

AGENDA ITEM 2026-176 VETO

City Code Section 31.12 authorizes the Mayor to veto ordinances that she disapproves of and return those at the next regular meeting of the City Council. For the reasons that follow, I am vetoing Agenda Item 2026-176 titled “An Ordinance Authorizing Notice of Intent to Establish a State Tax and Revenue (STAR) Bond District and Authorize a Feasibility Study Not To Exceed Seventy-Five Thousand Dollars (\$75,000) to Evaluate the Potential Creation of a Tourism and Economic Development District Utilizing STAR Bond Financing In Support of the ‘History Across the Tracks’ Initiative, East-West Downtown Development, and Future Expansion Opportunities for the Bank of Springfield Center.”

I disapprove of this ordinance as passed. I specifically object to the boundaries set forth in Section 1, the second and third sentences of the first paragraph of Section 2, and the final sentence of Section 3 of the ordinance as currently drafted. The City can and should look at utilizing STAR Bonds for economic growth, but it should rely on experts in determining how to establish the district. Further, the City should work with the State and its representatives, not against them, to utilize STAR Bonds in the manner that is best for the City.

While I support the study of STAR Bonds and their utilization, this very piece of legislation was utilized to criticize our State Senator and her efforts to help Springfield. While this ordinance was said to just fund a study for STAR Bonds, it may be used further in an effort to stop the expansion of the BOS Center, which I cannot support.

I support the ordinance if this language is removed. I support the creation and utilization of a STAR Bond District in a manner that will benefit Springfield. I support authorizing expenditures of up to \$75,000 to engage experts to assist with the preparation of our application. However, I do not and I cannot support an ordinance that will be used to oppose State legislation that has the ability to positively impact the City.

Therefore, I am exercising my authority to veto this ordinance. Per City Code Section 31.13, the City Council will be asked to reconsider this Ordinance at its next regularly scheduled meeting. During its reconsideration, I request that this ordinance be amended to remove the language identified in this veto. If this language is removed, then I can support this ordinance.

AN ORDINANCE AUTHORIZING NOTICE OF INTENT TO ESTABLISH A STATE TAX AND REVENUE (STAR) BOND DISTRICT AND AUTHORIZE A FEASIBILITY STUDY NOT TO EXCEED SEVENTY-FIVE THOUSAND DOLLARS (\$75,000) TO EVALUATE THE POTENTIAL CREATION OF A TOURISM AND ECONOMIC DEVELOPMENT DISTRICT UTILIZING STAR BOND FINANCING IN SUPPORT OF THE "HISTORY ACROSS THE TRACKS" INITIATIVE, EAST-WEST DOWNTOWN DEVELOPMENT, AND FUTURE EXPANSION OPPORTUNITIES FOR THE BANK OF SPRINGFIELD CENTER

WHEREAS, the City of Springfield is a home rule unit as defined in Article VII, Section 6(a) of the 1970 Illinois Constitution and has jurisdiction over matters pertaining to its government and affairs; and

WHEREAS, the City of Springfield seeks to promote equitable economic development, tourism growth, and investment within historically significant areas of the City; and

WHEREAS, the City Council recognizes the importance of initiatives that highlight the cultural and historical legacy of Springfield's East Side, including the concept known as "History Across the Tracks," which seeks to preserve, interpret, and celebrate the heritage of historically Black neighborhoods, businesses, and cultural institutions; and

WHEREAS, the City Council further recognizes that communities located east of the historic railroad corridor have experienced generations of economic disinvestment and limited access to major tourism and destination-based development opportunities, despite their significant cultural and historical contributions to the City; and

WHEREAS, the City Council believes that exploring modern economic development tools may help attract new investment, strengthen local businesses, celebrate cultural heritage, and ensure future tourism growth benefits residents on both sides of the railroad tracks; and

WHEREAS, the City Council recognizes that the City's economy is strongly influenced by heritage tourism connected to the life and legacy of Abraham Lincoln, which attracts visitors from across the nation and around the world to sites such as the Abraham Lincoln Presidential Library and Museum and other historic destinations throughout the community; and

WHEREAS, strengthening connections between Downtown Springfield and the East Side may create new opportunities to expand tourism experiences, cultural attractions, restaurants, retail, and small business growth that benefit residents and visitors alike; and

WHEREAS, the City Council further acknowledges the importance of strengthening and expanding the City's tourism and convention infrastructure, including the Bank of Springfield Center, and recognizes that strategic development planning in surrounding areas may support future expansion opportunities and increased visitor activity; and

WHEREAS, the State of Illinois authorizes the use of Sales Tax and Revenue Bonds (STAR Bonds) as an economic development financing tool designed to attract major tourism destinations, entertainment venues, hotels, retail districts, and destination-based development projects; and

WHEREAS, STAR Bonds are structured so that future state and local sales tax revenues generated within a designated development district may be used to repay bonds issued to finance eligible project costs, allowing significant development projects to occur without reliance on traditional general obligation tax increases; and

WHEREAS, communities utilizing STAR Bond financing have successfully leveraged this tool to attract major tourism destinations, hundreds of millions of dollars in private investment, job creation, and long-term economic growth; and

WHEREAS, the City Council believes that exploring whether such a development strategy could be viable in Springfield represents a responsible planning effort to evaluate opportunities for tourism expansion, economic revitalization, cultural preservation, and inclusive development; and

WHEREAS, prior to the establishment of any development district or financing mechanism, the City Council finds it necessary and appropriate to conduct a comprehensive feasibility and economic impact study; and

WHEREAS, the corporate authorities may establish a STAR bond district within an eligible area inside the municipality; and

WHEREAS, interested municipalities must provide notice of intent to establish a district to the Illinois Department of Commerce and Economic Opportunity and the Illinois Department of Revenue by June 1, 2026.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SPRINGFIELD, ILLINOIS:

Section 1: The City Council hereby authorizes the initiation of a tourism and economic development feasibility study to evaluate the potential creation of a development district utilizing STAR Bond financing subject to the following terms and conditions:

- The City shall provide funding in an amount not to exceed \$75,000.00 for the purpose of conducting the feasibility study, including professional consulting services, economic analysis, planning services, and related work necessary to evaluate the proposed district.
- The feasibility study shall be conducted by the City's Office of Planning and Economic Development and shall include, but is not limited to:
 - Evaluating the economic feasibility of development initiatives within the study area.
 - Assessing tourism, cultural, and historical opportunities associated with the History Across the Tracks initiative.
 - Identifying opportunities to strengthen economic connectivity between Downtown Springfield and the East Side.
 - Exploring how development within the study area may support long-term growth and potential expansion opportunities for the Bank of Springfield Center.
 - Determining whether STAR Bond financing or other economic development tools may be viable for projects within the study area.
 - Identifying potential public-private partnerships and investment opportunities that align with the City's long-term economic development strategy.
- The district shall be bounded by Carpenter Street, 8th Street, Laurel Street, and Martin Luther King Drive.

Section 2: That this Ordinance is an exercise of home rule authority brought pursuant to Article VII, Section of the Illinois Constitution. The City of Springfield retains sole and exclusive authority and discretion pertaining to the bond proceeds and incentives generated within the boundaries of this STAR Bond District. No other unit of local government, including any county or special district, shall have the authority to redirect or control the bond proceeds or materially impact sales tax increment revenues backing the bonds generated within this STAR Bond District's boundaries in connection with any project contemplated under this ordinance, except as may be required expressly by state law or approved by the Springfield City Council.

The Springfield City Council shall retain authority to approve all projects, developments, financing, public-private partnerships, and expenditure of public funds contemplated within this proposed STAR Bond District. No development, incentive, or financial commitment shall be considered valid or binding without formal approval by the City Council.

All sales tax increment generated within the district and pledged or otherwise associated with STAR Bond financing or related economic development tools shall be subject to appropriation and oversight by the Springfield City Council and shall be used solely for purposes consistent with the approved development plan, state statutes governing STAR bond districts, and the City's adopted economic development policies.

Section 3: That the STAR Bond District shall remain under control of the City of Springfield and shall not be interfered with by other governmental units. The City shall be authorized to enter into intergovernmental agreements as necessary, but such agreements shall not authorize or permit material interference with the financial viability of the district, the generation or allocation of bond proceeds, sales tax increment, or revenues, or the implementation of approved development projects. Further, no other governmental units shall take actions that materially interfere with the sales tax increment backing any STAR Bonds issued within this Star Bond District.

Section 4: That the Office of Budget and Management is authorized to make payment not to exceed \$75,000.00 to conduct a feasibility study authorized by this ordinance from account number 001-111-DEVL-DEVL-1218.

Section 5: That this ordinance shall become effective immediately upon its passage and recording by the City Clerk.

PASSED: _____, 2026

SIGNED: _____, 2026

RECORDED: _____, 2026

Mayor Misty Buscher

ATTEST: _____
City Clerk Charles L. Redpath Sr.

Approved as to legal sufficiency:

Requested by: Alderman Shawn Gregory


Office of Corporation Counsel /Date

ORDINANCE FACT SHEET

ORD. REQUEST FORM NO: _____
 DATE OF 1ST READING: 4/7/2026

OFFICE REQUESTING: ALDERMAN SHAWN GREGORY CONTACT PERSON: _____
 PHONE NUMBER: 217-789-2151

EMERGENCY PASSAGE: No Yes If yes, explain justification.

TYPE OF ORDINANCE: NOTICE OF INTENT FISCAL IMPACT: \$75,000.00

(If amending a previous ordinance, please attach a copy of the previous ordinance)

SUGGESTED TITLE:

AN ORDINANCE AUTHORIZING NOTICE OF INTENT TO ESTABLISH A STATE AND REVENUE (STAR) BOND DISTRICT AND FEASIBILITY STUDY IN AN AMOUNT NOT TO EXCEED \$75,000.00 TO EVALUATE THE POTENTIAL CREATION OF TOURISM AND ECONOMIC DEVELOPMENT DISTRICT UTILITIZING STAR BOND FINANCING IN SUPPORT OF THE "HISTORY ACROSS THE TRACKS" INITIATIVE

Please list supporting documentation (i.e., contract, agreement, change order, bid book, etc.)

CONTRACTOR / VENDOR NAME: _____ VENDOR NO: _____

CONTRACT TERM: _____ Change in Scope Yes No

CONTRACT AMOUNT:

(Original amount if change order)

Change Order #

Additional Amount

Method of Purchase (check one)

- Low Bid Other: _____ Is Purchasing Agent approval required? No Yes
 Low Bid Meeting Specs Exception: _____ Is Purchasing Agent approval attached? No Yes
 Low Evaluated Bid Code Provision: _____

Previous Ord #'s _____

Accounting information (if more than four accounts, please attach list)

REVENUE					
Fund	Agency	Org	Activity	Object	Amount
1					
2					
3					
4					

EXPENDITURE					
Fund	Agency	Org	Activity	Object	Amount
1	001	111	DEVL	DEVL	1218
2					
3					
4					

FUNDS CHECK BY: _____ Date: _____
 DIRECTOR / SUPERVISOR SIGNATURE _____ Date: _____
 CITY PURCHASING AGENT: _____ Date: _____

COMMENTS

THIS ORDINANCE WILL AUTHORIZE A FEASIBILITY STUDY FOR A STAR BOND DISTRICT

SIGN OFF: _____ (Mayor's Signature) *Shawn Gregory* _____ (Director of OBM)

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