



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 02/05/04, by Jim Sacia

SYNOPSIS AS INTRODUCED:

20 ILCS 605/605-523 new
30 ILCS 105/5.625 new

Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. Requires the Department of Commerce and Economic Opportunity to administer the Downtown Development and Improvement Fund for a revolving loan and grant program for business owners developing and improving commercial or residential property in the downtown area of a municipality. Authorizes the Department to establish guidelines for eligibility for the loans and grants and establishes maximum amounts and terms. Amends the State Finance Act to create the Downtown Development and Improvement Fund. Effective January 1, 2005.

LRB093 16668 MKM 42319 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning economic development.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois is
6 amended by adding Section 605-523 as follows:

7 (20 ILCS 605/605-523 new)

8 Sec. 605-523. Downtown development and improvement
9 revolving loan and grant program.

10 (a) The Department shall administer the Downtown
11 Development and Improvement Fund, a special fund in the State
12 treasury, to make revolving loans and grants, subject to
13 appropriation, to business owners seeking financial assistance
14 with the development and improvement of commercial or
15 residential property in the downtown area of a municipality.

16 (b) The Department shall grant or loan the funds only for
17 projects that are part of a downtown revitalization plan
18 approved by the corporate authorities of the municipality and
19 that meet guidelines established by the Department by rule. In
20 establishing those guidelines, the Department shall consult
21 recognized standards and guidelines for the development of
22 downtown areas, including standards and guidelines for the
23 development of historically significant buildings and
24 property.

25 (c) The funds shall be used for the following purposes:

26 (1) facade improvements;

27 (2) leasehold improvements, including: (i) interior
28 demolition; (ii) stripping and paint removal; (iii) waste
29 removal; (iii) cleaning; (iv) window repair; (v) building
30 and security improvements; and (iv) any other improvements
31 required by the Department by rule; and

32 (3) upper floor improvement for commercial or

1 residential occupancy.

2 (c) Recipients may not use loan or grant funds for
3 reimbursements for work they have completed themselves.

4 (d) Grant or loans made under this Section must not exceed
5 the following amounts:

6 (1) For grants or loans for facade improvement
7 projects, \$20,000 per project, or 40% of the project cost.

8 (2) For grants or loans for leasehold improvement
9 projects, \$10,000 per project.

10 (3) For grants or loans for upper floor improvement
11 projects for residential use, \$5,000 for a one-bedroom
12 residential unit, \$7,500 for a two-bedroom residential
13 unit, or 60% of the proposed residential unit cost.

14 (4) For grants or loans for upper floor improvement
15 projects for commercial use, the lesser of \$2 per square
16 foot of leasable office space or 60% of the project cost.

17 At no time shall the amount of a grant or loan exceed
18 \$50,000 per project.

19 (e) The term of a grant or loan made under this Section may
20 not exceed:

21 (1) For grants or loans for facade improvement
22 projects, 20 years.

23 (2) For grants or loans for leasehold improvement
24 projects, 5 years.

25 Section 10. The State Finance Act is amended by adding
26 Section 5.625 as follows:

27 (30 ILCS 105/5.625 new)

28 Sec. 5.625. The Downtown Development and Improvement Fund.

29 Section 99. Effective date. This Act takes effect January
30 1, 2005.