

**MINUTES OF THE July 13<sup>TH</sup>, 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, July 13<sup>th</sup>, 2010 at the Prudential Plaza Conference Center at 130 E. Randolph Street. 7<sup>th</sup> Floor, Chicago, IL 60601.

<p><b>Members Present:</b></p> <ol style="list-style-type: none"> <li>1. William A. Brandt Jr., Chairman</li> <li>2. Roderick Bashir</li> <li>3. Dr. William Barclay</li> <li>4. Dr. Roger Herrin</li> <li>5. Joseph McInerney</li> <li>6. Terrence M. O’Brien</li> <li>7. Roger Poole</li> <li>8. Bradley A. Zeller</li> </ol>	<p><b>Members Absent:</b></p> <ol style="list-style-type: none"> <li>1. Michael Goetz, Vice Chairman</li> <li>2. Ronald E. DeNard</li> <li>3. Edward Leonard</li> <li>4. John “Jack” Durburg</li> <li>5. James J. Fuentes</li> <li>6. Juan B. Rivera</li> </ol>	<p><b>Members Participating by Telephone:</b> None</p> <p><b>Vacancies:</b> One</p>
---	---	---

**GENERAL BUSINESS**

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

Chairman Brandt called the meeting to order at 11:38 a.m. with the above Members present. Chairman Brandt welcomed Members of the Board and all guests. He then asked Assistant Secretary Mauricio Nares to call the roll. There being eight (8) members physically present Assistant Secretary Mauricio Nares declared the quorum met. Chairman remarked that the Board has decided that two of its future meetings will be downstate. However, the August 10<sup>th</sup>, 2010 meeting will be in the City of Chicago.

*Acceptance of Financial Statements and Minutes*

Financial statements for the period ending June 30<sup>th</sup> 2010 and minutes for both the June 8<sup>h</sup>, 2010 Committee of the Whole and Board of Director 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 on 8:30 a.m. that day. Chairman Brandt requested a motion to approve the June 30<sup>th</sup>, 2010 financial statements and minutes from both the June 8<sup>th</sup>, 2010 Committee of the Whole and Board of Directors meeting.

The motion was approved by Dr. Herrin and seconded by Dr. Barclay. The June 30<sup>th</sup>, 2010 financial statements and minutes from both the June 30<sup>th</sup>, 2010 Committee of the Whole and Board of Directors meetings were unanimously approved by 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. All projects are thoroughly vetted by a staff credit committee. All agriculture, energy and healthcare projects are also reviewed at their respective committees' public meeting each moth. Finally, each project is thoroughly reviewed 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: -- Richard L. & Linda M. Will**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$206,712 for the purchase of approximately 71.3 acres of farmland. This project is located in unincorporated Cumberland County, near Montrose, IL.

**No. 1B: -- Mark Mellendorf**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$25,000 for the purchase of approximately 20 acres of farmland. This project is located in unincorporated Clay County, near Louisville, IL.

**No. 1C: -- Eric J. Smithenry**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$135,000 for the purchase of approximately 20 acres of farmland. This project is located in unincorporated Jasper County, near Newton, IL.

**No. 1D: -- Craig A. & Cara Mz Huber**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$288,000 for the purchase of approximately 80 acres of farmland. This project is located in unincorporated Carroll County, near Lanark, IL.

**No. 1E: -- Sean E. & Cheryl A. Stinnett**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$224,000 for the purchase of approximately 52.84 acres of farmland. This project is located in unincorporated Macoupin County, near Bunker Hill, IL.

**No. 1F: -- Daniel Steven Tolley**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$106,900 for the purchase of approximately 82.3 acres of farmland. This project is located in unincorporated Knox County, near Galesburg, IL.

**No. 1G: -- Lawrence and Lorretta Alt**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$100,000 for the purchase of approximately 26.67 acres of

farmland. This project is located in unincorporated Vermilion County, near Rankin, IL.

**No. 1H: -- James Philip and Jo Ellen**

Request for final approval of the issuance of a Beginner Farm Bond in an amount not-to-exceed \$102,667 for the purchase of approximately 26.67 acres of farmland. This project is located in unincorporated Vermilion County, near Hoopeston, IL.

**No. 2 -- Kenneth and Carla Nelson**

Request for final approval of the issuance of an agri-debt guarantee supporting a loan in an amount not-to-exceed \$410,000 to provide an 85% loan guarantee (i.e., \$348,500) in favor of Wenona State Bank to refinance an existing IFA guaranteed loan (with a balance of approximately \$194,638) and also to provide permanent financing for farm equipment. The subject farm property is located in LaSalle County, near Wenona.

No guests attended with respect to Project Nos. 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H, or 2. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H, or 2. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H and 2. 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H, and 2 received approval with 8 ayes, 0 nays, and 0 abstentions.

**No. 3 -- Bison Gear & Engineering Corp. and Bullock Family Limited Partnership**

Bison Gear & Engineering Corp. and Bullock Family Limited Partnership as Co-Borrowers are requesting approval of a Final Bond Resolution in an amount not-to-exceed \$9,500,000. Bond proceeds, combined with other funds, will be used to finance the acquisition, renovation, and equipping of a vacant industrial building that will serve as a 2<sup>nd</sup> production facility in St. Charles, Illinois by the Co-Borrowers and operated by Bison Gear & Engineering Corp. Bond Proceeds will also be used to finance the acquisition of equipment for use at the Co-Borrower's existing manufacturing facility, also in St. Charles, and to also pay a portion of costs of issuance on the proposed Bonds.

**No. 5 -- Annex II**

Annex II, LLC is requesting approval of a Preliminary Bond Resolution in an amount not-to exceed \$5,500,000 of Recovery Zone Facility Bonds. Bond proceeds will be used to finance the construction and equipping of a records storage facility located at the Rock City development in the Village of Valmeyer in Monroe County and to also pay bond issuance costs. As contemplated the Recovery Zone Facility Bond allocations will be voluntarily waived to IFA by Monroe County (the Host county) and Randolph County.

No guests attended with respect to Project Nos. 3 or 5. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 3 or 5. There being none, Chairman Brandt requested

leave to apply the last unanimous vote in favor of Project Nos. 3 and 5. Project Nos. 3 and 5 received approval with 8 ayes, 0 nays, and 0 abstentions.

**No. 6 -- Christian Homes**

Christian Homes is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$25,000,000 million. Bond proceeds will be used to (1) refund IFA Series 2007C (tax-exempt) Variable Rate Demand Bonds, (2) pay for various capital improvements at certain Illinois facilities/campuses owned by the Borrowers; (3) to capitalize a Debt Service Fund for the new IFA Series 2010 Bonds, and (4) to pay cost of issuance. This financing includes eight project sites located throughout Illinois.

**No. 7 -- Institute for Transfusion Medicine**

The Institute for Transfusion Medicine is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$30,000,000. Bond Proceeds will be used to: (i) fund the acquisition of a new building in Rosemont; (ii) fund renovation, refurbishment and equipping of the newly acquired facility and; (iii) pay expenses related to costs of issuance. This project is located in Rosemont, IL (Cook County).

No guests attended with respect to Project Nos. 6 or 7. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 6 or 7. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 6 and 7. Project Nos. 6 and 7 received approval with 8 ayes, 0 nays, and 0 abstentions.

**No. 4 -- The People's Gas Light and Coke Company**

Request for approval of a Final Bond Resolution in an amount not-to-exceed \$50,000,000 Million. Bond Proceeds will be used to refund current \$50,000,000 Million of outstanding City of Chicago Series 2000B Gas Furnishings Facilities Revenue Bonds. The original Series 2000B Bonds refinanced prior City of Chicago Series 1985 Bonds that were issued to finance the cost of certain gas supply and furnish facilities located in the City of Chicago

Mr. Frampton introduced Mr. Tchapo Napoe, Supervisor, Long-Term Financing and Analysis, of The Peoples Gas Light and Coke Company. Mr. Napoe thanked Mr. Frampton and the IFA for the role they played in expediting approval of The Peoples Gas Light and Coke Company refinancing in an aggressive timeframe. Mr. Napoe advised the Board that this was The Peoples Gas Light and Coke Company's first request for IFA financing since 2005. Mr. Napoe closed by thanking the Board of Directors for their consideration.

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 8 ayes, 0 nays, and 0 abstentions.

- No. 8            Resolution to Authorize a 90-day extension of the Maturity Date of an IFA Participation Loan with PNC Bank, as successor to National City Bank (IFA Participation Loan B-LL-TX-582: Pere Marquette Hotel Associates, L.P.)**
- No. 9            Adoption of Fiscal Year 2011 Budget**
- No. 10          Resolution to Appoint a Secretary and Assistant Secretary**

Chairman Brandt asked if the Board had any questions with respect to Project Nos. 8, 9, and 10. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 8, 9, and 10. Project Nos. 8, 9, and 10 received approval with 8 ayes, 0 nays, and 0 abstentions.

*Other Business*

Chairman Brandt briefly mentioned the new personnel hired by the IFA. He also made it known that the Pere Marquette Resolution was amended to be extended by 30-days from the original 60-days to 90-days. 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. Bashir and seconded by Mr. O'Brien the Board unanimously voted to adjourn at 11:52am.

Respectfully Submitted,

Ahad Syed, Assistant Board Secretary