

**MINUTES OF THE JANUARY 18, 2011, MEETING OF THE BOARD OF DIRECTORS OF THE
ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (the “IFA” or the “Authority”), pursuant to notice duly given, held a Board Meeting at 11:30 a.m. on Tuesday, January 18, 2011, at the Fairmont Chicago Millennium Park Hotel at 200 North Columbus Drive, Gold Room—2nd Floor, Chicago, IL 60601.

<p>Members Present:</p> <ol style="list-style-type: none">1. Michael W. Goetz, Vice Chairman2. Gila J. Bronner3. Ronald E. DeNard4. John “Jack” Durburg5. Edward H. Leonard, Sr.6. Heather D. Parish7. Roger E. Poole8. Bradley A. Zeller <p>By Telephone:</p> <ol style="list-style-type: none">9. Dr. William Barclay (joined at 11:32 a.m.)	<p>Members Absent:</p> <ol style="list-style-type: none">10. William A. Brandt, Jr., Chairman11. James J. Fuentes12. Norman M. Gold13. Dr. Roger D. Herrin14. Joseph McInerney15. Terrence M. O’Brien <p>Vacancies: None</p>
---	---

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Vice Chairman Goetz called the meeting to order at 11:30 a.m. with the above Members present. The Vice Chairman welcomed Members of the Board and all guests. He then asked the Assistant Board Secretary, Mr. Syed, to call the roll. There being eight (8) Members present, Mr. Syed declared a quorum present.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending December 31, 2010, and Minutes for both the Committee of the Whole and Board of Directors Meetings held on December 14, 2010, were presented to the Board. Vice Chairman Goetz stated that the Authority’s Financial Statements and such Minutes were reviewed at the regularly scheduled Committee of the Whole Meeting held at 8:30 a.m. Vice Chairman requested a motion to approve the December 31, 2010, Financial Statements and Minutes from both the Committee of the Whole (amended to include Report of the Energy Committee) and Board of Directors Meetings held on December 14, 2010.

The motion was made by Mr. Leonard and seconded by Ms. Bronner. The December 31, 2010, Financial Statements and Minutes for both the Committee of the Whole and Board of Directors Meetings held on December 14, 2010, were unanimously approved by the Members of the Board.

Senior Staff Reports

None.

Project Approvals

Vice Chairman Goetz asked Mr. Frampton, Vice President, to present the projects for consideration to the Board. The Vice Chairman explained that all projects are reviewed by a staff Credit Committee and all agriculture, energy and healthcare projects are also reviewed at their respective committee's public meeting each month. Finally, each project is discussed at the Committee of the Whole Meeting held at 8:30 a.m. before the Board Meeting.

Agriculture – No Guests

Mr. Frampton presented the following projects for approval:

No. 1A: Greg D. & Krystal J. Goebel – \$114,000 – 60 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$114,000 for the purchase of approximately 60 acres of farmland. This project is located in unincorporated Jasper County, near Montrose, IL.

No. 1B: Thad & Lindsay Goebel – \$98,000 – 60 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$98,000 for the purchase of approximately 60 acres of farmland. This project is located in unincorporated Jasper County, near Montrose, IL.

No. 1C: Travis M. Maedge – \$171,928 – 40 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$171,928 for the purchase of approximately 40 acres of farmland. This project is located in unincorporated Madison County, near Highland, IL.

No. 1D: Travis Wesley Rich – \$146,667 – 26.66 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$146,667 for the purchase of approximately 26.66 acres of farmland. This project is located in unincorporated Crawford County, near Robinson, IL.

No. 1E: Paul David Thompson – \$139,500 – 46.5 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$139,500 for the purchase of approximately 46.5 acres of farmland. This project is located in unincorporated Warren County, near Edwards, IL.

No. 1F: Theresa Lois Thompson – \$139,500 – 46.5 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$139,500 for the purchase of approximately 46.5 acres of farmland. This project is located in unincorporated Warren County, near Little York, IL.

No. 1G: Kevin W. & Lindsay K. Cox – \$133,500 – 60 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$133,500 for the purchase of approximately 60 acres of farmland. This project is located in unincorporated Mercer County, near Illinois City, IL.

No guests attended with respect to Items Nos. 1A, 1B, 1C, 1D, 1E, 1F or 1G. Vice Chairman Goetz asked if the Board had any questions with respect to Items Nos. 1A, 1B, 1C, 1D, 1E, 1F or 1G. There being none, Vice Chairman Goetz called a roll call vote on Item Nos. 1A, 1B, 1C, 1D, 1E, 1F and 1G. Items Nos. 1A, 1B, 1C, 1D, 1E, 1F and 1G received approval with 8 ayes, 0 nays and 0 abstentions.

Higher Education, Cultural and Other Non-Healthcare 501(c)(3)'s – No Guests

No. 2: CHF-Normal, L.L.C. - \$65,000,000 – Final

CHF-Normal, L.L.C. and its affiliates are requesting approval of a Final Bond Resolution in an amount not-to-exceed \$65,000,000. Bond Proceeds will be used by CHF-Normal, L.L.C. to (i) acquire, construct and equip an approximately 896-bed student residence facility under a ground lease from Illinois State University in Normal, Illinois; (ii) demolish the project site which is currently the site of Cardinal Court student housing property; (iii) fund capitalized interest; (iv) fund a debt service reserve fund; and (v) pay costs of issuance.

No. 3: CHF-DeKalb II, L.L.C. - \$135,000,000 – Final

CHF-DeKalb II, L.L.C. and its affiliates are requesting approval of a Final Bond Resolution in an amount not-to-exceed \$135,000,000. Bond proceeds will be used by CHF-DeKalb II, L.L.C. to (i) acquire, construct and equip an approximately 1,008-bed facility, including dining facilities and a community center on Northern Illinois University's campus in DeKalb, Illinois; (ii) refund certain outstanding bonds of the Authority; (iii) pay capitalized interest during construction; (iv) fund a debt service reserve fund; and (v) pay costs of issuance.

Dr. Barclay joined the Board Meeting at 11:32 a.m.

No guests attended with respect to Items Nos. 2 or 3. Vice Chairman Goetz asked if the Board had any questions with respect to Items Nos. 2 or 3. There being none, Vice Chairman Goetz called a roll call vote on Items Nos. 2 and 3. Items Nos. 2 and 3 received approval with 9 ayes, 0 nays and 0 abstentions.

Resolutions – No Guests

- No. 4:** **Pere Marquette Associates, L.P. – Extension of Loan Term**
- No. 5:** **Ratifying certain action taken to qualify Series 2007A Bonds (McKinley Foundation Project) as “Bank Qualified Bonds”**
- No. 6:** **Resolution authorizing the Executive Director to work with various agencies and trade groups to provide comments to Securities Exchange Commission on proposed SEC Rules**

No guests attended with respect to Items Nos. 4, 5 or 6. Vice Chairman Goetz asked if the Board had any questions with respect to Items Nos. 4, 5 or 6. There being none, Vice Chairman Goetz requested leave to apply the last unanimous vote in favor of Items Nos. 4, 5 and 6. Item Nos. 4, 5 and 6 received approval with 9 ayes, 0 nays and 0 abstentions.

Other Business

None.

Adjournment

Vice Chairman Goetz then asked if there was any other business to come before the Board. Hearing none, the Vice Chairman requested a motion to adjourn. Upon a motion by Ms. Parish and seconded by Mr. Poole, the Board unanimously voted to adjourn at 11:42 a.m.

Minutes submitted by:
Ahad Syed
Assistant Board Secretary