

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL MEETING**  
**JULY 10, 2012 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Ogden Avenue Site Improvement Strategy (OASIS) Grant Program	Resolution Ordinance Motion ✓ Discussion Only	Tom Dabareiner, AICP Community Development Director

**SYNOPSIS**

At the March 20, 2012 meeting, the Village Council discussed the OASIS Program. Based on the Council's discussion, staff is proposing modifications to the OASIS Program.

**STRATEGIC PLAN ALIGNMENT**

The Strategic Goals for 2011-2018 included *Strong, Diverse Local Economy*.

**FISCAL IMPACT**

The 2012 Budget included \$350,000 from the Ogden Avenue TIF fund to continue the program.

The proposal would increase the grant maximums to individual properties/businesses as follows:

- Interior Properties < 1 acre = from \$50,000 to \$100,000
- Corner Properties and Properties ≥ 1 acre = from \$75,000 to \$150,000
- Comprehensive Improvements Eligible for a 25% Bonus

**RECOMMENDATION**

Approval on the July 17, 2012 Active Agenda

**BACKGROUND**Program Goals

The Village Council approved the OASIS Program on September 14, 2010. OASIS provides a dollar-for-dollar matching grant for exterior improvements to properties within the Ogden Avenue TIF District. The program was based from the Ogden Avenue Corridor improvement strategy, prepared in 2005 recommends that the Village use the Ogden Avenue TIF fund's accumulated real estate tax increment to make aesthetic improvements in the corridor including providing more attractive sites, improving pedestrian and vehicular traffic circulation, landscaping improvements and reducing visual clutter including signage updates and overhead utility burial.

At the March 20, 2012, the Village Council discussed potential changes to the OASIS program. Additional information about the OASIS program can be found here: [http://www.downers.us/public/docs/agendas/2012/03-20-12/REP00-04836\\_OASIS.pdf](http://www.downers.us/public/docs/agendas/2012/03-20-12/REP00-04836_OASIS.pdf).

Staff Recommended Changes

While the program has been active for two years, the number of comprehensive site improvements is fewer than originally anticipated. Based on the response to the program and Village Council direction, staff is recommending several changes to OASIS. The goals of these proposed changes are to 1) simplify the OASIS program; 2) make it more attractive to property and business owners; and, 3) make the program more attainable for property and business owners.

The proposed modifications to the OASIS program are:

1. **Applicant’s Match Decreased:** The match would be changed from a 50% match to a 25% match. In other words, the applicant would only need to provide 25% of the funding. The Ogden Avenue TIF Fund would fund up to 75% of the project costs.
2. **Maximum Grant Increased:** Currently properties over one acre or on a corner may receive up to \$75,000 and properties less than one acre have a maximum of \$50,000. This amount will be changed to \$150,000 and \$100,000 respectively.
3. **Outstanding Project Definition Changed:** Projects incorporating multiple elements of the program and go beyond the zoning and development minimums will be eligible for a 25% increase. The current program only requires that multiple elements be proposed to be considered for the bonus. This would effectively bring the match over 93% for an outstanding project. An example of funding for an outstanding project is provided in the table below.

**Table 1: Example Outstanding Project (Total Eligible Costs \$150,000)**

	<b>Amount</b>	<b>Percentage</b>
<b>Applicant Match</b>	\$37,500	25%
<b>Village TIF Grant</b>	\$112,500	75%
<b>Bonus (25%)</b>	\$28,125	N/A
<b>Total TIF Grant</b>	\$140,625	93.75%

4. **Signs:** Bringing nonconforming signs in to compliance with the sign ordinance will be required as a condition for receiving funding. Signs will *not* be funded, unless part of an outstanding project that receives the 25% bonus.
5. **Sidewalks:** Sidewalk easements and/or construction of a sidewalk will still be required as part of the program. However, if a property adjacent to the applicant’s property has sidewalks, the applicant will be required to install a sidewalk as a condition of funding the grant. The sidewalk may be included in the grant total and subject to the matching grant levels.
6. **Landscaping:** Landscaping improvements will only be funded if the applicant is proposing at least 10% more landscaping than is required by the Village’s zoning ordinance.
7. **Category Maximums Eliminated:** The program will be simplified by removing the maximums for the individual categories. The only the overall maximum will apply to a project. There are no changes to the categories except for the elimination of funding for signage.
8. **Mechanical Units:** As a condition of any project proposing a façade improvement, the mechanical units will be required to have 360-degree screening.

The eligible project categories would be modified slightly to reflect changes in the program. Generally, OASIS projects are reviewed in the context of the recommendations contained within the Comprehensive Plan, 1999 Ogden Avenue Commercial Corridor Master Plan and Village’s Strategic Plan. The categories described below are used to judge applications.

- **Category 1 – Site Improvements:**  
Examples of site improvements include consolidating driveway accesses to Ogden Avenue, removal of nonconforming parking spaces, installing stormwater management strategies, removing pavement and adding landscaping, providing cross-access between properties, installation of public sidewalks and installation of exterior site lighting.

- **Category 2 – Landscaping:**  
Landscaping projects that provide at least 10% more landscaping than is required by the zoning ordinance are eligible for OASIS funding. Examples of landscaping include screening of off-street parking areas with shrubs, ornamental grasses and shrubs, installing landscaping to improve water run-off quality, installation of foundation plantings, installing ornamental fences, construction of outdoor café spaces and installation of shade trees. Installing the minimum required landscaping for a project does not constitute an eligible “landscaping” project.
- **Category 3 – Building Façade:**  
Examples of improvements to building facades include major renovations that update a building’s appearance (a “major renovation” affects more than 50% of existing exterior walls fronting Ogden Avenue or adjacent side streets), installation of a canopy or awning, adding transparent windows, adding pedestrian-friendly doors and shrubs, installing parapet walls and decorative cornices that hide mechanical equipment and installation of decorative lighting fixtures on the building. All projects that include a façade improvement shall provide 360-degree screening of all mechanical units.
- **Category 4 – Signs:**  
All projects receiving OASIS funds shall replace nonconforming signs as a condition of receiving funds. Signs would not be funded by the OASIS Program, unless the project receives a 25% bonus that is reserved for “outstanding” projects that encompass all other categories of the program.

*OASIS Team Recommendation*

The OASIS Team reviewed the program on April 13, 2012 and June 26, 2012. A memorandum detailing the Team’s position is attached. In general, the OASIS Team recommends continuing the current program. However, if the Village Council decides to remove funding for sign-only applications, the OASIS Team believes the Council should implement the changes detailed below.

**ATTACHMENTS**

OASIS Team Memorandum

OASIS Policy



June 28, 2012

The Honorable Mayor Martin Tully and  
Village of Downers Grove Commissioners  
Village of Downers Grove  
801 Burlington Avenue  
Downers Grove, IL 60515

Dear Mayor and Commissioners:

Thank you for the request to provide feedback on the discussion of eliminating signage from the OASIS (Ogden Avenue Site Improvement Strategy).

As you know, the foundation of this Strategy was based on direct feedback from Ogden Avenue business owners; and is funded by the 23 year economic development tool of Tax Increment Financing (TIF). The Ogden Avenue TIF Strategy, presented by Village Staff on December 4, 2009 outlined the following Ogden Avenue TIF Goals:

1. Improve the Appearance of Ogden Avenue
  - a. Public (streets, sidewalks, signs, gateways)
  - b. Private (building, signs, landscaping)
2. Improve the Economic Performance
  - a. Increase sales tax revenue
  - b. Increase property values (EAV)
3. Improve vehicular and pedestrian traffic
  - a. Reduce curb cuts
  - b. Eliminate unnecessary cross streets

OASIS embraces all of these inter-connected goals and incorporates the Ogden Avenue Master Plan. The Review Team consistently considers all three goals, with a primary focus on the first one; signage - a crucial component of Ogden Avenue's appearance.

The success of the program is indicative of the 'new economic normal.' Close to 50% of OASIS applications are for sign-only; these requests are considered only after all other applications are reviewed. Less than \$50,000 has been awarded to signage (including three shopping centers), versus ~\$360,000 for other site improvements.

We recognize that businesses outside of the TIF must be in compliance with the sign ordinance, receiving no financial assistance. However, this is true for all improvements that are eligible for TIF funding. TIF Districts are established to provide assistance for improvements in a designated area. In this case, the Village determined that property owners in the Ogden Avenue TIF would be eligible for TIF funding. It is without doubt that if businesses could find a way for further site improvements, it would be evident in the applications.

It is the position of the OASIS Team that there be no change to the ordinance and funding for signage should continue. Should the Council choose to eliminate signage from this ordinance, we feel it is crucial that the matching grant amount be increased to 75% as recommended in the staff report; furthermore, should a bonus be awarded, it remain unrestricted.

Thank you for your consideration.

Sincerely,

OASIS Team

Rob Quigley, owner, Bradford & Kent

Melissa Naples, treasurer, Hillshire Brands, resident

Michael Cassa, president, Downers Grove Economic Development Corporation

Laura Crawford, president, Downers Grove Area Chamber of Commerce & Industry



**Village of Downers Grove**

**Official Village Policy Approved by Village Council**

Description: Ogden Avenue Site Improvement Strategy Program

Res. or Ord. #: Ord. 5150

Effective Date: 09/14/10

Category: Planning & Community Development

New Council Policy

Amends Previous Policy Dated: \_\_\_\_\_

Description of Previous Policy (if different from above):  
\_\_\_\_\_

**ORDINANCE NO. 5150**

**AN ORDINANCE ADOPTING AN OGDEN AVENUE  
SITE IMPROVEMENT STRATEGY PROGRAM**

WHEREAS, the Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety, and welfare of the Village and its inhabitants, to prevent the spread of blight, to encourage private development in order to enhance the local tax base, to increase employment, and to enter into contractual agreements with third parties for the purpose of achieving these purposes.

WHEREAS, the Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended (the "TIF Act"), to finance redevelopment in accordance with the conditions and requirements set forth in the TIF Act.

WHEREAS, to stimulate and induce redevelopment pursuant to the TIF Act, the Village has, after giving all notices required by law and after conducting all public hearings required by law, adopted the following ordinances:

1. Ordinance No. 4247, adopted February 6, 2001, titled "*An Ordinance Approving the Ogden Avenue Corridor Redevelopment Plan and Project*" (the "Redevelopment Plan");
2. Ordinance No. 4248 adopted February 6, 2001, titled "*An Ordinance Designating the Ogden Avenue Corridor Redevelopment Project Area*";
3. Ordinance No. 4249, adopted February 6, 2001, titled "*An Ordinance Adopting Tax Increment Financing for the Village of Downers Grove*".

WHEREAS, in an effort to promote revitalization of the Ogden Avenue commercial corridor the Village wishes to establish the Ogden Avenue Site Improvement Strategy Program ("OASIS Program");

WHEREAS, the OASIS Program is made available to provide a significant impact on the exterior of properties, thus improving the economic vitality of the Ogden Avenue commercial corridor;

WHEREAS, the goals of the OASIS Program are to provide financial assistance to property and business owners in order to provide more attractive sites, improve traffic circulation for vehicles and pedestrians, improve existing building appearance, and improve signage, in accordance with the Ogden Avenue Commercial Corridor Master Plan and the Village's Strategic Plan;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

**ELIGIBLE PROJECTS:**

**A. SITE IMPROVEMENT**

1. Lighting Fixtures, Fencing, utility burial

- This includes installation of exterior lighting fixtures which are associated with a building façade or within a parking area. Decorative fencing around parking areas, adjacent properties and refuse screening are also included in this category and sidewalks.
- The burying of overhead power lines, telephone lines or other above-grade utilities.

2. Access Consolidation, Cross Access, or Pedestrian Improvement

- This includes driveway consolidation on Ogden Avenue, cross access between businesses, and installation of pedestrian walkways and sidewalks.

3. Stormwater

- This includes the installation of detention area or best management practices.

**B. LANDSCAPE IMPROVEMENT**

1. Landscaping

- This includes the installation or replacement of new landscaping and green space to comply with current ordinance requirements.

2. Stormwater

- This includes the installation of detention area or best management practices.

**C. FAÇADE IMPROVEMENT**

1. Exterior Woodwork and Architectural Materials

- This includes improvement or repair, cleaning, refinishing, restoring, or replacement of exterior woodwork or architectural materials.

2. Masonry

- This includes masonry improvements, repairs, restoration or tuckpointing.

3. Windows and Doors

- This includes the replacement, installation or restoration of windows (including display, ornamental, upper-story and storm windows) and exterior doors.

4. Cornices, Parapets, Awnings, Canopies and Roofs

- This includes the installation or repair of cornices, parapets, awnings, canopies or roofs when part of the facade renovation; or independently, when it is a visible part of the façade from Ogden Avenue or required by Village ordinance to screen rooftop mechanical units and vent stacks.

**D. SIGNAGE IMPROVEMENT**

1. Signs

This includes the installation or replacement of signs to comply with current Village ordinances.

2. Financial Assistance: Property owners and business owners (“Owners”) located within the Ogden Avenue TIF District may be eligible for a grant award from the Village for up to fifty percent (50%) of the total cost of the work for certain improvements made to their buildings or property in accordance with the following guidelines:

a) Interior Parcels less than 1 acre

Type of Project	Eligible for a Grant Award up to 50% of the Cost of Work (up to the maximum noted herein) The total maximum award shall not exceed \$50,000
Signage Improvement - coordinated for retail center or monument sign	\$2,500 for parcels less than 100 ft. wide; \$5,000 for parcels between 100 ft. and 259 ft. wide; \$7,500 for parcels 260 ft. wide or greater
Wall Signage for Single Tenant (only for business that were in operation before May 2005)	\$3,000
Landscape improvement	\$20,000
Site improvement	\$20,000
Façade improvement	\$10,000

b) Corner Parcels or Parcels Greater than 1 Acre or individual Tenant Spaces in Excess of 5,000 sq. ft.

Type of Project	Eligible for a Grant Award up to 50% of Work (up to the maximum noted herein) The total maximum award shall not exceed \$75,000
Signage Improvement - coordinated for retail center or monument sign	\$7,500
Wall Signage for Single Tenant (only for business that were in operation before May 2005)	\$3,000
Landscape improvement	\$40,000
Site improvement	\$40,000
Façade improvement	\$15,000

c. Conditions:

1. Only exterior improvements to properties and buildings as described above will be eligible for a grant award. Internal elements will not be eligible. Generally, exterior maintenance (e.g.



painting, parking lot resurfacing, seal-coating, replacing dead landscaping, etc.) will not be considered; however, in some cases maintenance may be eligible if it is an essential component of a project and is a permanent improvement to the property (e.g. tuck-pointing, replacing windows and doors).

2. Improvements to buildings, parking lots and uses which do not meet current zoning requirements will not be eligible.
3. Improvements requiring zoning variations may be eligible for project funding; however, no part of the zoning variation process will be funded.
4. A bonus of 25% of the maximum grant award amount for particular project categories may be provided for projects combining multiple categories. For example, a 10,000 square foot tenant on a 1.5-acre lot proposing landscape improvements and façade improvements would be eligible for up to \$68,750 ( $\$40,000 \times 1.25 + \$15,000 \times 1.25$ ) assuming a total project cost of \$137,500.
5. For single tenants in multi-tenant buildings, the maximum grant award for the tenant will be limited by the percentage of space the tenant occupies in the building. For example, if a tenant occupies 25% of a building on a parcel less than 1 acre in size, the maximum façade improvement grant award would be \$2,500.

3. **Sidewalk Easement or Construction Required as a Pre-Condition:**

In order to promote the Ogden Avenue Master Plan, and prior to receipt of any grant award, the applicant must either grant a sidewalk easement approved in a form acceptable to the Village and receive an additional \$1,000 of grant funds and/or install a sidewalk on the property along Ogden Avenue and receive an additional 50% of grant funds for the cost of the installation.

4. **Procedures:**

The OASIS Team will evaluate all submittals. The OASIS Team is comprised of Village staff, Economic Development Corporation representatives and Downers Grove Area Chamber of Commerce and Industry representatives. Only complete applications will be evaluated by the review team. Projects will be evaluated on a qualitative basis and will be evaluated against one another. The intent of the initiative is to encourage comprehensive development in the TIF district. One or more application deadlines will be established by the Village.

*1. Pre-Application Meeting (OPTIONAL)*

Prior to making a formal application, the prospective applicant is encouraged to meet with the OASIS Team. During this meeting, the prospective applicant is familiarized with the program and the application process. A general discussion of needs and ideas of all parties, design alternatives and general cost parameters will be discussed. An application packet may be obtained at this time, as well as, information about the *Ogden Avenue Master Plan*.

*2. Complete and Submit Application*

The first round of applications should be completed and submitted to the Community Development Department by an established due date included in the application packet. The OASIS Team will review the application for completeness within 10 working days of application deadline.

*3. Approval of Project by the Village*

Within 30 days of the application deadline, the OASIS Team will meet to review and rank the complete grant applications against each other in order to establish an order of merit. By ranking projects the OASIS Team will recommend funding of the highest ranked projects first. The OASIS Team will utilize the review criteria included in the application packet to rank applications. Recommendations from the OASIS Team will be forwarded to the Village Manager for consideration. Grant awards recommended by the OASIS Team less than \$15,000 may be authorized by Village Manager; however, grant awards in excess of \$15,000 must be authorized by the Village Council.

#### *4. Execution of the Site Improvement Reimbursement Grant Agreement*

In conjunction with the award of the grant, the applicant will be required to enter into a Site Improvement Reimbursement Grant Agreement with the Village specifying the responsibility of the grant recipient. This agreement must be completed prior to the commencement of funded improvements. A typical agreement will reimburse the applicant, up to the agreed upon maximum, with the submittal of cancelled checks and final inspection.

#### *5. Begin Work*

After the Site Improvement Reimbursement Grant Agreement has been executed, a "Letter of Approval and Notice to Proceed" will be sent to the applicant from the Community Development Department, including an estimate of the total grant amount the applicant is eligible to receive once work is completed and cancelled checks for said eligible work have been received.

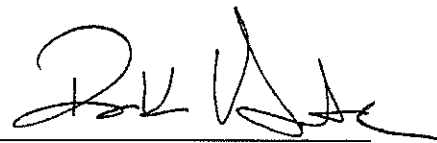
The applicant may begin work once all necessary permits have been issued. Prior to, or during construction, any on-the-job changes to the approved design must be reviewed and approved by the OASIS team and the Community Development Department. If changes involve permit related work, the Community Development department must also review and approve the change.

#### *6. Complete of the Project*

Upon completion of the project, the work is to be approved by an inspector(s) in the appropriate departments for compliance with the original design drawings, including any approved on-the-job changes and Village ordinances. In the event the Village finds the finished work product does not meet ordinance requirements or is not consistent with the approved grant application and any approved on-the-job changes, the Village will not be obligated to provide reimbursement for any of the work completed.

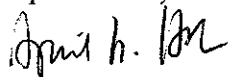
#### *7. Payment of the Grant*

Once the grant recipient receives final approval, he/she shall provide a request for reimbursement and all receipts (including copies of cancelled checks) for grant eligible work to the Community Development Department. The Village of Downers Grove will provide reimbursement up to the agreed upon maximum after eligible grant work has been inspected and certified as to its completion and compliance with the approved grant application.



Ronald L. Sandack, Mayor

Passed: September 14, 2010

Attest:   
April K. Holden, Village Clerk