



Move Illinois:
The Illinois Tollway Driving the Future

NEWS

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**NEW PROGRAM WILL HELP SMALL AND DIVERSE BUSINESSES PARTICIPATE
IN TOLLWAY'S MOVE ILLINOIS PROGRAM**

Illinois Tollway Partners with Illinois Finance Authority to Help Contractors Access Working Capital

DOWNERS GROVE, IL – The Illinois Tollway has announced a new program that provides working capital loans to small contractors, including disadvantaged, minority- and women-owned businesses, to enable these firms to obtain surety bonding and compete for public works projects. The program expands resources offered to small construction firms through the state's new Small Contractor Bridge Program administered by the Illinois Finance Authority (IFA) and the Chicago Community Loan Fund (CCLF).

The Small Contractor Bridge Program will provide support for small and diverse businesses to work as prime contractors for construction projects in the Tollway's 15-year, \$12 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future*.

"Small construction firms of all types can play a vital role in building the state's transportation infrastructure with assistance from the Small Contractor Bridge Program," said Governor Pat Quinn. "The collaboration among state agencies, community assistance organizations and the private sector on this program shows how much more effective we can be when we work together to support local businesses that create jobs and keep our economy moving forward."

"Small contractors have told us that meeting bonding requirements is one of the most challenging obstacles to overcome and often prevents them from bidding on Tollway contracts," said Illinois Tollway Executive Director Kristi Lafleur. "Working with the Illinois Finance Authority, we hope to level the playing field so businesses of all sizes can grow and succeed as prime contractors on Tollway projects."

The Small Contractor Bridge Program is currently in the pilot stage, with \$500,000 each from the IFA and CCLF for a total of \$1 million in available financing. The program helps contractors obtain surety bonds required for construction contract bids and get preapproved for a loan for project working capital.

Contractors will work with CCLF and a partnering surety bond underwriting firm to establish creditworthiness and project capacity according to the Small Contractor Bridge Program guidelines. Loans can be used to pay for surety bond premiums, suppliers, equipment leasing, employees and other direct project-related expenses. The 12-month loans have a simple interest rate of 6-8 percent and can be renewed.

"We are extremely pleased to have the Illinois Tollway take part in the Small Contractor Bridge Program," said IFA Executive Director Christopher B. Meister. "We're confident that with support from agencies such as the Illinois Tollway, we will succeed in boosting economic development throughout our state by pairing essential infrastructure improvements with support for small contractors."

The Small Contractor Bridge Program ties in with the national Small Contractor Initiative launched by the U.S. Department of Housing and Urban Development and the U.S. Small Business Administration.

The Illinois Finance Authority and CCLF are each providing \$500,000 in available financing, which will support up to \$10 million in public works contracts for small and diverse businesses. After this pilot period, IFA plans to expand the program in partnership with local lenders and bond agents throughout Illinois. Other state agencies participating in this program include the Illinois Department of Transportation and the Capital Development Board. More information about the program, including how to apply, is available at <http://cclfchicago.org/lending/smallcontractors>.

The Illinois Tollway's participation in the Small Contractor Bridge Program builds upon existing efforts to increase opportunities for small and diverse businesses to participate on Tollway projects as prime contractors.

In April, the Illinois Tollway launched a new Small Business Initiative that establishes small business goals for select construction contracts and provides for select construction contracts, generally with values of approximately \$1 million or less, to be identified and awarded specifically to eligible small businesses. The Tollway also has been working to unbundle larger contracts into several smaller jobs, as well as actively defining small contract opportunities in amounts under \$5 million. In 2012, the Tollway awarded a total of 14 unbundled contracts. So far this year, the Tollway has awarded 15 contracts under \$5 million.

In addition to organizing networking events for construction and professional services firms, the Tollway created the agency's first-ever Construction Contracts 101 Training Webinar to help companies navigate the contract and bidding process. The Tollway has also announced plans to develop technical assistance programs for small, minority- and women-owned construction firms in partnership with the Illinois Community College Board, Illinois Department of Commerce and Economic Opportunity and Illinois Hispanic Chamber of Commerce.

About Move Illinois

The Illinois Tollway's \$12 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future*, will improve mobility, relieve congestion, reduce pollution, create as many as 120,000 jobs and link economies across the Midwest region. *Move Illinois* will address the remaining needs of the existing Tollway system; rebuild and widen the Jane Addams Memorial Tollway (I-90) as a state-of-the-art 21st century corridor; construct a new interchange to connect the Tri-State Tollway (I-294) to I-57; build a new, all-electronic Elgin O'Hare Western Access and fund planning studies for the Illinois Route 53/120 Extension and the Illiana Expressway.

About the Illinois Tollway

The Illinois Tollway is a user-fee system that receives no state or federal funds for maintenance and operations. The agency maintains and operates 286 miles of interstate tollways in 12 counties in Northern Illinois, including the Reagan Memorial Tollway (I-88), the Veterans Memorial Tollway (I-355), the Jane Addams Memorial Tollway (I-90) and the Tri-State Tollway (I-94/I-294/I-80).

About the Illinois Finance Authority

The Illinois Finance Authority (IFA) provides expert, hands-on support to help businesses get the capital they need for growth. To strengthen Illinois businesses and the State's economic development agenda, the IFA provides access to low-cost, non-conventional financing, through banks and other sources. IFA secures financing for farms, industries, businesses, local governments, hospitals and other non-profits. The agency is continually seeking new opportunities and invites developers, financiers and community partners to see how IFA can help. Go to www.il-fa.com to learn more.