



CITY OF WASHINGTON, ILLINOIS

Finance and Personnel Committee Agenda Communication

Meeting Date: March 16, 2020

Prepared By: Jon Oliphant, AICP, Planning & Development Director

Agenda Item: Freedom Parkway Property Development Assistance Consideration

Explanation: A prominent Washington business is currently exploring a relocation to a site at the southwest corner of Freedom Parkway and N. Cummings Lane. It has maximized the space at its current location and has expressed considerable interest in the new site, which would allow it to construct a building to its exact specifications and have additional outside storage space. The business would like to purchase five acres of land on the property owned by Sam Miller. A 10,000 square foot building is initially proposed for its office and indoor warehouse.

There is a significant cost for the relocation and eventual construction. The move would allow for one of the larger sales tax generators to continue operating in Washington and the new space should allow its business to grow. The location at Freedom and N. Cummings would also be the second business to locate in that area in the last year and the first that would directly utilize Freedom Parkway. There only figures to be more demand for development along this corridor once the road is eventually constructed, as both water and sewer are currently installed.

Fiscal Impact: In order to assist with the move and construction, consideration should be given to offering City financial assistance. Staff requests input about offering a portion of the home rule sales tax to the business. Specific parameters should be set up to protect both the City and the business. If there was interest in such an agreement, staff would recommend that there first be a letter of intent submitted by the business to locate on the property. Following that, a cap of \$20,000 is recommended for up to each of the first three full years following the completion of the project with a maximum of \$60,000 offered to the business. This would only apply if the business generates \$50,000 in home rule sales tax each year, which it currently exceeds. The Enterprise Zone would also apply another incentive to the development.

Action Requested: Staff requests feedback on whether a home rule sales tax sharing agreement (or a different City financial assistance mechanism) should be considered for this development, which would retain a Washington business that employs 14 people and is a large sales tax generator.