



MINUTES OF THE REGULARLY SCHEDULED 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 its regularly scheduled meeting at 11:30 a.m., on February 7, 2006 at the Plaza Club, One Prudential Plaza, 130 E. Randolph Street, 40th floor, Chicago, Illinois.

Members Present:

Ronald E. DeNard
James J. Fuentes
Demetris A. Giannoulis
Michael W. Goetz
David C. Gustman, Chairman
Edward H. Leonard, Sr.
Andrew W. Rice
Juan B. Rivera
Joseph P. Valenti

Members Absent:

Magda M. Boyles
Dr. Roger D. Herrin
Martin H. Nesbitt
Terrence M. O'Brien
Lynn F. Talbott
Bradley A. Zeller

GENERAL BUSINESS

Call to order

Chairman Gustman called the meeting to order at 11:33 a.m. with the above members present.

Chairman's Welcome

On behalf of the Board, Chairman Gustman welcomed everyone and stated that the Authority's board members thoroughly reviewed each transaction on the agenda during the morning's meeting of the board..

Roll Call

Chairman Gustman asked Secretary Burgess Jones to call the roll. Ms. Jones called roll and declared a quorum.

Interim Executive Director's Report

Interim Executive Director Rendleman reported that transactions are exceeding projected income levels for period ending January, 2006. Funds are being reinvested to enable the Authority's funding managers to continue to build on efforts to assist individuals and businesses in the various markets sectors served by the Illinois Finance Authority.

Director Rendleman also reported that the Authority is one of the major participants, working with the Lieutenant Governor's Office, to bring broadband capabilities to underserved areas within the State of Illinois, in addition to working with businesses in the area of alternative energy projects as well as higher education.

Director Rendleman reported that at today's meeting thirteen projects will be presented totaling approximately \$336,626,000. These projects are expected to create 113 new jobs and 663 construction jobs.

Acceptance of Financials

Financial statements for the period ending January 31, 2006 were accepted by all board members present.

Minutes

Upon a motion by Mr. Valenti and seconded by Mr. Leonard, Chairman Gustman requested a roll call vote to approve the January 10, 2006 Minutes. The motion was approved with 9 ayes, 0 nays, and 0 abstentions.

Projects

Interim Executive Director Rendleman presented the following projects for Board approval:

- No. 1: **A-LL-TX-6025 – Robert and Phyllis Fleming**
Requests final approval of a Participation Loan to purchase 40 acres of farmland in an amount not-to-exceed \$62,500.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-01)

No. 2: **I-ID-TE-CD-6023 – 590 Tower Boulevard, LLC (MAAC Machinery Company, Inc.)**

Requests final approval of Industrial Revenue Bonds to refinance the entire outstanding principal balance of the Village of Carol Stream's Series 1999 Bonds in an amount not-to-exceed \$2,050,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-02)

No. 3: **I-ID-TE-CD-6015 – HODA, LLC (Diamond Cellophane Products, Inc. and Spring-fill Industries, Inc.)**

Requests final approval of Industrial Revenue Bonds to refund 100% of outstanding principal amount of IFA (IDFA) Series 2000 IRB's in an amount not-to-exceed \$3,200,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-03)

No. 4: **B-LL-TX-6016 – James Beard Jr. and Justin Beard**

Requests final approval of a Participation Loan to finance the acquisition of a city lot and commercial building in Peru, Illinois, in an amount not-to-exceed \$80,000. This project is expected to create 3 new jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-04)

No. 5: **B-LL-TX-6017 – Jay and Colleen Baxter**

Requests final approval of a Participation Loan to finance the acquisition of a city lot and commercial building in Oglesby, Illinois, in an amount not-to-exceed \$102,500. This project is expected to create 1 new job.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-05)

No. 6: **B-LL-TX-6020 – Midwest Fabrication & Repair, Inc.**
Requests final approval of a Participation Loan to finance the purchase of new equipment, and the acquisition and improvement of an industrial building in an amount not-to-exceed \$701,000. This project is expected to create 5 new jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-06)

No. 7: **B-LL-TX-6021 – RDF, Inc.**
Requests final approval of a Participation Loan to finance the construction of a new building, purchase equipment and payoff debt in an amount not-to-exceed \$444,725. This project is expected to create 3 new jobs and 3 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-07)

No. 8: **H-SL-RE-TE-CD-6011 – Luther Oaks**
Requests preliminary approval of Conduit 501(c)3 Bonds to pay for development, marketing, construction and related costs, fund interest payments, capitalize debt service reserve funds and pay issuance costs in an amount not-to-exceed \$35,000,000. This project is expected to create 95 new jobs and 125 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-08)

No. 9 **H-HO-TE-CD-6013 – Delnor Community Hospital**
Requests preliminary approval of Conduit 501(c)3 Bonds to fund new money projects, fund capitalized interest and pay issuance costs in an amount not-to-exceed \$60,000,000. This project is expected to create 100 new jobs and 200 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-09)

- No. 10 **H-HO-TE-CD-6022 – Beloit Memorial Hospital**
Requests preliminary approval of Conduit 501(c)3 Bonds to fund new money projects, reimburse capital expenditures, refinance outstanding debt, fund debt service reserve, fund capitalized interest and pay issuance costs in an amount not-to-exceed \$54,000,000. This project is expected to create 95 new jobs and 155 construction jobs.
- Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-10)
- No. 11 **E-PC-TE-CD-6018 – Illinois Institute of Technology**
Requests preliminary approval of Conduit 501(c)3 Bonds to refund outstanding debt, renovate and equip facilities and fund issuance costs in an amount not-to-exceed \$160,000,000. This project is expected to create 25 new jobs and 50 construction jobs.
- Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-11)
- No. 12 **M-MH-TE-CD-556 – Plum Creek of Rolling Meadows, LP**
Requests final approval of 501(c)3 Bonds to finance construction loans, capitalized interest, fund debt service reserve and pay issuance costs in an amount not-to-exceed \$12,000,000. This project is expected to create 50 new jobs and 100 construction jobs.
- Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-12)
- No. 13 **M-MH-TE-CD-6019 – Heritage Woods of South Elgin, LP and its successors and assigns, an Illinois Limited Partnership to be formed (Heritage Woods of South Elgin, SLF)**
Requests preliminary approval of Housing Bonds to finance construction of a new 99-unit, two-story Supportive Living Facility for seniors located in South Elgin in an amount not-to-exceed \$13,000,000. This project is expected to create 38 new jobs and 30 construction jobs.
- Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-13)

Amendments / Resolutions

Vee Properties South, LLC and VeePak, Inc.

Requests approval of a 6-month extension to July 1, 2006 on IFA's commitment to its Participation Loan.

Mr. Valenti announced that he would abstain from voting on this project. Stating that his financial institution provides services to Vee Properties South, LLC and VeePak, Inc. Chairman Gustman requested a roll call vote. The motion was approved with 8 ayes, 0 nays, and 1 abstention. (06-02-14)

Ex-Tech Plastics, Inc.

Requests approval to amend collateral description of Ex-Tech Plastics, Inc.

Chairman Gustman requested a roll call vote. The project was approved with 9 ayes, 0 nays, and 0 abstentions. (06-02-15)

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 Mr. DeNard and seconded by Mr. Goetz, the meeting adjourned at approximately 12:14 p.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary