

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 a regularly scheduled meeting at 1:30 P.M., on October 12, 2004 at the Plaza Club located in One Prudential Plaza, 40th Floor at 130 East Randolph in Chicago, Illinois.

MEMBERS PRESENT:

Demetris Giannoulis
David Gustman
Edward Leonard
Martin Nesbitt
Terrence O'Brien
Timothy Ozark
Andrew Rice
Joseph Valenti

MEMBERS ABSENT:

Natalia Delgado
Michael Goetz
Dr. Roger Herrin

GENERAL BUSINESS ITEMS

Call to Order

Chairman Gustman called the meeting to order at approximately 1:35 P.M., with the above members present.

Roll Call

Chairman Gustman asked Secretary Pisarcik to call the roll. Having eight Members present, a quorum was declared.

Chairman's Report

Chairman Gustman welcomed the audience to the new building, noting the cost savings stemming from the move. Furthermore, he noted that the Authority was profitable during the first quarter of fiscal year 2005 and was on budget. Finally, he noted the Board has approved \$3 billion in financing over the first 10 months of operation.

Resolution 2004-25: Resolution Appointing a Vice-Chairman of the Illinois Finance Authority

The Chairman then requested that Tim Ozark be nominated as Vice-Chairman for the Board. Upon a motion by Mr. Leonard, seconded by Mr. Valenti, Chairman Gustman requested a roll call vote. The motion was approved with 8 ayes, 0 nays and 0 abstentions.

Director's Report

Director Ata welcomed the audience and provided an overview of the new IFA programs to support the Authority's public mission, including the Opportunity Home Mortgage, Capital Opportunity Bond, Tax Anticipation Warrant and Participation Loan programs.

Item 1 - Acceptance of September 2004 Preliminary Financial Statements

Upon a motion by Mr. Ozark and seconded by Mr. Leonard, Chairman Gustman requested a roll call vote. The motion was approved with 8 ayes, 0 nays, and 0 abstentions. (04-10-01)

Item 2 – Acceptance of the August 2004 Minutes

The Chairman asked if any member had any comments regarding the minutes of the Board's August minutes. Upon a motion by Mr. Ozark and seconded by Mr. Leonard, Chairman Gustman requested a roll call vote. The motion was approved with 8 ayes, 0 nays, and 0 abstentions. (04-10-02)

Item 3 – Resolution 2004-21: Approving Modified Participation Loan Program Policies and Procedures for the Illinois Finance Authority

Resolution 2004-22: Authorizing the Venture Capital Committee of the Illinois Finance Authority and the Executive Director of the Illinois Finance Authority to Take Certain Actions in Between Meetings of the Members.

Resolution No. 2004-23: Resolution Adopting a Revised Compensation Program for Employees, Other Than Vice Presidents, Senior Funding managers, Funding Managers and the Executive Director, of the Illinois Finance Authority

Resolution 2004-24: Resolution Providing for the Purchase of Local Government Securities in an Aggregate Principal Amount Not to Exceed \$5,000,000, as Provided Herein; Authorizing the Sale Thereof; Approving the Applications of Certain Participating Units of Local Government; Authorizing the Execution and Delivery of Local Government Securities Purchase Agreements and Related Documents; and Related Matters.

Upon a motion by Mr. Ozark and seconded by Mr. Leonard, the Chairman requested leave to record the last unanimous vote to each resolution. The motion was approved with 8 ayes, 0 nays, and 0 abstentions. (04-10-03).

Initial Project Considerations

Item-04 **E-PC-TE-CD-416: The University of Chicago**

This applicant requests preliminary approval of **\$86,000,000** in conduit 501(c)(3) Advance Refunding Revenue Bonds to finance a project located in **Chicago**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-04).

Item-05 **E-PC-TE-CD-414-A: Loyola University**

This applicant requests preliminary approval of **\$46,000,000** in conduit 501(c)(3), Revenue Bonds to finance a project located in **Chicago**. This project is expected to create **30 new jobs** and **250 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-05).

Item-17 **E-PC-TE-CD-414-B: Loyola University**

This applicant requests final approval of **\$24,000,000** in conduit, Tax-Exempt 501(c)(3) Revenue Bonds to finance a project located in **Chicago**. This project is expected to create **20 new jobs** and **50 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-17).

Item-06 **E-PC-TE-CD-415: Illinois College**

This applicant requests preliminary approval of **\$20,000,000** in conduit 501(c)(3), Revenue Bonds to finance a project located in **Jacksonville**. This project is expected to create **15 new jobs** and **200 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-06).

Item-07 **N-NP-TE-CD-418: The YMCA of Metropolitan Chicago Foundation**

This applicant requests preliminary approval of **\$15,000,000** in conduit 501(c)(3), Revenue Bonds to finance projects located in

Chicago and Harvey. This project is expected to create **12 construction jobs.**

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-07).

Item-20 **N-NP-TE-CD-415: The YMCA of Metropolitan Chicago**

This applicant requests final approval of **\$27,000,000** in conduit tax-exempt 501(c)(3) Revenue Bonds to finance a project located in **multiple locations across the State.** This project is expected to create **65 new jobs and 200 construction jobs.**

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-20).

Item-08 **N-NP-TE-CD-419: Sunshine Through Golf Foundation**

This applicant requests preliminary approval of **\$3,000,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Lemont.** This project is expected to create **2 new jobs.**

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-08).

Item-09 **I-ID-TE-CD-416: Champagne-Turano Bakery, Inc. Projects**

Berwyn Properties, LLC & MERUG, LLC (Champaigna-Turano Bakery Inc.) request preliminary approval for **\$5,000,000** in tax-exempt, conduit Industrial Revenue Bonds for a project located in **Berwyn.** This project is expected to create **20 new jobs.**

Bolingbrook Properties, LLC & MERUG, LLC (Knead Dough Baking Company) request preliminary approval for **\$5,000,000** in tax-exempt, conduit Industrial Revenue Bonds for a project located in **Bolingbrook.** This project is expected to create **20 new jobs.**

Together, these applicants will be using approximately **\$9,000,000 of the Authority's 2004 Volume Cap.**

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-09).

Item-10 **I-ID-TE-CD-415: Rose Road LLC and Edward J. Smith, Trustee (Termax Corporation)**

This applicant requests preliminary approval of **\$3,800,000** in tax exempt, conduit Industrial Revenue Bonds to finance a project located in **Lake Zurich**. This project will be using **\$3,700,000 of the Authority's 2004 Volume Cap**. It is expected that this project will create **28 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-10).

Item-11 **I-ID-TE-CD-414: Vision Molded Products, Inc. and its affiliates**

This applicant requests preliminary approval of **\$3,200,000** in tax-exempt, conduit Industrial Revenue Bonds to finance a project located in **Elgin**. This project will be using **\$3,150,000 of the Authority's 2004 Volume Cap**. It is expected that this project will create **63 new jobs** and **5-10 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-11).

Item-12 **A-FB-TE-CD-440: Garry M. Pope**

This applicant requests preliminary approval for Beginning Farmer Bonds for **\$250,000** to finance a project located in **Mahomet**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-12).

Item 29 **M-MH-TE-TX-CD-407: Sterling Park Development, LLC**

This applicant requests preliminary approval of **\$190,000,000** in conduit Multi-Family Housing Revenue Bonds to finance a project located in Chicago.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-29).

Item-16 **H-HO-TE-CD-420: Loyola University Medical Center**

This applicant requests preliminary approval for **\$15,500,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Maywood**. This project is expected to create **50 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-16).

Final Project Considerations

Item-13 **H-HO-TE-CD-417: The Carle Foundation**

This applicant requests final approval of **\$200,000,000** in conduit 501(c)(3), Revenue Bonds to finance projects located in **Champaign**. This project is expected to create **60 new jobs** and **200 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-13).

Item-14 **H-HO-TE-CD-418: Ingalls Health Systems**

This applicant requests final approval for **\$50,000,000** in conduit Tax-Exempt 501(c)(3) Revenue Bonds to finance projects located in **Tinley Park** and **Harvey**. These projects are expected to create **12 new jobs** and **80 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-14).

Item-15 **H-HO-TE-CD-419: Saint Anthony's Health Center**

This applicant requests final approval of **\$5,000,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Alton**. This project is expected to create **4 new jobs** and **15 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-15).

Item-18 **E-PC-TE-CD-412: Illinois Institute of Technology**

This applicant requests final approval of **\$20,000,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Chicago**. This project is expected to create **66 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-18).

- Item-19** **E-PS-TE-CD-411: Rogers Park Montessori School**
This applicant requests final approval of **\$12,000,000** in a conduit, Tax-Exempt, 501(c)(3) Revenue Bonds to finance a project located in **Chicago**. This project is expected to create **20 new jobs** and **50 construction jobs**.
- The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-19).
- Item-21** **N-NP-TE-CD-417: Sauk Valley Student Housing, LLC (to be formed)**
This applicant requests final approval of **\$8,000,000** in a conduit, Tax-Exempt, 501(c)(3) Revenue Bonds to finance a project located in **Dixon**. This project is expected to create **5 new jobs** and **100 construction jobs**.
- The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-21).
- Item 22** **B-LL-TX-413: Homeway Homes, Inc.**
This applicant is requesting final approval of a **\$300,000** Participation Loan to finance a project located in **Deer Creek**. This project is expected to create **56 new jobs**.
- The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-22).
- Item 23** **B-LL-TX-414: Christine Bonczyk (Penny Lane School, Ltd.)**
This applicant is requesting final approval of a **\$740,000** Participation Loan to finance a project located in **Chicago Ridge**. This project is expected to create **60 new jobs**.
- The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-23).
- Item 24** **V-TD-407: Moiré Inc.**
This applicant requests a **\$300,000** investment from the Illinois Venture Investment Fund. Moiré, Inc. is a spin out of the University of Illinois-Champaign/Urbana and is located in **West Chicago** and **Champaign**. This investment is expected to create **4 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-24).

Item-25

A-FB-TE-CD-438: Jared Walter

A-FB-TE-CD-439: Brent A. West

A-FB-TE-CD-441: Kevin and Emily Lilienthal

A-FB-TE-CD-442: Carl J. Kettlekamp and Lori Kettlekamp

A-FB-TE-CD-443: Larry W. Eldridge

These applicants request final approval of Beginning Farmer Bonds for the amounts indicated below:

Jared Walter	\$250,000	(Forrest)
West	\$90,000	(Taylorville)
Lilienthal	\$250,000	(Bloomington)
Kettlekamp	\$189,000	(Nokomis)
Eldridge	\$250,000	(Mason City)

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-25).

Project Revisions/Amendatory Resolutions

Item 26

American Allied Freight Car Company, Inc.

This applicant requests the Members' approval of the assumption and repricing of the loan by Heartland Bank in Peoria, IL.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (04-10-26).

The Chairman 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 and no one seeking to address the Board, Chairman Gustman adjourned the meeting at approximately 2:40 P.M.

Respectfully Submitted,

Michael Pisarcik, Secretary