

FOR ACTION

**Lisle Community Unit School District 202
Board of Education Meeting
February 23, 2026**

SUBJECT: Village of Lisle Downtown TIF No. 3 Extension

RECOMMENDATION: That the Board of Education approve a conditional Letter of Support for the extension of the Village of Lisle Downtown TIF No. 3, subject to receipt of a Village-approved Letter of Intent incorporating the conditions outlined below.

BACKGROUND DATA: The Village of Lisle is proposing to extend the term of the Village of Lisle Downtown TIF No. 3 from its current 23-year term to a total of 35 years, extending the TIF through December 31, 2050.

Administration recommends that the District support the proposed 12-year extension, provided that the Village first approves a Letter of Intent committing to the following terms, which will subsequently be formalized in an Intergovernmental Agreement (IGA):

1. Intergovernmental Agreement (IGA) Timeline

The Village and all overlapping taxing districts will draft, negotiate, and present a formal Intergovernmental Agreement for approval by each taxing body no later than May 30, 2026.

2. Annual Surplus Declaration and Distribution – Arbor Station Townhomes

The IGA will memorialize the Village’s commitment that 100% of the incremental property tax revenues attributable to Arbor Station Townhomes within Village of Lisle Downtown TIF #3 will be declared as TIF surplus each year.

3. School Holdback Waiver

In consideration of the Village’s commitment to annually declare and distribute the Arbor Station Townhomes increment as surplus, the District will agree in the IGA to waive any request for a statutory school holdback related to student enrollment impact attributable to the extension of Village of Lisle Downtown TIF No. 3 associated with Arbor Station Townhomes and Family Square Apartments.

FINANCIAL IMPACT: The District is projected to receive approximately \$400,000 annually beginning in 2028 in additional property tax revenue from the Arbor Station Townhomes development, subject to equalized assessed valuation and tax rate assumptions.

RECOMMENDED MOTION: That the Board of Education approve the conditional Letter of Support for the extension of Village of Lisle Downtown TIF No. 3, contingent upon receipt of a Village-approved Letter of Intent incorporating the terms outlined above.