

Illinois Finance Authority

April 10, 2007

11:30 AM

Board Meeting

The Mid America Club
200 E. Randolph Drive, 80th Floor
Chicago, Illinois



Carla Burgess Jones

**ILLINOIS FINANCE AUTHORITY
BOARD MEETING**

**April 10, 2007
Chicago, Illinois**

EXECUTIVE SESSION

8:30 a.m.

**Illinois Finance Authority
180 N. Stetson, Suite 2555**

- Opening Remarks
- Executive Director's Report
- Financials
- Staff Reports
- Project Reports
- Adjournment

BOARD MEETING

11:30 a.m.

**Mid-America Club
200 E. Randolph Drive, 80th Floor
Chicago, Illinois**

AGENDA

- Call to Order
- Chairman's Report
- Roll Call
- Executive Director's Report
- Acceptance of Financials
- Approval of Minutes
- Project Approvals
- Resolutions / Amendments

AGRICULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
Specialized Livestock Guarantee						
1	Shane Hansen	Aledo	457,300	0	0	CM
Solid Waste Disposal Facilities Bonds Agribusiness Loan Guarantee Preliminary						
2	Illinois River Energy, LLC	Rochelle	50,000,000	8	100	ST
Clean Coal and Energy Moral Obligation Bond Environmental and Water Facilities Bonds Preliminary						
3	Rentech Energy Midwest Corp.	East Dubuque	300,000,000	110	2,000	ST
Solid Waste Disposal Facilities Bonds Exempt Water Facilities Bonds Preliminary						
4	Unified Biofuels Technology, LLC	Griggsville and Royal	126,000,000	100	400	ST
Beginning Farmer Bonds						
5	Wendell Zimmerman	Bell Rive	157,500	0	0	ER
	Joseph Chappellear	Mechanicsburg	232,400	0	0	ER
	Erin Rosenthal	Ogden	232,400	0	0	ER
	Kevin & Brooke Klauser	Liberty	104,000	0	0	CM
	Kevin Gale	Galva	150,000	0	0	CM
	Kraig Gale	Galva	150,000	0	0	CM
	Eric Michael Kelsey	Granville	250,000	0	0	CM
	Reggie & Melinda Roth	Gridley	122,535	0	0	CM
TOTAL AGRICULTURE PROJECTS			477,856,135	218	2,500	

HEALTHCARE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds Preliminary						
6	Palos Community Hospital	Palos Heights, Orland Park, Lemont, Oak Lawn	200,000,000	0	225	PL/DS
501(c)(3) Bonds Final						
7	Illinois Valley Community Hospital	Peru	2,500,000	0	0	PL/DS
TOTAL HEALTHCARE PROJECTS			202,500,000	0	225	

COMMUNITIES AND CULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds						
<i>Preliminary</i>						
8	Greater Peoria Young Men's Christian Association	Peoria	3,000,000	1	25	JS
9	Peoria Association for Retarded Citizens, Inc. (a.k.a. Peoria ARC)	Peoria	6,500,000	0	0	JS
10	Sindesmos Hellenikes-Kinotetos of Chicago (also known as Holy Trinity Hellenic Orthodox Church) and its affiliates, successors, and assigns	Deerfield	12,400,000	7	30	RKF
11	Noble Network of Charter Schools	Chicago	16,000,000	80	120	SCM
12	UNO Charter School Network	Chicago	13,000,000	60	50	SCM
13	Presbyterian Homes	Lake Forest	30,000,000	0	0	SCM
14	St. Coletta's of Illinois Foundation	Tinley Park	5,400,000	21	0	TA
15	Loyola Academy	Wilmette, Glenview	21,500,000	0	50	TA
501(c)(3) Bonds						
<i>Final</i>						
16	The Center: Resources for Teaching and Learning	Arlington Heights	1,900,000	9	15	SCM
17	Holy Family Ministeries	Chicago	4,500,000	17	300	SCM
18	Fenwick High School	Oak Park	16,500,000	1	100	SCM
19	Easter Seals Metropolitan Chicago, Inc.	Chicago, Rockford, Waukegan	9,000,000	50	200	SCM
Local Government Pooled Bond Program						
20	Village of Palmyra	Palmyra	415,000	0	0	KC
21	Riverton Area Fire Protection District	Riverton	1,130,000	0	6	EW
22	Mount Zion Fire Protection District	Mt. Zion	750,000	0	10	EW
23	Downs Community Fire Protection District	Downs	2,560,000	0	10	KC
24	Curran-Gardner Township Public Water District	Springfield	2,865,000	0	5	EW
25	City of Petersburg	Petersburg	210,000	0	5	EW
26	Momence Park District	Momence	135,000	0	0	EW
TOTAL COMMUNITIES AND CULTURAL PROJECTS			147,765,000	246	926	

BUSINESS AND INDUSTRY

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
<i>Debt Service Reserve Fund</i>						
<i>Preliminary</i>						
27	United Science Industries, Inc.	Woodlawn	1,000,000	14	0	ST
<i>Industrial Revenue Bonds</i>						
<i>Preliminary</i>						
28	Peddinghaus Corporation	Bradley	3,600,000	0	20	TA
TOTAL BUSINESS AND INDUSTRY PROJECTS			4,600,000	14	20	

HIGHER EDUCATION

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
<i>501(c)(3) Revenue Anticipation Notes</i>						
<i>Final</i>						
29	The Federation of Independent Illinois Colleges and Universities Revenue Anticipation Note Program (Participants: Elmhurst College and Lincoln College (chartered as Lincoln University))	Springfield, Elmhurst, Lincoln, Normal	7,000,000	0	0	TA/NM
<i>501(c)(3) Bonds</i>						
<i>Preliminary</i>						
30	The University of Chicago	Chicago	250,000,000	300	200	RKF
TOTAL HIGHER EDUCATION PROJECTS			257,000,000	300	200	

GRAND TOTAL			1,089,721,135	778	3,871	
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Tab

Resolutions/Project Revisions/Amendatory Resolutions

31	Amendatory Resolution to Increase Not-to-Exceed Amount from \$7.4 million to \$8.5 million for DeKalb SLF LP	RKF
32	Resolution Adopting Policies of the Board Regarding Remote Attendance at Board Meetings	

Other

Adjournment



**Illinois Finance Authority
Executive Director's Report
April 10, 2007**

To: IFA Board of Directors and Office of the Governor

From: Jill Rendleman, Interim Executive Director

I. Financial Performance

Illinois Finance Authority financial position remains strong with total assets of \$157,787,980 consisting of Equity of \$90,914,365 and liabilities of \$66,873,615. This compares favorably to the March 2006 balance sheet of \$151,204,552 in total assets comprising of \$83,663,078 in Equity and \$63,541,473 in liabilities and Bonds Payable.

Gross Income YTD for March 2007 ended at \$10,717,512 or \$1,120,495 million over plan. Operating expenses ended at \$7.9 million generating a net income of \$2.9 million.

II. Sales Activities

The upward trend in project approvals compliments the increase in gross revenues as an indication that business development and marketing efforts continue to bring results. Funding Managers will be presenting 37 projects totaling \$1,089,721,135 for approval in April 2007. Agriculture projects total \$177,856,135; Healthcare projects total \$202,500,000; Communities and Culture total \$147,765,000; Business and Industry total \$304,600,000; and Higher Education projects total \$257,000,000. These projects are expected to create 778 new jobs and 3,871 construction jobs.

HealthCare: In March, two large hospital transactions closed; five other projects are expected to close before fiscal year end. IFA co-sponsored the Illinois Critical Access Hospital ("CAH") Network Annual Conference where the healthcare team presented IFA financing options for critical access hospitals and moderated a panel discussion by investment bankers discussing market conditions for bringing CAH's to market, availability of insurance, and other industry information. Staff attended the Wisconsin Health and Education Finance Authority Annual Conference which focused on industry trends and also the Life Services Network Annual Conference which covered Senior Living facilities. Lastly, the healthcare team met with several large hospitals to discuss future capital plans and bond financings, and met with several Letter of Credit providers to discuss market conditions.

Higher Education: Two independent colleges, Elmhurst and Lincoln College are participating in the 2007 College Revenue Anticipation Note Program with \$7,000,000 presented for final approval in April. We received an application from the University of Chicago for \$250.0 million various purpose bonds. Additionally, staff met with East-West University and its investment banker to discuss a future \$20.0 million bond issue for its proposed new facility in Chicago's South Loop. In the area of program development, staff met in Springfield with the new IBHE President to discuss the Energy Hedging and other IFA financing programs. In addition, staff and Mark Pruitt of the University of Illinois at Chicago Energy Resource met with The Associated Colleges of Illinois (ACI), an association having 21 independent Illinois colleges as members, to create a separate energy hedging program for Association members. IFA staff will be attending the ACI's Annual Meeting in Chicago on April 12.

-check calendar

Agriculture: March is the middle of the busy season in agricultural lending. We continue to receive many calls about possible uses of IFA programs spurred in part by airing radio commercials and editorial in ag journals. Agricultural staff made presentations on financing renewable energy as part of two Energy Solutions Workshops sponsored by the Illinois Electric Council held at Milliken University and Rend Lake College. Staff also participated in the annual Ag Legislative Day in Springfield, calling on a total of 14 legislators for the month. Funding Managers manned an exhibit at the Community Bankers Association conference in Peoria with over 100 people in attendance. In March, Funding Managers made 31 in person calls to various lenders across the State and also visited with 5 different regional directors from DCEO. We continue to explore further opportunities to provide financing for ethanol and biodiesel projects.

Communities and Culture: Seven projects are being presented for final approval in our 2007 A local government pool, which is anticipated to close late June or early July. Staff is also working with at least five large units of local governments with greater borrowing needs.

We have begun a review of partner programs with the US Department of Agriculture including loan refunding opportunities and potential improvements in the Rural Development Loan program. Other Intermediary Re-lending Program administrators, referred by the USDA, were interviewed for additional ideas. Funding Managers met with the Interstate Municipal Gas Agency (IMGA) regarding the possibility of future partnerships in short term (loan) as well as bond financing. Staff continues to promote Not-For-Profit financing programs with attorneys, trustees, financial advisors and bank representatives. Staff networking included discussions about intergovernmental financing partnerships during a leadership breakfast and partnership opportunities with public school districts with representatives. We made 46 field calls during the month of March.

In March, Waukegan City Council approved using the IFA SFMR program for low/moderate income homebuyers to purchase homes in Waukegan. The City has over 400 foreclosed homes and a new condo development targeted to moderate income individuals. Marketing will target teachers and municipal employees as well as general public. In addition, IFA staff met with Waukegan's Director of Community Block Grants and the Lake County Director of Affordable Housing to

introduce the program. Lender training is planned for early April as well as local promotion. The current March total for (i) closed and purchased, (ii) delivered, not purchased, and (iii) reserved, not delivered mortgages is \$2,744,240.

Industry and Commerce: Interest in Industrial Revenue Bonds is robust reflecting the positive impact of the increase in the IRB Capital Expenditure Limit. For the first time in many years, we are seeing a seasonal increase in IRB volume concurrent with the beginning of the construction season. Effectively, this creates two years of IRB demand in calendar 2007 due to the backlog of projects that were awaiting the CapEx increase. Funding Managers have launched an aggressive call program to banks regarding the new IRB opportunities. Staff has completed initial training sessions with several banks in Northern and Central Illinois including Fifth Third Bank (Illinois Public Finance), MB Financial Bank (Rosemont). Team members have also met with several banks interested in initiating direct purchase bond programs (including IRBs) for their customers. In conjunction with the IRB Outreach effort, Business and Industry Team Members continue to discuss and cross-sell the Participation Loan Program with commercial lenders statewide.

IFA has recently induced two Freight Transfer Facility Revenue Bond projects: \$505 million for CenterPoint Properties Trust of Oak Brook to develop an intermodal rail-to-truck freight transfer facility near Crete and \$591 million for Ridge Property Trust of Chicago ("Ridge") to construct a new intermodal facility near I-55 in unincorporated Will County. Both projects seek part of the \$15 billion Surface Transportation Bond allocation authorized by the U.S. Department of Transportation ("USDOT"). USDOT is still evaluating rules for the program, in conjunction with the IRS. Regardless of the timing of the USDOT allocation of bond authority for these projects, both projects would be originated in phases, in anticipated annual tranches of \$50 million to \$70 million over five years. Rich Frampton continues to coordinate efforts between the Council of Development Finance Agencies ("CDFA") and the National Association of Higher Education Finance Authorities ("NAHEFA") regarding: facilitating Federal Home Loan Bank LOC Program for non-rated banks to IRB and 501(c)(3) Revenue Bond financings.

III. Marketing and Public Relations

The new IFA video was shown at the IFA Board event at the Governor's Mansion March 13. Well over 200 guests attended the reception and 144 guests joined us for dinner, including a large number of legislators. Copies of the video will be available for general promotional purposes. Additional video stories are planned for use on our web site and other purposes. Ag radio commercials are running in the southern region. Inquiries are coming in and include several good funding leads. To help support budget requests for the fire truck and ambulance programs, IFA is conducting a survey of healthcare, business and community leaders across the state to build the case for funding. We are also conducting the second in a series of surveys of the healthcare market sector – this one focused on hospital systems. Work continues on updating the web site, developing action items of the strategic plan, creating mail lists for marketing and updating product materials.

We received two new Freedom of Information Act requests regarding: (1) IRS Adverse Determination Letter and related materials concerning the NTN project of 1998; and (2) Completed the FOIA request regarding communications to, from or about Barack Obama. This FOIA required 15,512 pages of documentation to be provided.

IV. Human Resources and Operations

Work in process continues on the following key projects: New employee handbook, new telephone system, emergency operating plan, job descriptions and records retention. We anticipate completing the handbook and emergency operating plan in April.

V. Legal & Legislative Issues

There was one new bill introduced in the House that impacts the IFA. HB1134 Bassi Regional Planning which creates the Chicago Metropolitan Agency. IFA would be directed to supervise, manage, control and approve all bond issuances related to the agency. This Bill is current on its second reading in the House. A full summary of IFA's legislative agenda follows this report and includes bills which have been initiated by parties other than IFA.

VI. Audit and Compliance

The FY06 audit field work is complete an exit conference is scheduled for Wednesday, April 11th at 1:30pm. We have received preliminary results of the compliance audit (8 findings) and will review in detail with the auditor general staff. A full report will be made in the May 2007 board meeting.

*Agencies
Funded by Legis.*

ILLINOIS FINANCE AUTHORITY ACT LEGISLATIVE AMENDMENTS
20 ILCS 3501/801-1 ET SEQ. (the "Act")
 (as of March 26, 2007)

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-5, §801-10 and New §801-50	Economic Development (S)	Sen. James Clayborne, Jr. (D) (57 th District, East St. Louis, IL)	Amendment authorizes the IFA to provide access to financing for projects located outside the State for organizations (i.e. higher education, industrial, cultural, etc.) that have a significant presence in the State or are financing a project located within the State. Amendment No. 1 prohibits the IFA from financing international projects and financing out of state projects secured by State credit enhancement (moral ob, state guarantees, etc.)	Legislation will reduce overall financing costs related to bond issuances for Illinois businesses; increase employment opportunities for State residents; allow the State to control usage of its initiatives (i.e., "prevailing wage") that assist State residents; and allow the IFA to be competitive with jurisdictions that have the authority to issue bonds outside of their jurisdiction.	SB1317 (as amended by Amendment No. 1) The "third" reading deadline was extended to 4/18/07.

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-10, §830-25 and §830-35	Bio-Energy (S)	<p>Sen. Deanna Demuzio (D) (49th District, Carlinville, IL)</p> <p>Co-sponsors, Senate: Dan Rutherford (R)</p> <p>Pamela Althoff (R)</p> <p>Randall Hultgren (R)</p> <p>Gary Dahl (R)</p> <p>John Jones (R)</p> <p>Todd Sieben (R)</p> <p>HOUSE: Ron Stephens (R)</p> <p>Thomas Holbrook (R)</p> <p>David Ries (R)</p> <p>Daniel Beiser (D)</p> <p>Jim Watson (R)</p>	<p>Amendments expand the definition of "agribusiness" to include ethanol and other bio-energy businesses; permit the IFA to issue State guarantees for such ethanol and other bio-energy businesses in an aggregate amount not to exceed \$340,000,000; and provide maximum limits for state guarantees for energy related agribusinesses in the amount of \$10 million and bio-diesel projects in the amount of \$20 million.</p>	<p>Investing in bio-energies supports the State's economy and agricultural community; increases energy independence in the State; increases the State's ability to entice bio-energy facilities to locate in Illinois and promotes economic development for the benefit of agri-business throughout the State.</p>	<p>SB0057</p> <p>This bill unanimously passed out of the Senate on 2/23/07. It was referred to the House Rules Committee on 2/28/07.</p>

ILCS Code Sec. (§)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-1, §801-10, §801-40, §825-60, §825-65, §830-25 and New § 850-5, §850- 10, §850-15, §850-20, §850-25, §850-30, §850-35, §850-40 and §850-45	Broadband Deployment Assistance (S)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Amendments permit the IFA to finance projects through the issuance of loans, bonds, guarantees or other forms of indebtedness to expand broadband services throughout the State. The IFA will be authorized to issue state guarantees in an aggregate amount not to exceed \$50,000,000 and to issue bonds secured by the State moral obligation in an aggregate amount not to exceed \$100,000,000 (not to exceed \$5 million for any single project).	Increases State's ability to expand its broadband infrastructure and provide access to broadband services to underserved areas in the State which will improve educational opportunities for State residents.	HB 1458 This bill was re-referred to the House Rules Committee on 3/23/07.
§845-5	Total Debt/Bond Limit is \$25,200,000,000 (S)	Sen. Jeff Schoenberg (D) (9 th District, Evanston, IL)	Increases Authority's general debt limit from \$25,200,000,000 to \$28,017,711,000. (NOTE: Dollar amount changed from \$30,000,000,000 as a result of Amendment No. 1)	Increases Authority's ability to provide economic assistance to State businesses, institutions and organizations for projects that promote the IFA's mission.	SBI327, as amended by Amendment No. 1. The "third" reading deadline was extended to 4/18/07.

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§825-65 and §825-75	Clean Coal (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendments will conform the Act to certain amendments that were made to the DCEO Statute by the General Assembly's enactment of P.A. 94-651 (eff. 6/21/05). The conforming amendments authorize the IFA to issue clean coal and energy bonds for "new facilities" as defined in the DCEO Statute. Amendments will also clarify that projects for such "new facilities" may qualify for moral obligation credit enhancement and provide that IFA clean coal and energy bonds that benefit from a moral obligation designation conform to the existing procedures set forth in the Act that relate to the issuance of other moral obligation bonds issued under the Act. (NOTE: Amendment No. 3 changes definition of "clean coal and energy projects" to include new electric generating facilities or new gasification facilities instead of "new facilities.")	Provides conformity between the Act and the DCEO Statute.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Rules Committee.
§825-85(b) and §825-80(c)	Ambulance & Fire Truck Revolving Fund (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendments permit the IFA to use monies in the Fire Truck and Ambulance Revolving Loan Funds (the "Funds") to reimburse itself for all reasonable costs and expenses incurred in connection with administering the Funds and related programs.	Provides the IFA with the ability to reimburse itself for overseeing the Funds and the programs.	NOTE: Amendment No. 3 to SB0066 deletes this provision. Therefore, this provision is no longer included. See also HB1413.

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-25	Quorum/ Affirmative Vote (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment provides that a quorum of the Board is established if a "majority" of the appointed members of the IFA Board are physically present at a meeting; also provides that a matter is deemed approved by the Board if it is approved by a majority of the members of the Board.	Allows the IFA to establish a quorum and vote on matters with a majority of the appointed board members; IFA will not be hampered in conducting business if number of members fall below 15.	NOTE: Amendment No. 3 to SB0066 deletes this provision. Therefore, this provision is no longer included. See also HB1412.
§801-40(r)	Direct Loan Program (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment deletes from Section 801-40(r) of the Act the requirement that a direct loan be approved by at least eight members of the IFA Board because Board quorum and voting approval requirements are set forth in Section 801-25 of the Act.	Makes the Direct Loan approval consistent with approval requirements in other sections of the IFA Act.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Rules Committee.
New §801-40(x)	Swap/ Derivatives (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment copies Section 820-20(n) of the Act to Section 801-40(x) of the Act to clarify that the IFA may enter into Swap's and other derivative agreements for all IFA programs.	Clarifies that the IFA may enter into swap and other derivative agreements for all IFA programs.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Rules Committee.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
New §801-50	Non-impairment (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment copies Section 820-45 of the Act to a "new" Section 801-50 of the Act to clarify that any pledge of revenues or other moneys made by the IFA or the State will be binding and will not be impaired by future actions of the IFA or the State for all IFA programs.	Provides comfort to bondholders and other finance professionals that pledges of the State and the IFA will not, subsequently, be negatively affected.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Rules Committee. * See HB1412 below.
§845-40	Signing Authority (T)	This amendment has not yet been presented.	Expand signatory authority to include the Executive Director.	Provides flexibility in the event certain parties are not available to sign necessary IFA documents.	
§801-30	Borrowing Authority (T)	This amendment has not yet been presented.	Amendment will grant the IFA the authority to borrow money and make grants.	Will clarify that the IFA may borrow money and make grants instead of relying upon implied powers granted via corporate powers.	
§801-40(c)	Bond Issuance Authorizations (T)	This amendment has not yet been presented.	Amendment will provide that interest rates on IFA bond issuances may be implemented or established by a participating health institution, a private institution of higher learning or a cultural institution, in addition to the IFA, but only to the extent of an authorizing resolution approved by the IFA Board; the authorizing resolution may also provide for conversion of the interest rate(s) on bonds upon the stated conditions of the resolution or upon the direction of the IFA, the participating health institution, a private institution of higher education, a cultural institution or a provider of credit or liquidity support for the bonds.	Provides flexibility for interest rate changes under the authorizing bond resolution, as approved by the IFA Board.	

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§845-40	Secretary and Treasurer (T)	This amendment has not yet been presented.	Amendment will provide that the Authority may invest and reinvest any moneys that are held pursuant to a trust agreement, trust indenture, indenture of mortgage or deed of trust or any agreement with a participating health institution, a private institution of higher education or a cultural institution to which the IFA is a party, in such obligations or investments as are provided in or permitted by such instrument.	Clarifies that IFA bond proceeds deposited into certain accounts established under various trust indentures and other agreements may be invested as provided in such trust indentures and agreements.	

**AMENDMENTS THAT WILL AFFECT THE ILLINOIS FINANCE
AUTHORITY ACT
(*NOT INTRODUCED BY THE ILLINOIS FINANCE AUTHORITY)
20 ILCS 3501/801-1 ET SEQ. (the "Act")
(as of March 26, 2007)**

ILCS Code Sec. (§)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§825-80*	Ambulance & Fire Truck Revolving Fund (T)	Rep. David Reis (R) (108 th District, Olney, IL)	Amendment will expand the fire truck revolving loan program to include EMS service vehicles. Also amends the State Finance Act to make conforming changes.	Allows the IFA to grant loans to EMS vehicles under an existing financing program.	HB0188 This bill was "tabled" on 3/14/07.
§830-50*	Specialized Livestock Guarantee Program (T)	Rep. Jim Watson (R) (97 th District, Jacksonville, IL) Co-Sponsors: David Reis (R) Robert Pritchard (R) Karen May (D)	Amendment will provide that specialized livestock operations include livestock operations using anaerobic digestors that will generate electricity for livestock operations.	Expands the definition of specialized livestock operation to include such operations that use anaerobic digestors.	HB0176 This bill was "re-referred to House Rules Committee on 3/23/07.
New Act*	Environmental Protection Act (S)	Rep. Thomas Holbrook (D) (113 th District, Belleville, Illinois)	Amendment will permit underground storage tank owners or operators to assign their right to receive payment from the State's underground storage tank fund to a third party.	Aides with the timely and efficient clean-up of underground storage tank ("UST") petroleum contamination. Due to the significant period of time from remediation of a contaminated site until receipt of the reimbursement by a UST owner or operator for such work, UST owners and operators face financial hardships. The amendment allows UST owners and operators to obtain financing to fund their business while awaiting reimbursement.	HB0277 This bill was assigned to the Environment and Energy Committee on 3/30/07.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
		<p>Co-Sponsors:</p> <p>Senate:</p> <p>James Clayborne, Jr. (D) (57th District, East St. Louis, IL) (Chief Sponsor)</p> <p>Dale E. Risinger (R)</p> <p>Kirk W. Dillard (R)</p> <p>House:</p> <p>Elaine Nekritz (D)</p> <p>Michal Tryon (R)</p> <p>Jim Durkin (R)</p> <p>Michael K. Smith (D)</p> <p>Jim Watson (R)</p> <p>Kenneth Dunkin (D)</p>			

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§825-90*(New)	Public Private Partnerships for Transportation Act (S)	William B. Black (R) Patrick J. Verschoore (D) John E. Bradley (D) Dan Reitz (D)	Amendment will authorize the Authority to apply for an allocation of tax-exempt bond financing authorization provided by the Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), as well as financing available under any other federal law or program.	Allows the Authority to apply for an allocation of tax-exempt bond financing authorization as provided under federal laws and/or programs.	SB0378 This bill was placed on calendar for "third" reading 3/21/07.
§801-1 and §815-10*	First 2007 General Revisory Act (T)	Sen. Don Harmon (D) (39 th District, Oak Park, IL) Sen. Kirk Dillard (R) (24 th District, Westmont, IL) Sen. William R. Haine (D) (56 th District, Alton, IL)	Amendment renumbers sections of various acts, including the Authority's Act, to eliminate duplication; corrects obsolete cross references and technical errors; and makes stylistic changes.	Amendment corrects certain stylistic errors in the Authority's Act (i.e., adding periods and commas and correcting a technical numbering mistake in Section 801-1.	SB0223 This bill passed out of the Senate and was referred to House Rules Committee on 3/8/07.
§801-15*	Finance/Housing Authority – LT Governor (S)	Sen. Ira Silverstein (D) (8 th District, Chicago, IL)	Amendment will make the Lieutenant Governor an ex officio, non-voting member of the Authority's Board of Directors.	Adds an ex-officio member to the Authority's Board.	SB0453 This bill was referred to the Rules Committee on 2/8/07.
New Act*	Small Business	Rep. Michael	Amendment enacts the Small Business	Requires, prior to the provision of "outside	HB0577

ILCS Code Sec. (§)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested: Legislative Amendment Protection Act.	Effect of Amendment	Bill No.
	Protection Act (S)	Tryon (R) (64 th District, Crystal Lake, IL)		assistance" (defined as "grants, loans, tax incentives or other financial assistance or incentives (i) provided by the State, any unit of local government, any school district or any not-for-profit entity that receives governmental funding and (ii) provided to any State agency, unit of local government, school district or not-for-profit entity), the completion of certain due diligence including publication of notice and holding of a hearing to allow small businesses to voice an objection to the provision of outside assistance. The IFA would be directed to supervise, manage, control and approve all bond issuance's related to the newly created Metropolitan Planning Organization.	This bill was re-referred to House Rules Committee on 3/27/07.
New Act*	Regional Planning Act (S)	Rep. Suzanne Bassi (R) (54 th District, Palatine, IL) Rep. Julie Hamos (D) (18 th District, Evanston, IL) Rep. Kathleen A. Ryg (D) (59 th District, Vernon Hills, IL)	Provides for a review process for Projects of Regional Significance; Imposes a fee on counties and municipalities to be used to promote comprehensive land use and transportation planning; Provides for the General Assembly to match the fees; Requires the Board to review and make recommendations to designate a Metropolitan Planning Organization to coordinate decision-making.	The IFA would be directed to supervise, manage, control and approve all bond issuance's related to the newly created Metropolitan Planning Organization.	HB1134 This bill was referred to the Rule Committee on 3/28/07.
New Act*	Illinois Urban Development Authority Act (S)	Rep. David Miller (D) (29 th District, Dolton, IL) Co-Sponsors: Karen Yarbrough (D) Marlow Colvin	Creates the Illinois Urban Development Authority Act.	Purpose of the IUDA is to make available through IUDA funds for industrial projects, commercial projects and housing projects to a municipality with a municipal poverty rate greater than 3% in excess of the statewide average. The IUDA may issue revenue bonds under the supervision of the IFA. The IUDA may issue revenue bonds in an aggregate amount not to exceed \$500 million. Interest earned on bonds issued by the IUDA is exempt from State income taxes.	HB1497 This bill was placed on the calendar for "second" reading 3/14/07.

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
		(D) Eddie Washington (D) Charles Jefferson (D) William Davis (D) Annazette Collins (D) Constance Howard (D) Deborah Graham (D) LaShawn Ford (D)			
§801-10 and New §825-12	Conservation Project (S)	Al Riley (D) Rep. Carolyn Krause (R) (66 th District, Mount Prospect, IL) Co-Sponsors: Sandy Cole (R) Jerry Mitchell (R) Ed Sullivan (R) Sandra Pihos (R) Elizabeth Colson	Amends IFA Act to include a definition of "conservation projects."	Amends the IFA Act to include in the definition of "project" certain "conservation projects." A "conservation project" includes any project is intended to create or expand open space or to reduce energy usage through efficiency measures. "Open space" is defined under Section 10 of the Illinois Open Land Trust Act. The bill grants the IFA authority to develop a program to provide low-interest loans to individuals, businesses and units of local government for conservation projects in the State of Illinois.	HB1677 This bill was re-referred to House Rules Committee on 3/23/07.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s) (R)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-25, §801-40, §845-40 and New §801-50	Technical Amendments to IFA Act (T)	Ron Stephens (R) Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Makes technical amendments to the IFA Act SIMILAR to some of the provisions of SB0066 (prior to Amendment No. 3).	Contains some of the exact provisions of SB0066 (the IFA's technical amendment bill). In particular, contains the following provisions (all of which are also in SB0066): - amends Section 801-25 of the Act (Quorum Requirements); - amends Section 801-40(r) of the Act (General Powers and Duties - Direct Loans); - amends Section 801-40 of the Act (General Powers and Duties - Derivatives); and - amends Section 820-45 of the Act (Pledge of Revenues by the Authority). In addition to the above, amends section 845-40 of the IFA Act to clarify that the Executive Director may sign checks of the IFA. (NOTE: this provision is not included in SB0066).	HB1412 This bill was re-referred to House Rules Committee on 3/23/07.
§825-85(b) and §825-80(c)	Ambulance & Fire Truck Revolving Fund (T)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Permits the IFA to use monies in the Fire Truck and Ambulance Revolving Loan Funds (the "Funds") to reimburse itself for all reasonable costs and expenses incurred in connection with administering the Funds and related programs.	Amends the IFA Act to provide that the IFA may reimburse itself for administrative costs and expenses from the fire truck revolving loan fund and the ambulance revolving loan fund. This bill is substantially similar to SB0066 (before Amendment No. 3).	HB1413 This bill was re-referred to House Rules Committee on 3/23/07.
§801-10, §830-20 and §830-35	Bio-Energy (S)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Amends the IFA Act to include ethanol and bio-energy production within the definition of "agribusiness." The bill also authorizes the issuance of bonds or notes of up to \$340 million for ethanol and bio-energy projects.	This bill is somewhat similar to SB0057 (IFA's bio-energy bill). There are some significant differences. The main difference is that SB0057 permits the IFA to issue state guarantees for energy-related agribusinesses in an amount not to exceed \$340 million (with a maximum guarantee of \$10 million for such projects or \$20 million for bio-diesel projects). HB1414 permits the IFA to issue state guarantees for agribusinesses (in an amount of up to \$10 million per agribusiness or \$20 million for a bio-diesel business), it provides that any such guarantee will be included in the	HB1414 This bill was re-referred to House Rules Committee on 3/23/07.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
New §825-80	Economic Development (S)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Amends the IFA Act to provide that whenever the IFA is authorized to provide financial assistance to organizations, the IFA may provide that assistance for the purpose of funding projects outside of the State if the organization or an affiliate also either (i) has a principal office in Illinois or (ii) is financing a project located in Illinois. It further provides that an "organization" includes higher education, industrial, cultural, housing, healthcare and other organizations.	existing \$75 million state guarantee limit. Therefore, the IFA is not granted any increased authority to issue state guarantees. HB1414, however, provides that the IFA may issue up to \$340 million of bonds or notes for ethanol or bio-energy businesses. Finally, the expanded definition of "agribusiness" in HB1414 includes facilities and equipment for the "production of ethanol and bio-energy." The revised definition provided in SB0057 is broader to include ethanol, bio-diesel, switch grass, animal fat and other types of energy-producing facilities.	HB1415 This bill was re-referred to House Rules Committee on 3/23/07.
§845-5	Total Debt/Bond Limit is \$25,200,000,000 (S)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Substantially similar to SB1327 PRIOR to Amendment No. 1.	Increases the IFA's aggregate bonding authority from \$25.2 billion to \$30 billion. It also clarifies that bonds issued under the IL Environmental Facilities Financing Act are excluded from this limit.	HB1416 This bill was re-referred to House Rules Committee on 3/23/07.
§825-65 and §825-75	Clean Coal (T)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL) Co-Sponsors: John Bradley (D)	Bill is the exact same as the "clean coal" provisions of SB0066 PRIOR to Amendment No. 3 (i.e., uses definition of "new facilities").	Amends the IFA Act to revise the definition of "clean coal and energy projects" to include gasification facilities.	HB1417 This bill was re-referred to House Rules Committee on 3/23/07.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
		Patrick Verschoore (D) Dan Reitz (D) Brandon Phelps (D) Michael Smith (D) Thomas Holbrook (R) Daniel Beiser (D) Jack McGuire (D) Donald Moffitt (R)			

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**Illinois Finance Authority
Consolidated
Balance Sheet
for the Nine Months Ending March 31, 2007**

	March 2006	March 2007	March Budget	Variance to budget
ASSETS				
CASH & INVESTMENTS, UNRESTRICTED	\$ 34,502,834	\$ 32,571,073	\$ 22,378,810	\$ 10,192,263
LOAN RECEIVABLE, NET	74,072,311	85,429,840	83,172,362	2,257,478
ACCOUNTS RECEIVABLE	568,041	1,966,792	500,000	1,466,792
OTHER RECEIVABLES	2,159,418	618,197	897,984	(279,787)
PREPAID EXPENSES	40,274	229,083	170,165	58,918
TOTAL CURRENT ASSETS	111,342,878	120,814,985	107,119,321	13,695,664
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	116,235	150,201	138,572	11,629
DEFERRED ISSUANCE COSTS	1,090,584	852,093	962,063	(109,970)
OTHER ASSETS				
CASH, INVESTMENTS & RESERVES	29,737,895	27,231,088	30,408,606	(3,177,518)
VENTURE CAPITAL INVESTMENTS	5,164,735	5,714,091	6,816,184	(1,102,092)
OTHER	3,752,225	3,025,522	4,079,164	(1,053,642)
TOTAL OTHER ASSETS	38,654,855	35,970,701	41,303,954	(5,333,252)
TOTAL ASSETS	\$ 151,204,552	\$ 157,787,980	\$ 149,523,910	\$ 8,264,071
LIABILITIES				
CURRENT LIABILITIES	\$ 1,090,012	\$ 1,526,773	\$ 925,514	\$ 601,259
LONG-TERM LIABILITIES	62,451,461	65,346,842	58,509,705	6,837,135
TOTAL LIABILITIES	63,541,473	66,873,615	59,435,219	7,438,394
EQUITY				
CONTRIBUTED CAPITAL	36,061,462	36,061,462	36,061,462	(0)
RETAINED EARNINGS	13,000,024	15,015,018	15,015,018	-
NET INCOME / (LOSS)	6,576,948	2,864,481	2,038,805	825,676
RESERVED/RESTRICTED FUND BALANCE	19,303,495	24,279,992	24,279,992	0
UNRESERVED FUND BALANCE	12,721,150	12,693,412	12,693,412	(0)
TOTAL EQUITY	87,663,078	90,914,365	90,088,690	825,676
TOTAL LIABILITIES & EQUITY	\$ 151,204,552	\$ 157,787,980	\$ 149,523,910	\$ 8,264,072

**Illinois Finance Authority
Consolidate - Detail
Balance Sheet
for the Nine Months Ending
March 31, 2007**

	General Fund	Bond Fund	Firetruck Revolving Fund	Non Major Funds YTD	YTD 2007
Assets					
Current assets:					
Cash and cash equivalents – unrestricted	7,083,678	-	-	14,786,288	21,869,966
Investments – unrestricted	2,975,196	-	-	1,999,530	4,974,726
Restricted current assets:					
Cash and cash equivalents	-	734,711	1,916,770	-	2,651,481
Accrued interest receivable	-	1,585,741	7,500	3,379	1,586,620
Restricted investments	-	62,070	-	-	62,070
Receivables:					
Accounts	618,197	-	-	-	618,197
Interest and other	131,245	-	-	39,380	170,625
Prepaid expenses and deposits	229,083	-	-	-	229,083
Total Current Assets	11,037,399	2,382,522	1,924,270	16,828,578	32,172,768
Noncurrent assets:					
Restricted Noncurrent assets					
Cash and cash equivalents	-	-	-	21,713,946	21,713,946
Interest receivable	-	197,046	-	77,000	274,048
Guarantee payments receivable	-	-	-	459,048	459,048
Allowance for doubtful accounts	-	-	-	(433,526)	(433,526)
Deferred issuance costs, net of accumulated amortization	-	219,058	-	-	219,058
Investments	-	8,445,473	-	-	8,445,473
Bonds and notes receivable	-	53,852,200	-	-	53,852,200
Loans receivable	-	-	8,247,715	663,730	8,911,445
Allowance for doubtful accounts	-	-	-	(216,401)	(216,401)
Investments in partnerships and companies	-	-	-	5,714,091	5,714,091
Loans Receivable	23,379,514	-	-	4,984,068	28,363,582
Allowance for doubtful accounts	(2,470,986)	-	-	-	(2,470,986)
Due from other funds long term	2,841,787	-	-	712,374	3,554,160
Property and equipment, at cost	402,541	-	-	5,500	408,041
Accumulated depreciation	(253,256)	-	-	(4,583)	(257,839)
Deferred issuance costs, net of accumulated amortization	-	-	-	633,035	633,035
Total Noncurrent Assets:	23,899,599	62,713,777	8,247,715	34,308,281	129,169,372
Total Assets	34,936,998	65,096,299	10,171,985	51,136,858	161,342,140
Liabilities					
Current liabilities:					
Accounts payable	247,027	-	-	-	247,027
Accrued expenses	662,231	-	-	-	662,231
Accrued interest payable	-	1,788,881	-	2,070	1,790,952
Due to employees	33,827	-	-	-	33,827
Due to primary government	282,490	-	-	25,000	307,490
Current portion of Long term debt	-	-	-	55,394	55,394
Total Current Liabilities	1,225,574	1,788,881	-	82,464	3,096,920
Noncurrent liabilities:					
Long-term debt	-	-	-	772,666	772,666
Bonds payable	-	62,010,000	-	-	62,010,000
Deferred revenue net of accumulated amortization	218,734	-	-	889,974	1,108,708
Due to other funds - long term	-	-	-	3,554,160	3,554,160
Deferred loss on early extinguishment of Debt	-	(114,678)	-	-	(114,678)
Total Noncurrent Liabilities	218,734	61,895,322	-	5,216,800	67,330,856
Total Liabilities	1,444,309	63,684,204	-	5,299,264	70,427,776
Net Assets					
Invested in capital assets	149,285	-	-	917	150,201
Restricted	-	1,412,095	10,171,985	21,488,794	33,072,874
Unrestricted	33,343,463	-	-	24,347,826	57,691,289
Total Net Assets	33,492,747	1,412,095	10,171,985	45,837,537	90,914,364

Innors Finance Authority
 Consolidated - Actual to Budget
 Statement of Activities
 for Period Ending March 31, 2007

	Actual March 2007	Budget March 2007	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2007	Budget YTD FY 2007	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2007	% of Budget Expended
REVENUE										
INTEREST ON LOANS	283,513	281,354	2,159	0.77%	2,612,828	2,634,351	(21,723)	(0.82%)	3,478,413	75.11%
INVESTMENT INTEREST & GAIN(LOSS)	195,274	177,171	21,103	11.81%	2,065,513	1,594,641	470,872	29.54%	2,126,056	97.15%
ADMINISTRATIONS & APPLICATION FEES	959,738	471,350	488,388	103.81%	5,017,149	3,966,150	1,050,999	26.50%	5,394,200	93.01%
ANNUAL ISSUANCE & LOAN FEES	91,692	85,000	6,692	7.87%	833,232	1,055,000	(221,768)	(21.02%)	1,310,000	63.61%
OTHER INCOME	17,889	38,552	(20,664)	(54.12%)	198,989	346,975	(157,986)	(45.55%)	462,634	40.85%
TOTAL REVENUE	1,550,906	1,053,427	497,479	47.22%	10,717,512	9,597,017	1,120,495	11.68%	12,771,303	83.92%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	239,017	249,799	(10,781)	(4.32%)	2,259,438	2,246,879	12,759	0.57%	2,996,076	75.41%
BENEFITS	23,395	28,500	(5,105)	(17.91%)	245,099	256,501	(11,402)	(4.45%)	342,000	71.87%
TEMPORARY HELP	10,169	8,484	1,685	19.74%	66,089	67,952	(1,863)	(2.77%)	84,940	77.76%
EDUCATION & DEVELOPMENT	-	5,900	(5,900)	(100.00%)	5,457	17,700	(12,243)	(69.17%)	23,800	23.12%
TRAVEL & AUTO	13,661	11,000	2,661	24.19%	118,113	100,000	18,113	18.11%	135,000	87.49%
TOTAL EMPLOYEE RELATED EXPENSES	286,243	303,683	(17,450)	(5.75%)	2,694,177	2,668,932	5,345	0.20%	3,581,615	75.22%
PROFESSIONAL SERVICES										
CONSULTING LEGAL & ADMIN	184,684	51,330	133,354	259.80%	1,182,262	962,000	220,262	22.90%	1,116,000	105.94%
LOAN EXPENSE & BANK FEE	218,753	209,008	10,745	5.14%	2,105,880	1,985,295	120,585	6.08%	2,812,319	90.82%
ACCOUNTING & AUDITING	26,882	31,392	(4,510)	(14.34%)	287,177	282,524	4,653	1.65%	378,700	70.83%
MARKETING GENERAL	3,187	20,833	(17,646)	(84.70%)	48,502	187,489	(140,987)	(75.20%)	250,000	18.90%
FINANCIAL ADVISORY	(20,600)	29,167	(49,767)	(170.63%)	213,509	292,500	(78,991)	(27.01%)	350,000	61.00%
CONFERENCE/TRAINING	-	1,700	(1,700)	(100.00%)	13,448	15,300	(1,852)	(12.11%)	25,400	52.84%
MISCELLANEOUS PROFESSIONAL SERVICES	-	3,200	(3,200)	(100.00%)	33,728	97,250	(63,522)	(65.32%)	113,000	29.85%
DATA PROCESSING	(1,635)	3,200	(4,835)	(151.08%)	24,870	28,600	(3,730)	(13.30%)	38,400	65.02%
TOTAL PROFESSIONAL SERVICES	412,282	351,880	60,402	17.17%	3,887,573	3,821,188	66,405	1.74%	4,881,819	79.63%
OCCUPANCY COSTS										
OFFICE RENT	22,025	26,709	(4,684)	(17.54%)	228,903	240,381	(11,478)	(4.77%)	320,508	71.42%
EQUIPMENT RENTAL AND PURCHASES	4,249	3,750	499	13.32%	36,828	33,750	3,078	9.12%	45,000	81.84%
TELECOMMUNICATIONS	14,487	5,665	8,822	155.69%	60,991	51,000	9,991	19.59%	66,000	89.69%
UTILITIES	1,087	750	337	44.91%	8,805	6,750	2,055	30.44%	9,000	97.83%
DEPRECIATION	3,897	4,750	(853)	(17.98%)	34,199	42,750	(8,551)	(20.00%)	57,000	60.00%
INSURANCE	1,182	1,167	15	1.29%	11,045	10,501	544	5.18%	14,000	83.18%
TOTAL OCCUPANCY COSTS	46,938	42,782	4,156	9.69%	381,371	365,132	16,239	4.45%	513,508	74.27%
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	7,053	7,834	(781)	(9.97%)	75,747	70,500	5,247	7.44%	94,000	80.59%
BOARD MEETING - EXPENSES	13,233	2,897	10,336	356.91%	33,797	24,001	9,796	40.82%	32,000	105.92%
PRINTING	1,034	1,167	(133)	(11.43%)	12,009	10,501	1,508	14.36%	14,000	85.78%
POSTAGE & FREIGHT	2,851	2,817	34	1.21%	18,870	18,250	620	3.40%	35,000	53.34%
MEMBERSHIP DUES & CONTRIBUTIONS	5,505	2,874	2,631	91.90%	37,308	25,875	11,433	44.18%	34,500	108.13%
PUBLICATIONS	808	168	640	381.01%	7,848	1,500	6,348	422.53%	2,000	322.20%
OFFICERS & DIRECTORS INSURANCE	13,500	13,500	-	0.00%	121,500	121,500	-	0.00%	182,000	75.00%
MISCELLANEOUS	-	165	(165)	(100.00%)	5,406	1,500	3,906	260.37%	2,000	270.28%
TOTAL GENERAL & ADMINISTRATION EXPENSES	44,163	31,291	12,872	41.13%	312,080	281,827	30,253	10.74%	375,500	83.11%
LOAN LOSS PROVISION	58,424	25,000	33,424	133.69%	366,831	225,000	141,831	63.08%	300,000	122.31%
OTHER	680	717	(37)	(5.16%)	6,485	6,453	32	0.49%	8,904	75.37%
INTEREST EXPENSE	890	717	173	24.13%	6,485	6,453	32	0.49%	8,904	75.37%
TOTAL OTHER	1,570	1,434	136	9.49%	12,970	12,906	64	0.49%	17,808	75.37%
TOTAL EXPENSES	848,739	755,372	93,367	12.36%	7,848,616	7,408,212	440,404	5.91%	9,681,048	79.17%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN(LOSS)	702,167	298,055	404,112	135.56%	3,086,896	2,186,805	899,091	40.21%	3,110,257	98.87%
NET UNREALIZED GAIN(LOSS) ON INVESTMENT	10,824	(16,687)	27,511	(164.84%)	(204,415)	(150,000)	(54,415)	36.28%	(200,000)	102.21%
NET INCOME/(LOSS)	712,991	281,368	431,623	153.38%	2,882,481	2,036,805	845,676	40.50%	2,910,257	98.43%

**Consolidate
Statement of Activities
Comparison
March 2007 and March 2006**

	Actual March 2007	Actual March 2006	Current Month Variance Actual vs Actual	Current % Variance	Actual YTD FY 2007	Actual YTD FY 2006	Year to Date Variance Actual vs. Actual	YTD % Variance
REVENUE								
INTEREST ON LOANS	293,513	503,659	(210,146)	(41.71%)	2,612,828	2,505,558	107,270	4.27%
INVESTMENT INTEREST & GAIN(LOSS)	186,274	293,260	(106,986)	(36.82%)	2,065,513	1,791,963	273,550	15.28%
ADMINISTRATIONS & APPLICATION FEES	959,738	372,623	587,115	157.56%	5,017,149	3,603,361	1,413,788	39.24%
ANNUAL ISSUANCE & LOAN FEES	81,692	99,024	(17,332)	(7.40%)	833,232	845,450	(12,218)	(1.45%)
OTHER INCOME	17,669	101,075	(83,386)	(82.50%)	188,989	4,325,523	(4,136,533)	(95.63%)
TOTAL REVENUE	1,560,908	1,369,621	191,285	13.24%	10,717,512	13,071,574	(2,354,063)	(18.01%)
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	239,017	209,868	29,149	14.00%	2,259,438	1,902,780	356,658	18.74%
BENEFITS	23,395	19,807	3,588	18.12%	245,099	189,881	55,219	29.08%
TEMPORARY HELP	10,168	2,388	7,771	324.06%	96,069	49,450	46,619	33.81%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	5,457	10,893	(5,435)	(49.90%)
TRAVEL & AUTO	13,661	11,431	2,230	19.50%	118,113	106,982	11,221	10.50%
TOTAL EMPLOYEE RELATED EXPENSES	286,243	243,304	42,939	17.65%	2,694,177	2,259,996	434,281	19.22%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	184,684	105,288	79,427	75.46%	1,192,262	690,124	492,138	71.31%
LOAN EXPENSE & BANK FEE	219,753	477,866	(258,144)	(64.02%)	2,105,880	2,182,813	(76,933)	(3.52%)
ACCOUNTING & AUDITING	20,882	45,268	(18,387)	(40.82%)	267,177	336,949	(69,772)	(20.71%)
MARKETING GENERAL	3,187	8,879	(5,692)	(64.10%)	46,502	83,112	(36,610)	(44.05%)
FINANCIAL ADVISORY	(20,600)	8,000	(28,600)	(357.50%)	213,508	72,480	141,018	194.53%
CONFERENCE/TRAINING	-	820	(820)	(100.00%)	13,446	(899)	14,345	(8.20%)
MISCELLANEOUS PROFESSIONAL SERVICES	(1,635)	24,551	(24,551)	(100.00%)	33,728	40,731	(7,004)	(17.18%)
DATA PROCESSING	412,282	679,168	(266,886)	(39.30%)	3,887,973	3,447,029	440,944	12.78%
TOTAL PROFESSIONAL SERVICES	412,282	679,168	(266,886)	(39.30%)	3,887,973	3,447,029	440,944	12.78%
OCCUPANCY COSTS								
OFFICE RENT	22,025	15,600	6,425	41.18%	228,903	140,808	88,286	62.80%
EQUIPMENT RENTAL AND PURCHASES	4,249	1,413	2,836	200.76%	36,828	12,736	24,092	189.17%
TELECOMMUNICATIONS	14,487	5,269	9,218	174.96%	60,991	61,353	(362)	(0.59%)
UTILITIES	1,087	1,539	(453)	(29.40%)	8,905	7,944	961	12.09%
DEPRECIATION	3,897	3,395	502	14.80%	34,190	22,842	11,348	50.08%
INSURANCE	1,192	2,302	(1,110)	(48.21%)	11,645	8,470	3,175	37.48%
TOTAL OCCUPANCY COSTS	48,838	29,519	17,419	59.01%	381,371	242,862	138,509	57.03%
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	7,053	17,886	(10,844)	(60.16%)	75,747	64,333	11,414	17.74%
BOARD MEETING - EXPENSES	13,253	12,809	443	3.46%	33,797	37,253	(3,455)	(9.28%)
PRINTING	1,034	692	342	49.42%	12,009	7,955	4,054	50.97%
POSTAGE & FREIGHT	2,851	3,540	(689)	(19.47%)	18,070	24,142	(5,472)	(22.87%)
MEMBERSHIP, DUES & CONTRIBUTIONS	5,585	8,077	(2,492)	(31.11%)	37,308	34,342	2,964	8.63%
PUBLICATIONS	808	305	503	166.03%	7,646	1,500	6,146	409.80%
OFFICERS & DIRECTORS INSURANCE	13,600	9,000	4,600	50.00%	121,900	79,241	42,659	53.33%
MISCELLANEOUS	-	-	-	0.00%	5,408	2,735	2,673	97.03%
TOTAL GENERAL & ADMINISTRATION EXPENSES	44,183	52,319	(8,137)	(15.56%)	312,080	251,500	60,578	24.09%
LOAN LOSS PROVISION	58,424	80,063	(21,639)	(27.03%)	366,931	145,138	221,792	152.81%
OTHER	890	736	154	20.92%	6,485	6,893	(409)	(5.93%)
INTEREST EXPENSE	690	736	(46)	(6.21%)	6,485	6,893	(409)	(5.93%)
TOTAL OTHER	690	736	(46)	(6.21%)	6,485	6,893	(409)	(5.93%)
TOTAL EXPENSES	846,739	1,085,109	(238,370)	(21.78%)	7,646,618	6,353,319	1,293,297	20.39%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	702,167	284,612	417,555	146.80%	3,068,898	6,718,256	(3,649,358)	(54.32%)
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	10,824	(3,399)	14,223	(418.45%)	(204,415)	(141,308)	(63,107)	44.66%
NET INCOME/(LOSS)	712,991	281,113	431,877	165.63%	2,864,481	6,576,948	(3,712,467)	(56.46%)









Illinois Finance Authority
Participations
30-60-90-120-180 Day Delinquencies

as of 3/31/2007

Loan #	Borrower Name	Due Date	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 + Days
Participations									
10102	SCHMIDT, MICHAEL & STEVE	3/15/2007	\$3,725.27	.00	.00	.00	.00	.00	.00
10099	CAYWOOD'S YOUTH CENTER, IN	3/27/2007	\$1,702.71	.00	.00	.00	.00	.00	.00
10010	CHAPMAN, MARC (QUALITY W	3/30/2007	\$1,452.42	.00	.00	.00	.00	.00	.00
10061	YOUNG, CLINTON (PRECISION P	3/1/2007	\$1,683.32	.00	.00	.00	.00	.00	.00
10073	BAXTER, JAY & COLLEEN	3/29/2007	\$619.80	.00	.00	.00	.00	.00	.00
5			\$9,183.52	.00	.00	.00	.00	.00	.00
FMHA									
10064	GRAYSON HILL ENERGY, LLC	3/1/2007	\$1,443.27	.00	.00	.00	.00	.00	.00
10065	SUBLETTE DEVELOPERS, INC.	3/1/2007	\$1,108.39	.00	.00	.00	.00	.00	.00
10066	UTLRA PLAY SYSTEMS, INC.	3/1/2007	\$1,314.77	.00	.00	.00	.00	.00	.00
10067	DEREL'S BBQ	1/1/2007	\$0.00	.00	3,442.08	.00	.00	.00	.00
4			\$3,866.43	.00	3,442.08	.00	.00	.00	.00
9			\$13,138.95	.00	3,442.08	.00	.00	.00	.00

**Illinois Finance Authority
FY 04/05 Audit Findings
Update as of February 28, 2007**

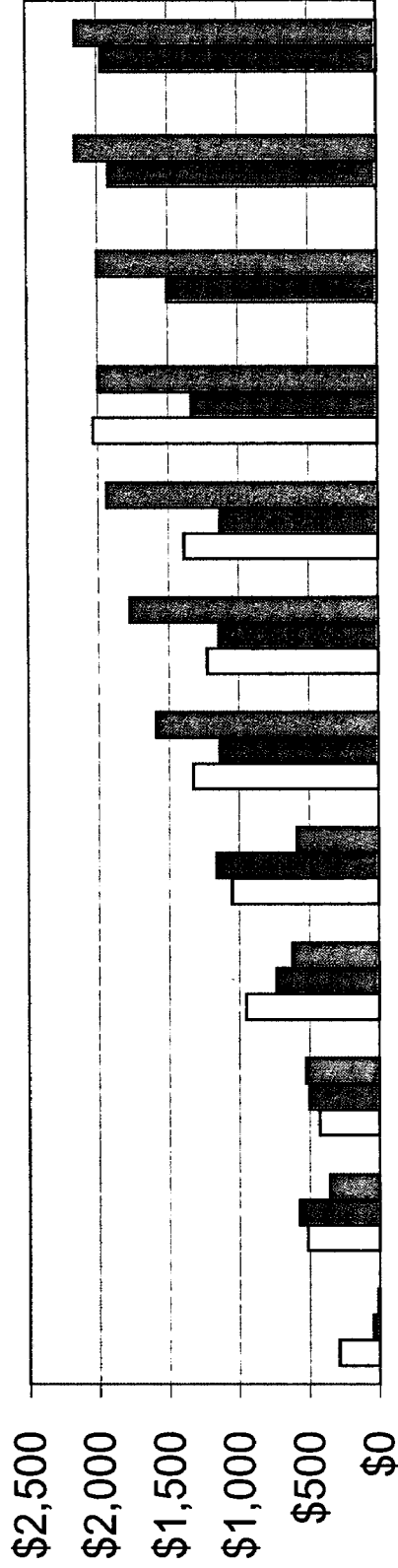
Total Number of 14

Item Number	Description	Status Action Items/ Action Items Completed	Percentage Completed
			10 20 30 40 50 60 70 80 90 100
FY 04 Findings			
05-03	Failure to Monitor Bond Compliance	7/8	
05-04	Non Compliance with Illinois Procurement Code and SAMS	2/3	
05-05	Voucher Processing Controls Need to be Improved	Complete	
FY 05 Findings			
05-01	Noncompliance with the State Officers and Employees Money Disposition ACT	Complete	
05-02	Noncompliance with the Personnel Code	Under Review	
05-06	Untimely Submission of Qrtly State Property Reports	Complete	
05-07	Untimely Submission of Receipt Deposits Transmittals	Complete	
05-08	Noncompliance with Printing Requirements of Procurement Code	Complete	
05-09	Lack of Interest Rate Risk and Credit Risk Policy	Complete	

1
2
6

<50% = Partially Completed or under review
60% = Substantially Completed
100% = Completed

Cumulative Net Income Non-Appropriated



	July	Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
□ FY 2007 Actual	\$285	\$512	\$428	\$953	\$1,050	\$1,326	\$1,226	\$1,387	\$2,035			
■ FY 2007 Plan	\$44	\$570	\$501	\$733	\$1,161	\$1,136	\$1,142	\$1,130	\$1,332	\$1,505	\$1,920	\$1,967
■ Actual FY06	\$12	\$356	\$524	\$618	\$566	\$1,592	\$1,778	\$1,940	\$1,998	\$2,004	\$2,157	\$2,152

(In thousands)

MINUTES OF THE MARCH 22, 2007 SPECIAL 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 special Board Meeting at 2:00 p.m., on March 22, 2007 at Shefsky & Froelich, 111 East Wacker Drive, Suite 2800, Room 2806A, Chicago, Illinois:

Members present:

David C. Gustman, Chair
James J. Fuentes
Michael W. Goetz
Martin H. Nesbitt
Terrence M. O'Brien
Andrew W. Rice
Juan B. Rivera
Lynn F. Talbott

Members absent:

Magda M. Boyles
Ronald E. DeNard
Dr. Roger D. Herrin
Joseph P. Valenti

Vacancies:

One (1)

Members participating by telephone:

Edward H. Leonard, Sr.
Bradley A. Zeller

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 2:15 p.m. with the above members present. Chairman Gustman thanked everyone for attending and noted that the Board of the Illinois Finance Authority had to convene the special meeting of the Board because the Board failed to have a physical quorum at its March 13, 2007 Board Meeting. Chairman Gustman noted that eight (8) members of the Board were physically present, which constitutes a quorum under the Authority's statute and thus, projects could be approved. Chairman Gustman also noted that significant time and consideration of the projects was given at the March 13, 2007 Board Meeting. Chairman Gustman asked Carla Burgess Jones, Secretary, to call the roll. Ms. Burgess Jones called the roll. There being eight (8) members physically present and two (2) members participating via 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 welcomed everyone and requested that her report given at the March 13, 2007 Board Meeting (as described in the minutes for such meeting) be incorporated by reference into the minutes of this meeting as if fully set forth herein. The minutes of the March 13, 2007 Board Meeting are attached hereto and incorporated by reference herein.

Acceptance of Financial Statements

Financial statements for the period ending February 28, 2007 were accepted by the Board. Chairman Gustman noted that the financial statements were reviewed by the Board at the March 13, 2007 Board Meeting and the Board noted no changes.

Minutes

Chairman Gustman asked Carla Burgess Jones, Secretary to take a roll call vote for approval of the minutes of the February 13, 2007 Meeting of the Board. Motion moved by Mr. Nesbitt and seconded by Mr. Rivera. Minutes of the February 13, 2007 Meeting of the Board were approved by a roll call vote 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 for approval, in detail at the March 13, 2007 and asked that those minutes be incorporated into the record of the minutes of today's meeting (See attached Exhibit A). Director Rendleman presented the following projects to the Board for approval:

- No. 1:** **A-YF-GT-7060 – Randall and Darla Aberle**
Request for approval of the issuance of a young farmer guarantee in an amount not-to-exceed \$212,500 to finance the purchase of equipment for a project located in Sibley, Illinois. (07-03-01).
- No. 2:** **A-LL-TX-7059 – Ronald R. Bauman**
Request for approval of the purchase of a participation loan in an amount not-to-exceed \$80,000 to provide permanent financing for the purchase of a farm sprayer for a project located in Eureka, Illinois. (07-03-02).
- No. 3** **A-AD-GT-7063 – David R. Yarnell**
Request for approval of the issuance of an agri-debt guarantee in an amount not-to-exceed \$170,000 to provide refinancing of a recent purchase of a half-interest in 60 acres of farmland, as well as to refinance existing operating debt in order to improve liquidity for a project located in Cowden, Illinois. (07-03-03).
- No. 4:** **I-ID-TE-CD-7044 – Agri-Best Holdings LLC d/b/a Protein Solutions**
Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$7,000,000 to i) fund the construction of an approximately 29,700 sq. ft. two-story manufacturing facility, ii) purchase and install meat processing equipment, HVAC and refrigeration systems and electrical equipment, iii) provide office and parking space and iv) fund professional issuance costs for a project located in Chicago, Illinois. This project is expected to create 150 new jobs and 18 construction jobs over 8 months. (07-03-04).
- No. 5:** **A-FB-TE-CD-7045 – Katrina Stoller**
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$250,000 for the purchase of 80 acres of farmland located in Gridley, Illinois. (07-03-05).

A-FB-TE-CD-7046 – Heath Clodfelter

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$80,000 for the purchase of approximately 40 acres of farmland located in Olney, Illinois. (07-03-05).

A-FB-TE-CD-7047 – Derek Ginder

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$65,250 for the purchase of approximately 60 acres of farmland located in Newton, Illinois. (07-03-05).

A-FB-TE-CD-7048 – Mark and Shelly Meyer

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$197,800 for the purchase of approximately 78 acres of farmland located in Forest City, Illinois. (07-03-05).

A-FB-TE-CD-7049 – John Kophamer

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$250,000 for the purchase of approximately 68 acres of farmland located in Morrison, Illinois. (07-03-05).

A-FB-TE-CD-7050 – Allen Dykstra

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$250,000 for the purchase of approximately 123 acres of farmland located in Morrison, Illinois. (07-03-05).

A-FB-TE-CD-7051 – Melvin Ochs

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$182,500 for the purchase of approximately 79 acres of farmland located in West Liberty, Illinois. (07-03-05).

A-FB-TE-CD-7052 – Robert Fuhler

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$195,000 for the purchase of approximately 95 acres of farmland located in Pocahantas, Illinois. (07-03-05).

A-FB-TE-CD-7053 – Brent and Andrea Schmitz

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$208,000 for the purchase of approximately 80 acres of farmland located in Macomb, Illinois. (07-03-05).

No. 6:

H-HO-TE-CD-7057 – Illinois Valley Community Hospital

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$2,500,000 to pay or reimburse the Borrower for the payment of and the cost of acquiring certain capital equipment, including without limitation, a CT scanner, an MRI system and Calutech Coach, X-Ray equipment, hardware and software for a picture archiving and communication

system and all related attachments, accessories and software and other hospital equipment and improvements for a project located in Peru, Illinois. (07-03-06).

- No. 7:** **H-HO-TE-CD-7066 – Central Baptist Village**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$26,000,000 to i) refund prior bonds, ii) fund a debt service reserve fund and iii) pay for certain costs of issuance related to the issuance of the bonds for a project located in Norridge, Illinois. (07-03-07).
- No. 8:** **H-HO-TE-CD-7067 – Christian Homes, Inc.**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$55,000,000 to i) refund existing tax-exempt debt, ii) pay for certain capital improvements at various campuses owned by the borrower, iii) establish debt service reserve funds and iv) pay for certain costs of issuance related to the issuance of the bonds for projects located in Lincoln, Flanagan, Decatur, Forsyth, Chrisman, Springfield, Carmi, Washington and Bensenville, Illinois. This project is expected to create 50 construction jobs. (07-03-08).
- No. 9:** **H-HO-TE-CD-7056 – Rockford Memorial Hospital**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$2,500,000 to i) finance the purchase of medical imaging diagnostic equipment for Rockford Memorial Hospital and ii) pay for certain costs of issuance related to the issuance of the bonds for a project located in Rockford, Illinois. (07-03-09).
- No. 10:** **N-NP-TE-CD-7058 – Easter Seals Metropolitan Chicago, Inc.**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$9,000,000 to finance construction, acquisition of equipment and to pay certain costs of issuance related to the issuance of the bonds for projects located in Chicago, Rockford and Waukegan, Illinois. The project is expected to create 50 new jobs and 200 construction jobs. (07-03-10).
- No. 11:** **E-PS-TE-CD-7017 – The Catherine Cook School**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$6,100,000 to i) refund an outstanding series of bonds issued by the Illinois Development Finance Authority, a predecessor of the Authority ii) refinance a mortgage issued by Harris Bank & Trust Company, and iii) fund legal and professional costs for a project located in Chicago, Illinois. (07-03-11).
- No. 12:** **N-NP-TE- 6166 – Quad County Urban League**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$5,000,000 to finance the expansion and rehabilitation of a commercial building located in Aurora, IL for use as a vocational and educational training center for a project located in Aurora, Illinois. This project is

expected to create 4 new jobs within 2 years and 125 construction jobs within 6 months. (07-03-12).

- No. 13: **L-GP-7064 – Curran-Gardner Township Public Water District**
Request for preliminary approval of the issuance of Local Government Pooled Program Bonds in an amount not-to-exceed \$2,865,000 to provide financing of water system updates for the Curran Gardner Township Public Water District located in Springfield, Illinois. (07-03-13).
- No. 14: **P-SW-PO-TE-CD-547 – Waste Management of Illinois, Inc. and its wholly-owned subsidiaries**
Request for final approval of the issuance of Solid Waste Disposal Bonds in an amount not-to-exceed \$30,000,000 to finance landfill cell construction, construction of leachate/methane gas collection systems and to purchase containers, transportation equipment and equipment for use at eight (8) Waste Management project sites located throughout Illinois. This project is expected to create 10 new jobs over 2 years and 12 construction jobs (for cell construction) within 11 to 32 months. (07-03-14).

Chairman Gustman asked if the Board had any questions or comments with respect to Project nos. 1 through 14. Chairman Gustman reiterated that the Board had reviewed all of the projects in detail at the March 13, 2007 Board Meeting including consideration of all testimony of guests provided at the March 13, 2007 Board Meeting for the projects. There being no additional comments or questions, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 1 through 14. Leave was granted. Project nos. 1 through 14 were approved with 10 ayes, 0 nays, and 0 abstentions.

- No. 15: **I-FT-TE-CD-7068 – CenterPoint Crete Terminal Railroad 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 \$505,000,000 for i) the acquisition of land, ii) the construction of rail improvements and iii) the construction of all or a portion of an estimated four to eight warehousing and distribution facilities and related infrastructure for a project located in Unincorporated Will County, Illinois. The IFA's issuance of the bonds for this project are conditioned on the borrower's receipt of an allocation from the United States Secretary of Transportation of a portion of \$15 billion of nationwide authority to issue tax-exempt bonds for the financing of qualified or surface freight transfer facilities. The project is expected to create 800 FTE jobs within the initial 5 years of the project (1,600 FTE jobs estimated over 10 years) and 500 construction jobs within the initial 5 years of the project (1,000 construction jobs estimated over 10-years). (07-03-15).

Chairman Gustman asked if the Board had any questions with respect to Project no. 15. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Nesbitt and seconded by Mr. Rice. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 15 was approved with 8 ayes, 0 nays, and 2 abstentions (Gustman and

O'Brien). Chairman Gustman abstained because his law firm represents the borrower from time to time. Mr. O'Brien abstained because his firm has done work for the borrower from time to time.

- No. 16** **I-ID-TE-CD-7062 – Hadady Corporation & Hadady Investment Company**
Request for preliminary approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$7,300,000 to i) construct a manufacturing facility and ii) acquire manufacturing equipment and machining center for a project located in Lynwood, Illinois. This project is expected to require \$7,100,000 of Authority volume cap. This project is expected to create 35 new jobs within 1 year and 100 construction jobs within 4 months. (07-03-16).
- No. 17** **I-IR-TE-CD-7033 – Ozinga Bros., Inc. and Subsidiaries**
Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$9,800,000 for the acquisition of trucks and equipment for a project located in various locations throughout Illinois. This project is expected to require \$9,800,000 of Authority volume cap. This project is expected to create 105 new jobs within 2 years. (07-03-17).
- No. 18** **I-ID-TE-CD-7004 – Optima L.L.C. and Plochman Inc.**
Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$2,000,000 to refund prior bonds issued by the Illinois Development Finance Authority, a predecessor of the Authority for a project located in Manteno, Illinois. This project is expected to create 6 new jobs. (07-03-18).
- No. 19** **I-ID-TE-CD-7043 – Tella Tool and Manufacturing Company and LaSalle Trust #109240**
Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$3,000,000 to refund prior bonds of the borrower and to fund legal and professional issuance costs for a project located in Lombard, Illinois. (07-03-19).
- No. 20** **E-PC-TE-CD-7036 – Bradley University**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$90,000,000 to i) refund prior bonds of the borrower, ii) finance the costs of constructing and equipping of a student recreation center, an athletic support facility, a parking structure and student housing and iii) pay capitalized interest and certain costs of issuance for a project located in Peoria, Illinois. The project is expected to create 50 construction jobs within 12 months. (07-03-20).
- No. 21** **E-PC-TE-CD-7028 – Loyola University**
Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$27,635,000 to refund prior bonds issued by the Illinois

Education Facilities Authority for a project located in Chicago, Illinois. (07-03-21).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 16 through 21. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Rivera and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project nos. 16 through 21 were approved with 10 ayes, 0 nays, and 0 abstentions.

Resolutions/Project Revisions/Amendatory Resolutions

No. 22: **Amendatory Resolution authorizing the execution and delivery of the First Supplemental Trust Indenture, a First Amendment to the Loan Agreement, a First Amendment to Escrow Agreement and related documents all in connection with the Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Bradley University Project) Series 2002 and authorizing and approving related matters.** Request to authorize and approve the execution of documents necessary to effectuate the replacement of the existing bond insurance provider with a successor bond insurance provider. (07-03-22).

Chairman Gustman asked if the Board had any questions with respect to Project no. 22. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Rivera and seconded by Mr. Zeller. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 22 was approved with 10 ayes, 0 nays, and 0 abstentions

Chairman Gustman asked if there was any other business to come before the Board. Mr. Nesbitt asked to have the record reflect that the quorum of the physically present board members had authorized the vote of the members participating via telephone. Chairman Gustman asked to have the record reflect such authorization.

There being no further business Chairman Gustman requested a motion to adjourn. Upon a motion by Ms. Talbott and seconded by Mr. Goetz, the meeting adjourned at approximately 2:45 p.m.

Respectfully Submitted,


Carla B. Burgess Jones, Secretary

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**MINUTES OF THE MARCH 13, 2007 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 3:00 p.m. on March 13, 2007 at the Illinois State Library, Room 403 and 404, 300 S. Second Street, Springfield, Illinois.

Members present:

David C. Gustman, Chair
Michael W. Goetz
Edward H. Leonard, Sr.
Andrew W. Rice
Juan B. Rivera
Joseph P. Valenti
Bradley A. Zeller

Members absent:

Ronald E. DeNard
James J. Fuentes
Dr. Roger D. Herrin
Martin H. Nesbitt
Terrence M. O'Brien

**Members participating by
telephone:**

Magda M. Boyles
Lynn F. Talbott

Vacancies: 1

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 3:10 p.m. with the above members present. Chairman Gustman noted that the Illinois Finance Authority Act requires eight (8) members of the board to be "physically" present to establish a quorum for the meeting. Chairman Gustman explained that although there were nine (9) members of the Board available at the meeting (seven members physically present and two members participating by phone) the Board did not have a quorum necessary to take action or approve matters to be presented to the Board. Chairman Gustman, however, noted that the Board members present met at the 12:00 p.m. Committee of the Whole meeting and held full discussions on all projects to be presented to the Board. Chairman Gustman also stated that because the board did not have a quorum necessary to approve the transactions to be presented, the Board would consider all of the projects at its regularly scheduled meeting on April 10, 2007 or convene a special meeting of the Board sometime during the week of March 19th.

Because there were nine (9) members of the Board available, Chairman Gustman explained that the Board would hear testimony from any guests present at the meeting for any projects to be considered and would consider this testimony when the Board would reconvene to consider the projects noted on the March 13th Agenda.

Interim Executive Director's Report

Chairman Gustman then welcomed everyone present and asked Interim Executive Director Rendleman to give her report. Interim Executive Director Rendleman welcomed everyone and announced that the Board would be considering projects from all market sectors from agriculture projects to day care projects to senior living projects. Ms. Rendleman announced that since its inception in January 2004, the IFA has met the Illinois General Assembly's mandate for the IFA

to be a self-funded agency and that the IFA had not requested appropriations to fund its operations from the General Assembly. Ms. Rendleman attributed the success of the IFA to its fine staff as well as its consultants, counsel and other professionals. Ms. Rendleman thanked everyone for contributing to the IFA's success.

Projects

Chairman Gustman explained that the IFA's projects were divided by market sectors. He noted that the first market sector is Agriculture. Chairman Gustman explained Projects Nos. 1-5 on the Agenda are all in the Agriculture market sector. Chairman Gustman asked if there were any guests present to discuss Projects Nos. 1-5. There being no guests for these projects, Chairman Gustman explained that if there had been a quorum present, it is likely that these projects would have been approved.

Chairman Gustman explained that the next market sector is Healthcare. Chairman Gustman explained Projects Nos. 6-9 on the Agenda are all in the Healthcare market sector. Chairman Gustman asked if there were any guests present to discuss Projects Nos. 6-9. There being no guests for these projects, Chairman Gustman explained that if there had been a quorum present, it is likely that these projects would have been approved. Chairman Gustman also reminded everyone that the Board considered each of the projects to be presented at the meeting in detail at the 12:00 p.m. meeting of the Committee of the Whole of the Board.

Chairman Gustman explained that the next market sector is Communities and Culture. Chairman Gustman explained Projects Nos. 10-13 on the Agenda are all in the Communities and Culture market sector. Chairman Gustman asked if there were any guests present to discuss Projects Nos. 10-13. There being no guests for these projects, Chairman Gustman explained that if there had been a quorum present, it is likely that these projects would have been approved.

Chairman Gustman explained that the next market sector is Business and Industry. Chairman Gustman explained Projects Nos. 14-19 on the Agenda are all in the Business and Industry Healthcare market sector. Chairman Gustman asked if there were any guests present to discuss Projects Nos. 14-19. Chairman Gustman noted that there were several guests present to discuss Project No. 14, Waste Management of Illinois, Inc. Chairman Gustman asked Ms. Rendleman to read Project No. 14 into the record.

No. 14: P-SW-PO-TE-CD-547– Waste Management of Illinois, Inc. and its wholly-owned subsidiaries

Request for final approval of the issuance of solid waste disposal bonds in an amount not-to-exceed \$30,000,000 to finance landfill cell construction, construction of leachate/methane gas collection systems, and to purchase containers, transportation equipment and equipment for use at eight Waste Management project sites.

Chairman Gustman asked Funding Manager Rich Frampton to introduce his guests for the project. Mr. Frampton introduced Lawrence Tonumura of Banc of America Securities LLC, Tom Smith of Ice Miller, LLP, Cherie Rice, Treasurer of Waste Management, Inc., and David LaPaul, Assistant Treasurer of Waste Management, Inc., and Ernest "Denny" Dennison of Waste

Management, Inc. Mr. Tonumura thanked the Board for consideration of the project and stated that they would be available to answer questions of the Board or respond to matters raised by other guests attending the meeting to discuss the Waste Management project.

Chairman Gustman asked if there were any other guests present that desired to speak either as a proponent or opponent of the project. Ms. Kathy Andria, President of the Illinois Chapter of the Sierra Club and the American Bottom Conservancy, introduced herself and announced that she desired to oppose the project. Chairman Gustman welcomed Ms. Andria and granted her time to provide her comments.

Ms. Andria explained that Waste Management has strong revenues and has provided significant returns to its shareholders and, therefore, Waste Management should not be entitled to tax exempt bond financing. She also explained that Waste Management operates three landfills in the Metro East Area, two of which are located in the American Bottom Flood Plain. She also explained that Waste Management is seeking approval for a third landfill in the flood plain. She stated that landfills should not be sited in flood plains and announced that she had filed an objection with the Illinois Pollution Control Board opposing Waste Management's permit. Ms. Andria also explained that the location of the third landfill is located in close proximity (approximately 2100 feet) to the Cahokia Mounds World Heritage Site. She noted that the Cahokia Archaeological Society and Powell Archaeological Research Center have requested that the landfill not be located at the proposed site. Ms. Andria concluded by requesting the Board to deny Waste Management's request for issuance of tax exempt bonds.

Chairman Gustman thanked Ms. Andria for her comments. Chairman Gustman also noted that the Board had received copies of the letters submitted by the American Bottom Conservancy, the Illinois Chapter of the Sierra Club, Health & Environmental Justice St. Louis and the United Congregations of Metro-East at the TEFRA hearing for the Waste Management project held on March 9, 2007 which raised similar matters as those discussed by Ms. Andria.

Chairman Gustman asked if there were any other guests attending the meeting with respect to Project No. 14. Mr. Jack Norman, volunteer to the Illinois Chapter of the Sierra Club and a resident of Madison County, Illinois, introduced himself and announced that he desired to oppose the project. Chairman Gustman welcomed Mr. Norman and granted him time to provide his comments.

Mr. Norman stated that he opposes Waste Management's expansion of its Milam Landfill in Madison County, Illinois for the reasons discussed by Ms. Andria. Mr. Norman also explained that he did not believe the TEFRA hearing notice was specific enough for him to determine whether projects were being financed at the existing site of the Milam Landfill located in Fairmont, Illinois or for the proposed expansion in Madison, Illinois.

Chairman Gustman thanked Mr. Norman for his comments and asked if there were any other guests attending the meeting with respect to Project No. 14. Ms. Joyce Blumenshine, Conservation Chairperson of the Illinois Chapter of the Sierra Club, introduced herself and announced that she desired to oppose the project. Chairman Gustman welcomed Ms. Blumenshine and granted her time to provide her comments.

Ms. Blumenshine stated that she commends Waste Management for desiring to complete site improvements at its landfill sites but believes that these improvements should be paid for by Waste Management and that there are better uses for public funds.

Chairman Gustman thanked Ms. Blumenshine for her comments and asked if there were any other guests attending the meeting in opposition of Project No. 14. There being none. Chairman Gustman granted time for representatives of the Waste Management project to discuss the project and address matters raised by the opponents of the project.

Mr. Lawrence Tonumura thanked Chairman Gustman for an opportunity to speak. Mr. Tonumura explained that Waste Management is a responsible company that welcomes community input on its projects. Mr. Tonumura also explained that each of Waste Management's landfill sites go through several permitting processes including zoning/siting permitting at the local level city or county level as well as permitting from the Illinois Environmental Protection Agency and, if applicable, the Army Corps of Engineers. Mr. Tonumura announced that all sites for which Waste Management is seeking financing have received all necessary permits. Mr. Tonumura also explained that bond proceeds would be used for existing full-permitted Waste Management landfills and not for the expansion of any landfills. In particular, Mr. Tonumura noted that bond proceeds will not be used for the proposed expansion of the Milam Landfill into Madison, Illinois. Mr. Tonumura also explained that Waste Management is not requesting any money from the IFA or the State but rather is seeking for the IFA to issue tax-exempt bonds on a "conduit" basis as permitted by state and federal laws. He further explained that the bonds would be repaid solely from revenues of Waste Management.

Chairman Gustman thanked Mr. Tonumura for his comments and asked if any Board members had any questions. Board members asked questions relating to the project including questions relating to the zoning, siting and other permitting processes that Waste Management has gone through for its landfills, the use of bond proceeds for certain landfill sites, and the location of the various landfills. Representatives of Waste Management answered the questions of the Board.

Chairman Gustman then offered opponents of the Waste Management project time for rebuttal. Ms. Andria asserted that the existing Milam Landfill being financed by bond proceeds is located in the American Bottom Flood Plain and noted that the area has flooded as recently as 1995. She also explained the dangers of landfills located in flood plains. She concluded her remarks by asking the Board to deny Waste Management's request.

Chairman Gustman Ms. Andria for her comments and asked if any Board members had any questions. Board members asked questions regarding the location of the landfill. Mr. Dennison of Waste Management confirmed that all of landfills being financed by the bond proceeds are existing landfills. He also reiterated that bond proceeds were not being used for the proposed expansion of the Milam Landfill and explained the permitting process that Waste Management must complete before expanding such landfill. With respect to the location near the Cahokia Mounds, he explained that there have been archaeological studies on the site and that one remain had been found but no others. Finally, he explained that the existing site is not located in a flood plain.

Chairman Gustman thanked all of the guests for their comments. He explained that many of the issues raised seem to be matters relating to the site location of the landfills. Chairman Gustman explained that these matters are better to be addressed by zoning and other permitting authorities rather than the IFA. He further explained that because there was not a quorum present, no vote would be taken on the project but that if a quorum were present, it is likely the project would have been approved.

Chairman Gustman asked if there were any guests present to discuss Projects Nos. 15-19. Chairman Gustman noted that there was a guest present to discuss Project No. 15, CenterPoint Crete Terminal Railroad LLC. Chairman Gustman asked Ms. Rendleman to read Project No. 15 into the record.

No. 15: I-FT-TE-CD-7068- CenterPoint Crete Terminal Railroad LLC and its successors and assigns. Request for preliminary approval of the issuance of freight transfer facilities revenue bonds in an amount not-to-exceed \$505,000,000 to finance the acquisition of land, construction of rail improvements and the construction of all or a portion of an estimated four to eight warehousing and distribution facilities and related infrastructure located generally on an approximately 857 acre site located west of the Union Pacific Railroad/CSX Dolton-Momence line, south of new Monee Road/County Highway 21, and north of Goodenow road/County Highway 23 in unincorporated Will County, near the Village of Crete, Illinois.

Funding Manager Rich Frampton introduced Dan Hemmer of CenterPoint Properties. Mr. Hemmer explained the intermodal facility and its location in Illinois. Mr. Hemmer explained the project's access to the railroads and highways. Mr. Hemmer also stated the number of jobs expected to be created as a result of the project. Mr. Hemmer presented various schematics of the project.

Chairman Gustman thanked Mr. Hemmer for his comments and asked if any Board members had any questions. Board members asked questions relating to the process for receiving approval for the issuance of the Freight Transfer Facilities Revenue bonds. Mr. Hemmer explained the state and federal process. There being no further questions, Chairman Gustman stated that it was likely that the project would be approved at the next Board meeting.

Chairman Gustman asked if there were any guests present to discuss Projects Nos. 16-19. Chairman Gustman noted that there was a guest present to discuss Project No. 17, Ozinga Brothers, Inc. Chairman Gustman asked Ms. Rendleman to read Project No. 17 into the record.

No. 17: I-IR-TE-CD-7033 – Ozinga Brothers, Inc. and subsidiaries
Request for final approval of the issuance of industrial revenue bonds in an amount not to exceed \$9,800,000 for the purpose of financing the acquisition of ready-mix concrete trucks and other equipment.

Funding Manager Steve Trout introduced Mr. Brent VanDyk of Ozinga Brothers. Mr. VanDyk thanked the board for consideration of the project and stated that he would be available to answer questions. Chairman Gustman asked if the Board had any questions with respect to Project No.

17. There being none, Chairman Gustman stated that it was likely that the project would be approved at the next Board meeting.

Chairman Gustman asked if there were any guests present to discuss any of the remaining projects included under the Business and Industry market sector. There being none, Chairman Gustman explained Projects Nos. 20-21 on the Agenda are all in the Higher Education market sector. Chairman Gustman asked if there were any guests present to discuss Projects Nos. 20-21. Ms. Pratima Gandhi of Bradley University announced she was present to discuss Project No. 20, Bradley University. Chairman Gustman asked Ms. Rendleman to read Project No. 20 into the record.

No. 20: E-PC-TE-CD-7036 – Bradley University

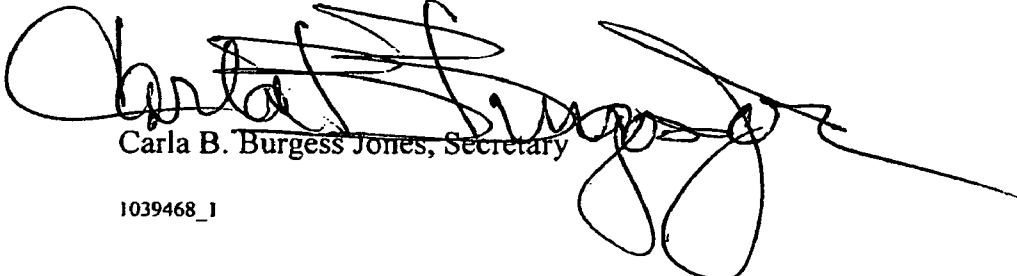
Request for final approval of the issuance of 501(c)(3) bonds in an amount not to exceed \$90,000,000 for the purpose of: (1) refunding certain of the University's outstanding bonds, (2) financing the cost of constructing and equipping a student recreation center, athletic support facility and parking structure, (3) constructing, renovating and equipping academic and academic support facilities and student housing, and (4) paying capitalized interest.

Ms. Pratima Gandhi thanked the Board for consideration of the project and described the project and use of bond proceeds. Chairman Gustman asked if the Board had any questions with respect to Project No. 20. There being none, Chairman Gustman stated that it was likely that the project would be approved at the next Board meeting.

Gustman stated that there was one amendatory resolution under consideration, Project. No. 22. Chairman Gustman asked if there were any guests present to discuss Projects Nos. 22. There being none, Chairman Gustman announced that discussion of the projects had concluded.

Chairman Gustman asked if there was any other business to come before the Board. There being no further business Chairman Gustman adjourned the meeting at 4:05 p.m.

Respectfully Submitted,



Carla B. Burgess Jones, Secretary

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**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Shane D. Hansen

STATISTICS

Project Number:	A-SG-TX-GT-7078	Amount:	\$457,300
Type:	Specialized Livestock Guarantee	IFA Staff:	Cory Mitchell
Location:	Aledo, IL		

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Country Bank of Aledo, Illinois.
\$457,300 of State Treasurer's Agricultural Reserve Risk funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:

- Receipt of satisfactory appraisal verifying a loan to value ratio of 80% or less.
- Assignment of Term Life Insurance policy on borrower for amount of loan
- Assignment of Contract Payments from Biddle Farms Inc.

PURPOSE

The proposed loan funds will be used to provide permanent financing for a 2,400 head swine finishing facility.

IFA PROGRAM AND CONTRIBUTION

The Authority's Specialized Livestock Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms.

VOTING RECORD

None. This is the first time that this project has been presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IFA	\$457,300	Uses:	New 2,400 Head Swine	
	Country Bank	<u>80,700</u>		Finishing Facility	<u>\$538,000</u>
	Total	<u>\$538,000</u>		Total	<u>\$538,000</u>

JOBS

Current employment:	N/A	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

BUSINESS SUMMARY

Background: Shane Hansen resides in Aledo, Illinois with his wife and daughter. He is employed at a local manufacturing plant full time and has worked approximately 5 years part-time for a local hog producer who feeds hogs under contract. Shane has been involved with pork production a large portion of his life and wants to improve his personal cash flow and build net worth in his operation through contract feeding hogs and maintaining full-time employment at the local manufacturing plant.

Project Rationale: Country Bank has requested a Specialized Livestock Guarantee for a loan in the amount of \$538,000. The IFA guarantee will provide the borrower permanent financing for the purchase of a 2,400 head swine finishing facility. The borrower's grandmother will be gifting 15 acres for the hog facility and pledging an additional 89 acres as collateral.

Transaction: The proposed loan will be used to provide permanent financing for a new 2,400 head swine finishing facility in the amount of \$538,000. The loan will be written with a 5 year term and a 12 year amortization. The loan will be secured by the swine finishing building and 104 acres of farm land.

FINANCING SUMMARY

Borrower: Shane D. Hansen

Security: 1st REM on 2,400 head swine finishing facility, 1st mortgage on 104 acres farm real estate, assignment of contract payments from Biddle Farms Inc. and an assignment of life insurance policy on borrower for amount of loan.

Structure: 5 year term 12 year amortization with monthly P&I.

PROJECT SUMMARY

The borrower is purchasing a new 2,400 head swine finishing facility in the amount of \$538,000 to finish hogs under contract with Biddle Farms Inc. Country Bank is utilizing the Specialized Livestock Guarantee to allow the borrowers repayment to be lengthened over a longer period of time than the bank could offer internally. By using the IFA Specialized Livestock Guarantee, the bank is able to offer a rate 175 basis points lower. The borrower's grandmother will be gifting 15 acres to him and pledging an additional 89 acres of farm real estate as collateral.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Shane D. Hansen

Location: 403 SW 2nd Street
Aledo, IL 61231 County: Mercer

Organization: Sole Proprietorship

State: Illinois

Ownership: Shane D. Hansen

PROFESSIONAL & FINANCIAL

Accountant: Charles E. Wood

Attorney: n/a

Bank: Country Bank, Aledo, Illinois Michael J. Brokaw, VP Ag Loan Director

LEGISLATIVE DISTRICTS

Congressional:
17th, Phil Hare ✓

State Senate:
36th Mike Jacobs ✓

State House:
72nd Patrick Verschoore ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

Project: Illinois River Energy, LLC

STATISTICS

Project Number:	P-SW-TE-CD-6203		
Type:	Conduit Solid Waste Disposal Facilities Bonds	Amount:	\$30,000,000
	Agri-Industry Loan Guarantee		\$30,000,000
Location:	Rochelle	IFA Staff:	Steven Trout

BOARD ACTION

Preliminary Bond Resolution	No extraordinary conditions
Conduit Solid Waste Disposal Facilities Revenue Bonds	Staff recommends approval
Agribusiness Loan Guarantee	
Up to \$30,000,000 of State funds at risk	

PURPOSE

To finance the construction of 50 million gallon capacity expansion ethanol plant adjacent to the Illinois River Energy, LLC ("IRE") existing ethanol plant, the acquisition and installation of machinery and equipment, including qualifying solid waste disposal facilities, and pay cost of insurance.

IFA CONTRIBUTION & PROGRAM

Solid Waste Disposal Facilities Revenue Bonds ("SWDBs") are municipal bonds that finance qualifying, privately-owned facilities that are used in whole or in part to collect, store, treat, transport, utilize, process or provide for the final disposal of solid waste. Interest earned on the bonds is exempt from federal income tax liability, which will result in a reduced rate of interest payable by the borrower. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget ("GOMB").**

Under the Agri-Industry Guarantee program, the Authority guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois. The Authority's issuance of its guarantee will further reduce the Borrower's interest rate and improve the terms of financing for this project.

VOTING RECORD

This is the first time this project has been presented to the Board.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Issued Tax Exempt Solid Waste Disposal Bonds	\$30,000,000	Uses:	Project Costs	\$100,900,000
	Bank Senior Taxable Credit Facilities	63,000,000		Capitalized Interest	10,600,000
	Equity	<u>36,000,000</u>		Debt Service Reserve	3,000,000
				Owner's Contingency	8,500,000
				Insur. & Closing Costs	<u>6,000,000</u>
Total		\$129,000,000			\$129,000,000

JOBS

Current employment:	34	Projected new jobs:	15
Jobs retained:	0	Construction jobs:	100-300 (18 months)

BUSINESS SUMMARY

- Description:** A farm cooperative established Illinois River Energy, LLC ("IRE") on February 2, 2002 as a Delaware limited liability company to develop, construct and operate an ethanol plant in Illinois. In October 2004, IRE acquired the 81 acres site in Rochelle on which the plant is now built. IRE reviewed a total of sixteen possible sites throughout Illinois before selecting the current site.
- GTL Resources USA Inc. ("GTL") is the wholly-owned subsidiary of GTL Resources, PLC. In September 2005, GTL acquired an 85% controlling interest in IRE to develop a 50 million gallon per year (MGY) ethanol plant in Rochelle. The plant has commenced production in December of 2006 and is now fully operational at 50MGY.
- Background:** In a bio-refinery, a mechanical or chemical process separates biomass (plants and organic matter) into components for further processing into marketable products; such as, fuel additives, proteins, edible oils, and animal feeds.
- The most common bio-refinery in the U.S. is the "simple dry-mill" ethanol plant. Simple dry-mill technology processes whole grains into three products: fuel-grade ethanol, carbon dioxide gas ("CO₂"), and an animal feed called distiller's grain (wet and dried).
- The IRE ethanol plant is a dry-milling facility, where ethanol is produced by the yeast fermentation of corn feedstock and subsequent distillation and dehydration to remove water and by-products to produce pure (200 proof) ethanol. The corn feedstock is milled to flour, mixed with water and dosed with enzymes to convert the starches to sugars. The conversion of starch to sugar is completed in the cooking process and the resulting "beer mash" is cooled before being passed to batch fermentation vessels. Yeast is then added to the fermentation vessels and, with the temperature of the beer mash being maintained at approximately 90°F. The resulting "beer" is then passed to the distillation stage, which is a reflux distillation column, in which the column vapors are condensed to form 190-proof ethanol. The 190-proof ethanol is vaporized and passed through molecular sieves which contain a silica gel material which absorbs water molecules during the process. The absorbed water is removed under vacuum. The ethanol vapor from the molecular sieves is condensed to 200-proof ethanol.
- The residue liquids and unconverted corn mass are separated in a centrifuge and ultimately sold for cattle feed as distillers grains. The residue liquids are then passed through the evaporating process to leave a corn concentrate which is also sold as cattle feed. These by-products form a high protein cattle feed which provides a valuable revenue stream to the overall production economics.
- The Project:** On March 20, 2007, GTL and IRE announced that an expansion ethanol plant would be developed adjacent to the existing 50 million gallon ethanol plant in Rochelle, Illinois. The IRE expansion plant ("the Project") will also have a nameplate of 50 million gallons per year (MGY) of ethanol. An estimated 160,000 tons of DDGS will be produced by the expansion plant. IRE has applied to the Illinois Environmental Protection Agency for an expansion air permit and to the Illinois Department of Commerce and Economic Opportunity ("DCEO") for an Enterprise Zone annexation to a portion of Lee County for the development of the Project. Construction of the Project is scheduled to begin on June 11, 2007.
- The Project will have the same competitive advantages as those of the original IRE plant. There is an abundant corn supply in the State of Illinois and surrounding states. Cargill, Inc. will provide corn origination, energy risk management services. As a result of derivatives transactions in place for 95% of the original plant's nameplate corn requirements for 2007, IRE has benefited from corn prices which are significantly below the current market rates. The plant is the closest ethanol site to Chicago, one of the nation's largest ethanol markets.
- Rochelle has very strong transportation infrastructure, particularly with respect to truck and rail, which enable the plant's output to be economically distributed to Chicago. Rochelle is located at the intersection of two mainline rail systems, the Union Pacific and the Burlington Northern Santa

Fe. The Rochelle City Lead Track Railroad provides the plant with access to both rail lines which are the only two western transcontinental railroads. IRE is allowed use of this local rail system without incurring switching fees. There is also a rail-to-truck interposol facility near Rochelle, and resulting high truck traffic in the area, which will allow IRE to choose the best subcontractors for transporting ethanol and DDGS to profitable markets. Finally, an annexation agreement with the City of Rochelle provides city utilities up to the IRE site property line.

Preliminary engineering agreements have been executed with Fagen, Inc. ("Fagen") for the design/construction of the expansion facility. Fagen also provided these services for the original IRE ethanol plant. ICM, Inc. will provide process engineering and technology for the Project.

Provista Renewable Fuels Marketing, a joint venture ethanol-marketing company formed by US BioEnergy and CHS Inc., is the ethanol marketer of the existing plant and will be for the project.

UBE Ingredients, a wholly owned subsidiary of US BioEnergy, will market all of the DDGS.

The Team: The Company has assembled a team of highly qualified leaders to manage the project and guide their operations.

Fagen, Inc., (Fagen) will begin construction on the project in mid-June. The expected completion date is July 2009. Guarantees included in the contract with Fagen are a guaranteed fixed price for plant construction, a maximum construction period, minimum production yields, and maximum utility usage based on production. Fagen has over thirty years of construction experience and was one of the early contractors in the biofuels industry. The 100% family owned company is headquartered in Granite Falls, Minnesota. They work with over 18,000 highly skilled craftworkers nationwide that are experienced in all areas of civil, mechanical, structural steel, and electrical construction. Fagen provides safety assurance and performance bonds for projects. Together with Fagen Engineering LLC, Fagen provides complete design-build services. Fagen has been selected as the contractor to multi-ethanol plant developers such as Abengoa Bioenergy Corporation and Archer Daniels Midland as well as many smaller developers throughout the Midwest.

ICM, Inc., ("ICM") is the technology provider for the project. The company, headquartered in Colwich, Kansas, was founded in 1995 to supply innovative technology specifically to the ethanol industry. In some instances, ICM works with a select group of partners to design, build and install ethanol plant equipment. ICM also provides engineering and plant support services.

Cargill, Inc. ("Cargill") has entered into an agreement with IRE to provide corn origination and risk management services. Cargill is an international provider of food, agricultural and risk management products and services. Cargill is also one of the nation's largest ethanol producers. The company, which is based in Wayzata, Minnesota, has over 124,000 employees in 59 countries. Corn for the project will be purchased from farmers and county elevators in the area, and supplied by the Cargill AgHorizons Northern Illinois Farm Service Group. The annual supply required for the project is expected to be 18 million bushels of corn.

Provista Renewable Fuels Marketing ("Provista") was developed by US BioEnergy and CHS Inc. for the purpose of marketing ethanol produced in the U.S. The company headquarters are located in Inver Grove Heights, Minnesota. Provista will market the project's ethanol almost entirely to only the Chicago/Milwaukee area.

UBE Ingredients, a subsidiary of US BioEnergy, will market the DDGS produced by the expansion plant. In one year, ending September 30, 2006, the company successfully marketed over two million tons of DDGS for twelve different producers. The DDGS are distributed primarily by rail to livestock operations across the country. With respect to the existing plant and the expansion plant, IRE will take advantage of local container yards to export the DDGS first to the US West Coast, then to the Far East, at attractive prices.

Government Incentives:

Demands for ethanol is bolstered by a number of governmental programs regulations and incentives which are described below.

Federal and State Incentives Provided or Proposed

Partial exemption from federal excise tax on gasoline through 2011.

Federal renewable fuels standard (RFS) that will double use of ethanol and biodiesel to 7.5 billion gallons per year by 2012.

Illinois HB 387: tax credits for buyers of E85 ethanol powered vehicle; tax credits for ethanol dispensing pumps at retail stores.

Illinois Alternative Fuel Vehicle Rebates for converting vehicle to ethanol.

Illinois Sales and Use Tax Exemptions for ethanol-blended fuels.

Impact

Allows ethanol to compete successfully with gasoline with MTBE, produced by oil industry.

Mandates increase in ethanol demand nationally.

Stimulates increase in ethanol demand in Illinois.

Stimulates increase in ethanol demand in Illinois.

Lowers cost of ethanol to consumer at the pump. Allows ethanol to be price competitive with gasoline.

State Incentives Requested by the Company

IFA issuance of tax-exempt solid waste disposal bonds with volume cap allocation in amount up to \$25 million.

IFA provision of Agribusiness Loan Guarantee in an amount up to \$25 million.

\$5 million Renewable Energy Program Grant from DCEO.

Lee County Enterprise Zone Annexation (pending)

Impact

Lowers the Company's cost of debt capital. Partial tax-exempt capital structure provides a competitive advantage with respect to other ethanol producers.

Lowers the Company's cost of debt capital. The Guarantee will provide differentiation in comparison to competitors and improve the terms for lending as a result of the significant sign of State support of the project.

Lowers equity requirement by \$5 million. Reimburses IRE for higher cost of construction created by requirement of using union labor in Illinois.

Lowers the cost of infrastructure and building materials for the expansion plant.

FINANCING SUMMARY

Obligor:	Illinois River Energy, LLC.
Lender:	To be determined. IRE is negotiating terms with several lenders and, as a result, the financing structure may be subject to slight changes.
Financing:	Construction/Senior Term Debt (49%) 2 nd lien tax-exempt debt (23%)
Amount:	\$93.0 million, or approximately 72% of funding needs, plus working capital. Non-recourse debt to investors.
Maturity & Amortization	Senior Term Debt - 18 month construction (no principal) with 5 year maturity, subject to significant cash sweeps to payoff earlier. 2 nd lien debt – tenor up to 10 years
Equity Contribution:	\$36.0 million (28%).

PROJECT SUMMARY

All funding will be used to finance the construction and equipping of an ethanol production plant. The plant will be engineered and constructed by Fagen, Inc pursuant to a fixed-price/schedule engineering, procurement and

construction (EPC) contract that is currently being negotiated. Both projects will take 18 months to build. Construction is scheduled to commence in June 2007. Project costs are currently estimated as follows:

Land & Site Improvements	\$4,050,000
Management/Start-up	1,450,000
Construction	95,400,000
Total	<u>\$100,900,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Illinois River Energy, LLC, 1900 Steward Road, Rochelle, Illinois 61068
Contact Person: Richard Ruebe, Board of Managers; Phone # 312 474-7845

Project Name: Illinois River Energy, LLC Expansion Plant

Location: Rochelle, IL

Land Owners: Illinois River Energy, LLC

Organization: Illinois River Energy, LLC, a Delaware Limited Liability Company

PROFESSIONAL & FINANCIAL

Bond Counsel:	To be determined.		
Financial Advisor:	Stern Brothers	St. Louis, MO	John May
Lender:	To be determined.		
Lender's Counsel:	To be determined.		
Issuer's Counsel:	Kevin Cahill	Chicago	Kevin Cahill
General Contractor:	Fagen, Inc.	Granite Falls, MN	
Feasibility Consultants:			

LEGISLATIVE DISTRICTS

Congressional:	14 ✓
State Senate:	45 ✓
State House:	90 ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Rentech Energy Midwest Corp.

STATISTICS

Project Number:	I-ID-TX-MO-6221	IFA Staff:	Steven Trout
Type:	Clean Coal and Energy Moral Obligation Bond	Amount	\$150,000,000 (not to exceed)
	Environmental and Water Facility Bonds	Amount	\$150,000,000 (not to exceed)
Location:	East Dubuque	SIC Code:	32531: Nitrogenous Fertilizer Manufacturing

BOARD ACTION

Amendatory Bond Resolution
Clean Coal and Energy Moral Obligation Bonds and Tax-Exempt Environmental and Water Facility Bonds
\$150,000,000 of State funds at risk, subject to GOMB
Staff recommends approval

PURPOSE

Proceeds will be used to finance (i) the construction and rehabilitation of real estate, (ii) acquisition and installation of machinery and equipment, and (iii) legal and professional costs (iv) capitalized interest and (v) a debt service reserve fund to convert an existing nitrogen fertilizer plant from natural gas to an integrated fertilizer and Fischer Tropsch ("FT") fuel production facility using coal gasification.

IFA PROGRAM AND CONTRIBUTION

The IFA is authorized to issue Clean Coal and Energy Bonds to finance up to \$3 billion in projects for new electric generating facilities, transmission facilities, scrubbers and alternative energy projects. Subject to obtaining written approval from the Governor, the Authority may issue bonds for Clean Coal and Energy projects that are secured by the State's Moral Obligation. Upon notice from the Authority that project revenues securing Moral Obligation Bonds will be insufficient to pay principal and interest when due, the Governor shall submit a request to the General Assembly for funds sufficient to pay debt service as soon as practicable.

Environmental and Water Facilities Revenue Bonds are municipal bonds that finance qualifying, privately-owned facilities that are used in whole or in part to treat, transport, utilize, process or provide for the final disposal of environmental waste and to provide infrastructure improvements to local water facilities, respectively. Interest earned on the bonds is exempt from federal income tax liability, which will result in a reduced rate of interest payable by the borrower. These bonds may be secured by the State's Moral Obligation as an alternative, or in addition, to some amount of the Clean Coal and Energy Bonds. Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget ("GOMB").

VOTING RECORD

The IFA Board adopted a preliminary resolution for the issuance of \$150 million in Clean Coal and Energy Moral Obligation Bonds on November 14, 2006 by the following vote:

Ayes: 9 Nays: 0 Abstentions: 0
Absent: 6 (Boyles, DeNard, Herrin, Nesbitt, Rice, Rivera)

Rentech is presenting this project again to seek an inducement for up to \$150,000,000 in project costs that may qualify for Bond financing to preserve its ability to reimburse itself for costs incurred prior to closing on the Bonds, which is expected later in 2007.

ESTIMATED SOURCES AND USES OF FUNDS (SUBJECT TO CHANGE)

Sources:	Bank Financing	\$350,000,000	Uses:	Project Costs	664,004,000
	Moral Ob Bonds	150,000,000		Working Capital	30,500,000
	Rentech Equity	198,572,000		Capitalized Interest	98,612,000
	Third Party Equity	154,500,000		Debt Service Reserve:	48,604,000
	DCEO Grants	<u>17,500,000</u>		Professional Fees:	<u>28,852,000</u>
	Total	<u>\$870,752,000</u>		Total	<u>\$870,572,000</u>

JOBS

Current employment:	110	Projected new jobs:	110 (1 year)
Jobs retained:	110	Construction jobs:	1,500 -2,000 (42 months)

BUSINESS SUMMARY

Description: Rentech Energy Midwest Corp. (the "Company" or "REMC") is an indirect, wholly owned subsidiary of Rentech, Inc., that will be incorporated as a C-Corporation in Delaware. Rentech, Inc. is a Denver based C-corporation that was incorporated in 1981 and is listed on the American Stock Exchange (ticker: RTK. Rentech, Inc., was established to develop technologies that transform under-utilized energy resources into valuable and clean alternative fuels, chemicals and power. Rentech has developed an advanced derivative of the well-established Fischer-Tropsch, or FT, process for manufacturing diesel fuel, which was originally developed in Germany in 1920's. This proprietary application of the FT process (the "Rentech Process") efficiently converts synthetic gas derived from coal, petroleum coke or natural gas into liquid hydrocarbon products, including low-sulfur diesel and jet fuels.

The Project: Rentech has historically focused on the research and development of the Rentech Process and its licensing to third parties. During the 2004, Rentech decided to directly deploy its technology in select domestic projects in order to demonstrate commercial operations of the Rentech Process. Rentech is planning to initially to implement this strategy by converting an operational natural gas-fed nitrogen fertilizer facility ("the Facility") in East Dubuque acquired from Agrium Inc., in April 2006 into a coal-fired facility. This strategy will allow Rentech to accelerate the deployment of the Rentech Process on a commercial scale by using the Facility's existing infrastructure and operating systems.

Rentech intends to continue to operate the Facility for the production of nitrogen fertilizer products while converting it to Illinois coal in phases. Phase 1 will consist of installing Conoco Phillips' E-Gas clean coal gasification process to convert the plant from natural gas to coal. This conversion will enable Rentech to capture the current and projected price differential between natural gas and Illinois coal and relative price stability of Illinois coal to produce fertilizer at a much lower and more predictable cost. Phase 1A will consist of installing the Rentech Process to produce liquid hydrocarbon products such as diesel and jet fuels from excess synthesis gas produced by the gasification process. (Phase 1 and 1A are collectively referred to as the "Project"). The FT liquids produced will increase the revenues to the Project, although the primary source of revenue will be derived from fertilizer sales.

The converted facility is designed to produce enough power to meet all of its needs and to provide any excess power to the local grid, continue to manufacture ammonia fertilizer and increase production to 930 tons per day (upon completion of Phase 1) and 1,500 barrels per day of clean-burning, FT liquids (upon completion of Phase 1A). It is expected to consume approximately 2,600 tons per day of Illinois coal. The project duration from front end engineering and design through mechanical completion is expected to be three and a half years with the Phase 1 conversion completed by the end of 2009 and Phase 1A completed 6 months following. Once operational, the East Dubuque Facility is expected to be the low cost producer of nitrogen fertilizer

in the Midwest Corn Belt Market and to be the first commercial scale producer of FT fuels in the U.S.

Rentech is planning to invest another \$250 million to \$350 million to install a specialty chemical production facility at the site within several years of successful implementation of the Project in a Phase 2. Phase 2 and its costs, cashflows and benefits is not included in this Summary.

Gasification: Rentech believes that gasification offers the cleanest, most efficient method available to produce synthetic natural gas from low or negative –value carbon-based feedstocks, such as coal, petroleum coke, high-sulfur fuel oil or other materials that would otherwise be disposed as waste. Gasification has been used commercially for over 50 years as a process technology for the refining, chemical and power industries. Between 1990 and 2004, world gasification capacity has nearly tripled, with 62 new facilities coming on line. Coal and petroleum based materials are the feedstock for 86% of production capacity as of 2004. Rentech believes that Illinois coal is particularly suited for gasification because of its high energy content. The Project has been designed to consume Illinois valley coal and can not be converted to other fuel sources without closing the gasifier for an extended period and incurring significant capital costs.

Coal gasification is a technology that has existed for decades. The conversion of a natural gas-fed fertilizer plant to coal gasification has been successfully completed at a plant in Coffeyville, Kansas. The East Dubuque Facility will employ ConocoPhillips' E-Gas™ Technology for coal gasification, a process which is based on slurry feed utilizing a two-stage gasifier coupled with a unique high-temperature heat recovery unit. E-Gas™ has been successfully employed in several projects, most notably the Wabash River Coal Gasification Repowering Project ("Wabash"), an integrated gasification combined cycle ("IGCC") power project in Terre Haute, Indiana.

The Process: The Rentech Process is an advanced derivative of the well-established FT process for manufacturing diesel fuel and other fuel products. The FT process was originally developed in Germany in the 1920s. Rentech believes that its Process' ability to utilize a broad range of hydrocarbon feedstocks, including coal and other lower-cost inputs, distinguish it from competing technologies. Other aspects of the technology are patented and proprietary catalyst, reactor design, and over process configuration. Rentech believes that its Process can convert solids to liquid fuels at lower capital and operating costs than other available FT technologies. Use of the Rentech process in a FT facility was successfully demonstrated in 1992 and 1993 at the Synhytech facility in Pueblo, Colorado.

Management believes that the Rentech processes and the fuels that it produces carry unique and differentiating characteristics that will facilitate economic deployment of its process in commercial quantities. The process uses solids such as coal, which has a lower and more stable cost than other hydrocarbon-based feedstocks, such as natural gas. The products have a long-shelf life and can be manufactured using domestic resources, thereby addressing concerns over dependence on foreign control of oil reserves and limited domestic refining capacity. Rentech believes that there are no restrictions on the immediate and widespread use of the fuels produced by the Rentech Process, as they are biodegradable and clean-burning (exceeding all current and announce future environmental rules applicable to diesel engines) and require no new infrastructure.

Governmental Support:

In 2000, Congress designated liquid fuels from coal as an "alternative fuel: under the Energy Policy Act of 1992. The Energy Policy Act of 1992 set the stage for incentives under the Highway Reauthorization and Excise Tax Simplification Act of 2005, which provides a 50 cent per gallon fuel excise tax credit for FT from coal, and Energy Policy Act of 2005 ("EPACT 2005"), which provides for a 20% tax credit for qualifying gasification projects and authorizes grants for gasification and gasification co-production. In addition, the EPACT authorizes comprehensive loan guarantees up to 80% of the project cost for deployment and commercialization of innovative technologies. Rentech has applied to the US Treasury for federal tax credits under the 48(b) program and expects a response by the end of 2006. To be eligible for the tax credits, the recipient must not pursue tax-exempt financing. Discussions with the US EPA suggest that the tax credit amount provided to Rentech will not provide significant cost savings; as a result, Rentech is requesting the issuance of tax-exempt bonds to finance eligible project costs.

Located on the east bank of the Mississippi River in the center of the Illinois, Iowa and Wisconsin Tri-State Region, the project has received widespread support in the area. DCEO and the Clean Coal Review Board has provided the project with \$5.5 million in development funding and Coal competitiveness grants. Rentech believes that it will be eligible for an additional \$12 million in capital grants from DCEO. In addition, the Project has been endorsed by the Dubuque Iowa Chamber of Commerce and the mayors of Dubuque, Iowa and East Dubuque, Illinois.

Economic Benefits:

Tri-State Region Jobs: The Facility currently employs 110 Union works. Rentech plans to add 110 permanent jobs upon completion of the Project.

- Salary plus benefits of approximately \$85,000 per year
- Conversion project will facilitate estimated creation of 1,500 indirect jobs
- Without conversion, plant likely shut down in 10-15 years, laying off employees
- 750 Construction jobs at peak

Downstate Benefits: REMC to consume 1 million tons of Illinois coal per year

- REMC to purchase coal from mines in Southern Illinois
- Coal demand will create estimated 75 to 100 coal mining jobs

Support for Domestic Fertilizer Industry and Region Farmers: REMC Provides support to domestic fertilizer industry

- Rising US natural gas prices have contributed to the closure of 26 US nitrogen fertilizer facilities or 35% of domestic production capacity since 1998
- Dramatic increase in imported fertilizer – 40% of domestic fertilizer consumption was imported in 2005, with imported fertilizer expected to grow to 50% in 2006.
- Rentech's supply of fertilizer produced from coal will reduce farmers' vulnerability to volatile natural gas prices and fluctuations in supply of imported fertilizer.

Project Team:

ConocoPhillips – will provide the gasification technology for the Project's gasifier, using its E-Gas™ Technology. ConocoPhillips is one of the largest integrated energy companies in the world, with approximately 37,000 employees. Its Gasification staff has over 300 combined years of experience directly related to the design, implementation and operation of gasification plants. Rentech expects to finalize the EPC contract in May of 2007

Kiewit Energy Corporation ("Kiewit") – will develop the engineering, procurement and construction ("EPC") contract pricing, perform the front-end engineering and ultimately serve as the EPC contractor for the Project. REMC engaged Kiewit to complete the Front-End Engineering and Design ("FEED") which began in June 2006. Kiewit is one of the largest construction companies in North America, with a core staff of over 4,600 salaried and hourly employees and over 10,000 craft employees. Kiewit offers experience in a variety of construction services and has been in business for more than 120 years. Though its subsidiaries, Kiewit is currently executing three different projects in Illinois and is working with WorleyParsons on four other projects.

WorleyParsons ("Worley") – has been engaged (through Kiewit) as the engineering lead for the design work. Worley is a leading provider of professional services to the energy, resource and complex process industries and has over 13,000 employees in 73 offices worldwide. Worley has extensive experience in the development and management of process design packages for a variety of processing units and brings much expertise and project management to the Project.

UOP is expected to provide the product upgrade unit for the Project's FT synthesis unit. UOP, a Honeywell company, is a technology provider to the petroleum refining, gas processing, petrochemical production and major manufacturing industries. UOP has been in existence for almost 100 years and has generated thousands of patents, leading to important advances in process technology, profitability consultation, and equipment design.

Haldor Topsoe ("Haldor") – is expected to provide the ammonia synthesis technology for the project. With over 1,600 employees worldwide, Haldor has been a major main supplier of catalysts

and technology for the ammonia industry for over 50 years. Over the past decade, Haldor has supplied catalysts and technology for approximately 50% of the new ammonia capacity worldwide.

Rentech – and REMC will enter into an operating and maintenance agreement and technology licensing agreements, whereby Rentech will provide these services to the Project. The Project will also have a shared facility agreement with an affiliated company (to be determined) to govern the operations of the co-located FT operations. Rentech, through its wholly owned subsidiary Rentech Development Corporation, currently owns 100% of REMC

Peabody Energy (“Peabody”) – was selected after Rentech completed negotiations for a large fixed-price coal supply contract. Peabody will supply coal from its four mines located in Southern Illinois: Riola, Wildcat Hills, Willow Lake, and Gateway. Rentech will enter into a 10-year fixed agreement with Peabody that will provide the Project with a low-cost, Illinois-based coal supply.

Agrium, Inc. (“Agrium”) – and REMC have entered into a 10-year agreements for the distribution of the Project’s ammonia fertilizer products. Agrium is one of the largest fertilizer companies in the world and engages in the production, marketing, and distribution of agricultural products and services in various fertilizer markets in North and South America.

Trinity Consultant – has been engaged by REMC as their environmental consultants for the Project. Trinity is assisting REMC on the filing of all federal, state, and local environmental permits necessary in order to commence construction and operation of the Project. Trinity Consultants has over 30 years of experience in assisting industrial facilities nationwide with a wide range of environmental and regulatory compliance issues.

Permits: REMC has engaged outside environmental consultant, Trinity Consultants for assistance in identifying all permits required by the Project and the filing of the related applications for approval. Additionally, outside legal counsel, Latham & Watkins has been engaged to review the Project’s permitting requirements. REMC believes it has identified all necessary permits required to commence construction on the Project and has a clearly defined plan to obtain all relevant regulatory approvals for the Project.

On June 15, 2006, a preliminary application for an air permit for the Project was filed with the Illinois EPA with the assistance of Trinity. The air permit will be submitted just after the first of the year. Remaining applications will be filed according to the timetable plan as set forth between REMC and Trinity.

FINANCING SUMMARY

Obligor: Rentech Midwest Corp. or a designated project entity
Security: The Bonds may be secured by a bank letter of credit or bond insurance policy.
The Bonds: The Bonds are expected to be sold as fixed rate bonds with a bank letter of credit or insurance policy from a municipal bond insurer.
Collateral: Expected to include a second mortgage in real estate and a second lien on machinery and equipment.
Credit Rating: The Bond may be rated, based on the rating for the letter of credit or municipal insurance policy that enhances them or if issued without enhancement, the rating on the Bonds, which will be determined shortly before closing.
Maturity: Expect to mature in 20 years and amortize over the final 17 years.

Rentech Energy Midwest Corp.Clean Coal and Energy Project Moral Obligation Bond and Environmental and Water Facility Bonds
Page 6

Amendatory Resolution

April 10, 2007

IFA Staff: Steven Trout

PROJECT SUMMARY

Proceeds will be used to finance (i) the construction and rehabilitation of real estate, (ii) acquisition and installation of machinery and equipment, and (iii) legal and professional costs (iv) capitalized interest and (v) a debt service reserve fund to convert an existing nitrogen fertilizer plant from natural gas to an integrated fertilizer and Fischer Tropsch ("FT") fuel production facility using coal gasification. Project costs are estimated as follows:

Phase I	\$571,100,000
Phase 1a	52,020,000
Contingency	<u>40,884,000</u>
Total	<u>\$664,004,000</u>

Rentech is negotiating with Worley Parsons to obtain an EPC Contract with a guaranteed fixed price contract that will include liquidated damages, performance and timing guarantees and other protections that are customary for similar large construction projects.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Rentech Energy Midwest Corp.
 Project Name: East Dubuque Facility
 Project Location: 16675 US Highway 20, East Dubuque, Illinois 60125

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Latham and Watkins	Chicago	
Accountant:	KPMG, LLP	Omaha, NE	Steve Rathjen
Bond Counsel:	Chapman & Cutler	Chicago	Andrea Bacon
Bond Underwriter:	Goldman Sachs (Anticipated)	Chicago	Carlos Piniero
Underwriter's Counsel:	To be determined		
Issuer's Counsel:	Mayer, Brown, Rowe & Maw LLP	Chicago	David Narefsky
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 16th Donald A. Manzullo ✓
 State Senate: 45th Todd Sieben ✓
 State House: 89th Jim Sacia ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Unified Biofuels Technology, LLC

STATISTICS

Project Number:	P-SW-TE-CD-6203	IFA Staff:	Steven Trout
Type:	Solid Waste Disposal Facilities Bonds	Amount:	\$115,000,000 (not to exceed)
	Exempt Water Facilities Bonds	Amount:	\$11,000,000 (not to exceed)
Location:	Griggsville and Royal		

BOARD ACTION

Amendatory Bond Resolution	Unrated Bonds to be sold pursuant to IFA policy
Conduit Solid Waste Disposal Facilities Revenue Bonds	Staff recommends approval
Conduit Exempt Water Facilities Revenue Bonds	No IFA funds at risk

PURPOSE

To finance the acquisition and improvement of a 70 acre site in Griggsville and a 62 acre site in Royal, the construction of 113,400,000 gallon capacity ethanol plant at each site, the acquisition and installation of machinery and equipment, including qualifying solid waste disposal and exempt water facilities, and pay cost of insurance.

IFA CONTRIBUTION & PROGRAM

Solid Waste Disposal Facilities Revenue Bonds ("SWDBs") are municipal bonds that finance qualifying, privately-owned facilities that are used in whole or in part to collect, store, treat, transport, utilize, process or provide for the final disposal of solid waste. Water Facilities Bonds are municipal bonds that finance qualifying facilities and improvements for local water utilities. Interest earned on both types of bonds is exempt from federal income tax liability. Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget ("GOMB").

VOTING RECORD

The IFA Board adopted a preliminary resolution for the issuance of \$100 million in SWDBs on September 27, 2006 by the following vote:

Ayes – 8 Nays – 0 Absent – 6 Vacancies – 0 Absentations- 1 (Dr. Herrin)

The borrower is seeking to issue up to an additional \$15,000,000 in tax-exempt bonds to finance projects costs that have increased since this project was originally presented to the Board.

This is the first time the request for the issuance of Water Facilities Bonds has been presented to the Board.

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA Sub. Waste Disposal Bonds	\$115,000,000	Uses: Project Costs	\$405,431,000
IFA Exempt Water Facility Bonds	11,000,000	Capitalized Interest	15,084,000
Bank Senior Taxable Term Loans	240,100,000	Debt Service Reserve	15,122,000
Bank Line of Credit	20,000,000	Owner's Contingency	30,299,000
Equity Contributed by Owners	80,000,000	Insurance & Closing Fees	<u>10,164,000</u>
DCEO Grants	<u>10,000,000</u>		
Total	<u>\$476,100,000</u>		<u>\$476,100,000</u>

JOBS

Current employment:	0	Projected new jobs:	100	
Jobs retained:	0	Construction jobs:	400	(20 months)

BUSINESS SUMMARY

Description: Unified Biofuels Technology, LLC (UBT), a Delaware Limited Liability Company, is a holding company that owns 100% of two Illinois limited liability companies – Western Illinois Ethanol Project, LLC (WIEP) and Illini Ethanol, LLC (IE). WIEP and IE will each construct and operate a state-of-the-art ethanol production plant capable of producing up to 113.4 million gallons per year of fuel grade denatured ethanol along with 360,000 tons per year of marketable dry distiller’s grains (DDGS) to be sold as animal feed.

A group of Western Illinois agribusiness men and women employed Frazier Barnes & Associates, in early 2003 to conduct an ethanol feasibility study. Frazier Barnes, a prominent consulting firm for renewable fuels projects, focused its study on a 113,400,000 gallon ethanol facility to be located near Griggsville. Frazier Barnes reported that the site is one of the best it has ever reviewed and that the project should be highly profitable if properly constructed and operated.

After the Frazier Barnes study was completed, the Western Illinois Ethanol Project, LLC, was formed in early 2005 by 25 area residents interested in developing ethanol production facilities. A feasibility study recommended a site southeast of Griggsville in Pike County, an agricultural area situated between the Illinois and Mississippi rivers. Proponents funded the project which began July 1, 2005, to develop a fuel facility to produce 113.4 million gallons of denatured ethanol annually. The group created Illini Ethanol, LLC in mid 2006 to construct a second plant in Royal, Illinois.

The parent company of UBT is Heartland Ethanol, LLC (“Heartland”). Heartland is managed by a well-rounded and experienced management team. 88.0% of the sponsorship for the two ethanol plants is provided by a group of very successful entrepreneurs with a combined net worth in excess of \$2 billion.

Background: In a bio-refinery, a mechanical or chemical process separates biomass (plants and organic matter) into components for further processing into marketable products; such as, fuel additives, proteins, edible oils, and animal feeds.

The most common bio-refinery in the U.S. is the “simple dry-mill” ethanol plant. Simple dry-mill technology processes whole grains into three products: fuel-grade ethanol, carbon dioxide gas (“CO₂”), and an animal feed called distiller’s grain (wet and dried). There are 35 plants that are currently utilizing this technology or are at this time under construction.

The second type of bio-refinery is the wet-mill plant. A wet-mill plant processes grain into separate components such as starch, germ, oil, and hulls; the starch is further processed into sweeteners and/or alcohol. There are presently twelve wet-mill plants in the U.S. owned by nine major food-processing companies. Wet-mill plants generally cost two to five times more to build than a simple dry-mill plant, which explains their limited number and food industry ownership.

The Western Illinois Ethanol Project, LLC and the Illini Ethanol, LLC will develop a state-of-the-art facility using dry-mill alcohol manufacturing technology.

The Project: The Western Illinois Ethanol Project (WIEP) site is located on the south side of the Norfolk Southern rail line and west of Highway 106. The JBS United Grains facility is located directly north of the proposed ethanol plant and will provide corn feedstock. JBS United, Inc. (“JBS United”), a leading grain handling company in Illinois, is one of the local equity founders.

The JBS United Feed Facility has guaranteed both the ethanol plants all the corn feedstock to operate per year. Both plants will each require 38,464,412 bushels of corn per year to produce 113,400,000 gallons of denatured ethanol.

The Illini Ethanol (IE) site is located on approximately 62 acres of farm land traversed by the Union & Pacific north/south rail line just north of Royal, Illinois. Immediately south is a grain handling facility owned by JBS United.

Preliminary engineering agreements have been executed with Aker Kværner for the design/construction of the 113.4 million gallon per year (mmgy) facilities. Engineering, Procurement and Construction (EPC) contracts are to be finalized with Aker Kværner by April 15, 2007. Technology for the projects will be provided by Delta-T Corporation.

Three ethanol-marketing companies presented strategies for marketing the ethanol produced at the proposed plants: Eco-Energy, Inc. has been contracted by WIEP and IE as their ethanol marketer.

Bartlett Grain Company, LP ("Bartlett Grain") will market all of the DDGS. Carbon Dioxide gas will be vented, not sold.

The Team: The Company has assembled a team of highly qualified leaders to manage the project and guide their operations.

Aker Kaerner ASA is the Engineering, Procurement and Construction ("EPC") Contractor for the project. Aker is a global provider of engineering and construction services, technology products and integrated solutions and is rated "BBB-" by Fitch IBCA Rating, Ltd. The group is organized into two principal businesses, Oil & Gas ("O&G") and Engineering & Construction ("E&G"), each consisting of many separate legal entities. The Oil, Gas, Process and Energy sector within O&G is primarily responsible for the execution of technology development, engineering and construction services for foreign and domestic oil and gas development, chemicals, polymers, pharmaceuticals, mining, metals and government services. Aker reports that O&G's order book for FY 2006 ran 34% ahead of FY 2005.

Delta-T is the technology provider for the project. Delta-T provides technologies, applications and services associated with building alcohol plants. Its systems are currently operating in over 50 installations worldwide, including, Russia, India, Southeast Asia, Western and Eastern Europe, Africa, the Caribbean and North and South America.

Eco-Energy, Inc. ("Eco-Energy") has agreed to purchase 100% of project's ethanol production and provide marketing and risk management strategies. Eco-Energy has marketed ethanol since 1991 and is headquartered in Nashville, TN and maintains a sales office in Los Angeles. The Company maintains relationships with most of the major oil companies and fuel blenders in the United States. In 2003 Eco-Energy developed a terminal location in McClellan Park, California to service the gasoline blenders in the Sacramento, California market. Eco-Energy is a large supplier to ConocoPhillips, Valero Refining, Flint Hills Resources, Tesoro Refining, Shell, BP, Exxon Mobil, and Marathon Ashland Petroleum along with many others. Eco-Energy's ethanol marketing network is among the top ten in North America. Eco-Energy has entered into a marketing contract to sell 100% of the ethanol produced by WIEP and IE for two years with automatic renewals for up to six years unless WIEP or IE elects not to renew.

FC Stone, LLC has committed to enter into a risk management contract with WIEP and IE to manage the project's commodity price risk. FC Stone is a risk management and grain origination marketing firm headquartered in west Des Moines, Iowa. Their commodity roots date back to 1924, and they are a registered FCM with the Commodity Futures Trading Commission. FC Stone is also a member of the National Futures Association and is a clearing member on all major U.S. futures exchanges. The FC Stone Renewable Fuels Group brings market risk intelligence to the ethanol industry by providing a custom designed Integrated Risk Management Program ("IRMP"). They offer business analysis, in-depth record keeping, risk education, strategic planning, and applied market research and intelligence.

JBS United, Inc., has contracted to procure, test and handle all the corn required by the WEIP and IE facilities up to a maximum of 40.3 million bushels per year for each plant. JBS United is one of America's leading swine nutrition technology companies. Organized in 1956, the company operates eight base-mix production plants in five Midwest states. The company also has nutrition technology business operations in China and the Philippines under joint-venture arrangements with Asian partners. As part of its nutrition technology business, JBS United operates three nutrition and nutrient management research centers, caring for over 60,000 pigs annually. JBS United also operates a grain merchandising business consisting of four profit centers with approximately 20 million bushels of storage capacity from eight primary locations in Illinois and Michigan. All profit centers are unit train loaders that ship corn, soybeans and wheat to major ethanol plants in the Southern, Eastern, and Southeastern grain markets. Three of the four profit centers are located in Illinois. The Western Illinois region consists of three grain elevators in Griggsville, New Canton, and Pittsfield, and loads 50 car trains on the Norfolk Southern Railroad. The Busboom region consists of two grain elevators, in Royal and Collison, and loads 100 car trains on the Union Pacific Railroad.

Barlett Grain Company, LP has executed contracts with WEIP and IE to market the 360,000 tons per year of DDGS produced at the two ethanol facilities. Barlett Grain is a privately owned company that is headquartered in Kansas City and has 100 years of experience in many different agricultural sectors. Barlett Grain currently has terminal elevator space along the Missouri River, in Missouri, Iowa, Kansas, and Nebraska, a terminal facility in Wichita, Kansas, and country elevators in Kansas and Missouri. In the 2007 issue of the *Grain and Milling Annual*, from World Grain and Sosland Publishing, Barlett Grain was ranked 16th among the major North American grain companies.

Government Incentives:

Demands for ethanol is bolstered by a number of governmental programs regulations and incentives which are described below.

Federal and State Incentives Provided or Proposed	Impact
<ul style="list-style-type: none"> ▪ Partial exemption from federal excise tax on gasoline through 2011. 	<ul style="list-style-type: none"> ▪ Allows ethanol to compete successfully with gasoline with MTBE, produced by oil industry.
<ul style="list-style-type: none"> ▪ Federal renewable fuels standard (RFS) that will double use of ethanol and biodiesel to 7.5 billion gallons per year by 2012. 	<ul style="list-style-type: none"> ▪ Mandates increase in ethanol demand nationally.
<ul style="list-style-type: none"> ▪ Illinois HB 387: tax credits for buyers of E85 ethanol powered vehicle; tax credits for ethanol dispensing pumps at retail stores. 	<ul style="list-style-type: none"> ▪ Stimulates increase in ethanol demand in Illinois.
<ul style="list-style-type: none"> ▪ Illinois Alternative Fuel Vehicle Rebates for converting vehicle to ethanol. 	<ul style="list-style-type: none"> ▪ Stimulates increase in ethanol demand in Illinois.
<ul style="list-style-type: none"> ▪ Illinois Sales and Use Tax Exemptions for ethanol-blended fuels. 	<ul style="list-style-type: none"> ▪ Lowers cost of ethanol to consumer at the pump. Allows ethanol to be price competitive with gasoline.

Government
 Incentives: (continued from previous page)

State Incentives Requested by the Company	Impact
<ul style="list-style-type: none"> ▪ IFA issuance of tax-exempt solid waste disposal bonds with volume cap allocation in amount up to \$115,000,000. 	<ul style="list-style-type: none"> ▪ Lowers the Company's cost of debt capital. Partial tax-exempt capital structure provides a competitive advantage with respect to other ethanol producers.
<ul style="list-style-type: none"> ▪ IFA issuance of tax-exempt water facilities bonds with volume cap allocation in amount up to \$11,000,000. 	<ul style="list-style-type: none"> ▪ Lowers the Company's cost of debt capital. Partial tax-exempt capital structure provides a competitive advantage with respect to other ethanol producers.
<ul style="list-style-type: none"> ▪ \$5 million Renewable Energy Program Grant from DCEO for each of two projects (total of \$10 million). 	<ul style="list-style-type: none"> ▪ Lowers equity requirement by \$10 million. Reimburses the Company for higher cost of construction created by requirement of using union labor in Illinois.

PROJECT SUMMARY

Bond proceeds, together with bank financing, equity contributed by the owners and grants provided by DCEO, will be used to finance: 1) the acquisition and improvement of a 70 acre site in Griggsville and a 62 acre site in Royal, 2) the construction of 113,400,000 gallon capacity ethanol plant at each site, 3) the acquisition and installation of machinery and equipment, including qualifying solid waste disposal and exempt water facilities, and 4) pay cost of insurance. The Projects are expected to be constructed by Aker under a lump-sum, price/date-certain, turn-key engineering, procurement and construction ("EPC") contract utilizing a design and technology that is licensed from Delta-T. The Projects are each expected 20 months to complete. Construction is expected to begin in June 2007 for the Griggsville facility and in November for the Royal facility. Cost estimates for both plants follow below:

Land & Site Improvements	\$11,492,000
Management/Start-up	6,439,000
Water Supply Pipeline Construction	9,500,000
Plant Construction	<u>378,000,000</u>
Total	<u>\$405,431,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Unified Biofuels Technology, LLC, 2600 First Tennessee Plaza, Knoxville, Tennessee 37929
 Contact Person: Charles P. Torrey, CEO; Phone # 865 525-0404

Project Name: Western Illinois Ethanol Project / Illini Ethanol Project

Location: Western Illinois Ethanol Project – Griggsville, IL
 Illini Ethanol Project – Royal, IL

Land Owners: Western Illinois Ethanol Project, LLC and Illini Ethanol, LLC

Organization: Unified Biofuels Technology, LLC, a Delaware Limited Liability Company

PROFESSIONAL & FINANCIAL

Bond Counsel:	Dickenson, Wright	Bloomfield Hills, MI	Craig Hammond
Bond Placement Agent:	Stern Brothers	St. Louis, MO	John May
Lead Debt Arranger:	WestLB AG	New York	Tom Murray
Lender's Counsel:	Chadbourne & Parke	New York	Rohit Chaundhry
Issuer's Counsel:	Pugh, Jones, Johnson & Quandt, P.C.	Chicago	Kim Barker Lee
General Contractor:	Aker Kværner Songer	Canonsburg, PA	
Feasibility Consultants:	Frazier, Barnes	Memphis, TN	
	Muse, Stancil & Co.	Addison, TX	
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

	Griggsville, IL	Royal, IL
Congressional:	18 ✓	15 ✓
State Senate:	49 ✓	52 ✓
State House:	97 ✓	103 ✓

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Eric Reed & Cory Mitchell/lk
Date: April 10, 2007
Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolutions for each attached project
- **Amounts:** Up to \$250,000 maximum of new money for each project
- **Project Type:** **Beginning Farmer Revenue Bonds**
- **IFA Benefits:**
 - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
 - **New Money Bonds:**
 - convey tax-exempt status
 - will use dedicated 2007 IFA Volume Cap set-aside for Beginning Farmer transactions
- **IFA Fees:**
 - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
 - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's Bank
 - The Borrower's Bank will be secured by the Borrower's assets, as on a commercial loan
 - Interest rates, terms, and collateral are negotiated between the Borrower and the Participating Bank, just as with any commercial loan
 - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel:** **Burke, Burns & Pinelli, Ltd**
Stephen F. Welcome, Esq.
Three First National Plaza, Suite 4300
Chicago, IL 60602

Project Number: A-FB-TE-CD-7085
Funding Manager: Eric Reed
Borrower(s): Zimmerman, Wendell
Town: Belle Rive, IL
Amount: \$157,500
Use of Funds: Farmland – 63 acres
Purchase Price: \$157,500 / (\$2,500 per ac)
%Borrower Equity: 0%
%Other Agency: 0%
%IFA: 100%
County: Franklin
Lender/Bond Purchaser: Peoples National Bank, Mark Epperson ✓
Legislative Districts: Congressional: 19th, John Shimkus ✓
State Senate: 54th, John Jones
State House: 107th, Kurt Granberg

Principal shall be paid monthly in installments determined pursuant to a Twenty year amortization schedule, with the first principal payment date to be one month from the date of closing. Accrued interest on the unpaid balance hereof shall be paid monthly, with the first interest payment date to be one month from the date of closing with the twentieth and final payment of all outstanding balances due one month from the date of closing.

***Wendell Zimmerman:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 7.00% fixed for the first 3 years and adjust every 3 years thereafter equal to 1.25% below the Wall Street Journal. The Lender will charge .50% points. **Fee: \$2,363**

Project Number: A-FB-TE-CD-7086 ✓
Funding Manager: Eric Reed ✓
Borrower(s): Chappellear, Joseph ✓
Town: Mechanicsburg, IL
Amount: \$232,400
Use of Funds: Farmland – 53.33 acres
Purchase Price: \$232,400 / (\$4,302 per ac – undivided ½ int. 160)
%Borrower Equity: 0%
%Other Agency: 0%
%IFA: 100%
County: Montgomery
Lender/Bond Purchaser: First National Bank, Neil Jordan
Legislative Districts: Congressional: 19th, John Shimkus ✓
State Senate: 44th, Bill Brady ✓
State House: 87th, Bill Mitchell ✓

Principal shall be paid monthly in installments determined pursuant to a Twenty year amortization schedule, with the first principal payment date to begin on June 15, 2007 in the amount of \$968.33. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on May 1, 2008 with the twentieth and final payment of all outstanding balances due twenty years from the date of closing.

***Joseph Chappellear:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.5% fixed for the first 5 years and adjust every 5 years thereafter beginning May 1, 2012 to 275 basis points under the National Prime as quoted in the Wall Street Journal. A ceiling of 8% and a floor of 4% will be in place. **Fee: \$3,486**

*** Information enclosed in the border is to be considered confidential and may be exempt from disclosure under the Freedom of Information Act**

Project Number: A-FB-TE-CD-7087
Funding Manager: Eric Reed
Borrower(s): Rosenthal, Erin
Town: Ogden, IL
Amount: \$232,400
Use of Funds: Farmland – 53.33 acres
Purchase Price: \$232,400 / (\$4,302 per ac – undivided ½ int. 160)
%Borrower Equity: 0%
%Other Agency: 0%
%IFA: 100%
County: Montgomery
Lender/Bond Purchaser: First National Bank, Neil Jordan
Legislative Districts: Congressional: 19th, John Shimkus ✓
State Senate: 44th, Bill Brady ✓
State House: 87th, Bill Mitchell ✓

Principal shall be paid monthly in installments determined pursuant to a Twenty year amortization schedule, with the first principal payment date to begin on June 15, 2007 in the amount of \$968.33. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on May 1, 2008 with the twentieth and final payment of all outstanding balances due twenty years from the date of closing.

***Erin Rosenthal:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.5% fixed for the first 5 years and adjust every 5 years thereafter beginning May 1, 2012 to 275 basis points under the National Prime as quoted in the Wall Street Journal. A ceiling of 8% and a floor of 4% will be in place. Fee: \$3,486

Project Number: A-FB-TE-CD-7088
Funding Manager: Cory Mitchell
Borrower(s): Klauser, Kevin & Brooke
Town: Liberty, IL
Amount: \$104,000
Use of Funds: Farmland – 80 acres
Purchase Price: \$208,000 / (\$2,600 per ac)
%Borrower Equity: 0%
%Other Agency: 50%
%IFA: 50%
County: Adams
Lender/Bond Purchaser: Marine Bank & Trust, Lynn Fisher
Legislative Districts: Congressional: 18th, Ray LaHood ✓
State Senate: 47th, John Sullivan ✓
State House: 93rd, Jil Tracy ✓

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin on April 1, 2008. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be on April 1, 2008 with the thirtieth and final payment of all outstanding balances due thirty years from the date of the first payment date.

***Kevin & Brooke Klauser:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.00% fixed for the first 5 years and adjust annually thereafter to the weekly average yield on the US Treasury Securities adjusted to a constant maturity of one year. However, at no change date will the rate be lower than 4% or higher than 8%. Fee: \$1,560

Project Number: A-FB-TE-CD-7089
Funding Manager: Cory Mitchell
Borrower(s): Gale, Kevin
Town: Galva, IL
Amount: \$150,000
Use of Funds: Farmland – 42.23 acres
Purchase Price: \$346,327 / (\$4,100 per ac - ½ int.)
%Borrower Equity: 14%
%Other Agency: 0%
%IFA: 86%
County: Knox
Lender/Bond Purchaser: Community State Bank, Kevin Vepsen
Legislative Districts: Congressional: 17th, Phil Hare ✓
State Senate: 37th, Dale Risinger ✓
State House: 74th, Donal Moffitt ✓

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin on April 1, 2008. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be on April 1, 2008 with the thirtieth and final payment of all outstanding balances due thirty years from the date of the first payment date.

***Kevin Gale:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 6.25% fixed for the first 5 years and adjust every 5 years thereafter to 2.00% below the Wall Street Journal Prime Rate with a floor rate of 5.00%. **Fee: \$2,250**

Project Number: A-FB-TE-CD-7090
Funding Manager: Cory Mitchell
Borrower(s): Gale, Kraig
Town: Galva, IL
Amount: \$150,000
Use of Funds: Farmland – 42.23 acres
Purchase Price: \$346,327 / (\$4,100 per ac - ½ int.)
%Borrower Equity: 14%
%Other Agency: 0%
%IFA: 86%
County: Knox
Lender/Bond Purchaser: Community State Bank, Kevin Vepsen
Legislative Districts: Congressional: 17th, Phil Hare ✓
State Senate: 37th, Dale Risinger ✓
State House: 74th, Donal Moffitt ✓

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin on April 1, 2008. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be on April 1, 2008 with the thirtieth and final payment of all outstanding balances due thirty years from the date of the first payment date.

***Kraig Gale:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 6.25% fixed for the first 5 years and adjust every 5 years thereafter to 2.00% below the Wall Street Journal Prime Rate with a floor rate of 5.00%. **Fee: \$2,250**

Project Number: A-FB-TE-CD-7091
Funding Manager: Cory Mitchell
Borrower(s): Kelsey, Eric Michael
Town: Granville, IL
Amount: \$250,000
Use of Funds: Farmland – 76 acres
Purchase Price: \$417,770 / (\$5,497 per ac)
%Borrower Equity: 0%
%Other Agency: 41%
%IFA: 59%
County: Putnam
Lender/Bond Purchaser: Amcore Bank, NA, John Theisinger
Legislative Districts: Congressional: 18th, Ray LaHood ✓
State Senate: 38th, Gary Dahl ✓
State House: 76th, Frank Mautino ✓

Principal shall be paid annually in installments determined pursuant to a Twenty five year amortization schedule, with the first principal payment date to be on December 15, 2007. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be due on December 15, 2007 with the twenty fifth and final payment of all outstanding balances due twenty five years, December 15, 2031

***Eric Michael Kelsey:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.3% fixed for the first 5 years and adjust every 5 years thereafter equal to 1.48% above the 5 years US Treasury Constant Maturity Yield. The Lender will charge .5% points. **Fee: \$3,750**

Project Number: A-FB-TE-CD-7092
Funding Manager: Cory Mitchell
Borrower(s): Roth, Reggie & Melinda
Town: Gridley, IL
Amount: \$122,535
Use of Funds: Farmland – 40 acres
Purchase Price: \$122,535 / (\$3,063 per ac)
%Borrower Equity: 0%
%Other Agency: 0%
%IFA: 100%
County: Pike
Lender/Bond Purchaser: Flanagan State Bank, Doug Raber
Legislative Districts: Congressional: 11th, Gerald Weller ✓
State Senate: 53rd, Dan Rutherford ✓
State House: 106th, Keith Sommer ✓

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to be one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.

***Reggie & Melinda Roth:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 6.75% variable and adjust annually. **Fee: \$1,838**

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Palos Community Hospital

STATISTICS

Project Number: H-HO-TE-CD-7061	Amount: \$200,000,000(Not to exceed amount)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Dana Sodikoff
Locations: Palos Heights, Orland Park, Lemont, Oak Lawn	

BOARD ACTION

Preliminary Bond Resolution	No extraordinary conditions
Conduit 501(c)(3) Bonds	Staff recommends approval
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to: (i) current refund the Hospital's Series 1994 and Series 1998 Bonds outstanding in the principal amount of \$96,500,000, (ii) construct a power plant and multi-level parking facility, (iii) fund future capital expenditures at the hospital, (iv) pay for interest during the construction period and (v) pay for costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

This is the first time this project has been presented to the Board.

ESTIMATED SOURCES AND USES OF FUNDS

Series 2007A			
Sources:		Uses:	
Bond Par:	\$57,450,000	Refunding of Prior Bonds	\$41,500,000
		Routine CapEx	\$15,000,000
		Cost of Issuance /	
		Underwriter's Discount	\$430,875
		Bond Insurance	\$494,825
		Contingency	\$24,300
Sub-Total:	\$57,450,000	Sub-Total:	\$57,450,000
Series 2007B			
Sources:		Uses:	
Bond Par:	\$123,040,000	Power Plant /	
Issue Premium:	\$8,522,842	Parking Facility	\$ 68,678,873
		Refunding of Prior Bonds	\$55,000,000
		Capitalized Interest	\$5,070,831
		Cost of Issuance /	
		Underwriter's Discount	\$1,230,400
		Bond Insurance	\$1,581,030
		Contingency	\$1,708
Sub-Total	\$131,562,842	Sub-Total	\$131,562,842
Total Sources:	\$189,012,842	Total Uses:	\$189,012,842

JOBS

Current employment:	3,000 FTEs	Projected new jobs:	N/A
Jobs retained:	3,000 FTEs	Construction jobs:	225

BUSINESS SUMMARY

Background/Description: The St. George Corporation (the Corporation) is an Illinois not-for-profit corporation created in the year 2000 which serves as the parent corporation and sole corporate member of two not-for-profit corporations, Palos Community Hospital (PCH), and acute care hospital located in Palos Heights, Illinois with outpatient satellite facilities in the surrounding community, and St. George Wellness Center (SGWC) which operates the Palos Health and Fitness Center (the Center) located in Orland Park, Illinois. It is the vision of the Corporation to be the leading community based health care organization providing quality inpatient, outpatient and preventive services while supporting people in achieving optimum health in response to the needs of the southwest suburban community.

The primary operating entity of the Corporation is PCH. Opened in 1972 with 265 beds, PCH has grown to its current licensed bed capacity of 436, of which 369 are in operation, by responding to population growth and service demands with major building additions and modernizations in 1975, 1978, 1992, 1995 and 2006. In addition to accommodating inpatient demand, these facility expansions have provided for the growth of outpatient, emergency and ancillary departments in response to volume demands, technology, and service developments including single room maternity care, interventional cardiology and open heart surgery. PCH also operates three satellite facilities; the Primary Care Center in Orland Park, the Family Health Center in Homer township and the Palos Immediate Care Center in Palos Heights. These facilities provide access to non-urgent outpatient treatment and diagnostic services. PCH provides home based services through Palos Community Hospital Home Health Care, Hospice and Private Duty with offices in Lemont, Illinois. PCH is also a partner with St. Francis and Little Company of Mary Hospitals in the Southwest Hospital MRI Center located in Oak Lawn, Illinois. It is the Mission of PCH that all of its services – preventive, curative or palliative—shall be delivered with quality of the highest caliber and that PCH shall be committed to continually responding to the health care needs of the community with services that are readily available in a form that enhances their efficient use by physicians and patients.

Along with traditional health services, PCH makes its resources available to support many community health initiatives and programs responsive to the needs of the community. Examples of community services provided by PCH include: Asthma Education Program, Chemical Dependency services, Diabetes Fair & Diabetes Self-Management Program, Home Delivered Meals, *Lifeline* (crisis line), Osteoporosis Program, Parent-Child Health Education, Physician Referral Service, Psychiatric Services (inpatient & outpatient), Speakers Bureau, and a number of different Support Groups.

In addition, PCH provides annual health screenings for skin, prostate & colorectal cancer. PCH regularly offers programs on smoking cessation, depression/emotional health, prenatal care/childbirth preparation, caregiving, heart disease, and diabetes. Through its numerous outreach activities, PCH is recognized as the area leader in community education services. PCH also participates in and sponsors a variety of annual community events including a 5K run (benefits Y-ME), Women's Day, Heart Month & a Heart Walk (benefits American Heart Association). Its Speakers Bureau & Health Fair participation reaches thousands in community. PCH's home delivered meals program provides over 30,000 home delivered meals annually to home-bound seniors in our community. PCH's Senior Resource department provides assistance to seniors with Medicare and hospital paperwork. In addition, a variety of community publications including Perspective magazine and Community Calendar are mailed to residents – reaching over 150,000 homes.

Service Area: Primary service area includes: Palos Heights, Palos Hills, Palos Park, Midlothian, Oak Forest, Orland Park, and Tinley Park.

Existing Bonds: Outstanding IHFA Bonds: Series 1985B (\$15 million)*
Outstanding IDFA Bonds: Series 1994 (\$76.5 million) and Series 1998 (\$20 million)**

* Outstanding Series 1985B bonds are intended to be cash defeased at closing.

** Outstanding Series 1994 and Series 1998 bonds will refunded with the Series 2007 financing. The current bonds are being refunded to complement the investment structure that is on par

with the hospital's current and future financial strategy. This refunding also eliminates bank renewal risk, bank pricing risk, and credit spread risk associated with the original VRDNs.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to current refund the Hospital's Series 1994 and Series 1998 Bonds outstanding in the principal amount of \$96,500,000, construct a power plant and multi-level parking facility, fund future capital expenditures at the hospital, pay for interest during the construction period and pay for costs of issuance.

FINANCING SUMMARY

Security/Collateral: All Series 2007 Bonds will be insured by an accredited 'AAA' rated bond insurance provider. The Bond Insurer will be determined before the final resolution. Also, the Series 2007 bonds will have a negative pledge, which is a covenant in the bond agreement whereby the borrower agrees not to pledge any assets if such pledging would result in less security for the agreement's bondholders.

Structure: The Series 2007 bonds will be a combination of fixed and variable rate bonds in several series. Series 2007A bonds will be Auction Rate and Series 2007B will be Fixed Rate Bonds. Bond insurance will be purchased for all of the bonds.

Maturity: Not to exceed 40 years / 2047

Credit Rating(s): All bonds will be secured by 'AAA' rated bond insurance. The bond insurer will be determined before the final resolution. The Obligated Group consisting of Palos Community Hospital and the St. George Corporation is currently rated AA and Aa3 by S&P and Moody's, respectively. Palos Community Hospital will be refunding all of the existing debt and will not be applying for an underlying rating.

ECONOMIC DISCLOSURE STATEMENT

Project name: Palos Community Hospital
Locations: Palos Heights, Orland Park, Lemont, Homer Township
Applicant: Palos Community Hospital
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Trustees:

**St. George Corporation
Board of Directors**
Dr. Terrence Moisan
Thomas Courtney
Sister Margaret Wright
Joseph Neverauskas
Edward Mulcahy, CPA
Sister Anna Doyle
George Gallagher
Bishop John Gorman
Robert Boucek
Richard Nogal, J.D.
Dr. Jerome Murphy

**Palos Community Hospital
Board of Directors**
Dr. Terrence Moisan
Lynn Egan
Sister Margaret Wright
Richard Nogal, J.D.
Carole Ruzich
Robert Boucek
Sister Anna Doyle
Thomas Barcelona
Joseph Neverauskas
Thomas Courtney
John Barry
Christie Server
Philip Salvador, CPA
Margaret Lustig

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Ungaretti & Harris LLP	Chicago	Tom Fahey Julie Seymour
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Underwriter:	Goldman, Sachs & Co.	Chicago	Jay Sterns
Underwriter's Counsel:	Katten Muchin Rosenman LLP	Chicago	Renee Friedman
Bond Trustee:	TBD	Chicago	
Accountant:	Deloitte & Touche LLP	Chicago	Michelle Agrest
Issuer's Counsel:	Burke Burns & Pinelli	Chicago	Mary Ann Murray
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	13 th	Judy Biggert ✓
	3 rd	Daniel William Lipinski ✓
State Senate:	14 th	Emil Jones, Jr. ✓
	18 th	Edward D. Mahoney ✓
	41 st	Christine Radogno ✓
State House:	27 th	Monique D. Davis ✓
	35 th	Kevin Joyce ✓
	81 st	Renee Kosel ✓
	82 nd	Jim Durkin ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Illinois Valley Community Hospital

STATISTICS

Project Number:	H-HO-TE-CD-7057	Amount:	\$2,500,000 (Not to exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Dana Sodikoff
Locations:	Peru, IL		

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Conduit 501(c)(3) Bonds	Staff recommends approval
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to a) pay, or reimburse the Borrower for the payment of, the cost of acquiring certain capital equipment including without limitation a CT scanner, an MRI system and Calutech Coach, X-Ray equipment, hardware and software for a Picture Archiving and Communication System ("PACS"), all related attachments, accessories and software, and other hospital equipment and improvements.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap. This project is being financed under the Capital Opportunity Bond (COB) Program, which was created to provide access to capital for small to mid-size rural and urban not-for-profit hospitals in Illinois. No IFA funds have been contributed to this program. GE Capital Public Finance, Inc. credit committee has reviewed and approved this credit and is the Purchaser of the bond. This program uses pre-approved, standardized documents with set fees for all participants. The use of combined bond counsel and issuer counsel to reduce fees has been approved by IFA's General Counsel and the IFA Board.

VOTING RECORD

The IFA gave its approval for a Preliminary Bond Resolution on March 22, 2007 by the following vote:

Ayes - 10 Nays - 0 Absent - 4 Vacancies - 0

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	<u>\$2,500,000</u>	Uses:	Future Capital Expenditures*	<u>\$2,500,000</u>
	Total	<u>\$2,500,000</u>		Total	<u>\$2,500,000</u>

*Issuance costs will be paid by Illinois Valley from their own cash.

JOBS

Current employment:	347 FTEs	Projected new jobs:	N/A
Jobs retained:	347 FTEs	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Illinois Valley Community Hospital ("IVCH") is an Illinois not-for-profit corporation, exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. IVCH was formed in 1975 with the merger of Peoples Hospital, Peru, IL, which opened in 1914, and St. Mary's Hospital, LaSalle, IL, which opened in 1887.

IVCH is the main operating entity of IV Health Corp, Inc., which is also a 501(c)(3) corporation. Other subsidiaries include the Illinois Valley Community Hospital Foundation, IV Health Services, Inc, and the Hygienic Institute of LaSalle, Peru, and Oglesby.

Service Area: As of December 31, 2006, IVCH had 91 staffed beds that along with the other IVCH subsidiaries provide health care services to the Peru / LaSalle area.

Existing Bonds: Illinois Development Finance Authority Series 2001 Bonds, with \$12,215,000 outstanding as of June 30, 2006. Illinois Valley Community Hospital is current on all bond payments.

PROJECT SUMMARY

Bond proceeds will be used to purchase various capital equipment including, but not limited to, a CT scanner, an MRI system and Calumet Coach, X-ray equipment, hardware and software for a Picture Archiving and Communication System ("PACS") and all related attachments, accessories and software.

FINANCING SUMMARY

Security/Collateral: This bond will be secured by the equipment that is being financed in this project. It will be subordinate to the IDFA Series 2001 Bonds.

Structure: Fixed rate, 5-year tax-exempt loan. The rate will be set on or about the date of the closing but it will not exceed 6%.

Maturity: On or before June 1, 2012

Credit Rating(s): The Bonds will be purchased by GE Capital Public Finance, Inc. and will not be rated.

ECONOMIC DISCLOSURE STATEMENT

Project name: Illinois Valley Community Hospital
Locations: Peru, IL
Applicant: Illinois Valley Community Hospital
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Trustees: Kris Paul- President
Jim Loveland- Vice President
Harry Erlenborn- Treasurer
George Maze- Secretary
George Buckman
James Clinard
Harry Debo
William Etzenbach
Joe Hogan
Richard Martuzzo
Peter Meier, MD
David Sickley
William Vlastnik
Joel Leifheit, MD- Medical Staff President

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Herbolsheimer Law Office	LaSalle	Doug Gift
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Bond Purchaser:	GE Capital Public Finance, Inc.	Minneapolis, MN	Bill Reveille
Bond Purchaser's Counsel	Kutak Rock	Omaha, NE	Andrew Romshek
Escrow Agent:	Wells Fargo Bank	Chicago	Patricia Martirano
Issuer's Counsel:	Jones Day	Chicago	Mike Mitchell
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

Note: Jones Day (on a rotating basis with two other bond firms) is serving as Bond Counsel and Issuer's Counsel. IFA's General Counsel and the IFA Board have authorized this dual role for bond and issuer's counsel under the COB program to reduce issuance costs.

LEGISLATIVE DISTRICTS

Congressional: 11- Gerald C. "Jerry" Weller
State Senate: 38- Gary G. Dahl
State House: 76- Frank J. Mautino

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

April 10, 2007

Project: Greater Peoria Young Men's Christian Association

STATISTICS

Project Number:	N-NP-TE-CD-7082	Amount:	\$3,000,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	FM:	Jim Senica
Location:	Peoria		

BOARD ACTION

Preliminary Bond Resolution
Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds
No IFA funds at risk
Private Placement with Southside Trust & Savings Bank - Peoria

PURPOSE

Bond proceeds will be used to finance the construction of a 10,200 square foot building expansion and the renovation/remodeling of certain portions of the existing structure.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the Borrower.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board of Directors for their consideration.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS (subject to change)

Sources: IFA 501(c)(3) Bonds	<u>\$3,000,000</u>	Uses:	New Project Cost	\$2,940,000
Total	<u>\$3,000,000</u>		Issuance Costs	<u>60,000</u>
			Total	<u>\$3,000,000</u>

JOBS

Current employment:	14	Projected new jobs:	1
Jobs retained	14	Construction jobs:	25 (6months)

BUSINESS SUMMARY

Background: Greater Peoria Young Men's Christian Association (GPYMCA) is a 501(c)(3) organization incorporated under Illinois law. The GPYMCA was founded in the 1850's and was incorporated on February 4, 1862. A list of the organization's current Board of Directors is presented on page 3 of this report.

Day to day operations are managed by President Daniel Chonowski, who has served since June, 2002. The President, with thirty years of executive management experience, serves as chief executive officer of the organization.

Description: Greater Peoria Young Men's Christian Association is a non-profit community service organization that operates with the mission "to put Christian principles into practice through programs that build healthy spirit, mind and body for all". YMCA's are collectively the largest not-for-profit community service organizations in the U. S. serving people of all faiths, races ages, abilities and incomes.

Strengthened by diversity, the GPYMCA provides a myriad of program offerings to fulfill its mission. Services and activities provided include comprehensive health fitness and exercise programs including an extensive array of gym services through the use of exercise and weight-training equipment, personalized programs and training opportunities, fitness orientations, aquatics, body fat assessments, team and group activities such as youth basketball, men's pick-up basketball, age 35+ men's pick-up basketball, indoor tennis and tumbling. Additionally, the GPYMCA provides activities geared to special groups such as the Teen R.E.A.C.H. Program, Youth Achievers and Minority Achievers as well as providing before and after school activities, "School's Out Program" with special recreational activities held at the GPYMCA when school is not in session and the 11-week Day Camp on the GPYMCA grounds each summer.

Remarks: It is important to note that it is the policy of the GPYMCA to provide services to all, regardless of ability to pay. The amount of assistance provided is dependent upon an applicant's ability to pay and the YMCA's ability to fund the amount requested.

FINANCING SUMMARY

Financing Structure: The Bonds, will be structured as a Direct Purchase as a portfolio investment by South Side Trust and Savings Bank – Peoria (as "Lender/Bond Purchaser") to be held in its entirety as a direct investment by the Bank until maturity (or until refinanced by another source, at which time the subject bonds must be reissued by IFA). Resale of these Bonds will be prohibited in the secondary market, as is customary for lender-purchased bonds.

Bank Collateral: The Bonds will be secured with a first mortgage on GPYMCA's existing land, building and the building addition located at 7000 N. Fleming Lane in Peoria, Illinois with an estimated value in excess of \$4 million. (Note: The property is currently in the process of being appraised by a certified appraiser.)

Term/Interest Rate: South Side Trust and Savings Bank will purchase the subject Bonds at a fixed rate (to be finalized prior to closing) for a 25-year period.

PROJECT SUMMARY

Bond proceeds will be used to: (i) finance all or a portion of the costs of constructing and equipping a new 4,800 square foot wellness center, 3,200 square feet of new office space and upper link to be added above and behind the main entry, and a new 2,200 square foot multipurpose activity room to be added North of the existing gymnasium. (ii) finance the costs of building renovations and remodeling including the refurbishment of several key areas of the

existing structure as well as utility relocation, review of mechanical systems and exterior improvements and (iii) pay certain of the costs of issuance of the bonds.

The improvements referenced above will be made to the existing GPYMCA campus which includes 56 acres of wooded and developable site features. Current campus site features include an outdoor Aquatic Facility, Gymnasium, completed in 2004 with lockers, showers, sauna, running track and a Fitness Center that was converted from a dining facility used by the former occupant of the building.

ECONOMIC DISCLOSURE STATEMENT

Applicant/ Contact: Greater Peoria Young Men's Christian Association 7000 N. Fleming Lane Peoria, IL 61614
Daniel Chonowski, President and CEO; (T) 309/692-7631
Project name: Facility Expansion and Renovation to Existing Structure
Location: 7000 N. Fleming Lane, Peoria, IL 61614 (Peoria County)
Organization: Illinois 501(c)(3) organization
Board
Membership: *See list of Board of Trustees as presented below*
Current Land
Owner: Greater Peoria Young Men's Christian Association

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Miller, Hall & Triggs	Peoria, IL	Nathan Miller
Bond Counsel:	To be determined		
Placement Bank:	South Side Trust and Savings Bank	Peoria, IL	Gregory Rice
Issuer's Counsel:	Wildman, Harrold, Allen and Dixon	Chicago	James M. Snyder
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 18 – Ray LaHood ✓
State Senate: 37 – Dale E. Risinger ✓
State House: 73 – David R. Leitch ✓

**GREATER PEORIA YOUNG MEN'S CHRISTIAN ASSOCIATION
BOARD OF DIRECTORS & TRUSTEES**

Officers

Nathan Miller, Chairman
Lisa Koenig, Vice Chairman
Kevin McGinty, Vice Chairman
Charles Burke, Secretary
Andrew Cali, Treasurer

Trustees

Daniel Altorfer
Eldon Arnold
Ted J. Fleming
Thomas G. Luthy

Directors

Daniel Chanowski
William Fischer
Bruce Hay
Harold "Bud" Lowe
Mark Hoffmire
Todd Morrow

Charles Randle
John Renick
Frank Rezac
John Robison
Donald Rohn
Michael Swearingen

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Peoria Association for Retarded Citizens, Inc. (a.k.a. Peoria ARC)

STATISTICS

Project Number:	N-NP-TE-CD-7081	Amount:	\$6,500,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	FM:	Jim Senica
Location:	Peoria		

BOARD ACTION

Preliminary Bond Resolution Staff recommends approval No IFA funds at risk	Conduit Tax-Exempt 501(c) (3) Revenue Bonds (Advance Refunding) Private Placement with G.E. Public Finance
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PURPOSE

Bond proceeds will be used to refund the applicant's 1997 Tax-Exempt Bond issue, originally issued through the Illinois Development Finance Authority in the amount of \$8,025,000 and which had \$6,355,000 outstanding as of June 30, 2006, and to pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) IFA Bonds are municipal bonds authorized under the Internal Revenue Code that enables 501(c)(3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the borrower.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board of Directors for their consideration.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS (subject to change)

Sources: IFA Advance Ref. Bonds	<u>6,500,000</u>	Uses: Refunding	\$6,355,000
		Issuance Costs	<u>145,000</u>
Total	<u>\$6,500,000</u>	Total	<u>\$6,500,000</u>

JOBS

Current employment:	315	Projected new jobs:	N/A
Jobs retained	315	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Peoria Association for Retarded Citizen's, Inc. ("Peoria ARC") is a 501(c)(3) organization incorporated under Illinois law in 1957, based in Peoria, Illinois and established in 1950 by a group of parents who wanted more for their disabled children than to see them marginalized by society or institutionalized. Originally organized to serve children with mental retardation, Peoria ARC now serves children and adults with many kinds of developmental disabilities including, but not limited to, cerebral palsy, down syndrome, autism and epilepsy. A list of the organization's current Board of Directors is presented on page 4 of this report.

Day to day operations are managed by President Roy Ricketts, who has served since 1989 and is also Peoria ARC's Chief Executive Officer. Other key members of management include Stu Schmitt, Senior Vice President and Chief financial Officer, Kim Cornwell, Senior Vice President and Chief Operating Officer and Sibylle LaHood, Development Director.

Description: Peoria ARC is a human service agency serving over 660 individuals with developmental disabilities and their families at its main facility, 24 community-based residential homes, a respite care facility, an early intervention location and other host family settings. Peoria ARC provides community activities, training and education, vocational opportunities, respite care services and community-based residential settings.

Peoria ARC's mission is to maximize the quality of life of children and adults with developmental disabilities by offering an extensive range of support tools and services. By fostering an environment that promotes choice and dignity, the Agency provides opportunities for individuals to fully participate in the community.

The original founders' goals have been realized as Peoria ARC has grown to serve a multitude of clients ranging in age from infant to elderly, and it provides diverse residential, educational and vocational services. The agency's programming includes children and family services, adult support services, residential services and day programming. Programs and services are provided by Peoria ARC to persons with developmental disabilities and their families without regard to age, race, sex, religion, national origin or financial ability to pay for services rendered.

As a member unit of the Arc of Illinois and the Arc USA, Peoria ARC participates in activities and sets forth statements of principles in concert with these two organizations.

Remarks: Peoria ARC is licensed by the Illinois Department of Human Services. The Agency's programs are surveyed annually by the Department. The agency is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF), a national accrediting entity. Peoria ARC is surveyed every three years, usually by four surveyors, and it is currently accredited through May of 2008.

The Peoria ARC operation actually consists of two separate 501(c)(3) corporations – Peoria Association for Retarded Citizens, Inc. ("Peoria ARC" or the "Agency", the borrowing entity for this project) and Peoria ARC Foundation of Central Illinois, Inc. (the "Foundation"). The foundation was established in 1990 primarily to act as a vehicle to receive funds raised through a capital campaign or other special programs. Today, the foundation's primary focus is to hold the Agency's investments and to meet the ongoing and emergency funding needs of Peoria ARC. Income from the Foundation is to be used to supplement the other sources of income and funding revenue of Peoria ARC in its operating programs and services.

The Agency is also affiliated with six other 501(c)(3) corporations that were established through a program with the United States Department of Housing and Urban Development (HUD). Peoria ARC purchased group homes and other residential real estate with financing and other funds provided by HUD. Through these financing programs, HUD requires agencies to establish separate 501(c)(3) corporations for each project.

FINANCING SUMMARY

Financing Structure: The Bonds, will be structured as a Direct Purchase as a portfolio investment by G.E. Public Finance ("Bond Purchaser") to be held in its entirety as a direct investment by the Bond Purchaser until maturity (or until refinanced by another source, at which time the subject bonds must be reissued by IFA). Resale of these Bonds will be prohibited in the secondary market, as is customary for privately placed bonds.

Bond Purchaser Collateral: The Bonds will be secured with a first mortgage on Peoria ARC's primary facility located at 1913 Townline Road in Peoria, Illinois, as well as Peoria ARC's general obligation pledge of all available revenues.

Term/ Interest Rate: Bonds will be issued with a 20-year term with an interest rate fixed at 4.68% for the entire term of the bonds.

PROJECT SUMMARY FROM BOND RESOLUTION

The proposed project will include the issuance of bonds to (i) refinance the Agency's 1997 Tax-Exempt Bond issue financed through the Illinois Development Finance Authority (IDFA), which currently has approximately \$6,370,000 outstanding, and (ii) pay for costs of issuance. This refinancing will allow the Agency to improve the facilities and services it offers its clients through its anticipated improved cash flow. Most importantly, improved financial condition will allow the Agency to more effectively carry out its mission of providing services to disabled persons to allow them to be better integrated into the community.

Peoria ARC expects to save approximately \$200,000 in annual debt service payments through this refinance.

Proposed project costs include the following:

Refunding of existing series 1997 501 (c) (3) revenue bonds	\$6,355,000
Estimated costs of issuance	<u>145,000</u>
Total	<u>\$6,500,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant/ Contact: Peoria Association for Retarded Citizens, Inc.
Mr. Stu Schmitt Senior Vice President & Chief Financial Officer; (T) 309/689-3607;
Project name: Peoria ARC Refunding of Series 1997 501 (c) (3) Revenue Bonds
Location: 1913 Townline Road, P.O. Box 3418 Peoria, Illinois 61612 (Peoria County)
Organization: Illinois 501(c) (3) organization
Board Membership: *See list of Board of Directors on page 4 of this report*
Current Land Owner: Peoria Association for Retarded Citizens, Inc.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	To be determined		
Accountant:	Clifton Gunderson, LLP	Peoria, IL	Alvin Ziegler
Bond Counsel:	To be determined by March 28, 2007		
Financial Advisor:	Griffin Kubik Stephens & Thompson	Chicago	Helena Burke-Bevon
Bond Purchaser:	G.E. Public Finance	Chicago	
Issuer's Counsel:	Hart, Southworth and Witsman	Springfield, IL	Samuel J. Witsman
IFA Financial Advisor	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	18 – Ray LaHood ✓
State Senate:	37 – Dale E. Risinger ✓
State House:	73 – David R. Leitch ✓

**Peoria Association for Retarded Citizens, Inc.
 Board of Trustees**

<u>Name</u>	<u>Profession</u>	<u>Role on Board</u>
Jeannie McAllister	Grade School Principal	Chairman
Sue Himes	Special Education Work Coordinator	Vice Chairman
Bill Troy	Retired Banker	Treasurer
Rick Thomas	Executive Director, Health Care Center	Immediate Past Chairman
Ed King	Retired Dean of Men, Bradley University	Member
Lynn Scott Pearson	Former County Board Member	Member
Ron Miller	Pastor	Member
Jeanette Kosier	Retired School Principal	Member
Dexter Gruber	Attorney	Member
Sonni Williams	City Attorney	Member
Kathie Raiborn	Manager, Day Care Centers	Member
Chuck Walker	CFO, CEFCO Credit Union	Member
Kevin Nelson	IT, Caterpillar, Inc.	Member
Keith Boswell	Manager, Caterpillar, Inc.	Member
Pat Kawczynski	Realtor	Member
Janet Davidson	Professor, Bradley University	Member

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Sindesmos Hellenikes-Kinotetos of Chicago (also known as Holy Trinity Hellenic Orthodox Church) and its affiliates, successors, and assigns

STATISTICS

Project Number:	E-PC-TE-CD-7022	Amount:	\$12,400,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton
Location:	Deerfield		

BOARD ACTION

Preliminary Bond Resolution
Conduit Tax-Exempt and Taxable 501(c)(3) Revenue Bonds
No IFA funds at risk
Staff recommends approval
No extraordinary conditions

PURPOSE

The proposed project will enable the Academy to refinance existing conventional taxable debt that financed the acquisition of the Academy's facility at 1085 Lake Cook Road in Deerfield, and to expand the existing facilities through construction of a gymnasium, a youth center, and additional classroom space. Additionally, bond proceeds may be used to pay capitalized interest and costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bond that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Series 2007 Bonds	\$12,200,000	Uses:	Project Cost	\$12,304,000
	Equity	<u>188,000</u>		Issuance Costs	<u>84,000</u>
	Total	<u>\$12,388,000</u>		Total	<u>\$12,388,000</u>

The proposed Bonds will be secured by additional pledged real estate (with no existing mortgage) that will enable financing for close to 100% of project cost.

JOBS

Current employment:	12	Projected new jobs:	7
Jobs retained:	N/A	Construction jobs:	30 average (24 months for both phases)

BUSINESS SUMMARY

Background: **Sindesmos Hellenikes-Kinotitos of Chicago**, also known as **Holy Trinity Hellenic Orthodox Church** (“**Holy Trinity**” or, also, “**Holy Trinity Greek Orthodox Church**”), was established in 1897 and is incorporated as a not-for-profit religious corporation under Illinois law. Holy Trinity was the first Greek Orthodox Parish in the Midwest and the second in the United States. Holy Trinity’s operations are subject to oversight by (1) the **Hellenic Orthodox Parish Metropolis of Chicago** (the “**Chicago Metropolis**”), an entity with 501(c)(3) status under the Internal Revenue Code, and which is in turn, subject to the by-laws of (2) the **Greek Orthodox Archdiocese of America** (the “**Archdiocese**”), an entity that also has 501(c)(3) status under the Internal Revenue Code.

Holy Trinity is the Founding Institution [acting through its Parish Council (see list of Parish Council Members on p. 6) and through its affiliation with the Chicago Metropolis] of the **Hellenic American Academy Foundation** (the “**Academy**”). The Academy was incorporated as a not-for-profit corporation under Illinois law in October 2005 (see list of Board of Trustees on pp. 6-7). The Academy also applied to the IRS for its own, stand-alone, 501(c)(3) status in 2006.

Because of unforeseen delays, the Academy still has yet to receive its own stand-alone 501(c)(3) Letter of Determination from the IRS, Holy Trinity has decided to continue to own the subject property and to also serve as the initial borrower on the subject financing.

Holy Trinity contemplates conveying the subject property to the Academy following the Academy’s receipt of an appropriate 501(c)(3) Determination Letter from the IRS. This is consistent with Holy Trinity’s objective of establishing the Academy as an independent, self-funding educational organization.

It is the objective of both Holy Trinity’s Parish Council and the Board of Trustees of the Hellenic American Academy Foundation for the Academy to ultimately emerge as a legally and fiscally independent entity. In the meantime, Holy Trinity will fully support this transaction as required by MB Financial Bank, the proposed secured lender/bond purchaser/investor of the proposed Bonds.

The Academy itself was formed as the result of a merger between the Socrates Greek-American School (“**Socrates School**”) of Chicago and the St. George’s School of Northfield, which were merged to form the Hellenic American Academy in 2006.

The Academy is managed by an 86-member Board of Trustees (see pp. 6-7). The Chairman of the Board is Mr. Dimitrios Logothetis of Ernst & Young LLP. Day-to-day operations are managed by Mr. Demetrios Kotsakis, who has served as Executive Director since the Academy’s formation in 2005.

Description: Hellenic American Academy Foundation is a newly formed entity incorporated in 2005 that merged together the Socrates School (Holy Trinity Greek Orthodox’ Daytime (K-8) and Greek Evening/Weekend School) with St. George Greek Orthodox Church’s Northfield Branch School (Pre-School). With the formation of the Academy, the mission has evolved from providing part-time, extra-curricular education to a stand-alone, comprehensive day school, with the support of Holy Trinity.

Although a newly-formed entity, the Academy’s predecessors and founders have approximately 100 years of operating history. The Socrates School was originally established in 1908 in Chicago and was the first Greek language school in the United States. The School has relocated several times since its inception. Prior to its 2006 relocation to Deerfield, the School was located at 5701 N. Redwood Drive, adjacent to Holy Trinity Church (6041 W. Diversey), where it had been located since 1976. With the migration of many target students to the suburbs, Holy Trinity decided to relocate the Socrates School to Deerfield. Although Holy Trinity relocated Socrates School, Holy Trinity Church remains at 6041 W. Diversey in Chicago.

Simultaneously, St. George Greek Orthodox Church made a decision to merge its Northfield Branch School with the Socrates School to form the Academy. St. George's had operated a Northfield pre-school for the previous 13 years.

By merging the pre-school with the K-8 Socrates School, the Academy can now provide comprehensive pre-school, grade school education to its students. Although the Academy's focus is on general education (language arts and math), the Academy also provides the teaching of Greek mythology, history, geography, and culture.

The Academy was formed to integrate existing full-time pre-school and K-8 (day school) at a single facility. The Academy also provides part-time K-12 programs (evenings and weekends) and adult education in Greek language, history, and culture on evenings and weekends.

The Academy had 89 full-time and 360 part-time students enrolled as of 3/21/2007.

The Academy's facility presently includes 11 classrooms, a science laboratory, a computer laboratory, and library. Additionally, the proposed project will finance construction of an addition to existing service bays that will be expanded and reconfigured to provide an auditorium.

The proposed project will enable the Academy to refinance conventional taxable debt incurred to purchase the Academy's facility at 1085 Lake Cook Road in Deerfield, and to construct a gymnasium, a youth center, and provide additional classroom space.

The proposed project will enable the Academy to increase its full-time enrollment to 243, from 89 currently.

FINANCING SUMMARY

Bondholder

Security: The Bonds will be structured a Direct Purchase as a direct portfolio investment by MB Financial Bank (as "Secured Lender/Bond Purchaser/Investor") to be held in its entirety (i.e., a single bond) by the Bank until maturity (or until refinanced by another bank, at which time the subject bonds must be refunded and reissued by IFA). Resale of these Bonds will be prohibited in the secondary market, as customary for lender-purchased bonds.

Bank Collateral: MB Financial Bank will secured by a first mortgage on the subject property located at 1085 Lake Cook Rd. in Deerfield. Holy Trinity, as the Initial Obligor, will also pledge a first mortgage on certain real estate owned by Holy Trinity Greek Orthodox (i.e., the former Socrates School facility) located at 5701 N. Redwood Drive in Chicago as additional collateral to secure the proposed bonds. The Financial Summary section of this report describes MB Financial Bank's proposed collateral further (confidential).

Additionally, it is anticipated that after the Academy receives its 501(c)(3) Letter of Determination, the underlying documents will be amended (pursuant to IFA consent) enabling the Academy to become the obligor on the subject bonds and owner of the Project. Upon executing this contemplated conveyance of the Project, Holy Trinity Greek Orthodox would then provide a corporate guarantee on the Academy's debt, as required by MB Financial Bank, as Secured Lender/Bond Purchaser/Investor. As presently contemplated by MB Financial Bank, Holy Trinity's corporate guarantee would be subject to extinguishment provisions based on the Academy attaining certain debt service coverage and balance sheet benchmarks (as consistent with the intent for the Academy to emerge as an independently governed, financially independent, entity over time).

Note: Additional detail relating to business terms of MB Financial Bank's financing commitment to this project is considered a confidential business term, MB Financial Bank, the proposed Secured Lender/Bond Purchaser/Investor. The final maturity, amortization, and interest rate will be updated and, upon consideration

of a Final Bond Resolution by the IFA Board of Directors, would be considered public information and disclosed in the final version of this report.

Final Maturity

Date: 6/1/2034; *initial interest rate period and amortization to be specified at time of Final Bond Resolution.*

Interest Rates: MB Financial Bank will purchase the subject Bonds priced fixed for an initial 10-year period indexed to a spread set based on 90-day LIBOR. *Anticipated initial interest rate to be specified at the time of the Final Bond Resolution.*

PROJECT SUMMARY (FOR IFA PRELIMINARY BOND RESOLUTION)

Bond proceeds will be used by Sindesmos Hellenikes-Kinotitos of Chicago (also known as Holy Trinity Greek Orthodox Church) to finance, refinance, or reimburse all or a portion of the costs of (i) the acquisition and renovation (including, but not limited to replacement of the building’s existing HVAC system and partial roof replacement), equipping therein, and conversion of an existing, approximately 20,471 SF building located on an approximately 5.0 acre site into a school/educational facility for use by the Hellenic American Academy (the “Academy”) located at 1085 Lake Cook Rd., Deerfield (Lake County), IL 60015-5221 (the “Property”), (2) construction of a new, approximately 40,000 SF addition (to be undertaken in one or more phases), comprised of a gymnasium, student center/auditorium, classroom space, a kitchen, and other uses consistent with the Academy’s educational mission thereon, (iii) to pay capitalized interest, (iv) to refinance certain taxable indebtedness incurred by the Academy in connection with the initial acquisition and its renovations to the Property, and (v) to pay certain costs of issuance (collectively, the “Project”).

A summary of project costs follows:

Building Acquisition:	\$3,100,000
Completed Renovations:	1,800,000
New Gymnasium, Classroom Expansion , Kitchen, HVAC Improvements, Partial Roof Replacement, and Equipping:	7,300,000
Capitalized Interest and Contingency:	
Construction Soft Costs:	<u>104,000</u>
Total:	\$12,304,000

ECONOMIC DISCLOSURE STATEMENT

Borrower: Holy Trinity Greek Orthodox [Sindesmos Hellenikes-Kinotitos of Chicago and its affiliates, successors, and assigns] (c/o Mr. Dimitrios G. Logothetis, President – Parish Council, 6041 W. Diversey Ave., Chicago (Cook County), IL 60639; (T) 773-622-5979; (F) 773-622-8833)

Tenant: Hellenic American Academy Foundation, (c/o Mr. Demetrios Kotsakis , Executive Director, Hellenic American Academy, 1085 Lake Cook Rd., Deerfield (Lake County), IL 60015-5221; (T) 847-317-9650)
 Web Site: www.hellenicamericanacademy.org

Project name: Hellenic American Academy Series 2007 Bonds

Location: 1085 Lake Cook Road, Deerfield (Lake County), IL 60015-5221

Organization:

- **Initial Obligor and Founding Member of Borrower:**
Sindesmos Hellenikes-Kinotitos of Chicago (Holy Trinity Greek Orthodox)
 an Illinois 501(c)(3) Corporation (see note below)

- **Affiliate of Borrower:**
Hellenic American Academy Foundation
 Illinois not-for-profit corporation (application for 501(c)(3) Letter of Determination submitted 9/2006)

Note: Holy Trinity Greek Orthodox is affiliated (and ultimately subject to oversight) by both the (1) **Hellenic Orthodox Parish Metropolis of Chicago (the "Chicago Metropolis")**, an entity with 501(c)(3) status under the Internal Revenue Code, and (2) the **Greek Orthodox Archdiocese of America (the "Archdiocese")**, also an entity with 501(c)(3) status under the Internal Revenue Code.

**Trustees/
 Directors:**

See p. 6 for List of Parish Council Members for Holy Trinity Greek Orthodox Church.
 See pp. 6-7 for List of Board of Trustees for the Hellenic American Academy.

**Current
 Property
 Owners:**

Holy Trinity Greek Orthodox already owns the subject property located at 1085 Lake Cook Road in Deerfield.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Gus Kaloudis	Chicago, IL	Gus Kaloudis
Auditor:	To be determined (and subject to approval of MB Financial Bank)		
Bond Counsel:	Greenberg Traurig, LLP	Chicago, IL	Matt Lewin
Bond Purchaser:	MB Financial Bank	Rosemont, IL	John Sarris, John Hall
Bank Counsel	Burke Burns & Pinelli, Ltd.	Chicago, IL	Mary Ann Murray
Trustee:	Not applicable. The subject bond will be held in its entirety by MB Financial Bank as an investment until maturity or refunded.		
Architect:	Axios Consultants & Design	Chicago, IL	Elias Papageorge
General Contractor:	Subject to bid by Holy Trinity		
IFA Counsel:	Bell Boyd & Lloyd LLP	Chicago, IL	Pawel Chudzicki
IFA Financial			
Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	10	Mark Steven Kirk ✓
State Senate:	29	Susan Garrett ✓
State House:	58	Karen May ✓

Holy Trinity Hellenic Orthodox Parish Council Members

Konstantinos Alexakos	Dimitrios Logothetis
Stanley Andreakis	Dimitrios Papanikos
James Anton	Nicholas Pishos
Dr. Steve Ballis	Spiros Pissios
Michael Beladakis	Georgia Plevritis
Dimitrios Demos	Kyriakos Pontikes
Demetra Diakopoulos	George Rodinos
Dimitri Galetsis	Antonios Samiotakis
Steve Giannos	George Svarnias
John Giourdas	George Tsakanikas
Vasilios Karahalios	Sotirios Vergakis
Dr. Spiro Karras	Steve Vrettos
Dr. John Kiriklakakis	

Hellenic American Academy Foundation, Board of Trustees

2006 – 2007

Demetrios G. Logothetis, Ernst & Young LLP,
Chairman of the Board

Helen Alexander
Endowment Committee Chair

Dr. Olga Peplos-Analitis

Stanley Andreakis
Membership Committee Chair

Spiros Agnelos
Golf Event Chair

Dr. Tom Adams

Jim Anton

John Apostolou

Andrew A. Athens

Jim Argyropoulos

Dr. Michael J. Bakalis

Dr. Steve Ballis
N.S.G.F. Fest Committee Chair

Trifon Beladakis

George Berbas

Dr. Constantine Bokis

Dr. George K. Bovis

Mike Beladakis
Organizations Committee Chair

Helen Bousis

Dr. Jenna Constantine

Dr. Angelos Costas

Peggy Chiampas

Dr. Peter A. Contos

Maria Davlantes

Demetrios Demos

Spero Droulias **Asst. Treasurer**

Dr. Michael Fortsas

Jerry Gianakakos

Aris Halikias

Dr. Elias G. Gikas

John Giourdas **Secretary**
Raffle Committee Chair

Christina Hiotis
Phil. Committee Chair

Gus G. Kaloudis Legal Advisor
Legal Committee Chair

Markella Kaloudis
Database Committee Chair

Father George K. Kaloudis
Alumni Committee Chair

Vailios G. Kaloudis

Frank Kamberos

Violetta Kapsalis
Heritage Committee Chair

Vasilios Karahalios

Spyros Karahalios

Mike Karamouzis
Investment Committee Chair

Thanos Karras

Dr. Spiros Karras Co-Chairman
School Board Committee Chair

Dr. Constantine Kiamos
Education Committee Chair

Frank Klopas
Sports Program Committee Chair

Dr. Louis Karras

George Katsoudas

Dr. John Kiriklakis

Demetrios Kotsakis Honorary Chairman

Stefanos Kotsakis

Dan Kuesis
Strategic Planning Committee Chair

Paul C. Liliou

Dr. Jim Limperis

Steve Livaditis

Effie Logothetis
Young Adult A. Committee Chair

Peter G. Logothetis

George Londos

Dimitios Kourkouvis

Diamond Mendonides
Public Relations Committee Chair

Peter Maroutsos Treasurer
Finance Committee Chair

Stacey Parthenis
Marketing Committee Chair

Dr. Peter Petrovas

Dr. Demetrius Petrovas

Spiros Pissios

Nicolas Pishos

Kyriakos Pontikes
Exchange Program Committee Chair

Dr. Thodote Pontikes

Dr. John K. Pontikes

Bruce Robbins

Andonis Samiotakis
Audit Committee Chair

Georgia Plevritis

Dr. John Sarantopoulos

Peter Skirouris

Dr. Sam Speron

Angelos Spyrtos

George Svarnias

Ted Svarnias

Tom Souleles

Dr. Philip Theodoropoulos

George Tsakanikas

Dinos Tsoros

Paul Vadevoulis

Jim Vadevoulis
Buildings/Infr. Committee Chair

John Vavilis

Sotirios Vergakis
Maintenance Committee Chair

Endy Zemednides
Government Committee Chair

John Economou
Culture Committee Chair

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Noble Network of Charter Schools

STATISTICS

Deal Number:	N-NP-TE-CD-6032	Amount:	\$16,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	PA:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	8211

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance acquisition of a building, construction/ renovations, to pay capitalized interest, fund a debt service reserve and to pay certain bond issuance costs.

IFA PROGRAM and CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

This is the first time this project has been presented to the IFA Board of Directors

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	\$16,000,000	Uses:	Project Costs	\$14,150,000
	Equity	3,000,000		Capitalized Interest	3,000,000
	IFF Grant	1,550,000		Debt Service Reserve	1,550,000
				Common Debt Serv. Res.	1,550,000
				Cost of Issuance	<u>300,000</u>
Total Sources		<u>\$20,550,000</u>	Total Uses		<u>\$20,550,000</u>

JOBS

Current employment:	101	Projected new jobs:	80
Jobs retained:	N/A	Construction jobs:	120

BUSINESS SUMMARY

Background: Noble Network Charter Schools (“NNCS”, “Noble” or the “Applicant”) began as a partnership between Noble Network Charter School and the Northwestern University Settlement House in 1998. NNCS admitted its first students in the fall of 1999. The NNCS’s mission is to provide a quality education to a largely low-income, Latino population to improve the quality their quality of life.

Tax-Exempt Bonds were issued in the name of the Northwestern University Settlement House on behalf of Noble Street Charter School since NNCS was a start up organization in 1999 and a Letter of Credit would be needed in order to obtain credit enhancement for the \$3 million bond issue to build the NNCS building located at 1010 Noble Street In Chicago, Illinois.

Description: NNCS’s first charter high school Noble Street Charter High School (“Noble Street”) is among one of the highest ranked public high schools in Chicago. Noble Street’s current enrollment is approximately 480 students, most of whom come from surrounding neighborhoods. Noble Street provides a rigorous college preparatory curriculum requiring four years in five core subjects including: English, Math, Science, History and Foreign Language. Noble Street is housed in the Northwestern University Settlement House.

The school is open to all students in Chicago but the selection process is determined by lottery. 82% of the school’s students are Hispanic, 10% African American, 7% Caucasian, and 1% Asian American.

Project: The new high school campuses will open in August 2007, and will be located at 1448 W. Superior Street and 3645 W. Chicago Avenue in Chicago, Illinois. Each campus will enroll approximately 530 students and employ 40 staff members. The campuses will utilize the same academic model as the original Noble Street School. Noble may make some additional minor renovations to the existing campuses located at 1010 N. Noble Street, 1337 W. Ohio Street and 4131 W. Cortland in Chicago, Illinois.

Noble participates in the Illinois Charter Capital Program (ICCP) sponsored by the Illinois Facilities Fund. The ICCP is a program that utilizes a U.S. Department of Education Grant for credit enhancement for Charter Schools that use bond financing for capital improvement projects.

The IFA has issued \$14.5 million in tax-exempt bonds on behalf of Noble in 2006 under the ICCP program. The bond proceeds were used to finance the opening of two Chicago campuses located at 1337 W. Ohio and 4131 W. Cortland in Chicago.

FINANCING SUMMARY

Security: The Bonds will be secured with credit enhancement provided by ACA Insurance.
Structure: Fixed interest rate bonds at a rate to be determined
Maturity: 30 years
Collateral: First mortgage on subject real estate and first lien on all receivables, equipment and furnishings.
Credit Rating: The credit rating for this transaction will reflect that of the credit enhancement provider, ACA Insurance. ACA carries a rating of A by S&P.

PROJECT SUMMARY

Bond proceeds will be used to acquire a building located at 3645 W. Chicago Avenue in Chicago (Cook County), Illinois; finance renovations/construction at two facilities; located at 3645 W. Chicago Avenue in Chicago (Cook County), and 1448 W. Superior Street in Chicago (Cook County), capitalize a debt service fund, pay capitalized interest and to pay certain bond issuance costs. Bond proceeds may also be used to make some additional minor renovations to the existing campuses located at 1010 N. Noble Street, 1337 W. Ohio Street and 4131 W. Cortland in Chicago (Cook County), Illinois.

Project costs are as follows:

Construction and Renovation	\$10,750,000
Building	3,150,000
Contingency	250,000
Total Project Costs	<u>\$14,150,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Noble Network of Charter Schools
1010 Noble Street
Chicago, IL 60622
Telephone (773) 862-1449 Fax (773) 278-7536
Mr. Ron Manderschied, President

Project name: Noble Network of Charter Schools New Facilities

Locations: 1448 W. Superior Street 3645 W. Chicago Avenue
Chicago, IL 60622 Chicago, IL 60651

Organization: 501(c)(3) Corporation

State: Illinois

Board of Directors: Kathleen Elliott Marj Lundy Allan B. Muchin
Karen Howland Ron Manderschied Anne Mueller
Sherry John Michael Milkie Jean Sheridan
Patricia M. Johnson Dr. Sylvia Manning Daniel W. Vittum, Jr.
Ema Lopez Robert M. Montgomery David Weinberg

Land Sellers: Chicago Commons Association (an Illinois not-for-profit corporation)

PROFESSIONAL & FINANCIAL

Sponsor:	Illinois Facilities Fund	Chicago	Jill Levine
Sponsor's Counsel:	Sidley Austin Brown & Wood	Washington, DC	Peter Canzano
Borrower's Counsel:	Bell Boyd & Lloyd	Chicago	Ken Peterson
Accountant:	Ostrow, Reisin, Berk & Adams, Ltd	Chicago	Jim Quaid
Bond Counsel:	Greenberg and Traurig	Chicago	Matt Lewin
Credit Enhancement:	ACA Insurance	Chicago	Thea Okin
Underwriter:	RBC Capital Markets	Chicago	James Pass
Underwriter's Counsel:	Katten Muchin & Rosenman LLP	Chicago	Janet Hoffman
Issuer's Counsel:	Ice Miller, LLP	Chicago	Tom Smith
Trustee:	Cole Taylor Bank	Chicago	Ann Logino
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

For Cortland, Ohio and Superior locations

Congressional: 4 – Luis V. Gutierrez ✓
State Senate: 2 – William Delgado ✓
State House: 4 – Cynthia Soto ✓

For Chicago Avenue location

Congressional: 7 – Danny Davis ✓
State Senate: 5 – Ricky Hendon ✓
State House: 10 – Annazette Collins ✓

For Noble Street location

Congressional: 4 – Luis V. Gutierrez ✓
State Senate: 5 – Ricky Hendon ✓
State House: 10 – Annazette Collins ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: UNO Charter School Network

STATISTICS

Deal Number:	N-NP-TE-CD-7072	Amount:	\$13,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	8211

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance construction and renovation, refinancing existing debt, fund a debt service reserve and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

This is the first time this project has been presented to the IFA Board of Directors

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	\$13,000,000	Uses:	Project Costs	\$8,645,000
	IFF Grant	<u>1,300,000</u>		Refinancing	2,800,000
				Debt Service Reserve	1,300,000
				Common Debt Ser. Res.	1,300,000
				Cost of Issuance	<u>255,000</u>
	Total Sources	<u>\$14,300,000</u>		Total Uses	<u>\$14,300,000</u>

JOBS

Current employment:	76	Projected new jobs:	60
Jobs retained:	N/A	Construction jobs:	50

BUSINESS SUMMARY

Background: The UNO Charter School Network (“UCSN” or the “Applicant”) was founded in 1998 and is a co-educational, public charter school that provides a comprehensive K-8 program serving approximately 1,025 students at three campus locations Octavio Paz located at 2401 W. Congress Parkway and 2651 W. 23rd Street and Rufino Tamayo located at 5135 S. California Boulevard. The Octavio Paz campuses opened in 1998 and its second campus in 2001 and the Rufino Tamayo campus opened in 2005.

The UNO Charter School Network is managed by the United Neighborhood Organization (“UNO”), a nonprofit community based organization dedicated to revitalizing and improving Chicago’s immigrant neighborhoods.

UCSN’s strategic plan consists of expanding its charter network in Hispanic area of Chicago to assist the overcrowding in the Chicago Public School system while providing school choices to area parents. All UCSN campuses follow the Structured English Immersion program which requires that all instruction be conducted in English.

Description: The proposed campus will open fall 2007 as K-8 elementary schools and will have acquired the former Miserecordia Home facility located at 2916 W. 47th Street in Chicago and operate the new Miserecordia Campus. The new campus will accommodate between 225 and 297 students. The campus will employ 60 new full-time permanent positions once the campus is operating at full capacity.

UCNS participates in the Illinois Charter Capital Program (ICCP) sponsored by the Illinois Facilities Fund. The ICCP is a program that utilizes a U.S. Department of Education Grant for credit enhancement for Charter Schools that use bond financing for capital improvement projects. This project is the second bond transaction that UCNS will utilize to finance three new campuses expansions.

The IFA has issued \$6 million in tax-exempt bonds on behalf of UCNS in 2006 under the ICCP program. The bond proceeds were used to finance the opening of two Chicago campuses located at 1641 W. 16th Street and 2845 W. Barry in Chicago.

FINANCING SUMMARY

Security: The Bonds will be secured with credit enhancement provided by ACA Insurance.
Structure: Fixed interest rate bonds at a rate to be determined
Maturity: 30 years
Collateral: First mortgage on subject real estate and first lien on all receivables, equipment and furnishings.
Credit Rating: The credit rating for this transaction will reflect that of the credit enhancement provider, ACA Insurance. ACA carries a rating of A by S&P.

PROJECT SUMMARY

Bond proceeds will be used to finance renovations to the former Misericordia facility located at 2916 W. 47th Street in Chicago, refinancing existing debt, fund a debt service reserve and to pay certain bond issuance costs. Total project costs are for construction and renovations and estimated at \$8,645,000.

Applicant: UNO Charter School Network
954 W. Washington Blvd., 3rd Floor, Chicago, IL 60607
Telephone: (312) 432-6301 Fax: (312) 432-0077
Mr. Andrew Alt, Director, Charter School Operations

Project name: Misericordia Campus
Location: 2916 W. 47th Street
Chicago, IL 60632

Organization: 501(c)(3) Corporation
State: Illinois

Board of Directors: Juan Rangel, President
Guadalupe Gallo-Brinkman, Vice-President
Timothy Fidler, Treasurer
Dan Sichelski, Secretary
Father George Schopp
Veronica Alanis
Fred d'Escoto
Mary Jane Castro Solis

Land Sellers: Misericordia of Chicago

PROFESSIONAL & FINANCIAL

Sponsor:	Illinois Facilities Fund	Chicago	Jill Levine
Sponsor's Counsel:	Sidley Austin Brown & Wood	Washington, DC	Peter Canzano
Borrower's Counsel:	Burke Burns & Pinelli, Ltd	Chicago	Stephen Welcome
Accountant:	Ostrow, Reisin, Berk & Adams, Ltd	Chicago	Jim Quaid
Bond Counsel:	Greenberg Traurig	Chicago	Matt Lewin
Credit Enhancement:	ACA Insurance	Chicago	Thea Okin
Underwriter:	RBC Capital Markets	Chicago	James Pass
Underwriter's Counsel:	Katten Muchin & Rosenman LLP	Chicago	Janet Hoffman
Issuer's Counsel:	Ice Miller	Chicago	Tom Smith
Trustee:	Cole Taylor Bank	Chicago	Gloria Parish
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 4 - Luis Gutierrez ✓
State Senate: 1 - Antonio Munoz ✓
State House: 1 - Susan Mendoza

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Presbyterian Homes

STATISTICS

Deal Number:	N-NP-TE-CD-7071	Amount:	\$30,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Lake Forest	SIC Code:	6513

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit 501(c)(3) Refunding Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to refund a previous bond issue which financed the construction of Lake Forest Place, a continuing care facility and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

This is the first time this project has been presented to the IFA Board of Directors

SOURCES AND USES OF FUNDS

Sources:	IFA Refunding Bonds	<u>\$29,000,000</u>	Uses:	Refund Bonds	\$28,650,000
				Bond Issuance Costs	<u>350,000</u>
Total Sources		<u>\$29,000,000</u>	Total Uses:		<u>\$29,000,000</u>

JOBS

Current employment:	980	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: The Presbyterian Homes (“Presbyterian Homes” or the “Applicant”) is an Illinois not-for-profit corporation founded in 1904 by the Chicago Presbytery. Headquartered in Evanston, the Presbyterian Home is one of the oldest continuing care retirement communities in Illinois. The day to day operations of Presbyterian Homes are managed by its President and Chief Executive Officer, Peter Mulvey. Mr. Mulvey has operated in his capacity at Presbyterian Homes for 21 years and in health care management for more than 32 years.

Currently, the applicant serves approximately 1,300 older adults through its nine facilities: six located in Evanston, two located in Chicago and one located in Lake Forest. The mix of these units consists of 870 independent living units, 242 assisted living units, and 400 health care center units.

Project: These bonds will refund a portion of outstanding bonds originally issued in 1996 and refunded in 1999, by the IFA’s predecessor, the Illinois Development Finance Authority (IDFA). The original project was the construction of the Lake Forest Place, a continuing care facility with 250 apartments and cottages, 30 assisted living units and 63 health care units. The project was completed and put into service in the January of 1999.

This project represents the fifth financing transaction that the IFA and its predecessor have issued on behalf of the Presbyterian Homes. The proposed project financing will generate an estimated \$2.4 million in interest rate savings on a present value basis.

FINANCING SUMMARY

Security: The Bonds will be secured by an Insurance provided by Financial Security Assurance (FSA) Company.
Structure: Variable Rate Demand Bonds
Maturity: To Be Determined.
Bank Collateral: First mortgage on subject real estate.
Credit Rating: The credit rating for this transaction will reflect that of the credit enhancer/insurance provider, Financial Security Assurance (FSA). FSA carries a rating of AAA by S&P, Fitch Ratings and Moody Investors.

PROJECT SUMMARY

Bond proceeds will be used to refund a portion of outstanding bonds originally issued in 1996 and refunded in 1999, by the IFA’s predecessor, the Illinois Development Finance Authority (IDFA). The project, Lake Forest Place is located at 1100 Embridge in Lake Forest, Lake County, Illinois. It financed the construction of a continuing care facility with 250 apartments and cottages, 30 assisted living units and 63 health care units. The project was completed and put into service in the January of 1999. Project costs include refunding of previous bond issue in the amount of \$28,650,000 million.

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Presbyterian Home
Project name: The Presbyterian Home Refunding 2007
Location: 3200 Grant Street, Evanston, Illinois, 60201 (Cook County)
Organization: 501(c)(3) Corporation
State: Illinois
Board:

Donald C. Clark, Chairman	Dr. Willard A. Fry	R. Douglas Petrie
Byram Dickes, Vice Chair	Leland Hutchinson, Secretary	Adrian F. Kruse, Treasurer
Peter S. Mulvey, President	John A. Anderson	Karin Balsbaugh
Dr. Gilbert W. Bowen	Dr. John M. Buchanan	Wiley N. Caldwell
Dr. Richard M. Clewett	Dr. Fay Lomax Cook	William S. Dillon
Thomas A. Donahoe	Rev. David A. Donovan	Jon T. Ender
Earl J. Frederick	Van R. Gathany	Dr. Martha Page Greene
Katheryn L. Guthrie	Diane T. Hart	Edward W. Horner, Jr.
Dr. Richard L. Hughes	Edward R. James	Dr. Philip N. Jones
Walter Kasten II	M. Allen Kimble	Robert P. Knight
Thomas M. Lillard	Dr. John J. McGillen	Allen C. Menke
Sally Parnell Miller	Mary C. Milligan	Dale Park, Jr.
Dr. Stephen C. Pierce	Cynthia W. Pinkerton	Jacqueline L. Quern
James T. Rhind	Eugene F. Silkrovsky	Mary Simmons
Goff Smith	Neele E. Stearns	Dr. Milton Weinberg, Jr.
Charles N. Wheatley	Frank H. Whitehand	Robert H. Wilson
Robert J. Winter	George H. Bodeen	

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Sonnenschein Nath & Rosenthal	Chicago	Mary Wilson
Accountant:	Deloitte & Touche	Chicago	Patrick Kitchen
Bond Counsel:	Perkins & Coie	Chicago	Bruce Bonjour
LOC Bank:	Financial Security Assurance	Chicago	Robert Wetzler
Underwriter:	William Blair & Company	Chicago	Christine Kelly
Underwriter's Counsel:	Katten Muchin & Rosenthal	Chicago	Elizabeth Weber
Issuer's Counsel:	Pugh Jones & Johnson	Chicago	Scott Bremer
Trustee:	Bank of New York	Chicago	Rodney Harrington

LEGISLATIVE DISTRICTS

Congressional: 10 -- Mark S. Kirk ✓
State Senate: 58 -- David Luechtefeld ✓
State House: 29 -- David E. Miller ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: St. Coletta's of Illinois Foundation

STATISTICS

Number:	N-PF-TE-CD-7075	Amount:	\$5,400,000
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Tinley Park	SIC Code:	8361

BOARD ACTION

Preliminary Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

Proceeds will be used to (i) refinance the Applicant's 1997, 1998, 2000, and 2002 Series Tax-Exempt bond issues, (ii) refinance a taxable note, and (iii) fund professional and bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Initial Bond Resolution; no prior vote.

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$5,400,000	Uses:	Debt refinancing	\$5,785,735
	Prior Issue DSR*	<u>580,735</u>		Professional costs	<u>195,000</u>
	Total	<u>\$5,980,735</u>		Total	<u>\$5,980,735</u>

JOBS

Current employment:	3301	Projected new jobs:	21 (natural growth)
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: St. Colleta's Foundation (the "Applicant", the "Foundation") is a not for profit organization providing support and fund raising for the special need individuals utilizing St. Colleta's of Illinois (the "Agency") programs. In addition to support, the Foundation owns all of the Agency's property and receives annual rental payments from the Agency.

The Agency was founded in 1949 and sponsored by the Sisters of St. Francis of Assisi. The Agency is a social service organization which provides residential, educational, and vocational services to approximately 400 individuals with developmental disabilities without regard to race, religion, or economic background. The Agency offers services in its headquarters facility, which includes the Kennedy School and vocational training center, and in over 30 properties at which it provides administrative, residential including Children's Group Homes and Community Integrated Living Arrangements ("CILA"), vocational training and other services. The Agency operates in 15 different communities in Chicago's southern suburbs. A list of locations is provided for Board review. The Agency is accredited by the Commission on Accreditation of Rehabilitation Facilities, a national accrediting entity. The Agency is surveyed every three years and it is currently accredited through August, 2009. A list of Foundation Board members is provided for IFA Board review.

Vocational Training: The Agency's vocational programs received a large boost with the opening of the Sr. Anne Mary Rischar Center. The Center provides opportunities for 250 individuals with special needs helping them to become self sufficient and to learn the responsibilities of work. An area of concentration is warehouse work. The Agency has trained individuals in the proper use of a fork lift truck and other types of equipment.

Educational Services: The Lt. Joseph P. Kennedy Jr. School provides elementary through high school education to children who are developmentally disabled or autistic. In addition to classes the students participate in pre-vocational skills that will help them prepare for job training and independent living. Sports, special events, and field trips are scheduled throughout the year. Currently, the school serves 72 students. The student/teacher ratio is approximately 9:1.

Residential Services: The Agency provides children's group homes and CILA arrangements for adults so to provide the least restrictive living environments for its clients to achieve their greatest potential.

Project

Description: The proposed financing will (i) refinance the Agency's 1997, 1998, 2000, and 2002 Tax Exempt bond issues of which \$4,215,000 is currently outstanding, and which were issued through the Illinois Development Finance Authority ("IDFA"), a predecessor authority to the Illinois Finance Authority, (ii) refinance a taxable note in the amount of \$1.31 million, and (iii) pay for bond issuance costs. This refinancing will allow the Agency to improve its cash flow and the overall financial health of the Agency.

Remarks: The refinancing will produce approximately \$ in savings for the Agency. The improved financial condition will allow the Agency to more effectively carry out its mission of providing services to disabled persons to allow them to be better integrated into the community.

FINANCING SUMMARY

Security: Direct pay Letter of Credit from a bank to be determined.
Structure: Multi-mode Variable Rate Demand Bonds
Maturity: 20 years.

PROJECT SUMMARY

Proceeds will be used to (i) refinance the Agency's 1997, 1998, 2000, and 2002 Tax Exempt bond issues issued through the IDFA of which \$4,215,000 is currently outstanding, (ii) refinance a taxable note with Palos Bank and Trust Company in the amount of \$1.31 million, and (iii) pay for bond issuance costs.

Debt refinancing	<u>\$5,785,735</u>
Total	<u>\$5,785,735</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: St. Coletta's of Illinois Foundation
Project names: Refunding Project
Location: 18350 Crossing Drive, Tinley Park, Cook County, Illinois 60487
Organization: 501(c)(3) Corporation
State: Illinois
Board of Directors:

Mr. Kenton Bobb	Chairperson
Mr. Patrick McShane	Vice-Chairperson
Mr. Richard Hyland	Secretary/Treasurer
Mr. John Gembara	Board Member
M. Joseph Kobel	Board Member
Mr. Jeff Kowalis	Board Member
Mr. James McLaughlin	Board Member
Mr. Larry Obermeier	Board Member
Sr. Sylvia Anne Shledon, OSF	Board Member
Mr. William Vitucci	Board Member
Mr. Wayne Kottmeyer	Board Member (non-voting)

PROFESSIONAL & FINANCIAL

Counsel:	Burke, Burns & Pinelli	Chicago	Mary Pat Burns
Accountant:	Mulcahy, Pauritsch, Salvador & Co. LTD	Orland Park, IL	
Bond Counsel:	TBD		
Underwriter: & Thompson, Inc. Placement Agent	Griffin, Kubik, Stephens	Chicago	Michael Boisvert
Underwriter's Counsel:	TBD		
LOC Bank Counsel:	TBD		
Issuer's Counsel:	Sanchez, Daniels & Hoffman LLP	Chicago	John Cummins
Trustee:	TBD		
IFA Financial Advisors:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago Chicago	Bill Morris Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	11 th	Gerald C. "Jerry" Weller ✓
State Senate:	19 th	M. Maggie Crotty ✓
State House:	37 th	Kevin A. McCarthy ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Loyola Academy

STATISTICS

Number:	N-PS-TE-CD-7093	Amount:	\$21,500,000
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Wilmette, Glenview	SIC Code:	8211

BOARD ACTION

Preliminary Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

Proceeds will be used to (i) refinance the outstanding par value of the Applicant's 1993 Series Tax-Exempt bonds issued through the Illinois Development Finance Authority, (ii) renovate existing academic buildings and athletic facilities, (iii) purchase real estate, (iv) capitalize interest, and (v) fund professional and bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution; no prior vote.

SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Series 2007A New Money Bonds	\$11,500,000	Project Costs	\$10,000,000
IFA Series 2007B Refunding Bonds	<u>10,000,000</u>	Refunding Escrow	10,000,000
		Capitalized Interest	1,000,000
		Legal and professional costs	<u>500,000</u>
Total	<u>\$21,500,000</u>	Total	<u>\$21,500,000</u>

JOBS

Current employment:	263	Projected new jobs:	0
Jobs retained:	263	Construction jobs:	50 (36 months)

BUSINESS SUMMARY

Background: Loyola Academy is a coeducational Jesuit college preparatory, which serves approximately 2,000 students from Chicago and approximately 50 suburban communities. Loyola Academy was incorporated on September 20, 1909 and was originally located on the north side of Chicago. In 1957, Loyola Academy moved from Chicago to the northern suburb of Wilmette, where it now occupies a 20-acre campus at the junction of Lake Avenue and the Edens Expressway. In 2001, Loyola Academy acquired a 60-acre site located in Glenview, which it uses as an Athletic Campus. In recent years, the school building and grounds have undergone substantial renovation, expansion and improvement, including new or remodeled facilities for science education, computer studies, foreign languages, athletics and fine arts. Basic infrastructure improvements also have been made.

Loyola Academy is accredited by the North Central Association of Colleges and Secondary Schools and the State of Illinois, and is the largest Jesuit high school in the United States. Loyola Academy is an Illinois not-for-profit corporation and a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code.

Project

Description: Loyola Academy intends to use the net proceeds of the Authority loan to provide funds for the refinancing of the Series 1993 Bonds, renovations within the existing academic buildings, purchase of homes located near the Wilmette campus, construction of a new parking lot for the Wilmette campus, upgrades to the athletic facilities at the Wilmette and Glenview campuses, new swimming pool at the Wilmette campus, and various other capital expenditures.

Remarks: Using tax-exempt financing will permit Loyola to obtain the lowest cost of capital for financing the project. This will permit Loyola to better conserve its financial resources so as to support its non-profit mission. Estimated savings from the refunding are negligible. Restructuring to extend maturities from 2023 to 2037 smoothes cash flow for the Applicant.

FINANCING SUMMARY

Security: Direct Pay Letter of Credit from a rated bank to be determined.
Structure: Weekly multi-mode floating rate bonds
Collateral: Pledge of operating earnings, investment earnings, and donations.
Maturity: 30 years

PROJECT SUMMARY

Loyola Academy intends to use the net proceeds of the Authority loan to provide funds for the (i) refinancing of the Series 1993 Bonds, (ii) renovations within the existing academic buildings, (iii) purchase of land located near the Wilmette campus for the purpose of constructing a new parking lot for the Wilmette campus which is located at 1100 Laramie Avenue, Wilmette, Cook County, Illinois, (iv) upgrades to the athletic facilities at the Wilmette and Glenview campuses, (v) a new swimming pool at the Wilmette campus, and various other capital expenditures, (vi) capitalize interest, and (vii) fund professional and bond issuance costs.

Project Costs	Land, Renovation. and New Construction	\$10,000,000
	Refunding	<u>10,000,000</u>
	Total	\$20,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Loyola Academy
Project names: Renovation and Refunding Project
Locations: 1100 Laramie Avenue, Wilmette, IL 60091 Cook County, Illinois and 1901 St. Johns Drive, Glenview, Cook County, Illinois 60025
Contact Person: Terence Brennan, Vice President and Chief Financial Officer 847-920-2424
Organization: 501(c)(3) Corporation
State: Illinois
Board of Trustees:

Sarah Baine	Bro. David Henderson, S.J.	Robert Navarre
Rev. Robert Bueter, S.J.	James Hickey	Debra Perkaus
Angelo Bufalina	Robert Huffman	Christopher Perry
Michael Cannizzaro	Virginia Kendall	Sherman Reynolds
Vincent Cook	Philip Kenny	Fr. Jack Wall
Rosemary Croghan	Rev. Karl Kiser, S.J.	Edward Wanandi
Rev. Michael Garanzini, S.J.	Rev. Patrick McGrath, S.J.	Edward Wehmer
Patricia Heller	Rev. Richard McGurn, S.J.	

PROFESSIONAL & FINANCIAL

Counsel:
Accountant: Pasquesi Sheppard LLC Lake Forest, IL
Bond Counsel:
Underwriter: William Blair & Company Chicago Thomas E. Lanctot
Placement Agent:
Underwriter's Counsel:
LOC Bank Counsel:
Issuer's Counsel: Sonnenschein Nath & Rosenthal LLP Chicago Rhonda C. Thomas
Trustee:
IFA Financial Advisors: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 10th Mark Steve Kirk ✓
State Senate: 9th Jeffrey M. Schoenberg ✓
State House: 17th Elizabeth Coulson ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: The Center: Resources for Teaching and Learning

STATISTICS

Deal Number:	N-NP-TE-CD-6210	Amount:	\$1,900,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Arlington Heights	SIC Code:	8299

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to refinance existing debt and to pay certain bond issuance costs.

IFA CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary Bond Resolution: November 14, 2006

Ayes: 9 Nays: 0 Abstentions: 0
Absent: 6 (Boyles, DeNard, Herrin, Nesbitt, Rice, Rivera)

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	\$1,900,000	Uses:	Refinancing	\$2,060,000
	Equity	<u>210,000</u>		Bond Issuance Costs	<u>50,000</u>
	Total Sources	<u>\$2,110,000</u>		Total Uses	<u>\$2,110,000</u>

The source of equity is from proceeds of a lease buyout from the present landlord.

JOBS

Current employment:	187	Projected new jobs:	9
Jobs retained:	N/A	Construction jobs:	15

BUSINESS SUMMARY

Background: The Center: Resources for Teaching and Learning (The "Center" or the "Applicant") is an Illinois 501(c)(3) not-for-profit corporation formed in 1972 as a cooperative formed between school districts and was incorporated as a 501(c)(3) in October 1998.

Description: The Center is a service organization comprised of the following projects: The Illinois Resource Center, The Adult Learning Resource Center, Workplace Education, the Center for Teaching and Learning and Early Childhood Developmental Enrichment Center. The Center's management believes they form the only organization in the Chicago land area that has expertise in the instruction of language to minority students (including ESL), bilingual and cross cultural education; comprehensive early childhood staff development; special needs children from birth to five years; childhood developmental enrichment; professional development and instructional resources for adult and family educators; the design, implementation and maintenance of basic workplace skills programs; and use of computers, educational and productivity software, the Internet and other technology resources.

In 2005 and 2006, the Center served 12,000 participants in more than 500 classes and workshops.

Remarks: The Applicant has been leasing space in its current location in Des Plaines, Illinois since 1998. The present facility's owner had informed the organization of the need to utilize the space the Center presently occupies. After exploring other leasing options, the organization determined they would acquire their new facility. The new facility will serve as the Center's new headquarters and the majority of the operations including administration and training will be conducted at the new Arlington Heights location.

FINANCING SUMMARY

Security: The Bonds will be purchased by Bridgeview Bank and held until maturity as an investment
Structure: Private Placement at a fixed rate of 4.50%.
Maturity: 10 year term with a 25-year amortization
Bank Collateral: First mortgage on subject real estate.
Credit Rating: Not Applicable, Bridgeview Bank is not a rated bank.

PROJECT SUMMARY

Bond proceeds will be used to refinance existing debt and to pay certain bond issuance costs. The original project financed the acquisition of a 10,500 square foot building located at 2626 S. Clearbrook in Arlington Heights (Cook County) and closed in December 2006. Original project costs were as follows:

Building	\$1,400,000
Rehabilitation	500,000
Equipment/Contingency	<u>105,000</u>
Total Project Costs	<u>\$2,005,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Center: Resources for Teaching and Learning
1855 S. Mt. Prospect Road
DesPlaines, IL 60018 (Cook County)

Project name: The Center: Resources for Teaching and Learning New Facility

Location: 2626 S. Clearbrook Drive
Arlington Heights, IL 60005 (Cook County)

Organization: Not-For-Profit Corporation

State: Illinois

Board of Directors: Dr. Kenneth Cull, President
Susan Shepard, Secretary/Treasurer
Abel Friedman, Vice President-
Dr. William Kritzmire

Land Sellers: Jasbir & Tajinder Jutla

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Wolfe and Polovin	Chicago	Robert Polovin
Accountant:	Desmond & Ahern	Chicago	Hugh Ahern
Bond Counsel:	Ice Miller	Chicago	Tom Smith
Bond Purchaser:	Bridgeview Bank	Bridgeview	Bill Iacula
Bank's Counsel:	Bridgeview Bank (Internal Counsel)		
Issuer's Counsel:	Pugh Jones Johnson and Quandt	Chicago	Scott Bremer
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 6 – Henry J. Hyde
State Senate: 33 – Chery Axley
State House: 66 – Carolyn H. Krause

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Holy Family Ministries

STATISTICS

Deal Number:	N-NP-TE-CD-7005	Amount:	\$4,500,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	8211 -- Elementary and Secondary Schools 8299 -- Schools and Educational Services, Not Elsewhere Classified

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance the acquisition of land, construction, acquisition of machinery and equipment, professional expenses and to pay certain bond issuance costs.

IFA PROGRAM and CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary Bond Resolution: February 13, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Vacancy: 1 (Giannoulas)
Absent: 3 (Herrin, Nesbitt, Valenti)

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	\$4,500,000	Uses:	Project Costs	\$8,835,500
	Equity	<u>4,485,000</u>		Bond Issuance Costs	<u>150,000</u>
	Total Sources	<u>\$8,895,000</u>		Total Uses	<u>\$8,895,000</u>

The Applicant expects the source of equity to be the result of fundraising proceeds. Approximately \$3.5 million has been collected with the remaining pledges to be collected during 2007.

JOBS

Current employment:	23	Projected new jobs:	17
Jobs retained:	N/A	Construction jobs:	300

BUSINESS SUMMARY

Background: Holy Family Ministries (“HFM” or the “Applicant”) is an independent 501(c)(3) Corporation incorporated in 1999. HFM is affiliated with the Evangelical Lutheran Church in America, Lutheran Services in America, and the Schools That Can Network but operates independently from these organizations in governance and receives no financial support from them.

The Applicant’s charitable purpose is to operate academically-focused youth development programs targeting low-income families residing in Chicago’s near north and near west neighborhoods. The HFM operates the Holy Family Lutheran School (“HFLS” or the “School”) located at 4256 West Walton in Chicago’s West Humboldt Park neighborhood. HFLS is a K-8 elementary school in its 22nd year of operation. HFM also operates Hope Alive, a before and after school hours program for the children and families of the target communities.

HFM’s programs serve children and families located within the Cabrini Green, Austin, West Humboldt Park, West Garfield Park and North Lawndale communities on the City of Chicago’s near north and near west sides.

Description: The new building, Holy Family Ministries Center (the “Center”) will be constructed and located at 3415 W. Arthington in Chicago in the North Lawndale neighborhood. The Center will serve as the new home of the Holy Family Lutheran School and Hope Alive. The school will expand from 150 to 312 students while the after school program will expand from 75-200 students. A pre-school class serving 40 students will open in 2008 and a summer camp program will be added and accommodate 110 children.

Other HFM programs and outreach services will also be located within the Center including the weekend algebra enrichment program. HFM is also exploring partnering with other area not-for-profits to offer adult education and job training classes in the evening hours.

FINANCING SUMMARY

Bondholder’s Collateral: The Bonds will be secured by a Direct Pay Letter of Credit by National City Bank.
Structure: Variable Rate Demand Bonds
Maturity: 35 Years
Bank Collateral: First mortgage on the subject real estate and first lien on furnishings and equipment financed.
Credit Rating: The credit rating for this transaction will reflect that of the Letter of Credit provider, National City Bank. National City carries a rating of AA by S&P.

PROJECT SUMMARY

Bond proceeds will be used to finance the acquisition of 1.2 acres of land and construct a 45,000 square foot educational facility to be located at 3415 W. Arthington in Chicago (Cook County), Illinois, finance the acquisition of furnishings and equipment for use therein and to pay certain bond issuance costs. Project costs are estimated as follows:

Construction	\$8,120,500
Land	406,000
Machinery and Equipment	215,000
Contingency	<u>94,000</u>
Total Project Costs	<u>\$8,835,500</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Holy Family Ministries
790 Frontage Road, Suite 415
Northfield, IL 60093 (Cook County)

Project name: Holy Family Ministries Center

Location: 3415 West Arthington
Chicago, IL 60624 (Cook County)

Organization: 501(c)(3) Corporation

State: Illinois

Board Members: John Mjoseth, Board Chair Dan Badovinac Rev. Alvin Bergh
Jackie Quern Berry Kendric Berry Roxanne Busey
Mildred Campbell Jeffrey Clark Carlton Fisher
Pastor Glen Gronlund Marilyn Hawkins Rev. Charles Infelt
Bernie Labovitch Bill McMahon Sal Melilli
Dr. David Nahrwold Ron Phemister Joe Pringle
Joan Sherman Richard Tribble Dr. Susan Work

Land Seller: Homan Arthington Foundation, an Illinois 501(c)(3) Corporation.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Hinshaw and Culbertson	Chicago	Carlton Fisher
Accountant:	CFO Services, Inc.	Chicago	David C. Watt
Bond Counsel:	Sonnenschien Nath and Rosenthal	Chicago	Steven Kite
LOC Bank:	National City	Chicago	John Weber
Remarketing Agent:	LaSalle Capital Markets	Chicago	Peter Glick
Underwriter:	Griffin, Kubik, Stephens & Thompson	Chicago	Kristyn Harrell
Underwriter's Counsel:	Chapman and Cutler	Chicago	Nancy Burke
Issuer's Counsel:	Ice Miller	Chicago	Tom Smith
Trustee:	Bank of New York Trust Co., NA	Chicago	Kristine Brutsman
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 7 – Danny Davis ✓
State Senate: 5 – Rickey Hendon ✓
State House: 9 – Arthur L. Turner

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007

Project: Fenwick High School

STATISTICS

Deal Number:	N-NP-TE-CD-6271	Amount:	\$16,500,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Oak Park	SIC Code:	8211

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance construction and acquisition of equipment and land, capitalized interest and to pay certain bond issuance costs.

IFA PROGRAM and CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary Bond Resolution: January 9, 2007

Ayes: 10 Nays: 0 Abstentions: 0
Absent: 5 (DeNard, Giannoulas, Herrin, Nesbitt, Valenti)

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	<u>\$16,500,000</u>	Uses:	Project Costs	\$15,670,000
				Capitalized Interest	570,000
				Bond Issuance Costs	<u>260,000</u>
Total Sources		<u>\$16,500,000</u>	Total Uses		<u>\$16,500,000</u>

JOBS

Current employment:	150	Projected new jobs:	1
Jobs retained:	N/A	Construction jobs:	100

BUSINESS SUMMARY

Background: Fenwick High School ("Fenwick" or the "Applicant") is a private, coeducational college preparatory high school serving grades nine through twelve. Fenwick was chartered in 1929 as Fenwick High School for Boys to provide a college preparatory senior high school education in the Dominican Catholic tradition; the school became coeducational in 1992. The Applicant incorporated as a 501(c)(3) in 1946 and is located at 505 Washington Boulevard in Oak Park, Illinois.

IFA's predecessor, the Illinois Development Finance Authority issued \$13.2 million in 501(c)(3) bonds for Fenwick in 1997.

Description: The new LINK expansion project is a new 30,100 square foot building which will add nine new air-conditioned class rooms for science labs, an expanded library, girl's locker room, aerobics room and new visitor reception area.

Remarks: Fenwick is accredited by the North Central Association of Colleges and Schools and the Illinois State Board of Education. Fenwick is among 60 high schools honored by the United States Office of Education as the most exemplary in the nation. Recently, Fenwick was named one of the top ten private high schools in Illinois.

In addition to academics, Fenwick offers its 1200 students a strong interscholastic sports program and numerous other extracurricular and social activities available to its students.

FINANCING SUMMARY

Security: The Bonds will be secured by a Direct Pay Letter of Credit by Chase Bank.
Structure: Variable Rate Demand Bonds
Maturity: 30 Years
Bank Collateral: First mortgage on the subject real estate and first lien on furnishings and equipment financed.
Credit Rating: The credit rating for this transaction will reflect that of the Letter of Credit provider, Chase Bank AA.

PROJECT SUMMARY

Bond proceeds will be used to finance the construction of an approximately 30,100 square foot facility to be located at 505 Washington Boulevard in Oak Park, IL (Cook County), acquisition of approximately .25 acres of land, acquisition of equipment, capitalized interest and to pay certain bond issuance costs. Project costs are estimated as follows:

Construction	\$13,530,000
Equipment	1,500,000
Contingency	633,500
Land	<u>6,500</u>
Total Project Costs	<u>\$16,670,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Fenwick High School
505 Washington Boulevard
Oak Park, IL 60302 (Cook County)
Ms. Janice Reedus, Vice President of Administration and Finance
Project name: Fenwick High School LINK Expansion Project
Location: 505 Washington Boulevard
Oak Park, IL 60302 (Cook County)
Organization: 501(c)(3) Corporation

State:	Illinois		
Board of Directors:	Anita Alvarez	David Atchison	Robert J. Bingle
	Tracy Brooker	William Cahill	Dr. Daniel Campbell
	Joseph Canfora	Loretta Cooney	Robert Cooney
	Bernard Dan	Anthony Garippo	Rev. David Hynous
	Brian Herbstritt	Jaime Javors	Dennis Jones
	Rev. Richard LaPata	David Lies	Roxanne Martino
	Rev. Michael Mascari	Rev. John Meany	Emmett McEnery
	Walter Morrissey	William Napleton	Dr. Kenneth Nelson
	Rev. John O'Malley	Rev. Kevin O'Rourke	Sally Porter
	James Pruyon	Dr. James Quaid	Michael Rice
	Timothy Rooney	Jody Krug Schulte	Cynthia Stark
	Rev. Monsignor Kenneth Velo	Daniel Watts	Lawrence Wert
	Rev. Michael Winkels	Charles Wolande	David Yeager
Land Sellers:	Village of Oak Park		

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Gardener Carton & Douglas	Chicago	John Cusack
Accountant:	Clifton Gunderson LLP	Oak Brook	James Thomas
Bond Counsel:	Ungaretti & Harris	Chicago	Julie Seymour
LOC Bank:	Chase Bank	Chicago	Bruce Davis
Underwriter:	JP Morgan Securities	Chicago	Shelley Phillips
Underwriter's Counsel:	Burke Burns and Pinelli	Chicago	Mary Anne Murray
Issuer's Counsel:	Chapman and Cutler	Chicago	Chuck Jarik
Trustee:	Amalgamated Bank	Chicago	Felipe Mendoza
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	7 – Danny K. Davis ✓
State Senate:	4 – Kimberly Lightfoot ✓
State House:	7 – Karen Yarbrough ✓

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007

Project: Easter Seals Metropolitan Chicago, Inc.

STATISTICS

Deal Number:	N-NP-TE-CD-7058	Amount:	\$9,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	8322 – Individual and Family Social Services
	Rockford		8331 – Job Training and Vocational
	Waukegan		Rehabilitation Services

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance construction, acquisition of equipment and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary Bond Resolution: March 22, 2007

Ayes: 10 Nays: 0 Abstentions: 0 Vacancy: 1(Gianoulis)

Absent: 4 (Boyles, DeNard, Herrin, Valenti)

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	\$9,000,000	Uses:	Project Costs	\$16,820,000
	Equity	<u>8,000,000</u>		Bond Issuance Costs	<u>180,000</u>
	Total Sources	<u>\$17,000,000</u>		Total Uses	<u>\$17,000,000</u>

The sources of equity are a result of various state and federal grants, and gifts from corporations, foundations and individuals.

JOBS

Current employment:	70	Projected new jobs:	50
Jobs retained:	N/A	Construction jobs:	200

BUSINESS SUMMARY

Background: Easter Seals Metropolitan Chicago (“Easter Seals” or the “Applicant”) is an Illinois not-for-profit organization founded in 1936. The organization’s mission is to help persons with disabilities achieve maximum independence and improve quality of life. Easter Seals provides high-quality comprehensive health, educational, vocational and recreational programs to all individuals.

Easter Seals serves the Chicago Metropolitan area including the suburbs and has provided numerous services to more than 14,000 individuals. The new project will enable the organization to serve more children in improved facilities and will contain additional therapy rooms and a research component for autism only.

Program services include: Therapeutic Day Schools located in Chicago and Tinley Park; Early Head Start and Head Start programs for children up to five years old; Child and Family Connections for children with developmental delays, Youth at Risk programs for teens who have dropped out of high school; and Senior V Community Employment programs for senior citizens age 55 and over who are low income and unemployed.

The management team includes Timothy Muri, President & CEO; Barbara Zawacki, Chief Operating Officer and Daniel Popp, Chief Financial Officer.

The organization’s staff as well as the clients’ families utilize a family focus approach in decision making for the clients and provide resources for parent education, training and advocacy.

Description: The proposed projects include the construction of a Therapeutic School and Center for Autism Research located in Chicago on the Illinois Medical District Campus. The facility is being custom designed to meet the needs of students with autism, emotional behavior disorders and severe learning disabilities. The first phase of construction includes space for student programs and administrative offices. The second phase of construction will include the addition of a pool, gymnasium and residential living component.

Also included in the project are renovations and equipment acquisition for two existing Easter Seals Day Schools located in Rockford and Waukegan.

FINANCING SUMMARY

Security: Direct Pay Letter of Credit from Harris Bank, N.A.
Structure: Variable Rate Demand Bonds
Maturity: 30 Year
Bank Collateral: First mortgage on subject real estate and first lien on furnishings and equipment financed.
Credit Rating: The credit rating for this transaction will reflect that of the Letter of Credit provider, Harris Bank, AA+.

PROJECT SUMMARY

Bond proceeds will be used to finance the construction of a Therapeutic School and Center for Autism Research located on the Illinois Medical district Campus at 1939 West 13th Street in Chicago (Cook County). Bond proceeds will also be used to make renovations and acquire equipment for two Therapeutic Day Schools located at 650 North Main Street in Rockford (Winnebago) and 1401 Dugdale Road in Waukegan (Lake County). Project costs are estimated as follows:

Construction/Renovations	\$13,570,000
Contingency	1,875,000
Machinery and Equipment	1,374,999
Land	<u>1</u>
Total Project Costs	<u>\$16,820,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Easter Seals Metropolitan Chicago, Inc.
14 East Jackson Boulevard, Suite 900
Chicago, IL 60604 (Cook County)
Mr. Daniel Popp, Chief Financial Officer

Project name: Therapeutic School and Center for Autism Research

Locations: 1939 West 13th Street, Chicago, IL 60608 (Cook County)
650 North Main Street, Rockford, IL 61103 (Winnebago County)
1401 Dugdale Road, Waukegan, IL 60085 (Lake County)

Organization: 501(c)(3) Corporation

State: Illinois

Board of Directors: David Arts Adam Cohen Craig Colmar
John Dobrez Richard Emmert Michael Gann
Claireen Hertig Rep. Jesse Jackson, Jr. Richard Kent
Brendan Maher John Manglardi Sen. Antonio Munoz
William Nolan James Oberweis David Pearre, II
Leonard Smith Timothy Stojka David Taylor
Jesse White John Wilson

Land Sellers: The City of Chicago sold the Chicago location to Easter Seals on the Illinois Medical District Campus for \$1 in November 2006.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Johnson and Colmar	Chicago	Craig Colmar
Accountant:	McGladrey & Pullen	Chicago	Bill O'Brien
Bond Counsel:	Greenberg Traurig LLP	Chicago	Matt Lewin
LOC Bank:	Harris Bank, N.A.	Chicago	Tom Smith
Underwriter:	Harris Bank, N.A.	Chicago	Nick Knorr
Underwriter's Counsel:	Chapman and Cutler	Chicago	Bill Hunter
Issuer's Counsel:	IceMiller	Chicago	Tom Smith
Trustee:	U.S. Bank, N.A.	Milwaukee, WI	Peter Brennan
Rating Agency:	Standard & Poors	New York, NY	Maria Esther Sanchez
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Chicago Location

Congressional: 7 – Danny Davis ✓
State Senate: 5 – Rickey Hendon ✓
State House: 9 – Arthur Turner ✓

Rockford Location

Congressional: 16 – Donald Manzullo ✓
State Senate: 34 – Dave Syverson ✓
State House: 67 – Charles "Chuck" Jefferson ✓

Waukegan Location

Congressional: 10 – Mark Kirk ✓
State Senate: 30 – Terry Link ✓
State House: 60 – Eddie Washington ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Village of Palmyra

STATISTICS

Number:	L-GP-7083	Amount:	\$415,000 (not to exceed)
Type:	Local Government Pooled Program	Location:	Palmyra, Illinois
IFA Staff:	Kristi Conrad		

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing for the Village of Palmyra to refinance 1999 alternate revenue bonds that were originally used to acquire, construct and make improvements to the Village's (park) golf course.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants a lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$415,000</u>	Uses:	Refinanced Debt	\$400,000
				Costs of Issue	<u>15,000</u>
	Total	<u>\$415,000</u>		Total	<u>\$415,000</u>

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 0

BUSINESS SUMMARY

Background: The Village of Palmyra is located in Macoupin County, covers a geographical area of 1 square miles. The Village is approximately 20 miles from Springfield and serves a population of approximately 733.

Project: The Village wishes to refinance 1999 alternate revenue bonds that were issued to purchase and renovate a golf course.

FINANCING SUMMARY

The Bonds: The bonds will be Alternate Revenue Bonds, with park district fees pledged as the primary revenue source. In the event that the net revenues are insufficient to pay principal and interest on the bonds, the Village has committed to collect ad valorem property taxes levied to pay debt service on the bonds. The Village must document that the primary revenues are sufficient to provide 1.25 times debt service coverage on the bonds in order to pledge ad valorem property taxes to repay the bonds without passing a voter referendum to do so. The City will pass a "backdoor referendum" authorizing issuance of the bonds unless a sufficient number of voters petition to require referendum approval. In the event that there are not adequate funds for debt service payment, the City will pledge its interceptable state revenues (State Income Tax, State Sales Tax, State Replacement Tax, and Motor Fuel Tax)

Collateral: The bonds are secured by a pledge of (i) park district fees, and if such net revenues are insufficient to meet debt service, then (ii) ad valorem property taxes are levied against all of the taxable property in the Village without limitation as to rate or amount, and (iii) the Village's interceptable State revenues.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2022. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 13 years

PROJECT SUMMARY

The Village of Palmyra wishes to refinance 1999 alternate revenue bonds that were used to purchase and renovated a Village golf course.

Total costs are estimated at \$415,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Village of Palmyra
Project names: Village of Palmyra
Location: PO Box 113 Palmyra 62674
Organization: Illinois Municipality
Village President: Ralph March

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Bond Counsel:	Evans, Growthlich, Beth & Chamley	Champaign, IL	Kurt Froehlich
IFA Counsel:	Chapman and Cutler LLP	Chicago	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: Phil Hare - 17th ✓
State Senate: Deanna Demuzio - 49th ✓
State House: Jim Watson - 97th ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Riverton Area Fire Protection District

STATISTICS

Number:	L-GP-7077	Amount:	\$1,130,000 (not to exceed)
Type:	Local Government Pooled Program		
IFA Staff:	Eric Watson	Location:	Riverton, Illinois

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing for Riverton Area Fire Protection District for the construction of a new fire house.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$1,130,000</u>	Uses:	District Updates	\$1,100,000
				Costs of Issue	<u>30,000</u>
	Total	<u>\$1,130,000</u>		Total	<u>\$1,130,000</u>

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 6

BUSINESS SUMMARY

Background: Riverton Area Fire Protection District (RAFD), located in Sangamon County, covers a geographical area of more than 5 square miles. The District is approximately 20 miles from Springfield and serves a population of approximately 5,000.

The RAFD is an all volunteer department consisting of 35 members. Much of the history has been lost over time and little is known, but Riverton Fire and EMS started out as an all volunteer department before the 1900s and was call The Knights Templar. In 1906 Riverton Fire and EMS, then the Riverton Village Fire Department, created a charter that would last until 1975 when Riverton became a fire protection district. Now Riverton Fire and EMS serves a community of

more than 5,000 with Riverton (population 3,800) and the Town of Spaulding being the major areas of service. Included in the response area are two major highways (Old Route 36 and Route 54) and two major interstates (I-55 and I-72). RAFD also provides mutual aid for multiple agencies and are a current member of the MABAS system (Division 48). The services provided are EMT-Paramedic non-transport emergency service and fire extinguishment including: Brush, Vehicle, and Structure fires. RAFD is also very involved in the community and provide fire education to all three of the area schools and are on hand at football games and area events.

Project: The Fire District wishes to finance the construction of a new firehouse.

FINANCING SUMMARY

The Note: The debt will be a promissory note and mortgage agreement.

Collateral: The note and mortgage are secured by the District's pledge of ad valorem taxes, limited by statute as to rate and amount, levied upon all taxable property with the District and subject to annual appropriation.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2027. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 20 years

PROJECT SUMMARY

Riverton Area Fire Protection District will use the proceeds of the bonds to construct a new firehouse.

Total costs are estimated at \$1,130,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Riverton Area Fire Protection District
Project names: Riverton Area Fire Protection District
Location: 405 E. Jefferson Street, Riverton, IL 62561
Organization: Illinois Fire Protection District
Trustee: Jim Good

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Issuers Counsel:	Chapman and Cutler LLP	Chicago, IL	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Adv:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 18th – Ray LaHood ✓
State Senate: 44th – Bill Brady ✓
State House: 87th – Bill Mitchell ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Mount Zion Fire Protection District

STATISTICS

Number:	L-GP- 7076	Amount:	\$750,000 (not to exceed)
Type:	Local Government Pooled Program	Location:	Mt. Zion, Illinois
IFA Staff:	Eric Watson		

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing for Mount Zion Fire Protection District to construct an addition to the existing fire station.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$750,000</u>	Uses:	New Construction	\$ 730,000
				Costs of Issue	<u>20,000</u>
	Total	<u>\$750,000</u>		Total	<u>\$750,000</u>

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 10

BUSINESS SUMMARY

Background: Mt. Zion Fire Protection District, located in Macon County, covers a geographical area of more than 5 square miles. The District is approximately 45 miles east of Springfield and has a population of 4,800.

Project: The Fire District wishes to finance the construction of a 7,000 square foot addition to the existing fire station. The purpose of the addition is to give the District needed room for parking vehicles, a larger meeting room, and kitchen facilities. The District has outgrown its current facility that was built in 1979.

FINANCING SUMMARY

The Note: The debt will be a promissory note and mortgage agreement.

Collateral: The note and mortgage are secured by the District's pledge of ad valorem taxes, limited by statute as to rate and amount, levied upon all taxable property with the District and subject to annual appropriation.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2032. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 25 years

PROJECT SUMMARY

The District will use the proceeds of the bonds to construct a 7,000 square foot addition to the existing fire station.

Total costs are estimated at \$750,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Mt. Zion Fire Protection District
Project names: Mt. Zion Protection District
Location: 110 West Main St., Mt. Zion IL 62549-1747
Organization: Illinois Fire Protection District
Fire Chief: Donald C. Wright

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Chuck Jarik
IFA Counsel:	Chapman and Cutler LLP	Chicago, IL	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Adv:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 15th - Tim Johnson ✓
State Senate: 51st - Frank Watson ✓
State House: 101st - Robert Flider ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Downs Community Fire Protection District

STATISTICS

Number:	L-GP-7074	Amount:	\$2,560,000 (not to exceed)
Type:	Local Government Pooled Program		
IFA Staff:	Kristi Conrad	Location:	Downs, Illinois

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing for Downs Community Fire Protection District to acquire land, construct a new building, and purchase furnishings.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$2,560,000</u>	Uses:	New Building	\$2,500,000
				Costs of Issue	<u>60,000</u>
	Total	<u>\$2,560,000</u>		Total	<u>\$2,560,000</u>

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 10

BUSINESS SUMMARY

Background: Downs Community Fire Protection District, located in McLean County, covers a geographical area of more than 5 square miles. The District is approximately 50 miles southeast of Peoria and has a population of 5,000.

Project: The Fire District wishes to finance the acquisition of land, the construction of a new firehouse, and its associated furnishings.

FINANCING SUMMARY

The Note: The debt will be a promissory note and mortgage agreement.

Collateral: The note and mortgage are secured by the District's pledge of ad valorem taxes, limited by statute as to rate and amount, levied upon all taxable property with the District and subject to annual appropriation.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2027. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 20 years

PROJECT SUMMARY

The District will use the proceeds of the bonds to acquire land, construct a new firehouse, and purchase associated furnishings.

Total costs are estimated at \$2,560,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Downs Fire Protection District
Project names: Downs Fire Protection District
Location: 108 South Seminary P.O. Box 274, Downs IL 61736
Organization: Illinois Fire Protection District
Treasurer: Chuck West

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Bond Counsel:	Chapman and Cutler LLP	Chicago	Chuck Jarik
IFA Counsel:	Chapman and Cutler LLP	Chicago	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Adv.:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 11th—Gerald "Jerry" C. Weller ✓
State Senate: 53rd—Dan Rutherford ✓
State House: 106th—Keith Sommer ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
APRIL 10, 2007**

Project: Curran-Gardner Township Public Water District

STATISTICS

Number:	L-GP-7064	Amount:	\$2,865,000 (not to exceed)
Type:	Local Government Pooled Program	Location:	Springfield, Illinois
IFA Staff:	Eric Watson		

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing to Curran Gardner Township Public Water District for water system updates.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate.

VOTING RECORD

The Preliminary Resolution was approved by the Board on March 23, 2007.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$2,865,000</u>	Uses:	Water System Updates	\$2,800,000
				Costs of Issue	<u>65,000</u>
	Total	<u>\$2,865,000</u>		Total	<u>\$2,865,000</u>

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 5

BUSINESS SUMMARY

Background: The Curran Gardner Township Public Water District, located in Sangamon County. The District extends east-west from Veterans Parkway to just beyond Farmingdale Road and north-south from the winding Sangamon River past Interstate 72 to Mansion Road.

One of about 100 in the state, the rural water district was created in 1966 with the help of a grant and a 40-year federal loan. The district's boundaries have increased over the years. In 2000, it annexed three new territories, adding hundreds of homes. The district comprises 60 miles of water mains and serves about 2,000 households.

Project: The District wishes to construct a PVC Water Main, two new 750,000 gallon elevated storage tanks, a new well, a master meter, gate valves, flush hydrants, service connections and related appurtenances to serve additional customers of Sangamon County.

FINANCING SUMMARY

The Bonds: The bonds will be Revenue Bonds payable from water system revenues pledged as the primary revenue source. The District must document that the primary revenues are sufficient to provide 1.25 times debt service coverage on the bonds.

Collateral: The Bonds will be secured by the District's pledge of water system revenues and will be required to raise rates if necessary to pay principal and interest on the Bonds.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2037. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 30 years

PROJECT SUMMARY

Curran Gardner Township Public Water District will use proceeds of the bond issue to finance water system updates.

Total costs are estimated at \$2,865,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Curran Gardner Township Public Water District
Project names: Curran Gardner Township Public Water District
Location: 3382 Hazlett, Springfield, 62707
Organization: Rural Water District
Chair: Robert Dalton

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Chuck Jarik
IFA Counsel:	Chapman and Cutler LLP	Chicago, IL	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 18th – Ray LaHood ✓
State Senate: 50th – Larry K. Bomke ✓
State House: 99th – Raymond Poe ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: City of Petersburg

STATISTICS

Number:	L-GP-7073	Amount:	\$210,000 (not to exceed)
Type:	Local Government Pooled Program	Location:	Petersburg, Illinois
IFA Staff:	Eric Watson		

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing for the City of Petersburg to purchase and remodel a building to be used as City Hall.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$210,000</u>	Uses:	Building	\$200,000
				Costs of Issue	<u>10,000</u>
	Total	<u>\$210,000</u>		Total	<u>\$210,000</u>

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 5

BUSINESS SUMMARY

Background: The City of Petersburg, located in Menard County, covers a geographical area of 1.4 square miles. The City is approximately 25 miles northwest of Springfield and serves a population of 2,300 (per the 2000 census).

The town began as a planned community organized by real estate speculators Peter Lukins (for whom the town is named) and George Warburton. Abraham Lincoln worked as the surveyor who first mapped, measured and help to divide lots on the land. Petersburg quickly grew, due to an advantageous placement on the river, becoming the county seat in the 1830s and eventually drawing off the population of New Salem, which was abandoned in 1840.

Petersburg began as a trade center for agriculture in the region, and a shipping point, where a railhead met a point in the Sangamon River that was both navigable and corossable. In recent decades, the depth of the Sangamon River at Petersburg has become too shallow for navigation, due to silting from local farming and from the diverting of natural runoff into artificial reservoirs such as Lake Petersburg and Lake Springfield. The economy of the area is still derived primarily out of agriculture, particularly in corn production. Tourism is a steady (if small) industry, and the town caters to Lincoln enthusiasts as a gateway to New Salem and in housing some relics of Lincoln's early life in Illinois. There is also a growing number bed and breakfast inns, many of which are located in restored Victorian homes. Recent developments have also turned the town into a bedroom community for the state capital of Springfield, Illinois which is some twenty miles to the southeast.

Project: The City wishes to purchase and remodel a building to be used as City Hall.

FINANCING SUMMARY

The Bonds: Debt certificates will be issued to purchase the property pursuant to an installment contract with a maximum term of 20 years. The Debt Reform Act authorizes municipalities to issue debt certificates evidencing the indebtedness incurred under such an installment contract. The payment obligation under such an installment contract and on such certificates constitutes a binding and enforceable promise to pay the amount borrowed plus the interest thereon. The municipality will be expected to agree to annually appropriate amounts sufficient to pay the principal and interest on the installment contract and the debt certificates. There will be no separate levy available for the purpose of making such payments. In particular, Petersburg will pledge 40% of its net revenues from its water system and 60% from general funds for the debt service payments.

Collateral: The Certificates will be secured by the City's pledge of (i) available General Fund revenues and (ii) its interceptable state revenues for payment (ie Illinois sales, income, and personal property replacement taxes).

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2027. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 20 years

PROJECT SUMMARY

The City will use proceeds to purchase and remodel a building to be used as City Hall.

Total costs are estimated at \$210,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: City of Petersburg
Project names: City of Petersburg
Location: P.O. Box 139, Petersburg, IL 62675
Organization: Illinois Municipality
Mayor: Diane S. Kube

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Bond Counsel:	Chapman and Cutler LLP	Chicago	Chuck Jarik
IFA Counsel:	Chapman and Cutler LLP	Chicago	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: Ray LaHood - 18th
State Senate: Larry K. Bomke - 50th ✓
State House: Rich Brauer - 100th ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Momence Park District

STATISTICS

Number:	L-GP-7054	Amount:	\$135,000 (not to exceed)
Type:	Local Government Pooled Program		
IFA Staff:	Eric Watson	Location:	Momence, Illinois

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing for Momence Park District renovations and improvements.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$135,000</u>	Uses:	Park District Updates	\$120,000
				Costs of Issue	<u>15,000</u>
	Total	<u>\$135,000</u>		Total	<u>\$135,000</u>

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 0

BUSINESS SUMMARY

Background: The City of Momence, located in Kankakee County, covers a geographical area of 1.5 square miles. The community is approximately 55 miles south of Chicago and has a population of 3,171 (as of the 2000 census).

Momence Park District participated in the Illinois Rural Bond Bank's 1991 B pooled series (to finance park improvements of \$120,000) and extinguished the entire debt on 2/1/07.

Project: The Momence Park District wishes to finance building renovations(s) and improvement of the current park district properties. Plans include renovating a public bathroom (inclusive of making it handicapped accessible), the tennis court, and a public boat launch to the Kankakee River. The District also plans to resurface an asphalted parking lot and park roads, improve park lighting, and construct a walking fitness path. Finally, the District would like to build a new park shelter and update landscaping on newly acquired park property.

FINANCING SUMMARY

The Bonds: The bonds will be Limited Bonds. Limited Bonds are issued in lieu of general obligation bonds that otherwise have been authorized by applicable law. They are payable from a separate property tax levy that is unlimited as to rate, but the amount of taxes that will be extended to pay the bonds is limited by the Extension Limitation Law. The Bonds are payable from the District's debt service extension base, which is an amount equal to that portion of the district's extension for the applicable levy year for the payment of non-referendum bonds (other than alternate bonds or refunding bonds issued to refund bonds initially issued pursuant to referendum).

Specifically, the total amount borrowed by Momence Park District will not exceed the EAV multiplied by 5.75% (approximately \$340,000) and the amount levied for annual debt service may not exceed \$10,950.

Collateral: The Bonds will be secured by the District's annual levy of ad valorem taxes of up to \$10,950.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2027. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 20 years

PROJECT SUMMARY

Momence Park District will use the proceeds of the bonds to renovations and improvements to the District's roads, structures, and landscaping.

Total costs are estimated at \$135,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Momence Park District
Project names: Momence Park District
Location: 79 East Mill St. P.O. Box 665, 60954
Organization: Illinois Park District
Commissioner: Cathy Abbott

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Bond Counsel:	Chapman and Cutler LLP	Chicago Chuck Jarik	
IFA Counsel:	Chapman and Cutler LLP	Chicago Chuck Jarik	
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	11 th - Gerald "Jerry" C. Weller ✓
State Senate:	40 th - Debbie Halvorson ✓
State House:	79 th - Lisa Dugan ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: **United Science Industries, Inc.**

STATISTICS

Project Number: P-SW-TE-CD-6203	Amount: \$1,000,000 (not to exceed)
Type: Debt Service Reserve Fund	IFA Staff: Steven Trout
Location: Woodlawn	

BOARD ACTION

Preliminary Resolution

Debt Service Reserve Fund

An amount to be determined, but not to exceed \$1,000,000 of IFA funds at risk

Staff recommends approval, subject to:

- Receipt of a commitment letter from a lender for a line of credit on terms acceptable to United Science Industries, Inc. and IFA
- Completion of due diligence by the lender, the IFA and its counsel
- A pari passu relationship between the lender and the IFA in the event of default.

PURPOSE

To provide the borrower with a source of funds to pay principal and interest on a working capital line of credit in the event that the State Comptroller fails to pay the borrower's approved claims on the Illinois EPA Leaking Underground Storage Tank (LUST) Fund on time to scheduled debt payments.

IFA CONTRIBUTION & PROGRAM

IFA is authorized by Statute to fund or commit to fund debt service reserves or provide other credit enhancement to encourage the financing of capital projects or any activity or undertaking that the Authority determines will aid, assist or encourage economic growth, development within the State or any area thereof, will promote the expansion, retention or diversification of employment opportunities in the State or any area thereof, or will aid in the stabilizing or developing of any industry or economic sector of the State economy. The Borrower is seeking a reserve from the IFA to increase the capacity and reduce the cost of financing for working capital, which it believes will enable it to take on more remediation projects, hire more employees and accelerate the State's initiative to remediate sites that are contaminated by leaking underground petroleum storage tanks and thereby facilitate their redevelopment.

VOTING RECORD

This is the first time that the project has been presented to the IFA.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
Bank Line of Credit	\$10,000,000	Line of Credit	\$10,000,000
IFA Funded Debt Reserve	<u>1,000,000</u>	Debt Service Reserve	<u>1,000,000</u>
Total	\$11,000,000		\$11,000,000

JOBS

Current employment:	89	Projected new jobs:	14
Jobs retained:	89	Construction jobs:	0

BUSINESS SUMMARY

Description: United Science Industries, Inc. ("USI") was founded by Jay P. Koch on November 15, 1989. Founded as an environmental health and safety consulting and training firm. Shortly after founding the business, Koch quickly recognized an opportunity in the underground storage tank ("UST") compliance market. Early in its tenure in the UST compliance market, the company oriented its marketing efforts toward the many potential clients, particularly those located in rural markets, who could not afford the capital to undertake their clean-ups while waiting for reimbursement. To better meet the needs of its clients, USI offered trade credit to these UST owners/operators so that the owner's operators could pay USI once they received reimbursement from the Illinois Environmental Protection Agency Leaking Underground Storage Tank (LUST) Fund. Since its beginnings in 1989, USI and the corporate structure has evolved considerably. In 1992, USI developed in-house remedial services capabilities by creating a remediation department.

USI is wholly owned by EDG Holdings, Inc ("Holdings"). Through its family of companies, EDG Holdings, Inc. provides or assists its clients' in providing sustainable development of historically underutilized or environmentally impaired properties. Through a Management Agreement, USI is managed by EcoDigital Development Group, Inc. ("EcoDigital"), a wholly owned subsidiary of Holdings.

The mission of United Science Industries, Inc. (USI) is to provide peace of mind to its customers by delivering the highest quality innovative solutions to their environmental problem, to serve its community and future generations through the protection, preservation, and enhancement of property values and of natural resources, and to provide an atmosphere whereby those that actively and diligently participate in the achievement of the mission are nurtured and rewarded.

Background: The consulting and remediation services that are necessary are generally eligible for reimbursement from the Illinois UST Fund. Administered by the Illinois Environmental Protection Agency ("IEPA"), the purpose of the Fund is to assist UST owners or operators pay for cleaning up leaks from petroleum USTs. Illinois generates money for the UST Fund through a \$0.003 per-gallon motor fuel tax and a \$0.008 per-gallon environmental impact fee.

The IEPA has developed specific procedures and guidelines with respect to receiving reimbursement from the UST Fund for the remediation of underground storage tanks. An owner or operator, or the consultant contracted to perform the remediation services, must first submit a detailed budget and work plan to the IEPA. The IEPA is required to approve, reject, or request modifications to the submission within 120 days. After receiving approval of these documents from the IEPA, remediation services are performed. The budget and work plan may be updated and resubmitted throughout the duration of the remediation project. As work performed in accordance with the approved work plan and budget is completed and corresponding billings are levied by the consultants and contractors, claim reimbursement applications are submitted to the State. Typically, USI and other consultants and contractors in the industry prepare these applications on behalf of the owner or operator to certify the same prior to submission to the State. A decision of the IEPA with respect to the reimbursement claim application must also be made within 120 days. If the reimbursement claim is approved, a letter is sent to the owner or operator indicating the amount approved for payment from the UST Fund.

However, funds must be available in the UST Fund before payments can be made. Traditionally, there has been a sizable backlog of approved payments awaiting funds before payment can be made. As a result, UST remediation consultants and contractors can wait approximately 12 to 15 months after the reimbursement claim is approved to receive payment for their services. This creates financial hardship for many consultants and contractors with respect to maintaining sufficient working capital to operate their businesses. Currently, in the State, only owners and operators are legally entitled to receive payment.

In January 2007, House Bill 0277 ("the Bill") was introduced to the State of Illinois General Assembly to amend the Environmental Protection Act's provisions regarding LUST cleanup reimbursement. The Bill permits an owner or operator on the State's UST Fund priority list to assign to a person that is in the business of receiving assignments of payments from the Fund the full approved payment amount on the list for which the owner or operator is awaiting payment.

Although its assignments have never been officially recognized by statute, USI has long been in the business of receiving assignments of payments from the fund. In fact, it has successfully financed and processed more than \$90 million in claims during its tenure. However, in the absence of the statutory language as proposed in HB 0277 officially recognizing assignment, banks have been hesitant to provide financing. Therefore, USI has been forced to rely on a much more expensive source of capital; private party factors.

The Project: USI provides underground storage tank remediation services to owners and operators of properties with UST contamination. Until these sites are determined to be free from contamination by the Illinois Environmental Protection Agency, they are a threat to the well-being of residents and the environment, and are difficult, if not impossible to redevelop, sell, or refinance.

The contaminated properties are often owned by the retiring or elderly. Without UST financing, they are unable to fully realize the value of their property, which is often relied upon to fund their retirement.

In addition to the critical financial benefit to the owner operators, most of the UST sites are located along commercial corridors and, once remediated, are ideal locations for entrepreneurial start-ups and for business expansions. By providing UST remediation services, USI encourages development on and around the once contaminated site, where development was not possible before remediation.

USI has requested an IFA Debt Service Reserve Fund to obtain a much lower cost source of capital for its operations. The desired line of credit will provide remediation working capital to USI's clients and facilitate the cleanup of the environment thereby fostering redevelopment and creating jobs. USI will use this financing to provide environmental remediation services to its client base at more than 250 sites throughout 78 of the 110 counties within the State of Illinois. Only claims which have been approved for reimbursement by the IEPA will be accepted by the lender in order to allow draws on the line of credit.

Stern Brothers has developed a preliminary financing structure that has been modeled after a line of credit that was developed and has been administered by the Virginia Resource Authority. Stern Brothers contemplates that the line of credit will be sized such that interest will be paid by the line during the term. Thus, the outstanding balance on the line may be no more than the amount drawn plus the total accrued interest. If an approved claim is submitted to the lender, and a draw is requested, but there is not sufficient available funds from the line to cover interest expense associated with the draw, no draw will be permitted until a reimbursement claim payment is received from the State Comptroller to pay down the line.

The Team: Jay P. Koch, Chief Executive Officer and President, founded USI in 1989. During his tenure with EDG Holdings, Inc. and its subsidiaries, Mr. Koch has negotiated numerous partnerships, acquisitions and joint ventures and he has secured more than \$50 million in financing for various businesses. In 1997, Mr. Koch initiated the diversification of his business interest into a portfolio of companies, which are managed by EcoDigital Development Group today. As President and Chief Executive Officer, Mr. Koch is responsible for the overall vision and strategic direction for EcoDigital and its subsidiaries. He also identifies and integrates new subsidiaries and affiliates, promotes EcoDigital's community involvement program that supports community revitalization efforts, is actively involved in the development of strategic alliances and partnerships, and is responsible for acquisition of financing

Dennis J. Schweigert, Senior Vice President of Marketing and Strategic Development, responsible for evaluating growth trends, developing client-focused business approaches and promoting and

developing strategic alliances and partnerships. He works directly with clients, vendors, financiers and technical experts to promote the successful and profitable implementation of business strategies throughout North America with a key emphasis on customers located in rural and underserved areas. He brings over 20 years of demonstrated senior management experience with a proven track-record in successfully assisting clients in the design and implementation of strategic and tactical plans, the development of key alliances and marketing approaches to support development needs, and the acquisition of funding and recruitment of businesses necessary to overall development.

Dennis C. Hillen, Vice President of Finance, has responsibility for the overall financial management of EcoDigital Development Group and its subsidiaries. His responsibilities include the evaluation of the financial performance of all business operations; developing financial milestones and goals for new initiatives; identifying, analyzing, and mitigating overall financial risk; and providing general finance support for all of EcoDigital's endeavors. Mr. Hillen joined EcoDigital in 2000, and soon progressed through various assignments of increasing responsibility in the areas of information technology, sales, and finance. Most recently, as the Director of Planning and Business Recruitment, Mr. Hillen successfully established EcoDigital's financial planning and annual budgeting processes and systems.

Shelly Shrum, Director of Accounting, is responsible for accounting, cash management, risk management, payroll and human resource functions for all companies managed by EcoDigital Development Group. Ms. Shrum has developed an extensive network of insurance brokers and specialized professionals needed to support the diverse needs of EcoDigital and its subsidiaries. In addition, she manages a professional accounting and bookkeeping staff.

Duane Doty, Director of Consulting & Remedial Services, is an Illinois Licensed Professional Geologist with a Bachelor of Science in Geology from Southern Illinois University. He has also completed his 8-Hour OSHA Hazardous Waste Operations and Emergency Response Supervisory Training. Mr. Doty has experience in project management and supervision of soil and groundwater remediation projects, documentation and reporting to regulatory agencies, development of site classification boring, corrective action and site investigation plans and supervision of groundwater remedial system installations. He has overseen more than 400 underground storage tank and contaminant remediation projects throughout the Midwest. He previously supervised or worked on U.S. Army Corps of Engineer projects involving river dredging and sampling, thermal adsorption, drum overpacking and soil/groundwater investigations.

Barry Sink, General Manager of USI, has over 26 years of experience in environmental engineering, project engineering and project management, specializing in materials handling, facility design, and industrial construction. As the General Manager, Mr. Sink provides professional services for the remediation of petroleum contaminated sites throughout the State of Illinois.

**Government
 Incentives:**

As discussed above, the Federal and State Environmental Protection Agencies have provided funds to reimburse the costs of UST remediation.

Federal and State Incentives Provided	Impact
United States Energy Policy Act of 2005.	Expands the eligible uses of the U.S. Leaking Underground Storage Tank ("LUST") Trust Fund.
U.S. \$0.001 per-gallon motor fuel tax.	Provides funding for the U.S. LUST Trust Fund.
Illinois \$0.003 per-gallon motor fuel tax.	Provides funding for the State of Illinois UST Fund.
Illinois \$0.008 per-gallon environmental impact fee.	Provides funding for the State of Illinois UST Fund.

Illinois House Bill 0277.	Will allow claims to be assigned, as security, to obtain lower costs of capital with respect to working capital financing.
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FINANCING SUMMARY

Obligor: United Science Industries, Inc.
Lender: To be determined.
Financing: Line of Credit for Approved Claims
Line of Credit for Accounts Receivable not yet Reviewed (i.e., work that has been completed and invoiced with respect to an approved work plan and budget, but not yet submitted for reimbursement from the UST Fund, or that have been submitted to the IEPA but not yet reviewed by that Agency).
Amount: \$17.5 million.
Term: 2 years.

PROJECT SUMMARY

The line of credit will be used to provide up to \$17,500,000 in working capital while USI waits for reimbursement payments from the State of Illinois. Working capital will be used for performing UST remediation services, providing salaries to employees, and expanding the business to serve additional areas throughout the State.

ECONOMIC DISCLOSURE STATEMENT

Applicant: United Science Industries, Inc., P.O. Box 360, 6295 East Illinois Highway 15, Woodlawn, Illinois 62898
Contact: Dennis Hillen, Vice President of Finance; Phone # 618 735-2411 ext.155
Project Location: Various UST sites throughout the State of Illinois
Organization: United Science Industries, Inc., is an Illinois Limited Liability Company
Ownership: USI is wholly owned by EcoDigital Holdings, Inc., which is 100% owned by Jay P. Koch

PROFESSIONAL & FINANCIAL

Financial Advisor: Stern Brothers St. Louis, MO John May
Lender: To be determined.
Lender's Counsel: To be determined.
Borrower's Counsel: Law Office of Mt. Vernon, IL John T. Hundley
Terry Sharpe, PC

LEGISLATIVE DISTRICTS

Congressional: 19th ✓
State Senate: 54 ✓
State House: 107 ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: Peddinghaus Corporation

STATISTICS

Project Number:	I-ID-TE-CD-7064	Amount:	\$3,600,000 (not to exceed)
Type:	Industrial Revenue Bond	FM:	Townsend Albright
Location:	Bradley	SIC Code:	3541 (Machine Tools/Cutting)

BOARD ACTION

Preliminary Bond Resolution	Conduit Industrial Revenue Bonds
No IFA funds at risk	Staff recommends approval
Extraordinary conditions:	
\$100,000 denominations	

PURPOSE

Proceeds of the proposed financing will be used to (i) fund the construction of an approximately 29,700 sq. ft. two-story manufacturing facility, (ii) purchase and install meat processing equipment, HVAC and refrigeration systems, electrical equipment, (iii) provide office and parking space, and (iv) fund professional issuance costs.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget.**

VOTING RECORD

Preliminary Bond Resolution - No prior vote

SOURCES AND USES OF FUNDS

Source:	IFA Bonds	\$3,570,000	Uses:	Project Costs	\$3,530,000
	Equity	30,000		Legal and professional costs	<u>70,000</u>
	Total	<u>\$3,600,000</u>		Total	<u>\$3,600,000</u>

JOBS

Current employment:	350	Projected new jobs:	N/A
Jobs retained:	N/A	Construction/installation jobs:	20 (9 months)

BUSINESS SUMMARY

- Background:** Peddinghaus Corporation (the "Applicant"), ("Peddinghaus"), was founded in 1903 by Paul Peddinghaus in Gevelsberg, Germany. The Company has remained a family owned business through four generations and is currently managed by Carl "Anton" Peddinghaus. Since inception, Peddinghaus has served the steel construction, plate fabrication and metal working industries by providing heavy machinery used for cutting, drilling, and punching heavy metals. Peddinghaus machines are used worldwide by heavy metal construction companies. Projects completed include steel bridges, sports stadia, high-rise buildings, and general steel-based buildings worldwide. Peddinghaus is headquartered in Bradley, Illinois and employs approximately 350 FTEs. The Company has engineering facilities in Andrews South Carolina and Vitoria, Spain. International sales and service affiliates are located in Gevelsberg, Germany, the UK, Netherlands, Hong Kong, and Mexico. The shares of the Company are held in the Peddinghaus Family Trust.
- Description:** Proceeds of the proposed financing will be used to fund the construction of (i) an approximately 45,500 sq. ft. manufacturing facility located on a parcel of land the Applicant owns, (ii) purchase an additional parcel of land for a parking area, (iii) purchase install overhead cranes and milling machines, and (vi) fund professional and bond issuance costs. The new facility will house the majority of manufacturing and assembly for the plate processing machines (FBDB-2500 and FBDB-1800/3) and beam drill lines (PCD0100 and BDL-1250).
- Remarks:** The state of the art facility and equipment will increase the Applicant's manufacturing and assembly processes, keep the Applicant on its projected growth path, and help it maintain its competitive edge. Additionally, Peddinghaus will recognize cost savings as it will replace leased space with the new facility. Tax-exempt financing will reduce the Applicant's borrowing costs by approximately 2.0%.

FINANCING SUMMARY

- Structure:** The Bonds will be structured as a portfolio investment by First American Bank, Elk Grove Village, Illinois to be held in its entirety as a direct investment by the Bank until maturity (or until refinanced by another source, at which time the subject bonds must be reissued by IFA). Resale of these Bonds will be prohibited in the secondary market, as is customary for lender-purchased bonds.
- Collateral:** First mortgage on existing land, buildings, and first lien on equipment purchased.
- Credit Rating:** Non-rated.
- Maturity:** 20 years at a fixed rate

PROJECT SUMMARY

Proceeds of the proposed financing will be used to (i) purchase a parcel of land located at 283 North Washington Avenue, Bradley, Kankakee County, Illinois, demolish the existing structure and construct parking area, (ii) fund the construction of an approximately 45,500 Sq. ft. manufacturing facility on land currently owned by the Applicant and located at 301 North Washington Avenue, Bradley, Kankakee County, Illinois, (iii) purchase and install overhead cranes and milling machines, (iv) provide parking space, and (v) fund professional issuance costs.

Project Costs:	Land	\$ 210,000
	New Construction	\$3,229,000
	Equipment/installation	<u>25,000</u>
	Total	<u>\$3,530,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant/Contact: Peddinghaus Corporation, 300 North Washington Avenue, Bradley, Kankakee County, Illinois 60915
Contact: Greg Kubick, Secretary/Treasurer, 815-937-3800
Project Name: 2007 Expansion Project
Project Location: 301 North Washington Avenue, Bradley, Kankakee County, Illinois 60915, and 283 North Washington Avenue, Bradley, Kankakee County, Illinois 60915
Land Owner: Peddinghaus Corporation
Shareholder Ownership: Peddinghaus Family Trust 100.0%

PROFESSIONAL & FINANCIAL

Borrower's Counsel: In house
Accountant: Smith, Koelling, Dykstra & Ohm, PC Bourbonnais, IL Mary Smith
Bond Counsel: Wildman, Harrold, Allen & Dixon Chicago, IL James Snyder
Underwriter/ First American Bank Elk Grove Village, IL Steve Eikenberry
Placement Agent
Underwriter's Counsel: TBD
Trustee: First American Bank Elk Grove Village, IL
Issuer's Counsel: Dykema Gossett PLLC Chicago I. Walter Deitch
IFA Financial Advisor: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 15th Timothy V. Johnson ✓
State Senate: 43rd A.J. Wilhelmi ✓
State House: 86th Jack McGuire ✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

April 10, 2007

**Project: The Federation of Independent Illinois Colleges and Universities Revenue
Anticipation Note Program
Participants: Elmhurst College and Lincoln College (chartered as Lincoln University)**

STATISTICS

Project Number:	E-PC-TE-CD-7075	Amount:	\$7,000,000 (not to exceed)
Type:	501(c)(3) RANs	FM:	Townsend Albright/Nona R. Myers
Locations:	Applicant, Springfield Participants, Elmhurst, Lincoln, Normal	SIC:	8221

BOARD ACTION

Final Resolution	Staff recommends approval
Conduit Not For Profit RANs	No extraordinary conditions
No IFA funds at risk	

PURPOSE

(i) provide working capital, and (ii) fund issuance costs

IFA CONTRIBUTION

501(c)(3) Revenue Anticipation Notes are a form of tax-exempt that 501(c)(3) corporations can use to provide working capital for use in their daily operations. IFA's issuance will convey federal income tax exempt status on interest earned on the RANs and thereby reduce the borrower's interest expense.

VOTING RECORD

Voting record from IFA June 13, 2006 Final Bond Resolution:

Ayes: 12 Nays: 0 Abstentions: 0 Absent: 3 (Dr. R Herrin, M. H. Nesbitt, T. M. O'Brien)
Vacancies: 0

SOURCES AND USES OF FUNDS

Source:	IFA RANs	<u>\$6,800,000</u>	Uses:	Estimated Working Capital:	
				Elmhurst College	\$3,100,000
				Lincoln College	3,600,000
				Bond Issuance	<u>100,000</u>
	Total	<u>\$6,800,000</u>		Total	<u>\$6,800,000</u>

JOBS

Current employment:	N/A	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: The Federation of Independent Illinois Colleges and Universities (the "Sponsor", the "Applicant") is an Illinois not-for-profit corporation established in 1904 by a group of college presidents. It is the oldest private college association in the United States and has evolved from a social club for college presidents into a dynamic advocacy organization representing interests of private colleges and universities in the policy area. With a membership of 57 institutions, the Sponsor provides a unified voice for the independent sector of higher education in Illinois.

The Program: The 2007 RAN Program is the second year of implementation for IFA and includes two participating institutions ("Participants"); (i) Elmhurst College and (ii) Lincoln College. It is anticipated the notes will mature 270 days.

RAN proceeds are invested in taxable "AA" or "AAA"-rated guaranteed investment contracts ("GICs") which have historically earned 1.75%-2.00% over the Program borrowing rate. Proceeds are held by a Trustee in separate sub-accounts and are drawn down as needed by the participating institutions. Interest is credited at maturity based on each participant's pro-rata balance in their sub-account throughout the year.

The size of the RAN issue is dependent on two components: the Participant's projected cash needs and a working capital reserve, if any. While it is not required that the Participant borrow or subsequently draw down the working capital reserve, it must draw down on the projected cash need. The Participant retains the difference in the earnings rate and the interest on both components as long as it draws down for its projected cash needs within six months of RAN issuance.

Participants: **Elmhurst College**

Elmhurst College is a four-year liberal arts college founded in 1871. Currently, the college offers 51 majors and 9 graduate programs with a full-time staff of 117 instructors. Elmhurst College is located in Elmhurst, Illinois, and is affiliated with the United Church of Christ. Student enrollment is steady. For the academic 2006-07 year, approximately 2,400 full-time students are enrolled at Elmhurst. In 2006, 17.0% of entering freshmen were minorities. Tuition charged for full-time students for academic years 2004-05 and 2005-06 was and is \$20,090 and \$21,600, respectively. Tuition for 2006-07 is \$23,100. The fall term drew applicants from 44 states and the District of Columbia. The College's students come from 64 different countries.

Lincoln College (chartered as Lincoln University)

Lincoln College, chartered in 1865 as Lincoln University, is a private, two-year, co-educational liberal arts college fully accredited by the Higher Learning Commission of the North Central Association with campuses in Lincoln and Normal, Illinois. Lincoln College in Normal also offers a limited baccalaureate program. Lincoln College in Normal is home to the Midwest College of Cosmetology which prepares students for careers in cosmetology, esthetics, and nail technology. Enrollment has been steady. 1,191 students, including 1,066 full-time equivalents, were enrolled at both campuses for the 2005-2006 academic year. Tuition charged for full-time students for academic years 2004-05 and 2005-06 was and is \$13,600 and \$14,300, respectively.

Remarks: The RANs are general obligations of the participants with no security requirements in the RAN documents. Unless there are specific security requirements on behalf of the letter-of-credit bank or certain participants, the RANs are unsecured.

FINANCING SUMMARY

Security: The RANS are unsecured general obligations of each of the participants. Each participant may choose to purchase a Direct Pay Letter of Credit or choose to participate on a non-rated basis. All participants will be reviewed by Standard & Poors rating service on a stand-alone basis and may be required to obtain a Direct pay Letter of Credit from a rated bank in order to be rated by S & P. Elmhurst College will be rated SP-1 and Lincoln College will be rated SP-2.

Structure: Revenue Anticipation Notes.

Maturity: Less than one year. (Approximately 270 days)

PROJECT SUMMARY

Proceeds will be used to (i) provide working capital for Elmhurst College and Lincoln College, and (ii) fund legal and professional costs.

Project Costs:	Estimated Working Capital	<u>\$6,700,000</u>
	Total	<u>\$6,700,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Federation of Independent Illinois Colleges and Universities, 123 South 2nd Street, Springfield, Sangamon County, IL 62704 on behalf of (i) Elmhurst College and (ii) Lincoln College

Project name: Series 2007 RAN Program

Locations:	Elmhurst College	Lincoln College		
	190 Prospect Avenue Elmhurst, IL DuPage County	① 300 Keokuk Street Lincoln, IL Logan County	② 715 West Raab Rd Normal, IL McLean County	③ 755 West Raab Rd Normal, IL McLean County

Organization: 501(c)(3) Corporations
State: Illinois
Membership: There are currently 57 members participating in the Federation.

PROFESSIONAL & FINANCIAL

Counsel:	In house		
Elmhurst College	KPMG LLP	Chicago	
Lincoln College	J.M. Abbott & Associates, LTD.	Lincoln, IL	
Bond Counsel:	Gilmore & Bell, PC	Kansas City, MO	Tracy Shafon
Underwriter:	Piper Jaffray & Co.	Chicago	Susan Homier
Underwriter's Counsel:	Gilmore & Bell, PC	Kansas City, MO	Tracy Shafon
Issuer's Counsel:	Pugh, Jones, Johnson & Quandt	Chicago	Scott Bremer
Trustee:	Wells Fargo Bank, N.A.	Chicago	Patricia Martirano
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

	Elmhurst College	Lincoln College @ Lincoln	Lincoln College @ Normal
Congressional:	6 th Henry Hyde ✓	18 th Ray LaHood	11 th Gerald C. Weller ✓
State Senate:	23 rd Carole Pankau ✓	50 th Larry K. Bomke	53 rd Dan Rutherford ✓
State House:	46 th Dennis Reboletti ✓	100 th Rich Brauer	106 th Keith P. Sommer ✓

Federation of Independent Illinois Colleges and Universities

Membership

Adler School of Professional Psychology	Augustana College
Aurora University	Benedictine University
Blackburn College	Bradley University
Chicago School of Professional Psychology	Columbia College
Concordia University	DePaul University
Dominican University	East-West University
Elmhurst College	Eureka College
Greenville College	Illinois College
Illinois College of Optometry	Illinois Institute of Technology
Illinois Wesleyan	Judson College
Knox College	Lake Forest College
Lewis University	Lincoln College
Loyola University of Chicago	MacCormac College
MacMurray College	McKendree College
Midwestern University	Millikin University
Monmouth College	National University of Health Sciences
National-Louis University	North Central College
North Park University	Northwestern University
Olivet Nazarene University	Principia College
Quincy University	Robert Morris College
Rockford College	Roosevelt University
Rosalind Franklin University of Medicine & Science	Rush University
Saint Augustine College	Saint John's College
Saint Xavier University	School of the Art Institute
Shimer College	Spertus Institute of Jewish Studies
Springfield College in Illinois	Trinity Christian College
Trinity College of Nursing & Health Sciences	University of Chicago
University of St. Francis	West Suburban College of Nursing
Wheaton College	

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007

Project: The University of Chicago

STATISTICS

Project Number:	E-PC-TE-CD-7079	Amount:	\$250,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton
Location:	Chicago		

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

This project will involve various capital construction and renovation projects to be financed campus-wide over the next several years. This financing will provide permanent financing for a portion of these capital project development costs. The University of Chicago may also finance portions of future projects with IFA bond issues beginning in 2008. A detailed listing of the long-term project scope is contained under the Project Summary section of this report (see pp. 3-4).

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the Borrower.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA New Money (2007A) \$250,000,000	Uses:	*New Project Cost (p.3) \$650,000,000
	* Fundraising/Debt <u>401,598,000</u>		Issuance Costs <u>1,598,000</u>
	Total <u>\$651,598,000</u>		Total <u>\$651,598,000</u>

* Note: The subject project is a multi-phase, multi-year expansion. The University contemplates financing future phases of this project through a combination of fundraising and, prospectively, debt issuances that will be determined by a finance subcommittee of the University's Board of Trustees.

JOBS

Current employment: 9,177 (FT and PT)	Projected new jobs: 50-300 (within 2 years)
Jobs retained: N/A	Construction jobs: 150-200 average (12-24 months)

BUSINESS SUMMARY

Background: The University of Chicago (the "University") is a 501(c)(3) organization incorporated under Illinois law. The University is a private, non-sectarian, co-educational educational and research institution founded by John D. Rockefeller in 1890.

Description: The University's mission is to provide education in liberal and professional studies. The University campus is located on approximately 211 acres in Hyde Park, approximately eight miles south of downtown Chicago. The University's campus is located along the Midway Plaisance, a parkway designed by Frederick Law Olmstead for the City's South Park System used for the Columbian Exposition in 1893.

The University consists of an undergraduate College, and six professional schools (Business, Divinity, Law, Medicine, Public Policy Studies, and Social Service Administration). Additionally, the University also operates the Graham School of General Studies (continuing education for adults) and the Laboratory Schools (K-12 primary and secondary education). The University of Chicago Press is an academic unit of the University and is the largest academic press in the nation.

The University's extensive library resources are comprised of over 7 million print volumes and are located in several departmental libraries campus-wide.

The University had approximately 2,154 full-time faculty and 623 part-time faculty at the beginning of academic year 2006-2007. The University's support staff totals approximately 6,500 full-time and part-time employees, approximately 1,550 of whom are represented by collective bargaining agreements.

Since 2001-2002, applications to the University have increased 21%, which has allowed the University to become more selective and reduced its admissions rate from 44% in 2001-2002 to 40% in 2005-2006. From 1998-1999 to 2005-2006, undergraduate enrollment increased from 3,852 to 4,638, consistent with the University's strategic plan.

Combined undergraduate, graduate/professional, and non-degree enrollment at the Hyde Park campus has increased from 12,989 in 2001-2002 to 14,456 in 2005-2006.

The University has an extensive financial aid program designed to enable the most qualified student to attend the University regardless of their financial circumstances. For the 2005-06 academic year, approximately 46% of all students received financial aid. University-wide expenditures for scholarships and fellowship totaled \$186.7 million. In academic 2005-2006, financial aid represented 42% of total tuition and fee revenues.

The University of Chicago has benefited from several bond financings through IFA and currently has 13 bond issues outstanding, totaling approximately \$886 million as of 6/30/2006. Collectively, these financings are referred to as the "Prior Bonds" and were either secured with Aaa/AAA/AAA-rated bond insurance (for auction rate bonds) or sold based on the University's direct underlying ratings (for both fixed rate and daily/weekly/adjustable rate bonds). All payments on the Prior Bonds were current as of 3/1/2007.

IFA most recently issued \$280 million of Bond for The University of Chicago in late 2004, consisting of a series of three bond issues. The IFA Series 2004A-C Bonds were by the University to finance both new projects and to refinance certain Prior Bonds.

The University is a member of many cooperative organizations, including the Associated Colleges of the Midwest, the Association of American Universities, the American Council on Education, the Committee on Institutional Cooperation, the Council on Graduate Schools in the U.S., and the North Central Association of Colleges and Secondary Schools, among others.

Beginning in 1986, The University of Chicago separated the operation of its hospital system from the University. Accordingly, The University of Chicago Hospitals was incorporated on October 1, 1986 to assume operations of the hospitals and clinics.

FINANCING SUMMARY

Structure: The University plans to sell Bonds in a combination of Fixed and Variable Rate Modes that will be determined by the University and its financing team based on market conditions near the time of closing. The Bonds will be sold based with (1) Aaa/AAA/AAA-rated municipal bond insurance for auction rate bonds and (2) sold on the direct underlying long-term ratings of the University of Chicago for fixed rate or standard daily or weekly adjustable (variable) interest rate bonds (see Security/Collateral section immediately below).

Security/Collateral: The Bonds will be secured by a general obligation of the University. The Bonds will not be secured by a mortgage or security interest on any of the University's assets, properties, or funds. The University's Long-Term Debt is currently rated Aa1/VMIG1/Stable (Moody's as of 10/11/2004); AA/A-1+/Stable (Standard and Poor's as of 7/6/2005); and AA+/F1+/Stable (Fitch as of 11/9/2004). The University anticipates the proposed bonds will be rated similarly by all three rating agencies. (The University of Chicago long term debt was last rated in Fall 2004 when IFA issued three series of New Money and Refunding Bonds totaling \$280 million.) The University of Chicago is one of only a few IFA borrowers that has its own short-term investment grade credit ratings from all three ratings agencies, thereby enabling the sale of standard variable rate bonds without credit enhancement.

Maturity: The Underwriter expects to structure the issue with Bonds maturing in 30 to 40 years. The final maturity date will be determined prior to the IFA Board's consideration of a Final Bond Resolution for this financing. The final configuration of the Bonds (i.e., the amounts of fixed and variable rate debt) will depend on prevailing market conditions at pricing.

Estimated Interest Rates:

- Fixed Rate Bonds: 4.55% for 30 year bonds, based on estimates as of 3/29/2007.
- Variable Rate/Auction Rate Bonds: The most recent average interest rate was 3.75% on 7-day variable rate demand bonds as of 3/21/2007, and 3.49% on weekly auction rate securities as of 3/21/2007.

PROJECT SUMMARY (for IFA Preliminary Bond Resolution)

Bond proceeds will be used by the University of Chicago (the "University") to finance, refinance, or be reimbursed for all or a portion of the costs of the acquisition, construction, renovation, and equipping of certain of its educational facilities located at the University's Hyde Park Campus located at 1225 E. 60th St., Chicago, IL 60637-2801, and to pay costs of issuance on the Bonds (and collectively, the "Project").

Cost estimates for the various capital construction and renovation projects to be financed are \$650M total, a portion of these will be financed by the proposed Series 2007 Bonds (the University may ultimately submit applications to cover additional series of bonds to cover additional qualified costs):

Proceeds of the Series 2007A New Money Bonds will finance a portion of the costs of the capital projects noted below:

New South Campus Residence Hall:	\$130,000,000
Library Addition:	60,000,000
61st and Drexel Office Building	20,000,000
Center for Biomedical Discovery:	170,000,000
Law School Renovation:	15,000,000
Searle Research Building Renovations:	40,000,000
Burton Judson Hall Renovations:	15,000,000
6045 Kenwood Building Renovations:	20,000,000
Steam and Chilled Water Utility Plant Expansion:	100,000,000
Academic Renovations (campus safety/ Infrastructure, general renovations):	<u>80,000,000</u>
Total	\$650,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: The University of Chicago, 1225 E. 60th St., Chicago, IL, 60637-2801
Web site: www.uchicago.edu
Contact: William J. ("Bill") Hogan, Jr., Comptroller, Ph.: 773/702-1940; whogan@uchicago.edu;
Project name: Series 2007 Capital Construction and Renovation Projects
Locations: The University of Chicago's Hyde Park Campus, 1225 E. 60th St., Chicago, IL 60637-2801
Organization: Illinois 501(c)(3) Corporation
Board Membership: *See attached list of Board of Trustees (p. 5).*
Current Land Owner: The University of Chicago

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
Auditor:	KPMG LLP		Chicago, IL
Borrower's Financial Consultant:	Public Financial Management, Inc.	Boston, MA	June Matte
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Nancy Burke
Senior Manager:	To be bid by University of Chicago RFP process.		
Co-Managers:	Selections pending – selection of structure and participants to be made by the Board of Trustees Finance Subcommittee. Proposals will be distributed by University to several firms, including minority firms, pursuant to the University's procurement policy. The University's selection of firms will be based on the ultimate structure(s) selected.		
Underwriter's Counsel:	To be determined		
Trustee:	To be determined		
General Contractors:	Berglund Construction	Chicago	
	Bovis Lend Lease	Chicago	
	Gilbane Building Company	Chicago	
	Turner Construction	Chicago	
Architects:	Bauer Latoza	Chicago	
	Murphy Jahn	Chicago	
	Wilson Architects	Boston	
Rating Agencies:	Moody's/S&P/Fitch		
IFA Counsel:	Goldberg Kohn	Chicago	Keith Sigale
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	1	Bobby L. Rush ✓
State Senate:	13	Kwame Raoul ✓
State House:	25	Barbara Flynn Currie ✓

The University of Chicago: Board of Trustees

Chairman of the Board of Trustees: James S. Crown
Vice-Chairman of the Board of Trustees: Andrew M. Alper
Vice-Chairman of the Board of Trustees: Valerie B. Jarrett

Trustees

Andrew M. Alper
David G. Booth
Thomas A. Cole
E. David Coolidge III
Jon S. Corzine
James S. Crown
Katharine P. Darrow
Erroll B. Davis, Jr.
Strachan Donnelley
Craig J. Duchossois
James S. Frank
Jack W. Fuller
Stanford J. Goldblatt
Rodney L. Goldstein
Mary Louise Gorno
Kathryn C. Gould
Sanford J. Grossman

King W. Harris
Kenneth M. Jacobs
Valerie B. Jarrett
Karen L. Katen
Dennis J. Keller
Arthur L. Kelly
Steven A. Kersten
James M. Kilts, Jr.
Michael J. Klingensmith
Michael L. Klowden
Sherry L. Lansing
John C. Martin
Walter E. Massey
Peter W. May
John W. McCarter, Jr.
Joseph Neubauer
Emily Nicklin
Harvey B. Plotnick
Thomas Jay Pritzker
George A. Ranney, Jr.
John W. Rogers, Jr.
Andrew M. Rosenfield
Steven G. Rothmeier
Richard P. Strubel
Byron D. Trott
Marshall Wais, Jr.
Gregory W. Wendt
Jon Winkelreid
Paula Wolff
Paul G. Yovovich
Francis T.F. Yuen
Robert J. Zimmer

Affiliation

Former President, NYC Economic Development Corporation
Chairman and CEO, Dimensional Fund Advisors, Inc.
Chairman of the Executive Committee and Partner, Sidley Austin, LLP
Vice Chairman, William Blair & Company, L.L.C.
Governor, State of New Jersey
President, Henry Crown and Company
Retired Senior Vice President, The New York Times Company
Chancellor, University System of Georgia
President, Center for Humans & Nature
Chief Executive Officer, Duchossois Industries
President and CEO, Wheels, Inc.
Retired President, Tribune Publishing Company
Partner, Winston & Strawn
Chairman and Managing Director Frontenac Company
Partner and Managing Director Lantern Partners
Founder and General Partner, Foundation Capital
Chairman and CEO, Quantitative Financial Strategies, Inc., Grossman Asset Management
Chairman, Harris Holding, Inc.
Deputy Chairman and Head of Lazard North America, Lazard LLC
Managing Director and Executive Vice president, The Habitat Company
Vice Chairman, Pfizer Inc.
Chairman, DeVry Inc.
Managing Partner, KEL Enterprises, L.P.
President, Water Saver Faucet Company
Founding Partner, Centerview Partners
Executive Vice president, Time, Inc.
President and Chief Executive Officer Milken Institute
CEO, The Sherry Lansing Foundation
President & CEO Gilead Sciences, Inc.
President, Morehouse College
President and COO, Triarc Companies, Inc.
President and CEO, The Field Museum
Chairman and CEO, ARAMARK Corporation
Partner, Kirkland & Ellis
President, Paradigm Holdings, Inc.
Chairman and CEO, Global Hyatt Corporation
President and CEO, Chicago Metropolis 2020
Chairman and CEO, Ariel Capital Management L.L.C., Ariel Mutual Funds
Managing Partner, Guggenheim Partners
Chairman and CEO, Great Northern Capital
Vice Chairman, UNext, Inc.
Vice Chairman, Investment Banking Division, Goldman, Sachs & Co.
Chief Executive Officer, Marwais International L.L.C.
Senior Vice President, Capital Research Company
President and Co-COO Goldman, Sachs & Co.
Senior Executive, Chicago Metropolis 2020
President, Lake Capital
Chairman, Pacific Century Insurance Holdings Limited
President, The University of Chicago

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton

Date: April 8, 2007

Re: Amendatory Resolution to Increase Not-to-Exceed Amount from \$7.4 million to \$8.5 million for DeKalb SLF LP
IFA Project M-MH-TE-CD-697

The IFA Board of Directors approved a Final Bond Resolution for DeKalb SLF LP in October 2006.

As proposed, proceeds of the proposed bond issue would be used to finance construction and equipping of a new, 76-unit Supportive Living Facility in DeKalb, on land to be DeKalb County government.

Due to both (1) favorable changes in daily reimbursement rates to SLF facilities (thereby increasing the Project's Net Operating Income) and (2) a decrease in the projected interest rate on the Bonds, the appraised market value of the project has increased, thereby enabling the increase in the proposed Par amount of Bonds to be issued.

Accordingly, DeKalb SLF LP is requesting approval of the accompanying Resolution, which will authorize an increase in the not-to-exceed amount on the proposed Bonds from \$7.4 million to \$8.5 million. (The anticipated issuance amount is \$8.0 million, and the project would require \$8.0 million of Volume Cap.)

All of the Volume Cap for this project will be provided from Home Rule Volume Cap transfers including approximately \$3,226,000 from the City of DeKalb in 2006 and \$1,820,000 from the City of DeKalb in 2007. All Volume Cap for this project, with the exception of the 2007 City of DeKalb allocation, will be prior year IFA Carryforward transferred by Home Rule Municipalities to support affordable rental housing projects.

Aside from the change in the not-to-exceed amount, there will be no material changes to the transaction approved in October 2006.

This project will initiate construction soon after closing.

Prior Voting Records on this project and the listing of project professionals follows immediately below.

VOTING RECORDS

Preliminary Bond Resolution: December 6, 2005

Ayes: 14 Nays: 0 Abstentions: 0
Absent: 1 (Valenti) Vacant: 0

Final Bond Resolution, October 10, 2006

Ayes: 10 Nays: 0 Abstentions: 0
Absent: 5 (Fuentes, Herrin, Leonard, O'Brien, Rivera) Vacant: 0

PROFESSIONAL & FINANCIAL

Counsel:	Charity & Associates	Chicago, IL	Alan Bell
Accountant:	Reznick Group	Chicago, IL	Bruce Schiff
Bond Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
Underwriter:	William Blair & Company	Chicago, IL	Chuck Freeburg
Underwriter's Coun.:	Ice Miller LLP	Chicago, IL	Tom Smith
Tax Credit Investor:	National Equity Fund, Inc.	Chicago, IL	Richard Gentry
Tax Credit Investor's Counsel:	David Goldstein & Associates	Chicago, IL	David Goldstein
Trustee:	Amalgamated Bank of Chicago	Chicago, IL	Gail Klewin
Architect:	Worn, Jerabek Architects, P.C.	Chicago, IL	Mike Jerabek
General Contractor:	Horve Contractors, Inc.	Decatur, IL	Steve Horve
Project Consultant:	The Laubacher Company	Chicago, IL	Mark Laubacher
Management Agent:	BMA Properties, Ltd.	Bradley, IL	Rod Burkett
Feasibility Consultant:	Laurel Research Associates	Springfield, IL	
Issuer's Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	John Cummins, Heather Erickson
IFA Financial Advisors:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago, IL Chicago, IL	Bill Morris Lois Scott

Attachments:

- Copy of Amendatory Resolution
- Copy of Revised IFA Board Report on the DeKalb SLF Project

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: DeKalb SLF LP (Pine View Supportive Living Facility)

STATISTICS

Project Number:	M-MH-TE-CD-697	Amount:	\$8,500,000 (not-to-exceed amount)
Type:	Housing Bonds	IFA Staff:	Rich Frampton
Location:	DeKalb		

BOARD ACTION

Amendatory Bond Resolution (to increase previously approved Final Bond Resolution amount from \$7.4 million to \$8.5 million)

Conduit Tax-Exempt Affordable Rental Housing Bonds

No IFA Funds at risk

Staff recommends approval subject to the following condition:

1. Non-rated bonds will be sold in minimum denominations of \$100,000 to Accredited Investors, pursuant to requirements set forth in IFA's Bond Policy Handbook.

PURPOSE

Construction of a new, 76-unit, two-story, affordable Supportive Living Facility (senior living facility) in DeKalb.

IFA CONTRIBUTION

IFA will issue Affordable Rental Housing Revenue Bonds and for this project thereby conveying tax-exempt bond status on this financing. Additionally, because the proposed Bonds will finance at least 50% of the cost basis (as defined by the IRS), this project will also be eligible for 4% Low Income Housing Tax Credits ("LIHTC's"), which will generate approximately \$2.96 million of equity for this approximately \$11.5 million project.

All \$8.0 million of Volume Cap required for this project will be provided from Home Rule Volume Cap transfers. These transfers include approximately \$3,226,000 from the City of DeKalb in 2006 and \$1,820,000 from the City of DeKalb in 2007. All Volume Cap for this project, with the exception of the 2007 City of DeKalb allocation, will be prior year IFA Carryforward transferred by Home Rule Municipalities (totaling \$6,180,000) to support affordable rental housing projects.

VOTING RECORDS

Preliminary Bond Resolution: December 6, 2005

Ayes: 14 Nays: 0 Abstentions: 0
Absent: 1 (Valenti) Vacant: 0

Final Bond Resolution, October 10, 2006

Ayes: 10 Nays: 0 Abstentions: 0
Absent: 5 (Fuentes, Herrin, Leonard, O'Brien, Rivera) Vacant: 0

ESTIMATED SOURCES AND USES OF FUNDS – PRELIMINARY, SUBJECT TO CHANGE:

Sources:	IFA Bonds	\$ 8,000,000	Uses:	Project costs	\$9,254,842
	LIH Tax Credits	2,967,000		Purchase of Vol. Cap	55,270
	General Partner Equity	235,270		Legal & Professional/Tax	
	FHLB of Chicago Grant	<u>360,000</u>		Credit Costs	135,000
				Capitalized Interest/Lease up Reserves	652,125
				Bond Issuance Costs	325,749
				Operating Reserve & Debt Svc. Rsrv. Fund	1,060,000
				Deferred Developer Fee	<u>79,284</u>
Total		\$11,562,270	Total		\$11,562,270

*Note: The Developer's Fee will be deferred and paid over time subject to the Partnership Agreement that will be executed between the Developer and the Tax Credit Investor prior to closing. Payment of these fees will be contingent on project performance. Typical performance hurdles include: satisfying certain benchmark debt service coverage, occupancy rates, and other negotiated covenants.

JOBS

Current employment:	0	Projected new jobs:	31 (FTE's)
Jobs retained:	N/A	Construction jobs (12 mo's.):	25 (average)

BUSINESS SUMMARY

Organization: DeKalb SLF LP (the "Applicant"), is an Illinois limited partnership and special purpose entity established for the express purpose of constructing, owning, and operating the Pine View/DeKalb County Supportive Living Facility, a new, 76-unit senior living facility to be located in DeKalb, Illinois.

The **General Partner**, and 0.01% owner of the Applicant, will be **Heritage Woods of DeKalb, LLC**, an Illinois Limited Liability Company, the members of which will be (1) **DeKalb Supportive Living Facility Not-For-Profit**, an Illinois not for profit corporation created by the DeKalb County Board and affiliated with the DeKalb County Nursing and Rehabilitation Center (itself a unit of DeKalb County government), and (2) **Pine View Supportive Living Facility, LLC**, the members of which are key principals of (i) BMA Management, Ltd., Bradley, IL; (ii) Budstick Management Company, Inc., Carbondale, IL; and (iii) DSG Development, Inc., Springfield, IL. The members of Pine View Supportive Living Facility, LLC have successful facility development and operating experience in the Supportive Living Facility and affordable rental housing niches (as described on pp. 3-4).

The Economic Disclosure Statement section of this report provides additional background information on individuals and entities with a beneficial ownership interest in the General Partner.

The **Limited Partner** and 99.99% owner of the project will be **NEF Acceptance Corporation**, an affiliate of **National Equity Fund, Inc., Chicago, Illinois**, a Low Income Tax Credit Syndicator. The project will generate equity through the syndication of 4% Low Income Housing Tax Credits to corporations.

Background: The proposed DeKalb Supportive Living Facility will be a new, 76-unit affordable assisted living project to be located in DeKalb, Illinois, located approximately 60 miles west of Chicago. The subject facility would be the second Supportive Living Facility to be located in DeKalb County. The first is a 36-unit SLF located approximately 18 miles southwest of DeKalb in the Village of Shabbona.

The SLF will be a 55,890 SF building that will consist of thirty-eight (38) studio units and thirty-eight (38) 1 BR units, of which five (5) will be double occupancy units. The property will include over 20,000 SF of common areas including dining room, fitness room, library and resident gathering areas. Of the 76 units, 60 will be designated Low Income and 16 will be market rental.

The property's common facilities include 50 parking spaces (including 3 handicapped accessible spaces), 2 elevators, and an outdoor walking path.

**Background on
Developer/
Property Mgr.:**

Pine View Supportive Living Facility, LLC (Managing Member of the General Partnership): The members of Pine View SLF, LLC include (1) **BMA Properties, Ltd.** of Bradley, Illinois (Mr. Blair Minton and Mr. Rod Burkett), (2) **Budsllick Management Company, Inc. of Carbondale, Illinois** (Mr. John Budsllick), and (3) **DSG Development, Inc. of Springfield, IL** (Mr. George Dinges).

BMA Management, Ltd. is an affiliate of Blair Minton & Associates, Inc. BMA was established in 1999 to manage assisted living and supportive living projects in Illinois. BMA currently manages senior assisted living and supportive living projects comprising over 875 units, with an additional 200 under construction. BMA currently manages properties ranging in size from 52 to 103 units.

BMA undertakes projects as joint ventures with hospitals, 501(c)(3) not-for-profit corporations, and private companies with multifamily construction/management experience. BMA provides comprehensive services from pre-development, financing, pre-opening organization, to staffing, training, management development, and food service.

BMA has 10 key corporate staff members with expertise in hospital, home health care, nursing home administration, operations, and marketing.

BMA currently has 14 Supportive Living Facilities under management including:

- Heritage Woods of Flora (52 units opened in May 2000)
- Heritage Woods of Ottawa (84 units opened in November 2000)
- Eagle Ridge of Decatur (76 units opened in July 2003)
- Heritage Woods of Batavia (93 units opened in September 2003)
- Cambridge House – O'Fallon (103 units opened in November 2003)
- Heritage Woods of Watseka (65 units opened in June 2004)
- Heritage Woods of Benton (100 units opened in August 2004)
- Churchview Supportive Living of Chicago (86 units opened in September 2004)
- Prairie Living of Chautaugua in Carbondale (75 units in November 2004)
- Heritage Woods of Manteno (66 units opened in March 2005), and
- Bowman Estates of Danville (76 units opened in Spring 2005) and
- Cambridge House of Maryville (24 units opened in June 2006)
- Autumn Leaves Retirement Center (Centralia – 24 units, opened 2001, management assumed by BMA in January 2006)
- Lighthouse of Silvis (136 units, opened November 2006)

Budsllick Management Company, Inc. of Carbondale is engaged in the pre-development, construction, and operations of new construction multifamily housing properties, primarily in

Central and Southern Illinois. More specifically, Budstick has served as General Partner on 8 affordable multifamily properties located in Carbondale, Charleston, Danville, Marion, and West Frankfort. Four of these affordable multifamily properties were financed with 9% LIHTC's and comprise 221 units overall. Budstick is the General Partner of two SLF properties, Bowman Estates in Danville (76 units) and Pineview of Rockford (99 units, construction start of August 2006)

DSG Development, Inc. of Springfield has experience as an equity investor in multifamily properties throughout Illinois.

DeKalb Supportive Living Facility Not-For-Profit (Member of General Partner) is an Illinois not for profit corporation created by DeKalb County and affiliated with the DeKalb County Nursing and Rehabilitation Center (the "Center"). The Center is a County-owned-and-operated 194-bed skilled nursing care facility licensed by the Illinois Department of Public Health located adjacent to the proposed DeKalb SLF. The staff of the Nursing Home comprises about 45% of the total labor force employed directly by the County of DeKalb. Admissions will be coordinated through the Nursing Home's Social Services Department. The Center provides laundry, housekeeping, and building maintenance operations that may also be utilized by the new SLF facility.

DeKalb County will execute a 99-year land lease with the Applicant.

**About Illinois'
SLF Program:**

The Developer and the Illinois Department of Healthcare and Family Services executed a Contract for Furnishing Services (the "Contract") under the Supportive Living Program in August 2005. Pursuant to this Contract, the Owner must begin operations by September 2007 (subject to time extensions if project is under construction). This Contract provides for the reimbursement of Covered Services to Eligible Residents under the Medical Assistance Program.

The Supportive Living Program was designed to reduce Medicaid subsidies to support low income elderly and help pay the costs necessary services including medication supervision, laundry, and personal care. All residents in a Supported Living Facility must be able to pay for their own room and board. Medicaid service reimbursement rates in Illinois are set at 60% of the regional nursing home per diem rate.

The Medicaid resident's maximum "room and board" payment is set by state regulation, and as of January 1, 2007, was increased to \$533/month from \$513/month. SLFs can also be certified as eligible food stamp vendors and receive these benefits for eligible residents. If a Medicaid resident's income is above \$623/month, then the amount over this threshold is applied as a Medicaid co-payment toward service expenses.

The objective of the SLF Program is to reduce the State's Medicaid expenditures. SLF Facilities can reduce daily Medicaid reimbursement rates from \$100/day to \$60.23/day in certain regions. Approximately 32% of current SLF residents have relocated from a nursing home. Illinois currently has 72 open and operating SLF's, with approximately 70 additional facilities approved.

Accessibility:

As a new construction project, the subject facility will be subject to the Americans with Disabilities Act ("ADA"). Accordingly, all public areas of the facility will comply with ADA. Additionally, because the facility will cater to seniors, 100% of the units will be designed to be handicapped adaptable and will feature:

- Doorways wide enough to accommodate wheelchairs and walkers
- Door handles throughout equipped with levers, rather than doorknobs
- Bathrooms sufficiently wide to allow a wheelchair to turn 360 degrees
- Bathrooms will have grab bars

- Bathrooms will be readily convertible from handicapped adaptable to handicapped accessible replacing the bathroom vanity with a sink that features a knee cavity
- Initially, 20% of the units (i.e., 12 out of 72) will be equipped with the handicapped accessible sink

FINANCING SUMMARY

Security: Series 2007 Bonds: Bonds will be sold on a non-rated basis. Bondholders will be secured by a blanket first mortgage on the facility and an assignment of tenant leases and contracts.

Structure/
Interest Rates: Bonds will be sold as fixed rate bonds with a 32-year final maturity (current estimated rate of 5.90% as of 3/20/2007), with interest-only payments for the first two years.

Maturity: Series 2007 Bonds: 32 years (with level debt service payments over the last 32 years; provides for interest-only payments for the first two years)

PROJECT DESCRIPTION FOR IFA BOND RESOLUTION

Bond proceeds will be used to finance site improvements, and the construction of a new, one building, two-story, 76-unit Supportive Living Facility located on an approximately 4.8 acre site located 2600 North Annie Glidden Rd., DeKalb (DeKalb County), IL 60115 to be owned by DeKalb SLF LP and operated by BMA Management, Ltd. of Bradley, Illinois.

Additionally, bond proceeds will be used to pay costs of issuance, capitalized interest, and will also capitalize certain debt service and operating reserve funds.

Estimated project costs are as follows:

Land/Site Development	643,529
Construction:	7,211,752
Furniture, Fixtures & Equip.	535,000
Architectural and Engineering	237,000
Project Contingency	235,000
Pre-Opening expenses and soft costs	<u>392,561</u>
Total	\$9,254,842

ECONOMIC DISCLOSURE STATEMENT

Applicant: DeKalb SLF LP, an Illinois Limited Partnership, c/o Pine View Supportive Living LLC, c/o Mr. Blair Minton, BMA Management, Ltd., 535 E. North Street, Suite E, Bradley, IL 60915; Ph.: 815-935-1992; Fax: 815-935-1992; bma1992@aol.com

Alternate Contact: Mr. Rod Burkett, BMA Management, Ltd., 535 E. North Street, Suite E, Bradley, IL 60915; Ph.: 815-935-1992; Fax: 815-935-1992

Project name: Pine View/DeKalb County Supportive Living Facility

Location: 2600 N. Annie Glidden Road, DeKalb (DeKalb County), IL 60115 Organization: Limited Partnership

State: Illinois

Ownership of

Applicant: DeKalb SLF LP, an Illinois Limited Partnership

- **Pine View DeKalb SLF, LLC (General Partner): 00.01%**
 - **Pine View Supportive Living LLC, 50%, Manager:**
 - **BMA Management, Ltd.,** Bradley, IL (see Applicant Contact)
 - **Budsllick Management, Inc.,** Carbondale, IL (Contact: Mr. John Budsllick, 618-457-5312)
 - **DSG Development, Inc.,** Springfield, IL (Contact: Mr. George Dinges, 217-528-0720)
 - **DeKalb Supportive Living Facility Not-For-Profit, an Illinois not for profit corporation, sponsored by DeKalb County government, 50%**
- **National Equity Fund, Inc. (Limited Partner), Chicago, IL: 99.99% (through syndication of 4% low income housing tax credits to large corporations, including affiliates, subsequent to closing).**

Current Property

Owner: DeKalb County. DeKalb County is the current property owner. The County will lease the land to the DeKalb Supportive Living Facility Not-For-Profit who in turn will sub-lease the property to DeKalb SLF LP.

- **Contact: Roy Bockman, County Administrator, DeKalb County Courthouse, Sycamore, IL 60178; 815-895-7189**

PROFESSIONAL & FINANCIAL

Counsel:	Charity & Associates	Chicago, IL	Alan Bell
Accountant:	Reznick Group	Chicago, IL	Bruce Schiff
Bond Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
Underwriter:	William Blair & Company LLC	Chicago, IL	Chuck Freeburg
Underwriter's Coun.:	Ice Miller LLP	Chicago, IL	Tom Smith
Tax Credit Investor:	National Equity Fund, Inc.	Chicago, IL	Deborah Burkhart
Tax Credit Investor's Counsel:	David Goldstein & Associates	Chicago, IL	David Goldstein
Trustee:	Amalgamated Bank of Chicago	Chicago, IL	Gail Klewin
Architect:	Worn, Jerabek Architects, P.C.	Chicago, IL	Mike Jerabek
General Contractor:	Horve Contractors, Inc.	Decatur, IL	Steve K. Horve
Project Consultant:	The Laubacher Company	Chicago, IL	Mark Laubacher
Management Agent:	BMA Management, Ltd.	Bradley, IL	Rod Burkett
Issuer's Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	John Cummins, Heather Erickson
IFA Financial			
Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	14	J. Dennis Hastert
State Senate:	35	J. Bradley Burzynski
State House:	70	Robert W. Pritchard

IFA RESOLUTION 07-04-28

A RESOLUTION AMENDING A RESOLUTION ADOPTED ON OCTOBER 10, 2006 AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$7,400,000 MULTI-FAMILY HOUSING REVENUE BONDS (DEKALB SUPPORTIVE LIVING FACILITY PROJECT), SERIES 2006, OF THE ILLINOIS FINANCE AUTHORITY FOR THE PURPOSE OF MAKING A LOAN TO DEKALB SLF LP, AN ILLINOIS LIMITED PARTNERSHIP, IN ORDER TO FINANCE A PORTION OF THE COSTS OF ACQUIRING LAND AND ACQUIRING, CONSTRUCTING AND EQUIPPING A NEW 76-UNIT SUPPORTIVE LIVING MULTI-FAMILY HOUSING FACILITY TO BE LOCATED IN THE CITY OF DEKALB, ILLINOIS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE SETTING FORTH THE TERMS OF AND THE SECURITY FOR THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT, TAX EXEMPTION CERTIFICATES AND AGREEMENTS, BOND PURCHASE AGREEMENT AND VARIOUS OTHER DOCUMENTS AND INSTRUMENTS IN CONNECTION WITH THE FOREGOING; AUTHORIZING THE TERMS AND SALE OF THE BONDS; REPEALING ALL RESOLUTIONS OR PORTIONS OF RESOLUTIONS IN CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE; AND CONCERNING RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under the laws of the State of Illinois (the "**Authority**"), including the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.*, as supplemented and amended (the "**Act**"), is authorized by the Act to issue its revenue bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds of such revenue bonds to defray, among other things, the costs of acquiring, constructing, enlarging, remodeling, renovating, improving, furnishing and equipping "projects," as defined in the Act, and to provide for the refunding of any of its bonds deemed necessary in connection with any purpose of the Authority; and

WHEREAS, DeKalb SLF LP (the "**Borrower**") is a limited partnership duly organized and validly existing under the laws of the State of Illinois and is in good standing and is duly qualified to conduct business in the State of Illinois; and

WHEREAS, the Borrower has submitted to the Authority an application for financial assistance in acquiring, constructing and equipping a "housing project" under the Act, consisting of the acquisition of land located at 2600 North Annie Glidden Road, DeKalb, Illinois, and the acquisition, construction and equipping of a 76-unit supportive living multi-family housing facility and certain functionally-related improvements including community facilities and ancillary non-housing facilities (collectively, the "**Project**"), all as more fully described in the Loan Agreement (defined below), to be owned by the Borrower and operated by BMA Management Ltd.; and

WHEREAS, pursuant to the Act, the Authority on October 10, 2006 adopted a Bond Resolution (the “**Original Resolution**”), finding that it is proper, necessary and desirable, in order to provide adequate, decent, and affordable housing to those residing within the territorial jurisdiction of the Authority, to issue its Multi-Family Housing Revenue Bonds (DeKalb Supportive Living Facility Project), Series 2006, to finance a portion of the costs of acquiring, constructing and equipping the Project, making a deposit to a debt service reserve fund, paying capitalized interest on the Bonds, and paying a portion of the costs of issuance of the Bonds; and

WHEREAS, at the time of adoption of the Original Resolution it was estimated that the costs of financing the Project, including costs relating to the authorization, preparation, sale and issuance of the Bonds, will total not less than \$7,400,000; and

WHEREAS, due to changes in market conditions and other factors, it is now estimated that the costs of financing the Project will not be less than \$8,500,000; and

WHEREAS, the members of the Authority deem it necessary and desirable to amend the Original Resolution to increase the aggregate principal amount of the Bonds to not more than \$8,500,000; and

WHEREAS, for all other purposes, the Original Resolution should be unchanged and remain in full force and effect;

NOW, THEREFORE, BE IT RESOLVED by the members of the Illinois Finance Authority, as follows:

Section 1. *Incorporation of Preambles.* The preambles are incorporated into this Resolution by this reference and made a part of this Resolution.

Section 2. *Authorization of Bonds.* In order to finance a portion of the costs of acquiring, constructing and equipping the Project, make a deposit to a debt service reserve fund, and pay capitalized interest and the costs of issuance of the Bonds authorized by this Resolution, the Authority authorizes to be issued, sold and delivered not more than \$8,500,000 aggregate principal amount of Multi-Family Housing Revenue Bonds (DeKalb Supportive Living Facility Project), Series 2007 (the “**Bonds**”), of the Authority. The aggregate principal amount of the Bonds (not to exceed the foregoing amount) shall be as provided in the Indenture as executed and delivered on behalf of the Authority. Any additional costs of the Project not paid from the proceeds of sale of the Bonds will be paid for by the Borrower.

Section 3. *Original Resolution Remains in Full Force and Effect.* The Original Resolution, as amended by this Resolution, shall remain in full force and effect.

Section 4. *Ratification of Proceedings.* All proceedings, resolutions and actions of the Authority and the Authority’s officers and agents taken in connection with and in furtherance of the issuance and sale of the Bonds, the acquisition, construction and equipping of the Project and the financing of the Project are ratified, confirmed and approved.

Section 5. *Recording of Resolution; Severability.* Immediately after its passage, this Resolution shall be recorded in a book kept by the Secretary for the purpose. It is declared that all parts of this Resolution are severable and that if any section, paragraph, clause or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining provisions of this Resolution.

Section 6. *Conflicting Ordinances, Etc.* All ordinances, resolutions and regulations or parts thereof heretofore adopted or passed which are in conflict with any of the provisions of this Resolution are repealed, to the extent of such conflict.

Section 7. *Effective Date.* This Resolution shall become effective and shall be in full force immediately upon its adoption.

PASSED by the members of the Illinois Finance Authority, this 10th day of April, 2007.

VOTING AYE (list names):

VOTING NAY (list names):

ABSENT OR ABSTAIN (list names):

Chairman

[SEAL]

ATTEST:

Secretary

**Resolution Adopting Policies of the Board Regarding
Remote Attendance at Board Meetings**

WHEREAS, the Illinois Finance Authority (the "Authority") is empowered by Section 801-30(e) of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.* (the "Act"), to "adopt all needful ordinances, resolutions, by-laws, rules and regulations for the conduct of its business and affairs and for the management and use of the projects developed, constructed, acquired and improved in furtherance of its purposes;"

WHEREAS, Section 801-25 of the Act requires eight members of the Authority's Board of Directors (the "Board") to be physically present at the location of a meeting of the Board in order to establish a quorum and further provides that other members who are not physically present at the meeting may participate in the meeting and vote on all matters by means of a video or audio conference;

WHEREAS, in accordance with Section 801-25 of the Act, the Board has permitted members to participate in meetings via audio or video conference provided that (i) a quorum of the Board is physically present at the meeting location, (ii) the member participating at the meeting by remote communication has given prior notice of attendance via such means to the Authority's Secretary or Assistant Secretary, and (iii) the members acknowledge the member participating by remote communication by calling the director's name in the roll call of the members;

WHEREAS, recent amendments to the Open Meetings Act, 5 ILCS 120/1 *et seq.*, similarly allow members of a board to participate at meetings by remote communications such as video conference, telephone or internet connection in accordance with rules established by the Board; and

WHEREAS, the Board desires to codify its past practices and to establish rules governing a director's participation in a meeting of the Board by means remote communications for purposes of the Act and the Open Meetings Act.

NOW, THEREFORE, BE IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Recitals. The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

Section 2. Adoption of Remote Attendance Policy. The Remote Attendance Policy attached to this Resolution as Exhibit A is hereby adopted as rules of the Board governing the process by which a member of the Board may participate in a Board meeting by means of remote communications such as video conference, telephone or internet connection for purposes of the Act and the Open Meetings Act.

Section 3. Enactment. This Resolution shall take effect immediately. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any

reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

This Resolution 2006-04-___ is adopted this 10th day of April 2007 by roll vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Chairman

Attested to:

Secretary

EXHIBIT A

Exhibit A

REMOTE ATTENDANCE POLICY OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY

1. **Policy Statement.** It is the policy of the Illinois Finance Authority (the “IFA”) that any member of the IFA’s Board of Directors (the “Board”) may attend and participate in any meeting of the IFA from a remote location via telephone, video conference, internet connection or other means provided that participation is in accordance with this Policy.
2. **Prerequisites.** A member of the IFA Board may attend a meeting from a remote location if the following conditions are satisfied:
 - (a) the member has notified the IFA’s Secretary or Assistant Secretary a reasonable period of time before the meeting that the member will participate by means of remote communications such as video conference, telephone, internet connection or other means of communication so that the Secretary or Assistant Secretary can arrange for necessary communication equipment;
 - (b) the member cannot be physically present at the meeting for any of the following reasons:
 - (i) the member cannot attend because of personal illness or disability;
 - (ii) the member cannot attend because of employment purposes or business of the IFA; or
 - (iii) the member cannot attend because of a family or other emergency.
 - (c) a quorum of the Board is established at the meeting.
3. **Establishing a Quorum.** A quorum of the Board shall be established as provided by Section 801-25 of the Illinois Finance Authority Act, 20 ILCS 3501/1 et seq., and Section 2.01 of the Open Meetings Act, which, in relevant part, provide that a quorum be established by eight members being physically present at the meeting.
4. **Authorization to Participate.** During the roll call of the members at the meeting, the Secretary or Assistant Secretary shall call the name of the members physically present at the meeting and the names of those members participating by means of remote communication. Each member participating by means of remote communication shall be deemed authorized to attend the meeting once their name has been called in the roll of the members or at any roll call vote of the Board.
5. **Adequate Equipment Required.** Any member participating in a meeting by means of remote communication and the members physically present at the meeting must be able to communicate effectively and members of the audience must be able to hear all communications.

6. **Minutes.** The meeting minutes shall reflect and state specifically whether a member participated in the meeting by being physically present, present by video conference, present by telephone or present by internet connection or other means.
7. **Rights of Remote Members.** A member participating remotely will be able to express his or her comments during a meeting and may participate in the same capacity as those members that are physically present at the meeting. Any remote member shall be heard, considered and counted as to any vote taken. A member participating remotely may leave a meeting and return as in the case of any other member.
8. **Meetings.** The term “meeting” as used herein means any gathering whether in person or by video or audio conference, telephone call, electronic means (such as, without limitation, electronic mail, electronic chat and instant messaging), or other means of contemporaneous interactive communication, of a majority of a quorum of the members of the Board for the purposes of discussing business of the IFA.
9. **Advisory Boards/Councils.** To the extent the IFA establishes an advisory board or council as permitted pursuant to the Act, such advisory board or council may establish rules regarding quorum requirements of such board or council and the means for member participation at such meetings.
10. **Amendments to Policy.** This Policy may be amended, supplemented or revised from time to time by a resolution or motion duly adopted by the Board.

This Policy is effective as the 10th day of April 2007.