

Illinois Finance Authority

November 8, 2005

11:30 AM

Board Meeting

Plaza Club

130 E. Randolph, 40th Floor

Chicago, Illinois



IFA File Copy



**Illinois Finance Authority
Executive Session
180 N. Stetson, Suite 2555
Chicago, IL**

November 8, 2005

Agenda

8:30 am	Opening Remarks - Introduce new board member	Chairman Gustman
8:45 am	Interim Executive Director's Report	Jill Rendleman
9:00 am	Financial Performance Audit & Compliance	Jose Garcia
	Sales Activity	Michael Pisarcik
	Human Resources	Stuart Boldry
	Marketing/Public Relations	Diane Hamburger
	Human Resources	Stuart Boldry
9:45 am	Funding Managers Presentations	
11:00 am	Resolutions / Amendments	Steven Trout
11:15 am	Adjournment	
11:30 am	Board Meeting Plaza Club, One Prudential Plaza, 40 th Floor	
12:30 pm	Lunch - IFA Board Room	

**ILLINOIS FINANCE AUTHORITY
BOARD MEETING
November 8, 2005
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.
One Prudential Plaza
130 E. Randolph, Plaza Club,
40th Floor**

- Call to Order
- Chairman's Report and Welcome New Board Member
- Roll Call
- Approval of Minutes
- Acceptance of Financials
- Resolutions / Amendments
 - 2006-15: Healthcare Initiative
 - 2006-16: Renewable Energy Development Fund
- Executive Director's Report
- Project Approvals

AGRICULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
1	Participation Loan Alan and Kimberly Rutger	Cisne	\$ 322,000	0	0	ER
2	Ray and Loretta Aden	St. Joseph	150,000	0	0	ER
3	Agricultural Debt Restructuring Rust Farms, Inc.	Cissna Park	50,000	0	0	BB
4	Specialized Livestock Guarantee Tory & Wendy Zimmerman	Fairbury	500,000	0	0	BB
TOTAL AGRICULTURE PROJECTS			\$ 1,022,000			

COMMUNITIES AND CULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
5	501(c)(3) Bonds <i>Preliminary</i> The Roman Catholic Diocese of Joliet organized as a Trust (All Saints Catholic Academy)	Chicago	\$ 13,000,000	7	0	TA
6	The Latin School of Chicago	Chicago	35,000,000	11	300	TA
7	Plum Creek of Rolling Meadows, LP	Rolling Meadows	12,000,000	50	100	TA
8	Final Huskies Hockey Club Project	Romeoville	18,000,000	10	150	ST
9	Illinois Wesleyan University	Bloomington	18,300,000	0	6-12	RKF/JS
10	The Thresholds	Chicago	8,000,000	36	100	TA
TOTAL COMMUNITIES AND CULTURE PROJECTS			\$ 104,300,000			

BUSINESS AND INDUSTRY

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
11	Industrial Revenue Bonds <i>Preliminary</i> Central City Studios	Chicago	\$ 35,000,000	1,015	235	TA
12	Pollmann North America	Romeoville	6,000,000	16	95	ST
13	<i>Final</i> Barton Manufacturing	Decatur	3,000,000	25	15	JS
14	Participation Loans CoBatCo	Peoria	500,000	4	15	JS
15	DVA Development (The Spotted Cow, Inc.)	Peoria	475,000	10	19	JS
16	Spring Green Lodge	Edwardsville	1,500,000	30	n/a	RP
TOTAL BUSINESS AND INDUSTRY PROJECTS			\$ 46,475,000			

HEALTHCARE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
17	501(c)(3) Bonds <i>Preliminary</i> Clare Oaks	Bartlett	\$ 120,000,000	TBD	450	PL/DS
18	Sinai Health System and Mount Sinai Hospital Medical Center of Chicago, Co-Borrowers	Chicago	7,300,000	0	0	PL/DS
19	501 (c)(3) Bonds <i>Final</i> Milestone, Inc.	Multiple	4,000,000	0	0	PL/DS
20	Silver Cross Hospital	Joliet	150,000,000	TBD	TBD	PL/DS
21	Smith Village	Beverly	80,000,000	TBD	TBD	PL/DS
22	Commercial Paper Revenue Notes Resolution <i>Final</i> Rehabilitation Institute of Chicago	Multiple	20,000,000	0	0	RKF/SCM
TOTAL HEALTHCARE PROJECTS			\$ 381,300,000			

GRAND TOTAL			\$ 553,097,000			
--------------------	--	--	-----------------------	--	--	--

Project Revisions/Amendatory Resolutions

Tab

Amendatory Resolutions

- 23 05-11-23 - Kent Pearl Valley Cheese. Request to defer payment for Agri-Industry Guaranteed Loan.
- 24 05-11-24 - Durango Products/Francisco and Cecilia Barrera d/b/a Junior Produce. Request to Extend a Commitment until May 8, 2006 for a Participation Loan.
- 25 05-11-25 - Resolution: Extension of Final Maturity Date on IFA Commercial Paper Revenue Notes.
- 26 05-11-26 – Resolution: Kohl Children's Museum of Greater Chicago: Amendment to Bond Indenture to permit the use of moneys in the Capitalized Interest Account to make payments under the Museum's interest rate exchange agreement or to apply moneys remaining in the Account following the end of the capitalized interest period (July 1, 2006) to the payment of any remaining Project costs, if deemed necessary by the Museum.
- 27 05-11-27 – Resolution: Evanston Amendment. Resolution authorizing the execution and delivery of a First Supplemental Loan Agreement supplementing and amending the Loan Agreements by and between Evanston Northwestern Healthcare Corporation and the Illinois Health Facilities Authority to provide revisions to the liquidity covenant contained in each loan agreement and authorizing and approving certain other matters.

Other

Adjournment



**Illinois Finance Authority
Executive Director's Report
November 8, 2005**

To: IFA Board of Directors and Office of the Governor

From: Jill Rendleman, Interim Executive Director

I. Financial Performance

The Illinois Finance Authority financial performance remains strong with year to date net income of \$618k exceeding performance plan by \$100k. Gross YTD revenues of \$2.5M are \$221 below budget, while YTD expenses have a positive variance of \$322k. Transaction closing volume which has been consistent in the first quarter is projected to increase in the second quarter, while expense levels are expected to remain within budget.

Illinois Finance Authority's overall financial position continues to improve with total equity of \$56.6M, comprised of assets of \$59.4M and liabilities of \$2.8M. This compares favorably to the October 31, 2004 balance sheet with total equity of \$53.8M, comprised of assets of \$58.1M and liabilities of \$4.3M.

II. Sales Activities

IFA funding managers will be presenting 22 projects totaling approximately \$553,097,000 for approval in November. These projects represent diversity throughout the state in projects which will benefit beginning farmers, small hospitals, school districts, manufacturing industries, colleges, and major cultural institutions

Health Care: This month the health care staff will be presenting the Illinois Finance Authority Health Care Initiative which is a resolution to provide programs focusing on the capital needs of small and critical access hospitals as well as community health care providers located throughout the state. A Request for Qualifications was posted asking for respondents nationwide to partner with

Access Network to provide a seminar for their conference to be held in Springfield in December.

Higher Education: Funding managers across the state participated in a conference with the Federation of Illinois Independent Colleges and Universities members on October 19 to discuss IFA financing options for projects ranging from HVAC and dormitory sprinklers to new dorms and educational facilities. IFA continues to develop financing solutions for the needs of higher education facilities including infrastructure needs for Illinois Wesleyan, Western Illinois University, and the University of Illinois. IFA Staff is working closely with Southern Illinois University in Edwardsville to provide financing options for a conference center/museum lodging complex at the entrance to its campus. Staff presented IFA Local Government financing programs for community colleges and school districts at a seminar held by the American Society of Heating and Refrigeration Engineers.

Agriculture: The agricultural staff as well as agricultural committee board member, Brad Zeller, attended the National Conference of State Agricultural Finance Authorities. The conference provided a forum to compare IFA programs and services to those of other states, with Illinois and Iowa continuing to show the largest national presence in state agricultural finance. IFA will begin to work with legislators to proactively seek approval for the Agricultural Bond Improvement Act which raises limits for beginning farmer bonds and other major enhancements to this important tool for young and start-up agricultural operations. Additionally, IFA is partnering with a third party provider to allow the sale of state agricultural guarantees in the secondary financial markets, thereby providing an expanded source of funding and liquidity for community banks and other agricultural lenders.

Community and Culture: Staff has finalized sponsorships for the Illinois Township Officials convention in Peoria, the National Federation of Independent Businesses in Bloomington, and the Large Unit District Association in Chicago. A large municipal pool is being tested for refunding opportunities with 33 of the 44 original participants in the pool expressing interest due to the significant cost savings to municipalities. Staff and IFA financial advisor, Bill Morris, have been working on a large sound and film studio request located in the Lawndale area of Chicago which could provide significant positive economic development to a community in need of jobs and new business activity. Additionally, IFA's Opportunity Home Mortgage Program has been activated with marketing programs targeting distressed areas of the state in need of improved housing alternatives.

Industry and Commerce: Sales calls focused on financial institutions, as well as manufacturers and economic development councils. The coal projects continue on schedule with the largest request, Peabody Coal in Nashville, considering a

funding date late in 2006 due to extended time frames needed to obtain required air permits from federal regulatory agencies.

Venture Capital: IFA received notification of approval for a \$4 Million Renewable Energy Foundation Grant which will target financing of small wind energy projects. Program marketing will focus on small rural projects located in communities and on farms throughout the state. Additionally, IFA is representing an initiative as a result of participation on the Illinois Broadband Council to provide financing options which will fill the gap or "digital divide" which smaller rural communities and urban neighborhoods experience as they attempt to connect residents with broad band services placed along major corridors throughout the state. IFA staff is partnering with the Governors Homeland Security Department to create financing sourcing specific to start-up, small, and growth stage industries which provide manufacturing and technology resources for homeland security efforts in Illinois.

III. Marketing and Public Relations

Marketing efforts continue to focus on the finalization of Strategic Planning for Agriculture, Health Care, Communities and Culture, Higher Education, and Business & Industry. These 2-3 day planning sessions involve researching the current environment, assessing strategic needs, developing a performance plan, and creating action items to reach target goals for each of the sectors. Funding managers as well as the Marketing Director, Director of Financial Services, the Executive Director, and other support staff have attended and provided input into these sessions. In public relations, the IFA has received positive industry press on the number and scope of health care financings throughout the state, while more controversial press has been avoided through effective public relations working with departments such as Office of Management and Budget on more sensitive projects. Primary marketing support is being developed for future program areas including Renewable Energy, Fresh Rate Mortgage, Bond Proceed Investment Option, Charter Schools, and Higher Education Infrastructure.

V. Human Resources and Operations

Several organizational changes were made in October with an elimination of the position of Market Development Manager. Based upon performance evaluations, one IFA staff member in this position was formally promoted to a health care funding manager position. After careful review of resource and value considerations as well as the strategic direction of venture capital in IFA's overall mission, the position of Venture Capital Manager was combined with a new position of Risk and Compliance Manager. This new role more closely aligns IFA's human resources with our mission by combining resources devoted to bond

compliance and transaction coordination with venture capital management responsibilities.

V. **Legal and Legislative Issues**

Senate Bill 1625 which increases IFA bonding authority has been the focus for November with progress being complicated by previous additions to the bill unrelated to IFA. Shefsky and Froelich have been finalizing plans with IFA to execute "recodified" Rules and Regulations, "emergency" Rules and Regulations, and "permanent" Rules and Regulations. IFA legal needs include transaction documentation, risk management, regulatory compliance, contract administration and management, policy and procedure, bad debt collection, intergovernmental affairs, and human resource management. The current focus of general counsel Shefsky & Froelich and the Executive Director are to put in place processes and standards for IFA issuances. Review of business documentation processes, flow of documents, standardization of practices, and analysis of current IFA Bond Handbook Guidelines which govern the content of IFA issued bonds are all under review. Schiff Hardin has been coordinating discussions with parties to the NTN transaction which resulted in a recent IFA settlement with the IRS.

VI. **Audit and Compliance**

The financial portion of the Fiscal Year 2005 Audit continues on schedule despite turnover in the manager in charge of the IFA account. Eight of 14 findings from the fiscal year 2004 audit are 100% complete and the remaining 6 findings are substantially complete. The financial and compliance audit is substantially completed and the field work in IFA offices is expected to be complete next month. The Illinois Legislative Audit Commission has requested the Executive Director appear at a hearing in December to discuss progress made in correcting the findings of the 2004 Audit. This is seen as an opportunity to discuss not only the major corrections to the 2004 audit findings, but also to discuss the positive impact the new authority has had in promoting economic development and job creation throughout the state.

**Illinois Finance Authority
Statement of Activities
for Period Ending October 31, 2005**

	Actual October 2005	Budget October 2005	Current Month Variance Actual vs Budget	Current % Variance	Actual YTD FY 2008	Budget YTD FY 2008	Year to Date Variance Actual vs. Budget	YTD % Variance	Explanations
REVENUE									
INTEREST ON LOANS	38,746	30,000	8,746	29.2%	139,795	120,000	19,795	16.5%	
INVESTMENT INTEREST & GAIN(LOSS)	80,456	70,000	10,456	14.9%	359,243	280,000	79,243	28.3%	
ADMINISTRATIONS & APPLICATION FEES	459,643	300,000	159,643	53.2%	1,512,715	1,740,000	(227,285)	(13.1%)	
ANNUAL ISSUANCE & LOAN FEES	88,620	135,000	(46,380)	(34.4%)	390,554	540,000	(149,446)	(27.7%)	
OTHER INCOME	14,935		14,935	0.0%	56,912		56,912	0.0%	
TOTAL REVENUE	682,389	535,000	147,389	27.6%	2,459,219	2,660,000	(220,781)	(8.2%)	
EXPENSES									
EMPLOYEE RELATED EXPENSES									
COMPENSATION & TAXES	215,898	255,000	(39,102)	(15.3%)	830,931	1,020,000	(189,069)	(18.5%)	
BENEFITS	19,915	19,510	405	2.1%	86,499	78,040	8,459	10.8%	
TEMPORARY HELP	7,438	2,500	4,938	197.5%	26,287	10,000	16,287	163.0%	Receptionist & File Clerk
EDUCATION & DEVELOPMENT	1,815	540	1,275	236.1%	7,589	2,160	5,429	251.4%	
TRAVEL & AUTO	19,675	10,410	9,265	89.0%	48,932	41,640	7,292	17.5%	Brd Meeting at Springfield
TOTAL EMPLOYEE RELATED EXPENSES	284,741	287,960	(3,219)	(8.1%)	1,000,247	1,151,840	(151,593)	(13.2%)	
PROFESSIONAL SERVICES									
CONSULTING, LEGAL & ADMIN	59,349	34,333	24,015	69.8%	241,100	137,333	103,768	75.6%	Legal Fees Accrual
LOAN EXPENSE & BANK FEE	1,185	2,070	(885)	(42.8%)	5,314	8,280	(2,966)	(35.8%)	
ACCOUNTING & AUDITING	35,701	29,000	6,701	23.1%	140,720	116,000	24,720	21.3%	Audit related expenses
MARKETING GENERAL	13,173	25,000	(11,827)	(47.3%)	17,784	100,000	(82,206)	(82.2%)	
FINANCIAL ADVISORY	8,000	8,000		0.0%	32,000	32,000		0.0%	
CONFERENCE/TRAINING	2,765	890	1,875	210.7%	4,730	2,360	2,370	100.4%	
MISCELLANEOUS PROFESSIONAL SERVICES	778	10,833	(10,055)	(100.0%)	43,333	43,333		100.0%	
DATA PROCESSING		3,750	(3,750)	(100.0%)	5,431	15,000	(9,569)	(63.8%)	
TOTAL PROFESSIONAL SERVICES	119,950	113,577	6,373	5.6%	447,087	454,307	(7,219)	(1.6%)	
OCCUPANCY COSTS									
OFFICE RENT	15,433	15,745	(312)	(2.0%)	61,733	62,960	(1,247)	(2.0%)	
EQUIPMENT RENTAL AND PURCHASES	980	2,585	(1,596)	(61.7%)	4,935	10,340	(5,405)	(52.3%)	
TELECOMMUNICATIONS	5,920	4,583	1,336	29.2%	22,488	18,333	4,163	22.7%	
UTILITIES	680	1,085	(385)	(36.1%)	2,612	4,250	(1,648)	(38.7%)	
DEPRECIATION	2,032	3,000	(968)	(32.3%)	7,720	12,000	(4,280)	(35.7%)	
INSURANCE	630	1,300	(670)	(51.5%)	2,625	5,200	(2,575)	(49.5%)	
TOTAL OCCUPANCY COSTS	25,685	28,278	(2,593)	(9.2%)	102,121	113,113	(10,992)	(9.7%)	
GENERAL & ADMINISTRATION									
OFFICE SUPPLIES	4,552	9,167	(4,614)	(50.3%)	23,804	36,667	(12,863)	(35.1%)	
BOARD MEETING - EXPENSES	7,007	1,400	5,607	400.5%	13,997	5,800	8,197	149.9%	Brd Meeting at Springfield
PRINTING		900	(900)	(100.0%)	855	3,800	(2,945)	(81.6%)	
POSTAGE & FREIGHT	3,188	2,900	288	9.9%	11,035	11,600	(565)	(4.9%)	
MEMBERSHIP, DUES & CONTRIBUTIONS	8,280	1,700	6,580	387.1%	13,061	8,800	4,261	82.1%	
PUBLICATIONS	29	200	(171)	(85.8%)	328	800	(472)	(59.8%)	
OFFICERS & DIRECTORS INSURANCE	8,689	10,000	(1,311)	(13.0%)	34,795	40,000	(5,205)	(13.0%)	
MISCELLANEOUS	28	450	(422)	(93.8%)	273	1,800	(1,527)	(84.9%)	
TOTAL GENERAL & ADMINISTRATION EXPENSES	31,783	26,717	5,066	19.0%	87,946	106,887	(18,941)	(17.7%)	
LOAN LOSS PROVISION	25,000	25,000		0.0%	47,536	100,000	(52,464)	(52.5%)	
OTHER									
INTEREST EXPENSE	781	800	(19)	(2.4%)	3,124	3,200	(76)	(2.4%)	
TOTAL OTHER	781	800	(19)	(2.4%)	3,124	3,200	(76)	(2.4%)	
TOTAL EXPENSES	467,840	482,332	(14,392)	(3.0%)	1,888,064	1,929,327	(41,263)	(2.1%)	
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	214,459	52,668	161,791	307.2%	761,155	750,673	10,481	1.4%	
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(120,820)	(58,333)	(62,487)	107.1%	(143,023)	(233,333)	90,310	(38.7%)	
NET INCOME/(LOSS)	93,639	(5,665)	99,304	(1752.9%)	618,131	517,340	100,791	19.5%	

**IFA Aging Report - DL-PL-PL/MPF -
October 31, 2005**

Client#	Client Name	Date of Closing	P.A	Payment 9/30/2005	Original Loan Amt	1 - 30 days	31 - 60 days	61 - 90 days	Past Due 91-180 days	181-days - 1 Year	Over 1 Year	Loan Balance 9/30/2005
PARTICIPATION LOANS												
9590-PL	Act Bending & Steel Company, Inc.	4/3/2001		Past Due	300,000						143,236	143,236
9879-PL	Alexis Fire Equipment	3/4/2004	Senica	Yes	247,611							156,832
	American Allied Freight Car Co. Inc.	3/23/2005	Senica	Yes	246,766							232,056
9830-PL	Arnold, Michael & Sandy	7/15/2003	Senica	Yes	147,407							135,751
9677-PL	Bemy, Todd (Precision Laser)	11/5/2001	Senica	Yes	188,613							149,189
2110-PL	Bob Brady Dodge, Inc. (J & C Investment)	1/4/2000	Senica	Yes	300,000							223,579
9757-PL	Brahler, Richard W.	4/30/2002	Senica	Yes	297,592							266,585
	Bramm, Karen	3/22/2005	Reed	Annual Pymnt	847,739							847,739
1943-PL	Bushert, Forrest D.	8/10/1998	Senica	Yes	240,000							175,183
1881-PL	Caywood's Youth Center, Inc.	6/10/1998	Pigg	Yes	237,500							180,864
9762-PL	Chapman, Marc (Quality Water Services, Inc.)	10/25/2002	Senica	Yes	227,387							155,293
9817-PL	Centurion Investments	11/4/2003	Pigg	Yes	300,000							284,821
9588-PL	Cushing, Steve & Ed	5/21/2001	Pigg	Yes	146,238							90,031
	Dee Star Corporation	11/10/2005	Pigg	Yes	150,000							34,110
	Earl & Sue Hesterberg	10/25/2005	Batner	New Loan	103,500							103,500
9835-PL	Eagle Theater Corporation	9/8/2003	Trout/Albright	Yes	295,071							260,150
	Excel Crusher Technologies	4/19/2005	Senica	Yes	1,000,000							917,517
9793-PL	Excel Foundry	3/27/2003	Senica	Yes	237,112							182,617
	Excel Foundry	5/24/2005	Senica	Yes	762,562							719,720
1904-PL	Hagel & Leong (2nd loan)	2/8/2002	Senica	Yes	100,817							28,538
1844-PL	Hawkeye Food Machinery, Inc.	1/17/1997	Senica	Yes	250,000							181,318
9726-PL	Kevin Krosse	2/15/2002	Senica	Yes	114,084	990						92,508
9783-PL	Keyser, David (Klean Wash, Inc.)	8/13/2002	Senica	Yes	100,000							69,117
	Kenneth & Virginia Lasater	9/14/2005	Reed	New Loan	443,594							443,594
1907-PL	Lincoln Tool Company	6/12/1997	Senica	Yes	150,000						105,601	105,601
	Marun & Rebecca Kostler	7/27/2005	Reed	Annual Pymnt	200,000							200,000
1927-PL	Moerchen, William J.	6/12/1997	Pigg	Yes	300,000							79,553
	Newline Harwoods, Inc.	11/4/2004	Senica	Yes	294,601							261,196
	Octochem	12/31/2003	Pigg	Yes	281,536							265,518
	Perkins & Perkins Ltd. Partnership	8/23/2005	Senica	Yes	165,191							159,918
	Roesch, Inc.	9/23/2004	Pigg	Yes	294,368							269,886
9781-PL	S & B Investments	2/18/2003	Pigg/Trout	Yes	197,889							172,271
9696-PL	Shults Machine	11/26/2002	Pigg	No	234,693	2,500						176,828
9579-PL	Siebenberger, Douglas & Robt. Ewan	5/17/2002	Pigg	Yes	235,699							206,800
9225-PL	Siracusa, Charles & Sharon	3/23/2000	Frampton	Yes	300,000							252,449
1889-PL	Specialty Machine & Tool, Inc.	4/2/1997	Cochran	Past due	87,173						71,843	71,843
	Spaulding Composites, Inc.	3/23/2005	Curtis-Martin	Yes	622,508							608,623
9671-PL	Upchurch Oil & Ready Mix Concrete	5/4/2001	Pigg	Yes	300,000							193,540
	Uresil	12/1/2004	Curtis-Martin	Yes	300,000							276,220
9631-PL	The Weisiger Family Trust	4/6/2001	Senica	Yes	250,000							220,925
2164-PL	Wegand, Beth A.	6/10/1999	Senica	Yes	183,484							142,124
9782-PL	Wilson, Michael L. Sr.	12/6/2002	Senica	Rev'd Pymnt 10/7/05	298,032					278,611		278,611
	WorkSaver Inc.	12/31/2003	Pigg	Yes	112,500							78,452
9672-PL	Young, Clinton (Precision Pattern)	8/1/2001	Senica	No	149,601	900						139,699
PL Motion Picture Financing												
9733-PL/MPF	Big Picture Chicago, LLC	2/20/2002			82,500						16,432	16,432
9739-PL/MPF	SMS Productions	7/29/2002	Trout		49,270							
	TOTAL				13,316,833	4,390				278,611	337,211	10,258,005
<i>PL/MPF Late amounts are estimates.</i>												
DL Loans												
99	Roe Machine Co.	12/31/1980	Pigg	Yes	45,000							2,546
1470	T.K.G. Inc.	8/28/1994	Pigg	Past due	178,000						107,808	107,808
	TOTAL				224,000						107,808	110,354
FMHA Loans												
9627	Grayson Hill Energy, LLC	1/31/2001	Pigg	Yes	130,000							77,114
1589	Ray's Body, Inc.	1/17/1995	Pigg	Yes	100,000							
1952	Subletta Developers, Inc.	1/15/1998	Albright	Yes	150,000							108,085
9643	Ultra Play Systems, Inc.	5/3/2001	Pigg	Yes	90,000	1,314						39,949
1789	Walters Trucking	6/25/1996	Senica	No	100,000					21,209		21,209
	TOTAL				570,000	1,314				21,209		246,338
Municipalities												
	City of Metropolis	2/10/2005	Watson	No pymnt due	3,000,000							3,000,000
	Austin Township	3/1/2005	Myers	No pymnt due	85,000							76,500
	Thornton Township School Dist.	9/29/2005	Myers	No pymnt due	5,777,000							6,777,000
	TOTAL											9,853,500
	Winoks Facilities Fund	2/10/2000		No pymnt due	1,000,000							1,000,000
	TOTAL				1,000,000							1,000,000
	GRAND TOTAL					5,704				300,020	445,018	21,468,198

**Illinois Finance Authority
Balance Sheet
for the four Months Ending October 31, 2005**

	September 2005	October 2005
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	\$ 20,310,376	\$ 20,192,765
LOAN RECEIVABLE, NET	20,203,648	20,206,241
ACCOUNTS RECEIVABLE	558,772	766,998
OTHER RECEIVABLES	22,599	17,667
PREPAID EXPENSES	64,856	55,722
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	41,160,251	41,239,393
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	72,672	72,629
DEFERRED ISSUANCE COSTS	914,045	904,454
OTHER ASSETS		
CASH, INVESTMENTS & RESERVES	7,498,004	7,521,734
VENTURE CAPITAL INVESTMENTS	5,768,237	5,661,491
OTHER	4,000,000	4,000,000
	<hr/>	<hr/>
TOTAL OTHER ASSETS	17,266,241	17,183,225
TOTAL ASSETS	<u>\$ 59,413,209</u>	<u>\$ 59,399,702</u>
LIABILITIES		
CURRENT LIABILITIES	\$ 776,026	\$ 832,074
LONG-TERM LIABILITIES	2,177,850	2,014,656
	<hr/>	<hr/>
TOTAL LIABILITIES	2,953,876	2,846,730
EQUITY		
CONTRIBUTED CAPITAL	23,828,249	23,828,249
RETAINED EARNINGS	13,151,863	13,151,863
NET INCOME / (LOSS)	524,492	618,131
RESERVED/RESTRICTED FUND BALANCE	6,268,199	6,268,199
UNRESERVED FUND BALANCE	12,686,528	12,686,528
	<hr/>	<hr/>
TOTAL EQUITY	56,459,332	56,552,972
TOTAL LIABILITIES & EQUITY	<u>\$ 59,413,209</u>	<u>\$ 59,399,702</u>

**Illinois Finance Authority
Balance Sheet
for four Months Ending October 31, 2005
ASSETS DETAIL**

	September 2005	October 2005
CASH & INVESTMENTS, UNRESTRICTED:		
GENERAL OPERATING - IFA - CASH & INVESTMENTS, UNRESTRICTED	8,613,065	8,491,726
INDUSTRIAL REVENUE BOND INSURANCE FUND - CASH & INVESTMENTS, UNRESTRICTED	11,271,640	11,276,266
IRBB SPECIAL RESERVE FUND - CASH & INVESTMENTS, UNRESTRICTED	5,739	5,739
IRBB TRUST FUND - CASH & INVESTMENTS, UNRESTRICTED	419,932	419,033
Total CASH & INVESTMENTS, UNRESTRICTED	20,310,376	20,192,765

	September 2005	October 2005
CASH & INVESTMENTS, UNRESTRICTED:		
LASALLE NATIONAL BANK - OPERATING	58,277	(41,719)
Illinois Funds - Chicago General Operating	2,059,860	1,994,970
Il. Funds - Springfield Operating	519,980	559,258
PETTY CASH -	100	100
PETTY CASH - CARBONDALE OFFICE	100	100
PETTY CASH - SPRINGFIELD OFFICE	200	200
MONEY MARKET ACCOUNT	(37)	(37)
MONEY MARKET- MS	81,215	92,951
BANTERRA BANK	241,316	247,869
BANTERRA BANK - CARBONDALE	43,135	43,135
IPTIP	1,146,138	1,146,138
IPTIP	1,593,359	1,593,359
IPTIP	823,794	823,794
INVESTMENT - FARM	1,998,149	1,998,149
CERTIFICATE OF DEPOSIT - LASALLE BANK	85,000	85,000
Unrealized Gain/Loss on Investment	(33,180)	(47,254)
Discount on FNA	(3,597)	(3,560)
Premium on FHLB	348	341
Discount on FNM	(1,093)	(1,069)
Total CASH & INVESTMENTS, UNRESTRICTED	8,613,065	8,491,726

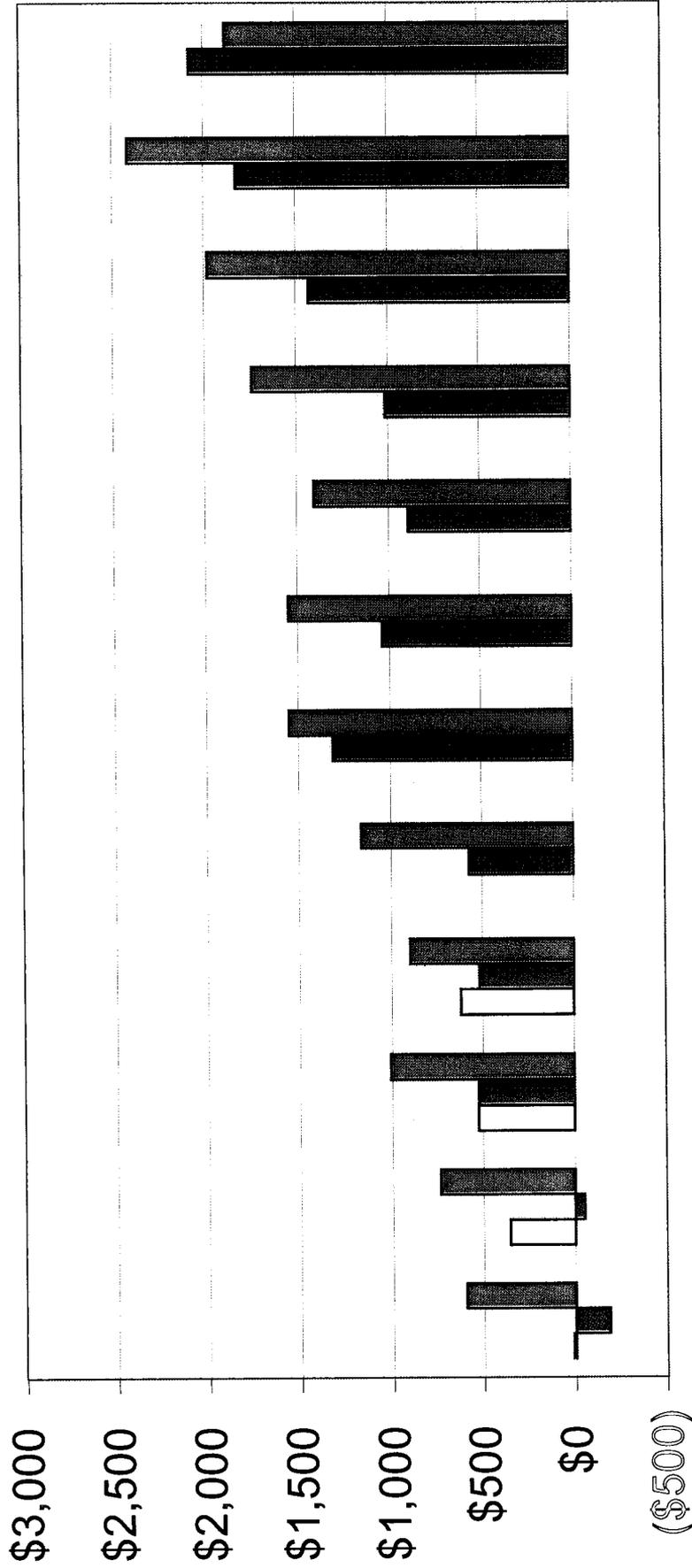
	September 2005	October 2005
LOANS RECEIVABLE, NET		
GENERAL OPERATING - LOANS RECEIVABLE OUTSTANDING, NET	16,118,648	16,129,741
ILLINOIS FACILITIES FUND	1,000,000	1,000,000
CREDIT ENCHANCEMENT DEVELOPMENT - RECEIVABLES	600,000	600,000
IRBB SPECIAL RESERVE FUND - RECEIVABLE, NET	2,485,000	2,476,500
TOTAL LOANS RECEIVABLE, NET	20,203,648	20,206,241

	September 2005	October 2005
RECEIVABLES, NET		
ACCOUNTS RECEIVABLE	558,772	766,998
TOTAL RECEIVABLES, NET	558,772	766,998

**Illinois Finance Authority
Balance Sheet
for four Months Ending October 31, 2005
ASSETS DETAIL**

	<u>September 2005</u>	<u>October 2005</u>
OTHER RECEIVABLES		
GENERAL OPERATING - IFA - OTHER RECEIVABLES	17,973	12,966
INDUSTRIAL REVENUE BOND INSURANCE FUND - OTHER	4,626	4,700
IRBB SPECIAL RESERVE FUND - OTHER RECEIVABLES	-	-
IRBB TRUST FUND - OTHER RECEIVABLES	-	-
TOTAL OTHER RECEIVABLES	<u>22,599</u>	<u>17,667</u>
	<u>September 2005</u>	<u>October 2005</u>
PREPAID EXPENSES		
GENERAL OPERATING - IFA - PREPAID EXPENSES	64,856	55,722
TOTAL PREPAID EXPENSES	<u>64,856</u>	<u>55,722</u>
	<u>September 2005</u>	<u>October 2005</u>
OTHER ASSETS - RESTRICTED		
CASH, INVESTMENTS & RESERVES		
GENERAL OPERATING - IFA- CASH INVESTMENTS	6,097,516	6,112,705
CREDIT ENHANCEMENT DEVELOPMENT FUND - CASH, INVESTMENTS & RESERVES	1,395,869	1,393,144
IRBB SPECIAL RESERVE FUND - CASH, INVESTMENTS & RESERVES	4,618	15,885
	<u>7,498,004</u>	<u>7,521,734</u>

Cumulative Net Income



(In thousands)

	July	Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
□ FY 2006 Actual	\$12	\$356	\$524	\$618								
□ FY 2006 Plan	(\$186)	(\$51)	\$523	\$517	\$569	\$1,314	\$1,038	\$892	\$1,015	\$1,429	\$1,323	\$2,078
□ Actual FY05	\$594	\$734	\$1,007	\$898	\$1,162	\$1,551	\$1,551	\$1,408	\$1,742	\$1,982	\$2,416	\$1,880

Illinois Finance Authority

Status of

FY 04 Audit Findings

Update as of October 31, 2005

Total Number of 14

Item Number	Description	Status		Percentage Completed
		Action Items/	Action Items Completed	
04-01	Lack of Comprehensive Accounting System and Procedures	15/17		88
04-02	Inadequate Segregation of Duties	Complete		100
04-03	Failure to Monitor Bond Compliance	5/8		63
04-04	Inadequate Internal Control Review of Bond trustees	4/6		67
04-05	Non Compliance with Illinois Procurement Code and SAMS	2/3		67
04-06	Inadequate Invoice processing	Complete		100
04-07	Non-Submission of Credit Enhancement Development Report	Complete		100
04-08	Inadequate Maintenance of Personnel Files	Complete		100
04-09	Inadequate Cash receipts processing	Complete		100
04-10	Inaccurate Completion of Agency Fee Imposition	Complete		100
04-11	Lack of Adequate Time reporting Documentation	Complete		100
04-12	Untimely Review of Monthly Reconciliations	90% reviewed		90
04-13	Unreported Assignments of State Vehicles	Complete		100
04-14	Incomplete accounting for Capital Assets	Year-end inventory		100

Notes:

- 50% = Partially Completed
- 60% = Substantially Completed
- 100% = Completed

MINUTES OF THE REGULARLY SCHEDULED MEETING OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held its regularly scheduled meeting at 11:30 a.m., on October 11, 2005 at the Plaza Club, One Prudential Plaza, 130 E. Randolph Street, 40th floor, Chicago, Illinois.

Members Present: Members Via Telephone: Members Absent:

Magda Boyles
Demetris Giannoulas
David C. Gustman
Dr. Roger D. Herrin
Terrence M. O'Brien
Andrew W. Rice
Juan B. Rivera
Joseph P. Valenti
Bradley A. Zeller

Edward H. Leonard

Ronald E. DeNard
James J. Fuentes
Michael W. Goetz
Martin H. Nesbitt

GENERAL BUSINESS

Call to order

Chairman Gustman called the meeting to order at 11:39 AM with the above members present.

Chairman's Welcome

On behalf of the Board, Chairman Gustman thanked everyone present for attending the meeting.

Roll Call

Chairman Gustman asked Secretary Burgess Jones to call the roll. There being nine members present, and one member participating via telephone, a quorum was declared.

Minutes

Upon a motion by Mr. Rice and seconded by Mr. Zeller, Chairman Gustman requested a roll call vote to approve the September 13, 2005 Minutes pending the noted corrections. The motion was approved with 10 ayes, 0 nays, and 0 abstentions.

Interim Executive Director's Report

Interim Executive Director gave an overview of the projects being presented to Board members this month, noting that there are twenty-one projects totaling \$381,335,000.

Projects:

No. 1: **A-LL-TX-670 – Kophamer Grain, Inc.**
Requests preliminary approval of an Agricultural Participation Loan to finance construction of a new facility and pay off an existing loan in an amount not-to-exceed \$241,000. The project is expected to create 5 construction jobs.

Upon a motion by Mr. Valenti and seconded by Mr. Rivera, Chairman Gustman requested a roll call vote. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-01)

No. 2: **A-AI-TX-GT-678 – Consolidated Exchange, Inc. and The Grain Exchange, LLC**
Requests preliminary approval of an Agri-Industry Guarantee to refinance borrower's current REM and equipment loan, finance construction and associated loan fees in an amount not-to-exceed \$1,461,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-02)

No. 3: **A-FB-TE-CD-675 – Beeler Farms**
Requests preliminary approval of a Beginning Farmer Bond in an amount not-to-exceed \$110,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-03)

A-FB-TE-CD-676 – Lee W. Joyce
Requests preliminary approval of a Beginning Farmer Bond in an amount not-to-exceed \$45,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-03)

Projects
(continued)

A-FB-TE-CD-681 – Steven and Emily Laesch

Requests preliminary approval of a Beginning Farmer Bond in an amount not-to-exceed \$280,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-03)

A-FB-TE-CD-677 – Tad and Leslie Whitten

Requests preliminary approval of a Beginning Farmer Bond in an amount not-to-exceed \$193,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-03)

No. 4

L-SD-LL-TX-682 – Thornton Township High School District 205

The Board was informed of the approval of an Emergency Loan to provide short-term funding to address projected cash flow in an amount not-to-exceed \$6,777,000. No vote required.

No. 5

E-PC-TE-CD-660 – Illinois Wesleyan University

Requests preliminary approval of 501(C)(3) Bonds to finance costs of a sprinkler system, and advance refund outstanding debt in an amount not-to-exceed \$18,300,000. This project is expected to create 6-12 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-05)

No. 6

E-PC-TE-CD-663 – Shedd Aquarium Society

Requests final approval of 501(C)(3) Bonds to advance refund outstanding bonds, and reduce interest rates on Series 1997 bonds in an amount not-to-exceed \$41,000,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-06)

Projects
(continued)

No. 7 **N-NP-TE-CD-647 – Alternative Behavior Treatment Centers**
Requests final approval of Not-For-Profit Bonds for construction, renovations/expansions, consolidate and refinance taxable mortgage debt in an amount not-to-exceed \$3,100,000. This project is expected to create 10 new jobs and 5-10 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-07)

No. 8 **E-PS-TE-CD-648 – Congregation Adas Yeshurun Anshe Kanesses Israel**
Requests final approval of 501(C)(3) Bonds to refinance land acquisition, an existing facility, renovations, equipment and furnishings, and fund legal and professional costs in an amount not-to-exceed \$3,500,000. This project is expected to create 7 new jobs and 120 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-09-08)

No. 9 **I-ID-TE-CD-672 – Jemm Wholesale Meat Co., Inc.**
Requests preliminary approval of Industrial Revenue Bonds to finance acquisition of land, building, equipment renovations and pay certain bond issuance costs in an amount not-to-exceed \$5,300,000. This project is expected to use approximately \$5,000,000 in IFA Volume Cap. This project is expected to create 20 new jobs and 10 construction jobs.

Prior to the vote, Ms. Boyles stated that she must abstain from voting on Jemm Wholesale Meat Co., Inc. because her firm provides legal representation to the company.

Upon a motion by Mr. O'Brien and seconded by Mr. Valenti, Chairman Gustman requested a roll call vote. The motion was approved with 9 ayes, 0 nays, and 1 abstention. (05-10-09)

No. 10 **I-ID-TE-CD-680 – Meyer Industries, LLC**
Requests preliminary approval of Industrial Development Bonds to purchase land, construction, equipment purchases for an industrial facility in an amount not-to-exceed \$5,250,000. This project will require up to

Projects
(continued)

\$5,250,000 of the Authority's Volume Cap. This project is expected to create 10 new jobs and 100 construction jobs.

Upon a motion by Mr. Rivera and seconded by Mr. Rice, Chairman Gustman requested a roll call vote. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-10)

No. 11

I-ID-TE-CD-680 – Ebro Foods, Inc.

Requests preliminary approval of Industrial Development Bonds to acquire, renovate and equip an industrial building in an amount not-to-exceed \$5,600,000. This project will require up to \$6,500,000 of the Authority's Volume Cap. This project is expected to create 100 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-11)

No. 12

P-SW-PO-TE-CD-662 - Air Products and Chemicals, Inc. and its affiliates

Requests preliminary approval of Solid Waste Disposal Bonds to finance the development, construction, equipment and operations of an expanded hydrogen plant in an amount not-to-exceed \$35,000,000. This project is expected to use approximately \$30,000,000 of IFA Carryforward Volume Cap. This project is expected to create 6-8 new jobs and 30-60 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-12)

No. 13

B-LL-TX-673 – Excel Foundry and Machine, Inc.

Requests final approval of a Participation Loan to expand an industrial building and acquisition of machinery and equipment in an amount not-to-exceed \$1,000,000. This project is expected to create 10 new jobs and 15 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-13)

Projects
(continued)

No. 14 **B-LL-TX-671 – GPM Manufacturing, Inc.**
Requests final approval of a Participation Loan for equipment acquisition in an amount not-to-exceed \$228,000. This project is expected to create 2 new jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-14)

No. 15 **B-LL-TX-674 – Macon Metal Products Co., Inc.**
Requests final approval of a Participation Loan for equipment and machinery acquisition in an amount not-to-exceed \$100,000. This project is expected to create 4 new jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-15)

No. 16 **B-LL-TX-668 – Midway Broadcasting Company**
Requests final approval of a Participation Loan for renovations of an industrial building in an amount not-to-exceed \$1,000,000. This project is expected to create 7.5 new jobs and 10 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-16)

No. 17 **B-LL-TX-667 - ODM Tool and Manufacturing Company, Inc.**
Requests final approval of a Participation Loan to finance the acquisition and installation of a metal stamping press in an amount not-to-exceed \$1,000,000. This project is expected to create 3.5 new jobs and 5 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-17)

No. 18 **B-LL-TX-665 – The Elmhurst Hotel Corporation d/b/a Holiday Inn Elmhurst**
Requests final approval of a Participation Loan to finance renovations, improvements and legal/professional costs in an amount not-to-exceed

Projects
(continued)

\$1,000,000. This project is expected to create 130 new jobs and 40 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-18)

No. 19

H-HO-TE-CD-664 – Jackson Park Hospital Foundation

Requests preliminary approval of conduit 501(c)(3) Revenue Bonds to finance the acquisition of equipment, finance existing debt and pay certain bond issuance costs in an amount not-to-exceed \$10,000,000. This project is expected to create 30 new jobs and 15 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-19)

No. 20

H-SL-RE-TE-CD-604 – Smith Village

Requests preliminary approval of Not-for-Profit Bonds to pay for development, marketing, construction, refund outstanding debt, fund interest payments, debt service reserve funds and pay certain issuance costs in an amount not-to-exceed \$80,000,000.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-20)

No. 21

H-SL-RE-TE-CD-599 – The Landings at Plymouth Place

Requests final approval of Not-for-Profit Bonds to pay for development, marketing, construction, refund outstanding debt, fund interest payments, debt service reserve funds and pay certain issuance costs in an amount not-to-exceed \$160,000,000. This project is expected to create 70 new job and 700 construction jobs.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (05-10-21)

Amendments / Resolutions

No. 22

B-LL-TX-582 – Perre Marquette Hotel Associates, LP

Requests approval of a 6-month extension to April 12, 2006 of a Participation Loan in the amount of \$1,000,000.

Amendments / Resolutions (continued)

Chairman Gustman requested leave to apply the last unanimous vote.
Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0
abstentions/present. (2006-9)

No. 23

Robb Klinger and Ben Dolan.

Requests approval to increase the Agri-Debt Guarantee from \$485,000 to
\$500,000.

Chairman Gustman requested leave to apply the last unanimous vote.
Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0
abstentions/present. (2006-10)

No. 24

I-ID-CD-TE-414 – Vision Molded Products, Inc.

Requests an Amendatory Bond Resolution to change the location of a
project and increase the aggregate principal amount of IFA Resolution No.
2004-10-11 approving the issuance of the Illinois Finance Authority
Revenue Bonds to Vision Molded Products, Inc., and its affiliates for the
purposes set forth herein in an aggregate principal amount now estimated
not-to-exceed \$6,000,000.

Chairman Gustman requested leave to apply the last unanimous vote.
Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0
abstentions/present. (2006-11 and 05-10-24)

No. 25

B-LL-TX-417 – Doreen's Pizza, Inc.

Requests to Extend a Commitment until April 12, 2006 and Increase the
Commitment to \$500,000 for a Participation Loan.

Chairman Gustman requested leave to apply the last unanimous vote.
Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0
abstentions/present. (2006-12)

No. 26

B-LL-TX-414 – Christine Boneyzk / Penny Lane School, Ltd.

Requests to Extend until April 11, 2006 the Commitment for a
Participation Loan.

Chairman Gustman requested leave to apply the last unanimous vote.
Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0
abstentions/present. (2006-13)

No. 27

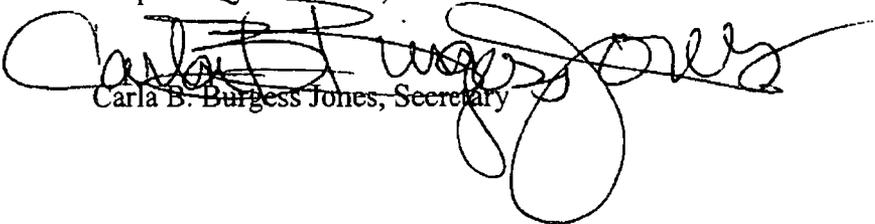
A-SA-TX-AT-657 – David and Dennis Biddle d/b/a D & D Farms

Requests a Borrower Change for an Agricultural Guarantee Approved for D&D Farms to Biddle Farms.

Chairman Gustman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present. (2006-14)

Chairman Gustman asked if there was any other business to come before the Board. There being no further business Chairman Gustman requested a motion to adjourn. Upon a motion by Mr. Rivera and seconded by Mr. Rice, the meeting adjourned at approximately 12:21 p.m.

Respectfully Submitted,


Carla B. Burgess Jones, Secretary

RESOLUTION 2006-15

ESTABLISHING THE ILLINOIS FINANCE AUTHORITY HEALTHCARE INITIATIVE PRIVATE PLACEMENT PROGRAM FOR SMALL AND MID-SIZE RURAL AND URBAN NOT-FOR-PROFIT HOSPITALS, CRITICAL ACCESS HOSPITALS, AND COMMUNITY PROVIDERS OF BEHAVIORAL HEALTHCARE SERVICES IN THE STATE OF ILLINOIS, AND REDUCING THE AUTHORITY FEES THEREFOR, AND DELEGATING TO THE EXECUTIVE DIRECTOR OR INTERIM EXECUTIVE DIRECTOR THE AUTHORITY TO IMPLEMENT SAID INITIATIVE

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by the Illinois Finance Authority Act, 20 Illinois Compiled Statutes 3501/801-1 et seq. (the "Act"); and

WHEREAS, in Section 801-5(n) of the Act, the General Assembly has found, determined and declared "that to preserve and protect the health of the citizens of the State, and lower the costs of health care, that financing for health facilities should be provided through the State" and has further found, determined and declared that the Authority should seek to increase job opportunities and to retain existing jobs throughout the State by making available funds "for the development, improvement and creation. . . of health, public purpose and other projects;" and

WHEREAS, Sections 801-10(b) and (l) of the Act, respectively, define the terms "project" and "health facility project" (collectively herein, the "Project"), and Sections 801-10(j) and (k) of the Act, respectively, define "health facility" and "participating health institution" (collectively herein, the "Facility"); and

WHEREAS, Section 801-40(c) of the Act grants the Authority broad powers to issue bonds, notes or other obligations of one or more series to finance Projects for Facilities (the "Bonds"), under certain loan agreements, trust indentures, escrow agreements and other security and ancillary documents, as the case may be (the "Agreements"); and

WHEREAS, the Authority has found and determined that many small- and mid-size Facilities, especially hospitals, whether located in rural or urban areas of the State, critical access hospitals, and community providers of behavioral healthcare services often have limited access to capital to fund Projects; and

WHEREAS, the Authority has determined that it will advance the purposes of the Act and will be in the best interests of the citizens of the State to develop a private placement initiative to provide these Facilities with access to low cost capital to fund Projects, such program to be known as the "Illinois Finance Authority Healthcare Initiative" (the "Initiative"); and

WHEREAS, the Authority contemplates the issuance of Bonds by the Authority on behalf and for the benefit of Facilities, with such Bonds being privately placed with, and purchased by, firms selected by the Authority pursuant to the Authority's Request for Qualifications dated November 2, 2005 (the "RFQ"); and

WHEREAS, Section 801-40(j) of the Act grants that Authority the power to "fix, determine, charge and collect any premiums, fees, charges, costs and expenses, including, without limitation, any application fees, commitment fees, program fees, financing charges or publication fees from any person in connection with its activities under the Act"; and

WHEREAS, the Authority has determined that in order to establish the Initiative in a timely and efficient manner and to alert Facilities throughout the State of the Initiative, the Authority should (i) authorize the establishment of the Initiative, (ii) establish the Authority's fees for the issuance of Bonds for Facilities participating in the Initiative, and (iii) delegate to its Executive Director (or any person duly appointed by the Members of the Authority to serve in such position on an interim basis) and her/his designees the authority to take all necessary actions to implement the Initiative consistent with the provisions of this Resolution and the Act including, without limitation, selecting the firms pursuant to the RFQ; and

WHEREAS, the Members of the Authority have the power to adopt this Resolution pursuant to the provisions of Sections 801-25, 801-30 and 801-40 of the Act; and

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 Initiative. The Authority does hereby approve and adopt the "Illinois Finance Authority Healthcare Initiative" as provided herein.

Section 3. Participants in the Initiative. As provided herein, the purpose of the Initiative is to provide access to low cost capital to fund Projects for certain Facilities such as small- and mid-size rural and urban not-for-profit hospitals, critical access hospitals, and community providers of behavioral healthcare services. Bonds issued pursuant to the Initiative are to be offered for sale by means of a private placement by a firm selected pursuant to the RFQ.

Section 4. Authority Fees. Notwithstanding any other Resolution or policy, in an effort to further reduce the cost of capital for Participants, the Authority hereby reduces its fee charged to Participants to an amount equal to 50 percent (50%) of the Authority's usual and customary fees as provided in its fee schedule, as such schedule

may be amended from time to time. In addition to payment of the Authority fee, each Participant shall also pay the Authority's legal counsel its fee as provided in the Authority's "Issuer Counsel Fee Schedule," as such schedule may be amended from time to time.

Section 5. Delegation of Authority. The Executive Director of the Authority (or any person duly appointed and qualified by the Members of the Authority to serve in such position on an interim basis) or her/his designees, are hereby authorized and directed to take any and all action consistent with this Resolution and the Act to establish the Initiative, to select the participating firms pursuant to the RFQ, to create marketing plans and materials necessary to market and promote the Initiative, and to undertake specific transactions under the Initiative in order to issue Bonds on behalf, and for the benefit of, a Participant to provide funds for a Project or Projects, *provided, however*, that once the final determination of the terms of a specific transaction have been agreed to by the Authority, the Participant and the placement agent and the Agreements related thereto are in substantially final form, a Bond Resolution shall be presented to the Members of the Authority for final approval.

Section 6. 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 the Resolution.

This Resolution 2006-__ is adopted this 8th day of November by roll vote as follows

Ayes:

Nays:

Abstain:

Absent:

Chairman

Attested to:

Secretary

RESOLUTION 2006-16

RESOLUTION AUTHORIZING THE ACCEPTANCE OF A GRANT FROM THE ILLINOIS CLEAN ENERGY COMMUNITY FOUNDATION AND AUTHORIZING THE CREATION OF THE RENEWABLE ENERGY DEVELOPMENT ("RED") FUND LOAN PARTICIPATION PROGRAM AND RED FUND LOAN GUARANTY PROGRAM

WHEREAS, the Illinois Finance Authority, a body corporate and politic duly organized and validly existing under the laws of the State of Illinois (the "Authority"), is the successor agency of the Illinois Development Finance Authority ("IDFA") pursuant to 20 ILCS 3501/801-1 et seq. (2004), as supplemented and amended (the "Act"); and

WHEREAS, pursuant to the Illinois Resource Development and Energy Security Act, 20 ILCS 688/1 et seq. (2004), the IDFA was authorized to issue up to \$500 million in revenue bonds to finance the development of wind energy and other investor-owned renewable energy projects; and

WHEREAS, in July 2002, the members of the IDFA approved the execution of a Grant Agreement with the Illinois Clean Energy Community Foundation ("ICECF") to capitalize the IDFA's Renewable Energy Development Fund (the "RED Fund"); and

WHEREAS, the Grant Agreement was executed by IDFA and ICECF on August 1, 2004; and

WHEREAS, pursuant to the Grant Agreement, ICECF awarded IDFA a grant of Six Million Dollars (\$6,000,000) (the "Grant") for the establishment of the Renewable Energy Development Fund (the "Fund") to finance and induce the development of "utility-scale" wind energy projects through the creation of a debt service reserve fund program; and

WHEREAS, in early 2004, the Authority and ICECF began exploring additional ways to use Grant funds including use to support "community scale" (i.e., less than 20 megawatts) wind energy projects; and

WHEREAS, the ICECF has determined to terminate the Grant and to issue a new grant (the "New Grant") to the Authority in the amount of Four Million Dollars (\$4,000,000) to be used for the purpose of providing financing of community scale wind energy projects and other wind energy and renewable energy projects; and

WHEREAS, the Authority desires to accept the New Grant and to amend the RED Fund to permit the Authority to provide financing for community scale wind energy projects and other energy and renewable energy projects in accordance with the New Grant by establishing the RED Fund Participation Loan Program and the RED Fund Loan Guaranty Program; and

NOW, THEREFORE, Be It Resolved by the Members of the Illinois Finance Authority, as follows:

Section 1. That the Authority hereby accepts the New Grant and agrees to administer the RED Fund pursuant to the terms of the Grant Agreement relating to the New Grant (the "New Grant Agreement").

Section 2. That the Authority hereby authorizes the augmentation and amendment of the RED Fund to create a loan participation program to be known as the "RED Fund Loan Participation Program," to promote, finance and induce the acquisition, development, operation and equipping of community scale wind energy projects; *provided, however,* that such loan participation program shall be structured so that: (i) all financed projects shall be located in the State of Illinois; (ii) any individual project shall not exceed twenty (20) megawatts in size; (iii) the maximum loan amount per individual project shall not exceed the lesser of Four Hundred Thousand (\$400,000)/megawatt or thirty percent (30%) of the total project costs, but in no event be greater than Two Million Dollars (\$2,000,000); (iv) the Authority shall make no more than one (1) loan to a borrower or its affiliates; (v) the maximum term for a loan shall not exceed ten (10) years, subject to up to two (2) five (5) year extensions; (vi) the borrower shall make a minimum ten percent (10%) equity contribution into a financed project; (vii) the loan may be either senior or subordinated debt; (viii) if the loan is senior debt, the interest rate borne by such loan shall be between (a) two percent (2%) and (b) two percent (2%) below the rate charged to the borrower by the participating bank, as determined by the Authority; (ix) if the loan is subordinated debt, the interest rate borne by the loan shall be between (a) two percent (2%) and (b) two percent (2%) above the rate charged to the borrower by the participating bank, as determined by the Authority; (x) if the Authority, in its sole discretion, determines there is sufficient interest rate savings between the Authority's interest rate and the interest rate of the participating bank, the participating bank may be allowed to retain up to one hundred (100) basis points as a fee for servicing the loan; (xi) if the Authority, in its sole discretion, determines there is sufficient interest rate savings between the Authority's interest rate and the interest rate of the participating bank, a minimum of one hundred (100) basis points may be passed on to the borrower; and (xii) the Authority shall retain a management fee equal to one hundred (100) basis points, with the balance of the remaining interest income to be reinvested into the RED Fund.

Section 3. That the Authority hereby authorizes the augmentation and amendment of the RED Fund to create a loan guarantee program to be known as the "RED Fund Loan Guaranty Program" to promote, finance and induce the acquisition, development, operation and equipping of community-scale wind projects; *provided, however,* that such loan guarantee program shall be structured so that: (i) all guaranteed projects shall be located in the State of Illinois; (ii) any individual project shall not exceed twenty (20) megawatts in size; (iii) the maximum guarantee per individual project shall not exceed the lesser of: (a) Four Hundred Thousand Dollars (\$400,000)/megawatt or (b) thirty percent (30%) of the total project costs, but in no event be greater than Two Million Dollars (\$2,000,000); (iv) the Authority shall make no more than one (1) guarantee to a borrower or its affiliates; (v) the maximum term for a loan guarantee shall not exceed ten (10) years, subject to up to two (2) five (5) year extensions; (vi) the borrower shall make a minimum ten percent (10%) equity contribution into the financed project; (vii) either the borrower or the lending bank in such loan guarantee program shall pay to the Authority an annual fee equal to thirty (30) basis points; and (viii) the Authority shall retain twenty-five (25) basis points as a servicing fee, with the balance of the remaining interest income to be reinvested into the RED Fund.

Section 4. That from and after the execution of this Resolution, the Chairman, Vice Chairman, Executive Director or Treasurer of the Authority, or any of their designees (each an "Authorized Officer"), are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents including, without limitation, the New Grant Agreement, as may be necessary to carry out and comply with the provisions of the RED Fund and/or the New Grant Agreement; and that the final executed New Grant Agreement shall constitute, and hereby is made, a part of this Resolution, and copies of the New Grant Agreement shall be placed in the official records of the Authority and shall be available for public inspection at the office of the Authority.

Section 5. That all acts of the Authorized Officers of the Authority which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 6. That this Resolution shall be in full force and effect immediately upon its passage. That the provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

This Resolution 2006-__ is adopted this __ day of November, 2005 by roll vote as follows:

Ayes:
Nays:
Abstain:
Absent:

Chairman

Attested to:

Secretary

967095_3

ATTACHMENTS:
NEW GRANT AGREEMENT

✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Alan R. and Kimberly A. Rutger

STATISTICS

Project Number:	A-LL-TX-695	Amount:	Not to exceed \$322,000
Type:	Participation Loan	IFA Staff:	Eric Reed
Location:	Cisne		
SIC Code:	0191-Grain Farming		

BOARD ACTION

Approval to purchase of Loan Participation from Trust Bank, Cisne, IL
\$322,000 of IFA funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan.

PURPOSE

The proposed loan facility will provide permanent financing for the purchase 576 acres of farmland in Wayne County, IL, as well as the purchase of used farm equipment. The subject property will be purchased from Mr. Rutger's mother's estate.

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	\$322,000	Uses:	Purchase Land	\$584,000
	Trust Bank	<u>\$322,000</u>		Purchase Equipment	<u>\$60,000</u>
	Total	<u>\$644,000</u>		Total	<u>\$644,000</u>

JOBS

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

BUSINESS SUMMARY

Background: Alan and Kimberly Rutger operate a small grain farming operation in Wayne County, IL. Alan is employed off the farm at Minwax Corporation in Flora, IL, while Kimberly is employed at Clay County Hospital as an R.N. They have maintained their banking relationship with Trust Bank in Cisne since 1987.

Project Rationale: Alan's mother died earlier this year, at which time her trust agreement left the 576 acre farm to Alan subject to buying the interest in the farm from his two siblings. Based on the purchase price, Alan is able to purchase the farm at a below market price. Alan wishes to continue farming the property, while his siblings prefer to receive cash for their portion of their inheritance.

Transaction: The loan will be structured with a 10 year term and 30 year amortization. Principal and interest payments will be paid annually.

FINANCING SUMMARY

Borrower: Alan R. and Kimberly A. Rutger
Security: 1st mortgage on 576 acres of farmland in Wayne County, IL with pro-rata position "*parri passu*" with Trust Bank, Cisne, IL.
Structure: 10 year term. Annual payments of P&I with 30 year amortization.

PROJECT SUMMARY

Alan and Kimberly Rutger have requested \$644,000 from Trust Bank in Cisne, IL to provide permanent financing for the purchase 576 acres of farmland in Wayne County, IL, as well as the purchase of used farm equipment. The subject property will be purchased from Mr. Rutger's mother's estate. Trust Bank has requested a 50% participation in this transaction in order to provide significant interest rate savings for the customer.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Alan R. and Kimberly A. Rutger
Location: RR3 Box 108
Cisne, IL 62823
Organization: Sole-Proprietorship
State: Illinois
Ownership: Alan R. and Kimberly A. Rutger

PROFESSIONAL & FINANCIAL

Accountant: David Kenshalo, Fairfield, IL
Attorney: Stanton Ernest, Mt. Carmel, IL
Bank: Trust Bank, Cisne, IL Doug Hilliard, Branch President

LEGISLATIVE DISTRICTS

Congressional: Shimkus-19th State Senate: Jones-54th State House: Reis 108th

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

Project: Ray R. and Loretta K. Aden

STATISTICS

Project Number:	A-LL-TX-688	Amount:	\$150,000
Type:	Participation Loan	IFA Staff:	Eric Reed
Location:	St. Joseph	SIC Code:	0190-Grain Farm

BOARD ACTION

Approval to purchase Loan Participation from Gifford State Bank.
\$150,000 of IFA funds at risk.
Staff recommends approval, subject to:

- Satisfying all conditions of the bank loans
- Receipt of a satisfactory, independent appraisal confirming LTV \leq 80%.

PURPOSE

The borrowers have requested \$300,000 to finance the purchase of 104.06 of farm land.

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	\$ 150,000	Uses:	Purchase Land	<u>\$405,000</u>
	Gifford State Bank	\$ 150,000			
	Borrower Equity	<u>\$105,000</u>			
	Total	<u>\$405,000</u>		Total	<u>\$405,000</u>

JOBS

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

BUSINESS SUMMARY

Background: Ray and Loretta Aden own and operate a grain farming operation in Champaign County, IL consisting of 553 acres of corn and soybeans, including 297 acres owned by them. Ray and Loretta are husband and wife and are in their 60s and are lifelong farmers. Loretta is employed off the farm as a computer instructor at Parkland College, which \$79K in off-farm income. Their son Rick assists with the farm and will most likely assume operations upon their retirement.

Project Rationale: By purchasing the proposed property, the Aden's will be able to add significant acreage to their operation, which is very high quality farm land. The purchase price is typical of land prices in this area. The Adens are purchasing Ray's siblings interest in the farm from Ray's mother's estate at a price that is less than the estate's appraised value.

Transaction: Ray and Loretta Aden are purchasing 104.06 acres of farmland in Champaign County, IL for \$405,000. The borrowers will pay \$105,000 as a cash down payment. Gifford State Bank has approved financing for the remaining \$300,000. In order to reduce the borrower's interest rate, Gifford State Bank has requested a 50% participation in the transaction from IFA.

FINANCING SUMMARY

Interest: The borrower's interest rate at Gifford State Bank will be 7.0% fixed for 5 years. Gifford State Bank will pass on the 1% discount from IFA, giving the borrower a blended rate of 6.5% on this loan.

Security: Gifford State Bank will obtain a 1st mortgage on the 104.06 acres purchased.

Sources of Repayment: Primary: Sale of harvested grain
Secondary: Liquidation of collateral

Maturity: 10 year amortization with a 5 year fixed rate and annual P&I.

COLLATERAL

The loan will be secured by a 1st mortgage on 104.06 acres in Champaign County, IL. A preliminary appraisal performed for the estate attorney indicates a value of \$461,864. Based on the appraisal, the adjusted LTV would be 81%. The purchase price of the property is \$405,000, which equals an adjusted LTV of 93% based on cost.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Ray R. and Loretta K. Aden

Location: 507 N. Elm Street, St. Joseph, IL 61873

Organization: Sole Proprietor

State: Illinois

Ownership: Ray and Loretta Aden

PROFESSIONAL & FINANCIAL

Accountant: East Central FBFM

Bank: Gifford State Bank Mr. Cory Mitchell

LEGISLATIVE DISTRICTS

Congressional: 15th-Johnson **State Senate:** 52nd-Winkel **State House** 104th-Black

✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

Project: Ray R. and Loretta K. Aden

STATISTICS

Project Number:	A-LL-TX-688	Amount:	\$150,000
Type:	Participation Loan	IFA Staff:	Eric Reed
Location:	St. Joseph	SIC Code:	0190-Grain Farm

BOARD ACTION

Approval to purchase Loan Participation from Gifford State Bank.
\$150,000 of IFA funds at risk.
Staff recommends approval, subject to:

- Satisfying all conditions of the bank loans
- Receipt of a satisfactory, independent appraisal confirming LTV ≤ 80%.

PURPOSE

The borrowers have requested \$300,000 to finance the purchase of 104.06 of farm land.

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	\$ 150,000	Uses:	Purchase Land	<u>\$405,000</u>
	Gifford State Bank	\$150,000			
	Borrower Equity	<u>\$105,000</u>			
	Total	<u>\$405,000</u>		Total	<u>\$405,000</u>

JOBS

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

BUSINESS SUMMARY

Background: Ray and Loretta Aden own and operate a grain farming operation in Champaign County, IL consisting of 553 acres of corn and soybeans, including 297 acres owned by them. Ray and Loretta are husband and wife and are in their 60s and are lifelong farmers. Loretta is employed off the farm as a computer instructor at Parkland College, which \$79K in off-farm income. Their son Rick assists with the farm and will most likely assume operations upon their retirement.

Project Rationale: By purchasing the proposed property, the Aden's will be able to add significant acreage to their operation, which is very high quality farm land. The purchase price is typical of land prices in this area. The Adens are purchasing Ray's siblings interest in the farm from Ray's mother's estate at a price that is less than the estate's appraised value.

Transaction: Ray and Loretta Aden are purchasing 104.06 acres of farmland in Champaign County, IL for \$405,000. The borrowers will pay \$105,000 as a cash down payment. Gifford State Bank has approved financing for the remaining \$300,000. In order to reduce the borrower's interest rate, Gifford State Bank has requested a 50% participation in the transaction from IFA.

FINANCING SUMMARY

Interest: The borrower's interest rate at Gifford State Bank will be 7.0% fixed for 5 years. Gifford State Bank will pass on the 1% discount from IFA, giving the borrower a blended rate of 6.5% on this loan.

Security: Gifford State Bank will obtain a 1st mortgage on the 104.06 acres purchased.

Sources of Repayment: Primary: Sale of harvested grain
Secondary: Liquidation of collateral

Maturity: 10 year amortization with a 5 year fixed rate and annual P&I.

COLLATERAL

The loan will be secured by a 1st mortgage on 104.06 acres in Champaign County, IL. A preliminary appraisal performed for the estate attorney indicates a value of \$461,864. Based on the appraisal, the adjusted LTV would be 81%. The purchase price of the property is \$405,000, which equals an adjusted LTV of 93% based on cost.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Ray R. and Loretta K. Aden

Location: 507 N. Elm Street, St. Joseph, IL 61873

Organization: Sole Proprietor

State: Illinois

Ownership: Ray and Loretta Aden

PROFESSIONAL & FINANCIAL

Accountant: East Central FBFM

Bank: Gifford State Bank Mr. Cory Mitchell

LEGISLATIVE DISTRICTS

Congressional: 15th-Johnson State Senate: 52nd-Winkel State House 104th-Black

✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

Project: Rust Farms, Inc.

STATISTICS

Project Number:	A-DR-TX-GT-684	Amount:	\$50,000
Type:	Agricultural Debt Restructuring	IFA Staff:	Bart Bittner
Location:	Cissna Park, IL		
SIC Code:	0191-Grain farming		

BOARD ACTION

Approval of 85% Specialized Livestock Guarantee in favor of Cissna Park State Bank \$40,000 of State Treasurers Agricultural Reserve Funds at risk
Staff recommends approval, subject to:

- Satisfying all conditions of the bank loan.
- Receipt of a certified appraisal of all equipment pledged as collateral, confirming an 80% or less loan to value ratio.
- Receipt of personal guarantees from Thomas and Barbara Rust

PURPOSE

To refinance carryover operating debt in order to correct inverse current ratio and free up working capital while improving cash flow.

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-Guarantee	<u>\$50,000</u>	Uses:	Refinance operating notes	<u>\$50,000</u>
	Total	<u>\$50,000</u>		Total	<u>\$50,000</u>

JOBS

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

BUSINESS SUMMARY

Background: Thomas Rust is the President of Rust Farms, Inc. and his wife Barbara is the Secretary of the S Corporation. Rust Farms, Inc. was established in 2003 as a 693 acre corn and soybean farming operation based out of rural Cissna Park, IL.

Project Rationale: The proposed project would refinance carryover operating debt in order to correct Rust Farm's inverse current ratio and free up working capital while improving cash flow. This will immediately help with the funding of the 2006 crop.

Transaction: The proposal requests an IFA Agriculture Debt Restructuring guarantee for a \$50,000 carryover operating note for Rust Farms, Inc. in favor of Cissna Park State Bank. \$40,000 of State Treasurers Agricultural Reserve Funds would be at risk.

PROJECT SUMMARY

IFA guarantee of \$50,000 in non-current operating debt in favor of Cissna Park State Bank.

FINANCING SUMMARY

Interest: Annually adjustable rate at 2.50% above the 1 year treasury.
Security: Security interest in all farm machinery and equipment valued at \$153,500.
Sources of Primary: Farm Income
Repayment: Secondary: Off farm income, liquidation of collateral
Maturity: 10 year term, 10 year amortization

COLLATERAL

LTV is: 33%. Adjusted LTV is 50% at an advance rate on equipment of 65% of market value. The loan will be secured by security interest in all farm machinery and equipment with an estimated market value of \$153,500.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Rust Farms, Inc.
Location: 151 N. State Route 49
Cissna Park, IL 60924
Organization: Corporation
State: Illinois
Ownership: Thomas Wayne Rust, President & Barbara Leigh Rust, Secretary

PROFESSIONAL & FINANCIAL

Accountant: GLM Financial Group, Ltd. Gerald L. McCullough 847-438-3590
20856 N. Rand Rd.
Barrington, IL 60010
Bank: Cissna Park State Bank Tom Stock 815-457-2111
P.O. Box 36
Cissna Park, IL 60924

LEGISLATIVE DISTRICTS

Congressional: 15 – Tim Johnson State Senate: 53 – Dan Rutherford State House: 105 – Shane Cultra

✓

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

Project: Tory & Wendy Zimmerman

STATISTICS

Project Number:	A-SG-TX-GT-685	Amount:	\$500,000
Type:	Specialized Livestock Guarantee	IFA Staff:	Bart Bittner
Location:	Fairbury, Livingston County	SIC Code:	0213 – Swine Production

BOARD ACTION

Approval of 85% Specialized Livestock Guarantee in favor of Citizens State Bank of Cropsey \$425,000 of State Treasurers Agricultural Reserve Funds at risk

Staff recommends approval, subject to satisfying all conditions of the bank loan and receipt of:

1. The Notice of Intent to Construct as required by the Livestock Management Facilities Act.
2. The subject contract with Lehmann Farms LLC.
3. Completed appraisal of the 40 acres and existing livestock building.
4. Assignment of \$500,000 in life insurance on the borrowers.

PURPOSE

To construct a 2400 head wean to finish hog building that will allow Tory Zimmerman to finish the pigs on a contract basis. The construction of this building will allow Tory Zimmerman to farm on a full-time basis.

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-Guarantee	\$500,000	Uses:	Construction of Hog Bldg.	\$500,000
	Total	<u>\$500,000</u>		Total	<u>\$500,000</u>

JOBS

Current employment:	1	Projected new jobs:	0
Jobs retained:	1	Construction jobs:	0

BUSINESS SUMMARY

Description: Tory Zimmerman is a 24 year old part-time farmer from rural Fairbury, Illinois. Tory is also a full-time carpenter for Kaepher Tiling in Fairbury. Last Year Tory began contract producing hogs for Lehman Farms LLC at the request of Art Lehman.

Background: Tory recently built a 2400 head wean to finish building and generated gross income of \$95,503 in its first year of operation. Net income was a modest \$5,005 after expenses that included nearly \$42,000 in depreciation. The project costs were \$450,000 last year. Tory partially financed the project with a Beginning Farmer Bond. The building to be financed by this project will be identical to the existing building and will be located next to that facility.

This project will allow Tory to doubled production at the site. Tory plans to continue his carpentry work in addition to managing this 4800 head finishing operation. Tory plans to eventually farm full time with the potential for a larger role in the Lehman Farms LLC. Construction of the building will begin this Spring with completion targeted for Summer 2006.

Project

Rationale: Tory has the opportunity with the construction of this building to be able to more than double his farm income. He will be doing so by contract producing hogs for Art Lehmann, Lehman Farms, LLC. Contract producing will allow Tory to get started with a solid income stream and also build equity in the operation at the same time. Construction of this building will allow Tory to have 4800 hogs at one site in nearly identical buildings.

Transaction: Construction of the 2400 head wean-to-finish hog building will cost \$500,000, including site preparation. The building will be constructed in the Spring and should be ready for population by mid year 2006.

PROJECT SUMMARY

IFA will guarantee a \$500,000 Citizens State Bank of Cropsey loan to construct a 2400 head hog finishing building for Tory Zimmerman. This will be used to finance the cost of site preparation and construction.

FINANCING SUMMARY

Interest: The rate will be fixed for 3 years at 6.625% and then be annually adjustable with a cap of 1% increase per year and no more than 7% increase over the life of the loan.

Security: 1st Mortgage on a new 2400 head hog building and 5 acres valued at \$500,000, 2nd mortgage on 40 acres of farmland valued at \$97,400 and a 2nd mortgage on Tory's personal residence with a value of \$52,900.

Sources of Repayment: Primary: Contract hog finishing
Secondary: Off-farm income

Maturity: 10 year term, 10 year amortization with Monthly P&I.

COLLATERAL

LTV is: 77%. Adjusted LTV is 101%. The loan will be secured by 1st Mortgage on a new 2400 head hog building and 5 acres valued at \$500,000, 2nd mortgage on 40 acres of farmland valued at \$97,400 and a 2nd mortgage on Tory's personal residence with a value of \$52,900.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Tory John Zimmerman & Wendy Renee Zimmerman
Location: 23996 E 700 Rd., Fairbury, IL 61739
Organization: Sole Proprietorship
State: Illinois
Ownership: Tory and Wendy Zimmerman: 100%

PROFESSIONAL & FINANCIAL

Accountant: The Pilgrim Consulting Group Fairbury, IL D.A. Pilgrim
Bank: Citizens State Bank of Cropsey Fairbury, IL Joel Hartman

LEGISLATIVE DISTRICTS

Congressional: 15 - Tim Johnson
State Senate: 53 - Dan Rutherford
State House: 105 - Rep. Shane Cultra

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
NOVEMBER 8, 2005**

Project: The Roman Catholic Diocese of Joliet, organized as a Trust (All Saints Catholic Academy)

STATISTICS

Number:	E-PS-TE-CD-683	Amount:	\$13,000,000
Type:	501(c)(3) bonds	IFA Staff:	Townsend S. Albright
Locations:	Chicago	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 taxable loans used to purchase, expand, and renovate the Applicant's facility, renovate and expand by adding two additional floors to the existing facility, (ii) capitalize interest, and (iii) fund bond issuance costs.

IFA CONTRIBUTION

Conveys Federal tax-exempt status on bond interest.

VOTING RECORD

Preliminary Bond Resolution, no prior Board vote

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$13,000,000	Uses:	Project refinancing	\$12,577,000
	Grant*	<u>179,000</u>		Capitalized interest	275,000
				Bond issuance costs	200,000
				Arch/Eng	<u>127,000</u>
	Total	<u>\$13,179,000</u>	Total		<u>\$13,179,000</u>

*This is a grant from the Joliet Diocese to be used to fund costs which cannot be financed with tax-exempt bonds.

JOBS

Current employment:	26	Projected new jobs:	7
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: The history of the Joliet Diocese (the "Applicant", the "Diocese") dates back to 1672 when the French missionaries Father Jacques Marquette and Louis Joliet began traveling through what is now Wisconsin to the Mississippi River. Bishop Simon Brute of Vincennes was the first bishop responsible for the pastoral care of what is now the Joliet Diocese. He sent Father John Plunkett to be the first resident pastor of St. Patrick Parish, Joliet in 1838. Today the Diocese serves over 620,000 Catholics in DuPage, Ford, Grundy, Kankakee, Kendall, and Will counties. It includes over 135 parishes and provides an extensive network of social services including foster care and adoption services, housing, services for the poor, and Head Start programs to persons in need living within the Diocese. The Dioceses operates 56 elementary and 8 secondary schools, serving over 97,000 students, 97% of whom go to higher education.

The Diocese operates as a central bank and provides loans, holds deposits of excess funds, holds title to all property, administers the employee benefit programs, and administers a self-insurance program. Operating support is mainly derived from fees for various programs, the appeal drive, parish assessments, and donations.

All Saints Catholic Academy ("the "School") is the latest school opened by the Diocese. It opened its doors on August 24, 2005. All Saints is a regional school serving pre-school and grades K-5. In the next three years the School will expand to include grades 6, 7, and 8. The School is designated as a regional school because it serves Catholic and non-Catholic students living in four parish geographic areas in Naperville and Aurora. Three of these parishes which are sponsoring parishes and are located in Naperville. These parishes have (i) a governing role in the School, and (ii) have an ongoing financial obligation to retire the Schools bond principal and to assist the School in meeting a portion of its interest obligations and any other budget shortfalls. The fourth parish, Holy Spirit, is a supporting parish. The School requires Holy Spirit to assist in fundraising for the School.

The School draws students from Naperville, Aurora, Warrenville, and Bolingbrook. At present the School has 289 students ranging from pre-school to 5th grade. The School expects to grow to over 700 students within 5 years as the School expands its curriculum to include grades 6-8. The school is a product of over 7 years of dedicated work of lay parents living in the School's service area. In 2003 the Calvary Christian School, Naperville, was put up for sale, and in 2004 the Diocese purchased the facility.

Project : Bond proceeds will be used to (i) refinance a \$10,000,000 taxable loan from Harris Bank which was used to purchase and partially renovate the School. (ii) To refinance a \$2,525,000 Diocesan loan to the School which was used to expand and equip the school. Interest savings will allow the School to maintain its relatively small class size and to help with future renovations to the School which will be needed to support additional growth. Additionally, the project will improve options to community members seeking non-public educational alternatives.

FINANCING SUMMARY

Security: Direct pay Letter of Credit from Harris Bank, Chicago, Illinois.
Structure: Multi-mode Variable Rate Demand Bonds
Maturity: 20 years

PROJECT SUMMARY

Bond proceeds will be used to (i) refinance a \$10,000,000 taxable loan from Harris Bank which was used to purchase and partially renovate the School which is located at 1155 Aurora Avenue, Naperville, DuPage County*, (ii) refinance a \$2,525,000 Diocesan loan to the School which was used to expand and equip the School. (iii) pay for professional costs, (iv) pay for capitalized interest, and (v) fund bond issuance costs.

Project Costs:	Refinancing	\$12,577,000
	Arch/Eng	<u>127,000</u>
	Total	<u>\$12,704,000</u>

* The Diocese negotiated the taxable loan in June, 2004. The note is fully payable to the Diocese by St. Thomas the Apostle, St. Margaret Mary, and Elizabeth Seaton parishes. It is not reflected on the Applicant's fiscal 2004 Balance Sheet.

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Roman Catholic Diocese of Joliet, organized as a Trust
Project names: All Saints Catholic Academy
Location: 1155 Aurora Avenue, Naperville, DuPage County, Illinois
Organization: 501(c)(3) Corporation
State: Illinois
Board of Directors: Sr. Helen Jean Kormelick, Superintendent of Schools for the Diocese
Rev. Ernie Norbek for St. Elizabeth Seton
Rev. Joel Fortier for St. Thomas the Apostle
Rev. William O'Shea for St. Margaret Mary

PROFESSIONAL & FINANCIAL

Archdiocese Counsel:	James Byrne & Associates	Joliet, IL	James Byrne
Borrower's Counsel:	Ungaretti & Harris	Chicago, IL	Ray Fricke
Bond Counsel:	TBD		
Issuer's Counsel	Schiff Hardin LLP	Chicago, IL	Bruce P. Weisenthal
Underwriter:	Harris N.A.	Chicago, IL	Nicholas Knorr
Placement Agent			
Underwriter's Counsel:	Chapman and Cutler	Chicago, IL	Carol Thompson
LOC Bank Counsel:	Ice Miller	Chicago, IL	Thomas Smith
Trustee:	US Bank National Association	Chicago, IL	Peter Brennan
General Contractor:	N/A		
Architect:	N/A		

LEGISLATIVE DISTRICTS

Congressional: 13, Judy Biggert
State Senate: 48, Peter J. Roskam
State House: 96, Joe Dunn

ILLINOIS FINANCE AUTHORITY

BOARD SUMMARY

November 8, 2005

Project: The Latin School of Chicago

STATISTICS

Number:	E-PS-TE-CD-693	Amount:	\$35,000,000 (not to exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Chicago	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) demolish the current building and construct a Middle School facility on property owned by the Applicant, (ii) renovate the Applicant's Lower and Upper school facilities, (iii) refinance the Applicant's Series 1998 bonds, (iv) capitalize interest, and (v) fund legal and professional costs.

IFA CONTRIBUTION

Conveys Federal tax-exempt status on bond interest.

VOTING RECORD

Preliminary Bond Resolution, no prior Board vote

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$33,046,575	Uses:	Project costs	\$15,000,000
	Release of 1998 DSRF	1,388,425		Capitalized interest	860,000
	Investment Income	<u>425,000</u>		Bond Refinancing	18,624,500
				Bond issuance costs	<u>375,500</u>
Total		<u>\$34,860,000</u>	Total		<u>\$34,860,000</u>

JOBS

Current employment:	239	Projected new jobs:	11
Jobs retained:	N/A	Construction jobs:	300 (18 months)

BUSINESS SUMMARY

Background: The Latin School of Chicago ("the Applicant", the "School") was established in 1888 and is the oldest independent day school in Chicago. Latin is a co-educational, college preparatory school open to all students without regard to race, religion, or national origin. The School enrolls a diverse community of students, in grades Junior Kindergarten through 12. The student-faculty ratio is 8:1. Of the faculty, 81.0% have master's degrees or higher. The School currently educates 1,085 students from Chicago and surrounding suburbs. The School's urban location allows students and faculty to utilize Chicago's cultural and academic resources.

The School currently provides need-based financial aid to over 14.0% of its current students. The School hosts *High Jump*, a tuition-free academic enrichment program for talented and motivated middle school students from Chicago public and private schools with limited family income. The School's adult education program, *Live and Learn*, provides classes for more than 6,000 Chicago-area adults in approximately 700 courses annually. A list of School Board members is attached for IFA Board review.

Description: As the School has grown, it has become a necessity to provide more space for the Middle School students and also be able to continue the School's other programs which serve the community. The growth of the Middle School over the past eight years has caused overcrowding. In 2001, the School purchased the site for a new Middle School facility which is adjacent to the Middle/Upper School building, and across the street from the Lower School building. The proposed Middle School facility will be used for teaching classes for grades 6, 7, and 8. Funds from the proposed financing will pay for (i) demolishing the current building and constructing a Middle School facility, (ii) renovating the Applicant's Lower and Upper school facilities, (iii) refinancing the School's Series 1998 bonds, (iv) capitalizing interest, and (v) funding legal and professional costs. Current plans anticipate a small increase in the Upper School enrollment once the 6-8th grades have moved to the new Middle School facility.

Remarks: Tax-exempt financing will lower the School's borrowing costs and its annual debt service payments. By reducing the amount of money spent of debt service the School will be able to spend more money on educational services. The proposed project will provide "state-of-the-art" facilities so the School can continue to (i) provide quality education, and (ii) remain competitive with other independent private day schools.

FINANCING SUMMARY

Security: Direct pay Letter of Credit from a bank to be determined.
Structure: Multi-mode Variable Rate Demand Bonds
Maturity: 30 years

PROJECT SUMMARY

Proceeds will be used to (i) (i) demolish the current building and construct an approximately 79,700 sq. ft Middle School facility to be located on approximately .516 acres of land located at 45 West North Avenue, Chicago, Cook County, Illinois which is owned by the Applicant, (ii) renovate the Applicant's Lower and Upper school facilities, (iii) refinance the School's Series 1998 bonds, (iv) capitalize interest, and (v) fund legal and professional costs.

Project Costs:* Total \$15,000,000

*The total project cost for the construction of the Middle School and renovations to the Lower and Upper Schools is approximately \$24.0 million. Costs in excess of those raised through this proposed financing will be paid from other School funds, including funds raised through a capital campaign.

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Latin School of Chicago
Project names: The Latin School of Chicago Middle School Project
Location: 45 West North Avenue, Chicago, Cook County, Illinois 60610
Organization: 501(c)(3) Corporation
State: Illinois
Board of Directors: Attached for IFA Board review

PROFESSIONAL & FINANCIAL

Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
Accountant:	KPMG LLP	Chicago, IL	
Bond Counsel:	TBD		
Issuer's Counsel	Pugh, Jones, Johnson & Quandt, P.C.	Chicago, IL	Kim Barker Lee
Underwriter:	JPMorgan Securities, Inc.	Chicago, IL	Michelle Salomon
Placement Agent			
Underwriter's Counsel:	TBD		
LOC Bank Counsel:	TBD		
Financial Advisor:	M.C. Toomey Financial Consulting	Evanston, IL	Maureen Toomey
Trustee:	TBD		
General Contractor:	The Meyne Company	Chicago, IL	
Architect:	Nagle, Hartrey, Danker, Kagan, McKay, Penny Architects	Chicago, IL	
Project Manager:	URS Corporation	Chicago, IL	

LEGISLATIVE DISTRICTS

Congressional:	07, Danny K. Davis
State Senate:	06, John J. Cullerton
State House:	12, Sara Feigenholtz

Dr. Alaka Wali
John Nuveen Associate Curator in Anthropology, The Field Museum

Mr. William S. Wardrop
Managing Partner, Steere Capital Partners

Mr. Ronald V. Waters, III
Chief Operating Officer, William Wrigley Jr. Company

Mr. Kelly R. Welsh
Secretary, Board of Trustees
Executive Vice President & General Counsel, Northern Trust Corporation & Northern Trust Company

SENIOR TRUSTEES

Mr. Douglas H. Cameron '67
President, HIGroup, L.L.C.

Ms. Paula H. Crown
Principal, Henry Crown and Company

Mr. Marshall B. Front
Chairman & Managing Director, Front Barnett Associates, L.L.C.

Mr. Cary J. Malkin '67
Attorney & Partner, Mayer, Brown Rowe & Maw LLP

Mr. John H. Mathias, Jr.
Attorney & Partner, Jenner & Block

Ms. Naomi M. Stanhaus
Consultant

Ms. M. Gail Waller
Attorney

Mrs. Abra Prentice Wilkin '60
Volunteer

Ms. Judy C. York
Director of Agency Services, Episcopal Charities and Community Services

Mr. Frank Hogan
President Emeritus, The Latin School of Chicago

Mr. Antonio Mora
Co-anchor, CBS 2, Chicago

Ms. Annmarie Neumeier
Volunteer

Ms. Charlene Huang Olson
Volunteer

Mr. Nicholas K. Pontikes
President, Kenny's Kids

Mr. Stephen R. Quazzo
Co-founder & Chief Executive Officer, Transwestern Investment Company

Mr. Michael D.Searle
President, Renaissance Ventures

Mr. Jeffrey S. Sharp
Managing Partner, Marshall, Gerstein & Borun LLP

Mr. Steven Sherman '91
Vice President, LaSalle Bank

Mr. Brian P. Simmons
*Treasurer, Board of Trustees
Partner & Co-founder, Code Hennessy & Simmons L.L.C.*

Ms. Sara Crown Star
Attorney and Volunteer

Ms. Emily Heisley Stoeckel
Director, The Heico Companies LLC

Ms. Elizabeth Taylor
Literary Editor ; Sunday Magazine Editor, Chicago Tribune

Dr. C. Joseph Tyree,
Dentist & President, Pediatric Dental Associates of Indiana, Inc.

Ms. Monica Vachher
The Astor Group, Ltd.

Mr. Donald W. Firke
Head of School, The Latin School of Chicago

Mr. David W. Fox, Jr.
Managing Director & Head, JP Morgan Securities, Inc. (Chicago office)

Ms. Aline O'Conner Funk
Chief Executive Officer & Co-Founder, Channel Bio Corp.

Mr. Charles S. Gofen '83
Principal and Portfolio Manager, Gofen & Glossberg L.L.C.

Mr. Michael Gray '83
Attorney and Partner, Schwartz Cooper

Ms. Sharon McKanna Hayes
*President, Parents' Council, The Latin School of Chicago
Volunteer*

Mr. Mark S. Hoplamazian
President, The Pritzker Organization, L.L.C.

Mr. Charles J. Hunter
Co-owner & Chief Executive Officer, Ernie Terrell, Inc.

Ms. Priscilla L. Kersten
President, Kersten Foundation

Dr. Robert N. Mayer
*President, Hulda B. and Maurice L. Rothschild Foundation
Treasurer, Nathan Cummings Foundations*

Ms. Leslie Breed McLean
Literary Agent

Mr. Randall E. Mehrberg
*Executive Vice President for Strategy, Mergers & Acquisitions, &
General Counsel, Exelon Corporation*

Mr. David A. Mendelson '84
*President, Alumni Association, The Latin School of Chicago
President, Donco Paper Supply Company*

The Latin School of Chicago
2005-2006 Board of Trustees

Mr. Gary D. Ahlquist
Chairman, Board of Trustees
Senior Vice President, Booz, Allen Hamilton

Ms. Julie O'Donnell Allen
Attorney & Partner, Sidley Austin Brown & Wood LLP

Ms. Pamela C. Atkinson
Certified Financial Planner, Northwestern Mutual Financial Network

Mr. Thomas M. Begel
Chairman & Principal, TMB Industries

Mr. Philip D. Block, III '54
Retired, Capital Guardian Trust

Ms. Leslie Bluhm
Founder & President, Chicago Cares Inc.

Ms. Jillisa Brittan '81
Attorney
U.S. Court of Appeals

Ms. Jacolyn Bucksbaum
Volunteer

Mr. Robert J. Buford
President & Chief Executive Officer, Planned Realty Group

Ms. Gabriela F. Cleveland
Assistant Chief Counsel, Illinois Department of Transportation

Mr. Vincent Cozzi '83
Vice President, Ventas Healthcare Properties

Ms. Angela Dago
President & Founder, Divine Financial Consulting Service

Ms. Judith K. Dimon
Volunteer

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Plum Creek of Rolling Meadows LP

STATISTICS

Number:	M-CH-TE-CD-556	Amount:	\$12,000,000 (not to exceed)
Type:	501(c)(3) bonds	IFA Staff:	Townsend S. Albright
Locations:	Rolling Meadows	SIC Code:	8059

BOARD ACTION

Preliminary Bond Resolution
No IFA funds at risk
Staff recommends approval, subject to the Bonds being sold in minimum \$100,000 denominations.

PURPOSE

Proceeds will be used (i) to refinance construction loans used to construct a 102-unit (127 resident) Supportive Living Facility by a for-profit owner, (ii) capitalized interest, (iii) fund Debt Service Reserve and Lease-up and Operating Reserve accounts, and (iv) pay bond issuance costs.

IFA CONTRIBUTION

IFA will convey tax-exempt bond status on this financing that will make this project eligible for 4.0% Low Income Housing Tax Credits, which will generate equity to finance this project. The Project Owner will use approximately \$11,600,000 of prior year IFA volume Cap.

VOTING RECORD

Preliminary Bond Resolution, no prior Board vote

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$11,600,000	Uses:	Project cost	\$10,215,000
	4 LIHTC's	<u>2,611,000</u>		Lease up and Operating Reserve	1,565,000
				Debt Service Reserve	986,000
				Bond Issuance Costs	492,000**
				Volume Cap Acq.	116,500
				Deferred Developer Fee	<u>836,500</u>
	Total	<u>\$14,211,000</u>	Total		<u>\$14,211,000</u>

*4% Low Income Housing Tax Credits.

** Bond issuance costs exceeding the 2.0% allowed maximum (\$230,600) will be paid from General Partner equity and/or tax credit equity.

JOBS

Current employment:	5	Projected new jobs:	50
Jobs retained:	N/A	Construction jobs:	100 (8 months)

BUSINESS SUMMARY

Background: Plum Creek of Rolling Meadows LP (“the Applicant”, “the Project”) was formed as an Illinois Limited Liability Corporation in August, 2003 for the purpose of owning, developing and operating a facility under the Illinois Supportive Living Program (the “SLF Program”). The Applicant purchased the subject property in May, 2005. The property was originally a Comfort Inn which was constructed in 1986. On December 7, 2004 the Board of the Illinois housing Development Authority (“IHDA”) passed an Intent Resolution to finance the project. Regulations prohibit the IHDA from financing non-rated projects. The Applicant has requested the IFA to induce the project.

The Applicant’s General Partner is Rolling Meadows Supportive Care LLC of which Thomas Leontios is the sole managing partner. Thomas Leontios is the managing member/developer of the facility. Mr. Leontios has a background in real estate development, retail, and the hospitality industries. He is President of International Development Equity Associates, Inc., and has overseen 15 projects in the retail/hospitality industry. He has served as General Manager of a 100-room hotel in Highwood. Developments include: (i) Burr Oak Circle, a 38-unit multi-family facility in Northbrook (1996), (ii) 72 E. Randolph, Chicago, a 12-unit rehab (1996), and (iii) Glenwood School, a 400-room student living facility, St. Charles, (2002).

The Illinois Supportive Living Program was designed to reduce the State’s Medicaid subsidies to support low income elderly and help pay the costs of necessary services including medication supervision, laundry, and personal care. The Illinois General Assembly initiated a pilot program in the year 2000 and passed legislation originating the Program in 2001. All residents in a Supportive Living Facility (“SLF”) must be able to pay for their own room and board.

Description: The proposed project is a 102-unit SLF designed for 127 senior residents. The complex will consist of 77 single occupancy and 25 double occupancy apartments. The Project will provide a comprehensive array of housing, personal, and health-related services to its senior residents. Three meals will be prepared and served on-site daily. The Project will have laundry services and social programming. The average age of residents is expected to be between 78 and 85 years. The project will have (i) three stories, (ii) two elevators, and (iii) be ADA compliant. The Project is anticipated to open approximately December 15, 2005. There is currently a list of 82 prospective tenants. The Developer expects to reach a stabilized occupancy rate of 95.0% within the first twelve months of operation.

A key feature of the Project is that it will be affordable. The Project is one of a select group of assisted living facilities in Illinois to have received approval from the Illinois Department of Public Aid as a recognized Supportive Living Facility. With a SLF certification, the State will provide an ongoing stream of Medicaid-related funding to the Project to pay the service costs for Medicaid-eligible residents. The current Medicaid reimbursement rate is \$2,682/month for a single occupancy apartment and \$4,908/month for a double-occupancy apartment. Medicaid residents will pay as little as \$462/month, depending on their financial situation. Medicaid will cover the balance. **The underlying philosophy of a SLF is that certain public aid nursing home residents for which the State is currently (2005) paying \$4,500/month could be better taken care of in an SLF at \$2,220/month (2005).**

There are presently two SLF’s in the Applicant’s marketing area. Asbury Court, located in Des Plaines, is a new 99-unit SLF located within a 230-bed independent living community. Pathway Senior Living is constructing a 104-unit SLF at Alexian Village, located in Elk Grove. It is estimated that approximately 40.0% of Alexian Village SLF units will be utilizing Medicaid waivers. SLF’s do not compete with skilled care nursing homes or private-pay independent senior living facilities.

Management

Agent: The project will be managed by Providence Management and Development Co, Inc., of Tinley Park, Illinois, a for-profit subsidiary of Resthaven Christian Services (see www.provinet.com and www.resthaven.com), an institutional quality manager of assisted living and nursing facilities projects in three states serving over 1,800 residents in 15 facilities. Providence and Resthaven also manage 13 senior housing facilities. Provident was founded in 1991. Resthaven Christian Services, founded over 85 years ago, separately owns and manages senior housing and assisted living facilities serving over 3,500 residents in Illinois and Michigan

FINANCING SUMMARY

Security: (i) First mortgage on facility, (ii) assignment of Gross Revenues, and (iii) assignment of all State Revenues under the Supportive Living Facility program.

Structure: Fixed Rate Demand Bonds

Maturity: 25 years

Accessibility: The project will be 100% handicapped accessible and fully comply with the Americans with Disabilities Act ("ADA").

PROJECT SUMMARY

Proceeds will be used to repay the existing construction development loan from Suburban Bank, Hinsdale, Illinois, and its mezzanine lender. The borrowed funds were used to (i) purchase approximately 1.5 acres of land located at 2801 Algonquin Road, Rolling Meadows, Cook County, Illinois, (ii) renovate an existing approximately 58,489 sq. ft., three-story building having approximately 37,350 sq. ft. of net rentable space and construct 102 living units therein, (ii) construct a kitchen, a communal social area, and create 77 parking spaces and landscaping and (iii) purchase furniture, fixtures, and equipment. (iv) capitalize interest, (v) fund Debt Service Reserve and Lease up and Operating Reserve accounts, and (vi) fund bond issuance costs.

Project Costs:	Land/Building	\$ 1,034,000
	Construction/ Renovation	7,248,000
	Arch/Eng	<u>1,433,000</u>
	Total	<u>\$10,215,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Plum Creek of Rolling Meadows LP

Project names: Plum Creek of Rolling Meadows Supportive Living Community

Location: 2801 Algonquin Road, Rolling Meadows, Cook County, Illinois 60008

Organization: Limited Partnership

State: Illinois

Principals: General Partner: Rolling Meadows Supportive Care, LLC (Thomas Leontios, Manager)
Limited Partner: A tax credit syndicator to be determined

PROFESSIONAL & FINANCIAL

General Partner	Rolling Meadows Supportive Care LLC	Rolling Meadows, IL	Thomas Leontios
Counsel:	Burke, Burns & Pinelli, LTD	Chicago, IL	Stephen Welcome
Accountant:	Webber and Associates	Aurora, IL	Tom Webber
Bond Counsel:	Foley & Lardner LLP	Chicago, IL	Christopher Knight
Issuer's Counsel	Sanchez & Daniels	Chicago, IL	John D. Cummins
Underwriter:	William Blair & Company, LLC.	Chicago, IL	Charles Freeburg
Placement Agent			
Underwriter's Counsel:	Ice Miller	Chicago, IL	Thomas Smith
LOC Bank Counsel:	Not applicable		
Financial Advisor:	LaSalle Street Capital	Chicago, IL	Dennis Nyren
Trustee:	SunTrust	Jacksonville, FL	
Tax Credit Investor:	Enterprise Social Investment Corp.	Columbia, MD	Julien Colvin
Tax Credit Syndicator:	Enterprise Social Investment Corp.	Columbia, MD	Julien Colvin
Tax Credit Advisor:	Pusateri Development Company	Chicago, IL	Larry Pusateri
Tax Credit Advisor's Counsel	Applegate & Thorne-Thomsen	Chicago, IL	Mark Burns
General Contractor:	Idea International, Inc.	Rolling Meadows, IL	Tom Leontios
Architect:	Gleason Architects	Sugar Grove, IL	Thad Gleason
Project Administrator/ Management Agent:	Providence Management and Development Company	Tinley Park, IL	Ray Hempill
Marketing Consultant:	Cambridge Marketing Services, Inc.	Palatine, IL	Jim Limparis
Project Manager:	Pepper Path Homes	Rolling Meadows, IL	Patrick Smythe

LEGISLATIVE DISTRICTS

Congressional:	8	Melissa Bean
State Senate:	27	Wendell E. Jones
State House:	54	Suzanne Bassi

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
NOVEMBER 8, 2005**

Deal: Huskies Hockey Club

STATISTICS

Deal Number:	N-NP-TE-CD-402	Amount:	\$18,000,000 (not-to-exceed amount)
Type:	Not-for-Profit	IFA Staff:	Steve Trout
Location:	Romeoville	SIC Code:	713940 Fitness & Rec Centers

BOARD ACTION

Final Bond Resolution Conduit 501(c)(3) Bond Financing No IFA funds at risk	Staff recommends approval, subject to compliance with IFA policy pertaining to issuance of unrated, unenhanced bonds
---	--

PURPOSE

Finance and reimburse the Club for certain costs to acquire and improve a 7.5 acre-site in the Wyndam Lakes subdivision in Romeoville, 2) construct and renovating and equipping a three rink, 106,,000 square-foot training facility for youth hockey and figure skating, 3) finance capitalized interest on the Project, 4) establish a Debt Service Reserve Fund, and 5) pay certain Bond issuance costs.

VOLUME CAP

No Volume Cap is required for 501(c)(3) Bond Financing.

VOTING RECORD

The IFA Board gave its final approval for this project on February 17, 2004 by the following vote:

Aye-8	Absent-0	Vacancies-7
-------	----------	-------------

This project is being presented to the Board for Final Approval for a second time because the project location, size and participants have changed since the Board grants the original Final Approval.

SOURCES AND USES OF FUNDS

Sources:	IFA Senior Bonds	\$15,910,000	Uses:	Project Costs	\$12,947,220
	Taxable Junior Bonds	845,000		Debt Service Reserve	1,327,950
	Construction Fund Interest	141,090		Capitalized Interest	1,035,540
	Original Issue Discount	(506,120)		Issuance Costs	<u>1,076,260</u>
	Total	<u>\$16,386,970</u>		Total	<u>\$16,386,970</u>

JOBS

Current employment:	16	Projected new jobs:	10
Jobs retained:	N/A	Construction jobs:	150 (8 months)

BUSINESS SUMMARY

Background: The Huskies Hockey Club, Inc. ("the Huskies" or "the Club"), is an Illinois not-for-profit 501(c)(3) corporation that was incorporated on February 17, 1969. The Club's purpose is to promote, train, teach and develop organized youth hockey and develop the physical, mental and emotional well-being of participants, including developing personal character traits of aggressiveness, self-esteem, self-discipline, perseverance, respect for authority, cooperative relationships and sportsmanship.

Description: The Club sponsors and develops programs that encourage children and adults to participate in hockey. The Club currently has 489 hockey players in its organization. It attracts players from Darien, Downers Grove, Lisle, Hinsdale, Glen Ellyn, Lombard, Orland Park and Naperville. The Huskies are affiliated with USA Hockey, the Amateur Hockey Association of Illinois (AHAI), Northern Illinois Hockey League (NIHL), and Northwestern Illinois Hockey League (NWHL).

Currently the Huskies lease time from ice rinks in Darien, Downers Grove and Bolingbrook. The Club is seeking to own and operate its own facility to provide first-rate instruction at a lower cost and offer more programs than is now possible because of limited ice availability. The Club has entered into multiyear contracts with organizations that sponsor hockey, figure and recreational skating programs.

Management: Joseph Pedota has served as the Huskies President since May 2005. He has served the Club since 1987 as Team Manager, Director of the Huskies' Mite Program and Treasurer. He has been a Board member since May 1994. Mr. Pedota is Member of George Bagley and Company, LLC, a certified public accounting firm active in the west suburbs of Chicago.

Ray Saganiuk has been the Huskies' Director of Operations for the past 4 years. He is a former NHL Hockey Player (Toronto Maple Leafs and Pittsburgh Penguins), a highly successful youth hockey coach and previously served for 5 years as Director of Operations for the Seven Bridges Ice Arena.

The Huskies have 2 Directors of Player Development. Gino Linkevitch has served in this capacity since 1997. He played semiprofessional hockey in Latvia (former USSR) and earned a degree in physical education and hockey coaching from the Latvian Academy of Sports and has successfully coached in Latvia and the United States. Stanislav Stiopkin recently joined the Huskies. He brings 35 years of hockey coaching experience, including 20 years as a head coach in Russia and Estonia, and head coaching experience at Chicago Young Americans, Chicago Steel, Chicago Mission and Team Illinois, among other clubs. Former NHL player Ross MacKay heads the Huskies highly successful goalie instruction program.

The Indoor Sports Management Group will manage the Centre full-time. The Group was established in 1991 and currently manages Sportsplex in Darien, a 135,000 s.f. hockey rink and indoor soccer complex, Poplar Creek Sports Centre in Hoffman Estates, a 75,000 s.f. indoor soccer facility and skate park, Sportsplex, in St. Charles, a 63,000 s.f. indoor soccer facility and two smaller indoor facilities in Chicago and Downers Grove.

FINANCING SUMMARY

Bonds: Unenhanced, non-rated, fixed rate, tax-exempt Bonds with a 30 year final maturity amortizing over 23 years that are expected to pay interest at 6.5% and will be priced at a discount to yield 6.75%.

Security: First lien pledge of lease revenue from the Huskies and a mortgage on the subject property.

Subordinate Bonds: Unenhanced, non-rated, fixed rate, taxable Bonds with a 7 year final maturity amortizing over 5 years that are expected to pay interest at 9%. These Bonds will have a security interest in the project revenues and assets that is subordinate to the Senior Bonds.

Capitalized

Interest: Interest on the Bonds will be capitalized for 13 months, which is 3 months longer than the anticipated construction period.

PROJECT SUMMARY

The Huskies are planning to build the area's best and largest ice arena devoted to youth hockey, figure and family skating. The facilities will include three sheets of ice maintained by state-of-the-art equipment and will be used by the Huskies and other area hockey, figure and recreational skating programs. The facility will offer extensive locker rooms, training facilities, weight rooms, concessions, meeting rooms, seating areas, and an equipment sale shop. Bond proceeds will be used to: 1) pay or reimburse the Club for certain costs of acquiring, constructing, and equipping the Centre, 2) finance capitalized interest on the Project, 3) establish a Debt Service Reserve Fund, and 4) pay certain Bond issuance costs. Project costs include the following:

Land Acquisition	\$1,825,000
Project Construction Fund:	\$10,800,000
Reimbursement for Project Costs:	<u>246,675</u>
Total	<u>\$12,871,675</u>

The Huskies have negotiated and will execute a guaranteed fixed price design-build contract with MA Morstenson and expect to complete the project by September 1, 2006.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Huskies Hockey Club, Inc., 1411 Hunter Circle, Naperville, Illinois 60540 (Contact: Donald LaPato, President, Phone: (312) 786-5324)

Project name: Internationale Ice Center Development Project

Location: 7.5-acre site in the Wyndham Lakes subdivision of Romeoville, at the corner of I-55 and Weber Road, Romeoville, Illinois (Will County) 60446

Organization: Illinois 501(c)(3) organization.

Land Owner: Panattoni Development Corporation
10255 West Higgins Road, Suite 110, Rosemont, Illinois 60018

Board Members:	Joseph Pedota	President
	Donald LaPato	Vice President
	Linda Wikie	Secretary
	Dan Russell	Director
	James Nolan	Director
	Mark Stevens	Director
	Marc Shipbaugh	Director
	Tammy Johnsen	Director
	Wayne Partacz	Director
	Laura Johnson	Director
	Ken Kestas	Director
	Don DeWilkens	Director
	Rocky Sauginauk	Director
	Jim Anderson	Director

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Greenberg Traurig	Chicago, IL	Richard Sirus
Bond Counsel:	Barnes & Thornburg	Chicago, IL	Darren Collier
Underwriter:	Oppenheimer & Co., Inc.	Chicago, IL	Frank Paul
Underwriter's Counsel:	Peck, Shaffer & Williams	Chicago, IL	George Buzard
Financial Advisor:	Robert W. Baird & Co., Inc.	Chicago, IL	Tod Miles
IFA Counsel:	Burke, Burns & Pinelli, LTD.	Chicago, IL	Stephen Welcome
Trustee:	BNY Midwest Trust	Chicago, IL	
Accountant:	Coleman Joseph Blitstein & Stuart LLC	Deerfield, IL	
Design-Builder: Feasibility	MA Mortenson Company	Elk Grove Village, IL	Brian Kronewitter
Consultant:	CH Johnson Consulting	Chicago, IL	Charles Johnson

LEGISLATIVE DISTRICTS

Congressional:	13	Judy Biggert
State Senate:	24	Kirk Dillard
State House:	48	James Meyer

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Illinois Wesleyan University

STATISTICS

Project Number:	E-PC-TE-CD-660	Amount:	\$18,300,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	FM:	Rich Frampton and Jim Senica
Location:	Bloomington		

BOARD ACTION

Final Bond Resolution
Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds (New Money and Advance Refunding)
No IFA funds at risk
No extraordinary conditions

PURPOSE

Bond proceeds will be used to finance the costs of purchasing and installing, repairing, and replacing dormitory building sprinkler systems consistent with requirements of the Illinois Fire Dormitory Act and advance refund all outstanding Series 1997 IFA (IEFA) Bonds. The proposed Advance Refunding is expected to reduce the interest rates borne on the Bonds from a range of 5.00%-5.65% currently to 3.70%-5.00% based on current market conditions for insured bonds of similar maturities as of 9/30/2005.

IFA CONTRIBUTION

IFA will convey tax-exempt status on the subject bonds.

VOTING RECORD

Preliminary Bond Resolution, October 11, 2005:

Ayes: 10 (Leonard by telephone)	Nays: 0	Absent: 4 (DeNard, Fuentes, Goetz, Nesbitt)
Abstentions: 0	Vacant: 1	

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

Sources: New Money Bonds	\$3,300,000	Uses: New Project Cost	\$3,300,000
Advance Refunding Bonds	<u>15,000,000</u>	Series 1997 Bond Escrow	\$14,564,937
		Issuance Costs	<u>435,063</u>
Total	<u>\$18,300,000</u>	Total	<u>\$18,300,000</u>

JOBS

Current employment:	280 (FT); 300 (PT)	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	6-12 (12-36 months)

BUSINESS SUMMARY

Background: Illinois Wesleyan University ("IWU" or the "University") is a 501(c)(3) organization established in 1850 and incorporated under Illinois law. IWU is governed by a 39-member Board of Trustees (see Exhibit A).

Day to day operations are managed by the President, who serves as the chief executive officer of the University. The current President is Richard F. Wilson, who has served since April 2004.

Description: The University is a private, coeducational, undergraduate institution located on an approximately 76 acre site adjacent to Bloomington's north side residential district.

The University's principal educational program has consisted of a curriculum in the liberal arts and sciences. The primary focus is on instruction, with an additional commitment to research and public service. For academic 2005-2006, IWU enrolls approximately 2,141 students in a College of Liberal Arts, and in schools of Music, Theatre Arts, Art, and Nursing. Approximately 80% of the University's student body pursues majors within the College of Liberal Arts and Sciences. Although approximately 85% of IWU's student body is drawn from Illinois, 36 other states and 18 foreign countries were represented in the student body in fiscal 2005.

In recent years, IWU has been recognized for the strength and quality of its instruction by several independent publications, including Best American Colleges, The Fiske Guide to Colleges, The Princeton Review's The Best 331 Colleges, The Wall Street Journal, which in 2002 identified IWU as one of 16 institutions featured in an article entitled "Colleges for a New Era" (other institutions identified included Carleton College (MN), William & Mary, Dartmouth, Middlebury, Occidental, Rice University, and Washington University (MO)).

Successful recruiting efforts and the University's enhanced reputation have increased applications from approximately 1,000 in the late 1970's to 2,900 in 2005-6. Approximately 56% of applicants for the 2005-2006 academic year were accepted. IWU's enrollment has increased from 2,056 in 2000-2001 to 2,141 for the 2005-2006 academic year.

Approximately 80 percent of IWU's student body occupies University-approved residential housing with an occupancy rate that has averaged 98% over the last 3 academic years. The University's residential facilities include 14 residence halls, and 12 national fraternities and sororities.

The University is fully accredited by the North Central Association of Colleges and Schools. The College of Nursing is accredited by The Commission on Collegiate Nursing Education.

The University addresses renewal and replacement projects on an ongoing, systematic basis and typically incurs annual capital expenditures of \$1 million to upgrade and refurbish residence halls and academic buildings and to provide general infrastructure improvements.

Remarks: The approximately \$3.3 million of New Money Bonds will finance the immediate, cost effective financing for a dormitory sprinkler project that will bring IWU into compliance with the recent Illinois Fire Sprinkler Dormitory Act that requires all residence halls to be equipped with automatic fire sprinklers by 2013. This financing will enable the University to attain compliance well ahead of schedule.

FINANCING SUMMARY

Structure: The Bonds will most likely be secured with Aaa/AAA/AAA-rated municipal bond insurance rather than be sold based on the University's direct underlying long-term ratings of A3/A- (Moody's/S&P).

**Term/
Interest Rate:** Fixed Rate Bonds with a final maturity of 9/1/2026.

Security: The Bonds will be secured with municipal bond insurance from prospective Aaa/AAA/AAA-rated insurers and will be a general obligation of the University. The bond insurer will not be secured by a mortgage or security interest in any of the University's assets, properties, or funds.

PROJECT SUMMARY

The proposed project will be used to (i) advance refund the outstanding principal amount of IWU's existing IFA (IEFA) Series 1997 Bonds, (ii) finance all or a portion of the costs of the acquisition, construction, renovation and equipping of certain University educational facilities, including, without limitation, the construction and equipping of a new dormitory sprinkler system, boiler repairs or replacement, and related fixtures, equipment, and facilities, (iii) make any deposits to certain funds required to be maintained in accordance with a Trust Indenture, and (iv) pay certain costs incurred in connection with the issuance of the Series 2005 Bonds and the credit enhancement thereof.

The facilities being financed, refinanced, or reimbursed from proceeds of the Series 2005 Bonds are or will be owned or operated by Illinois Wesleyan University and are or will be located on land owned by Illinois Wesleyan University in Bloomington (McLean County), Illinois, bordered generally by Empire Street on the south; Fell Avenue on the east; Division Street (extended) on the north, and Main Street on the west, including the following addresses: 1312 Park Street, 1407 Park Street, 210 East Beecher Street, 1404 North Franklin, 1301 North East Street, 1209 North Main Street, 1211 North Main Street, 102 East University Avenue, 109 East University Avenue, 301 East Emerson Street, 1307 Horenberger Drive, 301 East Beecher, Street, 1402 and 1404 North East Street, 201, 202, 204, 206, and 208 East Emerson Street, and 401, 403, 405, 407, 409, 411, and 413 East Emerson Street.

Proposed new money project costs include the following:

Acquisition/installation of Equipment:	<u>\$3,300,000</u>
Total	\$3,300,000

ECONOMIC DISCLOSURE STATEMENT

**Applicant/
Contact:** Illinois Wesleyan University, 1312 North Park, P.O. Box 2900 Bloomington, IL 61701
Mr. Daniel P. Klotzbach, Vice President for Business and Finance; (T) 309/556-3021;
(F): 309/556-3411; e-mail: dklotzba@iwu.edu

Project name: Illinois Wesleyan University Series 2005 Bonds

Location: Illinois Wesleyan University, Bloomington, Illinois 61701

Organization: Illinois 501(c)(3) organization

Board

Membership: *See attached list of Board of Trustees*

**Current Land
Owner:** Illinois Wesleyan University

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Dunn, Willard, Arkell & Bugg	Bloomington, IL	Mark Dunn
Borrower's Consultant:	Starshak Welnhofner & Co.	Chicago, IL	Joe Starshak
Accountant:	KPMG LLP	Chicago, IL	
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Jim Luebchow
Bond Insurance:	To be determined (FGIC, FSA, AMBAC, MBIA, and XLCA are all candidates. Final selection will be made subsequent to mailing of IFA Board Book)		
Underwriter:	Griffin Kubik Stephens & Thompson	Chicago, IL Holly Barstow Wiemken	Jamie Raichlin,
Underwriter's Counsel:	Ungaretti & Harris LLP	Chicago, IL	Ray Fricke
Trustee:	Commerce Bank NA	Kansas City, MO	Vinetta Garnett
Rating Agencies:	Moody's Investors Service Standard & Poor's	New York, NY Chicago, IL	Roger Goodman Susan Carlson
Fire Sprinkler Contractor:	McDaniel Fire Systems	Peoria, IL	
Issuer's Counsel:	Shiff Hardin, LLP	Chicago, IL	Bruce Weisenthal

LEGISLATIVE DISTRICTS

Congressional:	11	Jerry Weller
State Senate:	44	Bill Brady
State House:	88	Dan Brady

Board of Trustees

George A. Vinyard '71 (d) (e) President, Board of Trustees Chair, Executive Committee	Partner, Sachnoff & Weaver Ltd. Chicago, Illinois
Gilbert L. Dorsey '62 (c) (e) First Vice President, Board of Trustees	Retired Vice-Chairman, The Eureka Company Bloomington, Illinois
Herbert A. Getz '77 (b) (e) Second Vice President, Board of Trustees	President, Aspen Creek Partners LLC Naperville, Illinois
Susan D. Waring Secretary, Board of Trustees	Sr. Vice President & Chief Administrative Officer State Farm Life Insurance, Bloomington, Illinois
Robert E. Field II '67 (b) (e) Treasurer, Board of Trustees Chair, Business Affairs Committee	Field & Golan Attorneys at Law Chicago, Illinois
Richard S. Ames (b)	President, Command Plastic Corporation Tallmadge, Ohio
Patricia M. Armstrong '70 (c)	Sr. Vice President & Director of Human Resources Wells Fargo & Co. San Francisco, California
Victor E. Armstrong, Jr. '64 (d) Chair, Development Committee	President, Armstrong Builders Bloomington, Illinois
Jean S. Baird, '80 (d) Ex Officio	Vice President of Operations, State Farm Insurance Companies Bloomington, Illinois
Phyllis Barker, '73 (a)	Manager of Agency Wide Volunteer Services, Safer Foundation Chicago, Illinois
Henry Bird (a)	Vice President, Midwest Division of Community News, Inc. Muncie, Indiana
Thomas L. Brown (a)	Partner, PriceWaterhouseCoopers LLP Chicago, Illinois
Willie G. Brown (d) Ex Officio	Senior Vice President, State Farm Mutual Automobile Ins. Co. Bloomington, Illinois
Cathy T. Carswell '65 (c) (e) (f) Chair, Campus Life Committee	President, Kappa Kappa Gamma Scarsdale, New York
Sharon Brown Christopher (c) (e) Ex Officio	Resident Bishop of the United Methodist Church Illinois Area Springfield, Illinois
Michael A. Clark '76 (a)	Partner, Sidley & Austin Brown & Wood LLP Chicago, Illinois
Robert E. Evans '62 (c)	CEO, FMG Financial Services Worcester, Massachusetts
Todd M. French '93 (d)	President, StringWorks Appleton, Wisconsin
David W. Gaffron (a)	Retired Pastor, Wesley United Methodist Church Bloomington, Illinois
Thomas O. Hansen '82 (c)	Founder and CEO, ACCENT Orlando, Florida

Craig C. Hart	Retired President, Champion Federal Savings & Loan Hudson, Illinois
John E. Jordan '57 (a) (e) Chair, Academic Affairs Committee	Retired Executive Director, YMCA Urbana, Illinois
Roger S. Joslin (a)	Retired Vice Chairman and Treasurer State Farm Mutual Automobile Insurance Bloomington, Illinois
Demetria D. Kalodimos, '81 (c)	Anchor, Reporter/Senior Editor, WSMV-TV Nashville, Tennessee
Parker Kemp (b)	Director, Commerce Bank (President-Kemp Farms) Lexington, Illinois
Garry D. Kinder '55 (d)	Chairman of the Board, Kinder Brothers Associates Dallas, Texas
Rebie R. Kingston H'96 (c)	Former Director, Office of Guidance, Detroit Public Schools Detroit, Michigan
Wonmi Kwon (c)	President, Power Enterprises Fullerton, California
Kathleen Larey Lewton '70 (b)	Stamford, Connecticut
Thomas C. McKinney, Jr., M.D. '76 (a)	Pediatrician, St. Louis Pediatric Association Chesterfield, Missouri
Thomas J. Neis, '70 (d)	Owner, Neis Insurance Agency Crystal Lake, Illinois
Robert E. Page, '58; H'86, LL.D., (b)	Chairman and CEO REP Publishing Inc. & Page Ranch Resources Inc. Rancho Santa Fe, California
John W. Remo, M.D. '58 (c)	Diagnostic Radiologist West Lafayette, Indiana
Ronald L. Ruecker, M.D., '66 (d)	Senior Physician, Internal Medicine Decatur, Illinois
Edward B. Rust, Jr. '72; H'94, LL.D. Chair, Nominating Committee, (b) (f)	Chairman and Chief Executive Officer, State Farm Insurance Bloomington, Illinois
James A. Shirk (b)	President, Beer Nuts, Inc. Bloomington, Illinois
Carlina Tapia-Ruano	Partner, Minsky McCormick & Hallagan PC Chicago, Illinois
Michael L. Tipsord, '81 (b)	Senior VP, Treasurer & CFO, State Farm Insurance Companies Bloomington, Illinois
Steven J. Wannemacher '73 (d)	President, Heritage Enterprises, Inc. Bloomington, Illinois
Richard F. Wilson, Ph.D. Executive	President, Illinois Wesleyan University Bloomington, Illinois

A year listed following a member's name indicates that the University awarded the member a degree in that year. Where an "H" precedes the year, the degree awarded was honorary. Letters in parentheses following a member's name indicate committee membership as follows: Academic Affairs (a), Business Affairs (b), Campus Life (c), Development (d), Executive (e) and Nominating (f)

Honorary Trustees

Buckinghamshire, The Earl of	Aylesbury, Bucks HP 18 OTR ENGLAND
Robert T. Fleming '45	Bloomington, Illinois
Dr. Kenji Tanaka H'91	Tokyo, Japan
Dawn K. Upshaw '82	Bronxville, New York

Trustees Emeritus

Dr. Scott Anderson '35	Urbana, Illinois
Mrs. Flora Armstrong '43	Palm City, Florida
Rex James Bates H'97	Sequim, Washington
Marvin D. Bower '45	Scottsdale, Arizona
Helen Goldsworthy Campbell	Peoria, Illinois
Melba M. Campbell '37	Belleville, Illinois
Ronald B. Cate '54	Wildrose, Wisconsin
John E. Cribbet '40	Urbana, Illinois
Robert E. Davis '55	Oak Brook, Illinois
The Reverend David P. Dees '49	Bloomington, Illinois
President Emeritus Robert S. Eckley	Bloomington, Illinois
William M. Goebel	Bloomington, Illinois
John Goldrick	Bloomington, Illinois
E. Hugh Heming H'94	Bloomington, Illinois
J. Richard Hull '55	Sarasota, Florida
Walter R. Lohman '39	Springfield, Illinois
John W. Maitland, Jr. (The Honorable)	Bloomington, Illinois
Dr. Robert E. Meeker '52	Tucson, Arizona
Davis U. Merwin H '91	Bloomington, Illinois
Dominick Monge '40	Fairfield, Illinois
Robert M. Reardon, M.D., H '02	Bloomington, Illinois
Sidney G. Smith, M.D. '60	Carbondale, Illinois
John C. Stutzman, M.D., '54	Normal, Illinois
Anne Colwell Tryon	Frankfort, Michigan
Martha Coolidge Wetzel, '52	South Pasadena, California

Certain members of the Board of Trustees and employees of Illinois Wesleyan University, as well as the University's outside counsel, are officers, directors, or stockholders of, partners in, or have other financial interests in or relationships with, one or more of the law firms which provided services and/or the financial institutions which served or are serving as underwriter, or trustee in connection with the Bonds issued by the University in 1997, 2001 and 2003.

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: The Thresholds

STATISTICS

Number:	N-NP-TE-CD-519	Amount:	\$8,000,000 (not to exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Chicago	SIC Code:	8361

BOARD ACTION

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

PURPOSE

Proceeds will be used to (i) purchase land and buildings, (ii) renovate and improve aforesaid buildings, (iii) purchase furniture, fixtures, and equipment, and (iv) fund bond issuance costs.

IFA CONTRIBUTION

Conveys Federal tax-exempt status on bond interest.

VOTING RECORD

Voting record from Preliminary IFA Bond Resolution on March 8, 2005.

Ayes: 8 Nays: 0 Abstentions: 0 Absent: 4 (Delgado, Herrin, O'Brien, Ozark) Vacancies: 3

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	<u>\$8,000,000</u>	Uses:	Project cost	\$7,860,000
				Bond issuance costs	<u>140,000</u>
	Total	<u>\$8,000,000</u>		Total	<u>\$8,000,000</u>

JOBS

Current employment: 801	Projected new jobs: 36
Jobs retained: N/A	Construction jobs: 100 (24 months)

BUSINESS SUMMARY

Background: The Thresholds (the "Applicant", "Thresholds") is Illinois' oldest and largest psychiatric rehabilitation center. Thresholds was founded in 1959 by the National Council of Jewish Women, and is an Illinois not-for-profit corporation. Thresholds creates the opportunity for people with mental illness to live with dignity and independence. Thresholds provides a comprehensive program of psychiatric care, educational development, housing, and vocational training and placement to meet its holistic approach to treatment. Thresholds has an operating presence in Waukegan and Woodstock, throughout Cook County, and as far south as Kankakee County, with 66 service or residential locations. Approximately 2,500 people with severe and persistent mental illness are served on an active basis and over 5,000 people are seen through crisis linkage teams.

The Executive Committee of Thresholds controls the management of several not-for-profits Affiliate organizations. Thresholds Rehabilitation Industries ("TRI") provides employment opportunities to former psychiatric patients by employing them as maintenance personnel for commercial buildings. TRI also has the use of some factory facilities and employs individuals for light factory assembly jobs. Thresholds Housing, Inc., Transitional Housing, Inc., and Housing Associates, Inc., provide former psychiatric patients with an independent living environment. All respective properties were financed by mortgages from HUD. HUD also provides rent subsidies. A list of addresses is available for Board review.

Threshold's programs have been recognized for excellence by the American Psychiatric Association and the U.S. Department of Labor. Thresholds receives its revenues from three major sources; (i) community (donor) contributions, (ii) grants and fees from government agencies, and (iii) agency generated income. A breakout of these sources and percentage contributions to revenue is attached to this memorandum. Thresholds is governed by a 47-member board. A list is attached for IFA Board review.

Description: The proposed financing will be used to (i) purchase an 8,100 sq. ft. facility located at 1110 West Belmont Avenue that the Applicant currently leases for the Mothers' Program. The site provides ten mothers with day care for special needs children, and with social and vocational training. (ii) Funds will be used to expand the facility and replace the entire HVAC system Thresholds' existing Administration Building located at 4101 North Ravenswood Avenue. The facility houses the Thresholds' administrative staff and the Jail Program in which the Thresholds works closely with the Cook County Jail and the Department of Corrections. Programs based at this location also provide services to individuals living in surrounding communities and the homeless. (iii) Funds will be used to purchase and renovate a 31,500 sq. Ft. industrial/office building located at 4423 North Ravenswood. This facility will be improved so Thresholds can expand its current programs and increase its emphasis on substance abuse, teen guidance, treatment, research, and recovery oriented programming. The facility will house Lincoln Laser, which is a not-for-profit subsidiary of the Applicant. Lincoln Laser provides meaningful employment for individuals utilizing Threshold's programs. Lincoln Laser will be paying Thresholds \$10,000/month rent for the space.

Remarks: Tax-exempt financing through the IFA will help lower the cost of capital to Thresholds. This helps make it possible for Thresholds to provide services in meeting its mission of serving people with severe and persistent mental illness.

FINANCING SUMMARY

Security: Direct Pay Letter of Credit from The Northern Trust Company, Chicago, Illinois.
Structure: Multi-mode seven-day weekly floating rate bonds
Maturity: 25 years.

PROJECT SUMMARY

Proceeds will be used to (i) purchase land and buildings located at 1110 West Belmont, and 4423 North Ravenswood, Chicago, Cook County, Illinois, respectively, (ii) renovate and improve aforesaid buildings and the Applicant's current site at 4101 North Ravenswood, Chicago, Cook County, Illinois, (iii) purchase furniture, fixtures, and equipment, and (iv) fund bond issuance costs.

Project Costs:	Land/Building	\$4,850,000
	Renovation	2,010,000
	Machinery/Equipment	<u>1,000,000</u>
Total		<u>\$7,860,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Thresholds
Project names: Acquisitions and renovations
Locations: 1110 West Belmont, 4101 North Ravenswood, and 4423 North Ravenswood, respectively,
Chicago, Cook County, Illinois
Organization: Not-for-profit corporation
State: Illinois
Board: Please see attached list.

PROFESSIONAL & FINANCIAL

Counsel:	Schiff Hardin LLP	Chicago, IL	Everett S. Ward
Accountants:	Deloitte & Touche LLP	Chicago, IL	
Bond Counsel:	Sonnenschein Nath & Rosenthal LLP	Chicago, IL	Rhonda C. Thomas
Issuer's Counsel	Greene and Letts	Chicago, IL	Allen P. Walker
Underwriter:	William Blair & Company	Chicago, IL	Celia Miller
Underwriter's Counsel:	Ice Miller	Chicago, IL	Thomas C. Smith
LOC Bank Counsel:	Gardner Carton & Douglas	Chicago, IL	Mary G. Wilson
Trustee:	J.P. Morgan Trust Company NA	Chicago, IL	Terence Conway
General Contractor:	TBD		
Architect:	Landon Bone Baker	Chicago, IL	

LEGISLATIVE DISTRICTS

Congressional: 5, Rahm Emanuel
State Senate: 6, John A. Cullerton
State House: 11, John A. Fritchey; 12, Sara Feigenholtz

ATTACHMENTS

Attachment A: Breakout of Applicant Sources of Revenue
Attachment B: List of Applicant Board members

Corporate Donations to Thresholds	FY2003	FY2004
Fifth Third Bank	1,323	35,000
Chicago Tribune Charities-Holiday Fund	25,000	20,000
LaSalle Bank	12,500	15,000
Sara Lee Foundation	0	15,000
Northern Trust Co. Charitable Trust	15,225	11,100
Hasbro Children's Foundation	0	10,000
Willis of Illinois, Inc.	10,000	10,000
Marsh USA Inc.	3,700	7,500
McMaster-Carr Supply Company	7,000	7,000
Classified Ventures	0	6,024
Telelink Communications LLC	4,286	5,296
Bank One Foundation	0	5,250
Bristol-Myers Squibb Company	0	5,000
Kraft Employee Fund	0	5,000
McDermott, Will & Emery	0	5,000
Mesirow Stein Development Services	3,000	5,000
Tribune Media Net	0	5,000
MTV Networks - Santa Monica Office	0	4,693
Krause Construction Services, Inc.	2,500	3,350
Up Down Tobacco Shop	3,000	3,100
Field Container Company, L.P.	0	3,000
Nextel	0	3,000
Piper Rudnick LLP	0	3,000
Sonnenschein Nath & Rosenthal	2,500	3,000
Boise Cascade Office Products	2,500	2,500
Nagano International Corp.	2,500	2,500
Pepsi USA	0	2,500
Scheer's Inc.	0	2,500
Various Corporate Donors	65,988	41,774
	<u>161,022</u>	<u>247,087</u>

Officers:

<u>NAME</u>	<u>OFFICE ADDRESS</u>	<u>HOME ADDRESS</u>
BOTTUM, Susan President		1065 Vine Street Winnetka, IL 60093 (847) 501-5470 (847) 919.4394(fax) Email: srbottum@comcast.net
ANDERSEN, Margot Vice-President	Same as Home Address	2758 Charlie Court Glenview, IL 60025 (847) 272-7765 (847) 272-0515 (fax) Email: MargotAndersen@aol.com
SEGAL, Chris Treasurer	Chiasso 1440 N. Dayton St., Suite 203 Chicago, IL 60622 (312) 932-2000 x101/2001 (fax) Email: chris@chiasso.com	34 Lakewood Drive Glencoe, IL 60022 (847)767-3150 (847) 835-9395 (fax) Email: csegal@csscapital.com
ARONS, Rand E. Secretary		3499 Old Mill Road Highland Park, IL 60035-1009 (847) 432-9955 Email: randearons@aol.com
RHODE, Christine M. Asst. Secretary	Vedder, Price, Kaufman & Kammholz 222 N. LaSalle St., 25th Fl Chicago, IL 60601 (312) 609-7575/5005(Fax) Email: crhode@vedderprice.com	2716 Asbury Evanston, IL 60201 (847) 570-0824
FAIRBANKS, William Asst. Secretary	Seyfarth Shaw, LLP 55 E. Monroe Street, # 4200 Chicago, IL 60603 (312) 269-8861/8869 (Fax) Email: fairbwi@sevfarth.com	1255 W. Webster Chicago, IL 60610 (773) 871-6530

Please notify Kathy Kerney at (773) 880-6260 x452 of changes

DIRECTORS

NAME

ANDERSEN, Margot
(Steve)

OFFICE ADDRESS

Same as Home Address

HOME ADDRESS

2758 Charlie Court
Glenview, IL 60025
(847)272-7765/0515 (fax)
Email: MargotAndersen@aol.com

ANDERSON, Jr., Andy
(Becky)

Tenney & Bentley
111 W. Washington, Suite 1900
Chicago, IL 60602
(312) 807-4856

715 Michigan Avenue
Evanston, IL 60202
Email: AHAJR@aol.com
(847) 864-7567

ARONS, Rand E.
(Jennifer)

3499 Old Mill Road
Highland Park, IL 60035-1009
(847) 432-9955
Email: randearons@aol.com

BORGHESI, David
(Nancy)

Huron Consulting Group, LLC.
550 West Van Buren St., Suite 800
Chicago, IL 60607
(312) 583-8700/8701 (Fax)
Email: dborghesi@huronconsultinggroup.com

1537 Central
Wilmette, IL 60091
(847) 251-7473

BOTTUM, Susan
(Roger)

1065 Vine Street
Winnetka, IL 60093
(847) 501-5470
(847) 919.4394 (fax)
Email: srbottum@comcast.net

BROWN, Roger O.
(Barbra)

Brown & Brown, LLC
225 West Washington St.
Suite 1650
Chicago, IL 60606
(312) 849-4545/368-9015(Fax)
Email: rogerobrown@iqbrown.com

1261 Clavey Road
Highland Park, IL 60035
(847) 433-0829

CARTLAND, John T.
(Paula)

4024 Dundee
Northbrook, IL 60062
(847) 498-4562/2557 (Fax)
Email: jtcartland@attbi.com

EPSTEIN, Allan
(Phyllis)

1040 North Lake Shore Dr.
Apt.# 15B
Chicago, IL 60611
(312) 951-0177

FAIRBANKS, William
(Mary Jo)

Seyfarth Shaw, LLP
55 E. Monroe Street, # 4200
Chicago, IL 60603
(312) 269-8861/8869 (Fax)
Email: fairbwi@seyfarth.com

1255 W. Webster
Chicago, IL 60610
(773) 871-6530

Please notify Kathy Kerney at (773) 880-6260 x452 of changes

NAME

FALK, Joel C.
(Barbara)

OFFICE ADDRESS

J. Giordano Securities Group
Managing Director
141 West Jackson Blvd., #1875
Chicago, IL 60604
(312) 341-7475/7701 (Fax)
Email: jfalk@jgiordano.com

HOME ADDRESS

615 Lincoln
Glencoe, IL 60022
(847) 835-4292

FRIEDMAN, Judy

330 W. Diversey, Apt. 2306
Chicago, IL 60657
(773) 525-7100

GOOSSEN, Dean H.

1630 Chicago Avenue
Evanston, IL 60201
(847) 328-4658
E-mail: goossd@aol.com

GRAIS, Ronald B.
(Marilynn)

Schwartz, Cooper, Greenberger &
Krauss, Chartered
180 North LaSalle St., Suite 2700
Chicago, IL 60601
(312) 845-5119/264-2411 (Fax)
E-mail: rgrais@scgk.com

1326 Sunview Lane
Winnetka, IL 60093
(847) 446-5177

HART, Mrs. Florence S.

2660 Pfingsten Road
Northbrook, IL 60062
(847) 272-0063/8843 (Fax)

HERSETH, Mrs. Mary Jo
(Stephen)

LaSalle National Bank
135 S. LaSalle, Suite 300
Chicago, IL 60603
(312) 904-8417/0292(Fax)
Email: maryjo.herseth@abnamro.com

829 Clinton Place
River Forest, IL 60305
(708) 488-1462

HILL, Mrs. Mary
(Melville)

271 Linden
Winnetka, IL 60093
(847) 446-5794

HORWICH, Vicki
(Thomas)

121 DeWindt Road
Winnetka, IL 60093
(847) 446-7746

JOHNSON, Andrew
(Sheree)

Lincoln Capital Management Co.
200 South Wacker Dr., 21st Floor
Chicago, IL 60606
(312) 559-2880/559-2909 (Fax)
Email: ajohnson@lincap.com

544 Linden Avenue
Oak Park, IL 60302
(708) 358-0885

JOSEPHS, Jeff
(Mary)

Diversified Financial Management
Corp.
200 West Madison, 25th Floor
Chicago, IL 60606
(312) 920-2283
Email: jm1510@aol.com

1308 E. Campbell St.
Arlington Heights, IL 60004
(847) 632-0558/797-8805 (Fax)

Please notify Kathy Kerney at (773) 880-6260 x452 of changes

<u>NAME</u>	<u>OFFICE ADDRESS</u>	<u>HOME ADDRESS</u>
KAHN, Jonathan	Castlebridge Risk Solutions President 900 E. Jackson, Suite 9E Chicago, IL 60607 (312) 377-1252/1290 (Fax) Email: jk01@castlebridge.com	416 West Webster Chicago, IL 60614 (773) 296-0700
LOEWENTHAL, Richard (Audrey)		1280 Forest Glen Drive N. Winnelka, IL 60093 (847) 448-1451 Email: r.loewenthal@att.net
MABIE, James W. (Kay)	William Blair & Co. 222 W. Adams Street Chicago, IL 60606 (312) 236-1600/551-1511(Fax) Email: JWM@WMBlair.com	285 Old Farm Road Northfield, IL 60093 (847) 441-6272
MARTINO, Roxanne M. (Rocco)	Harris Alternatives, L.C.C. 227 W. Monroe, 60 th Fl. Chicago, IL 60602 (312) 762-6797/6702 (Fax) Email: rmartino@harrisalternatives.com	1468 Garywood Drive Burr Ridge, IL 60521 (630) 323-0992 (630) 323-0993 (Fax)
MAUTNER, Mrs. Adrienne (Henry)		1113 Fairway Lane Northbrook, IL 60062 (847) 291-1415 Email: handa1113@aol.com
MOOS, Joseph (Julie)	Economy Folding Box 2601 S. LaSalle Street Chicago, IL 60616 (312) 225-2000/3082 (Fax) Email: mooshouse@aol.com	1423 Gregory Wilmette, IL 60091 (847) 256-5727
MORLEY, Anne Marie (Richard)	Harris Alternatives, L.C.C. 227 West Monroe, 60 th Floor Chicago, IL 60602 (312) 762-6767/6709 (fax) Email: ammorley@harrisalternatives.com	1484 Garywood Drive Burr Ridge, IL 60527 (630) 455-5987
MURPHY, David (Susan)	Chicago Tribune 435 North Michigan Ave. Chicago, IL 60611 (312) 222-6516/5456 (fax) Email: dpmurphy@tribune.com	429 South Prospect Park Ridge, IL 60068 (847) 692-6753
PYLES, Donald (Pat)	18339 Stewart Avenue Homewood, IL 60430-3031 (708) 798-8440/9406 (Fax)	18339 Stewart Avenue Homewood, IL 60430-3031 (708) 798-5830 Email: DGP613@aol.com

Please notify Kathy Kerney at (773) 880-6260 x452 of changes

<u>NAME</u>	<u>OFFICE ADDRESS</u>	<u>HOME ADDRESS</u>
RHODE, Christine M.	Vedder, Price, Kaufman & Kammholz 222 N. LaSalle St., 25th Fl Chicago, IL 60601 (312) 609-7575/5005(Fax) Email: crhode@vedderprice.com	2716 Asbury Evanston, IL 60201 (847) 570-0824
RUSNAK, Earl, Jr.	Harris & Associates 2 N. LaSalle, St., Suite 500 Chicago, IL 60602 (312) 621-0612/0679 (Fax) Email: erusnak@harrisassoc.com	800 N. Michigan Ave. #4402 Chicago, IL 60611 (312) 337-7225
SAHAGIAN, Linda (Douglas Stewart)	Sahagian & Associates, Inc. 124 Madison Street - P.O. Box 997 Oak Park, IL 60302 (708) 848-5552/386-5959 (Fax) Email: ayardof@earthlink.net	1001 Fair Oaks Oak Park, IL 60302 (708) 848-5511/7088
SANDLER, Martin N. (Lucie)		6500 N. Kolmar Lincolnwood, IL 60712 (847) 679-5784/5786 (Fax) Email: MLSandler@aol.com
SEGAL, Chris (Karen)	Chia'sso 1440 N. Dayton St., Suite 203 Chicago, IL 60622 (312) 932-2000 x101/2001 (Fax) Email: chris@chiasso.com	34 Lakewood Dr. Glencoe, IL 60022 (847) 767-3150/9395 (Fax) Email: csegal@csscapital.com
SZKATULSKI, Michael (Laura)	Mesirow Stein Development Services Managing Director 350 N. Clark Street Chicago, IL 60610 (312) 595-7860/7830 (Fax) Email: mszkatul@mesirowfinancial.com	610 Laurel Avenue Wilmette, IL 60091 (847) 251-8393
THOMAS, Tracy (Melissa)	Motorola Corporate Director Motorola, Inc., Corp. Initiatives Grp. 1303 E. Algonquin Rd., MD:7 th Floor Schaumburg, IL 60196 (847) 576-2831/2092 (Fax) Email: tracy.thomas@motorola.com	1626 N. Orchard, Unit D Chicago, IL 60614 (773) 472-1289
WARD, Everett S. (Iris Sims)	Schiff Hardin & Waite 6600 Sears Tower Chicago, IL 60606 (312) 258-5817/258-5600(Fax) Email: eward@schiffhardin.com	1108 N. Elmwood Oak Park, IL 60302 (708) 524-2638

Please notify Kathy Kerney at (773) 880-6260 x452 of changes

LIFE DIRECTORS:

NAME

BEHR, Mrs. Mickey
(Louis)

OFFICE ADDRESS

HOME ADDRESS

1000 N. Lake Shore Dr.
Chicago, IL 60611
(312) 943-2258

BOSLER, Theodore A.
(Suzanne)

812 Oak Street
Winnetka, IL 60093
(847) 446-2443 (Home)
(312) 444-6015 (Bus.)

CRANE, William A.
(Margaret)

863 Pembridge Drive
Lake Forest, IL 60045
(847) 234-4805

GALPER, Howard D.
(Barbara)

Marks, Marks & Kaplan, Ltd.
55 West Monroe St., #3300
Chicago, IL 60602
(312) 332-5200/2952 (Fax)
Email: hdg@mmk-ltd.com

1501 N. State Parkway, Apt.22E
Chicago, IL 60610

GREENEBAUM, Robert
(Nancy)

828 Kimballwood Lane
Highland Park, IL 60035-3624
(847) 681-1575/1576(Fax)
Email: nrgjg@aol.com

828 Kimballwood Lane
Highland Park, IL 60035
(847) 432-0786

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Central City Studios, L.L.C.

STATISTICS

Project Number:	I-ID-TE-CD-410	Amount:	\$40,000,000 (not to exceed)
Type:	IRB	PA:	Townsend Albright
Location:	Chicago	SIC:	51-2110

BOARD ACTION

Current Status Report	Conduit Empowerment Zone Bonds
No IFA funds at risk	Staff recommends approval

Extraordinary condition: The proposed bonds are expected to receive the moral obligation of the State of Illinois of up to 70.0% of the par amount of bonds issued not to exceed \$40-million, whichever is less.

PURPOSE

This project is part of a joint City of Chicago-State of Illinois economic redevelopment effort in Chicago's Lawndale neighborhood. These bonds, combined with City of Chicago TIF bonds, New Market Tax Credits, and a State of Illinois Grant will allow the development of Phase I of a planned three phase redevelopment. Phase I: (i) purchase land, (ii) construct three buildings to house five film and television production sound stages and production support spaces, (iii) purchase and install equipment and fixtures, (iv) construct a service area drive, (v) fund various reserves, (vi) capitalize six years' interest on the bonds, and (vii) fund legal and professional costs.

IFA CONTRIBUTION

The IFA will issue the Empowerment Zone bonds. No IFA Volume Cap would be used and no IFA funds would be pledged to the financing. The City of Chicago will issue Tax Increment Financing (TIF) bonds of approximately \$10.5-million as part of the overall financing package.

VOTING RECORD

Voting record from the Preliminary IFA Bond Resolution on June 22, 2004.

Ayes: 10 Nays: 0 Abstentions: 0 Absent: 2 (Nesbitt, O'Brien) Vacancies: 3

SOURCES AND USES OF FUNDS**

Sources:	IFA Bonds	\$35,000,000	Uses:	Project Costs	\$55,895,000
	New Market Tax Credits	16,500,000		Debt Service Fund	5,830,000
	TIF Note	10,500,000		Debt Service Reserve	2,970,000
	Cash	3,500,000*		Capitalized Interest	2,680,000
	Developer Note	2,000,000		Legal/Professional	1,125,000
	Illinois First Grant	1,000,000		Shortfall	<u>3,500,000</u>
	Shortfall	<u>3,500,000</u>			
	Total	<u>\$72,000,000</u>		Total	<u>\$72,000,000</u>

* Proposed minimum cash injection from Allison-Whitlock Incorporated and Raleigh Enterprises.

** All numbers are preliminary and subject to change.

JOBS

Current employment:	N/A	Projected new jobs:	1015
Jobs retained:	N/A	Construction jobs:	235 (16 months)

BUSINESS SUMMARY

State film industry: In 2004, portions of 11 feature films, including *Oceans 12* (Warner Brothers), *Spiderman 2*, Columbia Pictures, and *The Weatherman* (Paramount Pictures), were produced in Illinois. For the years 2003, 2004, and 2005 the Illinois Film Office estimates that over \$74-million, \$75-million, and an estimated \$100-million, respectively of primary, secondary and tertiary income was and will be generated for Illinois businesses and citizens through the productions of films, television series, and commercials.

The Illinois and City of Chicago film offices indicate there exists a demand for a state-of-the-art facility to capture the growing user demand, caused in part film tax credits recently made available in Illinois for film, TV, and commercial production in Illinois. Raleigh Studios believes Chicago offers many advantages which would make the city and the State a preferred filmmaking destination.

1. Incentives: Generous film tax credits for film production companies make Chicago and Illinois highly competitive from a cost perspective.
2. Advertising Base: Chicago has North America's second largest concentration of advertising agencies available for producing commercials, and
3. Talent Base: Chicago has approximately 134,000 workers specializing in 145 different film-related skills currently working in area theater, film, television, entertainment and other visual media.
4. Location: Chicago can be used as a backdrop for virtually any metro area around the world. It has great variety of neighborhoods and architecture and is also the location for many scripts and stories.
5. Accessibility: Chicago is a hub for air traffic and is easily accessible from New York, Hollywood and other US and international metropolitan areas. The facility is located within a 30 minute drive to hotels, restaurants and entertainment for actors, producers and crews arriving from out of town.

The Developer's projections indicate that a film production facility would contribute (i) an additional \$195-million in yearly economic contribution to Illinois citizens, (ii) generate an anticipated \$45-million in real estate tax revenues over ten years, (iii) create ancillary commercial development and community revitalization in the Chicago's North Lawndale neighborhood, and (iv) change Chicago from being a "fair weather" city to an all-year city for year-around film and TV production. "Fair weather" is a term that is used in the film industry to describe locations, such as Chicago and Illinois, that due to the lack of modern studio and editing facilities, can only be used for film and television locations in the Spring, Summer and early Fall (the fair weather months). As a result, Raleigh and the film offices claim, most films and television productions with a Chicago backdrop are only partially filmed and produced in Chicago and then the production crew moves to California to complete filming and editing in the state of the art studios.

Background: Central City Studios, L.L.C. (the "Applicant", "CCS") is an Illinois Limited Liability Corporation established in 1999. CCS endeavors to develop a state-of-the art film and television sound stage studio facility (the "Project"). CCS serves as the operating company of the Project. Currently, on a pre-dilution basis, Allison-Whitlock Incorporated ("Allison") owns 75.0% of CCS and Central City Holding Corporation ("CCHC") owns 25.0% of CCS.

Allison-Whitlock is a Delaware S Corporation of which Stephen A. Allison is the Sole Shareholder. Central City Holding Corporation is an Illinois S Corporation of which Donald Jackson is the Sole Shareholder. Mr. Jackson is an established Chicago television producer. Current CCHC productions include (i) *The Minority Business Report*, (ii) the *Stellar Awards*, and (iii) *Know Your Heritage*.

In 2001 Deloitte and Touche ("DT") conducted a market feasibility study to determine whether Chicago was a viable market for a film and television studio. The study established that:

1. Chicago is a good outside shooting location,
2. There is currently a high use of local studio space,
3. There exists a high utilization of studios nationally. Studios in Los Angeles and New York are being heavily utilized. Chicago is perceived by the industry to be an excellent location for film and television production,
4. The quality and work ethic of Chicago's film and television professionals is excellent. Institutions such as Northwestern University, Columbia College, DePaul University, and the School of the Art Institute all offer highly competitive programs and comprehensive programs designed specifically for film and television professionals,
5. Chicago City personnel are very active in and supportive of the industry,
6. Ease of geographic access to Chicago,
7. The array of amenities Chicago offers,
8. Chicago offers great audiences for live and/or reality-based production. Shows such as *The Oprah Winfrey Show* (Harpo Productions), and the new weekly drama *Prison Break* (Fox Television) are being taped in Chicago,
9. The generous film tax credits offer a great incentive for production companies to produce films in Illinois.

The equity of the initial members will be diluted once outside equity financing is contributed. In order to generate the minimum equity required by the State of Illinois for the Moral Obligation the Developer is seeking outside financing. Raleigh Enterprises ("Raleigh") will contribute outside equity and become the managing partner responsible for all studio operations of CSS, its largest equity investor, and a member of its development team. Raleigh's contribution will give Raleigh (and others) an ownership in the operating company of approximately 20.0%, leaving the initial member entities, AWI and CCHC, with approximately 60.0% and approximately 20.0%, respectively. The Applicant will be renamed Raleigh Studios Chicago. A list of equity shareholders is outlined in this report.

New market Tax:
Credits

As presented, the proposed financing is will be structured in accordance with Federal New Market Tax regulations. The New Market Tax Credits provisions are stimulating the approximately \$16-million equity injection into the project. The New Market Tax Credit Program ("NMTC") permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities ("CDEs"). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income community businesses. Lawndale qualifies. The credit provided to the investor totals 30.0% of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

The TIF proceeds, cash injection, and the IFA bonds proceeds are being combined with the NMTCs in the CDEs so the NMTC Investor can get a tax credit return based upon the combined pool of funds – not just the \$16.5-million of NMTCs. Equally important is that the project does not have to pay back the \$16.5-million after the seven-year period.

About Raleigh: Raleigh, a domestic US corporation and parent company of Raleigh Studios and Hollywood Rentals, is recognized in the industry as one of the largest operators of independent film studio facilities in North America and the leading rental provider of professional lighting and grip equipment to the motion picture, television, and commercial production and special events industries. Raleigh has been in business for approximately 53 years, currently owns and operates 26 state-of-the-art sound stages, and has over 600,000 sq. ft. of ancillary office and production support space at its California studio complexes. Raleigh generated revenues of nearly \$65 million in 2003, and owned over \$200 million in assets. In 1998 Raleigh opened the world's largest production facility outside Hollywood, in Manhattan Beach, CA, and a studio in New York. Both studios are successfully operating and are profitable.

Biographies: George Rosenthal, Chairman and CEO, founded Raleigh Enterprises in 1955. He began his career in real estate development with the Donald Coleman Company in Orange County, CA and was a pioneer in the development of residential property in Orange County. Mr. Rosenthal attended UCLA and is Vice Chair of the West Hollywood marketing Corporation and is Director of the Los Angeles Arts Festival.

Michael Moore, President, Raleigh Enterprises, began his career in 1989 with Raleigh Enterprises. Mr. Moore has more than 25-years' experience in the entertainment industry. He originally worked as a distributor of music and films for major and independent film production and recording studios. He joined Raleigh as a marketer of Raleigh's studio services to film studios and producers of film commercials. As President, Mr. Moore is involved in managing and marketing Raleigh's studio services nationally and internationally.

Stephen A. Allison, managing shareholder in Allison Whitlock Corporation, is a partner at the Chicago law firm of Wildman, Harrold, Allen & Dixon. Mr. Allison began his career on Wall Street with Milbank, Tweed, Hadley & McCloy working specifically on project finance of co-generation facilities being developed by independent power producers and major electric power utilities. His project development and finance experience also includes the project management of and structuring finance for film and studio projects, structured lease financing, and commercial real estate development. Mr. Allison has a J.D. from Northwestern Law School, an MBA from the J.L. Kellogg Graduate School of Management, and a B.A. from Northwestern University.

Description: Phase one of the project consists of the construction of a complex of film and television production studios, sound stages, and related support facilities on approximately twelve acres of land in the Roosevelt-Cicero Industrial TIF District, located in the Lawndale neighborhood. The initial phase of the project will include (i) two 18,000 sq. ft. stages, one 15,000 sq. ft. stage, and two 25,000 sq.ft. stages, (ii) a 28,000 sq.ft. production office building, (iii) a 21,600 sq.ft. production support mezzanine area, (iv) a 21,600 sq.ft. service area, (v) a 25,270 sq. ft. mill/shop building, and (vi) a 479-space parking lot. CCS will provide an omnibus of production services to film and television companies/tenants for the production of feature films and television shows, including but not limited to sound stage space, office space, related production services. The Chicago studio complex will be constructed on the same scale as Raleigh's Manhattan Beach, CA facility. Related production services include financial services, pre-production and post-production services, *etc.*

Empowerment Zone Bonds: This program resulted from the enactment of the Community Renewal Tax Relief Act of 2000 (HR 12387), which expanded the scope and dollar limit for the issuance of Industrial Revenue Bonds ("IRBs") in federally designated Empowerment Zones ("EZs"). EZ bonds, unlike IRBs, have much higher limits on the dollar amount of bond issuance, and can be issued for non-manufacturing projects. Dollar limits cannot exceed \$60 million if such zone is in a rural area, \$130 million if such zone is located in an urban area and the zone has a population of less than 100,000; and \$230 million if such zone is in an urban area and the zone has a population of at least 100,000.

A requirement of the Empowerment Zone bond program is to hire a substantial number of residents of the Empowerment Zone. In an effort to facilitate significant hiring to fill jobs from residents of the Lawndale and surrounding neighborhoods, the CCS intends to engage the services

of the North Lawndale Employment Network, or similar neighborhood organization through the City of Chicago's Mayor's Office of Workforce Development to source and train a qualified pool of residents and qualified prospective employees for television and production jobs as well as construction jobs on the project.

Moral Obligation: Summary of pledge: If there are inadequate project revenues to pay debt service on a project, the Governor is obligated to include an appropriation in the next State budget in the amount of the deficiency. The General Assembly is not legally obligated to approve such an appropriation.

If a shortfall occurs:

1. The Bond Trustees withdraws funds from the Debt Service Reserve Fund,
2. The Governor includes the appropriation to satisfy the deficiency in the following year's budget,
3. The General Assembly decides whether or not to fund the appropriation and satisfy the State's "moral obligation" commitment to bondholders.

The IFA has no obligation to satisfy the shortfall from its own funds.

Remarks: The project is critical in assisting Chicago and Illinois' retention of current film and television opportunities, and is necessary in attracting new productions to Chicago. The film and television production industry spends substantial amounts of money to produce films and television shows, and is a large employer of both skilled and semi-skilled labor.

FINANCING SUMMARY

Type: The State of Illinois Moral Obligation bonds normally carry an A rating from Standard and Poors and it is expected that rating will be extended to these bonds. The underwriters are exploring the possibility of adding AAA bond insurance to the transaction.

Structure: The current plan is to use fixed rate bonds.

Maturity: 25 years

Note: (i) The Internal Revenue Code authorizes issuance of Tax-Exempt Bonds for non-manufacturing projects located in federally designated Empowerment Zones. Lawndale qualifies.
(ii) The proposed bonds are expected to receive the moral obligation of the State of Illinois of up to 70.0% of the par amount issued not to exceed \$35-million, whichever is less. At this time the total project cost is estimated at \$72-million, including these bonds, the City of Chicago TIF bonds, Developer equity, a State Grant of \$1-million and Federal Tax Credits of \$16.5-million.

Collateral: (i) First mortgage of real estate consisting of 12.24 acres of land having a value of approximately \$1,500,000, five buildings totaling approximately 222,190 square feet to be built at a cost of approximately \$41,500,000, (ii) first lien in security interest in the approximately \$6,895,500 equipment financed by the bonds, plus an assignment of rents and leases, and (iii) the expected moral obligation of the State of Illinois. Applying a 70.0% loan to cost basis ratio allows for bond issuance of approximately \$35,000,000 (\$34,790,000). An appraisal will be provided prior to closing.

PROJECT SUMMARY

Proceeds will be used to (i) purchase approximately 12.24 acres land from the City of Chicago which is located in the Roosevelt-Kostner Brownfield Site in the Roosevelt-Cicero Industrial TIF District, Chicago, Cook County, Illinois, (ii) construct an approximately 222,190 sq. ft. building which will house five film and television production sound stages, an approximately 28,000 sq. ft. office building, and an approximately 21,660 sq. ft. service area production support area on the above property, and a 25,270 sq. ft. mull/shop building, (iii) purchase and install equipment and fixtures, (iv) establish a debt service reserve fund equal to 10.0% of the par amount, (v) fund various reserves, (vi) capitalize six years' interest on the bonds, and (vii) fund legal and professional costs.

Total Project Costs: \$72,000,000

Approximate cost basis of the hard assets and equipment are as follows:

Buildings and land	\$43,000,000
Equipment	6,895,000
Arch/Eng.	<u>6,000,000</u>
Total	<u>\$55,895,000</u>

The project consists of four financing components; TIF, NMTC, equity, development team equity, and EZ bonds. Each component has its share of legal and professional costs independent of bond issuance costs. The allocated costs can be reviewed on Exhibit A of this report. (Exhibit A is being revised.)

ECONOMIC DISCLOSURE STATEMENT

Applicant: Central City Studios, L.L.C.
Project name: CCS New Facilities Project

Location: Roosevelt-Cicero Industrial TIF District, Chicago, Cook County, Illinois
Organizations: Central City Studios, L.L.C

Limited Liability Corporation
State: Illinois

Ownership: **Current Ownership (Before the proposed infusion of equity from Raleigh)**

Allison-Whitlock Incorporated 75.0%
225 W. Wacker Drive, Suite 2800
Chicago, IL 60606
c/o Wildman, Harrold & Dixon, LLP

Central City Holdings Corporation 25.0%
c/o Donald Jackson
410 N. Wabash Avenue
Chicago, IL 60601

Ownership (estimated maximums) after proposed infusion of equity from Raleigh

Allison-Whitlock Incorporated 60.0%
Contact and address: see above
Central City Holdings Corporation 20.0%
Contact and address: see above
Raleigh Enterprises 20.0%
C/O George I. Rosenthal
Chairman and CEO
100 Wilshire Boulevard
8th Floor
Santa Monica, CA 90401

PROFESSIONAL & FINANCIAL

Accountant:	Deloitte & Touche LLP	Chicago, IL	Tom Elmer
Bond Counsel:	Peck, Shaffer & Williams	Chicago, IL	George Buzard
Underwriters/:	Bank of America	Chicago, IL	Neil Pritz
Placement Agents	Mesirow, Inc.	Chicago, IL	Larry Morris
Underwriters'/:	Chapman and Cutler	Chicago, IL	Matt Lewin
Placement Agents' Counsel:			
State's and Issuer's Counsel	Mayer Brown Rowe & Maw	Chicago, IL	David Narefsky
Issuer's Advisor:	Kirkpatrick Pettis	Chicago, IL	William B. Morris
Developer:	Allison-Whitlock Incorporated	Chicago, IL	Stephen A. Allison
Developer's Counsel:	Wildman, Harrold, Allen & Dixon	Chicago, IL	David Fischer
Developer Counsel:	Neal & Leroy	Chicago, IL	Langdon D. Neal
to City of Chicago			
Trustee:	JP Morgan Institutional Trust Services	Chicago, IL	Rodney Harrington
Structuring Agent:	GMAC Commercial Holding	Chicago, IL	Michael Sears
To Tax Credit	Capital Markets Corp.		
Syndicator			

Central City Studios. L.L.C.
Page 8

Structuring Agent:	Eichner & Norris	Washington, DC	Ad Eichner
Counsel			
NMTC Allocatees:	Local Initiatives Support Corporation	Kalamazoo, MI	Robert Poznanski
NMTC Investor:	National City CDC	Chicago, IL	Charles E. Moore
Equity Investor:	Nixon Peabody LLP	Washington, DC	David F. Schon
Counsel			
Contractor:	McHugh Construction Co.	Chicago, IL	

LEGISLATIVE DISTRICTS

Congressional:	07 Danny K. Davis
State Senate:	05 Rickey R. Hendon
State House:	10 Annazette R. Collins

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
October 11, 2005**

Project: Pollmann North America, Inc.

STATISTICS

Project Number:	I-ID-TE-CD-694	Amount:	\$6,000,000 (not-to-exceed amount)
Type:	Industrial Development Bond	IFA Staff:	Steven Trout
Location:	Romeoville		
SIC Code:	3714: Motor Vehicle Parts & Accessories		

BOARD ACTION

Preliminary Bond Resolution	No IFA funds at risk.
Conduit Industrial Development Bonds	Staff recommends approval.
No extraordinary conditions	

PURPOSE

To acquire a 4.26-acre site located at 950 Tube Drive in Romeoville and construct and equip a 47,900 square-foot auto parts manufacturing plant.

VOLUME CAP

This financing will require up to \$6,000,000 of Volume Cap.

VOTING RECORD

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

**SOURCES AND USES OF FUNDS
(Preliminary, subject to change)**

Sources:	IFA Bonds	<u>\$4,879,000</u>	Uses:	Project Costs	<u>\$4,879,000</u>
	Total	\$4,879,000		Total	\$4,979,000

JOBS

Current employment:	53	Projected new jobs:	16
Jobs retained:	N/A	Construction jobs:	95 (over 6 months)

BUSINESS SUMMARY

Description: Pollmann North America, Inc., ("Pollmann" or "the Borrower"), is an Illinois S-Corporation that was incorporated on March 2, 2001. Pollmann is the US subsidiary of Pollmann Feinwerktechnik GMBH, an Austrian manufacturer that primarily serves the electronics and automotive industries.

Background: Franz Pollmann founded Pollmann in 1988 to produce clock movements and mechanisms. In the 1930s, Pollmann products expanded to include gearboxes, belt transport systems, and recording measuring instruments. In 1958, the company began producing counting mechanisms, initially for tape and cassette recorders. In 1980, Pollmann began producing counting mechanisms for speedometers, its product for the automotive industry. In 1988 Pollmann gained a Q1 certification from Ford GB and USA, one Austria's first companies to do so. In 1991, the company gained

Chrysler's Quality Excellence certification. In 1997, annual production of kilometer counters peaked at 7 million units. In the 1990s, Pollmann attained ISO 9001, QS 9000 and VDA 6.1 certifications and began producing sunroof mechanisms, windshield wiper motor covers, housings for door lock systems and chassis for tape arching systems. In 2001 Pollmann opened Pollmann North America in response to demand from European and American automotive manufacturers. In 2002, Pollmann Austria and North America both are certified in accordance with ISO/TS 16949:2002 and ISO 9001:2000 standards.

The Project: Until now, Pollmann North America has operated in leased space in Romeoville. The company has outgrown its space is developing a larger building and planning to purchase additional equipment to accommodate further growth from existing customers and prospects. The principals recently acquired the site and are seeking the Authority's inducement now to preserve the ability to use Industrial Revenue Bonds proceeds to reimburse eligible project costs. Fifth Third Securities plans to underwrite the Bonds with a Fifth Third letter of credit in December 2005.

FINANCING SUMMARY

Obligor: Pollmann North America, Inc.
The Bonds: Variable Rate Demand Notes secured by a letter of credit from Fifth Third. The interest payments on the Notes may be swapped to provide Pollmann with a synthetic fixed rate of interest.
LOC Security: The Bonds will be secured by a first mortgage in the subject real estate, a first security interest in the financed equipment, and an assignment in rents and leases.
Amortization: Approximately 25 years

PROJECT SUMMARY

The Project will finance the: 1) the acquisition of a 4.26-acre site located at 950 Chicago Tube Drive in Romeoville, 2) construction of a 47,900 square-foot masonry building to be used for manufacturing and office space, 3) acquisition and installation of new equipment, and 4) payment for related professional services. Project costs are estimated below:

Land Acquisition:	\$789,000
Constructions:	2,800,000
Power Supply	300,000
Cooling and Air Compressor System	150,000
New Molding Machine	270,000
Material Feeding System	175,000
Crane and Measurement Equipment	120,000
Security, Computer and Telephones	55,000
Furniture	50,000
Moving Expenses	70,000
Professional Fees:	<u>100,000</u>

Total: \$4,879,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Pollmann North America, Inc., (48 Belmont Drive, Romeoville, Illinois 60446. Contact: Michaela Kellner, Finance Manager, 815/293-3250 extension 19)
Project name: Pollmann North America, Inc.
Location: 950 Tube Drive, Romeoville (Will), Illinois 60446
Organization: Illinois Corporation
Ownership: Pollmann Feinwerktechnik GMBH Karlsein/Thaya, Austria 90%
Johann Harrer Romeoville, IL 10%

Pollmann North America, Inc.
Industrial Revenue Bonds
Page 3

Preliminary Bond Resolution
November 8, 2005
FM: Steve Trout

PROFESSIONAL & FINANCIAL

Bond Counsel:	Wildman Harrold	Chicago	Jim Snyder
Underwriter/			
Remarketing Agent:	Fifth Third Securities	Chicago	Sevy Petras
LOC Bank	Fifth Third Bank	Rolling Meadows	Todd Ritz
LOC Counsel	To be determined		
Issuer's Counsel:	To be determined		

LEGISLATIVE DISTRICTS

State House:	85 th	Brent Hassert
State Senate:	43 rd :	Arthur Wilhelmi
Congress:	13 th	Judy Biggert

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Barton Manufacturing

STATISTICS

Project Number: I-ID-TE-CD-522	Amount: \$3,000,000 (not-to-exceed amount)
Type: Industrial Revenue Bonds	IFA Staff: Jim Senica
Location: Decatur	SIC Code: 3599

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Industrial Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Proceeds of the bond issue will be used to finance the construction of a 20,000 square foot addition to an existing 37,500 square foot industrial building located at 11395 S Taylorville Road in Decatur, Illinois (Macon County), the acquisition of new machinery and equipment and to pay certain bond issue costs.

VOLUME CAP

Applicant will be seeking up to \$3,000,000 in Volume Cap.

VOTING RECORD

The voting record from the preliminary Board presentation on March 8, 2005, is as follows:

Ayes: 8 Nays: 0 Abstentions: 0 Absent: 4 (Delgado, Herrin, O'Brien, Ozark)

SOURCES AND USES OF FUNDS

Sources: IFA Tax-exempt Bond:	\$3,000,000	Uses: Building Construction	\$2,840,000
Equity	<u>500,000</u>	New machinery & equip	600,000
Total	<u>\$3,500,000</u>	Issuance costs	<u>60,000</u>
		Total	<u>\$3,500,000</u>

JOBS

Current employment:	46	Projected new jobs:	25
Jobs retained:	NA	Construction jobs:	(15/9 months)

BUSINESS SUMMARY

Background: Barton Manufacturing was established as Red Barton, Inc. in 1950 as an Illinois S corporation. The Company was created to provide overflow welding and machining products and services for the local Caterpillar, Inc. plant. In 1990, the Company was purchased by one of its financial

partners, Larry Rogers, and the Company name was changed to Barton Manufacturing. In 1992, Greg Mason was hired as the Company's general manager and given the mandate to grow and expand Barton's machining capability to meet new customer needs. The Company's revenue increased from \$615,000 per annum at the time of Greg's hiring to \$1,136,000 in 1995.

Operations: Barton Manufacturing manufactures key components and subassemblies for U.S. manufacturers of industrial equipment. The Company's services include complete part manufacturing services, CNC machining, fabrication, CAD design, conventional machining, high speed milling and drilling, grit blasting, plate and bar shearing plus painting and plating activities. Items manufactured include steel and iron castings, aluminum and steel manifolds, brass forgings and of course numerous varieties of precision turned components.

Barton Manufacturing is firmly committed to providing exceptional quality in its parts and services. The company is ISO9001/2000 certified and compliant, with strict adherence to quality guidelines and audited twice a year for certification purposes. The company's part rejection history is nearly at zero defects.

The project: The proposed project involves the construction of a 20,000 square foot building addition to the Company-owned existing 37,500 square foot industrial building located at 11395 S Taylorville Road in Decatur, Illinois (Macon County) and the acquisition of new machinery and equipment for use therein.

FINANCING SUMMARY

Security: Bonds will be secured by a direct-pay letter of credit to be issued by National City Bank of the Midwest.

Structure: Bonds will be placed through NatCity Investments, Inc.

Maturity: Bond maturity will be 13 years.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Barton Manufacturing
Organization: Illinois S Corporation
Ownership: Larry Rogers - 45%, Greg Mason - 35% & John Phillips - 20%

PROFESSIONAL & FINANCIAL

Borrower's Council:	Erickson, Davis, Murphy, Johnson Griffith & Walsh, Ltd.	Decatur	Evan Johnson
Accountant:	B K D	Decatur	Gary Genenbacher
Bond Counsel:	Hart, Southworth & Witsman	Springfield	Sam Witsman
Issuer's Counsel:	Evans, Froehlich, Beth & Chamley	Champaign	Kenneth N. Beth
Bond Underwriter:	NatCity Investments, Inc.	Cleveland, OH	Mary Grace Pattison
Letter of Credit Bank:	National City Bank of the Midwest	Decatur	Kurtis M. Rudsinski
Trustee:	Amalgamated Bank of Chicago	Chicago	Remonia Jamison

LEGISLATIVE DISTRICTS

Congressional: 17 - Lane Evans
State Senate: 51 - Frank Watson
State House: 101 - Bob Flider

CoBatCo's current volume of baking mixes is approximately three million pounds annually. The blending and packaging of these mixes at the various out-of-state flour mills presents opportunities for the Company to pursue cost savings, improved quality control, increased product security and timeliness, by consolidating mixing operations at their Peoria plant.

CoBatCo's customer base is very broad including such well-known eateries as Bob Evans Restaurants, (589 locations), Country Kitchens (225 locations), and Carvel (400 locations). Additionally, the Company has a number of accounts outside of the U.S., with export business accounting for approximately 23% of the sales volume.

The project: CoBatCo has established a relationship with the U.S.D.A. Laboratory in Peoria and has initiated steps to become the sole manufacturer of a fat substitute product called Fantesk which was invented at the U.S.D.A. Lab. The product currently has existing users that have been relying on the Lab to make the product. The project presented in this report entails financing for the acquisition of new equipment and modifications to the Company's existing manufacturing facility to accommodate the manufacture of Fantesk as well as consolidating mix blending and packaging in Peoria. The project will allow the Company to mix and blend dry flour products in Peoria instead of using three co-packers located in Michigan, Oklahoma and Texas. The Company will continue to use a California co-packing operation for its west coast customers as increased shipping costs to that area associated with blending the mixes in Peoria would outweigh any savings resulting from consolidation.

FINANCING SUMMARY

Obligor: CoBatCo

Guarantors: Donald O. and Amy L. Stephens

Repayment: In the event of a liquidation of our collateral (all real estate, equipment and machinery), proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicant: CoBatCo
Organization: Illinois S Corporation
Ownership: Donald O. and Amy L. Stephens

PROFESSIONAL & FINANCIAL

Bank	Heartland Bank and Trust Company	Peoria	Donald L. Shafer
IFA Counsel:	Dykema Gossett PLLC	Chicago	David Cellitti

LEGISLATIVE DISTRICTS

Congressional: 18 – Ray LaHood
State Senate: 37 – Dale Risinger
State House: 73 – David Leitch

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

**Project: DVA Development
(The Spotted Cow, Inc.)**

STATISTICS

Project Number:	B-LL-TX-690	Amount:	\$475,000
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	Peoria		

BOARD ACTION

Purchase of Participation Loan from Heartland Bank and Trust Company, Peoria, IL
\$475,000 IFA funds at risk
Staff recommends approval

PURPOSE

Finance the acquisition of land and construction of a 4,500 square foot commercial building.

VOTING RECORD

This project was originally presented to the IFA Board at the July 13, 2004, meeting. IFA's 12 month commitment on its loan has expired since the project as originally presented was delayed due to reconfiguration of the land and additional modifications required by the city of Peoria. The voting record from the prior presentation on July 13th is as follows:

Ayes: 10 Nays: 0 Abstentions: 0 Absent: 2 (Goetz, Ozark)

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	\$475,000	Uses:	Land	\$140,000
	Heartland Bank:	475,000		Land reconfiguration	260,000
	Equity*	<u>200,000</u>		Building Construction	<u>750,000</u>
	Total	<u>\$1,150,000</u>		Total	<u>\$1,150,000</u>

JOBS

Current employment:	40	Projected new jobs:	10
Jobs retained:	NA	Construction jobs:	(19/6 months)

BUSINESS SUMMARY

Background: DVA Development is an Illinois S corporation established to own and maintain the real estate of the Spotted Cow, Inc. an Illinois S corporation founded in 1985 by Frank and Donna Abdnour. The Company has been based in the Peoria area for its entire twenty year history.

Operations: The Spotted Cow, Inc. is engaged in the manufacture and distribution of premium ice cream products. The Company's ice cream constitutes a richer, higher butter fat product that is similar in quality to the nationally distributed Ben and Jerry's ice cream. In addition to the bulk ice cream made in a multitude of flavors, the Company's offerings also include specialty products such as various types of ice cream bars, drumsticks and gourmet ice cream cakes.

Distribution of the Company's products is limited to Central Illinois. Although opportunities have arisen for the Company to market their products over a broader region, management's desire to maintain the ultra high quality inherent in a localized operation has been the deciding factor in restricting the Company's selling area.

The Spotted Cow, Inc. currently manufactures all of its products at its Peoria Heights Prospect Avenue location. This facility, owned by Frank and Donna Abdnour and having a fair market value of \$175,000 and a mortgage of \$65,000 (net equity of \$110,000), is in the process of being sold; all proceeds will be applied to debt service associated with this project. (Note: Per conversation with the banker and the Abdnours, the owners may actually receive *more* than \$175,000 for this property based on selling prices being received for other properties in the area.

The project: The proposed project involves the acquisition of land at the corner of Sheridan Road and Glen Avenue in Peoria and construction thereon of a new 4,500 square foot commercial building for use by The Spotted Cow, Inc. to manufacture and distribute ice cream products.

FINANCING SUMMARY

Obligor: DVA Development
Guarantors: Frank and Donna Abdnour
Repayment: In the event of a liquidation of our collateral (the project real estate located at 718 West Glen Avenue in Peoria), proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicant: DVA Development
Organization: Illinois S Corporation
Ownership: Frank and Donna Abdnour

PROFESSIONAL & FINANCIAL

Bank	Heartland Bank and Trust Company	Peoria	Donald L. Shafer
IFA Counsel:	Dykema Gossett PLLC	Chicago	David Cellitti
Accountant:	Romolo & Associates CPA's	Peoria	Joe Romolo

LEGISLATIVE DISTRICTS

Congressional: 18 – Ray LaHood
State Senate: 37 – Dale Risinger
State House: 73 – David Leitch

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Spring Green Lodge, a Limited Liability Company to be formed

STATISTICS

Project Number:	B-LL-TX-686	Amount:	\$1,500,000
Type:	Participation Loan	IFA Staff:	Rick Pigg
Location:	Edwardsville (SIUE)	NAICS Code:	72111

BOARD ACTION

\$1,000,000 Participation Loan and \$500,000 Debt Service Reserve Fund
\$1,500,000 IFA funds at risk

Staff recommends approval, subject to the following conditions:

1. Receipt of an as-built appraisal by independent appraiser confirming an acceptable loan to value ratio.
2. Completion of a Phase I environmental audit confirming no material adverse conditions.

PURPOSE

To finance construction and permanent financing of Spring Green Lodge Hotel and Conference Center located in the University Park at Southern Illinois University Edwardsville.

VOTING RECORD

No voting record. This is the first time that the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	\$1,000,000	Uses:	Project Costs	<u>\$8,800,000</u>
	Bank (TBD)	5,800,000			
	Equity *	<u>2,000,000</u>			
	Total:	<u>\$8,800,000</u>	Total:		<u>\$8,800,000</u>

* Equity consists of costs already incurred by the Developer for site improvements, foundation and soft costs.

JOBS

Current employment:	NA	Projected new jobs:	30
Jobs retained:	NA	Construction jobs:	NA

BUSINESS SUMMARY

Description: Spring Green Lodge ("SGL") is a limited liability company to be formed to own a hotel and conference center on a leased site located in University Park at Southern Illinois University Edwardsville. This project is being developed by William Shaw, a prominent local developer.

The facility will be operated by a separate limited liability company to be formed, under a management contract with SGL. Both SGL and the operating entity will be owned 100% by Mr. Shaw. Mr. Shaw has a 69-year ground lease from SIUE, Inc., the non-profit owner of University Park, a 330-acre research and technology park located on campus that SIUE owns and controls. At closing Mr. Shaw will transfer to SGL his interest in the ground lease and the Spring Green Lodge brand and a licensing agreement obtained from the Frank Lloyd Wright Foundation and the right to display copies of Wright's designs in the hotel and conference center.

Background: For fifteen years, SIUE had been looking for a hotel and conference center project to be developed on its campus research park. The search was led by Brian Donnelly, Executive Director of University Park, owned by the University-affiliated non-profit SIUE Research Park, Inc. In 2004, Shaw approached Donnelly about building the first Spring Green Lodge in the University Park. The size and high quality design were well suited to the SIUE setting, but the connection was even stronger than that. The University holds the collection of papers and memorabilia of Louis H. Sullivan, the famous American architect who gave Wright his first job. It also has a large collection of art and antiquities.

SIUE officials knew that there was great demand for a conference facility-as well as a hotel. Ultimately, both Shaw and SIUE officials recognized the opportunity to create a unique property in a beautiful University setting. They foresaw creation of an executive retreat that would be unmatched in the St. Louis area with the nearest comparable facility located 220 mile away at the Lake of the Ozarks. The parties decided to locate the project at the entrance to the Research Park. In 2004, the Research Park Board approved Shaw as the developer and granted him a 69-year ground lease. To further encourage development of the project, Mr. Shaw asked the University to offer additional support in the form of a debt guarantee or a master lease that would obligate SIUE to lease enough rooms each year to pay a portion of the annual debt service. IFA supported the project by fostering discussions between SIUE and the developers to craft a financing structure with sufficient collateral, support and guarantees to encourage banks to finance the project.

The Project: Bill Shaw is developing Spring Green Load and Conference Center, as a new 54 room hotel with a conference center for up to 300 attendees and museum displaying art and architecture exhibits. It is being built in University Park, Southern Illinois University Edwardsville research park located at the corner of Governors Parkway and IL Highway 157 (Old Route 66).

The University: Southern Illinois University Edwardsville is a vibrant, growing metropolitan university offering undergraduate and graduate degrees in the arts and science, business, education, engineering, and nursing and professional degrees in dentistry and pharmacy. SIUE has over 13,000 students, 70,000 alumni and one of the nation's most beautiful campuses with 2,660 acres of rolling hills, woodlands, and lakes.

Bank Request: Bill Shaw is soliciting banks for construction and permanent financing on the following terms:

Construction: 1 year; Interest Only

Permanent: 5 year term with renewal options based on a 20-year amortization;

FINANCING SUMMARY

Obligor: Spring Green Lodge

Structure: Both the participation loan and reserve fund will be put in place at the time of closing of the banks construction loan. Maturity of the participation loan is concurrent with the initial term of the banks permanent loan, for up to 10 years, including any extensions. The term of the reserve fund is 5 years, with renewals to be determined by the IFA

Security: Pursuant to Participation Loan program guidelines, IFA have a pro-rata pari passu interest in the collateral securing the senior bank loans.

Interest: The Borrower is soliciting funding proposals for both fixed and variable rate options. The IFA's interest rate will be 200 basis points below the Bank's rate of interest.

PROJECT SUMMARY

This loan will be used to complete the construction of the Spring Green Lodge and provide permanent financing of the same. Korte Construction is the general contractor and will construct the project pursuant to a guaranteed fixed price contract. Remaining project costs are estimated at \$6,800,000.

Spring Green Lodge, a Limited Liability Company to be Formed
November 8, 2005
Page 3

Participation Loan
Debt Service Reserve
FM: Rick Pigg

ECONOMIC DISCLOSURE STATEMENT

Applicant: Spring Green Lodge, University Park at Southern Illinois University
Organization: Limited Liability Corporation to be formed

PROFESSIONAL & FINANCIAL

Investment banker: Stern Brothers & Co. John May VP Chicago St. Louis
Feasibility Study: Marvel & Associates Jeffrey Marvel Parkville, Missouri

LEGISLATIVE DISTRICTS

Congressional: 19 John M. Shimkus
State Senate: 56 William R. "Bill" Haine
State House: 112 Jay C. Hoffman

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Clare Oaks

STATISTICS

Project Number:	H-SL-RE-TE-CD-661	Amount:	\$120,000,000 (Not to exceed amount)
Type:	Not-for-Profit Bond	IFA Staff :	Pam Lenane and Dana Sodikoff
Locations:	Bartlett		

BOARD ACTION

Preliminary Bond Resolution Conduit 501(c)(3) Bonds No IFA funds at risk	Staff recommends approval, subject to compliance with IFA policy requirements for non-rated debt
--	--

PURPOSE

Proceeds will be used to: 1) Pay for development, marketing, construction and other related costs associated with the project, 2) Payoff the existing bridge loan with Sovereign Bank, 3) Fund a portion of the interest payment, including letter of credit and remarketing fees, on the Series 2006 bonds for approximately 22 months, 4) Establish Debt Service Reserve Funds for the Series 2006 bonds, and 5) pay for Costs of Issuance of associated with the Series 2006 Bonds.

IFA CONTRIBUTION

Federal income tax-exempt status on bond interest.

VOTING RECORD

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$98,225,000	Uses:	Project Costs	\$82,237,000
	Deferred Note Payable	2,100,000		Funded Interest	7,885,000
	Equity	<u>1,000,000</u>		Debt Service Reserve	7,353,000
				Start-up Costs	750,000
				Issuance Costs	<u>3,100,000</u>
Total		<u>\$101,325,000</u>	Total		<u>\$101,325,000</u>

JOBS

Current employment: TBD
Jobs retained: TBD

Projected new jobs: TBD
Construction jobs: 450

BUSINESS SUMMARY

- Description:** Clare Oaks (the "Corporation") was founded by the Sisters of St. Joseph of the Third Order of St. Francis ("Sisters" or the "Congregation"). Incorporated under the laws and regulations of the State of Illinois as a non-profit organization to provide housing and long-term care for the elderly, the Corporation has been determined to be exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.
- Background:** As early as 1999, the Sisters began a strategic planning program to build a CCRC on their 94-acre parcel of land in Bartlett, IL owned by the Congregation. The site was planned for a variety of uses including senior housing, a school for developmentally disabled ages 5 to 21, administration offices for the Sisters, a chapel and residential. The Corporation later concluded that a fully integrated development model was a more desirable approach and retained Co-operative Retirement Services of America, Inc. ("CRSA") to direct and oversee the development of the Project. See "Project Development and Marketing" below.

PROJECT SUMMARY

The Project consists of the construction of 164 Independent Living Units (154 apartments plus 10 cottages), 17 Assisted Living Units, 16 Specialty Care Beds, 120 Nursing Care Beds and numerous other amenities. In consideration of the payment of a monthly service fee, residents of Clare Oaks will enjoy the following services: utilities including water, sewer, heat/air conditioning, electricity (excludes telephone and cable TV), landscaping and grounds maintenance, maintenance of all residences and major appliances, common and amenity areas, security services, weekly scheduled housekeeping, emergency call system with 24 hour monitoring and response, scheduled transportation to medical appointments, shopping, educational and cultural events, wellness center, and flexible dining options. In addition to members of the Community at large, certain members of the Congregation will reside in Clare Oaks, including the various components of the Health Care Center. It is assumed that the Sisters will have enough aging members to require utilization of some of the skilled beds within the Health Center.

Formal marketing of the Independent Living Units ("ILUs") began in September 2002, with a priority program to solicit prospective residents. The program lasted until April 2003 and 85 prospective residents were identified. As of September 9, 2005, entrance fee deposits (consisting of 10% of the entrance fee for the applicable unit) have been received for 101 (62% of total), of the 164 new ILUs being constructed as part of the Project.

FINANCING SUMMARY

- Structure:** The Series 2006A bonds will be non-rated fixed rate bonds. The Series 2006B bonds will be short-term non-rated EXTRAS. Series 2006C bonds will be variable rate demand bonds that be secured by a direct pay letter of credit from a yet to be determined Bank.
- Bank Security:** Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings
- Maturity:** 30 years (maximum of 32 years)
- Feasibility Report:** Clare Oaks hired Dixon Hughes to prepare a Financial Feasibility Study for the five years ending December 31, 2011 to evaluate the overall ability of Clare Oaks to meet its operating expenses, working capital needs, and other financial requirements, including the annual debt service associated with the proposed Series 2006 bonds. Clare Oaks does not have any outstanding bonds from the Illinois Finance Authority or a predecessor of the IFA.

ECONOMIC DISCLOSURE STATEMENT

- Applicant:** Sisters of St. Joseph of the Third Order of St. Francis, 801 West Bartlett Road
Bartlett, IL 60103
- Organization:** Illinois 501(c)(3) Not-for-Profit Corporation

Board of Directors: Sister Colette Wilczynski, President
Sister Barbara Koza, Vice-President
Sister Patricia Schafke, Vice-President
Ms. Charlene Figge, Secretary
Ms. Marilyn Ebel, Treasurer

PROFESSIONAL & FINANCIAL

Borrower's Counsel: DLA Piper Rudnick Gray Cary US LLP	Chicago	Anita Molano
Feasibility Consultant: Dixon Hughes	Atlanta	Keith Sceloff
Bond Counsel: Jones Day	Chicago	John Bibby
Underwriter: Ziegler Capital Markets Group	Chicago	Will Carney
		Dan Hermann
		Jennifer LaVelle
Underwriter's Counsel: Katten Muchin	Chicago	Janet Hoffman
Developer: CRSA	Memphis	Bruce Cannon
		Martin Satava
		Pat Travis
Bond Trustee:	TBD	TDB
Issuer's Counsel: Schiff Hardin, LLP	Chicago	Bruce Weisenthal

LEGISLATIVE DISTRICTS

Congressional: 6- Henry J. Hyde
State Senate: 28- John Millner
State House: 55- Harry R. Ramey, Jr.

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Sinai Health System and Mount Sinai Hospital Medical Center of Chicago

STATISTICS

Project Number: H-HO-TE-CD-691	Amount:	\$7,300,000 (not to exceed amount)
Type: Not-for-Profit Bond	IFA Staff:	Pam Lenane and Dana Sodikoff
Locations: Chicago		

BOARD ACTION

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

PURPOSE

Bond proceeds will be used to (i) pay, or reimburse the Borrower for the payment of, the cost of acquiring certain capital equipment including without limitation a CT scanner, mammography equipment, digital radiography equipment, C-Arm x-ray unit, MRI, cath lab and patient monitoring equipment (ii) refinance a taxable loan the proceeds of which were used to acquire a GE Picture Archiving and Communications System and (iii) pay certain related expenses.

IFA CONTRIBUTION

Convey federal income tax-exempt status on the Bonds.

VOTING RECORD

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$7,300,000	Uses:	Escrow Funding	\$4,460,000
				Debt Refinancing	2,800,000
				Costs of Issuance	40,000
	Total	\$7,300,000		Total	\$7,300,000

JOBS

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

BUSINESS SUMMARY

Background: Sinai Health System ("SHS") is comprised of Mount Sinai Hospital Medical Center of Chicago ("MSH"), Schwab Rehabilitation Hospital ("SRH"), Sinai Community Institute ("SCI"), Sinai Medical Group\Sinai HealthFirst ("SHF"). Founded in 1918, SHS provides Chicago's indigent communities with medical care and social services through its network of various members.

MSH is a non-profit, 432-bed teaching, research and tertiary-care facility providing medical care and social services to Chicago's West Side Community. The mission of MSH is primarily to provide the indigent population of the Lawndale neighborhood with quality medical care and

social services. MSH provides services which include: Level I trauma center, community-based primary care, a child-abuse diagnosis, treatment and prevention unit, a high-risk maternity and infant intensive-care program (Level III prenatal center).

SRH is a 125-bed comprehensive physical medicine and rehabilitation facility that helps adults and pediatric patients. SRH provides prevention and treatment options for industrial and work-related injuries through STEPS clinics and comprehensive rehabilitation care at Louis A. Weiss Memorial Hospital on Chicago's North Side.

SCI provides the communities in Chicago with a variety of programs for families, youths, teens, adults and seniors. These programs include: adult & senior health, family services and parent education, youth & teen programs, pregnancy, prenatal, infants and women's health.

SHF provides a wide range of medical and surgical specialties at MSH and at SHS sites in the Chicago area.

Service Area: The primary service area is defined as Cook County, Illinois. Below are the hospitals that are located within a 2-mile radius (population of approximately 250,000):

Hospital
Advocate Bethany Hospital
St Anthony Hospital
John H Stroger Jr Hospital of Cook County
University of IL Medical Center at Chicago
Rush University Medical Center

FINANCING SUMMARY

Security: First priority security interest in all capital equipment being financed

Structure: The current plan of finance contemplates a private placement with GE Healthcare Financial Services as a rate, 5-year tax-exempt bond.

Maturity: January, 2011

PROJECT SUMMARY

The proceeds of the bonds will be used to pay, or reimburse the Borrower for the payment of, the cost of acquiring certain capital equipment including without limitation a CT scanner, mammography equipment, digital radiography equipment, C-Arm x-ray unit, MRI, cath lab and patient monitoring equipment, to refinance a taxable loan the proceeds of which were used to acquire a GE Picture Archiving and Communications System and to pay certain related expenses. A further breakdown of costs will be available in the Final Board report.

ECONOMIC DISCLOSURE STATEMENT

Project name: Mount Sinai Hospital
Applicant: California Avenue at 15th Street
Chicago, IL 60608
Organization: 501(c)(3) Not-for-Profit Corporation
State: Mount Sinai Hospital is located in Illinois.

Board of Trustees: Alan J. Inbinder, Chair
Abraham Morgan, Vice Chair
Alan H. Channing
James Hadley, Secretary
Kenneth A. Luccioni, Treasurer
Yogi Ahluwalia, MD
Leslie Mitchel Bond
Paul J. Cherner
Leonard A. Gail
Ellen Havdala
Henri S. Havdala, MD
Gerald M. Hoffman
Bernard "Bud" Kalish
Steven Koch
Bret Maxwell
Robert Markin
Bettylu K. Saltzman
Maurice A. Schwartz, MD
Michael W. Scott
Michael E. Traynor
Charles Weis

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	TBD	Chicago	
Accountant:	Ernst & Young	Chicago	
Bond Counsel:	Chapman & Cutler	Chicago	Nancy Burke
Underwriter:	GE Healthcare Financial Services	Chicago	Bill Reveille
Underwriter's Counsel	Kutak Rock	Omaha, NE	Andrew Romshek
Issuer's Counsel	Jones Day	Chicago	Mike Mitchell
Escrow Agent:	Wells Fargo Bank	Chicago	Patricia Martirano

LEGISLATIVE DISTRICTS

Congressional: 7- Danny K. Davis
State Senate: 5- Rickey R. Hendon
State House: 9- Arthur L. Turner

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Milestone, Inc.

STATISTICS

Project Number: H-CP-TE-CD-653	Amount: \$4,000,000 (Not to exceed amount)
Type: Not-for-Profit Bond	IFA Staff: Pam Lenane and Dana Sodikoff
Locations: Multiple	

BOARD ACTION

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

PURPOSE

Proceeds will be used to: (a) refinance existing tax-exempt debt (b) pay costs of issuance

IFA CONTRIBUTION

Federal income tax-exempt status on bond interest.

VOTING RECORD

The IFA gave its approval for a Preliminary Bond Resolution on September 13, 2005 by the following vote:

Ayes - 11	Nays - 0	Absent - 3	Vacancies - 1
-----------	----------	------------	---------------

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA bonds	\$4,000,000	Uses: Refunding escrow:	\$3,900,000
		Costs of issuance:	100,000
Total	<u>\$4,000,000</u>	Total	<u>\$4,000,000</u>

JOBS

Current employment: 580	Projected new jobs: N/A
Jobs retained: N/A	Construction jobs: N/A

BUSINESS SUMMARY

Background: Milestone is a private, not-for-profit corporation governed by a volunteer Board of Directors who are area business leaders and parents of our community's disabled. This organization has grown to become Winnebago and Boone Counties' largest provider of residential, developmental, vocational, and social support services for adults with mental retardation, autism, epilepsy, and cerebral palsy.

Milestone began its commitment in 1971 when a group of concerned parents with adult developmentally disabled children met with area professionals to discuss the lack of living centers for the mentally and physically disabled. At this time, the only available choice was an institutional environment far from home and family, and without the love

and caring necessary to help these people reach their full potential. As their discussions progressed, the problem of finding compassionate residential placement for their children became more acute.

In 1973, Milestone opened Kishwaukee Apartments, the first residential-care program of its kind in Illinois. Three years later, Milestone established their Supported Living Arrangement program -- the first community support program in the state to provide guidance and support to mentally retarded adults who reside in their own apartments.

In order to serve the profoundly disabled, Milestone developed Elmwood Heights -- a highly specialized residential community created under a special grant from the State of Illinois. At Elmwood Heights, Milestone created a comfortable, home-like atmosphere combining individualized programs with around-the-clock medical supervision. Milestone provides the personalized attention and training necessary to help these individuals develop skills in daily living. Elmwood Heights currently serves 93 Rockford area disabled adults.

Milestone has developed an extensive network of over 30 group homes in the Greater Rockford Area. These homes offer area adults the advantages of living closer to family and friends, and the opportunity to share in the resources of our community.

The Milestone Training Center assists moderate to severely disabled adults in their self-care, social, educational, recreational, and vocational goals. This center currently serves more than 170 people and is recognized by the Department of Labor as a sheltered workshop.

Milestone, Inc. opened Milestone Industries in January of 1992, a sheltered workshop and vocational training center providing training and employment to developmentally disabled people. In this facility 70 disabled people work in a supervised environment.

In 2001, Milestone successfully merged with RocVale Children's Home, another local charity serving children ages 6 through 21. The merger enabled Milestone to expand its services, but more importantly, for the children and staff at RocVale, provided a sound financial basis and administrative structure for this struggling organization.

FINANCING SUMMARY

Security: First mortgage on facilities, gross revenue pledge
Structure: Single fixed rate bond privately placed with Merrill Lynch.
Maturity: August 15, 2021

ECONOMIC DISCLOSURE STATEMENT

Project name: Milestone, Inc.
Applicant: 4060 McFarland Road
Rockford, IL 61111
Organization: 501(c)(3) Not-for-Profit Corporation
State: Milestone, Inc. is located in Illinois.
Board of Trustees: Mr. Patrick Agnew
Mr. Ronald W. Alden
Mr. George Bass
Mr. Thomas D. Budd
Mrs. Tony DeVerdi
Mr. Alan Furman
Mr. James P. Hamilton
Mrs. Richard Hanson
Mr. Jack Kieckhefer
Mr. Rick Powell
Mr. David Raht
Mr. Tom Sandquist
Mr. Shawn Way
Mrs. Richard Wickstrand

PROFESSIONAL & FINANCIAL

Borrower's Counsel:		Chicago	
Accountant:	Lindgren Callihan VanOsdol	Chicago	
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Bond Trustee:	Wells Fargo	Chicago	Patricia Martirano
Financial Advisor:	NonProfit Capital, LLC	Stamford	Chris Conley
Issuer's Counsel:	Chapman & Cutler	Chicago	Chuck Jarik
Private Placement Agent:	Merrill Lynch	New York	
Counsel to Placement Agent:	Hawkins, Delafield & Wood	New York	Steven Donovan

LEGISLATIVE DISTRICTS

Congressional: 16- Donald A. Manzullo
State Senate: 34- Dave Syverson
State House: 68- Dave Winters

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Silver Cross Hospital

STATISTICS

Project Number: H-HO-TE-CD-654	Amount:	\$150,000,000 (Not to exceed amount)
Type: Not-for-Profit Bond	IFA Staff :	Pam Lenane and Dana Sodikoff
Locations: Joliet		

BOARD ACTION

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

PURPOSE

Proceeds will be used to: 1) fund new money projects, 2) refinance existing IHFA series 1996 (partial refinancing), 1999 (partial refinancing), and 2002A bonds, 3) fund a debt service reserve fund, 4) pay costs of issuance.

IFA CONTRIBUTION

Federal income tax-exempt status on bond interest.

VOTING RECORD

The IFA gave its approval for a Preliminary Bond Resolution on October 11, 2005 by the following vote:

Ayes – 10	Nays – 0	Absent – 4	Vacancies – 1
-----------	----------	------------	---------------

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$ 128,011,010	Uses:	New Money	\$ 33,100,000
				Refunding	\$ 24,400,000
				Reserve Fund	\$ 8,727,161
				Escrows	\$ 56,827,469
				Issuance Costs	\$ 1,286,455
				Underwriter's Disc.	\$ 568,103
				Bond Insurance	\$ 3,101,822
	Total	<u>\$128,011,010</u>		Total	<u>\$128,011,010</u>

JOBS

Current employment: TBD
Jobs retained: TBD

Projected new jobs: TBD
Construction jobs: TBD

BUSINESS SUMMARY

Background: Silver Cross Hospital ("SCH") is a 501(c)(3) corporation established under Illinois law.

Description: Silver Cross is a 300-bed hospital located in Joliet, Illinois, approximately 35 miles southwest of Chicago. SCH was recently recognized by Solucient as one of the 100 Top Hospitals in the United States and has a good reputation of providing a broad range of healthcare services, with substantial resources. Silver Cross has consistently gained market share and is the number two hospital in Will County, one of the most rapidly growing counties in the country. The county has experienced explosive growth over the past 15 years and projections suggest that strong growth will continue for the next 25 years.

PROJECT SUMMARY

Bond proceeds will be used by SCH to finance a 35-bed addition to the inpatient tower, a major expansion of the Emergency Department, for which a CON has been received and various other capital expenditures. Reimbursement resolutions to facilitate this process were put in place in March of 2004. The hospital also plans to fund routine capital expenditures for fiscal years 2006 through 2008.

FINANCING SUMMARY

Security: SCH currently maintains ratings with Standard and Poor's and Fitch. Current ratings are as follows: A/A (Standard and Poor's/Fitch); certain bonds will be rated based upon the use of credit enhancement and/or liquidity facilities, CIFG Services, Inc. and Assured Guaranty Corp, AAA - rated municipal bond insurer.

Structure: The current plan of finance will accomplish the following:

- 1) Fund \$45 million of new money; and
- 2) Refinance SCH's outstanding Series 1996, 1999, 2002A and 2002B bonds

At this point in time Silver Cross plans to accomplish both goals by issuing 7-day auction rate bonds which will be swapped to a fixed rate at the time of issuance.

Maturity: Up to 30 years

ECONOMIC DISCLOSURE STATEMENT

Project name: Silver Cross Hospital
1200 Maple Road
Joliet, IL 60432

Applicant: Silver Cross Hospital

Organization: 501(c)(3) Not-for-Profit Corporation

State: Illinois

Board of Directors: Jack M. Carlstrom
Connie Curran, Chairperson
Wayne Doede
Daniel Gutierrez, M.D., Second Vice Chairperson
Douglas Hutchison, Jr.
Zemira Jones
George Mahoney, III, First Vice Chairperson
Al McCowan
Steve Morrissette, Treasurer

Paul Pawlak, President
Salvador Rinella, M.D.
James Roolf
Louis J. Sehring, Secretary
Russ Slinkard
Mark Stofan
Charles Young, Ph.D

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Foley & Lardner LLP	Chicago	Kevin Egan
Bond Counsel:	Jones Day	Chicago	Rich Tomei
Underwriter:	UBS Financial Services Inc.	New York	Rondy Jennings Craig Kornett James Kim
Underwriter's Counsel:	Squire, Sanders & Dempsey LLP	Ohio	Bruce Gabriel
Bond Trustee:	TBD	Chicago	TBD
Accountant	KPMG LLP	Chicago	James Stark
Issuer's Counsel:	Chapman & Cutler	Chicago	Chuck Jarik

LEGISLATIVE DISTRICTS

Congressional: 11- Gerald C. "Jerry" Weller
State Senate: 43 – Arthur J. (A.J.) Wilhelmi
State House: 86 – Jack McGuire

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: Smith Village

STATISTICS

Project Number: H-SL-RE-TE-CD-604	Amount: \$80,000,000 (Not to exceed amount)
Type: Not-for-Profit Bond	IFA Staff: Pam Lenane and Dana Sodikoff
Locations: Beverly	

BOARD ACTION

Final Bond Resolution Conduit 501(c)(3) Bonds No IFA funds at risk	Staff recommends approval, subject to compliance with IFA policy requirements for non-rated debt
--	--

PURPOSE

Proceeds will be used to: 1) Pay for development, marketing, construction and other related costs associated with the redevelopment project, 2) Refund approximately \$5,800,000 of outstanding Series A 1991 IHFA debt related to the Corporation, 3) Fund a portion of the interest payment, including letter of credit and remarketing fees, on the Series 2005 bonds for approximately 26 months, 4) Establish Debt Service Reserve Funds for the Series 2005 bonds, and 5) pay for Costs of Issuance of associated with the Series 2005 Bonds.

IFA CONTRIBUTION

Federal income tax-exempt status on bond interest.

VOTING RECORD

The IFA gave its approval for a Preliminary Bond Resolution on October 11, 2005 by the following vote:

Ayes – 9	Nays – 0	Absent – 5	Vacancies – 1
----------	----------	------------	---------------

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$ 59,680,000	Uses:	Refunding	\$ 5,800,000
	Equity	\$ 9,000,000		New Money	\$ 51,795,000
	Sub-Debt	\$ 1,044,000		Funded Interest	\$ 6,047,000
				Reserve Funds	\$ 4,032,000
				Issuance Costs	\$ 2,050,000
	Total	<u>\$69,724,000</u>		Total	<u>\$ 69,724,000</u>

JOBS

Current employment: TBD
Jobs retained: TBD

Projected new jobs: TBD
Construction jobs: TBD

BUSINESS SUMMARY

Overview of the Borrower:

Smith Village is the name that the redeveloped Washington and Jane Smith Community-Beverly (WJSC-B) will operate under upon the completion of the redevelopment. WJSC-B has provided housing, hospitality and health care services to the residents of Chicago at its current location in the Beverly neighborhood at the corner of Western Avenue and 113th Place since the 1920's. WJSC-B is a not-for-profit corporation licensed by the Illinois Department of Public Health to operate 279 beds, 94 of which are licensed for skilled nursing and 185 for sheltered care. The redeveloped campus, Smith Village, will operate 152 independent living units, 82 licensed assisted living units, and 102 licensed skilled care beds. WJSC-B is affiliated with the Washington and Jane Smith Community-Orland Park, dba Smith Crossing, and the Washington and Jane Smith Community-Chicago which is currently inactive.

There are certain organizational objectives that have been established for the Smith Village campus redevelopment:

1. The redevelopment must recognize the needs of the current residents, and limit disruption to their lives to the extent possible.
2. The building should retain the architectural qualities of the existing structure to the extent possible.
3. The building should be constructed to a standard to last at least sixty years.
4. The program and physical characteristics should adapt to a continuing care retirement community (CCRC).
5. Excess cash is to be transferred to parent corporation.
6. The charitable mission of Smith Village is to be maintained.

PROJECT SUMMARY

Washington and Jane Smith Community – Beverly engaged New Life Management and Development in January 2002 to provide preliminary feasibility and planning services to identify the most appropriate program structure for Smith Village to meet the mission, market, service and financial needs of the organization over time. New Life Management and Development prepared a market analysis, marketing plan, financial projections and a financing plan that identified a project scope that met the short and long-term objectives of Smith Village.

FINANCING SUMMARY

Structure: The Series 2005A bonds will be non-rated fixed rate serial and term bonds. The Series 2005B bonds will be adjustable rate securities, Ziegler EXTRASSM. The Series 2005C bonds will be tax-exempt variable rate demand bonds that will be secured by a direct pay letter of credit from a to be determined letter of credit bank(s).

Bank and bond Security: Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings

Maturity: 30 years (Not more than 32 years)

ECONOMIC DISCLOSURE STATEMENT

Project name: Smith Village – A Smith Senior Living Campus
Chicago, IL

Applicant: Smith Village

Organization: 501(c)(3) Not-for-Profit Corporation

State: Illinois

Board of Directors: Mr. Thomas Chomicz
Mr. Robert Berghoff
Ms. Erin Manghern

Mr. Andrew Anello
Mr. Charles Dalton
Mr. Eugene Delves
Mrs. Elizabeth Fitch
Mr. Allen Flagler
Mrs. Rosalind Honeycutt
Mr. William Hunding
Mr. James Johnsen
Mr. David Jones
Mr. Richard Marnieris
Mr. James Nemecek
Mrs. George Petraitas
Ms. Susan Piros

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Quarles & Brady	Madison, WI	John Whiting
Accountant:	TBD	Chicago	TBD
Bond Counsel:	Jones Day	Chicago	John Bibby
Underwriter:	Ziegler Capital Markets Group	Chicago	Dan Hermann Steve Johnson William Claus Ed Kelly
Developer	New Life Management & Development	Mt. Laurel, NJ Tim Myers	
Underwriter's Counsel:	Katten Muchin Rosenman, LLP	Chicago	Janet Goetz Hoffman
Bond Trustee:	TBD	Chicago	TBD
Issuer's Counsel:	Bell, Boyd & Lloyd	Chicago	Larry Epley Pawel Chudzicki

LEGISLATIVE DISTRICTS

Congressional: 3- Daniel William Lipinski
State Senate: 11- Louis S. Viverito
State House: 21- Robert S. Molaro

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2005**

Project: The Rehabilitation Institute of Chicago

STATISTICS

Deal Number:	H-HO-TE-CP-655	Amount:	\$20,000,000 (Not-to-exceed amount)
Type:	Commercial Paper ("CP") Revenue Notes	IFA Staff:	Rich Frampton/Sharnell Curtis-Martin
Location:	Multiple		

BOARD ACTION

Final CP Revenue Notes Resolution	No IFA funds at risk
Conduit 501(c)(3) Commercial Paper Revenue Notes	No extraordinary conditions
Staff recommends approval	

Security: The CP Revenue Notes will be secured by a Direct Pay Letter of Credit from The Northern Trust Company.

PURPOSE

Commercial Paper proceeds will provide interim financing for the acquisition of a new Health Information System (HIS).

IFA CONTRIBUTION

Federal Tax-Exempt interest on Commercial Paper Revenue Notes.

VOTING RECORD

Preliminary Resolution: September 13, 2005

10 - Ayes	0 - Nays	0 - Abstentions	4 - Absent (DeNard, Giannoulis, Nesbitt, O'Brien)
1 - Vacancy			

SOURCES AND USES OF FUNDS

Sources:	IFA Commercial Paper	<u>\$18,200,000</u>	Uses:	Capital Projects	\$18,088,000
				Costs of Issuance	<u>112,000</u>
	Total Sources	<u>\$18,200,000</u>		Total Uses	<u>\$18,200,000</u>

JOBS

Current employment:	1,095 FTE	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: The Rehabilitation Institute of Chicago ("RIC") is an Illinois not-for-profit corporation established in 1954. The concept for establishing the RIC was developed by Dr. Paul Magnuson, a former chief of the Veteran's Administration, whose vision was to provide high quality rehabilitative care to private citizens comparable to that received by returning World War II and Korean War veterans.

RIC's first hospital facility began as a small outpatient clinic in a converted warehouse at 401 E. Ohio Street. In 1974, RIC built the nation's first freestanding rehabilitation center, a 20-story facility located at 345 E. Superior Street in Chicago.

The hospital's primary facility provides comprehensive rehabilitative inpatient and outpatient services and programs. RIC also provides outpatient and day rehabilitation programs at 11 Chicago land area locations. Additionally, RIC has ongoing partnerships established with several other health systems throughout Illinois including: Southern Illinois Hospital Services (Carbondale and Southern Illinois), Alexian Brothers Medical Center (Elk Grove Village and Hoffman Estates), and RML Specialty Hospital (Hinsdale).

In the July 18th "Best Hospitals" Issue, U.S. News and World Report named RIC the nation's best rehabilitation hospital for the 15th consecutive year. No other hospital, in any specialty, has been ranked #1 for as long.

The anticipated Commercial Paper Revenue Notes will enable RIC to acquire a new Healthcare Information System that is designed to use an open-platform technology to allow RIC's management to improve patient care information as well as manage data of all aspects of RIC's organization and its related affiliates.

FINANCING SUMMARY

- Security:** The Bonds will be secured by a Direct Pay Letter of Credit provided by The Northern Trust Company.
The anticipated initial LOC term is two years, subject to extension.
- Structure:** The CP Notes will be sold at an interest rate that will mature between 1 and 270 days and will be subject to extension (i.e. "rollover") upon maturity for an additional term and interest rate to be determined by the JP Morgan Securities, Inc. (the "Dealer"). The proceeds from the sale of the CP Revenue Notes will be loaned to the RIC through the purchase of the Rehab Institute's promissory notes issued by the Rehab Institute pursuant to a Security Agreement between the Rehab Institute and the Illinois Finance Authority.
The Trust Indenture will allow additional borrowers to be added to the CP Note program provided that the Northern Trust Company provides a Letter of Credit commitment for each borrower.
- Interest Rate:** The interest rate and maturities on the CP Notes will bear an interest rate determined by the maturity (i.e., between 1 and 270 days) set by the Dealer.
- Maturity:** The CP Notes will mature every 1 to 270 days and will be subject to extension based on continued availability of the Direct Pay Letter of Credit securing the Notes.

PROJECT SUMMARY

Proceeds of the Commercial Paper issuance will be used by the Rehabilitation Institute of Chicago to acquire a new Health Information System (HIS) that is designed to use an open-platform technology to allow RIC's management to improve patient care information as well as manage data of all aspects of RIC's organization and its related affiliates. The project will be located at various Rehabilitation Institute of Chicago sites including:

345 East Superior Street, Chicago, IL
1945 West Wilson Avenue, Chicago, IL
307 West Grand Avenue, Chicago, IL
1055 West 175th Street, Homewood, IL
755 Skokie Boulevard, Northbrook, IL
5150 Capital Drive, Wheeling, IL

6705 South Kingery Highway, Willowbrook, IL
1111 East 87th Street, Chicago, IL
1030 North Clark Street, Chicago, IL
5548 South Hyde Park Avenue, Chicago, IL
420 Thatcher Avenue, River Forest, IL

Project costs are estimated as follows:

Equipment	\$16,444,000
Contingency	<u>1,644,000</u>
Total Project Costs	<u>\$18,088,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Rehabilitation Institute of Chicago, 345 East Superior Street, Chicago, IL 60611.
Greg Ward, Vice-President of Finance, CFO and Treasurer – Telephone # (312) 238-2906
Project name: Commercial Paper Revenue Notes
Location: Various Locations listed on page 3
Organization: 501(c) (3) Not-For-Profit Corporation
State: Illinois
Board of Trustees: Please see attached list.
Current Land Owner: Not Applicable

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	To Be Determined		
Accountant:	KPMG, LLP	Chicago	
Bond Counsel:	Chapman and Cutler	Chicago	Jim Luebchow, Nancy Burke
LOC Bank:	The Northern Trust Company	Chicago	Sally Parnell
LOC Bank Counsel:	Winston & Strawn	Chicago	Ellen Duff
CP Dealer:	JP Morgan Securities, Inc.	New York, NY	Suzanne Beitel
		Chicago	Tim Wons, Bettina Johnson
CP Dealer's Counsel:	Ungaretti & Harris	Chicago	Julie Seymour
Issuer's Counsel:	Law Offices of Kevin Cahill	Chicago	Kevin Cahill
Trustee:	JP Morgan Trust Services	Albany, OH	Robert Grant

LEGISLATIVE DISTRICTS

Congressional: 7 -- Danny Davis
State Senate: 13 -- Kwame Raoul
State House: 26 -- Louvana Jones

Amendatory Resolution 05-11-23
MEMORANDUM

TO: IFA Board of Directors

FROM: Bart Bittner

DATE: November 8, 2005

RE: Request to defer payment for Agri-Industry Guaranteed loan A-AI-GT-TX-409, Kent Pearl Valley Cheese (Dan Reed, owner) 60 days and subsequently defer principal payments for an additional 60 days.

Dan Reed purchased what is now the Kent Pearl Valley Cheese factory in March of 2004 with proceeds from Kent Bank and an IFA Agri-Industry Guaranteed loan in the amount of \$390K. In December of 2004 an additional loan guarantee in the amount of \$325K was requested and approved by the IFA Board for additional equipment needs and improvement costs. Currently there are \$603,715.53 of State Treasurer's Agricultural Reserve Funds at risk.

The factory is located in Kent, IL in the Governor's Opportunity Returns Northern Stateline Region in an enterprise development zone. Real estate taxes are frozen for the first 5 years due to the plants location in the enterprise zone. The factory currently employs 6 full time employees with the potential for employ up to an estimated 20 employees when in single shift production.

The factory went into production in the Spring of 2004 producing Fetta and Ricotta cheese. The owner Dan Reed was producing the cheese and had business contacts marketing the cheese all over the United States. Orders were placed and cheese was produced and some even delivered. Not long after initial production, with much of the cheese produced in storage the marketing contacts that Mr. Reed had relied upon ceased working on his behalf. Mr. Reed has since sold nearly all the cheese produced but has not been producing any more cheese since. Thus positive cashflow has become nearly nothing and loan payments are now past due with little to no cash flow to speak of.

Kent Bank contacted IFA in September of 2005 notifying the Authority that the borrower was going to be default in payment. This has since become the case. Mr. Reed has been actively working with Kent Bank to identify and secure contractors that will provide the milk to make the cheese and in return purchase and market under their own label. Swiss Valley Farms of Davenport IA, and Chippewa Valley Farms are both negotiating with Mr. Reed for contracts of this nature. As of October 21, 2005 no contracts have been signed but a verbal agreement is in place to do so with Chipewa Valley Farms, according to the lender Jim Roidt. The contract would be for 10,000 lbs. of Cotija cheese per week or 40,000 lbs per month (1 semi load).

Staff recommends approval of the request contingent upon receipt of a signed contract for cheese production. This will allow Mr. Reed an opportunity to generate positive cash flow and in turn meet his debt obligations with IFA. A letter dated October 19, 2005 is attached from Chippewa Valley Farms representative, Jim Logic stating their intentions and plans for the contracting with Kent Pearl Valley Cheese.

Attached is pertinent financial data for your review and a letter from prospective contractor Chippewa Valley Farms. The letter outlines their intentions with Mr. Reed and also states that they are excited and willing to take on the risk to contract with Kent Pearl Valley Cheese.

Illinois Finance Authority

Memorandum

To: IFA Board of Directors
From: Kevin Koenigstein
Date: December 7, 2004
Re: Overview memo for Kent Pearl Valley Cheese Company, Inc.

- **Borrower/Project name:** Kent Pearl Valley Cheese Company, Inc.
Dan Reed – Sole Owner
- **Location:** Kent (Stephenson County)
- **Principal Contact:** Dan Reed
- **Board Action Requested:** Final Approval
 - IFA Board Approved a request for \$390,000 on March 31, 2004
- **Amount:** \$325,000
- **Project Type:** Loan Guarantee for Agri-Industries Program
- **Benefits Provided by IFA:**
 - Borrower receives a lower interest rate
 - Lender receives a 85% guarantee of principal and interest
- **Structure:** 15 Year amortization with monthly payments
 - Interest only the first six months of the loan

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY

Borrower: Daniel K. Reed,
Project: Kent Pearl Valley Cheese Company, Inc.

STATISTICS

Project #:	A-AI-GT-TX-409	Amount:	\$325,000
Type:	Agri Industries Guarantee	IFA Contact:	Kevin Koenigstein
Location:	Kent, Stephenson County, Illinois	Tax ID:	760739198
SIC Code:	2022	Est. Fee:	\$1,625

BOARD ACTION

Final Approval Guarantee Loan at 85% of Principal and Interest
State of Illinois Treasury Funds at risk; no IFA funds at risk
Staff recommends approval subject to the following conditions:

1. Signed, executed Senior Loan commitment from Kent Bank, loan guarantee from Kent Pearl Valley Cheese, Inc. and an assignment of rents and leases
 2. Continuing commitment of subordinated DCEO Loan for \$80,000 plus any additional DCEO funds.
 3. Senior Loan to appraised value, inclusive of additional equipment and building improvements, not to exceed 85%.
-

PURPOSE

The former Saputo Cheese employed 60 or more people before closing in the late 1990's. IFA approve a guaranteed loan for \$390,000 in March of 2004. An additional loan guarantee of \$325,00 is needed for equipment and improvements. Several factors have contributed to the need for additional funds. Steel prices are significantly higher, affecting new and used equipment; some needed refurbishing was not anticipated such as repairs to some ceilings; some items were overlooked in the original proposal. Kevin Koenigstein toured the facility on November 5, 2004 and met with Dan Reed and the lender to discuss the situation. Kent Pearl Valley Cheese will need approximately \$100,000 in additional working capital financed by Kent Bank and possibly DCEO.

IFA CONTRIBUTION

Project is located in the Governor's Opportunity Returns Northern Stateline Region, and in an enterprise development zone.

IFA's involvement will create and retain greatly needed jobs and provide significant economic benefit to many businesses and dairy farms in the region. There is additional job growth potential beyond the 13 listed here.

85% Guarantee backed by the State of Illinois. Any losses are paid from a specific loss reserve fund that was established for that purpose. Funding is provided by Kent bank, guaranteed by IFA. No IFA funds are at risk.

VOTING RECORD

The IFA board approved the original guarantee request of \$390,000 March 31, 2004.

FINANCING SUMMARY

Security: First mortgage liens on all real estate and equipment, Estimated Appraised at \$960,000.
DCEO loan will be subordinate to the first lien of IFA and Kent Bank

Structure: Conventional loan with IFA guarantee, DCEO subordinated loan of \$80,000.

Maturity: Fifteen years, monthly payments of principal and interest,
interest only during first six months of operation

Interest Rate: Prime plus two variable, floor of 6%, ceiling of 9%

Subject To: 1. Approved and sufficient operating line of credit by bank or approved agency
2. Evidence of capability to repay operating line with sufficient debt service ratio
3. Evidence of the full current and 18 month capital needs of the company
4. Evidence of sufficient forward contracts for purchases of end product
5. Monthly review and variance to plan report by lender: monthly profit and loss and balance sheet
6. Sufficient collateral valuation by a certified equipment and real estate appraiser
7. Business coaching by ICGR Services

PROJECT SUMMARY

Kent Pearl Valley Cheese, Inc. will add much needed employment in an economically depressed area. It is located in the Northern Stateline Region of Governor Blagojevich's Opportunity Returns program. We are working together with DCEO to leverage the state's financial assistance resources.

The local lender, Kent Bank, is a strong supporter of the project, partly because they clearly see the need for economic development. Kent Bank has significant exposure with over \$207,000 at risk on this project. They currently have \$100,000 of direct non-guaranteed debt, and their exposure on the guaranteed loans (the first 15%) will be more than \$107,000.

The owner of Kent Pearl Valley Cheese, Dan Reed, has the vision and the work ethic to see a modern, refurbished facility and a successful venture, when others could only see an empty building.

IFA's 85% guarantee will be on the new Kent Bank loan of \$325,000, plus the already outstanding amount of \$390,000, for a guaranteed loan total of \$715,000. There is a potential for a \$40,000 grant from the Department of Agriculture under the Agri-First program. Furthermore, DCEO may provide 25% to 50% of the operating loan in direct financing.

This is an opportunity for IFA to promote job creation and small business growth in rural Illinois. Without IFA's loan guarantee, this project will not be able to go forward.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Daniel K. Reed, Kent Pearl Valley Cheese, Inc.
Location: 752 North Kent Road, Kent IL 61044, Stephenson County
Organization: Sole proprietor as Borrower; (Guarantor/Operating Company Kent Pearl Valley Cheese, Inc. is incorporated in Illinois as a subchapter S corporation)
Accountant: Bauer and Fonseca, CPA's, Pearl City, IL

LEGISLATIVE DISTRICTS

Congressional: 16

State Senate: 45

State House: 89

**Amendatory Resolution 05-11-24
MEMORANDUM**

TO: IFA Board of Directors
FROM: Steven Trout
DATE: November 8, 2005
RE: Request to Extend a Commitment Until May 8, 2006 for a Participation Loan to Francisco and Cecilia Barrera/Durango Products, Inc., d/b/a Junior Produce
B-LL-TX-418

The Illinois Finance Authority Board approved on November 4, 2004 a \$1,000,000 participation in Banco Popular's loan to finance a wholesale produce storage and distribution center for Durango Products, Inc., by the following vote:

Ayes: 10 Nays: 0 Abstentions: 0 Vacancies: 4

Durango Products, is an Illinois S-Corporation doing business as Junior Produce that is 100% owned by Francisco and Cecelia Barrera.

Banco Popular provided Durango Products with a 1-year construction loan for \$3,150,000. The IFA Board approved our participation in a 5-year, permanent financing that Banco Popular also offered. Banco Popular is planning to close on the permanent financing in late October and has asked the Authority to fund its participation as soon as possible. We are seeking approval from the Board to extend its commitment for this project. We anticipate that the Authority will fund its participation in November or December 2005.

The project experienced \$325,370 of cost overruns because of change orders to comply with Chicago codes and ordinances and accommodate changes required by Mr. Barrera. These changes were financed from a \$320,000 reserve funded by loan proceeds as well as \$200,000 in equity committed by Mr. Barrera pursuant to the Bank's loan terms. Mr. Barrera tapped all of this equity to pay for the overage and unanticipated dirt removal.

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

**Project: Francisco and Cecilia Barrera
Durango Products, Inc. (d/b/a Junior Produce)
Damen Marketplace Project**

STATISTICS

Project Number: B-LL-TX-418	Amount: \$1,000,000 (not-to-exceed amount)
Type: Participation Loan	IFA Staff: Steven Trout
Location: Chicago, IL	
NAICS Code: 424480: Wholesale Produce	

BOARD ACTION

Final Participation Loan Resolution \$1 million of IFA funds at risk	Staff recommends approval, subject to satisfying all conditions of the bank loan.
---	--

PURPOSE

Proceeds will be used to renovate, expand and equip a 34,204 square-foot industrial building at 2517-39 South Damen in Chicago for use as a wholesale produce storage and distribution center.

IFA CONTRIBUTION

Reduces the Borrower's effective interest rate due to IFA's participation by 1%.

VOTING RECORD

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

SOURCES AND USES OF FUNDS

Sources:	IFA Participation	\$1,000,000	Uses:	Project Costs	\$4,550,000
	Construction/Term Loan	2,150,000		Interest Reserve	<u>110,000</u>
	Equity *	<u>1,510,000</u>			
	Total	<u>\$4,660,000</u>		Total	<u>\$4,660,000</u>

* Mr. Barrera has paid \$1,915,000 in cash to acquire the subject real estate (\$1,750,000) and pay soft costs (\$165,000). Mr. Barrera will receive \$715,000 in cash from a \$1,600,000 term loan that will refinance existing mortgages. Proceeds will reimburse Mr. Barrera for project expenses (\$405,000), with the balance (\$310,000) contributed to the project.

JOBS

Current employment:	10	Projected new jobs:	15
Jobs retained:	N/A	Construction jobs:	50 (6 months)

BUSINESS SUMMARY

Description: Francisco Barrera started Durango Products Inc. in 1996. It is an Illinois S-Corporation that does business as Junior Produce. Durango Products supplies fresh fruits and vegetables to Mexican markets and restaurants in Illinois, Indiana and Wisconsin. Junior Produce is one of the area's

leading distributors of bananas and avocados. Mr. Barrera has owned his current business about six years, but has been in the produce business for many years.

Background: Mr. Barrera emigrated to the U.S. from Mexico over 20 years ago. Besides his produce business, Mr. Barrera owns a resort in Hautalco, Mexico and invests in Chicago real estate.

Mr. Barrera currently operates Durango Products out of three units located in the South Water Market at South Water 73, 75 and 77. The South Water Market district is a produce and meat market adjacent to University of Illinois Chicago that opened in 1925 and is now being redeveloped as a residential area. In August 2003, Mr. Barrera sold his units and paid off mortgages owed to Banco Popular.

Durango Products currently leases this space but plans to relocate the business to the subject property that he acquired in 2002. Loan proceeds will be used to renovate and expand the building and install modern quality control and cold storage equipment. Mr. Barrera believes that this project (i.e., Damen Marketplace) will enable Durango Products to expand sales of bananas, avocados and other produce to existing and new customers.

The Bank: Banco Popular has maintained a banking relationship with Mr. Barrera for 2½ years. The Authority has been invited to participate in a 12-month \$3,150,000 construction loan that is convertible upon completion of the project to a 5-year term that amortizes over 25 years. The Bank's Commercial Real Estate Group will administer the construction loan, Chicago Title Insurance and Trust will administer a construction escrow account for each draw and Oppidan USA will serve as inspecting architect. In addition to this facility, the Bank is finalizing a \$1,600,000 5-year term loan that refinances mortgages on four investment properties and provides \$715,000 in cash to invest this project. The Bank is also extending a 1-year, \$200,000 line of credit to finance working capital for Durango Products. All loans are cross-collateralized and have cross default provisions. See the Appraisal section for a discussion on the collateral securing these loans.

The Area: The project is located in the Pilsen/Heart of Chicago neighborhood. The area is in transition with much of the land that was previously utilized by the railroad now being redeveloped. The site has excellent access to Chicago's expressways, with the Stevenson Expressway (I-55) located 1/3 mile south, and the Dan Ryan is accessible via 31st Street approximately 1 mile east. The Pilsen neighborhood is approximately three miles southwest of downtown Chicago.

The subject's immediate area along Damen Avenue is improved predominantly with older industrial facilities with similar utility as the subject. Occupants in the area include Charles Horn Lumber Company, Pacella Company, Planet Recycling and National Waste. Preferred Freezer, located across the street from the subject is a newly constructed cold storage facility. Most new and planned uses are distribution-orientated properties. Many recently arriving occupants have also relocated from the increasingly residential South Water Market district.

Market Demand: Demand for new space suitable for produce distributors is evidenced by the success of two recent projects in the immediate area.

1. **The Chicago International Produce Market**, located 2400 South Wolcott, is a 436,000 square foot, \$58.4 million development by CenterPoint, the City of Chicago and the Produce Market Relocation LLC to satisfy demand created by the then pending closure of South Water Market. The project sold out April 2003 at an average sale price of \$134 per square foot, according to CenterPoint representatives.

2. **Ashland Marketplace**, located at 3000 South Ashland, is a 535,000 square-foot industrial condominium building that has sold all but 60,000 square-feet to various produce vendors. One vendor, Sonora Produce, recently acquired a 22,500 square-foot unit that All-State Appraisal

appraised for \$8,200,000 (\$131.20/SF) on December 22, 2003. Only 62,000 SF remain available for sale at this property. Ashland Marketplace is located directly north of I-55 between Damen and Ashland avenues, less than 1/2 mile from the subject site.

CenterPoint originally sought to develop the International Produce Market as a 600,000 square-foot facility but could not assemble the land. Mr. Barrera acquired the subject property, a 32,404 industrial building located on 8-acres of land directly west of the International Produce Market. The building will be expanded and renovated for use as a produce storage and distribution center and named Damen Marketplace. The Bank believes that the Damen Marketplace will have superior transportation access to the International Produce Market.

Area Leasing
Trends:

Banco Popular interviewed five leasing brokers who reported that the area has seen strong demand for industrial condo sales, with leasing activity suffering slightly due to the low interest rates. They expect demand for leasing to increase with interest rates. The Bank believes that only the 60,000 square-foot space in Ashland Marketplace (seeking a single tenant) is comparable. Most of the area's space is set up for 50,000 square-foot users, while Damen Marketplace is attractive for a 12,000 square-foot user who is looking for newly built space, which is not now available in the area.

The Industry:

The Chicago metropolitan area remains the nation's transportation and distribution hub. The food industry is generally characterized by high product volume and low unit profit margins, placing a premium on efficient distribution. Inventory, accounts receivable and accounts payable turnover are typically very high, with customers paying an average of five to ten days after delivery.

FINANCING SUMMARY

Facility: \$1,000,000 participation in a 12-month construction loan that is convertible upon project completion to a 5-year term loan that amortizes over 25 years.

Interest: Construction Loan: Prime + 1% (currently 5.75%)
Permanent Loan: Prevailing 5-Year Treasury Bond Rate + 275 basis points (currently 6.75%)

Sources of Repayment: Primary: Operating cashflows generated by the Durango Products and lease income
Secondary: Liquidation of the collateral and draft on the personal guaranty

Security: First mortgage on the subject property, assignment of rents and leases, corporate guaranty of Durango Products and personal guarantee of Francisco and Cecilia Barrera.

Maturity: Construction Loan: Approximately 11/15/05.
Permanent Financing: 5-years from closing.

PROJECT SUMMARY

Proceeds will be used to expand, renovate and equip a 32,204 square-foot industrial building at 2517-39 South Damen in Chicago for use as a wholesale produce storage and distribution center.

Project costs are estimated as follows:

Real Estate Acquisition	\$1,750,000
Renovations & Equipment	2,265,000
Permits	70,000
Architect	40,000
Financing, legal and bank fees	90,000
Other soft costs	15,000
Contingency *	<u>320,000</u>

Francisco and Cecilia Barrera
Durango Products, Inc. (d/b/a Junior Produce)
Damen Marketplace Project
Participation Loan
Page 4

Final Resolution
November 2005
FM: Steve Trout

Total: \$4,550,000

* The contingency will be held by the Bank in an escrow account and funded at closing from construction loan proceeds (\$120,000), term loan proceeds (\$100,000) and Mr. Barrera's home equity credit line (\$100,000).

ECONOMIC DISCLOSURE STATEMENT

Applicant: Francisco and Cecilia Barrera (Contact: Mr. Francisco Barrera, Founder, Durango Products, Inc., 75 South Water Market, Chicago, Illinois 60608; Telephone:)
Project name: Francisco and Cecilia Barrera (Durango Products, Inc.) Development Project
Location: 2517-2539 South Damen Avenue, Chicago (Cook) IL 60608
Land Ownership: Owned by Mr. Barrera
Organization: Durango Products, Inc.: Illinois S-Corporation formed in 1996
Ownership: Francisco Barrera (100% ownership)

PROFESSIONAL AND FINANCIAL

Bank:	Banco Popular	Rosemont, IL	Paul Sori
Bank Counsel:	To be determined		
Accountant:	AH Financial	Chicago, IL	Alejandro Hurtado
General Contractor	United Insulated Structures Corporation	Berkley, IL	
Title Company:	Chicago Title and Trust Company	Chicago, IL	
Inspecting Architect:	Oppidan, Inc.	Chicago, IL	
Issuer's Counsel:	To be determined		

LEGISLATIVE DISTRICTS

Congressional:	4	Luis Gutierrez
State Senate:	1	Antonio Munoz
State House:	2	Edward Acevedo

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Rich Frampton
Date: November 8, 2005
Re: Resolution Authorizing Extension of IFA Commercial Paper Revenue Notes Rollovers for 5 Years

The attached Resolution authorizes the Illinois Finance Authority, at the request and direction of the Borrowers, to continue ongoing "rollovers" of Commercial Paper Revenue Notes until December 1, 2010.

This cooperative program, established collectively by its Borrowers, permits its members to borrow through the issuance of Commercial Paper, which is repriced at least once each 7 to 270 days, as determined by JPMorgan (the Broker-Dealer engaged by the members).

This Resolution authorizes IFA to continue these 7 to 270 day "repricings" for these conduit borrowers through December 1, 2010.

The member institutions are responsible for engaging all financial professionals, just as on any other IFA conduit financing. The Borrower's have chosen different financial professionals over the course of the program and there is no restriction on different financial professionals soliciting the Borrower's.

Current members of the financing team, as selected by the Borrowers, include:

Commercial Paper Broker-Dealer: JPMorgan Securities, New York and Chicago
Bond Counsel: Chapman and Cutler, Chicago
Broker-Dealer's Counsel: Ungaretti and Harris, Chicago
Direct Pay Letter of Credit Provider: The Northern Trust Company, Chicago (Counsel is Winston & Strawn)
Trustee: JPMorgan Institutional Trust Services, Columbus, OH

RESOLUTION 05-11-25

RESOLUTION determining the location and character of projects to be financed, refinanced or reimbursed by the Authority; authorizing certain amendments to the Resolution of the Illinois Educational Facilities Authority (the "IEFA"), as predecessor to the Illinois Finance Authority (the "Authority"), adopted on November 21, 1995, as amended by the Resolution of the IEFA adopted on February 22, 1996, by the Resolution of the IEFA adopted on October 16, 1998, by the Resolution of the IEFA adopted on June 17, 1999, by the Resolution of the IEFA adopted on September 14, 1999, by the Resolution of the IEFA adopted on October 18, 2000, by the Resolution of the IEFA adopted on May 24, 2001, by the Resolution of the IEFA adopted on August 23, 2001, by the Resolution of the IEFA adopted on November 26, 2001, by the Resolution of the IEFA adopted on April 10, 2002, by the Resolution of the IEFA adopted on December 16, 2003, and by the Resolution of the Authority adopted on September 13, 2005, authorizing and approving, among other things, the issuance and delivery by the Authority of not in excess of \$312,200,000 aggregate principal amount at any one time outstanding of Commercial Paper Revenue Notes (Pooled Financing Program) (the "Notes") pursuant to a pooled tax-exempt commercial paper program (the "Program"), the proceeds of the Notes to be used, among other things, to purchase separate Promissory Notes of The Lincoln Park Zoological Society, Loyola University of Chicago, The University of Chicago and The University of Chicago Hospitals (the "U of C Hospitals"), all Illinois not for profit corporations (the "Current Institutions"); authorizing the inclusion of the Rehabilitation Institute of Chicago, an Illinois not for profit corporation (the "Rehabilitation Institute," and collectively with the Current Institutions, the "Institutions"), as an additional borrowing institution under the Program; authorizing the execution and delivery of the Sixth Supplemental Trust Indenture, amending and supplementing the Trust Indenture dated as of November 1, 1995, as heretofore supplemented and amended (the "Indenture"), between the Authority, as successor to IEFA and J.P. Morgan Trust Company National Association, as successor to American National Bank and Trust Company of Chicago, as trustee (the "Trustee"), pursuant to which the Notes are from time to time issued, to, among other things, (a) include the Rehabilitation Institute as an additional borrowing institution under the Program, (b) increase the maximum aggregate principal amount of Notes that may be issued and outstanding at any one time thereunder from \$292,200,000 to \$312,200,000 and (c) cure certain

ambiguities, formal defects and omissions therein; authorizing the issuance from time to time of Notes under the Program, the proceeds of which are to be used to purchase the Rehabilitation Institute of Chicago Direct Note Obligation, Series 2005 (Illinois Educational Facilities Authority Commercial Paper Revenue Notes (Pooled Financing Program)) (the "Rehabilitation Institute Promissory Note") to provide all or a portion of the funds necessary to (i) finance, refinance or reimburse the Rehabilitation Institute for the costs of the acquisition, construction, renovation, improvement and equipping of certain "educational facilities" as defined in the Illinois Finance Authority Act, as amended (the "Act"), including capitalized interest, if any, (ii) make any deposits to certain funds required to be maintained in accordance with the Indenture, and (iii) pay certain costs incurred in connection with the issuance of the Notes and the credit enhancement thereof, all as permitted under the Act; authorizing the execution and delivery of a Security Agreement (the "Security Agreement"), between the Authority and the Rehabilitation Institute to secure the Rehabilitation Institute Promissory Note; approving the delivery by the Rehabilitation Institute of its Promissory Note pursuant to the Security Agreement; authorizing the execution and delivery of an Amended and Restated Dealer Agreement among the Authority, the Institutions and J.P. Morgan Securities, Inc., as dealer (the "Dealer"), providing for the sale of Notes from time to time by the Dealer; authorizing the execution and delivery of a Tax Exemption Agreement and Certificate, among the Authority, one or more of the Institutions and the Trustee; approving the delivery of one or more Offering Memoranda relating to the Notes; approving the execution of a Reimbursement Agreement dated as of November 1, 2005, as amended, between the Rehabilitation Institute and The Northern Trust Company, as credit provider (the "Initial Credit Provider"); approving the execution and delivery by the Initial Credit Provider of one or more amendments to its irrevocable transferable letter of credit that secures the Notes; authorizing and approving the execution and delivery of any additional documentation necessary to effect the foregoing; and authorizing and approving certain related matters.

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by the Illinois Finance Authority Act, effective January 1, 2004, as amended (the "Act"); and

WHEREAS, on November 21, 1995, the Illinois Educational Facilities Authority ("IEFA") adopted a Resolution (the "November 1995 Resolution") authorizing and approving, among

other things, the issuance and delivery by the IEFA from time to time of Commercial Paper Revenue Notes (Pooled Financing Program) (the "Notes") pursuant to a pooled tax-exempt commercial paper program (the "Program") established under the Trust Indenture dated as of November 1, 1995, as supplemented and amended (the "Indenture"), between the IEFA and J.P. Morgan Trust Company, National Association (successor to American National Bank and Trust Company of Chicago), as trustee (the "Trustee"), the proceeds of the Notes to be used to purchase separate Promissory Notes of the borrowing institutions identified in the Indenture (the "Participating Institutions"); and

WHEREAS, the Authority has been directed by the Current Institutions to permit the Rehabilitation Institute of Chicago, an Illinois not for profit corporation (the "Rehabilitation Institute" and, collectively with the Current Institutions, the "Institutions"), which is an "academic institution" (as such term is defined in the Act), to assist it in financing, refinancing and reimbursing itself for all or a portion of the costs of the acquisition, construction, renovation and equipping of certain of its facilities constituting "educational facilities" as defined in the Act, as more fully described in *Appendix I* hereto (the "Rehabilitation Institute Projects"), to become a borrowing institution under the Indenture and the Program so that Notes may be issued from time to time for the benefit of the Rehabilitation Institute; and

WHEREAS, the Current Institutions have consented to the inclusion of the Rehabilitation Institute as a borrowing institution under the Indenture and the Program and have directed the Authority to include the Rehabilitation Institute as a borrowing institution; and

WHEREAS, the Authority desires to so assist the Rehabilitation Institute;

NOW, THEREFORE, Be It Resolved by the Authority that:

Section 1. Findings. The Authority hereby finds and determines that (a) Rehabilitation Institute is a not for profit institution which is not owned by the State of Illinois or any political

subdivision, agency, instrumentality, district or municipality thereof which engages in, or facilitates, academic, scientific, educational or professional research or learning in a field or fields of study taught at a private institution of higher education (as defined in the Act) and which is not an institution primarily engaged in religious or sectarian activities, and that the Rehabilitation Institute is an “academic institution” as defined in the Act;

Section 2. Additional Findings. The Authority hereby further finds and determines that:

(a) Each of the Current Institutions have directed the Authority to consent to the admission of the Rehabilitation Institute as a borrowing institution under the Indenture and the Program;

(b) The Rehabilitation Institute has properly filed with the Authority its request for assistance in providing funds to finance, refinance or reimburse the Rehabilitation Institute for certain “projects” (as such term is defined in the Act) consisting of certain “educational facilities” (as such term is defined in the Act) described in *Appendix I* hereto (such “projects” being referred to herein collectively as the “Rehabilitation Institute Projects”);

(c) The Rehabilitation Institute Projects do not include any property used or to be used for sectarian instruction or study or as a place for devotional activities or religious worship nor any property which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination or the training of ministers, priests, rabbis or other professional persons in the field of religion; and

(d) The Notes are being issued for valid purposes under and in accordance with the provisions of the Act.

Section 3. Rehabilitation Institute Promissory Note and Security Agreement. The Authority shall finance, refinance or reimburse Rehabilitation Institute for all or a portion of the costs of the Rehabilitation Institute Projects, including capitalized interest, if any, and pay certain of the financing, legal and other incidental costs and charges for the purposes aforesaid, through the purchase of the Rehabilitation Institute of Chicago Direct Note Obligation, Series 2005 (Illinois Educational Facilities Authority Commercial Paper Revenue Notes (Pooled Financing

Program)) (the "Rehabilitation Institute Promissory Note"), in a principal amount not to exceed \$20,000,000, the Rehabilitation Institute Note to be issued under and secured by a Security Agreement dated as of November 1, 2005 (the "Rehabilitation Institute Security Agreement"), between Rehabilitation Institute and the Authority. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman, Interim Executive Director or Treasurer under the seal of the Authority, attested by its Secretary or Assistant Secretary, and the delivery of the Rehabilitation Institute Security Agreement. Such Rehabilitation Institute Note and Rehabilitation Institute Security Agreement shall be substantially in the forms of the Rehabilitation Institute Note and the Rehabilitation Institute Security Agreement attached hereto and marked *Exhibit A* and *Exhibit B*, respectively, and hereby approved, or with such changes therein as shall be approved by the officials of the Authority executing the same, such execution to constitute conclusive evidence of their approval, and of the Authority's approval, of any changes or revisions therein from the forms of the Rehabilitation Institute Note and the Rehabilitation Institute Security Agreement attached hereto.

Section 4. Amendment of Section 8 of the November 1995 Resolution. In order to provide for such issuance from time to time of Notes for the benefit the Rehabilitation Institute, the first sentence of Section 8 of the November 1995 Resolution, as heretofore amended, is hereby amended in its entirety to read as follows:

"In order to obtain funds to pay for the purchase of the Children's Note, the Zoo Note, the Loyola Note, the Northwestern Note, the U of C Note, the Promissory Note (Illinois Educational Facilities Authority Commercial Paper Revenue Notes (Pooled Financing Program)) of The University of Chicago Hospitals, the Direct Note Obligation (Illinois Educational Facilities Authority Commercial Paper Revenue Notes (Pooled Financing Program)) of Illinois Masonic Medical Center and the Rehabilitation Institute of Chicago Direct Note Obligation, Series 2005 (Illinois Education Facilities Authority Commercial Paper Revenue Notes (Pooled Financing Program) (collectively, the "Promissory Notes"), there is

hereby authorized the issuance of not in excess of \$312,200,000 in aggregate principal amount at any one time outstanding of Illinois Educational Facilities Authority Commercial Paper Revenue Notes (Pooled Financing Program) (the "Notes")."

Section 5. Amendment to Appendix I of the October 1998 Resolution. Appendix I of the October 1998 Resolution, as heretofore amended pursuant to the May 2001 Resolution, is hereby further amended to add the Rehabilitation Institute Projects. Such amended Appendix I shall read as set forth in *Schedule A* to this Resolution.

Section 6. Sixth Supplemental Trust Indenture. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman, Interim Executive Director, or Treasurer under the seal of the Authority, attested by its Secretary or Assistant Secretary, and the delivery of a Sixth Supplemental Trust Indenture (the "Supplemental Indenture"), supplementing and amending the Indenture. The Supplemental Indenture, among other things, shall provide for (a) the inclusion of the Rehabilitation Institute as a borrowing institution under the Indenture and the Program, (b) the issuance of Notes in an aggregate principal amount not to exceed \$312,200,000 at any one time and (c) the cure of certain ambiguities, formal defects and omissions therein. The Supplemental Indenture shall be in substantially the form attached hereto as *Exhibit C* and hereby approved, with such changes therein as shall be approved by the officials of the Authority executing the same, such execution to constitute conclusive evidence of such officials' approval, and of the Authority's approval, of the final form of the Supplemental Indenture.

Section 7. Amended and Restated Dealer Agreement. The Authority does hereby acknowledge the execution and the delivery of an Amended and Restated Dealer Agreement (the "Dealer Agreement"), providing for the offering and sale of the Notes by the Dealer from time to time.

Section 8. Offering Memoranda. The Authority does hereby authorize and approve the use from time to time of one or more Offering Memoranda (each, an "Offering Memorandum") by J.P. Morgan Securities Inc., as dealer (the "Dealer"), in connection with the offering of the Notes. Each Offering Memorandum shall be substantially in the form of the draft of the Offering Memorandum attached hereto and marked *Exhibit E*, or with such changes therein as shall be approved by the officials of the Authority executing the Rehabilitation Institute Security Agreement Amendment, such execution to constitute conclusive evidence of such official's approval, and of the Authority's approval, of the final form of each such Offering Memorandum; provided, that the Authority makes no representation or approval regarding the accuracy or sufficiency of any information contained in the Offering Memorandum other than the information regarding the Authority.

Section 9. Initial Credit Facility Provider. The Authority does hereby acknowledge that (i) The Northern Trust Company (the "Initial Credit Facility Provider") will serve as the initial credit facility provider under a Reimbursement Agreement dated as of November 1, 2005 (the "Rehabilitation Institute Reimbursement Agreement"), and (ii) that the Initial Credit Facility Provider will provide an amendment to its Irrevocable Transferable Letter of Credit (the "Initial Credit Facility Amendment") relating to the Notes to provide for the addition of the Rehabilitation Institute as a borrowing institution under the Indenture and the Program.

Section 10. Tax Exemption Certificate and Agreement. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman, Interim Executive Director, or Treasurer and the delivery, when needed, of one or more Tax Exemption Certificate and Agreement (each a "Tax Agreement"), each among the Authority, one or more of the Participating Institutions and the Trustee, pursuant to which certain investment earnings on moneys held by the Trustee may be transferred to a Rebate Fund established thereunder, as more

fully described in the Tax Agreement. Each Tax Agreement shall be in such form of the Tax Agreement attached hereto and marked *Exhibit F* and hereby approved, or with such changes as shall be approved by the official of the Authority executing the same, such execution to constitute conclusive evidence of such official's approval, and of the Authority's approval, of any changes or revisions therein from the final form of such Tax Agreement attached hereto.

Section 11. Additional Documentation. The Chairman, Vice Chairman, Interim Executive Director, or Treasurer under the seal of the Authority, attested by its Secretary or Assistant Secretary of the Authority, if appropriate, are each hereby authorized, empowered and directed to enter into, execute and deliver, for and on behalf of the Authority, such other amendments and supplements to the legal documentation, and such other documents, if any, as are deemed necessary or appropriate to accomplish the matters set forth in this Resolution, such amendments, supplements and documents to be in the forms approved by the officials of the Authority executing the Rehabilitation Institute Security Agreement, the execution thereof by such officials to constitute conclusive evidence of their approval, and of the Authority's approval, of the forms thereof.

Section 12. Authorization and Ratification of Related Matters. The members, officials, agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute, deliver and/or approve all such documents and showings as may be necessary or appropriate to carry out and comply with the provisions of this Resolution, and all of the acts and doings of the members, officials, agents and employees of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 13. Repeal of Conflicting Resolutions. All resolutions and parts of resolutions in conflict herewith be and the same are hereby repealed, and this Resolution shall be in full force

and effect forthwith upon its passage. The foregoing notwithstanding, the November 1995 Resolution, as amended by the Resolution of the IEFA adopted on February 22, 1996, by the October 1998 Resolution, by the Resolution of the IEFA adopted on June 17, 1999, by the Resolution of the IEFA adopted on September 14, 1999, by the Resolution of the IEFA adopted on October 18, 2000, by the May 2001 Resolution, by the Resolution of the IEFA adopted on August 23, 2001, by the Resolution of the IEFA adopted on November 26, 2001, by the Resolution of the IEFA adopted on April 10, 2002, by the Resolution of the IEFA adopted on December 16, 2003 and by the Resolution of the Authority adopted on September 13, 2005, is hereby confirmed and approved in all respects except insofar as certain provisions thereof are expressly amended or modified by or are otherwise in conflict with, this Resolution.

**APPENDIX I
TO NOVEMBER 8, 2005 RESOLUTION**

DESCRIPTION OF REHABILITATION INSTITUTE OF CHICAGO PROJECTS

RESOLUTION NUMBER 05-11-26

RESOLUTION authorizing the execution and delivery of a First Supplemental Indenture of Trust supplementing and amending the Indenture of Trust, dated as of July 1, 2004 between the Illinois Finance Authority and Amalgamated Bank of Chicago, as Trustee securing \$13,395,000 Adjustable Rate Demand Revenue Bonds, Series 2004 (Kohl Children's Museum of Greater Chicago Inc. Project) of the Authority, the proceeds of which were loaned to Kohl Children's Museum of Greater Chicago Inc., an Illinois not for profit corporation, to provide the funds necessary to finance the Project defined and described in the Original Indenture (as hereinafter defined) and authorizing and approving certain other matters.

WHEREAS, the Illinois Finance Authority (the "*Authority*") has been created by, and exists under, the Illinois Finance Authority Act, as amended (the "*Act*"); and

WHEREAS, on the 22nd day of June, 2004, the Authority authorized the issuance of \$13,395,000 Adjustable Rate Demand Revenue Bonds, Series 2004 (Kohl Children's Museum of Greater Chicago Inc. Project) (the "*Series 2004 Bonds*") the proceeds of which were loaned to Kohl Children's Museum of Greater Chicago Inc., an Illinois not for profit corporation (the "*Borrower*"), to provide the funds necessary to (a) finance, refinance and reimburse the Borrower for all or a portion of the costs of the acquisition, construction, furnishing and equipping of a new children's museum facility to be located at 2100 Patriot Boulevard, the northwest corner of Patriot Boulevard and West Lake Avenue in Glenview, Illinois, including the design and fabrication of museum exhibits and related site improvements and landscaping, (b) pay capitalized interest on the Series 2004 Bonds and (c) pay all or a portion of the costs of issuance of the Series 2004 Bonds, including but not limited to fees payable to the provider of the irrevocable direct pay letter of credit securing the Series 2004 Bonds (collectively, the "*Project*"); and

WHEREAS, the Series 2004 Bonds were issued pursuant to an Indenture of Trust dated as of July 1, 2004 (the "*Original Indenture*") between the Authority and Amalgamated Bank of Chicago, as Trustee (the "*Trustee*"); and

WHEREAS, certain proceeds of the Series 2004 Bonds were deposited with the Trustee in the Capitalized Interest Account established under the Original Indenture (the "*Capitalized Interest Account*") to be used to pay interest on the Series 2004 Bonds, calculated at a rate of 2.5% per annum, from the date of issuance of the Series 2004 Bonds through and including July 1, 2006; and

WHEREAS, the Borrower has entered into an interest rate exchange agreement with respect to the Series 2004 Bonds pursuant to which the Borrower receives a variable rate of interest sufficient to pay the interest due on the Series 2004 Bonds in exchange for fixed rate payments made by the Borrower; and

WHEREAS, the Borrower has requested the Authority to authorize a supplement and amendment to the Original Indenture (i) to permit moneys on deposit in the Capitalized Interest Account to be used to make its fixed rate payments under the interest rate exchange agreement and (ii) to permit amounts on deposit remaining in the Capitalized Interest Account on and after

July 2, 2006 to be used to pay any remaining costs of the Project financed by the issuance of the Series 2004 Bonds, if so directed by the Borrower; and

WHEREAS, there has been provided to the Authority a draft of the First Supplemental Indenture of Trust (the "*First Supplemental Indenture*") between the Authority and the Trustee, substantially in the form attached hereto as *Exhibit A*, providing for the above-described amendments;

NOW, THEREFORE, BE IT RESOLVED by the Illinois Finance Authority as follows:

Section 1. The Authority does hereby authorize and approve the execution by its Chairperson, Vice Chairperson, any of its other Members, its Interim Executive Director or its Treasurer (each an "*Authorized Officer*") and the delivery and use of the First Supplemental Indenture. The First Supplemental Indenture shall be substantially in the form attached hereto and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of any changes or revisions therein from the form of First Supplemental Indenture attached hereto.

Section 2. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of this Resolution and the First Supplemental Indenture, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the First Supplemental Indenture or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by the Interim Executive Director or Treasurer of the Authority; or in the event of the unavailability, inability or refusal of the Interim Executive Director and the Treasurer to act, any two Members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the First Supplemental Indenture.

Section 3. All resolutions or orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 4. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Adopted this 8th day of November, 2005 by roll call vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Secretary

RESOLUTION NO. 05-11-27

Resolution, authorizing the execution and delivery of a First Supplemental Loan Agreement supplementing and amending the Loan Agreements by and between Evanston Northwestern Healthcare Corporation and the Illinois Health Facilities Authority to provide revisions to the liquidity covenant contained in each loan agreement and authorizing and approving certain other matters.

WHEREAS, the **ILLINOIS HEALTH FACILITIES AUTHORITY** (the "Health Authority") has heretofore issued (i) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1985B (Evanston Hospital Corporation), (ii) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1987A-E (Evanston Hospital Corporation), (iii) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1988 (Evanston Hospital Corporation), (iv) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1990A (Evanston Hospital Corporation), (v) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1992 (Evanston Hospital Corporation), (vi) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1995 (Evanston Hospital Corporation), (vii) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1996 (Evanston Hospital Corporation) and (viii) \$50,000,000 in aggregate principal amount of its Variable Rate Adjustable Demand Revenue Bonds, Series 1998 (Evanston Northwestern Healthcare) (collectively, the "Bonds"); and

WHEREAS, each series of Bonds was issued pursuant to a Bond Trust Indenture (the "Bond Indentures") between the Health Authority and J.P. Morgan Trust Company (formerly, The First National Bank of Chicago), as bond trustee; and

WHEREAS, the proceeds of each series of the Bonds were loaned to Evanston Northwestern Healthcare Corporation (formerly, Evanston Hospital Corporation and herein "ENH") pursuant to separate Loan Agreements each between the Health Authority and ENH; and

WHEREAS, as of January 1, 2004, the Illinois Finance Authority succeeded to all the rights and duties of the Health Authority; and

WHEREAS, pursuant to each Loan Agreement ENH has covenanted to maintain certain amounts of cash and United States Treasury Securities (the "Liquidity Covenant"); and

WHEREAS, ENH has requested that the Authority supplement and amend the provisions of each Loan Agreement in order to permit the use of additional types of securities to satisfy the Liquidity Covenant; and

WHEREAS, Section 1002 of each of the Bond Indentures provides that the related Loan Agreement may be supplemented and amended with the consent of the holders of not less than 51% in aggregate principal amount of the related series of Bonds; and

WHEREAS, the Authority desires to authorize the supplementing and amendment of the Loan Agreements as described herein, subject in each case to the receipt of the consent of not less than 51% in aggregate principal amount of the related series of Bonds; and

WHEREAS, the amendment of the Liquidity Covenant will be described in supplements to each Official Statement delivered in connection with the original issuance of each series of the Bonds (the "Original Official Statements"); and

NOW, THEREFORE, BE IT RESOLVED by the Illinois Finance Authority as follows:

1. **First Supplemental Loan Agreement.** The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman, any of its other Members, Executive Director (or any person serving in such capacity on an "interim" basis and authorized to take actions as if such person were appointed as the Executive Director), Treasurer or any officer or employee designated by the Executive Director (each an "Authorized Officer") and the delivery of separate First Supplemental Loan Agreement providing for the amendment of the related Loan Agreement. Each First Supplemental Loan Agreement shall be substantially in the form attached hereto and marked Exhibit A and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of any changes or revisions therein from the form of the First Supplemental Loan Agreement attached hereto.

2. **Supplemental Official Statements.** The Authority does hereby authorize and approve the execution by an Authorized Officer and the delivery of separate Supplemental Official Statements supplementing the Original Official Statements. Each Supplemental Official Statement shall be substantially in the form attached hereto and marked Exhibit B and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of any changes or revisions therein from the form of the Supplemental Official Statement attached hereto.

3. **Authorization and Ratification of Subsequent Acts.** The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions and the documents attached hereto as Exhibits. All of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved.

ADOPTED this 8th day of November, 2005.

Interim Executive Director