

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

SUBJECT: A Resolution to Enter into an Intergovernmental Agreement with School Districts 212 and 231 Regarding the Eastern Gateway TIF District

Staff Contact: Michelle Pease, Community Development Director

Summary: The City has established a Redevelopment Plan and Projects and designated a Redevelopment Area pursuant to the TIF Act for the Eastern Gateway TIF District which is an area located in the School Districts and which will impact the growth of the School Districts' taxing base.

Each year during the term of this Agreement, the City agrees to reimburse the School Districts for expenditures for capital costs, job training, and advanced vocational and career education from the real estate tax increment created by any development or increase in equalized assessed valuation within the TIF District, a sum equal to Twenty-Four percent (24%) of the annual gross real estate tax increment created in the TIF District.

The School Districts will only receive reimbursement for their respective increased costs that are permitted to be reimbursed pursuant to 65 ILCS 5/11-74.4-3(q) and 65 ILCS 5/11-74.4-4(c). Any amounts received under this paragraph shall be divided among the School Districts on a pro-rata basis, according to each District's tax rates as applicable for the most current tax year.

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:

Strategic Plan Goal Application: Economic and Business Development.

Recommendation: Approve the resolution for the IGA with School Districts 212 and 231 regarding the Eastern Gateway TIF.

Supporting Documents: