

**ROCHELLE CITY COUNCIL
AGENDA ITEM MEMO
REGULAR MEETING**

SUBJECT: Ordinance Abating the Taxes Levied for 2023 to Pay the Principal and Interest on \$2,955,000 Taxable General Obligation Refunding Bonds (TIF Alternate Revenue Source), Series 2013 of the City of Rochelle

Staff Contact: Chris Cardott, Finance Director

Summary: In 2010, the Mayor and Council approved an ordinance providing for the issuance of bonds to finance offsite improvements related to the Lighthouse Pointe Subdivision and Route 38 corridor. The City subsequently issued Taxable General Obligation Bonds, Series 2010 (Recovery Zone Economic Development Bonds) for \$2,940,000. In April 2013, due to federal budget cuts which affected the subsidy available through the Recovery Zone Bond program, the Council approved the issuance of General Obligation Refunding Bonds for \$2,955,000, which included interest and bond issuance costs. The annual debt service related to these bonds is being paid through TIF revenues, instead of property taxes, when sufficient funds are available. To abate the property taxes, the proposed ordinance must be approved annually and forwarded to Lee County and Ogle County.

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:

Strategic Plan Goal Application: Maintain Fiscal Stability & Balanced Budget – Short Term Routine

Recommendation: Approve an Ordinance Abating the Taxes Levied for 2023 to Pay the Principal and Interest on \$2,955,000 Taxable General Obligation Refunding Bonds (TIF Alternate Revenue Source), Series 2013 of the City of Rochelle