

City of Fox Lake Redevelopment Authority



Economic Development Incentive Program Description and Application

City of Fox Lake Economic Development Incentive Program Description and Application

The purpose of the City of Fox Lake Economic Development Incentive Program is to provide financial assistance to projects that will contribute to development and/or redevelopment. Eligible activities include Real Estate development / rehabilitation and/or eligible business expansions, retention, or new start-ups. The projects must be located within the boundaries of the Fox Lake Industrial Park and/or the City of Fox Lake corporate limits.

The amount of funds available for the EDIP will be based on the resources available to the Redevelopment Authority. The City of Fox Lake Redevelopment Authority (RDA) is responsible for the administration of the EDIP.

This program is intended to make feasible Real Estate acquisition and development, rehabilitation, and new or expansion business projects that would not otherwise occur. Eligible projects must fulfill the public purpose as defined by the goals and objectives of the *Redevelopment Authority Economic Development Incentive Program*. These goals and objectives include, but are not limited to, the following items: new tax base creation, job creation / retention, infill mixed-use projects, properties in need of repair and the promotion of the health, safety and welfare throughout the community.

Additional public sector funding may be available from either the County or State to facilitate qualified development projects. These funds will likely not be limited to the Fox Lake Industrial Park and might be able to be used in conjunction with the EDIP. For program eligibility and/or applicability see attached Exhibit A (pages 9-12) - information regarding State and County Economic Development Programs.

General Program Requirements

Application Procedures and Requirements

1. The applicant must complete an EDIP Application, which includes a full description of the project, a description of the applicant's previous business history and a statement of financial need. Appropriate measures to ensure that confidentiality is maintained will be taken by the City Administrator/Executive Director and/or RDA. **Additional required documentation may include the following items:**
 - Business Plan and/or Pro Forma.
 - Last three years of the applicant's financial statements or Federal Income Tax Returns – unless a new start-up.
 - Personal financial statements.
 - Letter of commitment from a financial institution or other source of debt financing to be used as matching funds.
 - At least two cost estimates for all proposed project costs.
 - Offer to purchase for all Real Estate acquisitions.
 - Other documentation deemed relevant and/or appropriate.
2. Appropriate documentation indicating how the proposed project will provide sufficient tax revenue increment to justify EDIP participation.
3. Once the RDA has approved the application, the proposed project (per the submitted application) shall be completed within a time specified by the Board. The applicant may request, in writing, an extension of the time frame, subject to RDA review and written approval. A Developer's Agreement may be required; if a binding Developer's Agreement is in place, non-compliance shall subject the applicant to financial penalties.
4. Per the Developer's Agreement, the applicant shall agree in writing for a mutually agreed upon time frame to retain ownership of the proposed project for sufficient time to complete the project, stabilize occupancy and establish management.
5. The proposed project shall conform to City of Fox Lake zoning districts, ordinances, design standards, and the City's Comprehensive Plan; and all applicable City policies, rules, codes, regulations, statutes and also may be subject to a binding Developer's Agreement.
6. RDA project funds cannot be used for items prohibited by law; to facilitate businesses deemed to be offensive; to refinance existing debt; to facilitate non-profit businesses / organizational projects; etc.

Guarantees

1. In order to protect the public investment in the project, the applicant shall agree to the Terms and Conditions outlined within a binding Developer's Agreement, if the RDA requests. The RDA may require a Letter of Credit to secure the project, as well.
2. If necessary and/or the project fails to move forward in a timely fashion, RDA expenditures for appraisals, soil borings and similar necessary consultant studies undertaken to review the applicants proposal shall become the responsibility of the applicant. If the project does develop on schedule, then these items have the opportunity to become part of the project's overall costs.

Specific Program Incentives

1. The Fox Lake RDA agrees to provide in-kind and/or cash incentive following the completion of the construction phase, of up to 4% of the total cost of any eligible project that is approved by the RDA Board. Eligible activities include real estate development / rehabilitation and/or eligible business expansions / retention or new start-ups.
2. The Fox Lake RDA agrees to provide real estate in the industrial park at a cost that is negotiable to the developer.

**The RDA is interested in working with applicants to design a financial package sufficient to allow the project to move forward. The RDA will consider negotiating additional performance criteria with the applicant that might allow for some or all of the assistance to be in the form of a forgivable loan or grant.

Application Process

- Requests for applications or additional program information should be directed to the City Administrator/Executive Director.
- Submit completed applications to the City Administrator/Executive Director. The City Administrator/Executive Director will initially review the application and confer with the appropriate staff and/or contracted service providers.
- The City Administrator/Executive Director will place the application on agenda for the RDA to review and approve.
- The City Administrator/Executive Director will confirm the meeting date with the applicant, ensuring that he/she will be present for the RDA meeting. If meeting conflicts exist, the City Administrator/Executive Director will work with the applicant

and the RDA Chairperson to schedule a mutually acceptable alternative meeting date(s).

- In any case, the RDA will not officially take action upon an application until they have been provided with an opportunity to address the applicant directly.

Criteria for Financial Assistance and Investment

The RDA is more likely to provide financial assistance or greater financial assistance if the project will—

- Substantially improve the appearance of property in a highly visible location.
- Produce a net increase in employment in the City.
- Expand the payroll base and tax base in the City.
- Attract new commercial and industrial activity to the City and/or industrial park
- Retain a business or industrial activity which otherwise would move out of the Industrial Park and/or City.
- Facilitate the expansion or enhancement of Fox Lake industrial base.
- Increase the tax base of the Tax Increment District in an amount sufficient to justify the investment of public funds.
- Create a business incubator.
- Promote a business that “exports” goods or services from the community, thereby increasing the flow of cash into the community.
- Utilize products or services furnished or created by residents or businesses within the community.
- Help produce an atmosphere of order and prosperity.

Fox Lake Economic Development Incentive Program Application
(To be completed by the Applicant)

Date Submitted _____

Applicant Name _____

Address _____

City / State / Zip _____

Phone _____ Fax _____ Email _____

Project Description (Attach proposed site plans, renderings, photos, etc.)

Business History (Provide a brief history of business, ownership, and any other development projects or other information that indicate the ability to undertake this project. Please attach additional pages if necessary.)

Community Benefits (Briefly describe how the proposed project will benefit the City)

Statement of Financial Need (Provide estimated project costs, available financial resources, private funding match, gap, etc; please include statements regarding the assistance requested.)

Source of Private Financing

Financial Institution _____

Address _____

City / State / Zip _____

Contact Person _____

Phone _____ Fax _____

Email _____

Loan Amount \$ _____

Loan Conditions / Notes: _____

Total Project Cost \$ _____

Total Owner Equity in Project \$ _____

Total Assistance Requested \$ _____

Proposed Project Start Date _____

Estimated Project Completion Date _____

I / We hereby authorize the above referenced financial institution to release my financial records to the City of Fox Lake Redevelopment Authority and/or their representatives. I / We also authorize the institution and/or RDA to perform a credit rating check.

Signature of Applicant(s) Date

(To be completed by the City Administrator/RDA Executive Director)

Current Total Property(s) Equalized Value (Pre-Construction) \$ _____

Estimated Total Property(s) Equalized Value (Post-Construction) \$ _____

Increase in Total Property(s) Equalized Value \$ _____

Tax Rate on Equalized Value _____

Estimated Annual Tax Increment \$ _____

Business Type (e.g. manufacturing, etc.) _____

Existing Business Employment Figures (Total FTE) _____

Average Employee Hourly Wages \$ _____

Application Review Date _____

RDA Decision / Comments _____

Amount Awarded \$ _____

Dates Funds Distributed _____

Current Total Property(s) Assessed Value (Post-Construction) \$ _____

Business Type (e.g. Industrial, Service, etc.) _____

**Attach Relevant Exhibits (e.g. Developer’s Agreement, Collateral Documents, Amortization Schedules, etc.)

EXHIBIT A

Financial Assistance Programs

Dodge County Revolving Loan Fund Program

Contact Information

Dodge County Land Resources and Parks Department
127 East Oak Street
Juneau, WI 53039
Phone: (920) 386-3700
Fax: (920) 386-3979

E-mail: dperlick@co.dodge.wi.us

Alliant Energy – Economic Development Program

Bruce F. Kepner, CEcD
Economic and Community Development Manager
4902 N Biltmore Lane, Madison, WI 53718
Phone: (608) 458-5753
Fax: (608) 458-0123
E-mail: brucekepner@alliantenergy.com

website: www.midwestsites.com

WHEDA Small Business Financing

Program Description

Small Business Guarantee - Expansion or acquisition of businesses. 80% guarantee on loans up to \$200,000, \$200,000 guarantee on loans up to \$750,000. Proceeds can be used for purchase or improvement of land, buildings, equipment working capital and inventory.

Linked Deposit Loan (LiDL) Subsidy - Small businesses owned and controlled by women or minorities. Assists in reducing the cost of borrowing on new bank loans ranging from \$10,000 to \$99,000 for two years. Can be used for rehabilitation of land, buildings and equipment. Job creation required.

Agribusiness Guarantee - Start-up, acquisition or expansion of a business that develops products using Wisconsin's raw agricultural commodities. Maximum guarantee is \$600,000. Proceeds can be used for working capital, the purchase of a building or equipment, or marketing expenses.

Contact Information

Wisconsin Housing and Economic Development Authority
201 W. Washington Ave
Madison, WI 53701-1728
(608) 266-7884
Internet: www.wheda.com

<h2>WBA Team Network</h2>

Program Description

The **WBA TEAM NETWORK** is a low cost program designed to assist commercial loan applicants. The TEAM staff works with you in the early stages of the creation or expansion of your business. The Wisconsin Bankers Association (WBA) developed the WBA TEAM NETWORK (Technical Economic Assistance Mechanism) to help financial institutions across the state respond effectively to business applicants.

Contact Information

Wisconsin Bankers Association
4721 S. Biltmore Ln
Madison, WI 53718
(608) 259-TEAM (8326)

<h2>Wisconsin Women's Business Incentive Program</h2>

Program Description

Mission: The Wisconsin Women's Business Initiative Corporation is an economic development corporation, providing quality business education, technical assistance and access to capital

Purpose: To this end our purpose is to:

- Train, counsel, advise and mentor small and micro businesses throughout Wisconsin
- Promote economic development through individual, personal and financial growth
- Encourage and support self-employment as a means to self-sufficiency
- Create, expand and diversify business initiatives through technical assistance and the access to capital.

Contact Information

Wisconsin Women's Business Initiative Corp.
1915 N. Dr. Martin Luther King Jr. Dr
Milwaukee, WI 53212
Phone (414) 372-2142
Fax (414) 372-2083
E-mail: incubator@wwbic.com
Internet: www.wwbic.com

Wisconsin Department of Commerce – Starting a Business

The Wisconsin Department of Commerce is the state's primary agency for delivery of integrated services to businesses. Commerce's purpose is to:

- Foster the retention and creation of new jobs and investment opportunities in Wisconsin;
- Foster and promote economic business, export and community development; and
- Promote the public health, safety and welfare through effective and efficient regulations, education and enforcement.

Business Helpline: **1-800-HELP-BUSINESS**

Fax Request Hotline: (608) 264-6154

Export Helpline: **1-800-XPORT-WISCONSIN**

Contact Information

Wisconsin Department of Commerce
Kathy Heady
P.O. Box 7970
201 W. Washington Ave
Madison, WI 53707-7970
Phone (608) 266-9944
Email:kheady@commerce.state.wi.us
Internet: www.commerce.state.wi.us

Small Business Development Center

Contact Information

Ronald "Bud" Gayhart, Program Manager
University of Wisconsin-Whitewater
402 McCutchan Hall
Whitewater, WI 53190
Phone: (262) 472-1689
Fax: (262) 472-1600
Email: gayhartr@uww.edu

It's My Business

Contact Information

Community Action Coalition for South Central Wisconsin, Inc.
1717 N. Stoughton Rd
Madison, WI 53704
(608) 246-4730, Ext, 203

Wisconsin Small Business Development

Receive free over-the-phone answers to your business start-up and management questions. Call our experienced counselors at **1-800-940-7232** from Monday to Friday, 8:30 to 4:30 p.m.

Wisconsin Entrepreneur's Network

Website: www.wenportal.com

Wisconsin Manufacturing Extension Partnership

Call Brian Grabowski, Director of Consulting Services at 1-877-856-8588. Website address:

www.wmep.org

Wisconsin Business Development

Toll Free (800) 536-6799

www.wbd.org