

BUSINESS FINANCE TOOLKIT



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ALEDO TIF

(Tax Increment Financing)

Aledo's TIF District includes most of the Aledo business district along Route 17 and the entire downtown district. TIF grants and loans are available for various commercial building projects within the TIF District. Businesses are eligible for 50-50 grants (to a maximum of \$50,000) for building facade improvements and installation of awnings. The first Aledo TIF District was established in 1986 - Renewed in 2022.



GOALS/OBJECTIVES OF THE PLAN:

- Promote a positive image
- Expand housing options
- Preserve/enhance healthcare and wellness
- Attract, retain, and expand commercial/industrial establishments
- Develop the workforce population

TYPICAL PROJECTS INCLUDE:

- Assist with the retention and expansion of existing industries, further strengthen existing small businesses, and stimulate growth for local employers
- Invite more private investment to occur that will introduce new commercial, residential, and light industrial development to the Area
- Promote the rehabilitation and revitalization of older structures in the historic downtown area
- Encourage residential and neighborhood redevelopment to help prevent declines in population

Contact: Jarod Dale (309) 582-7241 x206

[TIF Map](#)

[TIF Plan](#)

ALEXIS TIF

(Tax Increment Financing)

The Alexis TIF District Redevelopment Plan, Project, and Area was established on August 16, 2004. In addition, TIF funds have been used to help keep a grocery store open in Alexis. The Village anticipates more requests for TIF assistance in years ahead to revitalize the central business district.



GOALS/OBJECTIVES OF THE PLAN:

- Eliminate/reduce blighted areas
- Redevelop existing businesses and industries to create private investment
- Enhance the tax base and other taxing districts by stimulating commercial and residential development
- Expand employment opportunities in Alexis
- Stabilize the population and the economic base
- Expand/attract businesses through the use of financial incentives
- Increase business activity that will result in increased municipal sales tax for Alexis
- Restore, maintain and improve historical sites throughout Alexis

TYPICAL PROJECTS INCLUDE:

- Public works, infrastructure, and maintenance
- Residential Rehabilitation projects
- Repair sidewalks and street lighting
- Clean up and beautification of public areas
- Three Commercial/light industry projects
- Five rehabilitation/renovation projects
- Restaurant and residential rehabilitation project
- Construction of a commercial 12-unit apartment building

Contact: Jenny McKeown [309-482-3424](tel:309-482-3424)
vilofalx@mchsi.com

[TIF Map](#)

[TIF Plan](#)

SHERRARD TIF

(Tax Increment Financing)

The Sherrard-Fyre Lake West TIF District Redevelopment Plan, Projects, and Area was established on February 5, 2007. The Village proposes to utilize the TIF District to stimulate new residential development to stabilize the local population, increase employment opportunities, expand and diversify public revenues and the local tax base, manage growth and increase the overall value and quality of life of the community for its residents. The Village also anticipates using TIF to facilitate the completion of public infrastructure which is essential for development within the Redevelopment Project Area.



GOALS/OBJECTIVES OF THE PLAN:

- Eliminate/reduce blighted or conservation areas
- Facilitate the completion of public infrastructure
- Encourage residential and commercial redevelopment
- Extend/upgrade storm drainage and sanitary sewage
- Improve/update water lines, streets, and sidewalks
- Enhance the tax base to improve infrastructure, property reuse, and upgrade existing buildings
- Expand local employment opportunities in Sherrard
- Encourage residential development and attract commercial business activity
- Create/improve parks, recreational areas, and public green space to raise the quality of life in Sherrard

TYPICAL PROJECTS INCLUDE:

- Various public works projects regarding sanitary sewage, water treatment, streets, sidewalks, trails, bike paths and easements
- Business retention and expansion projects
- Costs related repair/remodeling of permitted public buildings
- Costs related to acquisition of land and buildings
- Private redevelopment projects to include: new residential developments, independent/assisted living projects, and commercial rehabilitation projects

Contact: Laura Green [309 373-5609](tel:3093735609)
sherrardvillagehall@speedconnect.com

[TIF Map](#)

[TIF Plan](#)

VIOLA TIF

(Tax Increment Financing)

The Viola TIF District Redevelopment Project Plan, Projects, and Area was established on March 2, 2009. This plan is intended to promote and protect the health, safety, morals, and welfare of the public, address blighted conditions, and institute conservation measures so as to: remove and alleviate adverse conditions; encourage private investment; and restore and enhance the tax base of the taxing districts by undertaking public and private redevelopment projects within a Redevelopment Project Area.



GOALS/OBJECTIVES OF THE PLAN:

- Attract a mix of new commercial, residential, and light development to the community.
- Create new employment opportunities.
- Reverse recent population declines
- Stimulate the local economy and improve the overall quality of life for its residents.

[TIF Map](#)

[TIF Plan](#)

TYPICAL PROJECTS INCLUDE:

- Eliminate/reduce blighted and conservation areas.
- Facilitate the completion of public infrastructure to encourage new commercial, residential and light industrial development.
- Extend/upgrade storm drainage and sanitary sewer lines.
- Improve/update water lines, mains, and distribution systems.
- Enhance the tax base by improving infrastructure, property reuse, and upgrading existing buildings.
- Attract new jobs for the community through new business attraction.
- Stabilize the population through new residential development.
- Attract tourism and retail/commercial businesses through financial incentives - leading to increased sales tax for the village.
- Create and/or improve parks, recreational areas, public green spaces, and other public amenities to raise the quality of life.

2023 UPDATES:

- Removed cost comparison requirement
- Increased company support to 25% of employee withholding statewide
- Increased company support to 50% of above if in ‘underserved area’
- The “But For...” clause/violations are much simpler
- Don’t close on land or property before EDGE approval



EDGE FOR STARTUPS

- Company must be 10 years old or younger; same eligibility and credit value as EDGE
- Company can retain employee w/holding credits instead of sending to State for tax credit
- Helps with cash flow since company can keep those credits and turn them into cash now
- When company achieves ‘profitability’ they can stay in program but it switches to EDGE

Registration form found [HERE](#)

Send completed form to CEO.EDGE@illinois.gov

EDGE PROGRAM

(ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY)

PROGRAM DETAILS

Illinois’ EDGE program provides annual corporate tax credits to qualifying businesses which support job creation, capital investment and improve the standard of living for all Illinois residents. Initial qualification criteria require certain job creation and project investment requirements. (See below.)

The EDGE program is requiring companies certify regarding the company’s payroll submission prior to obtaining EDGE credit. See links below on how to certify.

100 or Fewer World-Wide Employees

Job Creation: The Lesser of

- 5% of world-wide employment, or
- 50 new full time jobs

Investment- \$0

Additional Information can be found [HERE](#)



REIMAGINING ENERGY & VEHICLES

PROGRAM DETAILS:

REV is a highly competitive incentives program to bolster Illinois manufacturing in the clean jobs economy, created to attract companies all along the supply chain in the electric vehicle sector.

REV Illinois offers competitive incentives to expand in, or relocate to, Illinois for companies that manufacture, in whole or in part, electric vehicles and associated battery, charging infrastructure and recycling products, as well as renewables including solar, wind and energy storage.

- Need at least \$2.5 million investment and 50+ new jobs to be eligible for REV
- Community can choose to abate property taxes for full life of REV agreement (up to 30 yrs)
- Jobs subsidized by REV must pay at least 120% of county average

***Additional Information
can be found [HERE](#)***

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MICRO

**(MANUFACTURING IL CHIPS
FOR A REAL OPPORTUNITY)**

PROGRAM DETAILS:

In April 2022, Governor JB Pritzker and the General Assembly passed SB3917, the MICRO Program. Four months later, President Joe Biden signed federal Creating Helpful Incentives to Produce Semiconductors (CHIPS) legislation into law. These stacked incentives, coupled with Illinois' existing tech and innovation workforce, make Illinois a very welcoming and strategic location for manufacturers of microchips and semiconductors.

Eligible companies manufacture microchips and semiconductors and associated component parts. Job creation incentives can be awarded as of Jan. 1, 2023 and claimed beginning Jan. 1, 2025.

***Additional Information
can be found [HERE](#)***



BLUE COLLAR JOBS ACT TAX CREDIT PROGRAM

PROGRAM DETAILS:

The BJCA program supports large-scale economic development activities by providing corporate income tax credits to companies that make substantial capital investments in Illinois. The tax credits are based on the wages paid to construction workers employed on eligible projects.

To be eligible, a company must be located in an Enterprise Zone or a River Edge Redevelopment Zone, designated a High Impact Business, or have an agreement under the EDGE Program. Eligible companies may receive up to 75% income tax withholding credits for construction workers.

*Additional Information
can be found [HERE](#)*

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HIB (HIGH IMPACT BUSINESS PROGRAM)

PROGRAM DETAILS:

The program supports large-scale economic development activities by providing tax incentives to companies that make substantial capital investments in operations and create or retain an above average number of jobs.

Eligible projects must invest a minimum of \$12 million and create 500 full-time jobs, or \$30 million investment with the retention of 1,500 full-time jobs. Investments must take place at designated locations in Illinois outside of an Enterprise Zone.

*Additional Information
can be found [HERE](#)*



ELIGIBILITY

Companies must apply to QCREDA requesting the zone be expanded to include their property before starting and must have a project that creates substantial utility. The approval process generally takes 3-4 months dependent upon the complexity of the project. The QCREDA EZ territory can be up to twelve square miles.



BENEFITS

- Sales Tax Exemption on Building Materials
- EZ Investment Tax Credit
- EZ Natural Gas Use Tax Exemption (Wheeling Exemption)
- Utility Tax Exemption
- Consumables Tax Exemption

ENTERPRISE ZONE (EZ)

PROGRAM DETAILS

The Enterprise Zone Program is designed to provide state tax credits and exemptions as incentives to encourage businesses to make a new investment on property within the Zone. This stimulates business activity and creates new employment opportunities. Local units of government can opt to also provide local incentives in an Enterprise Zone.

The QCREDA EZ can be expanded to add territory for a business project in the Illinois counties of Carroll, Henry, Jo Daviess, Knox, Lee, Mercer, Rock Island, Stephenson, and Whiteside.

***Additional Information
can be found [HERE](#)***

To apply click [HERE](#)



ABOUT QCREDA

(QCREDA) acts as the issuer of the bonds, passing its DOUBLE tax-exempt status on to a manufacturing company to finance the acquisition of fixed assets including land, buildings, machinery and equipment. Because the interest on the bonds is not subject to state or federal income taxes, investors and lenders require a lower interest rate to achieve an equivalent after-tax return. Therefore, the borrower receives a preferential interest rate, generating substantial savings.



A QCREDA Double Tax-Exempt Bond is exempt from state and federal income taxes, making it an attractive investment for the bondholder. The interest rate available on these bonds is far lower than conventional financing, and a lender can expect interest savings to range from 150 – 300 basis points lower than a conventional loan.

INDUSTRIAL REVENUE BOND FINANCING

PROGRAM DETAILS

- Funds can be used to build a manufacturing plant and acquire the necessary land.
- Funds can be used to acquire an existing manufacturing plant as long as 15% or more is used to rehab the structure.
- Funds can be used to acquire new equipment used in the manufacturing process
- At least 75% of the bond proceeds must be used for expenditures directly related to the manufacturing process. No more than 25% may be used for ancillary facilities such as a warehouse or office space.
- Funds must be used by a manufacturer of tangible goods. The company must add value or alter raw materials.



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HOUSING BOND FINANCING

PROGRAM DETAILS

- Bonds can include the acquisition of fixed assets including, land, buildings, and equipment.
- A minimum of 20% of the units must be set aside for individuals earning no more than 50% of the area's median income
- The Developer can opt to set aside 40% of the units for individuals earning 60% of the area median.
- Funds can be used to build a facility, and acquire the necessary land and new equipment.
- Funds can be used to acquire an existing facility as long as 15% or more is used to rehab the structure.
- Housing bonds can assist in obtaining Low Income Housing Tax Credits (LIHTC) that can reduce the required equity.
- 60-day notice for prior approval of funds

ABOUT QCREDA

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NOT-FOR-PROFIT BOND FINANCING

PROGRAM DETAILS

- Funds must be used by a not-for-profit corporation qualified under the federal tax code as a 501 (c) (3) for the purchase of fixed assets.
- Funds can be used to build a facility, and acquire necessary land, and new equipment. Funds can be used to acquire an existing facility as long as 15% or more is used to rehab the structure.
- Hospital systems, medical centers, behavioral health centers, medical clinics, continuing care centers, private universities, and YMCAs are eligible.
- 60-day notice for prior approval of funds
- Finance up to 100% of the project cost (contingent upon meeting the credit standards of a lender backing the bond.)



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A QCREDA Double Tax-Exempt Bond is exempt from state and federal income taxes, making it an attractive investment for the bondholder. The interest rate available on these bonds is far lower than conventional financing, and a lender can expect interest savings to range from 150 – 300 basis points lower than a conventional loan.

DOCK & WHARF BOND

PROGRAM DETAILS

- Funds can be used to build a facility, acquire necessary land, new equipment, etc.
- 60-day notice for prior approval of funds
- The capital improvements must take place in the territory of QCREDA Carroll, Henry, Jo Daviess, Knox, Lee, Mercer, Rock Island, Stephenson, and Whiteside.
- Finance up to 100% of the project cost (contingent upon meeting the credit standards of a lender backing the bond.)



ABOUT QCREDA

(QCREDA) acts as the issuer of the bonds, passing its DOUBLE tax-exempt status on to a manufacturing company to finance the acquisition of fixed assets including land, buildings, machinery and equipment. Because the interest on the bonds is not subject to state or federal income taxes, investors and lenders require a lower interest rate to achieve an equivalent after-tax return. Therefore, the borrower receives a preferential interest rate, generating substantial savings.



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EDUCATION BOND

PROGRAM DETAILS

- Funds can be used to build a facility, acquire necessary land, new equipment, technology, busses, land for future schools, portable buildings, etc.
- 60-day notice for prior approval of funds
- The capital improvements must take place in the territory of QCREDA in the counties of Carroll, Henry, Jo Daviess, Knox, Lee, Mercer, Rock Island, Stephenson, and Whiteside.
- Finance up to 100% of the project cost (contingent upon meeting the credit standards of a lender backing the bond.)





The Bi-State Regional Commission manages the Mercer -Muscatine RLF. There is \$440 million in the Mercer-Muscatine County RLF (available to borrowers in Mercer and Muscatine Counties). An (RLF) is a pool of capital from which loans are made to provide gap financing, primarily to small and mid-sized businesses. The fund revolves in the sense that it is self-replenishing, utilizing interest and principal payments on old loans to issue financing for new projects.

Click [HERE](#) to apply

Contact: Donna A. Moritz [309-793-6302](tel:309-793-6302)
dmoritz@bistateonline.org

RLF PROGRAM

(Revolving Loan Fund)

PROGRAM DETAILS:

- The focus on all RLFs is the retention and or creation of jobs.
- The average county wages are determined by referencing average wages according to state economic development resources.
- The loan term is based on the type of project and risk. 10 years is the maximum loan term and 4 years is the minimum. Loans for working capital will be at a 4-year term.
- Demonstration of borrower equity in the project is required and cash equity will result in a better interest rate offered. Collateral and personal guarantees are required for all loans.
- The support of the jurisdiction where the project is located is required.

LEAP PROGRAM

(Lease Expense Assistance Program)



The Lease Expense Assistance Program (LEAP) is a 1 year only Lease Assistance Program to help provide an incentive for potential tenants to consider opening a business in Historic Downtown Aledo by reducing the first year lease cost for qualified applicants.

CONTACT INFO:

Lindsey Dunn, Executive Director
(309) 582-2751 lindsey@aledomainstreet.com
201 W. Main St. PO Box 209
Aledo, IL 61231



CLICK [HERE](#) FOR DETAILS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

CDFI Funds, or Community Development Financial Institutions Funds, provide targeted investments to generate economic growth and opportunity in low-income communities. These funds support local residents and businesses by providing access to loans and other financial services. Community Development Financial Institutions are private companies that partner with the federal government in lending to low-income, low-wealth people and communities. The CDFI Fund was established by the Riegle Community Development and Regulatory Improvement Act of 1994, and it is administered by the U.S. Department of the Treasury.

BRIDGE INVESTMENT
Community Development Corporation



100 19th St #104 Rock Island, IL 61201 (309) 732-4024

BIZHUB VIRTUAL RESOURCES

RESOURCES OFFERED:

- Recruiting & Filling Openings
- Training Resources
- Layoff Aversion
- Layoff Assistance
- Network for Success
- Labor Market Information
- Labor Market & Career Information
- Economic Development Region Scans
- Career Planning
- LMI User Guide

More information can be found [HERE](#)

Launched in June of 2005 by the Governor's Illinois Workforce Innovation Board as the State's workforce development program, the Illinois Portal Worknet and Program works to expand economic opportunity through their workforce development resources geared towards individuals, employers, and workforce and education partners. The portal also facilitates statewide programs, along with providing local and statewide resources and tools to help individuals, employers, and workforce/education partners achieve their training and employment goals.



ADVANTAGE ILLINOIS

RESOURCES OFFERED:

- Advantage Illinois Participating Institutions Map
- Participation Loan Program (PLP)
- Standard Participation Loan Program (PLP)
- Minority/Woman/Disabled/Veteran Owned Businesses

Funding Purposes Include:

- Start-Up Costs
- Working Capital
- Business Procurement
- Franchise Fees
- Equipment
- Inventory
- Purchase, construction, renovation or tenant improvements of an eligible place of business that is not for passive real-estate investment purposes

The Advantage Illinois Program is here to assist small businesses, the backbone of the Illinois Economy. This program helps entrepreneurs and small businesses start up through working with the State's banking community and venture capitalists to expand and create new jobs at a faster rate. This program has also received more than \$78 million from the federal State Small Business Credit Incentive (SSBCI) in order to accelerate investments and ease credit crunches for small businesses.

More information can be found [HERE](#)



SBA LOANS

(Small Business Association)

7(A) LOANS

The 7(a) Loan Program includes financial help for small businesses with special requirements. This is the best option when real estate is part of a business purchase, but can be used for the following:

- Short- and Long-term working capital
- Refinancing current business debt
- Purchase furniture, fixtures, and supplies

Uses of the Loan include:

- Long- and short-term working capital
- Revolving funds based on the value of existing inventory and receivables
- The purchase of equipment, machinery, furniture, fixtures, supplies, or materials
- The purchase of real estate, including land and buildings
- The construction of a new building or renovation of an existing building
- Establishing a new business or assisting in the acquisition, operation, or expansion of an existing business
- Refinancing existing business debt (under certain conditions)

The maximum loan amount is \$5 million.



More information can be found [HERE](#)

504 LOANS

The 504 Loan Program provides long-term, fixed rate financing for major fixed assets that promote business growth and job creation. These loans are available through Certified Development Companies (CDCs), who are certified and regulated by the SBA. The maximum loan amount is \$5.5 million. For certain energy projects, a borrower can receive up to \$5.5 million per project, not to exceed 3 projects at \$16.5 million.

The loans can be used for:

- The Purchase/Construction of
 - Existing buildings or land
 - New Facilities
 - Long-term machinery/equipment
- The Improvement/Modernization of:
 - Land, streets, utilities, parking lots, and landscaping
 - Existing Facilities

They cannot be used for:

- Working Capital/Inventory
- Consolidating, repaying, or refinancing debt
- Speculation/Investment in rental real-estate

More information can be found [HERE](#)

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SBA LOANS

(Small Business Association)

SBA DEBT RELIEF & DISASTER LOAN

The SBA Debt Relief Program offers debt relief to existing SBA loan borrowers who have been impacted by COVID-19.

The SBA Disaster Assistance Program provides low-interest disaster loans to help businesses and homeowners from declared disasters. To be eligible for the Disaster Loan, you must be a business in a declared disaster area, a private nonprofit organization, homeowner, or renter affected by declared disasters, including civil unrest and natural disasters such as hurricanes, flooding, and wildfires.

Learn more information about the SBA Debt Relief Program [HERE](#)

More COVID-19 Assistance can be found [HERE](#)

You can learn more about the Disaster Relief Program [HERE](#)



SBA LENDER MATCH PROGRAM

The SBA Lender Match Program connects you to lenders offering SBA backed funding. Through asking a few questions about your business, you will be sent a list of lenders who have interest in your loan. This allows you to compare rates, terms, and fees to pick the right lender for you. You will then be able to submit loan applications to the lenders.

You can learn more about the program [HERE](#)

MADE IN ILLINOIS GRANT

WHAT DOES THE PROGRAM COVER?

Illinois manufacturers may be awarded up to \$50,000 as a reimbursement grant for allowable expenditures. Awardees are required to demonstrate a match of 100% if they have less than 100 employees and a match of 200% if they have between 100 and 250 employees.

Allowable expenditure examples include:

- Machinery acquisition, such as specialized automation equipment or collaborative robotics
- Specialized hardware or software, such as IIOT, cybersecurity, predictive maintenance
- Late-stage product testing and scaling of new products
- Development and commercialization of new products

WHO QUALIFIES FOR THE PROGRAM?

- For-profit entities primarily engaged in manufacturing (as designated by NAICS codes 31-33)
- Employ between 5 and 250 employees
- Operated in Illinois for at least three years
- Had sales revenue in the last 12 months prior to application date

More information can be found [HERE](#)

