



TIF Study Session Village of Winnetka

Maureen Barry & Jennifer Tammen
Municipal Advisors

October 10, 2017



Agenda

- Phase 2 Work
- Redevelopment Project Costs
- Redevelopment Plan Goals



Phase 2 Work

- Preparation of the Redevelopment Plan
 - Village direction:
 - Redevelopment Project Costs
 - Plan Goals
- Coordinate with Village Attorney for Legal Description of Redevelopment Project Area (RPA)

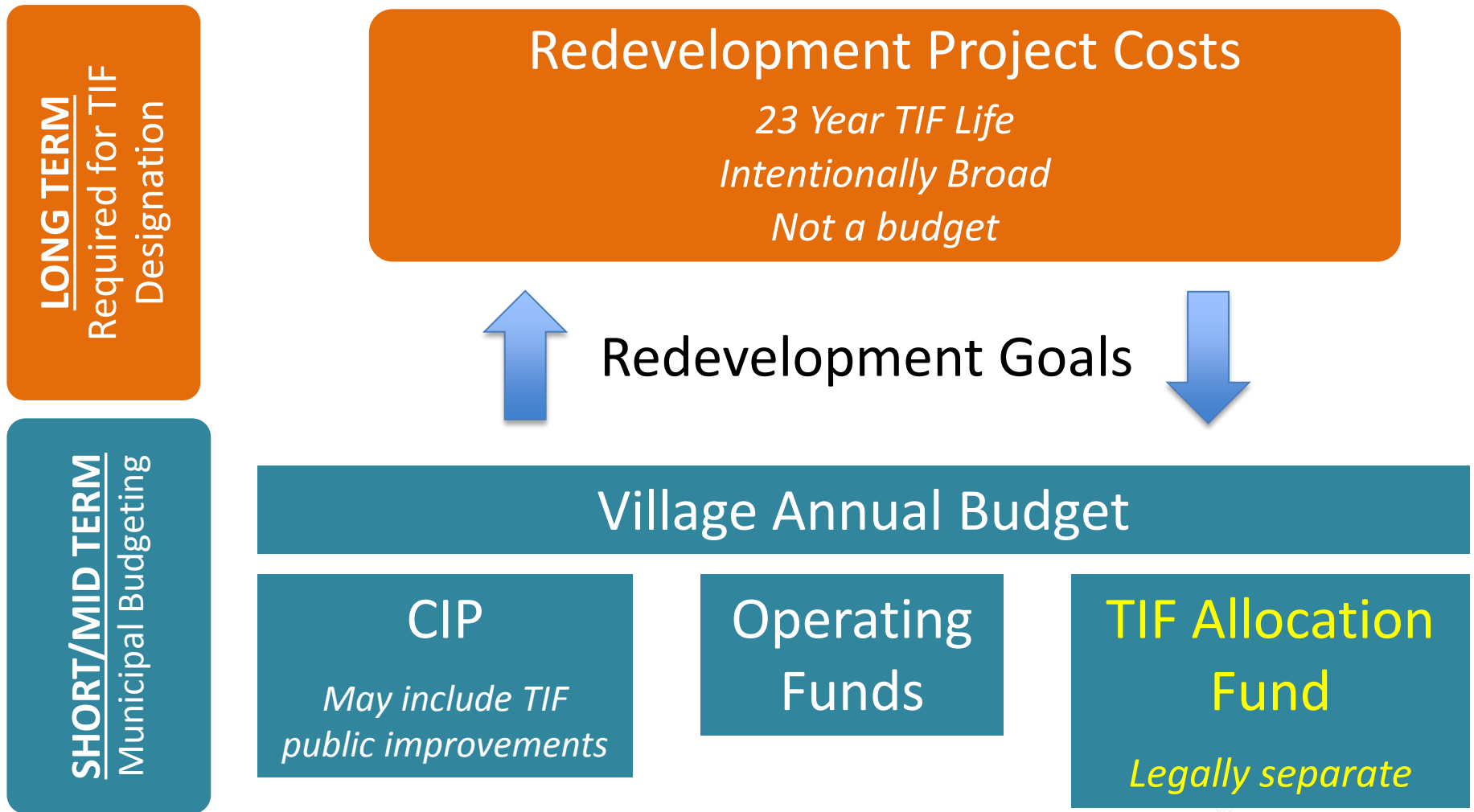


Redevelopment Project Costs vs. TIF Budget

- “Redevelopment Project Costs” are the portion of the Redevelopment Plan that designates the **maximum** TIF dollar expenditures over the TIF’s life (required at this time).
 - Money can be transferred between individual line items, but actual spending **cannot exceed the total amount without amending the Redevelopment Plan** (must go through Public Adoption process).
- A “TIF Budget” may be created and updated annually as part of, or separate from, the annual Village budget process (Not required at this point).



Redevelopment Project Costs vs. Municipal Budget



Redevelopment Project Cost Rules

- Cost categories are defined by TIF statute.
- Some value (even minimal) must be included in a cost category in order to use it at any point over the TIF term.
 - Much can change in 23 years so be careful about unnecessary restrictions.
- Costs are stated in current values, but inflation (5% plus or minus CPI annually) can be factored in during the TIF term.
- These numbers are only what the Village can spend from the TIF fund (from the increment generated by TIF).
 - They cannot include private investments/project spending.



Preliminary Increment Projections

Village of Winnetka

Downtown Redevelopment Project Area

Inflationary Growth & Projected Future Projects¹

	Projected Incremental Property Tax Revenues	Incremental Property Tax Revenues Collected (by 12/31)
Total	\$ 71,288,390	\$ 69,149,738
Net Present Value	\$ 34,950,750	\$ 33,902,227

¹These projections only include the One Winnetka project and inflationary growth.

*See pg. 26 of the July 2017 Feasibility Study for complete table of projections



Redevelopment Project Costs

- “Redevelopment Project Costs” can be ballpark figures, as they are maximums. They should correlate to the expected increment of the area as referenced in previous slide (ideally, higher than projected value, or may need to amend).
- Actual expenditures of TIF funds are effectively limited by the amount of increment generated by the TIF.
- “Redevelopment Project Costs” are not intended to function as an annual or even shorter term budget for the TIF Fund.
- As long as the total expenditures over the life of the TIF do not exceed the total amount of “Redevelopment Project Costs”, there should be no conflict.



TIF Eligible Expenses

- Only certain costs are eligible for TIF reimbursement
- Examples
 - Cost of studies and surveys
 - Costs associated with land acquisition and site preparation including demolition and environmental remediation
 - Costs of rehabilitation and repair of buildings
 - Costs of construction of public works or improvements (street, water, sewer)
 - Costs of job training and retaining programs
 - Relocation costs
 - Certain financing costs
- Any expenditure or reimbursement of expenses must be approved by the corporate authorities (Village Council).



Potential Public Improvements / Projects

Infrastructure & Improvements:

- Downtown streetscape program
- Streetscape lighting & upgrades
- Downtown signage program
- Green Bay Road & corridor roadwork & enhancements
- Electrical service undergrounding
- Site development & assembly
- Roadway & parking lot surface replacement
- Sanitary sewer replacement
- New & replacement water mains

Professional Services & Programs:

- TIF consultant costs
- Legal services
- Downtown parking study
- Financing or debt issuance costs
- Bond / issuer counsel
- Incentive programs such as fire sprinklers or façade improvement



Redevelopment Plan

- Goal(s) – primary goal is to reduce/eliminate the conditions that qualify the RPA as a “Conservation Area”
- Objectives
- Program Implementation and Strategies
- Comparable community TIF Plans
 - Utilize broad goals for Redevelopment Plan





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Maureen Barry

Senior Municipal Advisor/Vice President

Phone: (312) 638-5257

Email: mbarry@ehlers-inc.com

Jennifer M. Tammen

Municipal Advisor/Principal

Phone: (312) 638-5263

Email: jtammen@ehlers-inc.com

www.ehlers-inc.com

