

PALOS HEIGHTS GATEWAY

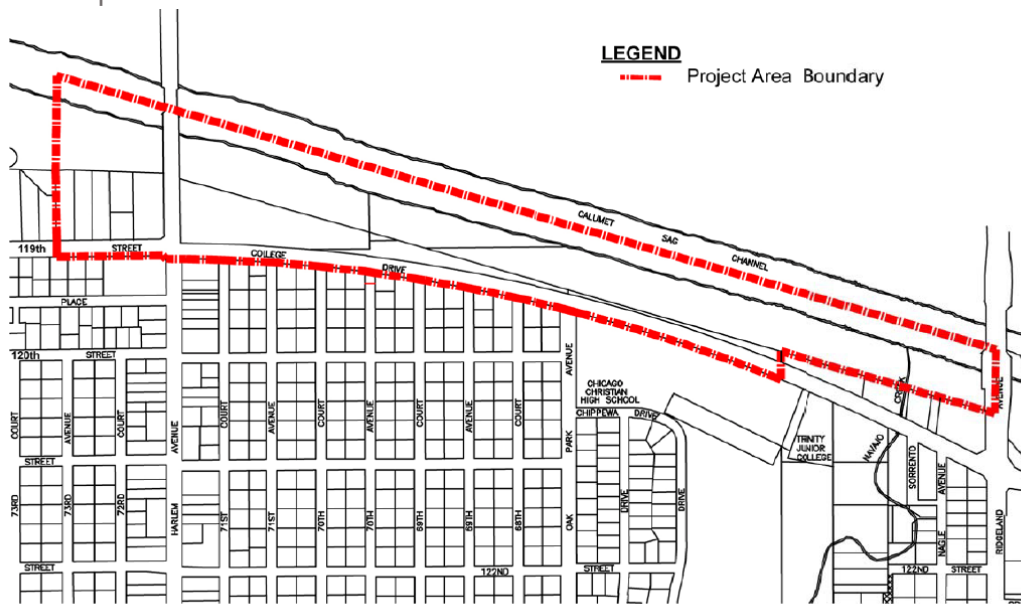
REQUEST FOR TIF EXTENTION SUPPORT



CITY OF PALOS HEIGHTS MARCH 26, 2026

BACKGROUND INFORMATION

- April 12, 2005 City Council Approved Ordinance O-14-05 Establishing the Palos Heights Gateway Redevelopment Area.



List of PINs contained within the Project Area PALOS HEIGHTS GATEWAY REDEVELOPMENT PROJECT AREA

Parcel Index Number	2003 EAV
23-24-406-011-0000	Exempt
23-24-406-016-0000	\$1,131,503
23-24-406-018-0000	\$400,940
23-24-406-022-0000	\$836,620
23-24-406-023-0000	\$583,829
23-24-406-024-0000	\$375,496
24-19-306-002-0000	\$770,958
24-19-306-003-0000	Exempt
24-19-307-002-0000	\$16,965
24-19-307-003-0000	Exempt
24-19-401-005-0000	Exempt
24-30-106-001-0000	Exempt
24-30-106-002-0000	\$16,235
24-30-200-004-0000	Exempt
24-30-201-051-0000	Exempt
TOTAL 2003 EAV	\$4,132,546

Source: Cook County, Illinois.

- The City of Palos Heights determined the project area shows both economic and functional obsolescence, with aging single-use buildings no longer viable due to changes in local and regional economies
- The redevelopment of the Project Area was deemed not reasonably to occur without the use of incremental property tax revenue. Through the adoption of this Ordinance and the use of TIF, the City committed to utilize incremental property tax revenue for the development of the Project Area.
- The Retirement Date for the Palos Heights Gateway Redevelopment Area is in the 23rd year from the adoption of the ordinance or December 31, 2028.
- Even though there is not a minimum extension period for a TIF term, Illinois extensions are almost always done as full multi-year legislative extensions (typically 12 years) rather than small increments.

PALOS HEIGHTS GATEWAY IMPROVEMENTS

Without TIF benefits, certain improvements in the Palos Heights Gateway area were not economically feasible. Businesses do not sink capital into decaying areas, and Palos Heights could not afford the needed costly improvements without raising taxes.

In the Gateway Project Area, dollars for improvements are being generated by businesses—new and old—attracted by the TIF benefits. Specifically, money for infrastructure improvements and other incentives comes from the growth in property tax revenues—the tax increment.

Schools continue to receive all the tax revenue they were entitled to before the creation of the TIF district in 2005. Improvements to the blighted areas of the City serve as an reinvestment in our community and thus helps the overall tax base the long-run. Without TIF, development in these areas may not occur and the tax increment would not be produced.

Palos Heights Gateway Redevelopment Area



Project	Schedule	Comments
178 Unit Spectrum Senior Living	Completed 2020	Converted empty site of a former car dealership to a modern senior living facility
7202 W College Drive	Completed 2008	Repurposed on old fast food site to a new Starbucks and business facility
Tiffany Square Improvements	Completed 2025 with notes due until 2035	Upgrade to the entire shopping center including new building façade and parking resurfacing
11850 S Harlem	To be Completed 2027	Repurpose of an existing bank site to a popular new restaurant.
Lake Katherine Secondary Access	To be Completed 2027	Adding a much needed parking and secondary access to Lake Katherine Nature Center
Harlem Ave / College Drive NE Corner and Intersection Improvements	TBD	Working with IDOT and local developers to complete the NE corner of Harlem Ave and Rt 83

* Projects noted in bold require the Palos Heights Gateway TIF Extension

178 Unit Spectrum Senior Living - Completed 2020

2016



2024



7202 W College Drive Completed 2008

2007



2025



Tiffany Square Improvements Completed 2025

2018



2025



11850 S Harlem 2027

2025

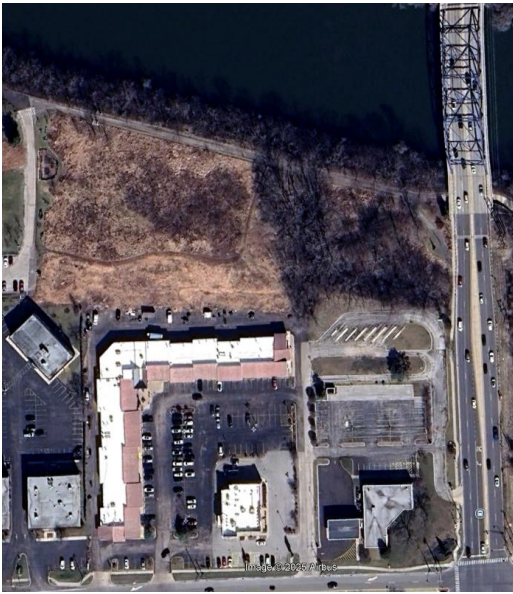


2027



Lake Katherine Secondary Access 2027

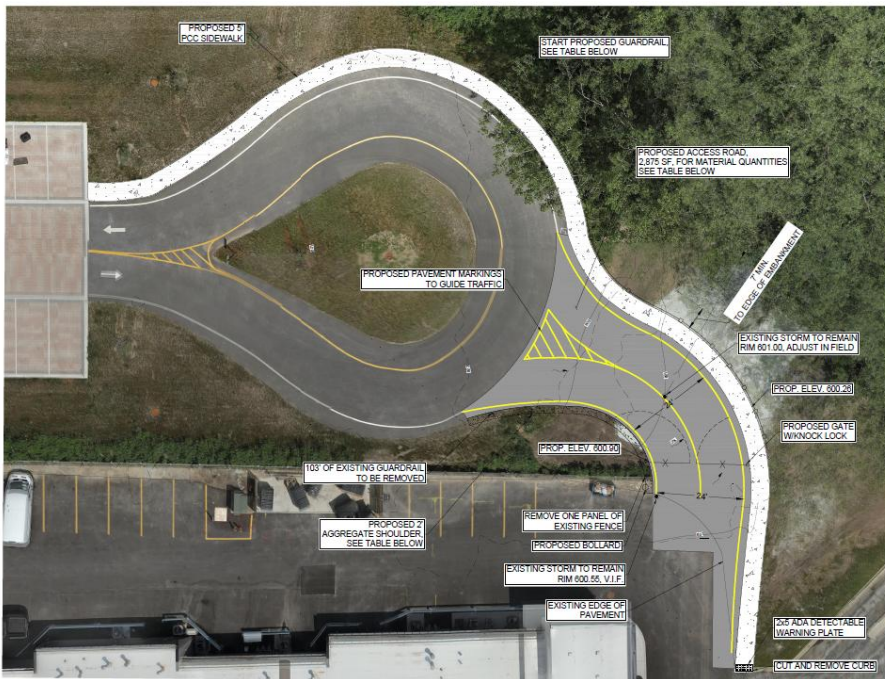
2024



2025



To be Completed 2027



Harlem Ave / College Drive NE Corner and Intersection Improvements TBD

