

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

March 20, 2009

Pursuant to notification given March 13, 2009, the Members of the Illinois Housing Development Authority met for a regular meeting at 9:30 a.m., local time, March 20, 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
Floyd Gardner III	Member
Mary Kane	Member (via telephone)
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 Kregor	Controller
DuWarn Porter	Research and Policy Manager
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 Loan and Portfolio Management
Linda Thurmond	Managing Director for Multifamily Programs
Bill Smythe	Multifamily Programs
Tony Hernandez	Asset Management
Eric Von Battles	Asset Management
Diane Smith	Asset Management
Adonya Little	Multifamily Programs
Matt Palek	Multifamily Programs

Adam Rogers
Adrienne Whitney
Bill Smirniotis

Multifamily Programs
Financial Asset Management
Managing Director of Homeownership Programs

GUESTS:

Robyn Snyderman
Peter Glick
Susan Kurland
Geoff Proulx
Susan Jun
Dana Bunting
Jeff Gertz
Renee Johnson
Rhonda Jackson
S. Costanzo
Scott Schmitt
Mike Koessel
Wilhelmina Gunther
Kenneth Hise
Rick Barrera
Laurie Clayton
Gregory Caffey
Jim Wheaton
Eleanor Vasquez
Caleb Sjoblom
Ofelia Navorro
Kristen Komara
Mary Lu Seidel
Gabriela Roman
Jerome Sullivan
Kevin Wiehardt
Nora Boyer
Allen Gill
Paul White
Bill McConnell
Robin Benson
Krista Kolis
Khristina Vaughn
Doug McDermid
Roy Adams
Debra Jackanicz
Dennis Stevens
Leslie Mastroianni
Mary Artman
McFarland Bragg
Pamela Anderson

Metropolitan Planning Council
Wells Fargo
First Albany Securities
Morgan Stanley
Merryl Lynch
Goldman Sachs
JP Morgan
Bank of New York
Bank of New York
City Bank
US Bank
Citibank
Illinois Assistive Technology Program
St. Clair County Assistance Program
Mid Central Community Action, Inc.
Partnership for HomeOwnership Foundation
City of Alton
Historic Chicago Graystone
The Resurrection Project
RPCDC
Spanish Coalition
MPC
CAHMCO
LUCHA
Great Lakes
City of Nauvoo in Hancock County
Village of Arlington Heights in Cook County
City of Carbondale in Jackson County
C.E.F.S. Economic Opportunity Corporation
Habitat for Humanity of McLean County, Inc.
Illinois Homeownership Coalition for People with Disabilities
Village of Brighton in Macoupin County
City of Carbondale
City of Charleston
City of Hurst in Williamson County
City of Zeigler in Franklin County
Richland County
City of Freeport
Northwestern Illinois Community Action Agency
Limestone Township in Peoria County
City of Pekin

Brian Hollenback
Wayne Thompson
Tia Allison
Robert Schroeder
William Davis
Peter Levavi
Robert Helle
Lee Pratter
Keith Brown
Deborah Dixon
Henry Morris

Rock Island Economic Growth Corporation
Tri-County Opportunities Council
Wabash Area Development, Inc.
Western Egyptian E.O.C. Inc.
East Lake/Decatur Rental III, LP
WHP-IIC, LLC
South Chicago SA Partners, LLC
Oakwood Shores Phase 2B(One) GP LLC
B.C.M.W. Community Services, Inc.
Roseland Place, LP
Briggs-Rosalind Phase One LP

With a quorum consisting of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Mr. Gardner, and Mr. Lampros being present, Chairman Newman called the meeting to order at 9:32 a.m. Chairman Newman stated that Ms. Kane was attending the meeting by telephone. He stated that Ms. Kane was not available to attend in person and is communicating with the Board by telephone from her office. He further stated that her communications are being received through a speakerphone in the Authority's boardroom, located in the Authority's office at 401 N. Michigan Avenue.

09-IHDA-015 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 January 16, 2009.

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

Executive Director Forney announced that the original order of the Agenda items will be changed. Ms. Kane will be available for the short time period for voting on the resolutions where other Members have a conflict of interest and would need to abstain from voting.

09-IHDA-016B Executive Director Forney introduced Tab B under Item 2 on the Agenda: Resolution Authorizing Provision of Funds for Historic Chicago Greystone Initiatives (STF-2503-01) under the Illinois Affordable Housing Program.

Ms. C. Freeman stated that by Resolution No. 2006-IHDA-066 the Authority made funds available to the Sponsor in the amount of \$388,000 (the "Grant") in connection with the rehabilitation of 88 single family grey stone buildings throughout Chicago North Lawndale Community over a 24 month period owned by low and/or very low income households (the "Homeowners") selected by Neighborhood Housing Services of Chicago, Inc. ("the Sponsor"); such funds were used to make grants to the Homeowners for the rehabilitation of the homes. A portion of the proceeds of the Grant were not expended prior to the termination of the Grant on January 23, 2009 and the period for the Grant could not be extended because of certain limitations placed upon grants under the Illinois Grant Funds Recovery Act, 30 ILCS 705/5 *et seq.* The Sponsor has requested the Authority make funds available to the Sponsor in the amount of \$42,000, which would be used to make grants to the remaining Homeowners in the pipeline. Ms. Freeman recommended the Members' approval of the request.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Mr. Barker; voting was done by a roll-call vote and the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros. Mr. Gardner abstained from voting.

09-IHDA-018G

Executive Director Forney introduced Tab G under Item 4 on the Agenda: Resolution Authorizing an Increase in Federal Tax Credits for Senior Suites of Blue Island (FTC-2960-09) (Amending Resolution No. 2008-IHDA-162A) Blue Island, IL.

Ms. Little stated that by Resolution No. 2008-IHDA-162A (the "Prior Resolution"), Senior Suites of Blue Island, LLC (the "Sponsor") was allocated Federal Tax Credits in the amount of \$1,418,205 (the "Current Tax Credit Reservation Amount") for the construction of an independent elderly housing development to be located on the real estate legally described on Exhibit A attached to the Resolution and to be known as Senior Suites of Blue Island. The United States Congress recently passed the Housing and Economic Recovery Act of 2008, Pub.L. 110-289, 122 Stat. 2654, enacted July 30, 2008, (the "Recovery Act"), which in part amends certain sections of the Internal Revenue Code related to the allocation of Federal Tax Credits. Such amendments to the Internal Revenue Code under the Recovery Act increase the amount of Federal Tax Credits allocable to each State and the District of Columbia by ten percent (10%). Ms. Little stated that because of the Recovery Act, the Authority has additional Federal Tax Credits available for allocation and the Sponsor has applied to the Authority for an increase to the Current Tax Credit Reservation Amount in the amount of \$200,000 for a total Federal Tax Credit allocation of \$1,618,205. Ms. Little recommended the Members' approval of an additional allocation of Federal Tax Credits in the amount of \$200,000.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Mr. Lampros; voting was done by a roll-call vote and the Resolution was adopted by the affirmative votes of Vice-Chairman Barker, Ms. Davis, Ms. Kane, Mr. Gardner and Mr. Lampros. Mr. Newman abstained from voting.

09-IHDA-018I

Executive Director Forney introduced Tab I under Item 4 on the Agenda: Resolution Amending and Restating Resolution No. 2009-IHDA-005D, Authorizing a Partial Forward Commitment of Federal Tax Credits (FTC-2874-08 & FTC-2874-09) for Victory Centre of South Chicago Senior Apartments, Chicago, IL (Amending Resolution No. 2008-IHDA-178F).

Ms. Tucciarelli stated that there was some ambiguity in the written Resolution No. 2009-IHDA-005D (the "January Resolution") that was presented to the Members on January 16, 2009. The Authority would like

to clarify the written record and therefore desires to amend and restate the January Resolution in its entirety. Ms. Tucciarelli reminded the Members that pursuant to Resolution No. 2008-IHDA-178F (the "Prior Resolution"), South Chicago SA Associates, L.P. ("the Sponsor") was allocated Federal Tax Credits for the calendar year 2008 in the amount of \$2,014,475 (the "Prior Allocation") for the construction of a multifamily housing development known as Victory Centre of South Chicago Senior Apartments (the "Project"), described on Exhibit A attached to the Resolution. Ms. Tucciarelli stated that Section III.3 of the Authority's Qualified Allocation Plan governing the allocation of Federal tax Credits permits the Authority to make a forward reservation from the 2009 Authority Housing Credit Ceiling (the "Forward Reservation") in an amount not to exceed fifteen percent (15%) of the per capita portion of the 2008 Authority Housing Credit Ceiling; such amount for 2008 is \$4,480,303.00 (the "Forward Reservation Availability"). In reviewing the amount of the Forward Reservation Availability as compared to the Prior Allocation for the Project, the Authority has determined it is in its best interest to amend the Prior Resolution to rescind a portion the Prior Allocation and make a Forward Reservation of Federal Tax Credits for the calendar year 2009 in the amount of \$1,380,303 for the Project. The remaining portion of the Prior Allocation, which is in the amount of \$634,172, will survive as an allocation of Federal Tax Credits for the Project for calendar year 2008. Ms. Tucciarelli recommended the Members' approval of 2008 Federal Tax Credits in the amount of \$634,172 and a partial Forward Reservation of Federal Tax Credits in the amount of \$1,380,303.

A motion to adopt the Resolution was made by Ms. Davis and seconded by Mr. Lampros; voting was done by a roll-call vote and the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Ms. Kane and Mr. Lampros. Mr. Gardner abstained from voting.

09-IHDA-022

Executive Director Forney introduced Item 8 on the Agenda: Resolution Authorizing Acceptance of a Deed-In-Lieu of Foreclosure for Urban Park Place (HTF-2180).

Mr. Hernandez stated that the Authority has previously made a first mortgage loan in the amount of \$1,506,176 (the "Loan") to Urban Park Place, LLC, an Illinois limited liability company (the "Borrower"), for the acquisition, rehabilitation and permanent financing of two multifamily apartment buildings located at 302 and 306 East Park Street, Champaign, Illinois. The Borrower's sole member, the Urban League of Champaign County Development Corporation, has ceased operations and the Authority has issued a default letter as the Borrower has failed to make monthly installments of interest and principal due to the Authority since September 2008. The Borrower has offered to provide a deed-in-lieu of

foreclosure to the Authority and to enter into a Deed-In-Lieu of Foreclosure Agreement (“Agreement”) with the Authority. Mr. Hernandez stated that the Authority has determined that it is in its best interest to enter into the Agreement and recommended the Members’ approval.

A motion to adopt the Resolution was made by Mr. Gardner and seconded by Mr. Barker; voting was done by a roll-call vote and the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Gardner and Mr. Lampros. Ms. Davis abstained from voting.

At 9:41 am Ms. Kane ended her attendance by telephone.

09-IHDA-016A

Executive Director Forney introduced Tab A under Item 2 on the Agenda: Resolution Authorizing Provision of Funds for Home Buyer Program – Down Payment and Closing Cost Assistance Grants (STF-50094, 50097, 50100, 50107 and 50108) under the Illinois Affordable Housing Program.

Ms. C. Freeman stated that Metropolitan Planning Council, IL Assistive Technology Program, St. Clair County, Mid Central Community Action, Inc., Partnership for Homeownership and City of Alton (collectively, the “Sponsors”) have applied to the Authority for funds from the Illinois Affordable Housing Program in the respective amounts indicated on Exhibit A attached to the Resolution, and not exceeding the total amount of \$832,000, in connection with the acquisition of single family homes by low and/or very low income households selected by the Sponsors. The funds would be used to make grants to the homebuyers for down payment and closing cost assistance in various locations throughout the State as listed on Exhibit B attached to the Resolution. 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, Mr. Gardner and Mr. Lampros.

09-IHDA-017

Executive Director Forney introduced Item 3 on the Agenda: Resolution Naming Additional Sub-Grantee and Extending Service Period under the Foreclosure Mitigation Counseling Program (Amending and Supplementing Resolution No. 2008-IHDA-029).

Ms. C. Freeman stated that Neighborhood Reinvestment Corporation (the "Corporation") has established the National Foreclosure Mitigation Counseling Program (the "Program") whereby state housing finance agencies, among other approved housing counseling intermediaries, can

apply for grants (individually a "Grant") to provide mortgage foreclosure mitigation assistance to areas with high rates of defaults and foreclosures, primarily in the sub-prime housing market, and to help eliminate the default and foreclosure of mortgages of owner-occupied single-family homes that are at risk of such defaults and foreclosures. Pursuant to Resolution No. 2008-IHDA-029 (the "Prior Resolution"), the Authority was authorized to accept a grant in the approximate amount of \$2,148,395 from the Corporation under the Program. The Prior Resolution further provided that upon receipt of the Grant, the Authority was authorized to enter into agreements ("Agreements") with certain qualified housing counseling agencies ("Sub-Grantees") 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. Ms. Freeman stated that since the time of the Prior Resolution, the Authority has received a grant from the Corporation in the amount of \$1,572,554 and has entered into Agreements with most of the Sub-Grantees identified in the Prior Resolution. Since the time of the Prior Resolution, the Authority has determined that it is in the Authority's best interest to authorize an Agreement with an additional entity, namely, the Office of the Illinois Attorney General (the "Additional Sub-Grantee") and to extend the timeframe under the Agreements within which the services will be performed by the Sub-Grantees, all as set forth in the revised summary attached to the Resolution as Exhibit A. Ms. Freeman recommended the Members' approval to enter into the Agreement with the Additional Sub-Grantee and to amend the expiration of the service period under the Agreements from December 31, 2008 to June 30, 2009.

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

09-IHDA-018A

Executive Director Forney introduced Tab A under Item 4 on the Agenda: Resolution Authorizing State Tax Credits for Southside Preservation Properties (STC-10091-09), Chicago, IL.

Ms. Poole stated that Woodlawn Community Development Corporation (the "Sponsor") has applied to the Authority for State Tax Credits in connection with the construction of a multifamily housing development to be known as Southside Preservation Properties, described on Exhibit A attached to the Resolution. The Sponsor proposes the acquisition of 25 buildings containing 587 units of housing for low-income residents. Ms. Poole recommended the Members' approval of the State Tax Credits in the amount of \$2,200,000.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-018B Executive Director Forney introduced Tab B under Item 4 on the Agenda: Resolution Authorizing State Tax Credits for St. Edmund's Commons (STC-10020-09), Chicago, IL.

Ms. Poole stated that St. Edmund's Redevelopment Corporation (the "Non Profit Sponsor") has applied to the Authority for State Tax Credits in connection with the construction of a multifamily housing development to be known as St. Edmund's Commons, described on Exhibit A attached to the Resolution. The Non Profit Sponsor proposes the construction of 53 rental townhomes built on four scattered sites. This development will provide much needed housing for large families and professionals. Ms. Poole recommended the Members' approval of State Tax Credits in the amount of \$1,079,847.

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

09-IHDA-018C Executive Director Forney introduced Tab C under Item 4 on the Agenda: Resolution Authorizing State Tax Credits (STC-2889-09), for Moline Enterprise Live-Work Lofts, Moline, IL.

Ms. D. Freeman stated that ReNew Moline, Inc. has requested an allocation of State Tax Credits for the construction of a 69-unit urban loft building designed to serve the city's downtown workforce as a "live near work" development, known as Moline Enterprise Live-Work Lofts, described on Exhibit A attached to the Resolution. Sixty-two of the units will be set aside for residents earning thirty percent (30%) to sixty percent (60%) of the area median income. Ms. Freeman recommended the Members' approval of an allocation of State Tax Credits in the amount of \$451,000.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-018D Executive Director Forney introduced Tab D under Item 4 on the Agenda: Resolution Authorizing State Tax Credits for Bella Vista Apartments (Family) (STC-2935-09), Waterloo, IL.

Mr. Rangel stated that Blackhawk Apartments, Inc. applied to the Authority for State Tax Credits in connection with the rehabilitation of a 44-unit apartment community accommodated for families known as Bella Vista Apartments (Family), described on Exhibit A attached to the Resolution. Mr. Rangel recommended the Members' approval of the State Tax Credits in the amount of \$433,839.

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

09-IHDA-018E

Executive Director Forney introduced Tab E under Item 4 on the Agenda: Resolution Authorizing State Tax Credits for Bella Vista Apartments (Elderly) (STC-2933-09), Waterloo, IL.

Mr. Rangel stated that Blackhawk Apartments, Inc. applied to the Authority for State Tax Credits in connection with the rehabilitation of a 32-unit senior apartment community known as Bella Vista Apartments (Elderly), described on Exhibit A attached to the Resolution. Mr. Rangel recommended the Members' approval of the State Tax Credits in the amount of \$52,536.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-018F

Executive Director Forney introduced Tab F under Item 4 on the Agenda: Resolution Authorizing State Tax Credits for Rockford Area Affordable Housing Coalition (RAAHC) (STC-10010-09), Rockford, IL.

Mr. Rangel stated that Rockford Area Affordable Housing Coalition has applied to the Authority for State Tax Credits in connection with the down payment assistance portion of an employer assisted housing program. Mr. Rangel recommended the Members' approval of State Tax Credits in the amount of \$21,375.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-018H

Executive Director Forney introduced Tab H under Item 4 on the Agenda:

Amending and Restating Resolution No. 2009-IHDA-005C, Authorizing a Forward Commitment of Federal Tax Credits (FTC-2862-09) for Westhaven Park IIC, Chicago, IL (Amending Resolution No. 2008-IHDA-111A).

Ms. Tucciarelli stated that there was some ambiguity in the written Resolution No. 2009-IHDA-05C (the "January Resolution") that was presented to the Members on January 16, 2009. The Authority would like to clarify the written record and therefore desires to amend and restate the January Resolution in its entirety. Pursuant to Resolution No. 2008-IHDA-111A (the "Prior Resolution"), WHP-IIC, LLC was allocated Federal Tax Credits for the calendar year 2008 in the amount of \$1,600,000 (the "Prior Allocation") for the construction of a multifamily housing development known as Westhaven Park IIC (the "Project"), described on Exhibit A attached to the Resolution. Ms. Tucciarelli further explained that Section III.3 of the Authority's Qualified Allocation Plan governing the allocation of Federal Tax Credits permits the Authority to make a forward reservation from the 2009 Authority Housing Credit Ceiling (the "Forward Reservation") in an amount not to exceed fifteen percent (15%) of the per capita portion of the 2008 Authority Housing Credit Ceiling; such amount for 2008 is \$4,480,303 (the "Forward Reservation Availability"). In reviewing the amount of the Forward Reservation Availability as compared to the Prior Allocation for the Project, the Authority has determined it is in its best interest to amend the Prior Resolution to rescind the Prior Allocation and make a Forward Reservation of Federal Tax Credits for the calendar year 2009 in the amount of \$1,600,000. Ms. Tucciarelli recommended the Members' approval of a Forward Reservation of Federal Tax Credits in the amount of \$1,600,000.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-018J

Executive Director Forney introduced Tab J under Item 4 on the Agenda: Resolution Amending and Restating Resolution No. 2009-IHDA-005E, Authorizing Forward Commitment of Federal Tax Credits (FTC-2957-09) for Oakwood Shores Phase 2B(One), Chicago, IL (Amending Resolution No. 2008-IHDA-161G).

Ms. Tucciarelli stated that there was some ambiguity in the written Resolution No. 2009-IHDA-005E (the "January Resolution") that was presented to the Members on January 16, 2009. The Authority would like to clarify the written record and therefore desires to amend and restate the

January Resolution in its entirety. Pursuant to Resolution No. 2008-IHDA-161G (the "Prior Resolution"), Oakwood Shores Phase 2B(One) Associates Limited Partnership was allocated Federal Tax Credits for the calendar year 2008 in the amount of \$1,500,000 (the "Prior Allocation") for the construction of a multifamily housing development known as Oakwood Shores Phase 2B(One) (the "Project"), described on Exhibit A attached to this Resolution. Section III.3 of the Authority's Qualified Allocation Plan governing the allocation of Federal Tax Credits permits the Authority to make a forward reservation from the 2009 Authority Housing Credit Ceiling (the "Forward Reservation") in an amount not to exceed fifteen percent (15%) of the per capita portion of the 2008 Authority Housing Credit Ceiling; such amount for 2008 is \$4,480,303 (the "Forward Reservation Availability"). In reviewing the amount of the Forward Reservation Availability as compared to the Prior Allocation for the Project, the Authority has determined it is in its best interest to amend the Prior Resolution to rescind the Prior Allocation and make a Forward Reservation of Federal Tax Credits for the calendar year 2009 in the amount of \$1,500,000. Ms. Tucciarelli recommended the Members' approval of a Forward Reservation of Federal Tax Credits in the amount of \$1,500,000.

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

09-IHDA-019A

Executive Director Forney introduced Tab A under Item 5 on the Agenda: Resolution Authorizing a FAF Loan (FAF-2637-01) for Downtown Commons, Jacksonville, IL (Amending / Supplementing Resolution No. 2008-IHDA-082J).

Mr. Rogers stated that pursuant to Resolution No. 2007-IHDA-082J (the "Prior Resolution"), the Authority authorized a loan from the Trust Fund Program in the amount of \$1,500,000 to Downtown Commons Limited Partnership (the "Sponsor") in connection with a multi-family housing development known as Downtown Commons (the "Project"). The Authority has entered into four Financing Adjustment Factor ("FAF") Refunding Agreements with HUD, which provides that the Authority is entitled to receive fifty percent (50%) of the proceeds recaptured through the refunding of certain bonds originally issued by the Authority to provide financing for certain multifamily residential housing developments. The Sponsor has applied to the Authority for a mortgage loan under the FAF program (the "FAF Loan"). A revised summary of the Project has been attached to the Resolution. Mr. Rogers recommended the Members' approval of the FAF Loan in an amount not to exceed \$97,413.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-019B

Executive Director Forney introduced Tab B under Item 5 on the Agenda: Resolution Extending Loan Commitment for Crystal View Townhomes (MHR-2884-01, FAF-2884-01) Urbana, IL (Amending Resolution No. 2008-IHDA-148B).

Ms. Poniecki stated that Crystal View Townhomes LP proposed to construct a 70-unit multifamily development in Urbana known as Crystal View Townhomes (the "Project"). It was most recently approved by the Members for tax credits this past December and for donation credits, HOME and FAF financing in September of last year. Ms. Poniecki stated that the purpose of today's presentation is to make the Members aware of a permanent lender change as well as to request an extension to the financing commitments for this Project. The Project originally had included a first position construction and permanent loan from JP Morgan Chase ("Chase"), however as the closing process got underway, Chase pulled the permanent financing commitment out of the deal as they are no longer doing permanent loans on projects of this nature. The developer was left with the task of securing a new first position lender for this project and IFF was eventually the lender chosen. As indicated in the summary of the Project attached to the Resolution, Chase will still be part of the construction financing, providing a construction loan that will bridge in a large portion of equity as well as the HOME and FAF funds. The HOME and FAF funds will come into the project with the majority of equity at construction completion and will be used to pay off the Chase construction loan. Upon conversion to permanent financing, the liens securing the HOME and FAF funds will remain behind a \$1,310,000 first position loan from IFF. Ms. Poniecki further explained that the HOME and FAF commitments are due to expire at the end of March and the Authority is recommending the financing commitments be extended to September 30, 2009 so that all lenders have enough time to close this transaction successfully. Ms. Poniecki recommended the Members' approval of this extension.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-019C

Executive Director Forney introduced Tab C under Item 5 on the Agenda: Resolution Amending Resolutions No. 2006-IHDA-172H and No. 2009-IHDA-014 Liberty Meadow Estates, Phase I, Joliet, IL.

Mr. Johnson stated that by Resolution No. 2006-IHDA-172H (as subsequently amended, the "2006 Resolution"), the Authority authorized two loans in the respective amounts of not to exceed \$4,000,000 and \$1,000,000 (the "Loans") under the Authority's Ambac and Trust Fund Programs to provide financing for a multifamily housing development known as Liberty Meadow Estates Phase I (the "Project"). By Resolution No. 2009-IHDA-014 (the "RS Resolution" and collectively with the 2006 Resolution, the "Prior Resolutions"), the Authority authorized the substitution of a loan made under the Authority's Risk Share Program (the "Risk Share Loan") for the loan previously authorized under the Ambac Program. Mr. Johnson stated that the construction financing closed in September 2007. The homes were placed-in-service in December 2008 and are currently undergoing initial lease-up. The clubhouse is still under construction. Briggs-Rosalind Phase One, L.P. (the "Borrower") has requested that the Authority (i) permit a change in the affordability mix of the units and (ii) permit the Risk Share Loan to be made as both a construction and permanent loan; both revisions are reflected in the summary of the Project attached to the Resolution as Exhibit A. Mr. Johnson recommended the Members' approval.

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

09-IHDA-020

Executive Director Forney introduced Item 6 on the Agenda: Resolution Authorizing grants to Local Administering Agencies under the Rental Housing Support Program.

Ms. Lasker stated that the Rental Housing Support Program (the "RHS Program") is designed to provide rental subsidies for households whose annual income is less than thirty percent (30%) of the median income for the area in which the households reside. Each year the Authority receives an appropriation from the Illinois General Assembly for the RHS Program. The Authority is required to disburse a portion of the appropriation to the three geographic areas outside the City of Chicago known as "Metro Chicago", "Small Metro" and "Rural Areas" (collectively, the "Geographic Areas"). Ms. Lasker stated that the Authority has determined that the following disbursements should be made to the Geographic Areas: \$4,600,000.00 should be disbursed to Metro Chicago; \$2,600,000.00 should be disbursed to Small Metro; and \$2,800,000.00 should be disbursed to Rural Areas. Community and Economic Development Association, DuPage County Housing Authority, Housing Choice Partners, Lazarus House, Illinois Association of

Community Action Agencies, Kankakee County Housing Authority, Kendall County Housing Authority, City of Rockford-Human Services Department, Housing Authority of Champaign County and Madison County Community Development (collectively, the “Sponsors”) have applied to the Authority for grants (collectively, the “Grants”) under the RHS Program in order to provide the rental subsidies in their respective Geographic Areas, all as described on Exhibit A attached to the Resolution. Also attached to this Resolution are summaries of the specific proposals submitted by each of the Sponsors, which set forth the names of the Sponsors, the recommended amounts and the material terms and conditions of the Grants. Ms. Lasker recommended the Members’ approval of the Resolution.

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

09-IHDA-021A

Executive Director Forney introduced Tab A under Item 7 on the Agenda: Long Term Operating Support Grant (LTOS-10093-01) Bradford, Waterloo, IL.

Ms. Swanson stated that the Long Term Operating Support Program is part of the Rental Housing Support Program (the “RHS Program”) designed for multifamily housing developments. Under the RHS Program, the Authority may make grants for the development of rental housing for long-term operating support (the “LTOS Grants”) to enable the rent on such units to be affordable to households whose annual income is less than thirty percent (30%) of the area median income. The following four resolutions address requests for LTOS Grants for various developments. Monroe County Apartments 4 Association, Inc. has requested the Authority make a LTOS Grant for a multifamily housing development known as Bradford, a nine-unit supportive housing project that serves persons with mental health needs or developmental disabilities. Seven of the units are recommended to receive LTOS Grant not to exceed \$870,177 over a 15 year period. Ms. Swanson 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, Mr. Gardner and Mr. Lampros.

09-IHDA-021B Executive Director Forney introduced Tab B under Item 7 on the Agenda: Long Term Operating Support Grant (LTOS-10097-01) Towerview Apartments, McHenry, IL.

Ms. Swanson stated that Towerview Apartments is a 44-unit project that was originally financed by the Authority. Towerview designates half of its units as supportive housing units for persons with disabilities or households with special needs. McHenry County Community Homes has requested the Authority make a LTOS Grant for eight of the units in an amount not to exceed \$1,129,233 over a 15 year period. Ms. Swanson 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, Mr. Gardner and Mr. Lampros.

09-IHDA-021C Executive Director Forney introduced Tab C under Item 7 on the Agenda: Long Term Operating Support Grant (LTOS-10098-01) Mt. Vernon Senior Apartments, Mt. Vernon, IL.

Ms. Swanson stated that Mt. Vernon Senior Apartments is a 50-unit development in Mt. Vernon IL, financed by the Authority, which serves low income seniors. Mt. Vernon Senior, LP has requested the Authority make a LTOS Grant for 15 of the units in an amount not to exceed \$1,410,195 over a 15 year period. Ms. Swanson recommended the Members' approval of the Resolution.

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

09-IHDA-021D Executive Director Forney introduced Tab D under Item 7 on the Agenda: Long Term Operating Support Grant (LTOS-10099-01) Haven House, Metropolis, IL.

Ms. Swanson stated that Haven House is a 14-unit supportive housing development, financed by the Authority, for persons with development disabilities and substance abuse problems. Light the Way of Metropolis, LLC has requested the Authority make a LTOS Grant for all the units in an amount not to exceed \$1,283,700 over a 15 year period. Ms. Swanson 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, Mr. Gardner and Mr. Lampros.

09-IHDA-023

Executive Director Forney introduced Item 9 on the Agenda: (Amending Resolution No. 2008-IHDA-152 and Resolution No. 2008-IHDA-181) Resolution Authorizing an Amendment of Prior Resolution regarding Woodlake Townhomes (PID-10092, formerly ML-215).

Mr. Hernandez stated that the Authority has previously made a mortgage loan in the principal amount of \$2,900,000 (the "Existing Loan") to American National Bank and Trust Company of Chicago, not personally, but solely as Trustee under a certain Trust Agreement dated October 1, 1987 and known as Trust Number 103670-01 ("Trustee") and Woodlake Townhomes Associates Limited Partnership, an Illinois limited partnership ("Beneficiary") (Trustee and Beneficiary together referred to hereinafter as "Borrower"), for the acquisition, rehabilitation and permanent financing of a 70-unit multifamily housing development commonly known as Woodlake Townhomes located at 4521 S. Woodlake, Chicago, Illinois (the "Development"). By Resolution No. 2008-IHDA-152, as amended by Resolution No. 2008-IHDA-181 (collectively, the "Prior Resolution"), the Authority authorized sale of the Development to TWG Woodlake, LLC (the "Buyer"), subject to (i) a new first position mortgage loan from a private lender in an amount not to exceed \$875,000 (the "Senior Loan") and (ii) a second position mortgage loan from the Authority in an amount not to exceed \$2,763,595 (the "IHDA Loan"). The Prior Resolution reflected the Senior Loan and the IHDA Loan as co-terminus with loan terms of ten (10) years. Since the adoption of the Prior Resolution, the Buyer has informed the Authority that the Senior Loan will have a term of seven (7) years, thereby no longer co-terminus with the IHDA Loan. Mr. Hernandez stated that the Authority has reviewed the Senior Loan term of seven (7) years and has determined that this action is in the best interests of the Authority. Mr. Hernandez 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, Mr. Gardner and Mr. Lampros.

09-IHDA-024

Executive Director Forney introduced Item 10 on the Agenda: Resolution Authorizing the Subordination of Loan for San Miguel Apartments (HTF-202).

Mr. Von Battles stated that the Authority has previously made a third position mortgage loan in the original principal amount of \$350,000 (the "IHDA Mortgage Loan") to LaSalle National Trust, N.A., not personally, but as Trustee under that certain Trust Agreement dated April 1, 1993, and known as Trust No. 117826 (the "Trust"), and Argyle Neighborhood Development Corporation, an Illinois not-for-profit corporation, the sole beneficiary of the Trust, for the acquisition, rehabilitation and permanent financing of a multifamily housing development commonly known as 907 West Argyle Street, Chicago, Illinois. The IHDA Mortgage Loan is currently subordinate to a first position mortgage loan made by Community Investment Corporation. The purpose of the Resolution is for the Authority to consent to a refinancing of the first position loan in the amount of \$330,000 with Community Investment Corporation and to re-subordinate the IHDA Mortgage Loan to the refinanced first position loan. Mr. Von Battles recommended the Members' approval of the Resolution.

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

09-IHDA-025

Executive Director Forney introduced Item 11 on the Agenda: Resolution Authorizing the Subordination of Loan for Lakeview Towers (HTF-1537).

Mr. Von Battles stated that the Authority has previously made a mortgage loan in the original principal amount of \$675,000 (the "IHDA Mortgage Loan") to Lake View Towers Residents Association Inc., an Illinois not-for-profit corporation (the "Owner"), for the acquisition, rehabilitation and permanent financing of a multifamily housing development commonly known as 4550 North Clarendon Avenue, Chicago, Illinois. The IHDA Mortgage Loan is currently subordinate to a first position mortgage loan made by Midland Loan Services. The Owner desires to obtain a new second position mortgage loan in the amount of \$4,500,000 from PNC Bank. The purpose of the Resolution is for the Authority to consent to re-subordination of the IHDA Mortgage Loan to a new a new second position mortgage loan from PNC Bank in an amount not to exceed \$4,500,000. Mr. Von Battles stated that HUD has provided a commitment letter to insure the new loan. He recommended the Members' approval of the Resolution.

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

09-IHDA-026

Executive Director Forney introduced Item 12 on the Agenda: Resolution Establishing Owner's Equity in Mt. Vernon Senior, L.P. (ML-2449)

Ms. Hillock stated that the Authority shall, by resolution, establish owner's equity in a development at the time of making the final mortgage advance. The equity in a development shall consist of the difference between the amount of the mortgage loan and the total cost of the development. Ms. Hillock stated that the difference between the amount of the mortgage loan and the total cost of Mt. Vernon Senior, L.P. is \$1,000,000, and 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, Mr. Gardner and Mr. Lampros.

09-IHDA-027

Executive Director Forney introduced Item 13 on the Agenda: Resolution Authorizing Intergovernmental Agreement with the Illinois Department of Human Services, the Illinois Department of Healthcare and Family Services, and the Illinois Department on Aging for the Money Follows the Person Demonstration Initiative.

Ms. Bilger stated that, enacted by the Deficit Reduction Act of 2005, the Money Follows the Person (MFP) Demonstration is part of a comprehensive strategy to assist States, in collaboration with stakeholders, to make widespread changes to their long-term care support systems. The MFP Demonstration will assist States in their efforts to reduce their reliance on institutional care while developing community-based long-term care opportunities, enabling the elderly and persons with disabilities to fully participate in their communities. The MFP Demonstration has the following objectives with respect to institutional and home- and community-based long-term care services under State Medicaid programs: Increase the use of home- and community-based, rather than institutional, long-term care services; eliminate barriers or mechanisms, whether in the State law, the State Medicaid plan, the State budget, or otherwise, that prevent or restrict the flexible use of Medicaid funds to enable Medicaid-eligible individuals to receive support for long-term services in settings of their choice; increase the ability of the State Medicaid program to assure continued provision of home- and community-based long-term care services to eligible individuals who choose to transition from an institutional to a community setting; ensure that procedures are in place to provide quality assurance for eligible individuals receiving Medicaid home- and community-based long-term care services and to provide for continuous quality improvement in such services. Illinois was chosen as an MFP Demonstration State in May 2007. Illinois Department of Healthcare and Family Services ("HFS"), the lead agency, developed an Operational Protocol with Illinois Department of Human Services

(“DHS”), Illinois Department on Aging (“DoA”) and IHDA, which was approved by the Illinois Department of Central Management Services in June 2008. Illinois’ MFP Demonstration will transition approximately 3400 older adults and persons with mental, developmental and/or physical disabilities out of institutional settings over a five-year period. During the MFP Demonstration, the State will receive enhanced federal Medicaid match for eligible services provided for persons transitioned from institutional care to the community. The enhanced Medicaid match ends 12 months after the person is transitioned, but the State must continue to provide community services for as long as the person needs community services and is Medicaid eligible. MFP emphasizes locating independent housing options for participants, whose ability to leave institutional care is not only dependent upon access to services, but also upon securing affordable, accessible housing. Strategies within the Operational Protocol include several IHDA-administered programs and initiatives, such as: creating a statewide housing locator; developing referral networks to fill units targeted to persons with disabilities; and exploring ways to increase availability of and access to accessible and affordable housing for persons leaving institutional care. To that end, HFS, DHS, DoA and IHDA desire to enter into an intergovernmental agreement (the “Agreement”), substantially in the form attached to the Resolution as Exhibit A, to implement and administer the MFP Demonstration. Ms. Bilger recommended the Members’ approval of the Agreement.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-028

Executive Director Forney introduced Item 14 on the Agenda: Resolution Authorizing Renewal of Revolving Line of Credit.

Ms. Pecori stated that on August 15, 2008 the Authority approved Resolution No. 2008-IHDA-134, which authorized revolving lines of credit and the repurchase of mortgage loans for the Ambac Mortgage Participation Certificate (“MPC”) Program. On September 25, 2008 the Authority purchased an aggregate amount of \$33.9 million of MPCs, including principal and accrued interest, from the AFL-CIO Housing Investment Trust. On November 25, 2008 the Authority purchased an aggregate amount of \$82.7 million of MPCs, including principal and accrued interest, from Fannie Mae. Ms. Pecori stated that the Authority has determined that it is in the best interest of the Authority to renew the line of credit to provide additional liquidity in an amount not to exceed \$50,000,000. Bank of America, N.A. has expressed interest in renewing the agreement (the “Agreement”) to make available a revolving line of credit to the Authority for a period of no longer than six months (the

“Term”) in the amount of \$50,000,000 (the “Loan Limit”), on substantially the terms and conditions set forth on the term sheet attached as Exhibit A. Ms. Pecori added that under the terms of the Agreement, the Authority may draw down any amount up to the amount of the respective Loan Limit at any time over the Term; the interest rate to be paid on the loan will not exceed fifteen percent (15%). Ms. Pecori recommended the Members’ approval of the Resolution.

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

09-IHDA-029

Executive Director Forney introduced Item 15 on the Agenda: Resolution Authorizing Payment for the Termination of Swap Agreement with Lehman Brothers.

Mr. Kugel stated that the Authority has entered into (i) that certain ISDA Master Agreement dated as of April 10, 2002, between the Authority and Lehman Brothers Special Financing Inc. (“LBSF”) (the “LBSF Swap Agreement”) and (ii) that certain ISDA Master Agreement dated as of April 10, 2002, between the Authority and Lehman Brothers Financial Products Inc. (“LBFP”) (the “LBFP Swap Agreement”). The LBFP Swap Agreement provides that upon the issuance of the Authority’s Homeowner Mortgage Revenue Bonds 2002 Series B (the “Bonds”), the rights and obligations of LBSF are automatically assigned to and assumed by LBFP. The Bonds were issued on May 2, 2002 and therefore the LBFP Swap Agreement became the operative document on that date. On October 5, 2008, LBFP filed bankruptcy which constitutes a default under the LBFP Swap Agreement triggering a termination of the agreement. On November 24, 2008, as required under the LBFP Swap Agreement, the Authority issued a notice of an event of default to LBSF and LBFP setting an early termination date of November 24, 2008 for the LBFP Swap Agreement. On November 26, 2008, the Authority issued a statement of calculation of settlement amount to LBSF and LBFP determining the settlement amount of \$428,967 under the LBFP Swap Agreement, as of November 26, 2008 (“Initial Termination Payment”). The Initial Termination Payment will be reduced by the amount of additional expenses incurred by the Authority since the delivery of the statement of calculation of settlement amount and that are properly deductible pursuant to the terms of the LBFP Swap Agreement. Mr. Kugel stated that the Initial Termination Payment is an authorized cost under the Homeowner Mortgage Revenue Bonds General Resolution dated April 15, 1994, as amended from time to time (the “Resolution”). Mr. Kugel stated that the Authority has determined that it is in its best interest to authorize payment from the Resolution to LBFP in an amount not to exceed the Initial Termination Payment, and recommended the Members’ approval.

There was a short discussion on the Resolution between Mr. Barker, Ms. Kenney and Mr. Lampros.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-030

Executive Director Forney introduced Item 16 on the Agenda: Resolution Authorizing an Agreement with First American Corelogic, Inc. for the Valuation of the Homeowner Mortgage Revenue Bond Portfolio.

Mr. Taib stated that the Authority purchases single family mortgage loans (the "Loans") with proceeds of its Homeowner Mortgage Revenue Bonds (the "Bonds"). Standard & Poor's and Moody's Investors Service (collectively, the "Rating Agencies") analyze bonds and provide ratings, which are used by bond investors to evaluate the risk associated with purchasing bonds. The Authority's Bonds are valued, in part, based on the quality of the underlying Loans and carry a rating of AA (the "Rating"). Due to the turmoil in the credit markets, the Rating is under review by the Rating Agencies and the Authority has determined it is in its best interest to take a proactive approach to preserve the Rating by reinforcing the quality of the Loans purchased with proceeds of the Bonds through a valuation process conducted by a third party data provider (the "Services"). Mr. Taib stated that the Authority desires to enter into a licensing agreement with First American Corelogic, Inc. to provide the Services for the period from approximately April 1, 2009 through March 31, 2010 at a total cost not to exceed \$25,000, and recommended the Members' approval.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-031

Executive Director Forney introduced Item 17 on the Agenda: Resolution Authorizing an Agreement with a Loan Servicer for the Single Family Program.

Mr. Lewis stated that the Authority purchases single family mortgage loans (the "Loans") with proceeds of its Homeowner Mortgage Revenue Bonds (the "Bonds"); such Loans are currently serviced by approximately forty-six (46) financial institutions (the "Existing Servicers"). Some of the Existing Servicers have recently faced financial difficulties and are not as viable as they once were; the financial difficulties faced by some of the Existing Servicers have posed business interruption risks to the Authority.

Pursuant to the Amended and Restated Homeowner Mortgage Revenue Bonds General Resolution, Resolution No. 2008-IHDA-150, the Authority is authorized to acquire mortgage-backed pass-through securities from certain agencies and instrumentalities of the United States of America with proceeds of the Bonds and the Authority desires a financial institution that is able to assist the Authority in such transactions, as well as service the Loans. Pursuant to the Illinois Procurement Code, 30 ILCS 500/1 et seq., as supplemented and amended, the Authority issued a request for proposals for a financial institution that will act as: (i) a mortgage loan servicer of Loans currently existing in the Authority's portfolio; (ii) an FNMA/FHLMC/GNMA approved seller/servicer which would assist the Authority in securitizing designated Loans in transactions with third parties so that the Authority can purchase mortgage-backed pass-through securities with proceeds of the Bonds; and (iii) an FNMA/FHLMC/GNMA approved seller/servicer which would assist the Authority in selling designated Loans into the secondary market for cash or securities (collectively, the "Services"). Mr. Lewis stated that the Authority evaluated proposals and determined that US Bank Home Mortgage (the "Vendor") is the most well qualified and best able to provide the Services consistent with the Authority's needs, and desires to enter into an agreement (the "Agreement") with the Vendor to provide the Services for the two (2) year period from approximately April 1, 2009 through February 28, 2011, with the option to renew the Agreement for four (4) consecutive two (2) year periods, at the Authority's sole discretion. For each loan that is serviced by the Vendor, the Authority will pay the Vendor an annual fee in the amount of twenty-five basis points (.25%) of the outstanding balance of each Loan. The Authority will pay no additional servicing fee for Loans that are sold or securitized; rather, the Vendor will receive its fees through the monthly debt service payments of the various mortgagors and, for loans that are securitized, the issuer of the security will also receive its fees from the monthly debt service payments of the various mortgagors; the Vendor will pay the Authority a servicing release premium for the right to service the securitized Loans. Mr. Lewis recommended the Members' approval.

Chairman Newman initiated the discussion with Mr. Kugel, a US Bank representative and Ms. Kenney on how to protect the Authority from additional servicing fees and recommended that the Resolution be amended in writing. The Board concurred and a motion to adopt the Resolution, as amended verbally, was made by Mr. Gardner and seconded by Ms. Davis. The amended Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Mr. Gardner and Mr. Lampros.

09-IHDA-032

Executive Director Forney introduced Item 18 on the Agenda: Resolution Ratifying Provision of Additional Directors' and Officers' Liability Insurance.

Ms. Jones stated that pursuant to Resolution No. 2008-IHDA-184 (the "Prior Resolution"), the Authority was authorized to purchase D&O Liability Insurance from Federal Insurance Company, also known as Chubb, with a policy limit in the amount of \$10,000,000. Since the adoption of the Prior Resolution, the Authority has determined it is necessary to acquire additional D&O Liability Insurance with a policy limit in the amount of \$10,000,000 (the "Excess Coverage"). Mesirow Financial, the Authority's insurance broker (the "Broker") has received bids from various insurance companies to provide the D&O Liability Insurance for the Excess Coverage. The Authority has evaluated the bids provided by the Broker and has entered into an agreement with Illinois National Insurance Company, also known as AIG, the lowest bidder, to provide the Excess Coverage for the period from January 16, 2009 to December 3, 2009 at a fee not to exceed \$42,245. Ms. Jones recommended the Members' approval.

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, Mr. Gardner and Mr. Lampros.

09-IHDA-033

Executive Director Forney introduced Item 19 on the Agenda: Resolution Authorizing Purchase of Office Supplies.

Ms. Adams stated that the Authority has previously purchased office supplies from the Office Depot (the "Vendor") pursuant to a master contract (the "Master Contract") between the Illinois Department of Central Management Services and the Vendor. The Authority has a continuing need for office supplies and desires authorization to purchase office supplies from the Vendor pursuant to the Master Contract for the period from March 1, 2009 to January 9, 2011 in a total amount not to exceed \$180,000. Ms. Adams stated that pursuant to Resolution No. 2008-IHDA-175, as amended, and the Authority's procurement policy and procedures, adopted pursuant to Resolution No. 2007-IHDA-141, as amended, each department director of the Authority will approve the purchase of office supplies for their respective department in amounts not to exceed \$1,000 per purchase. Ms. Adams recommended the Members' approval.

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

09-IHDA-034 Executive Director Forney introduced Item 20 on the Agenda: Resolution Authorizing an Agreement with Infor Global Solutions (Michigan), Inc.

Mr. O’Callaghan stated that by Resolution No. 2006-IHDA-056, the Authority was authorized to enter into a maintenance agreement with Infor Global Solutions (Michigan), Inc. (the “Vendor”), wherein the Authority would be provided with upgrades for certain computer software (the “Software”) used by the Authority in connection with general ledger and accounts payable applications. The Authority has determined it is necessary to upgrade the Software from Version 1.3 to Version 4.0 and desires the technical expertise of the Vendor to perform the upgrade, as well as provide training for certain Authority employees who will use the upgraded Software (collectively, the “Services”). Pursuant to the sole source provision of the Illinois Procurement Code, 30 ILCS 500/20-25, the Authority desires to enter into an agreement with the Vendor to perform the Services at a total fee not to exceed \$49,000. Mr. O’Callaghan requested the Members’ approval.

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

Presentation 1 For Presentation 1, Finance Committee Report, Mr. Barker recommended the Members’ approval of the minutes from the January 16, 2009, Finance Committee meeting.

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

Presentation 2 For Presentation 2, Multifamily Status Report as of February 28, 2009. Chairman Newman referred the Members to the Board materials.

Presentation 3 For Presentation 3, Executive Director Forney spoke about American Recovery and Reinvestment Act of 2009 – Affordable Housing and gave an overview on the programs listed in the Board materials.

Report 1 For Report 1, Mike Koessel from Citibank reviewed the current market situation related to the Housing and Economic Recovery Act of 2008 .

Chairman Newman moved that the Board retire immediately to a closed session pursuant to Section 2(c)(1) and 2 (c)(7)of the Opening Meetings Act to discuss the following subjects: personnel and purchase/sale of securities. 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, Mr. Gardner and Mr. Lampros. At 11:08 a.m., the Board adjourned to closed session.

The Board reconvened in Open Session at 11:30 a.m. There being no further business, Chairman Newman adjourned the meeting at 11:31 a.m.