



To: Mayor Robert J. Lovero and the Berwyn City Council
CC: Brian Pabst, City Administrator
From: David Hulseberg, Executive Director, Berwyn Development Corporation
Date: 11/6/2018
Re: Roosevelt and Depot TIF Extension Activities

Overview On July 21, 2018, the Berwyn Development Corporation (BDC) submitted a memo (Attachment A) to Berwyn Mayor Robert J. Lovero and City Council. The memo provided a background on both the Roosevelt and Depot TIF districts. The memo also sought guidance from City Council for the next steps.

Initial TIF Memo As outlined in the initial TIF memo, the Roosevelt and Depot TIF districts were created in January of 1997. Due to the 23-year lifespan of a TIF, both these districts will expire in 2020, with last payment received in 2021.

The memo made it clear that while the TIF's have achieved several of their goals and objectives, the great recession that began in December of 2007 took much away from the redevelopment opportunity. As such, some eight (8) years of the 23-year life were lost. Extending the TIF would give additional life to prospective development projects and allow a funding source to leverage investment.

In addition to leveraging investment, an extension of the TIF districts would allow existing eligible City debt to be funded from added increment. Some of these sizable debts include IDOT road/infrastructure improvements on Roosevelt Road and TIF GO Bond Payments, which total in excess of \$11 million.

The memo outlined options for ending, extending, or reconstituting the TIF districts. Given the information available, the initial TIF memo recommended the City extend the Roosevelt and Depot TIF districts.

Consultant Draft Reports In an effort to better understand the issues facing the Roosevelt and Depot TIF districts, the BDC commissioned two independent draft reports (Attachments B, C). The two consultant draft reports outlined the progress, revenue generated, and expenditures of each TIF. The draft reports also indicated the status of planned activities, goals, and objectives of each TIF. Most importantly, the draft reports highlighted the total private investment leveraged by TIF funds in each district.

Public Outreach Utilizing information from the consultant draft reports, BDC staff created a packet of materials and power point presentation (Attachment D) for public outreach. BDC staff held 3 public forums, met individually with anyone requesting additional information, and sent email updates to interested parties. Additionally, BDC staff published all relevant information on our website, including the draft reports, original memo, and power point. BDC also created a Q&A section (Attachment E) to respond to any additional questions raised during our public outreach. All information on TIF districts and BDC outreach can be found at <https://www.berwyn.net/tax-increment-financing-tif>.



Recommendation

It is the recommendation of the BDC staff that the information presented to the public be formally presented to City Council on November 27, 2018. After presenting all relevant information, the BDC will reiterate the recommendation to extend the Roosevelt and Depot TIF districts. At the City Council presentation, BDC staff will seek direction as to next steps.

Attachments

- A. BDC Memo to City Council, July 21, 2018
- B. Roosevelt TIF Consultant Report
- C. Depot TIF Consultant Report
- D. TIF Open House Power Point Presentation
- E. Frequently Asked Questions