

**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 August 8, 2006 at the Plaza Club, One Prudential Plaza, 130 E. Randolph Street, 40th floor, Chicago, Illinois:

Members present:

David C. Gustman, Chairman
Madga M. Boyles
Michael W. Goetz
Edward H. Leonard, Sr.
Terrence M. O'Brien
Andrew W. Rice
Lynn F. Talbott
Joseph P. Valenti
Bradley A. Zeller

Members absent:

Ronald E. DeNard
Demetris A. Giannoulas
Dr. Roger D. Herrin
Martin H. Nesbitt
Juan B. Rivera

**Members participating by
telephone:**

James J. Fuentes

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:37 a.m. with the above members present. Chairman Gustman asked Carla Burgess Jones, Secretary, to call the roll. Ms. Burgess Jones called the roll. There being nine (9) members physically present and one (1) member present by telephone, Ms. Burgess Jones declared a quorum present.

Interim Executive Director's Report

Chairman Gustman welcomed everyone present and asked Interim Executive Director Rendleman to give her report. Interim Executive Director Rendleman announced that this month the IFA will present projects totaling over \$1 billion in projects across all of IFA's market segments. Ms. Rendleman also announced that SB1625, which increases IFA bonding authority for bonds outstanding from \$24 billion to \$25.2 billion, was signed by Governor Blagojevich on August 1, 2006. Ms. Rendleman also introduced certain members of the IFA staff as well as outside consultants to the IFA and thanked them for their continued support and assistance to the IFA. Director Rendleman announced that there would be 17 projects presented to the Board for approval at the meeting.

Acceptance of Financial Statements

Financial statements for period ending July 31, 2006 were accepted by all board members present.

Minutes

Chairman Gustman asked Carla Burgess Jones, Secretary to take a roll call vote for approval of the minutes of the July 11, 2006 meeting of the Board. Minutes of the July 11, 2006 were approved with 10 ayes, 0 nays, and 0 abstentions.

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 in detail at the 8:30 a.m. meeting of the Committee of the Whole of the Board. Director Rendleman presented the following projects to the Board for approval:

No. 1: A-GX-TX-GT-6163 – Gary L and Patricia R. Munson

Request for final approval of the issuance of a Restructuring Agri Debt Guaranty in an amount not-to-exceed \$197,000 to extend a prior guaranty loan. (06-08-01).

No. 3: A-AI-GT-6162 – Applewood Farms LLC

Request for final approval of the issuance of an Agri-Industry Guaranty in an amount not-to-exceed \$1,649,330 to provide financing to purchase breeding stock for a swine production facility. This project is expected to create 22 new jobs and 5 construction jobs. (06-08-03).

No. 4: A-LL-TX-6168 – Steven and Michael Schmidt (Central Illinois Ag., Inc.)

Request for final approval of the issuance of a Participation Loan in an amount not-to-exceed \$250,000 to finance the acquisition and refurbishment of a commercial building. This project is expected to create 4 new jobs and 6 construction jobs. (06-08-04).

No. 5: B-LL-TX-6164 – Jeffrey Landscaping & Outdoor Products, Inc.

Request for final approval of the issuance of a Rural Development Loan in an amount not-to-exceed \$85,000 to provide permanent financing for the acquisition of a commercial lot, renovate an existing office building and installation of a greenhouse. This project is expected to create 7 new jobs. (06-08-05).

No. 2: A-AI-TX-GT-6120 – Biofuels Company of America, LLC

Request for final approval of the issuance of an Agri-Industry Guaranty in an amount not-to-exceed \$15,000,000 to finance construction of a biodiesel plant. This project is expected to create 15 new jobs and 90 construction jobs. (06-08-02).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 2. Steven Trout introduced Marke Burke, President, Biofuels and John May, Stern Brothers. Mr. Burke gave a brief overview of the project and, John May thanked board members and staff for the opportunity to present the project for approval.

Chairman Gustman asked if the Board had any questions with respect to project Nos. 1 through 5. There being none, Chairman Gustman asked Carla Burgess Jones, Secretary to take a roll call vote. Project Nos. 1 through 5 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 6: H-HO-TE-CD-6165 – Midwest Regional Medical Center (aka Galena Stauss Hospital)

Request for preliminary approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$50,000,000 to fund construction of a replacement hospital, reimburse prior capital expenditures, refinance debt, fund a debt service reserve, fund capitalized interest and pay issuance costs. This project is expected to create 18 new jobs and 140 construction jobs. (06-08-06).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 6. Dana Sodikoff introduced Jeff Hill, CEO, Galena-Stauss Hospital. Mr. Hill gave a brief overview of the project. Chairman Gustman commented on the success of the Center's financial turnaround.

No. 7: H-LL-TX-6167 – St. Margaret's Hospital

Request for final approval of the issuance of a Participation Loan in an amount not-to-exceed \$500,000 to finance the acquisition of new medical equipment for the hospital. (06-08-07).

Chairman Gustman asked if the Board had any questions with respect to project Nos. 6 and 7. There being none, Chairman Gustman requested leave to record the last unanimous vote in favor of the projects. Leave was granted. The projects were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 8: N-NP-TE-6166 – Quad County Urban League

Request for preliminary approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$5,190,000 to finance the expansion and rehab of a commercial building for use as a vocational and educational training center. This project is expected to create 4.5 new jobs and 125 construction jobs. (06-08-08)

No. 10: N-NP-TE-CD-6067 – Presbyterian Home

Request for final approval of the issuance of 501(c)3 Refunding Revenue Bonds in an amount not-to-exceed \$30,000,000 to refund a previous bond issuance and pay certain issuance costs. (06-08-10)

Chairman Gustman asked if the Board had any questions with respect to project Nos. 8 and 10. There being none, Chairman Gustman requested leave to record the last unanimous vote in favor of the project. Leave was granted. The projects were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 9: N-NP-TE-CD-6143 – North American Spine Society

Request for preliminary approval of the issuance of 501(c)3 Revenue Bonds in an amount not-to-exceed \$12,500,000 to finance the acquisition and construction of a new facility and pay issuance costs. This project is expected to create 20 new jobs and 60 construction jobs. (06-08-09)

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 9. Sharnell Curtis-Martin introduced Eric Muehlbauer, Executive Director, North American Spine Society. Mr. Muehlbauer gave a brief overview of the project.

Chairman Gustman requested a roll call vote to approve project No. 9. The project was approved with 9 ayes, 0 nays, and 1 abstention (Gustman). Chairman Gustman abstained from voting on the project because his law firm represents the North American Spine Society from time to time.

No. 11: B-LL-TX-6169 – TRH Properties, LLC

Request for final approval of the issuance of a Participation Loan in an amount not-to-exceed \$100,000 to finance the acquisition of land and an industrial building. This project is expected to create 10 new jobs. (06-08-11).

No. 12: V-TD-6170 – River Glass Inc.

Request for final approval of a Venture Capital investment in an amount not-to-exceed \$300,000. Proceeds from the preferred stock offering will be used to retire certain bridge loans advanced by existing investors, and provide funds for research and development, marketing, sales and product certification (06-08-12).

Chairman Gustman asked if the Board had any questions with respect to project Nos. 11 and 12. There being none, Chairman Gustman requested a roll call vote to approve project Nos. 11 and 12. The projects were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 13: I-FT-TE-CD-6160 – Ridge Property Services II, LLC and its successors, affiliates and assigns

Request for preliminary approval of the issuance of Freight Transfer Facilities Revenue Bonds in an amount not-to-exceed \$591,000,000 for the purpose of acquiring land, construction of rail improvements, and the construction of all or a portion of an estimated 30 warehouse and distribution facilities and related infrastructure. This project is expected to create 1,007 new jobs after completion of Phase I and an additional 2,000 new jobs after Phase II, and 500 construction jobs (average over 5 years). (06-08-13).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 13. Rich Frampton introduced Jim Martell, Chairman & CEO, Kyle Schumacher, and other principals of Ridge Property Services II, LLC. Mr. Martell provided a brief overview of the project. Chairman Gustman asked when Ridge Property Services would be meeting with the U.S. Department of Transportation and Illinois Department of Transportation. Mr. Martell answered the questions. There being no other questions, Mr. Gustman requested leave to apply the last unanimous vote in favor of Project No. 13. The Project was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 14: P-PO-TE-CD-6150 – Ameren Energy Generating Company

Request for preliminary approval of the issuance of Tax Exempt Solid Waste Disposal Revenue Bonds in an amount not-to-exceed \$200,000,000 to finance solid waste disposal facilities in unincorporated Montgomery County. This project is expected to create 75-100 constructions jobs. (06-08-14).

No. 15: P-PO-TE-CD-6151 – Ameren Energy Resources Generating Company

Request preliminary approval of the issuance of Tax Exempt Solid Waste Disposal Revenue Bonds in an amount not-to-exceed \$100,000,000 to finance solid waste disposal facilities in unincorporated Fulton County. This project is expected to create 50-75 constructions jobs. (06-08-15).

Chairman Gustman asked if there were any guests attending the meeting with respect to project Nos. 14 and 15. Rich Frampton introduced Michael Bryan of Ameren Energy. Mr. Bryan provided an overview of the projects (Nos. 14 and 15).

Chairman Gustman requested leave to record the last unanimous vote in favor of project nos. 14 and 15. Leave was granted. The projects were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 16: E-PC-TE-CD-6161 – Hebrew Theological College

Request preliminary approval of the issuance of 501(c)3 Bonds to finance construction, acquisition and renovation of buildings for student residence facilities in an amount not-to-exceed \$11,400,000. This project is expected to create 6 new jobs and 30-40 construction jobs for up to 12 months. (06-08-16).

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Townsend Albright introduced principals of Hebrew Theological College who provided an overview of the project.

No.17: E-PC-TE-CD-6144 – CHF-DeKalb, LLC

Request preliminary approval of the issuance of 501(c)3 Student Housing Revenue Bonds in an amount not-to-exceed \$19,000,000 for the purpose of financing construction of an on-campus, apartment style student housing facility targeted to married and graduate students of Northern Illinois University. This project is expected to create 2 new jobs and 30 construction jobs over 11 months. (06-08-17).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 17. Rich Frampton introduced Heidi Jeffrey, Bond Counsel, Foley & Lardner. Ms. Jeffrey thanked the board for the opportunity to present this project for approval.

Chairman Gustman requested leave to record the last unanimous vote in favor of project Nos. 16 and 17. Leave was granted. The projects were approved with 10 ayes, 0 nays, and 0 abstentions

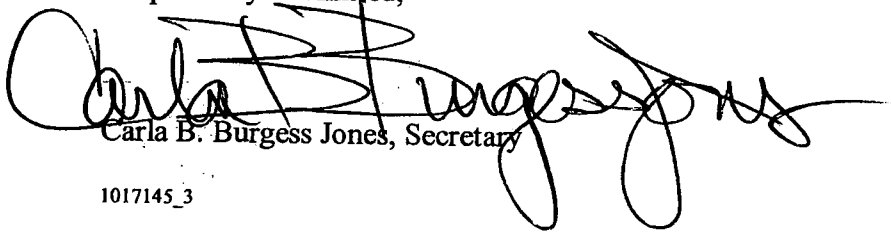
Resolutions/Project Revisions/Amendatory Resolutions

- No. 18:** Resolution authorizing amendment to the Guidelines of the Illinois State Guaranty Programs of the Illinois Finance Authority, as successor to the Illinois Farm Development Authority. (06-08-06).
- No. 19:** **Ex-Tech Plastics Inc. (#B-LL-TX-708).**
Request to extend until December 6, 2006 IFA's commitment to make a participation loan for Ex-Tech Plastics, Inc.
- No. 20:** **Fairview Obligated Group.**
Request to approve execution and delivery of a Tax Exemption Agreement and First Supplemental Bond Trust Indenture as necessary to convert and reissue the IFA's Variable Rate Demand Taxable Revenue Refunding Bonds, Series 2004C (Fairview Obligated Group) as tax-exempt bonds.
- No. 21:** **Amendment to Strategic Incentive Plan.** (This matter was approved by the Board at the Committee of the Whole meeting at 8:30 a.m. and, therefore, was not voted on at this meeting).

Chairman Gustman asked if the Board had any questions with respect to Resolutions and/or Amendatory Resolutions Nos. 18-20. There being none. Chairman Gustman requested leave to apply the last unanimous vote in favor of resolutions and/or amendatory resolutions Nos. 18-20. Leave was granted. The resolutions were 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. Goetz and seconded by Mr. Zeller, the meeting adjourned at approximately 12:20 p.m.

Respectfully Submitted,


Carla B. Burgess Jones, Secretary

1017145_3