



Michael W. Frerichs  
ILLINOIS STATE TREASURER

## *Business Invest - Community Uplift Program*

### Empowering Local Financial Institutions to Uplift Communities

#### **OVERVIEW**

Businesses in underserved communities often struggle with a lack of access to affordable loan opportunities and financial capital. In many instances, businesses would expand their operations, make business improvements, and hire more workers with increased access to low-cost loans.

Business Invest is a business-focused loan impact investment program. Through Business Invest, the Treasurer's Office partners with approved financial institutions to provide low-cost loans to businesses in underserved communities. This provides an opportunity for the Treasurer's Office to stimulate business growth and economic activity while earning a competitive return for the State.



Through the Business Invest - Community Uplift Program ("Business Invest - CUP"), the Treasurer's Office partners with approved financial institutions, including community banks, local credit unions, and savings and loan institutions, to provide impact investment deposits in order to provide below-market rate loans to businesses in Illinois. By making it more affordable for financial institutions to offer low-cost business loans, Business Invest helps grow companies and create jobs in underserved communities while earning a competitive return for the State.

**Business Invest - CUP enables qualified financial institutions that operate in designated areas (i.e., Illinois Enterprise Zones, Opportunity Zones, Low-Income Communities) to access state investment capital at below-market rates, in the form of an impact investment time deposit. Qualifying businesses located in one of the three zones mentioned above qualify. This gives local financial institutions in areas in need of economic development access to additional financial resources, which positions them to increase lending efforts, reduce borrower costs, create jobs, and fund more economic development efforts. Single financial institutions located in a town or city are given additional eligibility flexibility.**





## ELIGIBILITY

Institutions must apply to become an Approved State Depository. Qualifications:

- Maximum deposit size of \$2 billion at time of deposit; deposit limits waived for single financial institutions located in a town or city
- One branch or qualifying business located in (1) Illinois Enterprise Zone, OR (2) Opportunity Zone, OR (3) Low-Income Community
- CRA rating of "Outstanding" or "Satisfactory" (credit unions exempt)
- IDC rating greater than 75

(written exceptions may be granted)

## TERMS

Financial institutions may request a term of:

- 1-year term with no renewal option
- 2-year initial with an option of a 3-year extension
- 3-year initial with an option of a 2-year extension

## RATES

Available online at [illinoistreasurer.gov](http://illinoistreasurer.gov) (under the "Financial Institutions" tab).

- 1, 2 and 3-year term rates updated on the first business day of the month.

## HOW TO APPLY

Institutions looking to become an Approved State Depository eligible for Business Invest - CUP deposits should visit us at [www.illinoistreasurer.gov](http://www.illinoistreasurer.gov) (under the "Financial Institutions" tab, "Community Development Linked Deposits").



*Invest in Illinois is a collection of impact investment programs offered by the Treasurer's Office – (1) Ag Invest, (2) Community Invest, and (3) Business Invest – that provide impact investment deposits to lending institutions to finance business expansion, provide consumer loans, assist with farm-related expenses, and fund other important economic development activities. By providing access to State investment capital at a lower rate, **Invest in Illinois** incentivizes financial institutions to lend to groups marginalized by limited loans or high-interest rates at a lower cost to borrowers.*



Michael W. Frerichs  
ILLINOIS STATE TREASURER

The Illinois Treasurer's Office is  
**INVESTED**  
IN you