

**LETTERS TO THE EDITOR**

**Residents should be outraged at City's TIF plans, CAC exec says**

City Hall is considering a fourth tax increment financing district (TIFs), estimated at \$89,000,000. The proposed TIF is massive in economic terms and City Hall calls them a "shot in the arm" to stimulate growth in areas where property values are stagnant. That "shot" is government subsidies to lure developers to an area that is otherwise undesirable to certain of

these developers. Where does the cash strapped City generate the subsidy? They claim from properties only within the TIF district.

If it were only that simple! Subsidies are generated by the City freezing the tax base of a specific area for every governmental entity at the 2012 level for 23-36 years. As property values increase over time the difference between the 2012 level and every year after goes into the City's TIF fund rather than to the school district, park district, etc. Sometime between the years 2035 and 2048, the City benevolently unfreezes the tax base, allowing the frozen

out taxing bodies to access the property tax growth. What City Hall does not advertise is that TIFs ensure that everyone pays more to keep the affected taxing bodies afloat during the TIF period. This is because TIFs change the math equation for how property tax rates are calculated, resulting in increased tax rates for the other taxing bodies.

If the City thought TIF 4 was a great idea, why did they wait

until the 11th hour to engage the school and park district in public discussions only, to tell them that it was too late to make substantive changes? TIF 4 may have started as a good idea but the effort has been corrupted by a map with unnecessary properties and an unacceptable bully in the sandbox process.

Furthermore, the City's actions will result in closed door discussions regarding TIF

intergovernmental agreements, which will be cash payouts to the school and park district to lessen the economic blow.

Elmhurst residents should be outraged and the City Council should vote TIF 4 down until a truly public and transparent process is followed for all involved.

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