

MINUTES OF THE OCTOBER 11, 2011, MEETING OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY

The Board of Directors (the “Board”) of the Illinois Finance Authority (“IFA”), pursuant to notice duly given, held a Board Meeting on October 11, 2011, 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. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. Gila J. Bronner
5. James J. Fuentes
6. Norman M. Gold
7. Terrence M. O’Brien
8. Heather D. Parish
9. Mayor Barrett F. Pedersen
10. Roger E. Poole

IFA Board Members Absent:

1. John E. Durburg
2. Edward H. Leonard, Sr.
3. Bradley A. Zeller

IFA Staff Present:

Christopher B. Meister, Executive Director
Brendan M. Cournane, General Counsel
Rich Frampton, Vice President
Pamela A. Lenane, Vice President
Brad Fletcher, Financial/Legal Analyst
Nora O’Brien, Financial/Legal Analyst
Sohair Omar, Policy/Operations Analyst

IFA Financial Advisors Present:

Courtney Shea, Acacia Financial Group, Inc.
Bennett J. Johnson, III, Public Financial Management Group, Inc.
Danny Nelson, Public Financial Management Group, Inc.
Shannon Williams, Public Financial Management Group, Inc.

Others Present:

Lorraine Arvin, University of Chicago
Santino Bibbo, Cabrera Capital Markets, LLC
Nancy A. Burke, Chapman and Cutler, LLP
Mary Jane Darby, Prager, Sealy & Co., LLC
Amanda Distel, University of Chicago
Anne Donahoe, OSF Healthcare System's Financial Advisor
Charles W. Freeburg, William Blair Company
Russell Herron, University of Chicago
Lerry Knox, Loop Capital Markets, LLC
Lewis Leonard, Bravo Properties, LLC
Zach Leonard, Bravo Properties, LLC
Christine Linde, Amalgamated Bank of Chicago
Micah Maidenberg, Crain's Chicago Business
Ramon Ortega, Samuel A. Ramirez & Co., Inc.
Michelle Salomon, Bank of America Merrill Lynch
Cory Sandrock, University of Chicago
James M. Snyder, Ice Miller, LLP

I. Call to Order & Roll Call

Chairman Brandt called the Meeting to order at 10:46 a.m. Chairman Brandt asked the Board Secretary, Mr. Cournane, to call the roll. There being ten Members present, a quorum was present.

II. Chairman's Remarks

Chairman Brandt welcomed Members of the Board, the IFA staff, the IFA's guests and others present. Chairman Brandt announced that the next Board Meeting is scheduled for November 8, 2011.

III. Adoption of Minutes

Chairman Brandt stated that the Financial Statements for the period ending September 30, 2011 and Minutes of the Committee of the Whole and Board Meetings on September 13, 2011, were reviewed at the Committee of the Whole Meeting held earlier in the morning. Chairman Brandt requested a motion to accept the Financial Statements for the period ending September 30, 2011 and adopt the Minutes of the Committee of the Whole and Board Meetings on September 13, 2011. Vice Chairman Goetz made the motion and Mr. O'Brien seconded the motion. A roll call vote was taken and the motion carried unanimously.

IV. Acceptance of Financial Statements

See Agenda Item III.

V. Project Approvals

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

Mr. Frampton presented the following projects and resolutions:

Agriculture – Beginning Farmer Bonds

Item No. 1A: Jay W. Ohnesorge – \$32,500 – 3.5 acres

Jay W. Ohnesorge is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$32,500. Bond proceeds will finance the purchase of approximately 3.5 acres of farmland with buildings located in Lucas Township, Effingham County, Illinois. This project is being presented for one-time consideration.

Item No. 1B: Chad Randall Borkgren – \$107,369 – 20 acres

Chad Randall Borkgren is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$107,369. Bond proceeds will finance the purchase of approximately 20 acres of farmland located in Andover Township, Henry County, Illinois. This project is being presented for one-time consideration.

Item No. 1C: Matthew W. and Kayla J. Schaffer – \$141,056 – 37.12 acres

Matthew W. and Kayla J. Schaffer are requesting approval of a Final Bond Resolution in an amount not-to-exceed \$141,056. Bond proceeds will refinance an interim loan for 37.12 acres of farmland purchased within the last 60 days in the Eppards Township, Livingston County, Illinois. This project is being presented for one-time consideration.

Higher Education, Cultural, and Other Non-Healthcare – 501(c)(3) Revenue Bonds

Item No. 4: United Methodist Homes and Services – \$8,000,000

United Methodist Homes and Services is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$8,000,000. Bond proceeds, together with other available funds, will be used to: (i) expand, renovate, rehabilitate and make improvements to a nursing and orthopedic rehabilitation facility; (ii) purchase, renovate and equip a nearby building with a parking lot; (iii) finance or refinance outstanding taxable debt; (iv) improve related facilities; and (v) pay costs of issuance.

Healthcare – 501(c)(3) Revenue Bonds

Item No. 5: The Lodge at Northbrook – \$13,000,000

The Lodge at Northbrook is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$13,000,000. Bond proceeds, together with other available funds, will be used to: (i) pay off a construction loan for a 3-story brick, 57-unit senior living community; and (ii) pay costs of issuance.

Resolutions

Item No. 6: Resolution authorizing the execution and delivery of a Bond and Loan Agreement in connection with the IDFA Series 1994 Variable Rate Demand Revenue Bonds (Aurora Central Catholic High School Project) to enable conversion to a Bank Direct Purchase Structure

Item No. 8: REG Danville, LLC – Status of Agri-Business Guarantee (IFA Loan No. A-AI-TX-GT-6120)

Chairman Brandt asked Mr. Cournane to read the REG Resolution. Mr. Cournane stated that this resolution will confirm that Fifth Third Bank will accept the refund of approximately \$28,700 in consideration of, among other things, a full and complete release of the IFA Guarantee and a withdrawal of the current application submitted to the Board for renewal of the Guarantee.

No guests attended to represent Item No. 1A-C, 4-6 or 8. Chairman Brandt asked if the Members of the Board had any questions related to these items. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of Item No. 1A-C, 4-6 and 8. The leave was approved unanimously.

Mr. Frampton introduced Ms. Arvin of the University of Chicago and presented the following project:

Higher Education, Cultural, and Other Non-Healthcare – 501(c)(3) Revenue Bonds

Item No. 3: The University of Chicago – \$480,000,000

The University of Chicago is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$480,000,000. Bond proceeds, together with other available funds, will be used to: (i) plan, design, construct, renovate, and equip various projects at the University's Hyde Park Campus and improvements located on 11030 S. Langley Avenue and 450 N. Cityfront Center, all in Chicago; (ii) refund or advance refund certain debt of the University; (iii) provide working capital; (iv) fund one or more debt service reserve funds; and (v) pay costs of issuance.

Ms. Arvin thanked the IFA for being a good partner of the University of Chicago. Ms. Arvin explained that the projects that will be funded support the University of Chicago's strategic initiative, including: (i) a research center for molecular engineering; (ii) a new early childhood center; and (iii) improvements to the Friedman Institute for Research in Economics. Ms. Arvin noted that the University of Chicago selected Loop Capital Markets, LLC as a co-manager. Chairman Brandt commended the University of Chicago for embracing the IFA's minority program and thanked Ms. Arvin for attending the Meeting.

Chairman Brandt asked if the Members of the Board had any questions related to Item No. 3. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of Item No. 3. The leave was approved unanimously.

Mr. Frampton introduced Ms. Donahoe, OSF Healthcare System's Financial Advisor and presented the following resolution:

Resolution

Item No. 7: Resolution approving the transfer of the remaining moneys on deposit in the Project Fund for the IEFA Commercial Paper Pool Program to a new escrow agreement among the IFA, The Bank of New York Mellon Trust Company and OSF Healthcare System and approving the projects for which that money will be used.

Ms. Donahoe thanked the IFA. Ms. Donahoe explained that OSF Healthcare System came under budget and would like to use the remaining moneys on a project affiliated with the Joslin Diabetes Center in Boston, Massachusetts. Chairman Brandt thanked Ms. Donahoe for attending the Meeting.

Chairman Brandt asked if the Members of the Board had any questions related to Item No. 7. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of Item No. 7. The leave was approved unanimously.

Business and Industry – Affordable Rental Housing Bonds

Item No. 2: Bravo Properties, LLC, and its affiliates, successors, and assigns (St. Anthony Supportive Living Community Facility Project) – \$20,500,000

Bravo Properties, LLC, and its affiliates, successors, and assigns (St. Anthony Supportive Living Community Facility Project) is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$20,500,000. Bond proceeds, together with other available funds, will be used to: (i) acquire land, and construct and equip a new, 125-unit Supportive Living Facility; (ii) pay capitalized interest on the Bonds; (iii) fund certain reserves; and (iv) pay costs of issuance.

No guests attended to represent Item No. 2. Chairman Brandt asked if the Members of the Board had any questions related to Item No. 2. Vice Chairman Goetz noted that he would abstain from voting on Item No. 2 due to his involvement with certain parties working on the Bravo Properties, LLC project. Chairman Brandt requested a roll call vote in favor of Item No. 2. The action was approved with 9 ayes, 0 nays and 1 abstention (Goetz).

VI. Resolutions

See Agenda Item V.

VII. Other Business

None.

VIII. Public Comment

None.

IX. Adjournment

A motion to adjourn was made by Mr. O'Brien and seconded by Ms. Bronner. The motion passed unanimously.

The Board Meeting adjourned at 11.02 a.m.

Minutes submitted by:
Brendan M. Cournane
Board Secretary