
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: MATT ANASTASIA, FINANCE DIRECTOR
SUBJECT: RESOLUTION: AUTHORIZING AN INTERFUND LOAN
AGENDA: NOVEMBER 6, 2018 REGULAR BOARD MEETING
DATE: NOVEMBER 2, 2018

ISSUE

Shall the Board approve a Resolution Authorizing an Interfund Loan.

DISCUSSION

The Village is currently in the process of completing the necessary steps to formally consider amending the current boundaries of the existing TIF #2. There is land acquisition costs that need to be completed within the anticipated new TIF 2 boundaries. At the current time, TIF #2 does not have the funds needed to complete the land purchase. TIF #1 currently has funds that will be loaned to TIF #2, to be paid back over a maximum 5 year time period. If TIF #1 and TIF #2 become contiguous, the interfund loan will be considered a permanent transfer allowable under TIF law.

Approval of the Resolution does not bind the Village to amend the TIF's to be contiguous. It provides for the legal authority to transfer the necessary funds from TIF #1 to TIF #2 to complete the purchase of a maximum of \$150,000.

COST

There are no costs associate to passing this resolution.

RECOMMENDATION

That the Village Board approve a Resolution 20181106C Authorizing an Interfund Loan.



RESOLUTION NO. 20181106C

A RESOLUTION AUTHORIZING THE TAX INCREMENT FINANCING (TIF) DISTRICT NUMBER 1 FUND TO LOAN THE TAX INCREMENT FINANCING (TIF) DISTRICT NUMBER 2 FUND UP TO \$150,000 FOR PAYMENT OF REDEVELOPMENT COSTS ASSOCIATED WITH THE REDEVELOPMENT PROJECT AREA FOR TAX INCREMENT FINANCING (TIF) DISTRICT NUMBER 2

BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows;

WHEREAS, the Village of Sugar Grove (“Village”) is not a home rule municipality within Article VII, Section 6A of the Illinois Constitution, and accordingly, acts pursuant to the powers granted to it under 65 ILCS 5/1-1 *et seq.*; and,

WHEREAS, the Sugar Grove Village Board has established a Redevelopment Project Area under the Tax Increment Financing laws of the State of Illinois; and

WHEREAS, current revenue sources of the TIF District Number 2 Fund are inadequate to fully fund the Redevelopment Projects; and

WHEREAS, the TIF District Number 1 Fund has a cash balance in excess of expenditures required for the timely payment of expenditures; and

WHEREAS, the Village of Sugar Grove has the authority to transfer funds in the form of a loan between the TIF District Number 1 Fund and the TIF District Number 2 Fund.

NOW THEREFORE BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

1. That up to \$150,000 may be loaned to the TIF District 2 Fund from the TIF District 1 Fund for the purpose of paying the costs of the Redevelopment Project Area.
2. That interest shall accrue from the time of a loan until same has been fully paid at a rate equal to 0%.
3. That principal and interest on this loan shall be paid when funds are available from the Special Tax Allocation Fund and Accounts.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, this _____ day of _____, 2018.

President of the Board of Trustees
of the Village of Sugar Grove, Kane County, Illinois

ATTEST: _____
Clerk, Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Heidi Lendi	___	___	___	___
Trustee Mari Johnson	___	___	___	___
Trustee Sean Herron	___	___	___	___
Trustee Ted Koch	___	___	___	___
Trustee Rick Montalto	___	___	___	___
Trustee David Paluch	___	___	___	___
Village President P. Sean Michels	___	___	___	___