



Village of Downers Grove

Official Village Policy Approved by Village Council

Description:	Economic Incentive Policy for the Village of Downers Grove		
Res. or Ord. #:	Res. 2000-16	Effective Date:	4/1/2000
Category:	Planning and Community Development		
	<input type="checkbox"/> New Council Policy		
	<input checked="" type="checkbox"/> Amends Previous Policy Dated: 4/19/99		
	Description of Previous Policy (if different from above): <u>Economic Incentive Policy Res. 99-31</u>		

**RESOLUTION 2000-16
A RESOLUTION APPROVING AN ECONOMIC INCENTIVE POLICY
DATED MARCH 20, 2000 FOR THE VILLAGE OF DOWNERS GROVE**

WHEREAS, the Village of Downers Grove has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals and welfare; and

WHEREAS, the Village of Downers Grove is desirous of promoting business attraction and retention; and

WHEREAS, the establishment of a policy guiding the use of economic incentives to encourage business retention and attraction in Downers Groe will promote new development, create new jobs and enhance the Village's tax base; and

WHEREAS, the "Downers Grove Economic Development Commission, Economic Incentive Policy" dated March 20, 2000" attached hereto as Exhibit "A", be and is hereby approved.

1. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Policy
2. That all resolutions or parts of resolutions in conflict with the provision of this Resolution are hereby repealed.
3. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Passed: April 4, 2000

Attest: April K. Holden, Village Clerk

Downers Grove Economic Development Commission

Economic Incentive Policy

The Downers Grove Economic Development Commission was formed in 1994 to facilitate balanced economic growth that will enhance the quality of life in the community. We seek opportunities to create partnerships with enterprises that can enhance our community's diverse environment with high quality projects and businesses that conform to our future land use and redevelopment plans.

The Economic Incentive Policy provides the tools that are necessary for growth and opportunities that would otherwise not be possible without the aid of the municipality. The Village of Downers Grove may, at its option, consider the use of economic incentives for the purposes of retention, expansion and attraction of businesses to Downers Grove. This program intends to be applied to businesses desiring to locate, expand or remain in Downers Grove. The Village of Downers Grove will not engage in a "bidding war" with other municipalities.

ECONOMIC INCENTIVES

Economic incentives *may* include, but are not limited to:

- Cooperative provision of municipal services
- Grants
- Industrial Revenue Bonds
- Infrastructure Investment
- Local Sales Tax Revenue Sharing
- Low Interest Loan Financing
- Special Service Areas
- Tax Abatement
- Tax Increment Financing
- Utility Tax Sharing

GENERAL CRITERIA

Along with completing the contact form, a written proposal must be submitted to the Economic Development Commission that addresses the general criteria listed below. The general criteria will then be applied to the Evaluation Matrix. The Evaluation Matrix serves as the scoring method of the general criteria, which reveals the significance of an overall proposal.

- Aesthetics
- Code/Zoning Variance Requirements
- Creates More Marketable Space
- Cultural Benefits
- Density
- Environmental Impacts
- Fills Vacancy

- Meets Redevelopment Goals
- New/Continuing Village Revenues
- Parking/Traffic Impacts
- Proximity to Like Businesses
- Public Safety Resource Requirements
- Real Estate Assessed Valuation Impact
- Remediation of a Blighted Property

CONSIDERATIONS

The proposals that meet the general criteria favorably will be eligible for consideration subject to at least the parameters listed below, which will be included in a legal agreement. In no event will prior economic incentive agreements dictate the content of subsequent agreements. The Village will review all proposals on a case-by-case basis, negotiate on a case-by-case basis and reserves the right to modify this policy at any time. The Village of Downers Grove will prepare a legal agreement specific to the terms that are agreed upon. A written, signed legal agreement between the applicant and the Village of Downers Grove is the only binding contract that entitles any party to economic incentives by the Village of Downers Grove. Once the Village Council approves the legal binding agreement, the provisions of any such agreement will supersede the provisions of this or other policies. Below are typical items that will be negotiated in the economic incentive agreement.

Amount and Maximum Limit of Incentive
Fixed Time Period
Level of Investment in the Community
Performance Reporting
Permanence of Location
Surrender Penalties

DOCUMENTATION

The proposal must contain the following documents in order to be considered for an economic incentive from the Village of Downers Grove. Other materials may be required depending on a particular project.

Contact Form and application fee of \$500 (check payable to the Village of Downers Grove)
Architectural drawings, if applicable, (*preliminary plans must be final before execution of the Agreement*)
Explanation of how the enterprise meets the general criteria
Financial strength of the enterprise
Property control documents
Sales and Use Tax Forms (ST-1), if applicable, from the Illinois Department of Revenue
Strategic/Business plan

PROCESS

1. An initial exploratory meeting may be called with the Economic Development Commission before a proposal is submitted.
2. After a proposal has been submitted to the Economic Development Commission, it will be evaluated in relationship to the general criteria. Negotiations may occur between the enterprise and the Economic Development Commission. Information could become public at this point.
3. Upon final negotiations with the Economic Development Commission, the Village of Downers Grove's legal department will comprise a legal bidding agreement with the enterprise.
4. The enterprise will be invited to make a presentation to the Economic Development Commission. If the Commission makes a positive recommendation at this meeting, the agreement would move to the Downers Grove Village Council.
5. The Downers Grove Village Council's decisions currently involves a two step process 1.) a workshop and 2.) a council meeting. The workshop requires that a presentation be made from the Economic Development Commission and the enterprise applying for the economic incentive. At this presentation, the project and legal

agreement would be discussed. At the village council meeting, final approval of the agreement may be granted.

GENERAL CRITERIA DEFINITIONS

The general criteria listed below will be used to evaluate each proposal and within the Evaluation Matrix using a weighted score (W.S.) from 1 to 5, according to the level of importance to the Village of Downers Grove.

Aesthetics – The visual appeal of the architecture, design and materials used for the building, landscaping, open space, signage, parking, and other development elements of the project. W.S. = 4

Code/Zoning Variance Requirement – The type or amount of code/zoning variances that are necessary to complete the project as planned. W.S. = 3

Creates More Marketable Space – The project improves a below average site for current and future uses. W.S. = 1

Cultural Benefits –The project is able to generate benefits to the arts, cultural or visitor segments of the community. W.S. = 3

Density - This is a measure of the total collection of structures, people, parking and open space in relation to the land of the project. W.S. = 3

Environmental Impact - What effect does the project have on the environment? W.S. = 3

Fills Vacancy – Project fills a vacant lot or a vacant facility. W.S. = 2

Financial Investment of Improvements - The project creates financial investment into the community. W.S. = 3

Job Creation/Retention - The project brings new jobs or retains jobs in the community. W.S. = 4

Meets Redevelopment Goals – The project meets the goals of the defined areas or specified goals of the community. W.S. = 5

New/Continuing Village Revenues – The project provides either new/increased revenues to the community. W.S. =

Parking/Traffic Impact - The effect that the project has on parking in the area or community as a whole. W.S. = 4

Proximity to Like Businesses - A measure of the distance and distribution of similar types of businesses. W.S. = 3

Public Safety Resource Requirement - A measure of the amount of public safety resources (personnel, money and equipment) that must be dedicated during and after project completion. W.S. = 4

Real Estate Assessed Valuation Impact - The impact of the project improvements on the assessed value of the real estate for property taxation purposes. W.S. = 1

Remediation of Blighted Property - The project improves property that is blighted or unsightly. W.S. = 5

Spin-off Benefits - The project is able to draw more business, attention or investment to the area or otherwise improve the community in general. W.S. = 2

Type of Business Use - Does the project include businesses that are part of the EDC's target market for the community, help improve a project area, or is it less desirable to the area? W.S. = 3

Downers Grove Economic Development Commission
Economic Incentive Policy

CONTACT FORM

Please submit this completed form, the \$500 application fee, the written proposal with the general criteria explanations and documentation to the Economic Development Commission, 5202 Washington Street, Suite 2, Downers Grove, Illinois 60515.

Date: _____

Name of Enterprise: _____

Contact Name: _____ **Title:** _____

Phone: _____ **Fax:** _____ **Email** _____

Address, City, Zip Code: _____

Year Enterprise Established: _____ **Year Enterprise Established in Downers Grove:** _____

Are you moving to OR within Downers Grove: **YES** **NO**

If YES, what date will the move or expansion occur? _____

If YES, what is the new address? _____

Is the site a headquarters for your business? _____

Do you plan to lease or own? _____ **If leasing, indicate the duration?** _____

Do you plan to renovate or expand your property? _____

If YES, what is the approximate cost? _____

Who is the decision-maker for this project within your enterprise? _____

What other communities are you considering for this project? _____

If you have a real estate company involved in the project, please provide the contact, name of the company, address and phone number:

If you have an attorney involved in the project, please provide the contact, name of the company, address and phone number:

Signature:
