

AGENDA ITEM REPORT

DATE OF MEETING: December 12, 2016

ITEM: Resolution Providing for Tax Abatement for the Taxable General Obligation Bonds, Series 2009, of the City of Collinsville, Madison and St. Clair Counties, Illinois

STRATEGIC PLAN GOAL: Goal #7 – Financial Stewardship and Sustainability

BACKGROUND:

The 2009 bonds were issued as general obligation debt in order to secure a low interest rate for the reimbursement of eligible project costs to Lodging Hospitality Management, Inc. in the redevelopment of the Doubletree Hotel located at 1000 Eastport Plaza Drive. The intention was to annually abate the property tax levy and use resources of the TIF District 1 Fund to make principal and interest payments. Those resources include sales tax, property tax and hotel/motel tax generated by the hotel. If the City does not abate the property tax levy each year, the County Clerks are required by the bond ordinance to levy the amount specified in the ordinance.

RECOMMENDATION:

The Director of Finance recommends approval of the Resolution Providing for Tax Abatement for the Taxable General Obligation Bonds, Series 2009, of the City of Collinsville, Madison and St. Clair Counties, Illinois.

ITEM SUBMITTED BY: Tamara Ammann, Director of Finance

ATTACHMENTS: Resolution