

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

May 15, 2009

Pursuant to notification given May 8, 2009, the Members of the Illinois Housing Development Authority met for a regular meeting at 9:30 a.m., local time, May 15, 2009, at the offices of the Illinois Housing Development Authority, 401 North Michigan Avenue, Suite 700, Chicago, Illinois.

Those present:

BOARD:

Terry Newman	Chairman
Robert Barker	Vice Chairman
Karen Davis	Treasurer
Mary Kane	Member
George Lampros	Member

STAFF:

DeShana Forney	Executive Director
Jane Bilger	Chief of Staff/Assistant Executive Director
Mary Kenney	General Counsel
Kathryn Finn	Assistant General Counsel
Robert Kugel	Assistant Executive Director/Chief Financial Officer
James Gregor	Controller
Barbara Manning	Chief Internal Auditor
Cami Freeman	Director of Single Family HOME/Trust Fund Programs
Vanessa Hill	Single Family HOME/Trust Fund Programs
Michelle Adams	Director, Administrative Services
Stephen Gladden	Assistant Director/Manager for Multifamily Underwriting
Tracy Wortham	Assistant Director, Human Resources
Steve Uitto	Director, Information Systems
Nicki Pecori	Finance and Development
Mary Karnia	Finance and Development
Omar Brown	Financial Asset Management
Hazim Taib	Financial Asset Management
Peggy Cullom	Managing Director for Loan and Portfolio Management
Linda Thurmond	Managing Director for Multifamily Programs
Bill Smythe	Finance and Development
Tony Hernandez	Director, Asset Management
Eric Von Battles	Asset Management
Diane Smith	Assistant Director, Asset Management
Adonya Little	Multifamily Programs
Matt Palek	Multifamily Programs
Adam Rogers	Multifamily Programs
Adrienne Whitney	Financial Asset Management
Bill Smirniotis	Managing Director for Homeownership Programs

GUESTS:

Bob Foggio	Morgan Stanley
Geoff Proulx	Morgan Stanley
Renee Johnson	Morgan Stanley
Susan Jun	Marryll Lynch
Elizabeth May	JPM Chase
Dana Bunting	Goldman Sachs
Mary Lu Seidel	Corporation for Affordable Homes of McHenry County
Ofelia Navarro	Spanish Coalition for Housing
Celena Santiago	Spanish Coalition for Housing
Norma Sutton	Community Economic Development Project
Jim Wheaton	Neighborhood Housing Services of Chicago, Inc.
Dennis Howard	Community Service Options, Inc.
Caleb Sjoblom	Rogers Park community Development Corporation
Juan Rivera	Latin United Community Housing Association
Eliseo Barbosa	Latin United Community Housing Association
Kristen Komara	The Resurrection Project
Richard Koenig	Housing Opportunity Development Corp.
Leslie Mastroianni	City of Freeport
Jenny Rodriguez	City of Kankakee
Roy Adams	City of Herrin
Cathy Schluckebier	City of Quincy
Frankie Atwater	City of Moline
Robert Anthony	Highland Park Illinois Community Land Trust
Lisa Tapper	Lake County Affordable Housing Corporation
Maria Hibbs	Windows of Opportunity
John Janicik	Mayor Brown LLP

With a quorum consisting of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros being present, Chairman Newman called the meeting to order at 9:30 a.m.

09-IHDA-047 Chairman Newman introduced Item 1 on the Agenda: Resolution Approving the Minutes of the Meeting of the Members of the Illinois Housing Development Authority held on April 17, 2009.

A motion to adopt the Minutes was made by Mr. Barker and seconded by Mr. Lampros; the Minutes were adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-048 Executive Director Forney introduced Item 2 on the Agenda: Resolution Authorizing Subordinate Loans and Down Payment and Closing Cost Assistance Grants under the Illinois Affordable Housing Program – Home Buyer Program.

Ms. Freeman stated that the following entities (collectively, the “Sponsors”):

Corporation for Affordable Homes of McHenry County
Spanish Coalition for Housing
NHS of Chicago
Home Options
Rogers Park CDC
Latin United Community Housing Association (LUCHA)
The Resurrection Project, and
Housing Opportunity Development Corporation,

have applied for loans and down payment and closing cost assistance grants under the Illinois Affordable Housing Program – Home Buyer Program. The Summary attached to the Resolution sets forth the name of each Sponsor and the material terms and eligibility conditions for the funding of its projects. Ms. Freeman stated that the request was for \$410,000 in grants and \$2,310,000 in loan funds. Ms. Freeman recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Ms. Davis; the Resolution was adopted by the affirmative votes of

Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-049

Executive Director Forney introduced Item 3 on the Agenda: Resolution Authorizing Grants under the HOME Small Rental Properties Program.

Ms. Freeman stated that as part of the HOME Program, the Authority has developed and administers the Small Rental Properties Program (the "Program") under which it provides grants ("Grants") to municipalities that agree to make forgivable loans to small rental property owners (collectively, the "Owners") for the rehabilitation of units for the benefit of low income tenants. The following entities: City of Freeport, City of Kankakee, City of Herrin, City of Quincy, City of Zeigler, City of Moline, and City of Rock Falls, outlined in Exhibit A attached to the Resolution (collectively, the "State Recipients") have applied to the Authority for Grants from the Program to provide financing to Owners of small rental properties with units to be rented to low, very low and/or extremely low income households (the "Projects"). The summary attached to the Resolution sets forth the name of the State Recipient and the material terms and conditions of the Project. The total Grant amount shall not exceed \$961,000 and the initial closing for each Project shall occur on or before November 30, 2009. Ms. Freeman recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Mr. Barker; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-050

Executive Director Forney introduced Item 4 on the Agenda: Resolution Amending Resolution 2008-IHDA-160 Authorizing the Expansion of the Service Period for the National Foreclosure Mitigation Counseling Program and Naming Prairie State Legal Services, Inc. as a Contracting Legal Entity under the Program.

Ms. Freeman stated that pursuant to Resolution No. 2008-IHDA-160 (the "Prior Resolution"), the Authority was authorized to accept a grant (the "Grant") under the National Foreclosure Mitigation Counseling Program (the "Program") and the Authority subsequently executed a Grant Agreement with NeighborWorks America ("NWA") dated December 3, 2008 (the "Grant Agreement"). The Prior Resolution provided that upon receipt of the Grant, the Authority was authorized to enter into agreements

with certain qualified housing counseling agencies to provide funds for (i) counseling services for homeowners of owner-occupied homes with mortgages in default, in danger of being in default, or likely to suffer foreclosure (the "Counseling Services"), and (ii) expenses associated with the provision of the Counseling Services. The Grant Agreement permits the Authority to contract with and refer homeowners to a "Contracting Legal Entity" (as that term is defined in the Grant Agreement) for limited legal assistance ("Legal Assistance") and the Grant Agreement included an award of Legal Assistance funds in the amount of \$100,000 (the "Maximum Legal Assistance Amount"). The Authority has identified a need for Legal Assistance within the Program and has had conversations with Prairie State Legal Services, Inc., to provide Legal Assistance in areas of the State that otherwise are not receiving Legal Assistance under the Program. Ms. Freeman stated that the Authority desires to enter into an agreement with Prairie State Legal Services, Inc., to provide Legal Assistance under the Program in an amount not to exceed the Maximum Legal Assistance Amount. Additionally, the "Grant Period", as initially defined by NWA, was for the period from January 1, 2009 through December 31, 2009. Since the adoption of the Prior Resolution, NWA has extended the Grant Period to begin on October 1, 2008. The Grant Agreement also provides for the possibility of a further extension of the Grant Period, at the sole discretion of NWA, and the Authority desires to extend the Grant Period and amend the Prior Resolution such that, upon approval by NWA, the Grant Period would become October 1, 2008 through June 30, 2010. MS. Freeman recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-051

Executive Director Forney introduced Item 5 on the Agenda: Resolution Authorizing Mortgage Credit Certificate Program.

Mr. Smirniotis stated that this Resolution requests the use of \$25 million in mortgage revenue bond cap to produce \$31,250,000 for the Authority's statewide Mortgage Credit Certificate ("MCC") Program. An MCC is a credit to the homebuyer on their federal income tax of 20% of the interest paid annually on their home mortgage for as long as they have a mortgage on that property. Mr. Smirniotis stated that this becomes a very attractive vehicle when purchasing a home and many buyers are combining the MCC with the \$8,000 first time homebuyer federal tax credit. Mr. Smirniotis recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-052

Executive Director Forney introduced Item 6 on the Agenda: Resolution Authorizing State Tax Credits (STC-10163-09) for Highland Park Illinois Community Land Trust-227 Greenbay.

Ms. Poole stated that Highland Park Illinois Community Land Trust (the "Sponsor") has applied to the Authority for State Tax Credits in connection with the acquisition of a multifamily housing development known as Highland Park Illinois Community Land Trust-277 Greenbay described on Exhibit A attached to this Resolution. The Sponsor proposes the rehabilitation of one single family home in the Ravina Park neighborhood of Highland Park. Ms. Poole recommended the Members' approval of the State Tax Credits in an amount not to exceed \$150,000.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Davis; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-053

Executive Director Forney introduced Item 7 on the Agenda: Resolution Authorizing Disbursement of Grant Funds CHA Workforce Development Initiative Chicago, IL.

Mr. Rogers stated that the Board of Commissioners of the Chicago Housing Authority (the "CHA") has adopted a Minimum Tenant Selection Plan for mixed income developments constructed pursuant to the CHA's Transformation Plan. One of the criteria under the Minimum Tenant Selection Plan requires that the head of household for all tenants of mixed income developments work at least 120 hours per month in order to qualify for tenancy at the development. In response to this requirement, the CHA has created a Workforce Development Initiative (the "Initiative") to provide job training skills and to assist in job placement for public housing residents. The CHA approached the Authority in an effort to secure funding to assist in the Initiative. Mr. Rogers stated that by resolution 2006-IHDA-128 the Authority authorized the making of a grant (the "Grant") in an amount not to exceed \$5,000,000 to fund a portion of the initiative over a three year period to provide transitional job placement for public housing tenants seeking housing within the CHA's mixed income developments being constructed under the CHA's Transformation Plan. The staff of the Authority entered into a grant agreement with

Windows of Opportunity, Inc. whereby the Grant would be disbursed in three installments of \$1,666,666.67 (each a "Grant Installment"). By Resolution 2006-IHDA-128 the Authority authorized the disbursement of the first Grant Installment which was disbursed in July 2007; by Resolution 2008-IHDA-75 the Authority authorized the disbursement of the second Grant Installment which was disbursed in August 2008. Mr. Rogers recommended the Members' authorization for disbursement of the third Grant Installment.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-054

Executive Director Forney introduced Item 8 on the Agenda: Resolution Authorizing Application to and Execution of Grant Agreement with the United States Department of Housing and Urban Development for Funds under the Tax Credit Assistance Program Authorized under the American Recovery and Reinvestment Act of 2009.

Ms. Thurmond stated that on February 17, 2009 President Obama signed the American Recovery and Reinvestment Act ("Recovery Act"), the purpose of which is to create and save jobs in the near term and invest in infrastructure that will provide long-term economic benefits. The Recovery Act appropriated \$2.250 billion to provide funds for capital investments in Low-Income Housing Tax Credit ("LIHTC") projects under a program known as the Tax Credit Assistance Program ("TCAP"). The United States Department of Housing and Urban Development ("HUD") will award TCAP grants to state housing credit agencies to facilitate the development of projects that received or will receive LIHTC awards between October 1, 2006 and September 30, 2009 and that require additional funding in order to be completed and placed in service in accordance with the requirements of Section 42 of the Internal Revenue Code of 1986. TCAP funds are being distributed to each state housing credit agency based on the percentage of the Fiscal Year 2008 HOME Investment Partnerships Program appropriation received by the state and local participating jurisdictions in the state; Illinois will receive approximately \$94,600,000 in TCAP funds (the "Illinois TCAP Funds"). Ms. Thurmond stated that the Authority has determined it is in its best interest to participate in the TCAP and desires to apply to and enter into a grant agreement with HUD for the Illinois TCAP Funds. The summary attached to the Resolution sets forth the terms and conditions of the TCAP. Ms. Thurmond recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Davis; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-055

Executive Director Forney introduced Item 9 on the Agenda: Resolution Authorizing Application to and Execution of a Grant Agreement with the United States Department of Treasury for Funds under the Tax Credit Exchange Program Authorized under the American Recovery and Reinvestment Act of 2009.

Ms. Thurmond stated that on February 17, 2009 President Obama signed the American Recovery and Reinvestment Act ("Recovery Act"), the purpose of which is to create and save jobs in the near term and invest in infrastructure that will provide long-term economic benefits. Section 1602 of the Recovery Act authorizes the United States Department of Treasury (the "Treasury") to issue grants to state housing credit agencies for low-income housing projects in lieu of low-income housing tax credits (the "Section 1602 Program"). By participating in the Section 1602 Program, a state housing credit agency may exchange a portion of its 2009 state housing credit ceiling for funds from Treasury. Under the Section 1602 Program a state housing credit agency may apply for, and the Treasury may award, one or more grants, through December 31, 2010, to finance the construction, acquisition and rehabilitation of projects which are qualified low-income buildings under Section 42 of the Internal Revenue Code of 1986. Ms. Thurmond stated that the Authority has determined it is in its best interest to participate in the Section 1602 Program and desires to apply to and enter into a grant agreement with the Treasury for funds under the Section 1602 Program in the approximate aggregate amount of up to \$300,000,000. The summary attached to the Resolution sets forth the terms and conditions of the Section 1602 Program. Ms. Thurmond recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Davis; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-056

Executive Director Forney introduced Item 10 on the Agenda: Resolution Authorizing Accounts Pursuant to the American Recovery and Reinvestment Act of 2009 at JP Morgan Chase Bank, N.A.

Ms. Whitney stated that the Authority will be receiving funds from the U.S. Department of the Treasury (the "Treasury") and the U.S.

Department of Housing and Urban Development (“HUD”) pursuant to certain provisions of the American Recovery and Reinvestment Act of 2009 (“ARRA”). The Authority will receive funds from the Treasury (“LIHTC Funds”) pursuant to the provisions of ARRA providing for grants to state housing credit agencies for low-income housing projects in lieu of low-income housing tax credits. The Authority will receive funds from HUD (“TCAP Funds”) pursuant to the provisions of ARRA providing funds for capital investments in low-income housing tax credit projects. The Treasury has issued guidance to recipients of LIHTC Funds requiring, among other things, the establishment of a deposit account for LIHTC Funds. HUD has issued guidance to recipients of TCAP Funds requiring, among other things, the establishment of a deposit account for TCAP Funds. Pursuant to the Illinois Procurement Code the Authority published a request for proposals for commercial banking services. The Authority evaluated proposals and, pursuant to Resolution 2008-IHDA-047, the Authority is authorized to establish accounts for its various programs with JP Morgan Chase Bank, N.A., located in Chicago (“Chase Bank”). Ms. Whitney stated that the Authority has determined that it is in its best interest to establish an account to be known as the Low-Income Housing Tax Credit Grant Account at Chase Bank (the “LIHTC Account”), into which the Authority shall deposit LIHTC Funds from the Treasury and from which the Authority shall make sub-awards. The Authority has determined that it is in its best interest to establish an account to be known as the Tax Credit Assistance Program Funds Account at Chase Bank (the “TCAP Account”) into which the Authority shall deposit TCAP Funds from HUD and from which the Authority shall make sub-awards. Ms. Whitney recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Ms. Davis; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-057

Executive Director Forney introduced Item 11 on the Agenda: Resolution Amending Financial Management Policy.

Ms. Whitney stated that by Resolution No. 2005-IHDA-058 the Authority authorized and established a new financial management policy (the "Policy"). Ms. Whitney stated that it is necessary, from time to time, to update the list of authorized financial institutions and counterparties under the Policy. The updated list of financial institutions and counterparties is attached to the Resolution as Exhibit B. Ms. Whitney recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Ms. Davis; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-058

Executive Director Forney introduced Item 12 on the Agenda: Resolution Authorizing an Increase in Term Loan and Disbursement of Proceeds.

Mr. Kugel stated that pursuant to Resolution No. 2006-IHDA-051 the Authority previously authorized a term loan for Lakeshore Plaza (ML-181) wherein the Bank of America NA (the "Lender") agreed to make available to the Authority for a period of five years a tax-exempt or taxable term loan (a "Term Loan") in an amount up to \$10,000,000. Pursuant to Resolution 2006-IHDA-128, the Authority authorized the making of a grant (the "Grant") in an amount not to exceed 5,000,000 to fund a portion of the initiative over a three year period to provide transitional job placement for public housing tenants seeking housing within the Chicago Housing Authority (the "CHA") mixed income developments being constructed under the CHA's Plan for Transformation. In May 2007, the Authority drew the amount of \$1,666,666.67 from the Lender to fund the first installment of the Grant; by Resolution 2008-IHDA-076 the Authority authorized a second draw of \$1,666,666.67 to fund the second installment of the Grant. The CHA has requested the disbursement of the final installment of the Grant. Mr. Kugel recommended the Members' approval for the Authority to fund the final installment of the Grant by drawing an additional \$1,666,666.66 under the Term Loan with the Lender.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-059

Executive Director Forney introduced Item 13 on the Agenda: Resolution Authorizing the Subordination of Loans for South Shore Apartments (HTF-027 and HTF-027b).

Mr. Von Battles stated that the Authority has previously made two mortgage loans in the aggregate principal amount of \$1,633,000 (the "IHDA Mortgage Loans") to South Shore Limited Partnership (the "Former Owner") for the acquisition, rehabilitation, and permanent financing of a multifamily housing development known as 7456 S. South Shore Drive, Chicago, Illinois (the "Development"). Since the Authority made the IHDA Mortgage Loans to the Former Owner, title to the

Development transferred from the Former Owner to Chicago Title Land Trust Company (“Trustee”), not personally, but as Trustee pursuant to a certain Trust Agreement dated February 5, 2007 and known as Trust Number 8002348170 (the “Trust”), and 7456 South Shore Apartments LLC, an Illinois limited liability company and the sole beneficiary of the Trust (the “Beneficiary”, the Trustee and the Beneficiary are collectively referred to as the “Owner”). The Loans are presently subordinate to a first mortgage loan made by Community Investment Corporation (“CIC”) (the “Existing First Mortgage Loan”). Mr. Von Battles stated that the outstanding principal balance of the Existing First Mortgage Loan is approximately \$391,582 as of December 1, 2008. The aggregate outstanding principal balance of the IHDA Mortgage Loans is \$1,527,169 as of April 20, 2009. The Owner desires to refinance the Existing First Mortgage Loan in the amount of \$400,000 from Associated Bank (the “Proposed First Mortgage Loan”) in place of the Existing First Mortgage Loan (i) to reduce the Owner’s current exposure with CIC in order to acquire additional properties with CIC financing, (ii) to reduce the monthly payments from \$2,751.00 to \$2,735.00, and (iii) to shorten the maturity date from March 2028 to June 2016. The Owner has requested that the Authority agree to subordinate the IHDA Mortgage Loans to the Proposed First Mortgage Loan. Mr. Von Battles stated that the Authority has determined it is in its best interest to subordinate the IHDA Mortgage Loans to the Proposed First Mortgage Loan to maintain the financial viability of the Development and recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Mr. Barker; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-062

Executive Director Forney introduced Item 14 on the Agenda: Resolution Authorizing Expenditure of Funds for the Federal Share of Fiscal Year 2008 Audit Expenses.

Mr. Kregor stated that the State Finance Act allows the Auditor General to bill entities for the cost of audits, studies and investigations incurred on their behalf and to request that such entities reimburse the Audit Expense Fund (the “Fund”). The Authority has received a request to reimburse the Fund in the amount of \$71,347 in connection with the federal share of the cost of the Single Audit of the Authority for the fiscal year ended June 30, 2008. Mr. Kregor recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Davis; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-063

Executive Director Forney introduced Item 15 on the Agenda: Resolution Ratifying the Establishment of Owner's Equity in Mt. Vernon Senior Building (AM-2449) Amending Resolution No. 2009-IHDA-026.

Ms. Hillock stated that the Illinois Housing Development Act ("Act") provides that the Authority shall, by resolution, establish owner's equity ("Equity") in a development at the time of making the final mortgage advance. The Act further provides that the Equity in a development shall consist of the difference between the amount of the mortgage loan and the total cost of the development. Pursuant to Resolution No. 2009-IHDA-026 (the "Prior Resolution"), the Equity for Mt. Vernon Senior Building (the "Development") was established at \$1,000,000. Since the adoption of the Prior Resolution, the Authority has discovered that the original calculation of Equity for the Development was incorrect and has determined it is necessary to amend the Prior Resolution to reflect the correct amount of Equity for the Development, which is \$3,775,682. Ms. Hillock recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Mr. Barker; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-064

Executive Director Forney introduced Item 16 on the Agenda: Resolution of Intent Concerning the Issuance of Revenue Obligations under Single Family and Multi-Family Bond Programs (Home Rule Pool) in an Aggregate Principal Amount Not to Exceed Seventy-Five Million Dollars (\$75,000,000.00).

Ms. Kenney stated that pursuant to the Constitution and the laws of the State of Illinois (the "State"), the Authority is authorized to issue private activity bonds ("Bonds") for the purposes of providing financing for single family housing, multi-family housing developments and other authorized purposes of the Authority (collectively the "Intended Purposes"). The Illinois Private Activity Bond Allocation Act and the Guidelines and Procedures of the Office of the Governor for the State provide that at any time after June 1, 2009, the Authority may apply to the Governor's office for tax exempt bond volume cap ("Bond Cap")

from that unused portion of Bond Cap originally allocated to the home rule units within the State. Ms. Kenney stated that the Authority states its intention, subject to compliance with all requirements of law, to provide financing for the Intended Purposes and to issue Bonds in an aggregate amount not to exceed \$75,000,000. Ms. Kenney recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-065

Executive Director Forney introduced Item 17 on the Agenda: Resolution of Intent Concerning the Issuance of Revenue Obligations under Single Family and Multi-Family Bond Programs (Non-Home Rule Pool) in an Aggregate Principal Amount Not to Exceed Seventy-Five Million Dollars (\$75,000,000.00).

Ms. Kenney stated that pursuant to the Constitution and the laws of the State of Illinois (the "State"), the Authority is authorized to issue private activity bonds ("Bonds") for the purposes of providing financing for single family housing, multi-family housing developments and other authorized purposes of the Authority (collectively the "Intended Purposes"). The Illinois Private Activity Bond Allocation Act and the Guidelines and Procedures of the Office of the Governor for the State provide that at any time after July 15, 2009, the Authority may apply to the Governor's office for tax exempt bond volume cap ("Bond Cap") from that unused portion of Bond Cap originally allocated to the non-home rule units within the State. Ms. Kenney stated that the Authority states its intention, subject to compliance with all requirements of law, to provide financing for the Intended Purposes and to issue Bonds in an aggregate amount not to exceed \$75,000,000. Ms. Kenney recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Mr. Davis; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-066

Executive Director Forney introduced Item 18 on the Agenda: Resolution Authorizing Renewal of Agreement with Thomson West.

Ms. Kenney stated that the Authority has previously entered into an agreement (the "Current Agreement") with Thomson West (the "Vendor") for access to Westlaw software (the "Software"). The Current Agreement expires on July 31, 2009. The Authority wishes to renew the Current Agreement (the "New Agreement") with the Vendor to provide the Software for a one (1) year term, from August 1, 2009 to July 31, 2010 (the "Term") for an annual fee of \$14,431.28 (the "Annual Fee"). The Annual Fee will be paid in monthly installments of \$1,202.60. Ms. Kenney stated that there may be additional costs in the event the Authority determines it is necessary to access another database which is not included in the Software. The fee under the New Agreement for the Software shall not exceed \$15,000, plus additional costs in the event the Authority determines it is necessary to access another database which is not included in the Software. Ms. Kenney recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-067

Executive Director Forney introduced Item 19 on the Agenda: Resolution Ratifying Agreement with Steven L. Pawlow & Associates, Inc.

Mr. Kregor stated that the Authority needs the following compliance reviews by May 29, 2009 in order to comply with the requirements of the Fiscal Control and Internal Auditing Act: (i) cash management procedures of the Section 8 Project-Based Cluster ("Section 8") and Section 236 Interest Reduction Payments-Rental and Cooperative Housing for Lower Income Families ("Section 236") programs funded by the United States Department of Housing and Urban Development ("HUD"), which will address whether the funds under the Section 8 and Section 236 programs are being disbursed pursuant to 31 CFR Part 205.33 (a) of United States Treasury Regulations; and (ii) Section 3 reports from multifamily projects funded by HUD pursuant to the HOME Investment Partnerships Program, which will address whether the Authority is properly monitoring the Section 3 reports prepared by the Authority's sub-recipients (collectively, the "Audits"). Pursuant to the small purchase provision of the Illinois Procurement Code the Authority entered into an agreement (the "Agreement") with Steven L. Pawlow & Associates, Inc. (the "Vendor") to conduct the Audits for the period from May 1, 2009 through May 26, 2009 at a total cost not to exceed \$19,000. Mr. Kregor stated that the Authority entered into the Agreement in advance of approval by the Members of the Authority in order to complete the Audits by the stated

deadline. Mr. Kregor recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

09-IHDA-068

Chairman Newman introduced Item 20 on the Agenda: Resolution Electing Officers of the Authority and Appointing Members to Committees.

Chairman Newman stated that By-Laws (the "By-Laws") of the Authority provides for the annual election of a Vice-Chairman, a Treasurer, a Secretary, one or more Assistant Treasurers and one or more Assistant Secretaries (collectively, the "Officers"). The By-Laws also provide that the Authority may designate committees (the "Committees") and that the Members shall be appointed to Committees by the Chairman. Chairman Newman stated that in May of 2008, by Resolution No. 2008-IHDA-082 (the "Prior Resolution"), the Authority, elected officers and appointed Members to Committees. Pursuant to the By-Laws, it is therefore time to re-elect officers and designate committees. The Officers elected and Members appointed will serve until May 15, 2010 or until such time as new Officers are elected and/or committee members appointed.

The following persons are hereby elected as Officers:

Robert Barker	Vice-Chairman
Mary Kane	Secretary
Karen Davis	Treasurer
DeShana L. Forney	Assistant Secretary
Jane R. Bilger	Assistant Secretary
Mary R. Kenney	Assistant Secretary
Robert W. Kugel	Assistant Treasurer

The Chairman hereby appointed the following Members to the Committees:

Asset Management:	Karen Davis, <i>Chairman</i> Mark Kochan George Lampros
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Audit:	George Lampros, <i>Chairman</i> Karen Davis Floyd Gardner
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Finance: Robert Barker, Chairman
Mary Kane

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

Presentation 1 For Presentation 1, Finance Committee Report, Mr. Barker recommended the Members' approval of the minutes from the April 17, 2009, Finance Committee meeting.

A motion to adopt the minutes was made by Mr. Barker and seconded by Ms. Davis; the minutes were adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

Presentation 2 For Presentation 2, Multifamily Status Report as of April 30, 2009, Chairman Newman referred the Members to the Board materials.

Presentation 3 For Presentation 3, Audit Committee Minutes, Mr. Lampros recommended the Members' approval of the minutes from March 20, 2009 Committee meeting.

A motion to adopt the minutes was made by Mr. Lampros and seconded by Ms. Kane; the minutes were adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

Chairman Newman introduced Dana Bunting from Goldman Sachs who gave an update on current financial situation.

Chairman Newman moved that the Board retire immediately to a closed session pursuant to Section 2(c)(1) of the Opening Meetings Act to discuss the following subjects: personnel. Mr. Lampros seconded the motion, voting was done by a roll-call vote, and the Board approved the motion by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros.

There being no further business, Chairman Newman adjourned the meeting at 10:07 a.m. to the closed session. The closed session adjourned at 10:40 a.m.