

PEORIA COUNTY LOAN PROGRAMS

Updated 9/11/15	MICRO LOAN	GAP LOAN	MACRO LOAN
PURPOSE	To stimulate economic growth and the creation/retention of jobs in Peoria County by providing needed capital to emerging, existing and expanding businesses.		
ELIGIBLE BORROWERS	Any industrial, commercial, or service related business located in Peoria County, which will create and/or retain jobs. Additionally, Any small construction firm located in Peoria County that has obtained a construction contract may also apply for contract financing up to 80% of the value of a construction contract or \$50,000, whichever is less, to help provide access to capital.	Any industrial, commercial, or service related business located in Peoria County, which will create and/or retain jobs. Projects selected shall have a commitment to benefit to low to moderate income persons. The County of Peoria is also an eligible of borrower, but only for infrastructure improvements (ie., water, sewer, and roads) which will assist a business to retain or create jobs. Lastly, nonprofit organizations, under special conditions, may also be eligible for loan funding.	Any industrial, commercial, or service related business located in Peoria County, which will create and/or retain jobs. The County of Peoria and other local governments in Peoria County are also eligible borrowers for infrastructure improvements (ie., water, sewer, and roads) or for the capitalization of local revolving loan funds (where none exist), to assist business growth and create/retain jobs. Lastly, nonprofit organizations, under special conditions, may also be eligible for loan funding.
INELIGIBLE BORROWERS	Adult bookstores, adult video shops, other adult entertainment facilities, gambling facilities, or other types of businesses that may be deemed by the loan committee as ineligible. Such examples may include but are not limited to: gun shops, liquor stores, massage parlors, pawn shops, payday loan stores or tanning salons.		
FUNDING LIMITS	Up to \$35,000; For small construction firms, loans = 80% of contract or \$50,000, whichever is less	Up to 150,000	Up to \$600,000
OWNER EQUITY	YES (20% of total project costs)	YES (10% of total project costs)	YES (10% of total project costs)
LEAD LENDER?	NO	YES	YES
MAX PARTICIPATION BY COUNTY	Up to 80%	Up to 50% of total project costs.	Up to 33% of total project costs.
TERMS	Negotiable term but generally no longer than 5 years	Negotiable term but no longer than the useful life of any asset being financed	Negotiable term but no longer than the useful life of any asset being financed
RATE	Variable based on level of project risk; rate shall not go below 3%	Generally a fixed rate loan at 3% below Prime Rate with a floor of 3%	Generally a fixed rate loan at 3% below Prime Rate with a floor of 3%
JOB CREATION REQUIREMENT	For every \$15,000 of loan fund investment, 1 FTE shall be created or retained. Job creation/retention must take place within 12 months of project completion.	For every \$15,000 of loan fund investment, 1 FTE shall be created or retained. At least 51% of permanent FTE opportunities created or retained must be made available to persons from low to moderate-income households. Job creation/retention must take place within 12 months of project completion.	For every \$15,000 of loan fund investment, 1 FTE shall be created or retained. Job creation/retention must take place within 24 months of project completion.
ELIGIBLE LOAN EXPENDITURES	<ul style="list-style-type: none"> --Site development/infrastructure extension costs --Construction of new facility or additions --Renovation of existing facilities --Leasehold improvements --Purchase of new or used machinery, equipment, furniture or fixtures. --Purchase of inventory or supplies --Working capital 	<ul style="list-style-type: none"> --Site development/infrastructure extension costs --Construction of new facility or additions --Renovation of existing facilities --Leasehold improvement --Purchase of inventory or supplies --Purchase of new or used machinery or equipment, furniture or fixtures --Working capital 	<ul style="list-style-type: none"> --Site development/infrastructure extension costs --Construction of new facility or additions --Renovation of existing facilities --Leasehold improvements --Purchase of new or used machinery, equipment, furniture or fixtures. --Purchase of inventory or supplies
NON-ELIGIBLE LOAN EXPENDITURES	<ul style="list-style-type: none"> --Refinancing existing, private debt. --Financing any activities for speculative activities (i.e., commercial/retail development without lease agreements) or purposes; --Conducting general marketing activities; or --Forgiveness of loans or other financial assistance. 	<ul style="list-style-type: none"> --Refinancing existing, private debt. --Financing the relocation of an industry or business from one area of the State to another (with some exceptions); --Financing any activities for speculative activities (i.e., commercial/retail development without lease agreements) or purposes; --Conducting general marketing activities; --Forgiveness of loans or other financial assistance. --On projects where the transfer of firms and jobs from a location within the State of Illinois using Peoria County RLF proceeds takes place, unless it can be shown that proposed jobs/job opportunities will be lost to another state or country. 	<ul style="list-style-type: none"> --Working Capital. --Refinancing existing, private debt. --Financing any activities for speculative activities (i.e., commercial/retail development without lease agreements) or purposes; --Single Family residential building construction; or --Forgiveness of loans or other financial assistance.
SECURITY and COLLATERAL	The County shall be entitled to the senior lien or security interest on any collateral given as security. In addition, Peoria County will generally require a Personal and/or Corporate Guaranty.	The participating lender shall have the primary responsibility for determining the applicant's credit risk and, if it requires, shall be entitled to the senior lien or security interest on any collateral given as security. In the case where Peoria County secures the RLF loan with identical collateral, its lien or security interest shall be subordinated to the participating lender. In addition, Peoria County will generally require a Personal and/or Corporate Guaranty on Peoria County RLF Program Loans.	The participating lender shall have the primary responsibility for determining the applicant's credit risk and, if it requires, shall be entitled to the senior lien or security interest on any collateral given as security. In the case where Peoria County secures the RLF loan with identical collateral, its lien or security interest shall be subordinated to the participating lender. In addition, Peoria County will generally require a Personal and/or Corporate Guaranty on Peoria County RLF Program Loans.
PROCESS TO APPLY	Completion of loan application; staff review; review by loan advisory committee; review by County Executive Committee; and approval by County Board. If all application materials are properly submitted process can take 6-8 weeks depending on meeting schedule of various committees.	Completion of loan application; staff review; review by loan advisory committee; review by County Executive Committee; and approval by County Board. If all application materials are properly submitted process can take 6-8 weeks depending on meeting schedule of various committees.	Completion of loan application; staff review; review by loan advisory committee; review by County Executive Committee; and approval by County Board. If all application materials are properly submitted process can take 6-8 weeks depending on meeting schedule of various committees.