

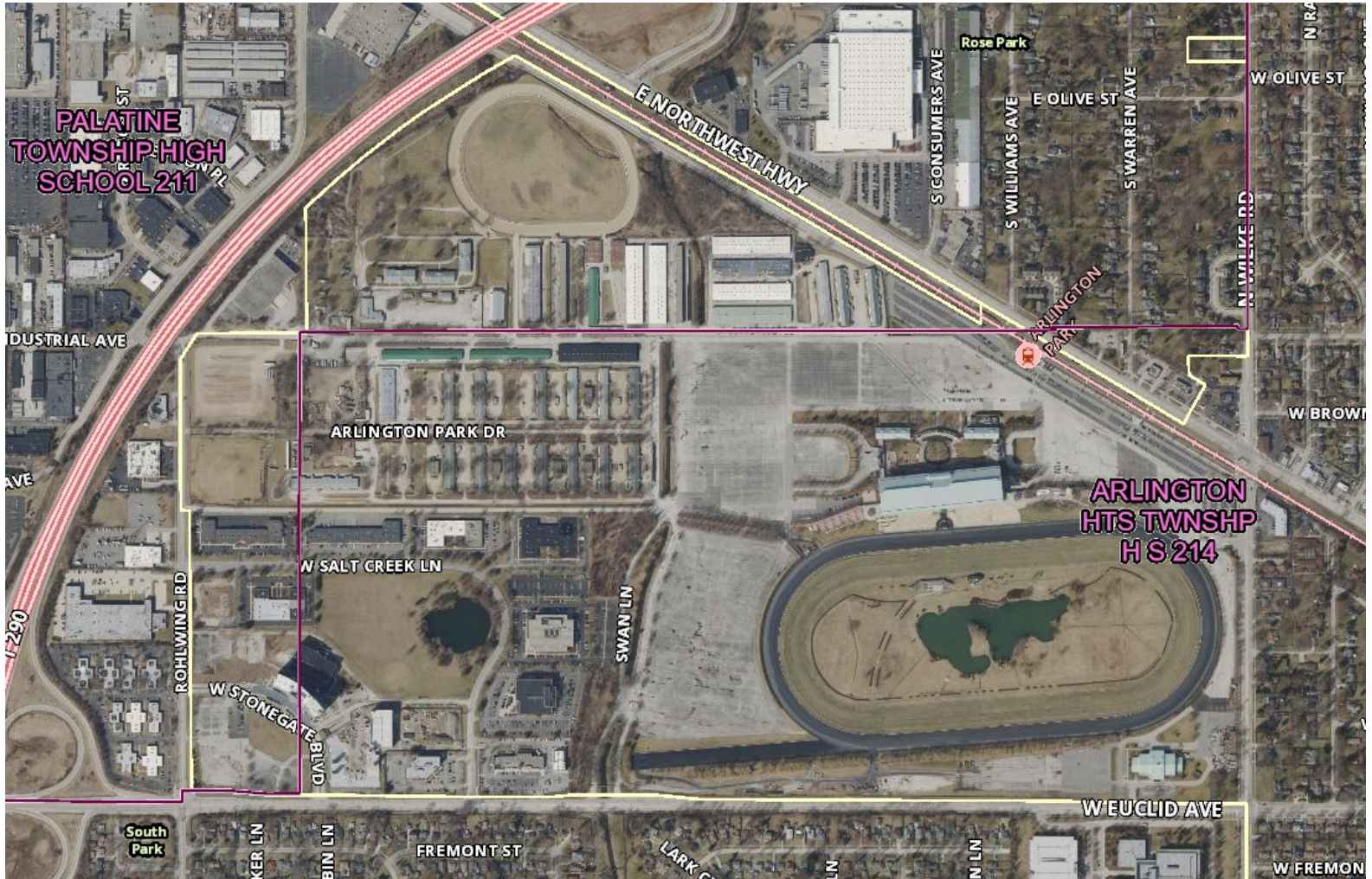
FRANCZEK

# Arlington Park/Stadium 'Mega Project' Overview

Township High School District No. 214

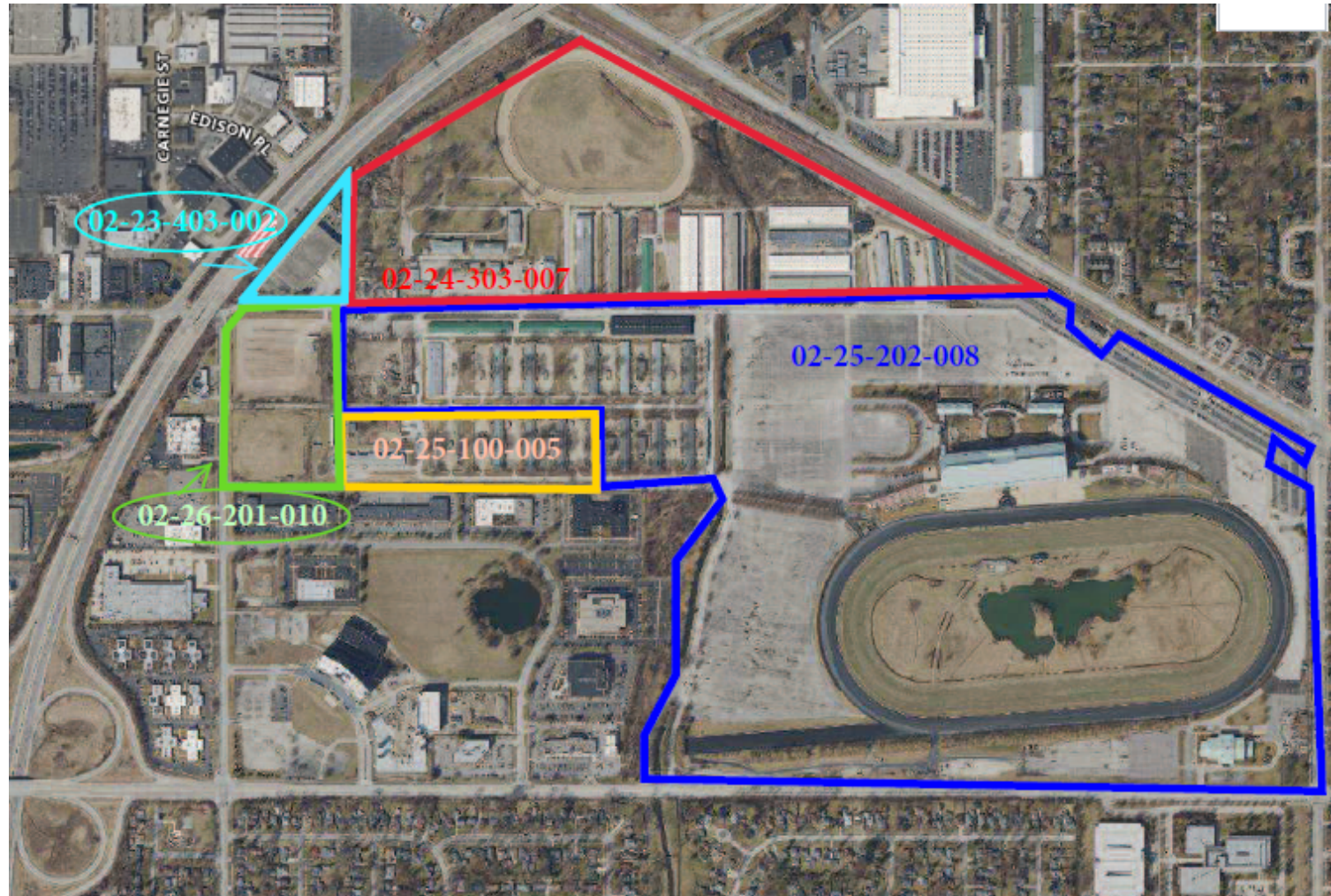
February 2, 2023

# Current Arlington Park





# Current Arlington Park w/ Tax Parcels





# Concept Plan for New Development



# The 'Mega Project' Legislation

- *Mega Project Assessment Freeze and Payment Law*
  - New Sec. 10-910 of the Property Tax Code
  - Bill is 114 pages
- Developer must spend at least \$500.0 MM
- Term is 23 years – but can be extended to 40 years
  - Local municipality can extend by finding 'substantial public benefit'
- IDOR issues a Mega Project Certification
- Assessor then freezes AV at 'base year valuation'
- Base year valuation holds for up to 40 years
- Taxing districts collect property taxes only from base year valuation

# The 'Mega Project' Legislation

- Local municipality must hold one public hearing prior to entering into incentive agreement with Developer
- Incentive agreement must include:
  - Annual 'special payment' to local municipality
  - Special payment is 'established by the local municipality'
  - Other taxing districts have no role in establishment of special payment
  - Developer must operate the mega project for at least 20 years
  - 'Such other terms and conditions as are mutually agreeable to the municipality and the company'

# The 'Mega Project' Legislation

- Special payment is made to local municipality and distributed within 30 days to other taxing districts
- 'Special payment' is 'the annual amount paid in addition to property taxes paid during the incentive period as provided in the incentive agreement'
- Equivalent to a PILOT – Payment in Lieu of Taxes

# Additional Questions

- Unclear if mega project designation would apply to stadium only, mixed-use district only, or entire development
- Possible mega project designation for stadium and then a TIF district for the mixed-use area



# Summary

- 40-year term
- Base year valuation
- Establishment of the special payment
- Absence of any role for other taxing districts
- Scope of mega project designation
- Role of TIF in addition to mega project
- Being heard in Springfield