



MEMORANDUM

To: Finance and Administration Committee

From: Timothy Sexton, Director of Finance

Date: February 24, 2022

Subject: Business Retention Economic Incentive Policy Amendment

Please find attached a proposed amendment to the Business Retention Economic Incentive Policy that the Committee approved in 2021. As the Village has been negotiating the first agreement with Heritage Cadillac, it was determined an amendment was needed to clarify how the \$5 million cap would work.

Proposed Amendment to the Business Retention Economic Incentive Policy

At the point that funds are obligated in accordance with the terms of an approved agreement, those funds will be committed to that agreement and removed from the overall \$5 million (or whatever amount is in the Fund at that time). In addition, this amendment would require that funds be available in the Economic Development Fund in order to obligate those funds under an agreement.

In addition to this amendment, staff will provide an update on the status of negotiations with Heritage Cadillac.

The Finance staff requests that the Finance and Administration Committee recommend the amendment to the Business Retention Economic Incentive Policy to the Village Board.