

Village of La Grange Park

SPECIAL EDITION NEWSLETTER



447 N. Catherine Ave., La Grange Park IL 60526 | 708-354-0225 | www.lagrangepark.org | October 2016

Village Considers TIF for Economic Revitalization

After considerable review of the Village's long term financial needs, the Village Board has determined that maintaining and enhancing the Village's revenue base is vital to the long-term sustainability of the community. The Village Board has considered several reinvestment tools that could improve our commercial and industrial areas and with the assistance of our development consultant, S.B. Friedman Development Advisors, has spent the past year evaluating the potential use of TIF as a means of supporting reinvestment and spurring redevelopment in our community. Based on the results of a Feasibility Study conducted in 2015, the Village Board decided to proceed with implementation of two TIF Districts, referred to as the Village Market and the 31st Street/Barnsdale TIFs (see the reverse for maps of the areas included).

Why TIF?

The S.B. Friedman 2016 Feasibility Study identified the following property conditions in the proposed TIF districts:

1. Declining property Equalized Assessed Value (EAV) for at least 4 out of the last 5 years
2. Lack of private reinvestment in comparison to neighboring communities
3. Aged building stock—majority of structures are 35 years old or older
4. Buildings constructed to now obsolete standards
5. Obsolete platting (layout of property)

What is TIF?

Tax increment financing (TIF) is a public financing tool which is used to promote redevelopment, invest in public infrastructure, and fund other community-improvement projects. TIF is a program that allocates future increases in property taxes from a designated area (called TIF district) to pay for improvements within that area. In Illinois, a TIF District may remain in place for up to 23 years after its creation.

Questions? Call (708) 354-0225
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Process for Establishing a TIF

The process for establishing a TIF district is mandated by State law and includes multiple opportunities for input by both residents and the impacted taxing bodies. The Village is required to complete an Eligibility Report to substantiate that an area qualifies for TIF designation and to then adopt a Redevelopment Project Area Plan (RPA) which outlines how revenues generated from the TIF district will be spent. These documents were released for public review on October 1, 2016. This fall, the Village will convene the Joint Review Board, which is made up of representatives from impacted taxing districts, to gather their input on the RPAs. While the Village anticipates that formal public hearings on the documents will be held in January, we encourage residents to contact us with questions and comments regarding the proposed TIF Districts at anytime.

How TIF Works

Normally, property is taxed by several jurisdictions: the Village, School District, County, Park District, etc. The taxes levied are allocated to each district in accordance with its tax rate. Under TIF, the property taxes resulting from increased value due to new development, rehabilitation or improvement, and property appreciation are all allocated to the TIF Fund. Other jurisdictions continue to receive the taxes generated by the base value of properties in the district.

All properties in the TIF district are assessed in the same manner as all other properties and taxed at the same rate. TIF is not an increase in taxes. It is only a re-allocation of how they are used. Increases in property taxes experienced by property owners are due to reassessment and tax rate increases, not TIF.



