**T.I.F. Financing Assistance**



Mission Statement

The mission of the Village of Arthur TIF District #1 is to preserve the vitality of the existing businesses within the Village, while cultivating the desire for new investments. It is our hope that the Village of Arthur TIF District #1 will provide a funding source focused specifically on future public infrastructure needs while strengthening the tax base for the Village of Arthur.

Redevelopment Plan Goals and Objectives

**Goal #1**: To maintain a safe, vibrant, attractive, and walkable downtown that provides convenient access to shopping, jobs, and entertainment for both residents and guests of Arthur.

Objectives:

1. Maintain the viability of the downtown businesses by assisting them with repairs and/or property improvements.
2. Enhance the public improvements and infrastructure such as streets, utilities, and storm water management to bring them up to modern standards and improve the safety and well-being of businesses and residents.
3. Promote efforts to retain existing and recruit new businesses within the downtown area.

**Goal #2**: Capitalize on the industrial potential of Progress Street.

Objectives:

1. Rehabilitate and/or redevelop the underutilized industrial area immediately north of downtown, and south of the railroad.
2. Attract new industrial users on remaining vacant parcels along Industrial Parkway.
3. Promote permanent job creation and employment within the Project Area, while enhancing the Village’s tax base.

**Goal #3**: Enhance the quality of life of Arthur residents.

Objectives:

1. Work closely with all taxing districts to provide needed services and facilities to meet the community’s needs.
2. Create an attractive environment along major roadways to appeal to both residents and visitors.

Specific Objectives:

1. Encourage private investments from existing businesses.
2. Encourage private investments in new businesses and developers through competitive development initiatives in order to allow the Village to compete with other communities and development sites outside the Village.
3. Encourage existing retail businesses to maintain and improve their properties by encouraging façade renovations and structural improvements.
4. Encourage the development of a comprehensive design and plan that enhances the overall appearance of various properties while maintaining the historical look and ambiance that Arthur is known for.
5. Encourage the planning and improvement of the public facilities in the area. Infrastructure improvements including sanity sewer, storm sewer, street repairs, street lighting, sidewalks, public parking areas, etc.
6. Improve necessary infrastructure and related public improvements.
7. Identify viable reuse potential for existing structures and properties within the Village.

Minimum Eligibility Criteria

1. Any debts owed to the Village by the applicant or building owner are paid up-to-date prior to the submittal of any application for funding.
2. The property will meet all applicable building, life safety, zoning and maintenance codes upon completion.
3. The project is consistent with the goals and objectives as set forth by the Board of Trustees.
4. If the applicant does not own the property, the applicant has the permission of the property owner (Attach a letter from the owner granting the applicant permission to complete the proposed improvements, and a lease of at least three years or the life of the project, whichever is longer.)
5. The project has adequate bank or other financing. (Attach a letter of commitment or other evidence of adequate financing.)
6. The private enterprise must provide evidence of sufficient private financing and equity to carry out the project. There must be a minimum of 20% owner equity in the project unless otherwise approved by the Village Board of Trustees. The Village’s participation from public revenues will generally be limited to 50% of eligible project costs determined by the Village.
7. The project must meet all Village Code requirements if applicable. If updates or changes require a building permit, it must be submitted for approval by the Public Works Supervisor prior to submission and review of the T.I.F. application to the Village Board.
8. The amount of public assistance will be limited to $75,000 per project. Higher amounts may be taken into consideration with a 2/3 majority vote from the Board of Trustees.
9. If there is any change in the scope or management individuals of the overall project, the applicant must reapply for approval. Any work done that was not included on the initial application without new approval will not be considered for reimbursement.

Eligible Costs

Private investments, which supplement the redevelopment project costs, are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Act which may be pertinent to this redevelopment plan include but are not limited to:

1. Rehabilitation or repair of existing public or private buildings: Costs of rehabilitation, reconstruction, repair, or remodeling of existing buildings and fixtures.
2. Land assembly: Certain properties in the T.I.F. District may be acquired and assembled in to an appropriate redevelopment site.
3. Demolition and site preparation: The existing structures located within the redevelopment area may have to be reconfigured or prepared to accommodate new users or expansion plans. Partial demolition may be necessary as well as removal of debris. Additionally, the redevelopment plan contemplates site preparation, or other requirements related to environmental remediation, necessary to prepare sites for the desired redevelopment.
4. Landscaping/Streetscaping: The Village may fund certain landscaping projects which serve to beautify public properties or rights of way.
5. Water, sanitary sewer, storm sewer, and other utility improvements: The Village may extend, upgrade, or re-route certain utilities to serve or accommodate the new developments. Detention and retention ponds and their need may be undertaken by the Village.
6. Street/Parking improvements: Road improvements, extension or construction of secondary streets, and any related curb, gutter, and paving improvements needed could be assumed by the Village. Public parking facilities and improvements may also be included.
7. Professional services: The Village may use tax increment financing to pay necessary planning, legal, engineering, administrative and financing costs during project implementation.
8. The owner may not claim their personal labor hours for reimbursement through this program. All reimbursable work must be submitted by receipt from each contractor.

Reimbursement Policies and Procedures

1. Application completed by applicant
2. Deputy Clerk to provide statement of T.I.F. fund and Village financial condition.
3. Village Board of Trustees to review and evaluate the project criteria and determine whether individual requests be approved or denied.
4. Village Board of Trustees to execute an agreement between the applicant and the Village.
5. T.I.F. funds are to be paid after the project is complete, per the agreement and conditions.

**Village of Arthur**

APPLICATION FOR TAX INCREMENT FINANCING (TIF) ASSISTANCE

Complete this form in its entirety and attach all necessary documents. Submit the completed

application to the Village of Arthur at 120 East Progress, Arthur, IL 61911. If you have any

questions contact the Deputy Clerk at (217) 543-2927 or admin@arthur-il.gov.

**Applicant Name**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *(please print or type)*

**Mailing Address**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Daytime Phone**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Email Address**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Property owner name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. Business name(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

3. Project address or location: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

4. Property tax ID number(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

5. Choose the applicable project (check all that apply):

* New construction ❑ Interior renovation

 ❑ Exterior renovation/restoration ❑ Site Improvement ❑ Other

6. Estimated total project cost: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

7. TIF Amount Requested $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

8. Attach the required documentation as outlined in the checklist attached to the application.

9. Complete the evaluation criteria as it applies to your project.

10. Sign and date below to complete the application.

Applicant Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**IMPORTANT: If the Village Board votes on a level of assistance it will be included in an agreement between the Village and the applicant. Note that applications must be reviewed and approved before the project begins. Any costs incurred before the project is approved are not eligible for T.I.F. funds unless otherwise approved by the Board of Trustees. They have the right to approve projects up to 60 days after start date if absolutely necessary. Also, if there is a significant change in the scope of the project after the application has been approved, the applicant must re-apply with the scope of the new project.**

Checklist for Application Materials
T.I.F. fund applications should include two copies of the following information:

* 1. A letter indicating the amount of T.I.F. assistance requested and identification of

 T.I.F. eligible costs.

* 2. A detailed description of the project (location, sq. ft., types of uses, etc.)
* 3. A business plan which should include:
	1. Project budget including sources and uses of all funds.
	2. Project timetable.
	3. Preliminary site plan or layout.
* 4. A copy of insurance coverage for project area.
* 5. A copy of the Warranty Deed, including a legal description and owner name for the

 property

* 5. Approved Building Permit (if applicable).

**Sample agreement for all TIF fund recipients

VILLAGE OF ARTHUR**

**STATE OF ILLINOIS**

**RESOLUTION # 20\_\_\_\_\_-**

**A RESOLUTION APPROVING THE TIF REQUEST FROM \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ AND**

 **ENTERING INTO AN AGREEMENT FOR THE FUNDS THEREOF**

**WHEREAS,** the Village of Arthur (“the Village”) is an Illinois non-home rule Municipal Corporation with the powers and authority granted to it pursuant to the provisions of the Village Code of Ordinances, the Illinois Constitution of 1970, and the Illinois Municipal Code, 65 ILCS 5/1-1-1, *et seq*.; and

**WHEREAS,** the Village pursuant to its authority under the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4, *et seq*. established the Arthur TIF #1 Redevelopment Plan and Project via Village of Arthur Ordinance #03-03A-14; and

**WHEREAS**, **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** has applied for TIF Funding in the amount of **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.00)** for a project located at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; and

**WHEREAS**, the Village Board has reviewed the application from **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** and has determined that the project qualifies for TIF funding in the amount of **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.00)**; and

**WHEREAS**, **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, shall sign the Agreement contained herein prior to receiving any TIF funds awarded herein.

**NOW THEREFORE BE IT RESOLVED** that the Village Board of Arthur, Illinois, at its regular meeting of **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, 20\_\_\_\_\_\_ has determined that:

**Section 1**: The recitals hereinabove are hereby incorporated herein.

**Section 2**: The Village Comptroller is hereby authorized to disburse from the Village of Arthur TIF #1 the sum of **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.00)** to **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, upon **E\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**,, execution of this Resolution:

**TIF GUARANTY AGREEMENT**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, (referred to as “Grantee” after funding has been made) agrees that within the first Three (3) years of the completion of the TIF-funded project, the funded project will be considered in default if the Grantee:

1. Does not complete the project within Twelve (12) months following the execution of this Agreement;

2. Fails within Twelve (12) months to restore or rebuild the project to the original or improved condition that it was in at the time the project was completed utilizing the granted TIF funds, due to damage caused by, but not limited to: fire; earthquake; hail; rain; flooding, wind, and all other natural disasters, as well as damage by negligence and intentional damage;

3. Fails to maintain operations located on the property in accordance with Village codes and ordinances;

4. Files for bankruptcy or otherwise becomes insolvent;

5. Fails to make available annual verification that the real estate taxes for the subject property have been paid;

6. Becomes the subject of foreclosure proceedings;

7. Files any challenge, appeal, or similar action which seeks to reduce the equalized assessed value of the property.

In the event that Grantee sells the property, this contract shall be binding upon and inure to the benefit of the heirs, assigns, and successors in interest of the Grantee. Any successor to said Grantee shall be bound by the terms herein, with any repayment being prorated on a monthly basis from the date of said sale (I.E. sale in month 14 after TIF Funding, successor shall be responsible for 22 months/36 months of TIF funding repayment.)

Any project held in default will result in the Grantee refunding all of the TIF funds allocated to the project to be refunded to the Village of Arthur within Fourteen (14) days of any default.

The Grantee also hereby covenants and agrees to release the Village of Arthur, and all of its governing bodies’ members; officers; employees; and agents, including the independent contractors, consultants, and legal counsel, and employees thereof (“indemnified parties”). Grantee further agrees to indemnify and hold harmless the indemnified parties against any loss or damage to the property or any injury or death of any person, occurring at or about, or resulting from any defect in the proposed TIF funded project, or any other loss, cost expense, or penalty.

The Grantee hereby agrees to enter into the Agreement, attached hereto prior to receipt of any funds.

**Section 3:** The Clerk of the Village of Arthur shall certify to the adoption of this Resolution and shall cause it to be published in pamphlet form and this Resolution shall take effect upon its approval and publication in pamphlet form as so certified.

**Section 4:** If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance. All existing ordinances of the Village of Arthur are hereby repealed insofar as they may be inconsistent with the provisions of this Ordinance.

**Section 5**: This Ordinance is made pursuant to the authority granted the Village per 65 ILCS 5/11-74.4.-4(m) *et. seq*.

**ADOPTED by the Village Board of Arthur, Illinois on \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_\_\_,**

 **AYE NAY ABSENT ABSTAIN**

**President Randall: \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_**

**Trustee Bernius: \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_**

**Trustee Hillgenberg: \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_**

**Trustee Ray: \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_**

**Trustee Fleming: \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_**

**Trustee Tiffan: \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_**

**Trustee Miller: \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_**

**APPROVED BY ME THIS \_\_\_\_\_\_\_\_ DAY OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_\_\_,**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**ROD RANDALL, President**

**Village of Arthur**

 **Published in pamphlet form this ­­­­­\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_\_\_, under the authority of the President and Village Board of Trustees.**

**ATTEST: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**RHONDA RHODES, Village Clerk**

**Village of ARTHUR**

 **Recorded in the Village Records on the \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_\_\_,**

**GRANTEE**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**DATED: \_\_\_\_\_\_\_\_/\_\_\_\_\_\_\_\_/20\_\_\_\_\_\_\_ DATED: \_\_\_\_\_\_\_\_/\_\_\_\_\_\_\_\_/20\_\_\_\_\_\_\_**

**Terms found in the T.I.F. Application**

**Building** – *Any structure that is occupied or intended for occupancy and which is completely separated by firewalls.*

**Code Improvements** – *Such permanent improvements that mitigate building, life safety, fire, nuisance, or zoning code deficiencies.*

**Permanent Improvements** – *Those improvements, which are permanently affixed to the building and/or site and which, do not restrict the future use of the building.*

**Comprehensive Plan** – *This is a document adopted by the Village Board of Trustees that outlines a vision for the community’s future. Village-wide goals, objectives, and policies are provided.*

**Eligible Improvements** – *Those improvements which are permanently affixed to the building and or site and which is not specific to the use and does no restrict the future use of the building. Some examples are: life safety and Americans with Disabilities Act accessibility code requirements; repair/replacement of roof, floors, structural walls or windows; repair/replacement of electrical, plumbing, heating or cooling system; installation of an elevator, sprinkler, fire or smoke alarm system; interior paint, exterior tuck-pointing, and parking lot paving or landscaping.*

**Façade** – *The exterior building face that is visible from the street. Generally means such building face(s) having frontage on a public street.*

**Project** – *The building, site, or portions thereof.*

**Property** – *Building(s) and/or parcel(s) of land having a single use or ownership.*

**Tax Increment Financing (TIF) District** – *An economic development tool allowed by State legislation and administered by the Village. The increment, or difference, between the amount of sale and/or property tax revenue generated before the district establishment and the amount of sale and/or property tax revenue generated after the district’s establishment, is used to fund improvements within the TIF district. This allows local governments to invest substantially in deteriorating areas without using general fund revenues. TIF districts have a life is 23 years. After the 23rd year, the property value is generally much higher.*

**Underutilized** – *Unoccupied or used only for storage for one year or more.*

**Vacant** – *Unoccupied for one year or more.*

**Community Needs** – *Need as established by the current Village Board of Trustees.*

**Site aesthetics** – *Include additional greenspace, trees, and/or other natural plantings. Emphasis should be placed on buffering between residential and commercial properties.*