

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE REPEALING ORDINANCE 4203  
AND REPLACING IT WITH THE FOLLOWING REGARDING  
THE UPTOWN TIF PROGRAM**

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Collinsville, Illinois, as follows:

**Section 1:** Ordinance Number 4203 approved on March 9, 2009 is hereby repealed in its entirety and replaced with the following:

- A. The City adopts the following guiding requirements herein to be utilized in deliberating the merits of requests for Tax Increment Financing (TIF) funds for the Uptown Collinsville District for the specific intent of aiding the economic development and market for this area through gaining substantial code compliance, increasing life safety, and enhancing the aesthetic and design character of the area. These requirements are intended to be followed as nearly as practicable, while considering the circumstances of each individual application. The City reserves the right to depart from these requirements based on the merits and specific considerations of each individual application, as well as what may be determined to be in the best interests of the City. Among other considerations, TIF funds shall be granted, regardless of the level of code compliance, enhanced life safety, and aesthetic improvements, based on the project's demonstrated ability to:
1. Increase sales tax revenue;
  2. Increase property tax revenue;
  3. Create and/or retain jobs;
  4. Improve property values;
  5. Contribute to the unique architectural and design character of the Uptown area; and/or
  6. Otherwise serve the best interests of the City as determined by the City Council.
- B. Uptown TIF Program Applications:
1. The applicant shall make written application on forms furnished by the City, as well as submit any other information or documentation requested by the City Manager or his designee. Applications shall include at a minimum the consent of all property owners to each of the provisions herein, and shall include the required information to support the stated economic goals and increase code compliance, life safety compliance, and aesthetic value;
  2. The application shall be submitted to the City Manager's office for processing. The City Manager, or his designee, shall review the application and take the following action(s):
    - a. require more information from the applicant if necessary; and/or

- b. negotiate with or make suggestions to the applicant.
- c. Applications may be forwarded to the Uptown Development Commission (UDC) to review for adherence to the program requirements and recommendation to the City Council. For the applications it reviews, the UDC shall make a formal written recommendation to the City Council to approve or disapprove the application in whole or in part, or as modified or amended;
- d. The maximum disbursement from the City for an individual project total, absent a separate development agreement, within the Uptown TIF program is Two Hundred Thousand Dollars (\$200,000.00) over a four-year period. This total amount shall include all incentive awards for the project in total and shall not be discounted by separating individual award items. Absent a significant and legitimate rationale, separate and subsequent requests shall be denied.

C. The City's Uptown TIF Program shall include the following two program types:

1. Structural Rehabilitation and Façade Improvement Program:

- a. For permanent improvements, except as provided herein, the City may fund a project for no more than forty percent (40%) of the total eligible project costs.
- b. Such funding shall not exceed Two Hundred Thousand Dollars (\$200,000.00), for items eligible under and qualifying for the Structural Rehabilitation and Façade Improvement Program, unless otherwise agreed to by the City Council in the form of a specific development agreement.
- c. The City's participation may be in the form of a loan, grant, or a combination thereof as determined appropriate by the City.
- d. Building rehabilitation loans may be amortized up to ten (10) years with an interest rate of up to five percent (5%) but all loans must be paid in full by December 31, 2021.
- e. Owners/contractors must adhere to any and all statutorily required prevailing wage requirements and shall disclose this mandate on all construction-related contracts as applicable to be eligible for TIF funds reimbursement.
- f. Eligible projects costs shall be classified as permanent improvements based upon the building/structure and shall include but not be limited solely to:
  - i. Electrical Upgrades;
  - ii. Structural repairs;
  - iii. Second story rehabilitations;

- iv. ADA compliance;
- v. Roof repairs;
- vi. Awning/canopy installation or repair;
- vii. Tuckpointing;
- viii. Structural window repair;
- ix. Façade improvements (hereby referring to any façade, including the front, side, or rear façade, that impacts the public view shed); and/or
- x. Architectural services (provided this is deemed by the City Council as a qualifying and eligible expense as related to a specific project).

- g. All projects that are requesting incentives shall be inspected by the Chief Building Official, or his designee, prior to application to certify the existing conditions of the building.

1. Fire Safety Code Assistance Program:

- a. For permanent improvements directly related to increasing the Life and Fire Safety Code compliance of the building, and provided that said improvements are deemed to be required by said codes through a finding of the appropriate code official, the City may fund a project for no more than ninety percent (90%) of the most cost effective and appropriate means to meet compliance.
- b. Such funding shall not exceed Ninety Thousand Dollars (\$90,000.00), unless otherwise agreed to by the City Council in the form of a separate and distinct development agreement.
- c. Said Ninety Thousand Dollar (\$90,000.00) project funding limit shall count toward the maximum overall total project award cap of Two Hundred Thousand Dollars (\$200,000.00).

D. Funding by the City shall be in consideration of the following criteria associated with the project:

- 1. Uniqueness of the project within the Uptown market area;
- 2. Contribution to the enhancement and advancement of the Uptown commercial environment;
- 3. Annual sales tax increase;
- 4. Annual property tax increase;
- 5. Jobs created;
- 6. Wages/salaries of jobs created;

7. Development impact on the Uptown area;
  8. Residential units created; and
  9. Square footage of the project.
- E. Funding by the City shall be made contingently, according to the following procedures and stipulations:
1. The City Council shall approve the award prior to the commencement of any on-site improvements or construction activities;
  2. The applicant shall be required to demonstrate compliance with all relevant City codes and ordinances;
  3. The applicant shall be required to complete and submit to the City the “Substantial Completion” form for the project; and
  4. All receipts shall be required for all items identified in the award, and the actual amount reimbursed must be consistent with the submitted receipts for the project.
- F. Applicants who apply for TIF funds totaling more than five thousand dollars (\$5,000.00) shall adhere to the following when the City deems appropriate and critical to consideration of the request:
1. Submit all requested income tax returns, financial information from banking institutions, credit checks, and police background checks when deemed necessary by the City Manager;
  2. Submit a completed business plan to the City;
  3. Submit architectural renderings of major proposed building/site changes; and
  4. Agree to submit the following no later than March 31 each year for a minimum of seven (7) years after the year of award:
    - a. Employment data,
    - b. Tenant lease rates,
    - c. Occupancy rate,
    - d. Annual sales tax amounts for all businesses located in the building,
    - e. Real estate tax, and
    - f. Other revenues and financial information as deemed applicable by the City.
- G. The applicant and property owner (if different) shall retain ownership of the property for which TIF funds are awarded for a period of four (4) years after the date of last reimbursement by the City. If the property is sold before the completion of the required four (4) years, the applicant or owner shall refund the City for each day of the four (4) year period

that ownership was not retained, said amount to be prorated on a per diem basis based on the total amount of TIF funds awarded to the applicant and/or owner.

H. Upon the payment of any TIF award, the City shall record a lien against the subject real estate in an amount equal to the TIF award on the property. For a TIF loan, the lien shall be limited to the balance owed on the loan.

I. This Chapter creates a grant program to be administered and approved at the sole discretion of the City, including variations from the conditions provided for herein. No party or applicant shall be deemed to have a property right in receiving TIF funds as provided for in this Chapter.

G. Violation of this Chapter by the applicant or property owner may be remedied by the City by foreclosing its lien as provided for in Article XV of the Illinois Code of Civil Procedure, as amended.

**Section 2:** This Ordinance is effective upon its passage by the City Council and approval by the Mayor.

PASSED by the City Council and Approved by the Mayor \_\_\_\_\_, 2016.

Ayes:

Nays:

Absent:

Approved: \_\_\_\_\_, 2016.

\_\_\_\_\_  
John Miller, Mayor

ATTEST:

\_\_\_\_\_  
Kimberly Wasser, City Clerk