

VILLAGE OF DOWNERS GROVE

Village Hall
801 Burlington Avenue
Downers Grove, Illinois 60515

**MINUTES OF
ANNUAL JOINT REVIEW BOARD MEETING
OGDEN AVENUE TIF DISTRICT**

July 27, 2009

CALL TO ORDER

Ms. Kathy DesMarteau called the Annual Joint Review Board Meeting to order for the 2008 Ogden Avenue TIF at 4:05 p.m.

ROLL CALL

Present: Mr. Christopher Bowen, Ms. Debbie Utecht, Mr. Jim Popernik, Mr. Nicholas Pappas, Mr. John Luka, and the Village of Downers Grove

Absent: Mr. Frank Wurster, Dr. Tom Ryan, Mr. Mark Staehlin

A quorum was established.

Staff: Mike Baker, Deputy Village Manager; Tom Dabareiner, Director Community Development; Enza Petrarca, Village Attorney, Jeff O'Brien, Planning Manager, Brandon Dieter, Management Analyst, Jamie Belongia, Management Intern, Kathy DesMarteau, Special Projects Coordinator/Recording Secretary

Visitors: W. H. Whowell, Downers Grove Watch, Linda Kunze, Downtown Management Corporation, Mr. Frank Falesch, Resident, Mark Thoman, DGCMR, Greg Bedalov, Downers Grove Economic Development Corporation

Ms. DesMarteau stated the purpose of this meeting is to provide the taxing districts with an annual update on the progress of the Ogden Avenue TIF District and to comply with state statutes. Ms. DesMarteau turned the meeting over to Mr. Mike Baker.

NOMINATION/VOTE FOR CHAIRPERSON

Mr. Baker welcomed the board members and guests. He informed the members of the Board that there is a vacated Chair position. Mr. Baker opened the floor for nominations for a Chair.

MR. JOHN LUKA MOVED TO NOMINATE MR. MICHAEL BAKER, DEPUTY VILLAGE MANAGER AS CHAIRMAN OF THE JOINT REVIEW BOARD FOR THE OGDEN AVENUE TIF AND MS. DEBBIE UTECHT SECONDED THE MOTION.

ROLL CALL:

**AYE: MR. LUKA, MS. UTECHT, MR. BOWEN, MR. POPERNIK, MR. PAPPAS
NAY: NONE**

MOTION CARRIED. VOTE 5:0

Chairman Baker announced that the motion had passed. He said that the next item on the agenda is an overview of the Ogden Avenue TIF District.

OGDEN AVENUE TIF PRESENTATION

Chairman Baker provided an overview and presentation of the activities that took place during fiscal year 2008 and outlined the goals and implementation strategy for improvements along the Ogden TIF corridor. He reviewed a list of completed projects since the creation of the TIF District and the resources for grant funding to date.

FINANCIAL PERFORMANCE

Chairman Baker reported total revenues for 2008 were \$727,473 and expenses were \$138,084 which increased the ending fund balance to \$2,023,414. TIF District expenses since creation of the TIF total \$1,129,127 which has leveraged an estimated private investment amount of \$17,600,000, and add to that \$1,324,891 in grant funding and we have a leverage ratio of 15.59 to 1. Mr. Baker also discussed the trend in the leverage ratios as it relates to project expenses over the life of the TIF District. The trend indicated a steady increase in private investment from 2003 through 2006 and an increase in public investment during 2007 and 2008.

ECONOMIC PERFORMANCE

Chairman Baker reported the top indicator of economic performance of a Tax Increment Financing District is the real estate tax base for the Equalized Assessed Valuation (EAV). When the district was created in 2001, the EAV was \$29.32 million, and at the end of 2008, the EAV has grown to over \$46 million an increase of 57 percent.

CURRENT PUBLIC PROJECTS

Chairman Baker reported the current public projects include new sidewalk installation, curb cut elimination and roadway resurfacing. The Village is coordinating with the Economic Development Corporation to determine how to best reinvest TIF resources. A new Comprehensive Plan is currently in the works and will include a focus on Ogden Avenue.

2010 AND BEYOND

Chairman Baker stated as the Village plans for the future of the Ogden TIF, we will consider any outcomes from the Comprehensive Plan process and continue to work collaboratively with the EDC.

Chairman Baker asked if there were any questions or comments from the Joint Review Board.

Mr. Nicholas Pappas asked whether environmental conditions have been resolved. Chairman Baker replied that the environmental conditions have been resolved. Mr. Pappas asked when the TIF District will expire. Chairman Baker said the Ogden TIF District will expire in 2024.

Ms. Debbie Utecht asked about the status of the parcel located at 979 Ogden. Chairman Baker explained that the plans for that parcel did not proceed and there were no current plans in place for redevelopment.

Mr. John Luka asked what the incremental taxes were from 2006 to 2008. Chairman Baker replied the 2008 increment was \$690,086; the 2007 increment was \$631,870; and the 2006 increment was \$488,987.

Chairman Baker asked if there were any further questions from the board members. There being no further questions from the board members, he asked if there were any questions from the audience.

PUBLIC COMMENT

Mr. Jim Popernik asked in general how the TIF was doing. Chairman Baker said the original strategy for this TIF District was to build up the resources in the early years of the TIF and then be in a position to apply those resources to achieve the objectives of the TIF plan.

Mr. Jim Popernik asked about the Comprehensive Plan. Chairman Baker said the Village is updating the Comprehensive Plan and Ogden Avenue will be included in it. Tom Dabareiner said the Plan will include specific recommendations through 2030 for the Ogden Avenue Corridor and beyond the scope of the TIF District. Mr. Popernik asked whether the Village will foresee a surplus of funds or contemplate shortening the duration of the TIF. Chairman Baker replied that due to the right-of-way plans and estimated project costs which are expected to exceed future projected increment, it is unlikely that there will be a surplus of funds or that the life of the TIF will be shortened.

Mr. Mark Thoman asked whether the requested extension for state funds which expired on June 30, 2009 was the sidewalk funding procured for funding. Chairman Baker stated that he believed that the Village requested and received this extension.

Mr. Mark Thoman asked if the Village would consider including the non-TIF rebate agreement with District 58 into the TIF. Chairman Baker replied that the rebate is paid using resources outside of the TIF and the Village will be taking a look at the agreement.

Mr. Frank Falesch mentioned that he did not see many cars parked at the Luxury Motors site. Chairman Baker replied that the Village has been working with them on code compliance issues.

Chairman Baker asked if there were any further questions. There being no further questions, Chairman Baker entertained a motion to adjourn.

MR. JOHN LUKA MOVED TO ADJOURN THE MEETING AND MR. CHRISTOPHER BOWEN SECONDED THE MOTION. MOTION CARRIED BY VOICE VOTE 6:0.

The Ogden Avenue TIF meeting was adjourned at 4:25 p.m. Chairman Baker said the next order of business is the Downtown TIF District Meeting.

Respectfully Submitted,
Kathy DesMarteau, Recording Secretary

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**MINUTES OF
ANNUAL JOINT REVIEW BOARD MEETING
DOWNTOWN CENTRAL BUSINESS DISTRICT TIF**

July 27, 2009

CALL TO ORDER

Ms. Kathy DesMarteau called the Annual Joint Review Board Meeting to order for the 2008 Downtown Central Business District TIF at 4:25 p.m. immediately following the Ogden Avenue TIF Meeting.

ROLL CALL

Present: Mr. Christopher Bowen, Ms. Debbie Utecht, Mr. Jim Popernik, Mr. Nicholas Pappas, Mr. John Luka, and the Village of Downers Grove

Absent: Mr. Frank Wurster, Dr. Tom Ryan, and Mr. Mark Staehlin

A quorum was established.

Staff: Mr. Mike Baker, Deputy Village Manager, Mr. Tom Dabareiner, Director Community Development; Ms. Enza Petrarca, Village Attorney, Jeff O'Brien, Planning Manager, Brandon Dieter, Management Analyst, Jamie Belongia, Management Intern, Kathy DesMarteau, Special Projects Coordinator/Recording Secretary

Visitors: W. H. Whowell, Downers Grove Watch, Linda Kunze, Downtown Management Corporation, Mr. Frank Falesch, Resident, Mark Thoman, Downers Grove Coalition for Managed Redevelopment, Greg Bedalov, Downers Grove Economic Development Corporation

Ms. DesMarteau stated that the purpose of this meeting is to provide the taxing districts with an annual update on the progress of the Downtown TIF District and to comply with state statutes. She then turned the meeting over to Mr. Michael Baker.

NOMINATION/VOTE FOR CHAIRPERSON

Mr. Michael Baker welcomed the board members and guests. He informed the members of the Board that there is a vacated Chair position. Mr. Baker opened the floor for nominations for a Chair.

MR. JOHN LUKA MOVED TO NOMINATE MR. MICHAEL BAKER, DEPUTY VILLAGE MANAGER AS CHAIRMAN OF THE JOINT REVIEW BOARD FOR THE DOWNTOWN TIF DISTRICT AND MS. DEBBIE UTECHT SECONDED THE MOTION.

ROLL CALL:

**AYE: MR. LUKA, MS. UTECHT, MR. BOWEN, MR. POPERNIK, MR. PAPPAS
NAY: NONE**

MOTION CARRIED. VOTE 5:0

DOWNTOWN TIF PRESENTATION

Chairman Baker provided an overview and presentation of the downtown development activities that took place during fiscal year 2008. He outlined the goals and implementation strategy for improvements within the Downtown TIF District and reviewed a list of recently completed redevelopment projects.

FINANCIAL PERFORMANCE

Chairman Baker reported that total revenue for 2008 was \$6,731,179 and expenditures totaled \$6,793,889 which decreased the fund balance to \$820,607. TIF District expenditures since creation of the TIF total \$62,600,000 which has leveraged an estimated total private investment of \$87,400,000 for a leverage ratio of 1.40 to 1. Chairman Baker also explained the trend in leverage ratios as it relates to direct project expenses. He said there has been a steady increase in private investment over the life of the TIF District.

ECONOMIC PERFORMANCE

Chairman Baker reported next on the economic performance of the Downtown TIF District. He said the equalized assessed valuation (EAV) of the district when created in 1997 was \$16.05 million and has increased significantly now to \$54.87 million an increase of 242 percent.

CURRENT PROJECTS AND PROGRAMS

Chairman Baker reported that an outpatient eye clinic and retail optical shop is currently under construction located at 4958 Forest Avenue. Other highlights for 2009 are the inclusion of a Façade Improvement Grant Program and a new Comprehensive Plan is currently underway and will include a focus on the Downtown.

2010 AND BEYOND

Chairman Baker said the Village foresees budget challenges due to market absorption of residential units and TIF revenue forecasts were based on anticipated sales prior to the slowdown of the residential real estate market.

Chairman Baker asked if there were any questions or comments from members of the Joint Review Board regarding the TIF Report or the presentation.

Mr. Nicholas Pappas asked what the occupancy ratio is from the new Acadia redevelopment project. Ms. Linda Kunze replied the occupancy ratio for all buildings is 94 percent. Mr. Pappas asked if any developers have pulled out. Chairman Baker replied that there were no developers that pulled out of a redevelopment agreement. The Village is fortunate that redevelopment projects were underway before the downturn on the economy. There was a short discussion from the board members on the status of the Downers Grove Townhome Development located at 922 Warren Avenue.

Mr. John Luka asked what the TIF increment revenues were for 2007 and 2006. Chairman Baker reported that the increment for 2007 was \$1,268,247 and 2006 was \$1,118,064.

Mr. Mike Baker asked if there were any further questions from the Joint Review Board. There being no further questions, he asked for questions and comments from the audience.

PUBLIC COMMENT

Mr. Mark Thoman asked whether the Series 1999 Bond is funded by parking fund sources related solely to the parking garage or to parking garage land acquisition or is it for other TIF projects. Chairman Baker replied he would look into it.

Mr. Mark Thoman asked if the Village would consider inflation indexing the baseline in the TIF District. Inflation has made the baseline assessment lose 20% of its value to the other taxing bodies. Dollar amounts remain equal in terms of 1997 dollars. The school districts don't inadvertently lose value. Chairman Baker replied that the Village has not as of yet considered this approach.

Ms. Betty Cheever asked if the Village is comfortable with the assessed values of properties in the TIF District and has any plans for seeking adjustments to the assessed values because they are not based on market value the way that other properties in the TIF are. Chairman Baker replied that a process is underway to look closely at the assessments and declining property values.

ADJOURNMENT

Chairman Baker asked if there were any questions or comments from the Joint Review Board or the general public. There being no further questions, he asked for a motion to adjourn.

MR. JOHN LUCA MOVED TO ADJOURN THE MEETING AND MR. JIM POPERNIK SECONDED THE MOTION. MOTION CARRIED BY VOICE VOTE 6:0.

The Annual Joint Review Board Meeting for the Downtown TIF was adjourned at 4:45 p.m.

Respectfully Submitted,

Kathy DesMarteau, Recording Secretary