

# **Bond Case Briefs**

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## **Lincolnwood, School Districts Reach Compromise on TIF Agreement.**

Local School Districts 74 and 219 have finally reached a compromise with the Village of Lincolnwood over a long-running Village-backed proposal to create a new taxing district in the Devon-Lincoln corridor that would help stimulate economic growth.

Following the approval of an intergovernmental agreement with the school districts by Village Trustees Tuesday night, a Joint Review Board comprised of local taxing bodies also unanimously approved the agreement (5-0) at a special meeting Wednesday morning.

The Village Board will next take a final vote on establishing the Devon-Lincoln Tax Increment Financing (TIF) District at a special meeting scheduled for June 24 at 8:30 a.m.

The approval of the intergovernmental agreement from both sides marks the end of a somewhat volatile period between the school districts and the Village.

For more than a year the parties had difficulty coming to terms about whether the school districts would suffer due to the formation of a new TIF, which Village officials said was necessary to stimulate development in a triangular area formed by Devon, Lincoln and Proesel Avenues.

Districts 74 and 219, represented by attorney Anthony Ficarelli, were opposed to the TIF's creation based on the claim it would take tax dollars away from the schools.

Ever since the Joint Review Board—comprised of the two school districts, Lincolnwood Public Library, Niles Township, Cook County, Oakton Community College, and a member of the public—rejected the village's plan last year, the two sides have grappled with an intergovernmental agreement.

For many months, accusations flew between the school districts and the village.

The school districts accused the village of failing to respond to multiple requests to schedule meetings, and the village in turn criticized District 74 officials for publishing information on the school district's web site asking the community not to support the TIF proposal.

Progress was finally made after the village formed a sub-committee of Trustees Larry Elster and Jesal Patel, who met with Ficarelli and the school district representatives on several different occasions to work out new terms both parties could agree with.

The Lincolnwood Public Library was initially on board with the intergovernmental agreement, but then failed to take action on the matter at a June 10 Library Board meeting after members determined they no longer wanted to be a part of it.

Library officials could not be reached Wednesday afternoon for comment.

The library's failure to sign the document, however, doesn't mean they won't be included in the terms of the agreement.

Under the agreement—which also includes the revision of some terms of the existing Lincoln-Touhy TIF and the Northeast Industrial (NEID) TIF—any property tax generated from future residential development in both the Devon-Lincoln and Lincoln-Touhy TIF Districts would be declared surplus and reallocated to the other taxing bodies.

“(The intergovernmental agreement) specifically pertains to the Devon-Lincoln TIF, but what culminated from the meetings with the taxing bodies is an agreement that pertains to all the TIF Districts in the Village,” said Tim Wiberg, village manager of Lincolnwood.

The terms of the agreement also set a maximum budget of \$30 million for the Devon-Lincoln TIF, including inflation and fund porting.

That amount is \$10 million higher than the \$20 million level School District 74 sought to limit the maximum expenditure of that fund to.

For the NEID TIF, a surplus would be declared for 80 percent of the costs the village would pay to build a new bike path if it purchases a swath of land called the Union Pacific Rail area.

“The village acquired grant funding to pay for 80 percent of the costs for acquisition of the Union Pacific property and another 80 percent grant to construct a bike trail,” Wiberg explained.

If the Village doesn't end up buying the property and building a bike path, the agreement says \$3.2 million would be declared surplus and redistributed to the taxing bodies.

For the Touhy-Lawndale TIF—which only includes the Lowe's store on the 3600 block of W. Touhy Avenue—an agreement was made that declares any leftover funds as surplus after the Village makes its final payment to the store.

Trustee Patel said the agreement marked “the beginning of a new relationship” between the village and the school districts.

District 74 School Board President commended the village for crafting what he described as “an agreement that balances the potential impact to taxpayers against the expected benefits that the TIF districts will provide.”

“While our views may differ on the merits, we can all agree that our community is best served when its officials work through differences and reach a consensus that is in the best interest of the village as a whole,” said Scott Anderson, District 74 School Board president.

District 219 is expected to approve the intergovernmental agreement during the July 7 school board meeting.

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