

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
SEPTEMBER 14, 2010 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Ogden Avenue Site Improvement Strategy (OASIS) Grant Program	✓ Resolution Ordinance Motion Discussion Only	Tom Dabareiner, AICP Community Development Director

SYNOPSIS

An ordinance has been prepared adopting a new Village Council Policy authorizing a matching grant program (the “OASIS Program”) for the Ogden Avenue TIF District.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan and Goals for 2009-2014 identified *Vibrant Major Corridors*. Supporting these goals are the objectives *More Attractive Commercial Corridors* and *More Contribution to Local Economy*.

FISCAL IMPACT

The request is for the 2011 Budget to include up to \$750,000 from the Ogden Avenue TIF fund for funding a matching grant program. Three separate award periods of \$250,000 each would occur in late 2010 through 2011, with actual reimbursement anticipated in 2011

Maximum grants to individual properties/businesses would be as follows:

- Interior Properties < 1 acre = \$50,000
- Corner Properties and Properties > 1 acre = \$75,000

UPDATE & RECOMMENDATION

This item was discussed at the September 7, 2010 Village Council meeting. Based on the discussion, the OASIS program has been modified to list utility burial as an expense eligible for funding. The Council discussed the program elements related to funding sign replacement. The proposed program provides grants for free-standing and wall sign replacement on a dollar for dollar basis up to \$2500 to \$7500 depending upon the size and location of the property. In addition, the proposed program states that the successful projects will include multiple elements of the categories but does not preclude providing grant funding for sign improvements only. If the Council would like to modify the program requirements for signage, the following language could be inserted:

Signage improvement and sign-related landscaping shall not be eligible unless accompanied by Eligible Projects for A, B, or C above.

This language change would provide funding for sign replacements only if site improvements, landscaping improvements or building façade improvements are also provided. Staff recommends approval of the OASIS program as submitted.

BACKGROUND

The current Ogden Avenue Corridor improvement strategy, prepared in 2005 recommends that the Village use real estate tax increment that has accumulated in the Ogden Avenue TIF fund to make aesthetic improvements to the Ogden Avenue right-of-way including landscaping improvements and the burial of

short sections of overhead utilities. Village staff met with members of the business community located along Ogden Avenue, the Economic Development Corporation and the Chamber of Commerce to discuss the potential right-of-way projects. During these meetings, the business owners and organizations expressed an interest in a site improvement matching grant program for the corridor. The groups indicated a grant program would be more beneficial to the property/business owners along the Ogden Avenue Corridor.

To develop the program, the Economic Development Corporation sponsored several meetings. Representatives from the Ogden Avenue business community, Economic Development Corporation, Chamber of Commerce and Village staff collaborated to draft a matching grant program - the Ogden Avenue Site Improvement Strategy (OASIS). The goals of the OASIS program would be:

- Provide more attractive sites
- Improve traffic circulation for vehicles and pedestrians (on private property as well as the street)
- Improve existing building appearance
- Improve signage and reduce visual clutter

This program would provide business and property owners with a dollar-for-dollar matching grant for certain site improvements. The goals of the program and eligible improvements generally follow the recommendations of the 1999 Ogden Avenue Master Plan and include new landscaping, façade improvements, sign improvements, new stormwater detention facilities, installation of stormwater best management practices, sidewalk installation, parking lot improvements and improvements to site access (i.e. curb cut reductions).

The OASIS Program would allow property owners to receive matching grants for eligible projects. There would be application deadlines in which all grant requests would be submitted, reviewed and awarded. Up to \$250,000 (\$750,000 total for 2011) would be made available for each award period in 2011. Staff anticipates three award periods – December 2010, February/March 2011 and May/June 2011. Grant applications would be judged against other applications made during the award period.

The applications would be reviewed by a group comprised of business/property owners, Economic Development Corporation staff, Chamber of Commerce staff and Village staff (the OASIS Team). Applications would be reviewed based on the number of eligible features being improved, the quality of those improvements and how well the proposal addresses the goals of the program. The Team would then make a recommendation for approval to the Village Manager or Village Council. Grants less than \$15,000 would be approved by the Village Manager. Grants of \$15,000 or more would need approval from the Village Council.

Projects will be reviewed in the context of the recommendations contained within the 1999 Ogden Avenue Commercial Corridor Master Plan and Village's Strategic Plan. The categories described below will be used to judge applications.

- **Category 1 – Site Improvements:**
Examples of site improvements include consolidating driveway accesses to Ogden Avenue, removal of nonconforming parking spaces, installing stormwater management strategies, removing pavement and adding landscaping, providing cross-access between properties, installation of public sidewalks and installation of exterior site lighting.

- **Category 2 – Landscaping:**

Examples of landscaping include screening of off-street parking areas with shrubs, ornamental grasses and shrubs, installing landscaping to improve water run-off quality, installation of foundation plantings, installing ornamental fences, construction of outdoor café spaces and installation of shade trees.

- **Category 3 – Building Façade:**

Examples of improvements to building facades include major renovations that update a building's appearance (a "major renovation" affects more than 50% of existing exterior walls fronting Ogden Avenue or adjacent side streets), installation of a canopy or awning, adding transparent windows, adding pedestrian-friendly doors and shrubs, installing parapet walls and decorative cornices that hide mechanical equipment and installation of decorative lighting fixtures on the building.

- **Category 4 – Signs:**

Examples of improvements to signage include removal of non-conforming signs and installation of code-compliant signs and removal of box-type wall signs and replacement with channel letter signage.

As a condition of receiving the grant, applicants will be given a choice of installing a public sidewalk or providing the Village with an easement for a public sidewalk. In either case, additional grant money will be awarded to the applicant for either 50% of the cost of completing the sidewalk or \$1,000 for the easement. A written report on each application will be prepared by the OASIS Team with recommendations for awarding the grant. The report will accompany any funding recommendations brought to the Village Council.

The OASIS Team believes the OASIS Program will help the Village achieve its goal of making Ogden Avenue a vibrant major corridor.

ATTACHMENTS

Ordinance/Draft Policy

OASIS Grant Application Packet

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Economic Development Corporation **DATE:** September 14, 2010
(Name)

RECOMMENDATION FROM: _____ **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

STEPS NEEDED TO IMPLEMENT ACTION:

- Ordinance
- Resolution
- Motion
- Other

Motion to Adopt "AN ORDINANCE ADOPTING AN OGDEN AVENUE SITE IMPROVEMENT STRATEGY PROGRAM", as presented.

SUMMARY OF ITEM:

Adoption of the attached ordinance shall adopt the Ogden Avenue Site Improvement Strategy Program (OASIS).

RECORD OF ACTION TAKEN:



Village of Downers Grove

Official Village Policy Approved by Village Council

Description:	Ogden Avenue Site Improvement Strategy Program	
Res. or Ord. #:	Ord.	Effective Date: 09/14/10
Category:	Planning & Community Development	
	<input checked="" type="checkbox"/> New Council Policy	
	Amends Previous Policy Dated: _____	
	Description of Previous Policy (if different from above): _____	

ORDINANCE NO. _____

**AN ORDINANCE ADOPTING AN OGDEN AVENUE
SITE IMPROVEMENT STRATEGY PROGRAM**

WHEREAS, the Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety, and welfare of the Village and its inhabitants, to prevent the spread of blight, to encourage private development in order to enhance the local tax base, to increase employment, and to enter into contractual agreements with third parties for the purpose of achieving these purposes.

WHEREAS, the Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended (the “TIF Act”), to finance redevelopment in accordance with the conditions and requirements set forth in the TIF Act.

WHEREAS, to stimulate and induce redevelopment pursuant to the TIF Act, the Village has, after giving all notices required by law and after conducting all public hearings required by law, adopted the following ordinances:

1. Ordinance No. 4247, adopted February 6, 2001, titled “*An Ordinance Approving the Ogden Avenue Corridor Redevelopment Plan and Project*” (the “Redevelopment Plan”);
2. Ordinance No. 4248 adopted February 6, 2001, titled “*An Ordinance Designating the Ogden Avenue Corridor Redevelopment Project Area*”;
3. Ordinance No. 4249, adopted February 6, 2001, titled “*An Ordinance Adopting Tax Increment Financing for the Village of Downers Grove*”.

WHEREAS, in an effort to promote revitalization of the Ogden Avenue commercial corridor the Village wishes to establish the Ogden Avenue Site Improvement Strategy Program (“OASIS Program”);

WHEREAS, the OASIS Program is made available to provide a significant impact on the exterior of properties, thus improving the economic vitality of the Ogden Avenue commercial corridor;

WHEREAS, the goals of the OASIS Program are to provide financial assistance to property and business owners in order to provide more attractive sites, improve traffic circulation for vehicles and pedestrians, improve existing building appearance, and improve signage, in accordance with the Ogden Avenue Commercial Corridor Master Plan and the Village's Strategic Plan;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

ELIGIBLE PROJECTS:

A. **SITE IMPROVEMENT**

1. Lighting Fixtures, Fencing, utility burial
 - This includes installation of exterior lighting fixtures which are associated with a building façade or within a parking area. Decorative fencing around parking areas, adjacent properties and refuse screening are also included in this category and sidewalks.
 - The burying of overhead power lines, telephone lines or other above-grade utilities.
2. Access Consolidation, Cross Access, or Pedestrian Improvement
 - This includes driveway consolidation on Ogden Avenue, cross access between businesses, and installation of pedestrian walkways and sidewalks.
3. Stormwater
 - This includes the installation of detention area or best management practices.

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B. **LANDSCAPE IMPROVEMENT**

1. Landscaping
 - This includes the installation or replacement of new landscaping and green space to comply with current ordinance requirements.
2. Stormwater
 - This includes the installation of detention area or best management practices.

C. **FAÇADE IMPROVEMENT**

1. Exterior Woodwork and Architectural Materials
 - This includes improvement or repair, cleaning, refinishing, restoring, or replacement of exterior woodwork or architectural materials.
2. Masonry
 - This includes masonry improvements, repairs, restoration or tuckpointing.
3. Windows and Doors
 - This includes the replacement, installation or restoration of windows (including display, ornamental, upper-story and storm windows) and exterior doors.
4. Cornices, Parapets, Awnings, Canopies and Roofs
 - This includes the installation or repair of cornices, parapets, awnings, canopies or roofs when part of the facade renovation; or independently, when it is a visible part of the façade from Ogden Avenue or required by Village ordinance to screen rooftop mechanical units and vent stacks.

D. **SIGNAGE IMPROVEMENT**

1. Signs

- This includes the installation or replacement of signs to comply with current Village ordinances.

2. Financial Assistance: Property owners and business owners (“Owners”) located within the Ogden Avenue TIF District may be eligible for a grant award from the Village for up to fifty percent (50%) of the total cost of the work for certain improvements made to their buildings or property in accordance with the following guidelines:

a) **Interior Parcels less than 1 acre**

Type of Project	Eligible for a Grant Award up to 50% of the Cost of Work (up to the maximum noted herein) The total maximum award shall not exceed \$50,000
Signage Improvement - coordinated for retail center or monument sign	\$2,500 for parcels less than 100 ft. wide; \$5,000 for parcels between 100 ft. and 259 ft. wide; \$7,500 for parcels 260 ft. wide or greater
Wall Signage for Single Tenant (only for business that were in operation before May 2005)	\$3,000
Landscape improvement	\$20,000
Site improvement	\$20,000
Façade improvement	\$10,000

b) **Corner Parcels or Parcels Greater than 1 Acre or individual Tenant Spaces in Excess of 5,000 sq. ft.**

Type of Project	Eligible for a Grant Award up to 50% of Work (up to the maximum noted herein) The total maximum award shall not exceed \$75,000
Signage Improvement - coordinated for retail center or monument sign	\$7,500
Wall Signage for Single Tenant (only for business that were in operation before May 2005)	\$3,000
Landscape improvement	\$40,000
Site improvement	\$40,000
Façade improvement	\$15,000

c. **Conditions:**

1. Only exterior improvements to properties and buildings as described above will be eligible for a grant award. Internal elements will not be eligible. Generally, exterior maintenance (e.g. painting, parking lot resurfacing, seal-coating, replacing dead landscaping, etc.) will not be considered; however, in some cases maintenance may be eligible if it is an essential component of a project and is a permanent improvement to the property (e.g. tuck-pointing, replacing windows and doors).
2. Improvements to buildings, parking lots and uses which do not meet current zoning requirements will not be eligible.
3. Improvements requiring zoning variations may be eligible for project funding; however, no part of the zoning variation process will be funded.
4. A bonus of 25% of the maximum grant award amount for particular project categories may be provided for projects combining multiple categories. For example, a 10,000 square foot tenant on a 1.5-acre lot proposing landscape improvements and façade improvements would be eligible for up to \$68,750 ($\$40,000 \times 1.25 + \$15,000 \times 1.25$) assuming a total project cost of \$137,500.
5. For single tenants in multi-tenant buildings, the maximum grant award for the tenant will be limited by the percentage of space the tenant occupies in the building. For example, if a tenant occupies 25% of a building on a parcel less than 1 acre in size, the maximum façade improvement grant award would be \$2,500.

3. **Sidewalk Easement or Construction Required as a Pre-Condition:**

In order to promote the Ogden Avenue Master Plan, and prior to receipt of any grant award, the applicant must either grant a sidewalk easement approved in a form acceptable to the Village and receive an additional \$1,000 of grant funds and/or install a sidewalk on the property along Ogden Avenue and receive an additional 50% of grant funds for the cost of the installation.

4. **Procedures:**

The OASIS Team will evaluate all submittals. The OASIS Team is comprised of Village staff, Economic Development Corporation representatives and Downers Grove Area Chamber of Commerce and Industry representatives. Only complete applications will be evaluated by the review team. Projects will be evaluated on a qualitative basis and will be evaluated against one another. The intent of the initiative is to encourage comprehensive development in the TIF district. One or more application deadlines will be established by the Village.

1. Pre-Application Meeting (OPTIONAL)

Prior to making a formal application, the prospective applicant is encouraged to meet with the OASIS Team. During this meeting, the prospective applicant is familiarized with the program and the application process. A general discussion of needs and ideas of all parties, design alternatives and general cost parameters will be discussed. An application packet may be obtained at this time, as well as, information about the *Ogden Avenue Master Plan*.

2. Complete and Submit Application

The first round of applications should be completed and submitted to the Community Development Department by an established due date included in the application packet. The OASIS Team will review the application for completeness within 10 working days of application deadline.

3. Approval of Project by the Village

Within 30 days of the application deadline, the OASIS Team will meet to review and rank the complete grant applications against each other in order to establish an order of merit. By ranking projects the OASIS Team will recommend funding of the highest ranked projects first. The OASIS Team will utilize the review criteria included in the application packet to rank applications. Recommendations from the OASIS Team will be forwarded to the Village Manager for consideration. Grant awards recommended by the OASIS Team less than \$15,000 may be authorized by Village Manager; however, grant awards in excess of \$15,000 must be authorized by the Village Council.

4. Execution of the Site Improvement Reimbursement Grant Agreement

In conjunction with the award of the grant, the applicant will be required to enter into a Site Improvement Reimbursement Grant Agreement with the Village specifying the responsibility of the grant recipient. This agreement must be completed prior to the commencement of funded improvements. A typical agreement will reimburse the applicant, up to the agreed upon maximum, with the submittal of cancelled checks and final inspection.

5. Begin Work

After the Site Improvement Reimbursement Grant Agreement has been executed, a "Letter of Approval and Notice to Proceed" will be sent to the applicant from the Community Development Department, including an estimate of the total grant amount the applicant is eligible to receive once work is completed and cancelled checks for said eligible work have been received.

The applicant may begin work once all necessary permits have been issued. Prior to, or during construction, any on-the-job changes to the approved design must be reviewed and approved by the OASIS team and the Community Development Department. If changes involve permit related work, the Community Development department must also review and approve the change.

6. Complete of the Project

Upon completion of the project, the work is to be approved by an inspector(s) in the appropriate departments for compliance with the original design drawings, including any approved on-the-job changes and Village ordinances. In the event the Village finds the finished work product does not meet ordinance requirements or is not consistent with the approved grant application and any approved on-the-job changes, the Village will not be obligated to provide reimbursement for any of the work completed.

7. Payment of the Grant

Once the grant recipient receives final approval, he/she shall provide a request for reimbursement and all receipts (including copies of cancelled checks) for grant eligible work to the Community Development Department. The Village of Downers Grove will provide reimbursement up to the agreed upon maximum after eligible grant work has been inspected and certified as to its completion and compliance with the approved grant application.

Ronald L. Sandack, Mayor

Passed:

Attest:

April K. Holden, Village Clerk