

Madison St Oak Park

Economic
Development
Incentive Program
Guidelines



2015 - 2016



The Village of Oak Park
123 Madison Street
Oak Park, IL 60302
www.oak-park.us

“Economic health and vitality is about more than simply thriving commerce. It is also about the relationship between local businesses and the rest of the community, and about how commercial activity plays a direct role in creating a more attractive and vibrant village.... A strong commercial environment generates necessary tax revenue, creates jobs and spurs additional development opportunities. Just as importantly, it provides local activities, access to goods and services, and neighborhood identity for residents.”

Envision Oak Park
*A **Comprehensive Plan** for the Oak Park Community*
Adopted September 15, 2014

Overview

In 1996, the Village of Oak Park established the Madison Street Tax Increment Finance District to create an opportunity for qualifying projects to participate in performance-based incentives with the focus being on new commercial and residential development, and the expansion of existing businesses.

The intent of the district is to enhance the Village’s competitiveness in attracting and facilitating growth of high impact businesses that contribute tax increment, aid in the diversification of the Village’s economic base, provide high quality jobs, and complement the existing quality of life within the Village.

Incentives awarded may be monetary loans or grants, and/or non-monetary benefits such as project expediting or technical support. Funds are limited and incentive levels will be determined on a project-by-project basis to best meet the needs of the applicant as well as the Village. Tax Increment Financing (TIF) loans and/or grants, sales tax abatements and the sale and assemblage of land are the most likely incentives to be offered on Madison Street.

In order to be eligible for program benefits, the business or development must be located on Madison Street within Village limits.

This incentive program requires specific action to be taken by the Village Board of Trustees. Therefore, the final authority to grant such public financial support rests with the Village Board of Oak Park.

Program Objectives

The Village of Oak Park's underlying objective for the program is to increase private commercial and residential investment activity along the Madison Street corridor. Desirable primary outcomes of investment supported by the program include:

- Increased property tax
- Increased sales tax
- New or retained jobs
- Demonstrable public benefit

Special consideration will be given to projects that also include activation of distressed or long vacant property.

The incentive program is designed to support desirable projects that may have a funding gap or extraordinary barriers to completion and would not occur "but for" public financial assistance.

Proposal Requirements

Interested applicants for development incentives, including TIF awards, should consider the strength of their application based on the program objectives outlined above. In addition to the program objectives, proposals will be evaluated based on the incremental fiscal and community benefits to the Village, the payback period for Village funds and a positive net present value of investment returns as measured by the Village.

If you believe your project qualifies, we ask that you submit the following information as available, along with a cover letter summarizing the project for consideration by OPEDC.

Project Information

- Anticipated project schedule;
- Description of project and final use and/or a business plan;
- Examples of developer/business owner's experience with similar projects;
- Projected annual sales
- Estimated full-time equivalent (FTE) jobs created or retained in the Village.

Project Financials

- Sources (debt, equity, other), uses, and amounts of funding for all aspects of the project;
- Pro forma financial projections clearly demonstrating that the proposed project is economically viable with, and only with, the requested assistance;
- Total public assistance requested and proposed use of funds.

Other

- Proof of property control: contract, LOI, or lease;
- Letters of credit, loan commitments or other evidence of project financing;
- Renderings of improvements if available;
- Anticipated regulatory approvals needed (ex: licensing, zoning, development approvals).

Review and Approval Process

Proposals will be evaluated based on their ability to meet the program objectives stated above and project information submitted. OPEDC and the Village reserve the right to request additional information as needed. Applicants may also be requested to meet with OPEDC or Village staff in person periodically during the review process.

All proposals will be reviewed by OPEDC to determine qualification and completeness. Upon completion of OPEDC review and a favorable recommendation from the OPEDC Executive Committee, the project will be submitted to the Village for final review and approval.

The nature and value of any incentive offered will be at the sole discretion of the Village and will depend upon the unique attributes of each project and the benefits to the Village and the Community. OPEDC and the Village will analyze proposed or requested incentives to determine the fiscal implications of any particular incentive or combination of incentives.

Please note that not all applicants may receive an offer of incentives. Incentives offered will depend upon the benefits of each project as well as the availability of Village funds.

All projects requesting Tax Increment Finance (TIF) assistance are subject to federal, state and local law, including but not limited to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) and the Madison Street, Oak Park TIF plan as adopted and amended. Examples of TIF eligible expenses include property acquisition, site improvements, marketing, and job training. The cost of construction for new, privately owned buildings is not a TIF eligible expense. The eligible uses for TIF funds are provided in Illinois' Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-3(q).

To protect the Village's interests, the Village reserves the right to waive irregularities and informalities including the right to accept or reject any and all submittals as determined to be in Village's best interest.

About Madison Street in Oak Park

Madison Street is a highly accessible corridor stretching the entire width of the Village from Harlem Avenue to Austin Boulevard. The street is home to over 150 businesses, most of which were attracted by the existing high traffic volumes, proximate population density and easy access from surrounding market areas.

Additionally, four of Oak Park's largest employers are located on Madison Street: Rush Oak Park Hospital (940 employees), the Village of Oak Park (360), the Park District of Oak Park (350), Fenwick High School (135), and Jewel-Osco (130).

Recent notable projects on Madison Street include:

- Sugar Beet Food Co-op, 820 Madison Street
 - 5,300 sf community owned grocery store
 - Opened July, 2015
- Grove Apartments, 442 S. Grove Avenue
 - Adaptive reuse of former car dealership
 - 51 accessible residential units and 5,300 sf commercial space
 - Completed in 2014
- Walgreens, 811 Madison Street
 - Adaptive reuse of a historic commercial property
 - Project includes geo-thermal heating system
 - Completed in 2010
- Belmont Village, 1035 Madison Street
 - Award winning assisted living facility
 - Completed in 2004
- Rush Oak Park Professional Office Building, 520 S. Maple Street
 - 135,000 sf of state of the art medical office building
 - Completed in 2001

About the Oak Park Economic Development Corporation

The Oak Park Economic Development Corporation (OPEDC) is a private not-for-profit corporation contracted by the Village of Oak Park to manage economic development activities within the confines of the Village. OPEDC activities include business and development recruitment, business retention and advocacy, market analysis, economic development marketing initiatives, and incentive program management.

While OPEDC is an independent corporation, the organization works hand-in-hand with the Village of Oak Park to provide high quality support for the local business community.

Contacts

Proposals and questions regarding this program may be directed to:

John Lynch, Executive Director
j.lynch@opdc.net

Viktor Schrader, Economic Development Manager
v.schrader@opdc.net

Oak Park Economic Development Corporation
104 N. Oak Park Avenue, Suite 203
Oak Park, Illinois 60302
708-383-3838



For a list of other available incentives and resources including those administered by the State of Illinois and Cook County, please visit www.oakparkedc.org/resources.

Madison Street, Oak Park: Market and Demographics

	Madison Street (10 Min. Drive Time)		Village of Oak Park	
	2013	2018 (Proj.)	2013	2018 (Proj.)
Total Population	206,866	203,559	52,322	52,698
Population per Square Mile	9,415	9,264	11,300	11,456
Total Households	77,735	77,467	22,923	23,093
Daytime Population	93,277	N/A	44,980	N/A
Bachelors + Graduate Degrees	32%	33%	66%	65%
Average Household Income	\$78,475	\$87,644	\$109,367	\$121,642
Total Spending	\$3.6 Billion	\$4.1 Billion	\$1.3 Billion	\$1.5 Billion
Average Household Spending	\$46,045	\$53,069	\$55,192	\$63,459

Madison Street, Oak Park Tax Increment Finance (TIF) District Boundaries

