

TAX INCREMENT FINANCING DISTRICT

General Program Guidelines



I. INTRODUCTION

The City of Peoria has several TIF District each having unique boundaries, term limits, and programs. Generally TIF Programs offer several forms of business assistance and incentives within their designated areas. A property must be within the borders of this TIF District to be eligible for funding assistance. The eligibility of projects and their costs, types of assistance, and available programs are provided in the guidelines below.

II. ELIGIBLE APPLICANTS

Eligible applicants include the owner or potential owner of a building and also may include the tenant occupying a facility within the TIF. Business owners who are tenants of a building must provide written consent from the building owner for all proposed improvements.

III. ELIGIBLE PROJECT COSTS

The expenditure of TIF revenues is limited to certain specific types of “Redevelopment Project Costs,” as defined by state statute ([65 ILCS 5/11-74.4 \(q\)](#)) and detailed in the Tax Increment Redevelopment Plan and Project for a given TIF District. A Redevelopment Project Cost is a cost incurred or estimated to be incurred. Examples of such costs, include but are not limited to:

- A. Costs of studies, surveys, professional fees for architectural, engineering, legal or financial services rendered incidental to the redevelopment plan
- B. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, demolition of buildings and the clearing and grading of land.
- C. Cost of rehabilitation, reconstruction or repair or remodeling of existing private or public buildings and fixtures, and replacement of public buildings for private use.
- D. Cost of marketing sites within the redevelopment area to businesses, developers, and investors.
- E. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that such subsidy does not exceed 30% of the annual interest cost incurred by the TIF project redeveloper.
- F. Cost of job training and retraining projects by businesses within the district.
- G. Public works and infrastructure costs.

IV. INELIGIBLE PROJECT COST

Cost not specifically identified as “redevelopment project costs” per state statute are ineligible reimbursement costs. These include, but not limited to costs for: (a) new construction of privately owned buildings, (b) building maintenance, and (c) general business operating cost such as inventory and working capital.

V. TYPES OF ASSISTANCE

TIF funds assistance may come in the form of a grant which are provided on a reimbursable basis, or upfront in the form of a grant or loan.

VI. APPLICATION PROCESS AND PROCEDURES

The process for applying and obtaining approval for assistance are typically reviewed by staff and approved by the City Council. To receive TIF funding assistance the project must meet the “but for” clause, which is a demonstration the project requires the financial assistance, and the project should generate a property tax increment upon completion..