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Illinois' New, Tax-Exempt Financing Helps Developers Cut Costs, Create New Jobs

Illinois Finance Authority issues Midwestern Disaster Area Bonds targeting 2008 flood regions

(Chicago, Ill. July 12, 2010) The Illinois Finance Authority has a new tool to help regions throughout the state suffering from the twin hits of recession and the prolonged aftermath of damage from severe storms, tornadoes and flooding that came during the summer of 2008.

Midwestern Disaster Area Bonds have been authorized by the federal government as a money-saving incentive for eligible commercial, industrial, manufacturing, retail and public utility projects to help repair damage and restore jobs to these troubled regions.

Qualified projects include, but are not limited to:

- Manufacturing facilities
- Retail businesses and shopping centers
- Office buildings
- Warehouses and storage facilities
- Medical facilities, including office buildings
- Commercial development
- Agricultural facilities and improvements

A total of \$1.5 billion in tax-exempt bond authority is available for FEMA-designated disaster areas covering 18 counties in four key regions: Rockford's Winnebago County; Lake County, north of Chicago; southeastern Illinois along the Wabash River on the Indiana border; and several counties along the Mississippi River.

"This type of creative financing will help jump-start development in Illinois communities that need it most," said Illinois Finance Authority Executive Director Christopher Meister. "We're proud to partner with the federal government, Governor Pat Quinn and the Illinois Department of Commerce and Economic Opportunity to identify and support projects to repair disaster-related damage and create new jobs statewide."

Counties eligible for financing through this program are:

Adams	Crawford	Hancock	Lake	Whiteside
Calhoun	Cumberland	Henderson	Lawrence	Winnebago
Coles	Douglas	Jasper	Mercer	
Clark	Edgar	Jersey	Rock Island	

Between April and September 2008, the affected counties lost nearly 11,000 jobs. That translated to a 20% jump in the unemployment rate, from 5.7% to 6.9%. During the same period, Illinois' overall unemployment rate rose by 16.4 percent. These new bonds are a tool to help boost employment by replacing lost jobs in communities hit by floods.

More details on the Midwestern Disaster Area Bond program are available at www.il-fa.com.

About the Illinois Finance Authority

The Illinois Finance Authority provides expert, hands-on support to help businesses get the capital they need for growth. To strengthen Illinois businesses and the State's economic development agenda, the IFA provides access to low-cost, non-conventional financing, through banks and other sources. IFA secures financing for farms, industries, businesses, local governments, hospitals and other non-profits. The agency is continually seeking new opportunities and invites developers, financiers and community partners to see how IFA can help. Go to www.il-fa.com to learn more.

Editors note: IFA has compiled statistics on the impact of flood damage in each affected county; please contact us for details on the potential for Midwestern Disaster Area Bonds to provide relief in specific regions, based on these statistics.

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