

**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 May 9, 2006 at the Plaza Club, One Prudential Plaza, 130 E. Randolph Street, 40th floor, Chicago, Illinois:

Members present:

David C. Gustman, Chairman
Ronald E. Denard
James J. Fuentes
Demetris A. Giannoulis
Michael W. Goetz
Dr. Roger D. Herrin
Juan B. Rivera
Lynn F. Talbott
Joseph P. Valenti

Members absent:

Magda M. Boyles
Edward H. Leonard, Sr.
Martin H. Nesbitt
Terrence M. O'Brien
Andrew W. Rice
Bradley A. Zeller

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:40 a.m. with the above members present. Chairman Gustman asked Carla Burgess Jones, Secretary, to call the roll. Ms. Burgess Jones called the roll. There being nine members of the board present Ms. Burgess Jones declared a quorum present.

Interim Executive Director's Report

Chairman Gustman welcomed everyone present then asked Interim Executive Director Rendleman to give her report.

Interim Executive Director Rendleman announced that the Authority continued to outperform its goal relating to the number and dollar amount of bond transactions. Ms. Rendleman thanked everyone for their continued support of the Authority. She also announced that Illinois General Assembly passed S.B. 1625 which, when signed by the Governor, would increase the Authority's bonding authority from \$24 billion to \$25.2 billion. Ms. Rendleman also reported that the Authority's Compliance Audit was completed for the period of July 1, 2004 through June 30, 2005 and reported that the results were positive as the number of findings and severity of such findings had decreased from the prior audit.

Director Rendleman then announced that there would be 24 projects presented to the Board for approval at the meeting. Ms. Rendleman also announced that the winning bidders for the Authority's Local Government RFQ for Underwriters were: A.G. Edwards, Stifel Nicolaus, Popular Securities and Samuel A. Ramirez & Company.

Ms. Rendleman also announced that she expects that the Authority will be publishing RFQs in the future for the engagement of underwriters and financial advisors for various Authority programs. She asked those present at the meeting to monitor the Illinois Procurement Bulletin for posting of these RFQs.

Acceptance of Financial Statements

Financial statements for period ending April 30, 2006 were accepted by all board members present.

Minutes

Upon a motion by Mr. Leonard and seconded by Mr. Rivera, Chairman Gustman requested a roll call vote to approve the minutes of the IFA's board meeting held on April 11, 2006. The motion was approved with 9 ayes, 0 nays, and 0 abstentions.

Projects

Chairman Gustman asked Interim Executive Director Rendleman to present the projects for consideration to the Board. Chairman Gustman reminded everyone that the Board considered each of the projects to be presented at the 8:30 a.m. meeting of the Committee of the Whole. Director Rendleman presented the following projects for Board approval:

No. 1: A-AD-TX-6084 – Henry and Linda Windler

Request final approval of an Agri-Debt Guarantee to restructure a term loan in an amount not-to-exceed \$210,000. (06-05-01).

No. 2: A-SG-TX-6082 – Ryan D. McClure

Request final approval of a Specialized Livestock Guarantee to provide permanent financing for a 2400 head swine finishing building in an amount not-to-exceed \$550,000 (06-05-02).

No. 3 A-SG-TX-6083 – Martin D. and Nancy J. McClure

Request final approval of a Specialized Livestock Guarantee to provide permanent financing for two 2400 head swine finishing building in an amount not-to-exceed \$1,000,000. (06-05-03).

No. 4 A-FB-TE-CD-6086 – Daron & Julie Duke

Request final approval of a Beginning Farmer Bond to purchase farmland located in Fowler, IL in an amount not-to-exceed \$141,279. (06-05-04).

No. 5 B-LL-TX-6090 – IMT Real Estate, LLC

Request approval of a Participation Loan to finance construction of a new manufacturing building in an amount not-to-exceed \$1,000,000. This project is expected to create 12 new jobs and 50 construction jobs. (06-05-05).

- No. 6: **B-LL-TX-6100 – Richard A. Mehall & Catherine L. Allen**
Request final approval of a Participation Loan to finance acquisition of a city lot and commercial building in Bloomington, IL in an amount not-to-exceed \$191,000. This project is expected to create 2 new jobs. (06-05-06).
- No. 7: **B-LL-TX-6092 – Suria LLC and/or the Early Years Child Care Center, Inc.**
Request final approval of a Participation Loan to provide permanent financing for a day care center in an amount not-to-exceed \$239,020. This project is expected to create 24 new jobs and 15 construction jobs. (06-05-07)
- No. 8: **B-LL-TX-6098 – HM Buckley Growers**
Request final approval of a Participation Loan to finance relocation of a greenhouse facility in Taylorville, IL in an amount not-to-exceed \$1,000,000. This project is expected to create 35 new jobs and 7 construction jobs. (06-05-08)
- No. 9: **B-LL-TX-6063 – Bitwise Communications d/b/a OmniLEC**
This project was tabled until the June 13, 2006 board meeting. (06-05-09)
- No. 10: **I-ID-TE-6097 – Quad County Ready Mix Corp.**
Request preliminary approval of an Industrial Revenue Bond to finance the acquisition of ten concrete Ready Mix trucks in an amount not-to-exceed \$1,100,000. This project is expected to create 7 new jobs. (06-05-10).
- No. 11: **P-SW-PO-TE-CD-719 – Reliable Materials Lyons, LLC**
Request final approval of a Solid Waste Disposal Bond to purchase land, machinery, equipment and fund legal and professional costs in an amount not-to-exceed \$12,000,000. This project is expected to create 7 new jobs and 50 construction jobs over a five month period. (06-05-11).
- No. 12: **V-TD-6101 – Firefly Energy, Inc.**
Request final approval of Venture Capital Investment in an amount not-to-exceed \$200,000. This investment is expected to create 10 new jobs. (06-05-12).
- No. 13: **H-SL-RE-TE-CD-6088 – Tabor Hills**
Request preliminary approval of a 501c3 Bond to construct a supportive living facility and pay issuance costs in an amount not-to-exceed \$10,000,000. This project is expected to create 20 new jobs and 40 construction jobs. (06-05-13).
- No. 14: **H-SL-RE-TE-CD-661 – Clare Oaks**
Request final approval of a 501c3 Bond for development, marketing, construction, and other costs; funding interest costs; establishing a debt service reserve fund for Series 2006 bond; and paying issuance costs and funding working capital in an amount not-to-exceed \$120,000,000. This project is expected to create 185 new jobs and 450 construction jobs. (06-05-14).

Chairman Gustman requested leave to apply the last unanimous vote to approve all of the projects. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions.

No. 15:M-MH-TE-CD-6087 – An entity to be formed and initially owned by Urban 8 Holding Company

Request preliminary approval of a Housing Bond to purchase and renovate an existing building for low-income senior rental property in an amount not-to-exceed \$12,350,000. This project is expected to create 20-40 construction jobs. (06-05-15).

Chairman Gustman requested a roll call vote. The project was approved with 8 ayes, 0 nays, and 1 abstention (Talbott). Ms. Talbott abstained from voting on this project because an entity of which she is an officer and director (Amalgamated Senior Residences) is the seller of the apartment building.

No. 16:M-MH-TE-CD-6033 – Concordia Place Apartments, LP

Request preliminary approval of a Housing Bond to finance cost overruns and structural repairs for an existing building providing affordable multifamily rental properties in Chicago, IL in an amount not-to-exceed \$800,000. (06-05-16).

No. 17:L-GP-MOTE-6077 – Carrollton Community Unit School District 1

Request final approval of a Local Government Pooled Bond to finance building demolition, construction of a new parking lot and pay issuance costs in an amount not-to-exceed \$400,000. (06-05-17).

No. 18:L-GP-TE-6089 – Caterpillar Trail Public Water District

Request preliminary approval of a Local Government Revenue Bond to finance construction of a new water treatment plant in an amount not-to-exceed \$4,150,000. (06-05-18).

No. 19:L-G-MO-6099 – Long Creek Township

Request preliminary approval of a Local Government Bond to advance refund outstanding bonds and pay issuance costs in an amount not-to-exceed \$1,200,000. (06-05-19).

No. 20:E-PS-TE-CD-6055 – Baker Demonstration School

Request final approval of a 501c3 Bond to purchase the school's campus, perform site work and renovations, capitalize interest and pay legal and professional costs in an amount not-to-exceed \$7,300,000. This project is expected to create 12 new jobs and 30 construction jobs. (06-05-20).

No. 21:E-PS-TE-CD-6055 – Nazareth Academy

Request final approval of a 501c3 Bond to refinance a campus improvement loan, construction costs, capitalize interest and pay legal and professional costs in an amount not-to-exceed \$11,000,000. This project is expected to create 3 new jobs and 30 construction jobs over nine months. (06-05-21).

No. 22:N-NP-TE-CD-6055 – Uhlich Children’s Advantage Network (UCAN)

Request final approval of a 501(c)(3) Bond to finance costs of renovating and equipping a new residential facility, completing the school’s VoIP telephone project and relocating certain staff in an amount not-to-exceed \$6,100,000. This project is expected to create 24 new jobs and 30 construction jobs over a six month period. **(06-05-22)**.

No. 23:E-PC-TE-CD-6096 – The Federation of Independent Illinois Colleges and Universities Revenue Anticipation Notes Program

Request preliminary approval of a 501c3 RAN to provide working capital and fund issuance costs in an amount not-to-exceed \$12,600,000. (06-05-23).

No. 24:E-PC-TE-CD-6046 – Saint Xavier University

Request final approval of a 501c3 Bond for a new student housing facility in an amount not-to-exceed \$10,000,000. This project is expected to create 6-10 new jobs and 35-100 construction jobs over a twelve month period. (06-05-24).

Chairman Gustman requested a roll call vote to approve the above projects. The motion was approved with 9 ayes, 0 nays, and 0 abstentions.

Resolutions/Project Revision/Amendatory Resolutions

No. 25: Kasbergen Family Living Trust Project, Series 2002

Request approval to replace two alternate confirming letters of credit with a single alternate confirming letter of credit for the \$3,000,000 Illinois Development Finance Authority Variable Rate Solid Waste Disposal Revenue Bonds (Kasbergen Family Living Trust Project, Series 2002). (06-05-25).

No. 26: Museum of Broadcast Communications

Requests the Authority to confirm a Preliminary Bond Resolution approved by the Illinois Development Finance Authority on December 12, 2002 for a new facility in an amount estimated to be \$10 million. (06-05-26).

No. 27: Community Health and Emergency Service, Inc.

Request to amend a Loan Agreement between the Illinois Finance Authority and Community Health and Emergency, Inc. to revise the project description to permit the center to use bond proceeds to acquire a telephone system and other matters. (06-05-27).

No. 28: Midway Broadcasting Company (B-LL-TX-668)

Request the Authority to extend until October 11, 2006 its commitment to participate in a loan. (06-05-28).

No. 29: Elmhurst Holiday Hotel Corporation (B-LL-TX-665)

Request to extend until October 11, 2006 a commitment of the Authority to participate in a loan to Elmhurst Holiday Hotel Corporation d/b/a Holiday Inn Elmhurst. (06-05-29).

No. 30: CoBatCo (B-LL-TX-689)

Request to extend until November 8, 2006 the Authority's commitment to participate in a loan. (06-05-30).

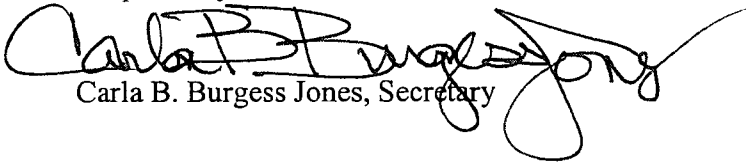
No. 31: **DVA Development (B-LL-TX-690).**

Request to increase to \$500,00 and extend until November 8, 2006 a commitment to participate in a loan to DVA Development. (06-05-31).

Chairman Gustman requested leave to apply the last unanimous vote to approve all of the above amendatory resolutions. Leave was granted. The motion was approved with 9 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 Ms. Talbott and seconded by Mr. Fuentes, the meeting adjourned at approximately 12:21 p.m.

Respectfully Submitted,



Carla B. Burgess Jones, Secretary