



City of West Chicago

DOWNTOWN INVESTMENT PROGRAM

I. PROGRAM PURPOSE

The Downtown Investment Program (“Program”) provides grant funding to promote revitalization and activation of downtown West Chicago that will spur future private development in the area. Reimbursement grants are provided to achieve the following:

1. Improve the overall image and increase property values within the downtown to strengthen the economy and quality of life in the City;
2. Remove and alleviate adverse conditions by encouraging private investment in the rehabilitation and maintenance of properties within the [Downtown Tax Increment Financing \(TIF\) District No. 2](#);
3. Assist property and business owners with restoring, renovating, and modernizing existing structures, especially historically significant buildings, in the downtown to increase the marketability of commercial spaces and promote occupancy; and
4. Further the objectives of the [Downtown TIF II Redevelopment Plan](#) including but not limited to reducing or eliminating the recurrence of blighted conditions.

II. GRANT ELIGIBILITY

1. **Properties.** Properties located within [Downtown TIF District No. 2](#) are eligible for participation in this Program. Properties and spaces used only for residential purposes (e.g. apartments) are not eligible for grant funding. Properties with a current code violation are eligible for this Program provided that all violations are corrected as part of the proposed project.

2. **Applicants.**

- A. Property and business owners of property specified in Sec. II.1 are eligible to apply for funding under this Program.
- B. A lessee of an eligible property must have a remaining lease term of not less than five (5) years to apply for funding.
- C. Any Applicant who is delinquent in the payment of any tax, fine, fee, or special assessment owed to the City, County, or State as documented by the City or County



is ineligible until the outstanding tax, fine, fee or special assessment is paid.

III. **FUNDING QUALIFICATIONS**

1. **Eligible Expenses.** The Program provides reimbursement for eligible interior & exterior improvements (“Project”) as categorized by the expected impact on property value and ability to extend the longevity of the property. A detailed list of eligible improvements and reimbursement maximums are listed in the Funding Categories (attached). The types of projects and expenses generally eligible for grant funding include:
 - A. Major Improvements – represent a significant project (typically consisting of multiple elements) and investment resulting in a change to the structure that substantially changes the visual appearance, increases the value, and/or marketability of the property;
 - B. Minor Improvements – consist of fewer improvements that generally lead to an incremental increase in value and/or marketability of the property while also improving the building’s aesthetic and functional use of the property;
 - C. Maintenance Items – include any modifications that bring the building into code compliance and prevent deterioration of the property;
 - D. Streetscape Improvements – consist of elements that require a smaller investment and are considered less permanent but make a noticeable improvement to the curb appeal of the property; and
 - E. Design fees related to the eligible improvements.
2. **Ineligible Expenses.** Ineligible expenses include, but are not limited to:
 - A. Improvements in progress or completed prior to approval and execution of a Grant Agreement, which establishes the approved scope of work and reimbursement amount, by and between the City and the Applicant;
 - B. Improvements that do not comply with the approved Certificate of Appropriateness (COA), building permit(s), and/or zoning regulations;
 - C. Improvements that increase non-conforming conditions; and
 - D. Improvements not specifically listed as eligible, including but not limited to:
 - 1) New or replacement wall signs;
 - 2) Non-permanent interior improvements, including but not limited to interior design elements, interior finishes, (e.g. paint, tile, flooring, lighting and plumbing fixtures, etc.), moveable business furniture/equipment, and interior signage;
 - 3) Interior improvements in a space used for residential purposes, unless required to preserve the integrity of the building infrastructure in a mixed-use structure; and
 - 4) Media marketing and advertising (see Retail & Restaurant Grant Program).
3. **Funding Maximums.**
 - A. Funding awards are determined by the lowest estimate for the Project scope in accordance with the maximum reimbursement listed by Funding Category (see attached).
 - B. The maximum funding to be awarded for improvements to a single eligible property over the life of the Program is \$100,000.
 - C. The maximum funding available for any eligible Applicant over the life of the Program is \$200,000 regardless of the number of eligible properties the Applicant owns or occupies.
4. **Building Permit Fee Reduction.** Building permit fees, with the exception of third-party review and inspection fees, for approved Projects will be reduced by fifty percent (50%). The building permit fee reduction is over and above the grant award and is discounted upon permit issuance.

IV. **DESIGN GUIDELINES**

All proposed exterior improvements within the Turner Junction Historic District shall be compatible with the downtown area; specifically, these improvements should:

1. Focus on restorative construction;
2. Be compatible with the original building material and style;
3. Be compatible with predominant color schemes and window configurations; and
4. Be compatible with the general architectural theme of the historic district.

V. **APPLICATION REVIEW PROCESS**

1. **Pre-Application Meeting.** Interested parties should schedule a pre-application meeting with Economic Development Coordinator at (630) 818-3331 or kchrisse@westchicago.org. The purpose of the meeting is to discuss the Program details, proposed improvements, and Project eligibility.
2. **Request for Funding.** The Applicant shall submit a formal application for funding, which must be accompanied by the following items:
 - A. Proof of property ownership;
 - B. A copy of the signed sales contract, current lease, and/or written consent from the property owner, as applicable;
 - C. Proof of paid property taxes;
 - D. Photos of the subject property to be improved;
 - E. Narrative that incorporates:
 - 1) Detailed description of the proposed scope of work;
 - 2) Description of the use of the property and/or business; and
 - 3) Identification of the merits of the project (i.e. how the Project achieves the Program Purpose in Sec. I).
 - F. Plans, drawings and/or visual depictions of the proposed improvements;
 - G. Material and color sample(s) of exterior improvements, if requested;
 - H. Three (3) detailed, written estimates for the Project scope of work (alternatively, requests for material and equipment funding shall provide itemized quotes with applicable cut sheets); and
 - I. Construction schedule for the Project with specific milestones identified for Projects not expected to be completed in twelve (12) months or for partial reimbursement requests.
3. **Accompanying Applications.**
 - A. If the property is within the Turner Junction Historic District, the applicant shall concurrently file an application for a Certificate of Appropriateness (COA) with the Historical Preservation Commission (HPC). COA approval, if required, is a precondition to the City's consideration of the grant application. The HPC meets on the fourth Tuesday of each month, which could impact the timing of grant application processing.
 - B. A building permit application, if required, is recommended to be submitted simultaneously to ensure that all code requirements are included in the Project scope, the estimates of which determines the grant award. When required by the Project scope of work, architectural drawings must be prepared by a designer (e.g. architect, structural engineer, etc.) licensed in Illinois.
4. **Review and Approval.**
 - A. Any outstanding items required to complete the review and process the funding request will be coordinated with the Applicant. A complete application will be reviewed for eligibility and compliance with the terms of this Program.

- B. The determination of Program eligibility (property, applicant, and scope of work) is at the discretion of the City. The City retains the right to approve an entire request, to approve portions of a request, suggest and/or ask for changes/additions to a request before approving, or to deny any request or a portion thereof.
- C. Upon issuance of a COA, the funding request will be processed for approval as follows:
 - 1) The application for Major and/or Minor Improvements will be forwarded to the City Council, together with a recommendation, at the next available meeting (first and third Mondays of each month). The City Council shall determine whether, and the extent to which, the City will provide grant funding for the proposed project, subject to funding availability. If approved, the Mayor will execute the Grant Agreement on behalf of the City.
 - 2) The application for Maintenance Items and Streetscape Improvements will be forwarded to the City Administrator, or designee, with a recommendation. The City Administrator, or designee, will determine if the Project meets the terms of the Program and, if so, authorize and execute the Grant Agreement with awards up to \$5,000, subject to funding availability.
- D. The Applicant must execute the Grant Agreement before any portion of the Project may commence.

VI. PROJECT COMMENCEMENT AND CONSTRUCTION

- 1. **Building Permit.** In addition to a fully executed Grant Agreement, a building permit may be required depending on the scope of work for the Project. If required, work on the Project subject to a permit may not commence until the building permit has also been issued.
- 2. **Work in ROW.** Improvements located in the right-of-way (ROW) may require Public Works approval via ROW permit or a license agreement.
- 3. **Contractor Registration.** The Applicant may use any contractor they wish but Projects requiring a building permit must be performed by registered contractor(s). Contractors subject to [Contractor Registration](#) requirements include general contractors as well as all sub-contractors.
- 4. **Compliance Required.** Strict compliance with the Grant Agreement, COA, and building permit is required throughout and upon completion of the Project. Code violations shall be corrected prior to closing out the Project.
- 5. **Project Timeline.** The Project must be started within ninety (90) days of grant approval and completed within twelve (12) months of the building permit issuance or grant approval, if no permit is required. An alternate timeline may be approved as part of the Grant Agreement, if requested as part of the proposed Construction Schedule. An extension may be granted by the City Council via an amendment to the Grant Agreement if requested in writing prior to the expiration of the building permit.

VII. REIMBURSEMENT PROCESS

- 1. **Reimbursement Amount.** The Applicant shall be responsible for paying all expenses incurred for the Project and will only be reimbursed based on the actual amount paid in accordance with the Grant Agreement.
- 2. **Partial Reimbursement.** Reimbursements during the Project construction may be requested by the Applicant only if authorized in the Grant Agreement and in

accordance with specified milestones and funding amounts.

- A. The Applicant may request partial reimbursement by submitting the following:
 - 1) Verification that a specific milestone has been met;
 - 2) Invoices for materials and equipment (when work is completed by the Applicant);
 - 3) Partially paid invoice from contractor(s);
 - 4) Proof of partial payment (e.g. copies of canceled checks and/or credit card receipts);
 - 5) Partial waiver(s) of lien from each contractor; and
 - 6) [IRS Form W-9](#).
 - B. Upon receipt of all required documentation and verification of compliance with the terms of the Grant Agreement, the reimbursement request will be presented to the City Council for authorization at the next available meeting.
3. **Full or Final Reimbursement.**
- A. The Applicant must pass all inspections to close out the building permit, as applicable. A Certificate of Occupancy is not required to close out the building permit but could be used to demonstrate Project completion.
 - B. To request reimbursement, the Applicant shall submit the following documents, as applicable, within sixty (60) days of project close-out:
 - 1) Invoices for materials and equipment (when work is completed by the Applicant);
 - 2) Paid invoice from contractor(s);
 - 3) Proof of payment (e.g. copies of canceled checks and/or credit card receipts);
 - 4) Final waiver(s) of lien from each contractor; and
 - 5) [IRS Form W-9](#), if not already provided.
 - C. Upon receipt of all required documentation and verification of compliance with the terms of the Grant Agreement, the reimbursement request will be presented for City Council authorization at the next available meeting.

VIII. **MAINTENANCE**

1. With the exception of Streetscape Improvements, the improvements made as part of the Project must be maintained for a period of five (5) years upon completion of the Project.
2. Upon entering into the Grant Agreement, the Applicant is not eligible to apply for a subsequent grant on the subject property for five (5) years from the date of approval unless the Project did not commence.

Downtown Investment Program - Funding Categories

	Major Improvements	Minor Improvements	Maintenance Items	Streetscape Improvements
Eligible Exterior Improvement Expenses	Significant façade renovation/enhancements, including façade replacements	Roofing repair or replacement that is part of the historical façade within the Turner Junction Historic District	Repair or replacement of retaining walls on Turner Court Façade cleaning and sealing	New or replacement signs (only includes under canopy, window and projecting)
	Restoration of original architectural features	Installation of new accessible entrance	Restoration of brick	New or replacement awnings
	New or replacement exterior doors and windows	Tuckpointing Exterior painting	Repair of window frames, sills, and glazing Gutter replacement	New permanent under canopy/awning lighting
	Replacement or repair of exterior building materials or decorative elements	Screening of unsightly utilities, including trash enclosures	Repair of pitched roof and chimney or flue when it improves the overall appearance of the building	Incorporating permanent seating adjacent to the eligible property
	Installation or replacement of stairs, porch and handrails	Adding or replacing exterior lighting	Repair or replacement of roofs not visible from the public way	Adding permanent landscaped planters Creating and installing exterior art (not signage)
Eligible Interior Improvement Expenses	New installation and replacement of commercial kitchen fixtures (plumbing, hood and duct system, grease trap, etc.) and associated utility work	Interior life safety improvements (e.g. fire walls, sprinklers, egress, fire alarm, exit signs, automatic lights, etc.)	Repair work to floors, walls, and ceilings	
	Utility service line and equipment replacement, including electric, gas, water, and sanitary	Building systems replacement or upgrades (e.g. plumbing, electric, HVAC, etc.) and associated fixtures		
	Interior structural repairs & upgrades (e.g. load bearing walls, roof beams, floor joists, ceiling repairs, etc.)	Installation of an elevator, chair lift, or ramp to access another commercial space		
	Installation of new restrooms	Retrofit of existing restrooms to meet accessibility standards		
Other Eligible Expenses	Design fees related to the eligible improvements, as applicable			
Maximum Reimbursement	50% Reimbursement, up to \$75,000 (up to \$100,000 for buildings designated as landmarks or contributing to the Turner Junction Historic District)	35% Reimbursement, up to \$30,000 (up to \$50,000 for buildings designated as landmarks or contributing to the Turner Junction Historic District)	25% Reimbursement (or 65% of the material and equipment expenses if applicant does work themselves, as applicable), up to \$5,000	50% Reimbursement (or 65% of the material and equipment expenses if applicant does the work themselves, as applicable), up to \$3,000