

**MINUTES OF THE FEBRUARY 9, 2010 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, February 9, 2010 at the Conference Center at One Prudential Plaza, 7th Floor, 130 E. Randolph Street, Chicago, IL 60601.

Members present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Edward H. Leonard, Sr.
4. Terrence M. O’Brien
5. Dr. William J. Barclay
6. Bradley A. Zeller
7. John “Jack” Durburg (Temporary)
8. Roderick Bashir (Temporary)
9. Joseph McInerney (Temporary)
10. Roger Poole (Temporary)

Members absent:

1. Ronald E. DeNard
2. Juan B. Rivera
3. Dr. Roger D. Herrin
4. James J. Fuentes

**Members participating by
telephone:**

None

Vacancies:

One

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Chairman Brandt called the meeting to order at 11:30 a.m. with the above members present. Chairman Brandt welcomed members of the Board and all guests. He then asked Assistant Secretary Kara Nystrom-Boulahanis to call the roll. There being ten (10) members physically present Ms. Nystrom-Boulahanis declared the quorum met.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending January 31, 2010 and minutes for both the January 12, 2010 Committee of the Whole and Board of Directors meetings were presented to the Board. Chairman Brandt stated that the Authority’s financial statements and minutes were reviewed at the regularly scheduled Committee of the Whole meeting held at 8:30 a.m. that day. Chairman Brandt requested a motion to approve the January 31, 2010 Financial Statements and minutes from both the January 12, 2010 Committee of the Whole and the Board of Directors meeting.

The motion was moved by Mr. Goetz and seconded by Mr. Bashir. The January 31, 2010 financial statements and minutes from both the January 12, 2010 Committee of the Whole and the Board of Directors meetings were unanimously approved by members of the Board.

Chairman’s Remarks

Chairman Brandt welcomed Board Members and guests.

Senior Staff Reports

None.

Project Approvals

Chairman Brandt asked Mr. Rich Frampton, Vice President, to present the projects for consideration to the Board. Chairman Brandt announced that the projects presented undergo an extensive review process prior to presentation to the Board. All projects are thoroughly vetted by a staff credit committee. All agriculture, energy and healthcare projects are also reviewed at their respective committees' public meetings each month. Finally, each project is thoroughly reviewed at the Committee of the Whole meeting held at 8:30 a.m. before the Board Meeting.

Mr. Frampton presented the following projects for board approval:

- No. 1A:** **– Cody A. Purdom.**
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$225,000 for the purchase of an undivided 1/3 interest in approximately 95 acres of farmland. This project is located in Marengo, IL (McHenry County).
- No. 1B:** **– David Belusko.**
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$229,000 for the purchase of an undivided 1/2 interest in approximately 237.5 acres of farmland and related buildings. This project is located in Litchfield, IL (Montgomery County).
- No. 1C:** **– Matthew Ryan Belusko.**
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$229,000 for the purchase of an undivided 1/2 interest in approximately 237.5 acres of farmland and related buildings. This project is located in Litchfield, IL (Montgomery County).
- No. 1D:** **– Jacob B. Semple.**
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$139,750 for the purchase of approximately 79 acres of farmland. This project is located in West Liberty, IL (Richland County).
- No. 8:** **Scott Rippelmeyer.** An Amendment requested by Midland States Bank and Scott Rippelmeyer to release a \$40,000 Certificate of Deposit originally pledged as collateral for a 1988 Agri-Debt Guarantee with an original amount of \$150,000 and current balance of \$98,007
- No. 9:** **Blackhawk Biofuels, LLC.** Request by Fifth Third Bank for consideration of a Third Amendment to the Fifth Third Bank Term Loan with Blackhawk Biofuels, LLC.
- No. 7:** **Hellenic-American Academy Foundation.** Resolution Authorizing the Execution and Delivery of a First Amendment to the Bond and Loan Agreement and a Supplemental Tax Exemption Certificate and Agreement, which Amendments authorize (1) the substitution of Hellenic American Academy Foundation, NFP, an Illinois 501(c)(3) not for profit corporation, as Borrower in place of Sindesmos Hellinikes-Kinotitos of Chicago, a/k/a Holy Trinity Hellenic Orthodox Church, (2) a change in Interest Rate on the Bond; and (3) related matters (IFA Series 2007 Bonds, Hellenic-American Foundation NFP Project)

No. 6: – The University of Chicago Medical Center.

Request for final approval for the issuance of up to \$166.735 million of 501(c)(3) Bonds to (i) convert or refund most or all of the Series 2009A and 2009B variable rate bonds to a fixed interest rate, (ii) and to pay costs of issuance. This project is located in Chicago, IL (Cook County).

No guests attended with respect to Project Nos. 1A, 1B, 1C, ID or 6. Additionally, no guests attended with respect to Resolution Nos. 7, 8 or 9. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 1A, 1B, 1C, ID, 6 or Resolution Nos. 7, 8 or 9. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 1A, 1B, 1C, ID, 6 and Resolution Nos. 7, 8 and 9. Project Nos. 1A, 1B, 1C, ID, 6 and Resolution Nos. 7, 8 or 9 received approval with 10 ayes, 0 nays, and 0 abstentions.

No. 3: – Friendship Village of Mill Creek, NFP (Greenfields of Geneva Project)

Request for the preliminary approval of the issuance of 501(c)(3) Bonds in an amount not to exceed \$125 million. The proceeds of this issuance will be used to (i) to construct and equip a new Continuing Care Retirement Community, (ii) repay monies used to finance pre-development costs, including the outstanding bond anticipation notes and other seed capital funds provided by various sources (iii) fund one or more Debt Service Reserve Funds, (iv) fund interest expense on the Bonds for a period of approximately 20 months, and (v) fund certain professional and bond issuance costs. This project is located in Geneva, IL (Kane County).

Ms. Pam Lenane, Vice President and Acting General Counsel, introduced Mr. Steve Yenchek, President and CEO of Friendship Senior Options. Mr. Yenchek thanked the Board for considering the Greenfields of Geneva project. He stated that this project would create a new community in Geneva that would be home to 200 older adults. He added that the project had already surpassed presale goals and Friendship Village was excited to extend their mission into Kane County.

Chairman Brandt thanked Mr. Yenchek for utilizing the Authority for his project. He added that there is another project from the same parent company and asked Mr. Frampton to please present that project.

No. 5: – Evangelical Retirement Homes of Greater Chicago, Inc. d/b/a Friendship Village of Schaumburg

Request for the final approval of the issuance of 501(c)(3) Bonds in an amount not to exceed \$36 million. Proceeds and certain other funds will be used to: 1) refund the existing Series 2005C Variable Rate Demand Bonds issued by the IFA 2) fund approximately \$2.8 million of prior capital expenditures, 3) fund a Debt Service Reserve Fund, and 4) pay for certain costs of issuance associated with the Series 2010 Bonds. This project is located in Schaumburg, IL (Cook County).

Ms. Lenane then introduced Mr. Kim Klockenga, Chief Financial Officer, for Friendship Senior Options. Mr. Klockenga thanked the Board for their consideration and for their assistance refinancing Friendship Village's 2005 issue.

Chairman Brandt thanked Mr. Klockenga for attending the meeting and for utilizing the IFA. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 3 or 5. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 3 and 5 received approval with 10 ayes, 0 nays, and 0 abstentions.

No. 2: – Alexian Brothers Health System

Request for the preliminary approval of the issuance of 501(c)(3) Bonds in an amount not to exceed \$150 million. The proceeds of this issuance will be used to: 1) refund the remaining outstanding balance of the Alexian Brothers Health System Series 2005C Bonds, 2) fund a Project Fund for hospital modernization, 3) fund a Debt Service Reserve, and 4) pay certain

costs of issuance associated with the Series 2010 Bonds. This project is located in Elk Grove Village and Hoffman Estates, IL (Cook County).

Ms. Lenane presented Mr. Jim Sances, Chief Financial Officer of Alexian Brother Health System, a long time borrower of the IFA. Mr. Sances thanked the Board for their consideration of this project as it will reduce costs and allow Alexian Brother Health System to improve and expand.

Chairman Brandt asked if the Board had any questions with respect to Project No. 2. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of No. 2 received approval with 10 ayes, 0 nays, and 0 abstentions.

No. 4: - Palos Community Hospital

Request for the preliminary approval of the issuance of 501(c)(3) Bonds in an amount not to exceed \$275 million. The proceeds of this issuance will be used to (i) provide financing to pay various capital expenditures associated with the acquisition, construction, and equipping of a new bed tower and for renovations to the existing hospital facility (ii) fund capitalized interest; (iii) fund a debt service reserve fund, if required, and (iv) to fund certain professional and bond issuance costs. This project is located in Palos Heights, Orland Park, Lemont and Oak Lawn, IL (Cook County).

Ms. Lenane introduced Mr. Hugh Rose, Chief Financial Officer of Palos Community Hospital. Mr. Rose presented a rendering of the proposed project. Mr. Rose explained that the project would be a major renovation and expansion of Palos Community Hospital. The project would include a new wing with 156 private rooms, 36 intensive care units, new operating rooms and a new entrance. Palos Community Hospital intends to break ground this year, with the project continuing until 2011. Once this project is completed Palos Community Hospital intends to undertake the renovation of the current facility. He thanked the Board for their consideration.

Chairman Brandt thanked Mr. Rose for his presentation. He asked if the Board had any questions. Mr. Bashir asked Mr. Rose what types of jobs would be created by this project. Mr. Rose responded that the jobs that would be created would be across a variety of sectors, including: additional nurses, support staff, janitorial staff and other types of personnel.

Chairman Brandt asked if the Board had any additional questions with respect to Project No. 4. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of No. 4 received approval with 10 ayes, 0 nays, and 0 abstentions.

Other Business

Chairman Brandt asked if there was any other business to come before the Board. There being none, Chairman Brandt requested a motion to adjourn. Upon a motion by Mr. Zeller and seconded by Mr. O'Brien, the meeting adjourned at 11:48 a.m.

Chairman Brandt reminded all guests that next month's meeting will be on March 9, 2010 at the Pere Marquette Hotel in Peoria, IL and to please check www.il-fa.com for more information.

Respectfully Submitted,

Kara Nystrom-Boulahanis, Assistant Secretary