

**Memorandum
Community & Economic Development Department**



To: Thomas E. Thomas, City Manager
Subject: Jumer's Casino Rock Island TIF Surplus
Date: January 6, 2014

The City's development agreement with Jumer's Casino and Hotel and the Parkway/I-280 (aka Jumer's Casino Rock Island) TIF Redevelopment Plan and Project requires the City to return 75% of TIF revenues generated by the Casino project back to Jumer's Casino and Hotel. The remaining 25% of the TIF revenues less administrative costs are to be returned to Rock Island County as surplus.

Tax revenue received by the Jumer's Casino Rock Island TIF in FY 13 is \$2,130,857.28. Reimbursement due Jumer's in current fiscal year is \$1,598,142.96.

The TIF Redevelopment Plan and Project allows the City to subtract previous year administration costs of \$7,646.75 prior to declaring the remainder of TIF proceeds and accumulated interest as "surplus" and returning surplus funds to the County Treasurer for distribution to taxing bodies.

Surplus to be returned to the Rock Island County treasurer in FY14 is \$540,361.07.

According to the Rock Island County Assessor's website, \$540,361.07 in returned funds makes Jumer's the third highest taxpaying property in Rock Island County. The amount represented by the declared surplus funds returned to taxing bodies is equal to the property tax bills of 103.5 homes with values of \$180,000 each. The Rock Island Milan School District will receive approximately \$284,810 of the surplus and Rock Island County will receive \$49,566.

The City's agreement with Jumer's runs through fiscal year 2023.

Recommendation

The CED Department recommends that the City Council declare a surplus of funds in TIF 4 in the amount of \$540,361.07, authorize a budget adjustment to pay out these funds and authorize the City Finance Director to return these surplus funds to the Rock Island County treasurer for distribution.

Vendor: Rock Island County
Payment Amount: \$540,361.07
Fund: 204 TIF #4 Jumer's Casino Rock Island
Department: 312 Economic Development
Cost Center: 801 General Development
Object Code: 54101 Contributions/Sponsorship
Project: N/A

Requisition No: R004366

Submitted by: Jeffery A. Eder, CED Director/Asst City Manager
Dena Haag, CED Budget & Grants Manager

Approved by: Thomas Thomas, City Manager