

CITY OF LEXINGTON, ILLINOIS

TIF DISTRICT NEW DEVELOPMENT PROGRAM

I. INTRODUCTION

The City of Lexington Tax Increment Financing Development Grant Program is designed to provide financial assistance/incentive to existing and potential commercial property and business owners to establish new businesses, add on to existing commercial properties and expand existing businesses.

The City of Lexington TIF District New Development Program offers reimbursement to business / commercial property owners for projects such as site preparation for building projects, building expansion, business expansion and residential development. Under the program, owners of commercial properties, businesses, residential development property, as well as potential owners of these types of properties located within the TIF District are eligible to apply for TIF funding and are encouraged to meet with City officials to discuss their plans and needs for assistance.

The general goals of this program include creating a business friendly environment and fostering new investment in the City of Lexington.

II. TARGET AREAS

Target areas include both developed and undeveloped properties located within The City of Lexington's designated TIF District. A map indicating the program's target areas can be found at www.lexingtonillinois.org.

III. ASSISTANCE

Funding assistance is limited to eligible expenses as defined in Illinois TIF statutes. Examples of eligible expenses are listed in the TIF Grant Application found at www.lexingtonillinois.org.

IV. ELIGIBLE PARTICIPANTS/APPLICANTS

Eligible participants/applicants include current/potential owners of businesses, commercial buildings or properties and current/potential owners of residential development properties. Business owners who are tenants of a building must provide written consent from the building owner for all proposed improvements.

V. ELIGIBLE PROJECTS

The program is intended to assist with commercial and residential development projects and includes projects such as new construction, building additions, land improvements, etc.

VI. INELIGIBLE PROJECTS

It is not the purpose of the TIF New Development Program to finance general or aesthetic improvements to businesses or commercial properties. These types of projects are provided for by the TIF Improvement Grant Program.

VII. PROJECT EVALUATION CRITERIA

The city's TIF Committee will evaluate and prioritize projects for which financial and/or other assistance is requested. Evaluation criteria used by the committee will primarily include but not be limited to the following criteria, ranked in order of importance:

- Impact on EAV, i.e. TIF Revenue
- Impact on Sales Tax Revenues to the city
- Creation of local jobs
- Fulfilling a general need for the community of Lexington and/or its residents.

VIII. APPLICATION PROCESS AND ADMINISTRATIVE PROCEDURES

1. Applicants can pick up a copy of the program guidelines and application form at Lexington City Hall located at 329 W. Main in Lexington, or download a copy from the city's website.

www.lexingtonillinois.org

2. Applications must be accompanied by at least two cost estimates for each separate portion of the proposed project. The program may fund an amount based on the lowest reasonable bid for each work item. This determination does not affect the applicant's selection of contractors. Priority will be given to applications considering local contractors whenever possible.

3. Completed applications must be submitted to the Lexington City Clerk, who will record the date it was received and forward it to the TIF Committee Chairperson. You may contact the Mayor or TIF Committee Chairperson if you have any questions about the application, the process, the program, or your project in particular.

4. Applications may be grouped together and reviewed quarterly by the TIF Committee for compliance with all program guidelines. This will be a competitive process. The Committee will prioritize and rank applications based on the Project Evaluation Criteria set forth in this Program. Priority for funding will be based on an application's rank within that particular group of applications.

5. If an application meets the program guidelines and the project ranks as a high priority (based on criteria set forth in this program), the completed application and a recommendation for grant award and or agreement will be presented to the City Council for approval. If approved by the Council, the City shall execute of any necessary agreements between the applicant and the City.

6. The decision of the City Council is final. Appeal of any application denial will not be heard by the Council. The applicant may however make changes to the proposed project and complete a new application for submission with the next grouping of applications to be reviewed.

7. The timing of disbursement of grant funds will be set forth in the necessary signed agreements between the City and the applicant.