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Legislation Details (With Text)

File #: O2020-4505
Type: Ordinance
Status: Failed to Pass
File created: 9/9/2020
In control: City Council
Final action: 5/24/2023
Title: Amendment of Municipal Code Chapter 2-45 by adding new Section 2-45-156 regarding annual reporting on tax increment financing portability
Sponsors: Cardenas, George A.
Indexes: Ch. 45 Dept. of Housing and Economic Development
Attachments: 1. O2020-4505.pdf

Date	Ver.	Action By	Action	Result
5/24/2023	1	City Council	Failed to Pass	
9/9/2020	1	City Council	Referred	

Committee on Finance

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Chapter 2-45 of the Municipal Code of Chicago is hereby amended by inserting new section 2-45-156, as follows:

2-45-156 Annual reporting on tax increment financing portability.

a) For the purposes of this Section, the following definitions shall apply:

"Donor TIF district" means a TIF district that meets the following conditions: (1) it is more than three years old; (2) it has an unencumbered balance of at least \$1,000,000; (3) its funds are at least 40% more than what is required to meet its annual TIF contractual obligations; (4) the equalized assessed value of the real property in the TIF district is greater than the equalized assessed value of the real property in the TIF district when such TIF was designated; and (5) it has not transferred, and is not scheduled to transfer, funds to one or more contiguous TIF districts for the purpose of paying debt service on the City's Modern Schools Across Chicago bonds.

"Excess funds" means moneys in all special tax allocation funds not required, pledged, earmarked, or otherwise designated for payment and securing of TIF contractual obligations.

"Portable percentage" means 70% of the excess funds.

"Recipient TIF district" means a TIF district that meets the following conditions: (1) it is more than three years old; and (2) it contiguous to a donor TIF directly or through one or more adjacent TIF districts.

"TIF district" means a tax increment financing district.

"TIF contractual obligations" means bonds, loans, debentures, notes, special certificates, or other evidence of indebtedness issued by the City of Chicago to carry out a redevelopment project or to refund outstanding obligations and payments associated with a redevelopment agreement or other binding contract, which has been approved by the City. "TIF contractual obligations" do not include anticipated redevelopment project costs, multi-year capital plans, or other potential future payments not required to be made pursuant to a legally binding written document approved by the City.

b) On or before January 1 of each year, the Commissioner, in consultation with the budget director, shall issue a report listing all donor TIF districts, including the amount of excess funds for each donor TIF district. At the first meeting of the Committee on Finance after the Commissioner issues their report, the Commissioner shall, by introducing an ordinance before the Committee on Finance, initiate a transfer in the amount of the donor TIF district's portable percentage from a donor TIF district to an applicable recipient TIF district.

GEORGE A. CARDENAS Alderman, 12th Ward

SECTION 2. This ordinance shall take effect upon passage and publication.