

CHAPTER 11

REDEVELOPMENT INCENTIVE FUND

11.01 Purpose

11.02 Facts Found

11.03 Money Allocated

11.04 Projects Eligible

11.05 RIF Participation

11.06 Time of RIF Payment

11.07 Application for RIF

11.08 RIF Board

11.09 Criteria for Determining Selection of Projects

11.10 Successful Applicants

11.01 PURPOSE. The purpose of this chapter is to establish a Redevelopment Incentive Fund (RIF).

11.02 FACTS FOUND. Most of the buildings in the downtown commercial area are old. Some are in disrepair. Some are empty. A RIF will provide incentive for businesses to continue, for building owners to improve their buildings, and for new businesses to locate in the commercial area.

11.03 MONEY ALLOCATED. The City Council shall determine each fiscal year (July 1 to June 30) the amount of money available for RIF.

11.04 PROJECTS ELIGIBLE. The following projects are eligible for RIF:

1. Exterior building work such as roof, windows, tuck pointing, painting. However, no plastic or aluminum siding shall be used.
2. Asbestos removal is the only interior work eligible.
3. No interior work or remodeling, no heating or cooling, no sidewalk, no outside decorations such as flower boxes or planters.
4. All projects must be for buildings used exclusively for commercial or retail business.

11.05 RIF PARTICIPATION. RIF shall pay 50% of the project cost, not to exceed \$10,000.

11.06 TIME OF RIF PAYMENT. When the project is complete to the City's satisfaction, then the City shall pay the RIF money to the building owner. The payment shall be in the form of a forgivable loan. The RIF applicant shall sign a promissory note and mortgage naming the City as the mortgage holder. The note and mortgage shall be conditioned on the applicant meeting the conditions set forth in Section 11.10. After completion of all the conditions set forth in Section 11.10, then the City shall release its mortgage on the building and then mark the promissory note "paid."

11.07 APPLICATION FOR RIF. Property owners shall apply for RIF using the City-provided RIF application form. Applications are due by May 1 each year for RIF payment to be made after July 1 each year.

11.08 RIF BOARD. The City Council shall act as the Board of Directors for the RIF fund. Board members shall not have a financial interest in any project related to this chapter. The RIF Board shall receive the RIF applications, determine the eligibility of each application,

prioritize each application in terms of importance and benefit to the City, and then approve or deny, in whole or in part, each application. RIF applications may be approved in whole or in part after consultation and negotiation with the applicant. All RIF applicants shall include a binding, signed, written contract, with the contractor outlining the work to be done, the materials to be used, and the cost for the project.

11.09 CRITERIA FOR DETERMINING SELECTION OF PROJECTS. Applications for RIF, and their approval or denial, shall be evaluated based on the benefit of the project to the City, the improvement of the appearance and safety of the business district, the continuation of existing businesses, and the establishment of new businesses.

11.10 SUCCESSFUL APPLICANTS. Applicants approved for RIF shall do the following:

1. Bring their project to a prompt and successful completion by June 30 of each year according to the plans approved, unless the City Council, for good cause, grants an extension of time.
2. Make prompt and complete payment to the contractor who does the work.
3. Promote and assist business development in the City.

Failure of the successful applicant to do any of the above will result in the City canceling the applicant's participation in RIF and the applicant shall repay all money spent through RIF in connection with the project.