



Incorporated in 1869

VILLAGE OF ROCHESTER, ILLINOIS

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VILLAGE OF ROCHESTER AND ROCHESTER SCHOOL DISTRICT FINALIZE TIF INTERGOVERNMENTAL AGREEMENT

Village Held Special Board Meeting to Approve Intergovernmental Agreements

Rochester, IL, March 27, 2017 – The Village of Rochester Board of Trustees called a Special Meeting on Monday evening to approve Ordinances relating to two Intergovernmental Agreements it has been discussing with Rochester Community Unit School District #3A and other taxing bodies over the last several months. Both Intergovernmental Agreements establish a contractual obligation for the Village to provide portions of new real estate tax increment generated by the Rochester Tax Increment Financing (TIF) District to taxing bodies whose jurisdictions overlap the Rochester TIF Redevelopment Project Area.

“The Village has always recognized the importance of the School District to the Rochester community. When the Village was first contemplating the idea of a TIF District, we made it clear we wanted to minimize any negative impact that School District might perceive during the life of the TIF District. I believe this Agreement addresses those concerns and the Village is finally ready to move on with several economic development projects,” said Village President David Armstrong.

In addition to the revenue sharing Agreement with the School District, the Village is also planning to approve an Intergovernmental Agreement with six other Taxing Districts. Both Intergovernmental Agreements provide that the Village will annually declare as TIF Surplus Funds 80% of any real estate tax increment generated by existing single-family homes located on 400 properties that are identified by Sangamon County as “Class Code 40 – Improved Urban Residential” parcels within the TIF Area. In addition, the Village will also annually declare as TIF Surplus Funds 5% of all real estate tax increment generated by new redevelopment projects occurring within the TIF District.

“By providing TIF Surplus Funds, all of the taxing bodies will be able to share in the growth that occurs within the TIF District, whether such growth is due to natural

*growth or specific projects that the Village incentivizes through the use of TIF Funds”
said Village Manager Deb Elderton.*

The Village received several requests for TIF assistance prior to and since it established the Rochester TIF District on March 8th. As outlined in Rochester’s TIF District Redevelopment Plan, the Village also anticipates using new real estate tax increment generated by new redevelopment projects to help pay for public infrastructure improvements and other site development costs that have prevented numerous commercial projects from occurring in the past.

Deb Elderton added, “The Village is very excited about the new development that will be undertaken within the TIF Area and the resulting growth of our community. These private projects will help our local economy, offer much needed goods and services to our residents and stimulate new residential development that will help stabilize school enrollments. None of the projects currently proposed would be feasible here without the assistance of TIF.”

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If you would like more information about this topic, please contact Deb Elderton, Village Manager at (217) 498-7192 or email at delderton@rochesteril.org.