

**AGENDA**

**ECONOMIC DEVELOPMENT COMMISSION**

**Wednesday, March 10, 2021, at 7:00 pm  
Village Hall, 1 N Prospect Avenue**

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NOTICE: Due to the COVID-19 Pandemic, physical attendance at this public meeting is limited to no more than ten individuals, with Village officials, staff, and consultants having priority over members of the public. Therefore, we are requesting that Public comments and any responses that one would like to read into the public meeting record be submitted by completing the Public Meeting Comment Form prior to 5 pm the day of the meeting. The form is located on our website at [www.clarendonhills.us/PublicComment](http://www.clarendonhills.us/PublicComment).

Residents may listen to the meeting by participating in a telephone conference call as follows:

**Microsoft Teams meeting**

Join on your computer or mobile app

[Click here to join the meeting](#)

**Or call in (audio only)**

[+1 630-884-8086,607510793#](tel:+16308848086,607510793#) United States, Big Rock

Phone Conference ID: 607 510 793#

*Above Meeting Restrictions per the Open Meetings Act, the CDC directive (no more than 10 persons in attendance at group meeting) and Illinois Governor Executive Order 2020-07 dated March 16, 2020 and as amended and extended by Executive Orders 2020-18, 2020-33, 2020-39, 2020-44, 2020-52, 2020-55, 2020-59, 2020-71, 2020-73, 2020-74, 2021-01, and 2021-04.*

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- I. CALL TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF MINUTES** – February 26, 2020
- IV. OLD BUSINESS** – None
- V. NEW BUSINESS** – Proposed Downtown TIF Grant Program and Application
- VI. DISCUSSION ITEMS** – None
- VII. ADJOURNMENT**

ECONOMIC DEVELOPMENT COMMISSION

MINUTES

Wednesday 26, 2020, at 7:00 PM

Village Hall, 1 N. Prospect Avenue, Clarendon Hills, Illinois

- I. **CALL TO ORDER.** The meeting of the Economic Development Commission was called to order at 7:00 pm.
- II. **ROLL CALL.**
  - Present: Vicky Hurst, Dena Arendt, Mark Haraburda, and Jan Morel
  - Absent: Chair Don Price
  - Others Present: David Farra and Lad Kucera
- III. **APPROVAL OF MINUTES** - None
- IV. **OLD BUSINESS – Status Reports**
  - a. **Zoning Ordinance Modernization Project.** Mr. Ungerleider reported that the ZBA/PC and Village Board adopted a comprehensive amendment to the Village's Zoning Regulations. Last Thursday the ZBA/PC conducted a public hearing with regard to comprehensive amendment to the Village's Official Zoning Map. One of the administrative steps required by the adopted comprehensive text amendments is that the Village revise its zoning map so that it is consistent with the new zoning regulations. On February 20, 2020, the Zoning Board of Appeals unanimously recommended APPROVAL of the proposed Village-Initiated Comprehensive Map Amendment to the Village of Clarendon Hills Official Zoning Map 1) rezoning existing properties from R-4 Multiple-Family Residential District to R-3 Multiple-Family Residential District; 2) rezoning existing properties in the O-R Office Research District to the O-T Office-Transitional District; 3) rezoning existing properties located in the R-1A Residential and Limited Office District to L-O Limited Office District; and 4) rezoning existing public and institutional properties from R-1 Single-Family Residential District to P-I Public-Institutional Office District.
  - b. **Downtown Revitalization Project.** Mr. Ungerleider reported that once ComEd reroutes service away from the inbound platform, expected during the first week of March, the contractor will begin excavation in preparation for the new retaining wall and shelters. The Project streetscape improvements, including the Village Hall front lawn, is scheduled to begin later this spring. BNSF continues to hold up the proposed Prospect Avenue crossing gates improvements. The project, with the exception of the new crossing gates and the outbound station, is on schedule for completion in fall 2020.
  - c. **Designation of the Downtown Tax Increment Financing District.** Mr. Ungerleider reported that last week the Village Board conducted the required public hearing for the proposed designation of a Downtown Tax Increment Financing District. No comments from the public or other effected taxing bodies, offered comments at the hearing. The Village Board is now scheduled to consider the ordinance officially designating the Downtown TIF on March 16 and April 2, 2020.
- V. **NEW BUSINESS**
  - a. **Downtown Tax Increment Financing District Incentive Policy.** Mr. Ungerleider explained that a incentive policy will be needed with the pending designation of the Downtown TIF District. He presented examples of programs and policies from various municipalities describing incentive programs and procedures. The

EDC is now expected to develop a 2-3 page policy statement for Village Board consideration providing priorities and procedures guidelines for types of incentive programs and how they might be delivered. Mr. Ungerleider noted that initial funding from the district would have to be provided by, or loaned, since the District will not generate form the start.

The EDC members reviewed the examples and noted that they like how the City of Urbana' programs were organized. EDC identified that there were at least two types of projects: 1) new development and 2) rehabilitation of existing buildings. While the members were not able to come to a general agreement of which type of project should take priority, they did come to a limited understanding that the scope and cost of each will be different.

EDC members agreed that incentive programs could considered in "levels", low-village investment and higher-investment projects. Potential uses of TIF funding include rehabilitation projects that bring buildings/properties into compliance with current code and structural standards, market-driven improvements improving buildings so that they are better equipped to meet market demands, infrastructure improvements serving the village and the subject property, and environmental remediation projects hindering investment of the subject property. EDC members asked staff to research the general cost of fire suppression systems and general build-out of older buildings.

Funding support could be offered via a set grant, loan, loan interest buy-out, or payout based on property performance (increment generated).

EDC agreed to meeting again in the next 35-45 days to review a preliminary draft policy statement.

- VI. **DISCUSSION ITEMS.** None
- VII. **ADJOURNMENT.** A motion was made and seconded to adjourn the meeting at 8:30 PM. The motion passed unanimously by a voice vote.

Respectively Submitted,



Dan Ungerleider  
Community Development Director

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#### References

- Downtown Economic Development Tools Study ([www.clarendonhills.us/dtedtools](http://www.clarendonhills.us/dtedtools))
- Downtown Master Plan ([www.clarendonhills.us/dtmp](http://www.clarendonhills.us/dtmp))
- Downtown Tax Increment Financing District ([www.clarendonhills.us/dttif](http://www.clarendonhills.us/dttif))
- Ogden Avenue Tax Increment Financing District ([www.clarendonhills.us/ogdentif](http://www.clarendonhills.us/ogdentif))

## MEMORANDUM

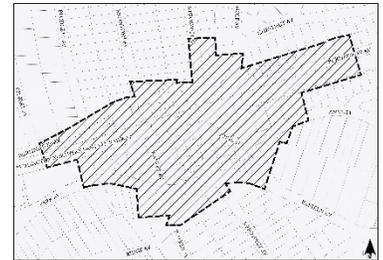
TO: Economic Development Commission

FROM: Dan Ungerleider, Community Development Director

DATE: March 2, 2021

RE: **PROPOSED DOWNTOWN TAX INCREMENT FINANCING GRANT PROGRAMS AND APPLICATIONS**

On March 16, 2020, the Village Board completed the process required to create a Tax Increment Finance District for defined properties in Downtown Clarendon Hills (DTTIF). The creation of DTTIF resulted from the culmination of work by the Village Board, the Downtown Master Plan Committees, and the Economic Development Commission. The DTTIF establishes a funding mechanism that can incentivize private investment in keeping with the Village's Downtown Master Plan and the Village's Building and Zoning Requirements.



Since the DTTIF District inception, the Village has entered into two redevelopment agreements for projects that may not have happened if not for the Village's ability to provide financial support using DTTIF funding. Tierra Distillery at 211 Burlington Avenue was granted DTTIF funds covering the cost of 1) new fire suppression and alarm systems, 2) a new water service line, 3) new sanitary sewer line, 4) new ADA bathrooms, and 5) required local permit fees. The total amount granted, less permit fees, was \$74,140 reimbursable to the property owner upon completion, subject to proof of expense.

The second DTTIF funded project, Mycroft Mixed-Use Development at 221-231 Burlington Development, was granted DTTIF funds covering the cost of demolition, streetscape, landscaping, and eligible finance expenses. The total amount granted, less permit fees, was \$657,100 upon completion of the entire project, and proof of expense, only reimbursable to the developer at 40% of the incremental property taxes generated by the property as it becomes available from the DTTIF Allocation Fund. The grant payoff is expected by TIF Year 11 (2031, taxes payable in Year 2032.)

Mycroft Mixed-Use Development is an example of a project that wouldn't necessarily be negotiated via a standard grant application but rather through a standard development review process, for example – the 88 Park and 229 Park developments. Tierra Distillery might be a project better handled by a standardized application and review program. A standardized program would establish a list of typical improvements for DTTIF funding and set public and private investment levels for the projects.

Attached with this memo is a draft information document and application describing the proposed DTTIF Aesthetic & Capital Property Improvement Grant Program. The draft document reaffirms the DTTIF grant program's purpose and its ties back to the Downtown Master Plan. This document establishes the procedures for review and approval, eligible improvements and expenses, and the process for selection by the Village.

March 2, 2021

As proposed, improvements eligible for funding are divided into two categories: aesthetic improvements and capital improvements. Each category is assigned a proposed maximum funding amount and percentage. The draft document is written to provide a baseline for discussion. Aesthetic improvements, such as façade improvements, signs, and landscaping, are proposed to be eligible at 50% verified eligible expense, up to \$50,000. Capital improvements, such as new fire suppression and other utility improvements, are proposed to be eligible at 100% verified eligible expense, up to \$100,000. This structure prioritizes capital improvements above aesthetic improvements.

- Is this priority assignment in line with the needs of the downtown buildings and business community and the Downtown Master plan's goals?
- While it is understood that capital improvements are usually more expensive than aesthetic improvements, are the assigned amounts adequate for both categories?
- Similar programs offered by other similar municipalities require that aesthetic improvements accompany capital improvements. For example, a capital expense, reimbursable at 100%, must be accompanied by an aesthetic improvement having a cost equal to 25% of the total capital expense. Do the conditions of the buildings in downtown Clarendon Hills warrant this type of policy/program?
- Are there other project types needing the Village's attention?

**REQUIRED ACTION.** A motion to recommend the Village Board establish a DTTIF grant program that will be later be established by ordinance, funded annually by budget, and administered by Village Staff with oversight by the Village Board of Trustees.

- Att.     DTTIF Aesthetic & Capital Property Improvement Grant Program – Draft Information Document  
          DTTIF Aesthetic & Capital Property Improvement Grant Program – Draft Grant Application

## DOWNTOWN TAX INCREMENT FINANCE DISTRICT AESTHETIC & CAPITAL PROPERTY IMPROVEMENT GRANT PROGRAM

### A. Program Description - What is the purpose?

The purpose of the Downtown Tax Increment Financing (TIF) District Façade and Building Improvement Grant Program is to provide financial assistance for the design and construction of aesthetic and capital improvements in keeping with the Village's Downtown Master Plan, and the Village's Building and Zoning Requirements.

This program is a public/private partnership designed to provide incentives and assistance to encourage building improvements that preserve the character of the Village and that help create a human scale and pedestrian-friendly atmosphere within the Village as well as address factors that qualified the District as a "conservation area."

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"The Plan should encourage downtown public and private investment provided that such investment protects or creates evolving/gradual change, small town charm, more retail choices, unique draw or destination, services for local residents, a family friendly atmosphere, safe pedestrian circulation, and active living with photogenic, vibrant, progressive/self-sustaining pleasant spaces."

Vision Statement  
2014 Downtown Master Plan

### B. How does the grant program work?

Projects must be approved for participation in the program **before the work begins**. The procedure for review and approval is as follows:

1. Confirm with the Village staff that your property is in a TIF district, and that your type of project is eligible. See details on this page and in the grant application.
2. Seek reliable cost estimates from contractors for your project.
3. Work with your contractor/architect to develop the relevant plans (elevation, building, site, and landscape plans).
4. If applicable, submit application and appear before the Downtown Design Review Commission (DTDRC) for a recommendation of approval. The DTDRC will prepare and transmit their recommendation to the Village Board for consideration and final action.
5. If applicable, submit application and appear before the Zoning Board of Appeals/Plan Commission (ZBA/PC) for a recommendation of approval. The ZBA/PC will prepare and transmit their recommendation to the Village Board for consideration and final action.
6. Village Staff will prepare and submit their recommendation to the Village Board for consideration and final action.
7. Village Board votes to approve a specific amount as described in a draft TIF Grant Agreement.
8. Obtain necessary permits and complete the work as approved.
9. Submit invoice and proof of payment for reimbursement by the Village. Reimbursement will be contingent upon completion and Village approval of the required improvements as defined by the TIF Grant Agreement.

### C. Program Funding

The program is funded with existing or future revenues generated from the Downtown TIF District.

### D. Eligibility Factors

Applicants may be the owner of an eligible building(s) or the owner of a new or existing business within the District. For the purpose of this program, retail business shall include all retail uses permitted under the zoning ordinance for the applicable zoning district. A retail tenant's eligibility is subject to written consent and participation of the building owner for all proposed improvements. To be eligible for consideration, a project must comply with the following requirements:

- The property must be in a TIF District.
- The project must be for façade or signage renovation, restoration, or improvements.
- Capital Improvements will be considered for entire building. Aesthetic Improvements will be considered for an individual storefront or an entire building. The project must comply with all building and zoning requirements, including applicable design review.

#### **E. Expenses Eligible for Grant Funding**

The objective of the program is to encourage exterior improvements that preserve and enhance the character of the Village consistent with the concepts identified in the Downtown Master Plan, and address factors that qualified the District as a “conservation area.” As such, expenditures relating to the following types of aesthetic improvements and related services are considered Eligible Aesthetic Improvements, reimbursable at 50% verified eligible expenses, up to \$10,000:

1. Village plan review and permit fees associated with Eligible Aesthetic Improvements,
2. Permit fees,
3. Aesthetic structural façade improvements,
4. New or replacement landscaping,
5. Parking lot resurfacing/reconstruction, and
6. Signage renovations/improvements.

Expenditures relating to the following types of capital improvements and related services are considered Eligible Capital Improvements reimbursable at 100% verified eligible expense, up to \$100,000:

1. Village plan review and permit fees associated with Eligible Capital Improvements,
2. Fire suppression system upgrades,
3. Water and Sanitary Sewer System Upgrades
4. Other improvements may be considered provided that all eligibility factors and program terms are satisfied.

#### **F. Selection Process**

The Façade and Building Improvement Grant Selection Committee, comprised of Village Staff, will review and evaluate all applications for grant funding. The appearance review by the Downtown Design Review Commission shall be completed prior to the review of the grant request by the Village Board. After the appearance review is completed, the Selection Committee will make a recommendation for funding to the Board of Trustees. The following criteria will be considered by the Board in determining the final award amount for a grant request:

1. Condition of building façade and signage and need for renovation.
2. Extent to which proposed improvements address appearance factors that qualified the TIF District as a “conservation area.”
3. Extent to which proposed improvements restore, maintain, or enhance the aesthetic character of the district.
4. Extent to which the improvements are eligible for the program.
5. Projected impact on the value of the subject property, especially with respect to the value of the particular improvement for a future occupant of the unit or building.

#### **G. Applications**

Applications will be reviewed within 60 days following their receipt.

#### **H. Terms**

The terms of the program are as follows:

1. The improvements must be completed within 12 months from the date of the grant approval. The grant must be approved before work begins (see “How does the grant program work?” at the top of this page).

2. Grants are issued in the form of reimbursements after verified eligible expenses are incurred (receipts or other acceptable proof of payment are required).
3. Maximum grant amount to be awarded for Eligible Aesthetic Improvement Expenses under the program is 50% of verified Eligible Aesthetic Improvement Expenses, up to \$10,000. The Selection Committee may recommend grant amounts that are less than 50% of verified eligible expenses.
4. Maximum grant amount to be awarded for Capital Improvement Expenses under the program is 100% of verified Eligible Capital Improvement Expenses, up to \$100,000. The Selection Committee may recommend grant amounts that are less than 100% of verified eligible expenses.
5. The program may not be used by the same applicant to renovate the same building more than once.
6. The current annual funding for the program is \$200,000 and is subject to adjustment in conjunction with the Village's budget process.
7. Failure to abide by the terms and conditions of this program or any other Village of Clarendon Hills Downtown TIF program in which the applicant is participating will result in forfeiture of program funding. In the event of a default by the applicant, the Village of Clarendon Hills reserves the right to require repayment of any grant funds disbursed to the applicant.

**DOWNTOWN TAX INCREMENT FINANCE DISTRICT  
AESTHETIC & CAPITAL PROPERTY IMPROVEMENT GRANT PROGRAM  
ELIGIBILITY APPLICATION**

In order to determine final eligibility of your project for the Façade & Building Improvement Grant Program, please provide the following information.

**1. PROPERTY ADDRESS:** \_\_\_\_\_

**2. APPLICANT'S CONTACT INFORMATION**

**3. PROPERTY OWNER'S CONTACT INFORMATION**

Name:	_____	_____
Home Address:	_____	_____
	_____	_____
	_____	_____
Daytime Phone:	_____	_____
Mobile Phone:	_____	_____
Email Address:	_____	_____

**4. PROJECT INFORMATION**

- A. Estimated Cost of Aesthetic Improvements: \$ \_\_\_\_\_ (attach detail plans and cost estimates)
- B. Estimated Cost of Capital Improvements: \$ \_\_\_\_\_ (attach detail plans and cost estimates)
- C. Total Cost of Project (including A & B): \$ \_\_\_\_\_ (attach detail plans and cost estimates)

**Please attach a letter describing your request, including architectural drawings with elevations, and all relevant contractor proposals or invoices.**

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Property Owner's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

<b>(TO BE COMPLETED BY VILLAGE)</b>			
Property Location:	<input type="checkbox"/> Eligible	<input type="checkbox"/> Not Eligible	_____
Project:	<input type="checkbox"/> Eligible	<input type="checkbox"/> Not Eligible	_____
Eligible Aesthetic Improvement Grant Amount:	\$ _____	(50% of verified related expense.)	
Eligible Capital Improvement Grant Amount:	\$ _____	(100% of verified related expense.)	
Reviewed by:	_____	Date:	_____