

MEMORANDUM

To: William T. Lichter, Village Manager

From: David A. Hulseberg, AICP, Director of Community Development

Date: November 11, 2004

Subject: Downtown Relocation Grant Program
160 S. Main Street to 110 W. St. Charles Road

The Village received a request for disbursement of Downtown Relocation Grant Funds in the amount of \$14,560.00 for the relocation of the Nolan Agency from 160 S. Main Street to 110 W. St. Charles Road.

Background:

The purpose of the Downtown Relocation Grant Program is to increase provide for retention of non-residential uses impacted by redevelopment agreements within the tax increment financing (TIF) district adopted by the Village Board and future redevelopment of the affected property. This is intended to complement and support the village's plan to maintain a quality TIF District. The redevelopment of particular parcels of land and the retention of commercial uses is crucial to maintaining an economically strong TIF District area; a commercial area where the image, appearance and environment encourage the attraction of shoppers. The intention of this program is to provide financial resources to assist impacted business owners re-establish their business within the Village of Lombard and in an area which is appropriate to that use.

Approved applications for the Downtown Relocation Grant Program are based on square footage. Businesses utilizing under 1,000 square feet are eligible to receive one hundred percent (100%) reimbursement for eligible expenses of the first \$5,600 and sixty percent (60%) reimbursement for eligible expenses between \$5,600 and \$11,200. Businesses utilizing 1,000 square feet or more are eligible to receive one hundred percent (100%) reimbursement for eligible expenses of the first \$11,200 and sixty percent (60%) for reimbursement of eligible expenses between \$11,200 to \$16,800. Grants up to \$10,000 are approved administratively by the Director of Community Development. All grants above \$10,000 must be approved by the Village Board.

Proposal:

The Nolan Agency submitted an application to the Community Development Department for the Relocation Grant Program. The relocation expenses included rent differential,

moving costs, initiation and hook up of new utilities, set up costs of equipment, interior remodeling, signage, stationary and business cards, and legal fees. Receipts have been provided for all expenses listed on the application, which totaled \$21,342.88. Because the square footage of the new location is twice that of the previous location, the Nolan Agency has only requested half of the rent differential. The application meets all design guidelines outlined in this program.

The Economic and Community Development Committee reviewed the grant request at their November 2, 2004 meeting. . The Committee passed a motion, by a roll call vote of 6-0, to recommend approval of the Nolan Agency Relocation Grant

Recommendation:

Staff recommends that the Village Board approve a resolution authorizing disbursement of Downtown Relocation Grant funds in the amount of \$14,560.00 pursuant to Ordinance Numbers 4555 and 5378.