

REDEVELOPMENT INCENTIVES POLICY
ELKHART LAKE COMMUNITY DEVELOPMENT AUTHORITY (CDA)
(Revised April 2014)

The Elkhart Lake CDA will use the following criteria to evaluate its potential financial involvement in a redevelopment project:

1. The property must be within the CDA district.
2. Within the district, priority will be given to target properties identified by the CDA and to businesses that have the potential to operate as a year round business.
3. To the best of its ability to know, the CDA will not be involved in projects that are detrimental to the health of existing businesses in the Village.
4. Before the CDA will become financially involved in a development project, the Developer shall enter into a Development Agreement regarding the proposed project. The Development Agreement shall include provision for, among other items the following:
 - a) The personal/corporate guarantee of the Developer and such other financial security deemed necessary by the CDA.
 - b) The reimbursement of the CDA's professional fees, if any, relating to the review and administration of the proposed project.
 - c) The preparation of surveys or other land use documents required for the project, if any.
 - d) Such other terms as the CDA deems necessary or appropriate to protect the interests of the CDA and the Village of Elkhart Lake.
5. Other criteria the CDA will use to make its decision about becoming financially involved in a project include the following:
 - a) The proposed project would result in redevelopment of a blighted property.
 - b) The project would enhance the appearance of the Village.

Redevelopment Incentive
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- c) The project would produce a substantial tax base increase in the Village.
 - d) The project would result in increased business diversity in the community, that is would provide a greater variety of goods and services for residents and visitors.
 - e) Property Type: Commercial property and Senior Housing are priorities.
 - f) In the event of a potential negative impact on existing businesses or need for assurance regarding the market feasibility of a proposed project, the CDA may require the Developer to have an independent market study completed, at the developer's expense, done by a consultant approved by the CDA.
 - g) In the event of a request to purchase a property, the CDA may require an environmental evaluation of the property be completed, and that any environmental clean-up costs be estimated by a professional environmental firm before any CDA decision to acquire property is made.
 - h) The CDA contribution to the project must be limited to funds currently budgeted for CDA use, or any funds specifically committed by the Village Board for the proposed project.
6. The approval or disapproval of an incentive represents the legislative discretion of the CDA. No property rights of entitlement are intended to be created under these policies. The CDA reserves the right to approve or disapprove applications. The CDA reserves the right to offer a grant instead of a loan or a loan instead of a grant in any category at the discretion of the CDA. All rights are reserved.

COMMUNITY DEVELOPMENT AUTHORITY
VILLAGE OF ELKHART LAKE
GRANT AND LOAN PROGRAM
Guidelines

- 1) Grants and loans provided by these programs are to be used in accordance with the criteria listed under each program within the designated CDA district of the Village of Elkhart Lake.
- 2) All improvement designs are to be approved by the CDA.
- 3) Eligible activities for facade improvements may include but are not limited to: exterior improvements, awnings, materials, labor, entrance ways, windows, masonry work, and landscaping.
- 4) All applicants will be required to enter into a development agreement with the CDA within 90 days of the approval of their application.
- 5) All projects must be approved prior to starting construction.
- 6) The grant will be paid to each applicant upon completion of the construction of the described improvements. Improvements must be constructed within twelve (12) months of the grant application approval in order to qualify to receive the grant.

Application Process

- 1) Application and guidelines for the program will be available at the Village office.
- 2) Completed facade improvement applications, design plans, cost estimates and construction schedules will be returned to the Village office for review by the CDA.
- 3) The CDA will approve the application if it is compatible with the CDA “Vision” and Guidelines.
- 4) If rejected by the CDA a letter will be sent to the applicant stating the reasons for rejection and changes needed to obtain approval.

COMMUNITY DEVELOPMENT AUTHORITY
VILLAGE OF ELKHART LAKE
DEVELOPMENT INCENTIVE PROGRAMS
REVENUE SOURCES

- 1) TIF Increment
- 2) Village of Elkhart Lake – Annual Development Grant
- 3) Room Tax

DEVELOPMENT INCENTIVE EXPENDITURE PROGRAM

- 1) Facade/Landscape Grant

CDA has latitude to grant any amount up to a maximum of 50% of facade/landscape improvement or \$10,000.00 whichever is less.

- 2) Business Start Up Costs (Loan) Maximum \$5,000.00

Repayment: Year One -- \$ 0.00 principal, no interest
Year Two --\$ 500.00 principal, no interest
Year Three--\$1000.00 principal, 2% interest on \$4500.00
Year Four -- \$1500.00 principal, 4% interest on \$3500.00
Year Five -- \$2000.00 principal, 2 points below prime on
\$2000.00

- 3) Signage Grant

50% cost of New Sign - Maximum \$1,000.00

- 4) Special Award Loan

Maximum \$10,000.00 or 50% (whichever is less) of structural or mechanical improvements including but not limited to, subject prevailing interest rates:

- 1) Sewer/Water Changes
- 2) Electrical Upgrades
- 3) Environmental Remediation
- 4) Accessibility Upgrades

Repayment Schedule: FIVE YEARS – Year one – no payment
Four equal principal installments + interest
Year two, three, four, and five
Annual Interest ¼% above Wisconsin State
Investment Pool Average.

- 5) Special Award Grant

Maximum of \$10,000, given at the CDA's discretion for such things as reserve liquor licenses or capital needed to start a new business.

PROPERTY OWNERS/TENANTS ARE LIMITED TO ONE LOAN/GRANT IN EACH CATEGORY PER STRUCTURE

POST APPLICATION PROCESS

- 1) The CDA will monitor the progress of the project through the Village Building Inspector.
- 2) Changes in the approved work specifications must be approved by the CDA
- 3) The CDA may physically inspect or require receipts prior to the payment of any grant or loan. Deviations from an approved plan may disqualify the applicant from these programs.