

Agenda Item #

44

Distribution:

- County Board
- County Administrator
- Planning & Development (2)
- Lake County Partnership for Economic Development, Inc.

STATE OF ILLINOIS)
)ss
 COUNTY OF LAKE)

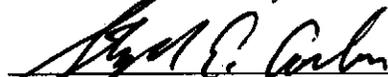
COUNTY BOARD, LAKE COUNTY, ILLINOIS
 ADJOURNED REGULAR JUNE, A.D., 2007 SESSION
 AUGUST 14, A.D., 2007

Madame Chair and Members of the Board:

Your Health & Community Services and Financial & Administrative Committees herewith present a Resolution authorizing the issuance and sale by the County of Lake, Illinois of its not to exceed \$7,368,000 Industrial Development Revenue Bond (Nonwoven Solutions, LLC Project), Series 2007 for the purpose of financing all or a portion of the costs of certain facilities of Nonwoven Solutions, LLC located in Lakemoor, Illinois, authorizing the execution and delivery of a Bond and Loan Agreement under which the bond will be issued and sold to First American Bank and the proceeds of the bond will be loaned to Nonwoven Solutions, LLC, and a Tax Exemption Certificate and Agreement pertaining to the tax exemption of the Bond; approving certain other agreements; and related matters.

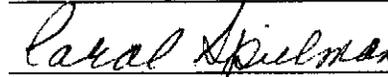
Respectfully submitted,

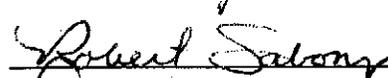
Health & Community Services: Aye Nay

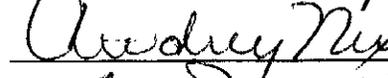
 _____ ✓ _____

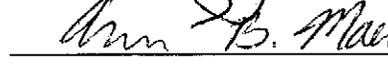
Chair, Steve Carlson

 _____ ✓ _____

 _____ ✓ _____

 _____ ✓ _____

 _____ ✓ _____

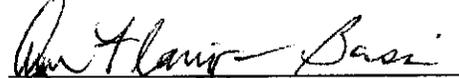
 _____ ✓ _____

_____ _____

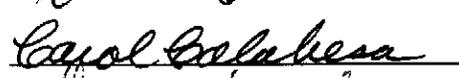
Finance & Administrative: Aye Nay

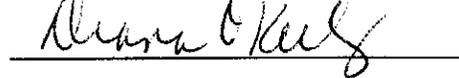
 _____ X _____

Chair, Brent Paxton

 _____ ✓ _____

 _____ ✓ _____

 _____ ✓ _____

 _____ ✓ _____

_____ _____

 _____ _____

Waukegan, Illinois
August 14, 2007

The County Board of the County of Lake, Illinois, met at a regular meeting at the County Building, Waukegan, Illinois, on August 14, 2007, at 9:00 a.m. The meeting was called to order and there were present the Chairman of the County Board, presiding, and the following named County Board Members:

and the following County Board Members were absent:

* * *

The Chairman announced that the County Board would consider the adoption of Resolution No. 2007-___ entitled, "RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF LAKE, ILLINOIS OF ITS NOT TO EXCEED \$7,368,000 INDUSTRIAL DEVELOPMENT REVENUE BOND (NONWOVEN SOLUTIONS, LLC PROJECT), SERIES 2007 FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF CERTAIN FACILITIES OF NONWOVEN SOLUTIONS, LLC LOCATED IN LAKEMOOR, ILLINOIS, AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT UNDER WHICH THE BOND WILL BE ISSUED AND SOLD TO FIRST AMERICAN BANK AND THE PROCEEDS OF THE BOND WILL BE LOANED TO NONWOVEN SOLUTIONS, LLC, AND A TAX EXEMPTION CERTIFICATE AND AGREEMENT PERTAINING TO THE TAX EXEMPTION OF THE BOND; APPROVING CERTAIN OTHER AGREEMENTS; AND RELATED MATTERS".

Whereupon County Board Member _____ moved that the Resolution be adopted; which motion was then seconded by County Board Member _____.

After due consideration of the Resolution by the County Board, the Chairman put the question to a vote and upon the roll being called, the following voted:

Aye: _____
Nay: _____

Whereupon the Chairman declared the Resolution duly adopted, signed his approval thereto in open session as evidence of his approval, caused it to be attested under seal by the County Clerk and declared it to be in full force and effect.

*** **

On motion and vote the meeting adjourned.

Chairman

(SEAL)

Attest: _____
County Clerk

RESOLUTION NO. 2007-__

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF LAKE, ILLINOIS OF ITS NOT TO EXCEED \$7,368,000 INDUSTRIAL DEVELOPMENT REVENUE BOND (NONWOVEN SOLUTIONS, LLC PROJECT), SERIES 2007 FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF CERTAIN FACILITIES OF NONWOVEN SOLUTIONS, LLC LOCATED IN LAKEMOOR, ILLINOIS, AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT UNDER WHICH THE BOND WILL BE ISSUED AND SOLD TO FIRST AMERICAN BANK AND THE PROCEEDS OF THE BOND WILL BE LOANED TO NONWOVEN SOLUTIONS, LLC, AND A TAX EXEMPTION CERTIFICATE AND AGREEMENT PERTAINING TO THE TAX EXEMPTION OF THE BOND; APPROVING CERTAIN OTHER AGREEMENTS; AND RELATED MATTERS.

WHEREAS, the County of Lake, Illinois (the "County") is a unit of local government under the 1970 Constitution of the State of Illinois, and is authorized and empowered pursuant to the Industrial Building Revenue Bond Act, 50 ILCS 445/1 *et seq.* (the "Act") to issue its revenue bonds to finance, refinance or reimburse the cost of acquiring, constructing and equipping an "industrial project" within the meaning of the Act; and

WHEREAS, Nonwoven Solutions, LLC, an Illinois limited liability corporation (the "Borrower"), wishes to finance costs of acquisition of a nonwoven fabric products manufacturing equipment line and miscellaneous equipment, and for various building improvements and renovations, all at the manufacturing facility owned by SuNita Corporation, an Illinois corporation, leased to the Borrower and located at 27981 W. Concrete Drive, Lakemoor, Lake County, Illinois (collectively, the "Project"), together with costs of issuance of the hereinafter defined Bond; and

WHEREAS, the Borrower will own and operate the Project and wishes to have the County issue its Industrial Development Revenue Bond in an aggregate principal amount not to exceed \$7,368,000 (the "Bond"), to provide financing for costs of the Project; and

WHEREAS, based solely on information provided by the Borrower, on which it is reasonable for the County to rely, the County finds that the Project, upon completion, will

constitute an "industrial project" within the meaning of Section 2 of the Act and that financing costs of the Project from the proceeds of the Bond will be for the public purposes of the County set forth in the Act; and

WHEREAS, the Borrower has represented to the County that it expects the Project to result in the creation of 20 jobs at the Project; and

WHEREAS, the Bonds shall not be a charge against the general revenues or the taxing powers of the County, but shall be payable solely from the proceeds of the Bonds issued to finance, in whole or in part, the Project, the earnings on such proceeds, and from the revenues and receipts derived from payments made by the Borrower, and no owner of any of the Bonds shall have the right to compel any exercise of the taxing power of the County, the State of Illinois (the "State"), or any political subdivision thereof to pay the Bonds or the interest or any premium thereon, and the Bonds and the interest thereon shall not constitute an indebtedness or a loan of credit of the County, the State, or any political subdivision thereof; and

WHEREAS, the Bond will be sold to First American Bank (the "Purchaser") in whole; and

WHEREAS, the County Board is the elected legislative body of the County and is the applicable elected representative required to approve the issuance of the Bond within the meaning of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, notice of a public hearing with respect to the proposed issuance of the Bond was published in the News Sun, a newspaper of general circulation in the County of Lake, Illinois; and

WHEREAS, on August 14, 2007, a public hearing was held with respect to the Project and the proposed issuance of the Bond, at which hearing all interested persons were given an opportunity to appear and be heard, pursuant to the requirements of Section 147(f) of the Code; and

WHEREAS, it is necessary and desirable that the County, the Purchaser and the Borrower enter into a Bond and Loan Agreement (the "Loan Agreement"), in substantially the form which is before the

County Board at this meeting, whereby the County will issue and sell the Bond to the Purchaser and loan the proceeds of the Bond to the Borrower in order to finance costs of the Project, and the Borrower will agree to make payments sufficient to provide for the payment of principal and purchase price of, premium, if any, and interest on and other amounts payable on the Bond, as and when the same become due and payable; and

WHEREAS, it is necessary and desirable for the County, the Borrower and the Purchaser to enter into a Tax Exemption Certificate and Agreement, to be dated the date of issuance of the Bond (the "Tax Agreement"), in substantially the form of which is before the County Board at this meeting, governing the investment of the gross proceeds of the Bond and certain other matters relating to the federal tax exemption of interest on the Bond.

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

Section 1. *Recitals.* The foregoing recitals are hereby incorporated in this Resolution as if fully set forth herein.

Section 2. *Findings.* The County Board finds that (a) the lack of employment opportunities within Lake County is harmful to the public health, safety, and general welfare of Lake County and its inhabitants and (b) based upon information supplied by the Borrower, including an opinion of bond counsel to be provided to the County prior to the issuance of the Bonds, assisting the Borrower through the issuance of the Bonds, the proceeds of which shall be loaned to the Borrower, and used to finance all or a portion of the costs of the Project, consisting of the acquisition of a nonwoven fabric products manufacturing equipment line and miscellaneous equipment, and for various building improvements and renovations, all at the manufacturing facility owned by SuNita Corporation, an Illinois corporation, leased to the Borrower and located at 27981 W. Concrete Drive, Lakemoor, Lake County, Illinois, will provide increased employment opportunities and relieve conditions of unemployment and

underemployment within Lake County; will encourage the increase of industry and commerce within Lake County; and will increase the tax base within Lake County.

Section 3. *Issuance of Bond.* The financing of the costs of the Project and costs of issuance of the Bond through the issuance and sale of the Bond in accordance with the terms of the Loan Agreement is hereby authorized and approved. The use of the proceeds of the Bond to finance costs of the Project is in furtherance of the public purposes of the County. For all purposes of this Resolution, the terms "finance costs" or "financing costs" include reimbursement to the Borrower for costs of the Project, or repayment of interim loans incurred by the Borrower to pay costs of the Project, but only to the extent that such reimbursement or repayment is permissible under the Internal Revenue Code of 1986, as amended (the "Code").

Section 4. *Approval of Loan Agreement.* The Loan Agreement, in substantially the form presented at this meeting and on file with the County Clerk and containing substantially the terms and provisions (including repayment provisions) set forth therein, is hereby authorized, approved and confirmed, and the form, terms and provisions of the Loan Agreement are hereby approved, with such changes and revisions therein as shall be approved by the officers of the County executing and attesting the same, their signatures thereon to constitute conclusive evidence of such approval, and the Chairman of the County Board and the County Clerk of the County are hereby authorized and directed to execute, attest, seal and deliver the Loan Agreement.

Section 5. *Approval of Tax Agreement.* The Tax Agreement, in substantially the form presented at this meeting and on file with the County Clerk and containing substantially the terms and provisions set forth therein, is hereby authorized, approved, and confirmed, and the form, terms and provisions of the Tax Agreement are hereby approved, with such changes and revisions therein as shall be approved by the officer of the County executing and attesting the same, his or her signature thereon to

constitute conclusive evidence of such approval, and the Chairman of the County Board of the County is hereby authorized and directed to execute and deliver the Tax Agreement.

Section 6. *Terms of Bond.* The Chairman of the County Board is hereby authorized, empowered and directed to cause to be prepared an issue of not to exceed \$7,368,000 aggregate principal amount of the Bond of the County, bearing interest from time to time at the interest rate provided in the Loan Agreement, not in any event to exceed 15% per annum.

The Bond shall be designated "County of Lake, Illinois Industrial Development Revenue Bond (Nonwoven Solutions, LLC Project), Series 2007." The Bond shall be issued as a single bond in the amount of the entire principal amount of the Bond. The Bond shall be dated the date of its initial issuance and delivery, shall mature no later than fifteen years from its date of issuance, shall have principal payable in installments, shall be in fully registered form, shall be subject to optional and mandatory redemption and tender at the option of the Purchaser in accordance with the terms and provisions of the Loan Agreement, and shall have such other terms and provisions as specified in the Loan Agreement to be included therein. The Bond shall be executed in the name of the County with the manual or facsimile signature of the Chairman of the County Board of the County and attested with the manual or facsimile signature of the County Clerk of the County, and the seal of the County shall be affixed thereto or imprinted thereon.

Section 7. *Bond As Limited Obligation.* The Bond and interest thereon shall be a limited obligation of the County, payable solely out of the revenue and receipts derived by the County pursuant thereto as described in the Loan Agreement. The Bond shall not in any respect be a general obligation of the County, nor shall it be payable in any manner from funds of the County raised by taxation. No holder of the Bond has the right to compel any exercise of the taxing power of the County to pay the Bond, the interest or premium, if any, thereon. The Bond does not constitute in any respect an indebtedness of the County or loan of credit thereof within the meaning of any constitutional or statutory provision. It shall

be plainly stated on the face of the Bond that it has been issued by the County pursuant to its powers under the Act and it does not constitute an indebtedness of the County or a loan of credit thereof within the meaning of any constitutional or statutory provision. Nothing in this Resolution, the Loan Agreement, the Tax Agreement or the form of the Bond, or in any document or agreement required hereby and thereby, shall give rise to any pecuniary liability of the County or charge against its general credit, or be construed as an obligation or commitment by the County to expend any of its funds other than (i) the proceeds derived from the sale of the Bond, (ii) the revenues and receipts derived from and described in the Loan Agreement, and (iii) any monies arising out of the investment or reinvestment of said proceeds, income, revenue, receipts or monies.

No failure of the County to comply with any term, condition, covenant, obligation or agreement herein or therein shall subject the County to liability for any claim for damages, costs, or other financial or pecuniary charge except to the extent the same is paid by the Borrower; and no execution of any claim, demand, cause of action or judgment shall be levied upon or collected from the general credit, general funds or other property of the County. The same shall be plainly stated on the face of the Bond.

Section 8. *Form of Bond.* The form of Bond submitted to this meeting, subject to appropriate insertion and revision in order to comply with the provisions of the Loan Agreement, is approved, and when Bond in such form shall be executed on behalf of the County in the manner contemplated by the Loan Agreement and this Resolution, it shall represent the approved definitive form of the Bond of the County.

Section 9. *Sale of Bond.* The County is hereby authorized, empowered and directed to issue and sell to the Purchaser the entire aggregate principal amount of the Bond, at a price of 100% of the principal amount thereof.

Section 10. *Authority to Execute.* The Chairman of the County Board and the County Clerk of the County are hereby authorized and directed to execute, attest, seal and deliver any and all documents

and do any and all things deemed necessary to effect the issuance and sale of the Bond, the execution and delivery of the Loan Agreement and the Tax Agreement and to carry out the intent and purposes of this Resolution, including the preambles hereto. In the absence of the Chairman of the County Board or the County Clerk, any officer of the County so authorized by law may perform any of the actions required hereby in lieu of the Chairman and the County Clerk, as the case may be.

Section 11. *TEFRA*. This Resolution shall constitute the approval by the County Board of the County of the issuance of the Bond pursuant to Section 147(f) of the Code of 1986.

Section 12. *Allocation of Volume Cap*. The County hereby approves the allocation to the Bond of up to \$7,368,000 of the 2007 private activity bond volume cap transferred to it by the Village of Buffalo Grove, Illinois under Section 146 of the Code.

Section 13. *Section 144(a)(4) Election*. The County hereby elects to have the provisions of Section 144(a)(4) of the Code apply to the Bond.

Section 14. *Bond Counsel*. Greenberg Traurig, LLP, Chicago, Illinois, is hereby authorized to act as bond counsel in connection with the issuance of the Bond.

Section 15. *No Pecuniary Interests*. No member of the County Board of the County has any pecuniary interest in any employment, financing, agreement or other contract made in connection with the Bond, the Project, the Borrower or any affiliated entity.

Section 16. *Contingency*. This Resolution is contingent upon the Bond being issued on or before December 31, 2007.

Section 17. *Conditions Precedent to Issuance*. No Bond shall be issued nor shall the officers of the County execute any of the documents authorized to be executed hereby unless and until (a) an opinion of bond counsel shall have been provided to the County that the Project, upon completion, will constitute an "industrial project," as defined in Section 2 of the Act, and that the County has the full power, right and authority to issue the Bond under the Act; (b) on or before December 31, 2007 (or such

later date as shall be mutually approved by the County Board, by resolution or ordinance duly adopted, and the Borrower), the County and the Borrower, solely in their complete discretion, shall have agreed to mutually acceptable terms and conditions of any agreements, instruments, and proceedings relating to the Bonds; and (c) the Borrower agrees to pay to the County, immediately upon presentation of a written demand or demands therefor, all legal and other consulting and administrative fees, costs, and expenses incurred or accrued in connection with the negotiation, preparation, consideration, and review of this Resolution and the performance by the County of its obligations under this Resolution, and all fees, costs, and expenses that the County may incur at the request of the Borrower or as a result of or arising out of this Resolution or in connection with the issuance of the Bonds and the costs of the Project; provided that the County will receive a one-time fee in payment for bond volume cap in an amount equal to 1.00% of the principal amount of the Bond issued.

Section 18. *Ratification.* All acts of the officials of the County which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bond and the Project be, and the same hereby are, in all respects, approved and confirmed.

Section 19. *No Repeal.* After the Bond is issued, this Resolution shall not be repealable until the Bond and the interest thereon shall have been fully paid, canceled and discharged.

Section 20. *Separability.* The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions; provided, however, that no holding of invalidity shall require the County to make any payments from revenues other than the proceeds derived from the sale of the Bond and the proceeds derived from the Loan Agreement (except such proceeds as may be derived from the County pursuant to its Unassigned Rights as defined in the Loan Agreement) or impose any personal liability on any director, member, elected or appointed officer, official, employee, attorney, or agent of the County.

Section 21. *Repeals.* All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 22. *Effective Date.* This Resolution shall become effective immediately upon passage and all resolutions or ordinances in conflict herewith are repealed to the extent of the conflict.

DATED, at WAUKEGAN, LAKE COUNTY, ILLINOIS on this 14th of August,
A.D., 2007.

COUNTY OF LAKE, ILLINOIS

By _____
Chairman

[SEAL]

Attest:

County Clerk

CERTIFICATION OF MINUTES AND RESOLUTION

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of the County of Lake, Illinois (the "County"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the County and of the County Board thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the County Board held on the 14th day of August, 2007, insofar as the same relates to the adoption of an resolution numbered 2007-___, entitled:

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF LAKE, ILLINOIS OF ITS NOT TO EXCEED \$7,368,000 INDUSTRIAL DEVELOPMENT REVENUE BOND (NONWOVEN SOLUTIONS, LLC PROJECT), SERIES 2007 FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF CERTAIN FACILITIES OF NONWOVEN SOLUTIONS, LLC LOCATED IN LAKEMOOR, ILLINOIS, AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT UNDER WHICH THE BOND WILL BE ISSUED AND SOLD TO FIRST AMERICAN BANK AND THE PROCEEDS OF THE BOND WILL BE LOANED TO NONWOVEN SOLUTIONS, LLC, AND A TAX EXEMPTION CERTIFICATE AND AGREEMENT PERTAINING TO THE TAX EXEMPTION OF THE BOND; APPROVING CERTAIN OTHER AGREEMENTS; AND RELATED MATTERS.

a true, correct and complete copy of which said Resolution as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the County Board on the adoption of said Resolution were conducted openly; that the vote on the adoption of said Resolution was taken openly; that said meeting was called and held at a specified time and place convenient to the public; that notice of said meeting was duly given to all of the news media requesting such notice; that an agenda for said meeting was posted at the principal office of the County Board and at the location where said meeting was to be held at least 96 hours in advance of holding said meeting; that a true, correct and complete copy of said agenda as so posted is attached hereto as Exhibit A; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Counties Code, as amended, and that the County Board has complied with all of the provisions of said Act and said Code, and with all of the procedural rules of the County Board in the adoption of said Resolution.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the County this 14th day of August, 2007.

County Clerk

[SEAL]

4705629_v2