



Lake County Illinois

Legislation Details (With Text)

File #: 10-0887 **Version:** 1 **Name:** Joint Resolution authorizing the transfer of up to \$30 million of volume cap of the Recovery Zone Facility Bond Allocation to the Illinois Finance Authority for use for the Navistar retention project.

Type: resolution **Status:** Passed

File created: 9/21/2010 **In control:** Health and Community Services Committee

On agenda: **Final action:** 10/12/2010

Title: Joint resolution authorizing the transfer of up to \$45,581,000 of volume cap of the Recovery Zone Facility Bond Allocation to the Illinois Finance Authority for use for the Navistar retention project.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 10-0887_20101014114604

Date	Ver.	Action By	Action	Result
10/12/2010	1	Lake County Board	adopted	Pass
9/29/2010	1	Financial & Administrative Committee	recommended for adoption to the regular agenda	Pass
9/28/2010	1	Health and Community Services Committee	approved and referred on to the Financial and Administrative Committee	Pass

Joint resolution authorizing the transfer of up to \$45,581,000 of volume cap of the Recovery Zone Facility Bond Allocation to the Illinois Finance Authority for use for the Navistar retention project.

- Lake County received an allocation of \$59.5 million from the Federal government as a part of the American Recovery and Reinvestment Act (ARRA).
- Any Recovery Zone Facility Bond allocation must be used by December 31, 2010 when the allocation will expire.
- The resolution authorizes a transfer of an amount not to exceed \$45,581,000 of volume cap to the Illinois Finance Authority (IFA) for the use for the Navistar retention project. The IFA is the consolidating conduit for the Navistar project and will serve as the issuer of the Recovery Zone Facility Bonds.
- Navistar will use the bonds for their corporate headquarters expansion in Lisle, Illinois and for a warehouse facility it will occupy in Joliet, Illinois.
- Navistar is committing to create at least 400 new jobs and retain an additional 2,220 existing jobs in Illinois. In addition, approximately 400 new construction jobs will also be created.
- The total cost for the Navistar project is \$161 million.

RESOLUTION NO. ____

RESOLUTION REALLOCATING RECOVERY ZONE FACILITY BOND ALLOCATION TO THE ILLINOIS FINANCE AUTHORITY FOR THE NAVISTAR INTERNATIONAL CORPORATION PROJECT

WHEREAS, Section 1401 of Title I of Division B of the American Recovery and Reinvestment Act of

2009, Pub. L. No. 111-5 Stat. 115 2009, (“ARRA”) authorizes state and local governments to issue Recovery Zone Facility Bonds; and

WHEREAS, Recovery Zone Facility Bonds may be used to finance certain “recovery zone property,” as such term is defined in ARRA; and

WHEREAS, the term “Recovery Zone” means: (1) any area designated by the issuer as having significant poverty, unemployment, rate of home foreclosures or general distress; (2) any area designated by the issuer as economically distressed by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990, and (3) any area for which a designation as an empowerment zone or renewal community is in effect as of the effective date of ARRA, which effective date is February 17, 2009; and

WHEREAS, Recovery Zone Facility Bonds must be issued before January 1, 2011; and

WHEREAS, The County of Lake (the “County”) received the following allocation for calendar year 2010 for Recovery Zone Facility Bonds from the federal government: \$59,581,000; and

WHEREAS, the County has not used \$45,581,000 of such Recovery Zone Facility Bond allocation (the “Remaining Volume Cap”), and may allocate an amount not to exceed the Remaining Volume Cap in any reasonable manner as the County Board shall determine in good faith at its discretion for use for eligible costs of recovery zone property; and

WHEREAS, the County Board has determined that it is in the best interest of the residents of the County and the residents of the State of Illinois to reallocate and waive the Remaining Volume Cap to the Illinois Finance Authority, as designee of the State of Illinois, in accordance with the provisions of Section 825-105 of the Illinois Finance Authority Act, 20 ILCS 3501/825-105, (the Act”) to be applied toward the issuance of Recovery Zone Facility Bonds (the “Bonds”) by the Illinois Finance Authority to finance eligible costs of recovery zone property for a project commonly referred to as the Navistar International Corporation project, as described to and approved by the Illinois Finance Authority Board of Directors on September 14, 2010 (the

“Navistar Project”); and

WHEREAS, this matter was reviewed by both the Health and Community Services Committee and the Financial and Administrative Committee of the County Board at their meetings on September 28 and 29, 2010, respectively, and recommended by both Committees to the full County Board for approval;

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY BOARD OF THE COUNTY OF LAKE, ILLINOIS, AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are incorporated in and made a part of this Resolution by this reference.

Section 2. Reallocation. The County of Lake hereby reallocates and waives the Remaining Volume Cap (or such lesser amount as the Illinois Finance Authority advises is necessary) to the Illinois Finance Authority to be used for the purposes of the Navistar Project, and the adoption of this Resolution shall be deemed to be an allocation of such Remaining Volume Cap (or such lesser amount as the Illinois Finance Authority advises is necessary) to the issuance of the Bonds, subject to and contingent upon the payment by Navistar International Corporation, its successors, assigns or related persons, to the County of a fee equal to 0.15% of the amount transferred and used for the issuance of the Bonds, payment being conditioned upon and due concurrently with, the issuance of the Bonds.

Section 3. Fee. The County of Lake hereby designates Lake County Partners, Inc. as the recipient of the fee required by Section 2, and such fee shall be paid directly to Lake County Partners, Inc.

Section 4. Assurances. The Chairman and County Board hereby represent that the County has not taken action or issued bonds that would abrogate, diminish or impair its ability to fulfill the written agreement, covenants and undertakings of the County under this Resolution.

Section 5. Authority to Complete Transaction. The Chairman is authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to further the purposes and intent of this Resolution, which may include a representation on behalf of the County

that the Remaining Volume Cap reallocated hereby has not been used and is available for reallocation under ARRA and the Act.

Section 6. Effective Date. This Resolution is effective immediately upon its adoption.

Dated at Waukegan, Illinois, on this _____ day of October, 2010.

Adopted _____, 2010

AYES: _____

NAYS: _____

ABSENT: _____

Approved _____, 2010

Suzi Schmidt, Chair, County Board,
The County of Lake, Illinois

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