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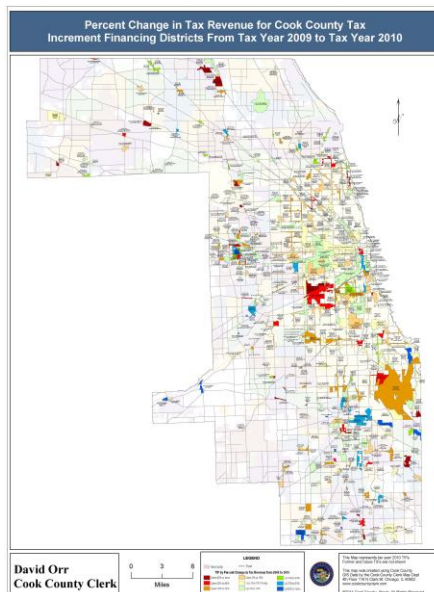
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Clerk Orr's 2010 TIF Report: TIF revenue down nearly 4% countywide Decline due to TIFs closing, real estate downturn

Cook County Clerk David Orr on Thursday released the 2010 TIF revenue report, which shows \$807 million was collected in the 425 active tax increment financing districts in Chicago and the suburbs.

Countywide TIF revenue dipped 3.8 percent from 2009, when taxpayers contributed \$839 million into TIFs. TIF revenue peaked in 2007 at \$892 million and has declined each year since. The decline is the result of TIFs being closed and the real estate downturn, which yielded lower assessments that impacted the incremental value.



The City of Chicago will collect \$510 million for the 2010 tax year – about a 2 percent decrease from the \$520 million generated for 2009 – and has added seven new TIF districts, according to the Clerk's data. Since 1986, more than \$4.6 billion has been collected from all Chicago TIFs.

“The TIF landscape is significantly different than a year ago,” Orr said. “For too long, the entire TIF program was mired in Chicago politics and conducted in secrecy. I commend the reform proposals presented by Mayor Emanuel and his TIF Task Force, which include many of the suggestions I’ve advocated for years to improve TIF accountability and transparency.”

Orr said he was gratified to hear Emanuel announce during his budget address Wednesday that Chicago will now conduct annual reviews of all funds, bring TIFs onto the city budget and develop a systematic way for returning TIF surplus.

“I have no doubt that if a serious audit is done, we will find Chicago TIFs with vague plans or projects that are frankly not in the public’s best interest,” Orr said. “Evidence of abuse, conflicts of interest and poor planning are mounting. It is time for the city to take action and revamp the TIF program to benefit a wider audience.”

Orr urged the mayor, the alderman and the task force to consider even greater measures: vetting all TIF proposals, contracts and expenditures in a public arena; allowing for public comment prior to the approval of any new TIFs; and developing an action plan for closing TIFs when goals have been met.

“Such an overhaul takes time,” Orr said, “and it appears Mayor Emanuel is headed in the right direction on TIFs.”

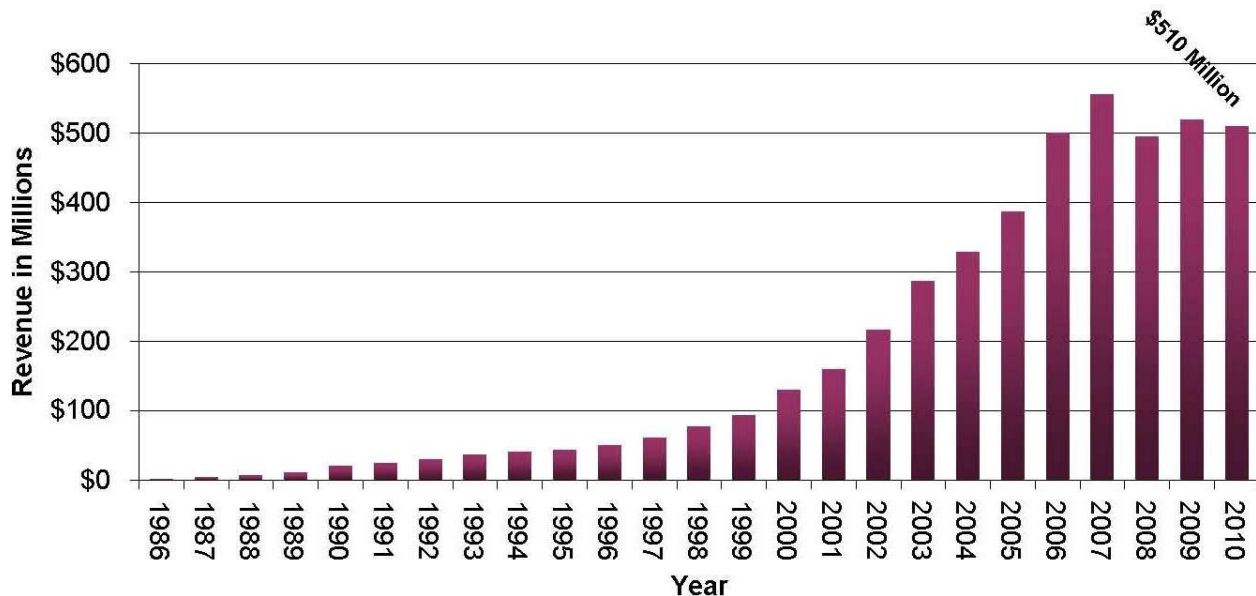
Tax increment financing (TIF) is a special tool that a municipality can use to generate money for economic development in a specific geographic area. TIF districts allow a city to reinvest all “new” property tax dollars in the neighborhood from which they came for a 23-year period. During that time, no tax revenue generated from increases in property values are allocated to schools, parks or other tax districts. Under state law, TIFs may be cancelled earlier or extended an additional 12 years.

The view data on each TIF district, see these PDF sections of the TIF Report: [Countywide summary](#), [Chicago summary](#), [Suburban summary](#), Tax Increment Agency Report.

Last year, Orr called for a moratorium on new Chicago TIFs until new leadership could be installed and existing TIFs could be reviewed. All seven new TIFs added in Chicago were approved prior to the new administration taking office. The new TIFs are comprised of 6,907 parcels.

The 2010 report shows that half of all Chicago TIFs saw revenue drop. Of those, 33 TIFs experienced double-digit declines over the prior year. The three TIFs with the greatest percentage revenue decreases are: Lakeside/Clarendon (-86%); Little Village Industrial (-65%); Hollywood/Sheridan (-60%).

Chicago TIF Revenue by Year (1986-2010)



Other Chicago highlights from Orr’s report:

- Since 1986, nearly \$4.6 billion has been collected from all TIFs in Chicago;
- Three Chicago TIFs were cancelled, all of which lasted a full lifespan: Chatham Ridge, Chinatown Basin and West Ridge/Peterson;
- The largest Chicago TIFs are: Near South (\$64.2 million); Kinzie Conservation (\$19.3 million); and Canal/Congress (\$19.1 million);
- Only nine TIFs had double-digit revenue increases. Of those, the greatest percentage revenue gains over the prior year were found in the following TIFs: Weed/Fremont (197%); Michigan/Cermak (155%); and South Chicago (61%).

TIFs in suburban Cook County also experienced an overall revenue decline of 6.73 percent, from \$319.3 million in 2009 to \$297.8 million in 2010. Revenue decreased for 111 of 263 active suburban TIFs, or about 41 percent.

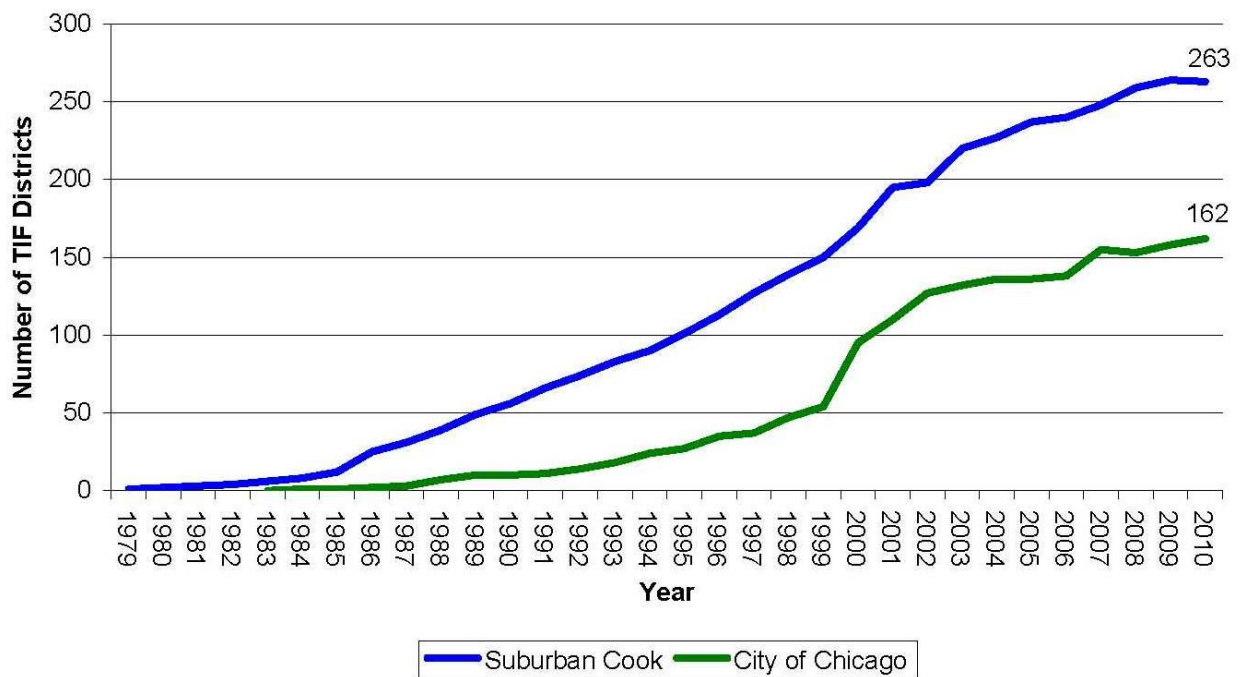
Other suburban highlights in Orr’s report:

- Nine suburban TIFs were cancelled in 2010, one each in Bartlett, Elmwood Park, Hodgkins, Homewood, Justice, Niles, Northlake, Orland Hills and River Forest. All of the closed TIFs lasted 20 years or more;

- Eight new suburban TIFs were added, one each in Alsip, Countryside, Justice, Melrose Park, Midlothian, Olympia Fields, Skokie and South Chicago Heights;
- 5 suburban TIFs have 2010 revenue in excess of \$10M:
 - Glenview – Naval Air Station (\$27 million, up 4.37%)
 - Hoffman Estates – Sears (\$26 million, up 0.10%)
 - Rosemont – 1 (\$17 million, up 4.41%)
 - Rosemont – River Road (\$13 million, down 24.11%)
 - Cicero (\$10.6 million, down 0.96%)

The number of TIFs has grown steadily in both Chicago and the suburbs since the late 1970s, as demonstrated in the graph “Number of TIF Districts by Year.”

Number of TIF Districts by Year (1979-2010)



Of about 1.86 million properties in Cook County, about 12 percent or 217,253 properties are located in a TIF district. Clerk Orr’s website features an [online tool](#) that allows taxpayers to learn if their property is in a TIF district and if so, what percentage of their taxes goes into that TIF fund.

“Until every municipality includes TIF districts in their budget, the public will never have a real understanding of how TIFs impact their community,” Orr said. “I’m encouraged by Mayor Emanuel’s commitment to transparency and support the Chicago aldermen who are pushing for greater scrutiny on TIF expenditures.”

[Previous TIF reports](#), the [TIF property search tool](#), and [TIF maps](#) can be found at cookcountyclerk.com.