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Date: March 16, 2026

To: Members of the Board of Education

From: Patrick Broncato, Superintendent, Woodridge School District 68

Subject: Intergovernmental Agreement (IGA) Between Woodridge School District 68 and Village of Woodridge Regarding 75th Street Tax Increment Financing District

Over the past four months, I have been updating the Board on the Village of Woodridge's creation of a Tax Increment Financing District (TIF). As a part of that TIF, I have provided the Board information about the Village of Woodridge's potential TIF and our attempts to negotiate with the Village. As a reminder, four school districts fall within the proposed TIF boundaries: District 99, District 66 (Center Cass), District 68 (Woodridge), and District 58. Our District 68 would only be affected by the setting of a TIF on our commercial properties on the corner of 75th and Janes, as well as Center Pointe of Woodridge (where the old Sam's was), and the Dynasty Pointe homes off of Woodward. Districts 99 and 66, however, would be significantly impacted due to the potential development of new homes on the Zigfield Troy Golf Course property. We also believe the Village may be considering a similar approach with the Village Greens Golf Course.

Over this time period, we have been negotiating with the Village of Woodridge on an Intergovernmental Agreement (IGA) that would protect us if residential or commercial improvements were made on properties within Woodridge 68 boundaries. While we don't have the potential for exposure to residential buildings as much as Center Cass 66 does with Zigfield Troy, or potentially, the Village Greens Golf Course, but we theoretically could have exposure if somehow the Village of Woodridge was able to convince the Center Pointe owners to sell and turn that area into residential or condos.

As background, the TIF Act allows municipalities to designate areas within a community that have become blighted or threatened with blighting as those concepts are defined in the TIF Act. If an area satisfies certain statutory criteria under the TIF Act, the municipality may establish a TIF district that then can generate incremental taxes for up to 23 years. A proposed TIF area must be no less than 1.5 acres in size. There are thirteen

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factors identified in the TIF Act that can be considered in designating a TIF district. If three or more are present, a municipality can make a finding that the area qualifies as a conservation area. The TIF Act requires that the eligibility factors must be reasonably distributed throughout an area and present to a meaningful extent.

The factors are subjective, and items of normal wear and tear that would normally not lead one to conclude an area is blighted or about to become blighted, would still qualify an area for a TIF designation. Prior to a municipality designating an area as a TIF district, the municipality must first convene a meeting of the joint review board (“JRB”). If a TIF district is created, then the revenue comes from the increase in equalized assessed valuation (“EAV”) and improvements that occur within the TIF district above the base assessed value. One important caveat to the whole process is that the governmental body that created the TIF, in this instance, the Village, does not have to provide for any type of IGA to the affected districts, but a common strategy is to include the affected districts in some sort of IGA to provide clarity and a continued funding source to the entities affected.

All property taxes resulting from an initial valuation, or “base value,” continue to be paid to existing taxing bodies within the TIF district. Any new real estate tax “increment” that is generated from increases in property values after this point is re-allocated and set aside for public and private redevelopment project costs within the TIF district. Affected bodies, like Woodridge School District 68, have the ability to negotiate with the TIF creating district to recover some of those taxes that would otherwise go to the School District.

As a result, our negotiations have resulted in a final IGA that I believe meets our requests. On March 4, 2026 we received a final IGA for the Board to act upon. **(See Attached)**. First, we will get 25% of the increased EAV of the improved properties on the corner of 75th and Janes, namely:

| Property Name | Improvement | Property Address |
|-------------------------|-------------------------------------------------------------------------|----------------------------------------|
| Woodridge Plaza | Pavement, facade, and sewer have all been upgraded in the last 5 months | SW Corner 75th and Janes |
| The Ridge Bar and Grill | New owner, facade, and new marquee sign for the building in 2025 | 7400 Janes Ave. Woodridge, IL 60517 |

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| 7-11 Gas Station | Recently renovated in the past seven years | 7500 Janes Ave. Woodridge, IL 60517 |
| 5/3 Bank | New pavement and curbs in November 2025 | 7515 Janes Ave. Woodridge, IL 60517 |

In addition, we will get **100% of the increase moving forward of the Citgo at 2340 75th Street**, as it is adding a brand new car wash. Essentially, the Citgo car wash is removed from the TIF.

Further, we will receive 8% of the EAV increase in all Woodridge 68 properties for the duration of the TIF, and if residential properties are created, we would get an additional 18% of the EAV increase, resulting in 26% of the EAV increase year over year. We have been in direct contact with our law firm and the IGA on these issues over the last two months, and our attorney believes this is a very fair deal for us.

Recommendation:

Approve the Woodridge Tax 75th Street Corridor Tax Increment Financing (TIF) District Intergovernmental Agreement by and between Village of Woodridge, and Woodridge School District 68, as presented.