

**Meeting of the Board of Directors
Upper Illinois River Valley Development Authority
June 11, 2024
Lincolnshire/Morris, Illinois**

Members Present

Kevin Considine, Lake County
Terrence Dee, Governor's Appointment
Agnes Masnik, DCEO Designee
Justin Meierkord, Marshall County
Ted Mesiacos, Kane County
Kevin Olson, Grundy County
Michael Pittman, CMS Designee
Kurt Schneider, McHenry County
Estelle Walgreen, Governor's Appointment
Reed Wilson, Putman County
Theresa Wittenauer, Bureau County

Members Absent

Michael Guilfoyle, LaSalle County
Melissa Hernandez, Gov Appointment
Peter Olson, Gov Appointment
Seth Wormly, Kendall County

Others Present

Andrew Hamilton, Executive Director
Warren Ribley, Assistant Executive Director
Jeff Torricelli, Government Relations
Ronni Norton, Marketing

The meeting was called to order at 12:06 p.m. by Chairman Kevin Olson. Roll call was taken identifying the presence of a quorum. It was moved by Member Estelle Walgreen and seconded by Member Terry Dee to approve the agenda as presented. Following discussion, the motion carried. It was moved by Member Justin Meierkord and seconded by Treasurer Kevin Considine to approve the minutes of the May 14, 2024, meeting and the minutes and actions of all previous meetings as presented. Following discussion, the motion carried. The Treasurer's Report was presented. It was moved by Member Kurt Schneider and seconded by Treasurer Kevin Considine to approve the Treasurer's Report as presented. Following discussion, the motion carried.

Assistant Executive Director Ribley reminded members of the obligation to complete the Ethics and Harassment & Discrimination Prevention trainings and the Supplemental Statement of Economic Interest. It was noted that due diligence is still underway at the staff level on options for applying prevailing wages on UIRVDA approved enterprise zone projects and any potential legal and insurance liability issues. Staff will bring such information to the Board for further consideration.

Ordinance 24-008- An Ordinance to add territory to the UIRVDA Enterprise Zone on behalf of the PR Round Lake Beach Project, Round Lake Beach, IL (Lake)

- Grass Roots Management, LLC is planning the land acquisition and construction of a

Pizza Ranch facility in Round Beach Lake, Lake County, IL. The Company has developed, owns and manages over 35 individual Pizza Ranch locations in the Midwest. Pizza Ranch began in Iowa in the early 1980's and has evolved into a family all-you-can-eat buffet that includes fresh salads, the "country's best chicken", pizzas, self-serve soft drinks and ice cream at an economical price. Private party rooms are also available. The brand markets value and family entertainment, along with the best fast food. There are currently approximately 225 Pizza Ranch locations and Grass Roots Management is the largest franchisee group in the chain. Each Pizza Ranch location has its own equity investors, including new local investors. All the Pizza Ranch locations managed by Grass Roots Management remained open during the COVID pandemic focusing on expanded carry-out and delivery. The total investment is \$5,163,600 including land acquisition, new construction, new equipment and create 60 new jobs. The project will be financed with a combination of bank financing and equity.

The Mayor of Round Lake Beach helped recruit Pizza Ranch to the city after having eaten at a location in Wisconsin. The city helped identify a preferred location adjacent to the Meijer's store at the corner of Route 83 and Rollins Road. All City siting and zoning requirements are in a final state of approval. Round Lake Beach has an expanding convention and city center that needs a quality and a cost-effective catering partner. The city encouraged the business to seek enterprise zone benefits as part of the effort to recruit the business to Round Beach Lake.

Thereupon, Chairman Olson presented the Ordinance. It was moved by Treasurer Kevin Considine and seconded by Member Terry Dee to approve the Ordinance as presented. Chairman Olson proposed the question and directed that the roll be called for vote upon the motion to approve. Upon the roll being called, the following members voted AYE: Kevin Considine, Terrence Dee, Agnes Masnik, Justin Meierkord, Ted Mesiacos, Kevin Olson, Michael Pittman, Kurt Schneider, Estelle Walgreen, Reed Wilson and Theresa Wittenauer. The following members voted NAY: none. The following members were absent: Michael Guilfoyle, Melissa Hernandez, Peter Olson and Seth Wormly. WHEREUPON Chairman Olson declared the motion carried and the Ordinance adopted and did direct the Secretary to record the same in full in the records of the Authority.

Ordinance 24-009- An Ordinance to add territory to the UIRVDA Enterprise Zone on behalf of the M&A Realty LLC (AZ Polymer) Project, Gurnee IL (Lake) - In April 2021, a site in Gurnee, Lake County, was added to the UIRVDA enterprise zone on behalf of AZ Polymers. The owners of AZ Polymers constructed an 85,000 square foot facility to manufacture high quality plastic substrates in polycarbonate and acrylic. The facility is now operational and looking to expand. The owner and operator of AZ Polymers is an executive at United Plastics Inc. (UPI), also located in Gurnee. UPI is a supplier of plastics raw materials to the plastics manufacturing industry worldwide, buys, sells, and processes plastic materials, specializing in plastics recycling and will supply AZ Polymers. Due to overall business growth, the ownership has purchased another nearby parcel in Gurnee at 740 Tri State Parkway and plans to construct an additional building to support the business model. The total investment is \$9,350,000, including land acquisition, new construction of \$8,000,000, and equipment and will create 10 new jobs. M&A Realty LLC is the real estate holding company for the project. Construction is set to commence in the summer of 2024.

Thereupon, Chairman Olson presented the Ordinance. It was moved by Treasurer

Kevin Considine and seconded by Member Terry Dee to approve the Ordinance as presented. Chairman Olson proposed the question and directed that the roll be called for vote upon the motion to approve. Upon the roll being called, the following members voted AYE: Kevin Considine, Terrence Dee, Agnes Masnik, Justin Meierkord, Ted Mesiacos, Kevin Olson, Michael Pittman, Kurt Schneider, Estelle Walgreen, Reed Wilson and Theresa Wittenauer. The following members voted NAY: none. The following members were absent: Michael Guilfoyle, Melissa Hernandez, Peter Olson and Seth Wormly. WHEREUPON Chairman Olson declared the motion carried and the Ordinance adopted and did direct the Secretary to record the same in full in the records of the Authority.

Resolution 24-010- A Resolution Authorizing the Initial Approval of the Issuance of Bonds for the Financing and/or Refinancing of the Acquisition, Rehabilitation, Construction, and Equipping of Residential Rental Housing for Individuals and Families of Low and Moderate Income at the Prairie View Apartments in Woodstock, McHenry County, Illinois, and Timber Oak Apartments, in Ingleside, Lake County, Illinois. UIRVDA first issued bonds for the non-profit Patriot Services Group (PSG) in 2018 to finance veteran and senior housing in Woodstock and Ingleside. Patriot Services Group, based in Florida, owns and operates several similar housing developments in other states including Wisconsin, Louisiana, and Mississippi. The Prairie View Apartments and Timber Oaks Apartments represent 569 housing units collectively. The 2018 issue was approximately \$67,000,000. In 2020, PSG refunded the bonds through UIRVDA in an amount of \$64,000,000.

PSG has approached UIRVDA for another bond refunding. This financing is a part of a global portfolio restructuring of PSG's portfolio of approximately \$400 million throughout the USA. PSG and the bond investor that financed the global portfolio have agreed to restructure the debt to put the portfolio in a better financial standing while completing additional rehab on the projects to improve their performance. The expectation is that the global portfolio restructuring will decrease the debt service requirements in the short run until the portfolio's cash flow has improved. So, while interest rates may not necessarily be lower, the covenants concerning debt service coverage and actual payments of debt service are expected to be more relaxed under the new structure.

The bond transaction is expected to close in the fall of 2024. Coats Rose, based in Cincinnati, is bond counsel for the transaction. The inducement resolution is for an amount not to exceed \$100,000,000 to allow for additional improvements to the facilities.

Thereupon, Chairman Olson presented the Ordinance. It was moved by Treasurer Kevin Considine and seconded by Member Terry Dee to approve the Ordinance as presented. Chairman Olson proposed the question and directed that the roll be called for vote upon the motion to approve. Upon the roll being called, the following members voted AYE: Kevin Considine, Terrence Dee, Agnes Masnik, Justin Meierkord, Ted Mesiacos, Kevin Olson, Michael Pittman, Kurt Schneider, Estelle Walgreen, Reed Wilson and Theresa Wittenauer. The following members voted NAY: none. The following members were absent: Michael Guilfoyle, Melissa Hernandez, Peter Olson and Seth Wormly. WHEREUPON Chairman Olson declared the motion carried and the Ordinance adopted and did direct the Secretary to record the same in full in the records of the Authority.

Ethics Act Training & Supplemental Statements of Economic Interest - Public Act 103-0517 brought the regional development authorities under the auspices of the

Executive Ethics Commission (EEC) and the Office of the Executive Inspector General (OEIG), both under the Governor's Office. In subsequent conversations with those entities, we have learned that both Board members and staff have annual training responsibilities and the filing of a Supplemental Statement of Economic Interest. The two separate trainings, managed by the OEIG are annual and recurring, follow the calendar year, and are available both paper-based or through an on-line portal. A compliance report is filed at the end of the year. This training is required by statute. There are two trainings, one for ethics and one for Harassment & Discrimination Prevention. Upon receipt, Board members will have 30-days to complete the training. The Supplemental Statement of Economic Interest is a requirement from Executive Order 1509 issued by former Governor Rauner administered by the EEC. It has 3 questions, related to any ownership interest in real estate leased or otherwise to the State, membership on any other Board position, public, private, or nonprofit, and whether the respondent is party to any lawsuit involving the State. This supplement is in addition to the standard Statement of Economic Interest. All Board members and staff are required to file, regardless of the appointing authority. It is due on May 1st of each year and can be filed electronically or by paper response. Copies of the documents will be provided to Board members upon receipt.

With no further business, it was moved by Director Ted Mesiacos and seconded by Treasurer Considine to adjourn. The motion carried. The meeting was adjourned at 12:26 p.m.

Respectfully submitted,
Melissa Hernandez, Secretary