



City of Warrenville
3S258 Manning Avenue
Warrenville, IL 60555

(630) 836 3050 tel
(630) 393 1531 fax
www.warrenville.il.us

CITY OF WARRENVILLE REVIEW PROCESS FOR TAX INCREMENT FINANCING ASSISTANCE REQUESTS

(Endorsed by City Council on November 20, 2017)

INTRODUCTION

The City's TIF Assistance Request review process is designed to support an ongoing dialogue between the City and a developer, property owner, or business owner (the "Applicant"), which will allow an Applicant to obtain City feedback regarding potential City of Warrenville Tax Increment Financing Assistance ("TIF assistance") for redevelopment projects throughout the planning and entitlement process. The three primary goals of this process include:

1. Facilitate specific feedback from the City regarding potential TIF assistance to the Applicant throughout the Applicant's due diligence, project design, and City's zoning entitlement process, so the Applicant can make informed decisions on whether or not to continue to pursue and invest in the given project. Inherently, the amount and detail of City feedback will increase as the Applicant's project plans and TIF assistance request are defined, refined, and become more detailed.
2. Enable the City and Applicant to efficiently deploy their financial and personnel resources.
3. Utilize the City's existing decision making and meeting schedule structure to facilitate an efficient, consistent, predictable, and thorough review of all potential TIF assistance requests.

CITY ECONOMIC DEVELOPMENT REPRESENTATIVES ROLE

The City has a designated group of senior elected and appointed officials to collectively function as the City's Economic Development Representatives (EDR). The EDR is comprised of the Mayor, an Alderman, the City Administrator, the Finance Director, and the Director of Community and Economic Development. The City Council has authorized the EDR to (i) lead the review of TIF assistance requests and (ii) develop specific recommendations on those TIF assistance requests for City Council review and action.

REVIEW PROCESS

The City's review process encompasses the following three phases:

PHASE 1: Concept Project Design and Due Diligence

When: This phase begins with the initial communication between City staff and an Applicant regarding a specific project proposal that may involve a TIF assistance request, and concludes when the Applicant submits a formal zoning or permit approval application.

What: During this phase, City staff and the Applicant will review and discuss:

- Scope of project
- City TIF Assistance Policy
- City TIF assistance request application requirements and review process

- Preliminary scope, justification, and potential “order of magnitude” dollar amount of Applicant’s potential TIF assistance request
- Preliminary City feedback on the Applicant’s project and potential TIF assistance request

How: City staff will obtain input from the EDR and the City’s redevelopment attorney and economic development and real estate advisors (collectively the “City’s TIF Consultants”) as appropriate in order to provide quality and timely feedback to the Applicant on the conceptual project and potential TIF assistance request. Depending on the complexity of the project and scope of the potential TIF assistance request, the City may require the Applicant to meet directly with the EDR.

PHASE 2: Preliminary Project Design and Entitlement Phase

When: This phase begins with the Applicant’s submittal of a formal application for preliminary zoning entitlement approvals for a specific project, and concludes when the City Council takes final action on said application.

What: This phase involves ongoing communications and meetings between City staff and Applicant representatives, with the underlying goal of ensuring the project design is substantially consistent with the policy goals contained in the City’s TIF Assistance Policy. The Applicant and City should discuss significant changes in the scope or design of the project, which could have a material impact on the scope and magnitude of the Applicant’s TIF assistance request and project economics, before the preliminary zoning entitlement application and related project design plans are finalized by the Applicant and acted upon by the City Council.

How: City staff will seek input from the EDR and the City’s TIF Consultants as necessary in order to provide quality and timely feedback on the Applicant’s evolving project and potential TIF assistance request. Depending on the complexity of the project and the details of the Applicant’s anticipated TIF assistance request, the City may require the Applicant to meet directly with the EDR and/or the City’s TIF Consultants.

PHASE 3: Final Project Design and Entitlement Phase

When: This phase begins following City Council approval of the preliminary zoning entitlements for a project, but prior to Applicant’s submittal of a formal and official TIF assistance request application. Unless otherwise approved by the City, this phase of the process occurs in conjunction with the Applicant’s submittal, and the City’s review of, the final development and zoning entitlement application for a specific project. The City intends to simultaneously review the TIF assistance request and the zoning entitlement applications for a specific project so that all final City zoning, TIF assistance, and redevelopment agreement (RDA) approvals can be acted upon at the same City Council meeting.

What and How: This phase generally involves the following steps:

1. *Application Review Fee:* The Applicant will be required to pay the initial TIF assistance request application fee in accordance with the City’s TIF Assistance Policy.
2. *Pre-Final Application Meeting:* An in-person meeting between City staff, City TIF Consultants, the Applicant, and the Applicant’s TIF consultants to review:
 - a. Scope of project
 - b. City TIF assistance request application requirements and review process
 - c. Detailed scope, amount, and justification of the Applicant’s anticipated TIF assistance request

3. *Final Application Submittal:* The Applicant shall submit a complete Application for Tax Increment Financing (TIF) Project Assistance application and all City required and requested supporting application materials, calculations, and fees. The City may require sensitive and proprietary project information and data such as, but not limited to, functional pro-forma spreadsheets to be provided directly to the City's TIF Consultants for review.
4. *City Staff and TIF Consultant Review:* The City intends for this review process to be performed simultaneously with the City's review of the Applicant's final zoning entitlement application. The review will not commence until City staff confirms the Applicant's TIF assistance request application is complete. The review process will involve multiple interactions between City and Applicant representatives to ensure all parties have a shared and clear understanding of the scope and justification of the Applicant's request, and City staff and City TIF Consultant's corresponding findings and recommendations.
5. *Review Findings and Recommendations:* Ultimately, City staff and City TIF Consultants will forward their written findings and any recommendations regarding the Applicant's TIF assistance request to the City's EDR for review and input. A positive staff and TIF consultant recommendation will include a recommended term sheet, which would delineate the key points and form the foundation for a detailed RDA.
6. *EDR Role and Review:* The EDR is responsible for providing written recommendations to the City Council on all formal TIF assistance requests. Prior to making such recommendations, the EDR may request additional information from the Applicant or recommend the Applicant revise or modify its TIF assistance request. Once the EDR has received all necessary information and input from City staff and the Applicant, written recommendation(s) will be finalized and presented as soon as is practical at a regularly scheduled City Council Committee of the Whole (COW) meeting. If the EDR supports and recommends the approval of TIF assistance, a written recommendation to the COW will include a recommended term sheet for said TIF assistance.
7. *COW Role and Review:* If the COW concurs with a positive TIF assistance recommendation from the EDR, it will recommend the City Council accept the EDR's recommendation and direct City staff and the City's redevelopment attorney to negotiate a detailed RDA with the Applicant that is consistent with the recommended term sheet.
8. *Redevelopment Agreement Review and Approval:* Staff and the City's redevelopment attorney will negotiate a draft RDA with the Applicant. Once City staff and the City's redevelopment attorney are comfortable with the form and details of the draft RDA, it will be presented to the EDR and the City's TIF attorney for review and input. The draft RDA may be revised to address EDR and TIF attorney input. The resulting City staff-recommended version of the RDA will be shared with the Applicant for final review and input prior to being placed on a regularly scheduled City Council meeting agenda for final approval. The City intends for the staff-recommended RDA to be presented for final approval at the same meeting as that of the final zoning approvals required for the Applicant's project are being considered by the City Council.

DISCLAIMER

TIF assistance request applications received by the City of Warrenton will be reviewed on a case-by-case basis. Each request will be judged on its individual merit. The City reserves the right to deviate from the guidance and process outlined in this document when it determines it is necessary or appropriate for the best interests of the overall community. All City staff, TIF Consultant, and EDR input provided to the Applicant during the City's review and approval process shall be non-binding and subject to change until the formal RDA is approved by the City Council.