

## Fact Sheet

### City of Chicago Transit TIF – Red Purple Modernization Phase 1 (RPM1)

- First Transit TIF in Illinois – adopted by City Council November 30, 2016
- Located along CTA Red and Purple line tracks on north side from North Ave to Devon Ave
- Approximately 5 square miles



## **Project Overview:**

### **Scope of Project:**

- Modernize CTA tracks from North Avenue to Devon Avenue
- Update viaducts and embankments along tracks
- Create Brown line bypass (“flyover”) at Belmont Avenue
- Rehabilitate stations:
  - Bryn Mawr
  - Berwyn
  - Argyle
  - Lawrence

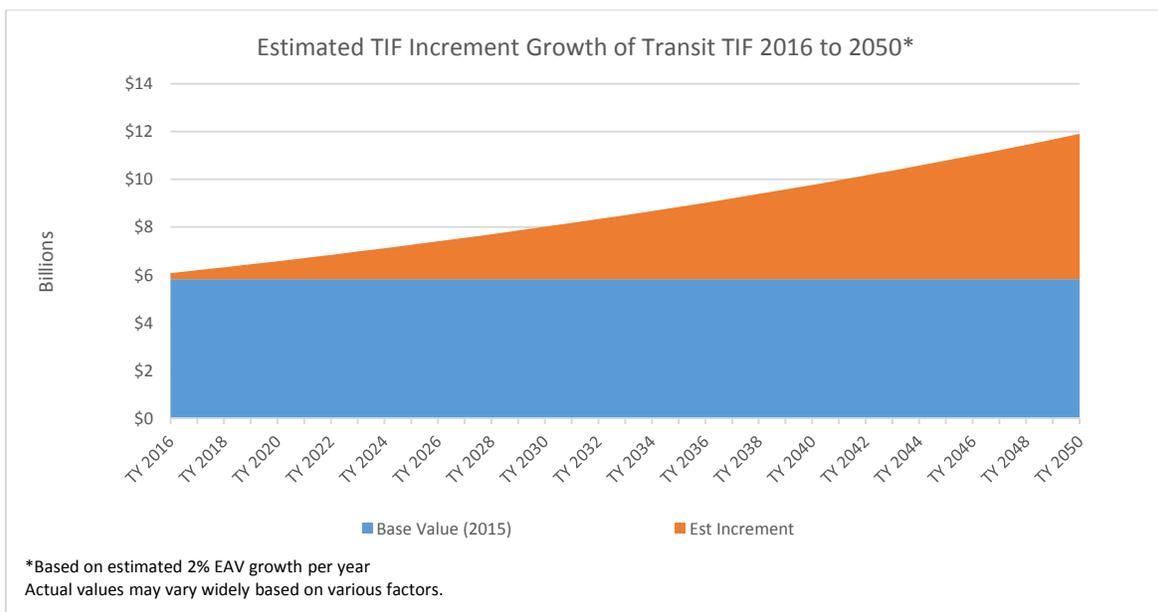
### **Estimated Total Project Cost: \$2.2 billion**

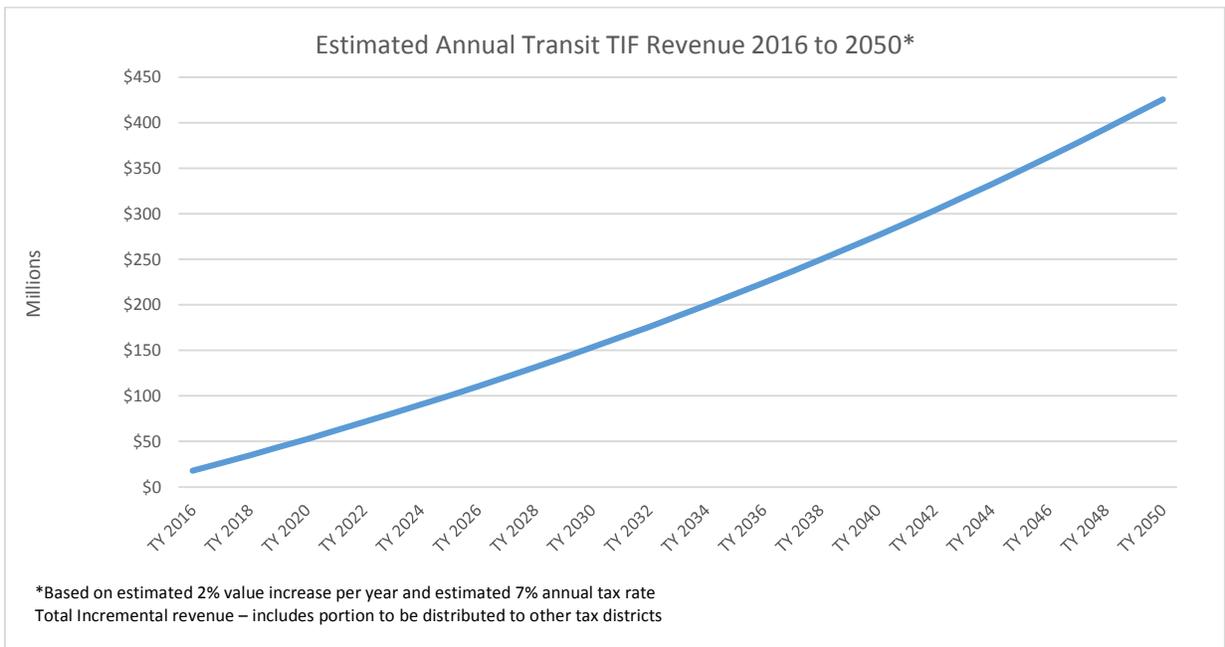
- US Department of Transportation Grant: \$1.1 billion
- Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan: \$622 million (to be repaid by Transit TIF revenue)
- State of Illinois Grants

### **TIF Revenue in First Year:**

TIF Revenue is calculated by multiplying the Incremental value in the TIF (the current taxable value of the TIF minus the base or “frozen” value of the TIF at the time of its inception) by the composite tax rate of the properties within the TIF.

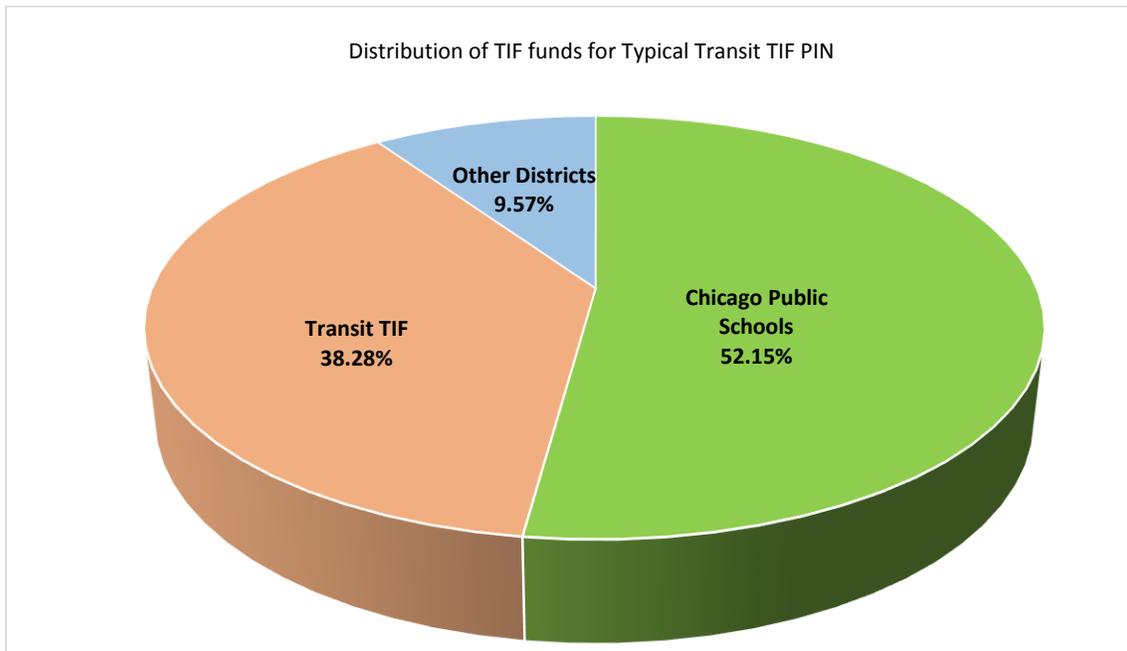
Total Current Taxable Value in the TIF	6,070,000,000
<u>– Total Original (Frozen) Taxable Value in the TIF</u>	<u>– 5,820,000,000</u>
= Total Incremental Value in the TIF	= 250,000,000
<u>x Annual Tax Rate of Properties in the TIF</u>	<u>x 7.2%</u>
= Annual TIF Revenue	= \$18,000,000





**Unique Statutory Rules for Transit TIFs**

- May run for 35 years (rather than 23 years for traditional TIFs)
- No “blight” requirement
- A portion of Transit TIF revenues are distributed to other Taxing Districts in addition to annual tax levies:
  1. CPS receives their proportionate share of TIF revenue<sup>1</sup>
  2. 80% of non-CPS portion is distributed to Transit TIF
  3. 20% of non-CPS portion is distributed proportionally to other taxing districts



<sup>1</sup> CPS proportionate share of Transit TIF revenue is based on the annual tax rate for CPS compared to the total composite tax rate of all taxing districts servicing Transit TIF properties. (Example: 2016 CPS rate = 3.726% and Chicago General Composite Rate = 7.145% making CPS 52.15% of overall tax rate.)

**2016 Distribution of Transit TIF Revenue by Taxing District**

<b>District Name</b>	<b>Revenue from Transit TIF in Tax Year 2016</b>
Cook County	\$267,192.95
Forest Preserve District	\$31,581.89
City of Chicago	\$817,118.98
Chicago Library Fund	\$61,158.57
Chicago School Building Fund	\$64,166.40
Chicago Special Service Area 8-2011	\$10,934.97
Chicago Special Service Area 9 (no levy in tax year 2016)	\$0.00
Chicago Special Service Area 17-2011	\$8,491.39
Chicago Special Service Area 18	\$5,488.70
Chicago Special Service Area 22	\$478.77
Chicago Special Service Area 23 (no levy in tax year 2016)	\$0.00
Chicago Special Service Area 26	\$3,021.12
Chicago Special Service Area 27-2011	\$2,620.08
Chicago Special Service Area 31	\$29.79
Chicago Special Service Area 34	\$5,477.03
Chicago Special Service Area 35-2011	\$875.92
Chicago City Colleges	\$84,719.69
Chicago Board of Education	\$9,339,218.66
Chicago Park District	\$181,470.59
Chicago Park Aquarium and Museum Bonds	\$3,007.78
Metropolitan Water Reclamation District	\$203,527.78
<a href="#">Transit TIF - Red Purple Modernization Phase 1</a>	<a href="#">\$7,005,449.58</a>
<b>Total Incremental Revenue Generated by Transit TIF</b>	<b>\$18,096,030.64</b>