



INTRODUCTION

By offering economic development incentives the Village recognizes the increased potential to attract development, investment, employment and new tax revenue for the Village of Rantoul. We understand that a partnership between the Village and local businesses helps support and sustain economic growth. The Village of Rantoul has established a variety of incentive programs that we are able to make available to any sized business. We also maintain communication with other local and state business development organizations to ensure we can inform you of their economic development programs and incentives as well.

If you are considering investing in the community and are interested in learning how these incentives may be able to assist in this please contact the Economic Development staff at (217) 892-6801 for more details and/or to set up a meeting.

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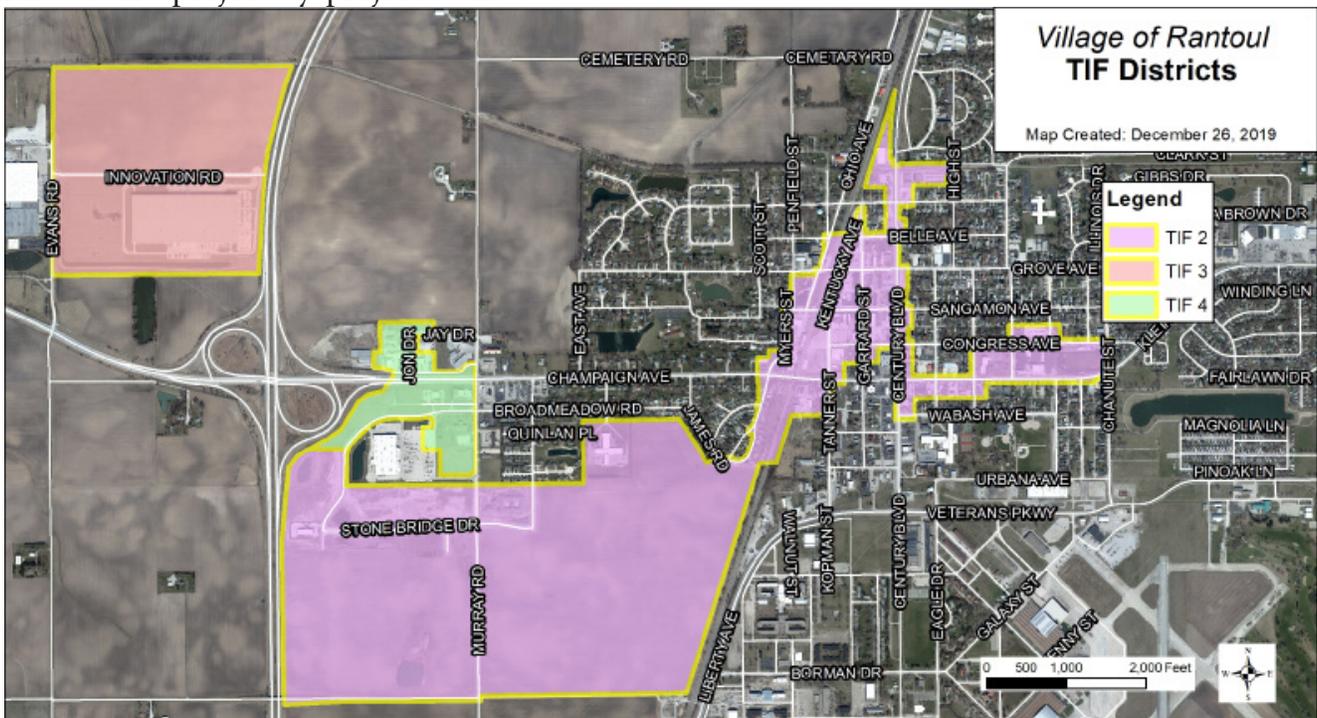


TAX INCREMENT FINANCING (TIF) DISTRICTS

Tax increment financing, or TIF, is an economic development and revitalization tool available to Illinois municipalities through an act of the Illinois State Legislature known as the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4). TIF is designed to remove blight and encourage private investment into areas that would otherwise not see new investment.

The Village of Rantoul currently has three active TIF Districts. Redevelopment Project Area #2 (TIF 2) encompasses an area of approximately 495 acres and generally is comprised of the new commercial area on South Murray Road, and the Downtown area. Evans Road Redevelopment Project Area (TIF 3) encompasses an area of approximately 163 acres and is generally bound by Evans Rd. on the West, the Canadian National Rail Spur on the North, Interstate 57 on the East, and US Route 136 on the South. The Route 136 Redevelopment Project Area (TIF 4) encompasses an area of approximately 39 acres and is located along US Route 136 East of Interstate 57.

There are various financial incentives that may be available from the Village for projects or activities that are considered “TIF eligible” as defined under the Illinois Tax Increment Allocation Redevelopment Act. The Village of Rantoul is able to provide these incentives through Redevelopment Agreements which are formulated on a project-by-project basis.



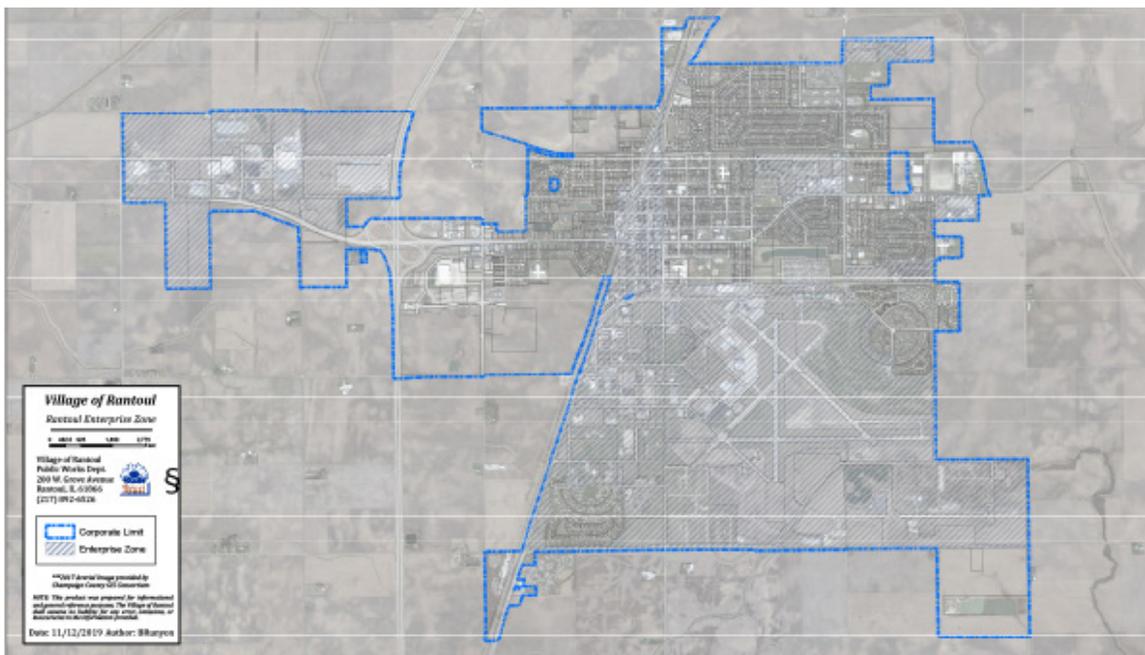


ENTERPRISE ZONE PROGRAM

The current Rantoul Enterprise Zone was established in 2016 in order to promote investment and revitalization and economic growth within the Village of Rantoul. Certain incentives as described herein are available for qualifying projects.

The state and local sales tax applicable within the Village of Rantoul will be abated on materials purchased for a certified project within the Enterprise Zone. To be eligible for sales tax exemption a “Sales Tax Exemption” application must be completed when applying for any permit for a project within the Zone. When all information has been received and the application has been approved by the Zone Administrator, a copy of the Certificate issued by the State of Illinois will be presented to the applicant. This certificate must be presented to the building materials supplier in order to receive the sales tax exemption. The supplier cannot issue the exemption without this certificate.

That portion of real property taxes levied and imposed by the Village of Rantoul and by Rantoul City Schools District #137 upon a parcel or parcels of real estate located within the Enterprise Zone and upon which there has been construction of new improvements or upon which there has been expansion, rehabilitation or remodeling of existing improvements shall be abated. Property tax abatement can only be received on the increased assessed valuation resulting from an approved project. Real estate taxes in place before the improvement cannot be abated.





EDA REVOLVING LOAN & MICRO LOAN PROGRAMS

The EDA Revolving Loan and Micro Loan Programs are intended to provide gap financing to new and existing businesses within Rantoul, for the purpose of creating and retaining jobs. These programs provide loan funds for equipment, real estate acquisition and real estate improvement, with a minimum of \$5,000 and a maximum of \$500,000 for a single borrower. The interest rate will be fixed or variable adjusted annually, within a range from 2%-10%, depending on the WSJ Prime Rate, at a rate to be determined by the Loan Committee. Repayment of principal and interest will be required over 5 to 10 years.

Intent

The Village of Rantoul is interested in providing funding to help start or retain businesses within Rantoul in order to encourage small business to create jobs and increase sales.

Eligible Applicants

- Business Owners within the Village of Rantoul corporate limits.
- Applicant must be operating legally in accordance with all federal, state and local laws and regulations and current with all Village taxes, fees and licenses.

Eligible Expenses

- Acquisition, construction, installation, renovation, repair or other improvements to real estate, buildings and accessory structures for commercial purposes
- Furniture and fixtures
- Machinery
- Equipment
- Working capital (RLF only)
- Inventory (RLF only)





DOWNTOWN FAÇADE IMPROVEMENT GRANT PROGRAM

The Downtown Façade Improvement Grant Program is intended to encourage businesses and property owners within the Downtown area to improve their storefronts, making these areas more attractive to shoppers and growing their vitality and economic performance. The program reimburses owners of commercial properties up to 50% for façade improvements, for a maximum reimbursement of \$10,000 for a single commercial building.

Eligible Applicants

- Owners and tenants (with the owner's written consent) of street level commercial or retail property within the Downtown Tax Increment Finance District.
- Applicant must be operating legally in accordance with all federal, state and local laws and regulations and current with all Village taxes, fees and licenses.

Eligible Expenses

- Restoration or replacement of storefront
- Exterior building lighting
- Restoration of architectural glass
- Reopening of bricked or boarded up windows including transoms
- Cast iron and tin restoration and repainting
- Installation of exterior entry equipment to meet American with Disabilities Act (ADA)
- Masonry/brick tuck-pointing
- Building cornices on primary facade facing a public street
- Paint removal and brick restoration (excludes new paint)

Eligible Expenses (Cont.)

- Window replacement to traditional double hung windows or match to building's historical appearance (only eligible on primary facades facing a public street)
- Approved chemical paint remover
- Restoration or recreation of awning structures (minus advertising costs)
- Restoration or recreation of historic projecting or painted wall signage native to the building (including Theater marquees and painted historical advertisement)

Ineligible Expenses

- Roof replacement
- Rear or secondary facades (that don't face public streets)
- Routine maintenance (pressure washing, etc.)
- Security roll-down grates or window bars
- Closing any existing opening
- Brick sandblasting
- Non-traditional building materials (i.e. EFIS- Exterior Insulation and Finish Systems)



FOREIGN TRADE ZONE (FTZ)

Rantoul's general purpose Foreign Trade Zone, a subzone of the Peoria-based Foreign Trade Zone 114, offers the importation, manufacturing, assembling, or re-exportation of products with lowered duties. Duties on foreign goods intended for domestic consumption are levied only at the time the goods are removed from the zone and only on quantities actually removed. An operation based within this Foreign Trade Zone means assembly cost savings, cost avoidance, and more effective cash flow. The facilities available at the Rantoul National Aviation Center are perfect for any number of different uses and can be modified to fit additional needs.

A Foreign Trade Zone is an area designated by the US Department of Commerce and the US Customs and Border Protection as a location "where companies can use special procedures that help encourage US activity and value added - in competition with foreign alternatives - by allowing delayed or reduced duty payments on foreign merchandise, as well as other savings." Rantoul's Foreign Trade Zone was established in 2009 and is located on the former Chanute Air Force Base.

What the Rantoul FTZ Can Offer Your Business

The Benefits of locating a business within the FTZ include:

- Better Cash Flow- Duties are paid at the same time sale proceeds are available
- Cost Avoidance- Businesses do not have to pay duties on defective or broken items, waste or shrinkage
- Manufacturing Savings- Product made within an FTZ has advantage over foreign produced comparable products
- Logistical Advantage- Efficient customs procedures
- Fully Capable Airport- Located adjacent to a fully operational airport
- Staff standing ready to assist your organization explore the benefits and process of utilizing the Rantoul FTZ

Contact Information

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