

**MINUTES OF THE JUNE 9, 2009 MEETING OF THE BOARD OF DIRECTORS OF THE
ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held a Board Meeting at 11:30 a.m. on June 9, 2009 at the James R. Thompson Center, Room 2-025, Chicago, IL 60601.

Members present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William J. Barclay
4. Ronald E. DeNard
5. Terrence M. O'Brien
6. Dr. Roger D. Herrin
7. Bradley A. Zeller
8. Edward H. Leonard, Sr.

Members absent:

1. April D. Verrett
2. Juan B. Rivera
3. James J. Fuentes

Vacancies:

Four

Members participating by

telephone:

None

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Chairman Brandt called the meeting to order at 11:41 a.m. with the above members present. Chairman Brandt welcomed members of the Board and all guests and asked the Assistant-Secretary, Kara Nystrom-Boulahanis to call the roll. There being eight (8) members physically present, Ms. Nystrom-Boulahanis declared a quorum present.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending May 30, 2009 and minutes for the May 12, 2009 meeting of the Board of Directors were presented to members of the Board and accepted by 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 today at 8:30 a.m. Chairman Brandt requested a motion to approve the May 30, 2009 Financial Statements and May 12, 2009 Board of Directors meeting minutes with the correction noted in the Committee of the Whole Meeting. (*Mr. O'Brien, not Mr. Rivera, abstained from voting on the No. 7 Final Silver Cross Resolution*)

The motion was moved by Vice Chairman Goetz and seconded by Dr. Barclay. The May 30, 2009 Financial Statements and corrected May 12, 2009 minutes were unanimously approved by members of the Board.

Executive Director's Remarks

Director Filan announced that at today's meeting five (5) financings and one (1) Beginning Farmer Bond will be presented to members of the board for approval.

Director Filan reported that IFA's financials for fiscal year 2009 have been reviewed and it was a profitable year. However, not unlike the private sector, the IFA will have a much tighter year next year, with no or minimal profit expected.

Finally, Director Filan reported that the IFA's Energy Initiative has continued to succeed. Senate Bill 1906, an IFA legislative priority that expanded the IFA's definition of renewable energy and granted an additional \$3 billion in energy bonding authority to IFA, is currently awaiting the Governor's signature. The IFA's relationship with the U.S. Department of Energy has also continued to expand and develop over recent weeks. They have invited the IFA to be one of eight states that assists in the development of criteria and an application process for designated lenders.

The Illinois Energy Team has continued its work vetting projects and providing technical, legal and financial advice to projects in the development stage. The IFA's Board has also created an Energy Sub-Committee to be chaired by Dr. Roger Herrin.

Lastly, all of the RFPs have been posted or will be posted before close of the 2009 Fiscal Year.

Project Approvals

Chairman Brandt asked Mr. Rich Frampton to present the projects for consideration to the Board. Chairman Brandt announced that projects being presented today for approval were thoroughly reviewed at the Committee of the Whole Meeting held at 8:30 a.m. today.

Mr. Frampton presented the following projects for board approval:

No. 1: A-FB-TE-CD-8242 – Tye and Jill Adair

Request for final approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$137,500 for the purchase of 31 acres of farmland. This project is located in Macomb, Illinois (McDonough County).

No. 2: H-HO-TE-CD-8243 – Aunt Martha's Youth Services

Request for final approval of the issuance of 501(c)3 bonds in an amount not-to-exceed \$9M. Bond proceeds will be used to (i) refund existing IFA series 2005 Bonds, (ii) refinance existing debt, and (iii) pay costs of issuance. This project is located in and around Cook County.

No. 4: L-GP-TE-8082 – City of Girard

Request for final approval for a direct loan from the Local Government Direct Loan program in an amount not-to-exceed \$980,000. Loan proceeds will be used to finance (i) demolition and removal of an existing 75,000 gallon water storage tank; (ii) replace with a new 200,000 gallon elevated spheroid water storage tank and construction of 1,400 linear feet of 10-inch water transmission main, including all related appurtenances; (iii) install new telemetry system; and (iv) pay certain closing costs. This project is located in Girard, Illinois (Macoupin County)

No. 7: H-HO-TE-CD-8244 – Third Order of Saint Francis of Mary Immaculate, Joliet

Request for preliminary approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$11M. Bond proceeds will be used to (i) finance, refinance, or reimburse the Borrower for the cost of constructing, acquiring and equipping 28 independent living cottages in 14 separate duplex structures that is know as Phase 1A of Our Lady of Angels Village, (ii) fund a reserve fund; (iii) pay capitalized interest on the Bonds, and (iv)

finance certain costs associated with the issuance of the bonds, including the cost of any credit enhancement. This project is expected to create 80 construction and 2 permanent jobs. It is located in Joliet, Illinois.

No. 8: H-HO-TE-CD-8244 – Central DuPage Health

Request for final approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$11M. Bond proceeds will be used to (i) refund all or a portion of the Illinois Health Facilities Authority Variable Rate Demand Revenue Bonds, Series 2000A, 2000B and 2000C (Central DuPage Health) (the “Prior Bonds”), (ii) fund capital expenditures for the health care facilities of the Borrower or its affiliates, (iii) pay a portion of the interest on the portion of Series 2009 Bonds that are issued to fund capital expenditures, if deemed necessary or advisable, (iv) provide working capital, if deemed necessary or advisable, (v) fund a debt service reserve fund, if deemed necessary or advisable, and (vi) pay the cost of issuance. This project is expected to create 400 construction and 33 permanent jobs. It is located in Winfield, Illinois (DuPage County).

No. 9: H-HO-TE-CD-8244 – Provena Health

Request for final approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$200M. Bond proceeds will be used to (i) pay or reimburse or refinance outstanding taxable and / or tax-exempt indebtedness; (ii) pay a portion of the interest on the Bonds; (iii) fund one or more debt service reserve funds; (iv) provide working capital; (v) finance the termination costs of qualified hedging instruments and (vi) pay certain expenses incurred in connection with the issuance of the Bonds. The project is located in Chicago, Illinois.

No. 10: H-HO-TE-CD-8244 – Riverside Health System

Request for final approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$80M. Bond proceeds will be used to (i) reimburse RHS for prior capital expenditures (the “Project”), (ii) currently refund RHS’ Series 2006B Bonds and a portion of RHS’ Series 2004 Bonds (the “Refunded Bonds”), (iii) terminate interest rate swaps associated with the Refunded Bonds, (iv) fund a Debt Service Reserve Fund, and (v) pay costs of issuance. The project is expected to create 55 permanent jobs. It is located in Kankakee, Illinois.

No guests attended with respect to Project Nos. 1, 2, 4, 7, 8, 9 and 10. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 1, 2, 4, 7, 8, 9 and 10. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 1, 2, 4, 7, 8, 9 and 10. Leave was granted. Project Nos. 1, 2, 4, 7, 8, 9 and 10 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 3: N-NP-TE-CD-8240 – Hospice of Northeastern Illinois

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$9M. Bond proceeds will be used to fund a portion of the construction cost to build the Pepper Family Hospice Home and Family Care facility. This project is expected to create 31 new jobs and 125 construction jobs. This project is located in Barrington, Illinois (Lake County).

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 3. Mr. Townsend Albright, Senior Funding Manager, introduced Ms. Ann Van Oost, Vice President and Chief Financial Officer for the Hospice of Northeastern Illinois. Ms. Van Oost thanked the Board for its consideration, and described the impact this bond issuance would have on the hospice. They will be able to serve many more people in need of hospice care as well as their families in a home-like setting.

Chairman Brandt asked if the Board had any questions for Ms. Van Oost. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 3. Leave was granted. Project No. 3 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 6: N-ND-TE-CD08245 – Jewish Charities

Request for preliminary approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$12M. Bond proceeds will be used (i) fund temporary cash flow deficits of the social service agencies described further herein, and (ii) to pay bond issuance costs. This project is located in and around Northeastern Illinois.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 6. Mr. Townsend Albright, Senior Funding Manager introduced Mr. Michael B. Tarnoff, Executive Vice President, Jewish Federation of Metropolitan Chicago. Mr. Tarnoff thanked the Board for their consideration.

Chairman Brandt asked if the Board had any questions for Mr. Tarnoff. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 6. Leave was granted. Project No. 6 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 11: H-HO-TE-CD-8143 – Rush University Medical Center Obligated Group

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$210M. Bond proceeds will be used for some or all of the following purposes: (i) provide financing to pay costs of capital expenditures for the acquisition, construction, and equipping of various health facilities for Rush University Medical Center and Copley Memorial Hospital; (ii) to provide for the funding of one or more debt service reserve funds; (iii) to pay certain expenses incurred in connection with the issuance of the bonds; and (iv) for other such purposes including working capital and capitalized interest. It is anticipated this project will create 300 construction and 300 new jobs. This project is located in Cook and Kane Counties, Illinois.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 11. Mr. Townsend Albright, Senior Funding Manager introduced Ms. Catherine Jacobsen, Chief Financial Officer for Rush University Medical Center Obligated Group. Ms. Jacobsen thanked the Board for their consideration.

Chairman Brandt asked if the Board had any questions or comments with respect to Project No. 11. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 11. Leave was granted. Project No. 11 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 12: H-HO-TE-CD-8118 – University of Chicago Medical Center

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$350M. Bond proceeds will be used to: (i) reimburse UCMC for previously paid capital expenditures; (ii) establish a project fund to pay for acquisition costs, construction and equipping of the New Hospital Pavilion (“NHP”); (iii) capitalize interest costs; (iv) provide for a debt service reserve fund, if needed; (v) fund any original issue discount or premium, if applicable; and (vi) pay costs of issuance. It is anticipated this project will create 700 construction jobs. This project is located in Chicago, IL.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 12. Ms. Pam Lenane, Vice President and Deputy General Counsel introduced Mr. Lawrence Furnstahl, Chief Financial Office, University of Chicago Medical Center. Mr. Furnstahl thanked the Board for their consideration. He stated that this project will take 3 ½ years to complete and is part of a larger reinvestment in healthcare for the South Side of Chicago.

Chairman Brandt asked if the Board had any questions or comments with respect to Project No. 12. Dr. Rodger Herrin asked Mr. Furnstahl where the project was located. Mr. Furnstahl stated it was located at the intersection of 57th Street and Cottage Grove Avenue. Chairman Brandt then requested leave to apply the last unanimous vote in favor of Project No. 12. Leave was granted. Project No. 12 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 13: E-PC-TE-CD-8212 – Illinois Institute of Technology

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$30M. Bond proceeds will be used to fund various campus renovations at IIT’s Main Campus, including the installation of mandated sprinkler systems in dormitories. It is anticipated this project will create 130 construction jobs. This project is located in Chicago, IL.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 13. Mr. Townsend Albright, Senior Funding Manager, introduced Mr. David Ulaszek, Assistant Vice President, Illinois Institute of Technology. Mr. Ulaszek thanked the Board for their consideration.

Chairman Brandt asked if the Board had any questions or comments with respect to Project No. 13. There being none, Chairman Brandt then requested leave to apply the last unanimous vote in favor of Project No. 12. Leave was granted. Project No. 13 received final approval with 8 ayes, 0 nays, and 0 abstentions.

Resolutions / Amendatory Resolutions

No. 14: Rockford Memorial Hospital. A request to authorize an amendment to the Bond Trust Indenture to allow the hospital to release excess monies in the interest fund to pay fees for letter of credit and payments under interest rate agreements.

No guests attended with respect to Amendatory Resolution No. 14. Chairman Brandt asked if the Board had any questions with respect to Amendatory Resolution No. 7. There being none, Chairman Brandt asked leave to apply the last unanimous vote in favor of the project. Leave was granted. Resolution No. 14 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 17: Authority Officers. A Request to appoint Officers of the Authority and Assignment of duties to Authority Officers.

No guests attended with respect to Amendatory Resolution No. 17. Chairman Brandt asked if the Board had any questions with respect to Amendatory Resolution No. 17. There being none, Chairman Brandt asked Secretary Nystrom-Boulahanis to take a roll call vote. Amendatory Resolution No.17 received final approval with 8 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 Dr. Herrin and seconded by Mr. Goetz, the meeting adjourned at approximately 12:16 p.m.

Respectfully Submitted,

Kara Nystrom-Boulahanis, Assistant Secretary