



**JACKSONVILLE ENTERPRISE  
ZONE DEVELOPMENT CORPORATION**

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# **LOW INTEREST LOAN PROGRAM**



## Overview

Local businesses add vitality to and are the lifeblood of the community, increasing character, prosperity, and well-being. They keep jobs, wages, and dollars in the local economy and encourage entrepreneurship and sustainability while allowing for product diversity and competition. Having a high concentration of small, local businesses within the downtown area also sustains and strengthens the downtown commercial environment through increased walkability and promotion of existing building reuse and good infill design. Therefore, Jacksonville community partners are committed to promoting and assisting the development and growth of local business through a variety of activities and incentives aimed at attracting a wider audience to all the community has to offer.

The **Jacksonville Enterprise Zone Development Corporation (JEZDC)** is a community development corporation subsidiary of **Jacksonville Main Street**, a locally funded non-profit 501(c)3 organization dedicated to the preservation-based revitalization of downtown Jacksonville. Together, these organizations share the mission to enhance quality of life, cultivate historic integrity, and help businesses thrive through partnerships and programming in downtown Jacksonville.

## Glossary

**Architectural integrity** is the ability for a property to convey its original design through the combination of elements that create the form, plan, space, structure, and style of a property.

**Business plan** is a formal statement of a set of business goals, the reasons why they are believed attainable, and the plan for reaching those goals. It also contains background information about the organization or team attempting to reach those goals.

**Forgivable loan** is an assistance extended to the applicant/owner that is subject to a standard legal agreement, mortgage on the improved property, and a promissory note. The loan is deferred until all required benchmarks are met, at which time it is considered "Paid in Full." Should the benchmarks not be met, the loan becomes a regular JEZDC loan.

**Historic Preservation Commission** is a group of volunteers appointed to act on behalf of the City of Jacksonville to review projects within and to oversee the National Register Historic District and make recommendations to owners, the City Council, and Inspections Department.

**Historic rehabilitation** is the act of making changes to a physical structure that is over 50 years of age that will increase its stabilization or enhance its design or appearance.

**Jacksonville Main Street Design Committee** is a group of volunteers with expertise and talents in the fields of architecture, historic preservation, business planning, and real estate that meet periodically to review and plan enhancements to the **Jacksonville Main Street District**.

**Jacksonville Main Street Design Guidelines** are suggestions for proper methods and materials to use on building rehabilitation projects within the **Jacksonville Main Street District**.

The **Jacksonville Main Street District** encompasses much of the City's original enterprise zone. To be eligible for incentives provided by **Jacksonville Main Street** and its subsidiary **Jacksonville Enterprise Zone Development Corporation**, all property must be within the 44-square block district, delineated by Beecher, Clay, Church, and Lafayette/Washington Streets.

The purpose of the **Jacksonville Enterprise Zone Development Corporation (JEZDC) Loan Program** is to assist property owners within the **Jacksonville Main Street District** (see map on previous page) to rehabilitate their property in accordance with the Main Street philosophies. This assistance will provide positive structural enhancements, promote full building occupancy, and increase the property's economic viability while offering small business and property owners the financial assistance to succeed in today's marketplace.

### **JEZDC Low Interest Loan**

This loan program provides a flexible loan amount determined by project review on a case-by-case basis for property within the **Jacksonville Main Street District** to develop/stabilize commercial spaces and/or upper story residential units. JEZDC Loan features include:

- Amount of loan: \$2,000 to \$15,000\* (The maximum loan amount will vary depending on JEZDC's available capital and the scope of the project.)
- Written permission of the property owner is required, with the owner agreeing to a property lien for loan amount in a subordinate position to other property liens as needed or the borrower providing an alternative form of acceptable security collateral, including a signed personal guaranty. (*Should the property be sold or borrower relocate, the loan would become due.*)
- Other incentive programs may be used in conjunction with this loan. All property tax payments must be current in order to qualify for participation.
- Loan terms are for 5 years at 1% below WSJ Prime Rate.
- Funds must be used for permanent physical improvements to the property, including but is not limited to structural improvements, building additions or expansions, upper story apartment development, conservation improvements, mechanical or electrical upgrades, roof work, ADA upgrades, code compliance construction, permanent site improvements, paint, window and/or door repair, storefront renovation or restoration, false façade removal, tuck pointing, interior construction, awnings, commercial reconfiguration, etc.
- Loan may not be used for gap financing, property purchase, refinancing of existing debt, work already completed, non-permanent items, inventory, fixtures, furnishings, payroll, or other business operation expenses.
- Permanent improvements must be in keeping with the style of the original building, the Secretary of Interior's "Standards for Rehabilitation" and Main Street Design Guidelines.
- Planned improvements are subject to current City codes and ordinances. Applicant is responsible for acquiring all necessary permits and approvals.
- Loan payments must begin within 30 days of loan fund disbursement.

Projects that involve *historic rehabilitation* will be reviewed by the **Jacksonville Main Street Design Committee** to ensure that the *architectural integrity* of the building is retained and that every reasonable effort is made to preserve the building's distinguishing stylistic features and that the building remains a cohesive element in its surrounding streetscape. The **Jacksonville Main Street Design Committee** is also available to offer design consultation as to how best to achieve the goals of all involved in the project. Applications for property listed as a Local Landmark or National Register property will also be reviewed by the **Historic Preservation Commission** or group designated by them.

For the JEZDC Low Interest Loan Programs, contact the Jacksonville Main Street Executive Director for application or assistance in completing the application *before* the project begins. Complete and return the application and necessary attachments to the Jacksonville Main Street office or by email. The JEZDC Loan Approval Committee will review the application and render a decision within less than 30 days. To ensure accordance with **Jacksonville Main Street Design Guidelines**, a design review may also be required (depending on the scope of work). No financial match or other lender participation is required, but financial information is needed. A personal interview may be requested before a decision is rendered. The JEZDC Loan Approval Committee will render final decision and reserves the right to negotiate all terms of all loans and request more information.

The following procedures represent a recommended path for efficient determination as well as a checklist for loan approval:

- Prepare a written statement of what you wish to accomplish with your project. This does not need to be a full *Business Plan*, but it could be. This step will cause you to consider the issues involved and help you present a consistent message about your project ideas. This is also useful in applying for funding from other sources.
- Proof of property ownership or written permission for the project from the owner is required.
- Photographs of the existing property and drawings of the proposed project are helpful.
- Income statements, balance sheets, cash flow sheets, principal net worth and/or profit/loss statements are needed.
- Solicit and assemble written estimates of the proposed project from contractors or those performing work for the loan project. A timetable of work to be performed is helpful.
- If the property owner is also applying for Federal Historic Tax Credits, an additional design review by the Main Street Design Committee is not required. However, Part 3 of the Historic Tax Credit application from the Illinois Historic Preservation Agency may be required.
- Following submission of the Loan Application and attachments, and the Loan Review Committee determines that your project is eligible and that funds are available, you will be notified of its determination in writing within 30 days.
- Property and improvements must be reasonably maintained throughout the loan cycle (5 years) and comply with City building codes. Jacksonville Main Street will have the right to inspect the project to ensure all work is progressing satisfactorily and to monitor the quality of materials and workmanship. City of Jacksonville Inspections Department makes the final inspection, if required, to ensure insure conformance with applicable codes.
- A release deed (lien waiver) will be provided, after the loan terms are fulfilled. All expenses for preparation and recording will be paid by the borrower.
- Refer to the Jacksonville Main Street business page on [www.jacksonvillemainstreet.com](http://www.jacksonvillemainstreet.com) for information on starting a new business and more resources.

**Jacksonville Enterprise Zone Development Corporation Loan Program Application Form**

Please complete this form and return it to the **Jacksonville Main Street** office at 222 West State Street, mail to P. O. Box 152, Jacksonville, Illinois 62651, or scan and email to [info@jacksonvillemainstreet.com](mailto:info@jacksonvillemainstreet.com) . If you have any additional questions or concerns, please call 217-245-6884.

The confidentiality of the information provided in this application is protected under the Freedom of Information Act, 5 ILCS 140/1, et al., and exempt from disclosure pursuant to Section 7(g).

Please type or print all items legibly in black or blue ink. Any response requiring more space than provided should be made on an attachment. Attached responses should be noted on the application and reference made to the application item number on said attachment. Items not applicable to the applicant should be marked "N/A".

**APPLICANT INFORMATION**

1. Name: \_\_\_\_\_
2. Occupation: \_\_\_\_\_
3. Project Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
4. Local/Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
5. Telephone: (work) \_\_\_\_\_ (home) \_\_\_\_\_
6. Principal Contact person: \_\_\_\_\_  
Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_
7. SSN#: \_\_\_\_\_ FEIN#: \_\_\_\_\_
8. Provide three credit references: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A Personal Financial Statement must be completed and attached. A corporation, in addition to the Personal Financial Statement, should provide copies of annual reports and financial statements.

PROJECT INFORMATION

1. Loan Type Requested:             Forgivable Loan                       Low Interest Loan

2. Name of Project: \_\_\_\_\_

3. Street Address of Project: \_\_\_\_\_

\_\_\_\_\_

4. Project Description (Attach legal project property description and drawing(s) of project.) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. Is this project part of an overall restoration/renovation plan? If yes, please describe the plan:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

6. How will your project help protect and enhance the Jacksonville Main Street District? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Explain the intended use of your project upon completion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

8. What is the expected project completion date? \_\_\_\_\_

PROPERTY INFORMATION

1. Permanent Parcel Number(s): \_\_\_\_\_
2. Land Parcel Size (in Acres or Sq. Ft.): \_\_\_\_\_
3. Building Dimensions: \_\_\_\_\_
4. Building Sq. Footage: \_\_\_\_\_ No. of Stories: \_\_\_\_\_
5. Type of Construction: \_\_\_\_\_
6. Year Built: \_\_\_\_\_
7. Additions: \_\_\_\_\_
8. Appraised value: \_\_\_\_\_
9. Last Year's Real Estate Tax Assessment: \_\_\_\_\_
10. Identify all Legal and Beneficial Owners of Subject Property and the approximate value of each owner's holding. If land, building or other equipment have different owners, please indicate who owns what.

NAME(S)	ADDRESS(ES)	APPROXIMATE VALUE

11. List all mortgages and liens against the subject property, the original amount of mortgage or lien, and the balance outstanding on each.

MORTGAGE/LIEN HOLDER	ORIGINAL AMOUNT	BALANCE OUTSTANDING

PROJECT COST/FUNDING

- 1. Cost Estimate for work covered by loan (attach detailed costs): \_\_\_\_\_
- 2. Name of Estimator/Contractor/Planner(s): \_\_\_\_\_  
\_\_\_\_\_
- 3. JEZDC Loan Program request: \_\_\_\_\_ Years requested: \_\_\_\_\_
- 4. Proposed Total Project cost: \_\_\_\_\_
- 5. Additional Project Funding: Conventional Loans (identify): \_\_\_\_\_  
Cash (identify sources): \_\_\_\_\_
- 6. It may be necessary for the business owner(s), or other interested parties, to personally guarantee repayment of the loan. If applicable, please complete the following section:

NAMES & ADDRESS OF GUARANTOR(S)	NET WORTH (excluding interest in Applicant Company)

CERTIFICATION

I hereby certify that all of the above responses are true and correct to the best of my knowledge. I hereby authorize the JEZDC Loan Review Committee to contact any or all individuals or corporations named herein for confirmation of the information provided in the application, and release all of any damage that may result. I understand that any false statement contained in the application may result in the rejection of the application. I also understand that the JEZDC Loan Review Committee renders final loan decisions and reserves the right to negotiate all loan terms, as well as request more information.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Typed/Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature