



Tax Increment Financing Financial Assistance Program

The Tax Increment Financing program is designed to serve the diverse needs of the business community and to place Wood River in a more competitive position in working with business and industry to assist them in making the decision to locate or expand within the Wood River corporate limits.

As part of our business assistance program, the City works closely with Madison County Community Development, the Illinois Department of Commerce and Community Affairs, SWIDA and other area development authorities to pool resources and expertise in putting together proposals and funding packages. Wood River stands ready to make available the development resources at hand required to attract new business and industry and to aid existing business with their expansion plans.

TAX INCREMENT FINANCING

The City of Wood River has two active Tax Increment Financing Districts, the Central TIF and the Business Park UP. These were established to provide a funding mechanism to promote and enhance redevelopment in the downtown area and new developments in the EnviroTECH Business Park.

A TIF district enables the City to capture all incremental property taxes (taxes over and above those being generated on the date the TIF is created) and in some instances sales tax and place them in a pool to be used for various allowable development incentives.

Allowable uses include:

1. Land acquisition
2. Planning, legal, engineering or architectural services
3. Demolition of buildings and clearing of property
4. Construction costs of infrastructure improvements
5. Rehabilitation of existing structures
6. Financing costs
7. Payment in lieu of taxes

The City enters into "redevelopment agreements" with businesses that either locate or make substantial improvements within the TIF districts. Through this agreement, the business agrees to complete the project and make certain improvements.

The amount of the negotiated assistance is determined by various criteria, including:

1. The projected increase in the assessed valuation of the property.
2. The number of and quality of new jobs created or retained.
3. The amount of other revenue generated for the City by the project.
4. Financial strength of the applicant.
5. Compatibility to furthering the development and economic goals of the City.

A business cannot assume the City will financially participate in the project. Decisions are made on a project-by-project basis and must receive City Council approval before the staff can process any assistance.

Consideration for project assistance is to be reviewed for compliance with the following requirements:

1. The business must be a "for profit" business in good financial standing.
2. The business must be located within one of the established TIF districts.
3. The business must show the financial capacity to complete the proposed project.

Projects falling outside of the set requirements may be reviewed according to adopted TIF plans or other such economic development goals of the City.

Applications submitted shall be reviewed through the following process:

1. Application materials shall be forwarded to the City Manager and other appropriate staff to be reviewed for completeness, applicability and eligibility. In order to better understand the needs of the project, the applicant or staff may request a meeting.
2. The City Manager shall forward the request for assistance to the City Council for review. Should the City Council decide to assist in the project, a redevelopment agreement shall be prepared for final Council approval.

While there is no charge to apply for TIF assistance, cost incurred by the City for outside professional review or expertise may be the responsibility of the applicant.

Tax Increment Financing Assistance Application

Project Name _____

Applicant Information

Company Name _____

Contact Person/Title _____

Address _____

City _____ State _____ Zip Code _____

Office _____ Alternate Phone _____ Fax _____

Email _____

Project Information

Address of Proposed Project _____

_____ TIF 1: East Central Business District _____ TIF 2: Business Park

Total Project Cost \$ _____ Amount of TIF Assistance Requested \$ _____

Use of TIF funds

_____ Land Acquisition _____ Professional Services _____ Site Improvements
_____ Infrastructure _____ Rehabilitation/Expansion _____ Financing Cost
_____ Other

Economic Development Information

Estimated Number of new jobs that will be created after the completion of the project

Full-Time: _____ Part-Time: _____

Estimated Number of jobs retained after completion of the project

Full-Time: _____ Part-Time: _____

Current annual gross sales: \$ _____ Estimated annual gross sales: \$ _____

Recent equalized assessed valuation (EAV) \$ _____

EAV after redevelopment \$ _____

Project Costs

	Amount (\$)	Source of Funds
Purchase of Land		
Demolition Cost		
Site Improvements		
Purchase of Existing Facility		
Construction of New Building(s)		
Renovation of Existing Structure		
Cost of Installation of Machinery & Equipment		
Architectural & Engineering Fees		
Legal & Other Professional Fees		
Contingency		
Working Capital		
Other (please specify)		
Total Project Costs		

Financing

Source	Amount	Terms: Year/Interest	Contact Informatio
TIF			
Equity			
Loans from other sources (i.e. lending institutions)			
1			
2			
3			
4			
Total Project Cost			

Please include a narrative that will address the following

1. Description of Business/Company
2. Project Description
 - a.) construction information that may include the number of square feet to be demolished and constructed, the number and square footage of units, parking, and the number of construction phases;
 - b.) evaluation of site or other constraints;
 - c.) benefit or service to the community;
3. A request for the City's assistance with the project that specifies the type(s) of assistance needed and why it is needed.
4. Timeline for Project Completion
5. Applicant may need to also submit any additional information such as site plans, environmental studies, marketing studies, business plans, engineering or architectural drawings to be included for review and consideration.

Certification by Applicant

The applicant certifies that it will comply with all the rules, regulations and ordinances of the City of Wood River. Applicant hereby certifies that all information contained above and in exhibits attached hereto is true to his/her best knowledge and belief and are submitted for the purpose of obtaining financial assistance from the City of Wood River, Illinois. It is also understood that there is no charge to apply for TIF assistance. However, the cost incurred by the City for outside professional review or expertise may be the responsibility of the applicant.

Applicant_____

Contact Name/Title_____

Phone_____

Date_____

Return application to:
City of Wood River
Director of Building and Zoning
111 N. Wood River Avenue
Wood River, IL 62095
Phone (618) 251-3100
Fax (618) 251-3102