

### **FY 2011 COMMERCIAL RENOVATION PROGRAM III**

The Commercial Renovation Program is an incentive program to promote exterior improvements to commercial properties located within the City of West Peoria's Tax Increment Financing (TIF) District. The program is intended to encourage owners and business tenants of existing properties to restore or renovate their building and/or property, thereby improving the area's physical characteristics and enhancing the attractiveness of the commercial environment. The amount of negotiated assistance is based upon the following criteria: the projected increase in the assessed valuation of the property; the desirability of the project; and the compatibility of the project to furthering the economic development goals of the City.

#### **Project Eligibility**

In order to be eligible for assistance through this program, the following conditions must be met:

- Total project costs must be \$75,001 or more;
- Property may not have any code violations within the past 2 years;
- Payment of property taxes must be current;
- Property must be zoned for commercial use;
- Projects must focus on the exterior of the building and be a visual improvement.

#### **Funding**

This program provides a reimbursement of 50%-75% of the net real estate tax increment for the remaining life of the TIF district, or until all eligible project costs are reimbursed, whichever occurs first. Therefore, the amount of assistance is dependent upon the increase in the assessed valuation of the property as a result of the improvement project. Funds will be disbursed annually by a check payable to the applicant as property taxes come in.

Funding will be provided upon a post-completion basis only. City staff will make the final determination as to whether the project has been completed according to the application and its approved plans. Funds will not be disbursed for projects which are not in accordance with the application, its approved plan and original documentation of all expenses submitted and approved by the City. Modifications to the approved final plans which produce visible differences in the previously approved application or project design (such as changes in exterior materials, additions or deletions) will require further review and approval. Failure to receive such approval shall invalidate the project and its related applications and documents.

Applicant must provide verification, satisfactory to the City's TIF District Administrator, of all project costs, including paid contractor invoices, contractors' affidavits and final mechanics' lien waivers from any and all contractors, subcontractors and/or suppliers, before funds can be disbursed. Applicant will be responsible for any costs equivalent to applicant's share of the costs or those beyond the approved amount, and must show proof of payment at or before payment by the City.

## **Application Process**

**Step 1:** Applicant should meet with City staff to discuss his/her project. Then applicant must complete an application form provided by City Hall.

**Step 2:** City staff and the City's TIF consultants will review the application.

**Step 3:** After review and recommendations by the City's TIF consultants, the applicant must present his/her project before the next Finance Committee meeting held at City Hall on the first Tuesday of every month at 5:30 pm. The applicant should be prepared to comprehensively describe the project he/she would like to complete.

**Step 4:** If the project is approved by the Finance Committee, it will be placed on the agenda of the following City Council meeting (the second Tuesday of each month) for final approval.