

Bond Case Briefs

Municipal Finance Law Since 1971

Board of Education of Richland School District No. 88a v. City of Crest Hill

Appellate Court of Illinois, Third District - July 24, 2020 - N.E.3d - 2020 IL App (3d) 190225 - 2020 WL 4251700

School Board filed verified complaint that challenged city's approval of tax increment financing (TIF) for redevelopment project's noncompliance with statutory mandates and procedural requirements.

The Circuit Court granted summary judgment for the city. School Board appealed.

The Appellate Court held that parcels separated by utility right-of-way were not contiguous.

Tax Increment Allocation Redevelopment Act for redevelopment of blighted property did not allow city to jump a 234.9 foot portion of natural gas right-of-way, located in unincorporated excluded area of approved tax increment financing (TIF) district, to establish required contiguity between two parcels, and, thus, financing district was not contiguous.

The contiguity touching requirement for tracts of land that touch or adjoin one another in a reasonably substantial physical sense ensures a municipality has properly constructed a tax increment financing (TIF) district and is legitimately reaping tax increment financing benefits under the Tax Increment Allocation Redevelopment Act for redevelopment of blighted property.

Point-to-point touching or cornering is generally not sufficient to satisfy the requirement of contiguity of tracts of land under the Tax Increment Allocation Redevelopment Act for the redevelopment of blighted tracts of land that will benefit from tax increment financing (TIF); point-to-point touching and cornering are merely a subterfuge to reach outlying areas.