ILLINOIS FINANCE AUTHORITY

September 10, 2019
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.	Chairman'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
IX.	Monthly Procurement Report
X.	Correction and Approval of Minutes
XI.	Other Business
XII.	Closed Session
XIII.	Adjournment

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	Washington and Jane Smith Community - Beverly d/b/a Smith Village	Chicago (Cook County)	$54,000,000	-	80	SP
Property Assessed Clean Energy Bonds - Revenue Bonds *Final (One-Time Consideration)*						
2	Inland Green Trust	Statewide	$100,000,000	-	-	BF
3	SFA Partners, LLC	Statewide	$100,000,000	-	-	BF
4	Clean Fund Titling Trust	Statewide	$100,000,000	-	-	BF
TOTAL CONDUIT FINANCING PROJECTS			**$354,000,000**	**-**	**80**	

DIRECT AND ALTERNATIVE FINANCING PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
Participation Loans *Final (One-Time Consideration)*						
5	Vine Academy, LLC	Burr Ridge (Cook County)	$200,000	20	To be determined	CM
TOTAL DIRECT AND ALTERNATIVE FINANCING PROJECTS			**$200,000**	**20**	To be determined	
GRAND TOTAL			**$354,200,000**	**20**	**80**	

NEW BUSINESS

RESOLUTIONS

Tab	Action	Staff
Conduit Financings		
6	Resolution (A) Authorizing Certain Amendments and Modifications to the (i) Trust Indenture Dated as of October 1, 2000, Between the Illinois Educational Facilities Authority, a Public Instrumentality Duly Created Under the Laws of the State of Illinois (the "IEFA"), and Predecessor to the Illinois Finance Authority, a Body Politic and Corporate Duly Organized and Existing Under the Laws of the State of Illinois Pursuant to which the IEFA Issued its $12,040,000 Illinois Educational Facilities Authority Revenue Bonds, Robert Morris College, Series 2000 (the "Bonds"), and (ii) the Loan Agreement Dated as of October 1, 2000, between the IEFA and Robert Morris University Illinois (Formerly Known as Robert Morris College), an Illinois Not for Profit Corporation (the "Corporation"), Providing for the Loaning of the Proceeds of the Bonds from the IEFA to the Corporation; and (B) Authorizing and Approving Certain Related Matters	RF/BF
7	Resolution to Assist Peace Village (the "Borrower") with the Defeasance of the $22,495,000 Original Principal Amount Revenue Bonds, Series 2013 (Peace Village) ("Series 2013 Bonds") Issued by the Illinois Finance Authority (the "IFA") Pursuant to the Bond Trust Indenture Dated as of September 1, 2013 (the "Bond Indenture") Between the IFA and Amalgamated Bank of Chicago, as Bond Trustee	SP
8	Resolution Concerning the Administration of Property Assessed Clean Energy (PACE) Bond Issues of the Illinois Finance Authority and Interim Financing Related Thereto	BF
Direct and Alternative Financings		
9	Resolution Acknowledging and Consenting to Assignment of Master Participation Agreement from MB Financial Bank, N.A. to Fifth Third Bank and Approving a Participation Loan to be Made by the Illinois Finance Authority to J and L Food Services, Incorporated and Venue West, LLC under the Participation Loan Program	CM

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Chicago, IL 60601
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312-651-1350 fax
www.il-fa.com

Date: September 10, 2019

To: Eric Anderberg, Chairman
Michael W. Goetz, Vice Chairman
James J. Fuentes
William Hobert
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Roxanne Nava
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
Randal Wexler
Jeffrey Wright
Bradley A. Zeller

From: Christopher B. Meister, Executive Director

Subject: ***Message from the Executive Director***

Dear Member of the Authority:

Washington and Jane Smith Community – Beverly d/b/a Smith Village

Today, we welcome ***Washington and Jane Smith Community – Beverly d/b/a Smith Village*** to the Authority's agenda. Smith Village, an Illinois not-for-profit corporation, operates a continuing care retirement community in Chicago's Morgan Park neighborhood. It is anticipated that the bond proceeds will be used to modernize the existing facility and to refund prior bonds issued by the Authority. We are pleased to play a role in improving the quality of life for the seniors who call Smith Village home.

Property Assessed Clean Energy ("PACE") and Other Matters

Development of the Authority's PACE bond financing services continues to make progress. Today, the Authority is being asked to consider bond resolutions on behalf of PACE projects funded by Inland Green Trust, Clean Fund Titling Trust, and SFA Partners, LLC. Additionally, an omnibus resolution authorizing interim financing by capital providers and a related fee schedule is being presented for consideration.

Finally, for your consideration we have a new participation loan for Vine Academy, LLC and resolutions concerning amendments to documents relating to certain outstanding conduit bonds and a previously approved participation loan.

Respectfully,

Christopher B. Meister
Executive Director

CONDUIT

September 10, 2019

$54,000,000 (not-to-exceed)
Washington and Jane Smith Community – Beverly d/b/a Smith Village

REQUEST	**Purpose**: Bond proceeds will be used by Washington and Jane Smith Community – Beverly d/b/a Smith Village (the "*Corporation*" the "*Borrower*" or "*Smith Village*") to (i) pay or reimburse the Corporation for the costs of constructing, renovating, remodeling and equipping certain facilities of the Corporation, including, but not limited to, the modernization of, and the repair of end of life building and system deficiencies in, the skilled nursing care building; (ii) refund all or a portion of the outstanding Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Smith Village) (the "*Series 2016A Bonds*"), Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Smith Village) (the "*Series 2016B Bonds*") and Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016C (Smith Village) (the "*Series 2016C Bonds*" and, together with the Series 2016A Bonds and the Series 2016B Bonds, the "*Prior Bonds*"); (iii) pay a portion of the interest on the Bonds, if deemed necessary or desirable by the Authority and/or the Corporation; (iv) provide working capital, if deemed necessary or desirable by the Authority and/or the Corporation; (v) establish a debt service reserve fund, if deemed necessary or desirable by the Authority and/or the Corporation; and (vi) pay certain fees or expenses incurred in connection with the refunding of the Prior Bonds (including, without limitation, termination fees in connection with interest rate swap agreements related to the Prior Bonds) and the issuance of the Bonds. The skilled nursing care building was originally constructed in 1991. The structure of poured in place concrete (floors, columns and roof) is in good condition. The windows, doors and roof are in fair condition showing effects of age and are at the end on their lifespan. Most of the mechanical/electric/plumbing systems are 28 years old and are the end of their life span. The objectives of the modernization project are to increase skilled nursing care private rooms per market demand, address certain building and system deficiencies that are at end of life, to create a more homelike atmosphere for the residents in skilled nursing care and to relocate the physical therapy room to the first floor for more efficient proximity to the short-term rehab unit. The project will take approximately three years to complete. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTION	Final Bond Resolution (*one-time consideration)*
MATERIAL CHANGES	None. This is the first time this project is being presented to the IFA Board of Directors.
JOB DATA	215 FTEs Current jobs -0- New jobs projected N/A Retained jobs 80 Construction jobs projected
DESCRIPTION	• Location (Chicago/Cook County/Northeast Region) • Smith Village an Illinois not-for-profit corporation located in Chicago's Morgan Park neighborhood. Smith Village is CARF Accredited and operates a continuing care retirement community consisting of 149 independent living units, 58 traditional assisted living units, 24 memory care assisted living units, and 100 skilled nursing beds (number of skilled nursing beds will be 78 after the completion of the project; although the bed count will be reduced, the number of private skilled nursing rooms will increase from 18 to 66).
SECURITY	The Bonds will be secured by a first mortgage on (i) the Borrower's interest in the community and all fixtures and property, (ii) all assets of the Borrower including inventory, accounts receivable, leasehold improvements and equipment and (iii) pledge of gross revenues including an assignment of interest in all rents and leases.
STRUCTURE	• The plan of finance contemplates the direct purchase of the Bonds, issued in one or more series, by First Midwest Bank and Huntington Bank. • The Bonds will be issued as floating rate debt and will be swapped to provide the Borrower with synthetic fixed rate debt. • The final maturity of the Bonds is expected to be no later than December 31, 2049.

ESTIMATED SOURCES AND USES	**Sources:**		**Uses:**	
	IFA Bonds	$54,000,000	New Money	$22,314,570
			Capitalized Interest	1,162,000
			Refunding	29,656,500
			Costs of Issuance	866,930
	Total	**$54,000,000**	**Total**	**$54,000,000**
RECOMMENDATION	Project Review Committee recommends approval.			

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 10, 2019

Project: Washington and Jane Smith Community – Beverly d/b/a Smith Village

STATISTICS

Project Number:	12459	Amount:	$54,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sara Perugini
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

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

PURPOSE

Bond proceeds will be used by Washington and Jane Smith Community – Beverly d/b/a Smith Village (the "Corporation" the "Borrower" or "Smith Village") to (i) pay or reimburse the Corporation for the costs of constructing, renovating, remodeling and equipping certain facilities of the Corporation, including, but not limited to, the modernization of, and the repair of end of life building and system deficiencies in, the skilled nursing care building; (ii) refund all or a portion of the outstanding Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Smith Village) (the "Series 2016A Bonds"), Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Smith Village) (the "Series 2016B Bonds") and Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016C (Smith Village) (the "Series 2016C Bonds" and, together with the Series 2016A Bonds and the Series 2016B Bonds, the "Prior Bonds"); (iii) pay a portion of the interest on the Bonds, if deemed necessary or desirable by the Authority and/or the Corporation; (iv) provide working capital, if deemed necessary or desirable by the Authority and/or the Corporation; (v) establish a debt service reserve fund, if deemed necessary or desirable by the Authority and/or the Corporation; and (vi) pay certain fees or expenses incurred in connection with the refunding of the Prior Bonds (including, without limitation, termination fees in connection with interest rate swap agreements related to the Prior Bonds) and the issuance of the Bonds.

The skilled nursing care building was originally constructed in 1991. The structure of poured in place concrete (floors, columns and roof) is in good condition. The windows, doors and roof are in fair condition showing effects of age and are at the end on their lifespan. Most of the mechanical/electric/plumbing systems are 28 years old and are the end of their life span. The objectives of the modernization project are to increase skilled nursing care private rooms per market demand, address certain building and system deficiencies that are at end of life, to create a more homelike atmosphere for the residents in skilled nursing care and to relocate the physical therapy room to the first floor for a more efficient proximity to the short-term rehab unit. The project will take approximately three years to complete.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal tax-exempt status on interest earned on the Bonds paid to bondholders, thereby reducing the Borrower's interest expense.

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$54,000,000	New Money	$22,314,570
		Capitalized Interest	1,162,000
		Refunding	29,656,500
		Costs of Issuance	866,930
Total	**$54,000,000**	**Total**	**$54,000,000**

JOBS

Current employment:	215 FTEs	Projected new jobs:	-0-
Jobs retained:	N/A	Construction jobs:	80

FINANCING SUMMARY

Structure: The plan of finance contemplates the direct purchase of the Bonds, issued in one or more series, by First Midwest Bank and Huntington Bank. The Bonds will be secured by a first mortgage on (i) the Borrower's interest in the community and all fixtures and property, (ii) all assets of the Borrower including inventory, accounts receivable, leasehold improvements and equipment and (iii) pledge of gross revenues including an assignment of interest in all rents and leases.

Interest Rate: First Midwest Bank and Huntington Bank will set the rate on the day of pricing.

Interest Rate Modes: The Bonds will be issued as floating rate debt and swapped to fixed rate debt.

Credit Enhancement: None.

Maturity: The final maturity on the debt is expected to be no later than December 31, 2049.

Estimated Closing Date: October 15, 2019

PROJECT SUMMARY

Purpose: Bond proceeds will be used by Washington and Jane Smith Community – Beverly d/b/a Smith Village (the "Corporation" the "Borrower" or "Smith Village") to (i) pay or reimburse the Corporation for the costs of constructing, renovating, remodeling and equipping certain facilities of the Corporation, including, but not limited to, the modernization of, and the repair of end of life building and system deficiencies in, the skilled nursing care building; (ii) refund all or a portion of the outstanding Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016A (Smith Village) (the "Series 2016A Bonds"), Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016B (Smith Village) (the "Series 2016B Bonds") and Illinois Finance Authority Variable Rate Revenue Refunding Bonds, Series 2016C (Smith Village) (the "Series 2016C Bonds" and, together with the Series 2016A Bonds and the Series 2016B Bonds, the "Prior Bonds"); (iii) pay a portion of the interest on the Bonds, if deemed necessary or desirable by the Authority and/or the Corporation; (iv) provide working capital, if deemed necessary or desirable by the Authority and/or the Corporation; (v) establish a debt service reserve fund, if deemed necessary or desirable by the Authority and/or the Corporation; and (vi) pay certain fees or expenses incurred in connection with the refunding of the Prior Bonds (including, without limitation, termination fees in connection with interest rate swap agreements related to the Prior Bonds) and the issuance of the Bonds.

The skilled nursing care building was originally constructed in 1991. The structure of poured in place concrete (floors, columns and roof) is in good condition. The windows, doors and roof are in fair condition showing effects of age and are at the end on their lifespan. Most of the mechanical/electric/plumbing systems are 28 years old and are the end of their life span. The objectives of the modernization project are to increase skilled nursing care private rooms per market demand, address certain building and system deficiencies that are at end of life, to create a more homelike atmosphere for the residents in skilled nursing care and to relocate the physical therapy room to the first floor for a more efficient proximity to the short-term rehab unit. The project will take approximately three years to complete.

BUSINESS SUMMARY

Smith Village is an Illinois not-for-profit corporation located in Chicago's Morgan Park neighborhood. Smith Village is CARF Accredited and operates a continuing care retirement community consisting of 149 independent living units, 58 traditional assisted living units, 24 memory care assisted living units, and 100 skilled nursing beds (number of skilled nursing beds will be 78 after the completion of the project; although the bed count will be reduced, the number of private skilled nursing rooms will increase from 18 to 66).

Smith Village's related corporate parent and operating organizations ("Affiliates") include Washington and Jane Smith Home d/b/a Smith Senior Living ("Smith Senior Living"), Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing ("Smith Crossing"), and Smith Cares LLC ("Smith Cares"). Smith Senior Living is the parent organization to Smith Village. Smith Senior Living is also the sole member of Smith Cares, which provides nursing and maintenance services to residents of Smith Village and Smith Crossing.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Washington and Jane Smith Community – Beverly d/b/a Smith Village
Site Address:	Smith Village 2320 W. 113th Place Chicago, IL 60643
Contact:	Raymond Marneris Chief Financial Officer Smith Senior Living 2320 W. 113th Place, Suite 2326 Chicago, IL 60643 773-474-7350 rmarneris@smithseniorliving.org
Website:	www.smithvillage.org
Project name:	Washington and Jane Smith Community – Beverly d/b/a Smith Village, Series 2019 Bonds
Organization:	Illinois 501(c)(3) Not-for-Profit Corporation

Board Members (501(c)(3)):

Thomas L. Hogan, Chair
Ann Haskins, Vice Chair
Hugh J. Ahern
Alice E. Keane
Steven J. Murphy
Anne Z. Schaible
Michael P. Stanton
Kay E. Thurn (*ex-officio*)

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Quarles & Brady LLP	Chicago, IL	Margaret Utterback
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	John Bibby
Borrower's Financial Advisor and Swap Advisor:	Marathon Capital Strategies, LLC	Haddonfield, NJ	Alex Dinkels
Banks:	First Midwest Bank	Chicago, IL	Kim McMahon
	Huntington Bank	Chicago, IL	Irene Hale
Bank Counsel:	Dentons	Chicago, IL	Kathryn Ashton
Bond Trustee:	UMB Bank	New York, NY	David Massa
Development Consultant	Eventus Strategic Partners	Philadelphia, PA	Alan Wells
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	Heather Erickson
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden, Brittany Whelan

LEGISLATIVE DISTRICTS

Congressional:	1
State Senate:	14
State House:	27

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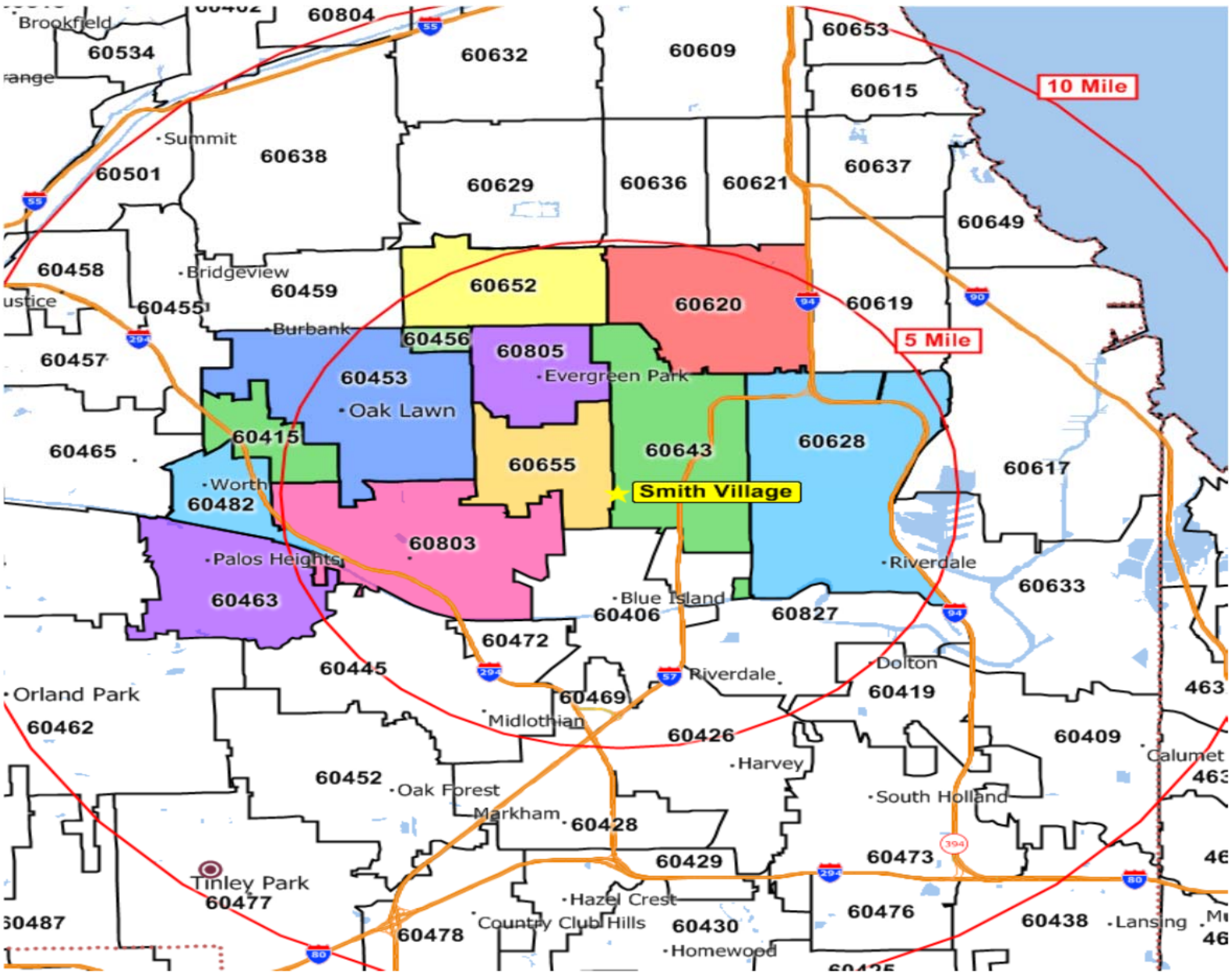
MARKET AREA

The market area is based on analysis of Smith Village's (the "Community") historical resident admissions by zip code for, independent living, assisted living and nursing levels of care. The market area consists of 12 zip codes that all fall on or within a five mile radius from the Community. Resident admissions for the past three years were analyzed. The market area accounts for 78% of the Community's independent living admissions, 70% of the Community's assisted living admissions and 75% of the Community's skilled nursing admissions during this time period.



160 North LaSalle Street
Suite S-1000
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Date: September 10, 2019

To: Eric Anderberg, Chairman
James J. Fuentes
Michael W. Goetz
William Hobert
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Roxanne Nava
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
J. Randal Wexler
Jeffrey Wright
Bradley A. Zeller

From: Brad R. Fletcher, Vice President

Subject: ***Issuance of Property Assessed Clean Energy Revenue Bonds***

At the request of Inland Green Trust, a Delaware statutory trust (the "**Capital Provider**" and any designated transferee as "**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 Initial Purchaser or its designated transferee.

Respectfully submitted,

/s/ Brad R. Fletcher
Vice President

PACE BOND RESOLUTION

RESOLUTION AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT TO EXCEED $100,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY TAXABLE PROPERTY ASSESSED CLEAN ENERGY REVENUE BONDS FOR PURCHASE BY INLAND GREEN TRUST 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, Inland Green Trust, a Delaware statutory trust (the "Capital Provider") wishes to purchase PACE Bonds, or have such PACE Bonds purchased by its transferee or designee, secured by Assessment Contracts related to a PACE Program administered on behalf of or at the direction of a governmental unit by a Program Administrator;

WHEREAS, such PACE Bonds shall be issued pursuant to a Master Indenture (a "Master Indenture") among the Authority, the applicable Program Administrator 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, the Bond Trustee and the Capital Provider as Initial Purchaser (or its Designated Transferee as defined in the applicable Issuance Certificate); 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 and the Capital Provider) pursuant to an Assignment Agreement (an "Assignment Agreement" and together with the Master Indenture and 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 a Master Indenture and a related Issuance Certificate 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 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 a Master Indenture and any Issuance Certificate and purchased by the Capital Provider or an affiliate thereof as "Initial Purchaser" (as defined in the applicable Master Indenture) or its Designated Transferee (as defined in the Master Indenture) collectively, "PACE Bond Purchaser") shall not exceed $100,000,000;

(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, provided the PACE Bonds may be subject to serial maturities or mandatory bond sinking fund redemption as provided in a Master Indenture and applicable Issuance Certificate;

(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;

(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 a 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 a 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 in a 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 a 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 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 to serve in such offices on an interim basis (each an "*Authorized Officer*"), and the delivery and use, of the PACE Bond 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 Bond Document. The definitive PACE Bond Documents shall be substantially in the forms previously provided to the Members 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 Bond 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 Bond 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 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 Bond 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 Bond 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 Bond 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.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
September 10, 2019

Capital Provider: Inland Green Trust

BOARD ACTION

PACE Bond Resolution (*One-Time Consideration*)
No extraordinary conditions.

Amount: Not to exceed $100,000,000
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 Initial Purchaser 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

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Sources:		**Uses:**	
PACE Bonds	$100,000,000	Energy Project Costs (including but not limited to Capitalized Interest and/or Debt Service Reserve Funds, if any)	$100,000,000
Total	**$100,000,000**	**Total**	**$100,000,000**

FINANCING SUMMARY

The conduit transactions authorized by the PACE Bond Resolution will not be rated. The plan of finance contemplates that the Initial Purchaser, as an Accredited Investor and 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 Initial Purchaser.

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 Initial Purchaser 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 an assessment contract shall run with the property until the assessment is paid in full and shall have the same priority and status as other property tax and special assessment liens. The Initial Purchaser 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.

The governmental unit of government (or any permitted assignee) shall have all rights and remedies in the case of default or delinquency in the payment of an assessment as it does with respect to delinquent property taxes and other delinquent special assessments as set forth Article 9 of the Illinois Municipal Code, including the lien, sale and foreclosure remedies described therein.

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 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/
Initial Purchaser
Ownership: Inland Green Trust is a Delaware statutory trust of which 100% of the beneficial ownership interest is held by Inland Green Capital LLC, a Delaware limited liability company.

- Inland Green Capital LLC
  2901 Butterfield Rd.
  Oak Brook, IL 60523

Managers of Inland Green Capital LLC: Timothy D. Hutchison and Mark Pikus.

PROFESSIONAL & FINANCIAL

Capital Provider/ Initial Purchaser:	Inland Green Trust	Wilmington, DE	Wilmington Trust
Authority Financial Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden Brittany Whelan
	Sycamore Advisors, LLC	Indianapolis, IN	Courtney Tobin Diana Hamilton

SERVICE AREA

The PACE Bond Resolution authorizes the Initial Purchaser 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

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

Date: September 10, 2019

To: Eric Anderberg, Chairman
James J. Fuentes
Michael W. Goetz
William Hobert
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Roxanne Nava
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
J. Randal Wexler
Jeffrey Wright
Bradley A. Zeller

From: Brad R. Fletcher, Vice President

Subject: ***Issuance of Property Assessed Clean Energy Revenue Bonds***

At the request of SFA Partners, LLC, a Delaware limited liability company (the "**Capital Provider**" and any designated transferee as "**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 Initial Purchaser or it designated transferee.

Respectfully submitted,

/s/ Brad R. Fletcher
Vice President

PACE BOND RESOLUTION

RESOLUTION AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT TO EXCEED $100,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY TAXABLE PROPERTY ASSESSED CLEAN ENERGY REVENUE BONDS FOR PURCHASE BY SFA PARTNERS, 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, SFA Partners, LLC, a Delaware limited liability company (the "Capital Provider") wishes to purchase PACE Bonds, or have such PACE Bonds purchased by its transferee or designee, secured by Assessment Contracts related to a PACE Program administered on behalf of or at the direction of a governmental unit by a Program Administrator;

WHEREAS, such PACE Bonds shall be issued pursuant to a Master Indenture (a "Master Indenture") among the Authority, the applicable Program Administrator 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, the Bond Trustee and the Capital Provider as Initial Purchaser (or its Designated Transferee as defined in the applicable Issuance Certificate); 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 and the Capital Provider) pursuant to an Assignment Agreement (an "Assignment Agreement" and together with the Master Indenture and 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 a Master Indenture and a related Issuance Certificate 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 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 a Master Indenture and any Issuance Certificate and purchased by the Capital Provider or an affiliate thereof as "Initial Purchaser" (as defined in the applicable Master Indenture) or its Designated Transferee (as defined in the Master Indenture) collectively, "PACE Bond Purchaser") shall not exceed $100,000,000;

(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 30 years from the date of their issuance, provided the PACE Bonds may be subject to serial maturities or mandatory bond sinking fund redemption as provided in a Master Indenture and applicable Issuance Certificate;

(d) no PACE Bonds for sale to the PACE Bond Purchaser shall bear interest at stated rates exceeding 15.00% 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;

(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 a 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 a 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 in a 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 a 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 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 to serve in such offices on an interim basis (each an "*Authorized Officer*"), and the delivery and use, of the PACE Bond 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 Bond Document. The definitive PACE Bond Documents shall be substantially in the forms previously provided to the Members 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 Bond 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 Bond 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 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 Bond 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 Bond 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 Bond 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.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
September 10, 2019

Capital Provider: SFA Partners, LLC

BOARD ACTION

PACE Bond Resolution (*One-Time Consideration*)	Amount: Not to exceed $100,000,000
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 Initial Purchaser 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

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Sources:		**Uses:**	
PACE Bonds	$100,000,000	Energy Project Costs (including but not limited to Capitalized Interest and/or Debt Service Reserve Funds, if any)	$100,000,000
Total	**$100,000,000**	**Total**	**$100,000,000**

FINANCING SUMMARY

The conduit transactions authorized by the PACE Bond Resolution will not be rated. The plan of finance contemplates that the Initial Purchaser, as an Accredited Investor and 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 Initial Purchaser.

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 Initial Purchaser 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 an assessment contract shall run with the property until the assessment is paid in full and shall have the same priority and status as other property tax and special assessment liens. The Initial Purchaser 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.

The governmental unit of government (or any permitted assignee) shall have all rights and remedies in the case of default or delinquency in the payment of an assessment as it does with respect to delinquent property taxes and other delinquent special assessments as set forth Article 9 of the Illinois Municipal Code, including the lien, sale and foreclosure remedies described therein.

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 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/ Initial Purchaser Ownership: SFA Partners, LLC is a Delaware limited liability company that is 60%-owned by L. Jean Dunn, Jr., and 40%-owned by PacWest Properties LLC, a Delaware limited liability company.

- L. Jean Dunn, Jr.
  1605 San Pablo
  San Marcos, CA 92078
- PacWest Properties, LLC
  2140 S. DuPont Highway
  Camden, DE 19934

Managers of SFA Partners, LLC: L. Jean Dunn Jr., and John Krappman.

PROFESSIONAL & FINANCIAL

Capital Provider/ Initial Purchaser:	SFA Partners, LLC	San Marcos, CA	L. Jean Dunn, Jr. John Krappman
Authority Financial Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden Brittany Whelan
	Sycamore Advisors, LLC	Indianapolis, IN	Courtney Tobin Diana Hamilton

SERVICE AREA

The PACE Bond Resolution authorizes the Initial Purchaser 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

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

Date: September 10, 2019

To:

Eric Anderberg, Chairman	George Obernagel
James J. Fuentes	Terrence M. O'Brien
Michael W. Goetz	Roger Poole
William Hobert	Beth Smoots
Mayor Arlene A. Juracek	J. Randal Wexler
Lerry Knox	Jeffrey Wright
Lyle McCoy	Bradley A. Zeller
Roxanne Nava	

From: Brad R. Fletcher, Vice President

Subject: ***Issuance of Property Assessed Clean Energy Revenue Bonds***

At the request of Clean Fund Titling Trust, a Delaware statutory trust (the "**Capital Provider**" and any designated transferee as "**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 Initial Purchaser or its designated transferee.

Respectfully submitted,

/s/ Brad R. Fletcher
Vice President

PACE BOND RESOLUTION

RESOLUTION AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT TO EXCEED $100,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY TAXABLE PROPERTY ASSESSED CLEAN ENERGY REVENUE BONDS FOR PURCHASE BY CLEAN FUND TITLING TRUST 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, Clean Fund Titling Trust, a Delaware statutory trust (the "Capital Provider") wishes to purchase PACE Bonds, or have such PACE Bonds purchased by its transferee or designee, secured by Assessment Contracts related to a PACE Program administered on behalf of or at the direction of a governmental unit by a Program Administrator;

WHEREAS, such PACE Bonds shall be issued pursuant to a Master Indenture (a "Master Indenture") among the Authority, the applicable Program Administrator 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, the Bond Trustee and the Capital Provider as Initial Purchaser (or its Designated Transferee as defined in the applicable Issuance Certificate); 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 and the Capital Provider) pursuant to an Assignment Agreement (an "Assignment Agreement" and together with the Master Indenture and 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 a Master Indenture and a related Issuance Certificate 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 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 a Master Indenture and any Issuance Certificate and purchased by the Capital Provider or an affiliate thereof as "Initial Purchaser" (as defined in the applicable Master Indenture) or its Designated Transferee (as defined in the Master Indenture) collectively, "PACE Bond Purchaser") shall not exceed $100,000,000;

(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, provided the PACE Bonds may be subject to serial maturities or mandatory bond sinking fund redemption as provided in a Master Indenture and applicable Issuance Certificate;

(d) no PACE Bonds for sale to the PACE Bond Purchaser shall bear interest at stated rates exceeding 15.00% 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;

(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 a 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 a 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 in a 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 a 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 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 to serve in such offices on an interim basis (each an "*Authorized Officer*"), and the delivery and use, of the PACE Bond 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 Bond Document. The definitive PACE Bond Documents shall be substantially in the forms previously provided to the Members 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 Bond 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 Bond 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 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 Bond 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 Bond 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 Bond 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.

ILLINOIS FINANCE AUTHORITY
PROJECT SUMMARY REPORT
September 10, 2019

Capital Provider: Clean Fund Titling Trust

BOARD ACTION

PACE Bond Resolution (*One-Time Consideration*)
No extraordinary conditions.

Amount: Not to exceed $100,000,000
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 Initial Purchaser 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

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Sources:		**Uses:**	
PACE Bonds	$100,000,000	Energy Project Costs (including but not limited to Capitalized Interest and/or Debt Service Reserve Funds, if any)	$100,000,000
Total	**$100,000,000**	**Total**	**$100,000,000**

FINANCING SUMMARY

The conduit transactions authorized by the PACE Bond Resolution will not be rated. The plan of finance contemplates that the Initial Purchaser, as an Accredited Investor and 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 Initial Purchaser.

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 Initial Purchaser 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 an assessment contract shall run with the property until the assessment is paid in full and shall have the same priority and status as other property tax and special assessment liens. The Initial Purchaser 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.

The governmental unit of government (or any permitted assignee) shall have all rights and remedies in the case of default or delinquency in the payment of an assessment as it does with respect to delinquent property taxes and other delinquent special assessments as set forth Article 9 of the Illinois Municipal Code, including the lien, sale and foreclosure remedies described therein.

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 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/ Initial Purchaser Ownership: Clean Fund Titling Trust is a Delaware statutory trust of which 100% of the beneficial ownership interest is held by Cleanfund Commercial PACE Capital, Inc., a Delaware corporation.

- Cleanfund Commercial PACE Capital, Inc.
  2330 Marinship Way, Suite 100
  Sausalito, CA 94965

The CEO of Cleanfund Commercial PACE Capital, Inc. is Lain Gutierrez.

PROFESSIONAL & FINANCIAL

Capital Provider/ Initial Purchaser:	Clean Fund Titling Trust	Wilmington, DE	Wilmington Trust
Authority Financial Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden Brittany Whelan
	Sycamore Advisors, LLC	Indianapolis, IN	Courtney Tobin Diana Hamilton

SERVICE AREA

The PACE Bond Resolution authorizes the Initial Purchaser to purchase PACE Bonds issued by the Authority for energy projects statewide.

LEGISLATIVE DISTRICTS

Congressional: TBD
State Senate: TBD
State House: TBD

NON-CONDUIT

$200,000
VINE ACADEMY, LLC
PRODUCT TYPE : PARTICIPATION LOAN (WITH SUBORDINATION TO BANK)

September 10, 2019

REQUEST	**Purpose:** Wintrust Bank is requesting the IFA (the Authority) to participate $200,000, 43.7% of a total commercial term loan of $400,000 to finance a portion of proposed leasehold improvements to be completed for the commercial property located at 6880 North Frontage Road, Burr Ridge, IL. Vine Academy, LLC has outgrown its current location at 125 S. Vine Street, Hinsdale, IL and is seeking to make leasehold improvements to a new K-12 academic and office space, in order to accommodate the Academy's significant recent enrollment growth (from 71 to 92). The leasehold improvements financed by the Borrower will be reimbursed by the property's owner/landlord (**Burr Ridge WLG, LLC, a Nebraska-based limited liability company**) after year five of the lease. **Product Type:** Participation Loan **IFA Funds at risk:** $200,000 **Conditions:** Subject to all Wintrust Bank conditions, including but not limited the subordination of IFA's $200,000 Participation amount to the bank's $400,000 potential exposure to this Borrower.
BOARD ACTIONS	1. Final Participation Loan Resolution; 2. Waive 40% Project Cost Requirement due to the Authority's percentage of the project financing consisting of 43.7%; and 3. Voting Record: None prior
MATERIAL CHANGES	N/A. This is the first time this project has been presented to the IFA Board of Directors.
JOB DATA	16 Current jobs — 20 New jobs projected within next 2 years N/A Retained jobs — TBD Construction jobs projected
BORROWER DESCRIPTION	Vine Academy, LLC (The Borrower). The Borrower is a 100% woman-owned enterprise. Established in 2014, Vine Academy, LLC is a for-profit private school for students, grades K through 12, currently located in Hinsdale, IL. Vine Academy, LLC provides a full-time education to 92 students in a customized, small group setting.
SECURITY & COLLATERAL	1. Unlimited Personal Guarantees, Joint & Several, from Amanda Vogel, (70% Owner) and Pari Schacht (30% Owner); 2. Second Mortgage on the Personal Residence of Amanda Vogel; and 3. First Priority Blanket Lien on all Business Assets of the Borrower.
PROPOSED STRUCTURE	Wintrust Bank is the Participating Bank Construction Loan Period will be funded by Wintrust Bank: Six-month construction period and periodic draws, monthly interest-only payments with a Variable Interest Rate based on WSJ Prime + 1.00%. The Construction Loan will convert to a term loan with a 5-year term/7-year amortization; monthly Principal Plus Interest payments; and a Fixed Interest Rate of 6.25%. ***IFA will not close and fund its $200,000 participation until Wintrust Bank converts its Construction Loan to a Permanent Loan.*** Blended/Weighted Rate of 5.25%. Bank Rate: Fixed at 6.25%, IFA Rate: Fixed at 4.25%.

SOURCES AND USES	**Sources:**		**Uses:**	
	New Bank Loan:	$200,000	Project Cost:	$458,000
	($400,000 split between Bank and IFA 50/50)	200,000		
	IFA Participation (Subordinated)			
	Cash Equity	58,000		
	Total	**$458,000**	**Total:**	**$458,000**
RECOMMENDATION	Project Review Committee recommends approval.			

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 10, 2019

Project: Vine Academy, LLC
(Unlimited Guarantees, Joint & Several, from Amanda Vogel and Pari Schacht)

STATISTICS

Project Number: #38153		Amount:	$200,000
Type: Participation Loan		IFA Staff:	Charles Myart, Jr.
County/Region: Cook County/Northeast		City:	Burr Ridge

BOARD ACTION

Participation Loan Resolution
IFA Funds contributed: $200,000

Staff request: Approval subject to Wintrust Bank conditions.
PL Structure: IFA subordinates its interest in collateral to Bank.
Conditions: Subject to Borrower satisfying all bank conditions. IFA subordinated to all Bank exposure to Borrower.

Requested Policy Exception): Based on the structure proposed by Wintrust, the $200,000 IFA participation would fund approximately 43.7% of total project cost (in excess of the 40.0% Participation Loan policy standard, which would otherwise cap the IFA participation loan amount at $183,200). Nevertheless, IFA and the Bank would be splitting a 50-50 participation in the $400,000 loan originated by Wintrust Bank to finance the Project in the manner contemplated for this Program. The Project will fund capital improvements for a 100% woman-owned enterprise.

Project Review Committee recommends approval.

VOTING RECORD

None. This is the first time the project has been considered.

PURPOSE

Loan proceeds will be used to finance a portion of the costs of capital expenditures, including the buildout and leasehold improvements to the new, substantially larger space for Vine Academy, LLC located at 6880 North Frontage Road, Burr Ridge, IL. The Borrower will be renovating approximately 13,671 S.F (25.4%) of the total 53,731 S.F of 6880 N. Frontage Road building, as well as constructing a new 2,500 S.F. play area on the site.

IFA PROGRAM AND CONTRIBUTION:

Under its Participation Loan Program, IFA participates in bank loans financing projects for business, industry, farmers and agri-industry. The Authority will participate in loans for up to 7 years at a rate of interest that is variable or fixed for up to 5 years at up to 200 basis points below the originating lender's rate on its portion. *The Authority is subordinated to the lender's collateral position, and generally funds up to the lesser of 40% of a project's total cost, 50% of a specific loan facility within an overall project, or $300,000.* IFA's participation mitigates some of the bank's credit risk, and provides Borrowers with access to capital and a reduced interest rate.

VOLUME CAP

Not Applicable

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$200,000	Uses:	Buildout of New Premises	$458,000
	Wintrust Bank	200,000			
	Cash Equity	58,000			
	Total:	**$458,000**	**Total:**		**$458,000**

FINANCING SUMMARY/STRUCTURE

Security:	The Loan will be secured by a First Priority Blanket Lien; a UCC-1 filing, on all Business Assets of Vine Academy, LLC; and a second mortgage on the personal residence of Amanda Vogel. IFA will be subordinated to Wintrust Bank's total credit exposure to the Borrower. Unlimited Personal Guarantors, Joint & Several: Amanda Vogel and Pari Schacht.
Structure/Interest Rates/Blended Rate:	Six-month construction period with a variable interest rate based on WSJ Prime + 1.00% converting to a term loan with Five-year term and Seven-year amortization with monthly principal plus interest payments upon completion. During the permanent term loan period, the Bank's interest rate will be fixed at 6.25% while the Authority's interest rate will be fixed at 4.25% (i.e., 200 basis points below the Bank's interest rate of 6.25%, consistent with the IFA Participation Loan structure). Accordingly, the blended rate to the Borrower will be 5.25% during the Term Loan Period.
Interest Mode:	Variable for first Six-Months (Construction Period)/Fixed (Term Loan Period). The Authority will not participate in financing the Construction Loan Period. (IFA's Participation Loan will not fund until Wintrust Bank converts the Construction Loan to a permanent term loan upon completion of construction.)
Maturity Estimated:	Five-year term with a Seven-year amortization.
Estimated Closing Date:	Within 60-90 days of approval.

Summary: The Borrower is seeking approval for a $400M term loan (to be split 50/50 between Wintrust and IFA) to be used to finance leasehold improvements/buildout costs (i.e., capital expenditures) for classroom space and an outdoor play area located at 6880 North Frontage Road, Burr Ridge, IL. The buildout/leasehold improvements will accommodate student growth and classroom space required to expand enrollment. This loan will have a five-year term, fully-amortizing over seven years at a blended/weighted rate of 5.25%.

The 6880 North Frontage Road property will replace the Borrower's existing location at 125 S. Vine Street in Hinsdale, IL (formerly a Lutheran school). Vine Academy, LLC has outgrown its existing space which it has operated out of since August 2012. (Vine Academy, LLC previously operated under the business name of Nurturing Wisdom Academy from its founding in 2004 until 2014.)

The Borrower has provided the Bank with a copy of the project budget which detailed construction costs of $371M for the proposed tenant buildout. In addition, the Borrower plans to construct a new, 2,500 S.F. outdoor play area. Construction costs for the outdoor play area total $87M.

The builder (general contractor) for the buildout of the new facility will be **BLC Construction, LLC** of Chicago, while the builder for the outdoor playground area will be **BCI Burke Co.** (see bciburke.com). It should be noted the construction budget provided by the Borrower does not include a contingency fund. In addition, an interest reserve will not be established as the Borrower will service the interest-only payments out of pocket during the construction period. The proposed project will be completed in approximately 90 days.

The Borrower provided the Bank with a copy of the lease agreement between the Borrower and the landlord (**Burr Ridge WLG, LLC, a Nebraska based company**) for the 6880 North Frontage Road property. The lease details an initial term of 11 years, set to commence in September 2019 and expire

September 2030, with one, five-year renewal option. The initial base rental rate is $15.00 per S.F. If Vine Academy decides to exercise the five-year renewal option, it will extend the expiration of the lease to September 2035. It should be noted that the commercial property located at 6860-6880 North Frontage Road property is improved with two buildings containing 53,731 S.F. of aggregate, gross building area; however the Borrower will occupy 13,671 S.F. or 25.4% of the 6880 building (location of school) and 2,500 S.F. of space in the surface parking lot of the property (outdoor play area). The Borrower will also utilize the turnaround drive (loop) as a drop-off area for parents.

Pursuant to the facility lease agreement, the Borrower will be responsible for the costs associated with the build-out of the school and construction of the outdoor play area; however, the build-out and construction costs will be subject to reimbursement from the landlord. The Borrower shall provide the landlord with a copy of the construction plans and costs to be reviewed and approved. In addition, the Borrower's general contractor and subcontractors must also be approved by the landlord. *The Borrower will receive a construction allowance on the leased premises, excluding the S.F. of the outdoor area.* The Borrower will be able to apply this construction allowance to all soft costs and hard costs incurred; however Vine Academy, LLC may not apply more than 7% of the total construction allowance for FF&E and low voltage wiring. ***The leasehold improvements financed by the Borrower will be reimbursed by the property's landlord on November 30, 2024.*** The relationship manager reported that the remaining outstanding proposed term loan balance ($400,000) – Estimated Principal Payments ($295,244) = Remaining Balance ($104,756 at November 30, 2024) that will be subsequently paid off upon receipt of this reimbursement.

Project Rationale: Vine Academy, LLC is currently renting space in a former Lutheran school building (the Lutheran School had closed about a decade ago) and Vine will be relocating to a new space that will be custom-designed for its needs. The current school facility has deteriorated and its current owner has major concerns with the condition of the building's plumbing and boiler. Vine Academy, LLC's current landlord asked the company to find a new location due to the landlord's belief that it will no longer be able to maintain the property due to the cost of necessary upgrades.

As a result of deterioration of the existing property and the Borrower's existing and anticipated growth plans, Management found it necessary to evaluate expansion at a new location. Ultimately, the Borrower committed to expand into the new Burr Ridge space subject to an eleven-year lease. Vine Academy's management believes the new location will accommodate anticipated growth over the proposed term of the lease (11 years).

Use of Funds: The property located at 6880 North Frontage Road, Burr Ridge, IL was partially occupied by a private, for-profit college (Everest College), which occupied approximately 13,671 S.F. of the 53,731 S.F. building. The leased space to be used by Vine Academy will require the following improvements:

- Build-out twelve classrooms for literature, writing, and math instruction;
- Updated paint, flooring, chalk boards/white boards, and other building finishes;
- Construction of a 2,500 S.F. outdoor playground (on a portion of the existing surface parking lot);
- Construction of a front office, conference room, and vestibule systems with proper security for a K-12 school;
- Make an additional entrance ADA-compliant; and
- Add sinks and water fountains to classrooms and hallways.

Timing: The transaction is expected to close within 60-90 days of approval.

BUSINESS SUMMARY

Established in 2014, Vine Academy, LLC is a for-profit private school for students, grades K through 12, currently located in Hinsdale, IL. Vine Academy, LLC provides a full-time education to students in a customized, small group setting. The school currently has 92 students enrolled for the upcoming fall 2019 semester with a total staff of 16 full-time staff members. In 2018, Vine Academy, LLC was recognized for the quality of services through two accrediting bodies: The National Independent Schools Association (NIPSA) and AdvanceEd.

Vine Academy, LLC has several unique attributes that differentiate itself from its competition which are as follows:

- **Teacher-Led Customized Learning:** Every student works at his or her own pace, and teachers are able to customize each class to fit each student. Once a student masters a skill, it's time to move to the next level of challenge; when a student struggles, they are given time and individual instruction needed to master the skill before moving forward;

- **Learning is Fun:** Based on the Academy's philosophy, if structured correctly, learning can be genuinely fun on its own. Students are much more likely to enjoy learning when the curriculum is tailored to suit their individual interest and skill levels. Focusing a student on areas of learning that are challenging enough to be interesting, the student finds their "zone of proximal development" – a place that facilitates enjoyable, exciting learning;

    - Hierarchical Curriculum: Each class is structured so that new knowledge builds upon previous knowledge while new skills develop organically from prior skills and experience. By paying attention to the order in which information is presented and new skills are introduced, teachers enable students to integrate new knowledge with what they have learned, thereby gaining deeper understanding rooted in solid foundations.

- **Passion & Curiosity:** Ownership/Management believes that students should be allowed and encouraged to pursue their own interests during school. Fostering passion and curiosity in students, Vine Academy devotes two periods each day for project-based learning. During this time, students take on intensive, graded projects focused on their areas of interest. Students learn key executive functioning skills such as managing time and working toward larger goals, while enjoying freedom within an overarching structure to create projects they love;

- **Ownership:** the teaching staff believes that students should have ownership over their learning. Teachers are in charge of structuring learning and challenging students, but students must also take ownership of their learning and participation. From setting goals to decorating classrooms to planning field trips, any opportunity in which students can take "ownership" is embraced. The teaching staff wants Vine Academy students to be invested in their own success, both at school and beyond;

- **Rigor-Without-Anxiety:** The Owners of Vine Academy believes that parents do not have to choose between a high quality academic education and their child's mental health. Learning takes place in a comfortable, relaxed environment. This intentionally low-stress, homework-free structure supports rigorous education beneficial to each student. Ownership seeks to maximize each student's executive functioning skills by gradually increasing the difficulty of work according to individual ability. Through this model, students learn how to handle increasingly rigorous work, leading to an education that is challenging and engaging, not overwhelming; and

- **No Homework Policy:** Vine Academy's Owners believe that homework teaches very little, creating far more problems than it solves. Arguments, late nights, stress, and time away from essential childhood activities are all consequences of homework, and research continues to show homework does not create a net benefit. When students leave school in the afternoon, conditions have been created so that they can go home and relax, spend time with family, and participate in a variety of after school activities. At Vine Academy, skills needed to complete homework can be taught, and the school actively instructs students to develop them. A sustained focus on independent study, breaking down large tasks into manageable pieces, and developing study techniques are some of the essential skills the school prioritize as students are readied for their next level of education.

Vine Academy's Daily Class Plan: The Academy provides (i) three small classes per day (5-8 students per class) for skill-based subjects including literature, writing and mathematics to facilitate more individualized learning and (ii) three large classes per day (up to 18 students per class) for content-related subjects such as science, history and Spanish in more of a traditional classroom setting.

Mixed-Age Groupings: Another key element of Vine Academy, LLC is that student classrooms are in mixed aged groupings. The age groupings contain no more than a three-year span. Further, the Academy provides each student with two full periods of project-based learning each day. This interdisciplinary class encourages in-depth and hands-on exploration of topics, creative thinking and independent learning.

Vine's Growth Plan: Vine Academy, LLC's plan is to add approximately ten students and three staff members per year until it reaches a size no greater than 200 students and 30 staff members. Hours of operation for Vine Academy, LLC are currently 7:45am-4:15pm during a typical school year calendar and 8:00am-3:00pm for four weeks during the summer.

Market Competition:

- Vine Academy, LLC has defined itself in a market where there are few innovative private school options. The Borrower "sells" the school not by disparaging a traditional model, but rather by showing that many students simply need differentiated options.
- Vine Academy, LLC considers its most direct competitors to be traditional education, via the local public and Catholic schools. Most of the Academy's students come from those schools when that traditional model has proven not to be the right fit for them.
- Vine Academy, LLC does not see itself as in competition with the few other unique schools nearby. Each of the schools has a different niche and frequently refers to each other. Avery Coonley (a school for gifted K-8 students in Downers Grove), Fusion Academy (an all 1:1 teaching school in Oak Brook for target grades 6-12) and Seton Montessori (pre-K through Grade 6 in Clarendon Hills) are the closest examples. The Owners have found that by promoting each other rather than competing, they are promoting the idea that there is simply a need for more options for our children overall.

Amanda Vogel

- Director and founder of Vine Academy, LLC.
- Previously served as Vice President of Nurturing Wisdom, Inc. for more than a decade. Main roles while at Nurturing Wisdom, Inc. included hiring and training tutors, as well as, developing curriculum.
- Per Ms. Vogel, Vine Academy, LLC was created based on the principal's vision to go beyond the scope of tutoring and provide a full-time instructional experience reflecting an individualized independent study model.
- Vine Academy, LLC was a project under the umbrella of Nurturing Wisdom, Inc. for the first two years. In year three, Pari Schacht encouraged Amanda Vogel to take over majority ownership in the school and the name was changed to Vine Academy, LLC as part of the ownership change in 2014.
- Ms. Vogel graduated from Truman State University (Kirksville, MO) in August 2002 with Masters of Arts degree in Education.

Pari Schacht

- Serves as President of Nurturing Wisdom, LLC, an Illinois based, in-home, 1-on-1 tutoring company and precursor to Vine Academy, LLC.
- Investor and advisor for Vine Academy, LLC.
- Currently resides in California and recently founded (and opened) Mission Montessori School in San Francisco, CA.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicants:	Vine Academy, LLC
Project Location:	6880 North Frontage Road, Burr Ridge, IL 60527 (Cook County)
Borrower:	Vine Academy, LLC
Ownership:	Amanda Vogel (Director/Founder/70% Owner) & Pari Schacht (30% Owner)
Current Owner of Property (Landlord):	Burr Ridge WLG, LLC, c/o Mr. Arun Agarwal, 110404 Essex Court, Suite 101, Omaha, NE 68114

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Dubin Singer Phillips, PC	Chicago	Richard Dubin
Accountant:	R. Lloyd & Company, Ltd	Chicago	
Originating Bank:	Wintrust Bank	Chicago	T. Carson
General Contractor:	BLC Construction, LLC	Chicago	
Outdoor Playground:	BCI Burke Co.	Fond du Lac, WI	
Property Owner/ Landlord:	Burr Ridge WLG, LLC	Omaha, NE	Arun Agarwal

LEGISLATIVE DISTRICTS

New Project Site – 6880 N. Frontage Rd., Burr Ridge, IL 60527

Future Congressional:	11
Future State Senate:	41
Future State House:	82

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: September 10, 2019

Re: Resolution (A) Authorizing Certain Amendments and Modifications to the (i) Trust Indenture Dated as of October 1, 2000, Between the Illinois Educational Facilities Authority, a Public Instrumentality Duly Created Under the Laws of the State of Illinois (the "IEFA"), and Predecessor to the Illinois Finance Authority, a Body Politic and Corporate Duly Organized and Existing Under the Laws of the State of Illinois Pursuant to which the IEFA Issued its $12,040,000 Illinois Educational Facilities Authority Revenue Bonds, Robert Morris College, Series 2000 (the "Bonds"), and (ii) the Loan Agreement Dated as of October 1, 2000, between the IEFA and Robert Morris University Illinois (Formerly Known as Robert Morris College), an Illinois Not for Profit Corporation (the "Corporation"), Providing for the Loaning of the Proceeds of the Bonds from the IEFA to the Corporation; and (B) Authorizing and Approving Certain Related Matters
IFA Series 2000 File Number: 10945

Request:

Robert Morris University Illinois (f/k/a Robert Morris College), an Illinois not for profit corporation (the "**University**" or "**Borrower**"), is requesting approval of a Resolution to (i) authorize the execution and delivery of a First Supplemental Trust Indenture and First Supplemental Loan Agreement and (ii) approve related documents to provide U.S. Bank N.A. as Trustee with additional security on the outstanding Illinois Educational Facilities Authority Revenue Bonds, Robert Morris College, Series 2000 (the "**Bonds**") in exchange for consideration from National Public Finance Guarantee Corporation providing forbearance until June 30, 2020 related to a covenant breach.

In November 2000, IEFA issued the Bonds underwritten by Bank One Capital Markets, Inc. (the "**Underwriter**") as both serial maturities and term bonds with mandatory sinking fund redemptions. The final maturity date of the Bonds is June 1, 2030. Issued in the aggregate principal amount of $12.04 million, Moody's assigned a "Aaa" insured long-term rating reflecting original bond insurer MBIA's long-term debt rating at that time. Payment of the principal and interest on the Bonds is currently insured by a financial guaranty policy administered by National Public Finance Guarantee Corporation (the "**Bond Insurer**").

The Bonds were sold without an underlying rating on Robert Morris College, and the University remains a non-rated institution. The current insured rating on the Bonds is "Baa2" (Moody's). Moody's downgraded the insured rating to "Baa2" as of January 17, 2018, reflecting a downgrade in the credit rating of all bonds credit-enhanced by the Bond Insurer. All payments relating to the Bonds are current and have been paid as scheduled. The current outstanding balance of the Series 2000 Bonds was approximately $6.80 million as of September 1, 2019.

The Borrower will provide the Trustee additional security on the Bonds in the form of (i) a funded debt service reserve fund, and (ii) a mortgage and security agreement with respect to certain real and personal property located at:

- 82 Orland Square Drive, Orland Park, IL;
- 43 Orland Square Drive, Orland Park, IL; and
- 3101 Montvale Drive, Springfield, IL.

The University's facility at 82 Orland Square Drive, Orland Park, IL was financed with proceeds of the Bonds and is currently in use as both administrative and classroom space. However, the University's facilities at 43 Orland Square Drive, Orland Park, IL and 3101 Montvale Drive, Springfield, IL have been vacated and are currently for sale. The University anticipates utilizing any proceeds from the sale of its vacated facilities to redeem a portion of the outstanding Bonds.

Impact:

Approval of this Resolution would provide consent to changes as agreed to by the University and the Bond Insurer. Specifically, in exchange for the Bond Insurer providing a waiver until June 30, 2020 related to the required Maintenance of Unrestricted Net Assets by the University, the University is pledging to the Trustee a funded debt service reserve fund and a mortgage and security agreement related to the three facilities identified above.

The proposed changes authorized by the Resolution will preserve existing bondholder security as the Bonds will remain credit-enhanced by the Bond Insurer, thereby resulting in no adverse impact.

Background:

Proceeds of the Bonds were used by the Borrower to (i) finance or reimburse itself for a portion of the costs of the acquisition, construction, renovation, improvement and equipping of certain of its facilities constituting "educational facilities" as more fully described in the following Exhibit A (the "Project"), (ii) finance a portion of the interest payable on the Bonds, and (iii) pay certain costs incurred in connection with the issuance of the Bonds.

EXHIBIT A

PROJECT DESCRIPTION	ESTIMATED COST*
Additional space build-out at existing Chicago Loop Campus, including a fitness center, offices and classrooms	$1,200,000
Leasehold improvements and furniture, fixtures and equipment for new campus in Aurora	5,440,000
Acquisition of land and construction and furnishing of new facilities at existing Orland Park Campus	11,250,000
Leasehold improvements and furniture for new campus in Peoria, including classrooms, offices and administrative support facilities	1,130,000
Leasehold improvements and furniture for new campus in Bensenville, including classrooms, offices and administrative support facilities	980,000
TOTAL	$20,000,000

The costs of those projects not financed with Bond proceeds were paid for with funds of the Borrower.

Recommendation:

Staff recommends approval of the accompanying Resolution in the form presented (see pp. 4-7).

PROFESSIONAL & FINANCIAL

Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Chris Walrath
Borrower:	Robert Morris University Illinois	Chicago, IL	Arlene R. Regnerus
Borrower Counsel:	McDermott Will & Emery LLP	Chicago, IL	David Deyoe
Insurer:	National Public Finance Guarantee Corporation	Purchase, NY	Rob Blake Brian Cooney
Insurer Counsel:	Kutak Rock LLP	Omaha, NE	B. Hans Ipson Debbie Ruskin
Trustee:	U.S. Bank N.A.	Chicago, IL	Linda Garcia Susan Shallenberger
IFA Financial Advisor:	Sycamore Advisors LLC	Chicago, IL	Diana Hamilton Courtney Tobin

RESOLUTION NO. 2019-0910-CF__

RESOLUTION (A) authorizing certain amendments and modifications to the (i) Trust Indenture dated as of October 1, 2000, between the Illinois Educational Facilities Authority, a public instrumentality duly created under the laws of the State of Illinois (the "IEFA"), and predecessor to the Illinois Finance Authority, a body politic and corporate duly organized and existing under the laws of the State of Illinois pursuant to which the IEFA issued its $12,040,000 Illinois Educational Facilities Authority Revenue Bonds, Robert Morris College, Series 2000 (the "Bonds"), and (ii) the Loan Agreement dated as of October 1, 2000, between the IEFA and Robert Morris University Illinois (formerly known as Robert Morris College), an Illinois not for profit corporation (the "Corporation"), providing for the loaning of the proceeds of the Bonds from the IEFA to the Corporation; and (B) authorizing and approving certain related matters.

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by the Illinois Finance Authority Act, as amended (the "Act") and is the successor to the Illinois Educational Facilities Authority (the "IEFA"), the original issuer of the $12,040,000 Illinois Educational Facilities Authority Revenue Bonds, Robert Morris College, Series 2000 (the "Bonds"); and

WHEREAS, the Bonds were issued pursuant to the provisions of the Trust Indenture dated as of October 1, 2000 (the "Original Indenture") between the IEFA and U.S. Bank National Association, as successor trustee (the "Trustee"); and

WHEREAS, the proceeds from the sale of the Bonds were loaned to Robert Morris University Illinois (formerly known as Robert Morris College), an Illinois not for profit corporation (the "Corporation"), pursuant to the Loan Agreement dated as of October 1, 2000 (the "Original Loan Agreement"), between the IEFA and the Corporation; and

WHEREAS, the payment of the principal of and interest on the Bonds when due is insured, under a Financial Guaranty Insurance Policy (the "Bond Insurance Policy") issued by MBIA Insurance Corporation, a New York stock insurance corporation ("MBIA"); and

WHEREAS, National Public Finance Guarantee Corporation ("National"), a stock insurance corporation, duly organized and existing under the laws of the State of New York, is the reinsurer of the

Bonds pursuant to the Amended and Restated Quota Share Reinsurance Agreement effective as of January 1, 2009 (the "Reinsurance Agreement"), by and between MBIA and National, and is the Administrator for the policies reinsured under the Reinsurance Agreement pursuant to the Administrative Services Agreement effective as of January 1, 2009 by and between MBIA and National (National and MBIA are collectively referred to herein as the "Bond Insurer"); and

WHEREAS, the Bond Insurer has requested that the Corporation provide the Trustee with additional security for the Bonds in the form of (i) a funded debt service reserve fund, and (ii) a mortgage and security agreement with respect to certain real and personal property of the Corporation (collectively, the "Additional Security"); and

WHEREAS, the Original Indenture may be amended without the consent of, or notice to the holders of the Bonds pursuant to Section 901(d) thereto which allows for amendments to the Original Indenture to be made in order to subject additional revenues or other property or collateral to the lien and pledge thereof, and the Original Loan Agreement may be amended as necessary to conform its terms to the amendments being made to the Original Indenture; and

WHEREAS, the Corporation has requested that the Authority approve the delivery of the Additional Security and that it authorize the amendments, modifications and/or supplements to the Original Indenture and the Original Loan Agreement to provide for the provision of the Additional Security; and

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

(a) the First Supplemental Trust Indenture (the "First Supplemental Indenture," and together with the Original Indenture, the "Indenture") to be entered into between the Authority and the Trustee, amending and supplementing the Original Indenture, and providing for the delivery of the Additional Security for the Bonds; and

(b) the First Supplemental Loan Agreement (the "First Supplemental Loan Agreement," and together with the Original Loan Agreement, the "Loan Agreement") to be entered into between the Authority and the Corporation, amending and supplementing the

Original Loan Agreement, and providing for the delivery of the Additional Security for the Bonds; and

WHEREAS, the Authority desires to provide for such amendments, modifications and/or supplements;

NOW, THEREFORE, Be It Resolved by the Authority that:

Section 1. *Approval of Additional Security.* The Authority hereby approves the delivery of the Additional Security as more fully described in the First Supplemental Indenture and the First Supplemental Loan Agreement.

Section 2. *Authority Documents.* The Authority hereby authorizes and approves the execution (by manual or facsimile signature) of the Authority Documents 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 or otherwise authorized to act as provided by resolutions of the Authority (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 to affix the official seal of the Authority to any Authority Document if required. The Authority Documents shall be substantially in the forms 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 forms of the Authority Documents and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the provision of the Additional Security.

Section 3. *Authorization and Ratification of Related Matters.* 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 supplement to the Tax Exemption Agreement and Certificate delivered in connection with the original issuance of the Bonds, and documents necessary for the amendment of any of the Authority Documents) as may be necessary to carry out and comply with the provisions of this Resolution, the Authority Documents, and the provision of the Additional Security, 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. 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 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.

Section 4. Severability; No Conflict; Effective Date. 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. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Sara Perugini

Date: September 10, 2019

Re: Resolution to Assist Peace Village (the *"Borrower"*) with the defeasance of the $22,495,000 original principal amount Revenue Bonds, Series 2013 (Peace Village) (*"Series 2013 Bonds"*) issued by the Illinois Finance Authority (the *"IFA"*) pursuant to the Bond Trust Indenture dated as of September 1, 2013 (the *"Bond Indenture"*) between the IFA and Amalgamated Bank of Chicago, as bond trustee (the *"Bond Trustee"*)
IFA 2013 File Number: H-SL-TE-CD-8623

The IFA has issued the Series 2013 Bonds for the benefit of the Borrower pursuant to the Bond Indenture. The Series 2013 Bonds are not callable until August 15, 2023, but the current interest rate environment makes refinancing the Series 2013 Bonds attractive to the Borrower. Because advance refunding the Series 2013 Bonds is not currently allowed under the Internal Revenue Code of 1986, as amended, the Borrower will use the proceeds of a taxable loan (the *"Loan"*) from First Midwest Bank to defease the outstanding Series 2013 Bonds. Proceeds of the Loan will be deposited with the Bond Trustee in an escrow account created pursuant to a supplement to the Bond Indenture. The funds deposited in the escrow account will be invested in Government Obligations (as defined in the Bond Indenture), which may include U.S. Treasury Securities - State and Local Government Series (*"SLGS"*) for which the Bond Trustee will subscribe on behalf of the IFA. The principal amount of the Government Obligations deposited in the escrow account, plus the interest income thereon, will be sufficient to pay the redemption price of the Series 2013 Bonds on the August 15, 2023 call date.

The Borrower has requested that the IFA authorize certain of its Members and officers to execute a supplement to the Bond Indenture that creates the escrow account and any documents required in connection with the defeasance of the Series 2013 Bonds, including the SLGS subscription. The supplement to the Bond Indenture is authorized by the existing terms of the Bond Indenture.

The proposed IFA resolution approves a supplement to the Bond Indenture and all actions and documents necessary to defease the Series 2013 Bonds, including for the Bond Trustee to subscribe for the SLGS to be deposited in the escrow account.

Chapman and Cutler LLP is expected to provide a defeasance opinion in connection with the defeasance of the Series 2013 Bonds.

IFA staff recommends the approval of the accompanying resolution.

RESOLUTION 2019-0910-CF07

RESOLUTION APPROVING THE CASH DEFEASANCE OF THE $22,495,000 ORIGINAL PRINCIPAL AMOUNT REVENUE BONDS, SERIES 2013 (PEACE VILLAGE) AND CERTAIN OTHER 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 of Illinois, including, without limitation, the Act, to issue its revenue bonds for the purposes set forth in the Act and to provide funds for the refunding and defeasance of any bonds deemed necessary in connection with any purpose of the Authority; and

WHEREAS, the Authority previously issued its $22,495,000 original principal amount Revenue Bonds, Series 2013 (Peace Village) (the "Series 2013 Bonds") pursuant to the Bond Trust Indenture dated as of September 1, 2013 (the "Series 2013 Indenture") between the Authority and Amalgamated Bank of Chicago (the "Series 2013 Trustee") for the benefit of Peace Village, an Illinois not for profit corporation (the "Corporation"); and

WHEREAS, the Corporation desires to borrow the proceeds of a taxable loan (the "Loan") from First Midwest Bank to defease the outstanding Series 2013 Bonds; and

WHEREAS, proceeds of the Loan will be deposited with the Series 2013 Trustee in an escrow account created pursuant to a supplement to the Series 2013 Indenture, and the funds deposited in the escrow account will be invested in Government Obligations (as defined in the Series 2013 Indenture), which may include U.S. Treasury Securities - State and Local Government Series ("SLGS") for which the Series 2013 Trustee will subscribe on behalf of the Authority; and

WHEREAS, the principal amount of the Government Obligations deposited in the escrow account, plus the interest income thereon, will be sufficient to pay the redemption price of the Series 2013 Bonds on August 15, 2023, which is the first optional redemption date therefor; and

WHEREAS, the Corporation has requested that the Authority authorize certain of its Members and officers to execute a supplement to the Series 2013 Indenture that creates the escrow account and any documents required in connection with defeasance of the Series 2013 Bonds, including the SLGS subscription; and

WHEREAS, a draft of the First Supplemental Bond Trust Indenture (the "Supplemental Bond Indenture") between the Authority and the Series 2013 Trustee, as escrow agent, establishing the escrow account has been previously provided to and is on file with the Authority; and

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

Section 1. Findings. Based on representations made by the Corporation, the Authority hereby makes the following findings and determinations with respect to the Corporation:

(a) The Corporation, a not for profit corporation organized under the laws of the State of Illinois, is qualified to do business in the State of Illinois, is a "participating health institution" (as defined in the Act) and owns and operates Peace Village in Palos Park, Illinois;

(b) The Corporation has properly filed with the Authority its request for assistance in defeasing the Series 2013 Bonds;

Section 2. Approval of Defeasance of Series 2013 Bonds. The Authority does hereby authorize the execution and delivery by the 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"*), of such documents as may be necessary to defease the Series 2013 Bonds, including without limitation the Supplemental Bond Indenture or any other agreement providing for the defeasance of the Series 2013 Bonds. The Supplemental Bond Indenture shall be substantially in the form presented to 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 Supplemental Bond Indenture, and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval 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 as may be necessary to carry out and comply with the provisions of this Resolution and the Supplemental Bond Indenture (including any documents required to subscribe for the SLGS), 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, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Supplemental Bond 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 Series 2013 Indenture.

Section 4. 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 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 Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Adopted and effective this 10th day of September, 2019:

Ayes:

Nays:

Abstain:

Absent:

ILLINOIS FINANCE AUTHORITY

By ______________________________________
Executive Director

ATTEST:

____
Assistant Secretary

[SEAL]

ILLINOIS FINANCE AUTHORITY

160 North LaSalle Street
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Chicago, IL 60601
312-651-1300
312-651-1350 fax
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Date: September 10, 2019

To: Eric Anderberg, Chairman
James J. Fuentes
Michael W. Goetz
William Hobert
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Roxanne Nava
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
J. Randal Wexler
Jeffrey Wright
Bradley A. Zeller

From: Brad R. Fletcher, Vice President

Subject: ***Resolution Concerning the Administration of Property Assessed Clean Energy (PACE) Bond Issues of the Illinois Finance Authority and Interim Financings Related Thereto***

Request:

The accompanying Resolution requests approval of the Illinois Finance Authority (the "Authority") to delegate to its Chairperson, Vice Chairperson, and Executive Director (collectively, the "Authorized Officers") the authority to execute and deliver assignment agreements, reassignment agreements and assignment and forward commitment agreements ("PACE Interim Financing Documents") for interim financing of "energy projects" as defined in the Property Assessed Clean Energy Act (50 ILCS 50/1 et seq.) ("Energy Projects") by capital providers in anticipation of the issuance of PACE Bonds which have been authorized by a PACE Bond Resolution duly adopted by the Authority.

Impact:

Approval of the accompanying Resolution provides ongoing authorization for the Authority to, as needed, assign assessment contracts prior to issuance of PACE Bonds to capital providers in connection with the interim financing of Energy Projects as permitted by Section 35(k) of the Property Assessed Clean Energy Act. Capital providers can therefore more efficiently manage requisition draws by record owners of property until the acquisition, construction, installation, or modification of Energy Projects is complete. When Energy Projects have been completed, capital providers will re-assign the related assessment contracts to the Authority as security for issuance of PACE Bonds as required under the PACE Interim Financing Documents. Upon satisfaction of certain conditions precedent in the PACE Interim Financing Documents, the Authority will issue PACE Bonds for purchase by the respective capital providers.

Background:

Counties and municipalities that have established PACE areas assign assessment contracts to the Authority to utilize is standardized, efficient, and affordable Commercial Property Assessed Clean Energy ("C-PACE") bond financing services. In connection with the implementation of the Authority's C-PACE bond financing services, staff recognized that an Energy Project with significant costs and an extended construction timeline presents concerns for both capital providers and record owners of property if the Energy Project is financed with proceeds of PACE Bonds during the construction period.

PACE Bonds secured by recorded assessment contracts require a capital provider to disburse all project funds into a separate and distinct trust even if the record owner of property does not have an immediate need to requisition all project funds, creating an opportunity loss for the capital provider. Furthermore, PACE Bonds secured by recorded assessment contracts require a record owner of property to pay interest on project funds not otherwise immediately required upon closing of the transaction. For the record owner of property, this also creates negative arbitrage as the interest rate paid on the debt is higher than the interest rate earned on the money that will be used to repay the debt.

Recommendation:

Authority staff recommends approval of the accompanying Resolution.

Respectfully submitted,

/s/ Brad R. Fletcher
Vice President

RESOLUTION 2019-0910-CF__

RESOLUTION CONCERNING THE ADMINISTRATION OF PROPERTY ASSESSED CLEAN ENERGY (PACE) BOND ISSUES OF THE ILLINOIS FINANCE AUTHORITY AND INTERIM FINANCINGS RELATED THERETO

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"); and

WHEREAS, the Authority is authorized pursuant to the Act in general and Article 825 thereof specifically, to issue revenue bonds to finance, among other things, "PACE Projects" (as defined or provided for in the Act);

WHEREAS, pursuant to the Property Assessed Clean Energy Act (50 ILCS 501/ *et seq.*) (the "PACE Act"), "governmental units" (as defined in the PACE Act, each a "Governmental Unit" hereunder) 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" (as defined in the PACE Act, each a "Program Administrator" hereunder);

WHEREAS, pursuant to the PACE Act, a "record owner" (as defined in the PACE Act, each a "Record Owner" hereunder) of "property" (as defined in the PACE Act, each a "Property" hereunder) within a PACE Area may apply to a Governmental Unit or its Program Administrator to finance or refinance certain "energy projects" (as defined in the PACE Act, and "PACE Projects" as defined in the Act, which are known as "Energy Projects" herein) and 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 its Program Administrator;

WHEREAS, such PACE Bonds shall be issued pursuant to a Master Indenture (a "Master Indenture") among the Authority, the applicable Program Administrator and a bank or trust company selected by the "capital provider" (as defined in the PACE Act, each a "Capital Provider" hereunder) 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, the Bond Trustee and the Capital Provider as the Initial Purchaser of such PACE Bonds (or its Designated Transferee as defined in the applicable Issuance Certificate), and a PACE Bond Resolution of the Authority authorizing the issuance of PACE Bonds for purchase by the Capital Provider subject to certain parameters (the "PACE Bond Resolution");

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 and the Capital Provider) pursuant to an Assignment Agreement (an "Assignment Agreement" and together with the Master Indenture and Issuance Certificate, the "PACE Bond Documents"), executed by the Authority and the applicable Governmental Unit;

WHEREAS, prior to the issuance of PACE Bonds, a Capital Provider may establish a "warehouse fund" (as defined in the PACE Act, each a "Warehouse Fund" hereunder) to provide interim financing secured by the related Assessment Contracts for the Energy Projects ("PACE Interim Financing") to be financed with such PACE Bonds which may require the execution of additional assignment agreements, reassignment agreements and assignment and forward commitment agreements (collectively, the "PACE Interim Financing Documents") by the Authority pursuant to which the Authority assigns the related Assessment Contracts to the Capital Provider providing the PACE Interim Financing until such time as the PACE Bonds are issued and pursuant to which the Authority agrees to issue the PACE Bonds subject to the parameters set forth in the applicable PACE Bond Resolution;

WHEREAS, a Record Owner or Program Administrator or Capital Provider (each being hereinafter referred to as a "PACE Participant") may request that the Authority execute such PACE Interim Financing Documents to allow for PACE Interim Financing until such time as PACE Bonds may be purchased by the applicable Capital Provider.

WHEREAS, in order to facilitate such PACE Interim Financings, the Authority wishes to delegate to its Chairperson, Vice Chairperson, and Executive Director (collectively, the "Authorized Officers"), the authority to, upon the request of a PACE Participant, (i) execute and deliver, or approve, one or more PACE Interim Financing Documents, and certain Other Documents (as hereinafter defined) and (ii) to give certain consents or approvals relating to such PACE Interim Financing Documents in order to accommodate PACE Interim Financings, and to take all other actions necessary in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY as follows:

Section 1. The PACE Interim Financing Documents. The Authority does hereby authorize and approve the execution and delivery of PACE Interim Financing Documents in anticipation of the issuance of PACE Bonds which have been authorized by a PACE Bond Resolution duly adopted by the Authority provided that such PACE Interim Financing Documents do not violate any parameter set forth in the PACE Bond Resolution; the Authority hereby delegates to each Authorized Officer the authority to approve the form, terms and provisions of each PACE Interim Financing Document on behalf of the Authority; each

Authorized Officer be, and each of them hereby is, authorized, empowered and directed to execute and deliver, and the Secretary or any Assistant Secretary of the Authority be and each of them hereby is, authorized, empowered and directed to attest in the name, for and on behalf of the Authority, and thereupon to cause such PACE Interim Financing Document to be delivered, each such PACE Interim Financing Document to be in substantially the form approved by the Authorized Officer executing the same, the execution thereof to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of the form, terms and provisions thereof; when each PACE Interim Financing Document is executed and delivered on behalf of the Authority, such PACE Interim Financing Document shall be binding on the Authority; and from and after the execution and delivery of each PACE Interim Financing Document, 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 PACE Interim Financing Document as executed.

Section 2. 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, consents, approvals or undertakings of the Authority to effect the PACE Interim Financing Document and the foregoing described matters (collectively, the "Other Documents"), (ii) approve the execution and delivery of such other documents, certificates and undertakings of other parties, including, without limitation, any PACE Participant and (iii) take such other actions as may be necessary or desirable in connection with carrying out and complying with this Resolution, effecting the PACE Interim Financing Documents, and the foregoing described matters and/or the execution, delivery and performance of the PACE Interim Financing Documents and the Other Documents; and that all of the acts and doings of the Authorized Officers which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and hereby are authorized, ratified, approved and confirmed.

Section 3. The Authority's Fee Schedule. The Authority's Fee Schedule for fees payable in conjunction with the execution and delivery of PACE Interim Financing Documents in anticipation of the issuance of PACE Bonds and which is attached hereto as Exhibit 1 is hereby approved in all respects.

Section 4. Authorization to Remain in Effect. The foregoing authorizations and approvals shall remain in full force and effect until rescinded by further action of the Authority.

Section 5. Delivery of Resolution. The Authorized Officer executing any PACE Interim Financing Document or any Other Document pursuant to this Resolution is hereby authorized to deliver a certified copy of this Resolution as evidence that the Authority has approved the same if the requirements of this Resolution are met.

Section 6. Other Acts. All acts of the officers, employees and agents of the Authority which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 7. 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 8. No Conflict. All resolutions and orders, or parts thereto in conflict herewith are hereby superseded to the extent of such conflict.

Section 9. Incorporation of Preambles; Enactment. The preambles are incorporated by reference as part of this Resolution. This Resolution shall take effect immediately.

Approved and effective this ___ day of September, 2019 by vote as follows:

Ayes: ______

Nays: ______

Abstain: ______

Absent: ______

Vacancies: ______

ILLINOIS FINANCE AUTHORITY

By______________________________
Executive Director

____
Assistant Secretary

[SEAL]

[Signature Page to Resolution]

4831-3862-5698.6

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312-651-1300
312-651-1350 fax
www.il-fa.com

Date: September 10, 2019

To: Members of the Illinois Finance Authority

From: Charles Myart

Subject: ***Resolution Acknowledging and Consenting to Assignment of Master Participation Agreement and Approving a Participation Loan to Be Made By the Illinois Finance Authority under the Participation Loan Program***

On June 12, 2018, the Members of the Illinois Finance Authority ("Authority") adopted Resolution No. 2018-0612-DA04 ("June 2018 Resolution"), attached hereto as Exhibit A. The June 2018 Resolution approved the making of a participation loan to J and L Food Services, Incorporated and Venue West, LLC (collectively, the "Borrower"), with MB Financial Bank, N.A. ("MB") as the participating bank, pursuant to the Master Participation Agreement entered into between the Authority and MB Financial as of May 2, 2018 ("Master Agreement").

Subsequent to the adoption of the June 2018 Resolution and before the Authority's participation could close, MB Financial merged into Fifth Third Bank ("Fifth Third"). Fifth Third has now requested that the Authority acknowledge and consent to the assignment of MB Financial's rights and obligations under the Master Agreement to Fifth Third.

This Resolution consents to such assignment by authorizing the execution of acknowledgment and consent instruments in connection with the Borrower's participation loan and potential future participation loans under the Master Agreement. This Resolution also approves the making of the participation loan to Borrower with Fifth Third, rather than MB Financial, as the participating bank.

EXHIBIT A

IFA RESOLUTION 2018-0612-DA04

APPROVING PARTICIPATION LOAN TO BE MADE BY THE ILLINOIS FINANCE AUTHORITY UNDER THE PARTICIPATION LOAN PROGRAM

WHEREAS, by Resolution 2018-0215-AD06 (the "Approving Resolution"), duly adopted by the Members of the Illinois Finance Authority (the "Authority") on February 8, 2018, the Authority authorized a Participation Loan Program (the "Program") to, among other things, support Illinois Veterans and Illinois Veteran-Owned Businesses; and

WHEREAS, the Authority has received an application from the proposed parties identified in Exhibit A to this Resolution seeking to benefit from the Program; and

WHEREAS, the application provides basis for the Authority to determine that the proposed loan will aid, assist or encourage economic growth, development or redevelopment within the State of Illinois (the "State") or any area thereof, will promote the expansion, retention or diversification of employment opportunities with the State or any area thereof or will aid in stabilizing or developing any industry or economic sector of the State economy (collectively, the "Economic Purposes").

NOW, THEREFORE, BE IT RESOLVED BY MEMBERS OF THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Recitals and Determination. The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein and the Members of the Authority hereby determine that the proposed loan will aid, assist or encourgage the Economic Purposes.

Section 2. Adoption of Participation Loan Agreement. The Members do hereby confirm, ratify and approve the making of a Participation Loan to the parties described in Exhibit A pursuant to a Master Participation Agreement No. 2018-008 dated as of May 2, 2018 with the Participating Lender shown on Exhibit A, with such changes or modifications as shall be approved from time to time, by the Executive Director, as evidenced by the execution of the specific Master Participation Agreement and any amendments thereto by the Executive Director.

Section 3. Enactment. This Resolution shall take immediate effect. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of the Resolution.

Section 4. Further Actions. The Executive Director is hereby 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 the terms and provisions of this Resolution; and all of the acts and doings of the Executive

Director of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects ratified, confirmed and approved. 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 this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

Section 5. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

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

This Resolution 2018-0612-DA04 is adopted this 12th day of June by roll call vote as follows:

Ayes:	11
Nays:	0
Abstain:	0
Absent:	3
Vacancies:	1

ILLINOIS FINANCE AUTHORITY

____
Executive Director

ILLINOIS FINANCE AUTHORITY CORPORATE SEAL ILLINOIS

[SEAL]

____
Assistant Secretary

EXHIBIT A

Borrower:	J&L Food Services, Inc., an Illinois Corporation and Venue West, LLC, an Illinois Limited Liability Company
Participating Bank:	MB Financial Bank, National Association
Maximum Principal Amount of Authority Participation:	$232,500
Final Due Date:	4 years from the date of funding
Loan Purpose:	Finance a portion of the costs of the buildout and leasehold improvements to a catering and special events venue located at 221 North Paulina Street, Chicago, IL 60612
Interest Rate payable to Authority:	Swap-Adjusted Treasury Rate plus 200 basis points (equivalent to 4.95% as of 5/16/18), Fixed.

IFA RESOLUTION 2019-0910-DA__

RESOLUTION ACKNOWLEDGING AND CONSENTING TO ASSIGNMENT OF MASTER PARTICIPATION AGREEMENT FROM MB FINANCIAL BANK, N.A. TO FIFTH THIRD BANK AND APPROVING A PARTICIPATION LOAN TO BE MADE BY THE ILLINOIS FINANCE AUTHORITY TO J AND L FOOD SERVICES, INCORPORATED AND VENUE WEST, LLC UNDER THE PARTICIPATION LOAN PROGRAM

WHEREAS, by Resolution 2018-0215-AD06 (the "Approving Resolution"), duly adopted by the Members of the Illinois Finance Authority (the "Authority") on February 8, 2018, the Authority authorized a Participation Loan Program (the "Program") to, among other things, support Illinois Veterans and Illinois Veteran-Owned Businesses; and

WHEREAS, the Authority previously received an application (the "Application") from J and L Food Services, Incorporated and Venue West, LLC (together, the "Borrower") and MB Financial Bank, N.A. (the "Original Participating Bank") seeking to benefit from the Program pursuant to Master Participation Agreement No. 2018-008 entered into by and between the Authority and the Original Participating Bank as of May 2, 2018 (the "Master Agreement"); and

WHEREAS, the Application provided the basis for the Authority to determine that the proposed loan will aid, assist or encourage economic growth, development or redevelopment within the State of Illinois (the "State") or any area thereof, will promote the expansion, retention or diversification of employment opportunities with the State or any area thereof or will aid in stabilizing or developing any industry or economic sector of the State economy (collectively, the "Economic Purposes") and provides the basis for the Authority to determine that the proposed loan will finance a "project" as defined in the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (the "Act"); and

WHEREAS, on June 10, 2018, by Resolution No. 2018-0612-AD04, duly adopted by the Members of the Authority on June 10, 2018, the Authority determined that the proposed loan would aid, assist or encourage the Economic Purposes and confirmed, ratified and approved the making of a participation loan to the Borrower and the Original Participating Bank (the "Original Participation Loan"); and

WHEREAS, certain interests of the Original Participating Bank were subsequently assumed by Fifth Third Bank (the "Successor Participating Bank"), which interests include the rights and obligations contained in the Master Agreement with respect to the Original Participation Loan; and

WHEREAS, the Successor Participating Bank has requested that the Authority consent to the assumption of such rights and obligations by executing an Acknowledgement of Assignment of Participation Agreement and Consent to Assignment relating to the Original Participation Loan and may in the future request that the Authority execute additional acknowledgments of assignment of participation agreement and consents to assignment relating to other participation loans (collectively, the "Acknowledgement and Consent"), which Acknowledgement and Consent the Authority desires to provide; and

WHEREAS, with the exception of the change of the proposed participating bank, there have been no material changes to the Application or the terms of the proposed participation loan, some of which terms are summarized on Exhibit A; and

WHEREAS, the Authority desires to approve the making of a participation loan to the Borrower and the Successor Participating Bank, as successor in interest to the Original Participating Bank; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Recitals and Determination. The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein and the Members of the Authority hereby determine that the proposed loan will finance a "project" as defined in the Act.

Section 2. Approval of Acknowledgement and Consent. The Members do hereby authorize and direct the Executive Director to execute and deliver the Acknowledgement and Consent, in such form and with such changes or modifications as the Executive Director may deem necessary or desirable.

Section 3. Adoption of Participation Loan Agreement. The Members do hereby confirm, ratify and approve the making of a participation loan to the Borrower and the Successor Participating Bank as described in Exhibit A pursuant to the Master Agreement, with such changes or modifications as shall be approved from time to time, by the Executive Director, as evidenced by the execution of the specific Master Participation Agreement and any amendments thereto by the Executive Director.

Section 4. Enactment. This Resolution shall take immediate effect. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of the Resolution.

Section 5. Further Actions. The Executive Director is hereby 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 the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects ratified, confirmed and approved. 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 this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

Section 6. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

This Resolution 2019-0910-DA__ is adopted this 10th day of September, 2019 by roll call vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

____
Executive Director

[SEAL]

____
Assistant Secretary

EXHIBIT A

Borrower:	J and L Food Services, Incorporated, an Illinois Corporation and Venue West, LLC, an Illinois Limited Liability Company
Participating Bank:	Fifth Third Bank, as successor in interest to MB Financial Bank, N.A.
Maximum Principal Amount of Authority Participation:	$232,500
Final Due Date:	4 years from the date of funding
Loan Purpose:	Finance a portion of the costs of the buildout and leasehold improvements to a catering and special events venue located at 221 North Paulina Street, Chicago, IL 60612
Interest Rate payable to Authority:	Swap-Adjusted Treasury Rate plus 200 basis points, Fixed.

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
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Date: September 10, 2019

To: Eric Anderberg, Chairman
James J. Fuentes
Michael W. Goetz
William Hobert
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Roxanne Nava
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
J. Randal Wexler
Jeffrey Wright
Bradley A. Zeller

From: Ximena Granda, Manager of Finance and Administration

Subject: ***Presentation and Consideration of Financial Reports as of August 31, 2019*****

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

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

a. **Total Annual Revenues** of $586 thousand were $213 thousand or 26.7% lower than budget primarily due to **lower** than expected closing fees. Closing fees year-to-date of $192 thousand are $244 thousand or 55.9% **lower** than budget. Annual fees of $38 thousand are $2 thousand higher than budget. Administrative Service Fees of $30 thousand are lower than budget. Application fees total $18 thousand are $14 thousand higher than budget. Total accrued interest income from loans in connection with the former Illinois Rural Bond Bank local government borrowers and other loans totaled $80 thousand (which has represented a declining asset since 2014). Net investment income position is at $227 thousand for the fiscal year and is $62 thousand higher than budget.*

b. In **August** the Authority recorded closing fees of $128 thousand which was lower than the monthly budgeted amount of $218 thousand. Additionally, the Authority recorded $17 thousand in application fees in August. Of the total application fees, the Authority posted $16 thousand as a result of processing twenty Fire Truck Revolving Loan Fund applications and eleven Ambulance Revolving Loan Fund applications.

c. **Total Annual Expenses** of $605 thousand were $195 thousand or 24.4% lower than budget, which was mostly driven by below budget spending on employee related expenses and professional services. Year-to-date, employee related expenses total $392 or $86 thousand or 17.9% lower than budget. Professional services expenses total $124 thousand or $96 thousand or 43.8% lower than budget. Annual occupancy costs of $29 thousand are 2.8% lower than budget, while general and administrative costs are $57 thousand for the year, which is 15.3% lower than budget. Total depreciation cost of $3 thousand is 15.3% below budget.

d. In **August** the Authority recorded operating expenses of $320 thousand, which was lower than the monthly budgeted amount of $400 thousand.

**** 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 Income** of **$**78 thousand was driven by higher than expected investment income. The higher than expected investment incomes is a result of the lower interest rate environment that has increased the value of the Authority's fixed income securities.

f. **Total Annual Net Loss** of $19 thousand was driven by lower than expected closing fees but offset by higher than expected net investment income.

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

In the General Fund, the Authority continues to maintain a strong balance sheet, with total net position of $59.6 million. Total assets in the General Fund are $60.0 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total $46.4 million (with $1.3 million in cash). Notes receivable from the former Illinois Rural Bond Bank local governments ("IRBB") total $8.3 million. Participation loans, DACA (pilot medical student loans in exchange for service in medically underserved areas in Illinois) and other loans receivable are $4.5 million.

3. AUTHORITY AUDITS AND REGULATORY UPDATES

The Fiscal Year 2019 Financial Audit and the two-year Compliance Examination remain on track. As the audit process progresses, updates will be provided to the Members of the Authority.

Similarly, the two internal audits remain ongoing. . As the audit process progresses, updates will be provided to the Members of the Authority.

Respectfully submitted,

/s/ Ximena Granda
Manager of Finance and Administration

ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2020 AS Of AUGUST 31, 2019
(PRELIMINARY AND UNAUDITED)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	BUDGET VARIANCE ($)	BUDGET VARIANCE (%)
Operating Revenues:																
Closing Fees	$ 63,918	$ 128,243											$ 192,161	$ 435,734	$ (243,573)	-55.9%
Annual Fees	20,242	17,983											38,225	36,000	2,225	6.2%
Administrative Service Fees	-	30,000											30,000	40,000	(10,000)	-25.0%
Application Fees	1,000	16,750											17,750	3,334	14,416	432.4%
Miscellaneous Fees	114	107											221	334	(113)	-33.8%
Interest Income-Loans	40,375	39,864											80,239	118,980	(38,741)	-32.6%
Other Revenue	125	128											253	250	3	1.2%
Total Operating Revenue:	**$ 125,774**	**$ 233,075**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 358,849**	**$ 634,632**	**$ (275,783)**	**-43.5%**
Operating Expenses:																
Employee Related Expense	$ 188,470	$ 203,812											$ 392,282	$ 478,070	$ (85,788)	-17.9%
Professional Services	53,500	70,140											123,640	219,834	(96,194)	-43.8%
Occupancy Costs	13,146	15,935											29,081	29,920	(839)	-2.8%
General & Administrative	28,909	28,106											57,015	68,666	(11,651)	-17.0%
Depreciation and Amortization	1,386	1,437											2,823	3,334	(511)	-15.3%
Total Operating Expense	**$ 285,411**	**$ 319,430**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 604,841**	**$ 799,824**	**$ (194,983)**	**-24.4%**
Operating Income(Loss)	**$ (159,637)**	**$ (86,355)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (245,992)**	**$ (165,192)**	**$ (80,800)**	**-48.9%**
Nonoperating Revenues (Expenses)																
Miscellaneous Non-Opertg Rev/(Exp)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -		$ -	n/a
Bad Debt Adjustments (Expense)	-	-											-	(6,668)	6,668	-100.0%
Interest and Investment Income	74,257	68,209											142,466	171,860	(29,394)	-17.1%
Realized Gain (Loss) on Sale of Invests	(2,678)	1,103											(1,575)	-	(1,575)	n/a
Net Appreciation (Depr) in FV of Invests	(9,285)	95,877											86,592	-	86,592	n/a
Total Nonoperating Rev (Exp)	**$ 62,294**	**$ 165,189**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 227,483**	**$ 165,192**	**$ 62,291**	**37.7%**
Net Income (Loss) Before Transfers	**$ (97,343)**	**$ 78,834**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (18,509)**	**$ -**	**$ (18,509)**	**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)	**$ (97,343)**	**$ 78,834**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (18,509)**	**$ -**	**$ (18,509)**	**n/a**

ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
August 31, 2019
(PRELIMINARY AND UNAUDITED)

		FUND
Assets and Deferred Outflows:		
Current Assets Unrestricted:		
Cash & cash equivalents		857,029
Investments		30,825,403
Receivables from pending investment sales		425,000
Accounts receivable, Net		42,740
Loans receivables, Net		196,023
Accrued interest receivable		360,985
Bonds and notes receivable		956,300
Due from other funds		17
Prepaid Expenses		261,723
Total Current Unrestricted Assets	**$**	**33,925,220**
Restricted:		
Cash & Cash Equivalents	$	-
Investments		-
Bonds and notes receivable from State component units		-
Loans receivables, Net		-
Total Current Restricted Assets	**$**	**-**
Total Current Assets	**$**	**33,925,220**
Non-current Assets:		
Unrestricted:		
Investments	$	14,281,035
Accounts receivable, Net		-
Loans receivables, Net		4,349,974
Bonds and notes receivable		7,349,537
Due from other local government agencies		-
Total Noncurrent Unrestricted Assets	**$**	**25,980,546**
Restricted:		
Cash & Cash Equivalents	$	-
Investments		-
Loans receivables, Net		-
Bonds and notes receivable from State component units		-
Total Noncurrent Restricted Assets		-
	$	**-**
Capital Assets		
Capital Assets		
Accumulated Depreciation	$	761,567
Total Capital Assets		(708,727)
	$	**52,840**
Total Noncurrent Assets		
	$	**26,033,386**
Total Assets		
	$	**59,958,606**
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred loss on debt refunding		
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$	-
	$	**-**
Total Assets & Deferred Inflows of Resources		
	$	**59,958,606**

ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
August 31, 2019
(PRELIMINARY AND UNAUDITED)

		FUND
Liabilities:		
Current Liabilities:		
Payable from unrestricted current assets:		
Accounts payable	$	60,032
Payables from pending investment purchases		-
Accrued liabilities		42,232
Due to employees		116,560
Due to primary government		1
Due to other funds		-
Payroll Taxes Liabilities		29,391
Unearned revenue, net of accumulated amortization		81,777
Total Current Liabilities Payable from Unrestricted Current Assets	**$**	**329,993**
Payable from restricted current assets:		
Accounts payable		-
Obligation under securites lending of the State Treasurer		-
Accrued interest payable	$	-
Due to other funds		-
Due to primary government		-
Current portion of long term debt		-
Other liabilities		-
Unamortized bond premium		-
Total Current Liabilities Payable from Restricted Current Assets	**$**	**-**
Total Current Liabilties	**$**	**329,993**
Noncurrent Liabilities		
Payable from unrestricted noncurrent assets:		
Noncurrent payables	$	585
Accrued liabilities		-
Bonds and notes payable from primary government		-
Bonds and notes payable from State component units		-
Noncurrent loan reserve		-
Assets	**$**	**585**
Payable from restricted noncurrent assets:		
Noncurrent payables		-
Total Noncurrent Liabilities Payable from Restricted Noncurrent	**$**	**-**
Total Noncurrent Liabilities	**$**	**585**
Total Liabilities	**$**	**330,578**
DEFERRED INFLOWS OF RESOURCES:		
Net Position:		
Net Investment in Capital Assets	$	52,840
Restricted for Low Income Community Investments		-
Unrestricted		59,593,697
Current Change in Net Position		(18,509)
Total Net Position	**$**	**59,628,028**
Total Liabilities & Net Position	**$**	**59,958,606**

ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
September 10, 2019

CONTRACTS/AMENDMENTS EXECUTED					
Procurement Type	**Vendor**	**Initial Term**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
Illinois Procurement Code-Small Purchases	Kentech Consulting	09/24/19-09/23/20	$783	Executed	Background checks
	GoDaddy Web Host	09/08/19-09/07/20	$553.75	Executed	WEB Hosting
	Chicago's On Time Courier	08/1/19-7/31/20	$2,000	Executed	Courier Services
Illinois Procurement Code Renewals	Bloomberg Finance L.P. **AnyWhere** Services	08/01/19-12/31/20	$33,490	Executed	1 Shared License for 1 Users
	Bloomberg Finance L.P. **Termina**l Services	09/09/19-09/08/21	$47,280	Execution in process	1 Shared License for 6 Users
	CDW Government LLC SQL SW	9/30/19	$3,042.92	Execution in process	Year 2 of 3 of license for MS SQL and Win server software

ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
September 10, 2019

EXPIRING CONTRACTS					
Procurement Type	**Vendor**	**Expiration Date**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
TBD	Miller Hall & Triggs, LLC	9/30/19	$9,990	TBD	Legal advice related to Ag Guaranty
	Universal Structured Financial Advisor	10/18/19	$9,960	TBD	Financial Advisory Services and Analysis
Illinois Procurement Code-Small Purchases	ClearArc Capital, Inc	9/30/19	$80,000	9 month Contract Extension being processed via Bidbuy-anticipated approval 9/13/19	Investment Management
	GoDaddy 2019) SSL Cert	10/23/19	$349.90	Renew	*.il-fa.com
	Wellspring Software, Inc.	10/30/19	$193.04	Renew	Annual support for software to print checks
	Midwest Moving & Storage	10/31/19	$1,584	Continue	Storage
	United States Postal Service Pre-Paid Postage	11/27/19	1,000	Continue	Chicago and Mt. Vernon
	Network Solutions	12/20/19	$$40	TBD	idfa.com domain renewal
Illinois Procurement Code-State Master	Logsdon Stationers, Inc.	10/31/19	$16,000	Continue with State Master	Office Supplies Master
	Premier Staffing Paralegal Temp.	11/5/2019	19,200	Renew	Paralegal Temp Service
	United Parcel Service	11/21/19	$4,000	Continue with State Master	Package Delivery Services

ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT

BOARD MEETING
September 10, 2019

EXPIRING CONTRACTS					
Procurement Type	**Vendor**	**Expiration Date**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
***Illinois Procurement Code-Contract*s**	Acacia Financial Group, Inc.	12/31/19	$132,000	Replace with new contract from RFP vendors	Financial Advisory Services
	Sycamore Advisors, LLC	12/31/19	$132,000	Replace with new contract from RFP vendors	Financial Advisory Services
	Amalgamated Bank of Chicago	01/31/20	TBD	Replace with new contract from RFP vendors	Bank Custodian Services

EXPIRING CONTRACTS-OTHER					
Procurement Type	**Vendor**	**Expiration Date**	**Estimated Not to Exceed Value**	**Action/Proposed Method of Procurement**	**Products/Services Provided**
Credit Card	Bank of America-Credit Card	06/30/20	$300,000	Continue	Credit Card
	Bank of America-Depository	06/30/20	$400,000	Continue	Bank of America Operating Account
Inter-Governmental Agreement	University of Illinois	12/20/19	$5,000	TBD	Government Finance Research Center

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

Date: September 10, 2019

Subject: ***Minutes of the August 13, 2019 Regular Meeting***

To:

Eric Anderberg, Chairman	George Obernagel
James J. Fuentes	Terrence M. O'Brien
Michael W. Goetz	Roger Poole
William Hobert	Beth Smoots
Mayor Arlene A. Juracek	Randal Wexler
Lerry Knox	Jeffrey Wright
Lyle McCoy	Bradley A. Zeller
Roxanne Nava	

Dear Members of the Authority:

Please find enclosed the Report of Proceedings prepared by Sullivan Reporting Co. (the "**Minutes**") in connection with the regular meeting of the Members of the Illinois Finance Authority (the "**Authority**"), begun and held at the Michael A. Bilandic Building, 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601, on the second Tuesday of August in the year 2019, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the "**Act**").

To aid in your review of the Minutes, please reference the following pages and line numbers for corresponding sections of the respective meeting's agenda:

ILLINOIS FINANCE AUTHORITY
REGULAR MEETING
Tuesday, August 13, 2019
9:30 AM

AGENDA:

I. Call to Order & Roll Call
(page 3, line 1 through page 5, line 16)

II. Approval of Agenda
(page 5, line 17 through page 6, line 7)

III. Public Comment
(page 16, line 20 through page 17, line 4)

IV. Chairman's Remarks
(page 6, line 8)

V. Message from the Executive Director
(page 6, line 9 through page 16, line 20)

VI. Committee Reports
(page 17, lines 5 through 12)

VII. Presentation and Consideration of New Business Items
(page 17, line 13 through page 28, line 16)

VIII. Presentation and Consideration of Financial Reports
(page 28, line 17 through page 32, line 1)

IX. Monthly Procurement Report
(page 32, line 2 through page 32, line 20)

X. Correction and Approval of Minutes
(page 32, line 21 through page 33, line 13)

XI. Other Business
(page 33, line 14 through page 34, line 6)

XII. Closed Session
(page 34, lines 7 through 10)

XIII. Adjournment
(page 34, line 11 through page 35, line 2)

The Minutes of the regular meeting of the Authority are further supplemented by a summary of the respective meeting's voting record prepared by Authority staff (the "**Voting Record**"), which is also enclosed.

Please contact an Assistant Secretary to report any substantive edits to the enclosures.

Respectfully submitted,

/s/ Ryan Oechsler
Deputy General Counsel

Enclosures: 1. Minutes of the August 13, 2019 Regular Meeting
2. Voting Record of the August 13, 2019 Regular Meeting

ILLINOIS FINANCE AUTHORITY

REGULAR MEETING OF THE MEMBERS

August 13, 2019, at 9:31 a.m.

REPORT OF PROCEEDINGS had at the Regular Meeting of the Illinois Finance Authority on August 13, 2019, at the hour of 9:30 a.m. pursuant to notice, at 160 North LaSalle Street, Suite S-1000, Chicago, Illinois.

APPEARANCES:

CHAIRMAN ERIC ANDERBERG
MR. E. LYLE McCOY
MR. JAMES J. FUENTES
MR. MIKE GOETZ
MS. BETH SMOOTS
MR. TERRENCE O'BRIEN
MS. ROXANNE NARA
MR. LERRY KNOX
MR. WILLIAM HOBERT
MR. RANDY WEXLER

ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

MR. CHRISTOPHER B. MEISTER, Executive Director

MR. BRAD FLETCHER, Vice President, C-PACE
MR. RICH FRAMPTON, Executive Vice President
MR. RYAN OECHSLER, Deputy General Counsel
MR. CRAIG HOLLOWAY, Procurement Agent
Ms. XIMENA GRANDA, Manager of Finance and Administration
Mr. Charles Myart, Vice President, Loan and Guarantee
Ms. Sara Perugini, Vice President, Healthcare

CHAIR ANDERBERG: Good morning, everybody. We will make this fast today.

I would like to call the meeting to order. Assistant Secretary, please call the roll.

FLETCHER: Certainly. The time is 9:31 a.m.

I will call the roll of members physically present first.

Mr. Fuentes.

FUENTES: Here.

FLETCHER: Mr. Hobert.

HOBERT: Here.

FLETCHER: Mr. Knox.

KNOX: Here.

FLETCHER: Mr. McCoy.

McCOY: Here.

FLETCHER: Ms. Nava.

NAVA: Here.

FLETCHER: Mr. O'Brien.

O'BRIEN: Here.

FLETCHER: Ms. Smoots.

SMOOTS: Here.

FLETCHER: Mr. Chairman.

ANDERBERG: Here.

FLETCHER: Mr. Chairman, a quorum of members physically present in the room has been constituted.

At this time I'd like to ask if any members would like to attend via audio conference.

GOETZ: Yes. This is Mike Goetz. I'm requesting to attend via audio conference due to employment purposes.

CHAIR ANDERBERG: Okay. Is there a motion to approve this request pursuant to the bylaws and policies of the Authority?

O'BRIEN: So moved.

KNOX: Second.

CHAIR ANDERBERG: Motion by Mr. O'Brien.

Second by Mr. Knox.

All those in favor?

(Chorus of ayes.)

CHAIR ANDERBERG: Opposed?

(No response.)

CHAIR ANDERBERG: The ayes have it.

FLETCHER: Mr. Chairman, Member Goetz has been added to the initial quorum rollcall.

CHAIR ANDERBERG: Okay. Does anyone wish to make any additions -- sorry. I'm sorry.

WEXLER: Yes. There's someone else on the phone.

This is Randy Wexler. I'm making a request to appear by audio for employment purposes.

CHAIR ANDERBERG: Okay. Thank you, Randy.

We need a motion to request his absence.

KNOX: So moved.

FUENTES: Second.

CHAIR ANDERBERG: We have a motion and second.

All those in favor?

(Chorus of ayes.)

CHAIR ANDERBERG: Opposed?

(No response.)

CHAIR ANDERBERG: The ayes have it.

FLETCHER: Mr. Chairman, Member Wexler has been added to the initial quorum rollcall as well.

CHAIR ANDERBERG: Okay. Does anyone wish to make any additions, edits or corrections to today's agenda?

(No response.)

CHAIR ANDERBERG: Hearing none, I would like to request a motion to approve the agenda. Is there such a motion?

O'BRIEN: So moved.

FUENTES: Second.

CHAIR ANDERBERG: Motion is seconded.

All those in favor?

(Chorus of ayes.)

CHAIR ANDERBERG: Opposed?

(No response.)

CHAIR ANDERBERG: The ayes have it.

I have no comment today.

Mr. Meister.

MEISTER: Thank you, Mr. Chairman, Members: In my written message, we discussed House Bill 3501 which Governor Pritzker signed into law.

It is the third effort to address in the last three years Property Assessed Clean Energy financing for commercial property owners. This is a conduit structure.

Our sponsors were State Senator Melinda Bush and State Representative Natalie Manley.

These two very capable legislators built on a legacy or a foundation of hard work of about a decade from former legislative leader, state representative, Lou Lang, now retired.

We worked with a host of allies, primarily led by the people on the ground, Dave McEllis and Al

Grosboll, at the Environmental Law and Policy Center, a nonprofit organization, but we also had the help of organized labor, including the AFL-CIO and the Operating Engineers, the Chicagoland Chamber of Commerce, the realtors, the bankers and a host of environmental groups.

We were supported on a bipartisan unanimous basis by all four caucuses of the General Assembly, and we think that this ultimately is going to be another very important and impactful tool that the Authority will have not only to move forward with the Governor's climate agenda, which we have been asked to participate in partnership with the Illinois Environmental Protection Agency, but also our longstanding work that we have been doing on the State Revolving Fund and the Clean Water Initiative.

I do want to recognize Brad Fletcher, who did take this idea and worked with a large number of stakeholders, not only the counsel that Elizabeth and Ryan were helping to organize, but also there are numerous market participants. There are numerous local governments, and we've built C-PACE into our revenue plans.

And, again, I cannot tell you how grateful

I am to Governor Pritzker and his team for supporting this and signing this into law over the last two weeks.

But at its heart, C-PACE is a local government program, so the initiative and the power of agency lies with home-rule units and primarily with counties across the state.

And they have their own processes to adopt ordinances. They have their own processes for procurement to engage program administrators, but I think that the work that the Authority has done over the two sessions where we were actively involved has really refocused on the back end, really reducing transaction costs, providing accountability, providing execution, and doing the sort of back-end stuff that is going to ultimately reduce the administrative costs, that is going to add value to the borrowers and the lenders.

And we are going to do it in a way that is very consistent with what we have been doing since we were created in '04, what our predecessors did in the world of conduit tax exempt financing.

The difference is going to be that there will be no tax exemption. There will be no tax credits. There will be no public funds used for debt service reserves.

The model that we're -- and, again, this is something that is in formation. We've learned from best practices from a couple dozen other states.

But we think that this is really going to move the needle for our impact under our statute, our statutory mission and to help us support ourselves.

So House Bill 3501's success has thousand parents, and that's the case here, so it was a great win, and, again, we're particularly grateful to Governor Pritzker and our sponsors and the entire legislature, because we had no opposition in either chamber.

Right, Brad?

FLETCHER: Some that was mitigated.

MEISTER: Well, there were no "nos".

FLETCHER: Again, there were no "nos".

MEISTER: Exactly. So that's the good news.

The second piece of good news, the deputy executive director, Jacob Stuckey, he shared this with you last month: We have got him at a Council of Development Finance Agencies meeting in Detroit this

week, but for the newer members, we began the last fiscal year with a transformation initiative and a planned budget deficit of about $1 million.

And we knew that in the wake of the federal tax legislation and all of the foreseeable and unforeseeable consequences of the federal tax legislation of late 2018 that we are going to have to reexamine just about everything that we did, and we have made a lot of investments.

C-PACE, I think, is the most successful to date. We hope to have more.

Charles Myart is going to talk about progress on agriculture and participation of loans.

We have actually executed a very effective succession with Sara Perugini. The Conduit Committee heard about the Moorings and Rush earlier today, but, again, when Eric and I talked in mid 2019 when we were putting together the budget, we looked like we were going to be finishing this year with $1 million loss, and we had planned for it.

The good news is that the slight profit that we shared with the Board in July appears to be holding up, and it's less than what it was last month, but in the world of government finance, the further away we get from the end of the fiscal year, even these numbers are unaudited and preliminary, the more solid they become.

And we expect to be working with the Auditor General's office that reports to the General Assembly, and we should have final audited financials sometime, if the past is any map to the future, sometime between November and January.

So it was a great collective effort by the team. We had some lucky breaks, and it does look like we're going to -- Six will share the details.

It does look like we're going to be in the black and have some net income for the organization for the fiscal year 2019 that concluded at midnight on June 30 of this year.

The third piece of good news is that we had as the newer members -- as the current members know, newer members are getting introduced to, we have three sort of fixed operating costs that are all tied to the Authority being a creature of state statute.

One is the auditor general audit process that I have touched upon; two is the procurement process that Craig Holloway is going to -- one of our newer additions is going to brief folks on, and the

third is how one hires and retains talent in a tight employment market subject to the various U.S. Supreme Court, local, Federal District Court, sort of -- Office of Executive Inspector General, the whole alphabet soup of what's broadly called in the state government context Rutan/Shakman process.

So the good news is that even though we have many differences with conventional state employment, we've worked to develop a process that we believe is consistent with the broad Rutan and Shakman process.

We've posted four jobs, two accountant jobs and two business analyst jobs, and I'm pleased to say that we've received over 200 resumes for those roles.

Sarah Mankowski, who works with human resources with us, is working through those, and ultimately for these positions we'll have three-member interviewing panels, and they will be a documented process.

And that has worked well with positions that were ultimately filled by Charles Myart and Sara Perugini and Craig Holloway, so we have a degree of confidence, and we are excited that in a tight employment market that we've made the case to potential members of the team about the value proposition, the impact that they can have if they join our team and the employer/employee value proposition, so that's all good news.

The less than great news is that we have been working -- and we will get more of this from Six. Jacob, Six, Rich, Brad, Elizabeth, Sara and I have all been working, and we think that the first quarter that will end at the end of September is going to be a little bit weaker than we had anticipated.

Going back to C-PACE, we had sort of projected some closings in the August and September range. Given this C-PACE tool reliance on the timelines of local governments, we now think that that may be more realistically October and November.

And, again, conduit tax exemption at least this year is starting slowly. That's not a surprise.

We have had many Julys and Augusts where we have started slowly. It tends to pick up towards the end of the calendar year, what's the second quarter of our fiscal year.

So a little bit of weakness or anticipated weakness in the first quarter of fiscal year '20, but

I think we're doing the right things pursuant to the transformation initiative, and we're doing the sorts of things where our current high-performing, very experienced team can be freed up for their highest and best use and that we're backfilling roles and functions with people that can ultimately grow and be part of the talent suggestion into the future.

So with that, I'll take any questions.

CHAIR ANDERBERG: Essentially C-PACE, Chris, is just the government is getting used to understanding.

MEISTER: Yes.

CHAIR ANDERBERG: Is the timeline.

MEISTER: And I think it's, as the Board Members know, conduit tax exemption at its heart is a federal tax code benefit between a private lender who may be an individual bank or it may be a variety of bondholders and an individual borrower, and we're in the middle to make sure that certain state policies are followed.

C-PACE is different because you still need something, an entity like the IFA, in the middle, but there's no public funds or public tax subsidy or exemptions or benefits.

Basically the heart of C-PACE is the security of the private loan to the private borrower is a lien. That's the equivalent of a state or local property tax lien. So you still need the machinery of the IFA, and that's what Brad has worked so hard on, with -- Brad and Elizabeth and Ryan -- with a whole variety of stakeholders.

But I think for the local governments, it's hard to wrap their minds around that there's not some sort of public dollar benefit that's going into this, and so I think they ultimately, as they have in other states, they have reached the conclusions that this is a private transaction that uses some of the mechanisms of state and local government to increase the security of the private loan, but there aren't any public dollars or public tax subsidies at risk.

I think that's going to take a little bit of time because in the states where this program has not been successful, they have taken a very public sector mindset, I'm giving you a subsidy, so you are going to have to do what I say.

In federal terms, that's basically a dormant commerce clause analysis. That's wholly absent in this case. And I think why it's going to

be ultimately successful here is because of the experience that we have with staff and the Board as an organization executing financial transactions, and when the local governments sort of start to see that their participation is minimal, they get a fairly large benefit in strengthening and diversifying their property tax base and their employment base, and I think there are a lot of benefits for climate and reduced energy usage.

But, ultimately, I think that they will come to the conclusion that there are only limited sorts of things that this financial structure will allow, and if you overload them with certain priorities, it will be a tool that's not used that will just sit in the toolbox.

And Brad has talked to states where the tool has sat in the toolbox, and he has talked to states where the tool is being used every day 12 hours a day, and we hope to be the latter.

CHAIR ANDERBERG: Okay. Thank you.

Committee reports. Mr. McCoy.

FLETCHER: Mr. Chairman, if I may, the agenda approved today called for public comment. I think we might have skipped that briefly.

CHAIR ANDERBERG: Is there any public comment?

(No response.)

CHAIR ANDERBERG: Okay. Thank you. Committee reports.

McCOY: Thank you, Mr. Chairman. The Conduit Finance Committee met earlier this morning and voted to recommend for approval the following new business items on today's agenda: No. 1, Rush University Medical Center Obligated Group, and, 2, a resolution for the Moorings of Arlington Heights, LLC.

CHAIR ANDERBERG: Thank you. I would like to ask for the general consent of the Members to consider the New Business items collectively and have a subsequent recorded vote applied to each respective individual item, unless there are any New Business items that a member would like to consider separately.

NAVA: I just had a question about Rush: In what stage is it? Because it shows in our report that there's zero construction jobs. Is it just a refinancing?

PERUGINI: They are going to be refinancing

mostly a bank line of credit that's outstanding, and then there's a little bit of new money, a reimbursement, that's also going to be laid out.

So they have completed their project, which was the majority of -- I think it was like surgical beds and expansion and also a little bit of equipment financing, so it's mostly reimbursement, mostly paying off -- down a line of credit and a little bit of new money.

NAVA: Thank you.

PERUGINI: Anything else?

NAVA: That's it.

CHAIR ANDERBERG: Thank you. Rich.

FRAMPTON: Good morning, everyone. At this time I would to note for each conduit new business item presented on today's agenda, including Item 1, the Members are considering approval only of the resolution and the not-to-exceed amount contained therein.

Item 1 is Rush University Medical Center Obligated Group. Item 1 is a 501(c)(3) Bond request. Staff requests approval of a Final Bond Resolution for Copley Memorial Hospital, Inc., as a member of the Rush University Medical Center Obligated Group in an amount not-to-exceed $40 million.

Bond Proceeds will be used by the Borrower (i) to finance or reimburse the costs of acquiring, constructing, renovating and equipping certain hospital and healthcare facilities of Copley Memorial Hospital; (ii) to refinance all or a portion of a bank line of credit issued by J.P. Morgan Chase Bank for the benefit of Copley Memorial Hospital for the purpose of paying certain costs of this project and (iii) to pay costs to the issuance of the bonds and the refinancing of the line of credit.

The Bonds will be purchased by Bank of America and will bear interest at a fixed rate.

Does any Member have any questions or comments?

(No response.)

FRAMPTON: Next item, the Moorings at Arlington Heights, LLC.

Item 2 is a Resolution authorizing the execution and delivery of an amendment to the Bond Indentures pertaining to the Series 2016 Bonds previously issued by the Authority on behalf of the Moorings of Arlington Heights.

The Series 2016 Bonds were issued in an

aggregate maximum principal amount of $69,615,000. Under the Bond Indentures, the Borrower is permitted to borrow all or a portion of the remaining balance by requesting Supplemental Advances prior to September 30, 2019.

To date, the Borrower has requested Supplemental Advances that have been funded in the amount of approximately $68,600,000 and is unable to draw the remaining portion of the aggregate maximum principal amount by September 30, 2019.

This amendment would extend the period by which the Borrower may request Supplemental Advances to December 31, 2019, in order to permit the Borrower to draw upon the remaining portion of the aggregate maximum principal amount.

Does any Member have any questions or comments?

(No response.)

FRAMPTON: Item 3: Resolution relating to the Adoption of House Bill 3501.

Item 3 is a Resolution relating to House Bill 3501. House Bill 3501 was a technical rewrite of the Property Assessed Clean Energy Act, which concurrently incorporated certain public health and natural disaster protections to the Act.

This Resolution thanks the Governor of Illinois for signing House Bill 3501 into law, thanks the General Assembly for passing House Bill 3501 unanimously in both chambers and also thanks the Environmental Law and Policy Center for supporting the passage of House Bill 3501.

Does any Member have any questions or comments?

CHAIR ANDERBERG: Okay. Thank you, Rich.

I would like to request a motion to pass and adopt the following New Business Items: Items 1, 2 and 3.

Is there such a motion?

McCOY: So moved.

O'BRIEN: So moved.

CHAIR FLETCHER: Motion by Mr. McCoy, second by Mr. O'Brien.

Will the Assistant Secretary please call the roll.

FLETCHER: Certainly. On the motion and second, I'll call the roll.

Mr. Fuentes.

FUENTES: Yes.

FLETCHER: Mr. Goetz via audio conference.

GOETZ: Yes.

FLETCHER: Mr. Hobert.

HOBERT: Yes.

FLETCHER: Mr. Knox.

KNOX: Yes.

FLETCHER: Mr. McCoy.

McCOY: Yes.

FLETCHER: Nava.

NAVA: Yes.

FLETCHER: Mr. O'Brien.

O'BRIEN: Yes.

FLETCHER: Ms. Smoots.

SMOOTS: Yes.

FLETCHER: Mr. Wexler via audio conference.

WEXLER: Yes.

FLETCHER: Mr. Chairman.

CHAIR ANDERBERG: Yes.

FLETCHER: Mr. Chairman, the motion carries.

CHAIR ANDERBERG: Thank you. Charles.

MYART: Item 4, Loan and Agricultural Bond Product Updates.

The purpose of this brief is to update the

Board on the Authority's Participation Loan Program, Beginning Farmer Bond Programs, the Iowa Tax Credit Program and their Beginning Farmer Loan Program.

The Authority's Beginning Farmer Bond Program provides affordable financing to new farmers with a net worth of $500,000 or below.

The Authority works with the borrower's local lender to provide this financing while issuing a tax exempt bond of no more than $543,800.

The lender is exempt from federal income tax on the interest income derived from the Bond.

The Iowa Finance Authority offers a similar Beginning Farmer Bond Program with two distinct differences. Their maximum net worth for the buyer is no more than $680,000, compared to the Authority's $500,000 maximum limit.

Also, the contract seller receives tax exemptions for both federal and state on the seller-provided financing, and state tax exemption has no maximum.

Both programs allow loan proceeds to be used to acquire agricultural land, new depreciable property or use depreciable property in conjunction with agricultural land.

The Authority's Beginning Farmer Program, as follows: Year-to-date we have done one farmer bond for about $180,000. Fiscal year 2019 we did 24 farmer bonds for $4.7 million, and fiscal year 2018 we did 16 farmer bonds totaling $4.6 million.

So our averages have increased in the number of deals that we have done, 2019, and we look to see some additional improvements in 2020.

And the other program that the State of Iowa offers is the Iowa Tax Credit Program. The Iowa Agricultural Development Division offers a Beginning Farmer Tax Credit Program that provides a tax incentive to keep land in production agriculture by allowing agricultural asset earners to earn credits by leasing their land to beginning farmers.

The program includes tax credits for leasing of land, depreciable machinery, equipment and buildings.

I want to take this time to thank Lorrie Karcher for her continuing efforts in handling business development, for agri-bond requests, due diligence presentations in support of Rich Frampton, fire truck and ambulance loans.

Participation business line updates: We

currently have 20 lenders enrolled in our program. Three of them signed up year-to-date. We have five potential enrollees currently reviewing our documentation, and we have a pipeline of the following: We have one deal for $400,000, of which the Authority's portion is $200,000, which is currently being underwritten by the Authority and should be presented at the September Board meeting.

We have an additional deal that's currently being underwritten by a bank. That total amount is $4 million. They are requesting the Authority to participate in $1 million.

I just received an email in between meetings that the field exam has been completed, and they are going to continue their portion of putting a deal together, so hopefully we will see that one in September as well.

There's another deal that's out for review for a client. Its total amount is 6.5 million. That participating bank is requesting the Authority to provide $1.5 million portion.

We were in discussions with five community financial development institutions for deals totaling 3.75 million, and that's in discussion

stages.

In addition, I would like to update the Board on the fact that we are continuing to look at our processes, synchronizing our auditor guidelines, our JCAR rules are close to finalization.

We will update our master agreements and other documents which are required to ensure compliance and administrative control.

Are there any questions at this time?

McCOY: Just on the Beginner Farmer Bonds: It's been pretty consistent the last two years. Is it a generational thing when the family is selling off pieces of property to other younger members?

MYART: Yes. We are finding a mixture of that, particularly with how the baby boomer segment is beginning to -- continuing to grow and retire and they are wanting to pass down those assets.

MCCOY: Would you anticipate, given what's going on in that sector in general, it to be a quieter time now?

Does the market impact it?

MYART: The response is kind of mixed. We are getting additional inquiries for Beginner Farmers.

If you look at our website data, the clicks, we are getting more clicks on Beginning Farmer. We are getting more clicks on our Agricultural products inquiries, and we are also getting additional calls from farmers to inquire about not only the Agri-Bond, Beginner Bond, but the restructuring piece and other of our loan guarantee pieces, so the market is actively inquiring, especially with the most recent decision by the U.S. Department of Agriculture with designating Illinois as a disaster area with respect to agriculture.

We are sort of waiting to kind of see where all of that sort of pans out.

Most recently I had a discussion with our counterpart over at the Department of Agriculture, and they are also trying to see whether rules are going to pan out with respect to what the USDA farm credit is going to do, and then once that dust settles, which should be about October or so, then we will kind of understand what role we'll play in helping to restructure and provide additional assistance to Illinois farmers.

McCOY: Great. Thanks.

MYART: There's no further questions?

CHAIR ANDERBERG: One quick one. You mentioned that the limit for Illinois is going to be 500 versus 680 in Iowa. Can you describe how that was determined?

MYART: Our limit is set in the statute itself. How Iowa has determined their limit, I don't know.

I had a call out to the person that manages that program, and they are going to get back with me.

As a matter of fact, they left a voicemail last night before the meeting where we can talk about how they derive these sorts of things and what makes it different and how they're successfully driving their program in Iowa.

CHAIR ANDERBERG: Thank you.

MYART: Thank you.

CHAIR ANDERBERG: Financial reports. Six.

GRANDA: Good morning, everyone. My name is Ximena Granda for the New Members. I'm the Manager of Finance and Administration.

I will be providing a financial recap for fiscal year 2019 and then provide the financial information for July 31, 2019.

At our last Board meeting, staff presented preliminary and unaudited financial statements. After necessary adjustments and outstanding invoices, the fiscal year 2019 is as follows: Our total revenues ended at 4.57 million or 17.4 percent higher than budget. This reflects a decrease of 28,000 in comparison to the report presented last month. This is due to adjustments in interest income from outstanding loans and an allowance for bad debt.

Our total annual expenses ended at 4.56 million or 7.8 percent lower than budget. This reflects an increase of 54,000 in comparison to the report presented last month. This is due to additional invoices the Authority received in July in professional services for services rendered in the month of June.

As a result, the Authority posted a net income of 6,000 for fiscal year 2019. This reflects a decrease of 83,000 in comparison to the report presented last month.

Moving on to fiscal year 2020. In July the Authority recorded 188,000, which is 212,000 or 53 percent lower than budget.

In July, the Authority recorded operating expenses of 285,000, which is 115,000 or 28.6 percent

lower than budget.

Our net loss for July is 97,000. This was due to lower than expected closing fees.

Our General Fund continues to have a strong balance sheet. Our total net position is 59.5 million, with our cash and investments of 46.4 million, bonds and notes receivable at 8.3 million and loans at 4.6 million.

Looking forward, as Director Meister mentioned, estimated revenues for August and September is 631,000, 505,000 is operating revenue, and 126,000 is in investment and interest income.

Our estimated expenses for August and September is roughly about $600,000, which it nets out to a net income of about 31,000 for both months.

Adding the net loss of July, the Authority estimates a net loss of 66,000 for the first quarter in fiscal year 2020.

Are there any questions in the financials?

Just moving on the audit.

The second phase of the fiscal year 2019 financial audit and the two year compliance examination will be performed by RSM US, LLP and it will begin September 3.

As the audit progresses, updates will be provided to the Board.

The Authority had two entrance conferences with our internal auditors. On July 30, the entrance conference was held to begin the purchasing contract and recent audit.

On August 1, the entrance conference was held to begin the locally held funds audit.

As mentioned before, as this audit progresses, there will be updates provided to the Board.

Are there any questions? Thank you.

CHAIR ANDERBERG: Thank you, Six.

I would like to request a motion to accept the financial reports.

Is there such a motion?

KNOX: So moved.

O'BRIEN: So moved.

CHAIR FLETCHER: Motion by Mr. Knox, second by Mr. O'Brien.

All those in favor?

(Chorus of ayes.)

CHAIR ANDERBERG: Opposed?

(No response.)

CHAIR ANDERBERG: The ayes have it. Procurement.

HOLLOWAY: Good morning, Board Members and Chairman.

My name is Craig Holloway for the new Board Members.

You guys have a procurement report. The contracts are listed on Page 1 of the report for the support of the Authority operations.

Pages 2 and 3 are the expiring contracts for 2019 and some through 2020.

For the new Board Members, we have a Bidby system where going forward all of IFA procurements over 10,000 will be by the State of Illinois' Bidbuy system, so contracts over 10,000 to 100,000 are small procurements. Contracts over 100,000 to 250,000 are IFBs and RFPs, so going forward, all of our procurements over 10K will be in the Bidbuy system.

Any questions? Okay. Thank you.

CHAIR ANDERBERG: Thank you.

Does anyone wish to make any additions, edits or corrections to the minutes from July 9?

(No response.)

CHAIR ANDERBERG: Hearing none, I would

like to request a motion to approve the minutes. Is there such a motion?

O'BRIEN: So moved.

FUENTES: Second.

CHAIR ANDERBERG: Motion by Mr. O'Brien. Second by Mr. Fuentes.

All those in favor.

(Chorus of ayes.)

CHAIR ANDERBERG: Opposed? Sorry. Mike, I always do that.

Opposed?

(No response.)

CHAIR ANDERBERG: Ayes have it.

Is there any other business to come before the members today?

(No response.)

CHAIR ANDERBERG: Hearing none, I would like to request a motion to excuse the absences of members unable to participate today.

Is there such a motion?

KNOX: So moved.

O'BRIEN: Second.

CHAIR ANDERBERG: Motion by Mr. Knox, second by Mr. O'Brien.

All those in favor?

(Chorus of ayes.)

CHAIR ANDERBERG: Opposed? I did it again. Opposed?

(No response.)

CHAIR ANDERBERG: Ayes have it.

Is there any matter for discussion in closed session?

(No response.)

CHAIR ANDERBERG: No. Good.

Hearing none, the next regularly scheduled meeting will be September 10.

I would like to request a motion to adjourn. Is there such a motion?

O'BRIEN: So moved.

CHAIR ANDERBERG: We have a motion. Second?

KNOX: Second.

CHAIR ANDERBERG: Second. All those in favor.

(Chorus of ayes.)

CHAIR ANDERBERG: Opposed?

(No response.)

CHAIR ANDERBERG: The ayes have it. Thank you, everybody.

FLETCHER: The time is 10:10 a.m.

(Whereupon the above matter was adjourned.)

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
APPROVAL OF REQUESTS TO PARTICIPATE VIA AUDIO CONFERENCE
ADOPTED

August 13, 2019

8 YEAS 0 NAYS 0 PRESENT

Y	Fuentes	Y	McCoy	Y	Smoots
NV	Goetz (via audio conference)	Y	Nava	NV	Wexler (via audio conference)
Y	Hobert	E	Obernagel	E	Wright
E	Juracek	Y	O'Brien	E	Zeller
Y	Knox	E	Poole	Y	Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
AUGUST 13, 2019 AGENDA OF THE REGULAR MEETING OF THE MEMBERS
ADOPTED

August 13, 2019

10 YEAS		0 NAYS		0 PRESENT	
Y	Fuentes	Y	McCoy	Y	Smoots
Y	Goetz (via audio conference)	Y	Nava	Y	Wexler (via audio conference)
Y	Hobert	E	Obernagel	E	Wright
E	Juracek	Y	O'Brien	E	Zeller
Y	Knox	E	Poole	Y	Mr. Chairman

E – Denotes Excused Absence

NO. 01

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION 2019-0813-CF01
501(c)(3) REVENUE BOND – RUSH UNIVERSITY MEDICAL CENTER OBLIGATED GROUP
FINAL (ONE-TIME CONSIDERATION)
PASSED*

August 13, 2019

10 YEAS		0 NAYS		0 PRESENT	
Y	Fuentes	Y	McCoy	Y	Smoots
Y	Goetz (via audio conference)	Y	Nava	Y	Wexler (via audio conference)
Y	Hobert	E	Obernagel	E	Wright
E	Juracek	Y	O'Brien	E	Zeller
Y	Knox	E	Poole	Y	Mr. Chairman

* – Consent Agenda
E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION 2019-0813-CF02
RESOLUTION AUTHORIZING AND APPROVING AN AMENDMENT TO THE BOND TRUST INDENTURES RELATING TO THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2016A (THE MOORINGS OF ARLINGTON HEIGHTS); THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2016B (THE MOORINGS OF ARLINGTON HEIGHTS); THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2016C (THE MOORINGS OF ARLINGTON HEIGHTS); AND THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2016D (THE MOORINGS OF ARLINGTON HEIGHTS)
ADOPTED*

August 13, 2019

10 YEAS		0 NAYS		0 PRESENT	
Y	Fuentes	Y	McCoy	Y	Smoots
Y	Goetz (via audio conference)	Y	Nava	Y	Wexler (via audio conference)
Y	Hobert	E	Obernagel	E	Wright
E	Juracek	Y	O’Brien	E	Zeller
Y	Knox	E	Poole	Y	Mr. Chairman

* – Consent Agenda
E – Denotes Excused Absence

NO. 03

ILLINOIS FINANCE AUTHORITY
ROLL CALL
RESOLUTION 2019-0813-AP03
RESOLUTION THANKING THE GOVERNOR OF ILLINOIS, THE ILLINOIS GENERAL ASSEMBLY, AND THE ENVIRONMENTAL LAW AND POLICY CENTER FOR THEIR SUPPORT IN THE PASSAGE OF HOUSE BILL 3501
ADOPTED*

August 13, 2019

10 YEAS 0 NAYS 0 PRESENT

Y	Fuentes	Y	McCoy	Y	Smoots
Y	Goetz (via audio conference)	Y	Nava	Y	Wexler (via audio conference)
Y	Hobert	E	Obernagel	E	Wright
E	Juracek	Y	O'Brien	E	Zeller
Y	Knox	E	Poole	Y	Mr. Chairman

* – Consent Agenda
E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
FINANCIAL REPORTS
ACCEPTED

August 13, 2019

10 YEAS | 0 NAYS | 0 PRESENT

Y	Fuentes	Y	McCoy	Y	Smoots
Y	Goetz (via audio conference)	Y	Nava	Y	Wexler (via audio conference)
Y	Hobert	E	Obernagel	E	Wright
E	Juracek	Y	O'Brien	E	Zeller
Y	Knox	E	Poole	Y	Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
JULY 9, 2019 MINUTES OF REGULAR MEETING OF THE MEMBERS
ADOPTED

August 13, 2019

10 YEAS   0 NAYS   0 PRESENT

Y	Fuentes	Y	McCoy	Y	Smoots
Y	Goetz (via audio conference)	Y	Nava	Y	Wexler (via audio conference)
Y	Hobert	E	Obernagel	E	Wright
E	Juracek	Y	O'Brien	E	Zeller
Y	Knox	E	Poole	Y	Mr. Chairman

E – Denotes Excused Absence

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Date: September 10, 2019

To: Members of the Illinois Finance Authority

From: Ximena Granda, Manager of Finance and Administration

Subject: ***Background for Internal Audit Function***

The Illinois Department of Central Management Services ("CMS") Internal Audit Division has served as the Chief Internal Auditor of the Illinois Finance Authority ("Authority") since the end of Fiscal Year 2017 and has been an invaluable and cost effective partner. The Authority's Internal Auditing Program is an essential, proactive tool to ensure that the Authority is being managed efficiently and maintains an effective system of internal controls. The internal auditing program also helps the Authority to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The Authority has used the internal audit process as an effective management tool. The internal audit process has helped the Authority to prepare for its external audits. By having CMS Internal Audit Division as the Chief Internal Auditor, the Authority has significantly reduced its audit expense. The Authority has offered to pay for the services of CMS; nonetheless, the services provided are free of charge. The Authority is grateful to CMS Internal Audit Division for the services they have provided.

Background

In response to an audit finding for Fiscal Year 2013, the Authority undertook a procurement for Internal Audit Services in Fiscal Year 2014. A firm was selected; however, the firm's services were unsatisfactory and their contract was terminated. After a series of productive discussions with CMS Internal Auditors, the Authority entered into an Intergovernmental Agreement ("Agreement") with CMS in June 2017 to address the internal audit mandate. The agreement states that CMS Internal Audit will carry out the program requirements on behalf of the Authority and will perform audits as required pursuant to the Illinois State Auditing Act (30 ILCS 5/1-1 et seq.). CMS Internal Audit has built a team of professionals that have expertise in the different areas of the Internal Auditing Program. Having all of these professionals on staff facilitates the audit process.

The Fiscal Control and Internal Auditing Act

Section 2001 of the Fiscal Control and Internal Auditing Act (30 ILCS 10/1001 *et seq.*) (the "FCIA Act") states that each designated State agency shall maintain a full-time program of internal auditing within 30 days after the effective date of the amendatory Act of the 96th General Assembly (i.e., July 1, 2010). The FCIA Act further defines "Designated State agencies[1]" to include the Authority. Section 2003(a)(1) of the FCIA Act requires the chief internal auditor of each designated State agency to ensure that the program of internal auditing includes a two-year plan, identifying audits scheduled for the pending fiscal year, approved by the chief executive officer of the agency before the beginning of the fiscal year. By September 30 of each year, the chief internal auditor must submit to the chief executive officer a written report detailing how the audit plan for that year was carried out, the significant findings, and the extent to which recommended changes were implemented.

Current Internal Audit Program

CMS Internal Audit Division has served as the chief internal auditor of the Authority since the end of Fiscal Year 2017. CMS Internal Audit Division has provided a two year audit plan for Fiscal Years 2018-2019 and a two year audit plan for Fiscal Years 2020-2021. CMS Internal Audit Division has performed eight audits. During Fiscal Year 2018 three audits were performed and completed. During Fiscal Year 2019 five audits were performed and completed. Currently in Fiscal Year 2020 two audits are ongoing. The anticipated completion date is early December 2019.

Internal Audits Completed:

1. Locally Held Funds Audit
2. Statutory Mandates Audit
3. Personnel, Payroll, Personal Information Audit
4. Expenditures, Payables, and Equipment Audit
5. Bond Compliance Audit
6. IT Security Practices Audit
7. Purchasing, Contracting, and Leasing Audit
8. Revenues, Receivables, and Receipts Audit

Internal Audits Ongoing:

1. Purchasing, Contracts, Leasing and Inter-Governmental Agreements Audit
2. Locally Held Funds and Petty Cash Audit

[1] Other agencies subject to the internal audit mandate include: the offices of the Secretary of State, the State Comptroller, the State Treasurer, and the Attorney General, the State Board of Education, the State colleges and universities, the Illinois Toll Highway Authority, the Illinois Housing Development Authority, the public retirement systems, the Illinois Student Assistance Commission, the Environmental Protection Agency, the Capital Development Board, the Department of Military Affairs, the State Fire Marshal, and each Department of State government created in Article 5, Section 5-15 of the Civil Administrative Code of Illinois.

ILLINOIS FINANCE AUTHORITY

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Date: August 29, 2019

To: Member of the Illinois Finance Authority

From: Ryan Oechsler, Deputy General Counsel

Subject: ***Overview of the Illinois Finance Authority DACA Loan Program***

The Illinois Finance Authority ("Authority") operates a loan program ("Program") under which the Authority makes loans for the purpose of financing tuition and fees to students ("DACA Students") who have federal Deferred Action for Childhood Arrivals ("DACA") status and who are enrolled in participating medical or dental schools in Illinois.

The purpose of the Program is to provide vital financial resources so that talented DACA medical and dental students can complete their training in order to serve underserved Illinois communities in accordance with certain statutory purposes of the Authority: to enhance and develop the welfare, health and living conditions for the people of the State of Illinois and to assist the people in achieving the required levels of learning and development of their intellectual and mental capacities and skills. DACA Students have limited options for financing their education. While the federal DACA program enables certain undocumented young people to live in the United States and obtain employment authorization, such individuals are not eligible to receive federal financial aid to cover the costs of higher education.

The Authority authorized the creation of the Program in July 2013. Under the Program, DACA Students commit to pursuing one of several qualified medical specialties and, after graduation and completion of their medical residencies and/or fellowships, to practicing in Illinois in certain qualified medically underserved areas, one year for each year of study financed under the Program. DACA Students who fail to perform this service obligation must repay their loans at an increased rate of interest (10.82%, rather than 0%). Program loans are funded with Authority balance sheet funds. The Authority authorized $2,900,000 in loan funds in May 2014 and an additional $3,000,000 in loan funds in June 2018, a total of $5,900,000. To date, the Authority has funded loans in the amount of $2,709,754.25 and has committed to funding future loans in the amount of $524,658.95, a total of $3,234,413.20.

To date, Loyola University of Chicago's Stritch School of Medicine ("Stritch") is the only school participating in the Program. The Authority has made loans under the Program to fifteen students at Stritch. Seven of these students graduated in 2018 and four graduated in 2019. It is expected that one student will graduate in 2020, one will graduate in 2021, and two will graduate in 2022. Authority staff continues to work with Stritch to track and monitor these students.