

**MINUTES OF THE DECEMBER 14, 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, December 14, 2010, at the Prudential Plaza Conference Center at 130 East Randolph Street, 7<sup>th</sup> Floor, Chicago, IL 60601.

<b>Members Present:</b> <ol style="list-style-type: none"><li>1. William A. Brandt Jr., Chairman</li><li>2. Michael Goetz, Vice Chairman</li><li>3. Dr. William Barclay</li><li>4. Gila Bronner</li><li>5. Norman Gold</li><li>6. Dr. Roger Herrin</li><li>7. Edward Leonard, Sr.</li><li>8. Terrence O’Brien</li><li>9. Roger Poole</li><li>10. Bradley A. Zeller</li></ol>	<b>Members Absent:</b> <ol style="list-style-type: none"><li>11. Ronald E. DeNard</li><li>12. John “Jack” Durburg</li><li>13. James J. Fuentes</li><li>14. Joseph McInerney</li><li>15. Heather Parish</li></ol> <b>Vacancies:</b> None
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**GENERAL BUSINESS**

*Call to Order, Establishment of Quorum and Roll Call*

Chairman Brandt called the meeting to order at 11:40 a.m. with the above Members present. Chairman Brandt welcomed Members of the Board and all guests. He then asked the Assistant Board Secretary, Mr. Syed, to call the roll. There being ten (10) members physically present, Mr. Syed a quorum present.

Chairman Brandt explained that the IFA is planning on tentatively scheduling its January Board Meeting on January 11, 2010. There are some concerns that since the Governor’s Inaugural Ceremony would occur on January 10, 2010, it may be difficult for some Members and IFA staff to attend.

Chairman Brandt explained that it appears imminent that the Recovery Zone Facility Bonds (RZFBs) will sunset on midnight December 31, 2010. In order to facilitate the prompt closing of some RZFB projects the IFA has tentatively scheduled a second Board Meeting on December 23, 2010.

*Acceptance of Financial Statements and Minutes*

Financial statements for the period ending November 30, 2010, and Minutes for both the Committee of the Whole and Board of Directors Meetings held on November 9, 2010, were presented to the Board. Chairman Brandt 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. Chairman Brandt requested a motion to approve the November 30, 2010, Financial Statements and Minutes from both the Committee of the Whole and Board of Directors Meetings held on November 9, 2010.

The motion was made by Dr. Barclay and seconded by Mr. Goetz. The November 30, 2010, Financial Statements and Minutes for both the Committee of the Whole and Board of Directors Meetings held on November 9, 2010, were unanimously approved by the Members of the Board.

*Senior Staff Reports*

None.

*Project Approvals*

Chairman Brandt asked Mr. Rich Frampton, Vice President, to present the projects for consideration to the Board. The 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.

*Healthcare-No Guests*

Mr. Frampton presented the following projects for approval:

**No. 15: Mercy Circle - \$30,000,000 – Final (One-Time Consideration)**

Mercy Circle is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$30,000,000. Bond Proceeds will be used to pay or reimburse the costs of: (i) acquiring, constructing, and equipping construction, installation and equipping a continuing care retirement community on six acres of land on the far south side of Chicago, including related administrative facilities; and approximately 108 adjacent parking spaces; (ii) capitalized interest on the Bonds; and (iii) costs of issuance.

No guests attended with respect to Item No. 15. Chairman Brandt asked if the Board had any questions with respect to Item No. 15. Mr. O'Brien stated that he must abstain due to the fact that his firm represents the Sisters of Mercy in certain matters. Item 15 received approval with 9 ayes, 0 nays and 1 abstention (O'Brien).

*Agriculture-No Guests*

**No. 1A: Ryan D. & Heather D. Waldrop - \$237,268 – 130.6 acres**

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$237,268 for the purchase of approximately 130.6 acres of farmland. This project is located in unincorporated Lawrence County, near Sumner, IL.

**No. 1B: Wade C. McLaughlin - \$150,000 – 60.7 acres**

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$150,000 for the purchase of approximately 60.7 acres of farmland. This project is located in unincorporated Henry County, near Woodhull, IL.

**No. 1C: Jordan Ridgely – \$325,000 – 149 acres**

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$325,000 for the purchase of approximately 149 acres of farmland. This project is located in unincorporated Hamilton County, near Olney, IL.

**No. 1D: Wade Werkheiser - \$345,330 – 161 acres**

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$345,330 for the purchase of approximately 161 acres of farmland. This project is located in unincorporated Henry County, near Kewanee, IL.

**No. 1E: Douglas E. Mattingly II - \$77,120 – 30 acres**

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$77,120 for the purchase of approximately 30 acres of farmland. This project is located in unincorporated Edgar County, near Paris, IL.

No guests attended with respect to Items Nos. 1A, 1B, 1C, 1D or 1E. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 1A, 1B, 1C, 1D or 1E. There being none, Chairman Brandt called a roll call vote on Item Nos. 1A, 1B, 1C, 1D and 1E. Items Nos. 1A, 1B, 1C, 1D and 1E received approval with 10 ayes, 0 nays and 0 abstentions.

*Business and Industry-No Guests*

**No. 2: Concordia Place Apartments, L.P. - \$17,000,000 – Final**

Concordia Place Apartment, L.P. is requesting the approval of a Final Bond Resolution in an amount not-to-exceed \$17,000,000. Bond Proceeds and other available funds will be used by Concordia Place Apartments, L.P. to (i) refund the remaining outstanding balance of the City of Chicago Series 2003 Revenue Bonds and IFA Series 2006 Subordinate Bonds; (ii) finance capitalization of certain reserve funds required by the Credit Enhancer (Harris Bank, N.A.); (iii) renovate the project; and (iv) pay costs of issuance.

**No. 3: AML Campus II, LLC & AML Equipment Corporation (Alef Sausage, Inc) - \$3,000,000 – Final (One-Time Consideration)**

AML Campus II, LLC & AML Equipment Corporation (Alef Sausage, Inc) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$3,000,000. Bond Proceeds will enable AML Campus II, LLC and AML Equipment Corporation to (i) construct and equip an existing manufacturing facility located in Mundelein (Lake County); (ii) acquire new machinery and equipment for use therein; and (iii) pay costs of issuance. The project will be owned by AML Campus II, LLC & AML Equipment Corporation and leased in connection with the manufacturing of sausage and other prepared meats. AML Campus II, LLC, AML Equipment Corporation and Alef Sausage, Inc. are affiliated through common ownership.

**No. 4: KONE Centre Investment Fund, LLC – \$21,000,000 – Final**

KONE Centre Investment Fund, LLC is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$21,000,000. Bond Proceeds of the IFA Series 2010 Midwestern Disaster Area Bonds (KONE Centre Project), combined with other sources of debt and equity, will be loaned to KONE Centre Investment Fund, LLC and Financial District Properties KP, LLC, an Illinois limited liability company, to (i) acquire, construct and equip an approximately 115,000 Square Foot, 8-story office and residential building to be located on an approximately 2.184 acre site at 1 KONE Court (at the southeast corner of 17<sup>th</sup> Street and 2<sup>nd</sup> Avenue) in Moline (Rock Island County), Illinois; and (ii) finance costs of issuance. The Project will be owned by the Financial District Properties KP, LLC.

**No. 5: Mayo Properties LLC (Moran Transportation Corporation Project) – \$4,100,000 – Final**

Mayo Properties LLC (Moran Transportation Corporation Project) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$4,100,000. Bond Proceeds will be used to (i) acquire land; (ii) construct and equip a facility for use by Moran Transportation Corporation used in the Company's warehousing, logistics, and trucking operations; and (iii) pay costs of issuance.

**No. 6: 1200 Internationale Parkway LLC and/or 4580 Weaver LLC (MicroSun Technologies LLC Project) – \$3,500,000 – Final (One-Time Consideration)**

1200 Internationale Parkway LLC and/or 4580 Weaver LLC (MicroSun Technologies LLC Project) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$3,500,000. Bond Proceeds will be used to (i) acquire, renovate, construct and equip an approximately 98,500 Square Foot industrial/warehousing building located in Woodridge, Illinois for a facility that will be leased to MicroSun Technologies, LLC, an affiliated company under common ownership to be used in connection with its business of designing and manufacturing rechargeable batteries, chargers and power supplies for portable devices; (ii) acquire and renovate an approximately 48,000 Square Foot building located at 4580 Weaver Road, Warrenville, Illinois to be leased by 4580 Weaver LLC to Phonak LLC (an unaffiliated company) for use in the manufacturing of hearing and communication solutions; (iii) pay costs of issuance.

**No. 7: Rochelle Energy Center, LLC – \$10,000,000 – Final (One-Time Consideration)**

Rochelle Energy Center, LLC is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$10,000,000. Bond Proceeds will be used to enable Rochelle Energy Center, LLC to (i) construct and equip a new gas-to-energy facility in Rochelle, Illinois; and (ii) pay costs of issuance.

No guests attended with respect to Items Nos. 2, 3, 4, 5, 6 or 7. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 2, 3, 4, 5, 6 or 7. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Items Nos. 2, 3, 4, 5, 6 and 7. Items Nos. 2, 3, 4, 5, 6 and 7 received approval with 10 ayes, 0 nays and 0 abstentions.

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

**No. 10: CHF-Normal, L.L.C. and its affiliates - \$65,000,000 – Preliminary**

CHF-Normal, L.L.C. and its affiliates are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$65,000,000. Bond Proceeds will be used by CHF-Normal, L.L.C. to (i) design, construct and equip an approximately 228-unit, 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; and (iii) construct approximately 700 surface parking spaces, approximately 350 bike racks and various site improvements, including an enhanced pedestrian walkway to campus.

**No. 11: CHF-DeKalb II, L.L.C. and its affiliates - \$135,000,000 – Preliminary**

CHF-DeKalb II, L.L.C. and its affiliates are requesting approval of a Preliminary 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) design, 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) pay capitalized interest during construction; (iii) capitalize a debt service reserve fund; and (iv) pay costs of issuance.

**No. 12: Creative Children’s Academy (d/b/a Quest Academy) - \$3,700,000 – Final (One-Time Consideration)**

Creative Children’s Academy (d/b/a Quest Academy) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$3,700,000. Bond Proceeds will be used by Creative Children’s Academy d/b/a Quest Academy to (i) acquire land and related site improvements in conjunction with the subject land being used as green space, outdoor environment learning space and athletic fields by the Borrower; (ii) refinance the outstanding principal balance of IDFA Series 1998 Bonds; (iii) fund capitalized interest; and (iv) pay costs of issuance.

**No. 13: St. Francis High School College Preparatory - \$4,500,000 – Final (One-Time Consideration)**

St. Francis High School College Preparatory is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$4,500,000. Bond Proceeds will be used by St. Francis High School College Preparatory to (i) construct and equip educational facilities; and (ii) pay costs of issuance.

**No. 14: Illinois College - \$4,000,000 – Final (One-Time Consideration)**

Illinois College is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$4,000,000. Bond Proceeds will be used by Illinois College to (i) finance various leasehold improvements that will enable Illinois College to undertake various energy conservations projects including: (a) upgrade its Mechanical Systems/HVAC and Lighting/Electrical systems, construct a new pitched roof system, install window/door upgrades and complete interior remodeling work at Gardner Residence Hall; (b) upgrade Primary/Secondary Chilled Water Piping, converting to Variable Flow Pumping and installing Direct Digital Controls at its Parker Science building; (c) consolidate utility meters, install energy-efficient lighting and expand Building Automation Systems throughout Illinois College’s campus in Jacksonville; (ii) to pay capitalized interest; and (iii) pay costs of issuance.

No guests attended with respect to Items Nos. 10, 11, 12, 13 or 14. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 10, 11, 12, 13 or 14. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Items Nos. 10, 11, 12, 13 and 14. Items Nos. 10, 11, 12, 13 and 14 received approval with 10 ayes, 0 nays and 0 abstentions.

*Local Government-No Guests*

**No. 16: Village of Deerfield - \$20,000,000 – Preliminary**

The Village of Deerfield is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$20,000,000. The Qualified Energy Conservation Bonds will be used to (i) improve the Village of Deerfield’s Wastewater Reclamation Facility; and (ii) replace and renovate equipment and structures.

No guests attended with respect to Item No. 16. Chairman Brandt asked if the Board had any questions with respect to Item No. 16. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Item No. 16. Item No. 16 received approval with 10 ayes, 0 nays and 0 abstentions.

*Resolutions-No Guests*

- No. 17: **Resolution amending loan documents in connection with the Chinese American Service League**
- No. 18: **Resolution approving the transfer of ownership and lead lender relationship in connection with a Renewable Energy Development Participation Loan to Agri-Wind, LLC and Agri-Wind Project, LLC. (John Deere Credit)**
- No. 19: **Request by State Bank (Freeport, Illinois) for approval of a 5-year Extension of a term Participation Loan to Freeport/Stephenson County Visitor's Center NFP**
- No. 20: **Resolution approving the extension of a loan from the Authority to the IFF, as successor to Illinois Facilities Fund, Inc.**
- No. 21: **Resolution authorizing the issuance of a substitute or amended and restated Revenue Bond in exchange for the IFA Revenue Refunding Bonds (Alexian Brothers Health System), Series 2009**
- No. 22: **Resolution appointing the Executive Director for a one-year term of office**
- No. 23: **Resolution to Adopt the Report of Compensation Committee**
- No. 24: **Resolution assigning a \$7,300,000 Recovery Zone Facility Bond allocation to Bond County for the Donnewald Distribution Co. Project**
- No. 25: **Resolution to Establish a Medicaid Receivables Program**

No guests attended with respect to Items Nos. 17, 18, 19, 20, 21, 22, 23, 24 or 25. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 17, 18, 19, 20, 21, 22, 23, 24 or 25. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Items Nos. 17, 18, 19, 20, 21, 22, 23, 24 and 25. Items Nos. 17, 18, 19, 20, 21, 22, 23, 24 and 25 received approval with 10 ayes, 0 nays and 0 abstentions.

*Business and Industry with Guests*

**No. 8: SMART Hotels/Olympia Chicago, LLC (Harper Court Hotel Project) – \$23,000,000 – Final (One-Time Consideration)**

SMART Hotels/Olympia Chicago, LLC (Harper Court Hotel Project) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$23,000,000. Bond Proceeds together with other funds will be used to (i) acquire land; (ii) construct and equip a 6-story, 130-unit select-service hotel, that will be located near the northeast corner of East 52<sup>nd</sup> Place and South Harper Court (and to be constructed as a part of a mixed-use redevelopment project that will include 100,000 Square Feet of office space, 150,000 Square Feet of retail and rental units and condominiums known at the Harper Court Project that will be financed separately from this Recovery Zone Facility Revenue Bond issue) in Chicago; and (iii) pay capitalized interest; and (iv) to pay costs of issuance.

Mr. Frampton introduced Mr. Ed Small, President of Smart Hotels LLC. Mr. Small explained that the project will revitalized and bring jobs to the local community. Mr. Small stated that Recovery Zone Facility Bonds are vital to the project and that the hotel is projected to open by 2013. Mr. Small thanked the IFA Board and the IFA staff for their help in the transaction.

Chairman Brandt asked if the Board had any questions with respect to Item No. 8. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Item No. 8. Item No. 8 received approval with 10 ayes, 0 nays and 0 abstentions.

**No. 9: JH Naperville Hotel, LLC - \$30,000,000 – Final (One-Time Consideration)**

JH Naperville Hotel, LLC is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$30,000,000. Bond Proceeds together with other available funds and used by JH Naperville Hotel LLC to (i) acquire, renovate and equip an existing 7-story, 280,000 Square Foot, 426-room hotel facility in Naperville, IL; (ii) pay capitalized interest and fund certain reserves; and (iii) pay costs of issuance.

Mr. Frampton introduced Mr. Gregory A. Spanos, Director of Acquisitions, Janko Group. Mr. Spanos explained that Janko Group is currently acquiring the existing hotel which is operating as a Holiday Inn Select and intend to close the project on December 30, 2010. Additionally, Mr. Spanos explained to the Board that the hotel will undergo a fifteen-month construction period. Lastly, Mr. Spanos thanked the IFA Board and Staff for expediting the application and for their continued support. Dr. Herrin asked a couple questions regarding the current status of the hotel and there was brief discussion.

Chairman Brandt asked if the Board had any questions with respect to Item No. 9. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Item No. 9. Item No. 9 received approval with 10 ayes, 0 nays and 0 abstentions.

*Other Business*

None.

*Adjournment*

The Chairman then asked if there was any other business to come before the Board. Hearing none, Chairman Brandt requested a motion to adjourn. Upon a motion by Vice Chairman Goetz and seconded by Dr. Herrin, the Board unanimously voted to adjourn at 12:24 p.m.

Respectfully submitted by  
Ahad Syed  
Assistant Board Secretary