

Revised 3/19/24

Village of Alsip

Pulaski Road Tax Increment Financing Assistance

2024 Application Packet

**Economic Development – Mayor & Village Board Office
Village Hall, 4500 West 123rd Street, Alsip, IL 60803
Telephone: 708-385-6902, Ext. 2317 – Becky Smith
(Bsmith@villageofalsip.org), Program Administrator**

Dear Applicant:

This packet contains information and materials necessary for submitting an application for tax incremental financing (TIF) assistance from the Village of Alsip.

This packet includes the following:

- TIF Assistance Application Approval Process Overview
- Project Proposal Process
- TIF Application, including
 - Letter Requesting a TIF Inducement Resolution
 - Project Proposal
 - Company Information
 - Project Information
 - Total Project Costs
 - Proposed Funding Sources
- Additional Documentation
 - Business Plan
 - Business Financial Statements
 - Business Certifications

Please contact Becky Smith, Executive Assistant to the Mayor, with any questions at (708) 385-6902, Ext. 2317 (**Bsmith@villageofalsip.org**).

I. TIF Assistance Application Approval Process Overview:

Eligible TIF Projects:

TIF funds may be used for costs associated with the development or redevelopment of property within the TIF, allowing blighted, declining and underperforming areas to again become viable, and allowing these areas to compete with vacant land at the edge of urban areas.

Typical projects include:

- The redevelopment of substandard, obsolete or vacant buildings.
- Improving the viability of business districts.
- Providing infrastructure needed to develop a site for new industrial or commercial use.
- Rehabilitating historic properties.

Types of Eligible Costs:

The Illinois TIF Act generally authorizes TIF funds to be used for:

- Rehabilitation or renovation of existing public or private buildings.
- Property acquisition.
- Demolition and site preparation.
- Studies, surveys and plans.
- Professional services, such as architectural, engineering, legal and financial planning.
- Financing costs, including interest assistance.
- Relocation.
- Job training.

Note: Some restrictions may apply.

The “But For” Clause:

Project proposals must meet the Village of Alsip's “but for” criteria. The proposal must demonstrate that it would not be feasible to be constructed within the Village of Alsip without the use of tax increment revenues. This evidence would be determined by a staff analysis of the developer's or company's balance sheet, profit and loss statement, how the project fits into the Village's strategic plan, and other similar criteria. The applicant must demonstrate the criteria below:

- Are project costs too high without TIF?
- Is Return on Investment (ROI) too low without TIF?
- Can the project be built outside of Alsip without TIF assistance?
- Does the project configuration require TIF because of property assembly, public infrastructure improvement needs, architecture or engineering services or environmental remediation.

Please complete the following application as thoroughly as possible. Include any attachments.

II. Project Proposal Process:

- a. Address a letter to the Village President of the Village of Alsip requesting a TIF Inducement Resolution and deliver it with the required documents to Becky Smith, Executive Assistant to the Mayor, 4500 W. 123rd Street, Alsip, IL 60803 (708) 385-6902, Ext. 2317 (**Bsmith@villageofalsip.org**).

Please include the following in the letter (Details following in the attached application):

- i. Legal description of the property and address.
 - ii. Property Index Number (PIN).
 - iii. Size and type of building(s) to be constructed or rehabbed.
 - iv. Type of business and number of employees.
 - v. Estimate of total cost of project.
 - vi. The letter must state that the project is not economically feasible without TIF assistance.
- b. The Board of Trustees must then approve the TIF Inducement Resolution.
- c. After the Inducement Resolution is approved the following must be submitted:
 - i. Completed TIF application, including data required for estimation of Tax Increment Revenue.
 - ii. A completed and signed "Letter of Representation," if applicable.
 - iii. TIF application fee of \$500 payable to the Village of Alsip. This fee is non-refundable.
- d. Schedule meeting with the Executive Assistant to the Mayor for application review.
- e. TIF Committee and Applicant meet to discuss level and terms of Village assistance, based upon information provided in the application. TIF Committee then makes a recommendation to the Village President and Board of Trustees.
- f. A Public Hearing is scheduled to allow for competing proposals to be brought forth.
- g. The application is placed on an agenda for The Village Board to vote upon the Redevelopment Agreement. These meetings are scheduled for the first and third Monday's of each month. (Public hearings may be scheduled for same evening as Board meeting).

Tentative Application Schedule:	
• Developing concept plan	Weeks to months

<ul style="list-style-type: none"> • Adoption of Inducement Resolution 	2 – 3 Weeks
<ul style="list-style-type: none"> • Complete project application, which includes architecture, engineering, property assembly, environmental assessment 	2 weeks to several months
<ul style="list-style-type: none"> • Preliminary financing and investment commitments (evidence of private developer capacity (e.g., collateral, financing capability, legal and contractual capability) 	At least several weeks
<ul style="list-style-type: none"> • Project concept approval, including zoning approval, and permitting 	Several weeks to months
<ul style="list-style-type: none"> • Approval of TIF benefits and development agreement by TIF Committee and Village Board 	2 to 4 weeks
<ul style="list-style-type: none"> • Public bidding and awarding of TIF contracts maybe edit use agreement 	4 to 8 weeks
<ul style="list-style-type: none"> • Public and private construction 	Weeks to months

Application

Company Information:

Date of Application: __/__/____

Name of Company: _____

Business Street Address: _____

City, State, Zip: _____

PIN Number: _____

Company Contact: _____

Phone: _____ Extension: _____ Fax: _____

Email: _____

Date of Company's Establishment: __/__/____

Please indicate business structure:

____ Sole Proprietorship ____ Partnership ____ Corporation

Ownership (or key officers, if corporation (Names, Titles & Percentage of ownership. Include separate attachment, if needed):

Describe the Company, i.e., History, Products, Technology, Growth Opportunities, Competitors, etc. (Include in separate attachment.)

Description of Proposed Development

Documentation evidencing existence of business entity and authorization to enter into TIF agreement:

- For Corporations:
 - Articles and Certificates of Incorporation
 - Secretary's Certificate of Board of Directors' Resolution authorizing agreement.

- For Partnerships:
 - Partnership Agreement
 - Certificate of General or Managing Partner authorizing agreement.
 - Certificate of Partnership (for Limited Partnership)

- For Sole Proprietorship:
 - Operating Licenses / DBA Certification

- For Land Trust:
 - Trust Agreement
 - Letter of Direction to Trustee authorizing execution/acknowledgment of TIF agreement
 - Disclosure of beneficial interests

Financials: (existing internal documents are acceptable; please include all information as indicated in attached examples)

- Pro Forma Balance Sheet
- Pro Forma Profit & Loss
- Pre-Tax Cash Flow Analysis
- Project Funding Sources & Use of Funds

Miscellaneous:

- Business Certification Form (Attached to application)
- Statement of Understanding (Attached to application)
- Letter of Representation (Attached to application)

Financing:

- Letter from lender demonstrating proof of financing
- Letter authorizing lender disclosure to the Village regarding applicant's financing information

Location of Proposed Development:

- Map Depicting the Location of the Proposed Site
- Property Index Number(s) (PIN)
- Legal Description of the property and address

Description of Proposed Development:

- Site Plan
- Description of Use(s)
 - Size of Site: Front footage (FF) _____ x _____ Depth
 - Square Footage of Each Use
 - Size of new construction building(s).
 - Size of building(s) to be renovated.
 - Construction Type (frame, steel, masonry, etc.)
- Utilities usage analysis (e.g., water and sewer usage, electric, gas, etc.)
- Requested Public Infrastructure Improvements (e.g. road or intersection, traffic signals, utility capacity)
- Other Improvements (asphalt, parking spaces, truck bay, lifts, etc.)
- Project Cost Breakdown (attach via spreadsheet)
 - Land Costs/ Property acquisition
 - Construction Costs (broken down by new construction versus rehabilitation)
 - Machinery and Equipment Costs
 - Working Capital Expenses
 - Demolition and site preparation
 - Studies, surveys and plans
 - Professional services, such as architectural, engineering, legal and financial planning
 - Relocation expenses
 - Job training
 - Other Costs
- Estimated Lease Rates (if applicable)
- Determination as to percentage of overall project cost that is TIF eligible
- "But for" Analysis indicating any gaps in project feasibility

Timing of Proposed Development:

- Permit Application
- Demolition Schedule (if applicable)
- Start of Construction
- End of Construction
- Projected Occupancy Date
- Lease-up Schedule

Name / Address of Projects/Developments Similar to Proposed:

Proposed Number of Additional Employees and Pay Range:

List Jobs by Category:

Occupational Title	Entry Wage/Hourly	Entry Annual	Experienced Hourly	Experienced Annual

Business Certifications

I, the undersigned, hereby certify that _____ is a business in good standing, authorized to do business in Illinois and has no delinquent tax liabilities. No tax liens have been filed, including, but not limited to, state, county, municipal, or federal, against the business, any partners of the business, the majority shareholder of the business, or in the name of any related business owned by the recipient.

I further certify I understand that all information contained within this application or submitted by me to the Village on behalf of the business, is subject to the Freedom of Information Act, with the exception of business and personal financial information which shall be maintained strictly confidential and that the Village's decision is final.

I further certify that _____ is an equal opportunity employer and does not discriminate on the basis of race, creed, color, sex, religion, age, national origin or ancestry, physical or mental handicap, marital status or matriculation.

I certify that all information in this application, including all documentation and attachments, is accurate, complete and true to the best of my knowledge and belief.

I certify that I understand that this Tax Increment Financing Project is subject to the Illinois Prevailing Wage Laws and Regulations, and it is my responsibility to comply and require compliance by contractors, subcontractors and suppliers, as required by the Illinois Department of Labor.

Name

Title

Date

Name

Title

Date

Statement of Understanding

Any projections, estimations or tax calculations done by or for the Village of Alsip are to be used solely by the Village for determination of TIF benefits and should not be relied upon by the business owner to project current or future financial conditions or tax assessments. Applicant must make his/her own determination of the findings.

SANITARY AND STORM SEWER PERMIT REQUIREMENTS WITHIN TIF DISTRICTS ARE ALSO REGULATED BY METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO

It is the responsibility of the owner/applicant of the building or development within a TIF District to obtain and submit all required data or information to Metropolitan Water Reclamation District of Greater Chicago to prove and receive its exemption from additional assessments.

Authorized Signature

Company Name

Date Signed

LETTER OF REPRESENTATION

I hereby authorize _____ to represent and act on behalf of our/my company or corporation in its transactions and negotiations with the Village of Alsip in regards to _____, located at _____, Alsip, Illinois. This representation shall remain in effect until rescinded or superseded in writing.

PRINT NAME & TITLE OF COMPANY AGENT

PRINT NAME OF COMPANY

SIGNATURE

DATE

ATTACHMENTS

Please complete a spreadsheet indicating Project Funding Sources & Use of Funds using the following or a similar format:

OPERATING SOURCES	Year 2	Year 3	Year 4
73b + Decrease Receivables			
74b + Decrease Inventory			
75b + Increase Payable			
76b + Increase Accruals			
77b = Operating Sources	\$0	\$0	\$0

NON-OPERATING SOURCES	Year 2	Year 3	Year 4
79b + Sell Fixed Assets			
80b + Sell Other Assets			
81b + Decrease Other C/A			
82b + Borrow N/P Bank			
83b + Borrow N/P Other			
84b + Borrow LTD			
85b + Incr. Sub. Off. Debt			
86b + Invest New Equity			
87b + Decr. Notes Receivable			
88b + Increase Taxes Payable			
89b + Incr. Other Liabilities			
90b = Non-Operating Sources	\$0	\$0	\$0

PROJECT SOURCES AND USE OF FUNDS							
Uses of Funds		Sources of Funds					
Use	Amount	Lender	Term	Estimated Rate	Collateral	Amount	Annual Debt Service
Land							
Building Constructions/ Renovation							
Machinery and Equipment							
Contingencies							
Working Capital							
Total Uses of Funds	\$	Total Sources of Funds				\$	\$