
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: MATT ANASTASIA, FINANCE DIRECTOR
SUBJECT: DISCUSSION: TIF #1 & TIF #2 SURPLUS
AGENDA: OCTOBER 17, 2023
DATE: OCTOBER 13, 2023

ISSUE

Shall the Board discuss declaring a surplus in TIF #1 & TIF #2.

DISCUSSION

The Village Board has the ability to surplus TIF funds and distribute back to the taxing districts within the boundaries of each TIF District. Staff discussed the different projects and plans within each TIF district foreseen in the future, to determine if a surplus in each TIF was warranted. Based on the discussions had, it was determined a surplus could be declared, if the Village Board approved, in each of the TIF districts. The current Fund Balance as of FY22-23 for TIF #1 is \$439,698 and TIF #2 is \$277,219. With the property taxes collected in FY23-24 the estimated fund balance for TIF #1 will be \$880,295 and TIF #2 at \$529,271.

TIF #1 does not have any infrastructure projects planned since the Sanitary Sewer extension project was determined to be not feasible. The Village is in discussion with a potential developer within the district for a redevelopment agreement, however, declaring a surplus in TIF #1 does not hinder the ability of the Village to have these discussions. It is staff recommendation to surplus \$200,000 from TIF #1.

TIF #2 has one redevelopment agreement with a developer currently within the district boundaries, however, this redevelopment agreement deals with increment directly created from the parcels within the redevelopment area. There are no other projects or development opportunities at the time. It is staff recommendation to surplus \$50,000 from TIF #2.

COST

There is no cost to discuss declaring a surplus from TIF #1 and TIF #2, if the surplus is approved it would cost \$200,000 and \$50,000 from TIF #1 & TIF #2, respectively.

RECOMMENDATION

The Board discusses the declaring a surplus in TIF #1 & TIF #2 and direct Staff to draft the appropriate Resolution for the TIF Surplus’.