

## **VILLAGE OF HUNTLEY ECONOMIC DEVELOPMENT INCENTIVE POLICY**

### **Introduction**

The use of incentives is a method that may be used by the Village of Huntley for the purpose of attracting business to the Village. Incentives are designed to achieve public benefits. Public benefit is defined as increased tax revenue (property and sales tax), desired additional employment, an identifiable effect of stimulating further and additional economic development, and new public improvements that outweigh the proposed incentive.

### **Principles**

The process of utilizing incentives should involve the inclusion of the following principles in order to achieve economic development goals.

1. If not for granting an incentive, a desirable project would not move forward in a timely manner or may locate outside the Village. A project is considered desirable that not only meets the public benefit criteria stated above, but also meets the Village's Design Guidelines or architectural standards set by the Village Board.
2. A decision to fund an incentive request must be based on sound financial information. All applicants requesting incentives, at a minimum, must provide the following information:
  - a. Amount of Applicant's Overall Investment
  - b. Amount of Applicant's on and off-site public improvements
  - c. Detailed business or development pro forma
  - d. Level of incentive requested to offset extraordinary costs or circumstances associated with the project
  - e. Verification of applicant's financial stability or business plan
3. An analysis shall be made of the economic costs and benefits to the Village for the project. The analysis shall be performed by the Village.
4. Upon the receipt of a complete application package, the Village Manager's Office shall analyze all requests for incentives.
5. Certain areas within the Village shall be given priority for incentive requests: Currently, the priority areas are as follows:

- Route 47 Commercial Corridor (Exhibit A)
- I-90 Office, Research, Light Industrial and Business Park Corridor (Exhibit B)
- Downtown Business District

These areas shall be referenced as “Target Areas”

### **Policies**

The following policies should be applied when development incentive requests are considered within the Village of Huntley:

1. The Village will not consider any requests for the waiver of the following fees or charges: recapture fees, utility rates, development impact fees for other governmental bodies, or outside agency review fees.
2. Incentives relating to local share of taxes rebated will be considered on a case-by-case basis.
3. A Business Development Agreement is required in the use of any incentive package.
4. All incentive packages shall be performance based with established performance criteria. For example, for a sales tax rebate, a minimum threshold for new sales tax revenue generated and a date specific for the retail use to be open.
5. If performance goals are not met, all or a portion of the incentive funding will be required to be returned to the Village.

### **Evaluation Criteria**

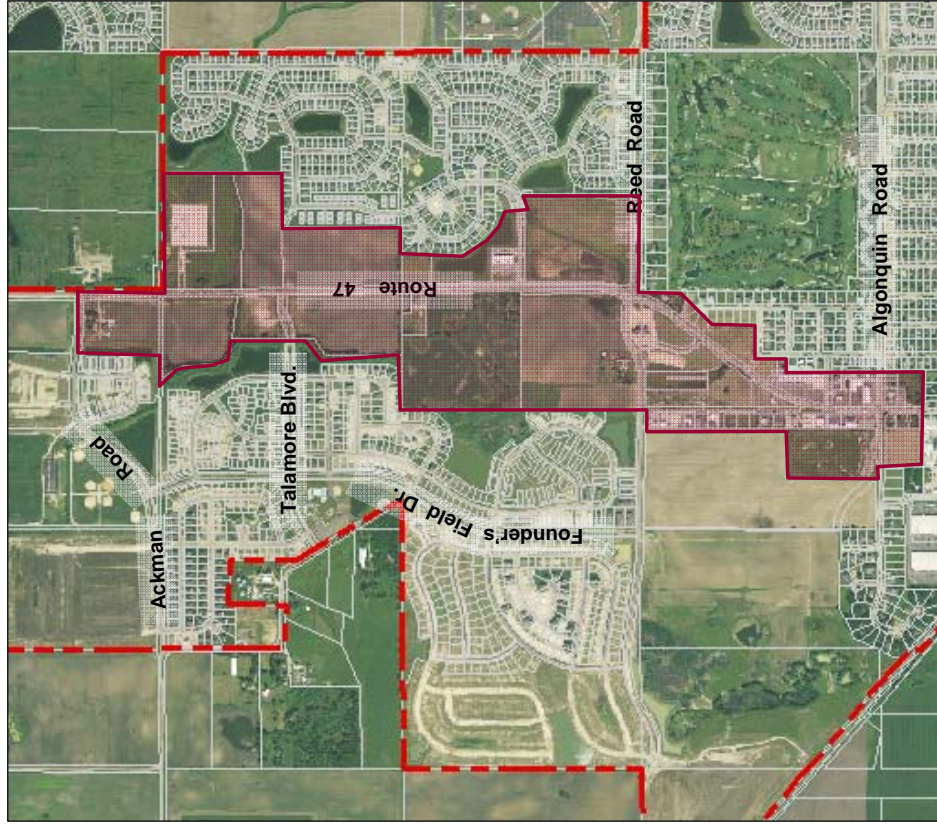
All development proposals or requests for assistance shall be submitted in a format that addresses the previously referenced Principles and Policies. In addition, each submittal shall be evaluated based upon the following criteria:

1. The potential for receiving economic development incentives is available to private businesses based upon the following criteria:
  - a. Location or expansion of business/development, with priority given to projects within Target Areas previously referenced
  - b. Revenue benefit (taxes) to the Village and other governmental agencies
  - c. Types and number of jobs created or retained and wages paid

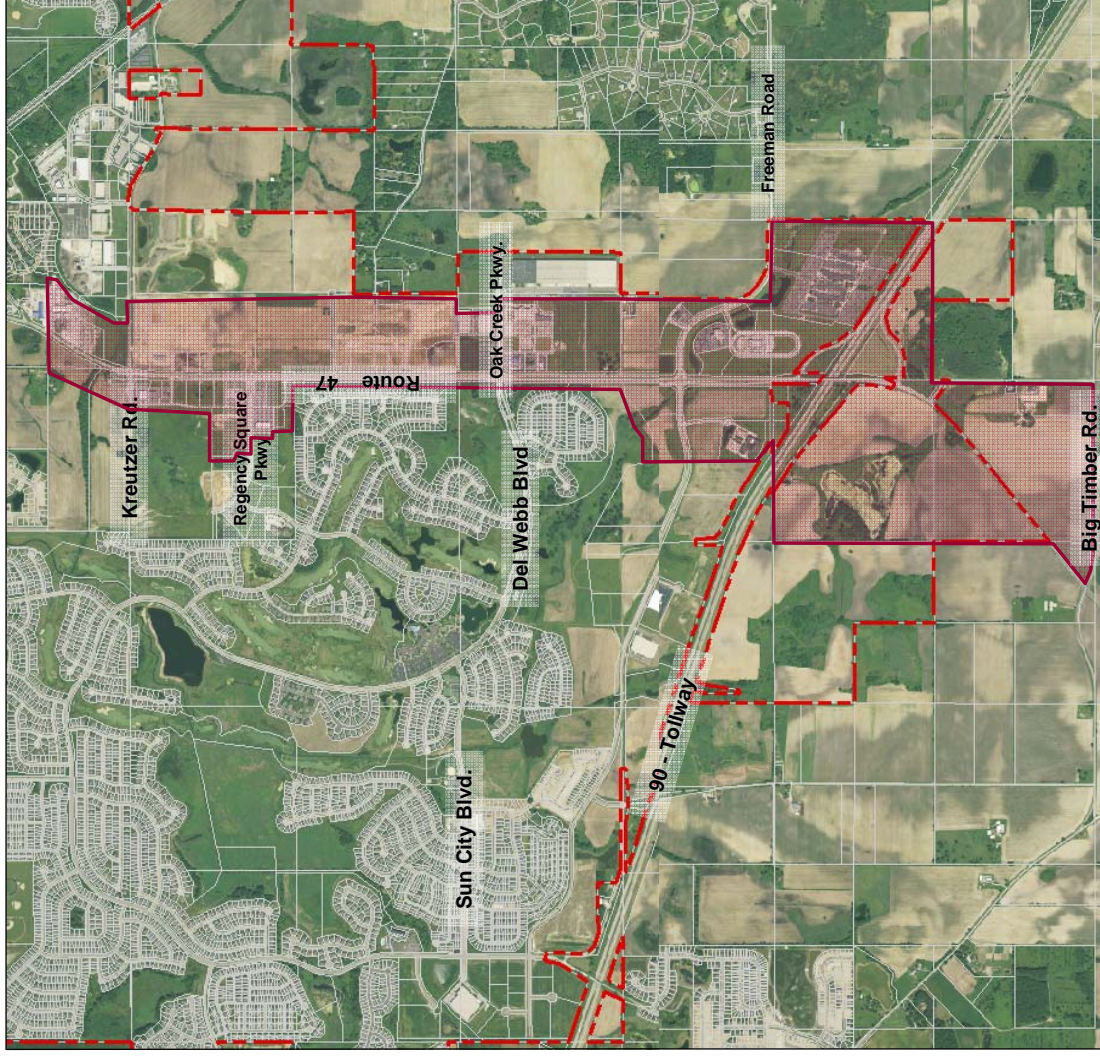
2. Projects must be of a public benefit to the Village as public benefit is previously defined above.
3. The impact of a proposed project on existing businesses shall be evaluated when considering the use of incentives for the project.
4. The assisted business should have the potential of attracting other development that meets the economic developments goals of the Village Board.
5. The amount of the incentive must be recaptured within a reasonable time period based upon the business plan presented.
6. Projects located in a TIF or development covered by a pre-existing Business Development Agreement shall be considered lower priority for additional incentives.

**Summary**

It is the intent of these guidelines to establish a framework by which incentive requests submitted to the Village of Huntley can be objectively reviewed and evaluated. Applicants seeking incentives from the Village will have a clearly defined set of development principles, policies and evaluation criteria for proposals to be submitted to the Village for review.



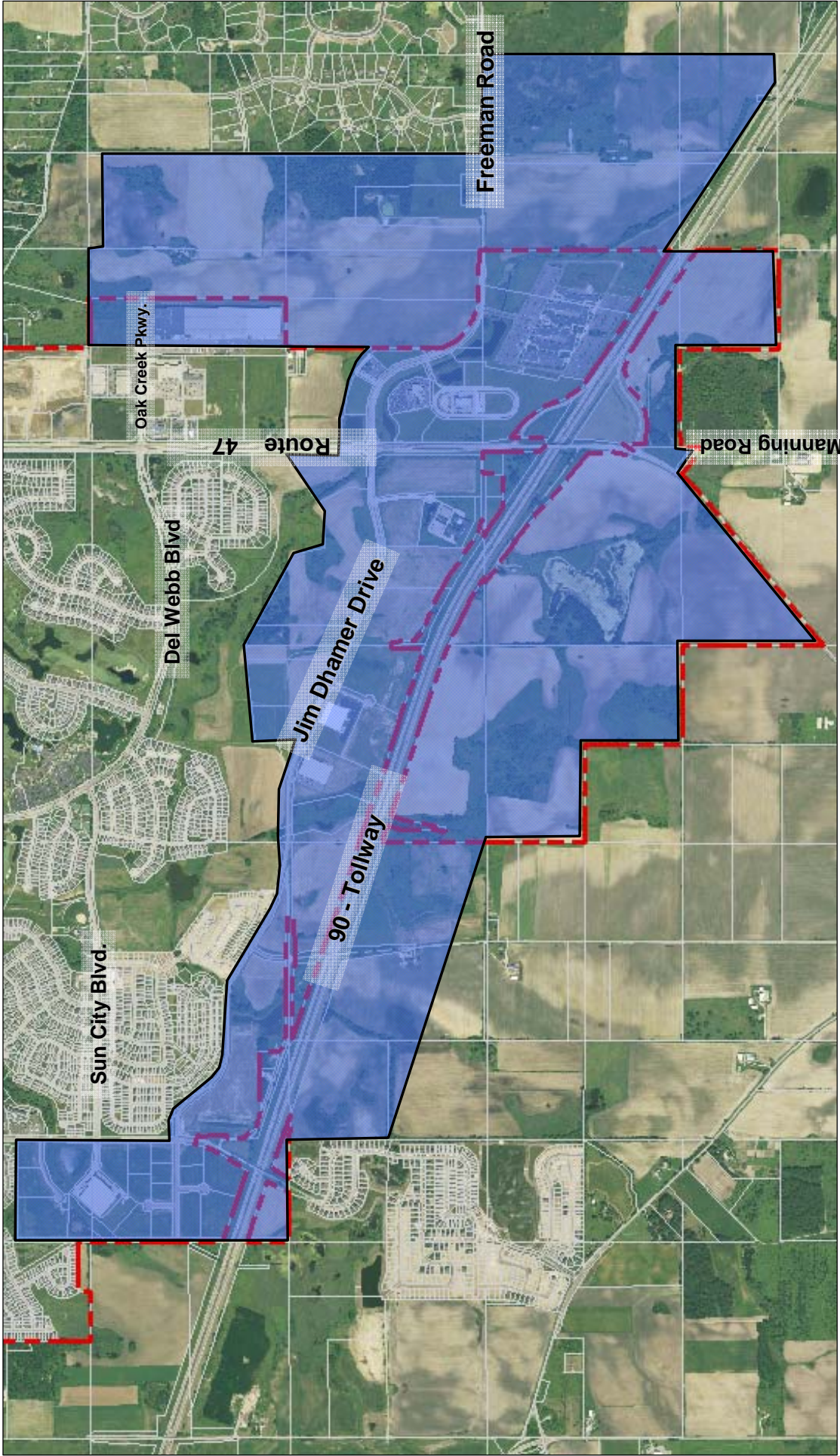
Ackman Road South to Algonquin Road



Kreutzer Road South to Southern Village Limit

- Route 47 Commercial Corridor (Exhibit A)





**- I-90 Office, Research, Light Industrial and Business Park Corridor (Exhibit B)**





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