

Request for City Council Action

Date: December 11, 2012

Agenda Section: Public Hearings and Special Reports No. 3	Originating Department: City Manager
Item: Public Hearing on the Proposed Redevelopment Project Area (Oakland-Sycamore TIF #3) No. 3.2	Approved:

Background:

The Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4.1) authorizes a municipality to designate Redevelopment Project Areas to induce private development. Redevelopment project areas are characterized as areas of the city that are endangered by the presence of blighting and/or other conservation area factors that impair the City's ability to promote private investment, provide economic growth, and expand the existing tax base.

Tax Increment Financing (TIF) provides incentives to investors that redevelop existing properties. TIF freezes the equalized assessed value (EAV) of a property and retains the tax increment generated from the improvements and subsequent increases in EAV. The increment is used to reimburse investors for redevelopment costs that include land acquisition, demolition, environmental costs, architectural design fees, legal, and interest accrued on construction loans. The City benefits by receiving a portion of the increment that can be used for public improvements within the redevelopment project area.

The first step to begin the TIF adoption process is to publish an Interested Parties Registry (IPR) to inform residents or organizations that they can register with the City to receive information on meetings and reports required by the TIF Act. The IPR was published in the *Southern Illinoisan* on August 17, 2012. Following the IPR publishing, an eligibility report, and redevelopment plan were completed to qualify TIF #3 as a redevelopment project area. The completed reports were made available for public inspection in the City Clerk's office on October 12, 2012.

On October 23, 2012, the City Council approved an ordinance to set a date for a Public Hearing to discuss TIF #3. Following this approval, notices of the Public Hearing and copies of all completed reports were mailed to all taxing districts, and the Illinois Department of Commerce and Economic Opportunity (DCEO). The notices were also sent to all addresses within 750' of the redevelopment project area boundary and to registrants on the IPR.

On November 19, 2012 the City held a Joint Review Board (JRB) meeting to answer questions from residents, property owners, or taxing districts regarding TIF #3.

In preparation for the Public Hearing, it is required that the City mail a final notice to all taxpayers of record within the TIF #3 boundary area. In addition, if taxes were unpaid for 2011 then notice was also mailed to all property owners of record for the preceding 3 years. These notices were mailed on November 27, 2012. A notice of publication is also required on 2 consecutive days at least 10 days prior to the Public Hearing. The notice was published in the *Southern Illinoisan* on November 26 and November 27, 2012.

Engineering Approval Obtained	Finance Approval Obtained	Legal Approval Obtained	Approval Obtained	Manager's Approval Obtained
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Council Action: Motion by _____ 2nd by _____ to _____

The Public Hearing is the final opportunity for public comment on the proposed adoption of TIF #3. After completing the Public Hearing the City Council may adopt an ordinance not less than 14 days, or more than 90 days, after the Public Hearing date.

Recommended Action:

Staff recommends the City Council conduct a public hearing on the proposed Redevelopment Project Area (Oakland-Sycamore TIF #3).

Exhibit B



LEGEND



PROPOSED TIF DISTRICT