



BUSINESS FINANCING PROGRAMS

2023



Resource Contact

NORTHWEST ILLINOIS ECONOMIC DEVELOPMENT

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Local

PROGRAMS:

Rural Economic Development Loan Program

The Rural Economic Development Loan Program, available through Jo-Carroll Energy, can provide low-interest, gap financing to qualifying projects. Rates typically range from 0% to below Prime with a maximum 10-year term. Projects can include for-profit and non-profit organizations along with community, health care, and education facilities. Loan availability is determined on a case-by-case basis.

Tax Increment Financing Districts (TIF)

Administered at the municipal level, TIF calls for local taxing bodies to make a joint investment in the development or redevelopment of an area, with the intent that any short-term gains be reinvested and leveraged so that all the taxing bodies receive larger financial gains in the future. NW Illinois TIFs include East Dubuque, Elizabeth, Galena, Hanover, Lanark, Milledgeville, Savanna, Scales Mound, Stockton, and Warren. Note Mount Carroll has a Business District Plan.

Jo Daviess County Revolving Loan

This low-interest program provides a source of financing for expanding or start-up businesses and is designed to serve as part of a financing package. Loans amounts are between \$5,000 and \$100,000 with rates 2 points below Prime that cannot exceed 25% of a project's cost with a maximum 10-year term.

NWILED Genz Memorial Investment Fund

Gap financing for small businesses for the purchase of physical capital, the purchase of an existing business, or for pilot projects. This program does not need to be repaid but does require a business plan and an existing relationship with a bank. Awards range from \$4,000 - \$8,000.

State & Federal

PROGRAMS:

Illinois Department of Commerce & Economic Opportunity (DCEO)

DCEO's mission is to support and maintain a climate that enables a strong economy by keeping, attracting and growing businesses, maintaining a skilled workforce, and enhancing communities so that the climate here is one in which businesses, small and large, and workers, can succeed.

Assistance for businesses includes programing specific to Expand or Relocate, Low Interest Loan Programs, and the Illinois Works Bid Credit Program.

Additional programing and services include Broadband Development, Employment & Training, Entrepreneurship, Innovation & Technology, Film, Tourism, and Trade & Investment.

Illinois Apprenticeship Education Expense Tax Credit

Employers are allowed a tax credit for qualified educational expenses associated with qualifying apprentices. Employers may receive a credit of up to \$3,500 per apprentice against their Illinois Income Tax. A qualifying apprentice must be an Illinois resident aged 16 years or older that is enrolled in an apprenticeship program registered with U.S. Department of Labor.

Enterprise Zone

Illinois Enterprise Zones are designed to stimulate economic growth and neighborhood revitalization in economically depressed areas through incentives, regulatory relief and improved governmental services. Businesses located or expanding in an Illinois enterprise zone may be eligible for state and local tax incentives including a sales tax exemption on building materials, investment tax credits, and utility tax exemptions.

Illinois C-PACE

Illinois Finance Authority Property Assessed Clean Energy program aims to spur investment in electric vehicle charging stations, energy efficiency, and water conservation, and to stimulate the growth of renewable energy and resilient building design. Working with a municipality, owners and developers can finance or refinance eligible clean energy improvements in connection with the renovation of existing buildings and or new construction.

Opportunity Zone

Federal Opportunity Zones provide temporary tax deferrals to investors that locate in specific areas most in need of job creation. NW Illinois has two Opportunity Zones in Savanna and Stockton.

Other Business Development Resources

- Business Employment Skills Team (BEST, Inc)
- Illinois Manufacturing Excellence Center (IMEC)
- Jo-Carroll Foreign Trade Zone #271
- Small Business Development Center at Sauk Valley Comm College



Regional

PROGRAMS:

Quad Cities Regional Economic Dev Authority

QCRED is authorized to issue bonds up to \$250,000,000 for industrial, housing, and not-for-profit projects. QCRED also offers an Enterprise Zone designed to provide state tax credits and exemptions for businesses to lower their overall capital costs.

Blackhawk Hills Regional Council

BHRC engages in community and economic development, natural resources conservation, and planning. Programs vary, and include offerings from the U.S. Economic Development Administration, U.S. Dept of Agriculture, IL Dept of Commerce & Economic Opportunity, IL Dept of Natural Resources, and IL Dept of Transportation.

Banking

Area financial institutions offer various business development programs:

- Citizens State Bank
- Dupaco Community Credit Union
- First Community Bank of Galena, a branch of Apple River State Bank
- Illinois Bank & Trust, a division of HTLF Bank

Utility

Area utilities offer various business development and energy audit programs:

- ComEd, an Exelon Company
- Jo-Carroll Energy
- Nicor Gas