

Central Business District Revitalization

Cities across America are taking a greater interest in Central Business District revitalization. This pursuit is high on Quincy's agenda. The City, the private sector, Great River Economic Development Foundation, the Historic Quincy Business District and others are implementing a plan for redevelopment commissioned from Teska and Associates in 1995. Tremendous progress has taken place in the past decade. This revolving loan fund is offered as a tool to help fuel and sustain downtown development.



City of Quincy
Department of Planning and Development
706 Maine Street, 3rd Floor
Quincy, IL 62301

City of Quincy

Central Business District

Revolving Loan Program

For commercial and commercial / residential properties.



www.quincyil.gov

Goals and Objectives

The Quincy Central Business District Revolving Loan Program was established to stimulate the preservation and revitalization of the city's historic downtown by providing financial assistance to any current or prospective purchaser of commercial or commercial/residential properties for business purposes in the core area bounded by the Riverfront, Twelfth Street, Oak Street and Payson Avenue.

Program Function

The program objective is to assist, but not replace conventional financing. The program will provide low-interest loans up to a maximum of \$50,000, or fifty percent of the project cost, whichever is less, at a three (3%) percent interest rate for eligible projects to be used in combination with bank financing and owner equity. The owner must provide a minimum of twenty-percent equity in one form or another.

Funds can be used for:

- Land or Building Acquisition for commercial and/or commercial/residential (for business use)

Funds cannot be used for:

- Demolition
- Refinancing of existing debt
- Purchase of property for speculative purposes
- Private owner-occupied housing projects

Loan Terms

The loan terms will be determined by agreement between the participating bank and the city on a case-by-case basis. Loans may be amortized over a period up to but not exceeding twenty-years, but must have a ten-year maturity. Loans must be secured by collateral sufficient to assure repayment and the city will require a shared first position with the lead bank on any such security. Acceptable security could be in the form of a mortgage or other commonly accepted instrument.

Application Process

Applicants must complete an application form available from the Department of Planning & Development, along with other conventional financial information attached and submit to the applicant's preferred lending institution ("Lead Bank") for screening and approval. Approved applications and proposed terms will be submitted to the city by the Lead Bank along with the lending officer's "credit memorandum" or "Loan Officer's Write-up," credit reports and other pertinent documents verifying loan investigation and approval by the bank's loan committee.

Applicant must submit detailed specifications for the proposed renovations along with cost estimates and time frame. Project owner must invest either privately financed or owner equity in renovation of an amount equal to or exceeding amount of city loan and submit documentation as evidence of such expenditures to the Department.

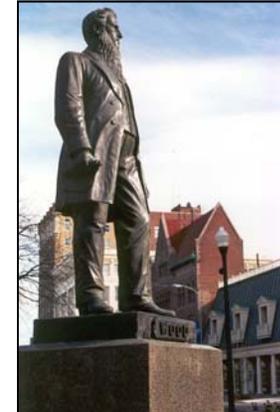
The lead bank will provide a proposed Participation Agreement for final approval by the city. All payments will be made to the lead bank and applied on a ratio of the outstanding principal interest of the lenders as set forth in the Participation Agreement.

Loan Origination and Annual Service Fees

The city will receive an origination fee of 1.5% of the loan principal from the city's loan fund due on the date of the loan closing. In addition, an annual service fee of .5% is assessed on the declining principal outstanding on the city loan due on the anniversary date of the loan.

Historic Requirements

All buildings in the core area listed as a "contributing structure" in the Quincy National Register Downtown Historic District will need to have rehabilitation plans approved by the Illinois Historic Preservation Agency. For more information, contact the Quincy Preservation Commission office, 217-228-4514



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