

ANNUAL TAX INCREMENT FINANCE REPORT



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

Name of Municipality:	Rock Island	Reporting Fiscal Year:	2023
County:	Rock Island	Fiscal Year End:	12/31/2023
Unit Code:	081/075/30		

First Name:	Tarah	Last Name:	Sipes		
Address:	1528 Third Avenue	Title:	Economic Development Manager		
Telephone:	(309) 732-2923	City:	Rock Island	Zip:	61201
E-mail	sipes.tarah@rigov.org				

in the **City/Village** of: Rock Island

is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].

Tarah Sykes
Written signature of TIF Administrator

Date 8/12/24

FILL OUT ONE FOR EACH TIF DISTRICT

[illegible]

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2023

Name of Redevelopment Project Area:

Heather Ridge

Primary Use of Redevelopment Project Area*: Residential
*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
If "Combination/Mixed" List Component Types:
Under which section of the Illinois Municipal Code was the Redevelopment Project Area designated? (check one): ☐ Tax Increment Allocation Redevelopment Act ☒ Industrial Jobs Recovery Law

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, were there any amendments, to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A). For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).	x	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		x
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		x
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).	x	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).	x	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	x	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	x	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).	x	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (labeled Attachment J).	x	
An analysis prepared by a financial advisor or underwriter, chosen by the municipality , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; and actual debt service . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).	x	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose audited financial statements of the special tax allocation fund (labeled Attachment K).		x
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		x
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M).	x	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).	x	

SECTION 3.1 [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

FY 2023

Name of Redevelopment Project Area:

Heather Ridge

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 293,189

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$163,765	\$ 457,691	96%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 16,663	\$ 19,815	4%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund \$ 180,428

Cumulative Total Revenues/Cash Receipts \$ 477,506 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 2,158

Transfers to Municipal Sources

Distribution of Surplus

Total Expenditures/Disbursements \$ 2,158

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 178,270

Previous Year Adjustment (Explain Below)

FUND BALANCE, END OF REPORTING PERIOD* \$ 471,459

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

SECTION 3.2 A [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]

FY 2023

Name of Redevelopment Project Area:

Heather Ridge

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Legal Services	\$158.00	
Constultant Services	\$2,000	
		\$ 2,158
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		\$ -
6. Costs of the constructuion of public works or improvements.		
		\$ -

SECTION 3.2 A

PAGE 3

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 2,158

Section 3.2 B [Information in the following section is not required by law, but may be helpful in creating fiscal transparency.]

FY 2023

Name of Redevelopment Project Area:

Heather Ridge

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

[illegible]

\$ (2,028,541

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2023

Name of Redevelopment Project Area:

Heather Ridge

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

x	Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.
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Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2023

Name of Redevelopment Project Area:

Heather Ridge

PAGE 1

Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.

Select ONE of the following by indicating an 'X':

1. <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The municipality <u>DID</u> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a and 2b.)	x
2a. The total number of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:	1
2b. The total number of NEW projects undertaken by the municipality in fiscal year 2022 and any fiscal year thereafter, within the Redevelopment Project area, if any.	0

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 20,000,000	\$ 9,000,000	\$ 9,000,000
Public Investment Undertaken	\$ -	\$ -	\$ 2,500,000
Ratio of Private/Public Investment	0		3 3/5

Project 1 Name: Heather Ridge Redevelopment

Private Investment Undertaken (See Instructions)	\$ 20,000,000	\$ 9,000,000	\$ 9,000,000
Public Investment Undertaken			\$ 2,500,000
Ratio of Private/Public Investment	0		3 3/5

Project 2 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 3 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 4 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))

Name of Redevelopment Project Area:

SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.

Number of Jobs Retained	Number of Jobs Created	Job Description and Type (Temporary or Permanent)	Total Salaries Paid
			\$

Project Name	The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement.		The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement.	
	Temporary	Permanent	Temporary	Permanent

[illegible]

Project Name	Stated Rate of Return

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2023

Name of Redevelopment Project Area:

Heather Ridge

Provide a general description of the redevelopment project area using only major boundaries.

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

FY 2023

Heather Ridge

Year of Designation	Base EAV	Reporting Fiscal Year EAV
2018	\$ 1,565,836	3,435,016

X	Indicate an 'X' if the overlapping taxing districts did not receive a surplus.
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[illegible]



ROCK ISLAND
ILLINOIS

Mayor Mike Thoms

July 12, 2024

Local Government Division
Office of the Comptroller
100 W. Randolph, Suite 15-500
Chicago, IL 60601

RE: City of Rock Island Annual Tax Increment Finance Reports

I, Mike Thoms, the duly elected Mayor of the City of Rock Island, Illinois, hereby certify that to the best of my knowledge the City of Rock Island has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the municipal fiscal year of January 1, 2023 through December 31, 2023.

Sincerely,

Mike Thoms
Mayor

cc: Tarah Sipes, Economic Development Manager

Attachment B



1804 North Naper Boulevard, Suite 350, Naperville, IL 60563
Phone 630.682.0085 ♦ Fax 630.682.0788 ♦ www.ottosenlaw.com

Megan Lamb
Attorney

Direct 331.212.8709
mlamb@ottosenlaw.com

August 6, 2024

Susana A. Mendoza, State Comptroller
State of Illinois Building
100 West Randolph Street
Suite 15-500
Chicago, Illinois 60601

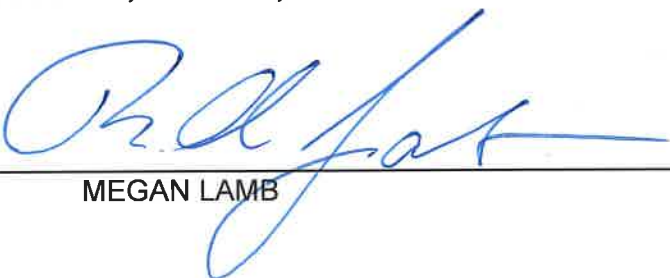
Dear Ms. Mendoza,

I have acted as Special Counsel for the City of Rock Island, Rock Island County, Illinois, in connection with the administration of the Heather Ridge Tax Increment Redevelopment Project Area.

I have reviewed all of the information provided to me by the City's Economic Development Manager, and to the best of my knowledge and belief find that the City has conformed with all of the applicable provisions of the *Tax Increment Allocation Redevelopment Act*, 60 ILCS 5/11-74.4-1, *et seq.*, for the fiscal year ending December 31, 2023.

Sincerely,

OTTOSEN, DINOLFO, HASENBALG & CASTALDO, LTD.



MEGAN LAMB

ATTACHMENT C

CITY OF ROCK ISLAND, ILLINOIS
TAX INCREMENT FINANCING DISTRICT - HEATHER RIDGE

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes				
Property Taxes	\$ 71,531	71,531	163,765	92,234
Interest	—	—	16,663	16,663
Total Revenues	71,531	71,531	180,428	108,897
Expenditures				
General Government				
Services	63,175	63,175	2,158	61,017
Other	107	107	—	107
Total Expenditures	63,282	63,282	2,158	61,124
Net Change in Fund Balance	8,249	8,249	178,270	170,021
Fund Balance - Beginning			293,189	
Fund Balance - Ending			471,459	

Attachment K



INDEPENDENT AUDITORS' REPORT

June 17, 2024

The Honorable City Mayor
Members of the City Council
City of Rock Island, Illinois

We have audited the basic financial statements of the Tax Increment Financing District of the City of Rock Island, Illinois, as of and for the year ended December 31, 2023, and have issued our report thereon dated June 17, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance with laws, regulations, contracts, and grants applicable to tax increment financing districts is the responsibility of the City of Rock Island, Illinois' management. In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, "An Act in Relation to Tax Increment Financing," insofar as it relates to accounting matters for the Tax Increment Financing District, however, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the City Council, management, the State of Illinois, and others within the City and is not intended to be, and should not be, used by anyone other than the specified parties.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP