

**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 "Authority"), pursuant to notice duly given, held a regularly scheduled meeting at 1:30 P.M., on August 10, 2004 in the Sears Tower, 33rd floor conference room, located at 233 South Wacker Drive in Chicago, Illinois.

MEMBERS PRESENT:

Joseph Alford
Natalia Delgado
Demetris Giannoulis
Michael Goetz
David Gustman
Dr. Roger Herrin
Edward Leonard
Martin Nesbitt
Terrence O'Brien
Timothy Ozark
Andrew Rice
Joseph Valenti

GENERAL BUSINESS ITEMS

Call to Order

Chairman Gustman called the meeting to order at approximately 1:30 P.M., with the above members present.

Roll Call

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

Chairman's Report

Chairman Gustman welcomed a new member to the Board – Dr. Roger Herrin. Also, the Chairman announced the resignation of Jill Rendleman to become the Financial Services Director – Central and Southern Regions for the Authority.

Director's Report

Director Ata announced the launch of the Opportunity Home Ownership Program, which is expected to be officially launched in the next week or so.

Item 1 - Acceptance of July 2004 Preliminary Financial Statements

Chairman Gustman commented that the first month of FY 2005 was profitable. Upon a motion by Mr. Ozark and seconded by Mr. Leonard, Chairman Gustman requested a roll call vote. The motion was approved with 10 ayes, 0 nays, and 2 abstentions (Goetz/Herrin). (04-08-01)

Item 2 – Acceptance of the July, 2004 Minutes/ Release of June 22, 2004 Committee of the Whole Closed Session Minutes

The Chairman asked if any member had any comments regarding the minutes of the Board's July minutes. Hearing none, the Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 2 abstentions (Goetz/Herrin). (04-08-02).

The Chairman also requested a motion to release the closed session minutes from June 22, 2004. Upon a motion by Mr. Ozark and seconded by Mr. Leonard, Chairman Gustman requested a roll call vote. The motion was approved with 11 ayes, 0 nays, and 1 abstention (Herrin).

Initial Project Considerations

Item-03 **H-NH-RE-TE-CD-414: Rest Haven Christian Services**

This applicant requests approval of a purchase contract resolution for **\$50,000,000** in conduit 501(c)(3) Revenue Bonds to finance projects located in **Tinley Park, Palos Heights, South Holland, Crete, Downers Grove, and Homer Glen.**

Upon a motion by Mr. Leonard and seconded by Mr. Goetz, the Chairman requested a roll call vote. The motion was approved with 12 ayes, 0 nays, and 0 abstentions/present (04-08-03).

Item-04 **H-HO-TE-CD-416: Roseland Community Hospital Association**

This applicant requests preliminary approval of **\$11,500,000** in conduit 501(c)(3), Revenue Bonds to finance projects located in **Chicago**. This project is expected to create **8 new jobs** and **45 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 12 ayes, 0 nays, and 0 abstentions/present (04-08-04).

Item-05 **P-PO-TE-CD-406: Ameren Corporation (Central Illinois Public Service Company, d/b/a AmerenCIPS. and Central Illinois Light Company, d/b/a AmerenCILCO)**

This applicant requests preliminary approval of **\$35,000,000** in conduit Pollution Control Revenue Refunding Bonds for Central Illinois Public Service Company to finance projects located in **Coffeen** and **Newton** and preliminary approval for **\$19,200,000** in conduit Pollution Control Revenue Refunding Bonds for Central Illinois Light Company to finance projects located in **unincorporated Fulton County**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 12 ayes, 0 nays, and 0 abstentions/present (04-08-05).

Item-06 **L-GO-TE-RE-401: Village of Romeoville**

This applicant requests preliminary approval of **\$28,500,000** in conduit Local Government Refunding and Capital Improvement Revenue Bonds to finance projects located in **Romeoville**. 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 12 ayes, 0 nays, and 0 abstentions/present (04-08-06).

Item-07 **L-GR-TE-CD-407: City of Harvey**

This applicant requests preliminary approval of a **\$650,000** conduit Local Government Alternative Revenue Lease to finance the construction and installation of sewers and a lift station located in **Harvey**. This project is expected to create **5 construction jobs**.

Upon a motion by Mr. Goetz and seconded by Mr. Alford, Chairman Gustman requested a roll call vote. The motion was approved with 11 ayes, 0 nays, and 1 present/abstention. Prior to the vote, Mr. Valenti announced that he was abstaining from voting on this matter due to the fact that the bank at which he is a Senior Vice President, MB Financial, may be participating in this transaction. (04-08-07)

Item-08 **N-NP-TE-CD-413: Merit School of Music**

This applicant requests preliminary approval of **\$4,000,000** in conduit 501(c)(3), Revenue Bonds to finance projects located in **Chicago**. This project is expected to create **13 new jobs** and **15 construction jobs**.

Upon a motion by Mr. Alford and seconded by Mr. Rice, Chairman Gustman requested a role call vote. The motion was approved with 11 ayes, 0 nays, and 1 present/abstention. Prior to the vote, Ms. Delgado announced that she was abstaining from voting on this matter due to the fact that the law firm at which she is a partner, Goldberg Kohn Bell Black Rosenbloom and Moritz, Ltd., is serving as bond counsel on this transaction. (04-08-08)

Item-09

A-FB-TE-CD-434: Clayton D. and Ashlyn L. Becker

A-FB-TE-CD-435: James Lee and Bonnie May Brewer

A-FB-TE-CD-436: Jason D. Organ

A-FB-TE-CD-437: Jordan Walter

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

This applicant requests preliminary approval of Beginning Farmer Bonds for the following amounts:

Becker - \$131,040 (DeKalb)
Brewer - \$110,000 (Bethany)
Organ - \$250,000 (McLeansboro)
Jordan Walter - \$250,000 (Forrest)
Jared Walter - \$250,000 (Forrest)

Upon a motion by Mr. Leonard and seconded by Mr. Goetz, Chairman Gustman requested a role call vote. The motion was approved with 12 ayes, 0 nays, and 0 abstentions/present (04-08-09).

Final Project Considerations

Item-10 **E-PC-TE-CD-408: Northwestern University**

This applicant requests final approval for **\$145,000,000** in conduit 501(c)(3) Revenue Bonds to finance projects located in **Evanston** and **Chicago**. This project is expected to create **150 new jobs** and **250 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 12 ayes, 0 nays, and 0 present. (04-08-10)

Item-11 **I-ID-TE-CD-401: CFC International, Inc.**

This applicant requests final approval of **\$2,000,000** in conduit Industrial Revenue Bonds to finance a project located in **Chicago Heights**. This project will use **\$2,000,000 in 2004 IFA Volume Cap**. This project is expected to create **30 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 12 ayes, 0 nays, and 0 present. (04-08-11)

Item-12 **B-LL-NP-TX-412: Freeport Area Economic Development Foundation, Inc. (Freeport/Stephenson County Visitors Center Project)**

This applicant requests final approval of a **\$250,000** Participation Loan to finance a project located in **Freeport**. Issuance of the loan is subject to the following conditions: 1) an as-if completed appraisal of the subject property showing a value of not less than \$625,000, 2) an increase in the City of Freeport, Village of Lean, and Stephenson County Hotel/Motel Tax from 3% to 5% with the increase dedicated to the Stephenson County CVB and 3) all future contributions to the Visitor Center Building Fund be applied to reduce the principal balance of the loan and all pre-payments being evenly applied to IFA and Bank loans. This project is expected to create **15 construction jobs**.

Upon a motion by Mr. Leonard and seconded by Mr. Rice, the Chairman requested a roll call vote. The motion was approved with 12 ayes, 0 nays, and 0 present. (04-08-12)

Item-13 **V-TD-406: ZelleRx, Corporation**

This application was withdrawn prior to Board consideration.

Item-14 **A-FB-TE-CD-432: Jay A. Todd and Christina Diane Todd**

This applicant requests final approval of a **\$125,000** Beginning Farmer Bond Loans for a project located in **Thompsonville**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 12 ayes, 0 nays, and 0 abstentions/present (04-07-14).

Project Revisions/Amendatory Resolutions

Item-15 **2004-16: Resolution Concerning the Administration of Pooled Debt Transactions Originally Issued by the Illinois Health Facilities Authority, a Predecessor Authority of the Illinois Finance Authority**

2004-17: Resolution Approving the Policies and Procedures of the Illinois Finance Authority and Delegating to the Executive Director the Authority to Maintain, Update and Amend Said Policies and Procedures As Needed

2004-18: Resolution Appointing an Assistant Secretary of the Illinois Finance Authority

The Chairman requested leave to apply the last unanimous vote to each of the forgoing resolutions. Leave was granted. The motion was approved with 12 ayes, 0 nays, and 0 abstentions/present (04-08-15).

Item 16: Amendatory Changes

Plano Molding requests that the IFA Board approve the supplemental loan agreement, amending the Original Loan Agreement to permit the granting of a second mortgage on certain real property funded with the proceeds of the Bonds.

The Institutions that received funding through the ACI/Cultural Pooled Financing Program Series 1998 and Series 1999 are requesting approval to amend certain provisions in the Trust Indenture to add a new mandatory tender provision and to grant the current credit provide the ability to consent to amendments to the Indentures and the corresponding loan agreements.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 12 ayes, 0 nays, and 0 abstentions/present (04-08-16).

Closing Comments

The Executive Director noted that the September meeting will take place in Springfield and the October meeting will take place in Two Prudential Tower – the location of the Authority's new offices.

The Chairman asked if there was any other business to come before the Board or if any members 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 2:45 P.M.

Respectfully Submitted,

Michael Pisarcik, Secretary