

**MINUTES OF THE OCTOBER 12th, 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, October 12, 2010, at the Prudential Plaza Conference Center at 130 E. Randolph Street, 7th Floor, Chicago, IL 60601.

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

Call to Order, Establishment of Quorum and Roll Call

Chairman Brandt called the meeting to order at 11:37 a.m. with the above Members present. Chairman Brandt welcomed Members of the Board and all guests. He then asked the Assistant Board Secretary Ahad Syed to call the roll. There being eleven (11) members physically present with one (1) member participating by telephone, Mr. Syed declared the quorum met. Chairman Brandt then called for the Financial Statements for the period ending September 30, 2010, and Minutes for both the September 14, 2010 Committee of the Whole and Board of Directors Meetings.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending September 30, 2010 and Minutes for both the September 14, 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 September 30, 2010, Financial Statements and Minutes from both the September 14, 2010, Committee of the Whole and Board of Directors Meetings.

The motion was approved by Mr. Goetz and seconded by Mr. Leonard. The September 30, 2010, Financial Statements and Minutes for both the September 14, 2010, Committee of the Whole and Board of Directors meetings 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.

Mr. Frampton presented the following projects for approval:

No. 1A: Rodney Lynn Stahl - \$122,500 – 50 acres

Request for approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$122,500 for the purchase of approximately 50 acres of farmland. This project is located in unincorporated Stark County, near Brimfield, IL.

No. 1B: Kendall Stahl - \$137,500 – 50 acres

Request approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$137,500 for the purchase of approximately 50 acres of farmland. This project is located in unincorporated Stark County, near Brimfield, IL.

No. 1C: Darin T. Rosenthal - \$250,000 – 80 acres

Request approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$250,000 for the purchase of approximately 80 acres of farmland. This project is located in unincorporated Montgomery County, near Raymond, IL.

No. 1D: Steven Truckenbrod - \$104,000 – 40 acres

Request approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$104,000 for the purchase of approximately 40 acres of farmland. This project is located in unincorporated Ogle County.

No. 1E: Douglas D. & Cindy J. Stephens - \$240,000 – Undivided ½ interest of 120 acres

Request approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$240,000 for the purchase undivided ½ interest in approximately 120 acres of farmland. This project is located in unincorporated Livingston County, near Forrest, IL.

No. 1F: Derek D. & Brynn A. Stephens - \$240,000 – Undivided ½ interest of 120 acres

Request approval of a Final Bond Resolution for the issuance of Beginning Farmer Bonds in an amount not to exceed \$240,000 for the purchase of undivided ½ interest in approximately 120 acres of farmland. This project is located in unincorporated Livingston County, near Dwight, IL.

No. 9 Extension of Participation Loan (Roy and Nathan Wiegand)

Goodfield State Bank ("Bank") and Roy and Nathan Wiegand ("Borrowers") have requested that the IFA extend its Participation Loan with the Bank in order to provide financing for the Borrowers for one additional 5 year term, thus maturing 9/1/15 and exhausting eligibility under the program.

No. 10 Collateral Release of Agri-Debt Guarantee (Keith Beer)

Peoples National Bank ("Bank") in Salem and Keith G. Beer ("Borrower") have requested IFA concurrence of approval to release 80 acres of farm land, which is currently held as collateral on a loan guaranteed by the IFA. Upon the sale of the subject farm, which is expected to close in

November 2010, the net proceeds will be applied to repay the IFA guaranteed loan. After the net proceeds are applied and the outstanding balance is reduced, the Borrower would like the Bank to reamortize the balance and lower the annual loan payment.

No guests attended with respect to Project Nos. 1A, 1B, 1C, 1D, 1E, 1F, 9 or 10. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 1A, 1B, 1C, 1D, 1E, 1F, 9 or 10. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 1A, 1B, 1C, 1D, 1E, 1F, 9 and 10. 1A, 1B, 1C, 1D, 1E, 1F, 9 and 10 received approval with 12 ayes, 0 nays and 0 abstentions.

No. 2 PKY Properties, LLC and Fabrication Technologies, Inc. – \$5,500,000 – Final

PKY Properties, LLC, and Fabrication Technologies, Inc, are requesting the approval of a Final Bond Resolution in an amount not-to-exceed \$5,500,000 to enable Fabrication Technologies, Inc. to expand its existing Libertyville operations through the acquisition, renovation and equipping of an approximately 75,324 square foot (“SF”) building located near the Company’s existing 85,000 SF manufacturing facility in Libertyville.

No. 5 The Old Town School of Folk Music - \$10,000,000 – Final

The Old Town School of Folk Music (“Old Town School”) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$10,000,000. The proposed project will enable Old Town School to (i) finance or refinance taxable debt of Old Town School, (ii) to construct and equip new studio and classroom facilities to be located in a 3-story, 27,100 SF LEED Silver-certified building to be constructed at 4543 N. Lincoln Ave. in Chicago to be used to house dance studios, music classrooms, a 150-seat performance/dance/community gathering hall, and related uses, (iii) pay costs related to the demolition of existing buildings and other site preparation work at the new site, and (iv) pay costs of issuance, capitalized interest, and other professional costs associated with the bond issue.

No. 6 Swedish Covenant Hospital - \$20,000,000 - Final

Swedish Covenant Hospital (the “Borrower”) is requesting the approval of a Final Bond Resolution in an amount not-to-exceed \$20,000,000. Proceeds will be used to finance or refinance the cost of equipment which will be used, together with other monies, (a) to pay or reimburse the Borrower for the cost of capital equipment, construction and renovation improvements in connection with the equipment, and (b) to pay certain expenses incurred in connection with the equipment financing and the issuance of the Bonds.

No guests attended with respect to Project Nos. 2, 5, or 6. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 2, 5 or 6. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 2, 5 and 6. Project Nos. 2, 5, and 6 received approval with 12 ayes, 0 nays and 0 abstentions.

**No. 12 Amendment to Participation Loan with Alpine Bank [request to release Guarantor]
(Midwest Investment Solutions, Inc./Orbital Tool Technologies, Inc. Project)**

Alpine Bank has requested that IFA approve the release of one of the two personal Guarantors (Mr. Harry S. Beck) from the loan due to his upcoming separation from the Midwest Investment Solutions, Inc. (the “Borrower” and Orbital Tool Technologies, Inc. (the “Tenant” and “Corporate Guarantor”). Proceeds of this 2009 IFA Participation Loan were used to finance an 11,400 SF square foot addition to the Company’s 23,920 SF manufacturing/fabrication facility in Belvidere (Boone County), Illinois.

**No. 13 Amendments to Escrow Agreement and Certain Financial Covenants relating to IFA Series
2007 Revenue Bonds (Association House Project)**

Association House (the “Borrower”) is requesting to amend certain financing documents relating to their IFA Series 2007 Bonds that were purchased directly by AIG (the “Bondholder”) in a private placement. Association House and AIG are requesting adoption of a Resolution (i) to amend a provision in the Escrow Agreement that requires bond proceeds not spend on the project by November 20, 2010 to be used to prepay bonds by extending the date for use of the bond proceeds, and (ii) to amend a Debt Service Coverage Ratio test and a Liquidity Covenant contained in the Loan Agreement.

No. 14 Resolution to Extend Participation Loan to Pere Marquette Hotel Associates, L.P. for 120 Days

This is a third request by PNC Bank, as successor to National City Bank (the “Bank”), and Pere` Marquette Hotel Associates, L.P. (“Borrower”) to extend the final maturity date by 120 days to January 31, 2011. The purpose of this request is to allow additional time for Pere` Marquette Hotel Associates, L.P. to close on the sale of the Pere` Marquette Hotel to EM Properties of East Peoria. PNC Bank anticipates that this closing will occur within the next 60 to 120 days.

No. 15 Resolution to designate new Trustee for the Authority’s 401(a) Program

An administrative resolution appointing IFA General Counsel Brendan M. Cournane as successor Trustee of the 401(a) Plan.

No. 16 Resolution to Establish Criteria for Reallocating Unused or Undesignated Recovery Zone Facility Revenue Bond Allocations

This Resolution, in conjunction with Exhibit A thereto, provide a methodology for reviewing applications for projects for any unused or undesignated Recovery Zone Facility Revenue Bond Allocations that have been waived to the Illinois Finance Authority prior to the 12/31/2010 statutory sunset date of the RZFB Program.

No. 17 Resolution Requesting that Embry-Riddle Aeronautical University Locate its New Campus at the Chicago Rockford International Airport

A Resolution to support the State of Illinois and the City of Rockford’s efforts to induce Embry-Riddle Aeronautical University to select Chicago Rockford International Airport as the site of its third campus.

No guests attended with respect to Project Nos. 12, 13, 14, 15, 16 or 17. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 12, 13, 14, 15, 16 or 17. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 12, 13, 14, 15, 16 and 17. Project Nos. 12, 13, 14, 15, 16 and 17 received approval with 12 ayes, 0 nays and 0 abstentions.

No. 7 Beloit Health System – \$42,000,000 – Final

Beloit Health System is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$42,000,000. Proceeds will be used to 1) Refinance Series 2006A Bonds and 2) pay costs of issuance.

No. 11 Resolution to Extend (IFA) IEFA Commercial Paper Rollovers for 5 Years

Association House is seeking approval of a Resolution authorizing the Illinois Finance Authority, at the request and direction of the Borrowers under the CP Revenue Notes Program, to continue ongoing “rollovers” of Commercial Paper Revenue Notes until December 1, 2015. This cooperative program, established collectively by its Borrowers (i.e., the “Members”) in 1995, permits its members to borrow through the issuance of Commercial Paper that is repriced at least once each 7

to 270 days, as determined by JPMorgan Securities (the Broker-Dealer engaged by the Members). The Program has mostly provided short and intermediate term borrowings to its members. This Resolution authorizes IFA to continue 7 to 270 day “repricings” for these conduit borrowers through December 1, 2015.

No guests attended with respect to Project Nos. 7 or 11. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 7 or 11. Ms. Gila Bronner explained that she must abstain on the grounds that she is related to a party involved in Projects Nos. 7 and 11. Chairman Brandt asked Mr. Syed to read the roll call. Mr. Syed read the roll call and announced that the motion has received approval with 11 ayes, 0 nays and 1 abstention.

No. 3 DePaul University - \$165,000,000 – Preliminary

DePaul University (“DePaul”) is requesting the approval of a Preliminary Bond Resolution in an amount not-to-exceed \$165,000,000. The proposed project will enable DePaul to (i) effect a current refunding of 100% of the outstanding principal balance of IFA Series 2005B and Series 2005C Bonds (DePaul University Project); (ii) finance construction, renovation, and equipping of new academic buildings located on DePaul’s Lincoln Park campus, and (iii) finance various other capital improvements at DePaul’s Lincoln Park campus in connection with DePaul’s Vision 2012 Project and to finance the build out of additional space at DePaul’s Loop Campus Buildings located at 14 E. Jackson Blvd. and 55 E. Jackson Blvd., and at its DePaul Center Building at 333 S. State; (iv) pay capitalized interest during construction, capitalize certain reserve funds, and to pay bond issuance costs, if deemed necessary and desirable by the Borrower.

Mr. Frampton introduced DePaul University’s Treasurer, Mr. Jeffery Bethke. Mr. Bethke thanked the Board for the opportunity to work again with the Authority on this financing. Mr. Bethke explained that DePaul University would use the proceeds from the financing to increase the size and number of classrooms for students, finance construction of a theatre building and other building improvements at the University’s Lincoln Park campus, as well as administrative space. Mr. Bethke stated that DePaul looks forward to returning to the Board for its Bond Resolution soon..

Chairman Brandt asked if the Board had any questions with respect to Project No. 3. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 3. Project No. 3 received approval with 12 ayes, 0 nays and 0 abstentions.

No. 4 East-West University - \$30,000,000 – Preliminary

East-West University (“East-West”) is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$30,000,000. Bonds will be used by East-West to finance the construction and equipping of a new, 14-story multi-purpose building to be located in the 800 block of South Wabash Avenue (i.e., formerly the site of buildings located at 825 and 831 S. Wabash) in Chicago. The new multi-purpose building will include limited ground floor parking, a lobby with retail shops and a food court, a student athletic center/health club; a campus library; instructional labs, classrooms, and faculty offices, and 10 floors of student housing including studio, one-bedroom, and two-bedroom apartments with kitchen and bathroom that will house approximately 220 students. Additionally, Bond proceeds may also be used to finance renovation and equipping of East-West’s existing buildings located at 816 S. Michigan Avenue and 819 S. Wabash Avenue in Chicago. Additionally, Bond proceeds may also be used to pay capitalized interest on certain portions of the project, pay costs associated with the Letter of Credit, if necessary or desirable, and to finance certain costs of issuance.

Mr. Frampton introduced Dr. Mohammad Wasiullah Khan. Dr. Khan thanked the Board and explained that East-West has the lowest tuition rate for private college in the City of Chicago. Dr. Khan explained that he was grateful for IFA staff guidance and for the consideration of the Authority’s Board.

Chairman Brandt asked if the Board had any questions with respect to Project No. 4. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 4. Project No. 4 received approval with 12 ayes, 0 nays and 0 abstentions.

No. 8 The University of Chicago Medical Center – \$92,500,000 – Final

The University of Chicago Medical Center (“UCMC”) is requesting a Final Bond Resolution in an amount not-to-exceed \$92,500,000. The proceeds will be used to (i) establish a project fund to pay for acquisition costs, construction and equipping of the New Hospital Pavilion (“NHP”) consisting of ten floors and a lower level, with a 2 level mechanical penthouse, and a helipad on the roof; (ii) reimburse UCMC for previously paid capital expenditures; (iii) capitalize interest costs; (iv) fund any original issue discount or premium, if applicable; and (v) pay costs of issuance.

Chairman Brandt asked Mr. Shannon D. Govia, Funding Manager, to introduce representatives from The University of Chicago Medical Center. Mr. Govia introduced Mr. Lawrence Furnstahl, Chief Financial and Strategy Officer, and Bill Frazier, Associate General Counsel. Mr. Furnstahl thanked the Board of the Authority, and their financing team, which includes Loop Capital Markets, LLC and Cabrera Capital Markets, LLC who have been engaged as Co-Managers. Vice Chairman Goetz commended the University of Chicago Medical Center for working diligently to foster minority involvement on underwriting.

Chairman Brandt asked if the Board had any questions with respect to Project No. 8. Ms. Gila Bronner explained that she must abstain on the grounds that she is related to a party involved in Project No. 8. Chairman Brandt asked Mr. Syed to read the roll call. Mr. Syed read the roll call and announced that the motion has received approval with 11 ayes, 0 nays, and 1 abstention.

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 Mr. Goetz and seconded by Mr. Poole, the Board unanimously voted to adjourn at 12:13 p.m.

Respectfully submitted by
Ahad Syed
Administrative Assistant
Assistant Board Secretary