Maywood - Melrose Park - Broadview School District 89

Memorandum

To: Dr. Michael Robey

From: Alan Hahn, Consultant

Dated: December 6, 2012

Re: TIF Districts

Attached is a spreadsheet showing the Tax Increment Financing (TIF) Districts within School District 89's boundaries. I'd be glad to discuss this with the Board at the next Finance Committee meeting.

Please note on the attached sheet, column H shows the Equalized Assessed Value (EAV) within School District 89 that was frozen at the time the TIF district was established. Note in column G the Total EAV of the TIF districts within the same District 89 boundaries for the most recent 2011 tax year. Finally note column I is the incremental EAV, or the growth in the TIF district since it was created. All the property tax revenue on Incremental EAV (column I) is shifted to the TIF and away from the original districts. For the life of the TIF district, it gets the revenue from all the taxing bodies on the incremental EAV. Note column M is the amount of tax diverted from School District 89 each year to subsidize the eleven TIF Districts. The column M tax of \$1.9 million represents District 89's tax rate of 2.32 times the total incremental EAV from the TIF districts. This revenue will eventual come back to the school district after all the TIF's are ended.

Note that the St. Charles Rd TIF in Maywood is one of the oldest of the TIF districts that started in 1990 (there's also an older one in Melrose Park.) It will be important to follow this one (and all the TIFs) since it will end in only a few years. It is important to know when the TIF's will actually end and which tax year will be the last one for the TIF to collect its revenue. The incremental EAV for the St. Charles Road TIF in 2011 was \$29,023,562. At the total 15.204 tax rate, the village received \$4,412,742 in tax revenue for 2011. Of that, \$673,347 was from District 89's share representing 89's tax rate of 2.32. When this TIF ends, the \$29,023,562 EAV will go back to District 89 as new growth. Remember, the district is allowed to levy more money as the County will extend the taxes for new growth beyond what the tax cap would otherwise allow. When this TIF ends, the \$673,347 in tax revenue could go back to the school district as long as its tax levy is high enough to capture it beyond the tax cap in the first year it is available.

Let me describe an example to point out exactly what happens to the EAV and taxes when a TIF district ends. If the St. Charles TIF in Maywood ended today, the district's EAV tax base would increase by about \$29 million, or 5.6% due to the ended TIF that becomes new growth EAV to the district. The district would have to increase its levy by at least 5.6% just to receive the additional taxes from the new growth. Also if the tax cap CPI allowed a 3.0% increase in the levy, the district would need to increase its tax levy by another 3.0% in order to receive the tax cap allowed increase. Therefore, in order to receive the taxes allowed by the tax cap CPI increase and the new growth from added property from the TIF, the district would need to increase its tax levy by at least 8.6% in that year.

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	H
	_						
Tax Increment Financing (TIF) Districts as of 2011							
within Maywood-Melrose Park-Broadview Scho	ool District 89						
					Total		
	Date	Estimated			Tax Code	2011	
Description of Agency	<u>Started</u>	<u>Date End</u>	<u>Agency</u>	<u>Tax Code</u>	<u>Rate</u>	<u>EAV</u>	<u>Frozen EAV</u>
TIF Vil of Broadview - Roosevelt Rd	9/20/1999	9/20/2022	03-0130-501	31139	9.577	5,330,218	4,780,739
TIF Vil of Broadview - 17th Ave	9/4/2009	9/4/2032	03-0130-504	31175	9.577	4,341,865	5,648,066
TIF Vil of Maywood-Madison St/5th Ave	1998***	2021	03-0750-501	31132	15.204	36,678,205	31,454,466
TIF Vil of Maywood-Madison St/5th Ave	1998***	2021	03-0750-501	31133	15.204	16,318,510	11,574,565
TIF Vil of Maywood-Roosevelt Ave	1997**	2020	03-0750-502	31130	15.204	6,959,509	4,232,738
TIF Vil of Maywood-Roosevelt Ave	1997**	2020	03-0750-502	31131	15.204	1,397,705	763,154
TIF Vil of Maywood-St Charles Rd	1992*	2015	03-0750-500	31110	15.204	12,270,323	4,942,265
TIF Vil of Maywood-St Charles Rd	1992*	2015	03-0750-500	31111	15.204	32,732,653	11,037,149
TIF Vil of Melrose Park-Chicago/Superior	12/27/2010	12/31/2033	03-0770-510	31176	8.835	15,510,251	3,576,037
TIF Vil of Melrose Park-Lake St Corridor	9/24/2007	12/31/2030	03-0770-509	31167	8.835	34,175,656	36,794,509
TIF Vil of Melrose Park-Mid Metro Ind Ar	12/11/1989	12/31/2024	03-0770-508	31151	8.835	6,412,168	5,227,326
TIF Vil of Melrose Park-North Ave/25th Ave	11/9/1998	12/31/2021	03-0770-507	31150	8.835	6,661,684	4,417,470
TIF Vil of Melrose Park-Seniors First	4/6/2001	12/31/2024	03-0770-506	31147	8.450	12,099,997	3,209,362
TIF Vil of Melrose Park-Seniors First	4/6/2001	12/31/2024	03-0770-506	31153	8.835	6,953,311	996,292
TIF Vil of Melrose Park-9th St/North Ave	4/20/1992	12/31/2015	03-0770-505	31118	8.835	9,435,812	1,005,241
						207,277,867	129,659,379
* start date 8/23/1990 per Maywood report; Cool	Co listed as 19	92					
** start date 3/27/1997 per Maywood report; Co	ok Co listed as 1	997					
*** start date 3/27/1997 per Maywood report; Co	ook Co listed as	1998					
****School District 89's portion only of tax reven	l Je currently goir	 1g					
to the TIF District. This amount comes to SD		-					

<u>B</u>	<u>C</u>	<u>l</u>	ī	<u>K</u>	<u>L</u>	M
Tax Increment Financing (TIF) Districts as of 2011 Taxes					2011	
within Maywood-Melrose Park-Broadview School District 89		TIF EAV			Capped	****Lost/
		Increment	TIF District	Agency	Funds	Potential
Date	Estimated	(SD89 EAV	Agency Tax	Distrib	SD89	New Tax
<u>Started</u>	<u>Date End</u>	<u>at end)</u>	<u>Amount</u>	<u>Percent</u>	<u>Tax Rate</u>	<u>at End</u>
9/20/1999	9/20/2022	549,479	52,624	10.3%	2.32	12,748
9/4/2009	9/4/2032	-	-	0.0%	2.32	0
	2021	5,223,739	794,217	14.2%	2.32	121,191
1998***	2021	4,743,945	721,269	29.1%	2.32	110,060
1997**	2020	2,726,771	414,578	39.2%	2.32	63,261
1997**	2020	634,551	96,477	45.4%	2.32	14,722
1992*	2015	7,328,058	1,114,158	59.7%	2.32	170,011
1992*	2015	21,695,504	3,298,584	66.3%	2.32	503,336
12/27/2010	12/31/2033	11,934,214	1,054,388	76.9%	2.32	276,874
9/24/2007	12/31/2030	-	-	0.0%	2.32	0
12/11/1989	12/31/2024	1,184,842	104,681	18.5%	2.32	27,488
11/9/1998	12/31/2021	2,244,214	198,276	33.7%	2.32	52,066
4/6/2001	12/31/2024	8,890,635	751,259	73.5%	2.32	206,263
4/6/2001	12/31/2024	5,957,019	526,303	85.7%	2.32	138,203
4/20/1992	12/31/2015	8,430,571	744,841	89.3%	2.32	195,589
		81,543,542	9,871,655			1,891,810
* start date 8/23/1990 per Maywood report; Cook Co listed as 1992						
** start date 3/27/1997 per Maywood report; Cook Co listed as 1997						
ook Co listed as	1998					
 ue currently goir	 1g					
to the TIF District. This amount comes to SD89 after TIF ends.						
	Taxes Dol District 89 Date Started 9/20/1999 9/4/2009 1998*** 1998*** 1997** 1997** 1992* 12/27/2010 9/24/2007 12/11/1989 11/9/1998 4/6/2001 4/6/2001 4/6/2001 4/6/2001 attriangle 100 00 100 11/9 100 4/6/2001 4/6/2001 attriangle 00 00 00 00 00 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100<	Taxes Dol District 89 Date Estimated Started Date End 9/20/1999 9/20/2022 9/4/2009 9/4/2032 1998*** 2021 1998*** 2021 1997** 2020 1997** 2020 1992* 2015 12/27/2010 12/31/2033 9/24/2007 12/31/2030 12/11/1989 12/31/2024 4/6/2001 12/31/2024 4/6/2001 12/31/2024 4/6/2001 12/31/2024 4/20/1992 12/31/2015 k Co listed as 1992 ok Co listed as 1997 ook Co listed as 1997 ook Co listed as 1998 uue currently going Uue currently going	Taxes Increment Dol District 89 TIF EAV Date Estimated (SD89 EAV Started Date End at end) 9/20/1999 9/20/2022 549,479 9/4/2009 9/4/2032 - 1998*** 2021 5,223,739 1998*** 2021 4,743,945 1997** 2020 2,726,771 1997** 2020 634,551 1992* 2015 7,328,058 1992* 2015 21,695,504 12/27/2010 12/31/2030 - 12/11/1989 12/31/2030 - 12/11/1989 12/31/2024 1,184,842 11/9/1998 12/31/2024 5,957,019 4/6/2001 12/31/2024 5,957,019 4/6/2001 12/31/2015 8,430,571 4/6/2001 12/31/2015 8,430,571 4/6/2001 12/31/2015 8,430,571 0x Co listed as 1992 x Co listed as 1997 x Co listed as 1998 0x Co listed as 1998 x currently going x currently going	Taxes Image: Construct 89 TIF EAV Dol District 89 TIF EAV Increment TIF District Date Estimated (SD89 EAV Agency Tax Started Date End at end) Amount 9/20/1999 9/20/2022 549,479 52,624 9/4/2009 9/4/2032 - - 1998*** 2021 5,223,739 794,217 1998*** 2021 4,743,945 721,269 1997** 2020 2,726,771 414,578 1997** 2020 634,551 96,477 1992* 2015 7,328,058 1,114,158 1992* 2015 21,695,504 3,298,584 12/27/2010 12/31/2030 - - 12/11/1989 12/31/2024 1,184,842 104,681 11/9/1998 12/31/2024 3,890,635 751,259 4/6/2001 12/31/2024 5,957,019 526,303 4/20/1992 12/31/2015 8,430,571 744,841	Taxes Increment TIF EAV Dol District 89 TIF EAV Increment TIF District Agency Date Estimated (SD89 EAV Agency Tax Distrib Started Date End at end) Amount Percent 9/20/1999 9/20/2022 549,479 52,624 10.3% 9/4/2009 9/4/2032 - - 0.0% 1998*** 2021 5,223,739 794,217 14.2% 1998*** 2021 5,223,739 794,217 14.2% 1998*** 2021 2,726,771 414,578 39.2% 1997** 2020 2,726,771 414,578 39.2% 1997** 2020 634,551 96,477 45.4% 1992* 2015 7,328,058 1,114,158 59.7% 1992* 2015 21,695,504 3,298,584 66.3% 12/27/2010 12/31/2030 - - 0.0% 12/11/1989 12/31/2024 1,184,842 10	Taxes Increment TIF EAV Capped Date Estimated (SD89 EAV Agency Tax Distrib SD89 Started Date End at end) Amount Percent Tax Rate 9/20/1999 9/20/2022 549,479 52,624 10.3% 2.32 9/4/2009 9/4/2032 - - 0.0% 2.32 1998*** 2021 5,223,739 794,217 14.2% 2.32 1998*** 2021 4,743,945 721,269 29.1% 2.32 1997** 2020 2,726,771 414,578 39.2% 2.32 1997** 2020 2,726,771 414,578 39.2% 2.32 1992* 2015 7,328,058 1,114,158 59.7% 2.32 1992* 2015 21,695,504 3,298,584 66.3% 2.32 1992* 2015 21,695,504 3,298,584 66.3% 2.32 1/2/11/1989 12/31/2024 1,184,842 104,681