

Standard City Incentives

| Project must qualify for one of the Economic Development programs below

NON-HOUSING: 10 year, Declining Scale Tax Exemption OR 10 year, 50% Tax Increment Reimbursement

HOUSING: Minimum of 3 multi-family housing units for either option below:

- Slum/Blight Area: 10 year, 100% Tax Exemption or Tax Increment Reimbursement*
- Economic Development Area
 - LMI Housing (80% AMI) – 10 year, 100% Tax Exemption* or Tax Increment Reimbursement
 - Market Rate Housing – 10 year, 100% Tax Exemption* or Limited to Rebate of tax increment for Public Improvements max 10 years with LMI set aside required

▶ *School Tax Levies are **not** subject to exemption

▶ Housing developments need to be supported by annual Housing Study to qualify for incentives

Incentive Categories

URBAN HOUSING

- At least 3 multi-family housing units
- 75% or more of the building area dedicated for housing
- Located within established commercial area – proximity to workplaces, retail, transit, etc.

TARGETED DISTRICT REINVESTMENT

- Commercial development that is consistent with adopted plans
- Within the following business districts: Downtown, Kingston Village, Czech Village/NewBo, and MedQuarter
- Within the following Action Plan areas: Mt. Vernon Road, Ellis Boulevard/NWNeighborhood, College District, Rockford Rd, and the 6th Street SW Corridor

BIG (FORMERLY HIGH QUALITY JOBS)

- 10+ jobs new to the City that meet the State's BIG (formerly HQJ) wage threshold
- Non-residential business
- Targeted industries from City's Economic Development Strategic Plan:
 - Advanced Manufacturing
 - Aerospace & Defense
 - Life Sciences
 - Logistics & Distribution
 - Professional Business Services
 - Finance, Insurance, & Real Estate
 - Food Sciences & Processing

LARGE SITE MASTER PLAN

- 15+ acres (not solely residential) with approved site plan and design guidelines
- Director may waive up to 10% acres required

BROWNFIELD/GRAYFIELD

- Vacant or significantly underutilized properties that include demolition and siteprep costs
- Commercial development that is consistent with adopted plans

LOCAL MATCH

- Any project requiring a local match to receive State funding

COMMERCIAL REINVESTMENT

- Vacant strip centers or big box of at least 10,000 square feet

GREEN BUILDING

- Any project otherwise eligible receiving approved green building certification
- Above standard tax incentive based on demonstrated increased cost
- Commercial, industrial, and multi-family housing may qualify

HISTORIC PRESERVATION

- Redevelopment of a structure listed on the National Historic Register, eligible for listing on the National Historic Register, or designated local landmark, in a manner consistent with the City's Historic Preservation Design Guidelines
- Relocation or integration of a historic structure, as part of a new development project
- Up to either 10 year, declining scale tax exemption or 10 year, 100% tax increment reimbursement, based on demonstrated increased cost

COMMUNITY BENEFIT

- Unique contribution to the community such as expansion of a local business, headquarters facility, emerging industry, or affordable housing

NEW SINGLE FAMILY HOME SUBDIVISION

- Parcel(s) not already final platted and development has not started (no site permits already in place)
- Up to 50% tax rebate based on demonstrated costs for new public infrastructure not already in place
- Larger developments may require amenities such as dedicated land for park or trail

Above-Standard Incentives

- Project must qualify within one of the specific categories listed above
- Exemption or reimbursement amount determined through financial analysis with appropriate thresholds, based on the nature of the project, including but not limited to:
 - Private equity exceeds present value of City incentive
 - Construction cost, operational expenses, sale and/or lease revenues are verified as consistent with current market conditions
 - Developer's rate of return confirmed consistent with local market conditions and/or industry standards
 - Housing redevelopments must be located in slum/blight URA and either contain an affordability component or demonstrate unique increased development costs, such as alley paving

Requirements For **All** Projects

- ☒ Financial and market feasibility
- ☒ Experienced development team
- ☒ Quality design that enhances the area
- ☒ Neighborhood and community support
- ☒ Compliance with all codes and requirements