

AGENDA ITEM REPORT

DATE OF MEETING: December 12, 2016

ITEM: Resolution Providing for Tax Abatement for the General Obligation Refunding Bonds, Series 2014, of the City of Collinsville, Madison and St. Clair Counties, Illinois

STRATEGIC PLAN GOAL: Goal #7: *“Financial Stewardship and Sustainability”*

BACKGROUND:

The request is to abate the property taxes associated with the bonds issued related to the Collinsville Crossings development. The property taxes are being abated as the intent of the development is to have the business district funds generated from the Collinsville Crossings development pay the associated bond principal and interest payments. These bonds were originally issued in 2007 to fund developer reimbursements related to the Collinsville Crossings development. These bonds were partially refinanced in 2014 to take advantage of lower interest rates with the intent to annually abate the property tax levy and use the Collinsville Crossings Business District Sales Tax revenues to make the associated principal and interest payments. Should the City choose not to abate the property tax levy each year, the County Clerks are required by the bond ordinance to levy the amount specified in the ordinance via property tax.

RECOMMENDATION:

The Director of Finance recommends approval of the Resolution Providing for Tax Abatement for the General Obligation Refunding Bonds, Series 2014, of the City of Collinsville, Madison and St. Clair Counties, Illinois.

ITEM SUBMITTED BY: Tamara Ammann, Director of Finance

ATTACHMENTS: Resolution