

BUILDING PERMIT GRANT PROGRAM

October 6, 2011 Village Board

Overview

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- Community Development proposes a temporary grant program to foster additional property owner and business investment in the Downtown TIF District
 - Public expenditures have been significantly exceeding private expenditures in the downtown
 - Temporary building permit fee waiver program will encourage immediate capital investment in downtown properties by existing property owners and businesses

Overview – why another program

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- Program is intended to provide a small incentive program to existing businesses and property owners who would otherwise not be eligible for other established programs
- Ready properties for sale on market
- Make properties more market competitive
- Other existing programs already provide for permit fees within eligible expenditure criteria

Program details - eligibility

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- Eligible properties must be within the Downtown Lombard TIF, zoned B5 and for commercial use
- “No-fee” building permit for any capital improvements to tenant space or property
 - Operational fees, licenses, registrations, construction letters of credit or bonds, court or adjudication fines or fees, etc. would not be eligible
- Grants would be capped at \$2,000 per property or business establishment
- Fees collected in 2011 for all potentially eligible properties have totaled \$1,281

Program details - structure

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- Program expiration of one year or until \$20,000 has been expended, whichever comes first
 - Time period capped to encourage more immediate investment
 - Dollar cap ensures the program will not affect the Village's ability to allocate funds for other purposes in the future
- Village would be reimbursed for building permit fees through the TIF
 - Revenue-neutral program from the Village's perspective

Program details - operations

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- Applicant applies for building permit in the same manner as all other permits
- Applicant signs off on fee waiver form
- Grant approved at staff level, provided that it meets program requirements and state TIF requirements

Actions

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- ECDC recommended approval at its September 7, 2011 meeting
 - ECDC eliminated recommendation to limit the program to buildings 35+ in age
 - Not to be used as an enforcement program
 - Can be combined with other grant programs, but it would be reviewed in concert with other grant applications.
- Village Board is requested to consider and approve the program