

# Panduit Legacy Tax Increment Financing (TIF) District

*TIF Public Information Meeting*

*March 10, 2016  
6:30 p.m.*



*Village of Tinley Park, Illinois*

This map shows a section of Oak Forest, Illinois. A thick black line outlines a specific area, likely the subject of the report. The map includes the following labels:

- FULTON ELEMENTARY SCHOOL** (Elementary)
- OAK PARK AVENUE METRA STATION**
- OAK FOREST AVENUE**
- RIDGELAND AVENUE**
- PANDUIT'S LEGACY SITE**
- 175TH STREET**
- 177TH STREET**
- TINLEY PARK HIGH SCHOOL**

Other visible features include various residential streets (e.g., 173rd St, 174th St, 175th St, 176th St, 177th St, 178th St, 179th St, 180th St, 181st St, 182nd St, 183rd St, 184th St, 185th St, 186th St, 187th St, 188th St, 189th St, 190th St, 191st St, 192nd St, 193rd St, 194th St, 195th St, 196th St, 197th St, 198th St, 199th St, 200th St, 201st St, 202nd St, 203rd St, 204th St, 205th St, 206th St, 207th St, 208th St, 209th St, 210th St, 211th St, 212th St, 213th St, 214th St, 215th St, 216th St, 217th St, 218th St, 219th St, 220th St, 221st St, 222nd St, 223rd St, 224th St, 225th St, 226th St, 227th St, 228th St, 229th St, 230th St, 231st St, 232nd St, 233rd St, 234th St, 235th St, 236th St, 237th St, 238th St, 239th St, 240th St, 241st St, 242nd St, 243rd St, 244th St, 245th St, 246th St, 247th St, 248th St, 249th St, 250th St, 251st St, 252nd St, 253rd St, 254th St, 255th St, 256th St, 257th St, 258th St, 259th St, 260th St, 261st St, 262nd St, 263rd St, 264th St, 265th St, 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# General Location

- Approximate Boundaries
  - North – Oak Forest Avenue and a portion of railroad ROW
  - South – 175<sup>th</sup> Place, 176<sup>th</sup> St., 177<sup>th</sup> St.
  - East – Village limits (east of Tinley Park HS)
  - West – 66<sup>th</sup> Court, 67<sup>th</sup> Avenue, 67<sup>th</sup> Court
- 217 acres
- Residential, industrial, institutional, commercial, railroad uses, and rights-of-way.

# What is Tax Increment Financing (TIF)?

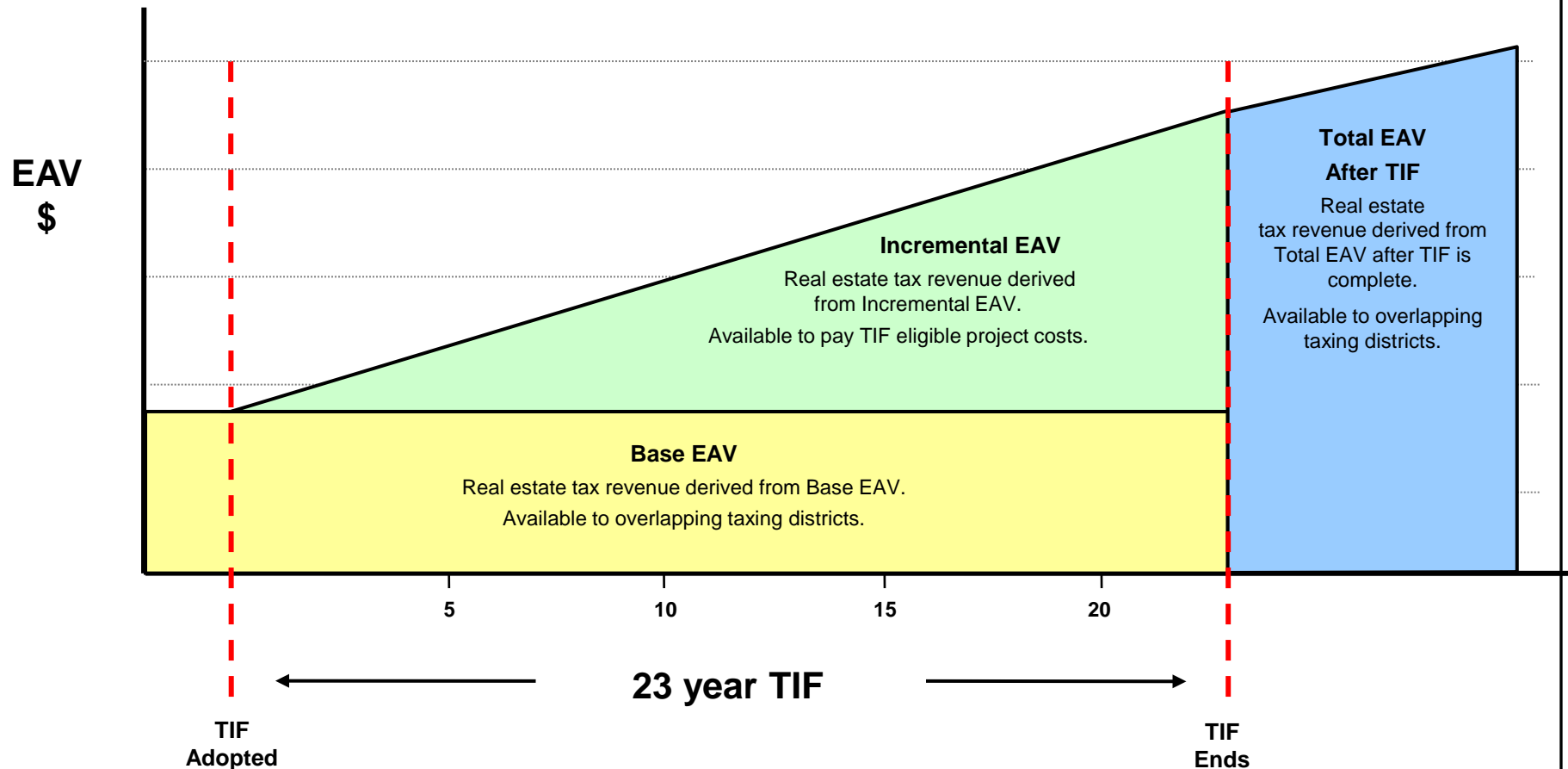
- A tool to help local governments restore run-down areas or jumpstart economically sluggish parts of town.
- TIF's help local governments attract **private development** and new businesses.
- TIF's help local governments make the improvements that are needed, such as new roads, sewers, and water mains.
- Allows redevelopment costs to be comparable to green grass development costs, therefore “incenting” redevelopment.

# What is a Tax Increment?

- It is **not** a tax increase.
- It is the difference between the amount of property tax revenue generated before a TIF district is established and the amount of property tax revenue generated after the TIF district has new development.
  - TIF does not reduce property tax revenues available to other taxing bodies.
  - Only property taxes generated by the incremental increase are available for use by the TIF and within the TIF.

# How does TIF work?

## Before and After: Entire TIF



# Convention Center Area & Oak Park Avenue TIF



- Public Improvements
- New Developments
- Future Developments

## LEGEND

-  Oak Park Avenue TIF District
-  Public Improvements
-  New Developments
-  Future Developments

*Village of Tinley Park Planning Department - March 2016*



# How do you establish a TIF?

- Identify an area with physical and economic deficiencies.
- Prepare an Eligibility Report and Redevelopment Plan.
- Hold a **Public Information Meeting** to discuss the proposed TIF. *(March 10, 2016)*
- Convene a Joint Review Board. *(April 22, 2016)*
- Conduct a public hearing where residents and other interested parties can express their thoughts on the subject. *(June 7, 2016 )*
- Adopt TIF Ordinances to establish the TIF. *(July 5, 2016 at earliest)*
- No state or federal approval is required.
- Law allows a TIF district to exist for a maximum of 23 years. TIF districts may be terminated earlier if all financial obligations are paid-off and the Village Board votes to terminate the district.



# Eligibility Study

- Review and document the Criteria for Eligibility
- Eligibility class definitions include: Blighted, Conservation, Combination of Blighted and Conservation, or Industrial Conservation
  - **Conservation** (Land with Buildings/Improved)
    - 13 Criteria: 3 must be met, AND over 50% of buildings over 35 years of age (**5 criteria are met as well as age requirement**)
  - **Blighted**
    - Improved Land (land with buildings) - Does not apply
    - Vacant Land - Does not apply
  - **Industrial Conservation**
    - Does not apply

# Proposed TIF's Qualifications

## Conservation Area

- Improved Land - 13 criteria: At least 3 must be met and over 50% of buildings over 35 years of age (**5 criteria are met as well as age requirement**)
  1. Obsolescence
  2. Deterioration
  3. Excessive Land Coverage and Overcrowding of Structures and Community Facilities
  4. Lagging EAV
  5. Lack of Community Planning
  - 212 of 250 structures over 35 years of age (85%)

# Redevelopment Plan

- Introduction and Eligibility
  - Describes the community and its issues
- Redevelopment Goals and Objectives
  - Provides overall framework for guiding decisions during implementation of the TIF Plan
- Program Policies and Implementation
  - Outlines general activities and financing techniques to achieve the redevelopment Goals and Objectives
- Project Costs
  - Provides a maximum limit of expenditures by statutory categories
  - Village is not committed to finance all of the Redevelopment Project Costs in Plan
- Program Certifications and Findings

# Housing Impact Study

**According to the TIF Act, the municipality must determine the need for a housing impact study, based on if 10 or more inhabited residential units are to be displaced, and certify if the above criteria are not met.**

The Village of Tinley Park certifies that:

- 1) There are more than 75 inhabited residential units in the Redevelopment Project Area.
- 2) This Redevelopment Plan and Redevelopment Project **will not** result in the displacement of residents from ten (10) or more inhabited residential units.
- 3) A housing impact study is not required.

# Key Findings

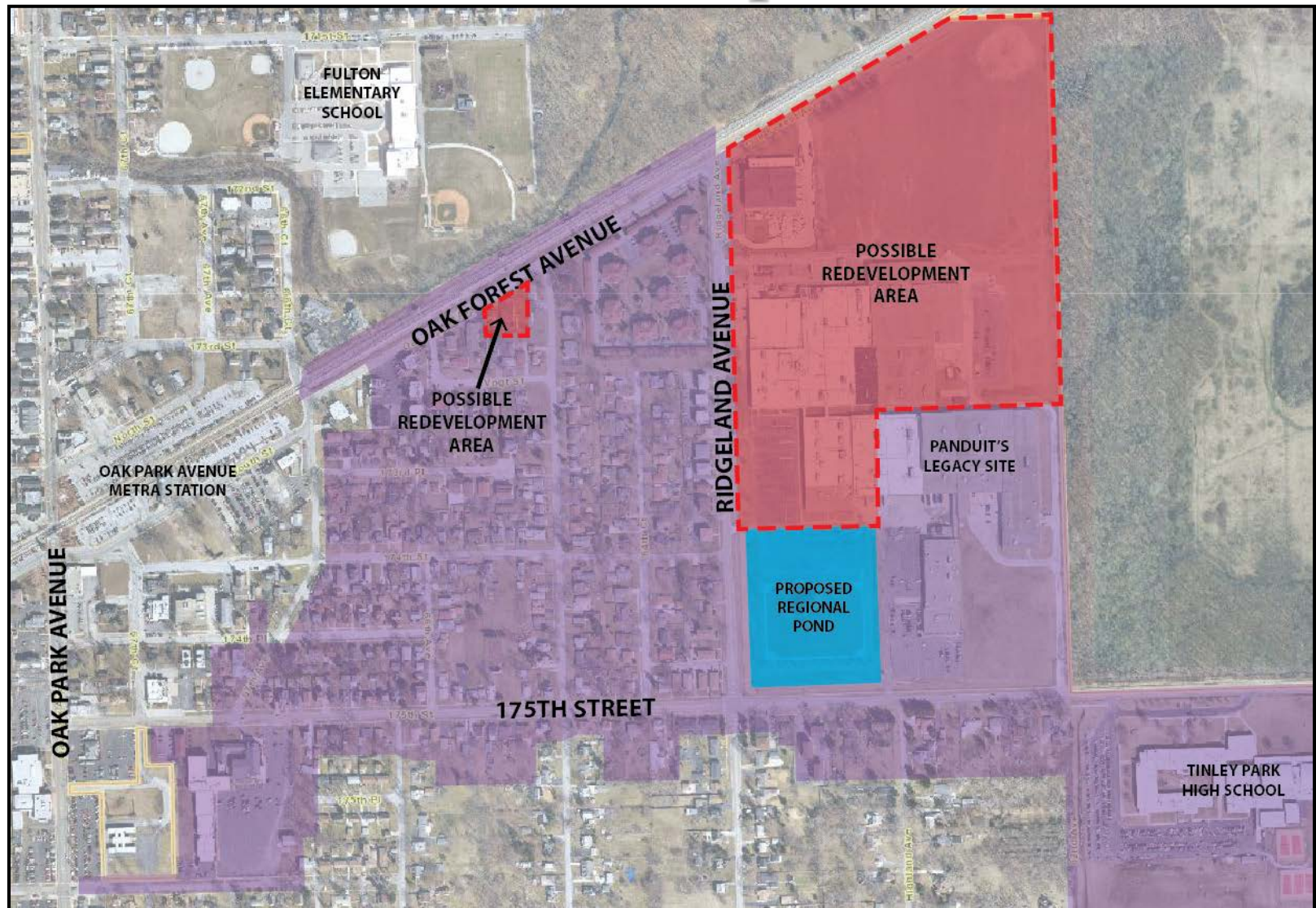
- Conservation Area factors are reasonably present and distributed throughout the Redevelopment Project Area.
- Costs to redevelop the area are extraordinary.
  - TIF funds can be spent on projects for properties within the TIF boundaries.
- Area as a whole has not been subject to growth and development through private enterprise and it would not be reasonably anticipated to redevelop without TIF.
- Conforms to the Comprehensive Plan of the Village.
- This Redevelopment Plan and Redevelopment Project **will not** result in the displacement of residents from ten (10) or more inhabited residential units.
- Passes the “But For” test.

# Project Resources

## Participants in the TIF Process

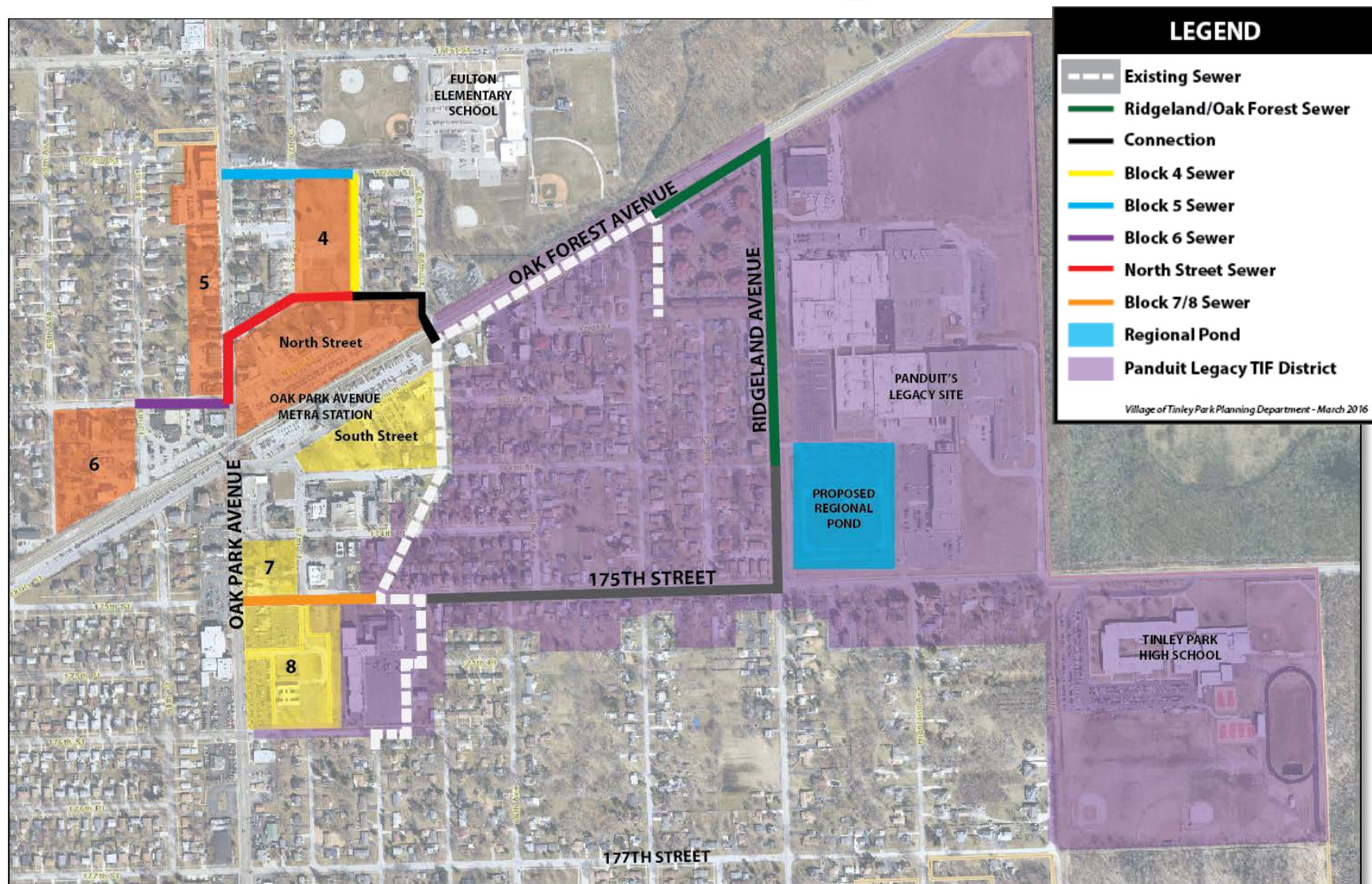
- Residents and Property Owners
- Elected Officials
- Village Manager and Staff
- Village Attorney
- County
- Other Taxing Bodies
- TIF Consultant (Ehlers)

# Possible Redevelopment Areas





# Stormwater Public Improvements



# Questions?