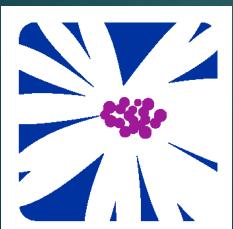
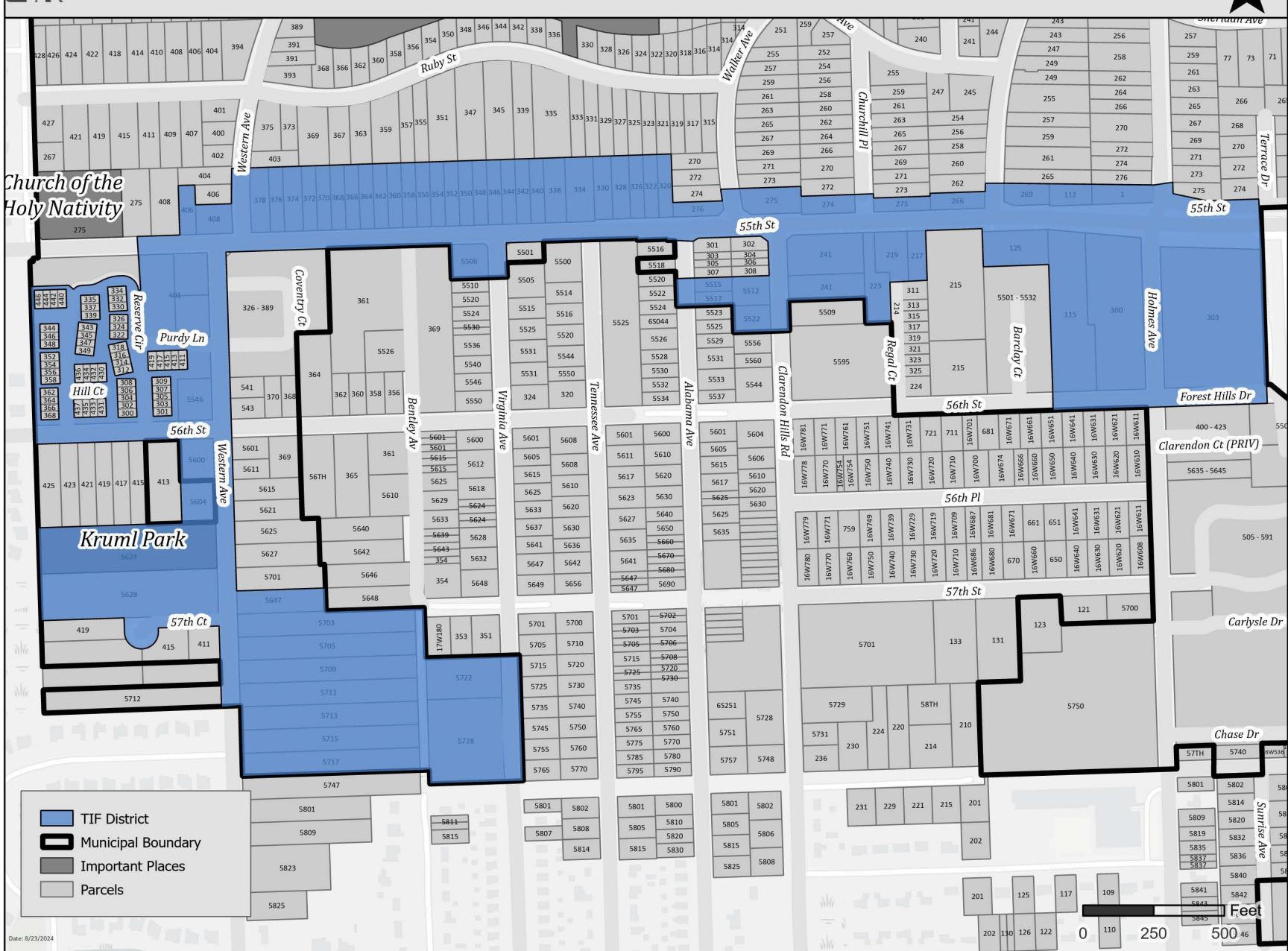


Proposed 55th Street TIF

OVERVIEW

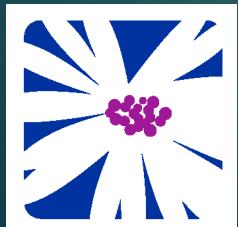
55th St Tax Incremental Financing (TIF) District

N



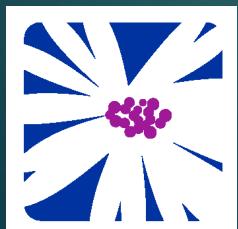
History

- ▶ Area mostly developed as unincorporated under DuPage County
- ▶ No master planning for the area
- ▶ Substandard infrastructure
 - Approved by County/ Maintained by Township
- ▶ Many towns are struggling with the same issues in Unincorporated Areas



History

- ▶ 2016 Water Capacity Study
 - Identified water capacity issues
- ▶ 2017 Subarea plan
 - Identified traffic issues, stormwater issues, pedestrian safety
 - Reidentified water issues
 - Village accepted plan, however not fiscally feasible to address issues
- ▶ 2022- Board rejected proposed Tracy's Tavern Development
- ▶ 2023- Village Board reviewed economic development possibilities
- ▶ March 2024- Village reauthorized Ryan Group to look at economic development tools including TIF feasibility



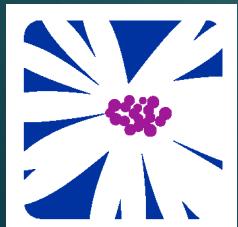
Objectives

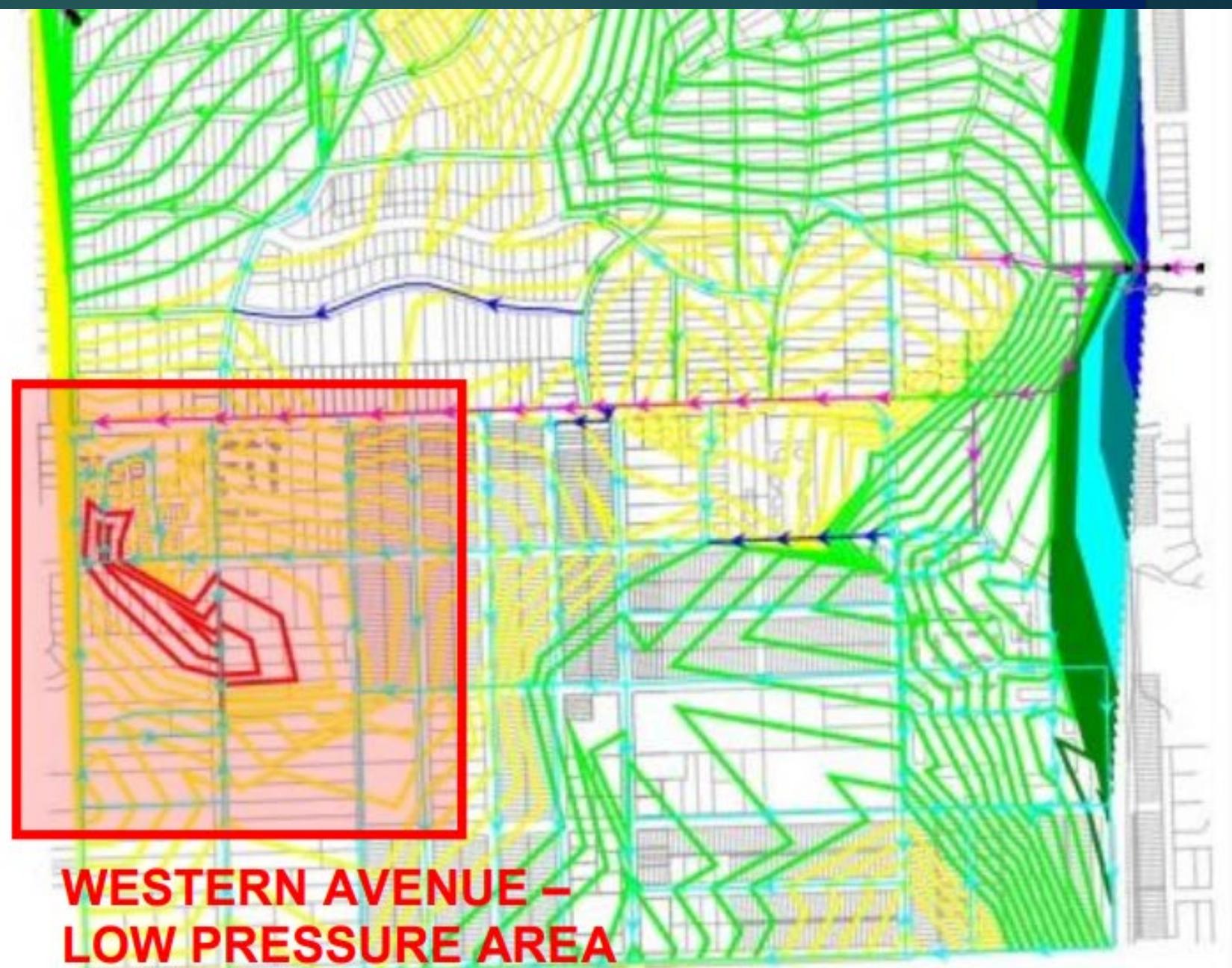
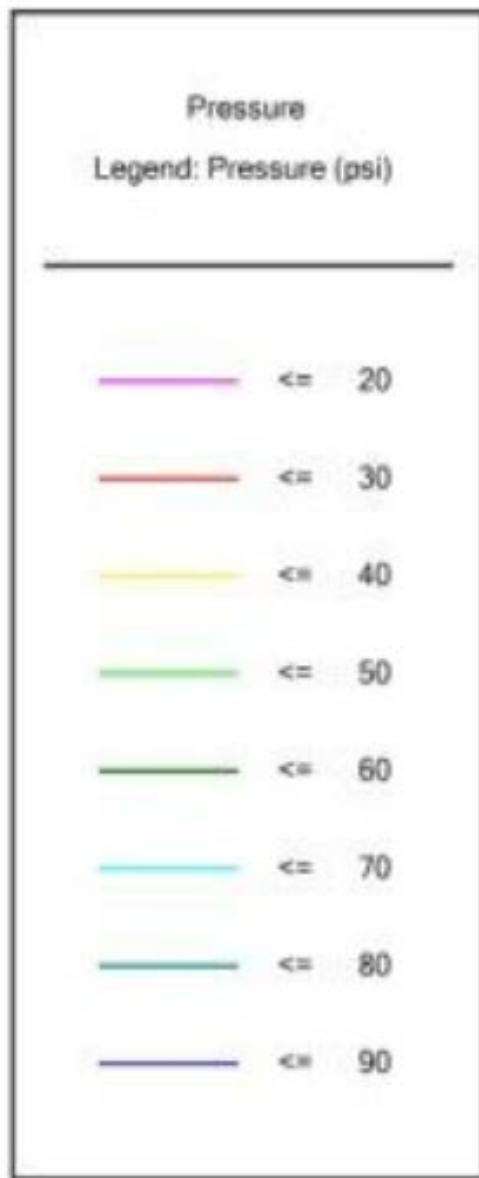
- ▶ Increase and retain tax base
 - Village has very limited commercial base
- ▶ Find funding sources for infrastructure needs
 - TIF increment from new construction
 - Sales tax from new developments
- ▶ It is a very small TIF with modest aims
 - Develop former Tracy's site and 5506 Virginia
 - Use increment as a partial contribution towards infrastructure
 - Protect existing businesses like Jewel and Country House by incentivizing investments



FAQs: Parcel Choices

- ▶ Western Ave
 - Included as low point in the water system
 - No future redevelopment expected due to teardowns in 2020
 - Possible water storage options





Source: Ciorba Group (2016 Water Capacity Study)

FAQs: Parcel Choices

- ▶ Properties not included
 - Lowest number of residential properties possible to meet objectives
- ▶ Northside of 55th Street
 - No Redevelopment is Planned
 - Included as they run along watermain and connects the east and west side of the parcels we wanted within the TIF
 - Unincorporated (south on 55th Street) cannot be included
 - Village offered to rebate 100% of revenues from properties to schools



FAQs: Parcel Choices

- ▶ Jewel
 - Concern regarding ongoing grocery consolidations
 - One of the Biggest taxpayers in the Village
 - Outdated store format (smallest and oldest in Downers Grove Township)
- ▶ PNC
 - Branch closures
 - Outdated format
- ▶ Country House
 - ADA issues



FAQs: Development Issues in Subarea

- ▶ Lagging behind the development of other areas within District 86
 - Water pressure/quality
 - No sidewalks
 - Flooding
- ▶ If partially funded infrastructure entire Subarea may see increased investment
 - Most of Subarea not within the TIF and therefore tax growth accrues to the Districts
 - ❖ Village estimates \$2.1 Million ANNUALLY to District 60 if the area redevelops



FAQs: Public Safety Issues- Subarea

- ▶ Crashes at 55th and Western
 - Traffic Study in 2022
- ▶ Water pressure for fire suppression
 - Tankers bringing in water
 - Hydrants turned backwards
- ▶ Water storage below emergency levels currently

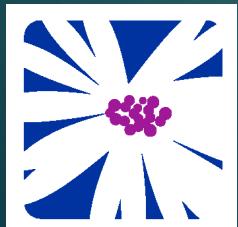


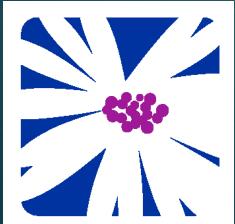
Table 4.6: Emergency Storage Volume Calculation – Existing Condition

Volume / Demand	Calculation
Average Daily Demand	0.778 MGD
2 x Average Daily Demand	1.556 MG
Existing Storage Volume	1.250 MG
Emergency Volume Shortfall	(0.306 MG)

This calculation was also completed based on the Village's current operating settings, taking into account elevated reservoir set points, and pump limitations as discussed in **Section 2.3.2**.

Table 4.7: Emergency Operating Volume Calculation – Existing Condition

Volume / Demand	Calculation
Average Daily Demand	0.778 MGD
2 x Average Daily Demand	1.556 MG
Existing Operating Volume	0.580 MG
Emergency Volume Shortfall	(0.976 MG)



Source: Ciorba Group (2016 Water Capacity Study)

Table 4.9: Emergency Operating Volume Calculation – Future Condition

Volume / Demand	Calculation
Average Daily Demand	0.854 MGD
2 x Average Daily Demand	1.708 MG
Existing Operating Volume	0.580 MG
Emergency Volume Shortfall	(1.128 MG)

Source: Ciorba Group (2016 Water Capacity Study)



FAQs: Impact on Schools

- ▶ EAV of areas is only 1.8% of total District 60, 0.226% of District 86
 - Contribution to tax levy frozen at 2024 levels
- ▶ CFO District 60 estimates \$3.8 million to \$6.6 million over 23 years
 - At the high end less than 1% of the District Budget
 - Does not include rebates from Village in the proposed IGA
- ▶ Multiple Residents sent Village Projections
 - John Kroll- \$1,342,405 impact on District 60 over 23 years
 - Sinead Duffy- \$7,600,074 and \$12,350,120 based on proposed TIF Budgets
- ▶ All Projection include “Natural Growth” and therefore are overstating the possible impact
- ▶ Village historically has rebated any excess funds in regard to TIFs



FAQs: Village Proposed IGA

- ▶ Declare 20% of all tax increments in the TIF District
- ▶ Declare 50% of the increment from the Jewel property
- ▶ Declare 100% surplus the increment from residential properties on the north side of 55th from Western Ave to Prospect Ave.
 - Removes virtually all financial impact to District 181.
- ▶ Terminate the Ogden Avenue TIF four (4) years early and refund the existing fund balance.
 - This compromise makes the net impact of the two TIFs' cashflow positive to both District 86 and 181 for the initial years of the proposed 55th Street TIF.
- ▶ Provide additional tuition reimbursement beyond the requirements of the TIF Act
 - TIF is required to reimburse for any students generated



FAQs: Alternative Funding

Non-Viable

- ▶ Special Services Areas/Assessments not viable
- ▶ Insufficient funds in the 10-year capital plan
- ▶ Water fund projected deficit position

Viable

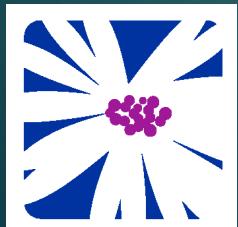
- ▶ Water revenues generated by new properties
- ▶ Annexation fees
- ▶ State Grants
- ▶ IEPA subsidized water loans

A GAP WOULD STILL EXIST EVEN WITH THESE TOOLS



FAQs: Rumors

- ▶ Residents taxes increase due to TIF
 - Misleading – TIF diverts tax growth dollars within a TIF District
- ▶ Teardown the Birches
 - False
- ▶ Teardown Seton Montessori
 - False
- ▶ Force people from their homes
 - False



Overview

- ▶ Win-Win
 - Increased tax base for all parties
 - Early rebate of funds
 - Development outside of TIF
 - Increase safety for area residents
- ▶ Will not occur without TIF
 - No progress on 55th Subarea Plan since 2017
 - Not enough funding for infrastructure
 - Potential developments/improvement would have many more financial challenges
- ▶ Continue Dialogue

