illinois;

WHEREAS, given the appropriate resources, the University and IIN members have the capability to assist the Electric Mobility and Innovation Director, IFA, and State EV Coordinator at EPA in providing analysis and forecasting assistance to develop an economic development strategy and implementation plan so that Illinois meets the vertical integration needs of the rapidly growing electric vehicle, electrification and battery manufacturing space and meets Governor Pritzker's goal of achieving one million electric vehicles on the Illinois roadways by 2030; and

WHEREAS, the Parties desire to enter into an agreement by which University agrees to assist the Electric Mobility and Innovation Director, IFA, and State EV Coordinator at EPA by providing such sector analysis and forecasting assistance;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **University Responsibilities**. University shall perform the services provided in **Appendix A** of this Agreement, which is attached and incorporated by reference herein, and will employ a sufficient number of staff or contract with appropriate vendors, having the training and experience required to adequately meet the requirements of this Agreement. University may enter into intergovernmental agreements with "public agencies" that are part of IIN to execute some portion of the services with approval from the Responsible Payor as set forth in Appendix A. When an identified service need is outside the realm of the University's expertise, University will locate a third-party provider with which University will subcontract to provide the needed services with approval from the Responsible Payor. For the purposes of this Agreement, both public agencies that are part of IIN and third-party providers are considered "subcontractors."

2. **Cost and Payment Provisions**.
   A) The cost for services shall not exceed the amounts set forth in Appendix A.
   B) University shall submit detailed invoices to DCEO and IFA requesting payment for services performed pursuant to this Agreement
   C) Invoices for services delivered prior to July 1 of any year must be presented to DCEO and IFA no later than July 31 of that year; otherwise University may have to seek payment through the Illinois Court of Claims.
   D) Invoices shall be submitted as a PDF to DCEO at CEO.AccountsPayable@Illinois.gov, or to IFA at CMeister@il-fa.com and shall include:
      i. Reference to an appropriate 10-digit contract number, or DCEO or IFA issued purchase order number.
      ii. Invoice date, invoiced amount due, University's invoice number, remittance address, period of service, and an itemized list of products or services rendered within the invoice period.

3. **DCEO Responsibilities.** DCEO shall cooperate with University in the performance of the Scope of Work as set forth in **Appendix A**.

4. **IFA Responsibilities**. IFA shall cooperate with University in the performance of the Scope of Work as set forth in **Appendix A.**

5. **EPA Responsibilities**. EPA shall cooperate with University in the performance of the Scope of Work as set forth in **Appendix A.**

6. **Term**. This Agreement shall commence on December 1, 2022, or the date of the last signature of the Parties, whichever is later, and expire on June 30, 2023, with the possibility of extending the term annually for up to an additional two years.

7. **Termination.**

    a. **Termination for Breach.** Upon breach of this Agreement by any Party, the non-breaching Party may terminate this Agreement upon thirty (30) days' written notice, unless during such notice period the breaching Party fully cures its breach. The non-breaching Party may unilaterally elect to provide an additional period of time to cure a breach. The waiver of any right to terminate for breach shall not constitute a waiver of any right to terminate for future breaches, whether of a similar or dissimilar nature. Notwithstanding the foregoing, DCEO and IFA shall pay University for allowable costs incurred and non-cancellable obligations in providing services through the date of termination, and University shall furnish all deliverables as required hereunder through the date of termination.

    b. **Termination for Convenience**. This Agreement may be terminated for no reason by either DCEO, IFA EPA or University upon sixty (60) days' written notice. In the event this Agreement is terminated for convenience, University shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this Agreement up to and including the date of termination.

8. **Appropriations**. Payments pursuant to this Agreement are subject to the availability of applicable federal and/or state funding from DCEO and IFA and their appropriation and authorized expenditures under State law. DCEO and IFA shall use its best efforts to secure sufficient appropriations to fund this Agreement. However, DCEO's and IFA's obligations hereunder shall cease immediately, without penalty or further payment being required, if the Illinois General Assembly or federal funding source fails to make an appropriation sufficient to pay such obligation. DCEO and IFA, at their sole discretion, shall determine whether amounts appropriated are sufficient to continue its obligations under this Agreement. This Agreement is void by operation of law if DCEO or IFA fails to obtain the requisite appropriation for this Agreement in any year in which this Agreement is in effect.

9. **Notice**. All notices given under this Agreement shall be in writing and shall be either (a) served personally during regular business hours; (b) served by electronic transmission during regular business hours with the mailing of the originals using the U.S. mail on the same day, postage prepaid; or (c) served by certified or registered mail, return receipt requested, properly addressed with postage prepaid and deposited in the U.S. mail. Electronic transmission is not permitted for legal notices. Notices served personally shall be effective upon receipt, served by electronic transmission shall be effective as of the first business day after the electronic transmission is sent, and notices served by mail shall be effective upon receipt as verified by the U.S. Postal Service. A Party may change

its representative at any time by written notice to the other Parties. Such notices shall be provided to:

Illinois Department of Commerce and Economic Opportunity
Sylvia Garcia, Acting Director
607 E Adams
Springfield, IL 62701-1643
Sylvia.Garcia@illinois.gov

Illinois Finance Authority
Christopher Meister, Executive Director
160 N. LaSalle St., Suite S-1000
Chicago, IL 60601
CMeister@il-fa.com

Illinois Environmental Protection Agency
John Kim, Director
1021 N. Grand Ave., East
P.O. Box 19726
Springfield, IL 62794-9276
John.J.Kim@illinois.gov

For Agreement operational notices:
Office of the Vice President of the University of Illinois System
Jay Walsh, Vice President
506 South Wright Street
Urbana, IL 61801
jaywalsh@uillinois.edu

For legal notices:
The Board of Trustees of the University of Illinois
ATTN: Secretary of the Board
352 Henry Administration Building
506 S. Wright Street
Urbana, IL 61801

10. **Liaisons**. The Parties designate the following staff as liaisons for the purpose of this Agreement:

Kyle Harfst, Executive Director
Illinois Innovation Network
346 Henry Administration Building
506 South Wright Street
Urbana, IL 61801
(217) 300-8282
Email: kharfst@ullinois.edu

Lisa Clemmons Stott, Electric Mobility and Innovation Director
Illinois DCEO
Phone: 217-299-8330
Email: Lisa.ClemmonsStott@illinois.gov

Christopher Meister, Executive Director
Illinois Finance Authority
Phone: (312)651-1300
Email: CMeister@il-fa.com

Megha Lakhchaura, State EV Coordinator
Illinois EPA
Phone: (224) 636-6364
Email: Megha.Lakhchaura@illinois.gov

11. **General Provisions.**

a. The Parties shall abide by all federal and state laws, regulations or orders that prohibit discrimination because of race, creed, color, religion, sex, national origin, ancestry, age, marital status, handicap, physical or mental disability, unfavorable discharge from the military, or status as a disabled veteran or a veteran of the Vietnam era. The Parties further agree to take affirmative action to ensure that no unlawful discrimination is committed in any manner, including, but not limited to, in the delivery of services under this Agreement.

b. No Party shall use the name of the other in any written material without the prior written consent of the other, with the exception of listing of facilities as may be required by University's accrediting agencies or required routine reports or resolutions authorizing the execution and delivery of this Agreement or as may be required by law, including the Illinois Freedom of Information Act or IFA's communication with the Governor's office or IFA staff, board members, auditors or legal counsel.

c. Information provided by any Party to the other shall be treated as confidential to the extent permitted by Illinois law and in accordance with the terms and conditions given in paragraph 12, below.

d. Nothing in this Agreement is intended to or shall create any rights or remedies in any third party.

e. The Parties affirm that, to the best of their knowledge, there exists no actual or potential conflict between their business or financial interests and their obligations under this Agreement; and, in the event of a change in any Party's interests or obligations, a Party shall disclose to the other Parties any matters creating a potential or actual conflict of interest.

f. Any failure of a Party to enforce any provision of this Agreement shall in no way be construed to be a waiver of such provisions or affect the validity of this Agreement or any part thereof, or the right of any Party thereafter to enforce every provision in accordance with the terms of this Agreement.

g. No party shall be liable for damages due to any delay or default in performing its respective obligations under this Agreement if such delay or default is caused by conditions beyond its control ("force majeure"). Such conditions include but are not limited to war, acts of terrorism, sabotage, insurrections, riots, civil disobedience and the like; accidents; and fires, floods, or acts of God. So long as any such delay or default continues, the Party affected by the conditions beyond its control shall keep the other Parties at all times fully informed concerning the matters causing the delay or default and the prospects of their ending. In such event, the delayed Party shall perform its obligations hereunder within a reasonable time after the cause of the failure has been remedied, and the other Parties shall be obligated to accept such delayed performance.

h. If any provision of this Agreement is held unenforceable for any reason, that unenforceability shall not affect the remainder of this Agreement, which shall remain enforceable in accordance with its terms. All commitments by University herein are subject to all the constitutional and statutory limitations and restrictions that are binding upon University.

i. This document, along with its attached Appendix A, constitute the entire agreement between the Parties with respect to the subject matter herein, and supersedes all prior oral and written communications with respect to its contents. No modification, extension, or waiver of this Agreement or any provision thereof shall be binding upon either DCEO, IFA, EPA or University, unless reduced to writing and duly executed by all Parties.

12. **Records Retention, Confidentiality and Protected Personal Information**.

a. University shall maintain adequate books, records and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement, for a minimum of three (3) years after the completion of this Agreement, final payment or completion of any audit or litigation, whichever is latest. University further agrees to cooperate fully with any audit and to make this Agreement, and all books, records and supporting documents related to this Agreement, available to the Auditor General, chief procurement officer, internal auditor, Illinois Attorney General, DCEO, IFA and EPA.

b. "Confidential Information" means any information embodied in written, graphical, digital, oral, biological, or other tangible form that is clearly identified or labeled as "confidential" or "proprietary" at the time of disclosure and disclosed by or on behalf of one Party to any other Party. Confidential Information disclosed orally shall only be treated as such if summarized in writing by the disclosing Party to the receiving Party clearly identifying the information as "confidential" or "proprietary" within 30 days of the disclosure. To the extent University maintains or has access to any DCEO, IFA or EPA Confidential Information, University agrees that its officers, employees, agents, contractors, and subcontractors who are given access to said Confidential Information shall be instructed about its confidential nature and that it shall only be used to further the objectives of this Agreement. University shall comply with applicable law related to safeguarding DCEO, IFA and EPA Confidential Information. Access to any DCEO, IFA or EPA Confidential Information created or maintained by University under this Agreement must be restricted to only those employees or agents of University who need it in their official capacity to perform duties in connection with this Agreement.

c. Security Assurances. University represents that it has established and will maintain safeguards against the loss and unauthorized access, acquisition, destruction, use, modification, or disclosure of DCEO, IFA or EPA Confidential Information and shall otherwise maintain the integrity of DCEO, IFA and EPA Confidential Information in its possession in accordance with applicable law. Such safeguards shall be reasonably designed to: (i) ensure the security and confidentiality of the DCEO, IFA and EPA Confidential Information, (ii) protect against any anticipated threats or hazards to the security or integrity of DCEO, IFA and EPA Confidential Information, and (iii) protect against unauthorized access to or use of DCEO Confidential Information. Additionally, University will have in place practices, which provide for the secure disposal of documents and information which contain DCEO, IFA and EPA Confidential Information.

d. Breach Response. In the event of any unauthorized access to, unauthorized disclosure of, loss of, damage to or inability to account for any DCEO, IFA or EPA Confidential Information (a "Breach"), University agrees that it shall promptly, at its own expense report such Breach to DCEO, IFA or EPA by telephone with written confirmation sent by e-mail and by mail, describing in detail any accessed materials; (ii) take all actions reasonably required to stop, limit or minimize the Breach; (iii) restore and/or retrieve, as practicable, all DCEO, IFA or EPA Confidential Information that was lost, damaged, accessed, copied or removed; (iv) reasonably cooperate to minimize the damage resulting from such Breach; (v) provide any notice to Illinois residents as required by applicable law, in consultation with DCEO, IFA or EPA; and (vi) cooperate in the preparation of any report related to the Breach that DCEO, IFA or EPA may need to present to any governmental body.

e. Compelled Access or Disclosure. University may disclose DCEO, IFA or EPA Confidential Information if it is compelled by law, regulation, or legal process to do so, provided University gives DCEO, IFA or EPA at least two (2) business days' prior notice of such compelled access or disclosure (to the extent legally permitted) and reasonable assistance if DCEO, IFA or EPA wishes to contest the access or disclosure.

13. **Indemnification and Liability**. No Party shall be liable for incidental, special, consequential, or punitive damages, or for any negligent or wrongful acts, either of commission or omission, chargeable to the other, unless such liability is imposed by law. This Agreement shall not be construed as seeking either to enlarge or diminish any obligation or duty owed by any party against the other or against a third party. The legal

liability of all Parties is limited by Illinois law.

14. **FOIA.** This Agreement and all related public records maintained by, provided to, or required to be provided to any Party are subject to the Illinois Freedom of Information Act ("FOIA").

15. **Personnel**. All personnel necessary for the performance of duties contemplated by this Agreement shall be employed by or contracted with University.

16. **Assignment and Subcontracting.** This Agreement may not be assigned, transferred in whole or in part by any Party without the prior written consent of the other Party. Further, University may not subcontract any services to be performed pursuant to this Agreement without the prior written consent of DCEO, IFA and EPA. University shall provide to DCEO, IFA and EPA a copy of all such subcontracts within fifteen (15) days of execution of the subcontract. University shall comply with the Illinois Procurement Code, 30 ILCS 500/1-1 *et seq*., and the applicable administrative rules and policies related to procurement in using any subcontractors to perform services under this Agreement, except that agreements made pursuant to the Intergovernmental Cooperation Act are exempt from the Illinois Procurement Code.

17. **Intellectual Property**. All work product produced by University under this Agreement, including, but not limited to, documents, reports, information, documentation of any sort and ideas, whether preliminary or final, shall become and remain the property of the Party for which the work was performed, including any patent, copyright or other intellectual property rights. With the exception of ideas, all such work products shall be considered works made for hire within the meaning of 17 U.S.C. §101. To the extent that any portion of such work product is not a work made for hire, University completely and without reservation assigns to the Party for which the work was performed all right, title and interest in and to such portion of the work product, as well as all related copyright, patent, trade secret, and other related proprietary rights therein. Nothing herein shall be construed as precluding the use of any information independently acquired by University without such limitation. No Party shall publicly state or imply that University, staff or IIN approves of the final product without written approval from the Executive Director of the IIN. University and any public agency subcontractor has a royalty-free, perpetual license to use any materials created under this Agreement for its internal research and education purposes.

18. **Publication**. The Parties and subcontractors may publish results and other information produced under this Agreement in works such as academic journals, books, online publications, other reports, and materials and information included in presentations for academic seminars and conferences derived from or based on use of any data, material, or records shared by any Party under this Agreement. Any proposed publications or presentations by University that include non-public DCEO, IFA or EPA-provided data, material, records, or other intellectual property, shall be submitted to the appropriate Party for review and comment thirty (30) days before any submission for publication or presentation. Following receipt of any report or publication proposed to be published or

presented by University related to work performed under this Agreement, DCEO, IFA and EPA shall take no longer than twenty-one (21) days to respond to University with comments, concerns, and requests regarding the proposed publications or presentations, including requesting removal of non-public data, material, or records shared under this Agreement. If DCEO, IFA or EPA do not respond after the twenty-one (21) day period, the lack of response shall be deemed sufficient for the University to move forward with the publication or presentation. University shall reply to any Party's comments, concerns, and requests within twenty-one (21) days. No University reports, publications, or presentations created using Party data provided pursuant or related to this Agreement shall include any individually identifiable data, i.e., data that alone or in combination with other data could reasonably identify a particular individual. University will recognize contributions and sponsorship by DCEO, IFA and EPA in the production of publications based on work performed under this Agreement. University will acknowledge DCEO, IFA and EPA as the source in all publications and presentations based on the data, material, or records provided under this Agreement with the following language: "[I/We] thank the Illinois Department of Commerce and Economic Opportunity, the Illinois Finance Authority and the Illinois Environmental Protection Agency for their partnership with the University of Illinois in the work discussed in this [article/work/publication]." University will state in any publication or presentation quoting the data, material, or records provided under this Agreement that the conclusions, opinions, or recommendations are those of the authors and not of DCEO, IFA or EPA.

19. **Media Relations**. Subject to any disclosure obligations under applicable law, rule, or regulation, news releases pertaining to this Agreement or the services or projects to which it relates shall only be made with prior approval by, and in coordination with, DCEO, IFA and EPA. The Parties will cooperate in connection with media inquiries, campaigns or initiatives involving the Agreement.

20. **Modification**. This Agreement may be modified or amended with the consent of all Parties at any time during its Term. Amendments to this Agreement must be in writing and signed by the Parties or their authorized representatives.

21. **Applicable Law**. This Agreement is governed in all respects by the laws of the State of Illinois, excluding its conflict of laws provisions. No Party waives sovereign immunity by entering into this Agreement.

22. **Recitals**. Each of the Parties represents to each other that the recitals set forth above are true and correct in substance and fact, as each such recital relates to each party, and are incorporated as an integral part of this Agreement.

23. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be considered one and the same agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart. Duplicated signatures, electronic signatures, signatures transmitted via facsimile, or signatures contained in a Portable Document Format (PDF) document shall be deemed original for all purposes.

IN WITNESS WHEREOF, the Parties have hereunto caused this Agreement to be executed by their duly authorized representatives.

Illinois Department of Commerce
and Economic Opportunity

Signature [redacted]

Printed Name Kristin A. Richards

Title Director

Date 02/06/2023

The Board of Trustees of the
University of Illinois

Sig [redacted]

Printed Name Paul N. Ellinger

Title Comptroller

Date 1/25/23

Illinois Finance Authority

Signature

Printed Name Christopher B. Meister

Title Executive Director

Date ____________________

Illinois Environmental Protection Agency

Signature

Printed Name John J. Kim

Title Director

Date ____________________

APPENDIX A

SCOPE OF WORK

The purpose of this Agreement is for the Board of Trustees of the University of Illinois, as host of IIN, to assist DCEO, IFA and EPA by providing analysis and forecasting assistance to reach Governor JB Pritzker's goal of one million electric vehicles on the road in Illinois by 2030 (1MEV).

The State of Illinois has taken trailblazing action to accelerate EV manufacturing growth and an economy that runs on 100% clean energy by 2050.

Illinois has built foundational assets so that the electric mobility sector and the EV ecosystem will grow and thrive in Illinois, including the Revitalizing Electric Vehicles in Illinois (REV Illinois) Act, Manufacturing Illinois Chips for Real Opportunity (MICRO) Act, and the Climate and Equitable Jobs Act (CEJA).

TASK 1:
Work with the State of Illinois to develop an aggressive, tactical, multi-faceted, six-month strategy to attract electric vehicle and chips manufacturing companies

TIMELINE: January 2023 – April 2023 (4 months)

BUDGET: Not to exceed $400,000

RESPONSIBLE PAYOR: DCEO

SUBTASK 1: Data Gathering

- Identify peer states who are Illinois' top competitors in EV and semiconductor sectors
- Provide analysis of Illinois' incentives and programs compared to other states and recommend improvements to increase our competitiveness
- Provide a cluster analysis of announced manufacturing plants in the U.S. in EV and semiconductor sectors
- Provide analysis of site selector requirements for EV and chips manufacturers
- Provide analysis of Illinois' megasites offerings compared to other states and in relation to site selection needs, including best practices for site readiness and identification of additional sites

SUBTASK 2: Building Out A Prospect List

- Identify Illinois' top ten prospects in the EV battery manufacturing space looking to make a U.S. investment and point of contact
- Identify other large manufacturing projects in the site selection stage in EV and semiconductor sectors that are considering locations in the United States and point of contact

- Provide recommendations to prioritize Illinois' overall efforts in EV and semiconductor sectors with industry value chains on basis of economic impact and right to win
- Provide analysis of, and recommend best practices for, our site selection approach and pitch
- Review other states' business development structures and identify best practices improvements to make Illinois more aggressive and holistic in its approach, including tax credit programs, management structures, etc.
- Recommend strategies for Illinois to matchmake between OEM and supply chain companies and R&D opportunities

SUBTASK 3: Marketing Assets & Outreach

- Identify Illinois' competitive advantage for electric vehicle and chip manufacturers
- Review marketing materials and campaigns to provide recommendations to improve Illinois' story
- Design related pitch deck, one-sheet templates and conference assets
- Identify priority EV industry convenings, conferences and networking opportunities for maximum ROI
- Support development and design an industry networking event that highlights Illinois' strengths and ecosystem
- Recommend how Illinois' goalposts of diversity and sustainability can be more effectively leveraged as part of Illinois' story of differentiation

TASK 2: *Assist Illinois to apply for competitive federal opportunities from the Inflation Reduction Act, CHIPs Act, Infrastructure Investment and Jobs Act and other emerging federal funding related to Governor Pritzker's goal to achieve one million electric vehicles on the road by 2030*

TIMELINE: January 2023 – April 2023 (4 months)

BUDGET: Not to exceed $300,000

RESPONSIBLE PAYOR: IFA and DCEO

SUBTASK 1: Assist designated State entities in developing an effective application to USEPA for the Inflation Reduction Act (IRA) Sec. 134 Greenhouse Gas Reduction Fund (GGRF)

SUBTASK 2: Identify Other Federal Opportunities

- Identify and prioritize all relevant, current and future federal funding opportunities to better leverage Illinois' assets in growing the EV and semiconductor sectors
- Recommend how Illinois can best utilize the USDOE Loan Program Office (LPO) to advance goals.

SUBTASK 3: Develop Application Coalition

- Identify appropriate individuals with a cross-section of industry knowledge and prior related experiences including industry, local/regional governments, educational institutions, and additional anchor organizations
- Convene a working group of these individuals to assist in Illinois' application development strategy
- Develop strategy to project manage application development, as well as to monitor progress and impact

SUBTASK 4: Market Stacked Opportunities

- Identify and track federal credits, rebates, and incentives
- Assess how they stack with Illinois programs from an industry perspective
- Develop Illinois briefs and marketing materials for each federal credit or rebate related to the EV industry for distribution to staff and to state EV website

TASK 3:
Review Illinois' retention and expansion strategy in the supply chain for the EV and semiconductor sectors

TIMELINE: February 2023 – May 2023 (4 months)

BUDGET: Not to exceed $250,000

RESPONSIBLE PAYOR: DCEO

SUBTASK 1: Existing EV Original Equipment Manufacturers (OEM)
Support and Deliverables:

- Identify what OEMs in EV and semiconductor sectors require to build out their ecosystems and make recommendations for how Illinois can better assist them

SUBTASK 2: Existing ICE Companies that Will Ultimately Need to Pivot to EV
Support and Deliverables:

- Provide further analysis of Illinois Manufacturing Excellence Center (IMEC) data for companies at greatest risk in the transition to a clean economy
- Develop a retention and expansion strategy for current automotive supply chain companies and the ways in which to assist a transition to new manufacturing sectors
- Convene stakeholders including EDOs and organizations like IMEC, IMA and P33 to map out outreach and services

TASK 4:
Review existing workforce efforts across Illinois state agencies and recommend best practices to successfully develop public-private workforce ecosystems to ensure Day 1 ready talent and upskilling/reskilling solutions at-scale, while concurrently building a more diverse and inclusive talent pipeline

TIMELINE: February 2023-April 2023 (3 months)

BUDGET: Not to exceed $150,000

RESPONSIBLE PAYOR: DCEO

SUBTASK 1: Workforce programs in relation to EV/Semiconductors

Support and Deliverables:

- Analyze current Illinois state agency workforce development programs in relation to EV and semiconductor sectors, including LWIAs, CEJA Hubs, Apprenticeship Programs, IDOT Apprenticeships, etc.
- Identify any gaps from the industry's perspective
- Make recommendations regarding how state programs can best serve the industry and potential applicants

SUBTASK 2: Analyze engineering and technology pool

Support and Deliverables:

- Assess Illinois universities' engineering and technology programs and determine whether their programs provide the necessary engineering degrees for industries in EV and semiconductor sectors

SUBTASK 3: Workforce Marketing Assets & Outreach

Support and Deliverables:

- Review Illinois' collateral material for workforce training in the advanced manufacturing sectors
- Provide recommendations for messaging and targeting
- Develop a series of drop-in marketing ads that can be used interchangeably for digital or print by any approved workforce partner

TASK 5:
Develop an "EV Roadmap" which outlines a comprehensive strategy for accelerating the deployment of EVs to achieve the goal of one million passenger EVs in Illinois by 2030. In addition, the EV Roadmap should also recommend a strategy and timeline to adopt a zero emission pathway for medium- and heavy-duty vehicles in Illinois. The EV Roadmap should focus on several key areas, including the transitioning of public and private fleets and medium and heavy-duty vehicles to EVs; making the consumer charging experience more consistent; and exploring opportunities for pilot programs with local innovators in the EV field. The Roadmap

must provide detailed recommendations and strategies with implementation timelines. Recommendation should be incremental to current work.

TIMELINE: January 2023 – April 2023 (4 months)

BUDGET: Not to exceed $250,000

RESPONSIBLE PAYOR: IFA

SUBTASK 1: Recommend action areas to support Zero-Emission Vehicle Adoption in Illinois
Support and Deliverables:

- Propose interim goals and major milestones for 1 million EVs in Illinois by 2030
- Propose pragmatic goal for medium-heavy duty electric vehicles
- Identify EV market trends and provide insights around adoption curves
- Provide insights around manufacturing capacity and impact on state goals
- Identify Illinois specific barriers to EV adoption and strategies to overcome the barriers
- Recommend strategies, lead actors, key stakeholders, and an implementation timeline

SUBTASK 2: Quantify charging needs for the state of Illinois to support state goals of 1 million EVs on the road by 2030

Support and Deliverables:

- Create granular maps by zip code or census tract
- Locate areas that lack EV charging infrastructure
- Identify strategies to expand EV charging infrastructure
- Propose major milestones for infrastructure deployment to support state goals

SUBTASK 3: Fleet electrification

Support and Deliverables:

- Recommend a path to achieve EV adoption within ride-share segment
- Enable transition of public and private fleets and medium and heavy-duty vehicles to EVs
    - recommend strategies, lead actors, key stakeholders, and an implementation timeline
    - recommend appropriate incentives for selected segments
    - recommend strategies on how to align markets to bring total cost of ownership to parity
    - provide insights on manufacturing and capacity

TASK 6:
Provide analysis and recommendations regarding energy storage opportunities and challenges

TIMELINE: February 2023-March 2023 (2 months)

BUDGET: Not to exceed $25,000

RESPONSIBLE PAYOR: DCEO

SUBTASK 1: Develop the state's business case on energy storage

Support and Deliverables:

- Provide an analysis on the current state of technology
- Confer with utility partners
- Interview others either on the supply or demand side
- Develop an assessment and recommendations for State action

PROJECT PLANS
University, including through public agency members of the IIN, shall complete a project proposal for each identified task that will include an outline of the scope of work, an individual who will serve as a point of contact for the project, the specific deliverables, timeline, and budget. Project proposals must be approved by each Task's Responsible Payor prior to the commencement of work on any project. When an identified service need is outside the realm of the University's expertise, University will locate a third-party provider with which University will subcontract to provide the needed services.

REPORTING REQUIREMENTS
In addition, a monthly activity and expenditure report must be submitted to the DCEO liaison beginning with the month that this Agreement is executed. The report must list the scope of work activities, above, along with the current month and cumulative expenditures associated with each activity.

MANAGEMENT FEES
The University will apply a fifteen (15) percent management fee to cover
indirect costs associated with supporting DCEO and fulfilling the terms of this agreement.

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DE-FOA-0002740

Topic Area 3: Grid Innovation Program (Section 40103(b))
Grid Resilience and Innovation Partnerships (GRIP)

Entity type: State

Project Title:

State of Illinois: Accelerating Grid-Interactive Electrification in Small Utilities

January 13, 2022

Business Point of Contact & Technical Point of Contact:
Chris Meister, Executive Director, Illinois Finance Authority
160 N. LaSalle St., Suite S-1000, Chicago, Illinois 60601
cmeister@il-fa.com | 312-590-1044

Project Description

The State of Illinois is proposing to deploy a comprehensive program to help co-op and municipal utilities better integrate the coming wave of electric vehicles and buildings into the electric grid to help mitigate new peak loads, better integrate renewable energy, and help the State achieve its decarbonization goals.

The project will be led by the Illinois Finance Authority / Climate Bank, on behalf of the State of Illinois, and will partner with 67 municipal and cooperative utilities throughout Illinois to demonstrate replicable models for how to coordinate the efforts of smaller utilities in a targeted region to address large scale grid needs. For this effort, the State and small utilities will demonstrate an organized approach to mitigating expected resource adequacy shortfalls and transmission constraints at the Regional Transmission Organization level through coordinated distributed energy resource and distribution system investments across multiple utility service areas. Most small utilities lack the staff, time, technical, and monetary resources to manage complex distribution system projects that achieve decarbonization and grid system objectives, and cover a wide-enough customer base to make a measurable impact.

The State of Illinois is well-positioned to launch and lead this effort. On September 15, 2021, Illinois Governor JB Pritzker signed the Climate and Equitable Jobs Act (Public Act 102-662; "CEJA"), a landmark piece of legislation that is putting Illinois on a path to a 100% clean energy future by 2045, protecting public health from pollution, providing a just transition for communities historically dependent on fossil fuels, enacting tough utility accountability measures, and creating jobs and wealth in Illinois' disadvantaged communities. Until the enactment of the federal Inflation Reduction Act, CEJA was the most comprehensive legislation to move towards a carbon-free economy in the nation.

The law will ensure:

- A 100% carbon-free power sector by 2045, with interim steps;
- 50% renewable energy by 2040;
- 1 million electric vehicles in Illinois by 2030;
- 40% of the benefits and investments in solar power, electric vehicles, and the grid must go to newly-defined equity investment eligible communities and persons;
- $82 million annual investment in workforce development and contractor equity programs; and
- $41 million annual investment in former fossil fuel communities and workers;

CEJA also focused on the need to leverage new climate finance opportunities to accelerate the clean energy economy in a just and equitable way. The law created several new mechanisms and tools for the State of Illinois to do just that, including designating the Illinois Finance Authority ("IFA") as the State's Climate Bank. The State of Illinois has designated the IFA, in its role as the Climate Bank, to lead this important effort.

Supporting smaller utilities

CEJA made significant strides to support the State's decarbonization of transportation, setting a goal of 1 million electric vehicles in Illinois by 2030, providing for EV rebate and EV charging infrastructure rebates, and supporting statewide EV planning and deployment efforts.

CEJA also required the state's large investor-owned utilities, ComEd and Ameren, to launch major new Beneficial Electrification efforts, with the utilities filing new Beneficial Electrification plans at the Illinois Commerce Commission to guide spending and operations that accelerate and integrate electrification. However, the Commission does not have regulatory authority over rural electric co-ops and municipal electric utilities, and many smaller utilities have insufficient internal capacity and investment scale to manage the transition.

The State of Illinois is committed to making sure the residents and businesses in the state's municipal and cooperative electric utility service territories are not left behind in the transition to a carbon-free economy. Further, the State is focused on providing small utilities the necessary support and tools to help them manage the transition. This support will include coordination work to overcome small utility staffing and resource constraints and financial support to incentivize and finance electrification efforts.

Addressing Grid Needs

Many smaller Illinois rural cooperative and municipal utilities sit within the Midcontinent Independent System Operator, Inc. (MISO) regional transmission organization, which has recently forecast significant challenges in the coming years with resource adequacy. While the State continues to support the development of new renewable energy and is exploring new transmission to meet future electricity needs, the acceleration of the electric vehicle market brings new threats and opportunities for keeping the lights on.

There are approximately 4,000 electric vehicles registered in counties served by Illinois electric cooperative utilities, and many municipal utilities, as of December 31, 2022. The year-over-year growth rate for electric vehicles in these counties is 57%. By 2030, it is projected that these counties will host around 114,000 passenger electric vehicles. Additionally, it is expected that these counties will see the additional introduction of almost 5,000 medium-duty vehicles in the same time period.

If unmanaged, that new electric vehicle load by itself could add 350 MW – 500 MW to the region's peak load, about the size of one of the region's closing coal plants. However, a coordinated effort to optimize electric vehicle charging, and incentivize charging away from peak times, could almost entirely eliminate that new peak load. If the effort eventually expanded to other building loads, the resulting peak impacts could be significantly reduced.

The distribution system contains elements that are approaching or are already beyond theeir technical service life. Developing a baseline analysis that identifies elements that may impede reliable electrification along distribution circuits will provide a roadmap for future investment.

A coordinated effort among the smaller utilities within the region is necessary to ensure new electrification efforts do not create new resource adequacy shortfalls and transmission constraints, or cause reliability issues on the aging distribution systems of small utilities, that could create financial stress, resource shortages, and hurt the state's transition to renewable energy.

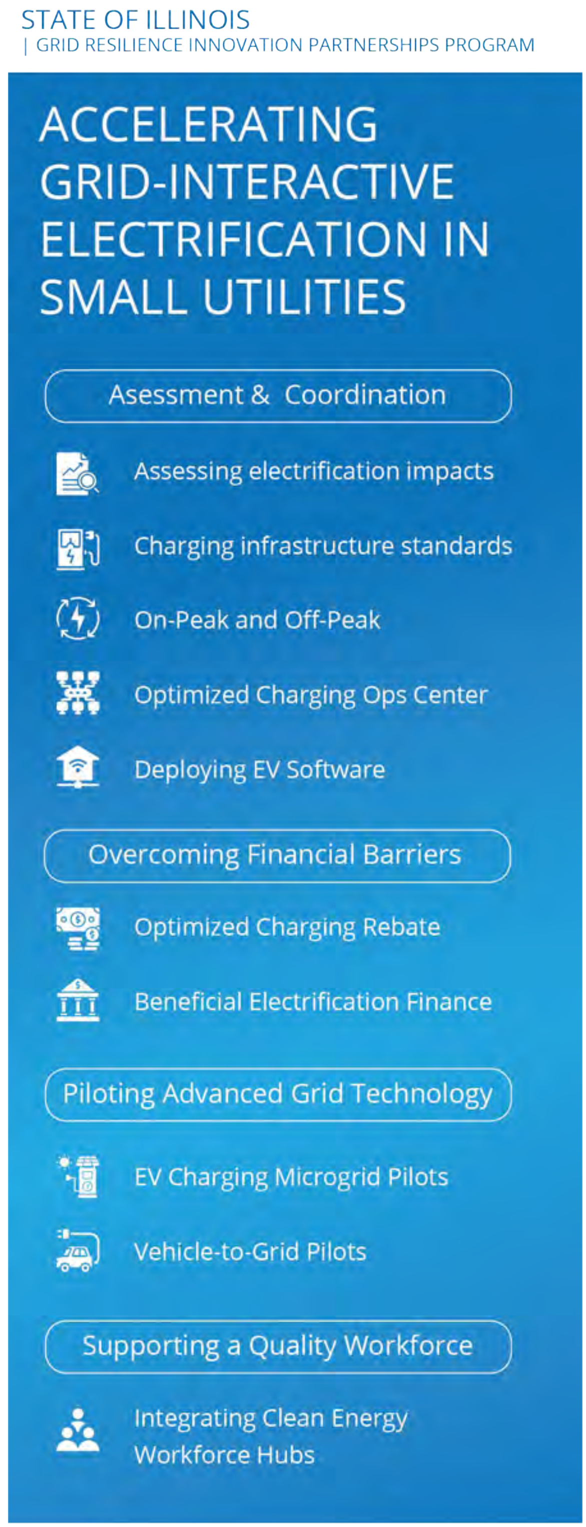
A Comprehensive Approach

The IFA on behalf of the State of Illinois, will launch a large-scale initiative to support small utilities across Illinois in the effort to adopt, integrate, and optimize new vehicle electrification.

The project will be conducted in partnership with the Illinois Municipal Utility Association, the Illinois Municipal Electric Agency, and the Association of Illinois Electric Cooperatives (AIEC), which altogether represent 67 rural electric cooperatives and municipal utilities, each of which has an annual load of less than 4,000,000 MWh per year.

The Accelerating Grid-Interactive Electrification in Small Utilities project has been thoughtfully developed to target the core gaps faced by small utilities in the transition to carbon-free energy. The project will have 4 core components, described in detail below:

- Assessment & Coordination
- Overcoming Financial Barriers
- Piloting Advanced Grid Technology
- Supporting a Quality Workforce



1 | ASSESSMENT & COORDINATION

Assessing electrification impacts. The State will conduct a study to project electric vehicle adoption under a variety of scenarios, including the location of EV adoption within the State, and assess the grid impact of new electric vehicle loads on both the macro scale (RTO region-wide), as well as the individual utility level for small utilities. For small utilities, the shared analysis will help identify distribution circuits that may need to be replaced or augmented, and to assist utilities in developing future investment plans to ensure they are able to maintain reliability and support widespread electrification.

Charging Infrastructure Standardization. The State will work with small utilities to adopt consistent standards, policies, and processes for connecting new electric vehicle charging infrastructure to ease implementation across various jurisdictions. This could include charging port standardization for public charging stations, streamlined permitting and interconnection processes, and links to existing ICC installer certification requirements.

Identifying on-peak and off-peak optimization periods. The State will work with the Regional Transmission Organizations (MISO and PJM Interconnection, LLC) to assess future resource adequacy and transmission system constraints on a full-year basis, and develop location-specific on-peak and off-peak periods as guidance for state optimized charging operations. The work will further develop a cost-benefit construct that can guide program development decisions for incentives to charge off of peak, or the development of time-variant rates.

Deploying an Optimized Charging Operations Center. Work with the Illinois Municipal Utilities Association, the Illinois Municipal Electric Agency, and the Association of Illinois Electric Coops to establish a centralized operations center that can be used by participating small utilities to gain visibility into times of grid congestion, coordinate electric vehicle demand response, and collect data on system performance, as necessary.

Deploying Equipment & Software to Optimize EV Demand Operations. The State will work with small utilities to fund local EV management and data collection hardware and software needs, support the ability of small utilities to plan for and track the roll-out of electrification efforts, and help connect each utility to the statewide Optimized Charging Operations Center.

2 | OVERCOMING FINANCIAL BARRIERS

Providing an Optimized Charging Rebate. To help offset the upfront cost of new electric vehicle charging infrastructure, the State will establish a rebate or payment program for electric vehicle charging station owners to incentivize charging during desired hours, and away from peak hours. The value of the rebate will be supported by the analyses developed in the Analysis & Coordination phase on the value of peak load reduction, and be customized for specific market segments, such as residential, fleets, commercial, and public charging.

Launching a new Beneficial Electrification finance tool. The IFA, in one of its main functions as the State Climate Bank, will design a new, low-cost financing program to help small utilities, charging station developers, and fleet owners in rural coops and municipal utilities to address the up-front costs of new electric vehicle charging infrastructure and grid upgrades. The new finance tool will leverage a significant investment in private capital to accelerate electrification efforts and spread costs out over time for capital-constrained entities.

3 | PILOTING ADVANCED GRID TECHNOLOGY

Piloting grid-connected microgrids to serve remote EV charging or to offset distribution upgrades. The State will provide funding to small utilities to support the deployment of renewable energy-, and energy storage-paired electric vehicle charging stations to demonstrate innovative methods to avoid distribution system upgrades otherwise necessary to serve grid-constrained, rural, or remote transportation locations. This could include projects to support fleet electrification that would otherwise require significant grid upgrades, or charging stations along rural highway corridors that lack significant grid infrastructure.

Piloting Vehicle-to-Grid services. The State will provide funding to small utilities, local governments, and school districts to launch Vehicle-to-Grid pilots (in PJM and MISO) where small-, medium-, and heavy-duty vehicles can provide needed grid services, including capacity, voltage support, or frequency regulation. The project will specifically explore opportunities with rural and municipal school and transit buses, and fleets, to provide V2G services, document potential benefits to small utilities, and lay the groundwork for creating a standardized approach.

4 | SUPPORTING A QUALITY WORKFORCE

Integrating Workforce Training Hubs into Rural Electric Co-ops and Munis. The State Department of Commerce and Economic Opportunity is launching a new Clean Jobs Workforce Hubs effort to help train residents of Equity Investment Eligible Communities for new clean energy jobs. This effort will identify pathways for CEJA's new Workforce Training Hubs to connect to clean energy and vehicle electrification workforce needs in rural utilities.

Project Team

The Project will be led by IFA, on behalf of the State of Illinois. Since its creation in January 2004, IFA has provided access to low-cost capital to public and private institutions that are aligned with our mission of fostering economic development, creating and retaining jobs, and improving quality of life for Illinois residents. To date, our conduit financing programs have spanned every county and helped capitalize thousands of projects, assisting farmers and agri-businesses, business and industry, school districts and higher education institutions, healthcare facilities, cultural and social entities, and local governments develop, upgrade, expand, and sustain their operations and services.

IFA is a body politic and corporate created by State statute through the consolidation and elimination of seven State authorities and entities. IFA is authorized by the Illinois Finance Authority Act to issue tax-exempt and taxable bonds and to make non-conventional loans.

In 2021, IFA was designated as the Climate Bank for the State of Illinois by the CEJA.

IFA will oversee a project team that includes, at this stage, the organizations representing the state's 67 municipal and cooperative utilities: The Illinois Municipal Utility Association, and the Association of Illinois Electric Cooperatives. The State of Illinois is working with the network of small utilities that represent 575,000 customers, and almost 13,000,000 MWh of load annually.

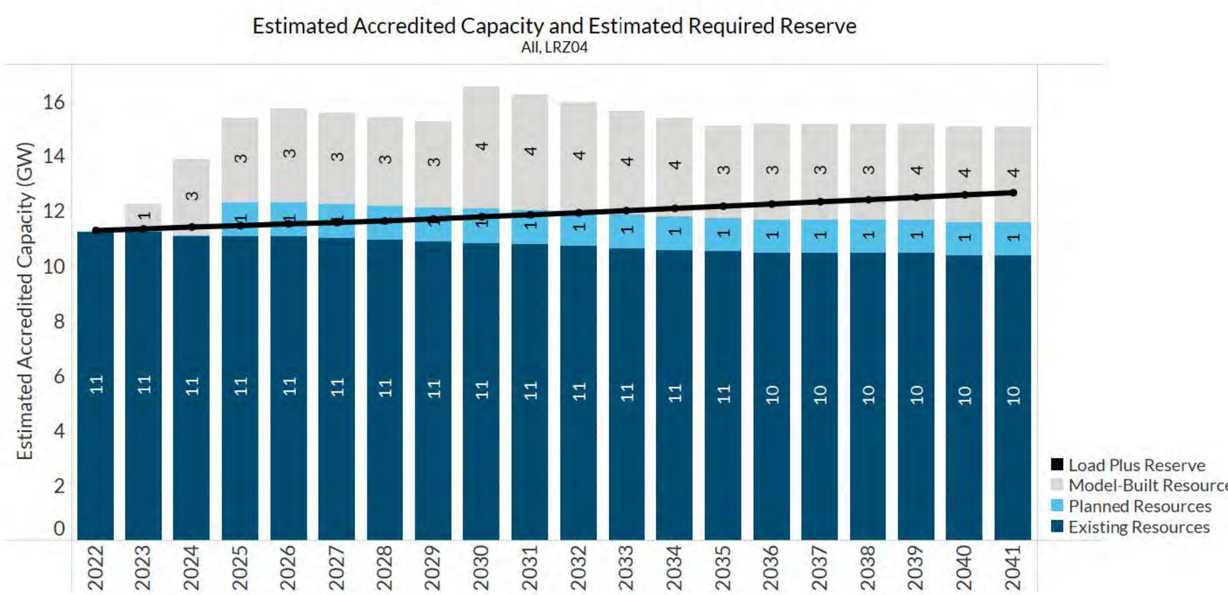
A Coordinated Approach to Solving Grid Needs

In 2022, prices spiked in the MISO capacity auction, reaching their maximum value of $236.66 / MW-Day for the seven MISO Zones in the northern Midwest (Parts of southern Illinois, Indiana, Michigan, Minnesota, North Dakota, Iowa, and Missouri). That was a 4,733% increase in prices paid year-over-year for capacity vs. the prior year's price of $5 / MW-Day. The spike in prices was caused by a shortfall of available capacity in four zones, per MISO. Analysts have pointed to the deficiency of demand response resources and new generation in MISO, in comparison to other regional markets, as being a significant contributor to the shortfall.

Peak load will surpass existing and planned resource by 2027

MISO identified in its 2022 Regional Resource Assessment modeling that existing projects of generation resource availability show that load growth will exceed available generation resources across its footprint by 2027. For some individual zones, such as in Iowa, Missouri, and Michigan, those shortfalls are projected to happen as soon as 2023, creating pressures in the neighboring Illinois' electric grid, whose resources may be needed to support peak needs across the region. Illinois' could be at risk as soon as 2024 due to the lag between coal plant closures and new generation resources coming online. The risk returns in 2032, later than other states largely because of the State's rapid expansion of wind, solar, and solar + battery projects over the coming decade.

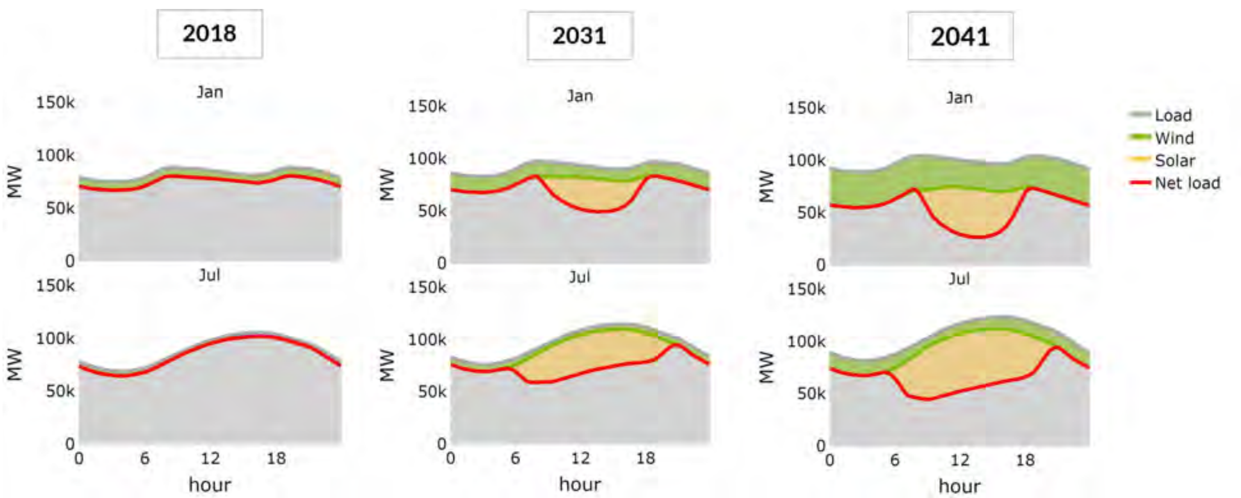
Figure 1. MISO 2022 Regional Resource Assessment Report. Zone 4 (Illinois) existing, planned and model-built resources and load plus reserve (accredited capacity view)



The need for flexibility

In its 2022 Regional Resource Assessment, MISO documented that as the solar generation fleet grows across its footprint, the system will have a much greater need for controllable ramp-up capability to cover the net load spike as solar generation declines in the afternoon and the evening load peak picks up. It identified that battery systems and load may help to reduce the evening peak net load by shifting energy demand to off-peak hours. On the load side, being able to time-shifting electric vehicle charging to after 10 pm in the summer, and away from the 5 pm – 7 pm evening peak window in the winter, would significantly reduce resource adequacy shortfall risk.

Figure 2. MISO 2022 Regional Resource Assessment Report. Monthly averages of diurnal net load components for January and July

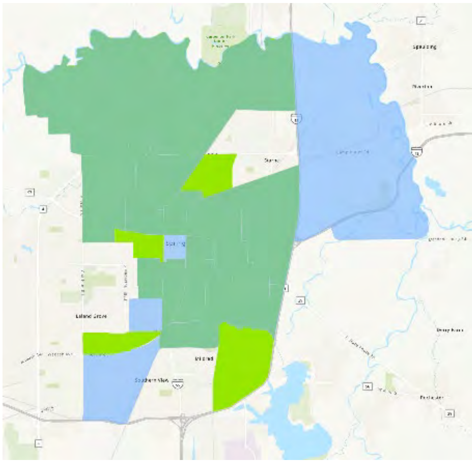


Accelerating Community Transportation Electrification Benefits

By supporting small utility efforts to integrate and manage electric vehicles and charging infrastructure, the project will also directly support community public health, environmental, and economic needs. The Project Team has identified significant benefits accruing to Illinois' small towns and rural communities due to the replacement of polluting vehicles with EVs.

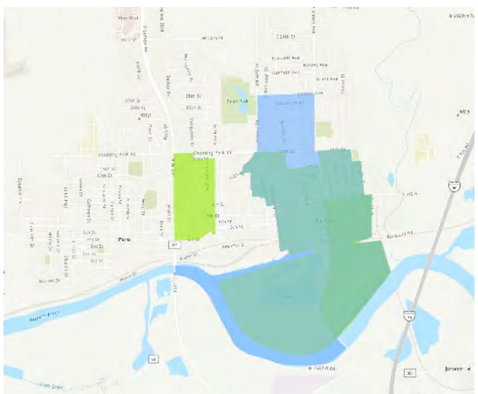
	Societal value of reduced pollution ($/vehicle/yr)		
Vehicle Type	**CO2**	**NOx**	**PM**
Passenger	$281	$11	$2
School Bus	$1,520	$886	$136
Transit Bus	$8,674	$4,559	$85
Delivery Vehicle	$1,595	$876	$31
Class 8 Truck	$7,721	$3,108	$222

Data source: Argonne National Laboratory AFLEET tool



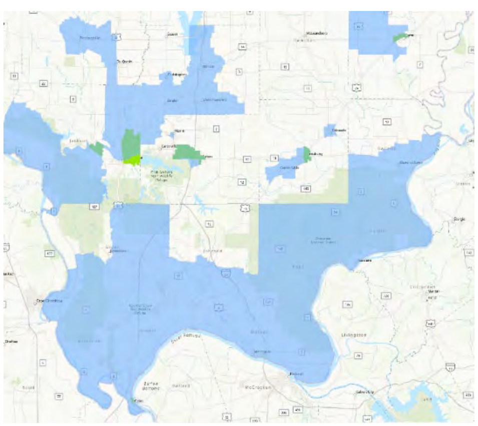
Springfield, IL EIEC & DAC map

The community of Springfield, IL has a population of 114,000 people, and is the Capitol of Illinois. The city is served by a local municipal utility, CWLP, that is planning for the closure of coal plants. Based on data from CEJST and Illinois' EIEC designation, nearly all of Springfield has been designated as disadvantaged communities. New electrification efforts can support residents, visitors, and the state's vehicle fleet.



Peru and LaSalle, IL EIEC & DAC map

Peru, IL and LaSalle, IL sit along the Illinois river in North Central Illinois. The towns sit along the crossroads of major national thoroughfare I80, and I39, which runs north and south through the center of the State. This area already contains logistics transfer sites and trucking centers. Almost 50% of the community has been designated as disadvantaged communities.



Southern Illinois EIEC & DAC map

The southernmost area of Illinois stretches between the Ohio River on the southeast to the Mississippi River on the west. The region, once one of the nation's largest coal mining and coal generation regions, has received wide-scale designation as a disadvantaged community by CEJST due to its environmental justice data. As the communities work to build their economic future without coal, they can work with the rural electric coops to support reliability and build new energy sources.

LEGEND

CEJST Disadvantaged Community

Illinois Equity Investment Eligible Community

Both CEJST DAC and Illinois EIEC

Project Timeline

	Y1Q1	Y1Q2	Y1Q3	Y1Q4	Y2Q1	Y2Q2	Y2Q3	Y2Q4	Y3-5
Assessment & Coordination									
Assessing electrification impacts									
Charging infrastructure standards									
On-Peak and Off-Peak									
Optimized Charging Ops Center									
Deploying EV Software									
Overcoming Financial Barriers									
Optimized Charging Rebate									
Beneficial Electrification Finance									
Piloting Advanced Grid Technology									
EV Charging Microgrid Pilots									
Vehicle-to-Grid Pilots									
Supporting a Quality Workforce									
Integrating Clean Energy Workforce Hubs									

Budget and Impact

	Preliminary Budget Estimates	Federal Share	Cost-Share
Assessment & Coordination			
Assessing electrification impacts	$1,200,000	$1,200,000	$0
Charging infrastructure standards	$1,600,000	$1,600,000	$0
On-Peak and Off-Peak	$800,000	$800,000	$0
Optimized Charging Ops Center	$2,200,000	$2,200,000	$0
Deploying EV Software	$14,250,000	$14,250,000	$0
Overcoming Financial Barriers			
Optimized Charging Rebate	$78,400,000	$70,560,000	$7,840,000
Beneficial Electrification Finance	$100,000,000	$10,000,000	$90,000,000
Piloting Advanced Grid Technology			
EV Charging Microgrid Pilots	$51,600,000	$19,200,000	$32,400,000
Vehicle-to-Grid Pilots	$7,200,000	$5,760,000	$1,440,000
Supporting a Quality Workforce			
Integrating Clean Energy Workforce Hubs	$8,307,692	$2,000,000	$6,307,692
Project Management	$10,417,692	$10,417,692	$0
TOTAL	$275,975,384	$137,987,692	$137,987,692

Replicability

The State of Illinois' effort has been designed to be highly replicable across states and networks of municipal and rural cooperative utilities across the country. While larger utilities can sometimes have staff, resources, and capabilities to research, pilot, and pursue complex projects at scale, it is rare for small utilities to be so well equipped.

- There are more than 500 small municipal and cooperative utilities in MISO's Midwestern states that are facing resource adequacy challenges by 2030. Other Midwestern states could work to adapt this coordinated approach with their small utilities.
- New electrification finance tools developed, piloted, and launched by IFA could be expanded to other Illinois service territories to help commercial, government, and transit customers electrify their fleets.

Success Metrics

The State of Illinois has developed a preliminary set of success metrics for the project based on the goals and objectives it established in CEJA.

- # of electric vehicles by class in counties served by rural cooperative and municipal utilities
- Vehicles by class participating in an optimized charging program (alternatively: customers)
- Vehicles by class participating in dynamic rate programs (alternatively: customers)
- # of connected charging stations V2G capable
- MW of peak load reduction capability
- MW of peak load avoided/shifted
- Tons of GHG emissions reduced
- Tons of NOx emissions reduced
- Tons of PM emissions reduced
- Average/Total bill reductions for participating customers
- Average/Total bill reductions for all customer
- New equity eligible residents hired
- Share of project spending on equity eligible contractors
- New equity eligible contractors business starts

State of Illinois: Accelerating Grid-Interactive Electrification in Small Utilities

Community Benefits Plan

The State of Illinois' Accelerating Grid-Interactive Electrification in Small Utilities project is designed to be a comprehensive effort to integrate new transportation electrification into the grid, and provide coordination and resources to support a network of 67 small utilities to provide grid services to reduce resource adequacy constraints at the transmission level.

As with the development and adoption of the Climate and Equitable Jobs Act in 2021, the State is committed to ensuring that state energy sector activities are focused on ensuring the residents and businesses of the state's equity investment eligible communities are prioritized in the path to a clean energy future. Further, the State continues to commit to ensure that the energy sector grows a strong workforce with quality training, pay and benefits.

The Community Benefits Plan embedded in the State of Illinois Project is comprised of three goals:

- **Goal 1:** Increase access to low-cost capital to enable communities with the fewest resources to be able to manage the transition to electrified transportation.
- **Goal 2:** Reduce overall energy costs and energy burdens and provide access to and ownership of modernized clean energy for rural and disadvantaged communities in Illinois.
- **Goal 3:** Grow a diverse, local, and quality workforce to serve the emerging clean energy industry in Illinois, and develop new diverse business.

Community and Labor Engagement

Labor engagement. The State has a long history of working collaboratively with labor in the execution of large-scale capital projects. The State of Illinois has also engaged the state's labor unions, organized under the state AFL-CIO and its Climate Jobs Illinois apparatus, to further energy and workforce transformation.

Community Education and Engagement. As part of the project, the State of Illinois and project partners will support public and community outreach during all phases of the effort.

- **Planning Phase.** Prior to the initiation of the project, the project team will work with local utilities, cities, and community groups to convene community stakeholder groups and conduct community meetings in targeted disadvantaged and equity investment eligible communities focused on providing information on project activities. Stakeholders will be engaged to identify specific community challenges and opportunities, as well as to identify workforce partnerships that could be leveraged to accelerate the goals of the effort.

- **Project Execution Phase.** During project execution, the project team will conduct annual meetings and briefings with stakeholder groups engaged in the planning phase to provide project updates, emerging opportunities to engage, and to support connections to develop workforce partnerships.

Investing in the American Workforce

Pay Quality & Labor Standards. The recent enactment by Illinois of CEJA created new requirements for prevailing wage and project labor agreements for certain large projects. The State will work to identify project size requirements and associated labor standards for the project.

Workforce and Apprenticeship Approach. In CEJA, the State created three essential new workforce training and apprenticeship programs to serve the needs of the growing clean energy industry. These programs will assist in linking the projects supported by the small utility transportation electrification, rebate, and financing efforts with the new initiatives:

- The **Clean Jobs Workforce Hubs Program** creates 13 workforce hubs across the state run by community based organizations to provide clean jobs training and a career pipeline for equity eligible individuals. Funded at up to $21M annually.
- The **Illinois Climate Works Pre-apprenticeship Program** trains equity eligible individuals for careers in clean energy sector construction and building trades. Funded up to $10M annually.
- The **Returning Residents Clean Jobs Training Program** trains soon-to-be released people who are incarcerated for jobs in the solar and energy efficiency sectors. Funded at up to $6M annually.

Additionally, the State is launching the Energy Transition Barrier Reduction Program. The Energy Transition Barrier Reduction Program provides resources for publicity, placement and retention to break down barriers to participation in training programs (up to $21M/yr). Additionally, Energy Transition Navigators will provide education, outreach, and recruitment for participation in workforce development programs (up to $6M/yr).

Diversity, Equity, Inclusion, and Accessibility

The project partners are committed to growing a diverse pool of workers and contractors to accelerate grid and clean energy projects throughout Illinois. The primary strategy for achieving these outcomes will be through the inclusion of diverse hiring requirements and objectives into contractor scopes of work, as not all small utilities would be directly hiring personnel to work on a project. The municipal and co-op utilities have relatively small internal personnel, and are likely not pursuing significant new hiring internally. However, there are significant opportunities to expand diverse hiring opportunities and contractor development through program requirements and structure.

Equity Eligible Contractors. The climate and Equitable Jobs Act created a new classification of Equity Eligible Contractors.

Hiring Strategies. The project team will support its equity investment goals by including requirements for pay, workforce, and apprenticeship programs into contracting solicitations and awards for work completed under this effort. The State will work to ensure coordination between the State's new Clean Energy Workforce Hubs, as well as local engagement with community and technical colleges, to create new pipelines for contractors working on transportation electrification and other clean energy projects.

Diverse Contractor Development. In CEJA, the State created two new contractor development programs to support the growth of new Equity Eligible Contractors to create ownership and wealth-building goals in the growing clean energy industry. The State will work to link the projects supported by the small utility transportation electrification, rebate, and financing efforts with the new initiatives:

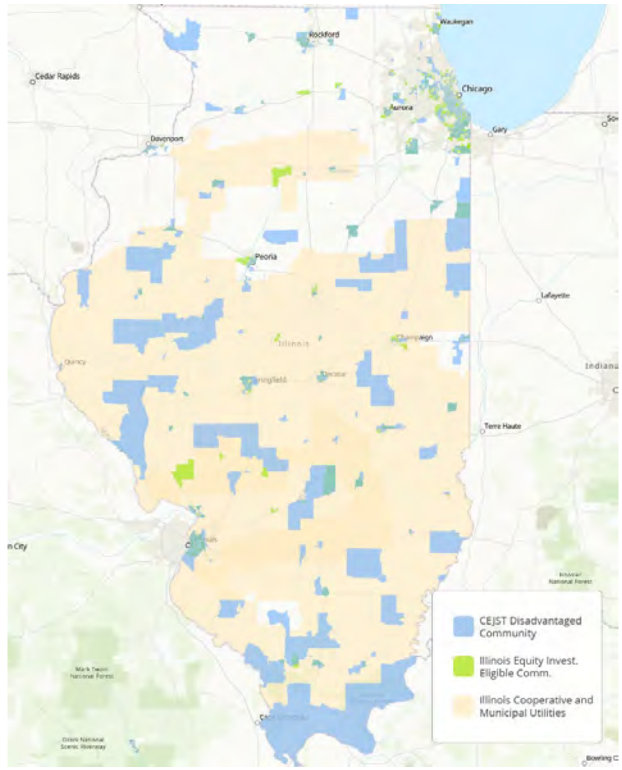
- The **Clean Energy Contractor Incubator Program** creates 13 contractor incubators across the state to provide training, mentorship, and recruitment opportunities for small clean energy businesses and contractors. Funded at up to $21M annually.
- The **Clean Energy Primes Contractor Accelerator** creates a program for contractors seeking to expand their capacity and fill the role of prime contractor on clean energy projects. The Accelerator offers a structured five-year program with mentorship, operation support grants, business coaching, and assistance applying for certifications, procurement programs, and preparing bids. Cohorts are accepted every 18 months. Funded at up to $9M annually.

Justice40 Initiative

Targeting Disadvantaged communities and Equity Investment Eligible Communities
The State will target Illinois' newly-designated Equity Investment Eligible Communities (Disadvantaged Communities) that may otherwise be left behind in the shift to a clean energy economy. The State established Equity Investment Eligible Communities under CEJA. CEJA targets consideration and explicit benefits to the newly-defined Equity Eligible Persons and Equity Investment Eligible Communities which are, among other criteria, residents of Environmental Justice or R3 areas.

> **Environmental Justice Communities:** Environmental Justice Communities are communities that have been identified through a calculation utilizing the U.S. EPA tool EJ Screen and a demonstrated higher risk of exposure to pollution based on environmental and socioeconomic factors. Importantly, the statute further creates a formal self-designation process at the State level for communities that believe the data methodology unjustly excludes them.

Restore. Reinvest. Renew. (R3) Areas: R3 areas are communities that have been harmed by violence, excessive incarceration, and economic disinvestment, as originally defined for eligibility for R3 grants under Illinois' cannabis law.



The two community designations were thoughtfully considered to ensure that the state's energy policy and investments both targeted communities experiencing burdens due to pollution, but also those that have faced socioeconomic harm and historic disinvestment. A census tract with either designation qualifies as an Equity Investment Eligible Community under Illinois law, which creates opportunities for residents and businesses to see benefits from solar energy and energy efficiency programs, workforce development and contractor accelerator programs, electric vehicle deployment, and utility infrastructure planning.

Illinois intends for at least 40% of benefits of this project to support communities that have been classified as either disadvantaged communities, under federal guidance, or equity investment eligible communities, under the new state designation. The Illinois Climate Bank anticipates this project will drive new capital investment in Illinois' Equity Investment Eligible Communities and create wealth-building opportunities for Equity Eligible Contractors. We believe that using both classifications for state policies and climate finance tools would lead to beneficial outcomes to residents and businesses in disadvantaged communities.

An initial examination has determined that there are 1,452 census tracts in Illinois that are either classified as an Equity Investment Eligible Community by the State of Illinois or as a Disadvantaged Community by the White House CEQ' Climate and Environmental Justice Screening Tool ("CEJST"). There are 860 census tracts that overlap, meaning they are both Equity Investment Eligible Communities per Illinois and Disadvantaged Communities per CEJST. There are 201 census tracts that have been designated by CEJST but are not Equity Investment Eligible Communities. And there are 391 census tracts that are Equity Investment Eligible Communities and not Disadvantaged Communities per CEJST.

The State of Illinois does not wish for any of these communities to be left behind. While the State strongly support the use of the CEJST map in the designation of Disadvantaged Communities nationally, the state hopes the DOE will also acknowledge the efforts of states that have been working to establish their own definitions to pursue Justice40 goals.

State of Illinois: Accelerate Grid-Interactive Electrification in Small Utilities

Addendum A

Project Management Team

The project will be led by the Illinois Finance Authority, on behalf of the State of Illinois, in its new role as the State Climate Bank.

Project Lead, Business Point of Contact & Technical Point of Contact:
Chris Meister, Executive Director, Illinois Finance Authority
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cmeister@il-fa.com | 312-590-1044

Background on the Illinois Finance Authority
Governor Pritzker's designation of the Authority as the Climate Bank was the next step in the Authority's *Transformation Initiative*, adopted in February 2018, and *Climate Process*, adopted in February 2020. CEJA did not provide any new State funds to the Authority. Generally, IFA provides financing and financial assistance to:

- promote a vigorous growing economy and avoid involuntary unemployment for Illinois residents;
- reduce the cost of indebtedness to State taxpayers and residents;
- otherwise enhance the quality of life in Illinois by benefiting the health, welfare, safety, trade, commerce, industry, and economy of the people of Illinois consistent with its statutory declarations of policy; and
- combat climate change by providing broadly defined financial assistance.

IFA supports its operations from fees for the issuance of long-term debt, currently IFA's primary public function, and interest from investments and loans made from IFA's funds. Long-term debt is incurred to raise the capital necessary to provide financing or refinancing for projects, including, but not limited to, industrial projects, clean energy projects, conservation projects, housing projects, public purpose projects, higher education projects, health facility projects, cultural institution projects, municipal bond program projects, agricultural facility or agribusiness projects, and PACE projects. In Fiscal Year 2022, the Authority issued more than $2.3 billion in conduit (generally federally tax-exempt) bond projects across a variety of economic sectors and statutory project definitions.

CEJA and the Illinois Finance Authority
As the Climate Bank, CEJA provided, without limitation, powers IFA to:

- aid in all respects with providing financial assistance, programs, and products to finance and otherwise develop clean energy and provide clean water, drinking water, and wastewater treatment in the State and otherwise develop and implement equitable clean

energy opportunities in the state to mitigate or adapt to the negative consequences of climate change in an equitable manner to further the clean energy policy of the State.
- enter joint ventures and invest in and participate with government entities and private corporations engaged in the development of clean energy projects;
- use a variety of funding sources, including funds repurposed from existing Authority programs, subject to the approval of the General Assembly; and
- finance or refinance working capital through a statutory clarification.

Background on Illinois Municipal Electric Agency (IMEA)
The Illinois Municipal Electric Agency (IMEA) is a not-for-profit, unit of local government, and joint action agency comprised of 32 municipal electric systems from across Illinois. Each of those communities owns and operates its own electric distribution system. Some operate local power generation plants. IMEA aggregates the power needs of its members and supplies wholesale electric power to their member municipalities. The member communities range in size from a few thousand people to just under 150,000 in population.

Background on Illinois Municipal Utilities Association (IMUA)
Founded in 1948, the Illinois Municipal Utilities Association (IMUA) is a statewide trade association representing the Illinois municipalities that own and operate public, non-profit electric systems. IMUA provides a variety of services including advocacy and representation before the Illinois General Assembly and other administrative and regulatory bodies both in Illinois and at the federal level. IMUA offers an array of training programs and activities for municipal electric, natural gas, telecommunications, water and wastewater treatment utility personnel. IMUA also administers a mutual aid program designed to assist members with the restoration of energy services and other vital community services in the event of natural disasters, such as storms, floods and tornadoes.

Illinois Municipal Utilities

Municipal Systems	Number of Meters	Population*	2022 Total kWh Sales
Albany	483	864	N/A
Allendale	N/A	458	N/A
Altamont	1,300	2,216	25,697,653
Batavia	11,111	26,098	430,255,000
Bethany	700	1,255	8,521,843
Breese	2,250	4,641	54,220,730
Bushnell	1,774	2,718	33,971,366
Cairo	1,341	1,733	61,233,018
Carlyle	1,750	3,253	34,635,022
Carmi	3,147	4,865	53,656,888
Casey	1,870	2,404	29,470,693
Chatham	5,700	14,377	85,808,022
Fairfield	3,136	4,883	59,890,542

Farmer City	1,150	1,828	18,373,760
Flora	2,839	4,803	112,160,932
Freeburg	2,215	4,582	42,577,394
Geneseo	3,825	6,539	64,511,000
Geneva	10,153	21,393	363,953,011
Greenup	920	1,365	19,179,435
Hanover		863	N/A
Highland	6,601	9,991	129,384,335
Ladd	679	1,263	11,816,094
Marshall	2,483	3,947	67,643,081
Masoutah	3,641	8,754	61,654,975
McLeansboro	1,580	2,675	N/A
Metropolis	3,094	5,969	75,561,373
Naperville	60,700	149,540	1,308,171,162
Newton	1,689	2,777	N/A
Oglesby	1,910	3,712	58,417,085
Peru	5,951	9,896	257,904,116
Princeton	4,557	7,832	104,249,045
Rantoul	6,272	12,371	196,101,802
Red Bud	2,343	3,804	50,562,044
Riverton	1,680	3,532	28,226,315
Rochelle	7,388	9,446	396,144,000
Rock Falls	5,400	8,789	73,228,436
Roodhouse	895	1,578	11,915,100
Springfield	68,032	114,394	1,521,167,000
St. Charles	15,500	33,081	512,602,571
Sullivan	2,652	4,413	69,579,790
Waterloo	5,016	11,013	90,780,809
Winnetka	5,031	12,744	126,972,748
Total	268,758	532,659	6,650,198,190

Background on Association of Illinois Electric Cooperatives (AIEC)

The Association of Illinois Electric Cooperatives (AIEC) is the statewide service organization for 29 electric cooperatives which operate in Illinois. Included are 25 distribution cooperatives and five generation and transmission cooperatives. The AIEC provides a variety of services for its member-systems, including coordination of safety programs, training of line personnel, legislative research and information, member communication programs, group purchasing of materials and supplies, and publishes Illinois Country Living, a monthly magazine distributed to consumer-members of electric cooperatives throughout the state.

Electric cooperatives are not-for-profit organizations owned and democratically controlled by their member-consumers. 25 electric co-ops provide service to approximately 600,000 primarily rural Illinoisans located in 90 of the state's 102 counties.

Illinois Electric Cooperatives

Electric Cooperative Utilities	Number of Meters	2021 Total kWh Sales
Adams Electric Cooperative	9,038	173,586,913
Clay Electric Co-operative, Inc.	3,300	51,004,641
Clinton County Electric Cooperative, Inc.	6,172	141,000,997
Coles-Moultrie Electric Cooperative	9,595	204,668,324
Corn Belt Energy Corporation	39,638	648,497,712
Eastern Illini Electric Cooperative	13,315	241,649,371
Egyptian Electric Cooperative Association	14,976	321,471,841
EnerStar Electric Cooperative	5,250	85,494,437
Illinois Electric Cooperative	10,281	184,991,446
Jo-Carroll Energy, Inc.	19,776	350,043,353
M.J.M. Electric Cooperative, Inc.	9,409	134,162,182
McDonough Power Cooperative	5,065	72,507,071
Menard Electric Cooperative	10,940	192,971,852
Monroe County Electric Co-Operative, Inc.	7,459	115,096,144
Norris Electric Cooperative	20,030	355,860,773
Rock Energy Cooperative	10,345	226,024,000
Rural Electric Convenience Cooperative Co.	5,878	110,548,102
Shelby Electric Cooperative	10,080	246,933,787
SouthEastern Illinois Electric Cooperative, Inc.	24,559	771,765,790
Southwestern Electric Cooperative	23,922	440,629,000
Southern Illinois Electric Cooperative	11,203	182,125,972
Spoon River Electric Cooperative	4,961	63,188,106
Tri-County Electric Cooperative, Inc.	16,428	379,913,803
Wayne-White Counties Electric Cooperative	13,671	383,976,267
Western Illinois Electrical Cooperative	3,619	69,722,026
Total	308,910	6,147,833,910

Proven Successful Coordination

The benefit of working with stakeholder organizations such as IMEA, IMUA, and AIEC is that they have existing historic and strong relationships with their member utilities. They partner together on financial efforts (in the case of the majority of IMEA members), or on coordination and policy issues otherwise.

IFA has recently developed a strong partnership with small utilities across the state. In the wake of Winter Storm Uri, IFA demonstrated its capacity to respond to support small utilities through the deployment of new finance tools creatively, quickly and effectively in the face of unforeseen climate challenges. On February 16, 2021, Governor Pritzker, in his Gubernatorial Disaster Proclamation due to the dangerous winter storm of February 13-14, 2021, called on all State organizations “to use all resources at our disposal to keep our communities safe amid dangerous and ongoing winter weather.” This dangerous winter storm also impacted Texas, Oklahoma, and Kansas as well as other parts of the United States with extreme cold. The winter disaster caused unprecedented increases in energy demand and constrained the supply of natural gas, thus resulting in large price spikes for wholesale natural gas.

In response, IFA created the Natural Gas Municipal Loan program with low-interest rates and favorable loan terms for local governments hurt by the winter disaster. In just 65 days, the Authority made 14 direct loans to local governments from its General Fund in a total estimated amount of $7.9 million. This fast action mitigated the harm to local ratepayers by allowing the local government borrowers to spread increased natural gas costs over a manageable timeframe. Scientists have acknowledged that with climate change continuing, the outcomes of these extreme weather events have implications to the existing energy infrastructure.

It is anticipated that most of the 14 communities assisted through these loans would qualify as low-income/disadvantaged and IFA’s loan program benefited these communities by enabling an effective community response to an unforeseen climate challenge.

Access to Equipment and Facilities

The State of Illinois team will have a mixture of access to the equipment and facilities that are the subject of this project. On the utility side, Project team member utilities have direct access to the facilities that involve upgrades to their own equipment and assets. This includes distribution system equipment and rights-of-way, substation assets, and other equipment. For the deployment of electric vehicle charging stations, the State will be providing a publicly-available rebate to participating entities, as well as engaging in finance agreements. These incentives and finance tools will be executed in coordination with the project partner utilities to ensure streamlined execution.

Project Title: Building Performance Resource Hub

Topic area: Cost-effective implementation of updated energy codes

Area(s) of Interest: The proposed project crosses multiple areas of interests laid out in the FOA:

- Workforce Development
- Implementation and Compliance
- Innovative Approaches
- Equity, Energy and Environmental Justice
- Partnerships

Team Organizations:
Elevate Energy (prime)
Illinois Finance Authority/Climate Bank (state agency)
Illinois Green Alliance
City of Chicago - Mayor's Office of Climate and Environmental Equity
City of Chicago - Department of Buildings
Commonwealth Edison (ComEd)
International Code Council

Project Location(s):
City of Chicago and Illinois

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Project Description

Proposed Project: This project aims to establish an Illinois partnership-led Building Performance Resource Hub (Hub) to convene and educate key stakeholders to foster collaboration, deliver relevant training, and connect building owners, operators, and contractors to resources that equitably support advanced code adoption and compliance. The goal of the Hub is to support policies and programs that aim to decarbonize the building industry, which are expected to generate thousands of jobs and improve health outcomes. The Hub's initial phase focuses on the City of Chicago because the City 1) has made aggressive policy commitments towards decarbonization[1] and 2) utilizes its own unique energy code that requires support for compliance. The Hub will set up a model for collaborative expansion as other municipalities across Illinois make similar policy commitments. The Hub has three main components:

1. **Develop and implement technical education and training** for building professionals and contractors. This effort will support diverse businesses and contractors by connecting them to building efficiency and decarbonization resources available through local, state, and federal programs.
2. **Facilitate participation and awareness** by connecting contractors and building professionals to building owners and project opportunities, focusing on equitably building wealth in underinvested communities.
3. **Develop a suite of tools and resources** for building owners and building professionals to understand and comply with advanced policies for new and existing buildings. The Hub will prioritize tools that assist building owners and developers in accessing federal, state, and local incentives, rebates, and financing options.

Proposed Technical Assistance: The Hub will provide a suite of services to building professionals, contractors, and building owners at no cost. These services include: **Technical education and training.** The Hub will aim to 1) simplify access to existing resources, such as technical information, financial incentives, and assistance with contractors; 2) connect building industry professionals to existing educational opportunities while identifying and filling gaps with new education offerings; 3) assist building industry decision-makers in understanding and accessing all available financing options, while identifying and filling gaps. **Participation and awareness**. The Hub will establish both an online and physical location where building stakeholders can get personalized assistance and connect to resources for making building improvements. Working closely with community-based organizations, the Hub will provide targeted technical and financial resources to historically underinvested communities. Additionally, the Hub will provide simple sustainable building and operations education opportunities for policymakers, community organizations, and other groups outside of the building industry. **A suite of tools and resources.** The Hub will provide pro-bono support to

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[1] The City of Chicago existing policies include the 2022 Chicago Energy Transformation Code (https://www.chicago.gov/city/en/depts/bldgs/supp_info/chicago-energy-conservation-code.html), the development of a stretch code, the Chicago Energy Benchmarking Ordinance (https://www.chicago.gov/city/en/progs/env/building-energy-benchmarking---transparency.html). Future policy commitments include a fossil fuel ban for new construction, a Building Performance Standard, and the expansion (lowering threshold) of the existing building energy use benchmarking ordinance. Achieving successful implementation of these policies will help the City meet its Climate Action Plan goals equitably.

building owners and building professionals to comply with advanced policies for new and existing buildings. This includes energy benchmarking support services to building owners in anticipation of the expansion of the City of Chicago Energy Benchmarking Ordinance, which will affect approximately 3,500 multi-family buildings in the range of 25-49,000 sq ft. The Hub will also support an impact study of the Building Performance Standard (BPS), which the City of Chicago has committed to pass by 2024, and develop BPS tools and resources for building owners similar to the suite of resources available for benchmarking compliance. In addition to benchmarking and BPS, the Hub will support other new and existing decarbonization policies such as the Chicago Energy Transformation Code, development of a stretch code, and future fossil fuel phase-out legislation. As the City and State introduce new policies and strategies, the Hub will serve as a resource to support compliance, accessibility, and equity in implementation.

Current Baseline Scenario and Proposed Solution: In Chicago, buildings account for 68% of the city's greenhouse gas emissions. In 2022, the City of Chicago released the Climate Action Plan and the Building Decarbonization Recommendations Report, two policy documents that set a course to reduce citywide carbon emissions by 62% by 2040. The City of Chicago also joined the National BPS Coalition, with a commitment to publish a draft BPS by Earth Day 2024. At the state level, the Climate and Equitable Jobs Act (CEJA) provides innovative financing options, workforce development, and additional policy guidelines for the design, construction, and operation of buildings. CEJA also designates the Illinois Finance Authority as the state's Climate Bank, empowering the state body to develop new bond, finance, and grant programs to accelerate clean energy projects that benefit under-resourced communities, and to expand the impact of its existing Commercial PACE partnerships. At the federal level, the Inflation Reduction Act (IRA) and the Bipartisan Infrastructure Law (BIL) provide funding opportunities for meaningful building decarbonization action, particularly in historically marginalized communities. These legislations and policies combined offer an opportunity to make buildings and neighborhoods more resilient, healthy, and economically sustainable. With the implementation of these new policies, there is an immediate need to assist building professionals, contractors, and building owners to ensure compliance with the region's climate goals and access funding and finance opportunities. To better understand these opportunities and challenges, Illinois Green surveyed the building industry and stakeholders in building decarbonization and energy efficiency in the Chicago area. From this initial research, a need has emerged to 'connect the dots' so that building stakeholders and community leaders can effectively leverage available resources, such as layering utility energy efficiency incentives with the IRA's new home energy rebates and tax credits as well as new low-cost financing options. Stakeholders are often siloed or lack the time, social capital, or expertise to best learn about programs and resources, particularly in historically underinvested communities. The Hub will fill these gaps by unlocking resources for building professionals and owners to make building decarbonization cost-effective.

Potential Impact: Measuring the impact of the first few years upon the Hub's launch will be critical. The team will regularly review and evaluate the performance of the Hub's activities to ensure the Hub is meeting the market's needs and inform future programs and services. Ongoing feedback will include surveys from training and education event attendees and a process for partner and advisory board feedback. Potential impacts of the Hub on the building industry include increased numbers of these metrics: incentive programs referrals; compliance rate; new partnerships; stakeholder diversity; and organizations who participate in program development, outreach, and participation in education events. It is anticipated that the Hub will impact over 2,000 building professionals and contractors annually after the start-up phase and will support hundreds of clean energy jobs. The team also expects to support all buildings affected by advanced energy code, electrification, benchmarking, and BPS policies. Based on a recent report,[2] it is estimated that the gross savings technical potential from implementing BPS in Chicago over one 5-year compliance cycle is 660,465 MWh and 30,519,555 therms (10% and 12% overall energy reduction across benchmarked building stock.) The team also anticipates expanding the Hub's services beyond Chicago, prioritizing denser communities with advanced decarbonization policies, where training and compliance support is needed.

Anticipated Community Benefits: The Hub leverages trusted relationships with local partners with strong technical expertise, a history of successful community engagement, particularly in underinvested communities, strategic influence, and fundraising capabilities. These partners will aid the Hub in achieving its goals across Chicago, with a focus on under-resourced buildings. For example, the Hub will work alongside community partners to host roundtables and workshops for building owners and operators around community-identified priorities. Through these activities, the Hub will develop toolkits so efforts can be replicated beyond Chicago.

Approach to Long-term success: The Hub will have an organizational structure with a program Director, supporting staff, and robust technical volunteer program. An Advisory Board will be tasked to help direct offerings and facilitate key market connections to make the Hub's programming and services effective. The Hub will collaborate with established partners in geographically diverse locations to host in-person programs and services. By leveraging additional funding from philanthropy, corporations, and utilities, the Hub will serve as an established channel to deliver decarbonization benefits to communities into the future.

Key Risks/Issues: One key project risk is the timing of future policies (e.g., BPS and the expansion of the benchmarking ordinance). This risk will be mitigated by the many policies that have already passed and the central purpose of the Hub to support buildings with their performance regardless of policy drivers. An established resource like the Hub will also enable policy makers to move toward implementation. Another issue is that the City of Chicago utilizes its own municipal energy code, allowed by Illinois statute. Expanding certain resources beyond the City of Chicago will require tailoring to local needs.

Impact of DOE Funding: This RECI funding from DOE is critical to the work of the Hub. DOE's support will allow for a phased approach in which the team will prioritize developing relevant content for training and education and building the communications and outreach while the Hub Director will lead strategic planning, cultivate relationships, working with partners to develop new funding sources, and manage day-to-day programming.

[2] MEEA, Slipstream, "Energy Stretch Code & BPS Programs for Illinois," Phase 1 Report, October 21, 2020

Addendum

Project Team Qualifications: The project team has decades of experience working at the local and state level on advancing energy efficiency in buildings through innovative program design and implementation. **Elevate Energy (Elevate)** is a 501(c)(3) nonprofit organization that works nationally and is headquartered in Chicago. We design and implement energy efficiency, solar, building decarbonization, clean water, and workforce development programs that lower costs, protect the environment, and ensure that program benefits reach those who need them most. Elevate will serve as the prime organization on this project. **Illinois Green Alliance** is a membership-driven nonprofit with a focus on healthy, sustainable communities for all through education, advocacy, and collaboration. As the Illinois chapter of USGBC, its first 15 years have focused on green building implementation. Recently, Illinois Green launched a new strategic plan focused on mainstreaming the technologies and design best practices that will make every building, new and existing, a high-performance building by 2050. **Illinois Finance Authority (IFA),** a state authority designated as the State Climate Bank under Illinois' CEJA, will serve as the required state agency for this project. Among IFA's principal directives is to leverage finance to combat climate change. IFA is responsible for leveraging public-private partnerships to fund clean energy projects across the state through new loan products, a commercial PACE program, and innovative new finance tools. The **City of Chicago** is a leader of innovative environmental initiatives. From the Climate Action Plan's broad leadership to the City's targeted energy efficiency investments, Chicago is integrating sustainability in the places residents work, live, learn, and play while preparing for a resilient future. The Mayor's Office of Climate and Environmental Equity and the Department of Buildings are committed contributors to the Hub project. **Commonwealth Edison Company (ComEd)** provides electric service to more than 4 million customers across northern Illinois (70% of the state's population.) ComEd has been offering a growing portfolio of incentives for energy efficiency and clean energy projects since 2007. As committed partners in achieving the state's clean energy goals, ComEd is expanding efforts to build Illinois' energy workforce and is enabling the growth of clean energy solutions. **International Code Council (ICC),** leading global source of model codes and standards, is poised to partner with the City of Chicago and the Hub to offer support and wrap-around services with respect to various City policy and code initiatives. Support could include specialized trainings and certification to encourage more diversity in the code workforce, and awareness campaigns on the benefits of the code to industry stakeholders.

Applicant Experience: **Elevate** provides expertise in energy and water efficiency and clean energy to the residential, commercial, utility, and government sectors across policy, research, and deployment. We are experts in program design and implementation, financial modeling, engineering, energy analysis, community outreach, and workforce development. We have experience partnering with the DOE Building Technologies Office and Solar Energy Technologies Office on R&D projects, including Advanced Building and Construction, Building America, Solar Market Pathways, Solar Training and Education for Professionals, DOE Accelerators, and beta testing DOE. Elevate has deep experience in advancing racial equity and climate action at the intersection of affordable housing: our team leads energy and health retrofits, solar deployment, demand response, and contractor and workforce development nationwide, including retrofitting over 100,000 units of affordable housing over the past 22 years. We are a core team member of the Justice40 Accelerator, supporting climate and environmental justice organizations in building their capacity, partnerships, and readiness to access government funding to implement community-designed solutions. We have developed and implemented a successful Contractor Accelerator program which has created over 1,000 jobs and provided training, back-office support, and access to capital and bridge loans to over 200 historically marginalized contractors. We have a strong network of trusted public and community-based partners, coupled with internal technical capacity and leadership.

Experience with Teaming Partners: The project team has years of experience working together. Recently, Elevate facilitated the Policy Working Group that developed recommendations for the City's Decarbonization report. As part of this effort, Illinois Green staff led subgroup discussions with working group members to establish financial and technical assistance needs. Elevate and Illinois Green collaborated on the Neighborhood Power Project program, which engaged 15 nonprofit organizations in the Chicago area and provided pro-bono sustainability consulting and grant funding to implement energy, water, waste, and air quality improvements to their buildings. Through the program, 53 sustainability projects were implemented, resulting in 454,500 kWh saved annually. Since the Chicago Energy Benchmarking ordinance passed in 2014, Elevate has been providing support services to the City of Chicago, including a fully staffed call center and management support to monitor compliance. Illinois Green assisted with ordinance implementation efforts leading to over 1,000 volunteer hours educating over 750 building owners, operators, and service providers to ensure compliance with energy benchmarking requirements through free education programs, technical assistance, and pro-bono energy data verification services. Elevate and Illinois Green collaborate closely with ComEd on multiple initiatives, from energy efficiency program design and implementation to education and training efforts. Elevate has been part of the implementation team of ComEd's multi-family energy efficiency incentive program since 2017. Currently, Elevate and ComEd are partnering to pilot building electrification for both single and multi-family homes in Chicago. Illinois Green, Elevate, and the City of Chicago also collaborated with ComEd and other partners to develop and implement the voluntary Retrofit Chicago Energy Challenge, which assisted building owners in reducing energy intensity by 20% in 5 years. The project partners have documented their commitment to partnering with Elevate on this project.

Access to Equipment and Facilities: The project team has access to the equipment and facilities necessary to accomplish the project goals. The team will primarily need the physical space to hold education and training events and workshops. We plan to leverage existing resources and partners to support this program.

Figure 1 - First 4-Year High-level Work Plan:

Activities	Year 1	Year 2	Year 3	Year 4
Resources & tools development				
Outreach & relationship-building				
Contractor support				
Trainings/workshops offered				
Annual evaluation				

CLIMATE BANK PLAN FOR FISCAL YEAR 2023

Originally Approved: November 10, 2022
Updated: February 14, 2023

Brief Background: As noted in the Climate Bank Standing Report, considering the rapidly expanding field of potential federal funding opportunities connected with the Authority's statutory designation as the Climate Bank of the State of Illinois, on November 10, 2022, the Authority adopted Resolution No. 2022-1110-EX16 (Climate Bank Plan Resolution). Due to the timing and complexity of these potential federal funding opportunities, it may not be practical or feasible for the Authority Members to meet in a timely manner to obtain the necessary approvals, allocate resources, and authorize spending to compete for these potential federal funding opportunities. Accordingly, the Executive Director will continue to work jointly with the Chair, in close consultation with the Administration, on each of the items and will report back to the Members for consideration, affirmation, modification, or disapproval of these modifications to the Climate Bank Plan consistent with the Climate Bank Plan Resolution. The Executive Director asks that this **February 14, 2023 Modified and Updated Plan** be affirmed in full.

Modifications to the Climate Bank Plan are **bold and underlined** below.

MODIFIED AND UPDATED February 14, 2023

I. ***Executive Summary.*** As the Climate Bank, the Authority could apply for the following federal funds should an investment of Authority funds and other actions be authorized by the Members, including but not limited to spending from the IFA General Fund of up to *$850,000.*

- **To better reflect the Authority's expanded role as the Climate Bank, the Authority's color, on its website and other official materials, will be changed from reddish orange to green.**
- Through the United States Environmental Protection Agency ("EPA"), the *Greenhouse Gas Reduction Fund* under the federal Inflation Reduction Act ("*IRA Section 134/GGRF*") is a competitive funding program, which could return between $50 million and $1**.1** billion to Illinois depending on the number and size of applications approved by EPA. To compete effectively for these funds, we recommend:
  - the approval for the Executive Director, in close consultation with the Chair and the Administration, to enter into one or more agreements with various State entities (DCEO, IEPA, U of I) described below in connection with selecting such vendors**, or to enter into one or more agreements for other vendors,** for an amount not to exceed *$550,000*, and.
  - Additional vendors up to ***$200,000***, again in close consultation with the Chair and the Administration, as allowed by the Procurement Code

- Through the United States Department of Energy ("DOE"), Section 40101(d), Illinois is eligible for up to $8 million annually in formula funds for five years to fund/finance projects to enhance the resilience of the electric grid with up to $400,000 annually to administer the program. To compete ~~apply~~ effectively for these funds, the Executive Director recommends:
  - an investment of up to *$100,000* for vendors as allowed by the Procurement Code, again in close consultation with the Chair and the Administration, and
  - the approval for the Executive Director, in close consultation with the Chair and the Administration, to enter any necessary agreements with appropriate State agencies and appropriate third parties**, and**
  - **the approval for the Executive Director to create grant programs and enter into other contracts to implement the program upon approval by the DOE, and to enter into contracts with vendors to support the administration and technical assistance needed, up to the allowed amounts provided for by the DOE.**
- **Through the DOE Section 40103(b), the Grid Resilience Innovation Partnerships program, IFA is planning to submit an application for approximately $138 million in federal funding to accelerate transportation electrification in rural and small-town communities. To compete effectively for these funds, the Executive Director recommends:**
  - **the approval for the Executive Director to leverage vendors to support the full application submission to the Department of Energy, upon notification of a recommendation to submit by the DOE, and**
  - **the approval for the Executive Director, in close consultation with the Chair, to establish grant programs, new finance tools, and other contracts to implement the program upon award by the DOE.**
- **Through the DOE Energy Efficiency Revolving Loan Fund Capitalization Grant program, Illinois is eligible to receive a one-time investment of $15.3 million to support the creation of new finance tools to support building energy retrofits in the State. IFA/Climate Bank have been in discussions with the State Energy Office, under Illinois EPA, to establish and administer the program on behalf of the State. To implement these funds effectively, the Executive Director recommends:**
  - **The approval for the Executive Director to leverage vendors to support the application submission to the Department of Energy, and**
  - **The approval for the Executive Director, in close consultation with the Chair and the Administration, to enter into any necessary agreements with Illinois EPA or other appropriate State agencies and appropriate third parties, to establish the IFA/Climate Bank as the lead entity, and**

  - **The approval for the Executive Director to establish grant programs, new finance tools, and other contracts to implement the program upon award by the DOE, including the approval to enter into contracts with vendors to support the administration and technical assistance needed, up to the allowed amounts provided for by the DOE.**
- **Through the DOE's Resilient and Efficient Codes Implementation Program, non-profits and local governments can, in partnership with state agencies, submit applications to support implementation of updated building energy codes. IFA/Climate Bank is expected to support an application submitted by Elevate, the City of Chicago, and others, to pursue this funding. To support a competitive application, the Executive Director recommends:**
  - **the approval for the Executive Director to enter into discussions with Elevate and the project partners to support a full application, upon recommendation to proceed by the DOE, and**
  - **the approval for the Executive Director to work with other relevant state agencies to enter into any necessary agreements and to ensure coordination of other agency efforts to pursue the same or similar funding opportunities.**
- **Through the Climate Pollution Reduction Grants Program, Section 60114 of the IRA, the U.S. EPA will provide grants to state to develop and implement plans for reducing greenhouse gas emissions and other harmful air pollution. The program will have two stages – the deployment of $250 million for noncompetitive planning grants, and $4.6 billion for competitive implementation grants. To ensure Illinois is best positioned to support planning processes and to develop competitive implementation proposals, the Executive Director Recommends:**
  - **the approval for the Executive Director, in close consultation with the Chair and the Administration, to enter any necessary agreements with appropriate State agencies and appropriate third parties to support the State's development of relevant climate pollution reduction planning processes and the development of implementation grant proposals, and**
  - **the approval for the Executive Director to establish grant programs, new finance tools, and other contracts to implement the program upon award by the DOE, including the approval to enter into contracts with vendors to support the administration and technical assistance needed, up to the allowed amounts provided for by the DOE.**

- **<u>The Authority is evaluating the potential for the Climate Bank to utilize, in part, the grant funding noted above to establish a Revolving Loan Fund to help finance projects in support of the CEJA objectives of reduction of greenhouse gas emissions, with an emphasis on projects that benefit low-income and disadvantaged communities.</u>**
- The Executive Director will work jointly with the Chair, in close consultation with the Administration, on each of the above items and will report back to the Members for consideration and approval.

II. ***Federal Background***. IRA Section 134/GGRF is unprecedented federal funding opportunity through the EPA for the Authority. In pursuit of IRA Section 134/GGRF funding, the Authority is holding a listening session to at 11:00 am CST on Thursday, November 10, 2022, immediately after the regularly scheduled Authority monthly meeting. EPA describes IRA Section 134/GGRF as follows:

> The Inflation Reduction Act amended the Clean Air Act to create a new program: the Greenhouse Gas Reduction Fund. This first-of-its-kind program will provide competitive grants to mobilize financing and leverage private capital for clean energy and climate projects that reduce greenhouse gas emissions – with an emphasis on projects that benefit low-income and disadvantaged communities – and further the Biden-Harris Administration's commitment to environmental justice.
>
> * * * *
>
> > "The Greenhouse Gas Reduction Fund is an unprecedented opportunity to accelerate the adoption of greenhouse gas reducing technologies and position the United States to compete and win the 21st century economy." EPA Administrator Michael S. Regan.
>
> The Greenhouse Gas Reduction Fund provides $27 billion to EPA for expenditure until September 30, 2024. This includes:
>
> $7 billion for competitive grants to enable low-income and disadvantaged communities to deploy or benefit from zero-emission technologies, including distributed technologies on residential rooftops [public entities & eligible entities];
>
> Nearly $12 billion for competitive grants to eligible entities to provide financial and technical assistance to projects that reduce or avoid greenhouse gas emissions; and

$8 billion for competitive grants to eligible entities to provide financial and technical assistance to projects that reduce or avoid greenhouse gas emissions in low-income and disadvantaged communities.

EPA is launching a coordinated stakeholder engagement strategy to help shape the implementation of the Greenhouse Gas Reduction Fund and ensure the full economic and environmental benefits of this historic investment are realized by all Americans. (https://www.epa.gov/inflation-reduction-act/greenhouse-gas-reduction-fund)

***Tight Timeline-The Known Key Dates for IRA Section 134/GGRF*:**

- *11/01/22* EPA National Listening Session 1(**occurred**)
- *11/09/22* EPA National Listening Session 2 **(occurred)**
- *12/5/2022* responses due to EPA Request for Information (RFI) **(submitted)**
- Additional EFAB Public Meetings: *10/18-19; 11-17; 12-1; 12-15/2022* ***(occurred)***
- *12/15/2022* EPA receives EFAB Recommendations **(occurred)**
- *TBD/likely* **POTENTIAL RELEASE February 15, 2023**~~Dec 2022~~ **SPRING 2023** Sec 134 Applications due to EPA
- *2/12/2023* through *09/30/2024* EPA deployment of IRA Section 134/GGRF

The Authority Needs Additional Vendor Expertise to Compete for IRA Section 134/GGRF

IRA Section 134/GGRF builds upon and provides funding resources for the State's policy direction on energy established by the Climate and Equitable Jobs Act ("CEJA"), P.A. 102-0662 (which also designated the Authority as the Climate Bank). The scale and focus of the available IRA Section 134/GGRF competitive funding will require a large investment of Authority funds to obtain the necessary expertise, not currently available within the Authority, to create and submit a competitive application. Such expertise will be obtained through the engagement of vendors, the selection of which is subject to the Illinois Procurement Code.

In connection with the broad objectives established by CEJA, the Illinois Department of Commerce and Economic Opportunity ("DCEO"), the Illinois Environmental Protection Agency ("IEPA") and the University of Illinois and its Illinois Innovation Network ("UofI/IIN") are developing a vendor selection process that could provide the necessary vendor expertise for the Authority to support a competitive application to EPA for IRA Section 134/GGRF funds.

The Executive Director has also engaged extensively with the Coalition for Green Capital (CGC), a not-for-profit expected to apply for those portions of the GHGRF which the Authority may not be qualified to apply, and Green Banks in other states.

Necessary Action Needed.

The Authority needs and is requesting approval for the Executive Director, in close consultation with the Chair and the Administration, to enter any necessary agreements with the CGC as well as other potential partners and to engage with the necessary stakeholder engagement in Illinois to effectively compete for GHGRF funds.

Additional capacity/expertise is necessary and may also be obtained through various procurement methodologies under the Procurement Code, personal services contracts (exempt from the Procurement Code), and existing Authority contracts.

Necessary Action and Spending Approval Needed.

Approval of an intergovernmental agreement among DCEO, IEPA, UofI/IIN, and the Authority for the CEJA UofI/IIN vendor selection process ("IIN Process"). The Authority's share of the INN Process is estimated to be ***$550,000*** with another $***200,000*** for alternative/complementary procurements and/or additional expertise under existing contracts for a total authorized budget of ***$750,000***. **The Executive Director requests approval to use the funds necessary to secure the necessary services under the IIN Process or through alternative vendors, in order to achieve the best outcome for the Authority.** The Executive Director will only move forward in close consultation with the Chair and the Administration.

EPA has not yet published a notice of funding opportunity ("NOFO") for the IRA Section 134/GGRF competitive funding. Given the time constraints under the IRA, it is likely that such a NOFO will have compressed timelines. See Climate Bank Plan Appendix 1-IRA Section 134 and Climate Bank Plan Appendix 2 – Excerpts of EPA Request for Information. See the ***confidential/preliminary policy making/exempt from FOIA*** scope of the IIN Process is at the end of this document in Yellow. **The previously confidential scope of the IGA supporting the INN Process is now public and attached as Exhibit 1 to the Illinois Climate Bank Standing Report, dated February 14, 2023.**

III. ***Federal Background***. Bipartisan Infrastructure Law – United States Department of Energy ("DOE"), Section 40101(d), **PREVENTING OUTAGES AND ENHANCING THE RESILIENCE OF THE ELECTRIC GRID** ("Section 40101(d)").

Under Section 40101(d) Formula Grant Program of the Bipartisan Infrastructure Law ("BIL"), the Department of Energy will provide grants to States (including U.S. Territories) and Indian Tribes to improve the resilience of their electric grids. States and Indian Tribes may further allocate funds to "eligible entities", as defined by Section 40101(d). These grants offer a unique opportunity to advance the capabilities of States and Indian Tribes, and their communities, to address not only current, but future resilience needs. The requirements of this formula grant program are defined within Section 40101(d) of the BIL. Section 40101(d) stipulates that DOE allocate funding annually through grants to States and Indian Tribes according to a formula that includes such parameters as population, land area, and the historical precedence for experiencing disruptive events. (https://netl.doe.gov/bilhub/grid-resilience/formula-grants).

Through the Section 40101(d) DOE funding, Illinois is allocated just over $8 million annually for five years with an appropriate amount for the administration of the funds by the Authority (estimated to be approximately *$400,000 annually*, **with two-years of funding provided in the first budget period**). It is anticipated that Section 40101(d) DOE funding would be distributed as grants by the Authority to between 10 and 20 grantees with some overlap with the organizations and borrowers involved with the Authority's February 2021 Natural Gas Pilot Loan Program. Should the Authority receive this funding, appropriate finance and administrative functions would need to be developed. Section 40101(d) DOE funding would be complementary to the Authority's Climate Bank designation and to Authority products and programs which may be developed with Section 134/GGRF funding. Discussions involving DCEO and the Illinois Commerce Commission identified the Authority as the appropriate entity to apply for Section 40101(d) DOE funding.

The NOFO for Section 40101(d) DOE funding has been extended until March 31, 2023 (from September 30, 2022). As Section 40101(d) DOE funding is formula based and not competitive, it is the Authority's understanding that funding could arrive within weeks after the filing of an appropriate application with DOE.

Necessary Action and Spending Approval Needed.

The Authority currently lacks the expertise to apply for Section 40101(d) DOE funding. Additional capacity/expertise may also be obtained through various procurement methodologies under the Procurement Code, personal services contracts (exempt from the Procurement Code), and existing Authority contracts.

The Authority may need to enter into agreements with other agencies in connection with its application for Section 40101(d) DOE funding.

The Authority will need to hold one or more listening sessions or hearings in connection with its application for Section 40101(d) DOE funding.

The Authority estimates that ***$100,000*** may be needed to engage the appropriate vendor(s) to develop and submit its application for Section 40101(d) DOE funding. The Executive Director will only move forward in close consultation with the Chair and the Administration.

The Authority needs approval for the Executive Director to create grant programs and enter into other contracts to implement the program upon approval by the DOE, and to enter into contracts with vendors to support the administration and technical assistance needed, up to the allowed amounts provided for by the DOE.

IV. *Federal Background:* DOE Section 40103(b), the Grid Resilience Innovation Partnerships program, IFA is planning to submit an application for

approximately $138 million in federal funding to accelerate transportation electrification in rural and small-town communities.

Under Section 40103(b) of the Bipartisan Infrastructure Law, The DOE is launching the Grid Resilience Innovation Partnership Program for demonstrating innovative approaches to transmission, storage, and distribution infrastructure to harden and enhance resilience and reliability. Eligible applicants are States, tribes, unit of local government, PUC.

Next Steps: Concept paper submitted January 13, 2023. Full application due May 2023.

The State of Illinois has submitted a concept paper to the U.S. Department of Energy to lead a large-scale initiative to support electrification and demand management initiatives across the state's smaller utilities in order to help mitigate resource adequacy challenges in the future and support integration of renewable energy. The State must submit a full proposal to the U.S. Department of Energy by May 19.

Necessary Action and Spending Approval Needed.

The Authority currently lacks the expertise to apply for Section 40103(b) DOE funding. Additional capacity/expertise may also be obtained through various procurement methodologies under the Procurement Code, personal services contracts (exempt from the Procurement Code), and existing Authority contracts.

The Authority needs approval for the Executive Director to leverage vendors to support the full application submission to the Department of Energy, upon notification of a recommendation to submit by the DOE, and

The Authority needs approval for the Executive Director, in close consultation with the Chair, to establish grant programs, new finance tools, and other contracts to implement the program upon award by the DOE.

V. *Federal Background:* Through the DOE Energy Efficiency Revolving Loan Fund Capitalization Grant program, Illinois is eligible to receive a one-time investment of $15.3 million to support the creation of new finance tools to support building energy retrofits in the State. IFA/Climate Bank have been in discussions with the State Energy Office, under Illinois EPA, to establish and administer the program on behalf of the State.

Infrastructure Investment and Jobs Act ("IIJA") Section 40502 created the Energy Efficiency Revolving Loan Fund Capitalization Grant Program, funded by DOE. This program allows IEPA/State Energy Office to provide IFA with approximately $15.3 Million to be used to capitalize loans and grants for commercial energy audits, energy efficiency upgrades, retrofits of building infrastructure, and other authorized uses. Projects awarded under this program, are subject to federal terms and conditions.

Necessary Action and Spending Approval Needed.

In response to a request to partner from IEPA/State Energy Office, the Executive Director is seeking approval to be authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with federal Law, DOE regulations, and the program requirements agreed to with IEPA, including entering into an IGA with IEPA, and providing assistance in the application to DOE; and that all other acts and doings of the Executive Director of the Authority which are in conformity with the intent and purposes of the this section of the Climate Bank Plan, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects ratified, confirmed and approved. With this approval, all prior and future acts and doings of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of Climate Bank plan and in furtherance of the receiving funds from the Resolution shall be and the same hereby are in all respects approved and confirmed.

The Authority needs and is requesting approval for the Executive Director to leverage vendors to support the application submission to the Department of Energy.

The Authority needs and is requesting approval for the Executive Director to establish grant programs, new finance tools, and other contracts to implement the program upon award by the DOE, including the approval to enter into contracts with vendors to support the administration and technical assistance needed, up to the allowed amounts provided for by the DOE.

VI. ***Federal Background:*** **Through the DOE's Resilient and Efficient Codes Implementation Program, non-profits and local governments can, in partnership with state agencies, submit applications to support implementation of updated building energy codes. IFA/Climate Bank is expected to support an application submitted by Elevate, the City of Chicago, and others, to pursue this funding.**

The Infrastructure Investment and Jobs Act provides a historic opportunity to advance the efficiency and resilience of building energy codes in states and local jurisdictions throughout the United States. As outlined in Section 40511 of the Act, $225M in funding has been appropriated to "eligible entities to enable sustained cost-effective implementation of updated building energy codes" through a competitive grant process over five years (FY22-FY26). Awardees eligible for this funding must include a relevant state agency, and priority will be given to teams that include strategic partnerships, such as a local building code agency, codes and standards developers, associations of builders and design and construction professionals, and many others. Projects must also be tied to an updated building energy code, which includes any amendment or code update resulting in increased energy efficiency as compared to the previously adopted code. The act outlines priority criteria for the funding, including an established need by an eligible entity, the long-term

sustainability of measures and savings, the ability to address equity, energy, and environmental justice (EEEJ) and resilience priorities, and others.

Necessary Action and Spending Approval Needed.

The Authority needs and is requesting approval for the Executive Director to enter into discussions with Elevate and the project partners to support a full application, upon recommendation to proceed by the DOE, and

The Authority needs and is requesting approval for the Executive Director to work with other relevant state agencies to enter into any necessary agreements and to ensure coordination of other agency efforts to pursue the same or similar funding opportunities.

VII. *Federal Background:* **Through the Climate Pollution Reduction Grants Program, Section 60114 of the IRA, the U.S. EPA will provide grants to state to develop and implement plans for reducing greenhouse gas emissions and other harmful air pollution. The program will have two stages – the deployment of $250 million for noncompetitive planning grants, and $4.6 billion for competitive implementation grants.**

The Climate Pollution Reduction Grants Program will be designed to provide flexible support to states, tribes and local governments regardless of where they are in their climate planning and implementation process. For example, projects could further goals and policies for clean energy, energy efficiency, and more.

EPA is committed to supporting the development of climate action plans and the expeditious implementation of investment-ready policies, programs, and projects to reduce greenhouse gas emissions in the near term. Through the CPRG program, EPA will support the development and deployment of technologies and solutions that will reduce GHGs and harmful air pollution, as well as transition America to a clean energy economy that benefits all Americans.

Necessary Action and Spending Approval Needed.

The Authority needs and is requesting approval for the Executive Director, in close consultation with the Chair and the Administration, to enter any necessary agreements with appropriate State agencies and appropriate third parties to support the State's development of relevant climate pollution reduction planning processes and the development of implementation grant proposals, and

The Authority needs and is requesting approval for the Executive Director to establish grant programs, new finance tools, and other contracts to implement the program upon award by the DOE, including the approval to enter into contracts with vendors to support

the administration and technical assistance needed, up to the allowed amounts provided for by the DOE.

VIII. Other Initiatives.

The Authority is working, on its own and in coordination with other state agencies and partners to develop new, innovative clean energy initiatives, including the following efforts:

- **Supporting Illinois Electric Vehicle Roadmap. The State of Illinois is dedicated to accelerating the transition to zero-emission vehicles as a primary tool in the fight to mitigate climate change. As part of this effort, the State of Illinois looks to commit to its goal of one million electric vehicles (EVs) on the road by 2030, and is currently in the process of developing a roadmap that will allow the state to best position itself to take advantage of funding mechanisms available now and in the next several years. Illinois will continue to invest in and create the charging infrastructure to support EVs, so that residents and visitors in Illinois can start to expect and utilize charging everywhere – from high-volume corridors and highways, to retail stores, at gas stations, and the residential, multifamily, and commercial spaces we all work and live. This also includes sustained transition of fleets and transit vehicles so that in the future every school bus, truck, and transit bus is completely zero emission. While undertaking transportation electrification efforts the state will ensure equity in this effort by making EVs and related zero-emission technology accessible to low income, minority, and disadvantaged populations so that the benefits of electrification and EV technology are for all regions, income groups, and ethnicities. Lack of access to financing for both individuals and businesses is a barrier to electric vehicle adoption and thoughtful use of rebates and incentive, or affordable and realistic financing mechanisms are critical for the state to reach its goals.**

- **Establishing a Revolving Loan Fund for Local Government zero-emission technology initiatives. The Authority provides conduit and non-conduit financing to governmental, non-profit and private activity issuers, on a taxable and tax-exempt basis. Since its inception, the Climate Bank has deployed approximately $250 million of private investment in support of its mandate including $23.5 million of Property Assessed Clean Energy ("PACE") bonds. The Authority is evaluating the potential for the Climate Bank to utilize the grant funding noted above to establish a Revolving Loan Fund to help finance projects in support of the CEJA objectives of reduction of greenhouse gas emissions, with an emphasis on projects that benefit low-income and disadvantaged communities.**

- **Enhancing opportunities for zero emission technologies on residential rooftops to enable and benefit low-income and disadvantaged communities.**

- **All of the above actions will be undertaken, jointly with the Chair and in close consultation with the Chair and the Administration.**

IX. Modification.

Consistent with the corresponding *Climate Bank Resolution* being adopted with the Plan, the Chair and the Executive Director are hereby authorized to modify the Climate Bank Plan from time to time to conform to the requirements of, or guidance from, any entity with authority over the Climate Bank Plan programs, including, but not limited to, the Governor of Illinois, the Federal Government, and as otherwise appropriate to facilitate the operation of the Climate Bank and action of participants in the Climate Bank Plan's programs. Any substantive changes to the Climate Bank Plan shall be made by the Executive Director in consultation with the Chair of the Authority, and then promptly reported to the Authority Members which may affirm, modify, or disapprove of the changes. The changes shall, however, remain in full force and effect until such time as the Members act, unless otherwise required by law.

Exhibit 1: Draft Federal Funding Potential Overview-PowerPoint

ILLINOIS FINANCE AUTHORITY. > ILLINOIS CLIMATE BANK

FEBRUARY 14, 2023
PRELIMINARY DRAFT

IFA Climate Bank Transformation Roadmap

Identify: *Deploy current resources / gather partners to apply for federal funds*

Apply: *Develop & submit winning applications for federal funding*

Implement: *Deploy fed funds in a sustain-able manner through leverage*

Mobilize IFA staff to…

- Develop competitive federal grant applications.

Engage potential partners to…

- Develop competitive applications and to have partners to deploy funds when applications are successful.

Apply and secure:

- EPA - GGRF
- DOE - GRIP
- DOE - 10101(d)
- DOE Revolving Fund
- SSBCI
- More

Re-design IFA organization to operate Climate Bank as financially sustainable organization consistent with new federal funding sources and objectives.

Support CEJA goals through climate finance and program deployment.

Deploy new standardized financial tools to reduce the cost of de-carbonization for ordinary people and marginalized businesses in a fair & equitable manner.

Maximize impact of federal funds by leveraging and aligning private capital with State Climate Bank mission.

Day-to-Day Core Business Activities: Issue conduit bonds

Stakeholder Engagement

DOE 40101(d) | DOE EE RLF | EPA GGRF | DOE GRIP

ESTABLISH INTERAGENCY COLLABORATION GROUP: IFA, ICC, DCEO, IL EPA, IPA, IDOT, DNR, IHDA

SMALL GROUP MEETINGS

STAKEHOLDER IDEA WORKSHOPS

OFFICIAL PUBLIC HEARING

Dates to be determined

INITIAL EFFORTS

U.S. EPA GREENHOUSE GAS REDUCTION FUND

$280m - $1.08b
to seed Illinois Climate Bank and Illinois Jobs & Justice Fund Activities

U.S. DOE 40101(d) GRID RESILIENCE

$8/yr for 5 yrs
to improve reliability and resilience, particularly in disadvantaged communities

U.S. DOE GRIP PROGRAM

$138m
to accelerate transportation electrification in rural and small-town communities

U.S. DOE EE REVOLVING LOAN FUND

$15.3m
to finance building retrofits and to provide working capital to minority contractors

Greenhouse Gas Reduction Fund

GREENHOUSE GAS REDUCTION FUND

USEPA

Targeting **$280 M - $1.2 billion** for the State of Illinois Climate Bank

- Provides competitive grants to states, municipalities, tribal governments, and other entities to support low and zero-carbon technologies and can act as seed capital for green banks.
- Must prioritize projects that would not otherwise have access to financing, and must be evergreen.
- Can be used to establish a green bank itself.
- ~$12 billion for green banks broadly, and an additional $15 billion for green banks focused on low-income and disadvantaged communities.
- **Next Steps:** Proposal due Spring 2023

OPPORTUNITY:

The U.S. Environmental Protection Agency has $27 billion available to provide to state- or local-organized green banks by 2024. Green banks provide project financing for projects that would not otherwise have access to financing, and must recycling repayments back into the fund.

NEXT STEPS:

Illinois Finance Authority, in its role as the State Climate Bank, will put together a comprehensive proposal on behalf of the State of Illinois to launch a large-scale initiative to support the state's efforts to reach 1 million electric vehicles by 2030 and achieve its clean energy goals. The IFA will leverage federal grant dollars as seed capital, and grow financing to a size necessary to make a significant impact on the achievement of state energy, climate, and equity priorities. The Funding Opportunity will become available from U.S. EPA in Spring 2023 and funds are expected to be distributed by 2024.

40101(d) – Grid Resilience

GRID RESILIENCE STATE FORMULA GRANTS

Section 40101(d)

US DOE

$8 M/yr for State of Illinois, for 5 years

- For the purpose of implementing resilience measures.
- Money is provided to the State, but can be subcontracted to cities, utilities or others.
- **Eligible for:** Weatherization, fire prevention, monitoring and control, undergrounding, poles, advanced conductors, vegetation management, distributed energy resources including microgrids, protection, modeling, hardening.
- **Next Steps**: Illinois Finance Authority must submit application by March 31 outlining objectives, metrics, criteria, and methods for subawards.

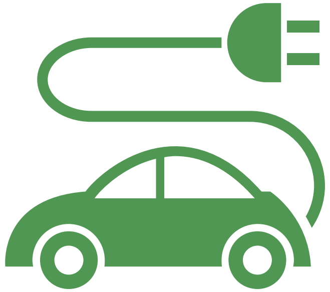
OPPORTUNITY:

The State of Illinois will be responsible for distributing these grants to improve reliability and resilience, particularly in disadvantaged communities. Funds can be used for a variety of investments, including for microgrids and weatherization. Large utilities have to match grants 1:1, but other entities are only required to match 33% of the grant value.

NEXT STEPS:

The State must submit its proposed spending plan to the U.S. Department of Energy by March 31. The State will work to identify projects, such as critical services, grid modernization, weatherization, resilience programs, and community resilience centers, in partnership with small utilities and communities, to ensure alignment on the proposal submitted to the DOE.

Grid Resilience Innovation Partnerships



GRID RESILIENCE INNOVATION PARTNERSHIPS (GRIP) PROGRAM

Section 40103(b)

US DOE

Targeting **$100 - $200 M** for State of Illinois

- "Program Upgrading Our Electric Grid and Ensuring Reliability and Resiliency" or "Grid Resilience Innovation Partnership Program."
- For demonstrating innovative approaches to transmission, storage, and distribution infrastructure to harden and enhance resilience and reliability.
- In coordination and collaboration with electric sector owners and operators
- Eligible applicants: States, tribes, unit of local government, PUC
- **Next Steps:** Concept paper submitted January 13, 2023. Full application due May 2023.

OPPORTUNITY:

The State of Illinois has submitted a concept paper to the U.S. Department of Energy to lead a large-scale initiative to support electrification and demand management initiatives across the state's smaller utilities in order to help mitigate resource adequacy challenges in the future and support integration of renewable energy.

NEXT STEPS:

The State must submit a full proposal to the U.S. Department of Energy by May 19.

STATE OF ILLINOIS
| GRID RESILIENCE INNOVATION PARTNERSHIPS PROGRAM

ACCELERATING GRID-INTERACTIVE ELECTRIFICATION IN SMALL UTILITIES

Asessment & Coordination
- Assessing electrification impacts
- Charging infrastructure standards
- On-Peak and Off-Peak
- Optimized Charging Ops Center
- Deploying EV Software

Overcoming Financial Barriers
- Optimized Charging Rebate
- Beneficial Electrification Finance

Piloting Advanced Grid Technology
- EV Charging Microgrid Pilots
- Vehicle-to-Grid Pilots

Supporting a Quality Workforce
- Integrating Clean Energy Workforce Hubs

Grid Resilience Innovation Partnerships

ENERGY EFFICIENCY REVOLVING LOAN FUND

US DOE

$15.3M for State of Illinois

- Providing capitalization grants to States to establish a revolving loan fund to provide loans and grants for energy efficiency audits, upgrades, and retrofits.
- State must attract private capital to the maximum extent practicable.
- Loan repayments must be recylcled to further program activities
- Eligible applicants: States
- **Next Steps:** Proposal due April 21, 2023.

OPPORTUNITY:

The Illinois Finance Authority ("IFA"), in its role as the State Climate Bank, will leverage the new federal dollars to develop a new state revolving loan fund to: Accelerate the state's clean energy, climate, and equity goals, as established in Illinois' recent Climate and Equitable Jobs Act; Ensure the benefits of the clean energy economy are equitably distributed & accessible to all; and overcome barriers to public and private capital access for BIPOC businesses & communities.

NEXT STEPS:

The State must submit its proposed plan to the U.S. Department of Energy by April 21, which must show how the state will be able to offer a loan product within 180 days. The IFA will work to identify financial tools that can be deployed quickly to complement existing audit and retrofit incentives, particularly for minority-owned contractors.

Questions?

February 14, 2023

Illinois Finance Authority

160 N. LaSalle Street, Suite S-1000

Chicago, IL 60601

Will Hobert, Chair

Chris Meister, Executive Director www.il-fa.com

Federal Funding Opportunities

Bipartisan Infrastructure Law

BIPARTISAN INFRASTRUCTURE LAW

The Bipartisan Infrastructure Law, also know as the Infrastructure Investment and Jobs Act, was signed into law by President Biden on November 15, 2021, and represents a $1.2 trillion infrastructure investment over the next 5 years.

- **Dept. of Energy**
  - **Resiliency**
    - Grid Hardening State Formula Grants (40101(d))
    - Grid Resilience Demonstrations (40103(b))
  - **EE & Weatherization**
    - Resilient and Efficient Codes Implementation (RECI)
    - Weatherization Assistance Program
    - Energy Efficiency Revolving Loan Fund Capitalization
    - EE and RE on Public School Facilities
  - **Distributed Energy**
    - Energy Storage Demonstration Projects
- **USEPA**
  - **EV Integration**
    - Electric School Bus Rebates
    - Competitive – Electric School Buses (V2G)

Federal Funding Opportunities

Inflation Reduction Act (I)

INFLATION REDUCTION ACT

The Inflation Reduction Act ("IRA")was signed into law by President Biden on August 16, 2022, and provides significant new tax credits and payments to accelerate clean energy, energy efficiency, and electric vehicle investments.

TAX CREDITS

A key element of the IRA tax provisions was the creation of a "Direct Pay" option for some tax credits, allowing tax-exempt entities (such as cities) to gain a tax credit without having tax liability.

- **Distributed Energy**
  - Clean Energy Investment Tax Credit
  - Clean Energy Production Tax Credits
  - Advanced Energy Project Tax Credit
- **EV Integration**
  - Clean Vehicle Tax Credit
  - Commercial Clean Vehicle Credit
- **EE & Weatherization**
  - Energy Efficiency Home Improvements Tax Credits

DOE

- **EE & Weatherization**
  - HOMES Rebate Program
  - High-Efficiency Electric Home Rebate Program
  - Latest and Zero Energy Building Energy Code Adoption
- **Workforce**
  - Energy Efficiency Contractor Training Grants

Federal Funding Opportunities

Inflation Reduction Act (II)

INFLATION REDUCTION ACT

The Inflation Reduction Act (“IRA”)was signed into law by President Biden on August 16, 2022, and provides significant new tax credits and payments to accelerate clean energy, energy efficiency, and electric vehicle investments.

- **USEPA**
  - **Equity and Env. Justice** — Environmental and Climate Justice Block Grants
  - **Financing** — Greenhouse Gas Reduction Fund
  - **Port Decarbonization** — Grants to Reduce Air Pollution at Ports
  - **EV Integration** — Clean Heavy-Duty Vehicles
- **FHA**
  - **Equity and Env. Justice** — Neighborhood Access and Equity Grants

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IX. MONTHLY PROCUREMENT REPORT

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ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
February 14, 2023

CONTRACTS/AMENDMENTS EXECUTED					
Procurement Type	**Vendor**	**Term/Purchase Date**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
Small Purchase Contracts	The Accelerate Group	01/05/23-01/25/23	$15,000	Executed	Concept Paper for the GRIP program for the Department of Energy
	The Accelerate Group	01/26/23-06/30/23	$84,000	Executed	Climate Bank Consulting Services
Illinois Procurement Code Renewals	Citigroup Global Markets Inc.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Goldman, Sachs & Co. LLC	07/07/22-07/06/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Jefferies LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	J.P. Morgan Securities LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	BofA Securities, Inc.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Morgan Stanley & Co. LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Piper Sandler Co.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	PNC Capital Markets LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	RBC Capital Markets, LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Samuel A. Ramirez & Company, Inc.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager

ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
February 14, 2023

	Siebert, Williams, Shank & Co., L.L.C.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Stifel, Nicolaus & Company, Incorporated	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Wells Fargo Bank, N.A.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Senior Manager
	Academy Securities, Inc.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	Cabrera Capital Markets LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	First Tennessee National Bank N.A. DBA FTN Financial Capital Markets	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	Hilltop Securities Inc.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	Huntington Capital Markets DBA Hutchinson, Shockey, Erley & Co	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	R.W. Baird Inc. DBA J.J.B. Hilliard, W.L. Lyons, LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	Janney Montgomery Scott LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	Loop Capital Markets LLC	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
	Mesirow Financial, Inc.	06/27/22-06/26/27	Zero Dollar Contracts	Executed	Underwriting Services Co-Manager
Illinois Procurement Code Contracts	Amalgamated Bank of Chicago	08/01/22-07/31/23	$20,000	Executed	Bank Custodian Services

ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
February 14, 2023

Illinois Procurement Code Contracts	DSS Advisors	12/18/22-07/17/23	$21,250.00	Executed	Pace Consulting Services

EXPIRING CONTRACTS-OTHER					
Procurement Type	**Vendor**	**Expiration Date**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
Credit Card	Amalgamated-Credit Card	05/01/23	$80,000	Continue	Credit Card
Bank Depository	Bank of America-Depository	06/30/23	$400,000	Continue	Bank of America Operating Account

INTER-GOVERNMENTAL AGREEMENTS					
Procurement Type	**Vendor**	**Term**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
Inter-Governmental Agreements	Office of the State Fire Marshal (OSFM)	07/01/20-06/30/25	N/A	IGA-Executed	Fire Truck Revolving Loan Program
	Illinois Department of Commerce and Economic Opportunity	07/01/21-06/30/23	N/A	IGA- Executed	IFA Office Space- Springfield
	Illinois Department of Human Services (DHS)	07/01/21-06/30/24	N/A	IGA- Executed	DHS Printing Services

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X. CORRECTION AND APPROVAL OF MINUTES

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ILLINOIS FINANCE AUTHORITY

REGULAR MEETING OF THE MEMBERS

REPORT OF PROCEEDINGS of the Regular Meeting of the Illinois Finance Authority HELD IN PERSON and VIA AUDIOCONFERENCE AND VIDEOCONFERENCE on Tuesday, January 10, 2023, at the hour of 9:30 a.m.

PRESENT VIA VIDEOCONFERENCE:

CHAIR WILLIAM HOBERT
VICE CHAIR ROXANNE NAVA

MEMBER DREW BERES
MEMBER ARLENE JURACEK
MEMBER AMEYA PAWAR
MEMBER ROGER POOLE
MEMBER JENNIFER WATSON
MEMBER RANDAL WEXLER
MEMBER BRADLEY ZELLER

ILLINOIS FINANCE AUTHORITY STAFF:

MARK MEYER, Assistant Secretary
XIMENA GRANDA, Manager of Finance & Administration
CHRISTOPHER MEISTER, Executive Director
SARA PERUGINI, Vice President, Healthcare/CCRC

CHAIR HOBERT: Good morning. It is 9:30. And this is Will Hobert, Chair of the Illinois Finance Authority. I'd like to call the meeting to order.

ASSISTANT SECRETARY MEYER: Good morning. This is Mark Meyer, Assistant Secretary of the Authority. Today's date is Tuesday, January 10th, 2023, and this regular meeting of the Authority has been called to order by Chair Hobert at the time of 9:31 a.m.

The Governor of the state of Illinois issued a Gubernatorial Disaster Proclamations on December 8, 2022, and January 6, 2023, finding that pursuant to the provisions of the Illinois Emergency Management Agency Act a disaster exists within the state of Illinois related to public health concerns caused by COVID-19 and declaring all counties in the State of Illinois as a disaster area, each of which remains in effect for 30 days from its issuance date.

In accordance with the provisions of Subsection (e) of Section 7 of the Open Meetings Act, as amended, the Chair of the Authority, Will Hobert, has determined that an in-person meeting of the Authority today, January 10th, 2023, is not practical or prudent because of the disaster declared. Therefore, this regular meeting of the Authority is being conducted via video- and audioconference with the physical presence of the Members being optional.

Executive Director Chris Meister is currently with me in the Authority's Chicago office at the location of the meeting and participating via video- and audioconference. Some Members are similarly at the location of the meeting and participating via video- and audioconference while some other Members will attend this meeting solely via video- or audioconference.

As we take the roll calls, the response of the Members will be taken as an indication that they can hear all other Members, discussion, and testimony.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark. Will the Assistant Secretary please call the roll.

ASSISTANT SECRETARY MEYER: This is Mark Meyer. With all Members attending via video- and audioconference, I will call the roll.

Mr. Beres?

MEMBER BERES: Here.

ASSISTANT SECRETARY MEYER: Mr. Fuentes?

Ms. Juracek?

MEMBER JURACEK: Here.

ASSISTANT SECRETARY MEYER: Ms. Nava?

VICE CHAIR NAVA: Here.

ASSISTANT SECRETARY MEYER: Mr. Pawar?

MEMBER PAWAR: Here.

ASSISTANT SECRETARY MEYER: Mr. Poole?

MEMBER POOLE: Here.

ASSISTANT SECRETARY MEYER: Mr. Ryan?

Mr. Strautmanis?

Mr. Tobon?

Ms. Watson?

MEMBER WATSON: Here.

ASSISTANT SECRETARY MEYER: Mr. Wexler?

MEMBER WEXLER: Here.

ASSISTANT SECRETARY MEYER: Mr. Zeller?

MEMBER ZELLER: Here.

ASSISTANT SECRETARY MEYER: And Chair Hobert?

CHAIR HOBERT: Here.

ASSISTANT SECRETARY MEYER: Again, this is Mark Meyer. Chair Hobert, in accordance with Subsection (e) of Section 7 of the Open Meetings

Act, as amended, a quorum of the Members has been constituted.

Before we begin making our way through today's agenda, I would like to request that each Member mute their audio when possible to eliminate any background noise unless you are making or seconding a motion, voting, or otherwise providing any comments for the record. If you are participating via video, please use your "mute" button found on your task bar on the bottom of your screen. You will be able to see the control bar by moving your mouse or touching the screen of your tablet.

For any Member or anyone from the public participating via phone, to mute and unmute your line, you may press *6 on your keypad if you do not have that feature on your phone.

As a reminder, we are being recorded and a court reporter is transcribing today's proceedings. For the consideration of the court reporter, I would also like to ask that each Member state their name before making or seconding a motion or otherwise providing any comments for the record.

Finally, I would like to confirm that all members of the public attending in person or via video- or audioconference can hear this meeting clearly. Chris, can you confirm that the video- and audioconference is clearly heard at the physical location of this meeting?

EXECUTIVE DIRECTOR MEISTER: Thanks, Mark. This is Executive Director Chris Meister. I am physically present in the conference room on the tenth floor of 160 North LaSalle in Chicago. Along with me is Chair Hobert and Member Wexler. I can confirm that I can hear all discussions, presentations, votes at this morning's meeting's physical location.

I spoke to the security on the first floor of this building that we have this public meeting today. The agenda for this meeting was physically posted both on this floor outside this office as well as on the first floor in the public area outside the security as of last -- and on the Authority's website as of last Thursday, January 5th, 2023. Building security has been advised that any member of the public who choose to do so and who choose to comply with the building's public health and safety requirements may come to this room and listen to this morning's proceedings. At this time there are no members of the public physically present. Back to you, Mark.

ASSISTANT SECRETARY MEYER: This is Mark Meyer. Thank you, Chris. If any members of the public participating via video- or audioconference find that they cannot hear these proceedings clearly, please call (312) 651-1300 or write info@il-fa.com immediately to let us know, and we will endeavor to solve the audio issue.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark.

Does anyone wish to make any additions, edits, or corrections to today's agenda? Hearing none, I would like to request a motion to approve the agenda. Is there such a motion?

MEMBER BERES: This is Drew Beres. So moved.

MEMBER JURACEK: This is Arlene Juracek. Second.

CHAIR HOBERT: This is Will Hobert. Will the Assistant Secretary please call the roll.

ASSISTANT SECRETARY MEYER: On the motion by Member Beres and second by Member Juracek, I will

call the roll.

In person, Mr. Wexler?

MEMBER WEXLER: Yes.

ASSISTANT SECRETARY MEYER: Chair Hobert?

CHAIR HOBERT: Yes.

ASSISTANT SECRETARY MEYER: And remote, Mr. Beres?

MEMBER BERES: Yes.

ASSISTANT SECRETARY MEYER: Ms. Juracek?

MEMBER JURACEK: Yes.

ASSISTANT SECRETARY MEYER: Ms. Nava?

VICE CHAIR NAVA: Yes.

ASSISTANT SECRETARY MEYER: Mr. Pawar?

MEMBER PAWAR: Yes.

ASSISTANT SECRETARY MEYER: Mr. Poole?

MEMBER POOLE: Yes.

ASSISTANT SECRETARY MEYER: Ms. Watson?

MEMBER WATSON: Yes.

ASSISTANT SECRETARY MEYER: And Mr. Zeller?

MEMBER ZELLER: Yes.

ASSISTANT SECRETARY MEYER: Again, this is Mark Meyer. Chair Hobert, the ayes have it, and the motion carries.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark.

Next on the agenda is public comment.

ASSISTANT SECRETARY MEYER: This is Mark Meyer. If anyone from the public participating via video wishes to make a comment, please indicate your desire to do so by using the "raise hand" function. Click on the "raise hand" option located at the center of your control bar at the bottom of your screen. You will be able to see the task bar by moving your mouse or touching the screen of your tablet.

If anyone from the public participating via phone wishes to make a comment, please indicate your desire to do so by using the "raise hand" function by pressing *9.

CHAIR HOBERT: This is Will Hobert. Is there any public comment for the Members? Hearing none, welcome to the regularly scheduled January 10th, 2023, meeting of the Illinois Finance Authority.

First, congratulations to Governor Pritzker on his inauguration yesterday. Congratulations also to the Lieutenant Governor Stratton, Attorney General Raoul, Secretary of State Giannoulias, Comptroller Mendoza, and

Treasurer Frerichs -- how do you pronounce that?

EXECUTIVE DIRECTOR MEISTER: Frerichs.

CHAIR HOBERT: Frerichs -- on their inauguration.

This morning we have two project amendment resolutions on our agenda, Beloit Health System, Inc., a Wisconsin-based not-for-profit health system, and The Moorings of Arlington Heights, a not-for-profit senior living facility. These two projects underscore that the Authority's work on behalf of our borrowers does not end at the moment that the bonds close.

Finally, on behalf of the Governor and all of us, I thank Peter Amaro for his volunteer public service to the Authority. Peter submitted his resignation to Governor Pritzker effective January 6th, 2023.

Chris, I turn it over to you.

EXECUTIVE DIRECTOR MEISTER: Thank you, Will.

This is Chris Meister. Perhaps as early as the Authority's February 14th meeting we could return to in-person meetings. In addition to the Chicago physical location where I and others are located this morning at 160 North LaSalle, we are also planning for a Springfield physical location for Members located outside of northeastern Illinois. This will likely be at the Illinois Commerce Commission at 527 East Capitol in Springfield. The Chicago and Springfield physical locations will have audio and visual links in compliance with the Open Meetings and the Authority Acts. As February 14th draws closer, we'll provide more information and work with each member on logistics.

We really appreciate the additional time commitment that will be required by Members who attend monthly meetings in person. We understand your personal and professional sacrifice, and we'll work with each of you to ease the transition to in-person meetings. I can answer any questions on both the return to in-person meetings and the items covered in my written Executive Director Message. Hearing no questions, I turn it back to you, Will. Thank you.

CHAIR HOBERT: This is Will Hobert. Thank you, Chris. There were no committee meetings held this month. Accordingly, we can continue to the presentation and consideration of new business

items. I would like to ask for the general consent of the Members to consider the new business items one and two collectively and have the subsequent recorded vote apply to each such respective individual new business item unless there are any specific new business items that any Member would like to consider separately. Hearing none, I will turn it over to you, Sara.

MS. PERUGINI: Thank you, Chair Hobert.

This is Sara Perugini. At this time I would like to note that for each conduit new business item presented on today's agenda the Members are considering the approval only of the resolution and the not-to-exceed amount contained therein.

Conduit financing projects. Item one, Beloit Health System, Inc. Item one is a resolution authorizing and approving an amendment to the Bond Trust Indenture relating to the Illinois Finance Authority Revenue Bonds, Series 2010A, Beloit Health System, Inc.

Beloit Health System, Inc., is the borrower, and all of the bonds were purchased and are currently held by JPMorgan Chase Bank N.A., hereinafter the "purchaser." The borrower has requested that the purchaser agree to hold the bonds for an extended period and in connection with such extended period, and due to the forthcoming cessation of LIBOR, the borrower and the purchaser wish to amend the bond indenture to change the market index from LIBOR to Term SOFR. As of the date hereof, the amendments, along with the extension of the rate period, will not cause the bonds to be deemed reissued for the purposes of the code.

The proposed resolution of the Authority will approve the amendments and the execution and delivery by the Authority of any documents necessary in order to implement the amendments. The amendments are authorized by the existing terms of the bond indenture. The purchaser, as the sole holder of all of the bonds, and the borrower will consent to the amendments.

Quarles & Brady LLP is expected to provide an opinion that the amendments will not adversely affect the tax-exempt status of any of the bonds.

Does any member have any comments or

questions?

Item 2, The Moorings of Arlington Heights, LLC. Item two is a resolution authorizing and approving amendments to the Bond Trust Indentures relating to the Illinois Finance Authority Variable Rate Revenue Bonds, Series 2016 A, B, C, D, The Moorings of Arlington Heights.

The Moorings of Arlington Heights, LLC, is the borrower. All of the Series 2016A bonds were purchased and are currently held by Old National Bank, as successor by merger to First Midwest Bank. All of the Series 2016B bonds and Series 2016C bonds were purchased and are currently held by Huntington Public Capital Corporation. All of the Series 2016D bonds were purchased by First Midwest Bank and are currently held by Old Second National Bank, successor by assignment from First Midwest Bank.

Due to the forthcoming cessation of LIBOR, the borrower and the holders wish to amend the bond indentures to change the market index from LIBOR to Term SOFR. As of the date hereof, the amendments will not cause the bonds to be deemed reissued for purposes of the code.

The proposed resolution of the Authority will approve the amendments and the execution and delivery by the Authority of any documents necessary in order to implement the amendments. The amendments are authorized by the existing terms of the bond indentures. Each sole holder of its respective series of 2016 bonds and the borrower will consent to the amendments.

Chapman and Cutler LLP is expected to provide an opinion that the amendments will not adversely affect the tax-exempt status of any of the bonds.

Does any member have any questions or comments?

Thank you. Back to you, Chair Hobert.

CHAIR HOBERT: This is Will Hobert. Thank you Sara. I would like to request a motion to pass and adopt the following new business items one and two. Is there such a motion?

VICE CHAIR NAVA: This is Roxanne Nava. So moved.

MEMBER PAWAR: This is Ameya Pawar. Second.

CHAIR HOBERT: This is Will Hobert. Will the

Assistant Secretary please call the roll.

ASSISTANT SECRETARY MEYER: This is Mark Meyer. On the motion by Vice Chair Nava and second by Member Pawar, I will call the roll.

In person, Mr. Wexler?

MEMBER WEXLER: Yes.

ASSISTANT SECRETARY MEYER: Chair Hobert?

CHAIR HOBERT: Yes.

ASSISTANT SECRETARY MEYER: And remote, Mr. Beres?

MEMBER BERES: Yes.

ASSISTANT SECRETARY MEYER: Ms. Juracek?

MEMBER JURACEK: Yes.

ASSISTANT SECRETARY MEYER: Ms. Nava?

VICE CHAIR NAVA: Yes.

ASSISTANT SECRETARY MEYER: Mr. Pawar?

MEMBER PAWAR: Yes.

ASSISTANT SECRETARY MEYER: Mr. Poole?

MEMBER POOLE: Yes.

ASSISTANT SECRETARY MEYER: Ms. Watson?

MEMBER WATSON: Yes.

ASSISTANT SECRETARY MEYER: Mr. Zeller?

MEMBER ZELLER: Yes.

ASSISTANT SECRETARY MEYER: Again, this is

Mark Meyer. Chair Hobert, the ayes have it and the motion carries.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark.

Six, will you please present the financial reports.

MS. GRANDA: Thank you, Chair Hobert.

This is Six Granda. Good morning, everyone. I will be presenting the financial reports for period ending December 31st, 2022. Please note all the financial information is preliminary and unaudited.

Beginning with operating revenue, our year-to-date operating revenues of $1.6 million are $306,000 or 23.6 percent higher than budget. This is primarily attributable to the Authority's posting annual closing fee revenues of $215,000 higher than budget while annual fees, administrative service fees, and interest on loans of $193,000 higher than budget with an offset under other revenue of $110,000.

Our year-to-date operating expenses of $1.4 million are $204,000 or 12.5 percent lower than budget. This is primarily attributable to the

Authority posting annual employee-related expenses of $176,000 lower than budget due to the reduced staff head count and professional services of $40,000 below budget due to the reduced external legal expenses, with an offset under all other expenses of $12,000. Taken together, the Authority posted an annual operating income of approximately $181,000.

Regarding the nonoperating activity, our year-to-date interest and investment income of $423,000 is $50,000 or 13.4 percent above budget. The Authority posted $131,000 mark-to-market noncash appreciation in its investment portfolio. This noncash appreciation coupled with approximately $33,000 of a realized loss on the sale of certain Authority investments will result in a year-to-date investment income position of $520,000 which is $147,000 higher than budget. The total annual operating of approximately $181,000 and the annual investment position income of $520,000 will result in an annual net income of approximately $701,000 which is $657,000 higher than budget.

In the General Fund, the Authority

continues to maintain a net position of $59.1 million at the end of December 31st, 2022. Our total assets in the General Fund are $60.9 million consisting mostly of cash, investment, and receivables. Our restricted cash in investments total $46.5 million with $2.3 million in cash. Our notes receivable from our former Illinois Rural Bond Bank local government total $5 million. Participation loans, natural gas loans, DACA loans, and other loans receivables are at $7.5 million.

The unrestricted noncurrent assets in the General Fund of more than $13.8 million was primarily attributable to the notes receivable from the former Illinois Rural Bond Bank local government borrowers in an aggregate amount of approximately $4.3 million and other loans receivables totaling approximately $7.2 million.

Our total liabilities of $1.8 million in the Authority's General Fund were primarily attributable to $1.4 million that still needs to be transferred to other funds and other accrued liabilities.

Moving on to other funds, in December

and early January, the Authority collected loan repayments of $1 million and $681,000 for the Police Pension Investment Fund and the Firefighters' Investment Pension Fund respectively.

Now moving on to looking forward, last board meeting the Authority stated that year-to-date revenue projections through January 31st, 2023, will be $1.6 million. The Authority has made these projections in December of 2022. In the following two months, the Authority anticipates receiving $147,000 in admin and closing fees. Adding our year-to-date admin and closing fees of $1.3 million will bring our forecast admin and closing fees to $1.4 million. This amount will exceed budget projections by $159,000.

Combining our forecast admin and closing fees of $1.4 million plus our accrued fees and interest on loans of $109,000 will bring our forecast revenue projections to $1.8 million through February of 2023.

Moving on to audits, as it was mentioned in the Special Meeting, on December 21st, 2022, the Illinois Office of the Auditor General released a fiscal year 2022 financial audit examination with no audit findings and an unmodified opinion from the Special Assistant Auditor that the Authority's financial statements therein are fairly stated in all material aspects.

The Authority is going to schedule an Audit Plus Committee meeting in the coming weeks. The Shakman personnel and payroll audits with the Central Management Service Bureau of Internal Audit is still in progress, and at this time there is nothing to report.

Moving on to human resources, the Authority continues to search for a qualified candidate for the financial human resources position. The Authority is still working on finalizing the SSBCI job description. And once it is completed, it will be posted. Both positions were included in our fiscal year 2023 budget.

Are there any questions? Hearing none, I turn it over to Sara.

MS. PERUGINI: This is Sara Perugini. Thank you, Six.

I just wanted to touch briefly on the current state of health care and senior living. The US nonprofit health care system faces a very

long road ahead to any potential financial recovery as it deals with persistent operating pressures and investment market volatility. S&P downgraded the sector view to negative. These are direct quotes from an article in your board materials from the Becker's Hospital Review, which article references a December 2022 S&P global ratings report.

Both our health care and senior living borrowers are facing difficulties in the wake of COVID, including workforce challenges, inflation, and continued financial pressures. As always, we are here to support the transactional needs of our borrowers during these challenging times. Despite these headwinds, there have been success stories involving both our senior living and health care borrowers.

The first is Plymouth Place, Inc., an Illinois not-for-profit that owns and operates a senior living community in LaGrange Park, Illinois. You may recall that Plymouth Place came before the Members in October 2022 with a resolution which resulted in a successful closing in December 2022 of Revenue Bonds issued by the Authority in a total par amount of $99,860,000. The proceeds of the bonds are to be used to finance an expansion of Plymouth Place's existing community. The expansion is anticipated to include 59 new independent-living units, a center for healthy living focusing on culinary experiences and wellness, and outdoor common areas including a yoga lawn, bocce ball, pickleball, and a fire pit.

As of December 2022, the new units were over 75 percent sold and are anticipated to be available in winter 2023. Plymouth Place is a success story illustrating growth in the form of expansion and reimagining and updating spaces to address the evolving wants and needs of the senior population. Additional details can be found in your board materials in an article written by Ziegler, the investment bank involved with the Plymouth Place financing.

The second success story I wanted to highlight is Ferrell Hospital, a critical access hospital located in Eldorado, Illinois. In December 2019 the Authority issued $33,260,000 on behalf of Ferrell Hospital Community Foundation. The proceeds of the bonds were used to pay or reimburse the borrower for the cost of renovation

and rehabilitation of its 25-unit acute care facility.

Ferrell Hospital has recently been honored for Excellence in Quality of Care and recognized for being among the top 10 percent of all critical access hospitals in the country, gaining the title of a high-achieving hospital pursuant to the Hospital Consumer Assessment of Healthcare Providers and Systems, or HCAHPS, patient experience survey. The HCAHPS survey is overseen by the Agency for Health Care Research and Quality and published by the Centers for Medicare and Medicaid Services. Additional information can be found in the article involving Ferrell Hospital in your board materials.

The Authority is proud to have had the opportunity to partner with Plymouth Place and Ferrell Hospital to enhance the quality of life of Illinois residents and further economic development in the state.

Does any member have any questions or comments? Thank you. I turn it back to you, Chair Hobert.

CHAIR HOBERT: This is Will Hobert. Thank you, Six and Sara. I would like to request a motion to accept the preliminary and unaudited financial reports for the six-month period ended December 31, 2022. Is there such a motion?

MEMBER POOLE: Thank you, Mr. Chairman. Roger Poole. I would so move the motion.

MEMBER WATSON: This is Jennifer Watson. Second.

CHAIR HOBERT: This is Will Hobert. Will the Assistant Secretary please call the roll.

ASSISTANT SECRETARY MEYER: This is Mark Meyer on the motion by Member Poole and second by Member Watson. I will call the roll.

In person, Mr. Wexler?

MEMBER WEXLER: Yes.

ASSISTANT SECRETARY MEYER: Chair Hobert?

CHAIR HOBERT: Yes.

ASSISTANT SECRETARY MEYER: And remote, Mr. Beres?

MEMBER BERES: Yes.

ASSISTANT SECRETARY MEYER: Ms. Juracek?

MEMBER JURACEK: Yes.

ASSISTANT SECRETARY MEYER: Ms. Nava?

VICE CHAIR NAVA: Yes.

ASSISTANT SECRETARY MEYER: Mr. Pawar?

MEMBER PAWAR: Yes.

ASSISTANT SECRETARY MEYER: Mr. Poole?

MEMBER POOLE: Yes.

ASSISTANT SECRETARY MEYER: Ms. Watson?

MEMBER WATSON: Yes.

ASSISTANT SECRETARY MEYER: And Mr. Zeller?

MEMBER ZELLER: Yes.

ASSISTANT SECRETARY MEYER: Again, this is Mark Meyer. Chair Hobert, the ayes have it and the motion carries.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark.

Six, will you please present the procurement report.

MS. GRANDA: This is Six Granda. Thank you, Chair Hobert.

The contracts listed in the January procurement report are to support the Authority operations. The report also includes expiring contracts into July of 2023. The Authority recently extended the contract with DFS Advisors for PACE Consulting Services through July 17, 2023.

Thank you, Chair Hobert.

CHAIR HOBERT: This is Will Hobert. Does anyone wish to make any additions, edits, or corrections to the minutes from December 13th or December 22nd of 2022? Hearing none, I would like to request a motion to approve the minutes from both meetings. Is there such a motion?

MEMBER WEXLER: This is Randy Wexler. So moved.

MEMBER ZELLER: This is Member Brad Zeller. I will second that motion.

CHAIR HOBERT: This is Will Hobert. Will the Assistant Secretary please call the roll.

ASSISTANT SECRETARY MEYER: This is Mark Meyer. On the motion by Member Wexler and second by Member Zeller, I will call the roll.

In person, Mr. Wexler?

MEMBER WEXLER: Yes.

ASSISTANT SECRETARY MEYER: Chair Hobert?

CHAIR HOBERT: Yes.

ASSISTANT SECRETARY MEYER: And remote, Mr. Beres?

MEMBER BERES: Yes.

ASSISTANT SECRETARY MEYER: Ms. Juracek?

MEMBER JURACEK: Yes.

ASSISTANT SECRETARY MEYER: Ms. Nava?

VICE CHAIR NAVA: Yes.

ASSISTANT SECRETARY MEYER: Mr. Pawar?

MEMBER PAWAR: Yes.

ASSISTANT SECRETARY MEYER: Mr. Poole?

MEMBER POOLE: Yes.

ASSISTANT SECRETARY MEYER: Ms. Watson?

MEMBER WATSON: Yes.

ASSISTANT SECRETARY MEYER: And Mr. Zeller?

MEMBER ZELLER: Yes.

ASSISTANT SECRETARY MEYER: Again, this is Mark Meyer. Chair Hobert, the ayes have it and the motion carries.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark. Is there any other business to come before the members?

ASSISTANT SECRETARY MEYER: This is Mark Meyer. Chair Hobert, Member Fuentes, Ryan, Strautmanis, and Tobon were unable to participate today.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark.

I would like to request a motion to excuse the absences of Member Fuentes, Ryan, Strautmanis, and Tobon who are unable to participate today. Is there such a motion.

MEMBER BERES: This is Drew Beres. So moved.

MEMBER JURACEK: This is Arlene Juracek. Second.

CHAIR HOBERT: This is Will Hobert. Will the Assistant Secretary please call the roll.

ASSISTANT SECRETARY MEYER: This is Mark Meyer. On the motion by Member Beres and second by Member Juracek, I will call the roll.

In person, Mr. Wexler?

MEMBER WEXLER: Yes.

ASSISTANT SECRETARY MEYER: Chair Hobert?

CHAIR HOBERT: Yes.

ASSISTANT SECRETARY MEYER: Remote, Mr. Beres?

MEMBER BERES: Yes.

ASSISTANT SECRETARY MEYER: Ms. Juracek?

MEMBER JURACEK: Yes.

ASSISTANT SECRETARY MEYER: Ms. Nava?

VICE CHAIR NAVA: Yes.

ASSISTANT SECRETARY MEYER: Mr. Pawar?

MEMBER PAWAR: Yes.

ASSISTANT SECRETARY MEYER: Mr. Poole?

MEMBER POOLE: Yes.

ASSISTANT SECRETARY MEYER: Ms. Watson?

MEMBER WATSON: Yes.

ASSISTANT SECRETARY MEYER: Mr. Zeller?

MEMBER ZELLER: Yes.

ASSISTANT SECRETARY MEYER: Again, this is Mark Meyer. Chair Hobert, the ayes have it and the motion carries.

CHAIR HOBERT: This is Will Hobert. Thank you, Mark.

Is there any other matter for discussion in closed session? Hearing none, the next regularly scheduled meeting will be Tuesday, February 14th, 2023. I would like to request a motion to adjourn. Additionally, when responding to the roll call for this motion, I ask that each Member confirm they were able to hear the participants, discussion, and testimony of this proceeding. Is there such a motion?

VICE CHAIR NAVA: This is Roxanne Nava. So moved.

MEMBER PAWAR: This is Ameya Pawar. Second.

CHAIR HOBERT: This is Will Hobert. Will the Assistant Secretary please call the roll.

ASSISTANT SECRETARY MEYER: This is Mark

Meyer. On the motion by Vice Chair Nava and second by Member Pawar, I will call the roll.

In person, Mr. Wexler?

MEMBER WEXLER: Aye, and I confirm that I could hear all participants, all discussion, all testimony.

ASSISTANT SECRETARY MEYER: Chair Hobert?

CHAIR HOBERT: Aye, and I confirm that I could hear all participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: Mr. Beres.

MEMBER BERES: Aye, and I confirm that I could hear all participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: Ms. Juracek?

MEMBER JURACEK: Aye, and I confirm that I could hear all participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: Ms. Nava?

VICE CHAIR NAVA: Aye, and I confirm that I could hear all participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: Mr. Pawar?

MEMBER PAWAR: Aye, and I confirm that I could hear all participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: Mr. Poole?

MEMBER POOLE: Aye, and I confirm that I could hear all the participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: Ms. Watson?

MEMBER WATSON: Aye, and I confirm that I could hear all participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: And Mr. Zeller?

MEMBER ZELLER: Aye, and I confirm that I could hear all participants, discussion, and testimony.

ASSISTANT SECRETARY MEYER: Again, this is Mark Meyer. Chair Hobert, the ayes have it, and the motion carries. The time is 10:00 a.m. The meeting is adjourned.

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

Valerie Calabria, CSR, RPR, being first duly sworn, on oath says that she is a court reporter doing business in the State of Illinois; and that she reported in shorthand the proceedings of said meeting; and that the foregoing is a true and correct transcript of her shorthand notes so taken as aforesaid and contains the proceedings given at said meeting.

Valerie Calabria

VALERIE CALABRIA, CSR, RPR
License No. 084-003928

ILLINOIS FINANCE AUTHORITY
ROLL CALL
JANUARY 10, 2023
QUORUM

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

E – Denotes Excused Absence
NV – Denotes Not Voting
† In accordance with the provisions of Section 7(e) of the Open Meetings Act, the Member participated via audio or video conference.

ILLINOIS FINANCE AUTHORITY
ROLL CALL
JANUARY 10, 2023
AGENDA OF THE REGULAR MEETING OF THE MEMBERS
APPROVED

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

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NV – Denotes Not Voting
† In accordance with the provisions of Section 7(e) of the Open Meetings Act, the Member participated via audio or video conference.

NO. 01

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION NO. 2023-0110-CF01
RESOLUTION AUTHORIZING AND APPROVING AN AMENDMENT TO THE BOND TRUST INDENTURE RELATING TO THE ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2010A (BELOIT HEALTH SYSTEM, INC.)
APPROVED*

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

E – Denotes Excused Absence
NV – Denotes Not Voting
† In accordance with the provisions of Section 7(e) of the Open Meetings Act, the Member participated via audio or video conference.
* Consent Agenda

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION NO. 2023-0110-CF02
RESOLUTION AUTHORIZING AND APPROVING AMENDMENTS TO THE BOND TRUST INDENTURES RELATING TO THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2016A, B, C, D (THE MOORINGS OF ARLINGTON HEIGHTS)
APPROVED*

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

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NV – Denotes Not Voting
† In accordance with the provisions of Section 7(e) of the Open Meetings Act, the Member participated via audio or video conference.
* Consent Agenda

ILLINOIS FINANCE AUTHORITY
ROLL CALL
ACCEPT THE PRELIMINARY AND UNAUDITED FINANCIAL REPORTS FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2022
APPROVED

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

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NV – Denotes Not Voting
† In accordance with the provisions of Section 7(e) of the Open Meetings Act, the Member participated via audio or video conference.

ILLINOIS FINANCE AUTHORITY
ROLL CALL
PRESENT AND ACCEPT THE MONTHLY PROCUREMENT REPORT
APPROVED

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

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NV – Denotes Not Voting
† In accordance with the provisions of Section 7(e) of the Open Meetings Act, the Member participated via audio or video conference.

ILLINOIS FINANCE AUTHORITY
ROLL CALL
APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE AUTHORITY FROM DECEMBER 13 AND DECEMBER 22, 2022
APPROVED

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

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† In accordance with the provisions of Section 7(e) of the Open Meetings Act, the Member participated via audio or video conference.

ILLINOIS FINANCE AUTHORITY
ROLL CALL
EXCUSING THE ABSENCE OF ANY MEMBERS UNABLE TO PARTICIPATE
IN ANY VOTES OF THE REGULAR MEETING OF THE AUTHORITY
FOR JANUARY 10, 2023
APPROVED

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

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ILLINOIS FINANCE AUTHORITY
ROLL CALL
ADJOURNING THE REGULAR MEETING OF THE AUTHORITY FOR JANUARY 10, 2023, AND EACH MEMBER'S CONFIRMATION OF HIS OR HER ABILITY TO HEAR ALL PARTICIPANTS, DISCUSSION AND TESTIMONY
APPROVED

January 10, 2023

9 YEAS		0 NAYS		0 PRESENT	
Y	Beres †	Y	Poole †	Y	Watson †
E	Fuentes	E	Ryan	Y	Wexler †
Y	Juracek †	E	Strautmanis	Y	Zeller †
Y	Nava †	E	Tobon	Y	Chair Hobert †
Y	Pawar †				

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XI. OTHER BUSINESS

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XII. CLOSED SESSION

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XIII. ADJOURNMENT

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APPENDIX A - INFORMATION REGARDING NEW BUSINESS ITEMS

ILLINOIS FINANCE AUTHORITY

REGULAR MEETING OF THE MEMBERS
Tuesday, February 14, 2023
9:30 AM

Michael A. Bilandic Building
160 North LaSalle Street
Suite S-1000
Chicago, Illinois 60601

Printed by authority of the State of Illinois, 2/10/2023, published electronically only

Illinois Finance Authority
February 14, 2023
Appendix A

NEW BUSINESS

CONDUIT FINANCING PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
Private Activity Bonds - Revenue Bonds ***Final (One-Time Consideration)***						
1	The University of Chicago	Chicago (Cook County)	$300,000,000	-	-	RF
Property Assessed Clean Energy Bonds - Revenue Bonds ***Final (One-Time Consideration)***						
2	White Oak Global Advisors, LLC	Statewide	$250,000,000	-	-	BF
TOTAL CONDUIT FINANCING PROJECTS			**$550,000,000**	-	-	
GRAND TOTAL			**$550,000,000**	-	-	

RESOLUTIONS

Tab	Action	Staff
Conduit Financings		
3	Resolution authorizing the execution and delivery of a First Supplemental Trust Indenture to the Trust Indenture relating to the Illinois Finance Authority Revenue Refunding Bonds, Series 2016 (Rush University Medical Center Obligated Group) (the "Series 2016 Bonds"), to provide for certain amendments relating to the interest rate calculations and certain other matters; authorizing the execution and delivery of any other documents necessary or appropriate to effect the matters set forth in such First Supplemental Trust Indenture; and authorizing and approving related matters	SP
4	Resolution authorizing and approving Amendments to the Bond Trust Indentures relating to the Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Rehabilitation Institute of Chicago) and Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Rehabilitation Institute of Chicago) and certain other matters	SP
5	Resolution authorizing and approving Amendments to Bond Trust Indentures relating to the Illinois Finance Authority Variable Rate Revenue Bonds, Series 2019A (Smith Village Project) and the Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2019B and Series 2019C (Smith Village) issued for the benefit of Washington and Jane Smith Community – Beverly	SP
6	Resolution authorizing the execution and delivery of a First Bond and Loan Agreement Amendment and terms of Interest Period, relating to the $20,200,000 original principal amount Illinois Finance Authority Midwestern Disaster Area Revenue Bond (Kone Centre Project), Series 2017, which Amendment has been requested by the Borrower and the Purchaser; and related matters	RF/BF
7	Resolution authorizing the execution and delivery of a First Amendment to Amended and Restated Indenture of Trust, which amends and supplements that certain Amended and Restated Indenture of Trust dated May 1, 2012, in connection with the Illinois Finance Authority Variable Rate Revenue Bonds, Series 2012 (Metropolitan Family Services Project), which amendment provides for the addition of a new Index Interest Rate; and related documents; and approving related matters	RF/BF
8	Resolution authorizing the execution and delivery of a Fourth Amendment to Bond and Loan Agreement and related documents among the Illinois Finance Authority, Smart Hotels/Olympia Chicago, LLC and BMO Harris Bank, N.A., and approving the execution of an Amended Bond and certain other agreements relating thereto; and related matters	RF/BF

CONDUIT

February 14, 2023	**\$300,000,000 (not-to-exceed amount)** **The University of Chicago**
REQUEST	**Purpose**: **The University of Chicago**, an Illinois not for profit corporation and a private institution of higher education (the **"University"**, the **"UofC"**, "**UChicago**", or the "**Borrower**"), is requesting the Illinois Finance Authority (the "**Authority**" or "**IFA**") to issue its IFA Series 2023A Revenue Bonds (the "**Bonds**") for the purposes set forth in the Illinois Finance Authority Act (the "**Act**"), including (i) refinancing all or a portion of certain commercial paper notes of the University (the "**Taxable Commercial Paper**") issued to finance, refinance or reimburse itself for certain costs relating to 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 "**CP Projects**"), (ii) pay certain costs relating to 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 "**Projects**") and (iii) pay certain costs relating to the issuance of the Series 2023A Bonds and the refinancing of the Taxable Commercial Paper, all as permitted under the Act (collectively, the "**Financing Purposes**"). The CP Projects and Projects are or will be owned, operated, or managed by the University and are or will be located on land owned by the University at (a) its Hyde Park Campus in Chicago, Illinois, (b) 450 N. Cityfront Plaza Drive (a/k/a "Gleacher Center") in Chicago, and (c) 11030 S. Langley Avenue, 10910 S. Langley Avenue, 11023 S. Langley Avenue, and 727 E. 110th Street, all in Chicago, Illinois. The Hyde Park Campus locations are further referenced in the accompanying IFA Bond Resolution and TEFRA Hearing Notice published in connection with the Friday, February 10th TEFRA Public Hearing. **Conduit Bond Type**: Tax-Exempt 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	**Final Bond Resolution *(one-time consideration)***
MATERIAL CHANGES	***Not applicable. This is the first time this matter has been presented to the IFA Board of Directors.***
JOB DATA (PRELIMINARY; SUBJECT TO UPDATE IN THE UNIVERSITY'S PUBLIC FILINGS – AS OF 11/2/2022, AS REPORTED IN THE UNIVERSITY'S DECEMBER 23, 2022, EMMA FILING)	2,820 Faculty (Full-Time only) 8,783 Non-Faculty Staff (FT & PT) — Current jobs; TBD — New jobs projected N/A — Retained jobs; TBD — Construction jobs
BORROWER DESCRIPTION	● The University, a 501(c)(3) organization incorporated under Illinois law, is a private, non-sectarian, co-educational institution of higher learning founded by John D. Rockefeller in 1890 that is currently governed by a 49-member (and up to 55-member) Board of Trustees (see pp. 6-7 for listing).
STRUCTURE	● The Bond Resolution contemplates issuance of one or more series of fixed rate Tax-Exempt Bonds that will be underwritten and sold to investors based on the University's long-term investment grade ratings from Moody's Investors Service, S&P Global Ratings, and Fitch Ratings (described in the Credit Indicators/Security section below). ● **BofA Securities, Inc. ("BofA") and Jefferies LLC ("Jefferies"; collectively with BofA, the "Co-Senior Managers")** have each been engaged by the Borrower to serve as Co-Senior Managers on the IFA Series 2023A Bonds. Additionally, the University has engaged (1) J.P. Morgan Securities LLC, (2) Loop Capital Markets LLC, and (3) Wells Fargo Securities LLC, to each serve as a Co-Manager on the IFA Series 2023A Bonds (The University of Chicago). ● Timing (preliminary, subject to change): March 2023 pricing/closing
CREDIT INDICATORS / SECURITY/RATINGS	● The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University's assets, properties, or funds.

● The most recent prior actions by Moody's, S&P, and Fitch regarding the University's (i) long-term debt ratings and (ii) rating agency outlooks are reported below (and the long-term ratings were affirmed in connection with the University's issuance of $155.95 million of IFA Taxable Variable Rate Revenue Refunding Bonds in September 2022) and were reported as follows:

(1) **Moody's Investors Service:** *Long-Term:* '**Aa2**', affirmed as of 9/14/2022 ('VMIG-1' affirmed on variable rate demand bonds, and 'P-1' affirmed on commercial paper); *Outlook* (applicable to long-term rating): 'Stable' as of 9/14/2022.
(2) **S&P Global Ratings:** *Long-Term:* '**AA-**', affirmed as of 9/16/2022 ('A-1+' affirmed on the University's variable rate demand bonds and commercial paper); *Outlook* (applicable to long-term rating): "Stable" as of 9/16/2022.
(3) **Fitch Ratings:** *Long-Term:* '**AA+**', affirmed as of 9/16/2022 ('F1+' short-term ratings on the University's outstanding variable rate revenue bonds supported by internal liquidity); *Outlook* (applicable to long-term rating): 'Stable' as of 9/16/2022.

● Each rating and outlook cited above is subject to modification based on pending assessments in connection with the proposed issuance of the IFA Series 2023A Bonds.

INTEREST RATE

● The accompanying IFA Bond Resolution will authorize issuance of one or more series of tax-exempt, fixed rate bonds with interest rates to be determined at pricing.

MATURITY/ AMORTIZATION

● The accompanying IFA Bond Resolution will authorize that the IFA Series 2023A Revenue Bonds will mature no later than 40 years from the issuance date. The anticipated final maturity date will be set approximately 31 years from the date of issuance as contemplated (e.g., May 15, 2054) as of January 17, 2023.
● The University currently assumes the Series 2023 Bonds will be structured with level debt service payments, with annual principal amortization beginning May 15, 2024, and continuing to May 15, 2054, the planned final maturity date.

SOURCES AND USES (PRELIMINARY ESTIMATES, SUBJECT TO CHANGE – AMOUNTS ROUNDED)

*** = AMOUNTS TO BE DETERMINED (TOTALS WILL BE ADJUSTED ACCORDINGLY)**

Sources:		**Uses:**	
IFA Bonds	$ 200,000,000	Project Fund Deposit (New Money)	$ 100,000,000
Original Issue Premium (to be determined at pricing)	*TBD	Bond Fund Deposit (to refinance Commercial Paper)	$ 100,000,000
		Costs of Issuance	*TBD
Total:	**$ 200,000,000**	**Total:**	**$ 200,000,000**

NOTE: Although the IFA Bond Resolution will authorize a not-to-exceed issuance amount of $300 million (consistent with the TEFRA Hearing Notice published in advance of the February 10th TEFRA Hearing), as of the preparation date of this report (2/8/2023), the University anticipates sizing the Series 2023A Bonds in the approximate amount not-to-exceed $200 million. The University may return to the Authority at a later time to pursue issuance of an additional $100 million in tax-exempt bonds for New Money Projects. Such Bonds would be issued pursuant to a separate IFA Bond Resolution (together with associated bond and underwriting documents drafted and deemed in substantially final form) at such future time.

RECOMMENDATION

Peer Review Committee recommends approval of the Final Bond Resolution presented in connection with the proposed IFA Series 2023A Revenue Bonds.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
February 14, 2023

INFORMATIONAL – PRELIMINARY, SUBJECT TO CHANGE

Project: The University of Chicago

STATISTICS

Project Number:	12559	Amount:	$200,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Richard K. Frampton
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

Final Bond Resolution (*one-time consideration*)	No extraordinary conditions
Conduit 501(c)(3) Revenue Bonds	No IFA funds at risk

Peer Review Committee recommends approval of the Final Bond Resolution presented for consideration in connection with this financing.

IFA PRODUCT – CONDUIT 501(c)(3) REVENUE BONDS (TAX-EXEMPT)

The Authority will issue the subject IFA Series 2023A Revenue Bonds on a conduit (i.e., pass-through), tax-exempt basis on behalf of The University of Chicago.

SECTION 146 VOLUME CAP

Tax-Exempt 501(c)(3) Revenue Bonds do not require an allocation of Section 146 Volume Cap.

BUSINESS SUMMARY

Organization: **The University of Chicago** (the "**University**", the "**UofC**", "**UChicago**", or the "**Borrower**") is a 501(c)(3) organization incorporated under Illinois law. The University is a private, non-sectarian, co-educational institution of higher learning founded by John D. Rockefeller in 1890 that is governed by a Board of Trustees (see pp. 6-7 for a listing of the 49 current members of the Board of Trustees as posted by the University on the MSRB's emma.msrb.org website as of 12/23/2022). The by-laws of the University provide that the Board shall not exceed 55 members, each elected for a five-year term.

Background: The University of Chicago has emphasized both research and teaching from its inception. The University has had a major impact on American higher education -- including devising the four-quarter academic year, developing extension courses and programs in the liberal arts for adults, establishing a general education program for undergraduates, initiating a full-time medical school teaching faculty, and establishing the first executive MBA program. The University has a highly respected education department, and the University is a nationally recognized leader in both the sciences and social sciences.

The University of Chicago's 217-acre Hyde Park Campus is located eight miles south of downtown Chicago. The Hyde Park Campus, designated a botanic garden in 1997, stretches along both sides of the Midway Plaisance, a broad parkway designed by Frederick Law Olmstead for the city's South Park System developed in connection with the World's Columbian Exposition in 1893. The campus is arranged in a series of quadrangles, with a blend of traditional English Gothic and award-winning modern buildings designed by renowned international architects.

The University is a "private institution of higher education," as defined in Section 801-10(t) of the Illinois Finance Authority Act (the "**Act**").

<u>Note:</u> the following information has been derived from the University's annual Operating filing on EMMA (posted as of December 23, 2022). The information presented in this report will be superseded upon posting of the Preliminary Official Statement and the Official Statement and Appendices to the IFA Series 2023A Revenue Bonds (The University of Chicago).

Applications to the University's **Undergraduate College** (the "**College**") have increased substantially over the past 15 years (see "Admissions" section on p. 4 below and "Enrollment" section on pp. 4-5), which in turn has allowed the University to become more selective. The University consists of the College, where all undergraduate education is concentrated, and its four Graduate Divisions comprised of (i) the Biological Sciences, (ii) the Humanities, (iii) the Physical Sciences and (iv) the Social Sciences. Additionally, there are seven graduate professional schools — (1) Chicago Booth School of Business, (2) Divinity School, (3) Law School, (4) Pritzker School of Medicine, (5) Pritzker School of Molecular Engineering, (6) Harris School of Public Policy Studies, and (7) the Crown Family School of Social Work, Policy, and Practice.

In research, 97 Nobel Prize laureates have been affiliated with the University as professors, students, faculty, or staff. Six Nobel Prize winners are current members of the faculty. The University manages the Argonne National Laboratory (under terms of a cost reimbursement contract with the U.S. Department of Energy) and Fermi National Accelerator Laboratory (via a joint venture). The University's current and former faculty members have also been recognized as members or recipients of the following: (i) MacArthur Fellowship "genius award" grants (55); (ii) National Medal of Science (15); (iii) National Humanities Medal/Charles Frankel Prize (20); (iv) Pulitzer Prize winners (26); (v) Presidential Medal of Freedom (14); and (vi) multiple members of both the American Academy of Arts and Sciences and National Academy of Sciences.

Admissions: First-year applications to the (Undergraduate) College for the 2022-2023 academic year were 37,521 and offers of admission were 2,039. Over the last ten academic years, first-year applications to the College have increased 24% thereby allowing the University to become more selective. Its admissions rate declined from 9% in 2013-2014 to 5% in 2021-2022.

For the 2022-2023 academic year, undergraduate tuition and fees are $61,179, while room and board totals $18,396.

In June 2018, as part of its "UChicago Empower Initiative", the University announced a new test-optional admissions process, which is intended to allow students to decide what information best represents their skills and college readiness. Over the past five academic years, entering undergraduates posted (i) mean ACT scores of 34 and (ii) mean SAT scores ranging from 1520 to 1530. Approximately 88% of its entering undergraduate students are from outside Illinois.

The College's selectivity has increased as undergraduate enrollment has increased from 4,642 students in 2005-2006 to 6,286 in 2017-2018, and 7,512 in 2022-2023.

Enrollment: In the 2022-2023 academic year, the University enrolled 18,523 students (up from 17,857 in 2020-2021), of which 7,512 were undergraduate students (up from 7,011 in 2020-2021). Enrollment data for the past five full academic years, including 2022-2023, are reported in the table below:

Enrollment[1]

Academic Year	The College	Graduate and Professional	Non-Degree[2]	Total
2018-2019	6,595	9,889	616	17,100
2019-2020	6,801	10,222	576	17,599
2020-2021	7,011	10,459	387	17,857
2021-2022	7,558	10,893	449	18,900
2022-2023	7,512	10,546	465	18,523

[1] Note that all numbers above represent total enrollment (headcount), not full-time equivalent enrollment (FTE) totals.
[2] Includes post-doctoral fellows, students-at-large and other special students.

The growth in (Undergraduate) College enrollment from 6,595 in 2017-2018 to 7,512 in 2022-2023 was part of an intentional University strategy begun in the 1990's to gradually increase the undergraduate student population (coupled with expanded undergraduate program offerings). *The University does not anticipate further significant growth in incoming Undergraduate College class sizes.* In comparison, undergraduate enrollment was 5,850 in 2015-2016. In Academic Year 2022-2023, approximately 87% of the University's undergraduate student body was from outside Illinois.

On-Campus Housing: With the Autumn 2020 opening of Woodlawn Residential Commons, a privately developed dormitory that is available to University of Chicago students through its housing lottery system, the University has capacity to house approximately 4,573 students. Prior to COVID-19, in a typical operating environment, all first year and second-year Undergraduate College students were required to live in residence halls that participated in the University's annual housing lottery, including non-University owned facilities. Due to COVID-19, the University had reduced density across campus during the 2020-2021 academic year. *For the 2021-2022 academic year, the University returned to standard occupancy levels, which have continued in the 2022-2023 academic year.* Of the total 2022-2023 undergraduate on-campus population, first-year students account for 40% of the on-campus housing census, second-year students for 46%, third-year students for 10%, and fourth-year students for 4%. Additionally, approximately 220 graduate students live in University-owned residential buildings in Hyde Park.

Financial Aid: The University is a "need blind" institution, meaning that the University admits students regardless of their financial circumstances. The University supports this policy with an extensive financial aid program. During fiscal year 2022, approximately 53% of all students in the Undergraduate College received a total of $180.2 million of financial aid in the form of grants and scholarships. University-wide expenditures for scholarships and fellowships amounted to $574.9 million in FY 2022. Of this amount, approximately $427.8 million was provided from unrestricted funds; the remaining $147.1 million came from restricted sources.

In 2018, as part of the UChicago Empower Initiative, the University further expanded its financial aid policies to cover full direct cost for Undergraduate College students with family income under $60,000 and full tuition for students with family income under $125,000.

The UofC's Financial Aid Expense ranged from 48% to 51% of Gross Tuition and Revenues from FY 2018 to FY 2021. In FY 2022, the University's FY 2022 Financial Aid Expense was 49% of Gross Tuition and Fee Revenues.

The University also provides significant financial support to doctoral students in the Divinity School, Division of the Humanities, Division of Social Sciences, and the Crown Family School of Social Work, Policy, and Practice. Effective in 2020-21, doctoral students in these units will be funded for the duration of their doctoral program. The doctoral student support model allows the University to remain competitive with peer institutions.

Accreditations: Since 1913, the University has been continuously accredited by the Higher Learning Commission of the North Central Association. The Law School is accredited by the American Bar Association; the Divinity School is accredited by the Commission on Accrediting of the Association of Theological Schools in the United States and Canada; and the Pritzker School of Medicine is accredited by the Liaison Committee on Medical Education.

Administration: *Dr. Paul Alivisatos, Ph.D., President,* became the 14th President of The University of Chicago, effective September 1, 2021. Alivisatos was previously executive vice chancellor and provost at the University of California, Berkeley. He was also a professor and the Samsung Distinguished Chair in Nanoscience and Nanotechnology Research in the Department of Chemistry and the former director of the Lawrence Berkeley National Laboratory. Alivisatos is a University of Chicago alumnus, having received his bachelor's degree in chemistry in 1981.

MaryFrances McCourt, Chief Financial Officer, was appointed in April 2022. Ms. McCourt joined UChicago from the University of Pennsylvania ("*Penn*"), where she was Senior Vice President for Finance and Treasurer. Before joining Penn in 2016, McCourt served as Senior Vice President and Chief Financial Officer at Indiana University. Ms. McCourt earned her bachelor's degree from Duke University and MBA from Case Western Reserve University.

Rationale: The University is undertaking the issuance of the IFA Series 2023A Revenue Bonds to finance, refinance, and reimburse the University for capital expenditures at its Hyde Park campus, Gleacher Center, and its other Chicago-based facilities on a permanent, long-term basis. Proceeds of the Series 2023A Bonds will both (i) provide permanent long-term, tax-exempt, fixed rate financing for expenditures that have been financed on an interim basis under the University's Taxable Commercial Paper program (defined as the "CP Projects" in the IFA Bond Resolution), and (ii) finance certain New Money Projects (defined as "Projects" in the IFA Bond Resolution) on a long-term, tax-exempt basis, thereby financing the Projects at the lowest possible market interest rates.

ECONOMIC DISCLOSURE

Applicant: The University of Chicago, 5801 S. Ellis Avenue, Chicago, IL 60637
Contact: Karin Luu, Director of Financial Planning & Analysis and Capital Markets;
T: (773) 702-5130; karin22@uchicago.edu
Website: www.uchicago.edu
Site Locations: The University's Hyde Park Campus, Gleacher Center (450 Cityfront Plaza, Chicago, IL) and 11030 S. Langley, 10910 S. Langley, 11023 S. Langley & 727 E. 110th Street, all in Chicago, IL
Project Name: IFA Series 2023A Revenue Bonds (The University of Chicago)

Governance: The University is governed by a Board of Trustees (the "Board") which has general authority for the direction and management of the University. The by-laws of the University provide that the Board shall not exceed 55 members, each elected for a five-year term. The listing below sets forth the names and affiliations of the members of the University's Board of Trustees reported in the University's 12/23/2022 EMMA operating data posting.

Trustees	Affiliation
1. Katherine Adams	Senior Vice President and General Counsel, Apple
2. Paul Alivisatos	**President, The University of Chicago**
3. Andrew M. Alper	Chairman, Alper Investments Inc.
4. Frank A. Baker II	Co-Founder and Managing Partner, Siris Capital Group, LLC
5. Debra A. Cafaro	Chairman and CEO, Ventas, Inc.
6. Thomas A. Cole	Senior Counsel & Chair Emeritus of the Executive Comm., Sidley Austin LLP
7. James S. Crown	Chairman and CEO, Henry Crown and Company
8. Daniel L. Doctoroff	CEO and Chairman, Sidewalk Labs
9. Brady W. Dougan	Greenwich, CT
10. Thomas F. Dunn	Founding Partner and Former CEO, New Holland Capital
11. John A. Edwardson	Retired Chairman and CEO, CDW Corporation
12. Barry E. Fields	Partner, Litigation, Kirkland & Ellis LLP
13. Rodney L. Goldstein	Co-Managing Partner, Wealth Strategist Partners
14. Mary Louise Gorno	Managing Director, Ingenuity International, LLC
15. Antonio Gracias	Founder, CEO, and Chief Investment Officer, Valor Equity Partners
16. Sanford J. Grossman	Chairman and Chief Executive Officer, Quantitative Financial Strategies, Inc.
17. Brett H. Hart	President, United Airlines
18. Kenneth M. Jacobs	Chairman and Chief Executive Officer, Lazard
19. Ashley D. Joyce	President, The Duchossois Family Foundation
20. Karen L. Katen	Board Director, Air Liquide and ARMGO Pharmaceuticals
21. Steven A. Kersten	President, WaterSaver Faucet Co.
22. James M. Kilts	Founding Partner, Centerview Partners
23. Michael J. Klingensmith	Publisher and Chief Executive Officer, Minneapolis Star Tribune
24. Rachel D. Kohler	Principal, KoHop Ventures
25. Hilarie Koplow-McAdams	Venture Partner, New Enterprise Associates
26. John Liew	Co-Founder, AQR Capital Management, LLC
27. Rika Mansueto	Vice President, Mansueto Foundation
28. Satya Nadella	CEO, Microsoft Corporation
29. Joseph Neubauer	Next Egg Group

30.	Emily Nicklin	Partner, Kirkland & Ellis LLP
31.	Brien M. O'Brien	Chairman and Chief Executive Officer, Port Capital LLC
32.	Michael P. Polsky	Founder and CEO, Invenergy
33.	Myrtle S. Potter	Chief Executive Officer, Sumitovant Biopharma, Inc
34.	Tom J. Pritzker	Executive Chairman, Hyatt Hotels Corporation
35.	Guru Ramakrishnan	CEO & Founder, Meru Capital Group
36.	John W. Rogers, Jr.	Chairman and Co-Chief Executive Officer, Ariel Investments, LLC
37.	Emmanuel Roman	CEO, PIMCO
38.	Andrew M. Rosenfield	President and Managing Partner, Guggenheim Partners
39.	**David M. Rubenstein, Chair**	Co-Founder and Co-Chairman, The Carlyle Group
40.	Tandean Rustandy	Founder and CEO, PT Arwana Citramulia Tbk
41.	Alvaro J. Saieh	Founder, CorpGroup
42.	Nassef O. Sawiris	CEO, OCI N.V.
43.	Mary A. Tolan	Founder and Co-Managing Director, Chicago Pacific Founders
44.	Byron D. Trott	Founder, Chairman, and CEO, BDT & Company
45.	Jason J. Tyler	Executive Vice President and Chief Financial Officer, Northern Trust
46.	Gregory W. Wendt	Partner, Capital Group Companies
47.	Donald R. Wilson, Jr.	CEO and Founder, DRW
48.	Paul G. Yovovich	President, Lake Capital
49.	Francis T. F. Yuen	Chairman, Advisory Board, Ortus Capital Management Ltd.

PROFESSIONAL & FINANCIAL

Borrower:	The University of Chicago – Ms. Jee He Kim, Associate VP for Finance		
UofC Counsel:	The University of Chicago - Office of Legal Counsel – Mr. Russ Herron, Senior Associate General Counsel		
Auditor (external):	KPMG LLP	Chicago, IL	
Borrower's Financial Advisor:	PFM Financial Advisors LLC	New York, NY	Steve Haas Karen Kedem
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke Gamal Hyppolite
Co-Senior Managers:	(1) BofA Securities, Inc.	New York, NY	Pete Vujasin
	(2) Jefferies LLC	San Antonio, TX Chicago, IL	Laura Powell Dan Hynes
Co-Managers:	(1) J.P. Morgan Securities LLC	Chicago, IL	Michelle Salomon
	(2) Loop Capital Markets LLC	Chicago, IL	Clarence Bourne
	(3) Wells Fargo Securities LLC	Chicago, IL	Alexandra Byrnes
Disclosure Counsel to the University:	Dentons US LLP	Chicago, IL	Mary Wilson
Underwriter's Counsel:	Katten Muchin Rosenman LLP	Chicago, IL	Mike Melzer, Kelly Hutchinson
Trustee:	Computershare Trust Company, N.A.	Chicago, IL	Gail Klewin
Rating Agencies:	Moody's Investors Service	New York, NY	Michael Osborn
	S&P Global Ratings	New York, NY	Jessica Goldman
	Fitch Ratings	Chicago, IL	Mark Pascaris
IFA Counsel:	Burke Burns & Pinelli, Ltd.	Chicago, IL	Martin Burns Mary Pat Burns

Architects *(for one or more of the large-scale projects that will be eligible to use IFA Series 2023A Bond proceeds)*:

Architrave, Ltd.	Chicago, IL
Diller Scofidio + Renfro, LLC	New York, NY
Farr Associates Architecture & Urban Design, P.C.	Chicago, IL
INSPEC, Inc.	Chicago, IL
Kliment Halsband Architects, a Perkins Eastman Studio	New York, NY
Payette	Boston, MA
Perkins Eastman	Chicago, IL
Studio Gang	Chicago, IL
Walker Consultants	Chicago, IL
Wight Construction Services	Chicago, IL

General Contractors *(for one or more of the large-scale projects that will be eligible to use IFA Series 2023A Bond proceeds)*:

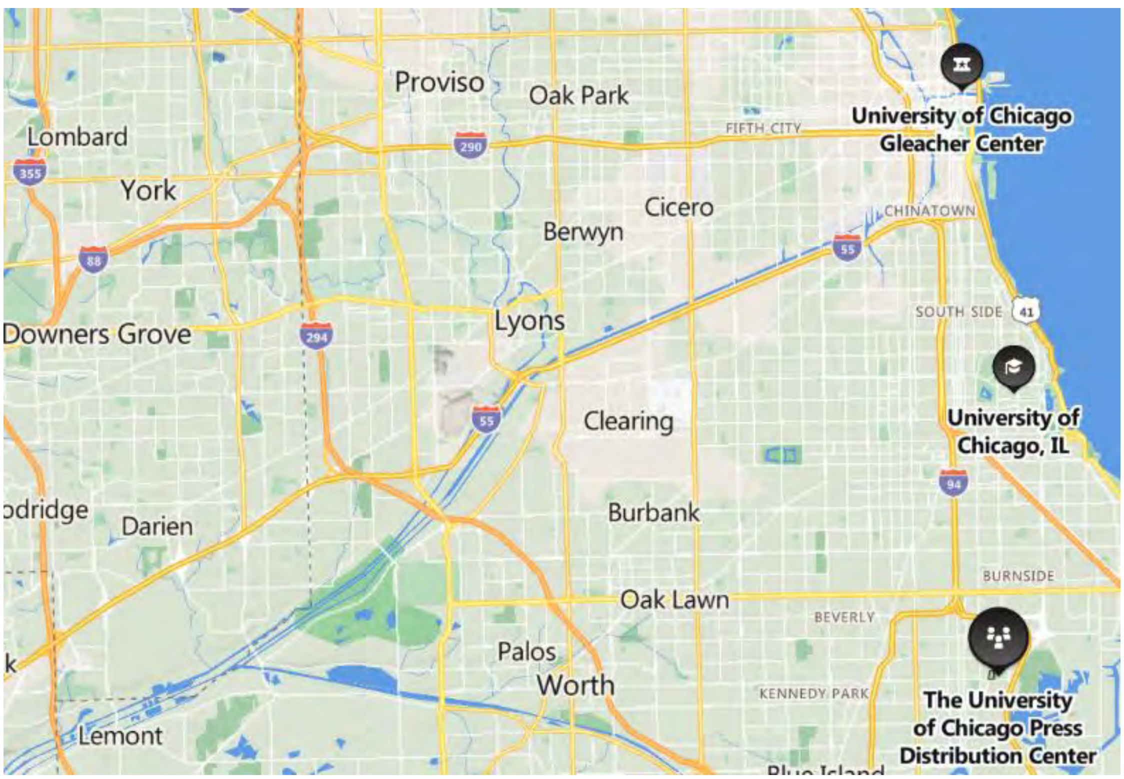
Berglund Construction Company	Chicago, IL
Bulley & Andrews, LLC	Chicago, IL
Clark Construction Group, LLC	Chicago, IL
Klein Construction	Lemont, IL
M.A. Mortenson Company (d/b/a Mortenson Construction)	Itasca, IL
Turner Construction Company	Chicago, IL
Wight Construction	Chicago, IL

LEGISLATIVE DISTRICTS

	Hyde Park Campus	Gleacher Center (450 N. Cityfront Plaza Dr., Chicago, IL)	Pullman Community Sites (11030, 10910 & 11023 S. Langley Ave. and 727 E. 110th Street – Chicago, IL)
Congressional:	1	7	2
State Senate:	3, 13	13	17
State House:	5, 25, 26	25	34

FACILITIES – SITE MAP (PROJECT SITES IDENTIFIED IN THE IFA BOND RESOLUTION)

THE UNIVERSITY OF CHICAGO – HYDE PARK CAMPUS, GLEACHER CENTER, & 11030 S. LANGLEY, 10910 S. LANGLEY, 11023 S. LANGLEY, AND 727 E. 110TH STREET



Source: Bing Maps

NOTE: Although the IFA Bond Resolution and TEFRA Hearing Notice each provide flexibility to undertake financings at any of the locations referenced above, the University is not obligated to finance expenditures with IFA Series 2023A Bond proceeds at all locations identified above. For that reason, the final scope of projects and legislative districts reported post-closing may differ from the listings presented above.

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

To: Members of the Authority

From: Brad R. Fletcher, Vice President

Date: February 14, 2023

Subject: ***Issuance of Property Assessed Clean Energy Revenue Bonds***

At the request of White Oak Global Advisors, LLC, a Delaware limited liability company (the "**Capital Provider**" or "**Initial Purchaser**"), I transmit herewith a Property Assessed Clean Energy ("**PACE**") Bond Resolution authorizing the issuance of revenue bonds by the Illinois Finance Authority to be purchased by the Capital Provider or its designated transferee.

Staff recommends approval.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
February 14, 2023

Capital Provider: White Oak Global Advisors, LLC

BOARD ACTION

PACE Bond Resolution (*One-Time Consideration*) Amount: Not to exceed $250,000,000
No extraordinary conditions. No IFA funds at risk.

RECOMMENDATION

Staff recommends approval of the PACE Bond Resolution presented for consideration in connection with bond issuances to be purchased by the Capital Provider or its designated transferee.

PURPOSE

Proceeds of the Property Assessed Clean Energy Revenue Bonds will be loaned to record owners of privately-owned commercial, industrial, non-residential agricultural, or multi-family (of 5 or more units) real property to finance "energy projects" as defined under the Property Assessed Clean Energy Act, 50 ILCS 50/1 et seq.

AUTHORITY PROGRAM AND CONTRIBUTION

Under Illinois law, a record owner of a commercial property may voluntarily enter into an assessment contract with a governmental unit in order to finance or refinance up to 100% of the commercial property owner's energy efficiency, renewable energy, and water conservation projects through the issuance of PACE bonds. Program administrators administer commercial property assessed clean energy programs on behalf of or at the discretion of counties or municipalities to facilitate access to capital within their jurisdictions.

Governmental units permissively assign assessment contracts to the Illinois Finance Authority for its standardized, efficient, and affordable PACE bond financing services, which PACE bonds are issued pursuant to subsection (d) of Section 825-65 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq., in accordance with the Property Assessed Clean Energy Act.

VOLUME CAP

Property Assessed Clean Energy Revenue Bonds do not require volume cap.

JOB DATA

N/A	Current Jobs	N/A	New Jobs Protected
N/A	Retained Jobs	*	Construction Jobs Projected

*The Authority reasonably anticipates reporting at a later time the amount of construction jobs, if any, created as a result of energy projects financed by the Authority's bond proceeds.

ESTIMATED SOURCES & USES

Sources:		**Uses:**	
PACE Bonds	$250,000,000	Energy Project Costs (including but not limited to Capitalized Interest and/or Debt Service Reserve Funds, if any)	$250,000,000
Total	**$250,000,000**	**Total**	**$250,000,000**

FINANCING SUMMARY

The conduit transactions authorized by the PACE Bond Resolution will not be rated. The plan of finance contemplates that the Capital Provider, as an institutional Accredited Investor or Qualified Institutional Buyer, will purchase the Property Assessed Clean Energy Revenue Bonds in minimum denominations of $100,000 or more. PACE bonds will be issued pursuant to Issuance Certificates under a Master Indenture specific to the Capital Provider.

The aggregate principal amount, final maturity date, and the interest rate or rates for each energy project funded by bond proceeds shall be as set forth in the Issuance Certificates.

The Capital Provider or its designated transferee will be secured by assessment contracts which constitute liens against properties against which assessments are imposed and recorded in the office of the applicable County Recorder. The lien of the assessment contract shall run with the property until the assessment is paid in full and a satisfaction or release for the same has been recorded by the governmental unit or its program administrator and shall have the same lien priority and status as other property tax and special assessment liens as provided in the Property Tax Code.

The Capital Provider or its designated transferee shall have and possess the delegable powers and rights at law or in equity as the applicable governmental unit would have if the assessment contract had not been assigned with regard to (i) the precedence and priority of liens evidenced by the assessment contract, (ii) the accrual of interest, and (iii) the fees and expenses of collection.

Mortgage holder consent is required.

PROJECT SUMMARY

As amended, supplemented, modified or replaced, the Property Assessed Clean Energy Act states that an energy project means the acquisition, construction, installation, or modification of an alternative energy improvement, energy efficiency improvement, renewable energy improvement, or water use improvement affixed to real property (including new construction).

BUSINESS SUMMARY

Under Illinois law, an evaluation of the existing water or energy use and a modeling of expected monetary savings is required for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality, before a record owner of commercial property may enter into an assessment contract with a governmental unit.

By entering into assessment contracts with governmental units, record owners expect the monetary savings to be greater than the repayment costs of certain, but not all, energy projects financed or refinanced through assessments imposed upon their respective properties.

ECONOMIC DISCLOSURE STATEMENT

Record Owners: Names of (a) shareholders holding more than 7.5% of equity interests, or (b) all general partners (if the record owner is a partnership), or (c) members holding more than 7.5% of the economic or voting interest of the record owner (if the record owner is a limited liability company), or (d) if the record owner or any property financed would be a land trust, an identification of the trust and all beneficiaries of the trust including the percentage of beneficial interest of each beneficiary of the trust, will be reported to the Authority's Secretary (or Assistant Secretary).

Capital Provider Ownership: Please see the confidential section of this Project Summary Report.

PROFESSIONAL & FINANCIAL

Capital Provider:	White Oak Global Advisors, LLC	San Francisco, CA	Jeff Habicht

SERVICE AREA

The PACE Bond Resolution authorizes the Capital Provider or its designated transferee to purchase PACE Bonds issued by the Authority for energy projects statewide.

LEGISLATIVE DISTRICTS

Congressional: TBD
State Senate: TBD
State House: TBD

ILLINOIS FINANCE AUTHORITY

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To: Members of the Authority

From: Sara D. Perugini

Date: February 14, 2023

Re: Resolution authorizing the execution and delivery of a First Supplemental Trust Indenture to the Trust Indenture relating to the Illinois Finance Authority Revenue Refunding Bonds, Series 2016 (Rush University Medical Center Obligated Group) (the "Series 2016 Bonds"), to provide for certain amendments relating to the interest rate calculations and certain other matters; authorizing the execution and delivery of any other documents necessary or appropriate to effect the matters set forth in such First Supplemental Trust Indenture; and authorizing and approving related matters

Authority 2016 File Number: 12335

The **Illinois Finance Authority** (the "**Authority**") has issued the Illinois Finance Authority Revenue Refunding Bonds, Series 2016 (Rush University Medical Center Obligated Group) in an aggregate principal amount of $50,000,000 (the **"Series 2016 Bonds"**), all of which are currently outstanding, for the benefit of **Rush University Medical Center** (the "**Borrower**") pursuant to the Trust Indenture dated as of June 1, 2016 (the "**Original Bond Indenture**"), between the Authority and **Computershare Trust Company, National Association**, as successor bond trustee (the "**Bond Trustee**").

The Series 2016 Bonds are owned by **The Northern Trust Company** (the "**Purchaser**") and currently bear interest at an Index Interest Rate (as such term is defined in the Original Bond Indenture) which is established using an index rate formula that applies a London Interbank Offered Rate ("**LIBOR**") Index (as defined the Original Bond Indenture).

LIBOR is expected to be discontinued in June 2023. Because of the forthcoming cessation of LIBOR, the Borrower and the Purchaser desire to change the market index that is used to determine the interest rate on the Series 2016 Bonds from LIBOR to a market index that is based upon the secured overnight financing rate ("**SOFR**"). In order to effect such change, the Borrower and the Purchaser have requested that the Authority and the Bond Trustee amend certain provisions of the Original Bond Indenture to implement such change from LIBOR to SOFR, including, without limitation, adding definitions relating to SOFR, deleting definitions relating to LIBOR, adding alternative rate provisions in the event that SOFR is unavailable and making certain other related changes (collectively, the **"Amendments"**). The Amendments will be set forth in a First Supplemental Trust Indenture, supplementing and amending the Original Bond Indenture (the **"First Supplemental Bond Indenture"**).

It is currently expected that the Amendments <u>will not</u> cause the Series 2016 Bonds to be deemed reissued for purposes of the Internal Revenue Code of 1986, as amended.

The proposed resolution of the Authority will approve (i) the Amendments and (ii) the execution and delivery by the Authority of (a) the First Supplemental Bond Indenture, and (b) any additional documents necessary in order to implement the Amendments (including a tax certificate if the Series 2016 Bonds are deemed reissued as a result of the Amendments).

The First Supplemental Bond Indenture is authorized by the existing terms of the Original Bond Indenture. The Purchaser, as 100% holder of the Series 2016 Bonds, and Rush System for Health d/b/a Rush University System for Health, as the current obligated group representative, have agreed to approve the Amendments by executing consents to the execution and delivery of the First Supplemental Bond Indenture.

Chapman and Cutler LLP is expected to provide an opinion that the Amendments will not adversely affect the tax-exempt status of the Series 2016 Bonds.

The Peer Review Committee recommends approval of the accompanying resolution.

ECONOMIC DISCLOSURE

Rush University System for Health
Board of Trustees (January 2023)

Susan Crown, Chairman
Peter C. B. Bynoe
Cati Cederoth
E. David Coolidge III
Bruce W. Dienst
William A. Downe
Christine A. Edwards
William M. Goodyear
Sandra P. Guthman
Jay L. Henderson
Mark Metzger
Stephen N. Potter
Robert A. Wislow
Omar B. Lateef, DO, *ex officio, without vote*

Rush University Medical Center
General Trustees (as of January 5, 2023)

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John L. Howard
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Kip Kirkpatrick
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Michael J. O’Connor
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Tonise C. Paul
Aurie A. Pennick
Sheila A. Penrose*
David H. B. Smith Jr.
Russell P. Smyth
Jennifer W. Steans
Joan E. Steel
Carl W. Stern

PROFESSIONAL & FINANCIAL

Borrower’s Counsel:	Dentons US LLP	Mary Wilson	Chicago, IL
Bond Counsel:	Chapman and Cutler LLP	Christopher Walrath	Chicago, IL
Bank:	The Northern Trust Company	Lucy Czyz	Chicago, IL
Bank Counsel:	Foley & Lardner LLP	Laura Bilas	Chicago, IL
Bond Trustee:	Computershare Trust Company, National Association	Chitra Patel	Chicago, IL
Issuer’s Counsel:	Katten Muchin Rosenman LLP	Chad Doobay	Chicago, IL

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To: Members of the Authority

From: Sara D. Perugini

Date: February 14, 2023

Re: Resolution Authorizing and Approving Amendments to the Bond Trust Indentures relating to the Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Rehabilitation Institute of Chicago) and Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Rehabilitation Institute of Chicago) and Certain Other Matters

Authority 2016 File Number: 12367

The **Illinois Finance Authority** (the "**Authority**") has issued the (i) Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Rehabilitation Institute of Chicago) in an aggregate principal amount of $24,915,000 (the "**Series 2016A Bonds**"), and (ii) Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Rehabilitation Institute of Chicago) in an aggregate principal amount of $49,830,000 (the "**Series 2016B Bonds**" and, together with the Series 2016A Bonds, the "**Series 2016 Bonds**"), pursuant to two separate Bond Trust Indentures each dated as of December 1, 2016, each as previously supplemented and amended (collectively, the "**Existing Bond Indentures**"), between the Authority and Computershare Trust Company, N.A., as successor bond trustee, the proceeds of which were loaned to Rehabilitation Institute of Chicago d/b/a Shirley Ryan AbilityLab, an Illinois not for profit corporation (the "**Borrower**"), pursuant to separate Loan Agreements each dated as of December 1, 2016 (collectively, the "**Loan Agreements**") between the Authority and the Borrower.

All of the Series 2016A Bonds were purchased, and are currently held, by **Wintrust Bank, N.A.** (the "**Series 2016A Purchaser**"). All of the Series 2016B Bonds were purchased, and are currently held, by **The Northern Trust Company** (the "**Series 2016B Purchaser**" and collectively with the Series 2016A Purchaser, the "**Purchasers**").

Each series of the Series 2016 Bonds currently bears interest at a rate equal to the Index Floating Rate (as defined in the respective Existing Bond Indentures) which is determined according to a formula which includes, among other things, a percentage of the London Interbank Offered Rate ("**LIBOR**") plus a credit spread.

Due to the forthcoming cessation of LIBOR, the Borrower and the Purchasers wish to change the market index that is used to determine the Index Floating Rate on each series of the Series 2016 Bonds from LIBOR to the Secured Overnight Financing Rate ("**SOFR**"), by amending certain definitions of the Existing Bond Indentures, changing references to certain defined terms in the Existing Bond Indentures, permitting the execution of indentures supplemental to the Existing Bond Indentures and making certain other related modifications, in each case, to implement the change from LIBOR to SOFR or any other alternative market index (collectively, the "**Amendments**"). As of the date hereof, the Amendments <u>will not</u> cause the Series 2016 Bonds to be deemed reissued for purposes of the Internal Revenue Code of 1986, as amended.

In connection with the Amendments, the Borrower and the Purchasers may convert the Series 2016 Bonds to a new Index Floating Rate Period based on SOFR (the "**Conversion**") in order to extend the period the Purchasers will hold the Series 2016 Bonds.

The proposed resolution of the Authority will approve (i) the Amendments and the Conversion and (ii) the execution and delivery by the Authority of (a) separate supplemental bond trust indentures or amended and restated bond trust indentures which amend each of the Existing Bond Indentures (collectively, the "**Indenture Amendment Documents**"), (b) a replacement Bond for each series of the Series 2016 Bonds, if required, and (c) any additional documents necessary in order to implement the Amendments and the Conversion (including a tax certificate required in connection with a deemed tax reissuance of the Series 2016 Bonds, if any).

The amendments to the Existing Bond Indentures are authorized by the existing terms of the respective Existing Bond Indentures. Each of the Purchasers, as 100% holder of its respective series of Series 2016 Bonds, has agreed to approve the Amendments by executing a consent to the execution and delivery of the Indenture Amendment Documents. The Borrower will also consent to the Amendments and the execution and delivery of the Indenture Amendment Documents.

The Peer Review Committee recommends approval of the accompanying resolution.

ECONOMIC DISCLOSURE

2023 Board of Directors:

Wayne R. Andersen
William J. Cernugel
Robert O. Delaney, Jr.
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Nancy E. Paridy
M. Jude Reyes
Thomas A. Reynolds, III
Sheli Z. Rosenberg
Shirley W. Ryan
Mark F. Stephan
Dan K. Webb
Linda S. Wolf

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Dentons US LLP	Chicago	Mary Wilson Katie Ashton
Bond Counsel	Chapman and Cutler LLP	Chicago	John Bibby Megan Rudd
Banks:	The Northern Trust Company	Chicago	Lucy Czyz
	Wintrust Bank, N.A.	Chicago	Erin Siegel
Bank Counsel:	Chapman and Cutler LLP	Chicago	Carol Thompson
	Foley & Lardner LLP	Chicago	Laura Bilas
Authority Counsel:	Sanchez Daniels & Hoffman LLP	Chicago	Heather Erickson

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ILLINOIS FINANCE AUTHORITY

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To: Members of the Authority

From: Sara D. Perugini

Date: February 14, 2023

Re: Resolution Authorizing and Approving Amendments to Bond Trust Indentures relating to the Illinois Finance Authority Variable Rate Revenue Bonds, Series 2019A (Smith Village Project) and the Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2019B and Series 2019C (Smith Village) issued for the benefit of Washington and Jane Smith Community – Beverly

Authority 2019 File Number: 12459

On October 25, 2019 the **Illinois Finance Authority** (the "**Authority**") issued the (i) Illinois Finance Authority Variable Rate Revenue Bonds, Series 2019A (Smith Village Project) in a maximum principal amount of approximately $23,608,000 (the "**Series 2019A Bonds**"), currently outstanding in the principal amount of $23,465,000, (ii) $25,000,000 Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2019B (Smith Village) (the "**Series 2019B Bonds**"), currently outstanding in the principal amount of approximately $23,220,000, and (iii) $5,119,000 Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2019C (Smith Village) (the "**Series 2019C Bonds**"), currently outstanding in the principal amount of approximately $4,762,000, for the benefit of **Washington and Jane Smith Community – Beverly** (the "**Borrower**") pursuant to three separate Bond Trust Indentures, each dated as of October 1, 2019 (collectively, the "**Existing Bond Indentures**"), between the Authority and **UMB Bank, National Association**, as bond trustee. The Series 2019A Bonds, the Series 2019B Bonds and the Series 2019C Bonds are collectively referred to herein as the "**Series 2019 Bonds**."

All of the Series 2019A Bonds and the Series 2019C Bonds were purchased, and are currently held, by **Old National Bank** (as successor by merger to First Midwest Bank) (the "**Series 2019A/C Purchaser**"). All of the Series 2019B Bonds were purchased, and are currently held, by **Huntington Public Capital Corporation** (the "**Series 2019B Purchaser**").

The Borrower anticipates that all of the currently outstanding Series 2019B Bonds will be assigned by the Series 2019B Purchaser to the Series 2019A/C Purchaser in accordance with the terms of the Series 2019B Bonds and the Existing Bond Indenture related to the Series 2019B Bonds (the "**Series 2019B Bond Assignment**") prior to the execution date of the documents for the Amendments (as defined below). In such event, all of the outstanding Series 2019 Bonds will be owned and held by Old National Bank (the "**Sole Bondholder**") and bondholder consent to the Amendments will only be required by the Sole Bondholder.

Each series of the Series 2019 Bonds currently bears interest at a rate equal to the Private Placement Floating Rate (as defined in the respective Existing Bond Indentures) which is determined according to a formula which includes, among other things, a percentage of the London Interbank Offered Rate ("**LIBOR**") plus a credit spread for the period commencing on October 25, 2019 (the "**Closing Date**") to, but not including the earliest of (i) October 25, 2029, (ii) the Conversion Date (as defined in the respective Existing Bond Indentures) next succeeding the Closing Date, (iii) the date on which the respective series of the Series 2019 Bonds is purchased or redeemed in full, and (iv) the maturity date for each series of the Series 2019 Bonds (October 10, 2049).

Due to the forthcoming cessation of LIBOR, the Borrower and the Sole Bondholder wish to change the market index that is used to determine the Private Placement Floating Rate on each series of the Series 2019 Bonds from LIBOR to the Secured Overnight Financing Rate ("**SOFR**"). The Borrower and the Purchasers have requested the Authority to approve the execution of indentures supplemental to the Existing Bond Indentures to implement the change from LIBOR to SOFR or any other alternative market index (collectively, the "**Amendments**"). As of the date hereof, bond counsel has advised the Authority that the Amendments <u>will</u> cause the Series 2019 Bonds to be deemed reissued for purposes of the Internal Revenue Code of 1986, as amended (the **"Code"**).

The Borrower and the Series 2019A/C Purchaser executed two separate interest rate swaps (the "**Series 2019A/C Swaps**") to modify risk of interest rate changes with respect to the Series 2019A Bonds and the Series 2019C Bonds. The Borrower and The Huntington National Bank, an affiliate of the Series 2019B Purchaser, executed an interest rate swap (the "**Series 2019B Swap**" and, together with the Series 2019A/C Swaps, the "**Series 2019 Swaps**") to modify risk of interest rate changes with respect to the Series 2019B Bonds. The Authority and the Borrower integrated the Series 2019 Swaps with the Series 2019 Bonds on the Closing Date.

In connection with the Series 2019B Bond Assignment, the Series 2019B Swap will be terminated and the Borrower and the Sole Bondholder will execute a new interest rate swap for the Series 2019B Bonds (the "**New Series 2019B Swap**"). The Borrower will request the Authority to integrate the New Series 2019B Swap with the Series 2019B Bonds within 15 days of the execution date of the New Series 2019B Swap in accordance with the Code. The Series 2019A/C Swaps will remain in place and will not be impacted by the Series 2019B Bond Assignment.

The proposed resolution of the Authority will approve (i) the Amendments and (ii) the execution and delivery by the Authority of (a) separate indentures supplemental to each of the Existing Bond Indentures, (b) a replacement Bond for each series of the Series 2019 Bonds, if required, (c) an identification certificate for the integration of the New Series 2019B Swap with the Series 2019B Bonds and (d) any additional documents necessary in order to implement the Amendments (including a tax certificate required in connection with a deemed tax reissuance of the Series 2019 Bonds).

The amendments to the Existing Bond Indentures are authorized by the existing terms of the respective Existing Bond Indentures. It is expected that the Sole Bondholder will agree to approve the Amendments by executing a consent to the execution and delivery of separate indentures supplemental to the respective Existing Bond Indentures. In the event the Series 2019 Bond Assignment is not executed, it is expected that the Series 2019B Purchaser will agree to the Amendments relating to the Series 2019B Bonds by executing a consent to the execution and delivery of a separate indenture supplemental to the Existing Bond Indenture relating to the Series 2019B Bonds. The Borrower will consent to the Amendments by executing an indenture supplemental to each of the Existing Bond Indentures.

Chapman and Cutler LLP is expected to provide an opinion that the Amendments will not adversely affect the tax-exempt status of any of the Series 2019 Bonds.

The Peer Review Committee recommends approval of the accompanying resolution.

ECONOMIC DISCLOSURE

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PROFESSIONAL & FINANCIAL

Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	John Bibby Latrice Baptiste
Borrower's Counsel:	Quarles & Brady LLP	Madison, WI	Margaret Utterback
Banks:	Old National Bank	Chicago, IL	Kim McMahon
	Huntington Public Capital Corporation	Pittsburgh, PA	Matt Beatty
Bank Counsel:	Dentons US LLP (Old National Bank)	Chicago, IL	Kathryn Ashton
	Ice Miller LLP (Huntington Public Capital Corporation)	Indianapolis, IN	David Nie
Issuer's Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	Heather Erickson
Bond Trustee:	UMB Bank, National Association	St. Louis, MO	David Massa
Borrower's Financial Advisor and Swap Advisor:	Marathon Capital Strategies, LLC	Glassboro, NJ	Alex Dinkels
Swap Counterparty:	Old National Bank	Chicago, IL	Christina Wright
Swap Counterparty's Counsel:	Michael Best & Friedrich LLP	Milwaukee, WI	Alec Fraser

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To: Members of the Illinois Finance Authority

From: Richard K. Frampton, Executive Vice President
Brad R. Fletcher, Vice President

Date: February 14, 2023

Re: Resolution authorizing the execution and delivery of a First Bond and Loan Agreement Amendment and terms of Interest Period, relating to the $20,200,000 original principal amount Illinois Finance Authority Midwestern Disaster Area Revenue Bond (Kone Centre Project), Series 2017, which Amendment has been requested by the Borrower and the Purchaser; and related matters
Series 2017 Project Number: 12384

Request:

Financial District Properties KP, L.L.C., an Illinois limited liability company (the "**Borrower**", and **First Interstate Bank f/k/a Great Western Bank**, a community bank headquartered in Billings, Montana (the "**Bond Purchaser**" or the "**Bank**"), are requesting approval of a Resolution to (i) authorize the execution and delivery of a First Bond and Loan Agreement Amendment and (ii) approve related documents to effectuate a subsequent interest rate period and a change in the interest rate borne on the outstanding Illinois Finance Authority Midwestern Disaster Area Revenue Refunding Bond (Kone Centre Project), Series 2017 (the "**Series 2017 Bond**").

The Series 2017 Bond was issued in the original principal amount of approximately $20.2 million and structured as a direct purchase with the Bank for an initial term ending January 4, 2023. The Bank has continued to hold the Series 2017 Bond, which was outstanding in the principal amount of $17.47 million as of February 6, 2023. Principal and interest payments are payable monthly. The Series 2017 Bond has a final maturity date of January 5, 2043.

Impact:

Approval of the related Resolution will provide consent to changes as agreed by the Borrower and the Bank that will establish a subsequent interest rate period of four years (between January 5, 2023 and January 5, 2027) and reset the Fixed Rate during such subsequent interest rate period. It is anticipated that this transaction will be considered a reissuance for tax purposes. Bond counsel has determined that a new public hearing on the project (i.e., "**TEFRA Hearing**" as defined by Section 147(f) of the Internal Revenue Code of 1986, as amended) will not be necessary.

Background:

Proceeds of the Series 2017 Bond were loaned to the Borrower and used to refund in whole the Illinois Finance Authority Midwestern Disaster Area Revenue Bonds, Series 2010 (Kone Centre Project) (the "**Prior Bond**").

Proceeds of the Prior Bond were loaned to the Borrower and used to finance a portion of the costs of acquisition, construction and equipping of an approximately 115,000 sq. ft. 8-story office building located at 1 Kone Court (and 171 and 181 17th Street) in Moline, Illinois (the "**Project**") which is owned and operated by the Borrower. The Prior Bond was issued on a tax-exempt basis under the Internal Revenue Code of 1986, as amended, as "qualified Midwestern disaster area bonds" ("Qualified Midwestern Disaster Area Bonds") within the meaning of Section 702 of the Heartland Disaster Relief Act of 2008.

All payments relating to the Series 2017 Bond were current as of February 6, 2023, and have been paid as agreed by the Borrower and the Bank. Given the conduit bond financing structure, the Bank will continue to assume 100% of the Borrower default risk as the Bond Purchaser (and owner of the subject Series 2017 Bond).

Recommendation:

The Peer Review Committee recommends approval of the related Resolution as presented.

ECONOMIC DISCLOSURE

Project Ownership: Financial District Properties KP, L.L.C., an Illinois limited liability company, is wholly owned by Rodney Blackwell.

- Rodney Blackwell
  201 N. Harrison St., Suite 402
  Davenport, IA 52801
  (563) 324-9898

Rodney Blackwell is the Chief Executive Officer and Jennifer Kakert is the Chief Financial Officer of Financial District Properties KP, L.L.C.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Teitle Law Offices, P.C.	Bettendorf, IA	Justin Teitle
Bond Counsel:	Greenberg Traurig, LLP	Philadelphia, PA	Vanessa Lowry
Bond Purchaser:	First Interstate Bank	Coralville, IA	Melissa Schooley
		North Liberty, IA	Isabelle Vance
Bank Counsel:	Pugh Hagan Prahm PLC	Coralville, IA	Jeremy B.P. Hagan
IFA Counsel:	Ice Miller LLP	Chicago, IL	Tom Smith

ILLINOIS FINANCE AUTHORITY

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To: Members of the Illinois Finance Authority

From: Richard K. Frampton, Executive Vice President
Brad R. Fletcher, Vice President

Date: February 14, 2023

Re: Resolution authorizing the execution and delivery of a First Amendment to Amended and Restated Indenture of Trust, which amends and supplements that certain Amended and Restated Indenture of Trust dated May 1, 2012, in connection with the Illinois Finance Authority Variable Rate Revenue Bonds, Series 2012 (Metropolitan Family Services Project), which amendment provides for the addition of a new Index Interest Rate; and related documents; and approving related matters
Series 2012 Project Number: 12121

Request:

Metropolitan Family Services, an Illinois special charter not-for-profit corporation (the "**Borrower**"), and **PNC Bank, National Association** (the "**Bond Purchaser**" or the "**Bank**"), are requesting approval of a Resolution to (i) authorize the execution and delivery of a First Amendment to Amended and Restated Indenture of Trust and (ii) approve related documents to effectuate a change in the interest rate borne on the outstanding Illinois Finance Authority Variable Rate Revenue Bonds, Series 2012 (Metropolitan Family Services Project) (the "**Series 2012 Bonds**").

The Series 2012 Bonds were issued in the original principal amount of $12.7 million and structured as a private placement with the Bank. Under the terms of the Amended and Restated Indenture of Trust dated as of May 1, 2012, between the Illinois Finance Authority and U.S. Bank Trust Company, National Association, as trustee, the Series 2012 Bonds bear interest at an Index Interest Rate between June 3, 2019 and June 3, 2024. The Bank continues to hold the Series 2012 Bonds, which remain outstanding in full as of February 6, 2023. Interest payments are payable monthly. The Series 2012 Bonds have a final maturity date of January 1, 2029.

Impact:

Approval of the related Resolution will provide consent to changes as agreed by the Borrower and the Bank that will switch the index rate used to determine the variable rate of interest borne on the outstanding Series 2012 Bonds during the Index Interest Rate Period from LIBOR to the secured overnight financing rate published by the Federal Reserve Bank of New York ("**SOFR**"). The net effect of the index rate substitution for the Borrower is anticipated to be less than 25 basis points per annum.

Accordingly, it is anticipated that this transaction will not be considered a reissuance for tax purposes. Bond counsel has determined that a new public hearing on the project (i.e., "**TEFRA Hearing**" as defined by Section 147(f) of the Internal Revenue Code of 1986, as amended) will not be necessary.

Background:

Proceeds of the Series 2012 Bonds were loaned to the Borrower and used to effectuate the private placement of the Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Metropolitan Family Services Project), Series 1999 (the "**Prior Bonds**") prior to the expiration of a Direct Pay Letter of Credit from Bank of America, National Association.

Proceeds of the Prior Bonds were loaned to the Borrower and used to finance (a) all or a portion of the costs of the acquisition, construction, renovation, expansion, restoration and equipping of certain facilities of the Corporation located at 3843 West 63rd Street and 235 East 103rd Street and 14 East Jackson Boulevard in the City of Chicago, Illinois, and at 10537 South Roberts Road in the City of Palos Hills, Illinois, and at 222 East Willow Avenue in the City of Wheaton, Illinois, and at 1889 Cary Road in unincorporated McHenry County, Illinois, which includes the construction and equipping of facility improvements and enhancements including, without limitation, office and work stations for staff, meeting rooms for community groups, special purpose space for group services, a youth center, technology upgrades and other additions to and renovations of the existing facilities (the "**Project**"), (b) certain capitalized interest on the Prior Bonds, and (c) all or a portion of the costs of issuance of the Prior Bonds.

All payments relating to the Series 2012 Bonds were current as of February 6, 2023, and have been paid as agreed by the Borrower and the Bank. Given the conduit bond financing structure, the Bank will continue to assume 100% of the Borrower default risk as the Bond Purchaser (and owner of the subject Series 2012 Bonds).

Recommendation:

The Peer Review Committee recommends approval of the related Resolution as presented.

ECONOMIC DISCLOSURE

Metropolitan Family Services has seven community centers and multiple affiliate locations in Chicago, Evanston/Skokie, DuPage County, and the Southwest suburbs, whereby it reaches more than 117,491 families and individuals each year.

Roxanne Nava is the Executive Director of Metropolitan Family Services North Center, which is one of the seven community centers. Since 1982, Metropolitan Family Services North Center has been helping families navigate life's obstacles while growing and changing with the communities it serves on Chicago's Northwest Side. Metropolitan North is part of Metropolitan Family Services, which has been empowering Chicago-area families to reach their greatest potential and positively impact their communities since 1857.

Metropolitan Family Services is governed by the following Board of Directors:

- David S. Tropp, *Chair*
  CBRE, Inc.
- Erik D. Barefield, *Vice Chair*
  Mesirow
- Leslie M. Smith, *Secretary*
  Kirkland & Ellis LLP
- Aysha Acibucu
  Head Start Parent Representative – DuPage
- Hubert Allen
  Abbott Laboratories
- Jerry Azumah
  Chicago Bears (retired)
- Debra Bogo-Ernst
  Mayer Brown
- Erica J. Borggren
  ComEd
- Erica F. Canzona
  Goldman Sachs & Co.
- Robert C. Carr
  BP Amoco (retired)
- Saadia Caudle
  Head Start Parent Representative – Chicago
- Piyush Chaudhari
  sgsco
- Julie Chavez
  Bank of America
- Julia A. Cloud
  Deloitte Tax LLP
- Merle Goldblatt Cohen
- Jennifer Comparoni
  The Boston Consulting Group (retired)

- Marcus L. Cooper
  Everest Re Group, Ltd.
- Timothy S. Crane
  Wintrust Financial Corporation
- Tanya G. Davis
  The Will Group
- Jason Dubinsky
  Morningstar
- Arne Duncan
  Chicago CRED
- Craig Esko
  PNC Financial Services Group
- C. Gary Gerst
  LaSalle Partners (retired)
- C. Graham Gerst
  Global IP Law Group LLC
- Steven R. Gilford
  JAMS Chicago
- James V. Gilliam
  Fifth Third Bank
- Stephen M. Griesemer
  May River Capital
- Christy Harris
  CCC Intelligent Solutions
- Wallace Harris, Jr.
  BMO Harris Bank
- Daron Hines
  Staples Promotional Products
- Roger C. Hochschild
  Discover Financial Services
- R. Thomas Howell, Jr.
  The Quaker Oats Company (retired)
- Tony W. Hunter
  McClatchy Co.
- Ashley Duchossois Joyce
  The Duchossois Family Foundation
- John L. MacCarthy
  Nuveen (retired)
- Aleck Matambo
  Google
- Glenn Mazade
  First Midwest Bank
- Jim McDonald
  Northern Trust
- Katherine Ann Melman
  @Properties
- Martha Whittemore Melman
- Peyton H. Owen. Jr.
  D&M Plastics
- Diana Palomar
  ABC7 Chicago
- Stephen R. Patton
  Kirkland & Ellis LLP

- Virginia Johnson Pillman
  Virginia M. Johnson & Associates
- Richard Price
  Mesirow
- Michelle Ramirez
  Sidley Austin LLP
- Barbara Rapp
- Allen A. Rodriguez
- Bryan Rozum
  Ares Management
- Audrey H. Rubin
  Rubin Solutions
- Sophia Ruffolo
  Charles Schwab
- Kathleen K. Rummel
  K.R. Communications
- Lisa Cohen Schenkman
- Eileen P. Scudder
  Deloitte & Touche LLP (retired)
- Laurie Fetzer Shults
- Scott W. Simmons
  Crist/Kolder Associates
- Scott C. Solberg
  Eimer Stahl LLP
- Byron O. Spruell
  National Basketball Association
- Kecia Steelman
  Ulta Beauty
- John R. Storino
  Jenner & Block LLP
- Michael A. Vardas, Jr.
  The Northern Trust Company (retired)
  Chair Emeritus
- Jared Vegosen
  DV Trading
- Kamiar Vossoughi
  BMO Private Banking
- Matthew W. Walch
  Latham & Watkins LLP
- Jonathan Webb
  NCF Chicago
- Debbie K. Wright
  Kraft Foods Group Inc. (Retired)
- Matt Zimmer
  William Blair
- Ric Estrada, President & CEO
  Metropolitan Family Services

PROFESSIONAL & FINANCIAL

Borrower Advisor:	Longhouse Capital Advisors	Chicago, IL	Lindsay Wall
Borrower's Counsel:	Perkins Coie LLP	Chicago, IL	Christine Biebel
Bond Counsel:	Perkins Coie LLP	Chicago, IL	Christine Biebel
Bond Purchaser:	PNC Bank, National Association	Chicago, IL	Barb Fahnstrom Kyle Patino
Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
IFA Counsel:	Sanchez Daniels and Hoffman LLP	Chicago, IL	Heather Erickson

ILLINOIS FINANCE AUTHORITY

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To: Members of the Illinois Finance Authority

From: Richard K. Frampton, Executive Vice President
Brad R. Fletcher, Vice President

Date: February 14, 2023

Re: Resolution authorizing the execution and delivery of a Fourth Amendment to Bond and Loan Agreement and related documents among the Illinois Finance Authority, Smart Hotels/Olympia Chicago, LLC and BMO Harris Bank, N.A., and approving the execution of an Amended Bond and certain other agreements relating thereto; and related matters
Series 2017 Project Number: 12385

Request:

Smart Hotels/Olympia Chicago, LLC, a Delaware limited liability company (the "**Borrower**"), and **BMO Harris Bank National Association** (the "**Bond Purchaser**" or the "**Bank**"), are requesting approval of a Resolution to (i) authorize the execution and delivery of a Fourth Amendment to Bond and Loan Agreement and (ii) approve related documents to effectuate an extension of the initial interest rate period and a change in the interest rate borne on the outstanding Illinois Finance Authority Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2017 (the "**Series 2017 Bonds**").

The Series 2017 Bonds were issued in the original principal amount of approximately $19.65 million and structured as a direct purchase with the Bank for an initial term otherwise ending March 7, 2023. The Bank continues to hold the Series 2017 Bonds, which was outstanding in the principal amount of approximately $16.30 million as of February 6, 2023. Principal and interest payments based on LIBOR are payable monthly during the Index Interest Period. The Series 2017 Bonds have a final maturity date of January 5, 2039.

Impact:

Approval of the related Resolution will provide consent to changes as agreed by the Borrower and the Bank that will extend the Initial Mandatory Tender Date one year from March 7, 2023 to March 7, 2024, and switch the index rate used to determine the variable rate of interest borne on the outstanding Series 2017 Bonds from LIBOR to the secured overnight financing rate published by the Federal Reserve Bank of New York ("**SOFR**"). The net effect of the index rate substitution for the Borrower is anticipated to be less than 25 basis points per annum.

Accordingly, it is anticipated that this transaction will not be considered a reissuance for tax purposes. Bond counsel has determined that a new public hearing on the project (i.e., "**TEFRA Hearing**" as defined by Section 147(f) of the Internal Revenue Code of 1986, as amended) will not be necessary.

Background:

The Series 2017 Bonds were purchased by the Bank pursuant to an Amended and Restated Bond and Loan Agreement, dated as of March 1, 2017. Thereafter, such Amended and Restated Bond and Loan Agreement was amended by a Second Amendment to Bond and Loan Agreement, dated as of April 29, 2020, and further amended by a Third Amendment to Bond and Loan Agreement, dated as of April 30, 2021. In each case, the Second Amendment to Bond and Loan Agreement and the Third Amendment to Bond and Loan Agreement was approved by the Illinois Finance Authority to defer certain principal and interest payments on the Series 2017 Bonds and temporarily waive certain covenants contained in the Amended and Restated Bond and Loan Agreement to address changes in market conditions during the COVID-19 pandemic.

Proceeds of the Series 2017 Bonds were loaned to the Borrower and used to effectuate to effectuate the refunding of the Illinois Finance Authority Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2010 (the "**Prior Bonds**"). The Prior Bonds were guaranteed by The University of Chicago.

Proceeds of the Prior Bonds were used by the Borrower in order to assist the Borrower in financing "recovery zone property" for a "qualified business" consisting of new capital expenditures, including the acquisition of the project site and the development, construction and equipping of an approximately 130-room, six-story hotel to be constructed at 5225 S. Harper Avenue in Chicago as part of a multi-use redevelopment project (Harper Court) that was planned to include approximately 150,000 square feet of office space, 100,000 square feet of retail space, and residential rental and condominium units, all within and adjacent to the hotel site and located at in Chicago, Illinois, paying capitalized interest, if any, on the Prior Bonds, and paying a portion of certain expenses incurred in connection with the issuance of the Prior Bonds.

All payments relating to the Series 2017 Bonds were current as of February 6, 2023, and have been paid as agreed by the Borrower and the Bank. Given the conduit bond financing structure, the Bank will continue to assume 100% of the Borrower default risk as the Bond Purchaser (and owner of the subject Series 2017 Bonds).

Recommendation:

The Peer Review Committee recommends approval of the related Resolution as presented.

ECONOMIC DISCLOSURE

Smart Hotels/Olympia Chicago, LLC is a single asset/special purpose entity formed by the principals of Smart Hotels, LLC and The Olympia Companies LLC.

- Smart Hotels, LLC
  20600 Chagrin Blvd., Suite 705
  Shaker Heights, Ohio 44122
- The Olympia Companies LLC
  7 Custom House Street, 5th Floor
  Portland, Maine 04101

Members of Smart Hotels/Olympia Chicago, LLC include:

1. Olympia Chicago LLC: 40.0% *
2. Smart Hotels Chicago LLC: 40.0% **
3. The Olympia Companies LLC: 8.0% *
4. SHG University Chicago LLC: 8.0% **

*Note: Through membership in the above listed entities or their affiliates, Mr. Kevin P. Mahaney, President/CEO of The Olympia Companies LLC holds a collective 7.55% ownership interest in the Borrower. Olympia Hotel Management Chicago, LLC, a Delaware limited liability company, manages the Hotel and is an affiliate of The Olympia Companies LLC.

**Note: Through membership in the above listed entities or their affiliates, Mr. Jonathan Adams, CEO of Smart Hotels, LLC holds a collective 13.46% ownership interest/control in the Borrower.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Levenfeld Pearlstein, LLC	Chicago, IL	Suzanne Karbarz Rovner
Bond Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder Austin Root
Bond Purchaser:	BMO Harris Bank, National Association	Chicago, IL	Michael M. Watson
Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
IFA Counsel:	Sanchez Daniels and Hoffman LLP	Chicago, IL	Heather Erickson