

## Standard City Incentives

| Project must qualify for one of the Economic Development programs below

**NON-HOUSING:** 10 year, Declining Scale Tax Exemption OR 10 year, 50% Tax Increment Reimbursement

**HOUSING:** Minimum of 3 multi-family housing units for either option below:

- Slum/Blight Area: 10 year, 100% Tax Exemption or Tax Increment Reimbursement\*
- Economic Development Area
  - LMI Housing (80% AMI) – 10 year, 100% Tax Exemption\* or Tax Increment Reimbursement
  - Market Rate Housing – 10 year, 100% Tax Exemption\* or Limited to Rebate of tax increment for Public Improvements max 10 years with LMI set aside required
- ▶ \*School Tax Levies are **not** subject to exemption
- ▶ Housing developments need to be supported by annual Housing Study to qualify for incentives

## Incentive Categories

### URBAN HOUSING

- At least 3 multi-family housing units
- 75% or more of the building area dedicated for housing
- Located within established commercial area – proximity to workplaces, retail, transit, etc.

### TARGETED DISTRICT REINVESTMENT

- Commercial development that is consistent with adopted plans
- Within the following business districts: Downtown, Kingston Village, Czech Village/NewBo, and MedQuarter
- Within the following Action Plan areas: Mt. Vernon Road, Ellis Boulevard/NWNeighborhood, College District, Rockford Rd, and the 6th Street SW Corridor

### BIG (FORMERLY HIGH QUALITY JOBS)

- 10+ jobs new to the City that meet the State's BIG (formerly HQJ) wage threshold
- Non-residential business
- Targeted industries from City's Economic Development Strategic Plan:
  - Advanced Manufacturing
  - Aerospace & Defense
  - Life Sciences
  - Logistics & Distribution
  - Professional Business Services
  - Finance, Insurance, & Real Estate
  - Food Sciences & Processing

### LARGE SITE MASTER PLAN

- 15+ acres (not solely residential) with approved site plan and design guidelines
- Director may waive up to 10% acres required

### BROWNFIELD/GRAYFIELD

- Vacant or significantly underutilized properties that include demolition and siteprep costs
- Commercial development that is consistent with adopted plans

### LOCAL MATCH

- Any project requiring a local match to receive State funding

### COMMERCIAL REINVESTMENT

- Vacant strip centers or big box of at least 10,000 square feet

### GREEN BUILDING

- Any project otherwise eligible receiving approved green building certification
- Above standard tax incentive based on demonstrated increased cost
- Commercial, industrial, and multi-family housing may qualify

### HISTORIC PRESERVATION

- Redevelopment of a structure listed on the National Historic Register, eligible for listing on the National Historic Register, or designated local landmark, in a manner consistent with the City's Historic Preservation Design Guidelines
- Relocation or integration of a historic structure, as part of a new development project
- Up to either 10 year, declining scale tax exemption or 10 year, 100% tax increment reimbursement, based on demonstrated increased cost

### COMMUNITY BENEFIT

- Unique contribution to the community such as expansion of a local business, headquarters facility, emerging industry, or affordable housing

### NEW SINGLE FAMILY HOME SUBDIVISION

- Parcel(s) not already final platted and development has not started (no site permits already in place)
- Up to 10 year/50% tax rebate based on demonstrated costs for new public infrastructure not already in place
- A portion of the TIF increment will establish required LMI set aside to increase affordable housing opportunities within the city
- Larger developments may require amenities such as dedicated land for park or trail

## Above-Standard Incentives

- Project must qualify within one of the specific categories listed above
- Exemption or reimbursement amount determined through financial analysis with appropriate thresholds, based on the nature of the project, including but not limited to:
  - Private equity exceeds present value of City incentive
  - Construction cost, operational expenses, sale and/or lease revenues are verified as consistent with current market conditions
  - Developer's rate of return confirmed consistent with local market conditions and/or industry standards
  - Housing redevelopments must be located in slum/blight URA and either contain an affordability component or demonstrate unique increased development costs, such as alley paving

## Requirements For **All** Projects

- Financial and market feasibility
- Experienced development team
- Quality design that enhances the area
- Neighborhood and community support
- Compliance with all codes and requirements