



MEMORANDUM

TO: Trustee Brian LaVaque, Chairperson
Trustee Jessie Hammersmith, Co-Chairperson
Economic and Community Development Committee

FROM: Trevor Dick, FAICP, LEED AP
Director of Economic Development and Planning

DATE: October 6, 2025

SUBJECT: Review of Existing Incentive Programs, Policies, and Historical Usage Data

PURPOSE

This memo is a summary of the Village's existing incentive programs and policies as well as a historical review of the projects that have been funded.

BACKGROUND & RATIONALE

The Village of Lombard, through its adoption of its Economic Development Plan in 2011, has identified a number of strategies that should be undertaken to assist the private sector in the development of key properties and/or attracting desired businesses to the community. The Plan recognizes the Village Board's desire to "continue to expand economic development strategies to attract, maintain or expand business opportunities within the community, to include creating innovative solutions to fill commercial vacancies and innovative solutions to vacant lot development."

The Plan identifies four economic development goals:

1. Retain, expand and attract commercial and industrial businesses
2. Promote general economic development and business growth
3. Increase municipal revenue sources and identify incentives for specific development opportunities
4. Encourage redevelopment along key commercial corridors

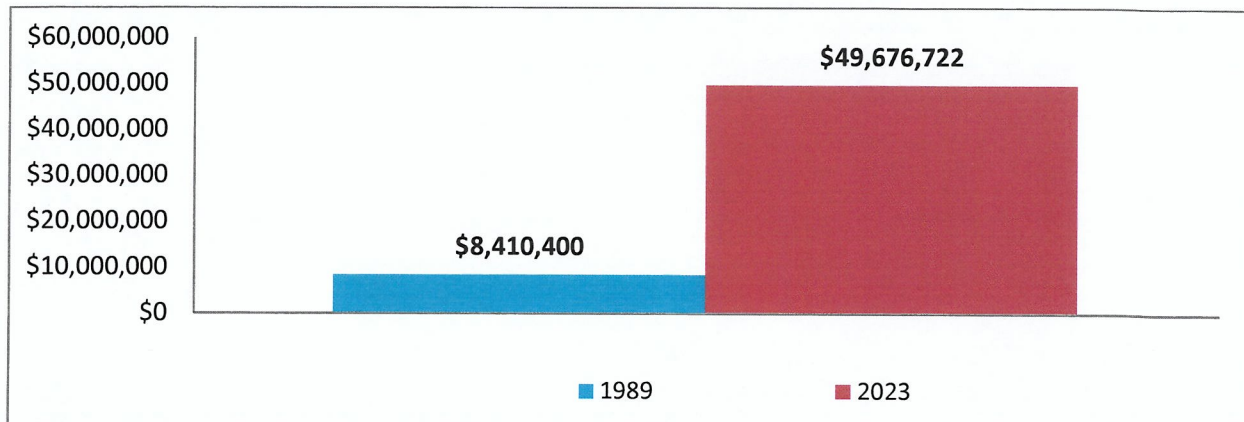
The Village of Lombard offers a variety of incentives to attract and retain businesses, depending on the type, size, and location of the project. While the exact programs can change over time, here are some of the most common incentives Lombard has used or supported.

Tax Increment Financing Districts

In designated TIF districts, the village uses the increase in property tax revenue (from rising property values) to fund improvements or reimburse developers for eligible costs.

- Between 2010 and 2023 there was a total of just over \$33 million in Downtown TIF Revenue of which approximately 90% of it was rebated back to all taxing districts.

EAV Change in the Downtown TIF District from 1989 to 2023



TIF Funds were used for:

- Rehabilitation or renovation of existing public or private buildings
- Construction of public works improvements
- Job retraining programs
- Relocation of business associated with the downtown redevelopment plan objectives
- Financing costs, including interest assistance
- Studies, survey and plans
- Professional services such as architectural, engineering, legal, property marketing and financial planning
- Demolition and site preparation
- Property acquisition

Major Public Improvements with TIF Funds:

- Crescent Detention Pond
- Downtown Lombard parking reconstruction (Park Av./Orchard Terrace)
- Hammerschmidt Commuter Parking Lots (2)
- Old Towne Phase 3 Construction
- Sidewalk reconstructions (2)
- Underpass enhancements
- South Park Avenue Reconstruction Project

Downtown Lombard Grant Programs

1. Downtown Improvement and Renovation Grant Program (TIF 1 West, TIF 2 East)

The Downtown Improvement and Renovation Grant Program seeks to increase the economic visibility of the Downtown Lombard area by improving the aesthetics of the buildings, improving signage, and increasing the availability and ease of parking. The Downtown Improvement and Renovation Grant Program will offer a one-for-one matching grant to eligible property owners or businesses.

Eligible properties must be located within the boundaries of the St. Charles TIF 1-West, St. Charles TIF 2 – East Districts or within the boundaries covered by the Downtown Grant Program Policy. Up to 50% of the project costs for improvements to a building's façade, signage, parking lot, or exterior accessibility items are eligible. The maximum grant amount is \$50,000.

2. Downtown Restaurant Forgivable Loan Program (TIF 1 West)

The purpose of the Downtown Restaurant Forgivable Loan Program is to increase the economic viability of the Downtown Lombard area by encouraging more restaurants. The Program will offer a forgivable loan for up to one-third (1/3) of the costs associated with the renovation of storefront or office space for use as a sit-down restaurant. Restaurants are considered desirable uses for the downtown in that they can create more activity in the downtown area after business hours and bring more pedestrian traffic by other businesses in the downtown. The intention of the Program is to create a more viable and attractive area through private/public partnership.

The Program will only be offered to businesses located within the boundaries of the St. Charles Road TIF District I (West), the St. Charles Road TIF District II (East), or the designated Downtown Grant Program Policy area.

3. Downtown Retail Business Grant (TIF 1 West)

The purpose of the Downtown Retail Business Grant Program is to increase the economic viability of Downtown Lombard area by attracting targeted retail businesses and assisting existing businesses in the Eligible TIF Districts, as well as being within the geographical limits of the Downtown Grant Program Policy.

The program will offer a 50% matching grant for eligible expenditures associated with helping the start-up of new retail businesses or the expansion of existing retail businesses. Participants will be eligible for up to \$20,000. Priority will be given to businesses that best complement the Eligible TIF Districts retail mix and help strengthen existing retail clusters. Grant monies derive from TIF funds or the Village's Economic Development Fund, and therefore priority will be given to businesses with projected tangible benefits to the designated grant areas.

4. Relocation Grant Program

The purpose of the Relocation Program is to provide for retention of non-residential uses impacted by redevelopment agreements within the tax increment financing (TIF) District adopted by the Village Board and future redevelopment of the affected property. The redevelopment of particular parcels of land and the retention of commercial uses is crucial to maintaining an economically strong TIF District area; a commercial area where the image, appearance and environment encourage the attraction of shoppers.

Business Improvement Districts

A 1% sales tax is implemented on purchases within a designated business district to finance eligible property improvements. The Village has one established business district at a portion of Yorktown Mall. The Village approved a second business district on September 19, 2019 which primarily covers the remaining Yorktown Center parcels, the former Seminary property, and some properties south of Butterfield Road.

COMMITTEE ACTION REQUESTED

None.

Attachments:

- Historical Usage Data

VILLAGE OF LOMBARD
HISTORICAL REVIEW OF THE DOWNTOWN TIF AND BUSINESS GRANTS
10.1.2025

Applicant/Business	Location	Grant Type	Approved	Amount Paid by Village	TIF	EDF	New to Lombard?	Work Not Yet Completed
Soapy Roads Expansion	10 W. St. Charles Road	Retail	2025	\$16,284.74	No	Yes	No	
O'Neill's Pub	236 E. St. Charles Road	Facade	2025		TIF-1-West	Yes	No	Grant approved (>=\$56,350)
Vibe Café/Common Ground	22 W. St. Charles Road	Facade	2025		No	Yes	Yes	Grant approved (>=\$1,000)
Vibe Café/Common Ground	22 W. St. Charles Road	Retail	2025		No	Yes	Yes	Grant approved (>=\$19,053)
10-12 S. Park	10-12 S. Park	Facade	2023	\$68,100.00	Downtown		No	
Bone & Blossom	126 W. St. Charles Road	Facade	2023	\$4,553.50	Downtown		Yes	
Fringe Awning (2023)	106 W. St. Charles Road	Facade	2023	\$1,275.00	Downtown		No	
Grove Tavern	2-6 W. St. Charles Road	Facade	2023	\$20,000.00	Downtown		Yes	
Grove Tavern	2-6 W. St. Charles Road	Retail	2023	\$50,000.00	Downtown		Yes	
Grove Tavern	2-6 W. St. Charles Road	Restaurant	2023	\$100,000.00	Downtown		Yes	
Kyo Restaurant	108 W. St. Charles Road	Restaurant	2023	\$83,196.00	Downtown		Yes	
Kyo Restaurant	108 W. St. Charles Road	Facade	2023	\$18,841.00	Downtown		Yes	
Lombard Veterinary Hospital	244 E. St. Charles Road	Facade	2023	\$50,000.00	TIF-1-West		No	
PRCA	118 W. St. Charles Road	Facade	2023	\$26,016.61	Downtown		Relocation within TIF	
Punky's	16 S. Park Avenue	Facade	2023	\$50,000.00	Downtown		No	
Gnatly Knots	100 W. St. Charles Road	Retail	2022	\$20,000.00	Downtown		Yes	
Righteous Kitchen	390 E. St. Charles Road	Retail	2022	\$20,000.00	West		No, new to the TIF	
Righteous Kitchen	390 E. St. Charles Road	Facade	2022	\$4,218.35	West		No, new to the TIF	
Corridor Restaurant	18 W. St. Charles Road	Facade	2021	\$2,340.70	Downtown		Yes	
Burst Funeral Home	135 S. Main Street	Facade	2021	\$50,000.00	Downtown		No	
Shannon's Deli	15 S. Park Avenue	Retail	2021	\$12,250.00	Downtown		No	
Rebel Restaurant + Bar	229 W. St. Charles Road	Facade	2020	\$27,427.50	Downtown		Yes	
Nacho Rita	14 W. St. Charles Road	Retail	2020	\$4,790.00	Downtown		Yes	
Nacho Rita	14 W. St. Charles Road	Facade	2020	\$4,267.00	Downtown		Yes	
Rosemary and Jeans	116 S. Main Street	Facade	2019	\$50,800.00	Downtown		Yes	
Rosemary and Jeans	116 S. Main Street	Restaurant	2019	\$61,866.67	Downtown		Yes	
Ground Level	105 W. St. Charles Road	Facade	2018	\$23,265.00	Downtown		Yes	
Sky Centers	110 W. St. Charles Road	Facade	2017	\$9,975.00	Downtown		No	
Illic League	101 W. St. Charles Road	Restaurant	2017	\$24,555.15	Downtown		Yes	
Brick's Pizza	132 W. St. Charles Rd	Facade	2017	\$1,150.00	Downtown		No	
Four Paws	104 E. St. Charles Road	Facade	2016	\$44,175.00	Downtown		Yes	
Babcock's Grove House	101 W. St. Charles Road	Facade	2016	\$1,936.00	Downtown		Yes	
Babcock's Grove House	101 W. St. Charles Road	Restaurant	2016	\$81,549.30	Downtown		Yes	
Shannon's Deli	11, 13, 15 S. Park Avenue	Facade	2015	\$10,480.10	Downtown		No	
Smith Properties	101 W. St. Charles Road	Facade	2015	\$12,000.00	Downtown		Yes	
MKT	18 W. St. Charles Road	Facade	2015	\$17,350.00	Downtown		Yes	
MKT	18 W. St. Charles Road	Restaurant	2015	\$51,348.63	Downtown		Yes	
Fringe	104 W. St. Charles Road	Facade	2015	\$900.00	Downtown		No	
Balkan Bakery	14 W. St. Charles Road	Facade	2015	\$24,050.00	Downtown		Yes	
Balkan Bakery	14 W. St. Charles Road	Retail	2015	\$20,000.00	Downtown		Yes	
Thomas J Masterson & Co.	128 W. St. Charles Road	Facade	2015	\$847.50	Downtown		No	
Paradiso	6 S. Park Avenue	Facade	2015	\$394.50	Downtown		Yes	
Mesa Home Video	130 E. St. Charles Rd	Retail	2015	\$20,000.00	West		Yes	
Lori's Antique	130 E. St. Charles Rd	Retail	2015	\$20,000.00	West		Yes	
Mesa Electronics	130 E. St. Charles Rd	Facade	2014	\$48,501.95	West		Yes	
Fringe	104 W. St. Charles Road	Facade	2013	\$687.00	Downtown		No	
Shannon's Deli	11 S. Park Avenue	Retail	2012	\$20,000.00	Downtown		Yes	
Fairytates Inc.	28 W. St. Charles Road	Facade	2012	\$2,650.00	Downtown		No	
Desert Rose Design	106 W. St. Charles Road	Facade	2012	\$1,506.50	Downtown		No	
Fringe	104 W. St. Charles Road	Facade	2012	\$350.00	Downtown		No	
Randall Bullen	5 S. Park Avenue	Facade	2012	\$690.00	Downtown		Yes	
Cabinet Depot	14 W. St. Charles Road	Facade	2012	\$11,517.00	Downtown		Yes	
Edlyn & James Andriik	6-8 S. Park Avenue	Facade	2011	\$1,125.00	Downtown		No, new signage only	
Thomas J Masterson & Co.	128 W. St. Charles Road	Facade	2011	\$728.00	Downtown		No	
Wiggles-n-Wags	212-216 E. St. Charles Road	Retail	2010	\$3,010.03	West		No expansion	
Total				\$1,200,983.73				

Does not include 5 S. Park Avenue, facade grant approved in 2020
Business decided not to open, the (\$7,716) grant was not paid out