



CBD Revolving Loan Program

Overview

Central Business District Commercial Revolving Loan Fund (CBD-RLF) was established to stimulate preservation and revitalization of the city's historic downtown by providing financial assistance to any current prospective purchaser of strictly commercial or commercial and residential properties for business purposes in the core area bound by the Riverfront, Twelfth Street, Oak Street and Payson Avenue.

Program Objective

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 50% of the project cost, whichever is less, at a 3% interest rate for eligible projects to be used in combination with bank financing and owner equity. The owner must provide a minimum of 20% equity.

Eligible Projects

Eligible activities for assistance include:

- Land or building acquisition for commercial and/or commercial with residential (for business use)

Activities not eligible for assistance include:

- Demolition
- Purchase of property for speculative purposes
- Refinancing of existing debt
- 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 no more than 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 City of Quincy Department of Planning and Development, 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 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.

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 fee of 0.5% 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

Additional information and application may be obtained from:

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