

**MINUTES OF THE OCTOBER 10, 2006 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 a Board Meeting at 11:30 a.m., on October 10, 2006 at the Mid America Club, 200 E. Randolph Drive, 80th floor, Chicago, Illinois:

Members present:

David C. Gustman, Chair
Magda M. Boyles
Ronald E. DeNard
Demetris A. Giannoulis
Michael W. Goetz
Martin H. Nesbitt
Andrew W. Rice
Lynn F. Talbott
Joseph P. Valenti

Members absent:

James J. Fuentes
Dr. Roger D. Herrin
Edward H. Leonard
Terrence M. O'Brien
Juan B. Rivera

**Members participating by
telephone:**

Bradley A. Zeller (joined the meeting via telephone at 11:50 a.m.)

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:34 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, 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 welcomed everyone and announced that at today's Meeting, the IFA will approve projects, across all of IFA's market segments, totaling in excess of \$1 billion dollars. Interim Executive Director Rendleman also thanked everyone for their continued assistance, support and use of IFA as a financing source.

Acceptance of Financial Statements

Financial statements for period ending September 30, 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 September 20, 2006 and September 27, 2006 Special Meeting of the Board. Minutes of the September 20, 2006 and September 27, 2006 were approved with 9 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-DR-GT-6199 – Thomas E. Walbaum

Request for approval of the issuance of an Agri-Debt Guarantee Extension in an amount not-to-exceed \$193,043 to provide refinancing of an existing term debt loan. (06-10-01).

No. 2: A-FB-TE-CD-6195 – Brian C. Harmon

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$172,500 to finance the purchase of farmland. (06-10-02).

Chairman Gustman asked if the Board had any questions with respect to project Nos. 1 and 2. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Nesbitt and seconded by Mr. DeNard. Chairman Gustman asked Carla Burgess Jones, Secretary to take a roll call vote. Project Nos. 1 and 2 were approved with 9 ayes, 0 nays, and 0 abstentions.

No. 3: H-SL-RE-TE-CD-6200 – Friendship Village of Mill Creek d/b/a Tallgrass at Mill Creek

Request for preliminary approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$5,500,000 to fund pre-construction financing costs, including design, development and marketing costs. (06-10-03).

No. 4: N-NP-TE-CD-6198 – Near North Health Service Corporation

Request for preliminary approval of the issuance of Conduit Tax-Exempt 501(c)(3) Revenue Bonds in an amount not-to-exceed \$6,000,000 to refinance IDFA Series 1996 Bonds and pay costs of issuance. (06-10-04).

Chairman Gustman asked if the Board had any questions with respect to project Nos. 3 and 4. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 3 and 4. Leave was granted. Project Nos. 3 and 4 were approved with 9 ayes, 0 nays, and 0 abstentions.

No. 5: H-HO-TE-CD-6201- Loyola University Health System

Request for preliminary approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$250,000,000 to fund new money projects, advance refund a portion of the Series 2001A Bonds, and pay costs of issuance in connection with the Series 2006 Bonds. This project is expected to create 375 new jobs and 85 construction jobs. (06-10-05).

Chairman Gustman asked if the Board had any questions with respect to Project No. 5. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Goetz and seconded by Mr. Rice. Chairman Gustman asked Secretary Jones to take a roll call vote. Chairman Gustman abstained from voting on this project because his firm has represented the underwriter, Citigroup Global Markets, Inc., on matters unrelated to this transaction. Project No. 5 was approved with 8 ayes, 0 nays, and 1 abstention (Gustman).

No. 6: H-SL-RE-TE-CD- 600 – Montgomery Place

Request for final approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$55,000,000 to i) finance marketing, development, construction and other related costs associated with the project, ii) refund outstanding debt, iii) fund a portion of the interest, letter of credit and remarketing fees, on the new money portion of the bonds, iv) fund a debt service reserve fund and v) pay costs of issuance. This project is expected to create 30 new jobs and 100 construction jobs. (06-10-06)

Chairman Gustman asked if there were any guests attending the meeting with respect to Montgomery Place. Pamela Lenane introduced Michael Apa, Executive Director of Montgomery Place. Mr. Apa gave a brief overview of the project.

At 11:50 a.m., Member Zeller joined the meeting via telephone, increasing the number of members from nine (9) members to ten (10) members.

Chairman Gustman asked if the Board had any questions with respect to project No. 6. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. Goetz. Chairman Gustman asked Secretary Jones to take a roll call vote. Project no. 6 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 7: H-HO-TE-CD-6193 – Riverside Medical Center and Riverside Senior Living Center

Request for final approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$35,000,000 to i) refund all or a portion of the Series 1996 Bonds, ii) fund a debt service reserve fund, iii) reimburse or fund new capital projects and iv) pay bond issuance and related credit enhancement costs. (06-10-07).

No. 8: H-HO-TE-CD-6178 – Sherman Health System and Sherman Hospital

Request for final approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$100,000,000 to fund the construction and equipping of a replacement hospital campus, fund capitalized interest and pay costs of issuance. This project is expected to create 61 new jobs and 350 construction jobs. (06-10-08).

Chairman Gustman asked if the Board had any questions with respect to project Nos. 7 and 8. There being none, Chairman Gustman requested leave to record the last unanimous vote in favor of project Nos. 7 and 8. Leave was granted. Project Nos. 7 and 8 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 9: H-SL-RE-TE-CD- 6088 – Tabor Supportive Living Community, LLC

Request for final approval of the issuance of 501(c)(3) Bonds in an amount not-to-exceed \$25,000,000 to i) finance construction costs, ii) refund Series 1998 outstanding debt, iii) fund a debt service reserve, iv) provide working capital and v) pay costs of issuance relating to Series 2006 Bonds. This project is expected to create 40 new jobs and 85 construction jobs. (06-10-09).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 9. Pamela Lenane introduced Gloria Pindiak, CEO of Tabor Supportive Living Community. Ms. Pindiak gave a brief overview of the project.

Chairman Gustman noted that the approval of the project was subject to the Authority being provided a feasibility study deemed satisfactory to the Authority. Chairman Gustman asked if the Board had any questions with respect to Project No. 9. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project No. 9. Leave was granted. Project No. 9 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 10: N-NP-TE-CD-6196 – Morgan Park Academy

Request for final approval of the issuance of Conduit 501(c)(3) Lease Financing in an amount not-to-exceed \$1,400,000 to finance renovations and equipment and pay certain bond issuance costs. This project is expected to create 1 new job and 40 construction jobs. (06-10-10)

No. 11: N-NP-TE-CD-6137 – Lawrence Hall Youth Services

Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$15,000,000 to finance construction and rehabilitation, acquisition of machinery and equipment, capitalized interests and certain bond issuance costs. This project is expected to create 150 construction jobs. (06-10-11)

Chairman Gustman asked if there were any guests attending the meeting with respect to project Nos. 10 and 11. There being none, Chairman Gustman asked if the Board had any questions with respect to Project Nos. 10 and 11. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 10 and 11. Leave was granted. Project Nos. 10 and 11 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 12: M-MH-TE-CD-697 – DeKalb LSF, LP (DeKalb County Supportive Living Facility)

Request for final approval of the issuance of Conduit Tax-Exempt Affordable Rental Housing Bonds in an amount not-to-exceed \$7,400,000 to finance construction of a new two-story affordable Supportive Living Facility. This project is expected to create 31 new jobs and 25 construction jobs over a 12 month period. (06-10-12).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 12. Rich Frampton introduced Mark Laubacher, President of the Laubacher Company. Mr. Laubacher gave an overview of the project.

Chairman Gustman asked if the Board had any questions with respect to Project No. 12. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project No. 12. Leave was granted. Project No. 12 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 13: M-MH-TE-CD-6087 – Urban Van Buren, L.P. (Amalgamated Senior Residences)

Request for final approval of the issuance of Conduit Tax-Exempt Affordable Rental Bonds in an amount not-to-exceed \$9,000,000 to finance the purchase and renovation of an existing affordable senior rental facility. This project is expected to create an average of 20-40 construction jobs over a 12 month period. (06-10-13).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 13. Mr. Rich Frampton introduced Andrew Delman, Principal, Urban Innovations, Ltd. Mr. Delman gave an overview of the project.

Chairman Gustman asked if the Board had any questions with respect to Project No. 13. There being none Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Nesbitt and seconded by Mr. Goetz. Chairman Gustman asked Secretary Jones to take a roll call vote. Ms. Talbott abstained from voting on this project because her employer, Amalgamated Housing, is the current owner of the property. Project No. 13 was approved with 9 ayes, 0 nays, and 1 abstention (Talbott).

No. 14: L-GP-MO-6207 – City of Herrin (Sewer System)

Request for preliminary approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$960,000 to finance the extension of a sewer to Route 13 and to replace the current sewer distribution system. (06-10-14).

No. 15: L-GP-MO-6208 - City of Herrin (Water System)

Request for preliminary approval of the issuance of a Local Government Pooled Bonds in an amount not-to-exceed \$630,000 to finance the extension of water to Route 13 and to replace the city's current water distribution system. (06-10-15)

No 16: L-GP-6204 – City of Benton

Request for final approval of the issuance of a Local Government Interim Loan in an amount not-to-exceed \$660,000 to finance the resurfacing of city streets. (06-10-16).

Chairman Gustman asked if the Board had any questions with respect to project Nos. 14 through 16. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. Valenti. Chairman Gustman asked Secretary Jones to take a roll call vote. Project Nos. 14 through 16 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 17: LG-LL-TX-6205 – City of Quincy Regional Airport

Request for approval of a Participation Loan in an amount not-to-exceed \$150,000 to finance the construction of a new hanger facility. This project is expected to create 2 new jobs and 50 construction jobs over a 6 month period. (06-10-17).

No. 18: P-SW-PO-TE-CD-687 – Allied Waste Industries, Inc., Allied Waste North America, Inc. and their affiliates, successors, and assigns

Request for preliminary approval of the issuance of Solid Waste Disposal Revenue Bonds in an amount not-to-exceed \$120,000,000 to finance landfill and transfer station improvements, purchase containers, transportation equipment, and equipment for use at Allied Waste's statewide solid waste disposal facilities. This project is expected to create 20 new jobs and 30-40 construction jobs for a portion of the project. (06-10-18).

Chairman Gustman asked if the Board had any questions with respect to project Nos. 17 and 18. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 17 and 18. Leave was granted. Project Nos. 17 and 18 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 19: P-SW-TE-CD-6202 and I-ID-TX-MO-6209 – Christian County Generation, LLC

Request for preliminary approval of the issuance of Solid Waste Disposal Facilities Bonds in an amount not-to-exceed \$350,000,000 and Clean Coal and Energy Moral Obligation Bonds in an amount not-to-exceed \$150,000,000 to finance the purchase of land, to construct a power generation facility, to purchase machinery and equipment, and to fund legal and professional costs. This project is expected to create 200 new jobs in one year and 1,500 – 2,000 construction jobs over a 42 month period. (06-10-19).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 19. Mr. Steve Trout introduced Bill Braudt, General Manager of Tenaska, Inc., Brad Cox and Andrea Bacon. Mr. Braudt gave an overview of the project. Chairman Gustman asked a question about the technology being used for this project. Mr. Braudt provided information to Chairman Gustman.

Chairman Gustman asked if the Board had any questions with respect to project No. 19. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project No. 19. Leave was granted. Project No. 19 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 20: I-ID-TE-CD-6194 – Guardian Electric Manufacturing Company (KMCKB Trust, Harris Bank and Trust Company, Barrington, Illinois; jointly with Guardian Electric Manufacturing Company)

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$9,800,000 to finance the purchase of land, renovations and construction of an addition to the existing manufacturing facility, construct a parking lot, loading docks and fund legal and professional costs. This project is expected to create 10 new jobs and 100 construction jobs over an 8-month period. IFA will provide \$9,800,000 of IFA Volume Cap and convey tax-exemption on the Industrial Revenue Bonds. (06-10-20).

No. 21: I-IR-TE-CD-6190 – Raco Steel Company

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$2,000,000 to finance the acquisition and installation of a steel slitting line. This project is expected to create 10 new jobs within 2 years. (06-10-21).

No. 22: I-IR-TE-CD-6191 – JBWLP, LLC

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$3,500,000 to finance and reimburse the borrower's and the owner's costs to acquire land and an industrial building. This project is expected to create 30 new jobs within 2 years and 6 construction jobs over a 6-month period. (06-10-22).

No. 23: I-ID-TE-CD-414 – 9500 Ainslie Associates LLC, an Illinois limited liability company and 9611 Associates LP, an Illinois limited partnership (Injection Plastic Corporation Project)

Request for final approval of the issuance of Conduit Tax-Exempt and Taxable Industrial Revenue Bonds in an amount not-to-exceed \$4,600,000 to purchase, refinance, renovate and equip a manufacturing facility for use as a plastics injection molding manufacturing facility. Proceeds of the Taxable Bond Series will be used to finance non-qualified costs. This project is expected to create 100 new jobs over 2 years and 15-20 construction jobs over a 3-month period. (06-10-23).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 23. Mr. Rich Frampton introduced Allan Carroll, President, Carroll Financial Group, Inc. Mr. Carroll gave an overview of the project.

Chairman Gustman asked if the Board had any questions with respect to project Nos. 20 through 23. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 20 through 23. Leave was granted. Project Nos. 20 through 23 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 24: I-ID-TE-CD-6184 – C&D Recycling LLC (2300 Carlson LLC jointly with C&D Recycling LLC)

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$4,400,000 for the purpose of purchasing land upon which to construct a recycling facility, to purchase machinery and equipment and to fund legal and professional costs. This project is expected to create 41 new jobs and 40 construction jobs over a 6-month period. IFA to provide \$4,400,000 of IFA Volume Cap and convey tax-exemption on the Industrial Revenue Bonds. (06-10-24).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 24. Mr. Townsend Albright introduced Nancy Hirsch, Manager and, Larry Hirsch, President of C & D Recycling. Ms. Hirsch gave an overview of the project.

Chairman Gustman asked if the Board had any questions with respect to project No. 24. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project No. 24. Leave was granted. Project No. 24 was approved with 10 ayes, 0 nays, and 0 abstentions.

Resolutions/Project Revisions/Amendatory Resolutions

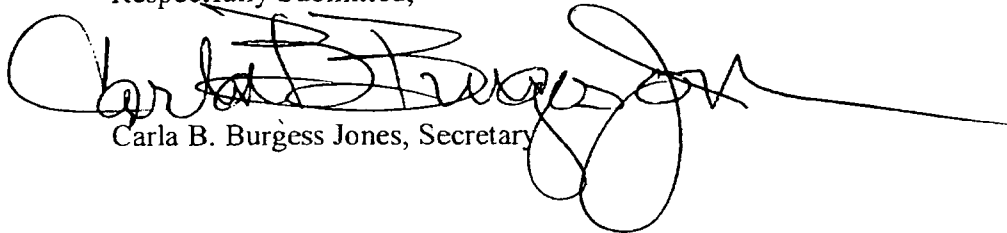
No. 25: Quincy Hotel, LLC (B-LL-TX-6062)

Amendatory Resolution to provide a 6-month extension of a Participation Loan to Quincy Hotel, previously approved by the Board on April 11, 2006. (06-10-25).

Chairman Gustman asked if the Board had any questions with respect to the amendatory resolution. There being none, Chairman Gustman requested leave to record the last unanimous vote in favor of Quincy Hotel's Amendatory Resolution. Leave was granted. The amendatory resolution was 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. Rice and seconded by Ms. Talbott, the meeting adjourned at approximately 12:43 p.m.

Respectfully Submitted,



Carla B. Burgess Jones, Secretary