



AGENDA ITEM # 17

**AGENDA ITEM EXECUTIVE SUMMARY
Village Board Meeting
August 9, 2021**

Item Title: TIF#4 Budget Amendment

Staff Contact: Brian Joanis, Assistant Village Administrator

VILLAGE BOARD ACTION

Consider a staff recommendation to increase the Economic Development Incentive Grant Program budget from \$50,000 to \$130,000 for the East Irving Park Road TIF.

Executive Summary:

Following approval of the economic development incentive program for the Village's three TIF Districts, the Village Board authorized a budget of \$50,000 per TIF for grants. As a result of marketing the program towards businesses and property owners, staff has received a great deal of interest, particularly within the East Irving Park Road TIF District. It is anticipated that the project potential for FY2021 will exceed the \$50,000 budget within this TIF. As of this date, a single grant has been awarded in the amount of \$6,145.50. However, staff is working with four (4) business and property owners with the potential to reach \$130,000 in grant funding. This amount represents total reimbursable costs, which is 50% of the total eligible project improvement costs.

Staff Recommendation

The purpose of the Village's TIF Incentive Program is to leverage private investment to improve business potential and physical appearance of property. As a result of the success achieved through marketing, staff recommends that the Village increases the amount of available grant funding by \$80,000 within the East Irving Park Road TIF to ensure the momentum of private investment remains strong, especially during the current recovering economic climate.

Implications:

Is this item budgeted? Yes, but seeking \$80,000 in additional funds for FY 2021 projects.

Any other implications to be considered? Since the East Irving Park Road TIF is the Village's newest TIF, there isn't sufficient reserves in the Fund to cover the additional \$80,000. However, funds can be transferred from the contiguous Irving-Central TIF District as allowed by State Law. Any amount transferred could be re-paid

in FY2022 when property tax increment revenue is received, which is estimated at \$250,000 in 2022.

Attachments:

none