



# Agenda Item Executive Summary

**AGENDA ITEM:** Brewster Creek TIF Surplus Distribution **BOARD OR COMMITTEE:** Board

## BUDGET IMPACT

**Amount** \$1,820,000      **Budgeted** N/A

**Fund:** Brewster Creek TIF

**Corresponding Activity Measure:** Returning surplus TIF funds to the taxing districts.

## EXECUTIVE SUMMARY

It has been determined that there is a surplus in the Bartlett Quarry TIF Cash Reserve Account. An Ordinance has been prepared for the Village Board's consideration that declares a surplus in the Cash Reserve Account. The total balance of the Cash Reserve Account as of April 30, 2024, was \$2,781,176. Approximately 1% of the overall taxes received in the TIF, or \$860,000, will be retained in the Cash Reserve Account to cover potential tax refund liabilities. The remaining amount in the Cash Reserve Account, \$1,820,000, will be distributed to the taxing districts in accordance with the TIF Act as surplus funds. Based on the total tax contribution to the Brewster Creek TIF District, \$54,600 will be sent to Cook County for distribution and \$1,765,400 will be sent to DuPage County for distribution. After the property tax appeals for tax years while the Brewster Creek TIF District was active have been resolved, any remaining amounts in the Cash Reserve Account can likewise be distributed to the taxing districts as surplus.

## ATTACHMENTS (PLEASE LIST)

Memo, Ordinance

## RELATIONSHIP TO STRATEGIC PLAN GOAL

Strategic Plan Goal: Maintain checks and balances to ensure financial Stewardship

Short Term (1-3 Years):    Routine       Complex

Long Term (3-5 Years):    Routine       Complex

## ACTION REQUESTED

- For Discussion Only
- Resolution
- Ordinance
- Motion

**MOTION:** I move to approve Ordinance 2024-\_\_\_\_\_, an ordinance declaring a surplus in the Bartlett Quarry TIF Cash Reserve Account.

Staff: Todd Dowden, Finance Director

Date: October 30, 2024



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## MEMORANDUM

**To:** Paula Schumacher, Village Administrator  
Todd Dowden, Finance Director

**From:** Kurt S. Asprooth, Village Attorney

**Subject:** Brewster Creek TIF Surplus Distribution

**Date:** October 30, 2024

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On November 21, 2023, the Village Board adopted Ordinance Number 2023-106 which dissolved the Bartlett Quarry Special Tax Allocation Fund, commonly referred to as the Brewster Creek TIF District.

However, at the time the TIF District was terminated, there were remaining TIF obligations and expenses under a previously approved Development Agreement with Elmhurst Chicago Stone. Further, there were delays in the final distribution of TIF increment from Cook County for tax year 2022. Finally, property owners within the TIF District could have their taxes reduced through tax objections or appeals, which will require the Village to refund increment property taxes for those properties.

The Village Board established the Bartlett Quarry TIF Cash Reserve Account (“Cash Reserve Account”) to (1) receive any trailing increment funds from the 2022 tax year; (2) pay the remaining TIF Obligations and expenses; and (3) pay any refund of incremental property taxes ordered by Cook County or DuPage County after a successful tax objection.

The majority of the remaining TIF obligations under the previously approved Development Agreement with Elmhurst Chicago Stone have been satisfied, and the Village has now received the final increment disbursement from Cook County for tax year 2022. However, the Village may still be liable for refund payments due to successful property tax appeals. While the Village will need to retain some funds in the Cash Reserve Account to cover the potential refunds, remaining amounts are longer needed for TIF obligations and can be distributed to the taxing districts.

An Ordinance has been prepared for the Village Board’s consideration that declares a surplus in the Cash Reserve Account. The total balance of the Cash Reserve Account as of April 30, 2024, was \$2,781,176. Approximately 1% of the overall taxes received in the TIF, or \$860,000, will be retained in the Cash Reserve Account to cover potential tax refund liabilities. The remaining amount in the Cash Reserve Account, \$1,820,000, will be distributed to the taxing districts in accordance with the TIF Act as surplus funds. Based on

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the total tax contribution to the Brewster Creek TIF District, \$54,600 will be sent to Cook County for distribution and \$1,765,400 will be sent to DuPage County for distribution.

After the property tax appeals for tax years while the Brewster Creek TIF District was active have been resolved, any remaining amounts in the Cash Reserve Account can likewise be distributed to the taxing districts as surplus.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE DECLARING A SURPLUS IN THE BARTLETT QUARRY  
TIF CASH RESERVE ACCOUNT**

**WHEREAS**, in accordance with and pursuant to the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, *et seq.*), as amended (“**Act**”), and the home rule authority of the Village of Bartlett, DuPage, Cook, and Kane Counties, Illinois (“**Village**”), on July 6, 1999, the President and Board of Trustees of the Village (“**Corporate Authorities**”) passed and approved Ordinance Numbers 99-67, 99-68, and 99-69 approving a redevelopment plan and project (“**Redevelopment Plan**”), designating a redevelopment project area (“**Redevelopment Project Area**”), and adopting tax increment allocation financing, including the use of a special tax allocation fund (“**Fund**”), for the Bartlett Quarry Tax Increment Financing District; and

**WHEREAS**, on August 16, 2016, and July 21, 2020, the Corporate Authorities approved Ordinance Numbers 2016-62 and 2020-62, respectively, amending the Redevelopment Plan’s total estimated project costs; and

**WHEREAS**, on November 21, 2023, the Corporate Authorities approved Ordinance Number 2023-106, Dissolving the Bartlett Quarry Special Tax Allocation Fund and Terminating the Designation of the Bartlett Quarry Redevelopment Project Area; and

**WHEREAS**, pursuant to Ordinance Number 2023-106, the Corporate Authorities established the Bartlett Quarry TIF Cash Reserve Account to pay for certain obligations and costs incurred prior to the termination of the Bartlett Quarry Tax Increment Financing District; and

**WHEREAS**, the Corporate Authorities have reviewed the remaining amounts in the Bartlett Quarry TIF Cash Reserve Account, the remaining obligations to be paid in connection with redevelopment obligations approved prior to the termination of the Bartlett Quarry Tax Increment Financing district, and the potential refunds of incremental real estate taxes attributable to the Redevelopment Project Area ordered by DuPage or Cook County as a result of tax objections; and

**WHEREAS**, the Corporate Authorities have determined that the amount of \$1,820,000 in the Bartlett Quarry TIF Cash Reserve Account is no longer needed or necessary to pay for and satisfy the purposes of the Bartlett Quarry TIF Cash Reserve Account and can be distributed to the taxing districts that imposed taxes against property located within the Redevelopment Project Area; and

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BARTLETT, DUPAGE, COOK, AND KANE COUNTIES, ILLINOIS**, in exercise of its home rule powers, as follows:

**Section 1. Incorporation of Recitals.** The foregoing recitals are incorporated into this Ordinance as if fully set forth in this Section 1.

**Section 2. Declaration of Surplus.** The Corporate Authorities hereby find, determine, and declare that the sum of \$1,820,000 within the Bartlett Quarry TIF Cash Reserve Account is not required, pledged, earmarked, or otherwise designated or needed for the purposes of the Bartlett Quarry TIF Cash Reserve Account, and therefore constitutes surplus funds (the “**Surplus**”). Based on county records, the amount of \$54,600 represents the portion of the Surplus attributable to Cook County and the amount of \$1,765,400 represents the portion of the Surplus attributable to DuPage County

**Section 3. Direction; Authorization.** The Village Administrator and the Village Treasurer are authorized and directed to transfer the Surplus to the DuPage County Treasurer and the Cook County Treasurer for the payment and distribution of the respective Surplus amounts to the taxing districts in the manner and in the proportion as described in Section 11-74.4-8 of the Act. The Village Administrator and Village Treasurer are authorized to take all other steps necessary to implement and enforce this Ordinance’s terms.

**Section 4. Continuing Effect.** Ordinance Number 2023-106 will remain in full force and effect, the remaining funds in the Bartlett Quarry TIF Cash Reserve Account will only be used for the purposes set forth in Ordinance Number 2023-106, and the Bartlett Quarry TIF Cash Reserve Account will be closed at a future date in accordance with the terms of Ordinance Number 2023-106.

**Section 5. Effective Date of Ordinance.** This Ordinance shall be in full force and effect upon its passage and approval in the manner provided by law.

**Section 6. Invalidity.** If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

ROLL CALL VOTE:

AYES:

NAYS:

ABSENT:

PASSED:

APPROVED:

\_\_\_\_\_  
Kevin Wallace, Village President

ATTEST:

\_\_\_\_\_  
Lorna Giles, Village Clerk

## CERTIFICATION

I, the undersigned, do hereby certify that I am the Village Clerk of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, and that the foregoing is a true, complete and exact copy of Ordinance 2024- \_\_\_\_\_ enacted on November 5, 2024, and approved on November 5, 2024, as the same appears from the official records of the Village of Bartlett.

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Lorna Giless, Village Clerk