FY 2012
ANNUAL TAX INCREMENT FINANCE REPORT

STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA

Name of Municipality:	O'Fallon	Reporting Fiscal Year:	**2012**
County:	St. Clair	Fiscal Year End:	4/30/2012
Unit Code:			

TIF Administrator Contact Information

First Name:	Sandy	Last Name:	Evans		
Address:	255 S. Lincoln	Title:	Director of Finance		
Telephone:	618-624-4500	City:	O'Fallon	Zip:	62269
Mobile		E-mail	sevans@ofallon.org		
Mobile Provider		Best way to contact	___X___ Email _____Mobile	_____Phone _____Mail	

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of

is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Sandy Evans — 12-12-13

Written signature of TIF Administator — Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTICT

Name of Redevelopment Project Area	Date Designated	Date Terminated
TIF #1 - 158 Corridor TIF District	6/19/1995	
TIF #2 - Green Mount Medical Campus Redevelopment Area	11/21/2011	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

Name of Redevelopment Project Area:	TIF 2
Primary Use of Redevelopment Project Area*:	Combination/Mixed
If "Combination/Mixed" List Component Types:	Business Office/Retail/Medic
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act __x___	**Industrial Jobs Recovery Law _____**

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] **If yes, please enclose the amendment labeled Attachment A**	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6 22 (d) (3)] **Please enclose the CEO Certification labeled Attachment B**		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] **Please enclose the Legal Counsel Opinion labeled Attachment C**		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] **If yes, please enclose the Activities Statement labeled Attachment D**	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] **If yes, please enclose the Agreement(s) labeled Attachment E**		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] **If yes, please enclose the Additional Information labeled Attachment F**	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] **If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G**	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] **If yes, please enclose the Joint Review Board Report labeled Attachment H**		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] **If yes, please enclose the Official Statement labeled Attachment I**	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] **If yes, please enclose the Analysis labeled Attachment J**	X	
Cumulatively, have deposits equal or greater than $100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) **If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K**	X	
Cumulatively, have deposits of incremental revenue equal to or greater than $100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] **If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L**	X	
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] **If yes, please enclose list only of the intergovernmental agreements labeled Attachment M**	X	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

Fund Balance at Beginning of Reporting Period $ -

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	$ -	$ -	0%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	$ -	$ -	0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

***must be completed where 'Reporting Year' is populated**

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period $ -

Cumulative Total Revenues/Cash Receipts $ - 0%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) $ 39,066

Distribution of Surplus

Total Expenditures/Disbursements $ 39,066

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS $ (39,066)

FUND BALANCE, END OF REPORTING PERIOD* $ (39,066)

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
PAGE 1

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Legal and accounting fees	24,349	
Consulting, planning and engineering fees - Development	14,717	
		$ 39,066
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
		$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		$ -

SECTION 3.2 A		
PAGE 2		
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
		$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		$ -

SECTION 3.2 A		
PAGE 3		
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -

TOTAL ITEMIZED EXPENDITURES		$ 39,066

Section 3.2 B

List all vendors, including other municipal funds, that were paid in excess of $10,000 during the current reporting year.

_____ **There were no vendors, including other municipal funds, paid in excess of $10,000 during the current reporting period.**

Name	Service	Amount
Development & Municipal Initiatives	TIF consulting services	$ 14,000.00

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))
Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

FUND BALANCE, END OF REPORTING PERIOD	$ (39,066)

1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
N/A		
Total Amount Designated for Obligations	$ -	$ -

2. Description of Project Costs to be Paid		
Infrastructure improvements, installation of light signal,		$ 22,500,000
construction of turn lane, mine remediation costs		
Due to General Fund for TIF formation expenses		$ 39,066
Total Amount Designated for Project Costs		$ 22,539,066

TOTAL AMOUNT DESIGNATED	$ 22,539,066
SURPLUS*/(DEFICIT)	$ (22,578,132)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

__X___ No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
PAGE 1

If **NO** projects were undertaken by the Municipality Within the Redevelopment Project Area, indicate so in the space provided:	_____
If Projects **WERE** undertaken by the Municipality Within the Redevelopment Project Area enter the **TOTAL** number of projects and list them in detail below.	__1____

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED IF PROJECTS ARE LISTED ON THESE PAGES

TOTAL:	**11/1/99 to Date**	**Estimated Investment for Subsequent Fiscal Year**	**Total Estimated to Complete Project**
Private Investment Undertaken (See Instructions)	$ -	$ -	$ 200,000,000
Public Investment Undertaken	$ 39,066	$ 5,000	$ 22,500,000
Ratio of Private/Public Investment	0		8 8/9

Project 1: HOSPITAL SISTERS HEALTH SYSTEM			
Private Investment Undertaken (See Instructions)	$ -		$ 200,000,000
Public Investment Undertaken	$ 39,066	$ 5,000	$ 22,500,000
Ratio of Private/Public Investment	0		8 8/9

Project 2:			
Private Investment Undertaken (See Instructions)			$ -
Public Investment Undertaken			$ -
Ratio of Private/Public Investment	0		0

Project 3:			
Private Investment Undertaken (See Instructions)			$ -
Public Investment Undertaken			$ -
Ratio of Private/Public Investment	0		0

Project 4:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

SECTION 6

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
11/21/2011	$ 1,635,661	$ 1,635,661

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

__X___ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -

SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

TIF district lies between I64 & Green Mount Rd

Optional Documents	Enclosed	
Legal description of redevelopment project area		
Map of District	X	

ATTACHMENT B

Certification of the Chief Executive
Officer of the municipality that the municipality
had complied with all of the requirements of this Act
during the preceding fiscal year
[65 ILCS 5/11-74.1-5 (d) (3) and 5/11-74.6-22 (d) (3)]

I, Gary Graham, the duly elected Mayor of the City of O'Fallon, County of St. Clair, Illinois, State of Illinois, and as such, do hereby certify that the City of O'Fallon has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the fiscal year covered by this report (May 1, 2011 – April 30, 2012).

12-12-13.
Date

Gary Graham
Mayor of the City of O'Fallon

255 South Lincoln O'Fallon, IL 62269 Phone: (618) 624-4500 Fax : (618) 624-4508

ATTACHMENT C

"(C) An opinion of legal counsel that the municipality is in compliance with this Act."
[65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)]

I, Terry Bruckert, am the Tax Increment Financing Attorney for the City of O'Fallon, Illinois and have been such throughout the fiscal year covered by this report (May 1, 2011- April 30, 2012).

I have reviewed all information provided to me by the City administration and staff, and I find that the City of O'Fallon, Illinois has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth hereunder to the best of my knowledge and belief.

This opinion relates only to the time period set forth, and is based upon all information available to me as of the end of said fiscal year.

12-12-13
Date

Terry L. Bruckert
Signature

255 South Lincoln O'Fallon, IL 62269 Phone: (618) 624-4500 Fax : (618) 624-4508

ATTACHMENT E

City of O'Fallon
St. Clair County, Illinois

DESCRIPTION OF AGREEMENTS REGARDING REDEVELOPMENT
OF PROPERTY WITHIN THE PROJECT AREA

Year Ended April 30, 2012

City of O'Fallon – Hospital Sisters Health System Development Agreement

Between the *City of O'Fallon and Hospital Sisters Health System* (the Developer), November 21, 2011, to provide tax increment financing for a portion of the development costs associated with the proposed Green Mount Medical Campus, a hospital medical campus and approximately 200,000 square feet of medical office space. The project includes construction of certain public infrastructure and mine remediation.

Terms of the agreement provide that the City will reimburse the Developer for TIF eligible project costs, to be paid from the tax increment revenue generated within the redevelopment project area during the term of the TIF district. The obligation to pay the Developer from tax increment revenue is subordinate to payment on bonds noted below.

The City is to issue up to $10 million in general obligation bonds for mine remediation which will be paid first by tax increment revenue generated within the redevelopment project area.

Minutes from the Joint Review Board
Green Mount Medical Campus
October 6, 2011

Meeting was called to order at 11:00am on Thursday, October 6, in the Mayor's Conference room by City of O'Fallon's Director of Finance, Dean Rich.

Introduction of representatives present: Terry Beach, St. Clair County, Patrick Anderson, Central School Dist. #104, Darcy Benway, O'Fallon Dist. #203, Molly Scanlan, O'Fallon Public Library, Ray Holden, O'Fallon citizen, and Dean Rich, City of O'Fallon.

Also in Attendance: Attorney Kurt Schroeder, Central School Dist. #104; Representatives from HSHS--Jim Burke, Mark Reifsteck, and Melissa Wildhaber; Representatives from City of O'Fallon--Attorney Terry Bruckert, City Administrator Walter Denton, Planning Director Ted Shekell, Deputy Finance Director Sandy Evans, and Eric White, DMI Solutions.

Dean Rich asked for a nomination for a Public Member at Large. Molly Scanlan nominated Ray Holden, seconded by Mr. Beach. Vote taken, All Ayes

Mr. Rich asked for nomination for the selection of a Chairperson. Molly Scanlan nominated Dean Rich, seconded by Mr. Holden. Vote taken, All Ayes.

Walter Denton was selected as the Recorder, All Ayes

Eric White from DMI Solutions reviewed the Joint Review Board procedures and duties with all present. He then proceeded to discuss the TIF Plan and TIF Eligibility. Mr. Bruckert reviewed the Draft Ordinances. Mr. Schroeder asked if there were any further breakdown of cost on Exhibit E of the Plan and that there was no interest or bond fees listed. Mr. Rich explained that HSHS has not even filed for a Certificate of Need (CON), which may still be 9-12 months out, so there are no definitive structural or architectural plans, including bond fees.

Mr. Rich then opened the floor for any additional questions and comments. Mr. Schroeder asked if there would be any pass through. Mr. Rich explained that the Hospital is a non-profit organization and the only taxable property would be the medical buildings they are proposing to build and those will barely produce enough to pay for the TIF expenses.

Mr. Schroeder inquired about the timing of the issuance of bonds for construction. Mr. Rich stated that timing of the bond issuance is tied to CON approval. Mr. Burke responded that there is no timing and that the purchase of the property is contingent on TIF approval.

Mr. Schroeder then asked if there was any adjacent TIF's being planned and Mr. Rich said that the other TIF was totally different and not attached to this TIF.

Mr. Anderson asked what happens if HSHS does not receive the CON. Mr. Rich responded that bonds would not be issued unless the CON is approved and HSHS begins construction.

Dr. Benway asked if HSHS decided not to build and they sold the property, could they sell it to a "like" business or could it be sold to a "for-profit" business. Mr. Bruckert explained that it was not the intent, but could not guarantee. He explained that HSHS must have the land purchased prior to applying for the CON. Mr. Shekell responded that the property is being zoned "Office" and the Comprehensive Plan will designate the property for a medical campus.

Mr. Beach asked how much taxable office space is anticipated with the project. Mr. Burke responded that 200,000 square feet of medical office buildings are anticipated over three phases.

Mr. Rich made the motion that since this TIF Plan meets the requirement as reviewed by the Joint Review Board it should be recommended to City Council for approval. Ms. Scanlan seconded. Roll Call: Mr. Beach-Aye, Mr. Anderson- No, Dr. Benway-Present, Mr. Holden- Aye, Ms. Scanlan- Aye, Mr. Rich- Aye. 4 Ayes, 1 No, 1 Present. Motion Passes.

Mr. White then reviewed the timetable and next steps.

Mr. Holden moved to adjourn, Ms. Benway seconded. Vote taken, All Ayes. Meeting adjourned 11:55 a.m.

Exhibit B

Map