

# Village of Shorewood Proposed Jefferson Street & Illinois Route 59 TIF District

Public Meeting  
October 21, 2016

# TIF Overview

I. Background of Proposed TIF District/Plan for Area

I. Factors Qualifying Area as a TIF District

II. Key Elements of TIF Plan

III. Next Steps



# I. Background

- Primary focus
- Currently commercial/retail, residential and mixed use
- Contributes significantly to economic health of the community
- Potential redevelopment for underutilized properties

## TIF Plan

- Area identified as key focus area
- Subject of redevelopment in near future
- Includes Eligibility Report

# I. Background

The TIF Plan complies with key legal provisions of the TIF Act, including but not limited to:

TIF Plan conforms to the City's Comprehensive Plan

Area consists of contiguous parcels – exceeds  $1\frac{1}{2}$  acres

“But-for” requirement is met – Redevelopment is feasible only with the utilization of tax increment financing, as documented in the TIF Qualification Report

# I. Background

## Review of TIF Financing

TIF involves splitting property tax revenue generated from properties within the TIF District into two components:



Bucket for Base Revenues—  
For All Local Governments

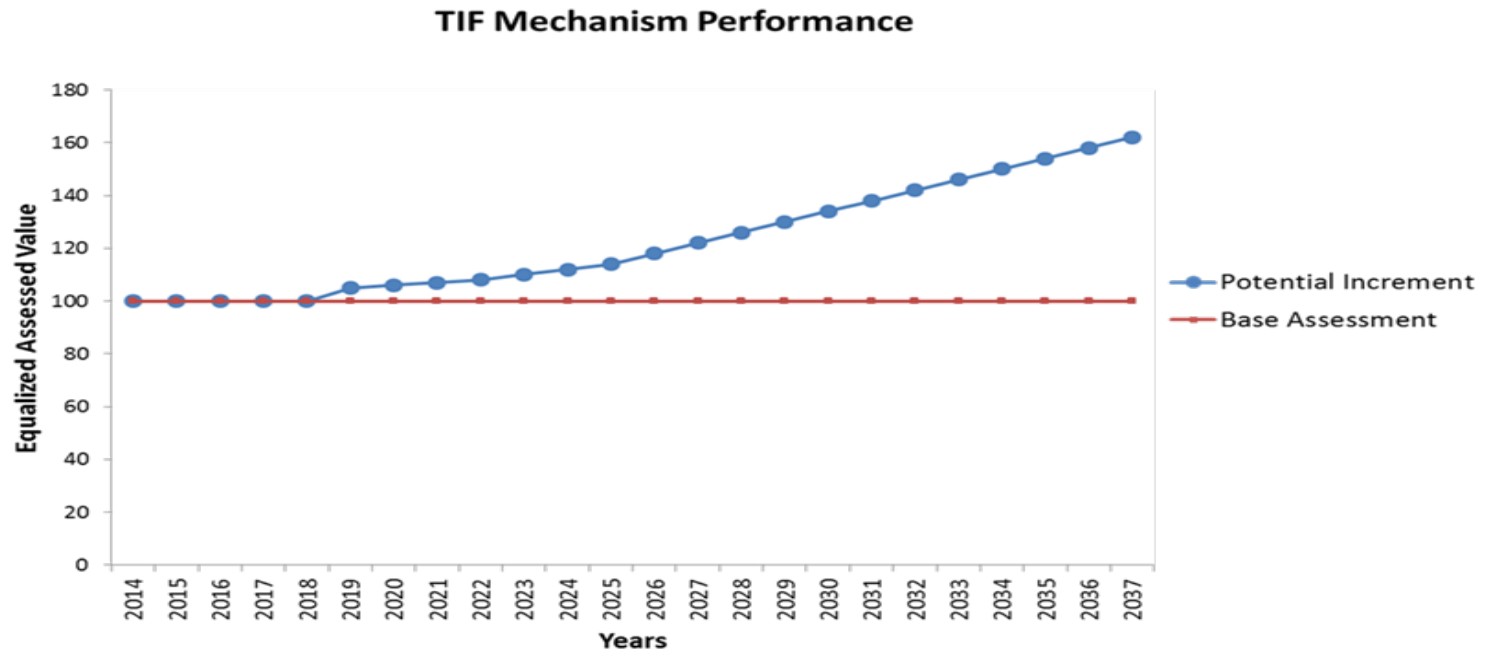


Bucket for Increment Revenues—  
For Redevelopment within TIF

# I. Background

## Review of TIF Financing

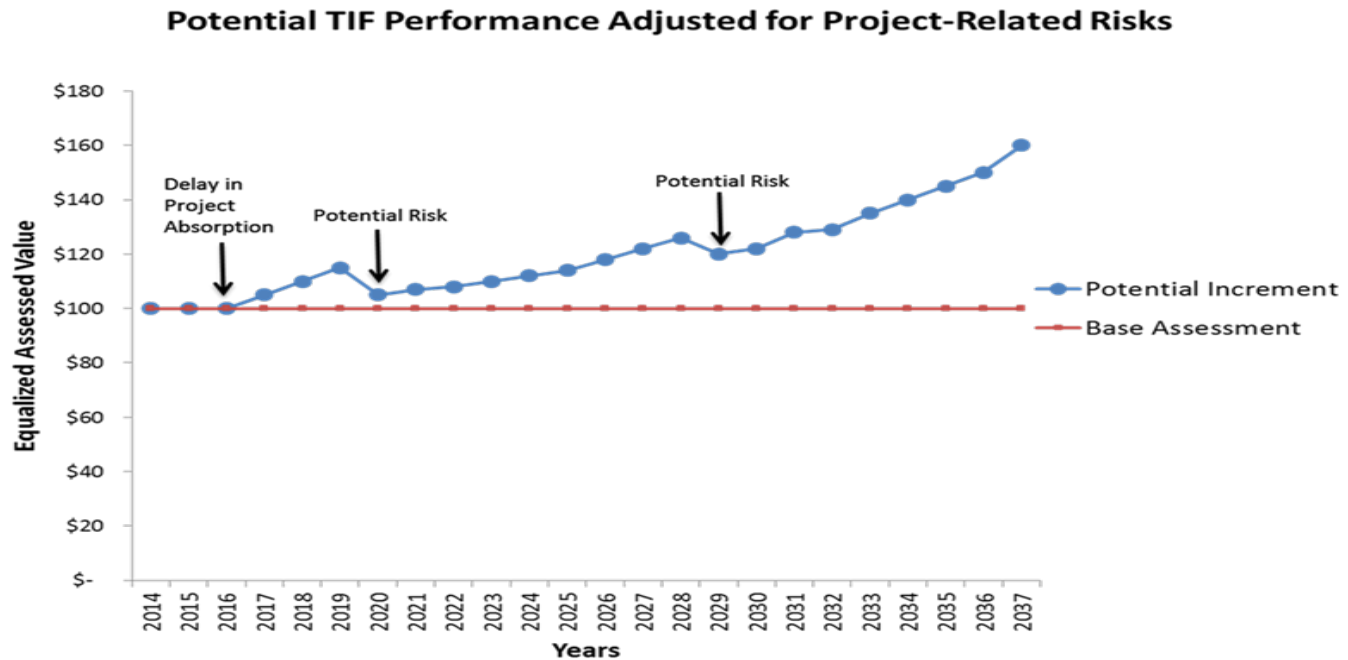
Ideally, a successful TIF produces positive incremental revenue over time



# I. Background

## Review of TIF Financing

In practice, a successful TIF faces certain challenges generating positive increment



# I. Background

## TIF Plan components:

TIF Budget – will not fund all private development costs – limited to certain types of capital items, including public improvements, property assembly, rehabilitation (not private new construction) or site preparation. Does not pay for municipal personnel or operating costs.

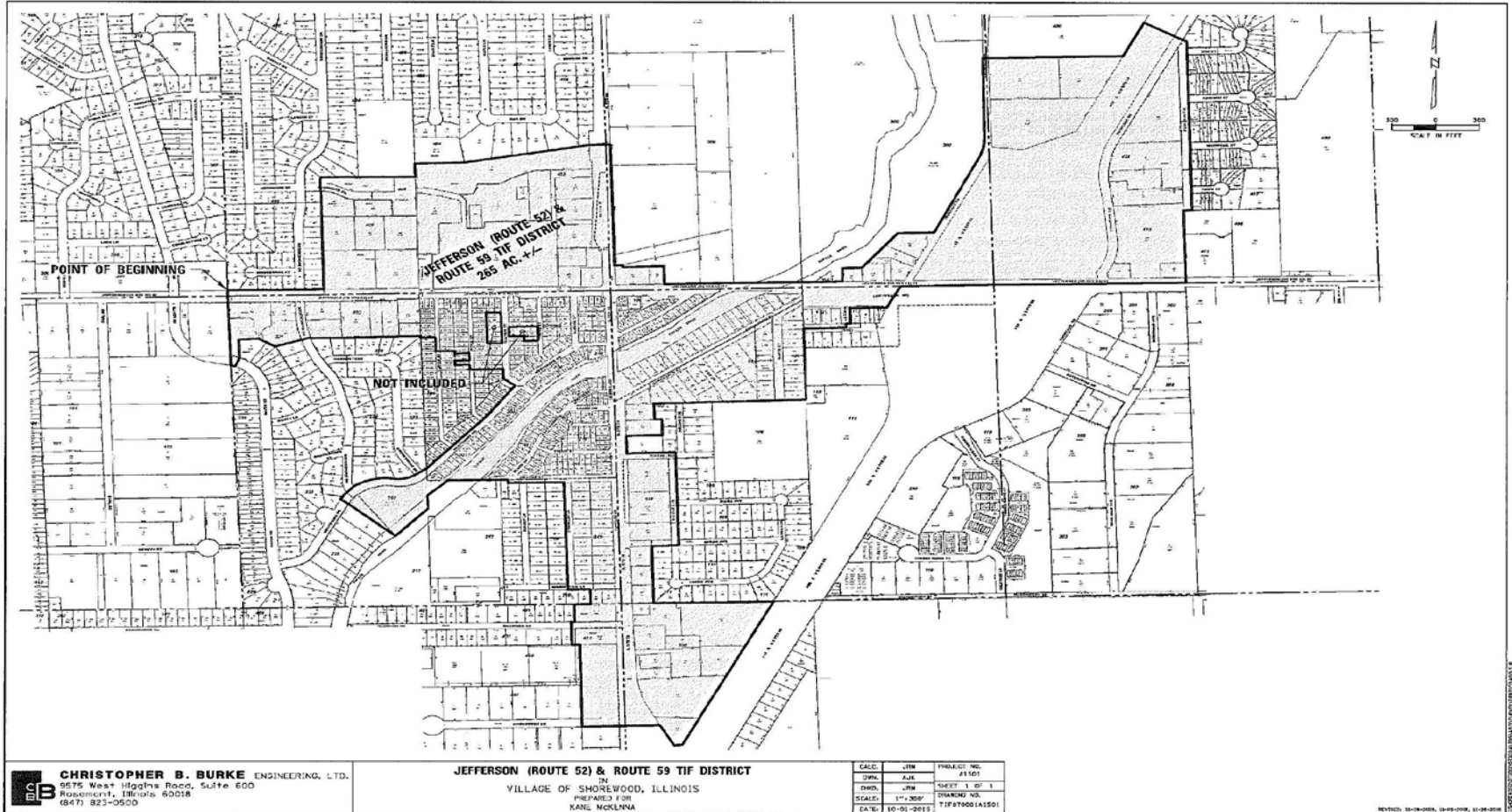
TIF Term – cannot exceed 23 years.

TIF reporting – requires independent audit and review of annual redevelopment activities.



# I. Background

## Proposed Jefferson & IL Rout 59 TIF



## II. TIF Qualification Factors

The proposed TIF District is found to qualify under the following criteria:

- as a “conservation area,” based upon the findings that 128 (73.9%) of the 173 buildings are 35 years old or greater (50% is the threshold)

Additionally:

- Six (6) eligibility factors have been identified:
- District is a contiguous area greater than 1 and  $\frac{1}{2}$  acres
- Potential for redevelopment and improvement to tax base

# II. TIF Qualification Factors

- 1) Dilapidation
- 2) Obsolescence
- 3) Deterioration
- 4) Presence of Structures Below Code
- 5) Illegal Uses
- 6) Excessive Vacancies
- 7) Lack of Ventilation and Sanitary Facilities
- 8) Inadequate Utilities
- 9) Excessive Land Coverage
- 10) Deleterious Layout
- 11) Environmental Clean-up
- 12) Lack of Community Planning
- 13) Lagging/Declining EAV

# NEXT STEPS

## Meetings

- Public Meeting (tonight)
- Adoption of Public Hearing Resolution – Oct. 25<sup>th</sup>)
- Joint Review Board meeting with taxing districts (Nov. 29<sup>th</sup>)
- Public Hearing – Village Board (Jan. 25<sup>th</sup>)
- One or more board meetings to consider TIF ordinances

## Notices

- To taxpayers and residents within TIF
- To taxing districts and State of Illinois
- To residents within 750 ft. of borders
- Two Newspaper notices – general public notices