

Eligible Uses

Loans must be for community development projects, the establishment of new businesses, expansion of existing businesses, job creation and/or job retention. Such loans may include, but are not limited to:

- Business and industrial acquisitions when the loan will keep the business from closing, prevent the loss of employment opportunities, or provide expanded job opportunities.
- Business construction, conversion, enlargement, repair, modernization, or development.
- Purchase and development of land, easements, rights-of-way, buildings, facilities, leases, or materials.
- Purchase of equipment, leasehold improvements, machinery, or supplies.
- Pollution control and abatement.
- Transportation services.
- Start-up operating costs/working capital.
- Interest (including interest on interim financing) during the period before the facility becomes income producing, but not to exceed 3 years.
- Feasibility studies.
- Debt refinancing.
- Reasonable fees/charges for: loan packaging fees, environmental data collection fees, management consultant fees, and other fees for services rendered by professionals.
- Hotels, motels, tourist homes, bed and breakfast establishments, convention centers, and other tourist and recreational facilities.
- Educational institutions.
- Revolving lines of credit.

Some restrictions apply.

Application Procedure

Interested applicants should work jointly with a private sector lender and RPC staff. This effort will ensure that the business client receives the optimal financing package utilizing current economic development resources.

The written project request should include the following:

- Business plan including company history and structure.
- Three years historical financial statements and tax returns.
- Three years sales and cash flow projections.
- Schedule of collateral.
- Explanation of the financing need.
- Terms and conditions of conventional bank loan and any other financing arrangements.
- Sources and uses of funds statement.
- Job creation commitment.
- Any other pertinent information.
- Each applicant will be charged a one percent origination fee.

Approval Process

Approval of requests will be based on two broad criteria:

- The external need for the project including feasibility, local economic impact, and
- The risk associated with the project including the current financial position, rate of return, available collateral, soundness of projections and community development impact.



Committed to the future
of rural communities.

CCRPC Intermediary Relending Program

A low interest rate loan program
for rural businesses and communities in
Champaign, Douglas, Ford, Iroquois,
Piatt, and Vermilion Counties



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Intermediary Relending Program

Purpose

The purpose of the Intermediary Relending Program (IRP) is to alleviate poverty and increase economic activity and employment in rural communities through financing targeted primarily towards smaller and emerging businesses, in partnership with other public and private resources.

Terms

- Minimum loan amount: \$15,000.
- Maximum loan amount: \$250,000.
- Minimum 25% non-IRP match requirement.
- 1% loan origination fee.
- Interest rate: US Prime Rate +/- 2% as published at the date of approval. However, at no time can the rate be lower than 4%.
- Loan terms:
 - Working capital: 3-5 years
 - Machinery & equipment: 7-10 years
 - Real estate: 20 years
- Senior position preferred on identifiable assets.

Eligibility

- Must be located in a rural area (includes urban areas with less than 25,000 population) in Champaign, Douglas, Ford, Iroquois, Piatt, or Vermilion County.
- Loan recipient can be a business or local government.
- Must be a US citizen or reside in the US as a legal permanent resident.
- Must be unable to finance the proposed project from its own resources or through commercial credit or other Federal, State, or local programs at reasonable rates and terms.

