

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 September 13, 2005 at the Illinois State Library, 300 S. Second Street, Room 403/404, Springfield, Illinois.

Members Present:

Magda M. Boyles
James J. Fuentes
Michael W. Goetz
Dr. Roger D. Herrin
Edward H. Leonard, Sr.
Terrence M. O'Brien
Andrew W. Rice
Juan B. Rivera
Joseph P. Valenti
Bradley A. Zeller

Members Participating Via Telephone:

David C. Gustman

Members Absent:

Ronald E. DeNard
Demetris Giannoulis
Martin H. Nesbitt
Terrence M. O'Brien

GENERAL BUSINESS ITEMS

Call to order

Mr. Valenti, Host Chairman and Board Member, called the meeting to order at 11:39 a.m., with the above members present.

Host Chairman's Welcome

On behalf of Chairman Gustman and Members, Mr. Valenti Valenti thanked everyone present for attending the meeting.

Roll Call

Mr. Valenti asked Secretary Burgess Jones to call the roll. There being ten members physically present, and one member participating via telephone, a quorum was declared.

Minutes

Upon a motion by Mr. Goetz and seconded by Mr. Rice, Host Chairman Valenti requested a roll call vote. The motion was approved with 10 ayes, 0 nays, and 0 abstentions.

Acceptance of August 2005 Financial Statements

Upon a motion by Mr. Rivera and seconded by Mr. Goetz, Host Chairman Valenti requested a roll call vote. The motion was approved with 10 ayes, 0 naves, and 0 abstentions.

Resolution

Upon a motion by Mr. Leonard and seconded by Ms. Boyles, Host Chairman Valenti requested a roll call vote to approve Resolution 2006-8 Authorizing The Purchase of Local Government Securities In An Aggregate Principal Amount Not To Exceed \$10M. The motion was approved with 10 ayes, 0 naves, 0 abstentions.

Interim Executive Director's Report

Interim Executive Director gave an overview of the projects being presented to Board Members this month, noting that there are twenty-one projects totaling \$802,339,710.

Projects

- Item No. 1: A-LL-TX-651 – Michael & Trisha Haag / Jeffrey & Christine Stark
Request final approval of a Participation Loan to finance the purchase of land and a newly constructed head hog finishing building and purchase equipment in an amount not-to-exceed \$228,400. The project is expected to create 1 new job and 7 construction jobs.
- Item No. 2: A-LL-TX-649 – Mark & Sara Lefler
Request final approval of a Participation Loan to finance the construction of a wean to finish hog facility in an amount not-to-exceed \$120,000. The project is expected to create 10 construction jobs.
- Item No. 3: A-SG-TX-GT-650 – Linker Farms, Inc.
Request final approval of a Specialized Livestock Guarantee to finance purchase the purchase of 320 sow shares in an amount not-to-exceed \$121,000.
- Item No. 4: A-SA-TX-AT-657 – Davis & Dennis Biddle, dba D&D Farms
Request final approval of a Specialized Livestock Guarantee to finance construction of a head wean to finish hog facility in an amount not-to-exceed \$500,000.
- Item No. 5: A-FB-TE-CD-642 – Donald E. & Joyce C. Whitten
Request final approval of a Beginning Farmer Bond in an amount not-to-exceed \$136,000.

A-FB-TE-CD-643 – Brian M. Lodbell

Request final approval of a Beginning Farmer Bond in an amount not-to-exceed \$134,310.

A-FB-TE-CD-652 – Todd E. & Joyce A. Line

Request final approval of a Beginning Farmer Bond in an amount not-to-exceed \$210,000.

Item No. 6 E-NP-TE-CD-646 – Spertus College of Judaica dba Spertus Institute of Jewish Studies

Request final approval of a 501(c)3 Bond to construct a facility, refinance and pay bond issuance costs in an amount not-to-exceed \$53,000,000. This project is expected to create 3 new jobs and 200 construction jobs.

Item No. 7 N-NP-TE-CD-615 - The WBEZ Alliance, Inc, dba Chicago Public Radio

Request final approval of a 501(c)3 Bond to renovate a facility, purchase equipment, purchase furniture, fixtures and equipment, capitalize interest, refund outstanding debt and fund issuance costs in an amount not-to-exceed \$22,500,000. This project is expected to create 14 new jobs and 140 constructions jobs.

Item No. 8 E-PS-TE-CD-648 – Congregation Adas Yeshurun Anshe Kanesses Israel

Request preliminary approval of a 501(c)3 Bond to refinance the acquisition of land and an existing facility, renovations, equipment and furnishings and, fund legal and professional costs in an amount not-to-exceed \$3,500,000. This project is expected to create 7 new jobs and 120 construction jobs.

Item No. 9 N-NP-TE-CD-644 – Chicago Charter School Foundation

Request preliminary approval of a Not-for-Profit Bond to purchase and renovate a campus, construct a new high school, purchase furniture, fixtures and equipment, and pay bond issuance costs in an amount not-to-exceed \$26,000,000. This project is expected to create 210 new jobs and 67 construction jobs.

Item No. 10 N-NP-TE-CD-647 – Alternative Behavior Treatment Centers

Request preliminary approval of a Not-for-Profit Bond to finance construction of a gymnasium, construct a cafeteria, renovations, expansions and, consolidate and refinance taxable mortgage debt in an amount not-to-exceed \$3,100,000. This project is expected to create 10 new jobs and 5-10 construction jobs.

Item No. 11 H-HO-TE-CP-655 – The Rehabilitation Institute of Chicago

Request preliminary approval of a Commercial Paper Revenue Note to provide interim financing for the acquisition of a new Health information System in an amount not-to-exceed \$21,000,000.

- Item No. 12 L-GP-MO-TE-659 – Village of Annawan
Request final approval of a Local Government Bond to refinance the Village's outstanding water/sewer project loan and finance sewer, water, road, sidewalk and utility improvements in an amount not-to-exceed \$680,000.
- Item No. 13 B-LL-TX-658 – Darrel & Marilyn Mattingly dba Derel's BBQ
Request final approval of a Rural Development Loan to finance acquisition and installation of restaurant equipment, improvements to a commercial kitchen and dining facility in an amount not-to-exceed \$110,000. This project is expected to create 6 new jobs and 3 construction jobs.
- Item No. 14 B-LL-TX-656 – Experimur, LLC
Request final approval of a Participation Loan to finance the acquisition, renovation and equipment for an industrial building in an amount not-to-exceed \$1,000,000. This project is expected to create 200 new jobs and 300 construction jobs.
- Item No. 15 H-HO-TE-CP-619 – The University of Chicago Hospitals and Health System
Request final approval of a Conduit 501(c)3 Commercial Paper Revenue Notes to provide interim financing for the proposed U of C Hospital and Health System in an amount not-to-exceed \$75,000,000.
- Item No. 16 H-HO-TE-CD-636 – Kishwaukee Health System
Request final approval of a Not-for-Profit Bond to fund a replacement hospital, fund capitalized interest and pay costs of issuance in an amount not-to-exceed \$63,000,000.
- Item No. 17 N-NP-TE-CD-405 – The Clare at Water Tower
Request final approval of a Not-for-Profit Bond to finance development, construction, and equipment and capitalize debt service reserve, interest expense and pay costs of issuance in an amount not-to-exceed \$230,000,000. This project is expected to create 147 new jobs and 1,500 distinct construction jobs.
- Item No. 18 H-HO-TE-CD-594 – OSF Healthcare System
Request final approval of a Not-for-Profit Bond to advance refund existing bonds, fund debt service reserve fund and, pay costs of issuance in an amount not-to-exceed \$110,000,000.
- Item No. 19 H-HO-TE-CD-654 – Silver Cross Hospital
Request preliminary approval of a Not-for-Profit Bond for new money, finance existing bonds, debt service reserve fund and, pay costs of issuance in an amount not-to-exceed \$150,000,000.

- Item No. 20 CP-TE-CD-645 – Center for Residential Management
Request preliminary approval of a Not-for-Profit Bond to refinance, consolidate and provide new money for acquisition of new facilities in an amount not-to-exceed \$15,000,000.
- Item No. 21 H-CP-TE-CD-653 – Milestone, Inc.
Request preliminary approval of a Not-for-Profit Bond to refinance existing tax-exempt debt and pay issuance costs in an amount not-to-exceed \$4,000,000.
- Item No. 22 B-LL-TX-421 - Request for an Amendment to a Participation Loan for P&P Press, Inc.
Request approval to increase the participation loan from \$650,000.00 to \$900,000.00. The board unanimously approved the request.
- Item No. 23 Resolution Authorizing The Purchase of Local Government Securities In An Aggregate Principal Amount Not-to-Exceed \$10,000,000. The board unanimously approved Resolution No. 2006-8.
- Item No. 24 Amendment to a Participation Loan for Excel Crusher Technologies, LLC.
Excel Crusher, LLC requests permission to transfer 51% of its membership to FFE Minerals USA Inc and substitute guarantees supporting the Authority's loan participation. The board unanimously approved the Amendment.

Host Chairman Valenti asked if there was any other business to come before the Board, or if any member of the public wished to address the Board. There being no further business Host Chairman Valenti requested a motion to adjourn. Upon a motion by Dr. Herrin and seconded by Mr. Rice, the meeting adjourned at approximately 12:38 p.m.

Interim Executive Director's Report

Director Rendleman gave an overview of the projects presented to the Members this month, noting there are roughly \$400M in requests.

Acceptance of Minutes of July 2005 Board Meeting

Chairman Gustman requested leave of the board to approve Minutes of the July, 2005. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present.

Project Considerations

Agriculture:

Item-01 B-LL-TX-638 Roy E. and Nathan T. Wiegand

Roy E. and Nathan T. Wiegand, of Roanoke seek final approval of a participation loan in an amount not-to-exceed **\$175,000**.

Chairman Gustman requested a motion to approve. The motion was approved with 9 ayes, 0 nays and 0 abstentions/present.

Item-02 B-LL-TX-637 Earl and Sue Hesterberg

Earl and Sue Hesterberg, of Gifford seek final approval of a participation loan in an amount not-to-exceed **\$103,500**.

Chairman Gustman requested a motion to approve. The motion was approved with 9 ayes, 0 nays and 0 abstentions/present.

Item-03 A-FB-TE-CD-612 Brian Atherton and A-FB-TE-CD-641 Alan Rumbold

Brian Atherton, of Earlville and Alan Rumbold, of Tremont, seeks final approval of a beginning farmer bond loan in an amount-not-to-exceed, respectively, **\$194,500** and **\$250,000**.

Chairman Gustman requested a motion to approve. The motion was approved with 9 ayes, 0 nays and 0 abstentions/present.

Business and Industry:

Item-04 M-MH-TE-CD-639 Urban St. Pauls Limited Partnership

Urban St. Pauls Limited Partnership seeks preliminary approval of housing bonds in an amount not-to-exceed **\$7M** to purchase and renovate an existing 72-unit rental property for seniors.

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

Item-05 *L-DC-TE-MO-635 City of East St. Louis*

City of East St. Louis seeks preliminary approval of revenue refunding bonds in an amount not-to-exceed \$6M for purposes of debt restructuring.

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

Item-06 *I-ID-TE-CD-413 E. Kinast Distributors, Inc.*

E. Kinast Distributors, Inc. seeks final approval of industrial revenue bonds in an amount not-to-exceed \$4.3M for purposes of land acquisition, construction, machinery and equipment.

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

Item-07 *P-SW-PO-TE-CD-547 Waste Management of Illinois, Inc.*

Waste Management of Illinois, Inc. seeks final approval in an amount not-to-exceed \$30M for purposes of landfill and transfer station improvements and equipment purchases.

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

Health Care:

Item-08 *H-HO-TE-CD-595 Alexian Brothers Health System*

Alexian Brothers Health System seeks final approval in an amount not-to-exceed \$265M to advance refund existing IHFA Series 1999 bonds and pay issuance costs.

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

Item-09 *H-HO-TE-CD-636 Kishwaukee Health System*

Kishwaukee Health System seeks final approval in an amount not-to-exceed \$85M to advance refund two series of bonds, fund a replacement hospital, fund capitalized interest and pay issuance costs.

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

Chairman Gustman asked if there was any other business to come before the Board, or if any member of the public wished to address the Board. There being no further business, Chairman Gustman adjourned the meeting at approximately 11:50 a.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary