

 <p>CITY OF ST. CHARLES ILLINOIS • 1834</p>	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number: 5a
	Title:	Recommendation to approve a Resolution in Support of Tax Increment Financing	
	Presenter:	City Administrator Heather McGuire	
Meeting: Government Operations Committee		Date: April 17, 2023	
Proposed Cost: \$		Budgeted Amount: \$	Not Budgeted: <input type="checkbox"/>
TIF District: None			
Executive Summary (if not budgeted, please explain):			
<p>Tax Increment Financing (TIF) is a powerful tool that allows the City of St. Charles to promote economic development and revitalization in blighted or underutilized areas. By earmarking a portion of the increased property tax revenue generated by a redevelopment project to finance the project, TIF can help fund infrastructure improvements, attract new businesses, and create jobs. TIF can also incentivize private investment, as developers and investors are more likely to invest in areas where public funds are being used to support redevelopment efforts. Furthermore, TIF has the potential to generate long-term benefits for the community, as increased property values and economic activity can lead to sustained economic growth and improved quality of life for residents.</p> <p>Many bills are being introduced in Illinois to make key changes to Tax Increment Financing Districts that are detrimental to a City's ability to successfully utilize TIF as a tool, including:</p> <ul style="list-style-type: none"> • New redevelopment project area shall have a completion date no later than December 31st of the 20th year after the ordinance was adopted (rather than the 23rd year), and provides that the redevelopment project area may be extended, with the approval of each member of the joint review board, only 2 additional years (rather than extended to the 35th year and extended again to the 47th year). • Provides that a municipality may not approve redevelopment project areas or expansions of redevelopment project areas that overlap with an existing redevelopment project area. • Provides that 10% of moneys deposited into the special tax allocation fund shall be transferred to the local chamber of commerce or chambers of commerce representing the redevelopment project area for the chamber or chambers of commerce to use for grants to businesses that employ fewer than 50 full-time employees if the business moves within the redevelopment project area. • Provides that, if a school district or community college district does not approve of the creation of a redevelopment project area, then the portion of the taxes attributable to the increase in the current equalized assessed valuation which would be payable to the nonconsenting district shall be paid to that district. Effective immediately <p>I recommend the approval of the attached resolution in Support of Tax Increment Financing.</p>			
Attachments (please list):			
Resolution, Fact Sheet			
Recommendation/Suggested Action (briefly explain):			
Recommendation to approve a Resolution in Support of Tax Increment Financing			

**The City of St. Charles, Illinois
Resolution No. _____**

A Resolution in Support of Tax Increment Financing

**Presented & Passed by the
City Council on _____**

WHEREAS, the City of St. Charles has the responsibility to promote economic development and revitalization of underperforming areas within the City; and

WHEREAS, the City of St. Charles recognizes that Tax Increment Financing (TIF) is a means to address areas of blight, support development, and promote local job creation and retention; and

WHEREAS, TIF incentives directly contribute to the expansion of the local tax base and attract private development and new businesses to the City; and

WHEREAS, the availability of TIF is a critical mechanism to spur economic development for the City;

WHEREAS, the Mayor and City Council of the City of St. Charles find that the availability of TIF as an economic development tool is essential for the continuing economic vitality of the City.

NOW, THEREFORE, be it resolved by the Mayor and City Council of the City of St. Charles as follows:

1. The foregoing recitals shall be and are hereby incorporated as findings of fact as if said recitals were fully set forth herein.
2. The City of St. Charles urges the Illinois General Assembly and Governor to protect TIF in its current form as a valuable economic development tool without additional restrictions on municipal governments and the communities they serve.
3. The City Clerk shall forward a copy of this Resolution to the Illinois Municipal League.

Date
Resolution No.

PRESENTED to the City Council of the City of St. Charles, Illinois, this ____ day of _____,
2023.

PASSED by the City Council of the City of St. Charles, Illinois this ____ day of _____,
2023.

APPROVED by the Mayor of the City of St. Charles, Illinois this ____ day of _____,
2023.

Mayor Lora A. Vitek

Attest:

City Clerk

Council Vote:

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____