

Governor Rauner signs legislation to extend River Edge Tax Credit

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Bipartisan legislation to encourage economic development, preserve and revitalize historic structures

SPRINGFIELD – Governor Bruce Rauner today signed Senate Bill 1488, legislation to extend the River Edge Redevelopment Zone Program. The program allows for an income tax credit to be awarded for the restoration and preservation of a qualified historic structure located in a River Edge Redevelopment Zone.

“The River Edge Redevelopment Zone Program is an important tool for municipalities to utilize to spur economic development while saving and restoring historic buildings,” said Governor Rauner. “We’re pleased that the legislature moved to extend this program, but hope that we can provide even more support to local municipalities through a balanced budget with reforms to grow jobs, lower property taxes, improve schools and enact term limits.”

Senate Bill 1488 is effective immediately and extends the River Edge Redevelopment Zone Program for one year, to sunset on January 1, 2018. A River Edge Redevelopment Zone is a specific area designated by the State of Illinois in cooperation with a local government to safely revive and redevelop environmentally-challenged properties that will stimulate economic revitalization and create jobs in Illinois. River Edge Redevelopment Zones are located in Rockford, Aurora, Elgin, Peoria and East St. Louis. The program is administered at the state level by the Illinois Department of Commerce and Economic Opportunity.

“This bill ensures our continued support to distressed areas in river communities,” said Illinois Department of Commerce & Economic Opportunity Acting Director Sean McCarthy. “Areas within the River Edge Redevelopment Zone represent historically strong economic engines within the state. This investment will stimulate growth and create good paying jobs for families in these communities.”

“I am incredibly grateful to Governor Rauner for supporting the River Edge Historic Tax Credit extension bill. This vital program has meant millions of dollars in private sector investment in Rockford's urban core, spurred direct and indirect job growth in our community, and is returning millions of dollars in tax revenue back to the State of Illinois and the five Illinois River Edge communities,” said Larry Morrissey, Mayor of Rockford. “The River Edge Historic Tax Credit has become a major part of the economic foundation that has led to explosive growth in Downtown Rockford. It has led to a level of private investment in our Downtown not seen since the 1950’s. I hope that this type of smart, strategic bi-partisan legislation can be a model for moving the State forward. It allows us to both grow our economy and return tax dollars back to units of government.”

“The extension of River Edge Redevelopment Program allows for the continued redevelopment of historic riverfront properties in our region, which will in turn allow for more private investment, create construction positions and ultimately secure permanent jobs,” said State Sen. Karen McConnaughay (R-St. Charles). “The River Edge Redevelopment Program is an investment in not only in our riverfront, but in a number of other riverfront communities, which preserves local history while also promoting economic development.”

“The State Historic Tax Credits have been THE driving force for redevelopment in Peoria. The HTC's have leveraged over \$32 million dollars in investment creating over 150 new residential units and thousands of square feet of retail and office space,” said Jim Ardis, Mayor of Peoria. “Additionally hundreds of construction jobs have been generated in the renovation of these buildings. The HTC program has been the cornerstone of our redevelopment efforts in downtown and the Warehouse District. I applaud Governor Rauner for his unwavering support of economic growth in Peoria as well as the State of Illinois. We are hopeful this one year extension leads to a longer term that will incentivize considerably more investment in the 5 river cities participating while preserving historic properties.”

"I have seen firsthand how this program has positively affected Rockford's downtown development. One of many examples is The Prairie Street Brewhouse, a \$12+ million renovation project in Rockford, that resulted in the creation of 110 construction jobs and hundreds of thousands of dollars in state income tax revenue,” said State Sen. Dave Syverson (R-Rockford). “These types of projects offer the taxpayers of this state the chance to get a huge return on their investment in terms of tax revenue and economic activity. Just as I supported the initial passage of this bill, I am proud to be a cosponsor of this bipartisan reauthorization.”

“This legislation is a commonsense measure, given the state of our economics in East St. Louis,” said State Sen. James Clayborne (D-Belleville). "I thank the Governor for getting behind this and signing it into law. With that being said, I challenge the business community to come together in moving East St. Louis in the right direction, towards sustaining itself economically.”

"This credit is a vital tool for economic development. For years, it has been the only financial incentive for developers to invest in downtown Rockford," State Sen. Steve Stadelman (D-Rockford) said. "To date the tax credit has spurred more than \$100 million in development in our community alone."

“I’m pleased to see the continuation of a plan that has already helped developers make a greater investment in Peoria,” said State Sen. Dave Koehler (D-Peoria). "I’m confident extending the River Edge program will open up new opportunities to create thriving business in Peoria and many other communities throughout Illinois. I applaud the governor’s action in signing this into law today.”

“The Rivers Edge program has already helped preserve a local landmark in Aurora,” said State Sen. Linda Holmes (D-Aurora). "This program spurs economic development, repurposes historic structures, and creates jobs in the community. I am glad this important plan will be extended and know it will create even more opportunities for development.”

"I thank the Governor for reaching across the aisle on important job creation issues like the Rivers Edge program," said State Sen. Mike Noland (D-Elgin).

"River's Edge historic tax credits are vital to the rebuilding of our historic Illinois towns," said State Rep. Steve Anderson (R-Geneva). "These tax credits are good for the whole state, encouraging investment, creating jobs in our communities that can't be outsourced, building sales tax revenues and reinvigorating our downtowns all at the same time. The River's Edge historic tax credit is a win-win for everyone in our State."

"The River's Edge Tax Credit program has vastly contributed to the overall workforce investment for Northern Illinois Region and Rockford downtown area in particular," said State Rep. Joe Sosnowski (R-Rockford). "I appreciate the Governor's leadership in bringing jobs to families and individuals in Illinois. We also need to reform Illinois in other ways to rejuvenate the state's manufacturing and business environment."

"Extending the River Edge Tax Credit is essential to promoting development and economic growth in areas of the state that need it the most," said State Rep. Chapa LaVia (D-Aurora). "I've been proud to work with my fellow legislators in Springfield to help spark economic development. I applaud Governor Rauner for his support of this economic tool and look forward to working with him to ensure programs like River Edge thrive for years to come."

"Peoria was the first city in Illinois that was able to take advantage of the Historic Preservation Tax Credit during the renovation of the Pere Marquette Hotel," State Rep. Jehan Gordon-Booth (D-Peoria) said. "Since then, the tax credit has helped bring jobs, redevelopment and economic growth the Warehouse District. There is a \$10 return for every dollar the state invests using this tax credit. When elected officials discuss how they can improve our business climate and create jobs, incentives like this one has to be part of the conversation. I will continue to promote the Historic Preservation Tax Credit and work to make it permanent."

"This tax credit has been crucial in creating jobs and attracting investment for downtown Rockford," State Rep. Litesa Wallace (D-Rockford) said. "I thank local advocates, Rockford officials and my fellow legislators who worked hard to keep this economic generator for our community and our state."

"The River Edge Historic Tax Credit is a critical component to revitalizing Elgin's riverfront and downtown economy, and it has proven to be a good return on investment," State Rep. Anna Moeller (D-Elgin) said. "Maintaining this tax credit is important for Elgin to continue creating jobs and growing our local economy, and I'm glad Gov. Rauner signed this measure to extend it into law."

Governor Bruce Rauner also took action on the following bills:

Bill No.: SB 2921

An Act Concerning Revenue

Action: Signed

Effective: Immediately

Bill No.: HB 5897

An Act Concerning Land

Action: Signed

Effective: Immediately