

RESOLUTION NO. R2020-59

**A RESOLUTION APPROVING THE ESTABLISHMENT AND IMPLEMENTATION OF
THE FOOD AND BEVERAGE ESTABLISHMENT PERMIT FEE WAIVER AND
REVENUE SHARING ASSISTANCE PROGRAM**

WHEREAS, the City is a home rule municipal corporation pursuant to Article VII, Section 6(a) of the Constitution of the State of Illinois of 1970; and

WHEREAS, in order to encourage food and beverage establishments ("**FBEs**") to occupy, upgrade, grow, and improve the exteriors of commercial property in the City's Old Town/Civic Center Redevelopment Project Area ("**Old Town Area**"), the City proposes to establish the City of Warrenville Food and Beverage Establishment Permit Fee Waiver Revenue Sharing Assistance Program ("**FBE Assistance Program**"); and

WHEREAS, pursuant to the FBE Assistance Program the City may, in accordance with FBE Assistance Program rules and guidelines: (i) waive most permit fees for eligible projects for FBEs within the Old Town Area ("**Permit Fee Waivers**"); and (ii) provide grants for the reimbursement of certain facade and exterior improvement costs for new FBEs in the Old Town Area ("**Facade Improvement Grants**"); and

WHEREAS, the Facade Improvement Grants would reimburse the City's food and beverage tax revenue attributable to the applicable FBE for up to 50 percent of the cost of eligible facade improvements in a total amount not to exceed the lesser of (i) \$20,000, or (ii) the total food and beverage tax revenue attributable to applicable FBE over the next five years; and

WHEREAS, the Mayor and the City Council have determined that it is in the best interest of the City and the public to approve the establishment of, and authorize City staff to implement, the FBE Assistance Program;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF WARRENVILLE, DUPAGE COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: Recitals. The recitals listed above are incorporated in this Resolution as if fully set forth in this Resolution.

SECTION 2: Approval of the FBE Assistance Program. The establishment of the FBE Assistance Program is hereby approved in substantial accordance with the framework attached to this Resolution as **Exhibit A ("**Program Framework**")**.

SECTION 3: Authorization for Implementation of the FBE Assistance Program. The City Administrator, or his designee, is hereby authorized to develop, modify as necessary, publicize, prepare the necessary legal instruments and administer the qualifications, rules, and procedures for FBE Assistance Program in substantial accordance with the Program Framework.

SECTION 4: Effective Date. This Resolution shall be in full force and effect following its passage and approval in the manner provided by law.

[Signatures and Voting Record on Following Page]

PASSED THIS ____ day of _____, 2020.

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED THIS ____ day of _____, 2020.

MAYOR

ATTEST:

CITY CLERK

EXHIBIT A

FBE ASSISTANCE PROGRAM FRAMEWORK

CITY OF WARRENVILLE FOOD AND BEVERAGE ESTABLISHMENT PERMIT FEEWAIVER AND REVENUE SHARING ASSISTANCE PROGRAM

(last revised on 9/28/2020)

Program Purpose

The City of Warrenville Food and Beverage Establishment Permit Fee Waiver and 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 facade related improvements costs. Reimbursement grants are provided to owners and tenants in recognition of the positive impact individual building facade 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 this 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 shall 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. The City's Director of Community and Economic Development is authorized to waive up to \$2,000 in City building permit related fees for each individual permit that qualifies for a fee waiver. Building permit fee waivers in excess of \$2,000 require the review and approval of the City Council.

Reimbursement Grants

The City may issue reimbursement grants for qualifying building facade and exterior 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 facade 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.

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 Food and Beverage Establishment Improvement Reimbursement 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 Food and Beverage Establishment Improvement Reimbursement 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 when the annual reimbursement payment is issued. 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 any of the improvements constructed in conjunction with a City approved reimbursement grant 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

Interested parties should schedule a pre-application meeting with Community Development Department staff at (630)393-9050 prior to preparing any application materials for submittal. Following said meeting, program applicants shall complete and submit formal applications using the forms available on the City’s website or at the Community Development Department located in the lower level of City Hall. Submittal requirements are set forth on the application form, including the requirement for two bids to be submitted for each item in the scope of proposed work an applicant is seeking grant reimbursement for. City staff may request the applicant provide material samples for proposed new exterior building materials as part of the application process.

The City retains the right to approve an entire request, to approve portions of a request, suggest and/or ask for changes/additions to a request before approving, or to deny any portion of a request submitted for this program.

Information provided by the applicant will be used as the basis for the preparation of a staff report and recommendation to the City Council's designated Economic Development Representatives (the EDR) on all reimbursement grant applications. The staff report will offer a brief overview of the project, a review of the various aspects of the request, and a recommendation based on an evaluation of how the proposed scope of work complies with, and advances the goals and objectives of the City's Old Town/Civic Center Subarea Plan, TIF #3 Redevelopment Plan, the Economic Development Plan, any design guidelines the City Council has adopted for the Old Town/Civic Center Subarea.

The EDR will review applicable application materials and staff recommendation and then forward a written recommendation on each reimbursement grant application to the City Council for review and final action. Upon City Council approval, the applicant and the City shall enter into a formal agreement, called a Food and Beverage Establishment Improvement Reimbursement Agreement, which will establish the scope of work and approved reimbursement amount. The agreement will be executed by both parties after the City Council has approved a reimbursement grant application.

Last revised 9/28/2020

Exhibit A

Food and Beverage Establishment Improvement Costs Eligible for Reimbursement 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 facade or entrance doorway
5. Exterior handicapped accessibility improvements, including sidewalks pursuant to the Illinois accessibility Code
6. Permanent outdoor seating area improvements such as new pavement, fencing, and lighting.
7. Gutters
8. Landscaping and permanent planters
9. Parapet wall improvements visible from adjacent public ways.
10. 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.
11. Refinishing exterior wall/facade surface of buildings including, but not limited to, painting, tuckpointing, and sealing.
12. Removal of non-original siding including synthetic stucco and EFIS type materials
13. Window installation, repair, and replacement.
14. Shutter and awning installation, repair or replacement
15. Permanent new exterior sign installation, repair, or replacement of non-internally illuminated box signs.
16. Stair, porch, railing, exit repair, replacement, or installation
17. Architectural services relating to eligible improvements provided such costs represent no more than 10% of the City approved Final Grant Reimbursement amount
18. 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 Reimbursement 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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