

July 8, 2020, FRAMEWORK FOR A NEW CITY OF WARRENVILLE FOOD AND BEVERAGE ESTABLISHMENT REVENUE SHARING ASSISTANCE PROGRAM

Program Purpose

The City of Warrenville Food and Beverage Establishment Revenue Sharing Assistance Program (FBE Assistance Program) is designed to encourage food and beverage establishments (FBE*) to locate; upgrade; grow; and improve the exteriors of commercial property in the City of Warrenville Old Town/Civic Center Redevelopment Project Area by establishing a program where the City, at its discretion may:

1. Waive non-out of pocket building permit fees involving projects deemed necessary and desirable by the City to support the establishment, renovation, and/or expansion of FBEs. Building Permit fee waivers are provided to property owners and tenants in recognition of the positive impact new food and beverage businesses can have on the overall vitality of the Old Town and Civic Center areas.
2. Provide a limited match of public funds in the form of a reimbursable grant for certain FBE related exterior building façade related improvements costs. Reimbursement grants are provided to owners and tenants in recognition of the positive impact individual building façade improvements can have on the overall appearance, quality, and vitality of the Old Town and Civic Center areas.

* For the purpose of this program, a FBE is defined as a business that collects and remits food and beverage tax revenue to the City of Warrenville.

Eligible Properties

Commercial properties within the Old Town/Civic Center Redevelopment Project Area (TIF #3) are eligible for participation in the FBE Assistance Program if the property either contains an existing FBE or will contain a new FBE as a result of FBE Assistance.

Eligible Applicants

FBE Assistance Program applications may be submitted by the:

- Owner of property to be renovated/improved
- Contract purchaser or holder of an option to purchase property to be renovated/improved with written permission of the owner.
- Lessee of the property to be rehabilitated, under a lease with an unexpired term of not less than five (5) years, with written permission of the owner.

No grant funds shall be distributed to any grantee who is in default on its mortgage, installment land contract or lease in respect to the property, or who is delinquent in the payment of any tax, fine, or fee owed to the City, County, State, or federal government, as indicated by the records of the County Recorder or the City of Warrenville.

Minimum Project Cost

Building improvement and renovation projects must have a demonstrated project cost of at least \$2,500.

City Building Permit Fee Waiver

The City may waive applicable City Building Permit related fees for interior and exterior building improvement and renovation projects deemed necessary or desirable by the City to support the establishment, renovation, and/or expansion of FBEs. In no case will the fee waiver amount exceed an individual project's total building permit related fee amount minus the estimated outside consulting expenses the City expects to incur in the review of the project plans and inspection of project related construction activities.

Reimbursable Façade Improvement Grants

The City may issue reimbursement grants for qualifying building façade improvement projects in accordance with the following guidelines:

Project Qualification Criteria:

In order to be eligible for City Assistance the improvements must:

- Relate to the establishment of a **new** FBE
- Relate to a building façade that is visible from a public way
- Be permanently affixed to the property
- Not restrict any future use of the building

Eligible Improvements/Costs:

- See Attached Exhibit A for a detailed list of the specific improvements that are both eligible and ineligible for reimbursement under this program.
- The applicant has one year from the execution of the Façade Improvement Agreement to complete the eligible improvements.

Reimbursement Grant Amount:

- Individual grants issued under this program reimburse up to 50% of a project's Total Eligible Project Cost up to a maximum of \$20,000.
- If actual eligible project costs exceed original estimates, the grantee will be responsible for the full amount of the excess.
- Any work commenced prior to City Council approval and execution of the Façade Improvement Agreement will not be eligible for reimbursement funding unless specific after-the-fact approval is granted by the City Council.
- The applicant has one year from the execution of the Façade Improvement Agreement to complete the eligible improvements. Applicants may request a six month extension provided there is a demonstrated hardship.
- The Final Grant Reimbursement amount will be based on the final amount of completed and paid eligible project costs. These costs shall be commensurate with prevailing construction costs and substantially consistent with the original contractor bids submitted with the original FBE City Assistance application. The City may require final invoices and lien waivers to establish the final paid amount of completed eligible project costs.

Reimbursement Grant Structure:

- Grants will structured in a manner where the applicant of awarded projects will receive up to five annual reimbursement payments towards the Final Grant Reimbursement amount.
- Grant reimbursement payments will be made from the local Food and Beverage Tax revenues the FBE has remitted to City.
- Reimbursement payments will be made by the City before the end of the first quarter of each calendar year.
- In order to receive an annual reimbursement payment, the FBE must still be open and operating as of January 1 of the year of payment.
- The maximum amount of each annual reimbursement payment for individual projects will be the lesser of:
 - (i) The amount of local Food and Beverage Tax the FBE project remitted to the City in the prior calendar year, or
 - (ii) The City approved Final Grant Reimbursement amount minus any annual reimbursement amounts paid out on the project in prior years.
- No more than five reimbursement payments will be made by the City for any individual project.
- In the event complete façade improvements, of the FBE receiving reimbursement payments, are not being maintained during the reimbursement payment period, the City will cease making annual reimbursement payments, and may require repayment of reimbursement payments already paid, or alternatively, the City may place a lien on the property for said amount.

Application Review Process

Community Development Department Staff to finalize the application and review process if and when the City Council directs staff to move forward with the establishment of this type of program. Staff anticipates the application review process will involve the City's Economic Development Representatives group being responsible for reviewing reimbursable grant applications and making funding recommendations on those applications to City Council for final action.

Last revised 7/8/2020 by RM

Exhibit A

Improvement Costs Eligible for Reimbursable Façade Improvement Grants

1. Architectural element (including eave coping enhancements), installation, repair or replacement.
2. Chimney and flue repair, when it improves the overall appearance of a building
3. Exit door (exterior) and hardware installation, repair, and replacement, where current doors do not meet code or it will improve the overall appearance of the building
4. Exterior permanent lighting that illuminates a façade or entrance doorway
5. Exterior handicapped accessibility improvements, including sidewalks pursuant to the Illinois accessibility Code
6. Gutters
7. Landscaping and Permanent Planters
8. Parapet wall improvements visible from adjacent public ways.
9. Re-roof or repair of visible roof surfaces with non-standard materials such as shake shingles, slate, or other decorative non-standard asphalt/fiberglass shingle materials.
10. Refinishing exterior wall/façade surface of buildings including, but not limited to, painting, tuckpointing, and sealing.
11. Removal of non-original siding including synthetic stucco and EFIS type materials
12. Window installation, repair, and replacement.
13. Shutter and awning installation, repair or replacement
14. Permanent new exterior sign installation, repair, or replacement of non-internally illuminated box signs.
15. Stair, porch, railing, exit repair, replacement, or installation
16. Architectural services relating to eligible improvements provided such costs represent no more than 10% of the City approved Final Grant Reimbursement amount
17. Other improvements not specifically listed as eligible or ineligible as recommended by the City's Economic Development Representatives and approved by the City Council.

Improvement Cost Ineligible for Reimbursable Façade Improvement Grants

1. Property acquisition
2. Air conditioning and heating facilities.
3. Garbage and dumpster screening enclosures
4. Bartered work or services, direct or indirect, including, but not limited to labor, architectural services, consulting, and acquisition of materials
5. All interior improvements and finishes
6. Loading docks
7. Labor provided by applicant
8. Parking lot related improvements

9. All improvements to internal building systems, including HVAC, plumbing, and electrical (except for wiring for exterior lighting)

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