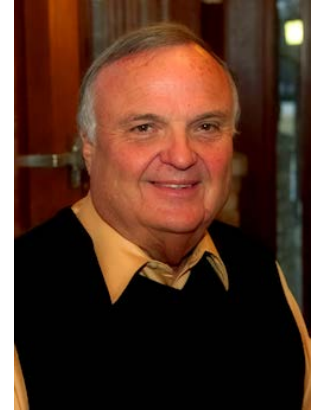


## **The Mayor's Corner**

with Edward J. Zabrocki

Nov. 20, 2014

As I've mentioned before in previous "Mayor's Corner" columns, the Village is currently negotiating a purchase agreement with the State of Illinois to buy the 280-acre Tinley Park Mental Health Center property. As part of that plan, we're also looking into the possibility of creating a tax increment financing (TIF) district in that area to help pay for costs associated with cleaning up and developing the property. But what exactly is a TIF, and why does the Village use them?



TIF is an economic development tool used to generate revenue for public improvement projects such as this. Simply put, TIFs allow development to happen without having to dip into the general fund. Once a TIF district is created, tax revenue for said district is frozen at a base year, and the revenue from any increases in property values for the next 23 years (the maximum life span of a TIF) can be used for public improvements within the redevelopment area. For example, if property taxes are \$5,000 when the TIF goes into effect and \$5,400 the next year, that extra \$400 goes to the TIF instead of being distributed to the taxing bodies as it normally would.

The Village would use this tax increment to fund various public improvements and TIF-eligible expenses without using our normal general fund dollars and without putting any additional tax burden on our residents and business owners.

The Village already has three TIF districts in town. Two of these are on North and South streets in Downtown Tinley, and the third encompasses the Tinley Park Convention Center. Thanks to TIFs, we were able to turn a bean field generating zero tax dollars for the Village into one of the best and most profitable convention centers in the area.

The revenue the convention center TIF generated since its creation in 1995 enabled the Village to build a world-class, state-of-the-art convention center that attracts thousands to Tinley Park every year. We couldn't have done it without the TIF, because we wouldn't have had the funds. We can look to the continued success of the Tinley Park Convention Center as proof that TIF districts can be self-sustaining when used properly.

Our next step will be to meet individually with each of the taxing bodies to discuss the creation and implementation of this new, fourth TIF district. I'll keep you all abreast of the situation as it unfolds. With the use of this effective economic development tool, the Village will be able to achieve our vision of a best-in-region development based on core values of community, beauty, authenticity, sustainability, health and happiness.

This project excites me, and I hope it excites you, too.

A handwritten signature in black ink, reading "George Galvach". The signature is written in a cursive style with a large, prominent initial "G".