

ENVIRONMENTAL CONCERNS COMMISSION

Minutes July 14, 2011

I. Roll Call

Present: Joseph Sterner, James Cavallo, Thomas Eisenhart, Jim Speta, Greg Hose, Sarah Batchu

II. Review and Approval of June 9, 2011 Meeting Minutes

Chairman Sterner asked for corrections or revisions to the minutes. Two spelling corrections were brought up. Chairman Sterner asked for a motion to approve the minutes as amended. Commissioner Cavallo made a motion to approve the minutes as amended. Commissioner Hose second the motion. The motion passed by a voice vote.

III. Visitor Welcome

There were no visitors.

IV. Staff Update

Electronics Recycling – Ms. Deitch stated that starting January 1, 2012, there will be a ban on disposal of electronics in landfills. As a result, the Village is looking to provide on-going electronics recycling in partnership with Creative Recycling Services, which has an existing agreement with DuPage County to provide residential electronics recycling. Creative Recycling has previously worked with the Village at the annual recycling extravaganzas. The Village anticipates beginning this service in October. It will likely be on the first Saturday of each month at Village Hall. Chairman Sterner asked if the Recycling Extravaganza will be held at the Belmont Station this year. Ms. Deitch stated that it will be held at the Public Works Building. Mr. Sterner asked Ms. Deitch to provide additional information on Creative Recycling, specifically how and where the recycled materials are processed to avoid pollution and other contamination and to ensure the company is taking all the proper precautions.

2nd and Cumnor Project – Ms. Deitch stated that the Village is incorporating Best Management Practices into the stormwater project at 2nd and Cumnor. Ms. Deitch showed the draft of the educational sign that will be located at the site to the Commission. Ms. Deitch stated that the project will have a rain garden with native plants and it will also have components to filter pollutants from the water.

Chairman Sterner asked for additional information on the tree losses from the summer storms. Ms. Deitch stated that she was unsure if the Village Forester had been able to calculate all the tree losses at this point but would report to the commission at the next meeting. Mr. Eisenhart brought up an article on the City of Chicago and stated that the city is changing its tree selection in anticipation of

climate change and to protect against invasive species. Ms. Deitch stated that she would ask the Village Forester for additional information.

IV. Green Business Recognition Program

Ms. Deitch stated that the Green Business Program discussion was a continuation of previous discussions. Mr. Sterner asked if this would be an annual program or a semi –annual program. Ms. Deitch stated that it could be an on-going program in which the Commission could review the applications and determine whether or not they meet the criteria of the program. Mr. Hose stated that there could be a Top of the Class award given each year in each category as well as a regular recognition program.

Ms. Deitch asked for feedback on the criteria that had been submitted. Mr. Eisenhart stated that the Hoffman Estates program was very comprehensive and asked if it had been successful. Ms. Deitch stated that from what she knew, no businesses had qualified. Mr. Sterner stated that it should be a recognition program and a public relations bonus for the business. Ms. Batchu stated that it could be more general at first. Mr. Sterner stated that there could be criteria for an annual award program.

Mr. Hose suggested grouping the businesses in categories. Mr. Cavallo stated that instead of specific criteria, the program could ask the business to write an essay or describe its achievements. Mr. Hose stated that this would give the Commission an idea of what businesses see in their own industry rather than determining the criteria for them. Mr. Speta stated that the program should have a number of categories to distinguish the difference between green practices for different types of businesses. Mr. Sterner asked Ms. Deitch to research the types of businesses to create the categories. Ms. Deitch stated that she would provide the list at the next meeting.

VI. Old Business

Public Space Recycling – Ms. Deitch stated that she received permission from the Village Manager to proceed with a Request for Proposals process for public space recycling in the downtown business district to determine the cost of the program.

Mosquito Spraying – Ms. Deitch stated that the Village did not have any immediate plans for mosquito spraying because there are no West Nile-carrying mosquitoes that have been found within the Village. Ms. Deitch provided the Commission with a copy of the brochure for Anvil, the insecticide used by the Village’s contractor for mosquito spraying, and showed an online version of the material safety data sheet. Mr. Sterner stated that the chemicals listed on the sheet are chemicals that cause concern and that the Village should not continue with

mosquito spraying. Ms. Deitch stated that the Village's policy is to spray for mosquitoes if there are West Nile mosquitoes present.

Commission Recommendations – Ms. Deitch stated that she had been asked by the Commission to provide clarification on how ECC recommendations are provided to the Village Council. Ms. Deitch stated that the Village Council receives the recommendations through the Village Council agenda process. The Village Council can then ask staff to provide additional information or take action on a recommendation if desired. Mr. Eisenhart asked if there could be a summary report provided with the minutes. Ms. Deitch stated that she would ask the Village Manager about the request.

VII. New Business

Mr. Eisenhart referred to the article he provided to the Commission regarding the City of Aurora's stormwater program. He requested that staff see if there could be a guest speaker from the City of Aurora for a future ECC meeting.

VIII. Adjournment

Mr. Eisenhart made a motion to adjourn the meeting. Mr. Cavallo seconded the motion.

VILLAGE OF DOWNERS GROVE

Village Hall - Committee Room
801 Burlington Avenue
Downers Grove, Illinois

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

July 25, 2011

CALL TO ORDER

The Annual Joint Review Board Meeting for the 2010 Ogden Avenue TIF District was called to order at 4:09 p.m.

ROLL CALL

Present: Chris Bowen, Downers Grove Library; Debbie Utecht for Downers Grove Park District; Nicholas Pappas for DuPage County; John Luka, Public Member, Jeff O'Brien, Downers Grove Planning Manager

Absent: Tom Glaser for College of DuPage; Mark Staehlin, School Dist. No. 99; Jim Popernik, School Dist. No. 58; and Frank Wurster, Township Supervisor

A quorum was established with five (5) voting members.

Staff: Jeff O'Brien, Planning Manager; Stan Popovich, Planner; Judy Buttny, Finance Director; Enza Petrarca, Village Attorney

Visitors: Willis Johnson, Tivoli Enterprises; Buzz Whowell, Downers Grove Watch; Mark Thoman, Downers Grove Coalition for Managed Redevelopment; Frank Falesch, Downers Grove Watch; Nick Vogel, Downers Grove Reporter

Mr. Popovich 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. UTECHT MADE A MOTION TO NOMINATE PLANNING MANAGER JEFF O'BRIEN AS CHAIRPERSON FOR THE MEETING. SECONDED BY MR. BOWEN. ROLL CALL:

AYE: MS. UTECHT, MR. BOWEN, MR. PAPPAS, MR. LUKA, MR. O'BRIEN

NAY: NONE

MOTION CARRIED: 5-0

OGDEN AVENUE IMPLEMENTATION PLAN PRESENTATION

Chairman O'Brien reviewed a brief history of the Ogden Avenue TIF District, reminding those present that the goal of the plan was to improve the following: 1) the appearance of Ogden Avenue; 2) the corridor's economic performance; and 3) the vehicular and pedestrian traffic circulation. Details followed on how the village's policies address those goals with new developments and how the available TIF resources are leveraged to support existing businesses and public improvements. Changes were also being coordinated with the Illinois Dept. of Transportation.

Mr. O'Brien reported on the OASIS matching grant program, implemented in September 2010, and explained the program was a dollar for dollar matching grant program. The first application period was December 2010 with subsequent application periods. He expected the Village Council to award the first OASIS grants at its August 2nd meeting. Mr. O'Brien noted that \$750,000 was budgeted for the program. Examples of the range of projects seen by staff followed. To date, approved applications totaled just over \$300,000.

Mr. O'Brien went on to explain that the Village was continuing to pursue sidewalk installation along Ogden Avenue. He indicated that the Village is currently working with IDOT to acquire right of way and easements for the proposed sidewalk. He noted Ogden Avenue was a state right of way and therefore property acquisition must go through the state's process.

OVERVIEW OF THE 2010 OGDEN AVENUE TIF REPORT

Turning to the financial summary for fiscal year 2010, revenue was reported as just being under \$800,000; expenditures were just under \$125,000; and the fund balance grew from \$2.6 million at the beginning of FY2010 to just over \$3.3 million. Reviewing overall TIF performance, total expenditures to date were between \$1.3 million and \$1.4 million. A private investment of just over \$18 million was noted and the village received \$1.2 million in grants. Leverage ratio was 15.4:1 (public dollars to private dollars). The EAV grew to \$42.39 million, seeing an increase of 45% since the TIFs inception. Mr. O'Brien expected the Village to be committing more funds to the Ogden Avenue TIF in the future years.

For 2011 the OASIS program will continue to see some implementation in late 2011 but the program will be re-evaluated and the village's Comprehensive Plan, currently being reviewed by Village Council, will have some recommendations for the corridor related to catalyst sites and potential new development.

QUESTIONS/DISCUSSION

Questions followed as to the status of the possible Aldi site. Mr. O'Brien explained the property was still owned by Aldi and that no new proposals were being considered at this time. He indicated that Aldi is continuing to seek proposals to develop the site.. Asked if there was a target leverage ratio for public to private investment. Mr. O'Brien was not sure if there was a target ratio, but indicated the basic goal was to have the public dollars be less than the private investments.

No questions from the public received.

ADJOURNMENT

MS. UTECHT MOVED TO ADJOURN THE MEETING AT 4:19 P.M. MR. LUKA SECONDED THE MOTION. ROLL CALL:

**AYE: MS. UTECHT, MR. LUKA, MR BOWEN, MR. PAPPAS, MR. O'BRIEN
NAY: NONE**

MOTION CARRIED. VOTE: 5-0

Meeting was adjourned at 4:19 p.m.

Respectfully submitted,

Celeste Weilandt, Recording Secretary
(as transcribed from MP3 recording)

VILLAGE OF DOWNERS GROVE

Village Hall - Committee Room
801 Burlington Avenue
Downers Grove, Illinois 60515

**MINUTES OF
ANNUAL JOINT REVIEW BOARD MEETING
DOWNTOWN TIF DISTRICT**
(immediately following the Ogden Avenue TIF meeting)

July 25, 2011

CALL TO ORDER

The Annual Joint Review Board Meeting for the 2010 Downtown TIF District was called to order at 4:20 p.m.

ROLL CALL

Present: Chris Bowen, Downers Grove Library; Debbie Utecht for Downers Grove Park District; Nicholas Pappas for DuPage County; John Luka, Public Member, Jeff O'Brien, Downers Grove Planning Manager

Absent: Tom Glaser for College of DuPage; Mark Staehlin, School Dist. No. 99; Jim Popernik, School Dist. No. 58; and Frank Wurster, Township Supervisor

A quorum was established with five (5) voting members.

Staff: Jeff O'Brien, Planning Manager; Stan Popovich, Planner; Judy Buttny, Finance Director; Enza Petrarca, Village Attorney

Visitors: Willis Johnson, Tivoli Enterprises; Buzz Whowell, Downers Grove Watch; Mark Thoman, Downers Grove Coalition for Managed Redevelopment; Frank Falesch, Downers Grove Watch; Nick Vogel, Downers Grove Reporter

Mr. Popovich stated 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.

MS. UTECHT MADE A MOTION TO NOMINATE PLANNING MANAGER JEFF O'BRIEN AS CHAIRPERSON FOR THE MEETING. SECONDED BY MR. BOWEN. ROLL CALL:

AYE: MS. UTECHT, MR. LUKA, MR. PAPPAS, MR. BOWEN, MR. O'BRIEN

NAY: NONE

MOTION CARRIED: 5-0

DOWNTOWN TIF IMPLEMENTATION STRATEGY PRESENTATION

Chairman Jeff O'Brien briefly discussed the history of the Downtown TIF District and the goals and strategies of the district. With regard to the TIF implementation and financial management strategies, he reported that staff facilitated a number of redevelopment projects, leveraged available TIF resources to support existing business and public improvements, monitored the TIF's performance and maximized the future use of any general property tax levy. The TIF boundaries and redevelopment projects were located

on the overhead for members. Developments included an additional 265 residential units, 141,000 square feet of new commercial space, 33,000 square feet of remodeled commercial space, and 790 parking spaces. In 2010 the Facade Improvement Program was completed with a dollar for dollar matching grant program. Infrastructure improvements have been installed at the crosswalks and corners development.

OVERVIEW OF THE 2010 DOWNTOWN TIF REPORT

Mr. O'Brien reported that the financial summary included \$2.65 to \$2.68 million in revenue. Expenditures exceeded \$3.1 million. The beginning fund balance was just over \$1.1 million and ended just under \$1.1 million because of some inter-fund transfers. Total TIF expenses to date have been \$73,239,706.00. Total private investment was just above \$88 million. The leverage ratio was at 1.12:1 and not as strong as the Ogden Avenue TIF. The 1997 EAV for Downtown was \$16.05 million and the 2010 EAV was \$60.58 million for an increase of 277%. The 2009 EAV was \$57.1 million. For 2011, Mr. O'Brien said he expects the crosswalks and corner enhancement program to continue, along with some specific recommendations for the Downtown in the Comprehensive Plan. He also expects some upcoming expenses in the TIF district with regard to repayment of debt for infrastructure improvements. He indicated the financial projections were provided to the Village Council in May 2011. Mr. O'Brien noted the main issue for the gap was due the recent economic conditions which caused the real estate values to grow much slower than was originally anticipated with the TIF was implemented. Mr. O'Brien reported that updated projections indicated that TIF and other revenues may not be sufficient to meet total expenses for FY2015.

In 2021, the Village expects the funding gap to be closer to \$5 million due to the coming debt expenditures for the infrastructure improvements Downtown. There will be a slight gap running through the end of the TIF District and increasing significantly after years 2014/2015. Other funds that may support the gap include the Parking Fund.

Ms. Judy Buttny, Finance Director for the Village, stated that the Village will be taking advantage of the fund balance to pay off the debt for the next few years and expects the debt payment requirements will go beyond the village's resources in 2015. The Village will continue to monitor and update its projections and to defer actions that use any general property tax levy.

Dialog followed that the TIF district was reviewed by S.B Friedman and Company, a professional firm, that looked at ways to offset the impact, taking into consideration what developments may occur.

Other actions to offset the gap, as reported by Mr. O'Brien, will include controlling TIF expenses, exploring adjustments in use of the parking fund, and pursuing grant funding for the parking garage. The Village will continue to look at redevelopment/reinvestment opportunities, identify other options to fill the gap, and, as a last resort use the property tax levy.

QUESTIONS/DISCUSSION

Per a question from the board, Ms. Buttny reported the balance in 2021 would be approximately a negative \$3.5 million, but she would have to confirm that. She stated the village already refinanced all of the debt it could twice in 2010. Ms. Buttny did state, however, that extending the TIF period and extending the debt further could be an option. Per Ms. Buttny, the village saved over \$800,000 total by refinancing over the life of the remainder of debt. Speaking to the shortfall in 2015, Ms. Buttny indicated that the parking fund would be reviewed per the downtown parking study first to see if fees needed to be increased, followed by the general fund or levying an additional amount for this debt.

Per a question about the parking deck, Ms. Buttny stated the parking fund takes revenue from all of the parking in the Village and that an increase in the current parking rates would be a subsidy to pay the debt service for the parking deck. She confirmed the Village has been using money from the parking fund all

along as a revenue source. Dialog followed that the shortfall in revenue was due to the down turn in the economy and the public investment in the infrastructure.

Chairman O'Brien opened up the meeting to public comment.

Mr. Buzz Howell pointed out that Mr. O'Brien's statistics showed that 265 residential units had been built in the TIF District but that a village official cited in the Downers Grove Reporter that 1 in 5 residential units in the village were vacant. He queried Mr. O'Brien on what percentage of the 265 units were unoccupied, to which Mr. O'Brien stated that he did not know immediately but could provide an estimate. Mr. O'Brien clarified that the 265 units were created as a result of redevelopment projects and that other multi-family developments may be experiencing lower occupancy ratios. Asked what Mr. O'Brien had originally anticipated, Mr. Popovich stated the S.B. Friedman Report would probably discuss occupancy rates. Mr. O'Brien offered to get the information for the resident.

Mr. Howell said he understood, then, that if a developer owned the property he was not paying the entire amount of taxes as a regular homeowner would, based on occupancy. Wherein Mr. O'Brien explained that if a development was fifty percent built, the developer was paying taxes at a lower rate for the units that were not built.

Mr. Mark Thoman, Downers Grove Coalition for Managed Redevelopment, confirmed that the inter-fund transfers, so far, have come solely from the parking fund, wherein Ms. Buttny confirmed in the positive. Continuing, he asked if there were specific funds designated for the general fund balance transfers indicated for years 2012 and 2015, to which Ms. Buttny indicated they were debt to debt service funds and not the general fund. Asked if Ms. Buttny knew what the dollar revenues were that came on line in 2010 from residential units that came on line as tax paying units, Mr. Popovich stated that the property tax increment was \$2.65 million.

Mr Thoman asked what the total revenue for the Downtown TIF District was and what were the annual principal and interest amounts for FY2011. He further asked if there was any TIF District debt outstanding that was placed with general property receipts rather than TIF increment receipts. To better clarify, he asked what percentage of the TIF District debt was being paid by TIF increments and what percentage was being paid by general property being pledged to general property receipts.

Ms. Buttny responded that for 2011 it was all TIF increment and a little bit of the parking and no General Fund and no property tax levy at all. She expected the same would be done though 2014. She explained that 2015 was when the change would occur if certain things did not happen. Per Mr. Thoman's question about a schedule of principal and interest payments, it was noted the information was in the report under Section 3.1 and 3.2. Ms. Buttny also offered to put the information together for Mr. Thoman. Ms. Buttny explained how the debt was structured.

Mr. Willis Johnson asked how the parking fund was funded to which Mr. O'Brien stated it was funded by the parking in the entire Village. Mr. Johnson expressed his concern about increasing the parking and if it would have any impact on the money needed and still be a competitive parking rate. Mr. O'Brien explained that the interfund transfer from the parking fund remained flat so there was no increase proposed. Mr. O'Brien indicated the current parking study for the Downtown would be analyzing the parking rates based on the current market demand. He explained that depending on the outcome of the study, the parking rates could increase, depending what the market would bear.

Mr. Frank Falesch commented that he thought the TIF fund was going to be self-supportive but now the Village seemed to be looking for tax dollars from the residents. Mr. O'Brien re-stated that the Village has not decided on how to address the funding gap. He noted that the Village has only identified that there will likely be an issue and identified potential solutions to fill the gap. He explained, however, that there was time to plan ahead to mitigate the use of general funds. Mr. Falesch expressed concern about the tax levy increasing and the other taxing bodies increasing their funds. Ms. Buttny responded and explained

that the tax levy represented the debt service in the fund which increased near the end of the life of the TIF. The part that represented the increment was current projections of what staff believed would be covered, to be filled in with other sources of revenue.

ADJOURNMENT

MR. BOWEN MOVED TO ADJOURN THE MEETING AT 4:46 P.M. MR. LUKA SECONDED THE MOTION. ROLL CALL:

**AYE: MR. BOWEN, MR. LUKA, MS. UTECHT, MR. PAPPAS, MR. O'BRIEN
NAY: NONE**

MOTION CARRIED. VOTE: 5-0

The Downtown TIF meeting was adjourned at 4:46 p.m.

Celeste Weilandt, Recording Secretary
(as transcribed from MP3 recording)