

# **Lake County Economic Incentive Policy**

## **Policy Purpose**

The intent of this policy is to provide a framework for evaluating economic incentive requests that promote long-term, sustainable investment in the County; create jobs; diversify the tax base; enhance public infrastructure; and encourage increased development.

## **Guidelines for Economic Incentives**

Lake County, at its sole discretion, may approve requests for economic incentives. Nothing included in the policy shall be deemed to require and/or imply a guarantee of economic development funding assistance even if all of the subsequent guidelines are met.

1. Economic incentive requests will be evaluated on an individual basis based upon the merits of specific project and with consideration to the value that the project has on the economy of the County.
2. Requests for an economic incentive(s) must provide a demonstrable return to the County (i.e. job creation, positive impact on local tax base, development that will result in regional consumer attraction).
3. Requests must provide evidence which demonstrates that without said economic incentive, the project would not be possible.
4. Requests will only be considered if the project is a new investment and or significant expansion to a current business in the County.
5. All economic incentives will have annual reporting requirements determinant upon each individual incentive and project associated. The reporting requirements will include, but are not limited to, data pertaining to performance-based requirements, revenue thresholds, or other requirements as outlined by the agreement. Reports will be submitted to the County Board no later than April 1<sup>st</sup> of each year.
6. Priority will be given to projects consistent with the County's strategic plan, comprehensive master plan, or Lake County Partner's Comprehensive Economic Development Strategy (CEDS). Lake County Partners will serve in a convening role to bring together the necessary government bodies to consider the benefits & tax implications of incentive packages. Lake County Partner's, in collaboration with the County, municipalities & State of Illinois will also be responsible for conducting due diligence and vet the merit of each application.

### **Incentives Types**

The County Board is committed to assisting the business community in order to encourage growing and diversified development and commercial economic base in Lake County. In order to reach this end, the County may consider certain performance-based incentives outlined below.

#### ***Property Tax Sharing***

Lake County may consider, on a case-by-case basis, reimbursement of the County's portion of the real property tax generated by a project. The project under consideration must meet the guidelines as outlined above. The property tax rebate amount will be consistent with other taxing bodies and will be no more than 50% of the fully assessed value of the property. The property tax rebate will primarily focus on non-retail investment with priority given to projects consistent with the CEDS as outlined in guideline No. 6.

#### ***Sales Tax Sharing***

Lake County may consider, on a case-by-case basis, reimbursement of a portion of the County's share of the retail sales tax generated by a business in unincorporated areas only. The project under consideration must meet the guidelines as outlined above. The guidelines for the reimbursement are tied to performance based measures including, but not limited to, revenue and wage thresholds, property investment and site improvement. The amount of the incentive may be contingent on the incremental sales tax generated by the benefitting party and other performance based measures such as: amount of projected job creation, impact on local tax base, and the benefits to be generated to Lake County beyond the project site. In all cases, a maximum total payment will be set by which total County payments to the owner will not be exceeded.

### **Material to submit for Consideration**

Requests for economic development assistance should be in the form of a written request which shall include, at a minimum:

- Description of the proposed project.
- Project location.
- Evidence which demonstrates that were it not for requested economic incentives, the project would not be possible.
- Detailed financial information that demonstrates the business/developers projected revenue for which the project is expected to generate.
- Basis for financial estimates.
- Estimated jobs created.
- Evidence that the proposed project is consistent with the County's vision documents.