

**MINUTES OF THE OCTOBER 9, 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 October 9, 2007 at the Mid-America Club, 200 E. Randolph, Chicago, Illinois:

Members present:

David C. Gustman, Chair
Dr. William J. Barclay
Magda M. Boyles
Michael W. Goetz
Edward H. Leonard, Sr.
Terrence M. O'Brien
Lynn F. Talbott
April D. Verrett
Joseph P. Valenti
Bradley A. Zeller

Members absent:

Ronald E. DeNard
James J. Fuentes
Dr. Roger D. Herrin
Andrew W. Rice
Juan B. Rivera

Vacancies:

None

**Members participating by
telephone:**

None

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Chairman Gustman called the meeting to order at 11:32 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. Chairman Gustman made a special welcome to the newest IFA board member, Ms. April Verrett. There being ten (10) members physically present, 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 staff would present 26 projects, totaling approximately \$900,000,000, to the Board for its consideration at today's meeting. Director Hubbard noted that projects presented today are expected to create approximately 1,400 new jobs and 5,000 construction jobs.

Acceptance of Financial Statements

Financial statements for the period ending September 30, 2007 were accepted by the Board subject to the amendment discussed at the Committee of the Whole. 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 September 11, 2007 Meeting of the Board. Chairman Gustman asked for a motion to approve the minutes. Motion was moved by Ms. Talbott 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, Project nos. 1 through 4 in a total approximate amount of \$2 million to the Board for approval. Project 4 includes seven individual Beginning Farmer projects (A-FB-TE-CD-7204 Oesch through A-FB-TE-CD-7210 Swanson).

- No. 1:** **A-AI-TX-GT-7214 – Hill Prairie Winery**
Request for approval of the issuance of an Agri-Industry Guarantee in an amount not-to-exceed \$318,750 to provide permanent financing to an existing borrower occupied vineyard and winery. This project is located in Oakford, Illinois. (07-10-01).
- No. 2:** **A-SG-TX-GT-7215 – John T. Scidmore and Angela K. Scidmore**
Request for approval of the issuance of a Specialized Livestock Guarantee in an amount not-to-exceed \$593,940 to provide permanent financing to purchase dairy cows, other livestock and related equipment. This project is located in Chadwick, Illinois. (07-10-02).
- No. 3:** **A-DR-TX-7212 – Steven P. Spivey and Sandra L. Spivey**
Request for approval of the issuance of an Agri-Debt Guarantee in an amount not-to-exceed \$295,800 to provide permanent financing to refinance the borrower's intermediate and long term debts to reduce debt service and increase cash flow. This project is located in New Windsor, Illinois. (07-10-03).
- No. 4:** **A-FB-TE-CD-7204 – Anthony and Melissa Oesch**
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$235,000 to provide permanent financing for the purchase of livestock and farmland. This project is located in Olney, Illinois. (07-10-04).
- A-FB-TE-CD-7205 – Bruce and Joleen Kuhnert**
Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$140,000 to provide permanent financing for the purchase of 197 acres of farmland and pasture land. This project is located in Ava, Illinois. (07-10-04).
- A-FB-TE-CD-7206 – William and Carol Jackson**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$244,000 to provide permanent financing for the purchase of 130 acres of farmland. This project is located in Macomb, Illinois. (07-10-04).

A-FB-TE-CD-7207 – Charles and Tamara Lucie

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$180,000 to provide permanent financing for the purchase of 75 acres of farmland. This project is located in Carthage, Illinois. (07-10-04).

A-FB-TE-CD-7208 – Charles and Pauline Meurer

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000 to provide permanent financing for the purchase of 40 acres of farmland. This project is located in Ashton, Illinois. (07-10-04).

A-FB-TE-CD-7209 – John and Angela Scidmore

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000 to provide permanent financing for the purchase of a livestock facility and farmland. This project is located in Newark, Illinois. (07-10-04).

A-FB-TE-CD-7210 – Ross Swanson

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$145,000 to provide permanent financing for the purchase of a livestock facility and farmland. This project is located in Toulon, Illinois. (07-10-04).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 1 through 4. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 1 through 4. Leave was granted. Project nos. 1 through 4 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 5: H-HO-TE-CD-7216 – Northwestern Memorial Hospital

Request for the approval of the issuance of Conduit 501(c)3 Bonds in an amount not-to-exceed \$400,000,000 to pay or reimburse the hospital for construction, equipment and certain other capital expenditures, refinance all or a portion of IFA Series 2004A bonds and pay certain related expenses. This project is expected to create 600 new jobs and 3,500 construction jobs. This project is located in Chicago, Illinois. (07-10-05).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 5. Pamela Lenane introduced Doug Young, Northwestern Memorial Hospital, who gave a brief summary of the project and thanked the Board. A representative of the underwriter, JP Morgan was also present. Responding to a question, Mr. Young indicated that this refinancing would save Northwestern Memorial Hospital approximately \$26 million. Chairman Gustman requested a motion for a roll call vote in favor of Project no. 5. Motion moved by Mr. Goetz and seconded by Mr. Valenti. Project no. 5 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No.6: H-HO-TE-CD-7218 – Monarch Landing and Fox Run Village

Request for the approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$275,000,000. Proceeds will be used to: (1) finance purchase deposit for the option to purchase Monarch Landing and Fox Run Village, (2) fund debt service reserve funds, and (3) pay issuance costs. This project is expected to create 593 new jobs and 1,125 construction jobs. This project is located in Naperville, Illinois and Novi, Michigan. (07-10-06).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 6. It was also indicated that approval of the out-of-state components of Project no.6 was subject to the enactment of SB 1317 into law. Pamela Lenane then introduced Patty Gleason, Executive Director of Monarch Landing. Ms. Gleason gave a brief overview of the project and thanked the IFA and the Board for their consideration. 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 preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 7: N-PS-TE-CD-7201 – Sacred Heart Schools

Request for the approval of the issuance of 501(c)(3) Bonds in an amount not-to-exceed \$25,000,000 to: (1) refund outstanding indebtedness, (2) finance the expansion and renovation of a campus facility, (3) various campus infrastructure improvements, (4) fund professional and bond issuance costs. This project is expected to create 50 construction jobs. This project is located in Chicago, Illinois. (07-10-07).

No guests attended with respect to Project no. 7. Chairman Gustman asked if the Board had any questions with respect to Project no. 7. There being none, Chairman Gustman 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-7203 – Lutheran Church Extension Fund

Request for the approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed \$33,000,000 to expand services provided to its affiliated organizations and to pay certain bond issuance costs. This project is located in multiples areas. (07-10-08).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 8. It was also indicated that approval of the out-of-state components of Project no.8 was subject to the enactment of SB 1317 into law. Sharnell Curtis Martin introduced Carolyn Schlimpert, VP, Lutheran Church Extension Fund (LCEF). Ms. Schlimpert gave a brief overview of her organization, the LCEF, and the project. She also thanked the IFA and the Board for their consideration. Chairman Gustman asked if the Board had any questions with respect to Project no. 8. There being none, Chairman Gustman 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-7181 – Lake County Family YMCA

Request for the approval of the issuance of 501 (c)(3) Revenue Bonds in an amount not-to-exceed \$6,500,000 to refund existing IFA (IDFA) 2000 Bonds and to pay certain bond issuance costs. This project is located in Waukegan, Illinois. (07-10-09).

Chairman Gustman asked if the Board had any questions with respect to Project no. 9. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 9. Leave was granted. Project no. 9 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 10: N-NP-TE-CD-7003 – Association House of Chicago

Request for the approval of the issuance of 501 (c)(3) Revenue Bonds in an amount not-to-exceed \$7,000,000 to refund an existing IFA (IDFA) 1997 Bond issue, refinance existing conventional debt, and finance renovations to an existing facility. This project is located in Chicago, Illinois. This project is expected to create 8 new jobs and 40 construction jobs. (07-10-10).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 10. Sharnell Curtis Martin introduced Ms. Harriet Sadauskas, Executive Director, Association House. Ms. Sadauskas gave a brief description of the project and thanked the Board and the IFA for their consideration of the project. 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: I-ID-TX-CD-618 – Theory and Computing Sciences Building Trust (Argonne National Laboratory – a federally owned property under the jurisdiction of the U.S. Department of Energy)

Request for the approval of the issuance of Taxable Conduit Revenue Bonds in an amount not to exceed \$70,000,000 to finance the construction of an office and light duty laboratory facility, surface a parking lot and fund legal and professional costs. This project is located in Darien, Illinois. This project is expected to create 80 new jobs and 100 construction jobs over a 12-month period. (07-10-11).

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: M-MH-TE-CD-7182 – Woodlawn Community Development Corporation

Request for the approval of the issuance of 501(c)(3) Bonds in an amount not-to-exceed \$40,000,000 to (1) purchase various parcels of land, (2) renovate apartments, (3) fund debt service reserve, (4) capitalize interest, and (5) fund professional and bond issuance costs. This project is located in Chicago, Illinois.

This project is expected to create 6 new jobs and 10 construction jobs over a 10 month period. (07-10-12).

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 preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 13: **B-RD-7166 – Village Market IGA, Inc.**
Request for the approval of the issuance of a Rural Development Loan in an amount not-to-exceed \$250,000 to purchase equipment. This project is located in Mahomet, Illinois. This project is expected to create 10 construction jobs. (07-10-13).

No. 14: **L-GP-7167 – Village of Leland**
Request for the approval of the issuance of a Rural Development Loan in an amount not-to-exceed \$60,000 to purchase a natural gas fired generator at the Village's water treatment facility. This project is located in Leland, Illinois. (07-10-14).

No. 15: **L-GP-7211 – Village of Green Oaks**
Request for the approval of the issuance of a Local Government Pooled Bond in an amount not-to-exceed \$1,700,000 to rebuild and repair a Village road and accompanying drainage and sewer repair. This project is located in Green Oaks, Illinois. This project is expected to create 10 construction jobs. (07-10-15).

No. 16: **L-GP-7200 – Village of Waynesville**
Request for the approval of the issuance of a Local Government Pooled Bond in an amount not-to-exceed \$620,000 to finance the construction of a water filtration system building, waterlines and to connect a water-well to the plant. This project is located in Waynesville, Illinois. This project is expected to create 4 construction jobs. (07-10-16).

No. 17: **L-GP-7217 – City of Aledo**
Request for the approval of the issuance of a Local Government Pooled Bond in an amount not-to-exceed \$2,070,000 to design and construct two 400,000 gallon water towers. This project is located in Aledo, Illinois. This project is expected to create 10 construction jobs. (07-10-17).

The Board considered Project nos. 13 through 17 as a package. No guests attended with respect to Project nos. 13 through 17. Chairman Gustman asked if the Board had any questions with respect to Project nos. 13 through 17. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 13 through 17. Leave was granted. Project nos. 13 through 17 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 18: **V-TD-7213 – Ohmx Corporation**

Request for the approval of the issuance of \$300,000 for a Venture Capital Investment. Proceeds will be used for general corporate purposes, working capital, and capital expenditures. The company is located in Evanston, Illinois. This investment is expected to create 4 new jobs over a two year period. (07-10-18).

No guests attended with respect to Project no. 18. Chairman Gustman asked if the Board had any questions with respect to Project no. 18. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 18. Leave was granted. Project no. 18 received approval with 10 ayes, 0 nays, and 0 abstentions.

No. 19: PU-WD-TE-CD-7202 – Aqua Illinois, Inc.
Request for the approval of the issuance of Water Furnishing Facilities Revenue Bonds in an amount not-to-exceed \$17,000,000 to finance for 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 265 construction jobs over a 1 to 15 month period. (07-10-19).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 19. Rich Frampton introduced Mr. Terry Rakocy, President, Aqua Illinois. Mr. Rakocy gave a brief description of the project and thanked the Board and the IFA for their consideration of the project. Mr. Rakocy also indicated that this IFA financing would help keep water rates down in the borrower's service area. Chairman Gustman asked if the Board had any questions with respect to Project no. 19. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 19. Leave was granted. Project no. 19 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions. (07-10-19).

No. 20: I-IR-TE-CD-6191 – John Hofmeister & Son, Inc.
Request for the approval of an Industrial Revenue Bond in an amount not-to-exceed \$3,000,000 to finance land acquisition, construction, machinery and equipment acquisitions and professional costs. This project is located in Chicago, Illinois. This project is expected to create 15 new jobs within two years and 6 construction jobs over a 6 month period. (07-10-20).

No. 21: I-ID-TE-CD-7127 – Zoll Real Estate, LLC (Rupari Food Service, Inc.)
Request for the approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$13,000,000 (\$3,000,000 taxable; \$10,000,000 tax-exempt) to finance the construction of a new facility, expansions, renovations and equipment. This project is located in South Holland, Illinois. This project is expected to create 110 new jobs over a two year period and 60 construction jobs. (07-10-21).

The Board considered Project nos. 20 and 21 together. No guests attended with respect to Project nos. 20 and 21. Chairman Gustman asked if the Board had any questions with respect to Project nos. 20 and 21. There being none, Chairman Gustman requested leave to apply the last

unanimous vote in favor of Project nos. 20 and 21. Leave was granted. Project nos. 20 and 21 received final approval with 10 ayes, 0 nays, and 0 abstentions.

No. 22: E-PC-TE-CD-7199 – Erikson Institute
Request for the approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$32,500,000 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 27 new jobs over a two year period and 100 construction jobs. (07-10-22).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 22. Townsend Albright introduced Ms. Jan Promer, VP & CFO, Erikson Institute. Ms. Promer gave a brief overview of her organization and description of the project. She thanked the Board and the IFA for their consideration of the project. The borrower is moving its facility from Hyde Park to a location in the north Loop. Ms. Promer also answered a question relating to number of students educated at the Institute. Chairman Gustman asked if the Board had any questions with respect to Project no. 22. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 22. Leave was granted. Project no. 22 received preliminary approval with 10 ayes, 0 nays, and 0 abstentions.

No. 23: Informational memo concerning the Fieldhouse of Barrington, a project previously approved the IFA Board in August 2007.

Because Project no. 23 was informational only, no Board action was required or taken.

No. 24: Amendatory Resolution for Ingalls Health System providing for restatement of bond documents in connection with addition of letter of credit to Radian-insured bonds.

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

No. 25: Amendatory Resolution to extend a Participation Loan to Forest Busher.

No motion to support Project no. 25 was made. The IFA Board took no action on Project no. 25.

No. 26: Request to Amend a Final Resolution to Authorize the Issuance of Senior and Subordinate Tax-Exempt Bond to Partially Finance a Project for the Western Illinois Ethanol Project, LLC.

Chairman Gustman asked if the Board had any questions with respect to the Amendatory Resolution. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Amendatory Resolution no. 26. Leave was granted. Amendatory Resolution no. 26 was 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 Mr. O'Brien and seconded by Mr. Zeller, the meeting adjourned at approximately 12:11 p.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary