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**State treasurer leasing apartment from company linked to Cellini family**

By Dave McKinney

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SPRINGFIELD-When Illinois state Treasurer Dan Rutherford was looking for an apartment to rent in Springfield last year, he says he tried to steer clear of any building owned by William F. Cellini, then under indictment and later convicted of federal charges in the corruption case that also ensnared former Gov. Rod Blagojevich.

The Republican from Downstate Pontiac said that would have been "inappropriate, and we'd not have gone down that path."

Instead, Rutherford ended up renting his $18,000-a-year, taxpayer-funded apartment in a building owned by a business venture that includes Cellini's two children and wife, state records show.

Rutherford said he knew that Julie Cellini, the convicted businessman and political figure's wife, had a a small ownership stake - less than 1 percent - in the venture that owns the Near North Village complex, which covers a city block in Springfield near the statehouse and includes a senior-housing complex that the elder Cellini developed with low-interest state loans, as well as apartments including the unit that Rutherford is renting, a drugstore and offices.

"We were aware Julie had less than 1 percent," Rutherford said. "She is a highly respected member of historic preservation activities in Illinois, been on the board of the Lincoln Library, a respected individual. . . . Julie Cellini is not the one indicted or the one convicted."

Though Cellini developed the property and Julie Cellini said in state financial disclosure forms that she filed last April that her husband held a "partnership interest" at that point in the Near North Village complex, Rutherford said a Cellini business associate assured his staff last week that the Springfield businessman "severed links" with the housing complex last June 28.

On that same date, Near North Village Associates - the venture now listed as the property's owner - was formed, state records show.

Those records also show the largest stakeholder in Near North Village Associates - with a 98.8 percent ownership interest - is something called Near North Acquisition. That, in turn, is managed by New Frontier Company, a Chicago business headed by William Cellini Jr.

All three of those businesses' offices are in the same building on South Clark Street where the elder Cellini's business empire has its headquarters.

Cellini's daughter, Claudia Cellini, is president of another business with an ownership stake, though a much smaller one, in Near North Village Associates. It's called Wellness America, and records show it holds a .02 percent stake in the complex. The other owner listed in state records is Pacific Management, with a .32 percent stake in the apartment building. Pacific Management is part-owned by Cellini's daughter and her husband, records show.

"This is an apartment that was available, had a nice view, was competitively priced, and we chose it," said Rutherford, a former Illinois legislator and possible 2014 Republican gubernatorial contender who was elected to the statewide post of treasurer in November 2010.

The $1,500-a-month, furnished, two-bedroom, second-floor apartment overlooks the Abraham Lincoln Presidential Library and Museum.

The Illinois Constitution requires statewide officeholders - such as Rutherford, who uses the apartment while in Springfield - to establish a residence in the state capital. That's why taxpayers foot the bill for his rent.

He moved in last August, though he didn't sign the $18,000 annual lease until mid-November, state records show.

That was two weeks after Cellini was convicted in federal court in Chicago of two of four corruption charges he faced.

Cellini's lawyer and the business associate identified on the Rutherford contract did not respond to requests for comment.

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