

<p align="center"><b>Key State and Local Programs for Economic Development</b> Prepared by the Rockford Area Economic Development Council</p>						
Program	Benefits	Current Rate/Term	Formula	Requirements	Program Contact	Links
<b>PROGRAMS PRIMARILY FOR RECRUITMENT</b>						
<b>Enterprise Zone</b>	\$10,000 - \$750,000 loan; property tax abatement; sales tax exemption; job tax credit; pollution control facilities exemption; utilities tax exemption	Prime minus 2% for variable; fixed and adjustable determined at time of loan commitment. Rate never lower than 3%. Tax abatement for 3 yrs.	Must employ <500; Business must be located in the EZ	No debt refinancing or contingency; potential to create & retain jobs	815-987-5632	<a href="http://www.illinoisbiz.biz/comp/ez_zone.html">http://www.illinoisbiz.biz/comp/ez_zone.html</a>
<b>Tax Increment Financing - TIF</b>	Bonds issued to finance private investment in blighted and depressed areas for activities such as property acquisition, site preparation, demolition, or renovation.	Bonds issued for 20 years - District can last for 23 years	Overall TIF funding is 0.27% of net state sales tax revenues, allocated quarterly to eligible TIF municipalities	Districts cover only "blighted" or "conservation" areas where development would not occur "but for" the presence of the district. Only municipalities have authority to set up TIF.	IL Department of Commerce and Economic Opportunity (DCEO)	<a href="http://www.illinois-tif.com">www.illinois-tif.com</a> <a href="http://www.revenue.state.il.us/businesses/other/increment.htm">www.revenue.state.il.us/businesses/other/increment.htm</a>
<b>EDGE - Economic Development for a Growing Economy</b>	Tax credit based upon the personal income tax collected on salaries paid to employees holding the new jobs created	Non-refundable tax credit against corporate state income tax over a period not to exceed 10 years		\$5 million investment and creation of 25 jobs; "but for" the inducement, the project would not occur in Illinois	877-221-4403	<a href="http://www.commerce.state.il.us/bus/tax/relief/edge.htm">www.commerce.state.il.us/bus/tax/relief/edge.htm</a>
<b>State Treasurer's Economic Recovery Loan Program (ER)</b>	Below market rate loans to companies bringing good-paying jobs with benefits to IL; primary emphasis on mfg.	below market rate, up to 5 years	For each job created, Treasurer can deposit up to \$50,000 into borrower's financial institution for loan	Out of state company bringing good-paying jobs with benefits to IL	State Treasurer's Office Economic Development Loan Programs 100 West Randolph St, Suite 15-600 Chicago, IL 60601 312-814-1788	<a href="http://www.state.il.us/treas/Programs/ER.htm">http://www.state.il.us/treas/Programs/ER.htm</a>
<b>PROGRAMS FOR EXPANSION AND RECRUITMENT</b>						
<b>Opportunity Illinois</b>	Below market rate loan - consumer or development	up to max of 5 years then conventional loan	Up to \$10M per project	Must provide community services or a building with historic landmark status	Patrick Conlon 312-814-1244	<a href="http://www.treasurer.il.gov/OpportunityIllinois/Default.aspx">http://www.treasurer.il.gov/OpportunityIllinois/Default.aspx</a>
<b>Employ Illinois</b>	Below market rate loan	up to max of 5 years then conventional loan	value of the combined projected annual payroll of the new jobs created not to exceed value of the loan	Must be business owner, child care provider or TV/Movie maker or co. experiencing hardship	State Treasurer's Office 312-814-8953	<a href="http://www.treasurer.il.gov/EmployIllinois/Default.aspx">http://www.treasurer.il.gov/EmployIllinois/Default.aspx</a>
<b>Large Business Development Program - LBDP</b>	Incentive funding to encourage large out of state co's to locate in IL or encourage existing IL co's to undertake major job expansion/retention projects within IL	funding limited; usually part of an incentive package put together by the State's marketing department		Businesses must have 500 or more employees; project must be an extraordinary economic development opportunity; creation/retention of 300 or more jobs	Dennis Gorss 217-524-8449	<a href="http://www.commerce.state.il.us/bu/sgr/grants_bus_large.htm">www.commerce.state.il.us/bu/sgr/grants_bus_large.htm</a>
<b>Business Development Public Infrastructure Program</b>	Fixed low or no-interest rate loan to local government for infrastructure improvement	Not to exceed 10 years	one private sector job must be created or retained for every \$10,000 awarded	Project must lead directly to expansion or retention	Mark Gauss 217-785-6193	<a href="http://www.illinoisbiz.biz/comp/infra.htm">www.illinoisbiz.biz/comp/infra.htm</a>
<b>Employer Training Investment Program (ETIP)</b>	Grant funds to assist with employee training; single company or multi-company training projects. Large Company and small-mid company components	Reimbursement of up to 50% of total training costs of approved training programs	Large Company Component (ETIP/LLC--formerly ITP); companies must have 250 or more full-time employees;	Employees must be permanent, full time. Project must meet eligibility requirements	Employer Training Investment Program LLC: 217-785-6284 small/mid:312-814-2700	<a href="http://www.commerce.state.il.us/bu/employ_inf_training.html">www.commerce.state.il.us/bu/employ_inf_training.html</a>
<b>Export Import Bank of the U.S.</b>	Provides financing for qualified exporters in terms of export loans, insurance, and working capital guarantees	3.5, or 7-year Treasury Rate + 1%	The total level of Ex-Im Bank support will be the lesser of 85% of the value of all eligible goods and services in the U.S. supply contract or 100% of the U.S. content in all eligible goods and services in the U.S. supply contract.	Goods eligible for financing must meet Ex-Im Bank's foreign content requirements and must be shipped from the United States to an international buyer. Military or defense items are generally not eligible nor are sales to military buyers	Midwest Regional Office Chicago 312-353-8081	<a href="http://www.exim.gov/index.cfm">www.exim.gov/index.cfm</a>
<b>Industrial Revenue Bond Program</b>	Long-term financing at interest rates lower than conventional financing; Fixed or variable rate financing; Financing of up to 100% of project cost	Term structured by participating bank (usually below Prime)	Generally >\$1.5M	\$1,500 non-refundable application fee; Closing fee equal to 75 basis points on the par amount of the bonds; Projects include facilities which are primarily used to manufacture or process tangible products;	Townsend Albright 312-627-1434	<a href="http://www.idfa.com/bond/industry.htm">www.idfa.com/bond/industry.htm</a>
<b>High Impact Business Program</b>	Tax incentives for companies making substantial capital investment and creating above average number of jobs	Businesses may qualify for: investment tax credits, a state sales tax exemption on building materials, an exemption from state sales tax on utilities, a state sales tax exemption on manufacturing equipment purchases, repair and replacement parts.	The project must involve a minimum of \$12 million investment causing the creation of 500 full-time jobs or an investment of \$30 million causing the retention of 1500 full-time jobs.	The investment must take place at a designated location in Illinois outside of an Enterprise Zone.	Illinois Department of Commerce and Economic Opportunity Bureau of Business Development 620 East Adams, Springfield, Illinois 62701 Tel 217-785-6145	<a href="http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Tax+Assistance/HR.htm">http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Tax+Assistance/HR.htm</a>
<b>Winnebago County Tax Abatement</b>	Tax abatement on county portion of tax bill	Average abatement of 100% for 3 yrs.; term may vary with project, not to exceed 10 years or \$4M	Generally 1/3 bank participation, 1/3 client, 1/3 County; may go as high as 1/2 County	Business must be located in Winn. Co.; job creation and/or retention required	Winnebago County Regional Planning & Economic Development 815-987-2524	<a href="http://www.co.winnebago.il.us/County_Administration/Planning_Economic_Dev.htm">www.co.winnebago.il.us/County_Administration/Planning_Economic_Dev.htm</a>
<b>Winnebago County Loan Program</b>	Low interest rate loan of up to \$15,000 for each new job created in first 2-3 yrs.	Rate varies with need & ranges between 3-6%; max. loan generally \$100K; Amount may vary with project size and fund availability		Based on job creation		
<b>PROGRAMS FOR EXPANSION OR START-UP</b>						
<b>Rockford Local Development Corp.</b>	Fixed rate loans for business start-up, expansion, modernization, etc.	Up to 25% of project cost but not less than \$25,000 or more than \$100,000	Flexible	For-profit businesses located in City of Rockford	John Phelps 815-987-8675	<a href="http://www.sba.gov/financing/frdcd504.html">www.sba.gov/financing/frdcd504.html</a>
<b>Northern IL Community Development Corp</b>	Fixed rate loans for business start-up, expansion, modernization, etc.	Up to 25% of project cost but not less than \$10,000 or more than \$100,000	Flexible	For-profit businesses located in Winnebago or Boone Counties		
<b>Small Business Administration 504 Program</b>	Fixed rate loans for business start-up, expansion, modernization, etc.	Up to 40% of project cost but not less than \$50,000 or more than \$1.3M	\$35,000 per job to be created unless exception made for public policy reasons	SBA eligible for-profit businesses; Fixed assets only		
<b>Manufacturing Modernization Loan Program</b>	Sub-prime rate loans to manufacturers for financing upgrading and modernization of equipment and operations	Sub-prime rates, max term 10 years. Fee of 1-2% of loan amount	Min. \$10,000; max \$750,000 or 25% of total project, whichever is less.	Existing IL mfg co's. that employ less than 500 full-time employees and are retooling, upgrading their equipment, or expanding business	Illinois Department of Commerce and Economic Opportunity 217-782-3891	<a href="http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Loan+Programs/mmllo.htm">http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Loan+Programs/mmllo.htm</a>
<b>Participation Loan Program</b>	Help given to small businesses or small businesses that are 51 percent owned and managed by persons who are minorities, women, or disabled, through lending institutions to obtain financing for business start-up, expansion, modernization and competitiveness improvement	Subordinated small business loans provided for up to 25% of total project, but not less than \$10,000 or more than \$750,000; for minority, disabled and/or women business up to \$50,000 or 50%	Available to any for-profit small business with less than 500 full time employees or a business which is at least 51 percent owned by one or more minority, women or disabled persons and the management and daily operations of the business are controlled by one or more of the minority, women or disabled persons who own it	Cannot be used for debt refinancing or contingency funding.	DCEO Business Finance Division 620 E. Adams Springfield IL, 62701  Tel: 217-782-3891  revised 1-15-08	<a href="http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Loan+Programs/blp.htm">http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Loan+Programs/blp.htm</a>