



## Agenda Item Summary

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**File #:** ORD 17-275, **Version:** 1

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### **Submitted By**

Steven Drazner, CFO

### **Reviewed By**

LKS

### **Agenda Item Title**

**An Ordinance Declaring Surplus Revenue in the Village of Oak Park Downtown Tax Increment Finance District Special Tax Allocation Fund for the 2016 Tax Year and Authorizing the Payment of that Surplus Revenue to the Cook County Treasurer for Distribution to Affected Tax Districts on a Pro-Rata Basis**

### **Overview**

Pursuant to the amended 2011 Settlement Agreement as amended, a surplus distribution of \$5,049,102.88 is required for Quarter 3, tax year 2016 from the Downtown TIF collections. Please see attached worksheet for the detailed calculations.

### **Staff Recommendation**

Approve the Ordinance

### **Fiscal Impact**

This will reduce cash in the Downtown TIF by the declared surplus distribution amount and this is budgeted under account 2098-41300-101-580680.

### **Background**

The Village Board entered into a settlement agreement in December, 2011 relating to the Downtown Tax Increment Finance (TIF) District. This accord replaces what has been commonly referred to as the 1985 Settlement Agreement and the 2003 Intergovernmental Agreement.

The stipulations and terms of this agreement are that the amounts collected net of an agreed sum of existing annual debt service, monies generated through the Special Service Area #1's levy and any increment generated by the Lake and Forest development, are distributed to the taxing bodies. Pursuant to the 2<sup>nd</sup> amendment of the settlement agreement, these funds have been remitted to an escrow account for payment to the Cook County Treasurer for redistribution among the taxing bodies upon adoption of attached Ordinance. This amount has been reviewed and agreed upon by the Village, D200 and D97.

The exact dollar amount of this obligation is calculated through a formula, contained within the 2011 Agreement, and is reviewed quarterly by financial staff of all three parties: D97, D200 and the Village. As needed, staff will bring forward agenda items to pay out any amounts determined to be owed.

This distribution is initiated by the Village Board declaring a “surplus” in the amount necessary to meet any obligation as determined through the agreement. The approved Suplus Ordinance is then provided to Community Bank of Oak Park River Forest which maintains the escrow account and they issue a check in the amount of the declared surplus to the Cook County Treasurer’s Office for redistribution to all the taxing districts in Oak Park.

The surplus calculation worksheet for tax year 2016 was previously provided to and reviewed with representatives from both School Districts 97 and 200.

**Alternatives**

N/A

**Previous Board Action**

The Village Board review and approved the last surplus distribution on September 5, 2017.

**Citizen Advisory Commission Action**

N/A

**Anticipated Future Actions/Commitments**

Review of the financials by the three local taxing bodies will continue on a quarterly basis until the end of the TIF. As necessary, surplus distribution requests will be brought before the Village Board for review and approval.

**Intergovernmental Cooperation Opportunities**

N/A

**Performance Management (MAP) Alignment**

N/A