



ECONOMIC DEVELOPMENT

QCREDA Local Government Bonds

Local Government Bonds are those specifically issued through the Local Government Bond section of QCREDA’s statute. Local Government Bonds are generally exempt from federal income taxes; these bonds are also exempt from the alternative minimum tax. In addition, properly structured, these bonds can be secured by an intercept of state funding, further securing the bondholder.

For more information, visit the [Quad Cities Regional Economic Development Authority](http://www.greaterfreeport.com) web site; [QCREDA Local Government Bonds](#).

Program Details

Eligibility:	Any unit of local government including school districts, park districts, library districts, cities, villages and townships as well as other statutorily established political subdivisions. Local Government Bonds do not require volume cap.
Maximum Loan Amount:	Interest rates may be fixed or variable and can finance up to 100% of the eligible project costs.
Loan Term:	Maturity of the bonds is flexible and can range from ten to thirty years.
Loan Rate:	Rates are generally 2.0% to 3.0% below Prime Rate. The interest rates are discounted to reflect Tax-Exempt status. Rates range well below conventional financing.
Fees:	A \$2,000 non-refundable application fee is due when the application is submitted. An issuance fee of 40 basis points is due at closing. An annual fee of 40 basis points on the declining balance is due on the anniversary date of the bond.
Application Process:	Apply through www.qcreda.com . For assistance with the application process, contact Greater Freeport Partnership Executive Director at (815) 233-1356.
Job Criteria:	There is no fixed minimum job creation or capital investment requirement, although some jobs have to be created.
Other Requirements:	Must meet bank credit standards.