



TIF Districts in Illinois

Project Examples

Updated 6/20/2023

The Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4 *et. seq.*)

The **Project Examples** described in this presentation are illustrative of how TIF:

- Improves deteriorated and blighted property conditions
- Repairs inadequate public infrastructure
- Stimulates new private investment
- Revitalizes downtowns
- Rehabilitates residential properties & neighborhoods
- Redevelops commercial and industrial properties for retaining and creating job opportunities
- Expands stagnant real estate tax bases to stimulate economic growth and enhance the public good

These redevelopment projects would not have occurred absent the availability of Tax Increment Financing.

The image at right is a scene from the Courthouse Square in Macomb, Illinois and is used with permission of The Economic Development Group, Ltd. TIF has been instrumental to the ongoing revitalization of Macomb's central business district.



TIF DISTRICTS IN ILLINOIS

Project Examples



Before



Hynd Farm Subdivision Project

Formerly a deteriorated farmhouse on 70-acres near the edge of town, **Hynd Farm Subdivision**, the City of Silvis, IL and Tax Increment Financing (TIF) transformed this area into a productive, mixed-use commercial and residential redevelopment serving the Greater Quad Cities Community. But for TIF, these developments would not have occurred.

Silvis Hynd Farm TIF District VIII Hynd Farm Subdivision Project

TIF District Established: 2006

Hynd Farm Subdivision Redevelopment Agreement: 2009

As of Tax Year 2021:

Hynd Farm Subdivision Parcels: 33

TIF Base Equalized Assessed Value: \$16,482

Current Equalized Assessed Value: \$4,458,608

Total Verified TIF Eligible Project Costs: \$6,736,702

Annual TIF Real Estate Tax Increment: \$455,606

Cumulative TIF Reimbursements: \$5,344,352

City Contact Information:

Matthew Carter, Mayor

City of Silvis

121 11th Street

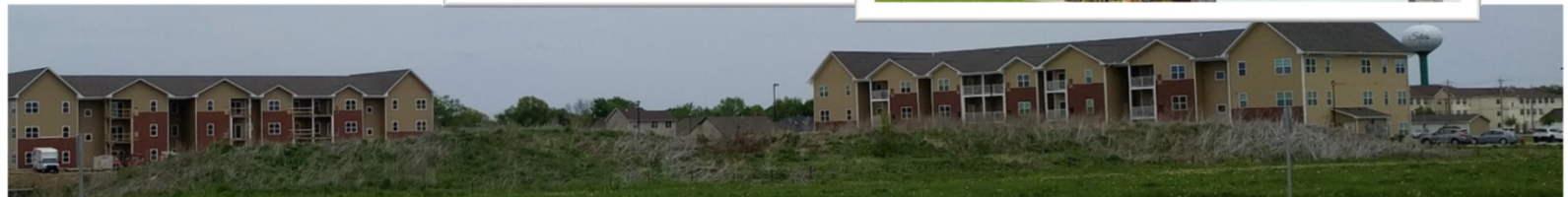
Silvis, IL 61282

Ph: (309) 792-9181

<https://www.silvisil.org/>



After



TIF DISTRICTS IN ILLINOIS

Project Example



90 North TIF District Site

Schaumburg, Illinois

<https://90northschaumburg.com/>

The **90 North TIF District Site** was designed to transform the former Motorola Solutions campus and adjacent property anchored by the Schaumburg Convention Center into a 300+ acre mixed-use community in Schaumburg, Illinois. Once completed, the project will feature a variety of housing types, new Class A office space, numerous entertainment and hospitality options, and street retail districts. This future live/work/play neighborhood is only possible due to tax increment financing (TIF). The 90 North Project is part of a multiphase redevelopment. The Village is using TIF revenues to support the demolition of former Motorola buildings that would have been difficult to repurpose for modern users, fund placemaking efforts, and fund the public infrastructure improvements such as new roads, tollway interchanges, utilities and more to make the Project possible. To date, the Village has entered into multiple redevelopment agreements with private developers and end users to support the redevelopment of the site. There are already new office buildings, a 260-unit apartment building, 260 rowhomes, and Top Golf with additional uses in the near-term pipeline including a walkable, mixed-use core. But for TIF, these projects and future projects would not have been developed, thereby allowing this large, underutilized site to transform into a vibrant new neighborhood.

North Schaumburg TIF District

TIF District Established: 2014

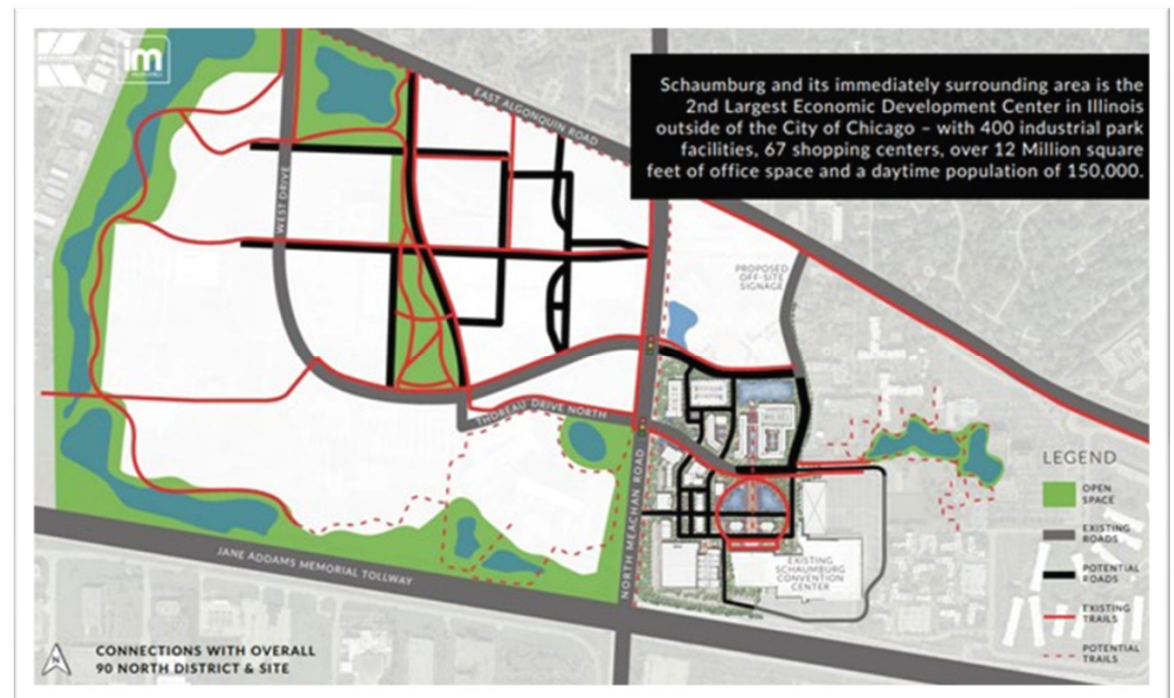
As of Tax Year 2021:

TIF Base Equalized Assessed Value: \$210,288,326
Current Equalized Assessed Value: \$376,990,246
Total Verified TIF Eligible Project Costs: \$282,108,142
Annual TIF Real Estate Tax Increment: \$15,674,778
Cumulative TIF Reimbursements: \$224,283,290
(\$46,230,723 payments from RDA's with Sunstar, Motorola, Zurich and Urban Street Group)

City Contact Information:

Mr. Matt Frank
Director of Economic Development
Village of Schaumburg
(847) 923-3853

<https://www.villageofschaumburg.com/>



TIF DISTRICTS IN ILLINOIS

Project Example



Heritage Harbor Waterfront Resort

111 Harbor View Drive, Ottawa, Illinois

<https://www.visitheritageharbor.com/>

Heritage Harbor-Ottawa is a riverfront residential and recreational destination located 90 minutes from Chicago and within the **Ottawa Canal TIF District**. This site is adjacent to the Illinois River, near the Heritage Corridor access to the 97-mile I&M Canal Trail, and within the heart of the Starved Rock State Park countryside. But for TIF, this project would not have been possible.

Ottawa Canal TIF District – Heritage Harbor Resort Project

TIF District Established: 2006

Heritage Harbor Redevelopment Agreement: 2007

As of Tax Year 2021:

Heritage Harbor-Ottawa Parcels: 71

TIF Base Equalized Assessed Value: \$1,135,086

Current Equalized Assessed Value: \$17,345,500

Total Verified TIF Eligible Project Costs: \$39,680,869

Annual TIF Real Estate Tax Increment: \$1,611,246

Cumulative TIF Reimbursements: \$7,637,982

City Contact Information:

David Noble, Director of Economic Development

City of Ottawa

301 W. Madison St.

Ottawa, IL 61350

Ph: (815) 433-0161 ext. 220

<https://cityofottawa.org/>



Before

After



TIF DISTRICTS IN ILLINOIS

Project Examples



Trefzger's Bakery

4416 N Prospect Rd, Peoria Heights, IL 61616

<https://www.trefzgersbakery.com/>

Trefzger's Bakery, a result of Tax Increment Financing (TIF) working in tandem with multiple other funding sources, provides the Greater Peoria Area with baked goods from breakfast pastries and cookies to cream pies to wedding and special party cakes. The second-story "Trailside" event venue offers panoramic views of Peoria Heights in a setting of exposed bricks and wooden beams. In addition to the extensive exterior restoration, the original pine floors of this historic 150 yr. old former bicycle factory were preserved and fully restored as well.

Peoria Heights TIF District No. 1

Trefzger's Bakery Project

TIF District Established: 2015

Trefzger's Bakery Redevelopment Agreement: 2015

As of Tax Year 2021:

Trefzger's Bakery Parcel: 1

TIF Base Equalized Assessed Value: \$64,280

Current Equalized Assessed Value: \$778,270

Total Verified TIF Eligible Project Costs: \$1,600,000

Annual TIF Real Estate Tax Increment: \$66,698

Cumulative TIF Reimbursements: \$1,600,000

City Contact Information:

Dustin Sutton, Village Administrator

Village of Peoria Heights

4901 N. Prospect Rd.

Peoria Heights, IL 61616

Ph: (309) 686-2385

<https://www.peoriaheights.org/>



Before



Restored Exterior

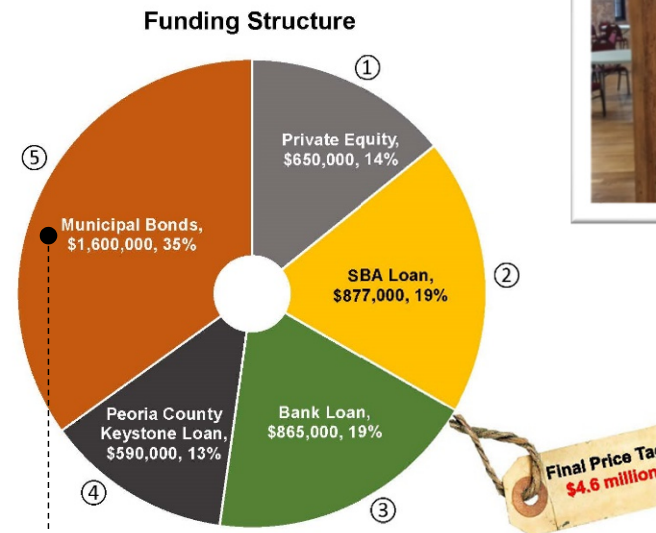


After

2nd Level Event Center



Restored Interior — Ground Floor Bakery



Municipal (General Obligation – Alternate Revenue) Bonds were issued as a negotiated private placement with a local bank to provide \$1.6 million of gap financing for the Trefzger's Bakery Project. The annual bond debt service is backed by a pledge of TIF real estate tax increment, municipal sales taxes and Business Development District retailers' occupation tax generated by the Project, a subordinated mortgage lien on the property, and an additional Special Service Area Real Estate Tax that is annually abated by the Village unless there is a shortfall in the pledged revenue sources. But for TIF, this project would not have been possible.

TIF DISTRICTS IN ILLINOIS

Project Example



Cook Medical

300 E Elm St, Canton, IL 61520

<https://www.cookmedical.com/>

Cook Medical develops technologies that eliminate the need for open surgery. The company manufactures and provides essential medical devices to healthcare systems around the world. In 1983, International Harvester reported a \$165 million loss and announced permanent closure of the Canton, Illinois plant. When the IH plant closed, more than 3,000 jobs were lost and the equivalent of twenty percent (20%) of Canton's population was suddenly out of work. Vacant for several years, the entire 33-acre site was eventually destroyed in 1997 by an arson fire. The fire left physical hazards due to damaged buildings as well as damaged and deteriorating asbestos-containing waste materials open to the environment in many areas. With Brownfield Grant Funds and Tax Increment Financing, more than 2,000 chemical containers and 19,000 tons of contaminated material were removed by the City of Canton. Cook Medical now has begun to bring jobs and new redevelopment to this area. But for TIF, this site would still be a contaminated former industrial site within the heart of the Canton community.

Canton 1 - Downtown/5th Avenue TIF District Cook Medical Project

TIF District Established: 2004

Cook Medical Redevelopment Agreements: 2012

As of Tax Year 2021:

Cook Medical Parcels: 4

TIF Base Equalized Assessed Value: \$0

Current Equalized Assessed Value: \$3,384,270

Total Verified TIF Eligible Project Costs: \$1,418,472

Annual TIF Real Estate Tax Increment: \$348,431

Cumulative TIF Reimbursements: \$418,422

City issued \$4 million of bonds in 2009 for which TIF funds were pledged to pay for a portion of the I-H Site clean-up.

City Contact Information:

Kent McDowell, Mayor

City of Canton

2 N. Main St.

Canton, IL 61520

Ph: (309) 647-0065

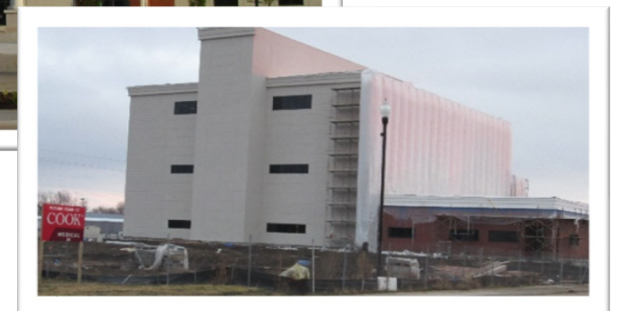
<https://www.cantonillinois.org/>



Before



After



TIF DISTRICTS IN ILLINOIS Project Example



Archer Daniels Midland Company (ADM Milling)

110 E 12th St., Mendota, Illinois

ADM Milling, the largest (new) flour mill ever constructed as of 2019, is located in Mendota, Illinois, about 100 miles west of Chicago. The mill serves ADM's markets for flour from the Chicagoland area and northwest Indiana to northwest Ohio, southern Wisconsin and northeast Iowa. The Mendota mill features three milling units offering a total of 3 million pounds of daily flour milling capacity. The A and B units mill hard red winter and spring wheat while the C unit is a swing mill, able to grind soft wheat, hard wheat or whole wheat ground from hard winter or spring wheat, including fine whole wheat flour. Soft wheat for the mill is originated locally and delivered by truck while spring wheat and hard winter wheat is shipped by rail. The mill has a loop track with capacity to unload 110-car unit trains. The mill is served by the Burlington Northern railroad and is located near Interstate-39 and Interstate-80 highways. A 30,000-square-foot warehouse on the site can simultaneously load three semi-truck trailers. The mill has 2.75 million bushels of wheat storage dedicated to the flour mill and 4 million bushels of corn storage. ADM Milling also achieved carbon neutral status, which it passes on to consumers and farmers through sustainability programs that offer payments per acre for locally-grown crops. TIF has been instrumental for expanding wheat production and flour milling capacity in northern Illinois.

Mendota 2017B TIF District ADM Milling Project

TIF District Established: 2017

ADM Redevelopment Agreement: 2020

As of Tax Year 2021:

ADM Parcels: 2

TIF Base Equalized Assessed Value: \$1,098,467

Current Equalized Assessed Value: \$9,206,739

Total Verified TIF Eligible Project Costs: \$14,430,421

Annual TIF Real Estate Tax Increment: \$771,182

Cumulative TIF Reimbursements: \$664,112

City Contact Information:

Emily McConville, City Clerk & Economic Dev. Dir.

David W. Boelk, Mayor

City of Mendota

800 Washington St, PO Box 710

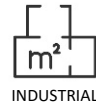
Mendota, IL 61342

Ph: (815) 539-7459

<http://www.mendota.il.us/>



TIF DISTRICTS IN ILLINOIS Project Example



PetSmart Distribution Center

910 N 3059th Rd., Ottawa, Illinois

<https://www.petsmart.com/>

and on Facebook at <https://www.facebook.com/PetSmartDC36Ottawa/>

PetSmart Distribution Center is located at the Interstate Commerce Center, an 80-acre, master-planned business park located on Interstate 80 at Illinois Route 23. Located on 64 acres, this 1,000,000 sq. ft. build-to-suit facility was constructed within the Ottawa I-80 North Tax increment Financing (TIF) District. The City of Ottawa reimbursed 63% of the real estate tax increment generated by the property to the Developer on an annual *pay-as-you-go* basis for TIF eligible project costs incurred and verified for the Project. But for TIF, Ottawa would not be the logistical hub that it is today.

Ottawa I-80 North TIF District

PetSmart Distribution Center

TIF District Established: 1993

PetSmart Redevelopment Agreement: 2004

As of Tax Year 2021:

PetSmart Distribution Center Parcels: 1

TIF Base Equalized Assessed Value: \$16,451

Current Equalized Assessed Value: \$9,333,333

Total Verified TIF Eligible Project Costs: \$7,342,682

Annual TIF Real Estate Tax Increment: \$913,862

Cumulative TIF Reimbursements: \$7,342,682

City Contact Information:

David Noble, Director of Economic Development

City of Ottawa

301 W. Madison St.

Ottawa, IL 61350

Ph: (815) 433-0161 ext. 220

<https://cityofottawa.org/>



TIF DISTRICTS IN ILLINOIS PROJECT EXAMPLES

This material was prepared for discussion and educational purposes only by Jacob & Klein, Ltd. and The Economic Development Group, Ltd., in consultation with SB Friedman Development Advisors, and at the direction of the Illinois Municipal League (IML) Municipal Managers Committee:

- Julia Cedillo, Village Manager, La Grange Park
- Reid Ottesen, Village Manager, Palatine
- Patrick Urich, City Manager, Peoria
- Bob Barber, Village Administrator, Beecher
- Walter Denton, City Administrator, O'Fallon
- JoAnn Hollenkamp, City Manager, Greenville
- Scott Niehaus, Village Manager, Lombard
- Regan Stockstell, Village Manager, Richton Park
- Gary Williams, City Manager, Carbondale
- Scot Wrighton, City Manager, Decatur
- ILCMA Liaison: Dawn Peters, Executive Director, ILCMA

For more about Tax Increment Financing, see the companion presentation sponsored by the IML Municipal Managers Committee entitled: *"TIF Districts in Illinois: How Many and Where Are They? – How does it work? – Why is it vital?"*

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