

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 1:30 p.m., on March 8, 2005 in the Plaza Club at 130 E. Randolph, 40th Floor, in Chicago, Illinois.

MEMBERS PRESENT:

Demetris Giannoulis
Michael Goetz
David Gustman
Edward Leonard
Martin Nesbitt
Andrew Rice
Joseph Valenti
Bradley Zeller

MEMBERS ABSENT:

Natalia Delgado
Dr. Roger Herrin
Terrence O'Brien
Timothy Ozark

GENERAL BUSINESS ITEMS

Call to Order

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

Roll Call

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

Chairman's Report

On behalf of the Members, Chairman Gustman welcomed Mr. Bradley Zeller to the Board.

Director's Report

Director Ata informed the public that he would be stepping down as the Executive Director effective immediately after the meeting. Chairman Gustman thanked Director Ata for his service during the start-up phase of the Authority.

Acceptance of February 2005 Financial Statements

Chairman Gustman asked the Members if there were any questions/comments on the financial statements. There being none, the Financials were accepted.

Acceptance of February 2005 Minutes

Upon a motion by Mr. Nesbitt and seconded by Mr. Giannoulis, Chairman Gustman requested a roll call vote. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-02).

Executive Directorship Announcement

Chairman Gustman asked for a motion to appoint Jill Rendleman to the position of Interim Executive Director. Upon a motion by Mr. Nesbitt and seconded by Mr. Rice, the Chairman requested leave to apply the last unanimous vote. Leave was granted.

Chairman Gustman also announced that the Authority would seek to retain the services of Mr. Ata to assist in the transition and assist in the Prairie State Energy Campus Project.

Initial Project Considerations

Item-03 H-SL-RE-TE-CD-520: Life Care Retirement Communities, Inc. (Beacon Hill)

Life Care Retirement Communities, Inc. (doing business as Beacon Hill), located in **Lombard**, requests initial approval of not to exceed **\$15 million** in conduit 501(c)(3) bonds to refinance existing debt, fund approximately \$300,000 of new money projects at the Beacon Hill facility and capitalize a debt service reserve. The project is subject to compliance with the IFA's policy for non-rated debt.

Upon a motion by Mr. Valenti and seconded by Mr. Zeller, Chairman Gustman requested a roll call vote. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-03).

Item-04 H-SL-RE-TE-CD-521: Friendship Village of Schaumburg

Evangelical Retirement Homes of Greater Chicago, Inc. (doing business as Friendship Village of Schaumburg), located in **Schaumburg**, is seeking a preliminary bond resolution in an amount not to exceed **\$130 million** in conduit 501(C)(3) tax-exempt bonds to refinance existing debt, finance the construction of a new

residential independent living apartment units. The project is subject to compliance with the IFA's policy for non-rated debt.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-04).

Item-05

H-HO-TE-CD-534: Resurrection Health Care

Resurrection Health Care, with **multiple locations in Chicago**, is seeking a preliminary bond resolution in the not-to-exceed amount of **\$425 million** in not-for-profit tax-exempt conduit bonds. Bond proceeds will be used to construct, renovate and remodel current structures, as well as refund or refinance a portion of outstanding bond issues.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-05).

Item-06

N-NP-TE-CD-519: Thresholds

The Thresholds of Chicago requests a preliminary bond resolution in the not-to-exceed amount of **\$6 million** in not-for-profit conduit tax-exempt bonds for the acquisition and renovation of land and facilities and the purchase of equipment and fixtures as well as to fund bond issuance costs. This project is expected to create **36 new jobs** and **100 construction jobs**.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-06).

Item-07

E-PC-TE-CD-525: North Park University

North Park University, located in **Chicago**, requests a preliminary bond resolution in an amount not-to-exceed **\$33 million** in the form of 501(c)(3) conduit tax-exempt bonds. Proceeds will be used to purchase land, renovate structures, and fund campus projects, including the construction and equipping of a new recreation center and renovation of the Holmgren Athletic Complex. This project is expected to create **9 new jobs** and **300 construction jobs**.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-07).

Item-08

I-ID-TE-CD-522: Barton Manufacturing

Barton Manufacturing, located in **Decatur**, requests a preliminary bond resolution in an amount not-to-exceed **\$6.5 million** in the

form of conduit tax-exempt Industrial Revenue Bonds. Proceeds with be used to construct and equip a 40,000 square foot addition to its current 37,500 square foot manufacturing facility. The Borrower is also requesting a **\$6.5 million** allocation from the Authority's **2005 Volume Cap**. This project is expected to create **25 new jobs and 15 construction jobs**.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-08).

Item-09 **L-GO-LG-TE-524: Kankakee County**

The **County of Kankakee** requests a preliminary bond resolution in an amount not-to-exceed **\$29 million** in the form of a conduit local government bond, said bond to be secured by the County's debt certificates. Proceeds of the bond will be used to construct and equip a 384-bed jail facility.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-09).

Item-10 **A-DR-TX-GT-537: Robb D. Klinger and Benjamin T. Dolan (d/b/a DAK Farms)**

Robb Klinger and Benjamin Dolan, d/b/a DAK Farms, located in **Durand**, requests board approval of an **85% loan guarantee** in an amount not-to-exceed **\$485,000** to the State Bank of Davis. Proceeds of the bank loan will be used to refinance an existing loan as well as to fund upgrades and purchase equipment for the farm. The existing loan was originated in March 2001, and it currently carries an IFA guarantee.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-10).

Item-11 **A-FB-TE-CD-540: Jeff Delheimer**
A-FB-TE-CD-530: Weston Wilhour
A-FB-TE-CD-531: Chad Wilhour

These applicants request preliminary approval for Beginning Farmer Bonds for the amounts and locations listed below:

Jeff Delheimer	\$178,012	Elgin
Weston Wilhour	\$ 48,750	Beecher City
Chad Wilhour	\$ 48,750	Altamont

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-11).

Item 12 **A-FB-TE-CD-528: Joseph & Lisa Kapraun**
A-FB-TE-CD-529: C. Todd Urish

These applicants request preliminary approval for Beginning Farmer Bonds for the amounts and locations listed below:

Joseph & Lisa Kapraun	\$ 62,500	El Paso
C. Todd Urish	\$250,000	Green Valley

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-12).

Final Project Considerations

Item-13 **H-HO-TE-CD-501: Mercy Alliance, Inc. Obligated Group**

Mercy Alliance, Inc. Obligated Group, with facilities throughout Northern Illinois, seeks a final bond resolution for **\$35 million** in conduit tax-exempt 501(c)(3) bonds to reimburse and advance fund Illinois capital projects of Mercy Alliance, including Phase I of the Mercy Crystal Lake Hospital and Medical Center, as well as upgrades to clinic facilities. This project is expected to create **200 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 (05-03-13).

Item-14 **L-GO-TE-RE-CD-523: City of Kewaunee**

The **City of Kewaunee** requests final approval in an amount not-to-exceed **\$2.5 million** in conduit tax-exempt local government bonds to refund the outstanding balance of its Series 1998 bonds.

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 (05-03-14).

Item-15 **N-NP-TE-CD-502: YMCA of Southwest, IL**
N-NP-TX-LL-539: YMCA of Southwest, IL

YMCA of Southwest Illinois, located in **Belleville, Monroe** and **O'Fallon**, requests final approval of not-to-exceed **\$11 million** in conduit tax-exempt 501(c)(3) bonds and **\$330,000** in Credit Enhancement Funds to fund a portion of a Debt Service Reserve Fund. Proceeds will finance two new facilities and refinance two

existing facilities. This project is expected to create **158 new jobs** and **110 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 (05-03-15).

Item-16 **I-ID-TE-CD-419: MNM Real Estate Ventures, LLC (Excel Container, Inc.)**

MNM Real Estate Ventures, LLC, located in **Aurora**, requests final approval of not-to-exceed **\$7.1 million** in tax-exempt conduit bonds to finance the Excel Container Project for the manufacture of paperboard products, which will require up to **\$7.1 million** of the Authority's **2005 Volume Cap**. The bonds will be purchased directly by a bank. This project is expected to create **188 new jobs** and **45 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 (05-03-16).

Item-17 **Withdrawn**

Item-18 **V-TD-532: SmartSignal Corporation**

SmartSignal Corporation, located in **Lisle** and a current investment holding of the Authority, requests final approval of additional venture capital funds in an amount not-to-exceed **\$50,000** subject to satisfying all conditions of the investment documents. This project is expected to create **13 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 (05-03-18).

Item-19 **Withdrawn**

Item-20 **A-FB-TE-CD-526: Matthew David Sandidge**
A-FB-TE-CD-527: Cory Miller

These applicants request final approval for Beginning Farmer Bonds for the amounts and locations listed below:

Matthew David Sandidge	\$194,000	Chandlerville
Cory Miller	\$ 27,000	Danvers

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-20).

- Item-21** **A-FB-TE-CD-504: Michael Neff**
A-FB-TE-CD-505: Jared Van Blaricum
A-FB-TE-CD-506: Kenneth Tate
A-FB-TE-CD-507: Jason Pitcher

These applicants request final approval for Beginning Farmer Bonds for the amounts and locations listed below:

Michael Neff	\$147,000	Virden
Jared Van Blaricum	\$ 37,000	Noble
Kenneth Tate	\$162,000	Waverly
Jason Pitcher	\$ 64,000	Montrose

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-21).

- Item-22** **Pooled Tax Anticipation Warrant Program for Illinois School Districts**
LG-LG-TE-CD-536: Beach Park Community

Beach Park Community Consolidated School District 3, located in Lake County, requests final approval to purchase Tax Anticipation Warrants in an amount not-to-exceed \$500,000 to cover operational costs in advance of their scheduled local property tax reimbursements.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-22).

Project Revisions/Amendatory Resolutions

- Item-23** **YMCA of Metropolitan Chicago**

YMCA of Metropolitan Chicago seeks approval of certain amendments to the Loan Agreement between the IDFA and YMCA in connection with the Adjustable Rate Demand Revenue Bonds, Series 2001 issued in an aggregate principal amount of \$54,000,000 and authorization for the execution of documents related to the same.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-23).

- Item-24** **DePaul University**

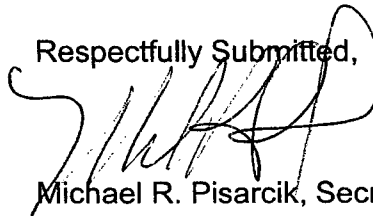
DePaul University seeks approval of an amendatory final bond resolution in connection with the pending IFA issuance of not to

exceed \$110,000,000 aggregate principal amount of Revenue Refunding Bonds, Series 2005A, 2005B and 2005C.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-03-24).

There being no further business, Chairman Gustman adjourned the meeting at approximately 2:15 P.M.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'M. Pisarcik', written over a faint circular stamp or watermark.

Michael R. Pisarcik, Secretary