



OFFICE OF THE GOVERNOR

NEWS

ROD R. BLAGOJEVICH – GOVERNOR

FOR IMMEDIATE RELEASE:

October 25, 2007

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Gov. Blagojevich announces business expansion in South Holland that will help create dozens of jobs in Chicago's southern suburbs

Illinois Finance Authority supports Rupari Food Services, Inc., with \$10 million in tax-exempt bond financing to expand meat processing plant and create over 170 jobs

CHICAGO– Governor Rod R. Blagojevich today announced the expansion of a food and meat processing plant in South Holland that will spur economic growth, create over 170 jobs and help revitalize communities in Cook County's southern suburbs. Rupari Food Services, Inc. is making a significant investment to build a new 60,000-sq.-ft. production/cold storage facility that will nearly double its employment and foster economic development within the region. The project is supported by the issuance of \$10 million in tax-exempt industrial revenue bonds by the Illinois Finance Authority (IFA). Rupari Food Services' South Holland operation is a major wholesale supplier of processed ribs to the foodservice industry. Currently employing 150 at this facility, the expansion is expected to add over 110 new permanent jobs, as well as 60 construction jobs.

“This financing represents a significant step forward in delivering economic opportunities to people in Chicago's south suburbs and surrounding area. Not only are we expanding and improving a growing Illinois business with this project, we're also putting more people to work,” said Gov. Blagojevich.

Rupari Food Services began its operation in South Holland in 2005 with 75 employees and has quickly become a leading supplier of spare ribs, back ribs, St. Louis-style ribs and other barbeque products to some of the nation's largest national restaurant chains, big box retailers, and major grocery chains. The planned addition to the South Holland facility will house a process freezer, tempering cooler, three blast freezers, shipping dock, machine room, USDA-approved production cooler and warehouse space with more than 8,000 pallet positions. The project also includes a 10,000-sq.-ft. expansion/renovation of Rupari's ready-to-eat production area that will increase cooking capacity from 20 million to 50 million pounds per year.

“We are excited about this project because it means we can continue to grow. Food buyers are demanding ready-to-eat, ready-to-serve products, especially ribs and barbeque. The additional production and cold storage capacity made possible by this financing will help us meet demand and improve costs, and expand our business. Because of the support of the Governor, the IFA and all who helped us develop our financing plan, we are able to invest in growth, people, quality and service while staying competitive, here in South Holland,” Rupari Food Services CEO Robert Mintz said. Rupari Food Services, Inc. is a privately owned Florida corporation established in 1978 with plant facilities in South Holland and headquarters in Deerfield Beach, Florida.

The financing plan for the Rupari expansion includes \$10 million of tax-exempt Industrial Revenue Bonds (IRBs), issued by the Illinois Finance Authority on behalf of the Rupari Food Services project. The transaction, which closed today, provides Rupari with the long term low interest rates that made this project possible.

“By assisting Rupari Food Services to reduce its cost of capital to finance its project, this company will be able to grow and create jobs in the South Holland area. We can spur business growth through the IFA’s efforts, and that is exactly what Governor Blagojevich has directed us to do,” IFA Executive Director Kym M. Hubbard said.

IFA issuance of IRBs exempts income earned on the bonds from federal income tax and thereby enables the borrower to obtain a lower interest rate on the debt. The State of Illinois provided an allocation of \$5.46 million in state volume cap to the project. The South Suburban Mayors and Managers Association (SSMMA), a regional consortium of local governments, allocated \$4.54 million in home-rule volume cap to the project.

The bonds were purchased by GE Government Finance. The financial responsibility for the payment of the Series 2007 Bonds lies solely with Rupari Food Services, and not with the State of Illinois.

“This is a great day for my constituents in South Holland and the south suburbs. I want to thank Gov. Blagojevich for supporting this investment, which will create approximately 100 new jobs. This project is going to be an important asset in our efforts to turn the economic tide in this area,” State Senator James T. Meeks (I-Calumet City) said.

“The recent work of village, regional and state leaders, working together, is creating a reinvigorated business climate that encourages businesses to locate, grow, add jobs and stay here for their expansion projects,” State Representative David Miller (D-Dolton) said.

“This project tells a positive story about the economic development progress in southern Cook County. The project will add approximately 110 skilled, semi-skilled and administrative jobs. The job growth and tax revenue will have a very positive impact,” South Holland Mayor Don DeGraff said.

“The South Suburban Mayors and Managers Association’s Volume Cap Pool was formed because, working together, we can be more effective in helping our communities create and retain local jobs. We’re especially proud to assist Rupari Food Services by providing Home Rule Volume Cap contributed by our members. Through our 42 community members, the State and the IFA, we will continue to work with eligible businesses, local governments and other entities to help fuel growth throughout the south suburbs,” SSMMA Executive Director Ed Paesel said.