



News Release

February 21, 2019

Contact:

Laura Maher, Strategic Communications Manager

Phone: 779-348-7331

E-mail: Laura.Maher@rockfordil.gov

New Funds Available to Help Small Businesses Create Jobs and Rehabilitate Vacant Residential Structures

ROCKFORD, Ill. – In an effort to improve the economy and stabilize residential neighborhoods, multiple community partners today announced the recapitalization of the Northern Illinois Community Development Corporation (NICDC).

NICDC, in cooperation with the City of Rockford and Winnebago County, has secured commitments for \$3.5 million in funds. The group will leverage those funds by a factor of five by collaborating with local financial institutions to lend to small businesses that likely would not receive funding otherwise. In addition to the financial institutions, partners include the U.S. Small Business Administration, City of Rockford, Winnebago County, Illinois Department of Commerce and Economic Opportunity and Illinois Finance Authority. The money will be loaned to create jobs and rehabilitate vacant residential structures for home ownership. With the new pledged capital, NICDC will have more than \$4.5 million to lend to small businesses.

NICDC has pledged \$1 million of the funds to support small business owners who purchase and improve foreclosed, abandoned and underutilized residential properties in at-risk neighborhoods and re-sell these renovated properties for owner-occupied use.

NICDC was established in 1991 as a for-profit corporation owned by six member financial institutions: Associated Bank, Blackhawk Bank, Midland States Bank, Rockford Local Development Corporation (by virtue of a donation by PNC of its ownership shares), Stillman BancCorp and U.S. Bank. With the recapitalization of NICDC, the following new bank shareholders will be added: Illinois Bank & Trust, Rockford Bank & Trust, Northwest Bank, State Bank of Davis and German American State Bank, while Blackhawk Bank is increasing its ownership interest.

Rockford Local Development Corporation, a 501-c(6) not-for-profit economic development corporation, has been NICDC's management company since its inception.