

CITY OF DARIEN

NOTICE OF SPECIAL MEETING

PLEASE TAKE NOTICE THAT THE CITY COUNCIL HAS SCHEDULED A SPECIAL MEETING TO BE HELD ON MONDAY, FEBRUARY 3, 2025 AT 6:00 P.M. AT THE DARIEN CITY HALL, 1702 PLAINFIELD ROAD, DARIEN, ILLINOIS. AGENDA IS AS FOLLOWS:

1. CALL TO ORDER
2. ROLL CALL
3. ESTABLISH A QUORUM
4. [CHESTNUT COURT DEVELOPMENT UPDATE](#)
5. ADJOURNMENT

THIS NOTICE IS GIVE PURSUANT TO CHAPTER 5, SECTION 120/2.02 OF THE ILLINOIS COMPILED STATUTES (5 ILCS 120/2.01).

JOANNE E. RAGONA
CITY CLERK
JANUARY 30, 2025

CITY OF DARIEN

Memorandum

TO: Mayor Marchese, City Council, Clerk, and Treasurer
FROM: Bryon D. Vana, City Administrator
DATE: January 24, 2025
RE: Chestnut Court Update

Mayor Marchese and staff wanted to provide the council with an update on the progress of the Chestnut Court redevelopment project. We are very pleased and excited with the progress so far.

As you recall, the city's goal for that property is to create a mixed use of residential and commercial space. The new owner, Mr. Kumar Bhavanasi, has submitted a petition for an exciting development plan that captures the city's goal. The preliminary [site plan](#) is attached.

For a redevelopment project such as Chestnut Court the best method is for the city and developer to receive plan approval from the city which helps the developer work on such things as financing, construction cost estimates, tenant recruitment, etc. Based on our recent discussions with Mr. Bhavanasi, we believe that the development, as proposed, would not be possible without an economic incentive plan. One of the challenges is exploring various types of incentives before all of the project costs and benefits are known.

The city has used various economic incentives over the years, which have resulted in successful economic development projects. One of the economic incentives that the city has not used, but has been successfully used in Illinois and 48 other states, is [Tax Increment Financing](#), or TIF. In order to establish a TIF district, a local government must find that development or redevelopment of the area would not occur "but for" the creation and use of TIF. Illinois law specifies a number of requirements that must be satisfied for an area to qualify as a TIF district, beginning with identifying the district and the physical and economic deficiencies that need to be cured. A consultant would be needed to conduct a TIF study.

To learn more about a TIF district please visit the Village of Roselle web site. Roselle provides an excellent overview of TIFs and explains how they have used this tool with successful results. <https://www.roselle.il.us/837/Tax-Increment-Financing-TIF-Explained>. I also attached a TIF [fact sheet](#) prepared by the Illinois Municipal League.

Mayor Marchese would like to schedule a special City Council meeting on February 3 at 6:00pm, prior to the Council meeting. Attorney Murphey would attend the meeting to provide additional information and answer any questions about the TIF process.



Odelson, Murphey, Frazier & McGrath, Ltd.

3318 West 95th Street – Evergreen Park, Illinois 60805
Phone (708) 424-5678 ~ Fax (708) 741-5053
JBM Direct Dial (708) 634-0266
JBM e-mail: jmurphey@omfmlaw.com

Memorandum

VIA E-MAIL

To: Mayor and City Council
City of Darien

From: John B. Murphey

Date: January 27, 2025

Re: Tax Increment Financing Presentation and Discussion

In anticipation of the February 3, 2025 presentation, attached please find what I hope is a plain-English summary of tax increment financing. Once the specialized jargon is defined, the concept is easy to understand.

JBM/sml
Enclosure

TAX INCREMENT FINANCING EXPLAINED

I. Glossary

1. **Redevelopment Project Area.** This is the formal definition of what we all refer to as a TIF District.

2. **Redevelopment Project Costs.** These are the costs that the law allows to be reimbursed.

3. **Base EAV, or Frozen EAV.** This is the equalized assessed valuation of all property in the TIF District at the time it is created.

4. **Tax Increment.** The increment, or tax increment, is the additional property tax revenue resulting from the redevelopment of the TIF District.

Assume that at the time the TIF District is created, the property in the TIF District generates a total of \$100,000.00 in property taxes. Now assume after the new development, the property generates a total of \$400,000.00 in property taxes. \$100,000.00 is still distributed to all taxing bodies. \$300,000.00 is distributed only to the City. The \$300,000.00 is the increment.

5. **The TIF Formula:**

Total property taxes produced as a result of the new development
minus (-) total property taxes produced at the time the TIF District is
created = the Increment.

6. **STAF.** This stands for Special Tax Allocation Fund. Once the new development starts creating incremental property tax revenue, the City must create this fund. The County then annually distributes the tax increment to the City for deposit into this specific fund. Like a bond fund, the revenues in the STAF are restricted to payment of TIF costs only.

7. **Redevelopment Agreement.** This is the agreement negotiated between the City and the Developer outlining what the new development will be and what redevelopment costs are eligible for reimbursement from the STAF.

8. **“Pay As You Go” TIF.** This is the typical TIF agreement where the Developer or the Developer’s lender advances the costs, and the City agrees to repay the Developer for these costs, typically with an interest factor, from funds deposited in the STAF.

II. Key Limitation.

The City's repayment obligation is a limited obligation, repayable solely from the incremental property taxes generated by the development over the life of the TIF District. This is not a general obligation of the City. The maximum life is 23 years from TIF District creation.

III. Representative Property Tax Bill

Attached is a Google Maps view and property tax bill from the Chestnut Court property. Working with this tax bill will facilitate discussion.

Google Maps



Imagery ©2025 Airbus, Maxar Technologies, Map data ©2025 200 ft

MAKE CHECK PAYABLE TO: DU PAGE COLLECTOR - SEND THIS COUPON WITH YOUR 1ST INSTALLMENT PAYMENT OF 2023 Tax

MAIL PAYMENT TO: P.O. BOX 4203, CAROL STREAM, IL 60197-4203
 PAY ON-LINE AT: www.dupagecounty.gov/treasurer
 SEE REVERSE SIDE FOR ADDITIONAL INFORMATION

ON OR BEFORE: JUN 03, 2024	PAY: 0.00
PAYING LATE?	PAY THIS AMOUNT:
JUN 4 THRU 30	0.00
JUL 1 THRU 31	0.00
AUG 1 THRU 31	0.00
SEP 1 THRU 30	0.00
OCT 1 THRU 31	0.00
NOV 1 THRU 20	0.00

U.S. POSTMARK IS USED TO DETERMINE LATE PENALTY.

PAYMENT OF THIS 2023 TAX BILL AFTER OCTOBER 31, 2024, REQUIRES A CASHIER'S CHECK, CASH OR MONEY ORDER.

CHECK BOX AND COMPLETE CHANGE OF ADDRESS ON BACK.

1

09-29-300-008
 CHESTNUT COURT DARIEN LLC
 371 HOES LANE, STE 201
 PISCATAWAY NJ 08554

NO PAYMENT WILL BE ACCEPTED AFTER NOV 20, 2024

\$57,764.49 PAID May 17, 2024

1092930000809083000577644901

MAKE CHECK PAYABLE TO: DU PAGE COLLECTOR - SEND THIS COUPON WITH YOUR 2ND INSTALLMENT PAYMENT OF 2023 Tax

MAIL PAYMENT TO: P.O. BOX 4203, CAROL STREAM, IL 60197-4203
 PAY ON-LINE AT: www.dupagecounty.gov/treasurer
 SEE REVERSE SIDE FOR ADDITIONAL INFORMATION

ON OR BEFORE: SEP 03, 2024	PAY: 57,764.49
PAYING LATE?	PAY THIS AMOUNT:
SEP 4 THRU 30	58,630.96
OCT 1 THRU 31	59,497.42
* NOV 1 THRU 20	60,373.89

U.S. POSTMARK IS USED TO DETERMINE LATE PENALTY.

PAYMENT OF THIS 2023 TAX BILL AFTER OCTOBER 31, 2024, REQUIRES A CASHIER'S CHECK, CASH OR MONEY ORDER.

CHECK BOX AND COMPLETE CHANGE OF ADDRESS ON BACK.

2

09-29-300-008
 CHESTNUT COURT DARIEN LLC
 371 HOES LANE, STE 201
 PISCATAWAY NJ 08554

NO PAYMENT WILL BE ACCEPTED AFTER NOV 20, 2024

2092930000809083000577644902

Rate 2022	Tax 2022	Taxing District	Rate 2023	Tax 2023
		** COUNTY **		
0.0828	2,200.34	COUNTY OF DU PAGE	0.0899	1,559.82
0.0189	502.26	PENSION FUND	0.0180	312.32
0.0300	797.22	HEALTH DEPARTMENT	0.0291	504.90
0.0111	294.98	PENSION FUND	0.0103	178.70
0.1055	2,803.58	FOREST PRESERVE DIST	0.1001	1,736.80
0.0075	199.30	PENSION FUND	0.0075	130.12
0.0139	369.38	DU PAGE AIRPORT AUTH	0.0132	229.04
		** LOCAL **		
NO LEVY	0.00	DU PAGE WATER COMM	NO LEVY	0.00
0.0310	823.80	DOWNERS GROVE TWP	0.0315	546.54
0.0006	15.94	PENSION FUND	0.0003	5.20
0.0514	1,365.92	DOWNERS GR TWP RD	0.0528	916.12
0.0012	31.88	PENSION FUND	0.0008	13.88
0.0100	265.74	CITY OF DARIEN	0.0005	8.68
0.2398	6,372.50	PENSION FUND	0.2426	4,209.26
0.3277	8,708.38	DARIEN PARK DIST	0.3341	5,796.84
0.5263	13,986.00	DARIEN-WOODRIDGE FIRE	0.5313	9,218.36
0.1257	3,340.38	PENSION FUND	0.1320	2,290.28
0.1730	4,597.34	INDIAN PRAIRIE LIBR	0.1770	3,071.04
0.0046	122.24	PENSION FUND	0.0046	79.82
		** EDUCATION **		
2.6283	69,844.98	GRADE SCHOOL DIST 66	2.6717	46,355.60
0.0777	2,064.82	PENSION FUND	0.0794	1,377.64
1.8617	49,473.18	HIGH SCHOOL DIST 99	1.8803	32,624.34
0.0598	1,589.14	PENSION FUND	0.0608	1,054.92
0.1946	5,171.34	COLLEGE DU PAGE 502	0.1907	3,308.76
		** TIF **		

Mailed to:
 CHESTNUT COURT
 DARIEN LLC
 371 HOES LANE, STE 201
 PISCATAWAY NJ 08554

Property Location:
 7511 LEMONT RD
 DARIEN IL 60561

Township Assessor:
 DOWNERS GROVE
 630-719-6630

Tax Code:
 9083

Property Index Number:
 09-29-300-008

CHANGE OF NAME/ADDRESS:
 CALL: 630-407-5900

* S OF A FACTOR 1.0000

1st INST PAID May 17, 2024
 2nd INST DUE ON September 03, 2024

TIF Frozen Value	
Fair Cash Value	5,205,700
Land Value	1,128,330
+ Building Value	606,730
= Assessed Value	1,735,060 *
x State Multiplier	1.0000
- Equalized Value	1,735,060
- Residential Exemption	
- Senior Exemption	
- Senior Freeze	
- Disabled Veteran	
- Disability Exemption	
- Returning Veteran Exemption	
- Home Improvement Exemption	
- House Abatement	
= Net Taxable Value	1,735,060
x Tax Rate	6.6585
= Total Tax Due	115,528.98
- Less Advance Payment	
- Commercial Abatement	
+ PACE Reimbursement	
= Net Due	57,764.49

2023 DuPage County Real Estate Tax Bill
 Gwen Henry, CPA, County Collector
 421 N, County Farm Road
 Wheaton, IL 60187

Office Hours - 8:00 am - 4:30 pm, Mon - Fri
 Telephone = (630) 407-5900



6.5831 174,940.64 TOTALS 6.6585 115,528.98

2022 2,657,420 Assessed Value 2023 1,735,060

CHESTNUT COURT REDEVELOPMENT

FINAL PLAN REVIEW SUBMISSION - 12/09/2024



PROJECT DIRECTORY

OWNER
CHESTNUT COURT DARIEN IL LLC
371 HOES LANE, SUITE 201
PISCATAWAY, NJ 08854

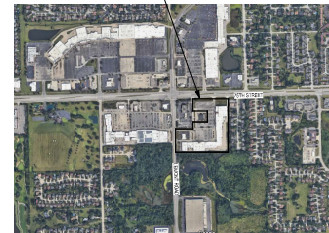
ARCHITECT
OKW ARCHITECTS
800 WEST JACKSON BOULEVARD
CHICAGO, IL 60681

CIVIL ENGINEER
ERIKSSON ENGINEERING ASSOCIATES
145 COMMERCE DRIVE, SUITE A
GRAYSLAKE, IL 60059

LANDSCAPE ARCHITECT
KATHRYN TALTY LANDSCAPE ARCHITECTURE
1926 WALKERGAN ROAD
GLENVIEW, IL 60025

LOCATION MAP

75TH STREET & LEMONT ROAD



SHEET INDEX

SHEET NO.	SHEET TITLE	ISSUED FOR:	
		FINAL PLAN REVIEW	FINAL PLAN REVIEW
01	COVER SHEET	*	*
02	SITE PLAN-PROPOSED	*	*
03	ROOF PLAN	*	*
SRVY 1	ALTA SURVEY	*	*
SRVY 2	ALTA SURVEY	*	*
C200	SITE GEOMETRY PLAN	*	*
C200	SITE UTILITY PLAN	*	*
C200	LOADING AND PARKING PLAN	*	*
CEA	TURNING MOVEMENT EXHIBIT	*	*
L10	OVERALL LANDSCAPE PLAN MASTER PLAN LIST	*	*
L1.1	LANDSCAPE PLAN-NORTH MONUMENTAL SIGN PLANTING	*	*
L1.2	LANDSCAPE PLAN-SOUTH MONUMENTAL SIGN PLANTING	*	*
L1.3	FOUNDATION LANDSCAPE PLAN	*	*
L1.3	MASTER PLAN LIST PLANTING DETAILS LANDSCAPE INSTALLATION	*	*
05	NEW FLOOR PLAN-RETAIL A,B,C & E	*	*
06	NEW FLOOR PLAN-RETAIL F & H	*	*
10	NEW ELEVATIONS-RETAIL A,B,C & E	*	*
11	NEW ELEVATIONS-RETAIL F	*	*
12	NEW ELEVATIONS-RETAIL H SIGNS	*	*
13	EXTERIOR MATERIALS & FEATURES	*	*
EL1	MULTIFAMILY ELEVATIONS	*	*
EL2	MULTIFAMILY ELEVATIONS	*	*
L1	MULTIFAMILY GROUND FLOOR PLAN	*	*
L2	MULTIFAMILY UPPER FLOOR PLANS	*	*
L3	MULTIFAMILY UNIT PLANS	*	*
RT 1	ONE BEDROOM UNIT	*	*
RT 2	TWO BEDROOM UNIT	*	*
RT 5	STUDIO UNIT	*	*



OKW ARCHITECTS
600 W. Jackson, Suite 250
Chicago, IL 60681

RETAIL REDEVELOPMENT

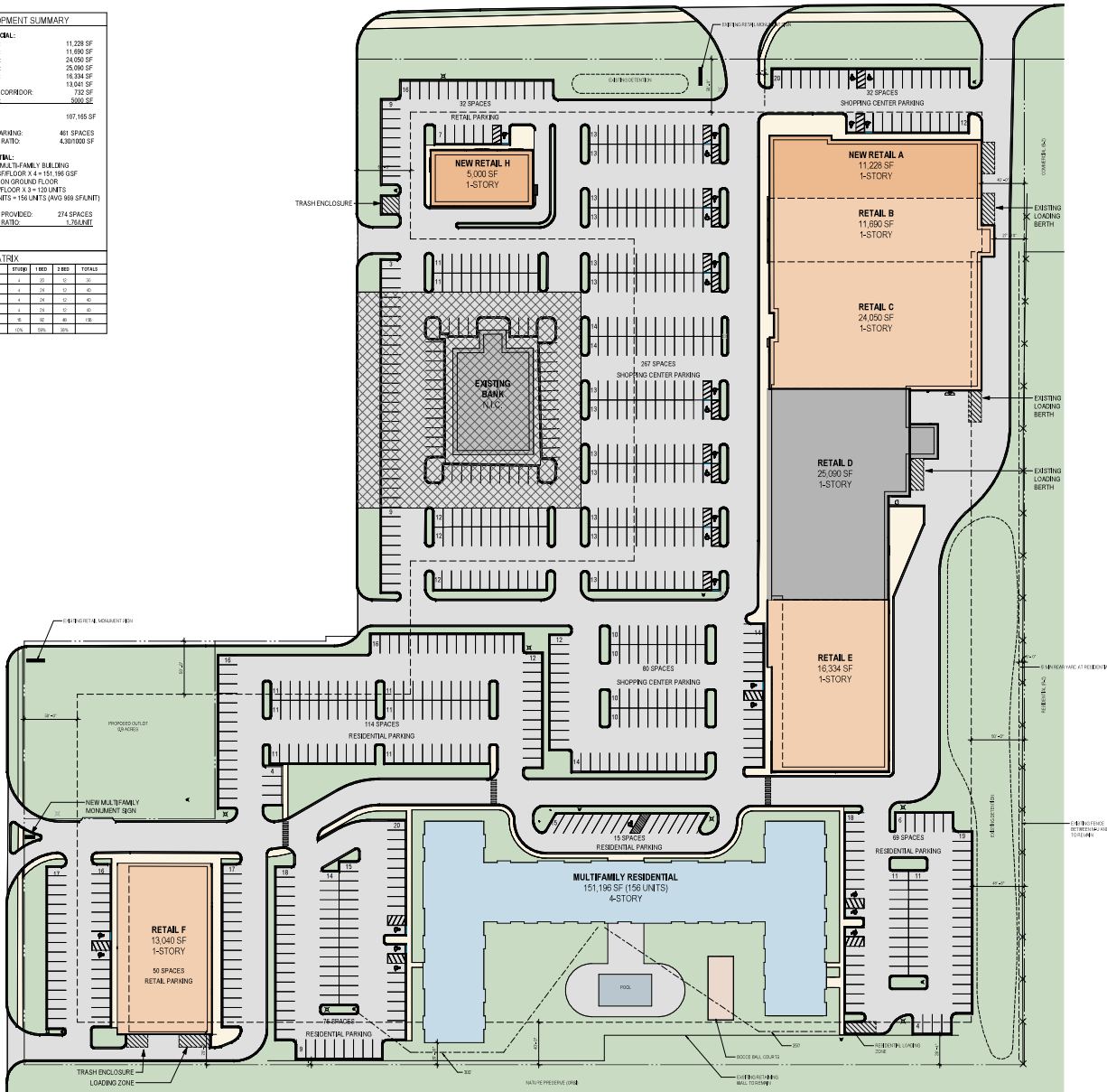
CHESTNUT COURT SHOPPING CENTER
DARIEN, IL
09/30/24 Project #: 23079

01
COVER SHEET

ZONING SUMMARY																																					
<p>COMMERCIAL: RETAIL A: 11,228 SF RETAIL B: 11,660 SF RETAIL C: 24,050 SF RETAIL D: 25,090 SF RETAIL E: 16,334 SF RETAIL F: 13,040 SF SERVICE CORRIDOR: 732 SF RETAIL H: 5,000 SF</p>																																					
subdivision: 31	setback: 30' SIDE	height: 35' MAX																																			
width: 40' MIN	depth: 100' MIN	area: 107,165 SF																																			
use: COMMERCIAL	density: 1.0	parking: 401 SPACES																																			
building type: 1-2 STORY	lot coverage: 75% MAX	parking ratio: 4.0:1,000 SF																																			
setback: 30' MIN	height: 35' MAX	area: 107,165 SF																																			
lot area: 107,165 SF	gross area: 107,165 SF	parking provided: 274 SPACES																																			
parking provided: 274 SPACES	parking ratio: 1.76:1,000 SF	parking ratio: 1.76:1,000 SF																																			
<p>RESIDENTIAL: 4 STORY MULTIFAMILY BUILDING 37,780 GSF FLOOR 2, 4 & 5: 151,195 GSF 36 UNITS ON GROUND FLOOR 40 UNITS FLOOR 2, 3 = 120 UNITS TOTAL UNITS = 156 UNITS (400 889 SF/UNIT)</p>																																					
<p>UNIT MATRIX</p> <table border="1"> <thead> <tr> <th></th> <th>1 BR</th> <th>2 BR</th> <th>3 BR</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>LEVEL 2</td> <td>4</td> <td>12</td> <td>12</td> <td>28</td> </tr> <tr> <td>LEVEL 3</td> <td>4</td> <td>12</td> <td>12</td> <td>28</td> </tr> <tr> <td>LEVEL 4</td> <td>4</td> <td>12</td> <td>12</td> <td>28</td> </tr> <tr> <td>LEVEL 5</td> <td>4</td> <td>12</td> <td>12</td> <td>28</td> </tr> <tr> <td>TOTAL</td> <td>16</td> <td>48</td> <td>48</td> <td>112</td> </tr> <tr> <td>Ratio</td> <td>10%</td> <td>30%</td> <td>30%</td> <td>30%</td> </tr> </tbody> </table>				1 BR	2 BR	3 BR	TOTAL	LEVEL 2	4	12	12	28	LEVEL 3	4	12	12	28	LEVEL 4	4	12	12	28	LEVEL 5	4	12	12	28	TOTAL	16	48	48	112	Ratio	10%	30%	30%	30%
	1 BR	2 BR	3 BR	TOTAL																																	
LEVEL 2	4	12	12	28																																	
LEVEL 3	4	12	12	28																																	
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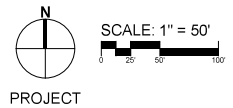
DEVELOPMENT SUMMARY		
COMMERICAL:	11,228 SF	RETAIL A
	11,660 SF	RETAIL B
	24,050 SF	RETAIL C
	25,090 SF	RETAIL D
	16,334 SF	RETAIL E
	13,040 SF	RETAIL F
	732 SF	SERVICE CORRIDOR
	5,000 SF	RETAIL H
TOTAL:	107,165 SF	
RETAIL PARKING:	401 SPACES	
PARKING RATIO:	4.0:1,000 SF	
RESIDENTIAL:	37,780 GSF	
FLOOR 2, 4 & 5:	151,195 GSF	
36 UNITS ON GROUND FLOOR		
40 UNITS FLOOR 2, 3 = 120 UNITS		
TOTAL UNITS = 156 UNITS (400 889 SF/UNIT)		
PARKING PROVIDED:	274 SPACES	
PARKING RATIO:	1.76:1,000 SF	

UNIT MATRIX				
	1 BR	2 BR	3 BR	TOTAL
LEVEL 2	4	12	12	28
LEVEL 3	4	12	12	28
LEVEL 4	4	12	12	28
LEVEL 5	4	12	12	28
TOTAL	16	48	48	112
Ratio	10%	30%	30%	30%



PLAN LEGEND:	
[Dashed line]	SCOPE OF PROJECT AREA WITH INDICATED OUTLINE
[Light grey fill]	EXISTING BUILDINGS TO REMAIN
[Orange fill]	EXISTING BUILDINGS TO BE RENOVATED
[Light blue fill]	NEW BUILDINGS WITHIN SCOPE OF WORK AREA
[Dark blue fill]	NEW MULTIFAMILY RESIDENTIAL BUILDING
[Blue hatched]	LOADING ZONE
[Circle with cross]	FIRE HYDRANT
[X symbol]	EXISTING LIGHT POLE
[X symbol]	NEW LIGHT POLE

OKW ARCHITECTS
 600 W. JACKSON, SUITE 250
 CHICAGO, IL 60681



RETAIL REDEVELOPMENT

CHESTNUT COURT SHOPPING CENTER
 DARIEN, IL
 09/30/24 Project #: 23079

02
 SITE PLAN -
 PROPOSED

TAX INCREMENT FINANCING (TIF)



BACKGROUND

Illinois adopted Tax Increment Financing (TIF) in 1977. A reform to this law was enacted in 1999. Since the first TIF statute was adopted by the State of California in 1952, 49 states have passed legislation authorizing the use of TIF. According to the most recently available data from the Illinois Office of Comptroller (IOC), there may be up to 1,496 TIF districts located in as many as 537 Illinois municipalities.

WHAT IS TIF?

TIF is a mechanism for municipalities to spur economic development in specific geographic areas that are blighted and deteriorating. To do this, local taxing bodies create a TIF redevelopment project area, or TIF district, whereby the Equalized Assessed Value (EAV) of the property in the area is set at a base amount. Property taxes collected on properties included in the TIF district at the time of its designation continue to be distributed to the school districts and all other affected taxing districts in the same manner as if the district did not exist. Establishment of a TIF does not reduce property tax revenues available to the overlapping taxing bodies.

A tax increment is the difference between the amount of property tax revenue generated before TIF district designation and the amount of property tax revenue generated after TIF designation. Only property taxes generated by the incremental increase in the EAV of these properties after that time are available for use in the TIF district by a municipality.

HOW IS A TIF DISTRICT CREATED?

In order to establish a TIF district, a local government must find that development or redevelopment of the area would not occur “but for” the creation and use of TIF. Illinois law specifies a number of requirements that must be satisfied for an area to qualify as a TIF district, beginning with identifying the district and the physical and economic deficiencies that need to be cured. Specifically, state law requires that the proposed area must meet one or more of three conditions:

1. Blighted conditions;
2. Conservation conditions; and,
3. Industrial park conservation conditions.

If one or more of these conditions is identified, municipal officials and a Joint Review Board, made up of representatives from affected local taxing bodies, must review a plan for the redevelopment of the TIF area. A public hearing must be held where residents and other interested parties can express their thoughts on the subject. If the plan for redevelopment is approved by the Joint Review Board, the municipality may adopt the plan by a majority vote of the corporate authorities. If the Joint Review Board rejects the plan for redevelopment, the municipality may proceed but the plan must be approved by a three-fifths vote of the corporate authorities. Finally, the mayor or village president will sign the ordinance into law. No state or federal approval is required for creation.



HOW DOES TIF WORK AFTER CREATION?

The growth of the EAV of property within the TIF district (the increment) is collected into a special fund for use by the municipality to make additional eligible investments in the TIF project areas. The reinvestment generates additional growth in property value, which results in more revenue growth for reinvestment. Once a redevelopment project is completed and has been paid for, the TIF district may be dissolved and the tax base returned to full use by all eligible taxing bodies.

HOW LONG DOES A TIF DISTRICT LAST?

Under Illinois law, a TIF district may last for up to a maximum of 23 years. This period can be extended by 12 additional years upon approval by the Illinois General Assembly. In some cases, the General Assembly has extended TIF districts twice, for a total of 47 years. Municipalities seeking extensions must receive approval from the General Assembly, which requires, by rule, letters of support from overlapping units of local government whose boundaries fall within the TIF district.

OTHER FUNDING SOURCES BESIDES TIF

TIFs are more frequently used now because other development tools, like Industrial Revenue Bonds and Urban Development and Infrastructure Grants, are no longer readily available to local governments.

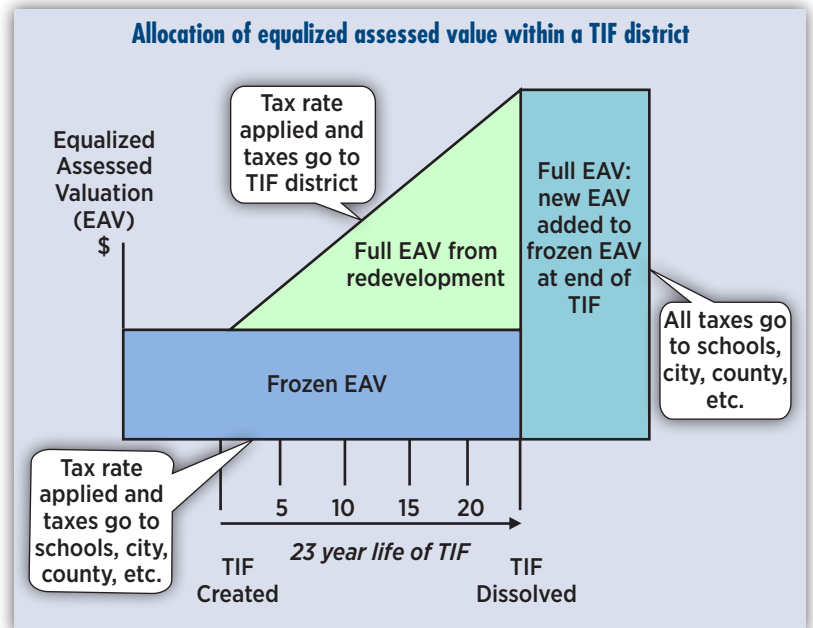
Federal and state aid to local governments has been reduced. At the same time, unfunded federal and state mandates have increased the financial burden on most municipalities. Factor in state imposed property tax caps, and the funding problems facing local governments make it obvious that local governments are left to do more with less.

TIF offers local governments a resource to revitalize their communities by expanding their tax base, offsetting, in part, the federal and state funds that are no longer available to them without imposing increased taxes on the whole community.

WHAT CAN TIF BE USED FOR?

TIF funds may be used to reimburse eligible “redevelopment projects costs” as defined in the Act.¹ The statute provides a comprehensive list of associated project and reimbursement costs which may include, but are not limited to, the following actions occurring within the TIF district:

- Administration of a TIF redevelopment project;
- Property acquisition, renovation, rehabilitation and demolition;
- Construction of public works or improvements;
- Job training related to the TIF area;
- Financing costs, including interest assistance;
- Studies, surveys and plans;
- Marketing related to sites within the TIF; and,
- Professional services, such as architecture and design services.



Source: The “Final Report of the TIF Reform Task Force,” June 1, 2018.

¹ 65 ILCS 5/11-74.4-3(q).

DESIGNATION AND DISTRIBUTION OF SURPLUS FUNDS

The TIF Act provides that any portion of an annual ending balance of a TIF fund that has not been identified (or is not identified as being required, pledged, earmarked or otherwise designated for payment or securing of obligations or anticipated redevelopment project costs) shall be designated as surplus. (Section 11-74.4-7)

The Act also provides for the distribution of surplus funds annually, within 180 days after the close of a municipality's fiscal year. Surplus funds are paid by the municipal treasurer to the county collector, the Illinois Department of Revenue (IDOR) and to the municipality in direct proportion to the incremental tax revenue received. The county treasurer is then required to make distributions to the respective taxing districts.

TIF REPORTING REQUIREMENTS

The Act currently requires TIF municipalities to submit a report to IOC, and all taxing districts overlapping the redevelopment project area, no later than 180 days after the close of each municipal fiscal year detailing information about a TIF district. The report must include, but is not limited to, an analysis of the special tax allocation fund, a statement setting forth all activities undertaken in furtherance of the objectives of a TIF District Redevelopment Plan, a legal opinion that the municipality is in compliance with the TIF Act and any amendments to the redevelopment plan.

Enacted in 2021, Public Act (P.A.) 102-0127 amends the TIF Act and expands mandated reporting requirements to include a comparison between the original projected increment and jobs for the TIF district, the actual amount of increment and jobs created to date, and an update on the stated rate of return for a development and the actual debt service on any notes issued by the municipality. In addition, P.A. 102-0127 authorizes municipalities to select a consultant to provide an analysis of the projected increment and the actual debt service on any notes issued by the municipality. The Illinois Municipal League (IML) opposed the legislation as an unfunded mandate.

IML ADVOCACY

IML and numerous local elected officials, as well as the General Assembly – shown through its continued actions granting and extending TIF designations – firmly believe in the value of TIF as a mechanism to spur economic development in communities across the state.

While IML will not advocate for proposals that would be harmful to or reduce the effectiveness of TIF, we remain committed to serving as a partner with and all stakeholders in improving and addressing perceived issues with the TIF Act.

iml.org

