



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Text

File #: R2016-21, **Version:** 1

CHICAGO, February 10, 2016

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a proposed Resolution concerning Tax Increment Financing (TIF) surplus funds; and having had the same under advisement, begs leave to report and recommend that Your Honorable Body Refer the proposed Resolution and report transmitted herewith to the City Council Committee on Finance.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

RESOLUTION

Whereas, the Chicago Public Schools face an immediate and wrenching crisis: a 2016 budget deficit of near \$500,000,000 along with the potential layoff of 5,000 teachers and staff; and

Whereas, the resulting disorder for hundreds of thousands of students and their families would be devastating to the educational experience of some of the state's most vulnerable children; and

Whereas, a sustainable long term revenue solution to avoid the disruption and resulting educational decline has not been agreed upon by state and city leaders; and

Whereas, Tax Increment Financing (TIF) is a tool intended by Illinois state law to encourage economic development by providing public support to encourage investment in targeted areas that meet certain conditions of blight, decay or underperformance; and

Whereas, a 2015 annual financial analysis by the City of Chicago's established that active TIF districts had an aggregate balance of \$1.38 billion dollars; and

Whereas, in light of the current economic circumstances for our school system, a short-term infusion of funds back into the Chicago Public School operating budget will offset drastic cuts, helping achieve the ultimate goal of preserving essential programs, alleviating potential mass layoffs, and thereby investing in our city's future generations; and

Whereas, 65 ILCS 5/11-74.4-7 requires that any monies held by a municipality and not required for the payment and securing of obligations of a tax increment financing district and/or redevelopment project costs shall be deemed to be "Surplus Funds"; and

Whereas, this surplus includes moneys not required, pledged, earmarked, or otherwise designated for payment and securing of the obligations and anticipated redevelopment project costs; therefore

Be it resolved, we the undersigned members of this Council, hereby support that it is in the best interest of our City, its public schools system, and the youth it serves that an immediate new TIF surplus action, in addition to the surplus declared in August 2015, be utilized to mitigate any program cuts, layoffs of staff, and reductions in services in the Chicago Public Schools.