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## **The Time for TIF Reform is Now Public Comments for the TIFa TIF Town Hall Meeting February 12, 2013**

My name is Valerie Leonard, the Co-Founder of the Lawndale Alliance. We are a group of residents who have come together to address issues of concern to the community, including education, TIF reform and mortgage foreclosure.

When we review our experiences with TIFs over time, we find that, overall, North Lawndale residents seem to be supportive of TIF programs. However, there are concerns regarding the overall effectiveness of the program; the lack of community involvement in decision-making; the need to strengthen financial and programmatic accountability; a desire to have more direct impact to local residents. Our study of TIF annual reports for 2006 have shown that for every dollar generated in North Lawndale TIFs, only 3 cents have benefitted North Lawndale residents directly through the SBIF and NIF programs.

We recommend that the City share data regarding the of jobs created and retained within the TIF, and the types of training delivered. The data should also include the number of local residents employed as a result of the TIF. The City should indicate the number of minority and women-owned businesses that received contracts, and the number of recipients and dollar amounts of TIF grants from the SBIF, NIF, RIF and LFF. Most importantly, the City should begin to think about other ways the TIFs can be used as part of a comprehensive economic development plan and create jobs in such areas as beautification and sanitation (synergistic with infrastructure), health care information systems (synergistic with LFF).

From a financial standpoint, we have observed instances where developers were given TIF funds that exceed the budgets of the TIFs from which they're seeking funds. For example, the 2007 Homan-Arthington TIF annual report indicates that the City made a \$23-million commitment to fund a mixed use housing development when the TIF budget is only \$10 million. The City's redevelopment budgets don't include funds for programs like lab facilities, small business development yet the local TIFs are charged for these expenses. We recommend that the City makes annual assessments of the effectiveness of each TIF on an annual basis to determine whether they are living up to their stated goals and objectives. If not, then either make the necessary adjustments or terminate the TIF if it becomes apparent that it will not effectively jumpstart the community. We also recommend that project costs be tracked on a budgeted versus actual expenditure basis to better manage the program. North Lawndale residents have expressed a desire to have more transparency and community involvement in the TIF process. Over the

years, we have suggested the creation of TIF advisory councils for each of the TIFs that impact North Lawndale, as well as the re-instatement of the Lawndale Community Conservation Council to guide holistic community development for the entire community, as opposed to piecemeal development that we have experienced for the past 50 years. We believe that an engaged community can work with the City to create TIF projects that are more comprehensive than the exclusive, developer-driven process that has been in play.