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**AN ORDINANCE ESTABLISHING A COMMERCIAL RENT SUBSIDY PROGRAM IN
THE VILLAGE OF DWIGHT**

Option 3

WHEREAS, the Village Board of Trustees desires to take action to alleviate the vacancy rate of the retail business districts in the Village which when vacant can cause or contribute significantly to the deterioration of such business and commercial uses, thereby causing or contributing to a decline in such uses, an inhibition on business and commercial growth, and a resulting adverse impact on local government revenues; and

WHEREAS, in order to stabilize and stimulate the Retail Business climate in the Village of Dwight; and,

WHEREAS, the Village Board of Trustees believes that it is in the best interest of its citizens to engage in rigorous and effective policies to alleviate vacancy in retail businesses and encourage entrepreneurship and development of retail businesses, which are a continuation of and consistent with long-standing policies and regulations to improve the quality of life for its citizens.

**NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE PRESIDENT
AND VILLAGE BOARD OF TRUSTEES OF THE VILLAGE OF DWIGHT,
LIVINGSTON AND GRUNDY COUNTIES, ILLINOIS, THAT THE RENT SUBSIDY
PROGRAM BE ADOPTED AS FOLLOWS:**

**VILLAGE OF DWIGHT
RENT SUBSIDY PROGRAM**

The Dwight Rent Subsidy Program has been established to encourage new businesses to occupy vacant buildings and maintain competitive rents in the Village of Dwight's business districts;

The program is available for one year of rent subsidy. The program is intended to benefit tenants and landlords by better utilization of existing commercial structures, and for that reason the Village of Dwight strongly encourages eligible landlords to participate in the program. In the event that a landlord fails to execute an agreement to participate in the Rent Subsidy Program, then only the "Village Subsidy" shown in the following subsidy schedule shall apply. In the event that a landlord does execute an agreement to participate in the subsidy program, then the rent subsidy would be based on both the "Village Subsidy" and "Landlord Subsidy" indicated in the following subsidy schedule:

FIRST THREE MONTH PERIOD (Months 1,2,3)

<u>PROPOSED RENT</u>	<u>VILLAGE SUBSIDY</u>	<u>LANDLORD SUBSIDY</u>	<u>EFFECTIVE TENANT RENT</u>
100%	75%	25%	0%
	(maximum \$800)		

Tenant reimburses Village 4% of Gross Receipts up to amount subsidized.

SECOND THREE MONTH PERIOD (Months 4,5,6)

<u>PROPOSED RENT</u>	<u>VILLAGE SUBSIDY</u>	<u>LANDLORD SUBSIDY</u>	<u>EFFECTIVE TENANT RENT</u>
100%	50%	25%	25%
	(maximum \$550)		

Tenant reimburses Village 3% of Gross Receipts up to amount subsidized.

THIRD THREE MONTH PERIOD (Months 7,8,9)

<u>PROPOSED RENT</u>	<u>VILLAGE SUBSIDY</u>	<u>LANDLORD SUBSIDY</u>	<u>EFFECTIVE TENANT RENT</u>
100%	25%	25%	50%
	(maximum \$275)		

Tenant reimburses Village 2.5% of Gross Receipts up to amount subsidized.

FOURTH THREE MONTH PERIOD (Months 10,11,12)

<u>PROPOSED RENT</u>	<u>VILLAGE SUBSIDY</u>	<u>LANDLORD SUBSIDY</u>	<u>EFFECTIVE TENANT RENT</u>
100%	12.5%	12.5%	75%
	(maximum \$150)		

Tenant reimburses Village 2% of Gross Receipts up to amount subsidized.

Reimbursements of the applicable percentage of gross receipts shall be paid to the Village of Dwight by the last day of the month following the rent subsidy month. The tenant shall provide to the Village of Dwight with each reimbursement a copy of the tenant's signed Illinois sales tax return for the month in question.

No Subsidy is available to a tenant (business) with greater than 10% ownership or control in the same property. In the event that any rent due from the tenant to a participating landlord is not paid within 10 days of the due date of such rent, the rent subsidy to the tenant shall be terminated.

The Village of Dwight subsidy amount is limited to \$800.00 per month for the first three-month period, \$550.00 per month for the second three-month period, \$275.00 per month for the third three-month period, and \$150.00 per month for the fourth three-month period.

All applications will be considered based on need of tenants and are approved by the Village Board of Trustees. Applicants shall authorize the Village of Dwight to obtain a credit report pertaining to the applicant. Applications must be accompanied by a Landlord statement of stated rent, a three year rent history, due dates, property location and signed agreement if the landlord elects to participate as outlined in this program.

PASSED by the Board of Trustees of the Village of Dwight, Livingston and Grundy Counties, Illinois, this ___ day of October, 2009.

APPROVED and SIGNED by the Village President of the Village of Dwight Livingston and Grundy Counties, Illinois, this ___ day of October, 2009.

Bill Wilkey, Village President