

Business Development District (BDD) Business Improvement Grant (BIG) Program

Purpose: To support rehabilitation and preservation of commercial property; encourage new business; and retain, revitalize, and expand existing business in East Moline's major development areas and commercial corridors.

Program: The Business Development District sales tax will annually generate a pool of funds to be made available to eligible businesses within the BDD Project Area. The City will hold an annual round of funding through a competitive application process where businesses can participate.

Eligibility Criteria and Conditions

1. Owners or tenants of commercial properties located within the City of East Moline's Business District are eligible to apply.
2. Applicants must not have received reimbursement grants from the city in the last two years.
3. Applicants are required to properly maintain the improvements included in the application project in accordance with all relevant City Codes for a period of three (3) years following reimbursement.
4. Applicant and/or building owner must be in good standing with the City and not in arrears with any financial obligations to the city, including, but not limited to: taxes, license fees, assessments, and/or utility bills or property taxes to the County of Rock Island.
5. The project must comply with all city and state codes, requirements, and inspections.

Award Size: Funding commitments will be capped at \$50,000 per grant award, as funds allow or until budgeted funds have been obligated. Grant funds shall not be more than 60% of total project costs.

Selection Criteria: Applications are first reviewed and scored by the City's Mayor, City Administrator, and a BDD Advisory Committee who then make a recommendation for funding to the City Council. The following criteria will be used to determine which proposals are recommended for the award of grant funds:

- **PROJECT IMPACT:** Does the project address deteriorated conditions and to what level of impact?
- **OWNER MATCH:** What percentage of the project is being funded by the City and what is the match of the project owner? A minimum 40% match is required. Applications not providing at least a 40% match will not be considered and those providing more than a 40% match will score higher under this particular criteria.
- **REVENUE:** Does the project generate new sales tax and property tax for the City?
- **JOBS:** Does the project generate new jobs or retain existing ones?
- **NEW BUSINESS:** Does funding the project help create a new business?
- **LOCAL BENEFIT:** Does the project benefit local residents or meet development goals of city?
- **ATTRACTION:** Does funding the project help draw people to the community or promote tourism?
- **TRACK RECORD:** Does the applicant have a track record in business or real estate development?

Successful applicants will be required to enter into a Redevelopment Agreement with the City to receive funding. The Redevelopment Agreement will be structured as a five-year forgivable loan, whereby 1/5 of the loan is forgiven or waived each year. This financing structure helps protect the BDD investment in projects.

If more applications are received than current funding levels will allow, the City reserves the right to prioritize applications. The City reserves the right to reject any or all applications at its sole discretion. Unselected projects need to reapply each year to be considered for funding.

Timeframe: Project work may not begin until approved by the City Council. All projects funded by the City must be completed within one year of their grant approval date, although time extensions may be allowed under certain circumstances with City Council approval.

Reimbursement: By state law, BDDs work through a reimbursement process. Grant recipients must pay for eligible expenses first and then seek reimbursement of their grant from the City through the submittal of documentation of paid invoices of eligible project improvements.

Eligible Project Improvements

- Existing Building – exterior and interior repair, restoration improvements to storefronts and properties
- Façade improvements or restoration
- Masonry & brick restoration;
- Painting/re-siding walls;
- Replacement of doors and windows;
- Final trim work and weatherproofing
- Awning & signage installation
- Structural additions to an existing building
- Code required improvements
- Parking lot improvements
- Permanent landscaping
- Lighting
- Plumbing, electrical, HVAC improvements
- Accessibility improvements
- Sidewalk repair or installation
- Carryout/Curbside pickup reconfigurations
- Capital equipment if permanently installed
- Demolition costs or other site preparation
- New construction, interior or exterior
- Land assembly

Ineligible Items

- Any improvements already performed or in progress prior to notification of approval
- Any improvement which is not allowed by Municipal Code
- Labor for any project where the work is performed by the applicant or by the employees of a business owned by the applicant or related party. The grant would only cover the materials required in this situation.
- Movable or temporary landscaping
- Tools or equipment (either purchased or rented)
- Business supplies or inventory
- Permit Fees
- Temporary Signage
- Freight or shipping costs
- Any project expense already funded or incentivized with other public sources - federal, state, county or municipality - will not qualify for funds from the city.

IMPROVEMENTS NOT SPECIFICALLY LISTED AS ELIGIBLE OR INELIGIBLE ARE SUBJECT TO REVIEW AND APPROVAL BY THE CITY. THE ABOVE LISTS ARE NOT ALL INCLUSIVE. GRANTS MAY BE AWARDED IN PART IF NOT ALL EXPENSES ARE ELIGIBLE.

Application Process

1. **Contact the City** – The applicant should discuss the project with the City Administrator and Planning and Zoning at the City Hall Annex Building to determine if the project will meet city guidelines and what permits, if any, will be required.
2. **Obtain Estimates** – Applicant must provide 2 estimates, dated within 60 days of application, for the project to be completed. Estimates must be from a business normally engaged in the work to be completed.
3. **Complete BDD Application** – See attached for copy of the BDD Application form.

4. **Return Application** – The completed application and all required documents must be delivered to the City Hall Annex prior to the deadline for the annual round of funding to be considered.
5. **Attend BDD Advisory Committee Review** – Applicants are required to attend the BDD Advisory Committee meeting when the application is being considered. Applicants will be interviewed by the committee to determine the scope of their project and answer any questions the committee may have on their application.
6. **Scoring** – The committee will review the application and information received during the interview to determine if the project is eligible and score the application for funding.
7. **Approval Recommendation** – The Applicant will be notified if a recommendation for funding is to be considered by the City Council.
8. **Approval**– The Applicant will be notified if the City Council approves grant funding. This date of notification triggers the following deadlines:
 - a) All necessary permits for the project must be obtained within 30 days of approval and project must be completed within 1 year of the date of approval.
 - b) The Applicant must provide documentation for reimbursement within 60 days of completion of the work.
9. **Reimbursement** – Upon completion of the project and submittal of the documentation for reimbursement, the Applicant will be reimbursed an amount not to exceed the amount of approval. If the project costs are lower than the approved amount, Applicant shall only receive reimbursement for actual costs.

APPLICATION FOR REIMBURSEMENT OF PRIVATE BDD ELIGIBLE REDEVELOPMENT PROJECT COSTS

East Moline Business Development District (BDD) No. 2

City of East Moline, Illinois | 915 16th Avenue, East Moline, IL 61244 | Ph: (309) 752-1594

Applicant Name: _____

Applicant Mailing Address: _____

Applicant Daytime Phone: _____ Applicant Email Address: _____

Subject Property's Site Address: _____

Subject Property's Mason County Property Tax ID # _____

Property Owner Name(s) if different than Applicant: _____

Type of Property (*check all that apply*): Commercial/Retail; Professional Office; Industrial; Residential

Anticipated Project Start Date: _____ and Estimated Project Completion Date: _____

Number of new jobs, if any, that will be created as a result of this Project: Full-time _____ Part-time _____

New annual retail sales anticipated to occur, if any, as a result of the proposed improvements: \$ _____

Total Projected Investment for Project: \$ _____, of which \$ _____ is land/building improvements.

Estimated BDD Eligible Project Costs (*attach detailed list and description, as well as bids for contracted work*):

1. Exterior rehab, repair, remodeling, reconstruction of existing buildings\$ _____
2. Interior rehab, repair, remodeling, reconstruction of vacant, underutilized space.....\$ _____
3. Acquisition cost of land and buildings purchased, if any, after XX/XX/2024\$ _____
4. Site preparation (e.g., demolition, excavation, leveling/grading of land).....\$ _____
5. Professional fees (e.g., engineering, architectural, legal, accounting, plans, marketing)\$ _____
6. Construction of new building\$ _____
7. Construction or repair of private parking lot and/or driveway.....\$ _____
8. Construction or repair of public infrastructure.....\$ _____

TOTAL ESTIMATED BDD ELIGIBLE PROJECT COSTS: \$ _____

Project Narrative: Please use **Appendix A** to provide a Project Narrative that includes a detailed project description, site plan, renderings (if available) and a breakdown of non-city funding sources.

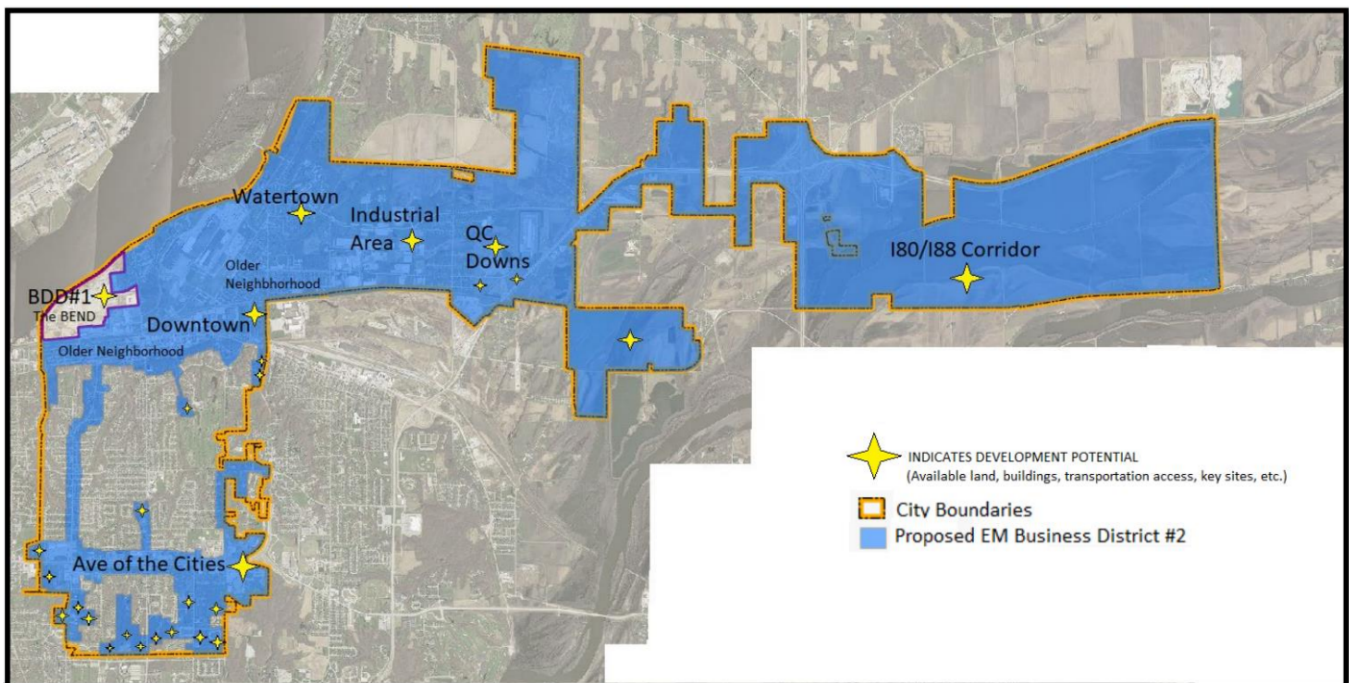
East Moline Business Development District (BDD) No. 2

City of East Moline, Illinois | 915 16th Avenue, East Moline, IL 61244 | Ph: (309) 752-1594

The City of East Moline Business Development District (“BDD”) was established on XXXXXX, 2024 to provide economic incentives which are consistent with and in furtherance of the original goals and objectives of the East Moline Business Development District No. 2 Redevelopment Plan.

BDD reimbursements are provided for BDD-eligible project costs (pursuant to 65 ILCS 5/11-74.3-1 *et. seq.* as amended, the “Act”) and only for such eligible project costs that are incurred and verified for redevelopment projects undertaken within the designated BDD No. 2 Redevelopment Project Area. All BDD Applications are reviewed by the Mayor, City Administrator and a BDD Advisory Committee prior to approval of a written redevelopment agreement by the East Moline City Council. All BDD reimbursements payable by the City are subject to the availability of funds.

1. Only properties located within the East Moline Business Development District No. 2 Redevelopment Project Area (the “BDD Area” or “Area”) as depicted below are eligible to apply for BDD assistance. To verify a property is located within the BDD Area, contact the City of East Moline for assistance: 915 16th Avenue, East Moline, IL 61244 Ph: (309) 752-1594.



2. **All applications, including a description of the planned improvements, must be received by the City before the project is undertaken, including estimated costs (contractor bids, if any) of the project, and the project schedule.** Conceptual sketches, photographs and drawings are encouraged. The City reserves the right to request additional information, including, but not limited to, how the property will be utilized (e.g., commercial, residential, type of business, etc.) after the renovations are completed.
3. All projects undertaken with BDD Funds must comply with any applicable City of East Moline design guidelines, zoning ordinances and building codes.
4. A Tenant-Applicant of a building for which the reimbursement of leasehold improvements is requested through BDD Funds must provide written consent from the Property Owner for all proposed improvements (see **Appendix B**).

5. The City of East Moline reserves the right to accept BDD Applications from those Applicants who undertake projects the City deems to be compliant with the Act and for projects that the City believes will further stimulate the type of redevelopment that is consistent with the East Moline Business Development District No. 2 Redevelopment Plan, and Projects. The East Moline City Council shall exercise its authority pursuant to the Act to reimburse private redevelopment project costs in such amounts that are deemed to be in the best interests of the citizens of the City of East Moline.
6. Applicants must, in advance of receiving BDD funds: a) verify that the most recent real estate tax bill(s) have been paid for the Property; and b) verify BDD eligible project costs in an amount equal to or greater than the amount approved by the City Council.
7. **BDD Funds are paid by the City of East Moline to Applicants:**
 - a. **with whom the City Council has approved a written redevelopment agreement by City Ordinance;**
 - b. **upon completion of the Project and terms of the redevelopment agreement; and**
 - c. **following the verification of BDD eligible project costs that have been incurred by the Applicant – no exceptions.** The City’s obligation hereunder to pay BDD funds for eligible project costs is a limited obligation to be paid solely from the East Moline BDD No. 2 Special Tax Allocation Fund, unless otherwise specified in the redevelopment agreement.
8. It is the understanding of the City and the Applicant that the position of the Illinois Department of Labor is that the Illinois Prevailing Wage Act does not currently apply to sales tax incentives, such as BDD Funds, that are received by private Developers as reimbursement for BDD Eligible Project Costs. This position of the Department of Labor is available online at: <https://labor.illinois.gov/>. Any project costs incurred by the Developer within a public right-of-way or for which the improvements are intended to be dedicated to the City are subject to the Prevailing Wage Act.
9. All Applications are subject to review by the Mayor, City Administrator or BDD Advisory Committee prior to City Council approval.
10. The Applicant hereby asserts that this redevelopment project as herein proposed may not be economically feasible without the assistance of the East Moline BDD.
11. **The undersigned certifies and warrants that to the best of his/her knowledge the information contained in and attached to this Application Form is true, correct, and complete and furthermore agrees to the terms and conditions provided herein. Nothing contained in this BDD Application shall be construed by the City or the Applicant or any third person to create the relationship of a partnership, agency, or joint venture between the City and the Applicant.**

Applicant Signature: _____ **Date:** ____ / ____ / _____

- Applicant is the Owner of Subject Property; or
- Applicant is Tenant of Subject Property for which *Appendix B* has been executed and attached hereto.

FOR CITY USE:

Signed application received by the City of East Moline on date: ____ / ____ / ____ by _____

BDD Application forwarded to City’s BDD Administrator on date: ____ / ____ / _____

Recommendation by BDD Advisory Committee: No (reason: _____)

Yes, for Amount: \$_____ date: ____ / ____ / _____

Date of Approved Redevelopment Agreement: ____ / ____ / _____ Verified BDD Eligible Project Costs: \$_____

APPENDIX A

PROJECT NARRATIVE

(Project Description, Site Plan, Renderings, and Non-City Sources of Funding)

APPENDIX B

APPLICATION FOR REIMBURSEMENT OF PRIVATE BDD ELIGIBLE REDEVELOPMENT PROJECT COSTS

City of East Moline, Illinois /915 16th Avenue, East Moline, IL 61244 Ph: (309) 752-1594

(Complete top and bottom portions of this form only if the Applicant is not the Property Owner)

TENANT-APPLICANT AFFIDAVIT

We the undersigned are the Applicant and Tenant of real Property located at the following address: _____, (PIN _____), and hereby disclose our intent as Tenant of said Property to incur certain eligible project costs as "Leasehold Improvements" for which we are requesting the reimbursement from the East Moline Business Development District No. 2 Special Tax Allocation Fund, pursuant to the terms and conditions provided herein.

BY: _____ Date: ____ / ____ / _____ (Authorized Tenant Signature)

(Print Tenant Name)

STATE OF ILLINOIS
COUNTY OF ROCK ISLAND

I, the undersigned Notary Public, do hereby affirm that _____ personally appeared before me on the ____ day of _____, _____, and signed the above Statement as a free and voluntary act and deed.

Notary Public
Date of Commission Expiry: ____ / ____ / _____

PROPERTY OWNER-LANDLORD AFFIDAVIT

As the owner of the above-described real Property, I hereby provide the Tenant my consent to undertake the proposed "Leasehold Improvements" on the Property, whereby the Tenant shall incur certain eligible project costs for which the Tenant is requesting reimbursement from the East Moline Business Development District No. 2 Special Tax Allocation Fund pursuant to the terms and conditions provided herein.

Furthermore, as a signatory to this Application, I do hereby direct the City of East Moline to make the BDD grant payment awarded by the City for this Project payable to the Tenant-Applicant.

BY: _____ Date: ____ / ____ / _____ (Authorized Property Owner-Landlord Signature)

(Print Property Owner-Landlord Name)

STATE OF ILLINOIS
COUNTY OF ROCK ISLAND

I, the undersigned Notary Public, do hereby affirm that _____ personally appeared before me on the ____ day of _____, _____, and signed the above Statement as a free and voluntary act and deed.

Notary Public
Date of Commission Expiry: ____ / ____ / _____