

Village of Cobden TIF Economic Development Application

Contact

Village Hall
P.O. Box 218
Cobden, Illinois 62920

Phone: 618-893-2425
Fax: 618-893-2853
E-mail: cobdenvillage@gmail.com

Consultant

Moran Economic Development
618-307-9100
jake@morandevelopment.com
keith@morandevelopment.com

General Policy:

While tax increment financing (TIF) is an important and useful tool in attracting and retaining businesses, it is essential that it is used appropriately to accomplish the Village's economic development goals and objectives. The fundamental principle that makes TIF viable is that it is designed to encourage development which would not otherwise occur. The Village is responsible to assure that the project would not occur "but for" the assistance provided through TIF. It is the policy of the Village to consider the judicious use of TIF for those projects which demonstrate a substantial and significant public benefit by constructing public improvements in support of developments that will create new jobs, retain existing jobs, eliminate blight, strengthen the economic base of the Village, increase property values and tax revenues, create economic stability, and stabilize and upgrade existing neighborhoods and areas. Priority will be given to projects that meet these goals.

Policy Guidelines:

The following criteria are to be used by the Village to evaluate TIF applications:

1. Each TIF applicant must demonstrate that without the use of TIF, the project is not feasible and would not otherwise be completed.
2. Each TIF applicant must possess the financial and technical ability to complete and operate the project.
3. Projects involving retail development that is targeted to encourage an inflow of customers from outside the Village or that will provide services that are currently unavailable or in short supply in the Village will be viewed more favorably.
4. Allowable uses of TIF assistance funds include: Land acquisition, planning, legal, engineering or architectural services, Demolition of buildings and clearing of property, Construction costs of infrastructure improvements, Rehabilitation of existing structures, and financing costs.

The Village enters into "redevelopment agreements" with businesses/developers that either locate to or make substantial improvements within the TIF district. Through this agreement, the business/developer agrees to complete the project and make certain

improvements. A business/developer cannot assume the Village will financially participate in the project. Decisions are made on a project-by-project basis and must receive Village Council approval before the staff can process any assistance.

Consideration for project assistance is to be reviewed for compliance with the following requirements:

- In the case of a business, it must be a "for profit" business in good financial standing
- The project must be located within the established TIF district
- The developer must show the financial capability to complete the proposed project

Tax Increment Financing Assistance Application

Applicant Information

Project Name_____

Company Name_____

Business Form: ___Corporation ___Partnership _____Sole Proprietorship

Contact Person/Title_____

Address_____

Village/City_____ State_____ Zip Code_____

Office_____ Alternate Phone_____

Fax_____ E-mail_____

Project Information

Address of Proposed Project _____

Parcel ID Numbers Involved: _____

Has previous year's tax bill been provided? _____

Total Project Cost: \$_____ Amount of TIF Assistance Requested: _____

Economic Development Information

Estimated Number of new jobs that will be created after the completion of the project

Full- Time: _____ Part-Time: _____

Type of jobs: _____

Range of Compensation: _____

Estimated Number of jobs retained after completion of the project

Full-Time: _____ Part-Time: _____
 Current annual gross sales: \$_____ Estimated annual gross sales: \$_____

Current annual taxable sales: \$_____ Estimated annual taxable sales: \$_____

Project Costs (Contractor Bids preferable)	Amount (\$)	Source of Funds
Purchase of Land		
Demolition Cost		
Purchase of Existing Facility		
Construction of New Building(s)		
Renovation of Existing Structure		
Cost of Installation of Machinery & Equipment		
Architectural & Engineering Fees		
Legal & Other Professional Fees		
Contingency		
Other (Please Specify)		
Total Project Costs		

Please also include a narrative that will address the following:

1. Description of Business/Company
2. **Copy of previous year's Real Estate Tax Bill**
3. Project Description
4. Construction information that may include the number of square feet to be demolished and constructed, the number and square footage of units, parking, and the number of construction phases; (Description of the work to be done)
5. Evaluation of site or other constraints;
6. A request for the Village's assistance with the project that specifies the type(s) of assistance needed and why it is needed.
7. Applicant may need to also submit any additional information such as previous tax bills, site plans, environmental studies, marketing studies, business plans, engineering or architectural drawings to be included for review and consideration.

Certification by Applicant

The applicant certifies that it will comply with all the rules, regulations and ordinances of the Village of Cobden, Illinois. Applicant hereby certifies that all information contained above and in exhibits attached hereto is true to his/her best knowledge and belief and are submitted for the purpose of obtaining financial assistance from the Village of Cobden, Illinois. Please return application to the Cobden Village Hall, or send electronically to the noted consultant e-mail.

Sign _____ Date _____

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TIF Eligible Costs

1. The costs of studies, surveys, development of plans, and specifications, implementation and administration of the Redevelopment Plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services.
2. The cost of marketing sites within the Redevelopment Project Area to prospective businesses, developers, and investors.
3. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site preparations, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land.
4. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a Redevelopment Project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.
5. Cost of construction of public works or improvements, not to include the cost of constructing a new municipal building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building unless the municipality makes a reasonable determination in the Redevelopment Plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the Redevelopment Plan.
6. Cost of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the Redevelopment Project Area.
7. Financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued there under accruing during the estimated period of construction of any Redevelopment Project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter, and including reasonable reserves related thereto.

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8. To the extent the municipality by written agreement approves the same, all or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan and Project.
9. An elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the Area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing.
10. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law.
11. Payments in lieu of taxes.
12. Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i.) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; and (ii.) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code.
13. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a Redevelopment Project provided that:
 - (A) Such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
 - (B) Such payments in any one-year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the Redevelopment Project during that year;

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- (C) If there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 - (D) The total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the Redevelopment Project plus (ii) Redevelopment Project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act;
14. Unless explicitly stated within the Act, the cost of construction of new privately-owned buildings shall not be an eligible Redevelopment Project cost.

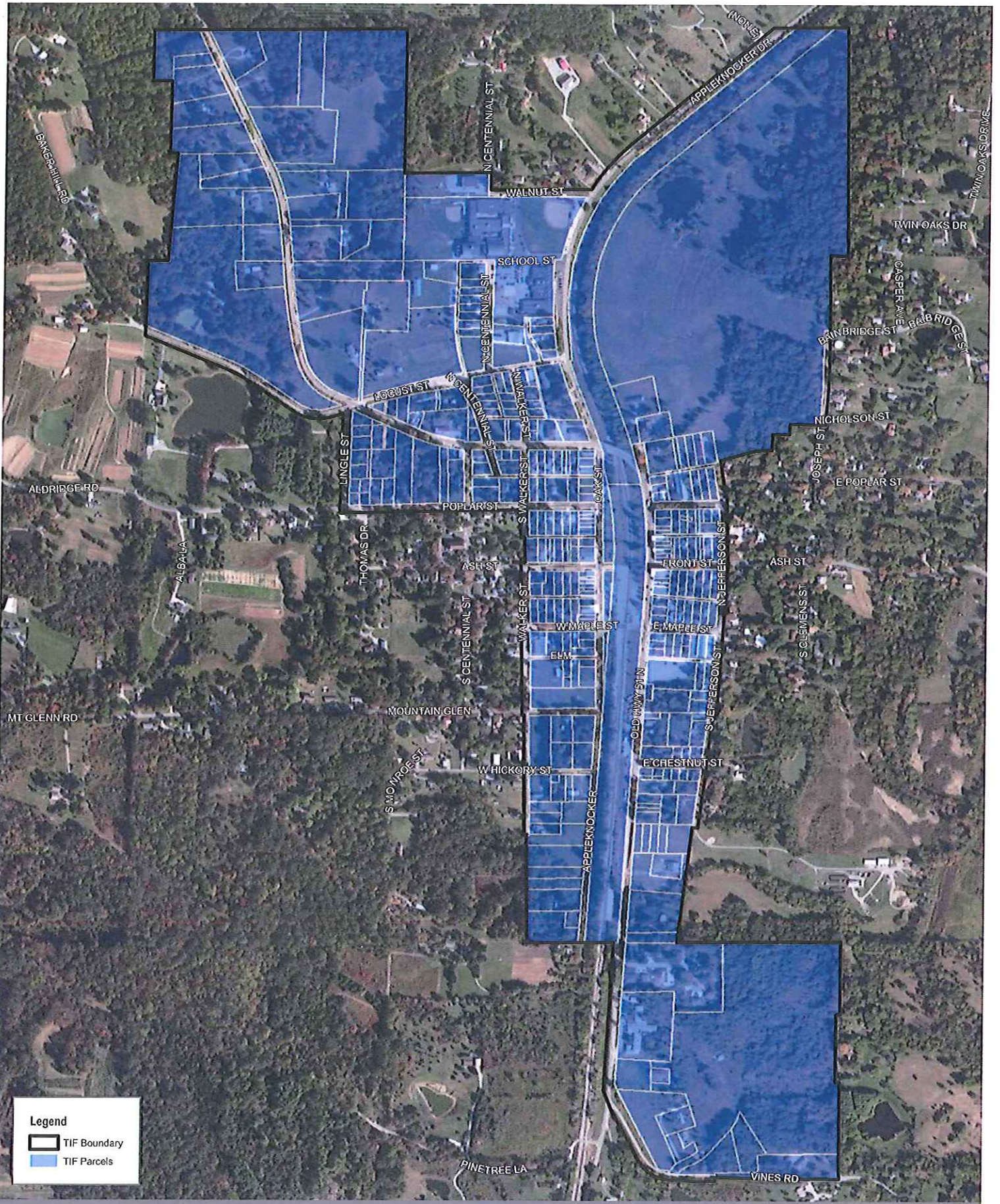


EXHIBIT A - BOUNDARY MAP
Cobden, IL

