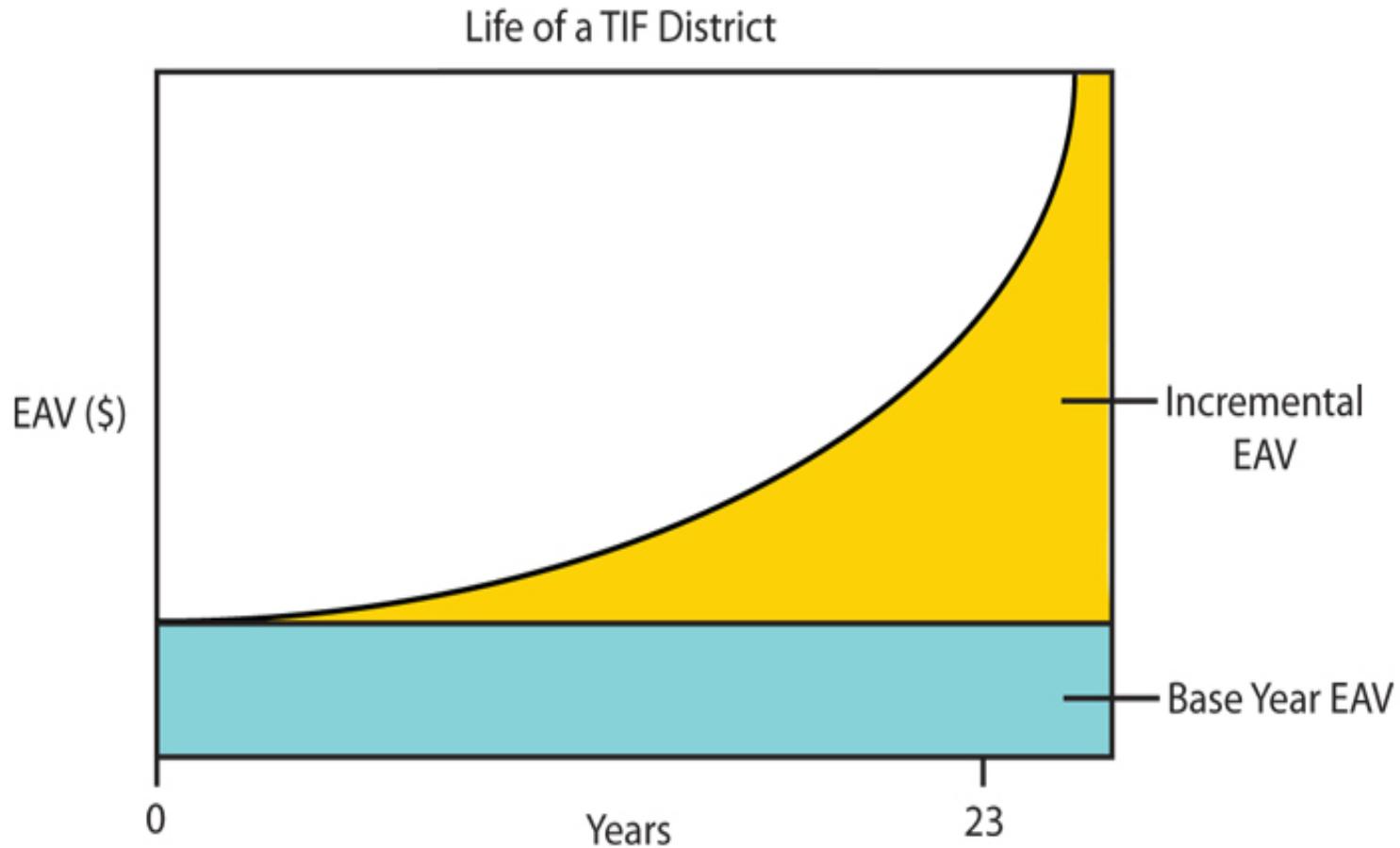


# TIF Subcommittee: Property Tax Relief Task Force



September 25, 2019

# How a TIF district works



# How many TIF districts?

- Cook County – 461
  - City of Chicago: 144
  - Suburbs: 317
- DuPage County – 56
- Lake County – 44
- Rest of State - +/-850

# TIF Incremental taxes?

- Cook County - \$1.18 billion
  - City of Chicago - \$840.8 million
  - Suburbs - \$338.7 million
- DuPage County - \$37.03 million
- Lake County - \$19.7 million
- Rest of State - \$??

# Suburban Top TIF Communities

1. 10 TIFS - Bellwood and Franklin Park
2. 9 TIFs – Glenwood
3. 7 TIFs – Chicago Heights, Harvey, Melrose Park, Oak Forest, Oak Lawn, and South Holland
4. 6 TIFs – Blue Island, Bridgeview, Matteson, Nilens, Rosemont, Tinley Park
5. 5 TIFs – Calumet Park, Des Plaines, Evanston, Homewood, Markham, Palatine, Richton Park, and Wheeling

# Suburban Top 12 (by \$ collected)

Municipality	2018 TIF Collections
Glenview	\$38,234,353
Rosemont	\$38,198,181
Hoffman Estates	\$24,558,407
Oak Park	\$14,495,758
Palatine	\$13,305,282
Wheeling	\$12,738,480
Schaumburg	\$12,453,521
Elk Grove	\$11,168,375
Cicero	\$7,165,689
Bedford Park	\$7,385,507
Melrose Park	\$7,350,902
Des Plaines	\$7,165,689

# TIF Eligibility Factors

- Dilapidation
- Obsolescence
- Deterioration
- Structures below minimum code
- Illegal use of structures
- Excessive vacancies
- Lack of ventilation, light or sanitary
- Inadequate utilities
- Excessive land coverage/overcrowding
- Deleterious land use & layout
- Environmental clean-up
- Lack of community planning
- Declining EAV in 3 of last 5 years
- No less than 1.5 acres

# Recent observed trends

- Residential TIF district proposed for vacant land
  - Very low base EAV (farmland assessment)
  - Large potential impact on schools
- Only one factor needed for eligibility – chronic flooding
- Re-TIF'ing parcels
- Questionable eligibility
- Need for greater transparency
- TIF districts raise property taxes on all taxpayers and increase SD tax rates

# Example #1 – Palatine

- 2018 incremental taxes of \$13.5 million
- Lifetime incremental taxes of \$189.9 million

Agency	TIF Name	First Tax Year *	Total TIF Revenue	2018 TIF Revenue	2017 TIF Revenue	2018 to 2017 Percent Difference
03-0960-500	Palatine	1996	57,776,579.84	3,319,687.25	3,133,155.46	6.00%
03-0960-501	Palatine - Downtown	1999	84,280,380.58	6,344,173.29	6,197,893.16	2.00%
03-0960-502	Palatine - Rand / Dundee Center	1997	6,742,463.13	312,834.34	315,404.95	-1.00%
03-0960-504	Palatine - Rand / Lake Cook	2012	819,124.68	452,745.89	210,330.44	115.00%
03-0960-503	Palatine - Rand Rd	2002	40,395,425.87	3,075,842.60	3,069,997.31	0.00%
<b>Palatine Total TIF Revenue:</b>				<b>13,505,283.37</b>	<b>12,926,781.32</b>	

# Example #2 – Wheaton TIF #2

- City collected \$3.1 million using other taxing districts' tax rates:

DISTRICT	RATE EXTENDED	TAXES EXTENDED
DU PAGE COUNTY	.1673	67,761.42
FOREST PRESERVE	.1278	51,762.76
DU PAGE WATER COMMISSION	-	-
DU PAGE AIRPORT AUTHORITY	.0146	5,913.43
MILTON TOWNSHIP	.0442	17,902.30
MILTON TOWNSHIP ROAD	.0722	29,243.12
CITY OF WHEATON	.9338	378,216.46
WHEATON SSA #2	.1573	55,239.20
WHEATON SSA #8	.2651	106,426.23
WHEATON PARK	.7469	302,516.47
WHEATON SANITARY	-	-
WHEATON MOSQUITO	.0161	6,520.97
UNIT SCHOOL DIST #200	4.8883	1,979,905.27
JUNIOR COLLEGE #502	.2317	93,845.31
TOTAL		3,095,252.94