

Section 108 Substantial Amendments

On August 4, 2016, the Village intends to advertise and release for comment the following two proposed Substantial Amendments:

To the Village of Oak Park Program Year (PY) 2015-2019 Consolidated Plan for Housing & Community Development (Con Plan), through the U.S. Department of Housing & Urban Development (HUD), the Village proposes to establish a Section 108 Loan Guarantee Program, specifically making the application to HUD for a Section 108 loan fund a high Con Plan priority and noting that specific application details are listed in the Village's draft Section 108 application.

The proposed Substantial Amendment to the PY 2015 Action Plan is that the Village will apply for the Section 108 Loan Guarantee Program in PY 2015, with the details listed below.

As expected to be approved by the Village Board at the August 1, 2016 meeting, the Village proposes to release for public comment an application for a Section 108 loan fund in the amount of \$3 million for small to midsize businesses. These funds, if approved, will be loaned by the Village to promote businesses expansion and improvement, create and/or retain jobs, assist low/moderate-income persons, & deliver positive economic benefits for the Village & its residents. For borrowers, the Village will offer a very competitive interest rate, much lower than conventional financing. The Village will charge a processing fee to applicants and/or a loan closing fee to approved borrowers. Each Section 108 loan activity will create and/or retain permanent jobs, at least 51 percent of which (computed on a full-time equivalent basis) will be made available to or held by low/moderate income persons. The Village's Section 108 Loan Fund will ensure that the Public Benefit standards are met: Oak Park will create or retain (or make available) one low- and moderate-income full-time equivalent job for at least every \$35,000 invested.

Public comment on the proposed Substantial Amendments & on the proposed Section 108 Loan Fund application will be accepted during business hours Monday-Friday, effective August 4 to September 2, 2016.