

CITY OF LEXINGTON, ILLINOIS

TIF DISTRICT IMPROVEMENT GRANT/LOAN PROGRAM

I. INTRODUCTION

The City of Lexington Tax Increment Financing Improvement Grant Program is designed to provide financial assistance to commercial property owners to make building and ground improvements. The City of Lexington TIF Improvement Grant Program offers reimbursement for eligible improvements to businesses and commercial property located within the TIF District.

II. TARGET AREAS

Target areas include existing properties currently zoned commercial and in current commercial use or planned for commercial use within the City of Lexington's designated TIF District. Special consideration will be given to grant requests to improve buildings/structures along Main Street. Any and all improvements must meet all requirements of the City of Lexington Building Code. A map indicating the program's target areas is available on the City's website at www.lexingtonillinois.org.

III. TYPE OF ASSISTANCE

Once a project has been approved to receive funding, property owners can receive reimbursement of up to 50% of TIF eligible project expenses through grant or forgivable loan. The program will fund each eligible improvement only once.

IV. ELIGIBLE APPLICANTS

Eligible applicants include owners and operators of commercial properties. Business owners who are tenants of a building must provide written consent from the building owner for all proposed improvements.

V. ELIGIBLE IMPROVEMENTS

This program is intended to assist with property improvements ranging from minor cosmetic repairs to complete renovation. All improvements must be compatible with the existing architecture of the building.

Eligible improvements include but are not limited to:

- Façade restoration
- Emergency structural repair
- Life safety improvements
- Building code adherence
- Major electrical repairs
- Interior rehabilitation
- HVAC replacement

- Upgrading non-conforming signage to code compliance
- Landscaping
- Exterior lighting
- Parking area improvements
- ADA Handicap accessibility – ramps, doors, etc.

VI. INELIGIBLE PROJECTS

Building additions shall not be funded under this program. Those will be covered under the New Development Program. Examples of ineligible improvements include business equipment purchases, minor repairs, decorative improvements, or routine maintenance.

VII. APPLICATION PROCESS AND ADMINISTRATIVE PROCEDURES

1. Applications will be available at City Hall and the City's website www.lexingtonillinois.org. Completed applications should be submitted to the Lexington City Clerk, who will record the date it was received and forward it on to the TIF Committee Chairperson.
2. Applications should be received prior to incurring expense on the project beyond what is required to complete the application. Applications must be accompanied by at least two cost estimates for each separate portion of the proposed project. The program may fund an amount based on the lowest reasonable bid for each work item. This determination is not intended to affect the applicant's selection of contractors.
3. Applications will be reviewed as received. The Committee will prioritize and rank qualified applications based on criteria set forth in this program. Prior to funding approval, a site inspection may be completed by the City of Lexington building code and zoning department staff for an inventory of any violation of the property maintenance, building, or zoning codes. Applicants do not have to be in complete code compliance at the time of application for the program, but must be compliant before approved funds will be disbursed from the City.
4. Application Evaluation Criteria: (in order of importance)
 - # of jobs generated by the applicant business
 - Amount of sales tax generated by the applicant business
 - Estimated amount of aesthetic improvement
 - General value / impact of the applicant business to the community
5. If an application meets program guidelines and sufficient funding is available, a recommendation for funding will be presented by the TIF Committee to the City Council for approval. If approved by the Council, the City shall execute a grant/loan agreement with the applicant. If funding is not available the project can be approved and funded in the following budget cycle.
6. The decision of the City Council is final. Appeal of any application denial will not be heard by the Council. The applicant may however resubmit the application by April 1st for the following budget cycle.
7. When applicable, building permits must be obtained by the applicant before the work begins.
8. The improvement project must be completed and the applicant must submit to the City Clerk, an invoice for services rendered / materials purchased, marked "Paid in Full" by the contractor before the City will disburse granted funds.