
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: MATT ANASTASIA, FINANCE DIRECTOR
SUBJECT: RESOLUTION WAIVING REPAYMENT OF AN INTERFUND LOAN
BETWEEN TIF #1 AND TIF #2
AGENDA: FEBRUARY 18, 2020 REGULAR BOARD MEETING
DATE: FEBRUARY 14, 2020

ISSUE

Shall the Village Board approve a Resolution Waiving Repayment of an Interfund Loan between TIF #1 and TIF #2.

DISCUSSION

At the Board meeting held on November 6, 2018, the Village passed Resolution 20181106B Declaring an Intent to Reimburse Certain Redevelopment Costs and Resolution 20181106C Authorizing an Interfund Loan Between TIF #1 and TIF #2. The purchase of Lot #18 on Heartland was completed and is now included within the TIF #2 boundaries approved by the Board on January 21, 2020. Under Municipal Code and TIF Statute the Village is allowed to transfer funds between contiguous TIF districts. Approving this Resolution would eliminate the liability from TIF #2, reducing the Fund Balance deficit the TIF #2 Fund currently has. This Interfund Loan will be removed from the Audit for FYE2020 under the Due To/From section as well.

COST

There is no cost to approve this Resolution. If this resolution is not passed, the loan would need to be paid back from TIF #2 to TIF #1 before the life of the TIF expires.

RECOMMENDATION

That the Village Board approve Resolution 20200218B Waiving Repayment of an Interfund Loan Between TIF #1 and TIF #2.



RESOLUTION NO. 20200218B

A Resolution Waiving Repayment of an Interfund Loan Between TIF #1 and TIF #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, interfund loans are an accepted practice under general governmental accounting standards in the State of Illinois; and,

WHEREAS, on November 6, 2018, the Village passed Resolution 20181106B Declaring an Intent to Reimburse Certain Development Costs; and,

WHEREAS, on November 6, 2018, the Village passed Resolution 20181106C Authorizing an Interfund Loan which authorized a the tax increment financing district number 1 (“TIF #1”) fund to loan the tax increment financing district number 2 (“TIF #2”) up to \$150,000.00 for payment of redevelopment costs associated with the redevelopment project area for TIF #2; and,

WHEREAS, on January 21, 2020, the Village passed Ordinances 2020-0121 Amending the Sugar Grove Industrial Redevelopment Project Area #1, Removing Certain Parcels from said Project Area; Adopting and Approving an Amended Sugar Grove Northeast Airport Tax Increment Financing #2 Redevelopment Plan and Related Redevelopment Projects for the Proposed Amended Redevelopment Project Area; Adding Additional Property to the Sugar Grove Northeast Airport Tax Increment Financing #2 Redevelopment Project Area; and, Adopting Tax Increment Financing for the Amended Redevelopment Project Area, which established contiguity between TIF #1 and TIF #2; and,

WHEREAS, the Illinois Municipal Code (65 ILCS 5/11-74.4-4(q)) provides for the transfer or loaning of funds between contiguous TIF districts; and,

WHEREAS, accordingly, due to the contiguity between TIF #1 and TIF #2, the Village finds it necessary and appropriate to waive any repayment obligations between the TIF #1 fund and TIF #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:

The corporate authorities of the Village of Sugar Grove hereby waive the repayment of the interfund loan contemplated by Resolution 20181106B and authorized by Resolution 20181106C pursuant to 65 ILCS 5/11-74.4-4(q).

All resolutions or portions thereof in conflict with this Resolution are hereby repealed.

Should any provision of this Resolution be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and effect the same as if the invalid portion had not been a part of this Resolution.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, this 18th day of February, 2020.

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 Sean Herron	___	___	___	___
Trustee Ted Koch	___	___	___	___
Trustee Jen Konen	___	___	___	___
Trustee Heidi Lendi	___	___	___	___
Trustee Rick Montalto	___	___	___	___
Trustee Ryan Walter	___	___	___	___
President P. Sean Michels	___	___	___	___