



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor

FROM: Elizabeth H. Tyler, Community Development Director

DATE: December 10, 2012

SUBJECT: **Revision of Economic Development Incentive Programs**

Description

Staff has reformulated the City of Urbana's Economic Development Incentive Programs to better implement the goals set forth in the City's pertinent planning documents and to create more collaborative opportunities with several partner organizations. These revisions were predicated by budget constraints and changing economic conditions that lead to the administrative decision to discontinue the TIF Rent Subsidies. The newly revised programs offer two options for incentivizing capital projects and two options for direct business assistance. Overall, these programs allow the City to offer assistance to more businesses and property owners at lesser levels. The new program will take effect January 1st, 2013. As these revisions represent many major changes to the program, staff intends to evaluate and adjust the programs within the first year.

Program Highlights

Broadening the Impact of Incentives and Encouraging Innovation and Experimentation

The new Business Grants make more businesses eligible for incentives overall while reducing the total incentive amounts. The grants are also designed to allow for repeat applications, specifically to accommodate the changing needs of new, expanding and transitioning businesses. The grants program is also flexible enough to function as either an attraction grant for a new business or a retention grant for an existing business in transition. Lastly, the grant structure shifts greater benefit to the entry-level market by allowing multiple lease-holding tenants in subdivided or shared spaces to receive individual grants.

Promotion of Business and Financial Planning

Cooperation with the Small Business Development Center (SBDC) and East Central Illinois SCORE (ECI-SCORE) has given rise to novel program that will couple no-fee business development services with a City grant. The program is intended to go beyond offering stand-alone financial support by supporting all applicants in achieving a minimum level of business and financial planning.

Coordination with Partners and Leveraging Available Resources

In addition to coordinating efforts with SBDC, SCORE, SEDAC, IGBA and AOE, the newly created Business Opening Grants program will coordinate more closely with the Urbana Business Association (UBA). The City grant is coupled with a no-fee consultation in social media marketing provided by UBA and Economic Development staff. In addition, the grant will be awarded at the ribbon cutting ceremony provided by the UBA and/or the Champaign County Chamber of Commerce.

Encouraging Investment to make Buildings more Sustainable

The new Redevelopment Incentive Program specifically targets investments in building energy efficiency and is intended to augment the incentives already offered through the Ameren Act On Energy (AOE) program. Cooperation with the Smart Energy Design and Assistance Center (SEDAC) and the Illinois Green Business Association (IGBA) will encourage property owners to become fully informed of what they can save in operational costs through investment in energy efficiency improvements. Capital energy efficiency projects in the TIF Districts that are estimated to improve building energy performance by 10 percent or more will be eligible for a minimum 5 percent reimbursement in addition to AOE incentives.

Promoting a Broader Spectrum of Artistic Uses

The new programs offer more robust incentives to Priority Uses including arts-related businesses. The revisions expanded the definition of art-related businesses to include music, theatre, film, dance and performance as well as exhibition spaces, performance venues, studios, rehearsal spaces, and art classrooms in addition to art retail stores. This is intended to increase the diversity of arts-related activities in the Downtown while continuing to support the growth of Urbana's galleries.

Designed to Implement the Downtown Strategic Plan & Cunningham Ave Beautification

The new program criteria was designed to closely align with the goals set forth in Urbana's planning and guiding documents. Notably, the Redevelopment Incentive Program's scoring for the Downtown TIFs specifically incentivizes Upper Story Residential uses; for the Cunningham Corridor TIF, beautification goals are emphasized. The specific guiding documents that have instructed this incentive rewrite include:

- 2012 Council Goals
- 2012 Downtown Urbana Plan
- 2011 Downtown Market Study
- 2008 Cunningham Ave Beautification Report
- 2005 Comprehensive Plan
- 2005 Amended TIF 2 Plan
- 2004 Amended TIF 1 Plan
- 2001 Cunningham Ave Redevelopment Plan

Program Overview and Eligible Uses

Overall, the Economic Development Incentive Program is comprised of two Capital Redevelopment Incentives (available in the Downtown and Cunningham TIF Districts) and two Business Grants (available in only the Downtown TIFs). For each of these programs, the incentives are enhanced for “Priority Eligible Uses” of property. The identified Priority Uses include: Retail Stores, Restaurants and Bars, Hotels and Conference Centers, Upper-Story Residential Units as part of a Mixed Use Development, Arts and Performance Establishments, and any combination of the aforementioned uses. The priorities were determined by analyzing the goals set forth in the plans and studies mentioned above. “Other Eligible Uses” that do not meet the definition of a Priority Use, such as providers of professional and personal services, may still receive incentive through all programs except the Business Opening Grant. Any use on a tax-exempt property or a property that is out of compliance with City codes is considered an “Ineligible Use” and may not receive any incentive.

Just as the individual programs are intended to coordinate with existing services and incentives, Urbana’s Economic Development Incentive Programs themselves are stackable. Applicants are encouraged to apply for one of the two Redevelopment Incentives, which reward capital investments, and apply for both business grants. In addition, separate businesses leasing space within one building may each apply for both business grants.

Program Details

Redevelopment Incentive Program

The Redevelopment Incentive Program matches capital investment in TIF Districts 1, 2 and 4 with a reimbursement up to 20% of the project cost. The rate of reimbursement is determined by scoring the project proposal using pre-defined criteria. Priority Use businesses are allowed a maximum grant of \$25,000 and other Eligible Uses are capped at \$10,000 under this program. This new criteria allows the City to participate in more projects at a lesser level.

Redevelopment Agreement Program

Redevelopment Agreements remain Urbana’s most flexible incentive tool and are generally reserved for new developments, large-scale redevelopments and projects, and projects that promise exceptional outcomes to the local economy and community. The program remains unchanged short of how it is presented in the program materials. All Redevelopment Agreements are subject to City Council approval.

Business Development Grant Program

Business Development Grants are a new program intended to directly attract, grow, retain and develop businesses in Urbana's greater downtown. The grants are contingent on businesses achieving a minimum level of business and financial planning. This is accomplished through partnership with both SBDC, part of the Champaign County Economic Development Corporation, and ECI-SCORE, an association that matches volunteer mentors with entrepreneurs and is supported by the Champaign County Chamber of Commerce. Both SBDC and SCORE are supported by the U.S. Small Business Administration and have similar missions to help local, small business get started, grow, and weather the transitions of a business's development.

Priority Use businesses may receive a \$2,000 grant and other Eligible Use businesses may receive a \$1,000 grant. The program encourages repeat applications at least one year apart, however there is an expectation that businesses reentering the program have taken independent steps to act upon the plans they developed prior and that they are facing new challenges for which they have not planned.

Business Opening Grant Program

The Business Opening Grant is an incentive intended to attract and grow Priority Use businesses into Urbana's greater downtown. New and expanding businesses are both eligible for this grant; however, eligibility is restricted to Priority Use businesses. The grant is awarded upon the opening of the business at the ribbon cutting ceremony. Businesses may choose if they would prefer to have the ceremony conducted by the UBA, the Chamber, or both.

The grant is augmented by one hour of free social media and marketing consultation provided by either UBA or Economic Development staff. In addition, ribbon cutting ceremonies are typically accompanied by media attention. Therefore the combined impact of this program is not only to attract and grow business, but to help new ventures make a splash when they arrive.

- Attachments:**
- 1: Overview of Economic Development Incentive Programs, Eligible Use Definitions, and Maps of TIF Districts 1, 2 and 4
 - 2: Redevelopment Incentive Program
 - 3: Redevelopment Agreement Program
 - 4: Business Development Grant Program
 - 5: Business Opening Grant Program

Prepared by:

Brandon S. Boys, Redevelopment Specialist



Overview of Economic Development Incentive Programs

Urbana’s Economic Development Incentive Programs encourage the redevelopment of vacant and underutilized buildings, catalyze capital investment in the City’s Tax Increment Financing districts, and foster a vibrant and creative business community in Downtown Urbana. Use the chart below to identify the incentives which are most suitable to your project. All programs are subject to fund availability.

Eligible Districts

Program Name

Priority Use Eligibility

Other Use Eligibility

Program Highlights

Combinations Allowed

Availability

Redevelopment Incentives

Downtown and Cunningham Corridor (TIFs 1,2 & 4)

Redevelopment Incentive Program

Up to \$25,000

Up to \$10,000

- For the incentive of capital investments
- Reimburses up to 20 percent of capital costs
- Reimbursement percent determined by scoring of project

Redevelopment Agreement Program

Negotiable

Negotiable

- For new buildings, large scale redevelopments, and projects that promise exceptional economic and community outcomes
- City Council approval required

Pick Just One Incentive

Business Grants

Downtown Only (TIFs 1 & 2 only)

Business Development Grant

\$2,000

\$1,000

- For new, expanding and transitioning businesses
- Required consultation with SBDC/SCORE
- Business Planning expenses covered up front; remainder awarded as a grant

Business Opening Grant

\$1,000

- For new and expanding businesses
- Awarded at business opening ceremony or ribbon cutting
- Only available to Priority Use businesses

May Apply For Both Grants

One Redevelopment Incentive and two Business Grants may be combined on a single project.

Awards of all incentives and grants are contingent on the availability of funds



Overview of Incentive Programs: Eligible Use Definitions

Priority Eligible Uses

Retail Stores

- Establishments that fall under the definition of a “Retail Store” in the Urbana Zoning Ordinance; **and**,
- At least 70% of premise floor area is dedicated to display and storage of inventory.

Restaurants and Bars

- Establishments that fall under the definition of either a “Food Service Establishment” or a “Tavern” in the Urbana Zoning Ordinance; **and**,
- At least 70% of premise floor area is dedicated to preparing and serving food and beverages.

Hotels and Conference Centers

- An establishment that falls under the definition of a “Hotel or Motel” in the Urbana Zoning Ordinance.

Upper-Story Residential Units

- Projects that will result in the creation of new, upper-story “Dwelling Units” as part of a mixed use development.

Arts and Performance Establishments

- Establishments that primarily focus on music, arts, theatre, dance, and/or performance; **and**,
- At least 70% of premise floor area is dedicated to:
 - an exhibition space for visual artwork including the showing of films,
 - a venue for the performing arts including theatre, concerts, and other live performances,
 - a studio, rehearsal space, workshop or classroom that is used for visual, performing or musical arts,
 - a store that displays and sells works of art, **or**
 - any combination of the above uses.

Any Combination of Priority Uses

- Where at least 70% of premise floor area is dedicated to Priority Uses as defined above.

Other Eligible Uses

Professional Services

- including financial, legal and medical and other office uses

Personal Services

- including beauty, health, fitness and automotive repair

Any use that is not specifically defined as a Priority Use or an Ineligible Use

Ineligible Uses

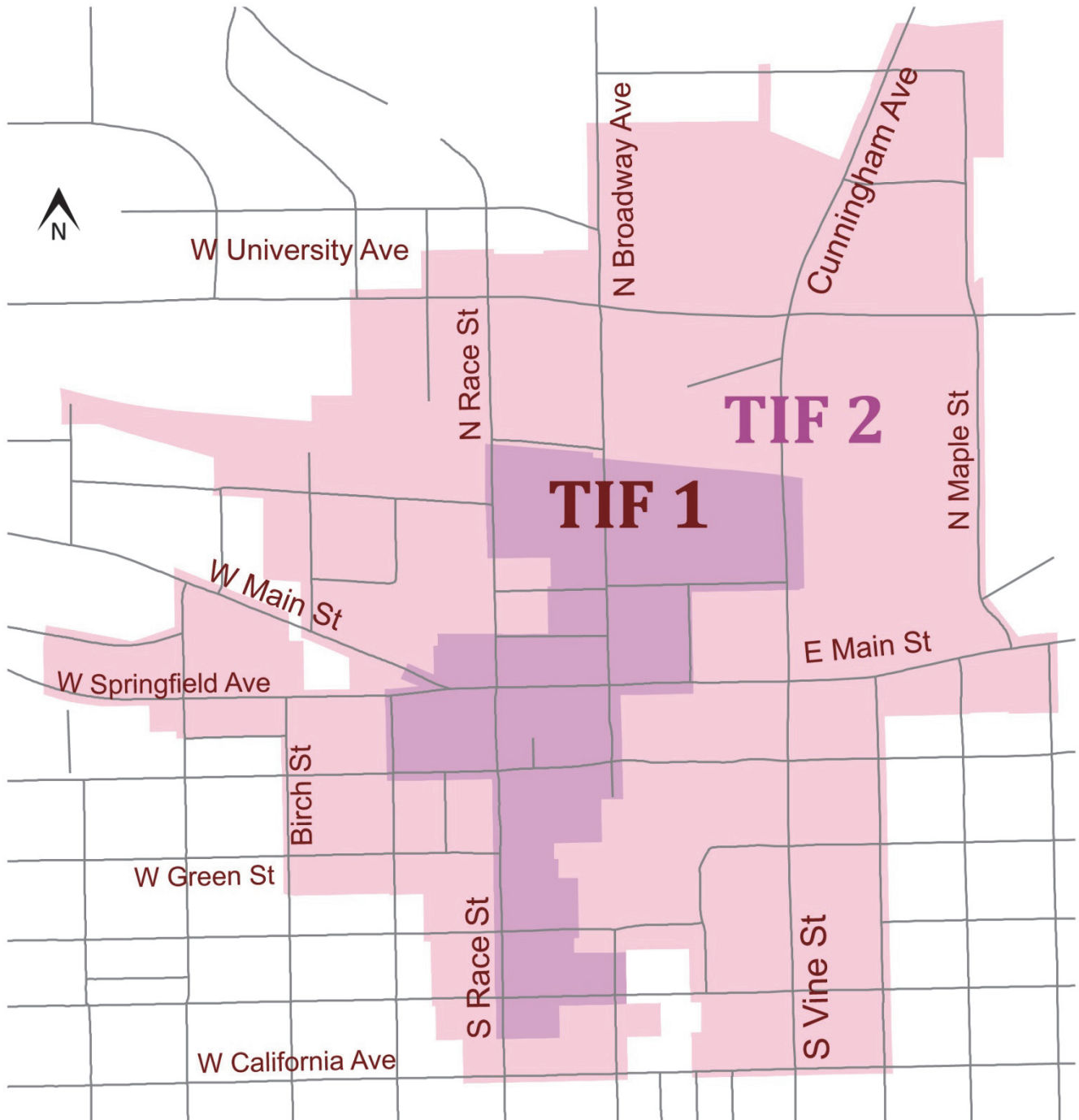
Any use on a tax-exempt property is ineligible for TIF-funded assistance

Any use that does not meet all applicable City codes is ineligible for funding



Urbana's Downtown TIF Districts 1 & 2

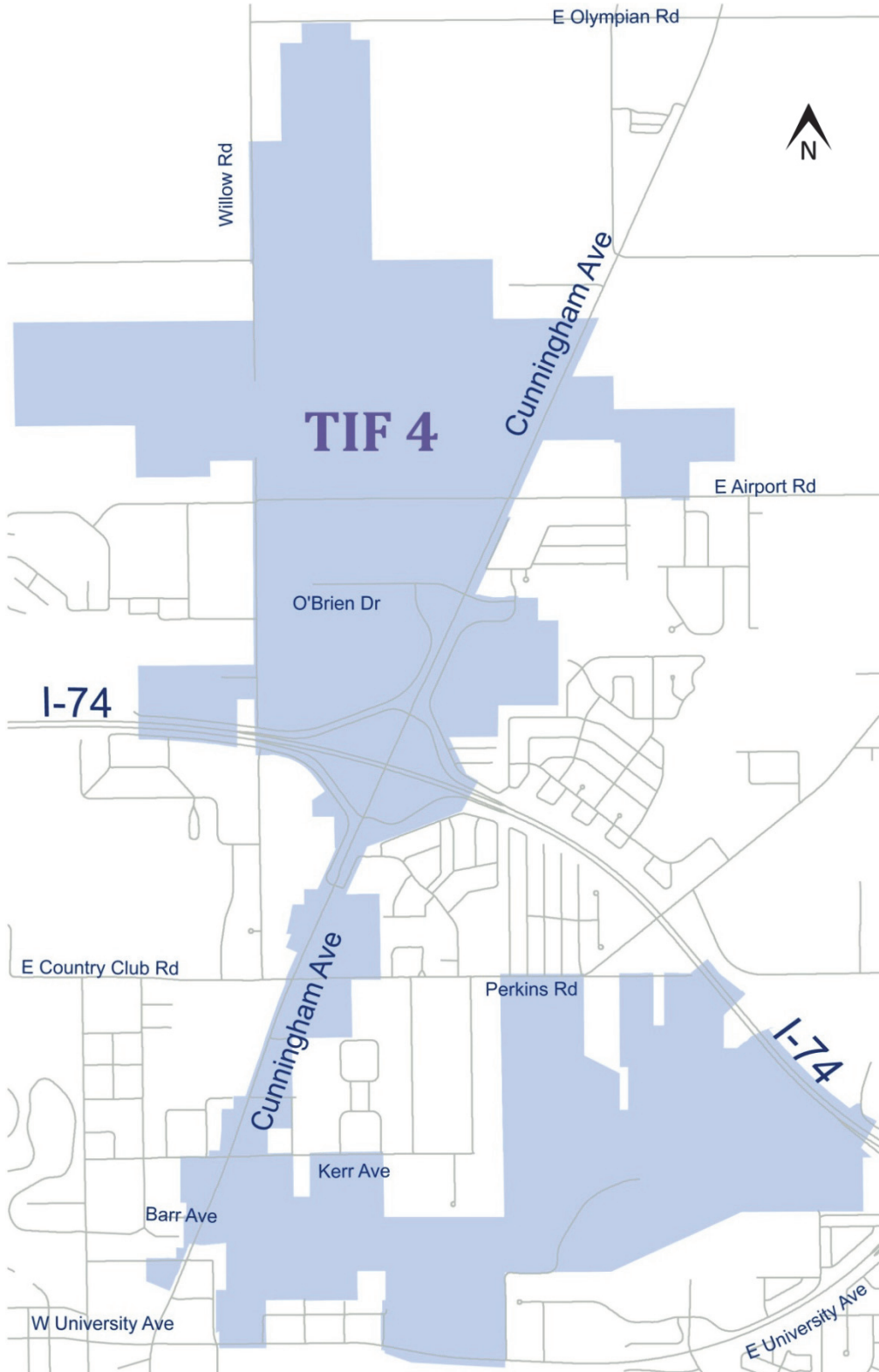
Urbana's Economic Development Incentive Programs are primarily funded through our Tax Increment Financing Districts (TIFs). Both of Urbana's Downtown TIFs facilitate investment in property, business activity, and the creation of new jobs. The TIFs also support the implementation of Urbana's Downtown Plan, the Downtown Market Study, and the City's Comprehensive Plan.





Urbana's Cunningham Avenue TIF District

Urbana's Economic Development Incentive Programs are primarily funded through our Tax Increment Financing Districts (TIFs). Urbana's Cunningham Avenue TIF facilitates investment in property, business activity, and the creation of new jobs. The TIF also supports the implementation of the Cunningham Ave Beautification Plan and the City's Comprehensive Plan.





Redevelopment Incentive Program

The Redevelopment Incentive Program provides financial incentives in the form of reimbursement for permanent building and site improvements by Urbana businesses or property owners in Tax Increment Finance (TIF) Districts 1, 2 and 4.

How much will the Redevelopment Incentive Program reimburse?

The Redevelopment Investment Program will reimburse between 5 and 20 percent of program-eligible costs. The level of incentive provided is contingent on meeting established criteria which is scored on a point basis. The criteria are specific to the TIF district. *All grant applications are subject to the availability of funding.*

What is the maximum reimbursement amount?

Projects that meet the criteria of a Priority Use may not receive an incentive greater than \$25,000. Projects that fall under the criteria of an Eligible Use may not receive more than \$10,000. *See Incentives Overview Sheet.*

Maximum Reimbursement	
Priority Use	\$25,000
Eligible Use	\$10,000

What kinds of improvements are eligible?

All work must be permanently fixed to the real estate. Examples of permanent improvements include: building, life safety and accessibility code requirements; repair/replacement of roof; floors, structural or partitioned walls or windows; repair/replacement of electrical, plumbing, heating or cooling system; and installation of an elevator, sprinkler, and fire or smoke alarm system. Professional fees are eligible. Tenant finish work that is specifically related to the use of the building is not eligible.

Application Approval Guidelines

The Redevelopment Incentive Program is a reimbursement program where grants are awarded only upon successful completion of the project. Applications must be approved by the TIF Administrator before any work begins. Work completed prior to receipt of written grant approval by the TIF Administrator is ineligible for reimbursement. All applications are subject to the availability of funds. Grants are only approved in writing by the TIF Administrator upon review of a formally submitted, complete application. No verbal commitment to funding will be recognized. Verbal or written feedback on a business' general eligibility or a response to a request to pre-review a draft application shall not be construed as an approval or disapproval of the application.

Project Timeline and Scope Guidelines

Projects must be completed within one year of the grant award date to be eligible for reimbursement. The TIF Administrator may authorize a one-time 6 month extension of this project deadline. Projects that have lost funding eligibility by lapsing past the approved deadline may reapply to the Redevelopment Incentive Program. An applicant must also reapply if there is a significant change in the scope of the project after the application has been approved. The City is under no obligation to approve the new project scope or reimburse project components that were not included in the original proposal. Reapplications will be treated as new applications and will be evaluated based on the updated project scope and estimated costs of work not yet completed. *Reapplications are also subject to the availability of funding.*

Minimum Requirements

- The property is located within the boundaries of TIF 1, 2, or 4.
- This is the first RIP application for the property in the current fiscal year (July 1 – June 30)
- The building, property or project has received less than \$100,000 in total incentives from the City of Urbana over the past 5 years, including all Economic Development programs as well as any tax abatements awarded through redevelopment agreements.
- The project is consistent with Urbana’s existing plans: in TIFs 1 and 2 this includes the TIF 1 & 2 Redevelopment Plans, the Downtown Plan and the Urbana Comprehensive Plan; in TIF 4, this includes the TIF 4 Redevelopment Plan and the Urbana Comprehensive Plan.
- The property will meet all applicable building, life safety, zoning, and maintenance codes upon project completion.
- Any fines, fees or unpaid taxes owed to the City by the applicant or building owner are paid up-to-date.
- The property owner agrees not to protest the Assessor’s determination of property value for the properties for which the grant is requested.
- If the applicant does not own the property, the applicant has the permission of the property owner to make the requested renovations.
- The project has adequate bank or other financing.

What is the process for receiving a grant?

1. Meet with the TIF Administrator to determine if the project is in a TIF District, if this incentive is applicable to your project, and if the project constitutes a Priority, Eligible, or Ineligible Use.
2. Submit your completed application to the TIF Administrator with all necessary attachments.
3. Schedule a time with the TIF Administrator for Community Development staff to tour the building for the purpose of evaluating and documenting current conditions.
 - a. Building Safety staff will provide consultation on any building code or life safety concerns.
 - b. Planning Staff will provide consultation on the historic value of the property.
4. Staff will review your application to determine how many criteria the project meets. Project criteria and fund availability will be used to determine the level of grant awarded for the project.
5. The TIF Administrator will review your application for approval, depending on the level of funding requested and whether or not your project meets the use criteria listed on Page 1.
6. If your project is approved, the TIF Administrator will draft your letter of grant approval, including the amount of the award and the expected project completion date.
7. The City will encumber funds equal to the specified percent of projected cost submitted at the time of application plus a ten percent contingency. These funds will remain encumbered for one year, at which time the TIF Administrator may authorize a six month extension. The TIF Administrator will not authorize any extensions beyond eighteen months.
8. Payment will be made following the issuance of a Certificate of Occupancy or upon final review by a Building Inspector where a Certificate of Occupancy is not required. At the time of final review by the Building Inspector, Community Development staff will photograph the building and all renovations.
9. Receipts for work completed must be submitted within one year of receiving the letter of approval for the project. If the project is not completed within one year, you may request a 6 month extension from the TIF Administrator. Projects that have lapsed past one year or the extension period are not eligible for reimbursement, but may be resubmitted as new TIF-RIP grants. Projects that are resubmitted will be reevaluated based on the updated project scope and estimated cost figures of work not yet completed.



Application Forms and Attachments Checklist

Please use this checklist to ensure you complete both forms and include all necessary attachments.

Application Form

All Necessary Attachments

- A completed W-9 form for the Grantee
- A description of any City of Urbana Incentives received by any project beneficiary in the last 5 years
- A letter from the owner granting the applicant permission to complete the proposed improvements (*if the applicant does not own the property*)
- A letter of commitment or evidence of adequate financing
- A completed project worksheet (*see sample*)

Grant Criteria Scoring Form (Use the table that corresponds to the project location)

All Criteria-Specific Attachments (*Include for each grant criteria you have indicated on the form*)

Historic Preservation

- Proof of registration if the property is registered locally (Urbana Historic Landmark) or nationally (National Register of Historic Landmarks)
- Contact the Planning Department so staff may assess the eligibility of the property.

Reuse of an Existing Vacant Building

- Floor plans, elevation drawing and any other plans needed to show improvements (8 ½ x 11)
- Description of previous and proposed use, including dates

Exterior Aesthetic Improvements/Signage/Landscaping

- Photographs of existing façade/signage/landscaping
- Site and/or elevation drawing of proposed façade/signage/landscaping

Code Improvements

- An explanation of how this project will bring the building into code/accessibility compliance

Mixed Use Development with Upper Story Residential

- Floor plans showing number of new/improved units

Improvement of Building Energy Performance

- An energy analysis from the Smart Energy Design Assistance Center (SEDAC), the Illinois Green Business Association (IGBA), or another professional entity

Access and Traffic Safety

- Site drawing of proposed changes to access or traffic



Application Form – Redevelopment Incentive Program

All applications are subject to the availability of funding.

TIF District

This project is located in Tax Increment Finance District: 1 2 4 *(circle all that apply)*

Applicant Information

Applicant Name: _____

Mailing Address: _____

Phone Number: _____

Fax: _____ Email: _____

Grantee Information

Grantee Name: _____

Organization Name: _____

Please attach a completed W-9 form in addition to this application.

Property Owner Information

Grantee is also a property owner? Yes No *(circle one)*

(All beneficial owners of a Land Trust, members of a Limited Liability Company or a partnership must be listed.)

Owner Name(s): _____

Organization Name(s): _____

Owner(s) Phone Number: _____

Owner(s) Email Address: _____

Disclosure of Previous Incentives

Has the property owner or any beneficiaries of this project received any financial incentive or tax abatement from the City of Urbana in the last five years? Yes No *(circle one; if yes, please attach a description)*

Building Information

Business Name: _____

Individual Corporation Partnership Other _____

How is the title held to the property?

Individual Corporation Land Trust
 Partnership Limited Liability Company Other _____

Building Name _____

Building Address _____

	Building Total	Addressed by Project
Parcel square footage		
Building square footage		
Number of floors in building		

Current Use: _____

General Project Description: _____

Project Financing Information

Bank Private Other _____

Bank Name and Contact: _____

Contact Phone Number: _____

Escrow Institution & Agent: _____

Agent Phone Number: _____



Downtown Redevelopment Criteria Scoring Form – TIFs 1 & 2

Please indicate which criteria points you are applying for and include all requested attachments.

Reuse of an Existing Vacant Building	Does the project result in the reuse of a building that has been vacant for 1, 2, or 3+ years? <i>(1 point per year; a new building's first year will not be counted)</i>	<input type="checkbox"/> 3 points <input type="checkbox"/> 2 points <input type="checkbox"/> 1 point				
Code Improvements	Are at least 30% of eligible costs attributable to building code, life safety or accessibility improvements?	<input type="checkbox"/> 2 points				
Mixed Use Development with Upper Story Residential	Will this project be mixed use and include upper floor residential units?	<input type="checkbox"/> 2 points				
Historic Preservation	Is the property listed on or eligible to be listed on the National Historic Landmarks registry or the Urbana Local Historic Landmarks? <i>(2 points for properties that are listed; 1 point for properties eligible to be listed)</i>	<input type="checkbox"/> 2 points <input type="checkbox"/> 1 point				
Improvement of Building Energy Performance	Is a portion of the capital project eligible for Act On Energy Incentives <u>and</u> will the capital project reduce existing energy use by 10% or more?	<input type="checkbox"/> 2 points				
Exterior Aesthetic Improvements	Will the project substantially improve the aesthetics of the public portion of the existing building exterior beyond the requirements of the Zoning Code?	<input type="checkbox"/> 1 point				
Total Criteria Points Applied For:						
Number of Criteria Points Earned	< 2	2 - 3	4 - 5	6 - 7	8 +	Use the chart to the left to estimate the Reimbursement Percentage
Reimbursement Percentage	0 %	5 %	10 %	15 %	20 %	
Estimated Reimbursement Percentage:						
Estimated Eligible Project Costs:						
Multiply the Eligible Project Costs by the Reimbursement Percentage to estimate your Grant Request						
Estimated Grant Request:						
If needed, reduce request down to the project use's maximum: \$25,000 for a Priority Use; \$10,000 for an Eligible Use						
Grant Request:						

Applications must include the appropriate attachments for all criteria to receive full consideration for this grant.

All grant applications are subject to the availability of funding.



Cunningham Ave Redevelopment Criteria Scoring Form – TIF 4

Please indicate which criteria points you are applying for and include all requested attachments.

Reuse of an Existing Vacant Building	Does the project result in the reuse of a building that has been vacant for 1, 2, or 3+ years? <i>(1 point per year; a new building's first year will not be counted)</i>	<input type="checkbox"/> 3 points <input type="checkbox"/> 2 points <input type="checkbox"/> 1 point				
Code Improvements	Are at least 30% of eligible costs attributable to building code, life safety or accessibility improvements?	<input type="checkbox"/> 2 points				
Access and Traffic Safety	Will this project result in the removal of unsafe curb cuts or improve safe access to the site beyond municipal requirements?	<input type="checkbox"/> 2 points				
Improvement of Building Energy Performance	Is a portion of the capital project eligible for Act On Energy Incentives <u>and</u> will the capital project reduce existing energy use by 10% or more?	<input type="checkbox"/> 2 points				
Exterior Aesthetic Improvements	Will the project substantially improve the aesthetics of the public portion of the existing building exterior beyond the requirements of the Zoning Code?	<input type="checkbox"/> 1 point				
Signage	Will the project bring non-conforming signage into conformity?	<input type="checkbox"/> 1 point				
Landscaping	Are at least 10% of eligible costs attributable to improved landscaping facing a public right-of-way? <i>(Costs may include the removal of impervious surfaces or the use of low-impact development such as rain gardens.)</i>	<input type="checkbox"/> 1 point				
Total Criteria Points Applied For:						
Number of Criteria Points Earned	< 2	2 - 3	4 - 5	6 - 7	8 +	Use the chart to the left to estimate the Reimbursement Percentage
Reimbursement Percentage	0 %	5 %	10 %	15 %	20 %	
Estimated Reimbursement Percentage:						
Estimated Eligible Project Costs:						
Multiply the Eligible Project Costs by the Reimbursement Percentage to estimate your Grant Request						
Estimated Grant Request:						
If needed, reduce request down to the project use's maximum: \$25,000 for a Priority Use; \$10,000 for an Eligible Use						
Grant Request:						

Applications must include the appropriate attachments for all criteria to receive full consideration for this grant.

All grant applications are subject to the availability of funding.



Redevelopment Agreement Program

The Redevelopment Agreement Program provides incentives for new buildings, large scale redevelopments, and projects that promise exceptional economic and community outcomes. Agreements are considered on a case-by-case basis and ultimately require City Council approval.

What is the Redevelopment Agreement Program?

Redevelopment Agreements are used as incentives for major projects in Downtown Urbana and along the Cunningham Avenue Corridor. If you are working on a major development project in these areas, please contact the Economic Development Division to discuss whether a Redevelopment Agreement is a good fit for your project.

What is the maximum incentive amount?

- Redevelopment Agreements are negotiated on a case-by-case basis and tend to be proportional to the scale of the investment in the property.
All incentives are contingent on the availability of funds.

Maximum Grant	
Priority Use	Negotiable
Eligible Use	Negotiable

Minimum Requirements

- Projects must be located within the boundaries of TIF 1, 2 or 4.
- Please contact the Economic Development Division for more information on Redevelopment Agreements.
- Redevelopment Agreements require extensive staff review and approval followed by City Council approval.

How do I apply?

- Contact the Economic Development Division to discuss the nature of your project.
- Fill out the attached application including a detailed description of your project.



Application Form – Redevelopment Agreement Program

All applications are subject to the availability of funding.

TIF District

This business is or will be located in Tax Increment Finance District: 1 2 4 (circle all that apply)

Applicant Information

Applicant Name: _____

Mailing Address: _____

Phone Number: _____

Fax: _____ Email: _____

Project Information

Project Name: _____

Project Address _____

Brief Project Description: _____

Please attach a detailed project description.

Property Owner Information

Applicant is also an owner of the property? Yes No (circle one)

Ownership type: __ Individual __ Corporation __ Partnership __ Other _____

(All beneficial owners of a Land Trust, members of a Limited Liability Company or a partnership must be listed.)

Owner Name(s): _____

Organization Name(s): _____

Owner(s) Phone Number: _____

Owner(s) Email Address: _____

Disclosure of Previous Incentives

Has the property owner or any beneficiaries of this project received any financial incentive or tax abatement from the City of Urbana in the last five years? Yes No (circle one; if yes, please attach a description)



Business Development Grant Program

The Business Development Grant Program provides support to new, expanding, and transitioning businesses in Urbana’s greater downtown area. Businesses in or planning to locate in TIF Districts 1 or 2 may receive a cash grant after completing consultation with SBDC/SCORE.

How will a Business Development Grant help my business?

The Business Development Grant Program is intended to assist businesses in planning for success and to support those efforts with a modest grant. The Small Business Development Center of Champaign County (SBDC) and East Central Illinois SCORE (SCORE) are two local providers of free business development services, each funded in part by the U.S. Small Business Administration. Whether you are a new business, a growing business, or a business in the midst of a major change these service providers can assist you in plotting your future course. If you participate fully and complete all the steps, then the City of Urbana will award you a Business Development Grant.

What is the maximum grant amount?

Businesses that meet the criteria of a Priority Use may receive a \$2,000 grant. Businesses that fall under the criteria of an Eligible Use may receive a \$1,000 grant. *See Incentives Overview Sheet.*

Maximum Grant	
Priority Use	\$2,000
Eligible Use	\$1,000

What if my business needs specialized consultation?

A business enrolled in this program may choose to utilize up to 75 percent of their eligible grant for business planning services. This could include fees for a business planning workshop or a class in financial planning. Funding utilized in this way will be paid directly to the service provider and the amount will be deducted from the total eligible grant. The remainder of the grant will be awarded to the business upon completion of the program.

Minimum Requirements

- The business must be located in or planning to move within the boundaries of either TIF 1 or 2. A business may begin the planning process without being located in the TIF District, however prior to the award of the grant, the business must either own a building in the TIF have a signed lease with at least one full year of tenancy remaining.
 - Co-tenants under the same lease are not eligible for multiple retention grants.
 - A single business entity operating at adjacent or nearby locations is not eligible for multiple retention grants.
- Ongoing business operations are ineligible for this grant program; only startups, expansions, relocations, retention assistance, and ownership transitions are eligible for this incentive.
- An individual person or business entity is not eligible to receive more than one grant in a one year period.
- Partial eligibility is not recognized. Requests for partial funding will not be accepted.
- Grants are only approved in writing by the TIF Administrator upon review of a formally submitted, complete application. No verbal commitment to funding will be recognized. Verbal or written feedback on a business’s general eligibility or comments on a draft application shall not be construed as approval or disapproval of a grant application.

How do I apply?

- Contact the Economic Development Division to discuss whether this grant is a good fit for your business.
- Fill out the attached application form and submit it to the Economic Development Division. *All grant applications are subject to the availability of funding.*

What is the process for the business consultation?

- Fill out the “Request for Consultation” forms with SBDC and/or SCORE.
- Provide SBDC/SCORE with a recent profit/loss statement, a copy of a business plan, and, if applicable, a copy of the current lease. If you lack any of this documentation, SBDC/SCORE will still work with you.
- Attend an initial consultation session with representatives of SBDC and/or SCORE. SBDC/SCORE will review your business’s information and practices and listen to your current needs. They will provide you with recommendations on how to improve your business planning and financial management and make you aware of all business development services that may meet your needs including business development services at SBDC, SCORE, the Urbana Business Association, UIUC, and Parkland College.
- For new and expanding businesses, if your business demonstrates an advanced level of business and financial planning at the initial consultation, SBDC/SCORE may immediately recommend that the City issue the Business Development Grant.
- You may choose to utilize up to 75 percent of your eligible grant on training or education expenses that are directly related to the recommendations for business development you received in your consultation. The City will pay the service providers directly. The amount used will be deducted from your total grant.

Awarding of the Grant

- SBDC/SCORE will notify the City when your business has completed all the steps of business planning and recommend the release of all remaining grant funding.
- Complete a short evaluation of Urbana’s Business Development program. The results will be kept confidential and used to improve the program.
- Provide the City with a written statement or a brief plan on how you intend to spend the grant and how it will improve your business.
- The City must be in receipt of a current W-9 from the business or business owner to award a grant.
- Before the City can award the grant, the business must hold a lease with at least one year remaining in TIF 1 or 2 or own a property located within TIF 1 or 2.
- The City will issue the grant directly to the business.

Follow Up

Community Development staff will contact you 6 months after your completion of the program to set up a time to meet with you and hear about the progress you have made.



Application Form – Business Development Grant Program

All applications are subject to the availability of funding.

TIF District

This business is or will be located in Tax Increment Finance District: 1 2 *(circle all that apply)*

Business Information

Business Name: _____

Business Address _____

Brief Business Description: _____

Please attach a detailed business description to this application.

Applicant Information

Applicant Name: _____

Mailing Address: _____

Phone Number: _____

Fax: _____ Email: _____

Please attach a completed W-9 form in addition to this application.

Business Owner Information

Applicant is also an owner of the business? Yes No *(circle one)*

Individual Corporation Partnership Other _____

(All beneficial owners of a Land Trust, members of a Limited Liability Company or a partnership must be listed.)

Owner Name(s): _____

Organization Name(s): _____

Owner(s) Phone Number: _____

Owner(s) Email Address: _____

Disclosure of Previous Incentives

Has the business owner or any beneficiaries of this project received any financial incentive or tax abatement from the City of Urbana in the last five years? Yes No *(circle one; if yes, please attach a description)*

Statement of Need

Why are you applying for this incentive? Startup Expanding Relocation Retention Transition *(circle one)*

Please explain: _____



Request for Consultation
Illinois Small Business Development Center
at Champaign County Economic Development Corporation
 1817 S. Neil Street, Suite 100 | Champaign, IL 61820
 (217) 378-8535



***1. Type of Contact:** Face to Face Online Telephone ***2. Primary Counselor:**

PART I: Client Intake:

*3. Client Name (last, First, MI): (Name of the person completing the form/representative of the business)		*4. Email:	
*5. Client Work Phone: Primary: _____ Secondary: _____		*6. Client Fax Number:	
*7. Street Address/PO Box (Give business address if currently in business)	*8. City:	*9. State:	*10. Zip: +4

PART II: Client Intake: (To be completed by all Clents)

*11. Client Federal Representative District Number:	*12. Client State Representative District Number:	*13. Client State Senate District Number:	
*14. Race (Mark one or more): <input type="checkbox"/> Native American or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Native Hawaiian or other Pacific Islander <input type="checkbox"/> Black or African American <input type="checkbox"/> Asian		*15. Client Ethnicity: <input type="checkbox"/> Hispanic Origin <input type="checkbox"/> Not of Hispanic Origin	
*16. Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female		*17. Do you consider yourself a person with a disability? <input type="checkbox"/> No <input type="checkbox"/> Yes	
*18. Veteran Status: <input type="checkbox"/> Non-Veteran <input type="checkbox"/> Service-Disabled Veteran <input type="checkbox"/> Veteran		*18a. Military Status: <input type="checkbox"/> Member of Reserve or National Guard <input type="checkbox"/> On Active Duty	

***19. Referred by?** (Mark all that apply):

<input type="checkbox"/> SBA District Office	<input type="checkbox"/> SBDC	<input type="checkbox"/> Other Client	<input type="checkbox"/> Magazine/Newspaper	<input type="checkbox"/> Other (Specify) _____
<input type="checkbox"/> Lender	<input type="checkbox"/> USEAC	<input type="checkbox"/> Educational Institution	<input type="checkbox"/> Word of Mouth	
<input type="checkbox"/> Business Owner	<input type="checkbox"/> SCORE	<input type="checkbox"/> Local Economic Development Official	<input type="checkbox"/> Television/Radio	
<input type="checkbox"/> SBA Web site	<input type="checkbox"/> WBC	<input type="checkbox"/> Chamber of Commerce	<input type="checkbox"/> Internet (Please indicate site) _____	

***20a. Are you currently in Business?** Yes No (if no Skip to 30)
***20b. I yes, are you currently exporting** Yes No
 If yes to 20b, please go to appendix A on page 3 to indicate the markets to which your company currently exports (mark all the apply)

***21. Name of business:** _____

***22. Type of Business:** (Choose Primary Categories)

<input type="checkbox"/> Mining	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Real Estate & Rental & Leasing	<input type="checkbox"/> Professional, Scientific & Technical Services
<input type="checkbox"/> Utilities	<input type="checkbox"/> Finance & Insurance	<input type="checkbox"/> Health Care & Social Assistance	<input type="checkbox"/> Management of Companies & Enterprises
<input type="checkbox"/> Information	<input type="checkbox"/> Wholesale Trade	<input type="checkbox"/> Accommodation & Food Services	<input type="checkbox"/> Agriculture, Forestry, Fishing & Hunting
<input type="checkbox"/> Construction	<input type="checkbox"/> Public Administration	<input type="checkbox"/> Arts, Entertainment & Recreation	<input type="checkbox"/> Administrative & Support
<input type="checkbox"/> Retail Dealer	<input type="checkbox"/> Educational Services	<input type="checkbox"/> Transportation & Warehousing	<input type="checkbox"/> Waste Management & Remediation Services
			<input type="checkbox"/> Other Services (except Public Administration)

*23. Business Ownership: What percentage of your business is male or female owned? % Male _____ % Female _____	*24. Date Business Started: (MM/YYYY) _____	*25. Do you conduct business online? <input type="checkbox"/> Yes <input type="checkbox"/> No	*26. Are you a home based Business? <input type="checkbox"/> Yes <input type="checkbox"/> No
*27a. Total No. of Employees: (full and PT) _____		*27. Are you 8(a) certified? <input type="checkbox"/> Yes <input type="checkbox"/> No	

*27b. Of total employees, how many are engaged in the exporting aspect of your business? (full and PT) _____	*28a. For your most recent full year, what were your: Gross revenues/Sales \$ _____ +Profits/-Losses \$ _____	*29. What is the legal entity of your Business? <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> S-Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other (specify) _____
*28b. Amount of your Gross Revenues/Sales Related to exporting? \$ _____		

***30. What is the nature of the nature of the assistance you are seeking?** (choose a primary category)

<input type="checkbox"/> Start-up assistance (How do I start a small bus.)	<input type="checkbox"/> Human Resources/Managing Employees	<input type="checkbox"/> Marketing/Sales (promotion, Market research, Pricing, etc)	<input type="checkbox"/> Technology/Computers
<input type="checkbox"/> Business Plan	<input type="checkbox"/> Customer Relations	<input type="checkbox"/> Government Contracting (including certifications)	<input type="checkbox"/> eCommerce (using the Internet to do business)
<input type="checkbox"/> Financing/Capital (such as applying for a loan, building equity capital)	<input type="checkbox"/> Business Accounting/Budget	<input type="checkbox"/> Franchising	<input type="checkbox"/> Legal Issues (such as, should I incorporate?)
<input type="checkbox"/> Managing a Business	<input type="checkbox"/> Cash Flow Management	<input type="checkbox"/> Buy/Sell Business	<input type="checkbox"/> International Trade
	<input type="checkbox"/> Tax Planning		

Describe specific assistance requested in the space provided

*31. Business Size: <input type="checkbox"/> Disadvantaged Small (<input type="checkbox"/> Not Certified <input type="checkbox"/> Certified SDB <input type="checkbox"/> SBA 8(a) Certified) <input type="checkbox"/> Minority-Owned Small <input type="checkbox"/> Large <input type="checkbox"/> Other Small	*32. Company FEIN:	*33. Company Cage Code If Applicable:	*34. Company DUNS #:
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*35. Is Business in a HUBZone: <input type="checkbox"/> No <input type="checkbox"/> Located in HUBZone Only <input type="checkbox"/> Certified HUBZone? Date Certified _____	*36 Is Business Located in Distressed Area: <input type="checkbox"/> No <input type="checkbox"/> Yes	*37 Keywords
--	--	---------------------

*38. Product Service Codes (PSCs):	*39 Standard Industrial Classification SICs:	*40 North American Industrial Classification (NAICs):
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***41. Product or service description:**



CLIENT RIGHTS AND RESPONSIBILITIES



As a new client of the Illinois Small Business Development Center (SBDC), we'd like to advise you of certain rights and responsibilities you have as one of our clients:

You have a right to expect:

- Prompt, courteous, and professional counseling services and to be advised if the Illinois SBDC is unable to provide service within the time frame required. **Be aware that due to the demand for our services, cases must often be prioritized by need and training may be recommended before counseling is provided.**
- All information shared with the Illinois SBDC and any of its resources (staff, faculty, volunteers, and consultants) will be held in strictest confidence. No information provided by you will be used to the commercial advantage of any staff member, consultant, or other resource of the Illinois SBDC or to the benefit of any third party.
- That your client status with the Illinois SBDC will remain confidential. No public use of your name, address, or business identity will be made without your prior approval. Please note, however, that the Illinois SBDC is funded in part by the U.S. Small Business Administration, Department of Commerce and Economic Opportunity and the local host so, limited information with respect to your client status is provided to those entities.

Our role is to counsel and assist small business owners and those planning to go into business. We will not make business decisions or judgments for you, though we will make recommendations and suggestions as appropriate. These will be based upon our best efforts to apply the experience and resources available to us to assist you in making your own business decisions.

The Illinois SBDC **may** charge reasonable fees for training programs, special services, and publications. However, you have a right to feel secure that no fee will be charged by the ISBDC or its resources for **normal counseling services** provided to you. Also, no recommendations will be made as to the purchase of goods or services from any individual or firm with whom any ISBDC staff or its resources have any financial, familial or personal interest.

The counseling services provided to you are a part of the effort of the Illinois SBDC and its sponsors to respond to the growing needs of the small business community **and to positively affect the economy of Illinois**. They are not intended to compete with, replace, or be a substitute for services available from the private sector. Clients whose needs can be fully met by private sector practitioners or firms in an affordable manner will be encouraged to use those resources.

In consideration of the Illinois SBDC furnishing you with management and technical assistance, you agree to waive all claims against the ISBDC and its constituent institutions, its staff, or any other resources employed by or used in connection with these services. You will also be expected to cooperate with the ISBDC in its efforts to assure the quality and effectiveness of the counseling services it provides.

In this respect, the Illinois SBDC will ask all clients who receive counseling assistance to complete a written evaluation of the services provided. In addition, all clients will be asked to complete an Economic Impact Verification form that documents the assistance provided by the Illinois SBDC. Finally, clients may receive direct inquires from this office, the State Director's office or the U.S. Small Business Administration with respect to the services provided to you. Your response to all of these inquiries will be greatly appreciated.

REQUEST FOR CONSULTATION

SBDC Agreement:

I request business consultation service from the Illinois SBDC, a Resource Partner of the Small Business Administration (SBA). I agree to cooperate should I be selected to participate in surveys designed to evaluate SBA services. I permit the Illinois SBDC the use of my name and address for surveys and information mailings regarding products and services (Yes No). I understand that any information disclosed will be held in strict confidence. The SBDC will not provide your personal information to commercial entities.) I authorize the Illinois SBDC to furnish relevant information to the assigned management counselor(s). I further understand that the counselor(s) agrees not to: 1) recommend goods or services from sources in which he/she has an interest, and 2) accept fees or commissions developing from this counseling relationship. In consideration of the counselor(s) furnishing management or technical assistance, I waive all claims against SBDC personnel, and that of its Resource Partners and host organizations, arising from this assistance.

* _____
Client Signature

* _____
Date

Counselor Signature

We welcome you as a client and encourage you to call on us if you have any questions or comments with regard to your rights and responsibilities or services you receive. You can do so by calling your local Illinois SBDC counselor or the Illinois SBDC State Office at (800) 252-2923.

ANY CHANGES TO THIS FORM OR THE USE OF ANY OTHER INTAKE FORMS MUST HAVE PRIOR WRITTEN APPROVAL OF THE SMALL BUSINESS DEVELOPMENT CENTER STATE DIRECTOR Updated 09/13/11

Please note: The estimated burden for completing this form is 18 minutes. You are not required to respond to any collection information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to: U.S. Small Business Administration, 409 3rd Street, SW, Washington, DC 20416, and to: Desk Officer SBA, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C., 20503. OMB Approval (3245-0324). PLEASE DO NOT SEND FORMS TO OMB.

SCORE Form 641

"I request business counseling service from the Small Business Administration (SBA) or an SBA Resource Partner. I agree to cooperate should I be selected to participate in surveys designed to evaluate SBA services. I permit SBA or its agent the use of my name and address for SBA surveys and information mailings regarding SBA products and services (Yes No). I understand that any information disclosed will be held in strict confidence. (SBA will not provide your personal information to commercial entities.) I authorize SBA to furnish relevant information to the assigned management counselor(s). I further understand that the counselor(s) agrees not to: 1) recommend goods or services from sources in which he/she has an interest, and 2) accept fees or commissions developing from this counseling relationship. In consideration of the counselor(s) furnishing management or technical assistance, I waive all claims against SBA personnel, and that of its Resource Partners and host organizations, arising from this assistance."

Signed

Date



Business Opening Grant Program

The Business Opening Grant Program provides support to new and expanding businesses in Urbana’s greater downtown area. Priority-Use Businesses located in TIF Districts 1 and 2 may receive a cash grant upon opening and holding a public opening ceremony.

What is the Business Opening Grant Program?

Downtown Urbana. Grants are awarded to the new business at a business opening ceremony. The business may choose to make this a ribbon cutting ceremony with the Urbana Business Association (UBA) and/or the Champaign County Chamber of Commerce. Photos from the event will be included on the City’s business opening web page. The grant recipient will also be requested to provide the City with a description of the business for use in marketing materials. Upon request, businesses eligible for this grant may also receive one complimentary hour of marketing and social media consultation from Economic Development or UBA staff.

What is the maximum grant amount?

Businesses that meet the criteria of a Priority Use may receive a \$1,000 grant. Businesses that fall under the criteria of an Eligible Use do not qualify for this grant. *See Incentives Overview Sheet.* The grant will be issued to the business directly.

Maximum Grant	
Priority Use	\$1,000
Eligible Use	---

Minimum Requirements

- The new or expanding business must be located within the boundaries of either TIF 1 or 2. The business must either own the building or have a signed lease with at least one full year of tenancy remaining.
 - Co-tenants under the same lease are not eligible for multiple retention grants.
 - A single business entity operating at adjacent or nearby locations is not eligible for multiple opening grants.
- An individual person or business entity is not eligible to receive more than one grant in a one year period.
- Partial eligibility is not recognized. Requests for partial funding will not be accepted.
- Grants are only approved in writing by the TIF Administrator upon review of a formally submitted, complete application. No verbal commitment to funding will be recognized. Verbal or written feedback on a business’s general eligibility or comments on a draft application shall not be construed as approval or disapproval of a grant application.

How do I apply?

- Contact the Economic Development Division to discuss whether this grant is a good fit for your business.
- Fill out the attached application form and submit it to the Economic Development Division. *All grant applications are subject to the availability of funding.*

Follow Up

Community Development staff will contact you 6 months after your completion of the program to set up a time to meet with you and hear about the progress you have made.



Application Form – Business Opening Grant Program

All applications are subject to the availability of funding.

TIF District

This business is or will be located in Tax Increment Finance District: 1 2 *(circle all that apply)*

Applicant Information

Applicant Name: _____

Mailing Address: _____

Phone Number: _____

Fax: _____ Email: _____

Please attach a completed W-9 form in addition to this application.

Business Information

Business Name: _____

Business Address _____

Brief Business Description: _____

Please attach a detailed business description to this application for marketing purposes.

Business Owner Information

Applicant is also an owner of the business? Yes No *(circle one)*

Ownership type: ___ Individual ___ Corporation ___ Partnership ___ Other _____

(All beneficial owners of a Land Trust, members of a Limited Liability Company or a partnership must be listed.)

Owner Name(s): _____

Organization Name(s): _____

Owner(s) Phone Number: _____

Owner(s) Email Address: _____

Disclosure of Previous Incentives

Has the business owner or any beneficiaries of this project received any financial incentive or tax abatement from the City of Urbana in the last five years? Yes No *(circle one; if yes, please attach a description)*