



BUSINESS ASSISTANCE PROGRAMS

MAY, 1998
REVISED: JANUARY, 2014

Small Town Charm • Big City Appeal

VETERANS MEMORIAL FOUNTAIN ON THE SQUARE * NATIONAL SHRINE OF OUR LADY OF THE SNOWS*
ART ON THE SQUARE * LINDENWOOD UNIVERSITY * SOUTHWESTERN ILLINOIS COLLEGE *
ALL AMERICA CITY AWARD 2011 * METROLINK LIGHT RAIL SYSTEM * MIDAMERICA AIRPORT *
BELLE VALLEY INDUSTRIAL PARK * HISTORIC DISTRICTS* BIKE TRAIL SYSTEM *
* SISTER CITY OF ST. LOUIS, MISSOURI & PADERBORN, GERMANY*

SUMMARY OF INCENTIVES

A. City of Belleville Programs

1. Enterprise Zone
2. Tax Increment Financing (TIF) Districts
3. Façade Improvement Program

B. Other Resources/Sources of Financial Assistance

C. Business Assistance Program Application Process

D. Business Assistance Program Application

E. Maps

1. Enterprise Zone
2. Tax Increment Financing (TIF) Districts
3. Façade Improvement Districts

A. CITY OF BELLEVILLE

BUSINESS ASSISTANCE PROGRAMS

INTRODUCTION & PURPOSE STATEMENT:

In an effort to attract new business development and growth to Belleville as well as assist existing firms to expand thereby increasing the local tax base and further providing job opportunities, the Belleville, Illinois City Council has established several programs to provide various financial incentives and inducements. One of the primary goals of the City Administration is to provide a suitable environment and delivery of essential public services to attract and enhance new business development and investments. Programs that the City of Belleville presently offers new and existing businesses include: 1.) Property and Sales Tax Abatements through the Belleville Enterprise Zone; 2.) Public Improvements through Tax Increment Financing (TIF) Districts; 3.) Financial inducements to private enterprises via tax increment financing; and 4.) Reimbursements for Façade Improvements.

Each of these programs have proven successful in meeting the diverse development needs of the business community as well as serve to place Belleville in a more competitive position in working with the private sector in assisting them in making the decision to locate or expand within the corporate limits of Belleville. The City works in close cooperation with agencies and economic development organizations such as the Greater Belleville Chamber of Commerce, St. Clair County Intergovernmental Grants Department, Southwestern Illinois Development Finance Authority, utility companies and various state agencies to pool resources and expertise in putting together proposals and incentives to assist businesses.

This pamphlet therefore is designed to provide background information on the available community and economic development programs and resources that the City can provide in conjunction with several agencies.

Questions and/or inquires should be directed to:

Mayor Mark W. Eckert
101 South Illinois Street
Belleville, IL 62220
Phone: (618) 233-6810
Fax: (618) 233-6779
Email: meckert@belleville.net

Eric Schauster
Economic Development Specialist/Grants Coordinator
101 South Illinois Street
Belleville, Illinois 62220
Phone: (618) 233-6810, Ext. 1249
Fax: (618) 355-4209
Email: eschauster@belleville.net

City of Belleville Website: www.belleville.net

1. ENTERPRISE ZONE

Established in 1985, the Belleville Enterprise Zone is one of Illinois' oldest and most successful. The program is designed to provide certain tax-related incentives and benefits to encourage and foster new business development to stimulate new job creation as well as retention of existing jobs.

The Belleville Enterprise Zone encompasses approximately 10 square miles situated primarily in the central core area of the community and extends along Route 15 (See attached map). Through the Enterprise Zone, projects can be considered for Certification for Exemption of Sales Tax on Building Materials that will be used in an approved project located within the Belleville Enterprise Zone.

Furthermore, the City offers potential partial abatement of real estate taxes directly related to new and expanded commercial and industrial development projects that occur within the designated Zone boundaries. The five-year potential property tax abatement is based upon the increase in the assessed valuation resulting from the physical improvements. This five-year time frame is subject to change due to the existing life of the Enterprise Zone.

Neither the Certification for Exemption of Sales Tax on Building Materials nor the Property tax abatement, which is based upon the assessed value of the physical structure to be constructed/renovated, is automatic. Each project is reviewed by City staff with both employment and private investment having equal importance. Based upon these two (2) major criteria and other notables, the City staff will make a recommendation to the City Council on what particular incentives, if any, should be offered after both the short and long term financial ramifications to the City are projected, should those incentives be legally committed.

The Business Assistance Program Application (attached) must be completed in its entirety for the City to properly review the project's merits. Business Plans, Company Performa(s), Financial Statements, Marketing Information, etc. describing the business shall be provided at the request of staff as a part of the application process. The level of assistance requested may necessitate additional information or documentation.

CRITERIA:

In order for a business to be considered for a potential Certification for Exemption of Sales Tax on Building Materials and/or Property Tax Abatement, the following requirement must be met:

1. Must be a legally established "for profit" business enterprise recognized by the Illinois Department of Revenue and must further be in good financial standing.
2. Project must take place within the limits of the Belleville Enterprise Zone to be eligible for any potential incentives and/or inducements.
3. Generally, businesses determined eligible shall include commercial establishments both retail and wholesale, service businesses including professional offices, industrial firms including manufacturing and warehouse facilities.
4. Business must be located in an area suitably zoned for the purposed use.
5. Business must create or retain at least three (3) permanent (full time equivalent) jobs* within 24 months of projected completion.

6. Business must show evidence of financial capacity to complete the project. This may involve letters of credit, documentation of conventional loans, availability of owner equity and other financial resources, etc. and shall be provided at the request of staff.
7. Project must be of a nature in which a building permit is required to be obtained through the City of Belleville and as such application is submitted and permit approved.

It is important to note that businesses located in an “overlapping” Tax Increment Financing (TIF) District and the Enterprise Zone **are NOT** eligible to receive Abatements on the increased assessed valuation based on improvements initiated. Instead, Property Tax **Rebates** for “overlapping” areas are possible.

Please also note the *Policy on the Certification for Exemption on Building Materials* as it relates to Multi-Family housing further in this document.

*"Full-time equivalent job" means a job in which the new employee works for the recipient or for a corporation under contract to the recipient at a rate of at least 35 hours per week. A recipient who employs labor or services at a specific site or facility under contract with another may declare one full-time, permanent job for every 1,820 man hours worked per year under that contract. Vacations, paid holidays, and sick time are included in this computation. Overtime is not considered a part of regular hours.

POLICY ON CERTIFICATION FOR EXEMPTION OF SALES TAX ON BUILDING MATERIALS For Residential Multi-Family Dwellings* Within the City of Belleville Enterprise Zone

It shall be the policy of the City of Belleville to declare ineligible for Certification for Exemption of Sales Tax on Building Materials the following:

- A. Proposed Multi-Family Dwellings* not permitted for construction via the building permit process prior to May 1, 2000.
- B. Existing Multi-Family Dwellings* proposed for renovation and/or remodeling unless the housing density is reduced by 25% or more and 10% of the site is retrofitted as open space.

This policy shall be made a part of the Business Assistance Program pamphlet dated May, 1998 and Revised November, 2002, March, 2005, April, 2011 and January, 2014 and be strictly adhered to unless the Belleville City Council votes in a 75% majority to approve the Certification for Exemption of Sales Tax on Building Materials for a certain project.

*Defined as residential structures suitable for occupancy for two (2) or more families within any current zoning classification of the City of Belleville including Planned Unit Developments (PUD); Excludes Multi-Family Dwellings to be utilized exclusively (100%) as housing for senior(s) (62 years of age and older).

2. TAX INCREMENT FINANCING

The City of Belleville has several active Tax Increment Financing (TIF) Districts (see map attached) that were established to provide a funding mechanism to promote and enhance redevelopment in specific areas of the community. A TIF district must meet specific criteria as being “blighted or conservation areas” as prescribed

by Illinois State Statutes. The TIF program enables the City to capture “incremental property taxes” generated from improvements and redevelopment occurring within the TIF boundaries over the life of the TIF. The legislation allows TIFs to continue for 23 years from the date the district is established.

TIF funds generated within the district are retained by the City and are generally used for a variety of public activities including; acquisition of property, infrastructure improvements, and other eligible costs as specified in the statutes which are directly beneficial to the applying business.

If a Business Assistance Program application is approved, the City will enter into a “Development Agreement” with a business that either locates or makes substantial improvements to existing facilities within the TIF district. Through the agreement, the business agrees to complete the project and make certain improvements. In return, the City could reimburse the business an agreed upon amount of funds derived from the “increase” in the property taxes that the project generates depending upon the merits of the project. Job creation and private investment must be adequately documented for such a Development Agreement to even be considered.

The amount of the potential abatement or rebate offered shall further be determined by the various agreements that the City has with the participating taxing bodies (i.e. school districts and St. Clair County).

CRITERIA:

In order for a business to be considered for a potential TIF inducement, the following requirement must be met:

1. Project must take place within the limits of a TIF district to be eligible for any potential incentives and/or inducements.
2. Generally, businesses determined eligible shall include commercial establishments both retail and wholesale, service businesses including professional offices, industrial firms including manufacturing and warehouse facilities.
3. Project must be located in an area suitably zoned for the purposed use.
4. Project must show evidence of financial capacity to complete the project. This may involve letters of credit, documentation of conventional loans, availability of owner equity and other financial resources, etc. and shall be provided at the request of staff.
5. Project must be of a nature in which a building permit is required to be obtained through the City of Belleville and as such application is submitted and permit approved.

It is important to note that businesses located in an “overlapping” Tax Increment Financing (TIF) District and the Enterprise Zone **are NOT** eligible to receive Abatements on the increased assessed valuation based on improvements initiated. Instead, Property Tax **Rebates** for “overlapping” areas are possible.

3. Façade Improvement Program: Reimbursements for façade improvements are also available. Reimbursements of 20% up to \$5,000 per facade are available for rehabilitation of the façade of commercial buildings located within a TIF district or Special Service Area. Those properties located along Main Street between Oak Street and 17th Street are subject to the Belleville Main Street façade improvement guidelines.

Requirements

1. Façade must face a public street and be located within a Façade Improvement District and within a TIF district or Special Service Area. For buildings with more than one façade is visible from the street (i.e. corner lots), additional Façade Improvement applications may be considered.
2. Façade plan must be approved by City Council prior to work commencement. Any work performed prior to City Council approval will not be eligible for reimbursement.
3. All proper permits must be obtained prior to work commencement.
4. Proof of project expenditures must be provided for reimbursement to be processed.
5. Home-based businesses are not eligible for Façade Improvement Program funding.

Eligible Façade Improvements

- A. Exterior signage, awnings, canopies, sunshades (with approved sign permit).
- B. Painting of exterior surface treatment.
- C. Asphalt paving, replacement or repair of tiles or decorative pavers, sidewalk or courtyard repaving (not in public right-of-way).
- D. Repair or replacement of masonry walls or footings, tuck pointing.
- E. Outdoor lighting.
- F. Installation, repair or replacement of security fencing.
- G. Repair or replacement of windows and doors, including shutters.
- H. Installation or replacement of landscaping.
- I. Roof repairs visible from the public view.
- J. Public art attached to building (i.e. murals).
- K. Window treatments viewable from the public right-of-way on eligible façade wall (Must be part of a larger project).
- L. Cornice repair or replacement.
- M. Repair or replacement of gutters and downspouts.
- N. Removal of inappropriate finish materials.

Ineligible Facade Improvement Items

- A. Vinyl letter signage (windows).
- B. Portable signs (i.e. sandwich boards; signs not mounted to building).
- C. Flags or banners.
- D. Benches, tables, chairs, umbrellas or trash receptacles.
- E. Additional enclosed square footage or gross leaseable area.
- F. Roof repairs not visible from the public view.
- G. Mechanical equipment.
- H. Billboards.
- I. Interior renovations.
- J. HVAC
- K. Non mixed-use residential properties.
- L. General repair and/or maintenance.
- M. Utility and trash enclosures.

PROCEDURES:

In order for a business to be considered for the potential inducements, the following steps and procedures are required to be followed:

1. Applicant project must be located within the boundary of a TIF district, Enterprise Zone, Façade Improvement District or Special Service Area respectively.
2. Applicant business must complete and return the appropriate application forms (attached) Part(s) I-VI.
3. Application must be supplemented by pertinent documentation (i.e. number of Full Time Equivalent (FTE) jobs* to be created/retained**, total amount of investment, construction schedule and evidence of project financing.).
4. Completed applications will be submitted to the Economic Development & Planning Department for review and comment. Incomplete forms will be returned to the applicant with an explanation on additional information as may be required.
5. Within thirty (30) days of acceptance of the application and required documentation, the Economic Development & Planning Department will submit the application for review to the Economic Development & Annexation Committee.
6. The Economic Development/Annexation Committee and Finance Committee shall approve, deny or amend the application. The decision of the Committees shall be made respectively in an open meeting properly held and advertised. If approved by the Economic Development/Annexation Committee and Finance Committee respectively, the application will be incorporated into a "Development Agreement" outlining the specific terms and conditions of the inducements. The Development Agreement will be forwarded to City Council for approval***.
7. The Economic Development/Annexation Committee and Finance Committee shall respect the confidentiality of financial records of the business as allowed by law.
8. The recommendation of the Economic Development/Annexation Committee and Finance Committee respectively must be submitted and approved by a majority vote of the City Council before any property inducements can be realized.

* "Full-time equivalent job" means a job in which the new employee works for the recipient or for a corporation under contract to the recipient at a rate of at least 35 hours per week. A recipient who employs labor or services at a specific site or facility under contract with another may declare one full-time, permanent job for every 1,820 man hours worked per year under that contract. Vacations, paid holidays, and sick time are included in this computation. Overtime is not considered a part of regular hours.

**"Full-time retained job" means any employee defined as having a full-time or full-time equivalent job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat, which shall be specified in the application for development assistance. A recipient who employs labor or services at a specific site or facility under contract with another may declare one retained employee per year for every 1,750 man hours worked per year under that contract, even if different individuals perform on-site labor or services.

***Private investment and/or jobs created prior to City Council approval shall not be considered in the review process.

PENALTIES:

In the event that the business fails to meet its obligations, as outlined in a Development Agreement, of any and all incentives approved by City Council, any and all public funds provided under the Enterprise Zone program shall be repaid to the City of Belleville by the business and all remaining amounts to be provided if any, shall be terminated.

B. Other Resources/Sources of Assistance:

1. St. Clair County Economic Development Department
10 Public Square, Room A300
Belleville, IL 62220
(618) 277-6600, Ext. 2672
<http://www.co.st-clair.il.us/Departments/Economic+Development/default.htm>

2. Illinois Department of Commerce & Economic Opportunity (DCEO)
1022 Eastport Plaza Drive
Collinsville, IL 62234
(618) 304-9466
www.illinoisbiz.biz

3. Illinois Finance Authority
500 East Monroe, Third Floor
Springfield, IL 62701
(217) 782-5792/(217) 782-3989 (fax)
www.il-fa.com
2929 Broadway St., #7B
Mt. Vernon, IL 62864
(618) 244-2424/(618) 244-2433 Fax

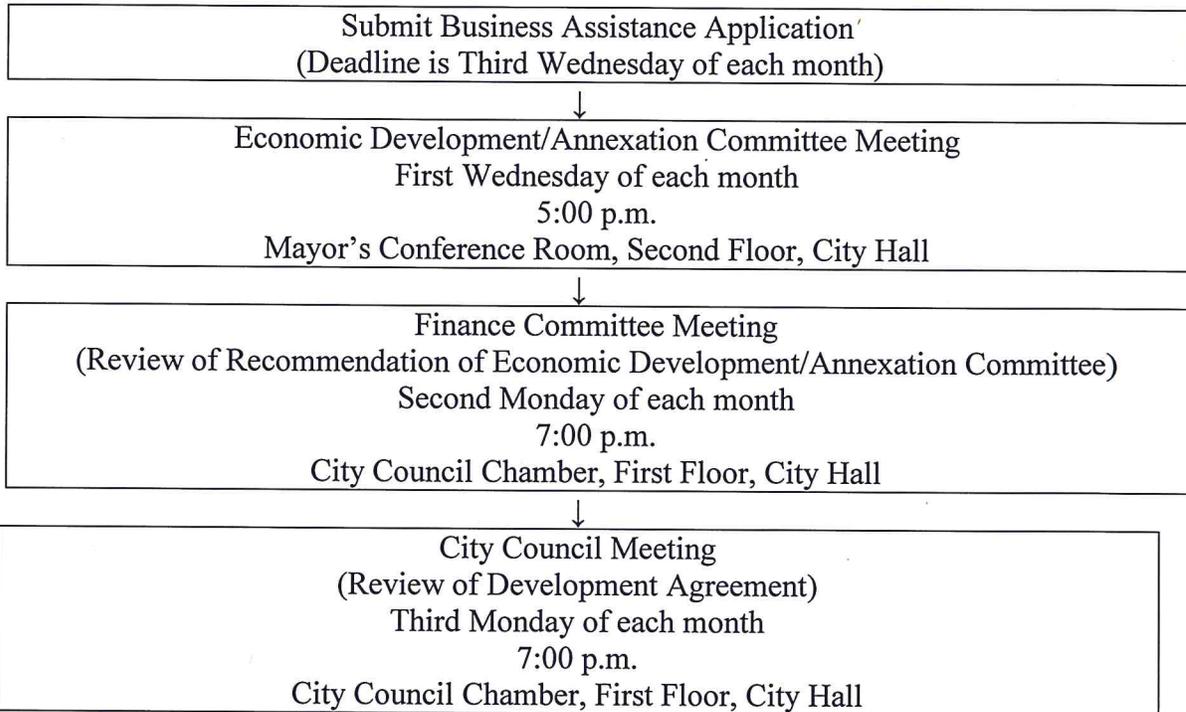
4. Small Business Development Center
Alumni Hall
Room 2126
Edwardsville, IL 62026-1107
(618) 650-2929/(618) 650-2647 (fax)
<http://www.siu.edu/business/sbdc/>
601 James R. Thompson
Building D, Room 2081
East. St. Louis, IL 62201
(618) 482-8330/(618) 482-8341 (fax)
eslsiesbdc@yahoo.com

5. Southwestern Illinois Development Authority (SWIDA)
1022 Eastport Plaza Drive
Collinsville, IL 62234
(618) 345-3400
www.swida.org

6. Belleville Main Street
512 West Main Street
Belleville, IL 62220
(618) 239-9428
www.bellevillemainstreet.net

7. Greater Belleville Chamber of Commerce
216 East 'A' Street
Belleville, IL 62220
(618) 233-2015
www.bellevillechamber.com

C. Business Assistance Program Application Process



***This is a multi-step process that can take up to a minimum of 5-6 weeks for final approval.**

CITY OF BELLEVILLE
BUSINESS ASSISTANCE APPLICATION PART I- PROJECT INFORMATION:
(To be completed by Project Owner or Agent)

1. Name of Applicant: _____

2. Street Address: _____

3. City: _____ State: _____ ZIP: _____

4. Name of Business/Company (if different from applicant): _____

4a. Federal Tax I.D. #: _____

5. Contact Person/Title: _____

5a. Phone: _____ Fax: _____ e-mail: _____

6. Street Address of Proposed Project: _____

7a. Name of Property Owner: _____

Street Address: _____ City/State: _____ ZIP: _____

Phone: _____ Fax: _____ e-mail: _____

8. Permanent Parcel # _____
(From Real Estate Tax Bill or St. Clair County Assessor's Office)

9a. Is project located in the City of Belleville Enterprise Zone? NO YES
(See attached Map)

9b. Is project located within a Tax Increment Financing (TIF) District? NO YES District # _____
(See attached Map)

9c. Is project located within a Façade Improvement District? No Yes District # _____
(See attached map)

10. General Description of Proposed Project: _____

11. Project Classification: (specify) Commercial Industrial SIC # (Standard Industrial Classification)

12. Type of Project: New Construction Remodeling/Rehab of Existing Building
 Expansion of Existing Building

13. Is this a new business or existing business? New Existing

14. Expected Project Start Date: _____ Expected Project Completion Date: _____

15. Estimated Cost of:

Remodeling/Rehabilitation (Total): \$ _____

Labor: \$ _____

Material: \$ _____

New Construction (Total): \$ _____

Labor: \$ _____

Material: \$ _____

Capital Equipment: \$ _____

Site (Acquisition/Preparation, etc.) \$ _____

Total Estimated Project Cost: \$ _____

16. Number of Full Time Equivalent (FTE) Jobs*:

a. Presently at project location: _____

b. Present Jobs to be Retained** : _____

c. Created*** within one (1) year of project completion: _____

d. Additional Jobs Created after one (1) year and within two (2) years: _____

17. Does this project involve a move from another location: NO YES

(If YES, indicate City and State): _____

18. Projected Annual Sales Subject to Sales Tax: _____

19. Incentives Being Sought:

Certificate of Eligibility for Sales Tax Exemption (EZ)

Abatement of Property Tax on Incremental Improvements (Areas where only EZ OR TIF exist)

Rebate of Property Tax on Incremental Improvements (TIF/EZ Overlap Area)

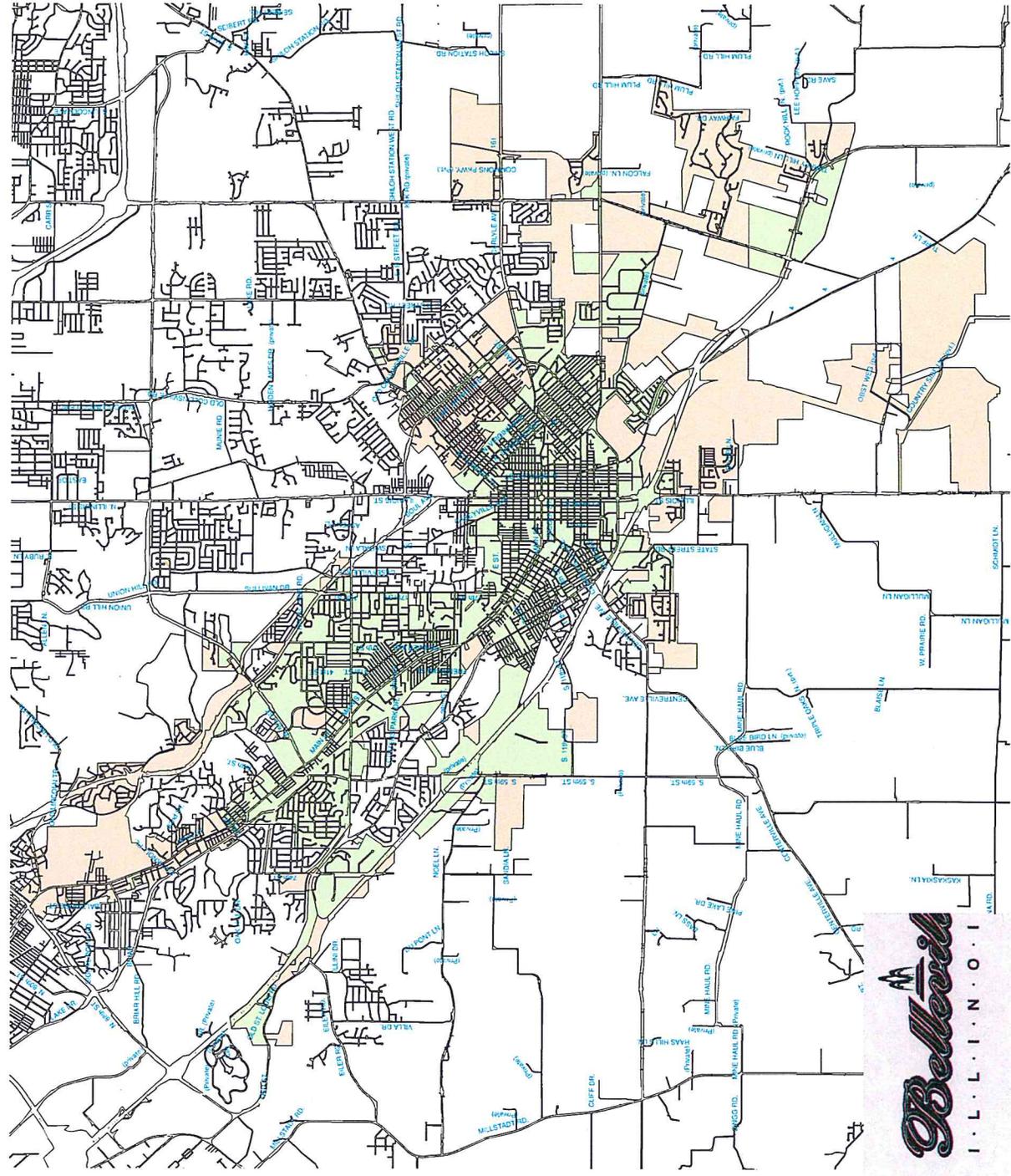
Façade Improvement Reimbursement

*"Full-time equivalent job" means a job in which the new employee works for the recipient or for a corporation under contract to the recipient at a rate of at least 35 hours per week. A recipient who employs labor or services at a specific site or facility under contract with another may declare one full-time, permanent job for every 1,820 man hours worked per year under that contract. Vacations, paid holidays, and sick time are included in this computation. Overtime is not considered a part of regular hours.

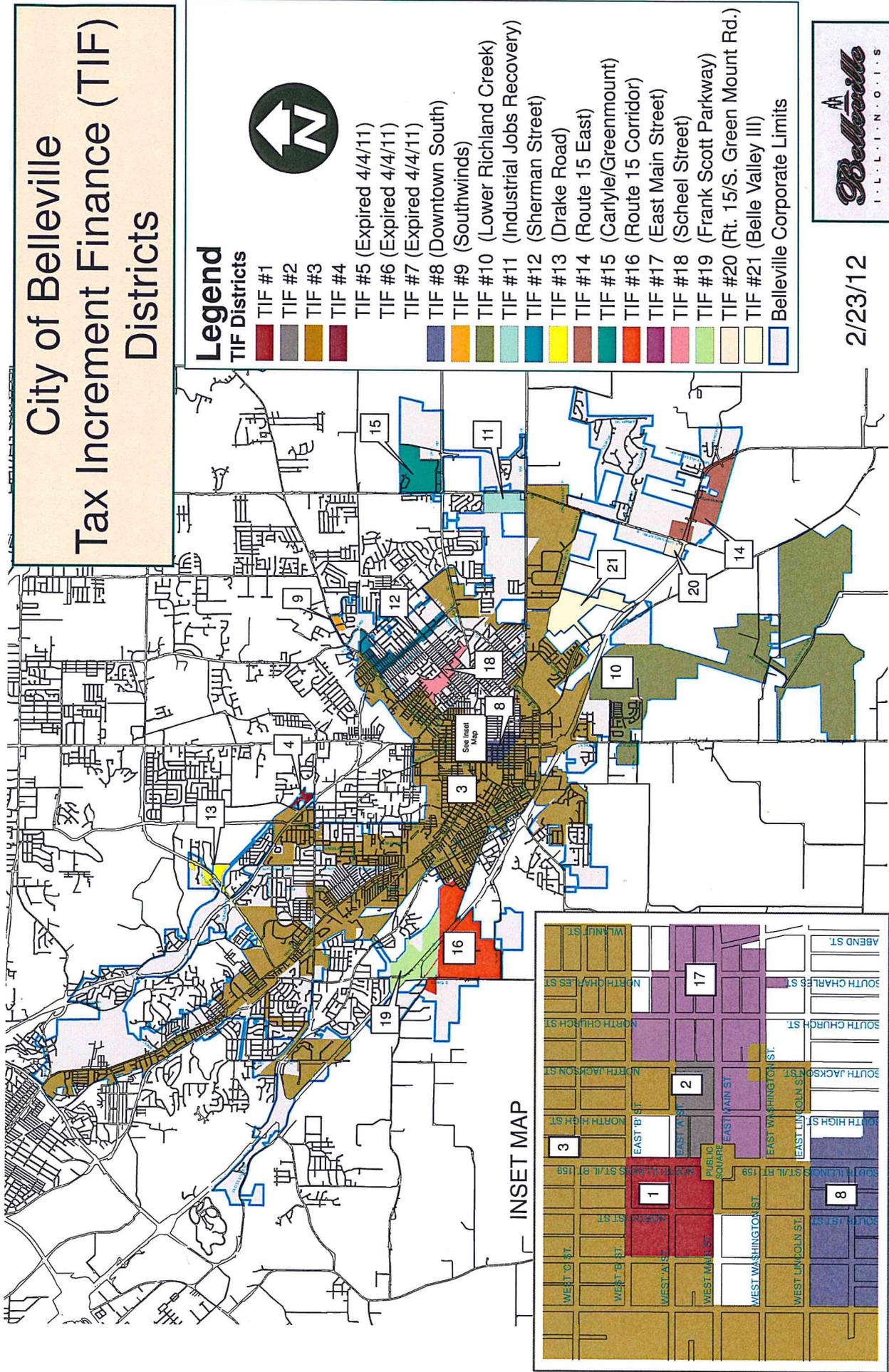
****"Full-time retained job" means any employee defined as having a full-time or full-time equivalent job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat, which shall be specified in the application for development assistance. A recipient who employs labor or services at a specific site or facility under contract with another may declare one retained employee per year for every 1,750 man hours worked per year under that contract, even if different individuals perform on-site labor or services

***"Created" means the number of jobs for which persons are hired or are expected to be hired within 2 years as a result of the new investment, not including construction jobs or spin-offs that may be created.

City of Belleville Enterprise Zone



City of Belleville Tax Increment Finance (TIF) Districts



Legend

TIF Districts

- TIF #1
- TIF #2
- TIF #3
- TIF #4

- TIF #5 (Expired 4/4/11)
- TIF #6 (Expired 4/4/11)
- TIF #7 (Expired 4/4/11)
- TIF #8 (Downtown South)
- TIF #9 (Southwinds)
- TIF #10 (Lower Richland Creek)
- TIF #11 (Industrial Jobs Recovery)
- TIF #12 (Sherman Street)
- TIF #13 (Drake Road)
- TIF #14 (Route 15 East)
- TIF #15 (Carlyle/Greenmount)
- TIF #16 (Route 15 Corridor)
- TIF #17 (East Main Street)
- TIF #18 (Scheel Street)
- TIF #19 (Frank Scott Parkway)
- TIF #20 (Rt. 15/S. Green Mount Rd.)
- TIF #21 (Belle Valley III)

Belleville Corporate Limits



INSET MAP



2/23/12

