



## **Description of Eligible Project Costs For a Tax Increment Financing District in Illinois**

### **Categories of permissible redevelopment costs included in the Illinois TIF Act:**

1. Costs of studies, surveys, development of plans and specifications, implantation and administration of the redevelopment plan. For example, professional service costs: architectural, engineering, legal, financial, planning; and administrative costs related to implementation of the redevelopment plan. *(Private & Public)*
2. Cost of marketing sites. *(Private & Public)*
3. Property assembly costs. For example, acquisition of land and other property, real or personal, or rights or interests therein; demolition of buildings; and site preparation. *(Private & Public)*
4. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings. *(Private & Public)*
5. Costs of construction of public works or improvements. For example, streets, sidewalks, water, sanitary and storm sewer, etc.; and new public buildings (with some limitations). *(Private & Public)*
6. Costs of eliminating or removing contaminants and other imediments such as site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including parking lots and other concrete or sphalt barriers; and the clearing/grading of land. *(Private & Public)*
7. Costs of job training and retraining projects. *(Private & Public)*
8. Financing costs – up to 30% of interest expense. *(Private & Public)*
9. Obligations secured by the special tax allocation fund...may be issued to provide for redevelopment costs. *(Public)*
10. Approved Capital Costs of taxing districts. For example, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district (including the municipality) in furtherance of the objectives of the redevelopment plan and project when approved by the municipality. *(Public)*
11. Relocation costs. *(Private & Public)*
12. Payment in lieu of taxes. *(Public)*

