

MINUTES OF THE REGULAR BOARD MEETING OF THE ILLINOIS SPORTS FACILITIES AUTHORITY

September 21, 2017

A meeting of the Board of Directors of the Illinois Sports Facilities Authority was held on September 21, 2017 at 10:00 a.m. at the Offices of Loop Capital 111 West Jackson Blvd., Suite 1901, Chicago, Illinois.

Item 1. Call to Order

The Chairman called the meeting to order at approximately 10:00 a.m.

Item 2. Roll Call

Call of the Roll was taken and the following members of the Authority were present: Manny Sanchez, Rosemarie Andolino, Timothy Rand, Jeff Yordon and Jim Reynolds. Anthony O'Neill, P.J. Frayer, Dana Phillips Goodum, Maureen Gorski, Maureen Garanzini, Maria Saldaña and Russell Levine of the Authority's staff were present. Also present was John Corvino of the Chicago White Sox.

Item 3. Introduction of ISFA's New Employees

Chairman Sanchez introduced Maria Saldaña as the new part time General Counsel and asked that she tell the Board a little bit about her background. Ms. Saldaña mentioned that she is a lawyer by training and that she practiced law for over 25 years before moving to investment banking. She indicated that her experience as a lawyer included working in the City of Chicago's Law Department and that she has also held other positions in government that have provided her with a substantial amount of experience working for governmental entities. She mentioned that she got her law degree from University of California at Berkeley. She said that she welcomed the opportunity to work with ISFA. Chairman Sanchez then introduced Russell Levine and asked that he tell the Board a little bit about himself. Mr. Levine said he was a communications major from the University of Missouri, Class of 2015. Immediately prior to joining ISFA he worked in with the House Republicans, another government office. Currently, at ISFA he is assisting Maureen Gorski with construction projects.

Item 4. Approval of Minutes

Chairman Sanchez called for motion to approve the minutes of the Regular Board Meeting held on May 18, 2017. Mr. Yordon moved to approve and Mr. Rand seconded. The minutes were unanimously approved.

Item 5. CEO Report

Mr. O'Neill first gave a short legislative recap reporting that ISFA received its full appropriation's request for 2nd year in a row. Mr. O'Neill reported that as a result of ISFA receiving its full

appropriation request it can make all of its debt service payments and meet all its contractual obligations to the Chicago White Sox and the Chicago Park District.

Second, Mr. O'Neill reported that he has undertaken a project to develop a record retentions schedule. In its 25+ year history ISFA, Mr. O'Neill reported, had never undertaken an official records retention schedule that would allow it to digitize some records and get rid of others.

Under the Local Public Records Act there is a State Records Commission that will inform us how long we have to keep each type of record and will also allow us to digitize some records. We submitted to the State Commission our proposed retention schedule for their approval.

Next, Mr. O'Neill reported that a number of Board members had made inquiries regarding potential development of land surrounding the ball park. In addition to paved parking lots surrounding the stadium, ISFA acquired property at 300 West Pershing, a piece of undeveloped land that may present a potential development opportunity. Mr. O'Neill reported that it may be something can be taken up by the Real Estate Committee. He indicated that he could reach out to the City's Department of Planning and Development and to the local Alderman to discuss the site and to determine what type of interest there may be in the development of this site. Mr. Reynold asked if there were any ISFA records indicating what intended use of the site was when ISFA first acquired the site. Mr. O'Neill indicated that he had not located such records, but as part of conversations with staff his understanding was that parcel was acquired as part of lot L acquisition. Mr. Reynolds then asked Ms. Phillips Goodum if she recalled how much ISFA paid for that parcel. Ms. Phillips Goodum reported that it was \$2.4 million. \$1.8 million for the acquisition costs and another \$600K for demolition and for remediation.

Ms. Andolino said it made strategic sense to have acquired the site because it was adjacent to the parking lot, on the other hand it might have wrong frontage for development. She suggested that that in discussion with the White Sox organization we may be able to determine if that site could be used for parking and trade it for another site with more appropriate frontage.

Ms. Phillips Goodum indicated that there had been a study done in the past regarding potential development around the stadium. Mr. Sanchez indicated that staff should take a look at that study.

Mr O'Neill than reported on outreach made by the City Clerk's office related to roll out of its municipal ID program and how the White Sox and ISFA could participate in roll out by assisting with encouraging more people to acquire the ID. Mr. O'Neill suggested that the City Clerk's office was looking for special incentives to be offered in terms of ticket discounts or food and beverages discounts. Mr. Sanchez said we should table that for now.

Item 6. Prevailing Wage Act Determinations

Ms. Phillips Goodum reported that under the Prevailing Wage Act, ISFA is required to determine prevailing wages for construction trade work and that such a determination is made at the first Board of Directors meeting each fiscal year. She reported that ISFA utilizes the Cook County prevailing wage rates, as determined by the Illinois Department of Labor for construction work. She then asked that the Board approve Resolution 18-01 which adopts the use of the prevailing

wage rates established by Illinois Department of Labor for Cook County and that it be made retroactively effective to June 2017. Ms. Andolino moved approval of Resolution 18-01 and it was seconded by Mr. Yordon. Resolution was unanimously approved.

Item 7. Fiscal Year 2017 Unaudited ISFA Operating Results

Ms. Phillips Goodum reported that our outside auditors were in our offices performing our 2017 audit. She reported that everything is going well and that the only adjustment that has been made is to hotel tax. It looks like instead of having \$4.7 million of positive net results we will \$5.4 million of net revenues as a result additional hotel taxes. On the expenditure side she reported that we had overages in certain areas, mainly due to special events costs, additional staff and additional construction costs that had been approved via resolution. The revenue is better than budgeted as result of hotel taxes doing better than budgeted and also as result of revenues from the Chance the Rapper concert.

Ms. Phillips Goodum then went on to report that so far for the first quarter of 2018 she is seeing hotel taxes performing better than last year. Mr. Sanchez then pointed out that it looks like we benefit from overall increased hotel use in the City. Mr. Reynolds noted that luckily there has not been a downturn in hotel use as sometimes it has been predicted and Ms. Andolino noted that there have been even more hotel rooms coming online.

Item 8. Guaranteed Rate Field Capital Repairs

Ms. Gorski gave her report on status of overall capital repairs. Ms. Gorski noted that there are a lot of weather related repairs that can start right after the end of the regular season. She noted we are in Phase III of Video Improvements that will consist of installation of a ribbon board that will completely encircle the stadium. In addition Ms. Gorski stated that we will be re-doing the marquee. She reported that the White Sox had requested that we take undertake a Lighting Improvement project on Level 100, which will improve lighting around concessions. In order to undertake this lighting improvement project the White Sox requested that we could remove a smaller project that had been included in the Video Improvements Phase III and transfer funds associated with that project to the Level 100 Lighting Improvement Project. The transfer of funds to the 100 Level Lighting improvement is all still within our overall capital budget. Mr. Reynolds than asked whether that meant that Video Improvements were going to be pushed to a later time; Ms. Gorski said no, it was all going to happen at the same time, we were still going to proceed with rest of the Video Improvements included in Phase III. Ms. Andolino pointed out that improving lighting around the concessions would improve overall revenues as result of greater visibility around concessions. Ms. Gorski than asked for favorable consideration of Resolution 18-02, which authorizes the transfer of funds from the Video Improvements Project to the 100 Level Lighting Improvements Project. Mr. Sanchez called for a motion to approve. It was moved by Ms. Andolino and seconded by Mr. Rand; Resolution 18-02 was unanimously approved.

Item 9. Chicago Park District

Ms. Gorski reported that the Chicago Park District has requested use of previously unallocated funds in the Soldier Field Capital Improvement Fund. She stated that according to Operating

Assistance Agreement between ISFA and the Park District, the Park District has to come to ISFA to allocate funds for specific projects. She stated that Resolution 18-03 would authorize allocation of funds to projects as requested by the Park District. Ms. Andolino asked whether the Park District was otherwise in compliance with Operating Assistance Agreement; Ms. Gorski said yes and that paperwork for request has been submitted and it's all per the agreement. Mr. Sanchez then asked for motion to approve Resolution 18-03. It was moved by Mr. Yordon and seconded by Ms. Andolino. Resolution 18-03 was unanimously approved.

Item 10. Executive Session

Mr. Sanchez then stated that he would like to make a motion to go into Executive Session to discuss litigation matters which under Section 2(c) 11 of the Open Meetings Act maybe discussed in executive session and to discuss Personnel Matters which under Section 2(c)1 of the Open Meetings Act may also be discussed in Executive Session. On the motion to go into executive session roll call was taken. Ayes: Sanchez, Andolino, Rand, Reynolds, Yordon; Nays: None.

Item 11. Matters Arising Out of Executive Session


None

Item 12. Other Business

None

Item 13. Adjournment

Chairman Sanchez adjourned the meeting at approximately 11:15 a.m.


Chairman, Manuel Sanchez

ATTEST:


Secretary, Jeffrey Yordon

9-21-17 Minutes