

**MINUTES OF THE MARCH 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 3:00 p.m. on Tuesday, March 9, 2010 at the Hotel Pere Marquette in the Marquette North Room at 501 Main Street, Peoria, IL 61602.

Members present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Edward H. Leonard, Sr.
4. Bradley A. Zeller
5. John “Jack” Durburg
6. Roderick Bashir
7. Roger Poole
8. Dr. Roger D. Herrin
9. James J. Fuentes

Members absent:

1. Ronald E. DeNard
2. Juan B. Rivera
3. Terrence M. O’Brien
4. Dr. William J. Barclay
5. Joseph McInerney

**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 3:00 p.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 nine (9) members physically present Ms. Nystrom-Boulahanis declared the quorum met.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending February 28, 2010 and minutes for both the February 9, 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 12:00 p.m. that day. Chairman Brandt requested a motion to approve the February 28, 2010 financial statements and minutes from both the February 9, 2010 Committee of the Whole and the Board of Directors meeting.

The motion was moved by Mr. Goetz and seconded by Dr. Herrin. The February 28, 2010 financial statements and minutes from both the February 9, 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. He stated that the Board was especially pleased to be in Peoria for this month’s meeting. He explained that it was the Authority’s custom to meet outside of Chicago twice per year; once in Springfield and once in a location that rotates throughout Illinois.

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 12:00 p.m. before the Board Meeting.

Mr. Frampton presented the following projects for board approval:

- No. 1A:** – Jacob Pilman.
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$136,000 for the purchase of approximately 83.8 acres of farmland. This project is located in unincorporated Jasper County near Newton, IL .
- No. 1B:** – Richard & Linda McKeown.
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$160,000 for the purchase of approximately 48.8 acres of farmland. This project is located in unincorporated Jasper County near Newton, IL.
- No. 1C:** – Ronald & Suellen Shike.
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$160,000 for the purchase of approximately 44 acres of farmland. This project is located in unincorporated Warren County near Aledo, IL.
- No. 1D:** – Galen S. Eschbach.
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$470,100 for the purchase of approximately 180 acres of farmland and related buildings. This project is located in unincorporated Jefferson County near Bluford, IL.
- No. 2:** -- Paul and Mark Hill.
Request for final approval of the issuance of an agri-debt guarantee in an amount not-to-exceed \$500,000 to refinance the borrower's existing debts. This project is located in unincorporated Ogle County near Rochelle, IL

No guests attended with respect to Project Nos. 1A, 1B, 1C, ID or 2. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 1A, 1B, 1C, ID, or 2. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 1A, 1B, 1C, ID, and 2. Project Nos. 1A, 1B, 1C, ID, and 2 received approval with 9 ayes, 0 nays, and 0 abstentions.

- No. 3:** **– Community of Faith Family Life Center (Renaissance Center Project).**
Request for approval of a preliminary bond resolution for the issuance of up to \$17.2 million of 501(c)(3) Bonds to enable The Community of Faith Family Life Center to finance, refinance, and reimburse all or a portion of the costs of various capital improvements relating to funds used to finance, refinance, or reimburse Community of Faith Family Life Center for all or a portion of the costs relating to (1) the acquisition of vacant land located at 145th & Marshfield; and property generally located at Spaulding Ave. and Davis Court in Dixmoor, IL, (2) all necessary site improvements and site preparation costs required to redevelop the sites, (3) the construction and equipping of a residential campus with approximately 3 new, two-story building thereon, which will serve as the living quarters for 120 young men. A 16-bed 16,662 sq. ft. residential facility, a 72-bed 24,864 sq. ft. residential facility, a 29,384 sq. ft. community building.(4) fund any debt service reserve or similar fund deemed necessary to secure the Bonds, (5) to pay capitalized interest, and (6) pay certain bond issuance costs. This project is located in Dixmor, IL (Cook County).
- No. 4:** **– The Art Institute of Chicago.**
Request for approval of a preliminary bond resolution for the issuance of 501(c)(3) Bonds in an amount not to exceed \$245 million. The proceeds of this issuance will be to refund all or a portion of AIC’s outstanding IFA (IEFA) Series 1992, Series 1995, Series 1996 Bonds, Series 1998A, Series 2000A Bonds, Series 2009B-1 and Series 2009B-2 Bonds (collectively, the “Prior Bonds”) and/or converting some or all of the Prior Bonds to another interest rate mode, and to pay certain costs of issuance. This project is located in Chicago, IL (Cook County).
- No. 5:** **– The Poetry Foundation.**
Request for approval of a final bond resolution for the issuance of 501(c)(3) Bonds in an amount not to exceed \$25 million. The proceeds of this issuance will be used to: finance, refinance, or reimburse the Foundation for all or a portion of the costs relating to (1) the acquisition of a 16,000 SF site located at the Southwest corner of North Dearborn Street and West Superior Street improved with two buildings located thereon (and the approximate street addresses of 55 W. Superior to 61 W. Superior Street) in Chicago, Illinois, (2) the demolition of the existing buildings and all necessary site improvements and site preparation costs required to redevelop the site, (3) the construction and equipping of a new, approximately 23,000 Gross SF, two-story building thereon, (4) to fund any debt service reserve or similar fund deemed necessary to secure the Bonds, (5) to pay capitalized interest, and (6) to certain costs of issuance. This project is located in Chicago, IL (Cook County).
- No. 11:** **Genesis, Inc. and Shamrock Hill Farms Western Properties, LLC.** Resolution to approve an Amended and Restated Trust Indenture and a First Amendment to the Loan Agreement, which provides for the creation of a new interest rate mode, and related matters.
- No. 12:** **Waste Management, Inc.** Resolution to approve and authorize a First Supplemental Trust Indenture, which provides for the creation of a new interest rate mode, and approval of a Final Reoffering Circular and Use and Distribution thereof relating to the Bonds, and related matters.

No guests attended with respect to Project Nos. 3, 4, or 5 or Resolutions Nos. 11 or 12. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 3, 4, or 5 or Resolutions Nos. 11 or 12. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 3, 4, and 5 and Resolutions Nos. 11 and 12 received approval with 9 ayes, 0 nays, and 0 abstentions.

Chairman Brandt stated that before he turned to the Healthcare Projects, the Board would like to acknowledge Mr. Daniel E. Baker, Senior Vice President Financial and Accounting and Chief Financial Officer of OSF Healthcare, which is based in Peoria, and thanked him for attending the meeting.

No. 7: **– Alexian Brother Health System.**
Request for approval of a final bond resolution for 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 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 expenses incurred in connection with the issuance of the Series 2010 Bonds. This project is located in Elk Grove Village and Hoffman Estates, IL (Cook County).

No. 8: **– Palos Community Hospital.**
Request for approval of a final bond resolution for the issuance of 501(c)(3) Bonds in an amount not to exceed \$305 million. Proceeds of these bonds 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).

No. 10: **– Swedish American Hospital.**
Request for the final approval of the issuance of 501(c)(3) Bonds in an amount not to exceed \$25 million. The proceeds of this issuance will be used to (i) refinance a taxable loan from JPMorgan Chase Bank, N.A. (the “Bank Loan”) that was used to redeem all of the outstanding \$25,000,000 Illinois Finance Authority Variable Rate Revenue Bonds, Series 2005 (Swedish American Hospital) Auction Rate Securities (the “Series 2005 Bonds”), and (ii) pay certain expenses incurred in connection with the issuance of the Bonds. This project is located in Rockford, IL (Winnebago County).

No guests attended with respect to Projects No. 7, 8, 9 or 10. Chairman Brandt asked if the Board had any questions with respect to Projects No. 7, 8, 9 or 10. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Projects No. 7, 8, 9 and 10 received approval with 9 ayes, 0 nays, and 0 abstentions.

No. 9: **– St. Anthony’s Health Center.**
Request for approval of a final bond resolution for the issuance of 501(c)(3) Bonds in an amount not to exceed \$10 million. The proceeds of this issuance will be used to fund capital expenditures and other improvements for the health care facilities of the Borrower including, but not limited to, certain radiology, hospital and other medical and non-medical equipment, information systems hardware and software, and various hospital building renovations and improvements. This project is located in Alton, IL (Madison County).

Ms. Nancy Dooling, Comptroller for St. Anthony’s, attended with respect to project No. 9 and she thanked the Board for their consideration. She stated that this was at least the fourth time St. Anthony has borrowed through the Authority to facilitate their projects. She added everyone involved in these projects thanked the Authority for their support. Chairman Brandt asked if the Board had any questions with respect to Project No. 9. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 9 received approval with 9 ayes, 0 nays, and 0 abstentions.

No. 6: **– Affordable Assisted Living Coalition Note Program.**
Request for approval of a preliminary bond resolution for the issuance of taxable notes in an amount not to exceed \$48 million. The proceeds of this issuance will be used to: to finance the cost of purchasing Medicaid accounts receivables from affordable assisted living providers across Illinois. This program will benefit supportive living facilities in operation Statewide.

No guests attended with respect to Project No. 6. Chairman Brandt asked if the Board had any questions with regard to Project No. 6. There being none, Mr. Zeller made a motion to approve this project. That motion was seconded by Mr. Bashir. Chairman Brandt asked Ms. Nystrom-Boulaahanis to please take a roll call vote. Ms. Nystrom-Boulaahanis conducted a roll call vote and Project No. 6 received approval with 8 ayes, 0 nays and 1 abstention*.

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 3:24 p.m.

Chairman Brandt reminded all guests that next month's meeting will be on April 13th 2010 at the Conference Center at One Prudential Plaza, Chicago, IL and to please check www.il-fa.com for more information.

Respectfully Submitted,

Kara Nystrom-Boulaahanis, Assistant Secretary

*Mr. Goetz abstained from voting on the Affordable Assisted Living Coalition Note Program as he has an interest in facilities that may utilize this program if passed.