

REQUEST	Preliminary Bond Resolution	Date: April 9, 2024
PROJECT	<p>Purpose: Bond proceeds will be loaned to West End Tool & Die, Inc., an Illinois corporation, or affiliates thereof or related entities thereto (collectively, the “<u>Borrower</u>” or the “<u>Company</u>”) in order to assist the Borrower in providing all or a portion of the funds necessary to do any or all of the following: finance or refinance the costs of acquiring, improving, constructing, installing and equipping industrial, commercial, manufacturing and/or environmental facilities, including, but not limited to, qualified small issue manufacturing facilities and/or solid waste disposal and recycling exempt facilities described in Sections 144(a) and/or 142(a)(6) of the Internal Revenue Code of 1986, as amended (the “<u>Code</u>”), located at 2253 New Lenox Road in Joliet, Illinois and related costs of issuance of the Bonds, all as permitted by the Acts and the Code (collectively, the “<u>Financing Purposes</u>”).</p> <p>Project Number: 12588</p> <p>Volume Cap: Issuance of the Bond will require an allocation of unused volume cap that Authority staff elected to carryforward during the previous three calendar years for such purposes.</p> <p>Extraordinary Conditions: The Authority may issue the Bond under the Authority Act or under the Illinois Environmental Facilities Financing Act, 20 ILCS 3515-1, et seq., as amended.</p>	
LOCATION(S)	Joliet (Will County)	
JOB DATA	<p>Current Jobs: 97 New Jobs*: 15</p> <p>Retained Jobs: Not applicable Construction Jobs*: 10</p>	
PRIOR ACTION	<p>None. This is the first time this transaction has been presented to the Members of the Authority.</p> <p>Material Changes: Not applicable.</p>	
FINANCING	<p>Preliminarily, the plan of finance contemplates that the Authority will issue a tax-exempt qualified private activity bond in a maximum principal amount of \$15 million (the “<u>Bond</u>”) under a Bond and Loan Agreement as a direct purchase by a bank of the Borrower’s own choosing (the “<u>Bond Purchaser</u>”).</p> <p>Rating: The Bond will not be rated by any credit rating agency.</p> <p>Authorized Denominations: The Bond will be initially issued as a single fully registered Bond.</p>	
INTEREST RATE	To be determined when the Final Bond Resolution is presented to the Members of the Authority.	
MATURITY	To be determined when the Final Bond Resolution is presented to the Members of the Authority.	

SECURITY	To be determined when the Final Bond Resolution is presented to the Members of the Authority.			
SOURCES & USES[†]	Sources:		Uses:	
	Bond	<u>\$15,000,000</u>	Project	\$14,700,000
			Cost of Issuance	<u>300,000</u>
	Total	<u>\$15,000,000</u>	Total	<u>\$15,000,000</u>
RECOMMENDATION	Staff recommends approval of the Preliminary Bond Resolution.			

* *Projected*

[†] *Preliminary, subject to change*

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PROJECT AND FINANCING SUMMARY

PROGRAM AND CONTRIBUTION

The Illinois Finance Authority (“Authority”) may issue bonds from time to time as provided in the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq., as amended (the “Authority Act” or the “Act”), for the purposes set forth therein. Tax-exempt qualified private activity bonds issued by the Authority (and any premium thereon and the interest thereon) do not constitute indebtedness or an obligation, general or moral, or a pledge of the full faith or a loan of credit of the State of Illinois (“State”) or any political subdivision thereof, within the purview of any constitutional or statutory limitation or provision.

Because interest paid to bondholders on such obligations is not includable in their gross income for federal income tax purposes, bondholders are willing to accept a lower interest rate than they would accept if the interest was taxable. Special rules apply to bonds that are private activity bonds for those bonds to be tax-exempt qualified private activity bonds.

BUSINESS SUMMARY

West End Tool & Die, Inc., established in 2006, specializes in metal stamping, metal fabrication, tool and die design and tool and die manufacturing. To provide excellent service with a focus on quality and timeliness, the Company utilizes a wide array of metal stamping and fabrication machinery including, without limitation, various hydraulic presses with capabilities up to 650 tons, multiple fiber laser cutting machines, waterjet cutters, vibratory tumblers, computer numerical control machining centers and robotic welding centers.

West End Tool & Die, Inc.’s current owner, Michael Zambon, has substantial experience and expertise working within this field with his father, the founder of West End Tool & Die, Inc. Under Michael’s leadership, West End Tool & Die, Inc. has experienced substantial growth by expanding its existing relationships and diversifying its clientele to reach new markets, all while maintaining focus on quality, service and timeliness.

As West End Tool & Die, Inc. continues to experience rapid and sustained success, additional capital investments are needed due to certain capacity limitations across its main work centers. More specifically, the Company is contemplating the addition of an 80,000 square foot facility to its operation to be primarily used in the recycling of scrap metals, and the addition of a 650-ton hydraulic press and coil feeder to support the increasing demands of the Company’s customers. These capital investments will increase capacity in the Company’s main work centers and allow the Company to give its customers the quality products and services they have come to expect.

OWNERSHIP OR ECONOMIC DISCLOSURE STATEMENT

The expected initial legal owner or principal user of the facilities being financed with the proceeds of the Bond is the Borrower or an affiliate of the Borrower.

Applicant: West End Tool & Die, Inc.
2253 New Lenox Road
Joliet, IL 60433

Website: <https://westendtool.com/>

Contact: Jim Kenney, Chief Financial Officer **Email:** jkenney@westendtool.com

PROFESSIONAL AND FINANCIAL INFORMATION

Borrower's Counsel:	To be determined		
Bond Counsel:	To be determined		
Bond Purchaser:	To be determined		
Bond Purchaser's Counsel:	To be determined		
Issuer:	Illinois Finance Authority	Chicago, IL	Brad Fletcher
Issuer's Counsel:	To be determined		

LEGISLATIVE DISTRICTS

Congressional:	14
State Senate:	43
State House:	86

SERVICE AREA

West End Tool & Die, Inc. primarily services customers in the Great Lakes region of the United States and Canada. Rail, garage door, construction, automotive and agriculture are currently the main industries supported by products manufactured by West End Tool & Die, Inc.

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