

**MINUTES OF THE NOVEMBER 13, 2007 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 November 13, 2007 at the Mid-America Club, 200 E. Randolph, Chicago, Illinois:

Members present:

David C. Gustman, Chair
Dr. William J. Barclay
Magda M. Boyles
Ronald E. DeNard
Dr. Roger D. Herrin
Edward H. Leonard, Sr.
Juan B. Rivera
Joseph P. Valenti
Bradley A. Zeller

Members absent:

James J. Fuentes
Terrence M. O'Brien
Andrew W. Rice
Lynn F. Talbott
April D. Verrett

Vacancies:

None

**Members participating by
telephone:**

Michael W. Goetz

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Chairman Gustman called the meeting to order at 11:36 a.m. with the above members present. Chairman Gustman welcomed members of the Board and all guests and asked Secretary, Carla Burgess Jones to call the roll. There being nine (9) members physically present, and one (1) member participating via telephone, Ms. Burgess Jones declared a quorum present.

Executive Director's Report

Director Hubbard welcomed and thanked all guests for coming. Director Hubbard reported that the Illinois Finance Authority's financial performance remains strong and above budget. Director Hubbard reported that staff would present 24 projects totaling over \$1.3 billion and, projects presented today are expected to create approximately 2,000 new jobs and 8,000 construction jobs.

Acceptance of Financial Statements

Financial statements for the period ending October 31, 2007 were presented to and accepted by the Board. Chairman Gustman stated that the Authority's financial statements were reviewed at the Committee of the Whole Meeting held at 8:30 a.m.

Minutes

Chairman Gustman announced that the next order of business was to approve the minutes of the October 9, 2007 Meeting of the Board. Chairman Gustman asked for a motion to approve the minutes. Motion was moved by Mr. Zeller and seconded by Dr. Barclay. Secretary, Carla

Burgess Jones, took a roll call vote for approval of the minutes. The minutes were approved by a roll call vote with 10 ayes, 0 nays, and 0 abstentions.

Projects

Chairman Gustman asked Executive Director Hubbard to present the projects for consideration to the Board. Chairman Gustman announced that the Board considered each of the projects to be presented in detail at the 8:30 a.m. meeting of the Committee of the Whole. Director Hubbard presented agricultural projects in a total approximate amount of \$722,000 to the Board for approval. Project 1 includes five (5) individual Beginning Farmer projects:

No. 1: A-FB-TE-CD-7227 – Daniel and Sharon Brown
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000 to provide permanent financing to purchase approximately 78 acres of farmland. This project is located in Flanagan, Illinois. (07-11-01).

A-FB-TE-CD-7228 – Bruce Kettelkamp
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000 to provide permanent financing to purchase approximately 188 acres of farmland. This project is located in Taylorville, Illinois. (07-11-01).

A-FB-TE-CD-7229 – Eric Will
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$100,000 to provide permanent financing to purchase approximately 40 acres of farmland. This project is located in Teutopolis, Illinois. (07-11-01).

A-FB-TE-CD-7230 – Craig Steidinger
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$122,000 to provide permanent financing to purchase approximately 40 acres of farmland. This project is located in Fairbury, Illinois. (07-11-01).

A-FB-TE-CD-7231 – Craig Draper
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$40,000 to provide permanent financing to purchase approximately 40 acres of farmland. This project is located in McLeansboro, Illinois. (07-11-01).

No guests attended with respect to Project no. 1. Chairman Gustman asked if the Board had any questions with respect to the Beginning Farmer Bonds presented. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no.1 which includes five (5) individual Beginning Farmer Bonds. Leave was granted. Project no. 1 which includes five (5) individual Beginning Farmer Bonds received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 2: **H-HO-TE-CD-7233 – The Children’s Memorial Hospital**
Request for preliminary approval of the issuance of 501(c) 3 Bonds in an amount not-to-exceed \$430 million to provide permanent financing to pay or reimburse the Borrower for refinancing outstanding indebtedness and pay certain cost of issuance. If deemed necessary, to also fund a debt service reserve fund; pay a portion of the interest on the Bonds; and provide working capital. This project is expected to create approximately 450 new jobs by the year 2012, and 3,000 construction jobs. This project is located in Chicago, Illinois. **(07-11-02)**.

Chairman Gustman asked if the Board had any questions with respect to Project no. 2. Funding Manager, Pam Lenane, noted that the bond proceeds would be used primarily for the construction of a replacement hospital to be located near the Northwestern Memorial Hospital on Chicago’s near northside. There being no other comments, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 2. Leave was granted. Project no. 2 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 3: **H-HO-TE-CD-7232 – BroMenn Healthcare Hospitals**
Request for final approval of the issuance of Conduit 501(c) 3 Bonds in an amount not-to-exceed \$4.1 million to pay or reimburse the Borrower for the cost of acquiring certain capital equipment and paying certain related expenses. This project is located in Bloomington-Normal, Illinois. **(07-11-03)**.

No guests attended with respect to Project no. 3. Chairman Gustman asked if the Board had any questions with respect to Project no. 3. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 3. Leave was granted. Project no. 3 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 4: **H-HO-TE-CD-7176 – Holy Cross Hospital**
Request for final approval of the issuance of Conduit 501(c)3 Bonds in an amount not-to-exceed \$16 million to refinance existing IHFA debt through a current refunding of the Series 1994 Holy Cross Hospital bond issue for cost savings and pay cost of issuance. This project is located in Chicago, Illinois. **(07-11-04)**.

No guests attended with respect to Project no. 4. Chairman Gustman asked if the Board had any questions with respect to Project no. 4. There being none, Chairman Gustman requested a motion for a roll call vote in favor of Project no. 4. Motion moved by Mr. Rivera and seconded by Mr. DeNard. Ms. Boyles recused from voting on Project no. 4 because Holy Cross Hospital is a client of the law firm where Ms. Boyles is an attorney. Project no. 4 received final approval with 9 ayes, 0 nays, and 1 abstention (Ms. Boyles).

No. 5: **H-HO-TE-CD-7216 – Northwestern Memorial Hospital**
Request for final approval of the issuance of Conduit 501(c)3 Bonds in an amount not-to-exceed \$400 million to pay or reimburse the hospital for construction, equipment and certain other capital expenditures incurred with the new Prentice Women’s Hospital, refinance all or a portion of IFA Series 2004A bonds and pay certain related expenses. This project is expected to create approximately 600

new jobs and 3,500 construction jobs. This project is located in Chicago, Illinois. (07-11-05).

No guests attended with respect to Project no. 5. Chairman Gustman asked if the Board had any questions with respect to Project no. 5. There being none, Chairman Gustman requested a motion for a roll call vote in favor of Project no. 5. Motion moved by Mr. Rivera and seconded by Dr. Herrin. Project no. 5 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No.6: H-HO-TE-CD-7218 – Monarch Landing

Request for final approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$185 million. Proceeds will be used to: (1) finance purchase deposit for the option to purchase Monarch Landing, (2) fund a debt service reserve fund, and (3) pay issuance costs. This project is expected to create approximately 593 new jobs and 1,125 construction jobs. This project is located in Naperville, Illinois. (07-11-06).

No guests attended with respect to Project no. 6. Chairman Gustman asked if the Board had any questions with respect to Project no. 6. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 6. Leave was granted. Project no. 6 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 7: N-NP-TE-CD-7224 – Search, Inc.

Request for first and final approval of the issuance of 501(c)(3) Revenue Bonds and Refunding Bonds in an amount not-to-exceed \$12 million to refinance existing conventional debt, refund a previous bond issue and pay certain bond issuance costs. This project is expected to create approximately 7 new jobs and 40 construction jobs. This project has locations in Mt. Prospect, Morton Grove and Skokie, Illinois. (07-11-07).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 7. Funding Manager, Sharnell Curtis-Martin, introduced John Lipscomb, Executive Director, Search, Inc., who gave a brief overview of the project and Search's mission to create opportunities for persons with disabilities and their families. Dr. Herrin asked Mr. Lipscomb about how many are served at the facility. Responding to the question, Mr. Lipscomb indicated that approximately 430 are served daily. Mr. Lipscomb indicated in response to a question from Dr. Herrin that each Search group home had 4, 6, but no more than 8, residents. Mr. Lipscomb further stated that Search provided support services to the families of its clients with disabilities. Mr. Lipscomb thanked the Board for its consideration. Chairman Gustman stated that Search had a great mission and requested leave to apply the last unanimous vote in favor of Project no.7. Leave was granted. Project no. 7 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 8: N-NP-TE-CD-7039 – North Shore Ice Arena, LLC

Request for final approval of the issuance of 501(c)(3) Bonds in an amount not-to-exceed \$10 million to finance the construction and equipping of an ice skating facility. This project is expected to create approximately 6 new jobs and 50 construction jobs. This project is located in Northbrook, Illinois. (07-11-08).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 8. Steven Trout introduced Charles Smith, President, Wilmette Hockey Association. Mr. Smith thanked the Board for its consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 8. There being none, Chairman Gustman requested a motion for a roll call vote in favor of Project no. 8. Motion moved by Dr. Herrin and seconded by Dr. Barclay. Chairman Gustman abstained from voting on Project no. 8 because of the family's association with North Shore Ice Arena. Project no. 8 received final approval with 9 ayes, 0 nays, and 1 abstention (Chairman Gustman).

No. 9: E-PC-TE-CD-7199 – Erikson Institute

Request for final approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$32.5 million to provide financing to acquire commercial space, equipment, equipment installation, capitalize interest and fund legal and professional costs. This project is located in Chicago, Illinois. This project is expected to create approximately 27 new jobs over a two year period and 100 construction jobs. (07-11-09).

Chairman Gustman asked if the Board had any questions with respect to Project no. 9. There being none, Chairman Gustman requested a motion for a roll call vote in favor of Project no. 9. Motion moved by Mr. Zeller and seconded by Mr. Valenti. Project no. 9 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 10: M-MH-TE-CD-7226 – Hidden Glen Apartments LP (Hidden Glen Apartments)

Request for final approval of the issuance of Affordable Rental Housing Bonds in amount not-to-exceed \$7.5 million for the acquisition and renovation of an existing affordable housing rental property. This project will enable this property to remain affordable for a minimum of fifteen (15) additional years. This project is expected to create approximately 15-20 constructions jobs over a 12 month period. This project is located in Bourbonnais, Illinois. Additionally, the Developer will use approximately \$7.5 million of 2004 Carryforward Volume Cap obtained by the Underwriter and evidenced by Resolutions from the respective Home Rule Units to IFA for conditional use by the Underwriter. 2004 Carryforward Volume Cap will expire if unused as of January 1, 2008. (07-11-10).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 10. Funding Manager, Rich Frampton, introduced Mr. Jeff Rappin, General Partner and Manager, Hidden Glenn. Mr. Rappin gave a brief presentation and thanked the Board and the IFA for their consideration of the project. Mr. Rappin stated that the transaction would allow the borrower to retain approximately 120 much needed affordable housing units in Kankakee County. Chairman Gustman asked if the Board had any questions with respect to Project no. 10. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 10. Leave was granted. Project no. 10 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 11: L-GO-LL-TX-7326 – Illinois Finance Authority (Short Term Tax Anticipation Program for Cook County)

Request for final approval of the issuance of a Line of Credit in an amount not-to-exceed \$100 million to provide funding to Cook County school districts and municipalities with operating cash flow deficits resulting from the delay of property tax collections and distributions. This request is for school districts and municipalities throughout Cook County. (07-11-11).

Director Hubbard acknowledged the partnership between key Illinois Finance Authority staff, KeyBank and Ungaretti & Harris for their assistance in working together to bring this project to fruition. No guests attended with respect to Project no. 11. Chairman Gustman asked if the Board had any questions with respect to Project no. 11. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 11. Leave was granted. Project no. 11 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 12: L-G-MO-7235 – Local Government 2007B Pool

Request for final approval of a Local Government 2007B Bond in the not-to-exceed amount of \$2,760,000 to combine the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. This request will assist the Village of Waynesville and City of Aledo. (07-11-12).

No guests attended with respect to Project no. 12. Chairman Gustman asked if the Board had any questions with respect to Project no. 12. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 12. Leave was granted. Project no. 12 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 13: B-LL-TX-7237 – CJA Management, LLC

Request for the approval of the issuance of a Participation Loan in an amount not-to-exceed \$234,360 to finance the acquisition of commercial real estate and make certain improvements thereon. This project is located in Peru, Illinois. This project is expected to create approximately 2 new jobs and 75 construction jobs over a 7 month period. (07-11-13).

No guests attended with respect to Project no. 13. Chairman Gustman asked if the Board had any questions with respect to Project no. 13. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 13. Leave was granted. Project no. 12 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 14: PU-WD-TE-CD-7202 – Aqua Illinois, Inc.

Request for final approval of the issuance of Water Furnishing Facilities Revenue Bonds in an amount not-to-exceed \$17 million to finance drinking water systems, including but not limited to mains, meters, pumping stations and treatment plants. These improvements will focus on Aqua Illinois service areas located in portions of Champaign, Cook, Kankakee, Lake, Vermilion and Will Counties. This project is expected to create approximately 265 construction jobs over a 1 to 15 month period. Additionally, 100% of the Volume Cap for this project will be

derived from 2004 Carryforward Volume Cap allocated specifically for Water Furnishing Facilities Revenue Bonds. These Bonds will not require any 2007 Volume Cap. Bonds must be issued on or before the December 31, 2007, expiration date of the subject 2004 Carryforward Volume Cap. (07-11-14).

No guests attended with respect to Project no. 14. Chairman Gustman asked if the Board had any questions with respect to Project no. 14. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 14. Leave was granted. Project no. 14 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 15: I-ID-TE-CD-7223 – Crown Metal Manufacturing Co., Inc., an Illinois Corporation, and (ii) Chicago Title Land Trust Company, known as Trustee under the provisions of that certain Trust Agreement dated January 4, 1991 and known as Trust Number CT01008499

Request for preliminary approval of an Industrial Revenue Bond in an amount not-to-exceed \$3.5 million to finance construction and equipping of an addition to the Borrower's existing manufacturing facility and fund legal and professional costs. This project is located in Elmhurst, Illinois. This project is expected to create approximately 12 new jobs and 45 construction jobs over a 5 month period. Additionally, issuance of the bonds is subject to an allocation of 2007 or 2008 Volume Cap. (07-11-15).

Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 15. Leave was granted. Project no. 15 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 16: I-ID-TE-CD-7148 – Centa Corporation

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$3.5 million to finance the acquisition, renovation, and equipping of an existing manufacturing facility in Aurora that will enable Centa Corporation to initiate manufacturing in the U.S. This project is expected to create approximately 11 new jobs and 5 construction jobs over 1 to 2 months. Additionally, the City of Aurora transferred \$3.5 million of its unused 2007 Home Rule Volume Cap to IFA to support this project. (07-11-16).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 16. Funding Manager, Rich Frampton, introduced Mr. Allan Carroll, President, Carroll Financial Group (the Borrower's financial advisor). Mr. Carroll gave a brief presentation and thanked the Board and the IFA for their consideration of the project. Mr. Carroll also mentioned that approval of this project will help bring jobs back to the State of Illinois from Germany. Mr. Frampton thanked the cooperation of the City of Aurora. Chairman Gustman asked if the Board had any questions with respect to Project no. 16. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 16. Leave was granted. Project no. 16 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 17: **I-ID-TE-CD-7097 – INX International Ink Co.**
Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$10 million to finance the acquisition, renovation, and equipping of a vacant, existing manufacturing facility. This project is located in Homewood, Illinois. This project is expected to enable the company to rehire approximately 9 employees within a two (2) year period of facility consolidation and 20 construction jobs over an 8-10 month period. Additionally, \$4.54 million of Home Rule Volume Cap has been transferred to the IFA by South Suburban Mayors and Managers Association (SSMA) Home Rule member communities for this project. IFA plans to provide the remaining Volume Cap from the Governor's Office of Management and Budget to support this financing. (07-11-17).

No. 18: **WITHDRAWN**

No. 19: **I-ID-TE-CD-7141 – Versatile Card Technology, Inc.**
Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$7.6 million to finance the renovation and expansion of two manufacturing plants as well as the acquisition and installation of equipment in Downers Grove, Illinois. This project is expected to create approximately 15 new jobs within two years, and 15 construction jobs. Additionally, the Council of the Village of Downers Grove adopted on July 17, 2007 a resolution to issue \$4,172,990 of Industrial Revenue Bonds to finance or reimburse Versatile Card Technology, Inc., for qualifying project costs. The amount corresponds to the Village's 2007 Volume Cap allocation. It's been confirmed that the Cap remains available for this project. Versatile Card Technology's request to transfer this Cap to the Village Council will take place at the next Council meeting scheduled for November 20, 2007. Issuance of the Bonds is subject to an allocation of Volume Cap from the IFA and other sources. (07-11-19).

No guest attended in respect to Project nos. 17 and 19. Chairman Gustman asked if the Board had any questions with respect to Project nos. 17 and 19. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 17 and 19. Leave was granted. Project nos. 17 and 19 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 20: **E-PC-TE-CP-7234 – DePaul University**
Request for preliminary approval of the issuance of Commercial Paper in an amount not-to-exceed \$75 million to provide interim financing for a series of capital expenditures in Chicago, Illinois. (07-11-20).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 20. Funding Manager, Rich Frampton, introduced Mr. Doug Stanford, Director of Treasury Operations, DePaul University. Mr. Stanford provided details of the project and thanked the Board and the IFA for supporting and considering the project. Mr. Sanford stated that portions of the proceeds would be allocated to the Science II building, life safety improvements, such as sprinklers, in various DePaul facilities, and working capital. Chairman Gustman asked if the

Board had any questions with respect to Project no. 20. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 20. Leave was granted. Project no. 20 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 21: **E-PC-TE-CP-7183 – Robert Morris College**
Request for final approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$30 million to refund outstanding indebtedness, expand and renovate the Chicago campus, design and construct a new medical and science wing, construct and equip new classrooms, plan and design a new suburban graduate school, and fund legal and professional costs. This project has locations in Aurora, Chicago and Schaumburg, Illinois. This project is expected to create approximately 62 new jobs over two (2) years and 150 construction jobs. (07-11-21).

No guest attended with respect to Project no. 21. Chairman Gustman asked if the Board had any questions with respect to Project no. 21. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 21. Leave was granted. Project no. 21 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 22: **Amendatory Resolution to Revise the Loan Agreement and Trust Indenture and related documents (Stromberg Allen & Company/SACO Real Estate LLC Project). IFA Project No. I-ID-CD-TE-6217.**

No. 23: **Amendatory Resolution to Add Project Sites and Increase the Not-to-Exceed Amount from \$68 Million to \$82 Million (Roosevelt University Project). IFA Project No. E-PC-TE-CD 6265.**

No. 24: **Amendatory Resolution to Authorize the Joint Issuance of a Mortgage Credit Certificate Program with the Illinois Housing Development Authority and the City of Decatur.**

No. 25: **Resolution Appointing Successor Trustees of the IFA 401(a) Contribution Plan and Appointing an Interim Treasurer.**

Chairman Gustman asked if the Board had any questions with respect to the Resolutions. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Amendatory Resolutions nos. 22 through 24 and Resolution no. 25. Leave was granted. Amendatory Resolution nos. 22 through. 24 and Resolution no. 25 were approved with 10 ayes, 0 nays, and 0 abstentions.

Chairman Gustman asked if there was any other business to come before the Board. There being no further business, Chairman Gustman requested a motion to adjourn. Upon a motion by Dr. Herrin and seconded by Mr. Zeller, the meeting adjourned at approximately 12:09 p.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary