



III. agency OKs \$314 mln bonds for Navistar, others

Stocks

Navistar International Corporation

NAV.N

\$41.31

-1.25-2.94%

10:00am CDT

KONE Oyj

KNEBV.HE

€37.59

+0.09+0.24%

9:29am CDT

CHICAGO, Sept 14 (Reuters) - The Illinois Finance Authority approved up to \$314 million of tax-exempt revenue bonds on Tuesday for truck maker Navistar International Corp and others.

Navistar ([NAV.N](#)) won final approval for \$145 million of Recovery Zone Facility Revenue Bonds to help fund its new headquarters and research and development facility in Lisle, Illinois, and a warehouse in Joliet, Illinois.

To issue the bonds, Navistar must get allocations of the federal Recovery Zone Facility Bond volume cap from other Illinois counties and cities, according to the authority.

Mark Luginbill, Navistar's corporate real estate manager, said discussions to obtain the volume cap were ongoing and that he was optimistic the necessary cap will be on hand by the time the bonds are slated to price in the second half of October.

The volume cap, which expires on Dec. 31, allows for the issuance of tax-exempt bonds for certain private projects under the Recovery Zone Facility Bond program created by the 2009 federal stimulus act. Illinois counties and cities received enough volume cap to cover more than \$1 billion of tax-exempt bonds.

The fixed-rate bonds for Navistar will be sold through Merrill Lynch.

Among health care deals, the finance authority gave final approval to \$73 million of bonds for Little Company of Mary Hospital for capital improvements. The fixed-rate bonds will be priced through Barclays Capital.

Provena Health's \$75 million of variable-rate bonds were also approved with the deal slated to price through J.P. Morgan Securities.

The authority gave final approval to \$21 million of Midwestern Disaster Area Bonds for an office and residential building in Moline, Illinois. The bonds, which are part of a U.S. program allowing tax-exempt debt to be issued for certain private projects in areas hit by 2008 floods and storms, will be purchased by U.S. Bank, according to the authority.

Most of the building will be leased to Finland-based elevator and escalator manufacturer KONE OYJ ([KNEBV.HE](#)) for its North American corporate headquarters. (Reporting by [Karen Pierog](#); Editing by [James Dalglish](#))