



ILLINOIS FINANCE AUTHORITY
JULY 12, 2005
BOARD MEETING

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 July 12, 2005 in the Plaza Club at 130 E. Randolph, 40th Floor, in Chicago, Illinois.

Members Present:

Magda M. Boyles
James J. Fuentes
Demetris A. Giannoulis
David C. Gustman, Chairman
Dr. Roger D. Herrin
Edward H. Leonard, Sr.
Martin H. Nesbitt
Bradley A. Zeller

Members Present Via Telephone:

Michael W. Goetz

Members Absent:

Terrence M. O'Brien
Andrew W. Rice
Joseph P. Valenti

GENERAL BUSINESS ITEMS

Call to order

Chairman Gustman called the meeting to order at 11:34 a.m., with the above members present.

Roll Call

Chairman Gustman asked Secretary Burgess Jones to call the roll. There being eight members physically present, a quorum was declared. Secretary Burgess Jones also noted that one member was present via telephone.

Chairman's Report

On behalf of the Members, Chairman Gustman welcomed Ms. Magda M. Boyles to the Board and noted that roughly \$480M in projects were being presented today.

In addition, Chairman Gustman stated that the Board reviewed the Authority's FY 2006 Budget during the Executive Session. A motion was made to approve the Authority's FY 2006 Budget. The Budget was unanimously approved by 9 ayes and 0 nays.

Acceptance of the June 2005 Financial Statements

Chairman Gustman called for a vote to accept the June 2005 Financial Statements. Financial Statements were unanimously approved by 9 ayes and 0 nays.

Acceptance of Minutes of June 2005 Board Meeting

Chairman Gustman called for a vote to accept the Minutes of the June 2005 Board Meeting. Minutes were unanimously approved by 9 ayes and 0 nays.

Interim Executive Director's Report

Director Rendleman gave an overview of the projects being presented to the Board this month, noting that projects for approval total \$436M.

Project Considerations

Project considerations began with Items 10 (Museum of Science and Industry) and 29 (Firefly Energy, Inc.) due to the fact that Board Member Michael W. Goetz was participating via telephone.

Item-10 **N-NP-TE-CD-620 Museum of Science and Industry**
Museum of Science and Industry, located in Chicago, seeks final approval of a 501(c)3 Cultural Pool Loan in an amount not-to-exceed **\$6.7 million**.

Chairman Gustman requested a motion to approve. The motion was approved with 8 ayes, 0 nays and 1 abstention.

Item-29 **V-TD-630 Firefly Energy, Inc.**
Firefly Energy, Inc., Firefly Energy, Inc., located in Peoria, seeks approval of a venture capital investment in an amount up to \$125,000.

Chairman Gustman requested a motion to approve. The motion was approved with 8 ayes, 0 nays and 1 abstention.

Board Director, Michael W. Goetz exited the meeting via telephone at approximately 11:51 a.m. Interim Executive Director Rendleman continued with the following project considerations:

AGRICULTURE

Item-01 **A-SG-TX-GT-625 Tracy L. Kitley and Mike Kitley**
Tracy and Mike Kitley, of Flora, seeks preliminary approval for a livestock guarantee in an amount not-to-exceed **\$1M** for construction purposes. This project is expected to create 6 constructions jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-02 **A-DR-TX-598 Lynne L. and Madonna J. Brown**
Lynne and Madonna, of Danforth, seeks preliminary approval of an agricultural debt guarantee in an amount not-to-exceed **\$145,000** to purchase farm land and consolidate debt.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-03 **A-DR-TX-611 Steve and Merry Pitstick**
Steve & Merry Pitstick, of Maple Park seeks preliminary approval of an agricultural guarantee in an amount not-to-exceed **\$500,000** to purchase farm land.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-04 **A-YF-TX-CD-614 James C. and Mildred J. Grubb**
James and Mildred Grubb of Winchester seeks preliminary approval for a young farmer guarantee in an amount not-to-exceed **\$181,000** to purchase farm land.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-05

B-LL-TX-622 Walk Stock Farm, Inc.

Walk Stock Farm, Inc. of Neoga seeks a participation loan for construction of a new machine shed and corporate office space in an amount not-to-exceed **\$75,000** for construction and equipment.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-06

BB-LL-TX-623 Madonna L. Morell

Madonna L. Morrell, of Effingham seeks a participation loan for the construction of a hog building in an amount not-to-exceed **\$200,000** for construction purposes. This project is expected to create 10 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-07

A-FB-TE-CD-612 Brian Atherton

Brian Atherton, of Earlville seeks preliminary approval of a beginning farmer bonds in an amount not-to-exceed **\$194,500**.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-08

A-FB-TE-CD-609 Brian Schwierjohn

Brian Schwierjohn, of Pocahontas seeks final approval of a beginning farmer bond in an amount not-to-exceed **\$163,000**.

Item-09

A-FB-TE-CD-603 John and Shelly Hunter

John and Shelly Hunter, of Burnside seeks final approval of a beginning farmer bond in an amount not-to-exceed **\$147,000**.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

COMMUNITIES AND CULTURE:

Item-11

N-NP-TE-CD-615 The WBEZ Alliance, Inc. (dba Chicago Public Schools)

The WBEZ Alliance, of Chicago seeks preliminary approval for 501(C)3 bonds in an amount not-to-exceed **\$22 million** for renovation and expansion purposes. This project is expected to create 14 new jobs and 140 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-12 **H-HO-TE-CP-619-PS-TE-CD-538 The University of Chicago Hospitals and Health Systems**
University of Chicago Hospitals and Health Systems, of Chicago seeks preliminary approval for Commercial Paper Revenue Notes in an amount not-to-exceed **\$75 million** to provide interim financing.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-13 **L-GO-LL-TX-633 Village of Warren**
Village of Warren seeks a Local Government Interim Loan in an amount not-to-exceed **\$1.62 million** to cover construction costs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-14 **L-GO-LL-TX-610 Village of Rankin**
Village of Rankin, located in Rankin, seeks final approval of a Local Government Direct Loan in an amount not-to-exceed **\$130,000** to match a grant from DCEO/CDAP.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-15 **IL-GO-LL-TX Ottawa Elementary School**
Ottawa Elementary School, located in Ottawa, seeks a Short Term Emergency Loan in an amount not-to-exceed **\$350,000** to provide short-term financing.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-16 **L-GP-TE-MO-627 Village of Matherville**
Village of Matherville, located in Mercer County, seeks final approval of a Local Government Loan in an amount not-to-exceed **\$250,000** to finance construction costs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-17 **B-LL-TX-628 Park Lawn Association, Inc.**
Park Lawn Association, Inc., located in Oak Lawn, seeks a Participation Loan in an amount not-to-exceed **\$175,000** to finance acquisition and improvements. This project is expected to create 10 new jobs and 3 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

BUSINESS and INDUSTRY:

Item-18 **B-LL-TX-602 Jeffrey J. Gutzwiller (Associated Veterinary Clinic, LLC)**
Jeffrey J. Gutzwiller, located in Staunton, seeks a Participation Loan in an amount not-to-exceed **\$127,500** to purchase a building. This project is expected to create 2 new jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-19 **B-LL-TX-624 AgriWind LLC**
AgriWind, LLC, located in Tiskilwa, seeks a Participation Loan in an amount not-to-exceed **\$712,500** to purchase and install a wind turbine. This project is expected to create 10 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-20 **B-LL-TX-607 Vee Properties South LLC and Vee Park Inc.**
Vee Properties South LLC / Vee Pak, Inc., located in Hodgkins, seeks a Participation Loan in an amount not-to-exceed **\$1 million** for the acquisition and construction of a warehouse. This project is expected to create 25 new jobs and 150 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-21 **B-LL-TX-616 Commercial Transport, Inc.**
Commercial Transport, Inc., located in Belleville, seeks a Participation Loan in an amount not-to-exceed **\$250,000** to refinance a construction loan. This project is expected to create 3 new jobs and 10 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-22 **I-ID-TE-CD-629 Freedman Seating Company**
Freedman Seating Company, located in Chicago, seeks preliminary approval of an Industrial Revenue Bond in an amount not-to-exceed **\$2 million** for equipment purchases and pay professional costs. This project is expected to create 43 new jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item – 23 **I-ID-TE-CD-634 MRT Sureway, Inc. (dba Sureway Tool & Engineering Co.) and its affiliates**

MRT Sureway, Inc., located in Franklin Park, seeks preliminary approval of a Conduit Industrial Revenue Bond in an amount not-to-exceed **\$4.9 million** for renovations and equipment purchases. This project is expected to create 21 new jobs and 4 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item – 24 **I-ID-TE-CD-605 Regis Technologies, Inc.**

Regis Technologies, Inc., located in Morton Grove, seeks final approval of an Industrial Revenue Bond in an amount not-to-exceed **\$5 million** for renovations and equipment. This project is expected to create 10 new jobs and 5 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item – 25 **I-ID-TX-CD-618 Argonne National Laboratory**

Argonne National Laboratory, located in Argonne, seeks preliminary approval of a Taxable Conduit Revenue Bond in an amount not-to-exceed **\$60 million** for Construction costs, equipment purchases and fund professional costs. This project is expected to create 400 new jobs and 200 construction jobs.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

HEALTHCARE:

Item-26 **H-HO-TE-CD-555 Norwegian American Hospital**

Norwegian American Hospital, located in Chicago, seeks final approval of a Conduit 501c3 Bond in an amount not-to-exceed **\$8 million** for refinancing, pay professional costs and related expenses

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-27

H-HO-TE-CD-621 Swedish Covenant Hospital

Swedish Covenant Hospital, located in Chicago, seeks final approval of a Conduit 501c3 Equipment Loan in an amount not-to-exceed **\$15 million** for refinancing, pay professional costs and related expenses, and equipment purchases.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Item-28

N-NP-TE-CD-405 The Clare at Water Tower

The Clare at Water Tower, located in Chicago, seeks approval of a Conduit 501c3 Bond in an amount not-to-exceed **\$230 million** to finance construction costs, and pay certain issuance costs. **This project is expected to create 147 new jobs and 400 construction jobs.**

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Venture Capital:

Item-30

V-TD-631 Metalforming Controls Corporation

Metalforming Controls Corporation, located in Cary seeks approval of a Venture Capital investment in an amount not-to-exceed **\$150,000**. **This investment is expected to create 2 new jobs.**

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions/present.

Project Revisions / Amendatory Resolutions:

Item-31

Resolution No. 2006-1. Shults Machine, Inc., seeks approval to authorize the release of one of the co-obligors under the Authority's Participation Loan.

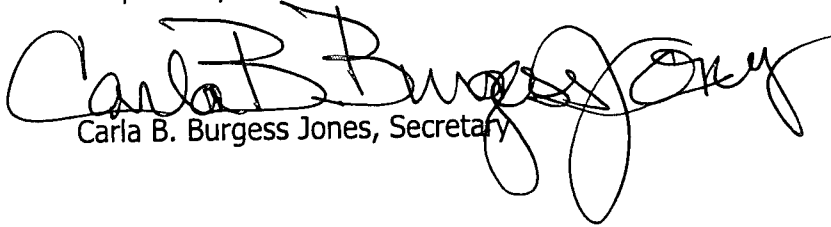
Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions.

Item – 32 Resolution No. 2006-2. Thompson Pearl Valley Eggs, Inc., seeks approval to authorize the deferment of principal payments due on July 1, 2005 under certain agriculture loans from 1st Farm Credit Services in the amount of \$52,194.00.

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays and 0 abstentions.

There being no further business Chairman Gustman adjourned the meeting at approximately 12:20 p.m.

Respectfully Submitted,



Carla B. Burgess Jones, Secretary