



The Regional Link

Serving South
Central Illinois

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City Receives Grant for Housing Rehabilitation

The City of Centralia's Community Development Department and the Centralia Area Housing Task Force are proud to announce that they have received a grant for \$284,880 from the Community Development Assistance Program (CDAP) Housing Rehabilitation Grant program from the State of Illinois Department of Commerce and Economic Opportunity (DCEO). Combined with \$108,000 from the Illinois Housing Development Authority (IHDA) and \$36,000 from the City of Centralia, a total of \$428,880 will be available to assist income eligible Centralia homeowners in undertaking necessary improvements to their homes.

The city expects the funds will be used to replace roofs and siding, windows and doors, and to repair foundation work, plumbing and electrical systems for substandard single family, owner occupied homes within a pre-determined 2.5-block target area selected after a city-wide survey of all residences. The target area is the 900 and 1000 blocks of South Maple, including some nearby addresses on East Calumet, South Elm, and East 10th St. Through the survey,



Homeowners living in the 900 and 1000 blocks of South Maple, in Centralia may be eligible for home renovations from the CDAP Housing Rehabilitation Program.

this area was selected due to a high percentage of low-income home owners whose dwelling units failed to meet the city's minimal housing code.

The CDAP Housing Rehabilitation Grant Program assists low-to-moderate income homeowners in financing necessary repairs and improvements to their homes in order to eliminate health and safety problems, building code violations, and to preserve the long-term integrity of the units and the neighborhood. Housing

rehabilitation work is completed by reputable local contractors who have been pre-screened by the city and selected by homeowners. Local governments may request grant funds up to \$350,000 and all applications are judged competitively. Applications for the upcoming grant cycle are due to DCEO by November 14, 2006.

IHDA finances the creation and the preservation of affordable housing throughout the state and increases the (continued on last page)

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Important Upcoming Events & Dates

- Late August - Completion of Family Income Surveys for CDAP Public Facilities Grants
- August 29th - SCIRP&DC Commission Meeting - Effingham, Illinois
- September 4th - Labor Day - Commission Offices will be closed
- September 26th - SCIRP&DC Commission Meeting - Salem
- October 9th - Columbus Day - Commission Offices will be closed
- October 31st - 34th Annual SCIRP&DC Commission Meeting—More Later
- November 14th - CDAP Housing Rehabilitation Grant Applications Due
- November 15th - LMI surveys due to DCEO for pre-approval of CDAP Public Facilities Grants

Salem Ethanol Project Receives IDOT Funding

The City of Salem was notified by the Illinois Department of Transportation (IDOT) in late June 2006 that it would receive over \$1.5 million in funding for road improvements associated with a proposed 30 million GPY ethanol plant to be constructed by Midwest Agri-Energy in the western portion of city. Some

\$755,000 of the IDOT funding will go towards the improvement of Hoots Chapel Road, the plant's primary means of access. An additional \$765,000 will support signalization and turning lanes at the intersection of Hoots Chapel and US Route 50. Truck Access Route Program (TARP) funds, to accommodate increased heavy

semi traffic on both roadways, totaling \$45,600 was also awarded. IDOT funding is provided through the Economic Development Program (EDP) to support preliminary engineering, construction, construction supervision and contingencies. More information about EDP may be found at www.dot.state.il.us/edp/edp.html.



CDC's Section 504 Program Assists Altamont Area Business



Mathias Real Estate Holdings, LLC enters its final stages of the construction of a commercial facility measuring over 35,000 square feet in Altamont, Illinois. The project was assisted financially by SCIRP&DC via its recognition as a Section 504 CDC by the SBA.

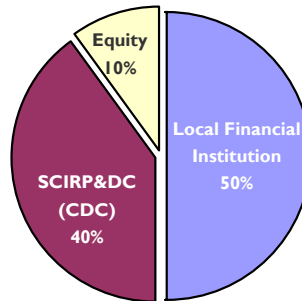
The Section 504 Certified Development Company loan program is a partnership with the US Small Business Administration (SBA) that provides a long-term, fixed asset financing tool to foster economic development within the five-county South Central Region. The 504 program

provides both start-up and expanding businesses with competitively priced, long-term, (10 or 20 year) fixed-rate, subordinated financing for major fixed asset needs, such as land, buildings and certain types of long-term equipment, but cannot be

used for working capital or inventory, consolidating or repaying debt, or debt refinancing. The South Central Illinois Regional Planning and Development Commission is a SBA-recognized 504 "Certified Development Company" (CDC) and serves as a regional partner to cooperate with SBA to contribute to the economic development of its five-county service jurisdiction. In mid August 2006, the CDC staff had the pleasure

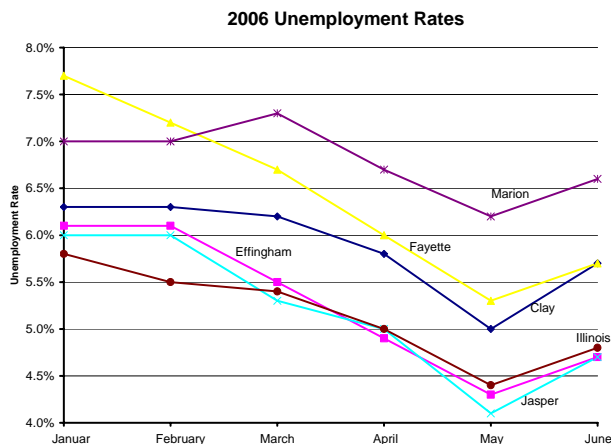
of closing a Section 504 loan for Mathias Real Estate Holdings, LLC in Altamont, Illinois. Through the effective use of the Section 504 CDC program provisions, total fixed asset investments of more than one million dollars will support the construction of a new commercial facility with over 35,000 square feet of space on a 4.4-acre parcel of property which in turn will house three family-owned businesses and create nine or more new jobs for local residents.

Typical Section 504 Financing



Typically, Section 504 projects include a loan secured from a local bank covering up to 50 percent of the total project cost, a junior lien from the CDC covering up to 40 percent of the project's eligible fixed asset cost, and a contribution of at least 10 percent equity from the small business being assisted. However, the exact financing mix varies in each project based upon the tenure and financing strength of the borrower.

Mid Year 2006 South Central Illinois Unemployment Rates



Source: Illinois Department of Employment Securities (IDES)

After a high of 7.7% for Fayette County in January 2006, unemployment rates have been on the decline until the most recent IDES report for June 2006 in which all five counties experienced increases with Marion County leading the way at 6.6% and Effingham and Jasper sharing the lowest rate at 4.7%. Despite the June 2006 increase, the five counties that comprise SCIRP&DC continue to improve their collective unemployment rate

to 5.6% which represents a 6.6% decrease in unemployment compared to June 2005. Even though the area collectively has shown progress, the June 2006 rate is still above both the Illinois and national average of 4.8%. It should be noted that a rise in unemployment in the summer months, especially June and July, is historically normal, so we should be energized that the rate continues to drop from year to year.



Flora Depot Renovation Project Recipient of Grant

by Jack Thatcher

The historic Flora B&O Railroad Depot, now on the National Registry of Historic Places, is about to be fully restored for the community's use. Built in 1916-1917 to house the district offices of the B&O Railroad, the three-story brick structure is located on the west end of Flora's central business district. Built in a blend of Prairie and Italianate Renaissance style design, the building was purchased by the Flora Community Development Corporation from CSX Railroad in 1997. A gift of \$100,000 from former Flora resident George Duff funded the purchase of the building and 1.76 acres of adjacent land. It is the largest depot between St. Louis and Cincinnati.

A competitive transportation grant of \$448,000 and a tourism grant of \$100,000 were obtained in 1999 to clear

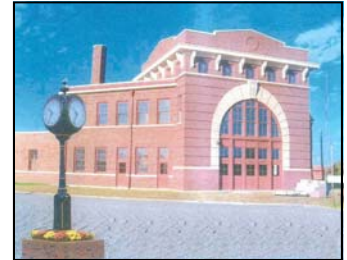
the debris of the deteriorated interior and to restore the exterior of the building by 2001. The grants were matched by more than \$300,000 in generous donations from local industries, businesses, organizations and local civic leaders. Ultimately, such local donations exceeded \$500,000 as the drive to restore the building to its former glory continued.

In the interim, a beautiful Seth Thomas clock dedicated to the memory of Lewis Wolfe, former Flora Mayor, has been erected in the depot parking lot, along with a \$50,000 landscaped garden and statue of Col. George Rogers Clark, Revolutionary War hero who passed through Flora on the Vinsans Trace to capture the British fort in Vincennes, and give the United States what are now the states of Illinois, Indiana, Wisconsin, Michigan and Ohio.

Competing for another competitive transportation grant in 2005, FCDC was notified recently it obtained a grant of \$802,490 which local donations will match with \$200,000 in an 80/20 match formula. Local donations now on hand exceed \$100,000 and the drive is beginning to raise the remaining \$100,000 needed to match the grant.

These monies will permit complete restoration of the depot's interior, allowing the structure to finally be used by the community as a commercial business site and a community meeting site furnished with historical exhibits of Flora and Clay County's history spotted throughout the building.

Donations may be made to FCDC, P.O. Box 277, Flora, IL. 62839 and all donations are tax deductible as FCDC is a 501 (c) (3) tax exempt non-profit community improvement organization.



The Flora Community Development Corporation (FCDC) announced in early June 2006 that the organization had received a \$800,000 federal grant for the final phase of the Flora Depot renovation project.

Another Gateway to Regional Cooperation

The Gateway Regional Water Company, Inc. in mid August 2006 formally celebrated the start of construction for a "regional water treatment and transmission system" linking Lake Carlyle, as a raw water source, to various villages, cities and rural water districts within the

Marion and Clay County areas. The nearly \$20 million project has taken more than a decade in the conception, planning, design and funding stages and, upon completion of construction in early 2008, will provide an additional 3.0 million gallon per day source of more affordable

potable water, sold on a wholesale basis, to existing water providers. Specifically the Company plans to construct a water treatment plant and pumping station within Marion County and a water transmission main and an elevated water storage tank in Clay County.



Keith Ritter, President of Gateway Regional Water Company, Inc. answers questions at the ground breaking for the \$20 million project.



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Providing the South Central Illinois Region with planning, technical assistance, businesses services, and grant writing and management services since 1972.



Is on the web at:

www.SCIRPDC.com

City Receives Grant (continued)

supply of decent and safe places for people of low or moderate means to live. IHDA has helped finance more than 150,000 units of affordable housing, with more than \$6.4 billion. IHDA is strictly a financing entity, and helps to finance affordable housing through homeownership programs targeted at low- or moderate-income households, such as the CDAP Housing Rehabilitation Program.

SCIRP&DC staff is proud to have assisted the city with the application and will also be serving as grant manager.

Looking For Your Good News and Emails

If you or someone you know is interested in receiving our newsletter or sharing a positive story or article, please let us know at news@scirpdc.com. We would also love to hear from you about how to further improve our newsletter.

CDAP Public Facilities Deadlines

SCIRP&DC continues to work with local governments within the five-county region by providing grant writing and management assistance to upgrade and modernize public utilities and housing. But after last year's submittal the Commission felt we were unable to meet the assistance needs of all of the municipalities and organizations wishing to apply for CDAP public facility design engineering and/or public facility construction grant assistance. To ensure that we are not forced to eliminate or prioritize

potential CDAP public works projects in the future, the Commission has implemented deadline dates as seen in the table to the right.

These deadline dates have been established to help ensure that Commission staff can properly devote enough time to each grant application, and to receive the required commitment from all parties involved in the project, thereby ensuring a complete, well thought out and hopefully competitive application.

FY-2007 Submission Deadlines	
Timeframes	Project Preparation Milestone
August 2006	Completion of family income surveys
November 15, 2006	LMI surveys due to DCEO for pre-approval
Late October	Project target areas identified and Firm project cost estimates completed
December 2006	Results of water well test or other locally collected documentation of health safety threats provided
Late November	Illinois state water survey report secured by engineers
December 2006	SPOC and State and Federal Agency sign-off letter secured
December 2006	Evidence of remaining project leverage commitment(s)
Late December 2006	Public Notices placed in local newspapers / hearings scheduled
January 2007	Public Hearings conducted and application authorizes for submission
February 20, 2007	Application submitted to DCEO