



CITY OF WAUKEGAN

TAX INCREMENT FINANCING PROGRAM: *DOWNTOWN/LAKEFRONT TIF REDEVELOPMENT AREAS*

PROGRAM APPLICATION



waukegan

Lake County's New North Shore

City of Waukegan

Tax Increment Financing Program:

Downtown/Lakefront TIF Redevelopment Areas

Introduction

The City of Waukegan's tax increment financing (TIF) program for the downtown and lakefront TIF redevelopment areas was developed pursuant to legislation of the State of Illinois that allows municipalities to provide financial assistance to property owners or businesses, subject to certain conditions, to stimulate new private investment.

Eligibility

Developers, property owners and businesses interested in developing or renovating property within the downtown and lakefront TIF redevelopment areas may apply for TIF assistance under this program, provided that the proposed project meets the programmatic requirements, is compatible with the goals and objectives of the downtown/lakefront master plan entitled *A 21st Century Vision for Waukegan's Downtown and Lakefront**, and the development adheres to the *Waukegan Lakefront-Downtown Master Plan Design Guidelines**. Projects of varying sizes will be considered. All applicants must be able to demonstrate evidence of site control for the property to be developed or renovated.

To be considered for TIF assistance under this program, the project must:

- Be located within one of the downtown/lakefront TIF redevelopment areas;
- Reflect a use consistent with the goals and objectives of the downtown/lakefront master plan and the applicable TIF redevelopment plan;
- Demonstrate compliance with the downtown/lakefront master plan design guidelines;
- Include TIF-eligible costs; and
- Evidence that development would not be economically feasible without City assistance.

**Copies of the master plan and design guidelines are available online at <http://www.waukeganweb.net/wowwaukegan.html>, or for purchase from the Department of Planning and Zoning (847-625-6878).*

Eligible Redevelopment Costs

Only certain costs are allowed to be reimbursed under the State's tax increment financing legislation such as the following: costs of studies and surveys; costs associated with the acquisition and preparation of land (e.g., site preparation, environmental remediation, demolition of buildings, etc.); costs of rehabilitation or repair of existing private buildings; costs of construction of public works or improvements related to the development project such as streets, water, sewer, etc.; costs of job training and retraining programs; construction of new housing units to be occupied by low and very-low income households; relocation costs; and certain financing costs. Costs that are not eligible include, but are not limited to, the costs of new, private building construction and the purchase of equipment.

Application and Approval Process

To initiate the process, a completed application must be submitted, including all attachments, to the City of Waukegan's Department of Lakefront and Downtown Redevelopment. Upon receipt of a completed application, City staff will arrange a meeting with the Applicant to review the application, and address any questions.

After the meeting, City staff will evaluate the proposal, and the Applicant will be notified of the assessment results. If the project meets all City requirements, it will be presented to the Waukegan Renaissance Commission (WRC). The WRC is a public/private advisory commission to the City Council that is charged with overseeing the implementation of the downtown/lakefront master plan. The WRC reviews all projects seeking City assistance in the downtown/lakefront master plan area. If the WRC approves the proposed project, then City staff and the Applicant will enter into negotiations of a redevelopment agreement in preparation for introduction to the City Council.

Upon the approval and authorization of the City Council, the redevelopment agreement may be executed, and the disbursement process may begin in accordance with the requirements reflected in the redevelopment agreement.

Disbursement Process

In accordance with the State's statute, municipalities may pay eligible redevelopment costs over time or on an upfront basis. The method to be used as well as the disbursement requirements will be addressed in the redevelopment agreement.

Contact

Questions about the *Tax Increment Financing Program: Downtown/Lakefront TIF Redevelopment Areas* should be directed to:

Robin Schabes, Director
Lakefront & Downtown Redevelopment
100 N. Martin Luther King Jr. Avenue, Room 216
Waukegan, IL 60085
Phone: (847) 856-6425
Fax: (847) 360-9299
Email: robin.schabes@ci.waukegan.il.us

For information on TIF Assistance for projects outside of the Downtown/Lakefront TIF Redevelopment Areas, please contact Ray Vukovich, Director of Governmental Services, at 847-599-2514.

City of Waukegan
Tax Increment Financing Program:
Downtown/Lakefront TIF Redevelopment Areas

Application and Checklist

Application

To apply for TIF assistance within the downtown/lakefront TIF redevelopment areas, the attached application must be completed and submitted to the Director of the Department of Lakefront and Downtown Redevelopment. For more information about this program or questions regarding the checklist, please call the Department of Lakefront and Downtown Redevelopment at (847) 856-6425.

Checklist

- Completed Application (Signed and Notarized)**

- Project Description**
 - a. Construction information including type of project; square footage to be demolished, if applicable; square footage to be redeveloped or constructed; number and square footage of applicable units; parking; number and scope of construction phases; and project timeline

 - b. Evaluation of site constraints, if any

 - c. Time constraints that affect the project

 - d. Market rationale for the project including: market rents or sales prices; and letters of interest/intent or signed leases with prospective tenants (*latter item not required for 100% owner-occupied projects*)

 - e. Applicant's experience with other similar projects

- Funding Gap Information**
 - a. Explanation of the type of assistance needed, and why it is needed;

 - b. Sources and uses of funds including: equity, lender financing and other financing, and the hard and soft project costs

 - c. Detailed pro forma income and expense schedules for a five (5) year period, with and without City assistance

 - d. Return analysis on equity assuming the applicable holding period, with and without City assistance

- **Project Benefit Narrative**
Description of the applicable public benefits created by the proposed project including: number and types of permanent full-time jobs created; most recent equalized assessed valuation (EAV) in comparison to the estimate of EAV after redevelopment; generation of sales tax and/or other new tax revenue; preservation of historic building and/or features; and any other public benefits to the City and community

- **Application Attachments**
 - a. Letters of financial interest from lenders and/or investors outlining the nature and term of the obligations including: equity, construction financing, permanent financing, and any governmental financing (*note that financial commitment letters will be required prior to initiation of the public approval process*)

 - b. Ownership structure, resume of principals, evidence of the financial capacity of the Applicant (*note that organizational and operating documents will be required prior to the initiation of the public approval process*)

 - c. Evidence of site control including: titles, options and a narrative about the status of property acquisition (*note that if Applicant is a tenant, then the written consent of the property owner must be provided along with a copy of the lease or a letter of intent to show control of the site; tenant must present a signed lease prior to initiation of the public approval process*)

 - d. Environmental reports / studies, if applicable

 - e. Preliminary graphic representations of the proposed project (i.e., site plan, floor plan, rendering of exterior improvements)

Application requirements may be waived or modified by the City at its sole discretion, depending upon the size and type of the proposed project.

**City of Waukegan
Application
Tax Increment Financing Program:
Downtown/Lakefront TIF Redevelopment Areas**

Application is hereby made by [development entity]:

Full Name of Applicant: _____

Street Address: _____

City, State & Zip: _____

Phone Number with Area Code: _____

Email Address: _____

Applicant is: _____ Title Holder

_____ Contract Purchaser

_____ Agent or Attorney

_____ Other (Attach Necessary verification)

Street Address or General Location of Project: _____

FULL Legal Description of Property (attach separate sheet, if necessary): _____

Lake County Permanent Identification Number(s) – (PIN): _____

Existing Zoning Classification: _____

Existing Use of Property: _____
(Vacant – Office – Retail – Residential – Etc.)

Describe the proposed redevelopment project, market rationale, and experience with similar projects (attach separate sheet, if necessary):

Detail the funding gap that makes TIF assistance necessary (Attach a Sources and Uses of Funds outlining elements of work to be completed with an accurate cost figure, and a Detailed Pro Forma including the anticipated return on investment):

Briefly describe how the redevelopment project will address any or all of the following goals (job creation, creation of new tax revenue, historic preservation, etc.):

Include the following information as attachments:

- **Letters of financial interest for sources of funds**
(note that financial commitment letters will be required prior to initiation of the public approval process)
- **Details on development entity**
(note that organizational/operating documents will be required prior to initiation of the public approval process)
- **Evidence of site control**

- Environmental reports / studies, if applicable
- Preliminary graphic representations of the proposed project

SUBMIT TO:
Robin Schabes, Director
Lakefront and Downtown Redevelopment
City of Waukegan, Room 216
100 N. Martin Luther King Jr. Avenue
Waukegan, IL 60085
Phone: 847-856-6425

I (We) _____ hereby certify that all of the above
(typed name)
statements and the statements on any documents or drawings submitted herewith
are true to the best of my knowledge and belief.

Name of Applicant (Print Name) Signature of Applicant – Date

Subscribed and sworn before _____, a
Notary Public in and for _____ County, State of _____,
this _____ day of _____, 2____

(SEAL) _____
(Notary Public)