

1 ILLINOIS FINANCE AUTHORITY

2 REGULAR MEETING

3 November 9, 2017 at 9:30 a.m.

4
5 REPORT OF PROCEEDINGS had at the Regular

6 Meeting of the Illinois Finance Authority on

7 November 9, 2017, at the hour of 9:30 a.m., pursuant

8 to notice, at 160 North LaSalle Street, Suite S-1000,

9 Chicago, Illinois.

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1 APPEARANCES:

2 MR. ERIC ANDERBERG, Chairman
MR. BRADLEY A. ZELLER
3 MR. ROGER E. POOLE
MR. GEORGE OBERNAGEL
4 MR. LYLE McCOY
MR. LERRY KNOX
5 MS. ARLENE JURACEK
MR. MICHAEL W. GOETZ
6 MS. BETH SMOOTS
MS. GILA BRONNER (Via Audio Conference.)

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ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

8

MR. BRAD FLETCHER, Assistant Vice-President
9 MR. RICH FRAMPTON, Vice-President
MS. PAMELA LENANE, Vice-President
10 MS. ELIZABETH WEBER, IFA General Counsel
MS. XIMENA GRANDA, Controller
11 MR. CHRISTOPHER B. MEISTER, Executive Director
MR. TERRY FRANZEN, Procurement
12 MR. PATRICK EVANS, Agricultural Banker (Via Audio
Conference.)

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GUESTS

14

MS. LEAH HOBSON, Director of Finance,
Northwestern Memorial Health Care
15
16 MR. JACOB A. PANCRATZ, Vice President, Public
Finance, Healthcare Investment Banking, J.P. Morgan
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MR. L. MARK DeANGELIS, ESQ, President, Desak
18 Development Corp.

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1 CHAIRMAN ANDERBERG: I'd like to call the
2 meeting to order.

3 Will the Assistant Secretary please
4 call the roll.

5 FLETCHER: Certainly.

6 The time is 9:30 a.m. I will call the
7 roll of Members physically present first.

8 Mr. Goetz?

9 GOETZ: Here.

10 FLETCHER: Ms. Juracek?

11 JURACEK: Here.

12 FLETCHER: Mr. McCoy?

13 McCOY: Here.

14 FLETCHER: Mr. Knox?

15 KNOX: Here.

16 FLETCHER: Mr. Obernagel?

17 OBERNAGEL: Here.

18 FLETCHER: Mr. Poole?

19 POOLE: Here.

20 FLETCHER: Ms. Smoots?

21 SMOOTS: Here.

22 FLETCHER: Mr. Zeller?

23 ZELLER: Here.

24 FLETCHER: And Mr. Chairman?

1 CHAIRMAN ANDERBERG: Here.

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

4 At this time, I'd like to ask if any
5 Members wish to attend via audio conference.

6 BRONNER: Yes.

7 This is Gila Bronner. I'm requesting
8 to attend via audio conference due to employment
9 purposes.

10 CHAIRMAN ANDERBERG: Is there a motion to
11 approve this request pursuant to the bylaws and
12 policies of the Authority?

13 OBERNAGEL: I'll make that motion.

14 GOETZ: Second.

15 CHAIRMAN ANDERBERG: Motion by Mr. Obernagel,
16 second by Mr. Goetz.

17 All those in favor?

18 (Chorus of ayes.)

19 CHAIRMAN ANDERBERG: Opposed?

20 (No response.)

21 CHAIRMAN ANDERBERG: The ayes have it.

22 FLETCHER: Mr. Chairman, Member Bronner has
23 been added to the initial quorum roll call.

24 BRONNER: Thank you.

1 CHAIRMAN ANDERBERG: Does anyone wish to make
2 any additions, edits, or corrections to today's
3 Agenda?

4 (No response.)

5 CHAIRMAN ANDERBERG: I'd like to request a
6 motion to approve the Agenda.

7 GOETZ: So moved.

8 CHAIRMAN ANDERBERG: Is there such a motion?

9 GOETZ: So moved.

10 KNOX: Second.

11 CHAIRMAN ANDERBERG: Motion by Mr. Goetz, and a
12 second by Mr. Knox.

13 All those in favor?

14 (Chorus of ayes.)

15 CHAIRMAN ANDERBERG: Opposed?

16 (No response.)

17 CHAIRMAN ANDERBERG: Thank you, Gila. The ayes
18 have it.

19 Chris and I are -- we're going to
20 change things up today because we're at a hard stop
21 with Gila today. Chris and I will defer our remarks
22 and message until after the projects. We've got a
23 lot to talk about.

24 Consideration of the Minutes: Does

1 anyone wish to make any additions, edits, or
2 corrections to the Minutes from October 12th?

3 (No response.)

4 CHAIRMAN ANDERBERG: Hearing none, I'd like to
5 request a motion to approve the Minutes.

6 Is there such a motion?

7 GOETZ: So moved.

8 JURACEK: Second.

9 CHAIRMAN ANDERBERG: A motion by Mr. Goetz, a
10 second by Ms. Juracek.

11 All those in favor?

12 (Chorus of ayes.)

13 CHAIRMAN ANDERBERG: Opposed?

14 (No response.)

15 CHAIRMAN ANDERBERG: The ayes have it.

16 Okay.

17 MEISTER: Okay. Presentation and Consideration
18 of the Financials.

19 At my request, I asked Controller
20 Granda to focus on other matters due to the workload
21 in connection with last Thursday's Congressional
22 proposal and its impact on the Authority. So this
23 month's Financials will be deferred until the
24 December meeting.

1 At the October meeting, to remind
2 everyone, we reported a year-to-date net income of
3 the Authority, as of September 30th, at approximately
4 \$511,000.

5 Now, in October, we only closed a
6 single Beginning Farmer Bond and the Iowa Health
7 System's Nonprofit Hospital Conduit or Private
8 Activity Bond in the amount of \$19.5 million for a
9 fee of \$17,500.

10 We also met with our external
11 auditors -- our internal auditors, and we are working
12 constructively with the Fire Marshal's internal audit
13 to complete their report on the fire truck and
14 ambulance loan program.

15 With respect to the external auditors,
16 it's possible we could have a financial audit
17 completed and published in December 2017.

18 I'll take any questions.

19 (No response.)

20 MEISTER: If not, we'll have Terry Franzen on
21 our team briefly present the Monthly Procurement
22 Report.

23 FRANZEN: Good morning, Mr, Chairman, Members
24 of the Board.

1 From the Procurement Report, you see
2 we've executed five small purchase orders for the
3 Authority: one for court reporting, two for IT
4 related orders, and one for postage meter
5 replacements. The UPS shipping agreement is off a
6 State Master with state procurement in the process of
7 renewing, IFA will be piggybacking on it as soon as
8 it is executed.

9 The Current Asset Innovations contract
10 noted at the bottom of the page is being amended to
11 increase the contract amount by \$165,000, primarily
12 for software upgrades to the IFA's finance and
13 accounting software and for implementing new payroll
14 and timekeeping modules to perform those services
15 inhouse.

16 And the remainder of the list are the
17 expiring contracts for the 2018 fiscal year.

18 Any questions?

19 MEISTER: I have two quick matters to add.
20 Again, the unanticipated workload of last Thursday's
21 announcement, we have been working very steadily
22 to -- changing the ADP TotalSource relationship,
23 where the employees receive our payroll and then
24 Health and Disability insurance benefits at the end

1 of December. Due to the shift in focus, we are going
2 to be unable to meet that deadline. We've advised
3 the procurement regulators of that fact, and we are
4 working to extend that contract to the end of
5 insurance plan year, December 31st.

6 As Terry noted, we've made significant
7 progress in working with State Master Insurance
8 Broker contract and an existing -- and expanding the
9 scope of an existing IT contract to possibly replace
10 those services so that there would be no negative
11 impact to the employees of the Authority.

12 CHAIRMAN ANDERBERG: Okay.

13 Committee Reports: The Executive
14 Committee met earlier this morning and discussed
15 pending federal tax reform legislation, which we will
16 discuss as Item 6 on today's agenda.

17 McCOY: Tax-Exempt Conduit Transaction
18 Committee met earlier this morning and voted
19 unanimously to recommend for approval each of the
20 following matters on today's agenda, including three
21 Beginning Farmer Bonds; CHF Chicago, LLC; Better
22 Housing Foundation/Windy City Portfolio Project;
23 Northwestern Memorial HealthCare; and finally,
24 Bethesda Home & Retirement Center.

1 Mr. Chairman?

2 CHAIRMAN ANDERBERG: Okay. Thank you.

3 Next, we'll move to the Project
4 Reports and Resolutions.

5 I'd like to ask for the general
6 consent of the Members to consider the Project
7 Reports, Resolutions collectively, and to have a
8 subsequent recorded vote apply to each respective
9 individual Project and Resolution, unless there are
10 any specific Project Reports and Resolutions that a
11 Member would like to consider separately.

12 GOETZ: Mr. Chairman, I'd like to recuse
13 myself from these deliberations and voting with
14 respect to Item 4, Northwestern Memorial HealthCare,
15 of the Project Reports and Resolution, because my son
16 works for the financial advisor on the transaction.

17 SMOOTS: And Mr. Chairman, I would like to
18 recuse myself from any deliberations and voting with
19 respect to Item No. 5, Bethesda Home & Retirement
20 Center, on the Project Reports and Resolutions,
21 because my husband is on the Board.

22 CHAIRMAN ANDERBERG: Okay. I'd like to
23 consider Item No. 4 and then Item No. 5 first as
24 separate votes, and then consider remaining items on

1 the agenda collectively before discussing Item No. 6.

2 Ms. Lenane, before you present Item

3 No. 4, I'd like to ask Member Goetz to exit the room

4 as previously discussed.

5 FLETCHER: Let the record reflect, please, that

6 Member Goetz has recused himself from deliberation by

7 exiting the room.

8 LENANE: This item is No. 4 on your agenda, and

9 No. 4 in the Book.

10 Northwestern Memorial Health Care is

11 requesting a Final Bond Resolution approving the

12 issuance of \$800 million in tax-exempt bonds. The

13 bond -- what we didn't -- this came to the Board

14 Meeting last month, but we didn't know at that time

15 were the bonds to be refunded.

16 They are refunding the 2009A

17 Northwestern bonds and the Series 2009B Northwestern

18 Memorial Health Hospital Bonds. Let's see. A and B.

19 And also the 2009 Central DuPage Health Care bonds;

20 and the Series 2009B Central DuPage Health Care

21 bonds; and the Series Illinois Finance Authority

22 2003A through C, the Delnor-Community Hospital Bonds;

23 and the Illinois Health Facilities Authority 2002A to

24 2002D, the Delnor-Community Hospital Bonds.

1 They're also refunding Northwestern
2 Memorial HealthCare Taxable Commercial Paper Notes,
3 Series A, and they are going to reimburse themselves
4 for the construction and the equipping of an
5 approximately 499,605 square foot facility located at
6 1100 North Westmoreland Road in Lake Forest,
7 Illinois, the new Lake Forest Hospital.

8 Before, when this came to the Board,
9 we only had -- excuse me -- only had Wells Fargo and
10 Barclays Capital as underwriters. They have since
11 added two minority under- -- co-underwriters: Loop
12 Capital Markets, LLC, and Cabrera Capital Markets.

13 Northwestern currently has 24,000
14 jobs. They produced 240 construction jobs in the
15 construction of the Lake Forest Hospital.

16 I have -- the hospitals in the system,
17 are all listed on pages 4 and 6, and I'm not going to
18 repeat through them.

19 Northwestern Memorial HealthCare's
20 current long-term ratings are A -- Aa2 by Moody's and
21 AA+ by S&P. They expect to get those reaffirmed in
22 the next several weeks.

23 The -- if we go to the Financials on
24 page -- on page 8, we can see that they have very

1 strong Financials, with 9.4 debt service coverage and
2 420 days cash on hand. The estimated present value
3 of savings of this refunding is \$75 million.

4 And now I'd like to introduce Leah
5 Hobson, who's the Director of Finance for
6 Northwestern Memorial HealthCare.

7 MS. LEAH HOBSON: Good morning.

8 I briefly wanted to take advantage of
9 the opportunity to meet you and say thank you for the
10 support that we've had throughout the years. We are
11 very excited about the opportunity to have a
12 replacement hospital in Lake Forest; it's certainly
13 overdue. I've had a chance to visit; it looks great.
14 There's not an increase in beds, it's just done
15 better. And, obviously, in this interest rate
16 environment, appreciative for the opportunity to
17 refund and continue to try to keep costs low in
18 health care.

19 So I know you have a busy agenda this
20 morning, but I just wanted to say good morning and
21 thank you.

22 If have any questions, I'd be happy to
23 answer.

24 (No response.)

1 MS. LEAH HOBSON: All right. Thank you.

2 CHAIRMAN ANDERBERG: Thank you.

3 MEISTER: Thank you very much for coming.

4 McCOY: Thank you.

5 LENANE: Does the Board have any questions?

6 CHAIRMAN ANDERBERG: Let -- Pam, we talked --
7 what is -- for the record, what is approximately the
8 savings Northwestern would see in a tax-exempt
9 funding versus going privately?

10 LENANE: Oh.

11 CHAIRMAN ANDERBERG: Over the issuance, over
12 the period.

13 LENANE: Yeah. I think -- you want -- with
14 that? If these -- well, it's -- generally, the
15 spread is about two percent, but currently it's
16 probably only about one.

17 KNOX: Between taxable and tax-exempt?

18 LENANE: One and -- here's our --

19 MR. JACOB A. PANCRATZ: Is the question more
20 geared toward taxable versus tax- --

21 CHAIRMAN ANDERBERG: That's correct.

22 LENANE: Yeah.

23 MR. JACOB A. PANCRATZ: Okay. Yeah.

24 Right now, I think that the spread

1 between the two is anywhere from 30 to 70 basis
2 points depending on the credit. Northwestern has a
3 great credit, but there is a cost if they're going to
4 go taxably.

5 CHAIRMAN ANDERBERG: Right.

6 MEISTER: And who are you?

7 MR. JACOB A. PANCRATZ: Jake Pancratz with
8 J.P. Morgan.

9 LENANE: I'm sorry.

10 MR. JACOB A. PANCRATZ: Senior Underwriter.

11 LENANE: Senior Underwriter.

12 MEISTER: Great.

13 LENANE: Bookrunner on the transaction.

14 I'm sorry, Jacob. I should've
15 introduced you.

16 MEISTER: Thank you very much, Jacob.

17 LENANE: Now, as -- as --

18 MEISTER: And -- I'm sorry, Pam.

19 Jacob, so the better the credit, the
20 wider the spread between taxable and tax-exempt? Or
21 could you fill us in or -- for the record, on that.

22 MR. JACOB A. PANCRATZ: All right.

23 LENANE: Could you stand up, speak a little
24 louder.

1 MR. JACOB A. PANCRATZ: Yeah.

2 LENANE: Thanks.

3 MEISTER: Actually, come to the podium.

4 KNOX: This keeps getting better.

5 MEISTER: Yes.

6 LENANE: These are the experts here.

7 MR. JACOB A. PANCRATZ: Generally speaking, the
8 better the credit, the tighter the range. For --
9 between tax-exempt and taxable, if -- the lower down
10 on the credit spectrum, the wider that gap's out if
11 you have to go taxably in the market. Northwestern's
12 in a great position where they have tracked their
13 pricing on both -- in both environments, but
14 tax-exempt does yield them a greater benefit in
15 today's market.

16 CHAIRMAN ANDERBERG: Okay.

17 MEISTER: And, Leah, if you can just stand up.

18 And -- and Northwestern Memorial
19 believes that using the private activity bonds and
20 federal tax-exemption will help Northwestern Memorial
21 lower the cost of health care?

22 MS. LEAH HOBSON: Absolutely. We considered
23 taxable at the outset, and it still come to that
24 because we want to try and keep the interest expense

1 low as all other costs are a challenge: our salaries,
2 drug costs. There's always pressure on those, so
3 we're trying to do what we can, kind of on the back
4 office side.

5 JURACEK: I would point out that even though
6 the spread is small, when you're talking \$800
7 million, that's a lot of money.

8 MEISTER: Yeah.

9 MS. LEAH HOBSON: About \$1.3 million --

10 JURACEK: Even small spreads matter, right?

11 MS. LEAH HOBSON: Yeah.

12 MEISTER: Yeah. Jacob, you're probably quicker
13 at doing the math.

14 What -- what is the 30 basis points on
15 \$800 million.

16 KNOX: I'll tell you in a second. I'm
17 cheating.

18 MR. JACOB A. PANCRATZ: I don't know, like, two
19 and a half million.

20 MS. LEAH HOBSON: A year, right?

21 MR. JACOB A. PANCRATZ: Yeah, right. Two and
22 half million.

23 LENANE: Annual.

24 MS. LEAH HOBSON: And our interest expense, I

1 think, for FY 17 was around \$44 million. So it's a
2 meaningful amount.

3 CHAIRMAN ANDERBERG: Wow.

4 LENANE: Jacob, as interest rates rise, which I
5 think everybody thinks they will --

6 MR. JACOB A. PANCRATZ: Uh-huh.

7 LENANE: -- Those spreads will become wider,
8 won't they?

9 MR. JACOB A. PANCRATZ: That's our best guess.

10 LENANE: Between taxable and tax-exempt.

11 MR. JACOB A. PANCRATZ: That -- right. That's
12 my best guess.

13 LENANE: Pardon?

14 MR. JACOB A. PANCRATZ: Exactly.

15 LENANE: Okay. It's not as attractive
16 currently as it has been in the past and maybe in the
17 future.

18 CHAIRMAN ANDERBERG: Thank you so much.

19 MR. JACOB A. PANCRATZ: Of course.

20 CHAIRMAN ANDERBERG: Thank you.

21 Okay. I would like to request a
22 motion to pass and adopt the following res- --
23 Project Report Resolution, Item No. 4.

24 Is there such a motion?

1 JURACEK: So moved.

2 OBERNAGEL: Second.

3 CHAIRMAN ANDERBERG: So moved by Ms. Juracek,
4 and second by Mr. Obernagel.

5 Will the Assistant Secretary please
6 call you roll.

7 FLETCHER: Certainly.

8 On the motion to second, I'll call the
9 roll.

10 Ms. Bronner?

11 BRONNER: Yes.

12 FLETCHER: Ms. Juracek?

13 JURACEK: Yes.

14 FLETCHER: Mr. McCoy?

15 McCOY: Yes.

16 FLETCHER: Mr. Knox?

17 KNOX: Yes.

18 FLETCHER: Mr. Obernagel?

19 OBERNAGEL: Yes.

20 FLETCHER: Mr. Poole?

21 POOLE: Yes.

22 FLETCHER: Ms. Smoots?

23 SMOOTS: Yes.

24 FLETCHER: Mr. Zeller?

1 ZELLER: Yes.

2 FLETCHER: And Mr. Chairman?

3 CHAIRMAN ANDERBERG: Yes.

4 FLETCHER: Mr. Chairman, the motion carries.

5 CHAIRMAN ANDERBERG: Get Mr. Goetz.

6 OBERNAGEL: Bring him back in.

7 CHAIRMAN ANDERBERG: Member Smoots will be
8 exiting for Item No. 5.

9 FLETCHER: Let the record reflect, please,
10 Member Goetz has returned to the room, and also
11 Member Smoots has exited the room to recuse herself
12 from deliberations with respect to voting on Item
13 No. 5.

14 Next, is No. 5 on your -- our agenda.
15 Norwegian Lutheran Bethesda Home Association. IFA
16 issued its 2015 Bond in the approximate amount of
17 \$7.5 million to finance on a tax-exempt basis various
18 improvements and construction costs as well as
19 refunding of previously issued Series 2012 Bond.
20 This Bond was purchased directly by MB Financial
21 Bank.

22 At this time, Norwegian Lutheran
23 Bethesda Home Association will be merging with
24 Norwood Lifecare Foundation, which is another senior

1 housing living facility located on the northwest side
2 of Chicago. In order to consummate that merger, the
3 MB Financial Bond and Loan Agreement needs to be
4 amended in order to recognize the new borrowing
5 entities after this corporate restructuring takes
6 place.

7 Bond council's still undertaking its
8 tax due diligence with respect to whether this will
9 be a reissuance for tax purposes. Nevertheless, for
10 our time invested in this project, we estimate our
11 administrative fee to be \$500. Again, this
12 Resolution simply provides our consent to the new
13 amendments with respect to collateral.

14 Are there any questions?

15 (No response.)

16 FLETCHER: Thank you.

17 CHAIRMAN ANDERBERG: Thank you, Brad.

18 All right. I'd like to request a
19 motion to pass and adopt the following Project Report
20 Resolution, Item No. 5.

21 Is there such a motion?

22 POOLE: So moved, Mr. Chairman.

23 CHAIRMAN ANDERBERG: Motion by Mr. Poole.

24 Second?

1 GOETZ: Second.

2 CHAIRMAN ANDERBERG: Second by Mr. Goetz.

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

5 Ms. Bronner?

6 (No response.)

7 FLETCHER: Ms. Bronner?

8 BRONNER: Yes.

9 FLETCHER: Mr. Goetz?

10 GOETZ: Yes.

11 FLETCHER: Ms. Juracek?

12 JURACEK: Yes.

13 FLETCHER: Mr. McCoy?

14 McCOY: Yes.

15 FLETCHER: Mr. Knox?

16 KNOX: Yes.

17 FLETCHER: Mr. Obernagel?

18 OBERNAGEL: Yes.

19 FLETCHER: Mr. Poole?

20 POOLE: Yes.

21 FLETCHER: Mr. Zeller?

22 ZELLER: Yes.

23 FLETCHER: And Mr. Chairman?

24 CHAIRMAN ANDERBERG: Yes.

1 FLETCHER: Mr. Chairman, the motion carries.

2 CHAIRMAN ANDERBERG: Thank you.

3 FLETCHER: Let the record reflect, please, that
4 Member Smoots has returned to the room.

5 CHAIRMAN ANDERBERG: All right. Mr. Evans?

6 EVANS: Yes?

7 CHAIRMAN ANDERBERG: You're ready to go.

8 EVANS: Today, we have three Beginning Farmer
9 Bonds. These Bonds will all have first mortgage
10 positions relating to them.

11 The first borrower is Jason Hayes.
12 Jason purchased 60 acres of bare farm real estate for
13 \$647,250 or \$10,788 per acre. First National Bank of
14 Litchfield will finance 77 percent of the purchase or
15 \$502,250 through the IFA Beginning Farmer Bond
16 Program.

17 The bank will utilize the FSA
18 Beginning Farmer Loan Program. FSA has a second
19 mortgage position on the remaining 23 percent.

20 As stated, IFA Bond will be in first
21 mortgage position on the property being purchased.
22 The property is located in the central portion of
23 Logan County. The terms of the bonds are identified
24 in the write-up.

1 The second borrower -- borrowers
2 are Levi B., and Megan Ann Yager. They are
3 purchasing 40 acres of bare farm real estate for
4 \$204,000 or \$5,100 per acre. First National Bank of
5 Olney will utilize FSA Beginning Farmer Bond to
6 finance 95 percent of this purchase, or \$193,800.

7 The borrower will inject \$10,200
8 toward the purchase. This will be a first mortgage
9 loan. The property's located in the southeast
10 portion of Jasper County. The terms of this bond are
11 identified in the write-up.

12 The final borrower is Ethan Heller.
13 Ethan's purchasing 42 acres of bare farm of real
14 estate for \$215,077 or \$5,121 per acre. Peoples
15 State Bank of Newton will finance 50 percent of the
16 purchase price through the IFA Beginning Farmer Bond.
17 The remaining portion of this sale will be financed
18 through the FSA Beginning Farmer Program. As stated,
19 IFA will have a first mortgage on the property. The
20 property's located in the southeast portion of Jasper
21 County, and the terms and condition of this bonds are
22 identified in the write-up.

23 If there's no questions, I'll pass the
24 floor back to you, Mr. Chairman.

1 CHAIRMAN ANDERBERG: Thank you.

2 FRAMPTON: Okay. Thank you, Mr. Chairman.

3 Next, we'll move on to Item No. 2,
4 which is a Final Bond Resolution for CHF-Chicago,
5 LLC, for a project at the University of Illinois at
6 Chicago. The not-to-exceed amount is 120 million.
7 This will be a privatized project that the University
8 of Illinois of Chicago and the Board of Trustee --
9 and University of -- and the Board of Trustees of the
10 University of Illinois, rather, have engaged and
11 initiated through a request for proposal process.

12 Through that process, they have
13 engaged American Campus Communities, which is a
14 publicly traded REIT based in Austin, Texas, to serve
15 as the developer. And, in turn, ACC has also engaged
16 other members of the financing team, including the
17 Collegiate Housing Foundation to own the project.

18 The Collegiate Housing Foundation is a
19 501(c)(3) organization that -- whose business it is
20 to engage in the ownership and development of student
21 housing projects and other academic facilities, both
22 on public and private university campuses nationally.
23 This will be the fifth transaction that the Authority
24 has issued bonds for on behalf of a -- American

1 Campus Communities and Collegiate Housing Foundation
2 project.

3 The fact that CHF or Collegiate
4 Housing Foundation will be owning property avails the
5 project to tax-exempt financing. So as a result of
6 CHF's involvement, IFA can issue tax-exempt 501(c)(3)
7 bonds for this project, and the cost savings
8 attributable to the tax-exemption will pass through
9 to the students and their parents paying room and
10 board as well as to the university, which will be
11 making lease payments back to CHF pursuant to a
12 sublease agreement on 35- -- I'm sorry -- on 51,000
13 square feet of the 135,000-square-foot property.

14 In terms of material changes from last
15 time, the borrower, in addition to applying to S&P
16 for a rating which they expect to be assigned next
17 week, they are also applying to Moody's for a rating.
18 Municipal bond insurance, as of yesterday, is no
19 longer under consideration.

20 In terms of the rating or the
21 anticipated or target rating on the bonds, the
22 financing team is expecting a rating in the low
23 investment grade, so that will be BBB- or better.

24 If you turn to page 18 of the report,

1 there is a summary of the financial forecast. This
2 has been adapted from the information that was
3 presented to S&P. Most critically on the bottom
4 line, you will see the break-even occupancy, which
5 upon principal and interest payments beginning in
6 full during year 2021, the break-even occupancy on
7 the student housing is approximately 67 percent. In
8 terms of current occupancy, UIC has posted occupancy
9 rates of 97.3 percent and 98.3 percent on their -- at
10 their two -- at their two primary locations of
11 undergraduate housing on the east side of the campus.

12 Most critically, if you turn to page
13 10, UIC has posted steady enrollment increases.
14 Those enrollment increases are contrary to the
15 general trend that has been affecting both public and
16 private universities in the state. And all those --
17 that is most definitely a positive rating factor.

18 So with that, I will conclude my
19 remarks and take any questions or comments that you
20 may have.

21 (No response.)

22 FRAMPTON: Okay. Hearing none, I'll move on
23 then to Tab 3, which is a new project for us. This
24 is a one-time consideration. The not-to-exceed

1 amount is \$65 million.

2 This financing is for the Windy City
3 Portfolio Project, which is comprised of the four
4 borrowers: 2017 IAVF Windy City Fox Run LLC, which
5 is a 220-unit apartment building in St. Charles; 2017
6 IAVF Windy City Parkside LLC, which is a --
7 approximately 118-unit located in Glen Ellyn; IAVF
8 Windy City Shaddle, which is approximately 98-unit, I
9 believe, property located in -- in -- or 70-unit
10 property located in Mundelein; and finally,
11 Villabrook Apartments, which is a 118-unit property
12 located in Addison.

13 The sole member of the four LLCs,
14 which will be borrowers on this financing, is the
15 Better Housing Foundation. This will be the third
16 transaction that the Authority has issued bonds for
17 in connection with a portfolio acquisition by the
18 Better Housing Foundation.

19 Background on the previous IFA bond
20 issues is highlighted at the top of page 8. We
21 issued bonds, both in July of '16 and May of 2017.
22 Both of those were investment-grade rated. This
23 financing has already been rated by S&P. We
24 generally don't see that in advance of a Board

1 Meeting, but the senior series of bonds have been
2 assigned an A- rating by S&P while the subordinate
3 bonds have been assigned a rating of BBB- by S&P.

4 Forecasts on the project that are
5 based on information provided to S&P are noted on
6 page 16 of the report. The coverages identified at
7 the bottom exceed the rating covenants and the debt
8 service coverage covenants on -- that will be in
9 effect on the bonds by a substantial margin.

10 Forecast occupancy is 95 percent. The
11 other forecasts assumptions are noted on page 17.
12 And, again, the bonds have been assigned a rating. I
13 have a copy of the rating report from S&P if any of
14 you would like to review it.

15 And with that, I will conclude my
16 remarks and turn it back over to you for any
17 questions or comments.

18 (No response.)

19 FRAMPTON: Finally, just for the record, I
20 would just like to introduce Mark DeAngelis who is
21 with us today, representing the Better Housing
22 Foundation.

23 GOETZ: I would just like to go on the record
24 as saying that it's really great cause that you're

1 doing, you know, rehabbing this housing that's very,
2 very old that needs to be rehabbed. So it's very
3 commendable what you're trying to do here.

4 MR. L. MARK DeANGELIS: Yeah. So, you know,
5 just two seconds.

6 I mean, you know, we're -- we're less
7 involved in the development side of this deal. The
8 Lynd Group out of San Antonio, which you probably all
9 know, is 30,000 units, will be managing this
10 operation for us. And Invested American Veterans has
11 about seven other developments already, where they
12 transition to do as much veterans support as they can
13 on these facilities.

14 Obviously, they can't discriminate
15 against other folks, but they do have a VSO, a
16 Veterans Service Officer who they've put in place to
17 try to help with VASH vouchers and to make sure that
18 they're servicing as many veterans in these
19 communities as they can.

20 So it's -- we're excited, actually.
21 You know, I'm -- technically, I'm not on the Board
22 for the Better Housing Foundation, but obviously, I'm
23 working closely with them. So -- but the Better
24 Housing Foundation's very excited to start doing some

1 veterans things, and this is a great opportunity.

2 And, if you remember, the two other
3 developments that we had with you folks, we're
4 actually going to be working with this veterans
5 organization to try to service veterans out of our
6 existing units here in Chicago as well. So it's
7 going to be, I hope, a very synergistic thing, so
8 we're excited about this.

9 Thank you. Nice to see you all again.

10 CHAIRMAN ANDERBERG: Thank you. Maybe we can
11 get Gila from the office. So...

12 MR. L. MARK DeANGELIS: Yep.

13 CHAIRMAN ANDERBERG: Okay. I'd like to request
14 a motion to pass and adopt the following Project
15 Reports and Resolutions, Item 1(a), 1(b), 1(c), 2
16 and 3.

17 Is there such a motion?

18 GOETZ: So moved.

19 JURACEK: Second.

20 CHAIRMAN ANDERBERG: Motion by Mr. Goetz,
21 second by Ms. Juracek.

22 Will the Assistant Secretary please
23 call the roll.

24 FLETCHER: On the motion and second, I'll call

1 the roll.

2 Ms. Bronner?

3 BRONNER: Yes.

4 FLETCHER: Mr. Goetz?

5 GOETZ: Yes.

6 FLETCHER: Ms. Juracek?

7 JURACEK: Yes.

8 FLETCHER: Mr. McCoy?

9 McCOY: Yes.

10 FLETCHER: Mr. Knox?

11 KNOX: Yes.

12 FLETCHER: Mr. Obernagel?

13 OBERNAGEL: Yes.

14 FLETCHER: Mr. Poole?

15 POOLE: Yes.

16 FLETCHER: Ms. Smoots?

17 SMOOTS: Yes.

18 FLETCHER: Mr. Zeller?

19 ZELLER: Yes.

20 FLETCHER: And Mr. Chairman?

21 CHAIRMAN ANDERBERG: Yes.

22 FLETCHER: Mr. Chairman, the motion carries.

23 CHAIRMAN ANDERBERG: Thank you. Thank you,

24 Gila.

1 BRONNER: Thank you.

2 FLETCHER: Okay. Please note for the record,
3 Member Bronner has exited the meeting by terminating
4 her participation via audio conference.

5 CHAIRMAN ANDERBERG: Okay. Chairman's remarks.

6 Last Thursday, private activity bonds
7 or tax-exempt funding got a punch to the gut by
8 H.R. 1 of the Congress. So I want to address --
9 Chris, number one -- Chris Meister has put together a
10 memo that you all have in your packets, and we're
11 going to get PDF copies to you as well, and I want to
12 talk about the future of the IFA.

13 The IFA -- when I became Chairman, it
14 was my concern or desire, and Chairman Funderburg's
15 as well, was to work on diversifying the offering and
16 the revenue of the IFA, and that is ongoing. Chris
17 has been working with Member Knox on a different
18 issuance. And so either way, whether this bill
19 passes as is, or changes and this provision of taking
20 out tax-exempt funding is taken out, either way we
21 are going to diversify the offering of the IFA and
22 its revenue. So in the future, we aren't as impacted
23 as what this could impact us.

24 We were sitting on -- the IFA sits on

1 a considerable reserve, so we are in truant position
2 to weather a period of time to where we can get this
3 underway and going.

4 So on the tax issuance itself, I guess
5 I'm going to say from my personal business background
6 and -- I'm very disappointed in this tax bill and
7 plan, and especially what they're doing with
8 tax-exempt funding.

9 And I want to touch on something if --
10 there's been a lot of -- it seems to me, a lot of --
11 a lack of education in the House Ways and Means
12 Committee of what tax-exempt funding truly is. I've
13 read in the media, for one, they've talked about this
14 eliminates fun- -- you know, the government funding
15 of professional sports stadiums. We don't do that,
16 not the IFA.

17 And probably the most troubling to me
18 is the House Ways and Means Committee put a summary
19 out, 80-some-page summary. And page 47, 48 addresses
20 the private activity bonds and why they're -- and
21 two -- they give two considerations of why they're
22 getting rid of it. And this is the first
23 consideration, two bullet points, and I'll read this
24 to you:

1 "The Federal Government should not
2 subsidize the borrowing cost of private businesses,
3 allowing them to pay lower interest rates while
4 corporate competitors with similar credit worthiness
5 that are unable to avail themselves of PABs must pay
6 a higher interest rate on the debt they issue."

7 This is -- this is a false statement.
8 This is completely -- shows a lack of understanding
9 and a lack of education on the committee of -- about
10 tax-exempt funding. Any entity that qualifies for
11 tax-exempt funding before the IFA -- well, any of
12 their competitors would as well, and so this is a --
13 in my years of going out to Washington, D.C., and
14 advocating for small manufacturing in the United
15 States, American manufacturing, I had a very close
16 Congressman, Don Manzullo, told me one time, he says,
17 You know, Eric, he says it's very important you come
18 out and you educate us because -- he says, If you're
19 not at the table, you're on the menu. And this is
20 clearly -- this is clearly the case here.

21 So, now, Chris is going to talk here
22 in a second. There's a lot of allies coming together
23 here to educate the House Ways and Means Committee
24 right now. You have the American Hospital

1 Association, you have all types of different agencies
2 and trade associations, construction laborers that
3 are trying to educate what this means and the impact
4 of losing this would mean. And we heard from
5 Northwestern earlier what this would mean in cost
6 savings.

7 So, again, the IFA is in good
8 position. We're going to continue business as usual.
9 I'll be at next -- next few quarters, after the first
10 year of this goes as it is, we might be a little bit
11 slow, not have much to vote on at first, but we
12 will -- we will diversify what the IFA does under --
13 what allows us under the state statute.

14 And, again, this memo that Chris has
15 put out, if any of the Board Members have a
16 relationship with their Congressmen or any of the
17 senator- -- any of the two senators, please, if you
18 can talk to them personally, that would be terrific.
19 Or talk to the staff that you may know and share with
20 them this memo and explain it to them. So...

21 We need some -- we have the next few
22 days. We have a lot of education we have to do
23 because we got to make sure we're at the table and
24 not on the menu.

1 So with that, I'll give it to Chris.

2 MEISTER: Thank you, Eric.

3 Again, we talked about this in the
4 Executive Committee, and last week, I let the Board
5 Members and the staff know of this challenge. This
6 is a large issue, but I did want to really pull it
7 together.

8 We've given a brief state of play, and
9 again, when Eric and I were out in Washington, D.C.,
10 on October the 10th, while everyone who spoke to us
11 told us this could change at any time for any reason
12 with no notice to you.

13 But the direction of the public and
14 the private comments that we had received was that
15 private activity bonds, their value was recognized to
16 the extent that there was a priority to -- for more
17 infrastructure, they were -- private activity bonds
18 are recognized as an effective private-sector-driven
19 tool to finance additional infrastructure. And,
20 again, the market participants, many of whom have
21 much more skin in the game than we do, were also
22 similarly surprised, and frankly, I think some of our
23 Congressional advocates were also surprised.

24 There is a Senate bill being unveiled

1 this morning. In fact, as we are meeting, it may
2 well have already been unveiled. And the initial
3 signs from the discussions yesterday, or public
4 comments yesterday, was, possibly, private activity
5 bonds may not be included. But then at the same
6 time, everything is subject to change with no notice.

7 We -- I just really want to -- so that
8 we can all think effectively about the job we do and
9 the structure that we all have, we're stewards of a
10 public utility that operates on a margin business
11 within a relative value market, and the proposed
12 elimination of private activity bonds eliminates the
13 margin of economic value that the Authority assists
14 its borrowers and lenders in delivering.

15 And, sadly, despite the effective
16 nature of the tool, and frankly the private sector,
17 both on the borrower and on the lender side of this,
18 it does not appear that we're on anybody's do or die
19 list, but really, private activity bonds should be.
20 Because while we're a small organization, I'm very
21 grateful to the 13 Board Members; you give your time
22 to the State, and I'm grateful for my colleagues on
23 the staff. At the end of the day, as Eric said, this
24 is not about our jobs. We have reserves. We have

1 plans. We have alternatives.

2 But what's really going to be hurt are
3 our borrowers. It's going to be higher costs in --
4 for hospitals and their patients. It's going to be
5 higher costs for colleges and universities and their
6 students. It's going to be higher costs on cultural
7 institutions and museums. And everybody's going to
8 be pay for it.

9 I think one thing that we also need to
10 keep in mind is these nonprofit institutions make
11 Illinois a better place to live and work and help
12 strive for our economy. And I guarantee you that if
13 it costs more for them to borrow money, it is likely
14 that these same institutions will be knocking on the
15 doors of local government, state government, and the
16 federal government asking for direct taxpayer
17 subsidies. Right now, it's an indirect exemption.
18 So we need to make sure that we understand that.

19 We're a member of a national
20 organization, NAEFFA in '13. They put together a
21 study, and they believe that it would cost nonprofit
22 organizations nationally an additional \$166.3 billion
23 in interest costs. It will reduce -- and this is the
24 elimination of private activity bonds for nonprofits.

1 We're not even getting to the for-profit sector. The
2 projects like CenterPoint; the projects like Camcraft
3 and Freedman Seating and Bison Gear and some other
4 very important projects.

5 But it would reduce the gross domestic
6 product by \$23.6 billion and cost probably over
7 299,000 jobs, generating approximately \$15.6 billion
8 in labor income nationally. We're the first -- fifth
9 largest economy in the state, so I have not done the
10 math, but by orders of magnitude.

11 So it's going to be a big hit. It's a
12 high-cost, high-damage, low-return proposition for
13 what is proposed in Section 3601 in Subsection G of
14 H.R. 1. And just to underscore for the Members, \$24
15 billion of our current \$25 billion outstanding
16 conduit portfolio would be impacted by this going
17 forward.

18 As of January 1st, we would not be
19 able to issue new bonds. State revolving fund with
20 IEPA, the Clean Water Initiative, again, AAA rated.
21 There's over a billion dollars we've issued on behalf
22 of IEPA that would not be impacted.

23 But I think the outstanding question
24 is, Will there be a rush to market? We don't know.

1 I think we've seen some preliminary indications of
2 interest in our borrowers on the December meeting.
3 Many of you have talked to me and have been very
4 generous or prepared to be generous with your time
5 starting in late November through the end of the
6 year.

7 There are certain time constraints
8 like the 14-day TEFRA notice that may prevent
9 borrowers from making decisions as quickly as they
10 need to if, in fact, this becomes law on January
11 1st, 2018. But currently, the \$24 billion represents
12 about 96 percent of our outstanding bond portfolio.
13 So -- and there is a question as to the individual
14 structure of these bonds. If there's a -- if they --
15 there's a reissuance for tax purpose, if there's a
16 refunding, depending on what those bond documents
17 are, they may become -- they are tax-exempt now, but
18 they may become taxable in the future should this
19 become law.

20 As revenue, it's there for the last
21 two years, PAB, one-time closing fees have accounted
22 for two-thirds of our revenue. And, again, as Eric
23 indicated, we've got good reserves, and I'm also
24 happy to say that in working with all of you and

1 working with the team, we've been able to put any
2 number of our legacy exposures in the rearview mirror
3 so that we can focus on our core business.

4 I talked about the Clean Water
5 Initiative. And, again, just to emphasize again,
6 we're -- this is a tool that's really driven by the
7 private sector.

8 I do just want to highlight the work
9 of MIT Economist Dr. James Poterba and his colleague
10 Arturo Verdugo. We're posting a 2008 study that he
11 did on our website. One of the rating agencies,
12 KBRA, has quoted his work and -- and they note that
13 the Joint Commission on Taxation's estimate of --
14 reported estimate of projected cost savings, 38.9
15 billion over 10 years, or about 3.8 billion a year,
16 and this is nationally, not just in Illinois. That
17 figure could be overstated by as much as 40 or 50
18 percent, with the thinking being that not all of the
19 investors in tax-exempt debt will automatically
20 switch over to taxable investments.

21 I appreciate your support. I
22 appreciate the work of the staff. The staff has
23 really been great, working together over these past
24 few days.

1 As far as new missions within our
2 statute, new -- new delivery systems for value to the
3 people of Illinois, new business lines, we thought
4 and discussed three.

5 The first is -- and it's going to take
6 State legislation, which we already have drafted so
7 that the Authority -- the powers of the Authority
8 could be expanded to be a center of competency and
9 capacity for public-private partnerships, for
10 Illinois local governments. This is based on the
11 very successful Infrastructure Ontario model, which
12 again, autonomous entity tied -- that's a public
13 entity, independent board, independent financing,
14 that engages in objective effective procurement and
15 objective effective and honest contract
16 administration. And once you have those two pillars,
17 you can build financing on that.

18 The second is what has been variously
19 called in the Equity Sector, impact -- impact
20 investing, environmental, governmental, social; this
21 is widely used in Europe. Or ESG, in the United
22 States, it's been used in the equity sector. In the
23 debt Sector, it's been called impact or green
24 investing, that we could come together and utilize

1 our government structure and our team, and expand it
2 to bestow some sort of ESG designation on debt
3 instruments. We are working with one very exciting
4 project on a taxable issue right now, that if it
5 comes together, is going to have direct and material
6 economic impact to Illinois.

7 And the final is a bill that was
8 signed by Governor Rauner this summer after
9 marinating in the in the General Assembly since about
10 2009: Property Assessed Clean Energy Bonds. Of
11 course, here in Illinois, we'll probably have to
12 change the name so people don't get mixed up with the
13 regional bus service, PACE. But what it is is a
14 voluntary surcharge on the tax bill for commercial,
15 retail, and multi-housing property, and that this can
16 be used to support a -- to strengthen the credit for
17 a financing to do energy efficiency -- energy
18 efficiency improvement on older retail, commercial,
19 and housing.

20 These are just three. Again, we're
21 open to other ideas. Over time, since 2004, as the
22 longer tenured members know and as the staff knows,
23 we've explored any number of alternative business
24 lines and tools, and we always come back to private

1 activity bonds under the Federal Tax Code, issued on
2 a conduit basis. That has been the experience since
3 2004.

4 It may force us -- we have plans that
5 we've talking about. Anyways, we're going to have to
6 put those on an accelerated basis regardless of the
7 outcome of H.R. 1 and what the House and the Senate
8 do with it.

9 But I'll take any questions.

10 GOETZ: Chris --

11 CHAIRMAN ANDERBERG: Yes, Arlene?

12 MEISTER: She had her hand --

13 JURACEK: Oh, I'm sorry.

14 MEISTER: -- up first, like --

15 JURACEK: -- I didn't mean --

16 GOETZ: She's blocking me.

17 MEISTER: Yeah.

18 JURACEK: You can be next.

19 No, I just jotted down some notes,
20 because these are all issues that, as the mayor of a
21 large municipality, we've had to consider.

22 This past Tuesday, we issued our
23 parameters, ordinance to issue \$9.9 million in
24 bonds, which we're going to do November 20th so that

1 we get in before the December interest rate change.
2 Our closing will be December 20th, but all kinds of
3 timing considerations there.

4 As a municipality, that has a very
5 diverse list of revenues. Property taxes are only
6 about 14 percent of our revenue stream; we've got a
7 lot of other ones. Diversification, anybody here in
8 the financial business knows diversification is the
9 way to go. But as a State agency, we have to avoid
10 appearing like a self-serving for-profit entity. And
11 I think it's really important that we build a very
12 succinct, one-page case for why the IFA is important
13 to the State of Illinois, not only currently, but
14 prospectively, and the value that we bring to the
15 State.

16 When you talked about what we do
17 supports making Illinois a better place to live and
18 do business, right away, I thought about Amazon. I
19 read the Amazon RFQ. I know what they were looking
20 for. They are looking for a place like Chicago, like
21 Illinois, that has the kind of quality of life that
22 all of our customers, our partners in all these
23 financings are. Without the IFA and all the things
24 that we do, we haven't got an ice cube's chance in

1 hell of getting Amazon, you know?

2 Now, how do we say that in a more
3 gentile way? How do we, you know, hammer it home?
4 But I think making a one-page case for what we do
5 sets us apart from being a for-profit entity that
6 looks for diversification. That's not why we're
7 here.

8 This is not about to scope, creep, or
9 anything which we'll be accused of. You don't need
10 that agency. But what is our role here? And it
11 can't be a puff piece. It's got to be a very solid
12 piece, and I think Amazon has done us a very big
13 favor. It's a very short RFQ. You can look at it
14 and say, This is where we fit into this, regardless
15 of what community in Illinois is going for this.

16 The second thing to be watchful for,
17 and we've seen this on a municipal side, is we're
18 talking about having healthy reserves. Guess what?
19 Springfield thinks reserves are theirs for the
20 taking. And unless we have a well-stated case for
21 those reserves and a sound reserve management policy,
22 Springfield is going to look at those reserves and
23 go, oh, we need them to fill the budget gap. They're
24 already taking two percent of our retail sales tax

1 revenues this year as a service charge because the
2 sales taxes flow through the state. They've cut our
3 share of the Local Government Distributive Fund,
4 which is our share of the State income taxes.

5 They're just grabbing money wherever
6 they can. And it's very important that we position
7 these reserves, not as free money for Springfield,
8 but as important to our operation. And then, here's
9 why our operation is important to the State of
10 Illinois.

11 MEISTER: Thank you, Arlene. I could not have
12 said it better. And, in fact, you've said some
13 things that, frankly, I can't say.

14 JURACEK: There you go.

15 GOETZ: So, Chris, is this letter going to be
16 sent, on page 4?

17 MEISTER: We are working on that.

18 GOETZ: Okay.

19 MEISTER: That is our -- that is our desire.

20 GOETZ: Because I -- you and I talked the other
21 day, and I'm president of the Illinois Housing
22 Council, and we've done this. I mean -- and we've
23 sent it out to all of the Illinois Congressional
24 Delegation, and we're not a State quasi-government

1 agency so we can do whatever we want without any, you
2 know, pushback.

3 MEISTER: Well -- and, again, I would prefer
4 not to have a resolution, but if the Board has that
5 one-page memo, on page --

6 GOETZ: 3 or --

7 MEISTER: -- on page 4 of the memo. I mean, is
8 it -- is that the sense of the Board?

9 GOETZ: Well, it would certainly be my sense.

10 Did you read the letter we sent out?

11 MEISTER: Yes, I did.

12 GOETZ: Yes.

13 MEISTER: Eric, what do you think?

14 CHAIRMAN ANDERBERG: No, I'm -- I'm perfectly
15 fine with it. Absolutely.

16 MEISTER: Okay.

17 CHAIRMAN ANDERBERG: And to Arlene's -- Chris
18 and I discussed that. We need to come up with a
19 one-page summary --

20 JURACEK: Uh-huh.

21 CHAIRMAN ANDERBERG: -- of the impact the IFA,
22 with numbers and everything, so they can see --

23 JURACEK: Right.

24 CHAIRMAN ANDERBERG: -- the impact that we've

1 had.

2 JURACEK: And I think Senator Duckworth will be
3 very amenable for this. She called a meeting of
4 mayors last Sunday, which I could not attend, geared
5 toward discussing state and local tax deductibility.
6 And I think anything we do -- she was my
7 congresswoman for part of Mount Prospect, so I have a
8 personal familiarity with her and her staff,
9 definitely. You know, we have -- we should rely on
10 all of our members here to get to --

11 GOETZ: Yeah.

12 JURACEK: -- their local Congress people. And
13 she's a senator now and, you know, just getting to
14 her and Durbin as well.

15 GOETZ: Yeah. It think everybody here on the
16 Board should reach out to their congressperson and
17 talk about this.

18 JURACEK: So if we had a packet, a very
19 succinct packet that we can --

20 GOETZ: Yes.

21 JURACEK: -- use with consistent talking
22 points.

23 GOETZ: We can probably start with this.

24 JURACEK: Exactly.

1 GOETZ: So do we need any kind of official vote
2 on that or anything? Or...

3 CHAIRMAN ANDERBERG: I don't think we need, no.

4 MEISTER: No.

5 GOETZ: No.

6 CHAIRMAN ANDERBERG: I think Chris and the
7 staff will be putting together a packet for us, and
8 then we can get that distributed.

9 MEISTER: And I think I have a sense of -- a
10 sense of what the Board -- how the Board will like us
11 to proceed.

12 CHAIRMAN ANDERBERG: Okay. Is there any other
13 business to come before the Members?

14 (No response.)

15 CHAIRMAN ANDERBERG: Hearing none, I'd like to
16 request a motion to excuse the absences of members
17 unable to participate today.

18 Is there such a motion?

19 McCOY: So moved.

20 KNOX: Second.

21 CHAIRMAN ANDERBERG: Motion by Lyle --
22 Mr. McCoy, and a second by Mr. Knox.

23 All those in favor?

24 (Chorus of ayes.)

1 CHAIRMAN ANDERBERG: Opposed?

2 MEISTER: Oh. And before we take that vote, I
3 do want to make a very important point, just so there
4 is no misunderstanding.

5 At the moment, H.R. 1 is limited to
6 private activity bonds, nonprofits, and certain
7 qualified for-profits issuing on a tax-exempt basis.
8 It does not entail lo- -- state or local government
9 tax-exemption. But, again, as we learned in
10 Washington earlier in October, that could change for
11 any reason and with no notice.

12 POOLE: Oh, yeah.

13 MEISTER: But to the point that Arlene made is
14 in the bill as it stands, the bond issue of Mount
15 Prospect would not be impacted should this become law
16 on January 1st, but obviously the market will be
17 changing.

18 CHAIRMAN ANDERBERG: Okay.

19 MEISTER: Sorry.

20 CHAIRMAN ANDERBERG: All those in favor?

21 (Chorus of ayes.)

22 CHAIRMAN ANDERBERG: Opposed?

23 (No response.)

24 CHAIRMAN ANDERBERG: The ayes have it.

1 Is there any public comment from the
2 Members?

3 (No response.)

4 CHAIRMAN ANDERBERG: I'd just like to thank
5 Mr. Obernagel and Mr. Poole. They take a tremendous
6 trip every month to make it here, so thank you for
7 doing that.

8 OBERNAGEL: Thank you very much.

9 CHAIRMAN ANDERBERG: Planes, trains, and
10 automobiles.

11 (Laughter.)

12 SPEAKER: But you come in the night before.

13 CHAIRMAN ANDERBERG: Planes, trains, and
14 automobiles, yes. All of you guys, thank you.

15 JURACEK: Absolutely.

16 CHAIRMAN ANDERBERG: The next regularly
17 scheduled meeting will be December 14th. I would
18 like to request a motion to adjourn.

19 Is there such a motion?

20 POOLE: So moved.

21 CHAIRMAN ANDERBERG: And a second?

22 ZELLER: Second.

23 JURACEK: Second.

24 CHAIRMAN ANDERBERG: We have a second.

1 All those in favor?
2 (Chorus of ayes.)
3 CHAIRMAN ANDERBERG: Opposed?
4 (No response.)
5 CHAIRMAN ANDERBERG: The ayes have it.
6 Thank you.
7 FLETCHER: The time is 10:29 a.m.
8 (Which were all the.
9 proceedings had.)
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1 STATE OF ILLINOIS)

) SS:

2 COUNTY OF COOK)

3 Brad Benjamin, being first duly sworn on oath,
4 says that he is a Certified Shorthand Reporter, that
5 he reported in shorthand the proceedings given at the
6 taking of said hearing, and that the foregoing is a
7 true and correct transcript of his shorthand notes so
8 taken as aforesaid and contains all the proceedings
9 given at said Illinois Finance Authority Meeting.

10

11

12

Certified Shorthand Reporter

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No. 084-004805

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1 STATE OF ILLINOIS)

) SS:

2 COUNTY OF COOK)

3 Brad Benjamin, being first duly sworn on oath,
 4 says that he is a Certified Shorthand Reporter, that
 5 he reported in shorthand the proceedings given at the
 6 taking of said hearing, and that the foregoing is a
 7 true and correct transcript of his shorthand notes so
 8 taken as aforesaid and contains all the proceedings
 9 given at said hearing.

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Certified Shorthand Reporter

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No. 084-004805

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