

**MINUTES OF THE APRIL 8, 2008 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 April 8, 2008, at the Mid America Club, 200 E. Randolph Street, 80th floor, Chicago, Illinois.

Members present:

William A. Brandt, Jr., Chair
Michael W. Goetz, Vice Chair
Dr. William J. Barclay
Magda M. Boyles
Ronald E. DeNard
Edward H. Leonard, Sr.
Terrence M. O’Brien
Juan B. Rivera
April D. Verrett
Bradley A. Zeller

Members absent:

Joseph P. Valenti
Dr. Roger D. Herrin
Lynn F. Talbott

Vacancies:

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**Members participating by
telephone:**

*James J. Fuentes

*Mr. Fuentes called into the meeting but due to technical difficulties the connection was lost.

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Chairman Brandt called the meeting to order at 11:36 a.m. with the above members present. Chairman Brandt welcomed members of the Board and all guests and asked Secretary, Carla Burgess Jones to call the roll. There being ten (10) members physically present, and one (1) member on the telephone Ms. Burgess Jones declared a quorum present.

Chairman’s Report

Chairman Brandt thanked fellow Board members and guests for coming. Chairman Brandt stated that all projects being presented at today’s meeting were reviewed by all members of the Board at the Committee of the Whole meeting held at 8:30 a.m. today. Chairman Brandt announced the formation of two new IFA sub-committees; Healthcare and Diversity. The new committees are being formed to insure that the IFA remains compliant with the State of Illinois’ Statute that relates to the utilization of minority and women owned business on IFA conduit bond financings.

Acceptance of Financial Statements

Financial statements for the period ending March 31, 2008 were presented to members of the Board and accepted by the Board. Chairman Brandt stated that the Authority’s financial statements were reviewed at the regularly scheduled Committee of the Whole Meeting held today at 8:30 a.m. Chairman Brandt then asked Secretary Burgess Jones to take a roll call vote for approval of the financials. The financials were approved by a roll call vote with 10 ayes, 0 nays, and 0 abstentions.

Minutes

Chairman Brandt announced that the next order of business was to approve the minutes of the March 11, 2008 Meeting of the Board. Chairman Brandt announced that the March 11, 2008 minutes were approved at the regularly scheduled Committee of the Whole Meeting held today at 8:30 a.m. Chairman Brandt requested a motion to approve the minutes. Motion was moved by Mr. Rivera and seconded by Ms. Boyles. Secretary, 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.

Chairman Brandt then asked Director Hubbard to give the Director's Report.

Executive Director's Report

Director Hubbard welcomed and thanked all guests for coming. Director Hubbard reported that the Authority's financial position remains strong. Director Hubbard reported that the sixteen (16) projects being presented today total over \$1 billion and, are expected to create approximately 183 new jobs and 925 construction jobs.

Projects

Chairman Brandt asked Executive Director Hubbard to present the projects for consideration to the Board. Director Hubbard presented agricultural projects in a total approximate amount of \$1,775,910 to the Board for approval. Project no. 1 includes eight (8) individual Beginning Farmer Bond projects:

No. 1: **A-FB-TE-CD-8036 – Kristopher & Jodie Reynolds**
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$93,000 to provide permanent financing to purchase approximately 31 acres of farmland. This project is located in Nokomis, Illinois. **(08-04-01)**.

A-FB-TE-CD-8038 – Lance L. Klauser
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$241,200 to provide permanent financing to purchase approximately 40 acres of farmland. This project is located in Liberty, Illinois. **(08-04-01)**.

A-FB-TE-CD-8039 – Abraham I. Huls
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$90,210 to provide permanent financing to purchase approximately 58.2 acres of farmland. This project is located in Carthage, Illinois. **(08-04-01)**.

A-FB-TE-CD-8040 – Andrew Thomas Cave

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$82,500 to provide permanent financing to purchase approximately 25 acres of farmland. This project is located in Grand Ridge, Illinois. (08-04-01).

A-FB-TE-CD-8041 – Adam Cave

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$200,000 to provide permanent financing to purchase approximately 80 acres of farmland. This project is located in Grand Ridge, Illinois. (08-04-01).

A-FB-TE-CD-8042 – Ryan & April Bauer

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$200,000 to provide permanent financing to purchase approximately 80 acres of farmland. This project is located in Smithboro, Illinois. (08-04-01).

A-FB-TE-CD-8043 – Jeremy Snider

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$129,000 to provide permanent financing to purchase approximately 39.38 acres of farmland. This project is located in Oblong, Illinois. (08-04-01).

A-FB-TE-CD-8044 – Bradley Michael Handy

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$115,000 to provide permanent financing to purchase approximately 52.5 acres of farmland. This project is located in Ashland, Illinois. (08-04-01).

No guests attended with respect to Project no. 1. Chairman Brandt asked if the Board had any questions with respect to the Beginning Farmer Bonds presented. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 1 which includes eight (8) individual Beginning Farmer Bonds. Leave was granted. Project No. 1 which includes eight (8) individual Beginning Farmer Bonds received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 2: A-FP-GT-8055 – Everett and Diana Lemke

Request for final approval of the issuance of a Farm Purchase Guarantee in an amount not-to-exceed \$500,000 to provide permanent financing to purchase 541 acres of farmland. Note: Motion to approve the Lemke request for a Farm Purchase Guarantee is subject to receipt and review of additional documentation with respect to the land sale contract and the insertion of a cross-default feature in the respective notes. This project is located in Dahlgren, Illinois. (08-04-02).

No. 3: **A-FP-GT-8054 – Everett and Diana Lemke**
Request for final approval of the issuance of an Agri-Debt Guarantee in an amount not-to-exceed \$125,000 to provide permanent financing to restructure a portion of the borrower's short term debt. Note: Motion to approve the Lemke request for an Agri-Debt Guarantee is subject to receipt and review of additional documentation with respect to the land sale contract and the insertion of a cross-default feature in the respective notes. This project is located in Dahlgren, Illinois. **(08-04-03)**.

No guests attended with respect to Project nos. 2 and 3. Chairman Brandt asked if the Board had any questions with respect to Project nos. 2 and 3. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project nos. 2 and 3. Leave was granted. Project nos. 2 and 3 received final approval with 10 ayes, 0 nays and 0 abstentions.

No. 4: **B-LL-TX-8045 – TG-IL, Inc.**
Request for final approval of a Participation Loan in an amount not-to-exceed \$287,000. Proceeds will be used to acquire and refurbish a commercial building. This project is expected to create approximately 4 new jobs and 20 construction jobs. This project is located in Peoria, Illinois. **(08-04-04)**.

No guests attended with respect to Project no. 4. 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. Leave was granted. Project No. 4 received final approval with 10 ayes, 0 nays and 0 abstentions.

No. 5: **M-MH-TE-CD-7261 – Anna Marion Supportive Living, LP (River to River Anna SLF and River to River Marion SLF Projects)**
Request for final approval of the issuance of Affordable Rental Housing Bonds in an amount not-to-exceed \$11.8 million to finance the acquisition of land, construction and equipment for a new 50 unit supportive living facility. This project is expected to create approximately 16 new jobs and 40 construction jobs. This project is located in Anna Marion, Illinois. **(08-04-05)**.

No guests attended with respect to Project no. 55 Chairman Brandt asked if the Board had any questions with respect to Project no. 3. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project no. 5. Leave was granted. Project No. 5 received final approval with 10 ayes, 0 nays and 0 abstentions.

No. 6: **N-NP-TE-CD-8050 – UNO Charter School Network**
Request for preliminary approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$80 million to finance the acquisition of land, construction and renovation costs, refinance conventional debt, refund outstanding bonds and pay certain issuance costs. This project is expected to create 101 new jobs and 300 construction jobs. This project is located in Chicago, Illinois. **(08-04-06)**.

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Ms. Sharnell Curtis-Martin, Senior Funding Manager, introduced Mr. Andrew Alt, vice

President of School Operations. Mr. Alt thanked members of the board for their consideration and support, and stated that this financing will address the school's over-crowding issues. Chairman Brandt then asked if the Board had any questions for Mr. Alt. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 6. Leave was granted. Project No. 6 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 7: N-NP-TE-CD-8048 – Marwen Foundation, Inc.

Request for preliminary approval of 501(c)3 Revenue Bonds in an amount not-to-exceed \$6 million for the acquisition of two additional floors of condominium space, thereby enabling Marwen to remain at its current location for the long-term. This project is expected to create 6 new jobs and 5 construction jobs. This project is located in Itasca, Illinois. (08-04-07).

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Mr. Rich Frampton, Vice President, introduced Ms. Darlene Dies, Director of Finance & Administration. Ms. Dies gave a brief description of the project and how the approved financing will assist with the Foundations plans. Ms. Dies also thanked the board for their consideration and support. Chairman Brandt then asked if the Board had any questions for Ms. Dies. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 7. Leave was granted. Project No. 7 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 8: N-NP-TE-CD-8029 – Chicago Symphony Orchestra

Request for preliminary approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$85 million. Proceeds of the new IFA Series 2008 Bonds to refund a conventional Northern Trust Bank Line of Credit. These bonds will enable the CSO to refinance its existing debt at a low tax-exempt rate. The new Series 2008 Bonds will be secured by a Direct Pay Letter of Credit from the Royal Bank of Scotland. This project is located in Chicago, Illinois. (08-04-08).

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Mr. Rich Frampton, Vice President, introduced Ms. Isabelle Goossen, Vice President, Finance & Administration. Ms. Goossen gave a brief description of the project and thanked the board for their consideration and support. Chairman Brandt then asked if the Board had any questions for Ms. Goossen. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 8. Leave was granted. Project No. 8 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 9: N-NP-TE-CD-8046 – New Hope Center Inc.

Request for preliminary approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$6 million. Bond proceeds will be used to finance acquisition of a building and land, renovations, construction, refinance existing debt and pay certain bond issuance costs. This project is expected to create approximately 34 new jobs and 35 construction jobs. This project is located in Crete, Illinois. (08-04-09).

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Ms. Sharnell Curtis-Martin, Senior Funding Manager, introduced Mr. Tim Knapp, Executive Director. Mr. Knapp thanked members of the board for their consideration and support, and provided a brief description of the project. Chairman Brandt then asked if the Board had any questions for Mr. Knapp. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 9. Leave was granted. Project No. 9 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 10: **E-PF-TE-CD-8016 – Gift of Hope Organ and Tissue Donor Network**
Request for final approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$16 million for the acquisition and renovation of an existing office building. This project is expected to create approximately 22 new jobs and 25 construction jobs. This project is located in Itasca, Illinois. **(08-04-10)**.

No. 11: **WITHDRAWN**

No. 12: **L-GP-7042 – City of Bunker Hill**
Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$450,000 to provide financing for the City’s water system updates. This project is located in Bunker Hill, Illinois. **(08-04-12)**.

No. 13: **WITHDRAWN**

No. 14: **WITHDRAWN**

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

No. 15: **H-HO-TE-CD-8026 – Elmhurst Memorial Healthcare**
Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$540 million to provide financing to construct and equip a replacement hospital, refinance existing debt and pay issuance and financing costs. This project is expected to create 250 construction jobs. This project is located in Elmhurst, Illinois. **(08-04-15)**.

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Ms. Pamela Lenane, Vice President, introduced Mr. Kevin Fitch, Senior Treasury Analyst. Mr. Fitch thanked members of the board for their consideration and support, and provided a brief description of the project. Chairman Brandt then asked if the Board had any questions for Mr. Fitch. There being none, Chairman Brandt 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: H-HO-TE-CD-8501 – Silver Cross Hospital
Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$120 million. Proceeds will be used to refund the CIFG Assurance, NA, Inc., insured IFA Series 2005B/C/D auction rate securities and pay costs of issuance. This project is located in Joliet, Illinois. **(08-04-16)**.

No guests attended with respect to Project No. 16. Chairman Brandt asked if the Board had any questions with respect to Project No. 16. There being none, Chairman Brandt 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: E-PC-TE-CD-8049 – DePaul University
Request for preliminary approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$55 million. Bond proceeds will be used to purchase student housing facilities from MJH Educational Assistance. This project is located in Chicago, Illinois. **(08-04-17)**.

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Mr. Rich Frampton, Vice President, introduced Ms. Elizabeth Hunnel, Sr. Treasury Analyst. Ms. Hunnel thanked the board for their consideration and provided a brief overview of the project. Chairman Brandt then asked if the Board had any questions for Ms. Hunnel. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 17. Leave was granted. Project No. 17 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 18: E-PC-TE-CD-8044 – Loyola University Chicago
Request for final approval of the issuance of 501(c)3 Commercial Paper Notes in an amount not-to-exceed \$95 million. Proceeds will be used to refund \$34.8 million of Series 2004B IFA Revenue Bonds and, fund all or a portion of the capital projects located within its Lake Shore and Water Tower campuses. This project is expected to create approximately 250 construction jobs. This project is located in Chicago, Illinois. **(08-04-18)**.

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Mr. Rich Frampton, Vice President, introduced Ms. Sue Bodin, Director, Strategic Planning & Risk Management and Mr. William Laird, CFO. Ms. Bodin thanked the board for their consideration and provided a brief overview of the project. Chairman Brandt then asked if the Board had any questions for Ms. Bodin. There being none, Chairman Brandt requested a roll call vote on Project No. 18. Project No. 18 received final approval with 8 ayes, 0 nays, and 2 abstentions. Chairman Brandt abstained from voting on Project No. 18 because he serves on the Board of Trustees of Loyola University. Ms. Boyles abstained from voting on Project No. 18 because her law firm represents Loyola University.

Resolutions/Amendatory Resolutions

- No. 19:** **OSF Healthcare System.** Amendatory Resolution for OSF Healthcare System Series 2005 A&B IFA Bonds and Series 2007 B,C&D IFA Bonds to convert the length of the Auction Rate Period.
- No. 20:** **Overton Gear & Tool, Inc.** Amendatory Resolution to increase the not-to-exceed amount of the Inducement Resolution for Overton Gear & Tool, Inc. from \$7.0 million to \$10.0 million.
- No. 21:** **Delnor-Community Hospital.** Revenue Refunding Bonds, Series 2008. Amendatory Resolution authorizing the issuance of Variable Rate Bonds.
- No. 22:** **Central Macoupin County Rural Water District.** Resolution to amend the amount that Central Macoupin County Rural Water District is borrowing as a participant in the Local Government Pooled Program – IFA Project No. L-GP-7018.

Chairman Brandt asked if the Board had any questions with respect to Resolution Nos. 19 through 22. There being none, Chairman Brandt requested a roll call vote to approve Resolution Nos. 19 through 22. Resolution Nos. 19 through 22 was approved with 10 ayes, 0 nays, and 0 abstentions.

- No. 23:** **Home Retention Mortgage Loan Program.** Resolution to authorize the Illinois Finance Authority to assist with respect to a Home Retention Mortgage Loan Program and to address the residential sub-prime mortgage crisis.

Chairman Brandt asked if the Board had any questions with respect to Resolution No. 23. There being none, Chairman Brandt requested a roll call vote to approve Resolution No. 23. Resolution No. 23 was approved with 9 ayes, 1 nay, and 0 abstentions. Mr. O'Brien voted no on Resolution No. 23.

Chairman Brandt asked if there was any other business to come before the Board. There being none, Chairman Brandt requested a motion to adjourn. Upon a motion by Mr. Goetz and seconded by Mr. Zeller, the meeting adjourned at approximately 12:12 p.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary