

MEMORANDUM

Community and Economic Development Department

TO: Thomas Thomas, City Manager

SUBJECT: Parkway/I-280 TIF Surplus

DATE: 11/29/11

The City's development agreement with Jumer's Casino and Hotel and the Parkway/I-280 TIF Redevelopment Plan and Project requires the City to return 75% of TIF revenues generated by the Casino project to Jumer's Casino and Hotel.

Tax revenue received by the Parkway/I-280 TIF in FY 12 is \$2,136,222.28. Reimbursement due Jumer's in current fiscal year is \$1,602,166.71.

The TIF Redevelopment Plan and Project allows the City to subtract previous year administration costs of \$5,048 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 treasurer in FY 12 is \$533,545.57.

According to the Rock Island County Assessor's website, \$533,546 in returned funds makes Jumer's the fifth 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 102 homes with values of \$180,000 each. The Rock Island Milan School District will receive approximately \$289,000 of the surplus. Rock Island County will receive \$48,396 and the City \$135,988.

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

Recommendation: The City Council declare a surplus of funds in TIF 4 in the amount of \$533,545.57 and authorize the City Finance Director to return these surplus funds to the Rock Island County treasurer for distribution.

SUBMITTED BY: Sally Heffernan, Special Projects Manager
Greg Champagne, CED Director