

750 N. Lincoln  
O'Fallon 62269

ORDINANCE ADOPTING TAX INCREMENT FINANCING

BOOK 3010 PAGE 361

WHEREAS, the City of O'Fallon, Illinois desires to adopt tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4, as amended, hereinafter referred to as the "Act", and

WHEREAS, the City of O'Fallon has adopted a Redevelopment Plan and Project, Tax Increment Area and designated a Redevelopment Project Area pursuant to the provisions of the Act and has otherwise complied with all other conditions precedent required by the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF O'Fallon, ILLINOIS, that:

1. Tax increment financing is hereby adopted in respect to the Redevelopment Plan and Project, Tax Increment Area, approved and adopted pursuant to Ordinance No. 1766 in the City of O'Fallon in respect to the following described Redevelopment Project Area:

(See attached Exhibit D)

which Redevelopment Project Area was designated pursuant to Ordinance No. 1766.

2. After the total equalized assessed valuation of taxable real property in the Redevelopment Project Area exceeds the total initial equalized assessed value of all taxable real property in the Redevelopment Project Area, the ad valorem taxes, if any, arising from the levies upon real property in the Redevelopment Project Area by taxing districts and the rates determined in the manner provided in Section 11-74.4-9(b) of the Act each year after the effective date of this Ordinance until the Central Area Redevelopment Project costs and obligations issued in respect thereto have been paid shall be divided as follows:
  - a. That portion of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to lower of the existing equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the Redevelopment Project Area shall be allocated to, and when collected, shall be paid by the County Collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.

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- b. That portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each lot, block, tract or parcel of real property in the redevelopment project area over and above lower of the existing equalized assessed value or the initial equalized assessed value of each property in the Redevelopment Project Area shall be allocated to, and when collected, shall be paid to the municipal treasurer who shall deposit said funds in a special fund called "the Special Tax Allocation Fund for the Redevelopment Project Area, Tax Increment Area", of the municipality for the purpose of paying the Redevelopment, Project costs and obligations incurred in the payment thereof, pursuant to such appropriations which may be subsequently made.
3. All ordinances and parts of ordinances in conflict herewith are hereby repealed.
4. This Ordinance shall be in full force and effect from and after its approval, passage, and publication as required by law.
5. The City Clerk shall cause a copy of this Ordinance to be filed with St. Clair County Clerk.

Presented, passed and approved this 19th day of June, 1995.

Mayor

Aldersperson <u>Karras</u> _____:	<u>Aye</u> _____
Aldersperson <u>Rogers</u> _____:	<u>Aye</u> _____
Aldersperson <u>Graham</u> _____:	<u>Aye</u> _____
Aldersperson <u>Lambert</u> _____:	<u>Aye</u> _____
Aldersperson <u>Grogan</u> _____:	<u>Aye</u> _____
Aldersperson <u>Monken</u> _____:	<u>Aye</u> _____
Aldersperson <u>Braswell</u> _____:	<u>Naye</u> _____
Aldersperson <u>Cozort</u> _____:	<u>Naye</u> _____
Aldersperson <u>Reckamp</u> _____:	<u>Naye</u> _____
Aldersperson <u>Bennett</u> _____:	<u>Absent</u> _____

Robert D. Bryant  
\_\_\_\_\_, Mayor

ATTEST:

Benjamin Hamm  
\_\_\_\_\_, City Clerk

STATE OF ILL.  
ST. CLAIR COUNTY  
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BOOK 3010 PAGE 361  
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(Legal Description of TIF Project Area)

SHERBUT - CARSON & ASSOCIATES, P.C.  
CIVIL ENGINEERS - LAND SURVEYORS  
LAND DEVELOPMENT CONSULTANTS

J.G. Sherbut, P.E., L.S.  
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4 Meadow Heights Professional Park  
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David B. Claxton, E.I.T., S.I.T.  
Gary W. Graminski, S.I.T.

Land Description for the City of O'Fallon  
T.I.F. Boundary

Part of Sections 27, 28, 33 and 34, Township 2 North, Range 7 West of the Third Principal Meridian and part of Sections 3 and 4, Township 1 North, Range 7 West of the Third Principal Meridian, all in St. Clair County, Illinois, and being more particularly described as follows:

Beginning at the northwest corner of Lot 13B of the Northeast Quarter of Section 4, Township 1 North, Range 7 West of the Third Principal Meridian; thence South along the west line of Lot 13B to the southeast corner of Lot 14A; thence West along the south line of Lot 14A, a distance of 375.92 feet to a point 160 feet east of the southwest corner of Lot 14A; thence South along the west line of a tract described in Deed Book 1624 on Page 136, a distance of 129.8 feet; thence East, along the south line of said tract, a distance of 508.6 feet; thence South, 207 feet; thence East to the west line of Lot 3A of the Northeast Quarter of Section 4, Township 1 North, Range 7 West of the Third Principal Meridian; thence South along the west line of Lot 3A to the southerly right of way line of Wherry Housing Road; thence East along said southerly right of way line to a point on the southerly prolongation of the east line of Lot 10A of the Northwest Quarter of Section 3, Township 1 North, Range 7 West of the Third Principal Meridian; thence North along said east line to the northeast corner of said Lot 10A; thence West along the south line of Lot 11 of the Northwest Quarter of Section 3 to the easterly right of way line of Old Illinois Route 158; thence North along said right of way line to the south line of Lot 1 of the Northwest Quarter of Section 3; thence East along the south line of Lot 1 to the southeast corner of Lot 1; thence North along the east line of Lot 1 to the south line of the Southwest Quarter of Section 34, Township 2 North, Range 7 West of the Third Principal Meridian; thence East along said south line to the southeast corner of Lot 8 of the Southwest Quarter of Section 34; thence North along the east line of Lot 8 to the northeast corner of Lot 8; thence West along the north line of Lot 8 to the northerly right of way line of F.A.I. Route 64; thence Northwesterly along said right of way line to the west line of Lot 13 of the Southwest Quarter of Section 34; thence North along the west line of Lot 13 to the northwest corner of said Lot 13; thence West along the south line of the Northwest Quarter of Section 34 to the easterly right of way line of Illinois Route 158 (F.A.P. Route 55); thence Northeasterly along said right of way line to the east line of Lot 3 in the Northwest

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Quarter of Section 34; thence North along said east line to the northeast corner of Lot 3; thence West along the north line of Lot 3 to the westerly right of way line of said Illinois Route 158; thence North along said right of way line to the easterly prolongation of a 0.91 acre tract at the southwest corner of the intersection of Illinois Route 158 and U.S. Route 50; thence West along the south line of said 0.91 acre tract to the southwest corner of said 0.91 acre tract; thence North along the west line of said 0.91 acre tract to the southerly right of way line of U.S. Route 50; thence Northeasterly along the southerly right of way line of U.S. Route 50 to the southerly prolongation of the east line of a 2.74 acre tract; thence North along the east line of said 2.74 acre tract to the northeast corner of said tract; thence Southwesterly along the northerly line of said tract to the east right of way line of County Highway 61; thence North along said east right of way line to the southerly right of way line of the B & O Railroad; thence Southwesterly along said right of way line to the west right of way line of said County Highway 61; thence South along said right of way line to the north line of Lot 21A of the Southeast Quarter of Section 28, Township 2 North, Range 7 West of the Third Principal Meridian; thence West along the north line of Lot 21A to the northwest corner of said Lot 21A; thence in a Southwesterly direction along a line being the southerly line of a 15.0 acre tract in the Southeast Quarter of Section 28 to a concrete monument at the northwest corner of a tract described in Deed Book 2930 on Page 1036; thence South 0 degrees 01 minute 22 seconds East, along the west line of said tract, a distance of 275.00 feet; thence South 52 degrees 11 minutes 05 seconds West, a distance of 764.05 feet; thence South 68 degrees 50 minutes 17 seconds West, a distance of 342.93 feet to the west line of the Northeast Quarter of Section 33, Township 2 North, Range 7 West of the Third Principal Meridian; thence South along the west line of the Northeast Quarter of Section 33 to the southerly right of way line of U.S. Route 50; thence East along the south right of way line of U.S. Route 50 to the northerly prolongation of the west line of "East Gate", reference being had to the plat thereof recorded in the Recorder's Office of St. Clair County, Illinois in Book of Plats 86 on Page 35; thence South along the west line of "East Gate" to the south line of the Southeast Quarter of Section 33; thence East along said south line to the Point of Beginning.

MJG

2/3/95 Rev. 3-1-95

Job No. 1661 (des1661)

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## **INTERGOVERNMENTAL AGREEMENT**

**WHEREAS**, the City of O'Fallon, Illinois ("City") proposes to adopt tax increment allocation financing ("TIF Financing") for a redevelopment project ("Project") within a proposed redevelopment project area identified on the map attached hereto and marked as Exhibit A ("Project Area"); and

**WHEREAS**, TIF Financing is a valuable tool to encourage economic development within the City and, if properly utilized, can be in the long-term best interests of the citizens and the local taxing bodies of the City; and

**WHEREAS**, pursuant to the Tax Increment Allocation Financing Act, 65 ILCS 5/11-74.4-1, et seq., a city may only designate a redevelopment project area for property where there exist conditions which cause the area to qualify under the various provisions of the Act; and

**WHEREAS**, O'Fallon Township High School District No. 203 ("School District") has expressed concern that the proposed redevelopment project plan may not be in the best interest of the School District; and

**WHEREAS**, it is in the best interests of the City and School District to cooperate and to resolve any concerns they may have about the Project and Project Area; and

**WHEREAS**, the Constitution of the State of Illinois and the Intergovernmental Cooperation Act authorize state and local governing bodies to cooperate in the performance of their responsibilities by entering into contracts and other agreements.

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

**Section 1.** In consideration of the promises, covenants and payments hereinafter identified, the School District agrees and covenants not to object to or obstruct the Project and Project Area as described in the document entitled, "Tax Increment Redevelopment Plan, City of O'Fallon, March, 1995", and further covenants and agrees not to file any court action to challenge the Project Area or to otherwise interfere with the Project.

**Section 2.** During the life of the Project, but only after the equalized assessed value (E.A.V.) has exceeded \$10 million in growth over the base E.A.V., the City shall annually pay or cause to be paid an amount calculated pursuant to Section 3 of this Agreement to the School District in the following manner:

- A. Pursuant to 65 ILCS 5/11-74.4-7, the City may make a payment of "surplus funds" to the county collector in an amount necessary to satisfy the City's obligations to the School District pursuant to this Agreement and direct the county collector to make prompt payment to the School District out of those surplus funds of not less than the amount owed to the School District under this Agreement.
- B. In the event that real estate tax revenues that would have otherwise been paid to the School District are diverted to the City for satisfaction of redevelopment project costs, and if for any reason, regardless of fault of the City, full payment of the amount owed to the School District under this Agreement is not paid by the end of the calendar year of each year of this Agreement by the county collector, then, pursuant to 65 ILCS 5/11-74.4-4, the City shall make a payment in lieu of taxes to the School District in an amount necessary to satisfy its obligations under this Agreement. Payment under this section shall be a general obligation of the City and shall be made regardless of actual existence, payment or adequacy of TIF revenues. In any event, the City shall not be obligated to pay the School District if the School District's tax revenues are not actually diverted to the City.

**Section 3.** The amount of the payment to be made by the City to the School District shall correspond to a percentage of the incremental real estate taxes the School District would have otherwise been entitled, based on the increased Equalized Assessed Value, but only after the growth in E.A.V. has exceeded \$10 million over the base E.A.V. in effect at the time of

adoption of the TIF Plan Dated March, 1995, absent the adoption of TIF Financing, and shall be calculated as follows:

I	II	III
Increase in EAV of the Project Area over the initial EAV as of the beginning of any given tax year	Payment to School District	Example
0 to less than \$10,000,000	0	Self-explanatory
\$10,000,000 to less than \$15,000,000	.2 x school tax rate x EAV	EAV \$12,000,000, tax rate .017365 .2 x .017365 x \$12,000,000 = \$41,676
\$15,000,000 to less than \$20,000,000	.4 x school tax rate x EAV	EAV \$18,000,000, tax rate .017365 + .4 x .017365 x \$18,000,000 = \$125,028
\$20,000,000 or more	1 x school tax rate x EAV	EAV \$25,000,000, tax rate .017365 1 x .017365 x \$25,000,000 = \$434,125

Examples set forth in Column III above are for illustrative purposes only. Equalized assessed values and tax rates will vary over time. The percentage of the School District tax rate of the total rate for all taxing bodies shall be determined annually by taking the total taxing rate for all taxing bodies and determining the percentage of the total tax rate attributable to the School District.

**Section 4.** The City and the School District shall cooperate in efforts to bring about increases in the Equalized Assessed Value of the Project Area.

**Section 5.** Both City and School District shall execute, acknowledge and deliver such additional documents, writings or assertions as the other may periodically require so as to give full force and effect to the terms and provision of this Agreement.

**Section 6.** The terms and conditions set forth in this Agreement to supersede all prior oral and written understandings and constitute the entire agreement between the parties.



**Section 7.** This Agreement shall be binding upon each party's respective successors in interest.

**Section 8.** If any provision of this Agreement or any section, sentence, clause or other word, or the application thereof is, in any circumstances, held invalid, the validity of the remainder of the Agreement and the application of the Agreement shall not be affected thereby.

**Section 10.** This Agreement shall be in full force and effect for a period of 25 years or on the date of payment of the City's final obligation to the School District after expiration of the TIF, whichever first occurs.

IN WITNESS WHEREOF, the parties hereto have set their hands on the 27<sup>th</sup> day of June, 1995.

**CITY OF O'FALLON, ILLINOIS**

By Robert Brydson  
Its Mayor

**ATTEST:**

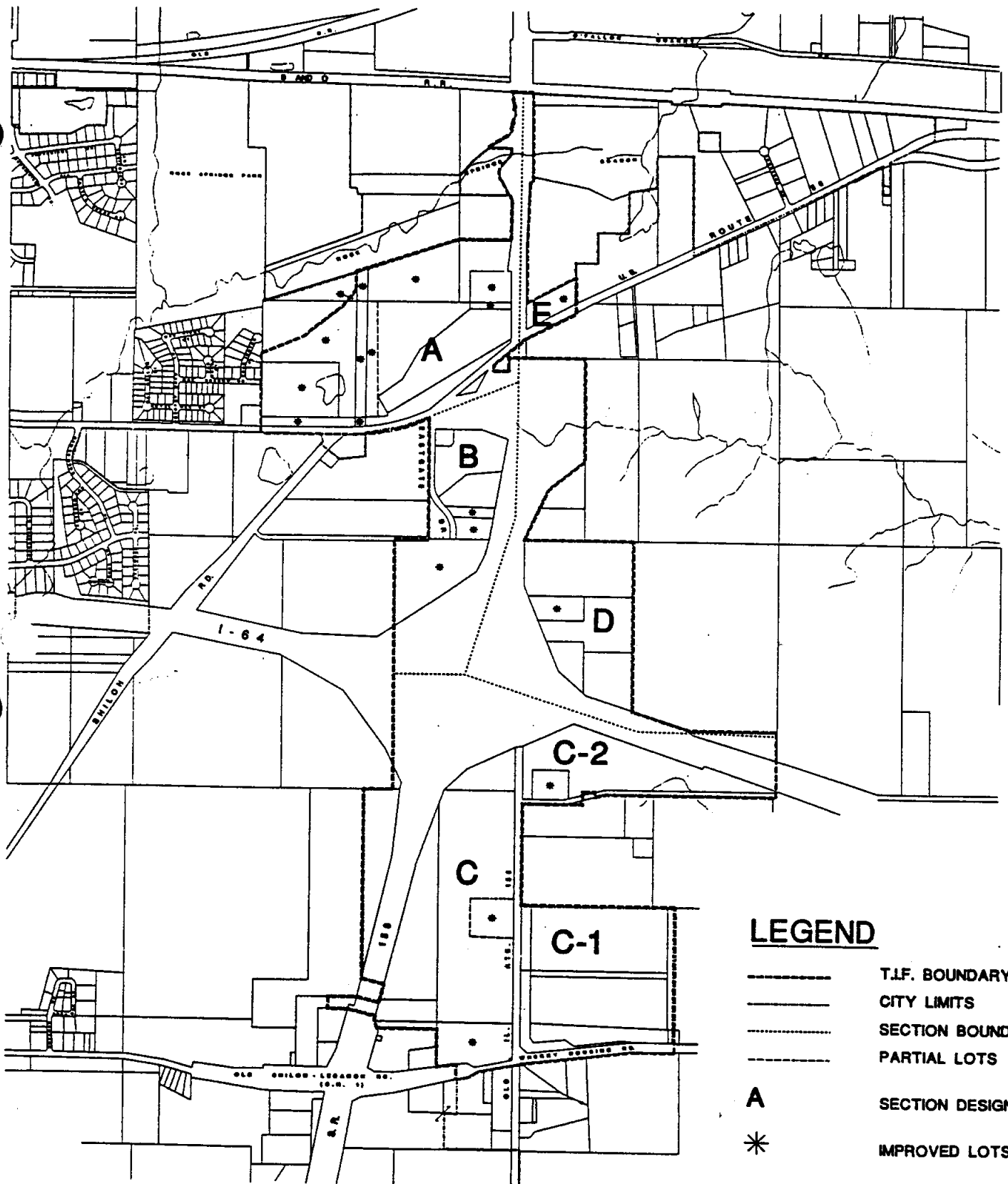
By Benjamin E. Hamm  
Its City Clerk

**BOARD OF EDUCATION OF O'FALLON  
TOWNSHIP HIGH SCHOOL DISTRICT  
NO. 203**

By William A. Jensen  
Its President

**ATTEST:**

By Dr. R. B. Deen  
Its Secretary



# Qualification Factors Map

## Tax Incremental Redevelopment Area

### O'Fallon, Illinois

MARCH 1995

**RGV** Urban Consulting