



**CITY OF DES PLAINES
TAX INCREMENT FINANCING DISTRICT
ANNUAL JOINT REVIEW BOARD MEETING MINUTES
AUGUST 7, 2019**

1. Welcome by City Representative

Michael McMahon welcomed everyone to today's meeting, introduced himself, and asked everyone to do the same.

2. Call to Order

Michael McMahon opened the meeting at 10 a.m. at City Hall, 1420 Miner Street, Room 101, Des Plaines, IL

3. Roll Call (in attendance)

Barbara Barrera	Superintendent of Business, Des Plaines Park District
Michael Bartholomew	City Manager, City of Des Plaines
Mary Kalou	Assistant Superintendent, School District 207
Mark Bertolozzi	Assistant Superintendent, School District 62
Cathy Johnson	Associate Superintendent, School District 214
Bill Dussling	Board Member, School District 214
Don Miletic	Executive Director, Des Plaines Park District
Vickie Nissen	Asst. Superintendent of Business Services, District 59
Lily Nepl	Community Development Specialist, City of Des Plaines
George Giese	Manager of Administration, Mt. Prospect Park District
Karen Stephens	Director of Parks & Recreation, Rosemont Park District
Ellen A. Yearwood	Public Member

Also Attended:

Michael McMahon	Director of Community & Econ. Dev., City of Des Plaines
Dorothy Wisniewski	Assistant City Manager/Dir. of Finance, City of Des Plaines
Wendy Bednarz	Executive Secretary, City of Des Plaines
Bob Rychlicki	Kane McKenna & Associates, Inc./TIF Consultant
Gale Cerabona	Recording Secretary

4. Election/Confirmation of Chair

A motion was made by Mary Kalou, seconded by Cathy Johnson, to elect and confirm Director, Michael McMahon, as Chair for the meeting.

On a voice vote:

AYES: All

NAYS: None
Motion: CARRIES

5. Election/Confirmation of Public Member

A motion was made by Michael McMahon, seconded by Karen Stephens, to elect and confirm Ellen Yearwood as Public Member for the meeting.

On a voice vote:
AYES: All
NAYS: None
Motion: CARRIES

Bob Rychlicki stated Michael McMahon is Chair of this meeting for all TIFs.

6. Approval of Minutes: August 8, 2018

A motion was made by Ellen Yearwood, seconded by Karen Stephens, to approve the August 8, 2018 minutes as presented.

On a voice vote:
AYES: All
NAYS: None
Motion: CARRIES

7. Public Comment:

Dick Sayad. asked about a conflict of the Board for a TIF. Michael Bartholomew stated there is not a Board for the TIF.

**8. Review of Activities in District &
9. Review of 2017 State Comptroller's Report**

Bob Rychlicki asked that we move forward to #9 (above). He asked that TIF District No. 3 be first on the agenda. There were no objections.

TIF District No. 3 Overview

Bob Rychlicki stated this TIF has a 12-year extension; an industrial TIF District established by the City Comptroller's office, Certifications were noted in Section 1; 12-month fiscal year; Mayor's Certification of Compliance; auditor formulated a compliance letter.

Annual activities are status quo. There was a refinancing.

On Page 3, the property tax increment of \$1,559,498 was received by the City with a grand total deposited in special tax allocation funds of \$1,661,245. There was \$2

million of debt service (bond issues). The base EAV is \$3,807.465 with the current reporting fiscal year EAV is \$21,536,000; this turned around to the positive.

Barbara Barrera asked for an explanation of the TIF. Michael Bartholomew stated the TIF was reformed; a 6B is counterproductive (not recommended), renewals are not recommended; background was provided.

Michael McMahon stated the main owner requested an extension; they could not make the numbers happen. He identified the TIF on the map. Bob Rychlicki stated this is industrial (big box).

Ms. Barrera asked when the 6Bs fall off. Dorothy Wisniewski responded and Bob Rychlicki expounded. The City has policy issues.

Michael McMahon highlighted the two buildings.

A motion was made by Vickie Nissen, seconded by Ellen Yearwood, to accept the TIF No. 3 report.

On a voice vote:

AYES:	All
NAYS:	None
Motion:	CARRIES

TIF District No. 1 Overview

Bob Rychlicki stated this is the downtown buildings (government buildings, etc.). This was granted a 12-year extension. It will phase out in 2020 with a final payment in 2021. Recovered value is over \$50 million.

Bob Rychlicki noted the same certifications. No financing, theater building was acquired. There is a redevelopment agreement (Ellinwood properties). Michael McMahon noted this is a mixed-use. Phase 3 of the streetscape was completed.

The City received a property tax increment of \$4,670,662 with a grand total deposited in special tax allocation funds of \$4,711,072.

Mary Kalou stated there is property acquisition. Bob Rychlicki advised there were public improvements. The transfer out is for TIF administration costs (third-party vendors). Mary Kalou stated it appears there is an agreement. Michael McMahon advised the City sold the parking lot (was existing City property). Michael Bartholomew stated the parking lot was sold to the developer; will lease back the spaces for \$1 so there is still public parking. Bob Rychlicki stated he would provide documentation to Mary Kalou.

In Section 3.3, improvements were not included and would be updated. Having page numbers was not compliant. A small transferred compliance letter, parcel, etc. are included.

Mary Kalou asked if occupancy has taken place. Michael Bartholomew stated – no, for Opus; 25% occupied.

Mary Kalou referred to language. Bob Rychlicki stated TIF #1 is grandfathered in.

Michael McMahon and Bob Rychlicki stated for any TIFs after 1995, the student payments are triggered; this is not a trigger.

Barbara Barrera asked and Bob Rychlicki verified this would phase out in 2020 with a final payment in 2021.

A motion was made by Ellen Yearwood, seconded by Mary Kalou, to accept the TIF No. 1 report.

On a voice vote:

AYES: All

NAYS: None

Motion: CARRIES

TIF District No. 5 Overview

Bob Rychlicki stated this is the City's smallest TIF (one building in Metropolitan Square). Certifications are in accordance, no activity or financing.

In Section 3.1, the City received a property tax increment of \$93,179 with a grand total deposited in special tax allocation funds of \$90,207.

Expenditures were for debt service.

Barbara Barrera stated the above information is for TIF #6.

Back to TIF #5....

The City received a property tax increment of \$156,591 with a grand total deposited in special tax allocation funds of \$156,607.

Dorothy Wisniewski noted there was a loan from TIF #1 to help debt service; is outstanding.

Don Miletic arrived at 10:24 a.m.

Bob Rychlicki stated this was arranged in 2001, scheduled to terminate in 2024, with final payment in 2025.

Base EAV is modest at 794,127. Fiscal year EAV is \$2,373,303. Recovered value is \$1,579,176.

A motion was made by Mark Bertolozzi, seconded by Mary Kalou, to accept the TIF No. 5 report.

On a voice vote:

AYES: All
NAYS: None
Motion: CARRIES

TIF District No. 6 Overview

Bob Rychlicki advised this was arranged in 2001; pertains to hotel/redevelopment. Same series of Certifications. For development, the north part is built out. No new redevelopment or financings, etc.

In Section 3.1, the City received a property tax increment of \$93,179 with a grand total deposited in special tax allocation funds of \$90,207.

This has a large portion of debt. Intention is to use TIF #7. Michael Bartholomew stated there was a big TIF. TIF #6 was cut in half. Background was provided (0 tax increments; purchased from Rosemont Park District then it was sold).

A motion was made by Ellen Yearwood, seconded by Mark Bertolozzi, to accept the TIF No. 6 report.

On a voice vote:

AYES: All
NAYS: None
Motion: CARRIES

TIF District No. 7 Overview

Michael McMahon identified this TIF on the map (Pratt). Bob Rychlicki explained same. Michael Bartholomew highlighted the owned properties, sale, etc.

Staff from Des Plaines Park District asked if it's a LOFT. Michael Bartholomew stated it's a Holiday Inn. Michael McMahon stated there might not be more hotels. Michael Bartholomew advised the developer owns this (out of litigation).

Bob Rychlicki stated this is the City's newest TIF. There are no new redevelopments or financing. There were capital improvements (bridge). Michael Bartholomew stated there had to be road access.

Bob Rychlicki stated there is modest activity with a property tax increment of \$65,391 with a grand total deposited in special tax allocation funds of \$17,418.

Transfer of the land and public improvements are the highlights of this TIF.

Mary Kalou asked and Bob Rychlicki stated the incorrect figures should have been a transfer out.

A motion was made by Karen Stephens, seconded by Ellen Yearwood, to accept the TIF No. 7 report.

On a voice vote:

AYES:	All
NAYS:	None
Motion:	CARRIES

10. Questions from Board Members: There were no questions.

Michael Bartholomew thanked all of the Board members for their help with the TIFs (the Oakton TIF was noted). He reiterated they are committed to not doing 6Bs and stated we don't advance money; want to make it simple (for the developer).

Barbara Barrera asked about the Oakton TIF. Mary Kalou stated it's not official yet.

11. Adjournment

A motion was made by Ellen Yearwood, seconded by Karen Stephens, to adjourn the meeting at 10:37 a.m.

On a voice vote:

AYES:	All
NAYS:	None
Motion:	CARRIES

Respectfully submitted,

Gale Cerabona
Recording Secretary