

VILLAGE OF DOWNERS GROVE
Report for the Village
10/12/2021

SUBJECT:	SUBMITTED BY:
Ordinance Terminating the Downtown Tax Increment Financing District	Mike Baker Deputy Village Manager

SYNOPSIS

An ordinance authorizing the payment of redevelopment project costs, dissolving the special tax allocation fund and terminating the Village of Downers Grove TIF Redevelopment Project area has been prepared.

STRATEGIC PLAN ALIGNMENT

The goals for 2021-2023 include *Strong, Diverse Local Economy* and *Steward of Financial, Environmental and Neighborhood, Sustainability*

FISCAL IMPACT

N/A

RECOMMENDATION

Approval on the October 19, 2021 active agenda.

BACKGROUND

On December 23, 1997, the Village of Downers Grove established the Downtown tax increment financing (TIF) district as an economic development tool to facilitate redevelopment of the Downtown area. TIF districts in Illinois can be created for a period of 23 years. The Downtown TIF will expire at the end of 2021, with the final year of property taxes collected on the 2020 tax levy. This action is a required procedural step that will also include notification to all of the taxing bodies.

The TIF District is expiring having achieved the goals and objectives of the [Redevelopment Plan and Project](#) (see pages 7-8). In addition, the TIF District will have paid all obligations with the revenue generated in FY2021 and expire with no surplus in the Downtown TIF Fund. More information about the successful performance of the TIF is being prepared and will be presented at the time of the FY2022 budget presentation in November.

ATTACHMENTS

Ordinance

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE PAYMENT OF REDEVELOPMENT PROJECT COSTS, DISSOLVING THE SPECIAL TAX ALLOCATION FUND AND TERMINATING THE VILLAGE OF DOWNERS GROVE TAX INCREMENT DOWNTOWN REDEVELOPMENT PROJECT AREA

WHEREAS, the Tax Increment Allocation Redevelopment Act found at 65 ILCS 5/11-74.4.4-1 (the “TIF Act”) authorizes cities and villages to designate redevelopment project areas, approve redevelopment plans and projects and adopt tax increment financing; and

WHEREAS, on December 22, 1997 the Village Council (the “Village Council”) of the Village of Downers Grove, DuPage County, Illinois (the “Village”) utilized the authority provided by the TIF Act to adopt the following ordinances:

- (a) Ordinance No. 3997, adopted December 22, 1997, titled "An Ordinance Approving the Village of Downers Grove Tax Increment Downtown Redevelopment Plan and Project" (the "Redevelopment Plan"), as amended by Ordinance No. 4455 on November 5, 2002; and
- (b) Ordinance No. 3998 adopted December 22, 1997, titled "An Ordinance Designating the Village of Downers Grove Tax Increment Downtown Redevelopment Project Area" ("Downtown Redevelopment Project Area"), as amended by Ordinance No. 4456 on November 5, 2002; and
- (c) Ordinance No. 3999, adopted December 22, 1997, titled "An Ordinance Adopting Tax Increment Financing for the Village of Downers Grove"; and

WHEREAS, the goals and objectives of the Redevelopment Plan and Project have now been fulfilled; and

WHEREAS, all redevelopment project costs, including without limitation all municipal obligations financing redevelopment project costs, incurred by the Village in accordance with the TIF Act, have been or will be paid by December 31, 2021; and

WHEREAS, the Village shall notify all of the affected taxing districts of the termination of the Downtown Redevelopment Project Area as a redevelopment project area in accordance with the provisions of the TIF Act; and

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Village Council of the Village of Downers Grove, DuPage County, Illinois:

Section 1: That by December 31, 2021, the Village Manager and the Village Treasurer shall pay all redevelopment project costs incurred by the Village, retire all obligations issued by the Village to finance such costs and distribute any excess monies, if any, in accordance with law.

Section 2: That the Village hereby dissolves the Special Tax Allocation Fund of the Downtown TIF Redevelopment Project Area and terminates the designation of the Downtown TIF Redevelopment Project Area as a redevelopment project area on December 31, 2021.

Section 3: That on or before November 1, 2021, the Village Clerk shall notify affected taxing districts that the Village intends to dissolve the special tax allocation fund for the Downtown Redevelopment Project Area and to terminate the Downtown Redevelopment Project Area by December 31, 2021.

Section 4: That the Village Clerk is hereby directed to file a certified copy of this Ordinance with the County Clerk of DuPage County, immediately upon passage.

Section 5: This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form.

Section 6: That all other ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

Mayor

Passed:

Published:

Attest: _____

Village Clerk