



## **ECONOMIC INCENTIVES POLICY**

**Approved by City Council: 12/13/2005**  
**Effective: 12/13/2005**

# **SECTION 1: Commercial / Retail**

The United City of Yorkville has adopted this Business Incentive Policy to achieve the goal by satisfying the objectives as outlined within the Comprehensive Plan and Comprehensive Land Use Plan Update – Southern Study Area:

## **COMPREHENSIVE PLAN**

### **GOAL**

“A market sensitive, balanced, diverse commercial/service base which can expand to enhance the economic vitality and employment base of Yorkville, and broaden the range of services offered to residents

### **OBJECTIVES**

1. Establish and coordinate diversity in market sensitive, commercial development ranging from 1) specialized commercial uses in the downtown, to 2) strategically located convenience centers, and to 3) sub regional unified centers.
2. Plan commercial/office development adjacent to primary, secondary, or collector thoroughfares to maximize accessibility and minimize disturbance of residential areas.
3. Provide areas for commercial/office development which are adjacent to compatible existing and future land uses.
4. Establish commercial development in areas that minimize negative impacts upon the existing roadway system
5. Coordinate commercial/office development with the expansion of the roadway and utility system.
6. Encourage the development of commercial/office activity within unified centers to avoid strip development.
7. Formulate design and development standards for commercial and office facilities to promote attractive development.

## **COMPREHENSIVE LAND USE PLAN UPDATE – SOUTHERN STUDY AREA**

### **GOAL 1**

“Encourage the development of non-residential “nodes”, which would result in concentrated areas of retail and commercial uses instead of strip development; consider allowing small-scale retail nodes in close proximity to residential development to reduce required driving for everyday services.”

### **GOAL 2**

“Ensure that the Comprehensive Land Use Plan provides for an adequate amount of non-residential land use that is diversified so that future economic development opportunities provide the City with a positive fiscal outlook.”

### **OBJECTIVE**

“Explore economic development opportunities related to the proposed Prairie Parkway, taking advantage of the limited access points to the proposed thoroughfare.”

### GOAL 3

“Promote and encourage the creation and maintenance of local jobs.”

### OBJECTIVE

- 3.1 Utilize the Yorkville Economic Development Corporation (YEDC) to promote Yorkville as an attractive and desirable place for businesses to locate.
- 3.2 Utilize the Economic Development Corporation and Chamber of Commerce to work with the business community to maintain a healthy environment for businesses to remain in Yorkville.

All requests for business incentives shall be evaluated by how many and how fully the project meets these stated goals and objectives.

### Consideration for Incentives

Sales tax revenues are a primary source of funding for the general municipal operations of the United City of Yorkville. As such, developments that have the greatest potential in producing these types of revenues shall be given priority when evaluating multiple funding requests.

### Uses of Funds That May Be Considered

1. Land acquisition
2. Demolition
3. Street (re)construction and related improvements (e.g., signalization, turning lanes, etc.)
4. Building Rehabilitation
5. Environmental Remediation Activities
6. Storm Sewer, Sanitary Service & Water System Improvements
7. Architectural/Engineering Services
8. Relocation Expenses of Expanding Businesses

### Incentive Parameters

1. Assistance shall not exceed 20% of total project hard costs
2. Specified duration for payback, either amount of time or money, must be in the agreement
3. Public improvements completed on grant basis
4. Private improvements completed on a sales tax rebate and/or loan guaranty basis.

All monies extended by the City shall be subject to reimbursement by the petitioner to the City should the business fail to meet its agreed upon goals. No single development shall be automatically approved for incentives. The terms and conditions of such repayment shall be negotiated on a case-by-case basis and incorporated into the final development agreement.

### Project Evaluation Criteria

The City shall consider all aspects of a proposed project, including its financial feasibility, the type of project being proposed, its location within the community, and the amount of estimated tax revenues. For retail/commercial projects, the following shall be considered as

priorities of the City and as such, projects meeting one or more of the following criteria shall be given priority when considering multiple funding requests:

**Sources for Funding Incentives:**

May be from one or more of the following sources:

1. Sales tax
2. Real Estate Tax
3. Utility Tax

**Priority businesses**

- Appliances and electronics
- General merchandise
- Furniture
- Motorized vehicle dealerships (car, truck, motorcycle, boat, watercraft, etc.)
- Department store
- Sporting goods

**Priority locations, as outlined in the Comprehensive Plan as “commercial nodes”**

1. Route 47 commercial nodes
2. Downtown Area

## **SECTION 2: Manufacturing / Industrial / Distribution Developments**

To protect, strengthen and expand the City’s local economic base, the City relies upon the creation and/or retention of high quality, permanent fulltime jobs for its residents. As such, developments that have the greatest potential in producing these types of jobs shall be given priority when evaluating multiple funding requests.

It is noted that the City’s adopted Zoning Ordinance shall determine if a business is considered to be a commercial, service or manufacturing type use.

**Project Evaluation Criteria**

The City shall consider all aspects of a proposed project, including its financial feasibility, the type of project being proposed, its location within the community, the amount of estimated tax revenues, and the number and type of jobs being created or retained. For commercial/service/industrial projects, the following shall be considered as priorities of the City and as such, projects meeting one or more of the following criteria shall be given priority when considering multiple funding requests:

**Job Creation and Retention**

A minimum of five (5) fulltime equivalent jobs must be created and/or retained within 24 months of project completion to be considered eligible for funding. Further, these jobs must be permanent and fulltime in nature (e.g., at least 1950 hours annually), and fall into one of the following categories:

Job Type	Minimum Hourly Wage	Maximum Credit Per Job
Unskilled	\$10.00	\$2,500
Semi-Skilled	\$15.00	\$3,000
Skilled	\$20.00	\$4,000
Professional	Over \$20.00	\$5,000

**Priority Locations**

- Yorkville Business Center (near F.E. Wheaton complex)
- Fox industrial park
- Lincoln Prairie industrial park

**Incentive Parameters**

1. Assistance shall not exceed 20% of total project hard costs
2. Specified duration for payback, either amount of time or money, must be in the agreement
3. Public improvements completed on a grant basis
4. Private improvements completed on a utility and city property tax rebate and/or loan guaranty basis

All monies extended by the City shall be subject to reimbursement by the developer to the City should the business fail to meet its agreed upon goals. The terms and conditions of such repayment shall be negotiated on a case-by-case basis and incorporated into the final development agreement.

**Eligible Activities:**

1. Land acquisition
2. Demolition
3. Street (re)construction and related improvements (e.g., signalization, turning lanes, etc.)
4. Building rehabilitation
5. Environmental remediation activities
6. Storm sewer, sanitary service and water system improvements
7. Architectural/engineering services
8. Relocation expenses