

**MINUTES OF THE JUNE 12, 2012 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 on June 12, 2012, at 10:30 a.m. in the Conference Center, One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601.

**IFA Board Members Present:**

1. William A. Brandt, Jr., Chairman
2. James J. Fuentes
3. Norman M. Gold
4. Edward H. Leonard, Sr.
5. Terrence M. O’Brien
6. Heather D. Parish
7. Mayor Barrett F. Pedersen
8. Roger E. Poole
9. Bradley A. Zeller

**IFA Board Members Excused:**

1. Michael W. Goetz, Vice Chairman
2. Dr. William Barclay
3. Gila J. Bronner

**IFA Staff Present:**

Christopher B. Meister, Executive Director  
Richard Frampton, Vice President  
Pamela A. Lenane, Vice President and Acting General Counsel  
James Senica, Senior Financial Analyst  
Brad R. Fletcher, Legal/Financial Analyst  
Terrell Gholston, Procurement Analyst  
Nora O’Brien, Legal/Financial Analyst  
Sohair Omar, Policy/Operations Analyst

**IFA Financial Advisor Present:**

Courtney Shea, Acacia Financial Group, Inc.

## **Guests Present:**

Alan M. Bell, Charity & Associates, P.C.  
John F. Bibby, Jr., Jones Day  
Nancy A. Burke, Chapman & Cutler LLP  
Elizabeth Fleming Weber, Katten Muchin Rosenman LLP  
Bill Frazier, The University of Chicago Medical Center  
Aleks Granchalek, William Blair & Company, LLC  
Ann McColgan, The University of Chicago Medical Center  
Michael J. Mitchell, Jones Day  
Anthe Mitrakos, Crain Communications, Inc.  
Judith Muccheck, Carmel Catholic High School  
Richard K. Tomei, Jones Day  
James M. Watson, The University of Chicago Medical Center  
Mary G. Wilson, SNR Denton US LLP  
Timothy Wons, J.P. Morgan Securities Inc.

## **I. Call to Order & Roll Call**

The Board Meeting was called to order at 10:45 a.m. by Chairman Brandt. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being nine Members present, a quorum was reached.

## **II. Chairman's Remarks**

Chairman Brandt welcomed Members of the Board, IFA staff and all guests present.

## **III. Adoption of Minutes**

Chairman Brandt stated that both the Minutes of the Committee of the Whole Meeting and the Minutes of the Board Meeting, each held on May 8, 2012, were reviewed at the Committee of the Whole Meeting held earlier this morning. Additionally, Chairman Brandt stated that the Financial Statements for the Month ended May 31, 2012 were reviewed at the Committee of the Whole Meeting held earlier this morning. Chairman Brandt asked if the Members of the Board had any questions related to the Minutes of either Meeting held on May 8, 2012 or the Financial Statements for the Month ended May 31, 2012. There being none, Chairman Brandt requested a roll call vote to adopt the Minutes of both Meetings held on May 8, 2012 and the Financial Statements for the Month ended May 31, 2012. A roll call vote was taken and the motion was adopted unanimously.

## **IV. Acceptance of Financial Statements**

See Item III.

## **Project Approvals**

Chairman Brandt asked Mr. Frampton to present the projects and resolutions to the Board.

Mr. Frampton presented each of the following projects and resolutions:

### ***Agriculture – Beginning Farmer Bonds***

#### **Item No. 1A: Patricia K. Justison - \$218,500**

Patricia K. Justison is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Eighteen Thousand and Five Hundred Dollars (\$218,500). Bond proceeds will be used to re-finance an interim loan for approximately 38 acres of farmland located in Harristown Township in Macon County.

### ***Agriculture – Agri-Debt Guarantee***

#### **Item No. 2: Roanoke Milling Company, Inc. and Nathan J. Fehr - \$810,237**

Roanoke Milling Company, Inc. and Nathan J. Fehr (the “Co-Borrowers”) are requesting approval of a Final Agri-Debt Guarantee Resolution in an amount not-to-exceed Eight Hundred Ten Thousand Two Hundred and Thirty-Seven Dollars (\$810,237).

Loan proceeds will be used to (i) finance the purchase of Roanoke Milling Company, Inc. stock by Mr. Nathan J. Fehr and (ii) refinance an existing IFA Guaranteed loan which was used to renovate the Company’s facility. IFA will guarantee Eighty-five percent of the Loan, or Six Hundred Eighty Eight Thousand Seven Hundred and One Dollars (\$688,701), which represents the amount of State Treasurer funds are at risk.

### ***Business & Industry – Midwestern Disaster Area Revenue Bonds***

#### **Item No. 3: ROA Riverside Development, LLC and its successors or assigns - \$10,000,000**

ROA Riverside Development, LLC and its successors or assigns is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Ten Million Dollars (\$10,000,000).

Bond proceeds will be combined with other funds and used by ROA Riverside Development, LLC and its successors or assigns (hereinafter, the “Borrower”) to finance all or a portion of the costs of (i) acquiring, renovating, and equipping, an existing, approximately 88,000 square foot medical office facility and retail mall to be located at 5825, 5875, and 5901 East Riverside Boulevard, Rockford (Winnebago County), IL 61114 to be owned by the Borrower and leased to

Rockford Orthopedic Associates, Ltd. (an affiliate of the Borrower) and other retail users (the “Project”). Additionally bond proceeds will fund (ii) costs of issuance, if deemed necessary or desirable by the Borrower, (iii) capitalized interest, if deemed necessary or desirable by the Borrower, and (iv) certain reserves, if deemed necessary or desirable by the Borrower (and collectively with the Project, the “Financing Purposes”).

This Project is projected to create up to 59 new jobs and an average of 30 construction jobs over the anticipated 8 month renovation period.

***Local Government – Fire Truck Revolving Loan Fund***

**Item No. 4: Fiscal Year 2012 Fire Truck Revolving Loan Fund - \$4,378,189**

Resolution Granting the Executive Director Authorization to Act on Behalf of IFA as Promulgated by the Illinois Administrative Code for the Fire Truck Revolving Loan Program.

Executive Director Meister informed those present that unlike conduit financings undertaken by IFA, the Fire Truck Revolving Loan Program is supported by a direct appropriation of the Illinois General Assembly and these funds are held by the State Treasurer. Additionally, these funds must be obligated by the end of Fiscal Year 2012.

Moreover, Mr. Meister explained that the Fire Truck Revolving Loan Program is a cooperative effort that has been jointly administered by the Office of the State Fire Marshal and IFA or its predecessor agencies since 1985. It provides loans of up to \$250,000 to allow Illinois municipalities and fire protection districts to purchase depreciable fire equipment. In fact, many Fire Districts and Fire Departments provide shared services to neighboring communities; therefore, the impact of these equipment purchases extends beyond the borders of these communities and local fire districts.

Mr. Meister stated that the Office of the State Fire Marshal is responsible for identifying the needs of the eligible borrowers, soliciting applications and undertaking a needs-based review of each application. In contrast, IFA is responsible for undertaking a financial due diligence review to assure that general revenues or pledged sources are sufficient to repay each loan. IFA has completed its review of twenty-nine loan applications forwarded by the Office of the State Fire Marshal. Finally, IFA will hereafter be working with the Office of the State Fire Marshal to close these approved loans.

***Educational, Cultural, and Non-Healthcare 501(c)(3) - 501(c)(3) Revenue Bonds***

**Item No. 5: Lake Forest College - \$21,000,000**

Lake Forest College is requesting approval of a Final Bond Resolution in an amount not to exceed Twenty One Million Dollars (\$21,000,000).

Bonds may be issued in one or more series, prospectively including both Tax-Exempt and Taxable Bonds. Bond proceeds will be used by Lake Forest College (the “College”) to (i) finance the demolition of existing facilities and related site preparation, and the design, development, construction, furnishing, and equipping of an approximately 60,000 square foot, 235-bed student housing facility consisting of a residential building and related facilities (the “Project”) and including the costs of demolition of the existing building on the site, (ii) fund a portion of interest on the Bonds, if deemed necessary and desirable, (iii) fund a debt service reserve fund, if deemed necessary or desirable, (iv) pays expenses incurred in connection with issuance of the Bonds, if deemed necessary or desirable by the College (and, collectively, with the Project, the “Financing Purposes”).

This project is expected to create up to 3 new jobs and an average of 25 construction jobs during the anticipated construction period.

**Item No. 6: De La Salle Institute - \$12,600,000**

De La Salle Institute is requesting approval of a Final Bond Resolution in an amount not to exceed Twelve Million Six Hundred Thousand Dollars (\$12,600,000).

Bond proceeds will be loaned to De La Salle Institute (“De La Salle”, the “Institute”, or the “Borrower”), an Illinois not-for-profit corporation, and will be used to (i) refund the approximately \$4,120,000 outstanding principal amount Variable Rate Demand Revenue Bonds, Series 1997 (De La Salle Institute Project) issued by the City of Chicago, Illinois (the “1997 Bonds”), (ii) refund the \$7,500,000 outstanding principal amount IFA (De La Salle Institute Project), Series 2007 Bonds (the “2007 Bonds”), and (iii) one or more of the following New Money Projects: (a) acquiring approximately 21,750 square feet of land across the street from the Institute Campus at 100-114 East 35th Street and 3445-3455 South Michigan Avenue, Chicago, Illinois (on the Northeast corner of South Michigan Avenue and 35th Street), for the potential future expansion of the school, and/or (b) constructing a Fine Arts/Science wing including, without limitation, a 240-seat theater, music space, art space, science labs and other educational facilities located on such property, all to be owned by the Borrower and used in connection with the Borrower’s high school facilities (collectively, (a) and (b) are the “Project” and together with the 1997 Bonds and the 2007 Bonds are the “Financing Purposes”).

This project may create up to 2 new jobs.

**Item No. 7: Carmel Catholic High School - \$17,500,000**

Carmel Catholic High School is requesting approval of a Final Bond Resolution in an amount not to exceed Seventeen Million Five Hundred Thousand Dollars (\$17,500,000).

Bond proceeds will be loaned to Carmel Catholic High School (the “Borrower” or “Carmel”) and used, together with certain other funds, to (i) current refund the outstanding principal amount of the Illinois Development Finance Authority Adjustable Rate Demand Revenue Bonds, Series 2003 (Carmel High School Project) (the “Prior Bonds”), (ii) pay or reimburse the Borrower for, the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain educational facilities of the Borrower including but not limited to renovations and add-on construction to create instructional space for fine and performing arts and to create a new library (the “Project”); (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; (iv) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (v) provide working capital, if deemed necessary or advisable by the Authority or the Borrower; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Series 2003 Bonds (and items (iii) – (vi) together with the “Prior Bonds” and the “Project” comprising the “Financing Purposes”).

This project is expected to create up to 4 new jobs and 20 construction jobs during the anticipated 12 month construction period.

Chairman Brandt asked if the Members of the Board had any questions related to any of the projects or resolutions presented. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of each project and resolution. Leave was granted unanimously.

Chairman Brandt asked Mr. Frampton to present the resolutions to the Board.

Mr. Frampton presented each of the following resolutions:

*Resolutions*

**Item No. 11: Resolution Confirming and Ratifying Letter Agreements Waiving Compliance and Amending Certain Covenants Related to \$3,000,000 Revenue Bond, Series 2010A, \$5,000,000 Revenue Bond, Series 2010B and \$2,000,000 Revenue Bond, Series 2010C (Saint Anthony’s Health Center)**

**Item No. 12: Resolution Authorizing Miscellaneous Amendments Relating to Various Outstanding Series of Bonds Issued on Behalf of Riverside Health System and Authorizing and Approving Related Matters**

**Item No. 13: Resolution Approving and Ratifying the Substitution of Liquidity Facility Provider for Certain Outstanding Bonds Issued on Behalf of Northwestern**

**Memorial Hospital; Approving and Ratifying the Replacement of Remarketing Agent for Certain Outstanding Bonds Issued on Behalf of Northwestern Memorial Hospital; and Authorizing, Approving and Ratifying Certain Other Matters**

**Item No. 14: Request by State Bank Freeport and Bill Pigott to Remove Assignment of Interest in Commercial Property as Additional Security for IFA Agri-Debt Guarantee Loan # A-AD-GT-8555**

Chairman Brandt asked if the Members of the Board had any questions related to any of the resolutions presented. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of each resolution. Leave was granted unanimously.

Chairman Brandt asked Mr. Frampton to present the projects which have guests present whom wish to speak in support of their respective project.

Mr. Frampton presented the following project:

***Healthcare – 501(c)(3) Revenue Bonds***

**Item No. 8: The University of Chicago Medical Center - \$85,000,000**

The University of Chicago Medical Center is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eighty-Five Million Dollars (\$85,000,000).

Bond proceeds will be used by The University of Chicago Medical Center (“UCMC” or the “Borrower”) to: (i) refund The University of Chicago Medical Center IHFA Series 2001 Bonds and (ii) pay associated costs of issuance.

James M. Watson, Chief Financial Officer of The University of Chicago Medical Center, thanked the Members of the Board for their consideration of this financing.

Chairman Brandt thanked Mr. Watson for his appearance before the Board. Chairman Brandt asked if the Members of the Board had any questions related to this project. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of this project. Leave was granted unanimously.

Chairman Brandt asked Mr. Frampton to present the resolutions which may have abstentions and require separate roll call votes of the Board.

Mr. Frampton presented each of the following resolutions:

***Resolutions***

**Item No. 9: Resolution Authorizing and Approving Certain Amendments relating to the Loan Agreement Dated as of April 1, 1998 between the Illinois Development Finance Authority and Glenwood School for Boys (now known as "The Glenwood School for Boys and Girls" or "The Glenwood School") and the related Indenture of Trust and Authorizing and Approving Certain Related Matters (IDFA Series 1998, The Glenwood School Project)**

In anticipation of an abstention, Chairman Brandt requested a roll call vote in favor of the resolution. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. With eight yeas, zero nays and one abstention by Mr. Gold, the resolution was granted approval. Mr. Gold abstained due to his employment relationship with one of the law firms associated with this transaction.

**Item No. 10: Resolution Authorizing Amendments to certain Terms and Provisions of the Illinois Finance Authority Revenue Bonds, Series 2010 (Mercy Circle Project) and Authorizing the Execution of a First Amendment to the Bond Purchase and Loan Agreement and Related Certificates necessary to effect the Amendment; and Authorizing other actions in connection with these Amendments**

In anticipation of an abstention, Chairman Brandt requested a roll call vote in favor of the resolution. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. With eight yeas, zero nays and one abstention by Mr. O'Brien, the resolution was granted approval. Mr. O'Brien abstained due to his professional relationship with the Borrower, consistent with his historical practice.

**VII. Other Business**

None.

**VIII. Public Comment**

None.

**IX. Adjournment**

Chairman Brandt requested a motion to adjourn the Board Meeting. A motion to adjourn was made by Mr. Leonard and seconded by Ms. Parish. The motion was adopted unanimously.

The Board Meeting adjourned at 11:03 a.m.

Minutes submitted by:

Brad R. Fletcher

Assistant Secretary of the Board