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**MAYOR EMANUEL INTRODUCES ORDINANCE TO CODIFY EXECUTIVE ORDER ON TIF SURPLUS**

Mayor Rahm Emanuel today introduced legislation that converts the surplus requirements of the Executive Order to official law. Early in his administration, Mayor Emanuel set the city's first-ever Tax Increment Financing (TIF) surplus policy through Executive Order to formalize and expand the practice of declaring a TIF surplus. This process of returning unneeded TIF revenues to the taxing districts was recommended by the TIF reform panel and has been implemented by Mayor Emanuel's Administration for the past four years.

"Codifying the TIF Surplus continues four years of actions to make this economic development tool more effective, efficient and transparent," said Mayor Emanuel. "Since we first enacted the TIF Surplus Policy, we have sent almost \$250 million to Chicago's public schools, the Park District and other local governments. Over the next four years we will build on that to ensure that taxpayer dollars are spent in an efficient and strategic manner."

The policy requires the declaration of a TIF surplus each year as part of the City's annual budget process.

TIF is an essential tool to help create jobs and economic growth for the City and its residents. It allows the city to invest in projects that contribute to Chicago's long-term economic development, job creation, and the development of infrastructure in neighborhoods across the City. The vast majority of TIF funds provided to businesses go to neighborhood projects. Roughly one percent of the TIF funds committed by the Emanuel Administration since taking office are invested in projects located downtown.

Since 2011, the Emanuel Administration has committed almost \$1.3 billion in TIF. Of this amount:

- More than 70 percent is for public projects including schools, infrastructure, transit, and parks.
- Of the remaining \$410 million, \$303 million is allocated to economic development projects and \$108 million is allocated to affordable housing.

In his ongoing efforts to reform Chicago's TIF program, in July, the Mayor announced that the City will freeze seven downtown TIFs, freeing about \$250 million over the next five years – meaning \$125 million to the Chicago Public Schools and \$50 million to the City over that period.

The Mayor has closed 14 TIFs over the last four years, up from six in the prior ten years.

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