

**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 March 7, 2006 at the Illinois State Library, 300 S. Second Street, Room 403/404, Springfield, Illinois.

**Members present:**

David C. Gustman, Chairman  
Magda M. Boyles  
Michael W. Goetz  
Edward H. Leonard, Sr.  
Andrew W. Rice  
Juan B. Rivera  
Lynn F. Talbott  
Bradley A. Zeller

**Members participating by phone:**

Dr. Roger D. Herrin (from 11:35 a.m.  
to 11:40 a.m.)  
  
Joseph Valenti (from 11:50 a.m. until  
conclusion of the meeting)

**Members absent:**

Ronald DeNard  
James J. Fuentes  
Demetris A. Giannoulas  
Martin H. Nesbitt  
Terrence M. O'Brien

**Vacancies: 0**

**GENERAL BUSINESS**

**Call to Order and Roll Call**

Chairman Gustman called the meeting to order at 11:35 a.m. with the above members present. Chairman Gustman asked Stuart Boldry, Assistant Secretary, to call the roll. Mr. Boldry called the roll. There being nine members of the board present, eight in person and one (Dr. Herrin) by telephone, Mr. Boldry declared a quorum present. Chairman Gustman confirmed that Dr. Herrin could hear the Board members and that Dr. Herrin could be heard by the Board members.

**Projects**

Chairman Gustman announced that in the interest of time, the Board would first consider the project for Rush University Medical Center, listed as number "9" on the Agenda. Chairman Gustman asked Interim Director Rendleman to describe the project. Ms. Rendleman introduced the following project:

No. 9: H-HO-TE-CD-614 – Rush University Medical Center Obligated Group

Requests approval for the issuance of not-for-profit bonds in an amount not to exceed \$250,000,000 for the primary purpose of: (1) refinancing all or a portion of the following outstanding Illinois Hospital Facilities Authority Bonds: Series 1983, Series 1989A, Series 1993, Series 1996A, and Series 1998B; (2) reimbursing prior capital expenditures; (3) funding a debt service reserve fund; and (4) paying costs of issuance of the bonds.

Upon a motion by Mr. Rivera and seconded by Mr. Leonard, Chairman Gustman requested a roll call vote to approve the project. Chairman Gustman announced that he would abstain from voting on this project because the law firm for which he works provides legal representation to the Citigroup, the underwriter on the project. Mr. Boldry took the roll call vote and the motion was approved with 8 ayes, 0 nays, and 1 abstention (Gustman) (06-03-09).

At 11:40 a.m., Dr. Herrin left the meeting. There still being eight members present at the meeting, a quorum remained present.

#### **Interim Executive Director's Report**

Chairman Gustman again welcomed everyone present and thanked those present who attended the Authority's dinner held last night (Monday, March 6, 2006). Chairman Gustman then asked Interim Executive Director Rendleman to give her report.

Interim Executive Director Rendleman announced that there would be 16 projects presented to the Board for approval at the meeting. She noted that this month there is a significant number of agriculture financings and also that the IFA is beginning its program with the Illinois Facilities Fund to provide financing to charter schools participating in the U.S. Department of Education Charter Schools Program. Ms. Rendleman further explained the purpose of charter schools generally and the program more specifically.

#### **Acceptance of Financial Statements**

Financial statements for period ending February 28, 2006 were accepted by all board members present.

#### **Minutes**

Upon a motion by Mr. Rice and seconded by Mr. Rivera, Chairman Gustman requested a roll call vote to approve the minutes of the IFA's board meeting held on February 7, 2006. The motion was approved with 8 ayes, 0 nays, and 0 abstentions.

At 11:50 a.m., Mr. Joseph Valenti joined the meeting via telephone. Chairman Gustman confirmed that Mr. Valenti could hear the Board members and that Mr. Valenti could be heard by the Board members.

## 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 Board. Director Rendleman presented the following projects for Board approval:

- No. 1:        **A-LL-TX-6034 – Adam and Jacqueline Anderson**  
Request approval of a participation loan in which the IFA's participation is not to exceed \$128,250. The proceeds of the loan are expected to be used to purchase 92 acres of farmland. (06-03-01)
- No. 2:        **A-DR-TX-6036 – Ettner Farms**  
Requests approval of an Agri-debt Guarantee on a \$460,000 loan to be made to refinance the borrower's term debt in order to reduce debt service and increase cash flow. (06-03-02)
- No. 3:        **A-DR-TX-6037 – Jerome Lindgren**  
Requests approval of an Agri-debt Guarantee on an \$81,000 loan to be made to refinance the borrower's existing term loan and fund a recent equipment purchase. (06-03-03)
- No. 4:        **A-DR-TX-6038 – Kenneth R. and Carla J. Nelson**  
Request approval of an Agri-debt Guarantee on a \$635,000 loan to be made to refinance the borrower's existing term loan to reduce the borrower's debt service and increase cash flow. (06-03-04)
- No. 5         **A-DR-TX-6039 – Philip and Linda Hartzler**  
Request approval of an Agri-debt Guarantee on a \$138,000 loan to be made to refinance an existing operating loan and a contract for deed on 38 acres of farmland. (06-03-05)
- No. 6:        **A-DR-TX-6035 – Charles and Donna Baker**  
Request approval of an Agri-debt Guarantee on a \$256,000 loan to be made to refinance an existing real estate mortgage (originally guaranteed by the Illinois Finance Development Authority and to refinance a second mortgage loan. (06-03-06)
- No. 7:        **A-FB-TE-CD-6026 – Richard Rubenacker**  
Requests approval of a Beginning Farmer Bond in an amount not-to-exceed \$250,000. This project will use dedicated 2006 Volume Cap set-aside for Beginning Farmer Bond transactions. (06-03-07)
- A-FB-TE-CD-6027 – Daniel L. Chappellear**

Requests approval of a Beginning Farmer Bond in an amount not-to-exceed \$153,000. This project will use dedicated 2006 Volume Cap set-aside for Beginning Farmer Bond transactions. (06-03-07)

**A-FB-TE-CD-6028 -- Jeff & Mary Heepke**

Request approval of a Beginning Farmer Bond in an amount not-to-exceed \$250,000. This project will use dedicated 2006 Volume Cap set-aside for Beginning Farmer Bond transactions. (06-03-07)

**A-FB-TE-CD-6029 -- Mark Heun**

Requests approval of a Beginning Farmer Bond in an amount not-to-exceed \$250,000. This project will use dedicated 2006 Volume Cap set-aside for Beginning Farmer Bond transactions. (06-03-07)

**A-FB-TE-CD-6030 -- Cody Bauman**

Requests approval of a Beginning Farmer Bond in an amount not-to-exceed \$250,000. This project will use dedicated 2006 Volume Cap set-aside for Beginning Farmer Bond transactions. (06-03-07)

**A-FB-TE-CD- -- Patrick Thompson**

Requests approval of a Beginning Farmer Bond in an amount not-to-exceed \$108,500. This project will use dedicated 2006 Volume Cap set-aside for Beginning Farmer Bond transactions. (06-03-07)

**A-FB-TE-CD- -- Christopher & Connie Smith**

Request approval of a Beginning Farmer Bond in an amount not-to-exceed \$250,000. This project will use dedicated 2006 Volume Cap set-aside for Beginning Farmer Bond transactions. (06-03-07)

Upon a motion of Mr. Leonard, seconded by Ms. Boyles, Chairman Gustman requested a roll call vote to approved projects #1-7 as described above. Mr. Boldry took a roll call vote. The motions were approved with 9 ayes, 0 nays, and 0 abstentions.

No. 8:

**H-SL-RE-TE-CD-6042 -- Franciscan Communities -- The Village at Victory Lakes**

Requests preliminary approval for the issuance of not-for-profit bonds in an amount not to exceed \$30,000,000 for the primary purpose of: (1) acquiring The Village at Victory Lakes including physical assets and certain accounts receivable; (2) funding new money projects for The Village at Victory Lakes; (3) establishing a debt service reserve fund; and (4) paying costs of issuance of the bonds.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-03-08)

- No. 10: **H-SL-RE-TE-CD-6011 – Luther Oaks**  
 Requests approval of the issuance of not-for-profit bonds in an amount not to exceed \$40,000,000 for the primary purpose of: (1) paying development, marketing, construction and other related costs associated with the redevelopment project; (2) funding a portion of the interest payment, including letter of credit and remarketing fees for approximately 22 months; (3) capitalizing debt service reserve funds; and (4) paying costs of issuance of the bonds. This project is expected to create approximately 95 new jobs and 125 construction jobs.
- Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-03-10)
- No. 11: **E-SD-LL-TE-6045 – IFA Interim Loan Program for Illinois School Districts**  
 This project was presented to the Board for informational purposes only. A vote of the Board was not required on this matter and, therefore, no vote was taken.
- No. 12: **M-MH-TE-CD-6033 – Concordia Place Apartments, L.P.**  
 This project was withdrawn from the agenda and not voted on or presented to the Board.
- No. 13: **M-MH-TE-CD-703 – Thornwood – Chicago Heights, L.P.**  
 Requests final approval of the issuance of housing bonds in an amount not to exceed \$11,000,000 for the primary purpose of purchasing and renovating an existing two-building, multi-family rental property located in Chicago Heights, Illinois. This project is expected to create approximately 20 construction jobs.
- Chairman Gustman requested a roll call vote. The project was approved with 9 ayes, 0 nays, and 0 abstentions. (06-03-13)
- No. 14: **Illinois Charter Capital Program of the Illinois Facilities Fund**  
**N-NP-TE-CD-6030 – UNO Charter School Network**  
**N-NP-TE-CD-6031 – ASPIRA Inc. of Illinois**  
**N-NP-TE-CD-6032 – Noble Network of Charter Schools**  
 Request final approval for the issuance of not-for-profit bonds in an aggregate amount not to exceed \$32.5 million for the purpose of providing funds to the charter schools as follows: (1) not to exceed \$6,000,000 for the benefit of UNO Charter School Network for the primary purpose of financing construction and renovation at the school, refinancing existing indebtedness, funding a debt service reserve fund and paying costs of issuance of the bonds; (2) not to exceed \$12,000,000 for the benefit of ASPIRA Inc. of Illinois for the primary purpose of financing acquisitions and renovation and construction at the school, funding a debt service reserve fund and paying costs of issuance of the bonds; and (3) not to exceed \$14,500,000 for the benefit of Noble Network of Charter Schools for the primary purpose of financing construction and renovation at the school,

refinancing existing indebtedness, funding a debt service reserve fund, and paying costs of issuance of the bonds. This project is being done in conjunction with the Illinois Charter Capital Program of the Illinois Facilities Fund. Each project is expected to create new construction and permanent jobs.

Chairman Gustman introduced funding manager, Ms. Sharnell Curtis, who described the Illinois Charter Capital Program. Ms. Curtis then introduced representatives of each charter school and these representatives described their respective projects to the Board. Upon conclusion of the presentations, Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-03-14)

No. 15:

**B-LL-TX-6041 – K K Stevens Publishing Company**

Requests approval of a participation loan in which the IFA's participation is not to exceed \$600,000. The proceeds of the loan are expected to be used to finance the acquisition of new printing equipment.

Chairman Gustman introduced Mr. Jim Senica who introduced Mr. Stevens, a principal of KK Stevens Publishing to the Board. Mr. Stevens explained further his project to the Board. Upon completion of the presentation, Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-03-15)

No. 16:

**E-PC-TE-CD-6018 – Illinois Institute of Technology**

Requests final approval of the issuance of 501(c)(3) bonds in an amount not to exceed \$160,000,000 for the primary purposes of: (1) refunding outstanding indebtedness; (2) renovating and equipping existing facilities; and (3) paying the costs of issuance of the bonds. This project is expected to create approximately 25 new jobs and 50 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-03-16)

No. 17:

**E-PC-TE-CD-6007 – Dominican University**

Requests final approval of the issuance of 501(c)(3) bonds in an amount not to exceed \$30,000,000 for the primary purpose of: (1) financing the demolition and replacement of an existing academic building and constructing a new parking garage and (2) refinancing existing indebtedness. This project is expected to create approximately 25 new jobs and 50-65 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (06-03-17)

**Amendments / Resolutions**

**Congregation Adas Yeshurun Anshe Kanesses Israel** requests ratification of the Board's prior approval to issue not-for-profit bonds for the benefit of Congregation Adas Yeshurun Anshe Kanesses Israel understanding that correct address of the project is 3050 W. Touhy Avenue, Chicago, IL 60645. (2006-03-18)

**Jeffrey and Joanne Becker (#1998-GX-1064)** request a one year extension of the Agri-debt guarantee and a one year deferral in the payment of principal due on loan. (2006-03-19).

**Michael and Sandy Arnold (#9830-PL)** request a three year extension to the term of the loan at a rate of interest of 6.12%. (2006-03-20).

**Homeway Homes, Inc. (B-LL-TX-413)** requests a two month extension to the IFA's commitment for a participation loan (previously approved by the Board on October 12, 2004) (2006-03-21).

**Community Memorial Hospital Association (B-LL-TX-575)** requests a two month extension to the IFA's commitment for a participation loan (previously approved by the Board on May 10, 2005) (2006-03-22).

**Soylutions, Inc.** requests the IFA to fund its participation loan (approved by the board on August 9, 2005) on a shared first mortgage on 140.44 acres of land and improvements rather than on the entire 244 acre site which was originally contemplated as collateral to the loan. (2006-03-23).

**Rest Haven Illiana Christian Convalescent Home** requests approval to transfer certain assets from Rest Haven Illiana Christian Convalescent Home to Christian Living Campus, NFP. (2006-03-24).

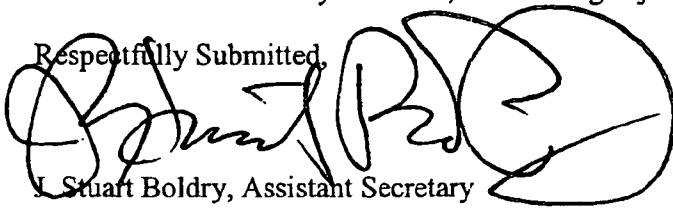
**Ray and Loretta Aden (A-LL-TX-688)** request a release and substitution of collateral securing participation loan no. A-LL-TX-688 (approved by the Board at its November 2005 meeting). (2006-03-25).

**Trim Rite Food Corporation Project (IDFA No. 9571-IRB)** requests approval of a Supplemental Trust Indenture to enable Fifth Third Securities, Inc. to change the existing interest rate determination date from Wednesday to Thursday effective April 1, 2006 and grant the remarketing agent authority to change the interest rate determination date to any day of the week deemed optimal. (2006-03-26).

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 Mr. Talbott and seconded by Mr. Rice, the meeting adjourned at approximately 12:30 p.m.

Respectfully Submitted,

A large, stylized handwritten signature in black ink, appearing to read "J. Stuart Boldry". The signature is written over the text "Respectfully Submitted," and extends to the right, overlapping the text "J. Stuart Boldry, Assistant Secretary".

J. Stuart Boldry, Assistant Secretary