



The Importance of Tax Increment Financing (TIF) to Community Development and Economic Growth

The Monmouth City Council has recently taken official actions to extend the term of the Downtown TIF District and to create a new TIF District on North 6th Street at Highway 34 for the proposed new Fareway Food Store. Both of these decisions are intended to attract new private investment in Monmouth and grow the local economic tax base.

Illinois State Law allows municipalities to extend the life of existing TIF Districts an additional 12 years. The Monmouth Downtown & Broadway Corridor TIF District was created in 1999 and is scheduled to expire in the year 2022. **Since its establishment, property values have increased significantly with over \$4.2 million in new private investments in real estate properties along with \$1.2 million in public infrastructure improvements by the City.** While much has been accomplished over the past 18 years, there is still much to be undertaken, and by extending the term of this TIF to the year 2034, the City will be able to make other improvements to the infrastructure while also beautifying the town square and other streetscaping enhancements along South Main Street.

An extended district will also afford the City with the opportunity to forge new public-private partnerships with businesses and developers to renovate and re-purpose some of the historic downtown commercial buildings with possible residential units on the upper floors. **Monmouth will also be able to use these additional incremental tax revenues to leverage state and federal grant funds as well as attracting new private dollars into the downtown with new businesses, creating new jobs, and generating new sales tax and income tax revenues.** This commercial activity will indirectly benefit the residential market by growing the population and increasing the demand for more housing units in the community.

The new Tax Increment Financing District at the site of the old K-Mart Store will, first of all, have a major impact of redeeming a tax-exempt property owned by Monmouth College, and replacing it with a private tax parcel that will be back on the tax roll into perpetuity. **This property currently pays no property tax. With its purchase by Fareway Stores, it will once again become a tax revenue producing property.** Due to the additional cost of acquiring the site and demolishing the old K-Mart building to build a new grocery store, Fareway needed an additional five (5) years of tax

rebates to make the project financially feasible. The project was already eligible for a 10-year tax abatement under the Enterprise Zone (EZ), so the new TIF District will supplant the EZ as the local economic tool providing the incentive to this new development. **It is critically important to understand that this is a performance-based incentive.** Fareway Stores will only receive the tax rebate if they complete the construction of their \$4.9 million store as they have indicated to the City. Furthermore, the only incentive they receive is from the property tax revenues generated from their own project. **There will be no community taxpayer money used to provide this economic incentive.** It is a rebate of the money they themselves generate off the property and is collected by the City. If they produce less than they have projected, then they receive fewer rebates. No other taxpayer dollars are pledged to Fareway Stores in this project. And think of the size of this one project compared to the entire Downtown TIF District since 1999. Consider the \$4.2 million that has been invested in downtown Monmouth over the past 18 years compared with the \$4.9 million investment proposed by Fareway Stores on one tax parcel over the next 12 to 18 months.

Again, more economic wealth in the community, more tax base, more jobs, more families being supported, and more demand for local housing. Both of these TIF Districts are very important to the future economic well-being of the community and the financial stability of the City to provide Monmouth residents with urban municipal services. Tax Increment Financing was made available to Illinois cities to accomplish

just this purpose; to provide the economic foundation for the delivery of public services to the citizenry of local communities.

City Council Meetings at City Hall

Monday, December 4th, at 7 p.m.
and Monday, December 18th, at 7 p.m.



@Cityofmonmouth - @ShopsOfmonmouth

New restaurant opens on North 6th Street

Granny's Dinner Bell

1223 North 6th Street



City Of Monmouth Officials and Staff welcomed new business owner Chrissy Stewart and her employees to Monmouth this month with the Chamber Of Commerce at a ribbon-cutting event. The Stewart family are natives of the area and is their first time in the food business. Granny's Dinner Bell aims to serve good home-styled food just like one would receive on a night at home. Their hours are 6 AM – 4 PM Monday through Saturday with plans to expand their hours. The diner posts daily specials on their facebook page and offers take out as well.

Santa visits the town square for a tree lighting



Santa stopped by the town square for the 7th year in a row for the inaugural tree lighting. While he was there, he took Christmas wishes from children and rewarded them with a candy cane or two.

Screw pump shafts arrive



Public works took delivery of the screw pump shafts that will be used in the upgraded facility. The augers are 102 inches in diameter and 45 feet long.

The CSO Screw pump project is part of a multi-stage undertaking to comply with an EPA ruling regarding combined stormwater sewer systems.

Monmouth College donates \$25,000 to Monmouth Fire Department



Monmouth College VP Of Finance & Mayor Rod Davies

Monmouth College recently donated funds to help support various services and programs that the Fire Department does for the community.

“Monmouth College enjoys a wonderful partnership with the City of Monmouth,” said Monmouth Vice President for Finance and Business Richard Marshall. “The city provides numerous valuable services to the College’s students, faculty, staff and guests. This contribution represents how much the College appreciates all the city does to help make our community a wonderful place to live and work.”

Throughout the years, the College has made several donations including Fire service apparatus. “We really appreciate the opportunity to work with the College on a variety of issues, and we value the strong relationship we have with the College,” Davies said. “It’s just a great partnership with one of our city’s largest employers.”

City of Monmouth

City Hall

100 East Broadway

Monmouth, IL 61462

(309) 734-2141

www.cityofmonmouth.com

Copyright © 2017.

City of Monmouth. All rights reserved.