

9/26/2018

KIMBERLEE A. ELLIOTT, C.S.R.

BEFORE THE VILLAGE OF BARTLETT
TAX INCREMENT FINANCING (TIF) DISTRICTS
JOINT REVIEW BOARD

IN RE THE MATTER OF:)
)
Brewster Creek Business Park TIF)
District (DuPage and Cook);)
IL Route 59/Lake Street TIF)
District (Cook County);)
Bluff City TIF District)
(Kane County).

REPORT OF PROCEEDINGS had at the
Bartlett Tax Increment Financing Districts Joint Review
Board of the above-entitled cause taken at the Village
Hall of Bartlett, 228 South Main Street, Bartlett,
Illinois on the 26th day of September, 2018, at the
hour of 1:00 p.m.

PRESENT:

MR. JIM PLONCZYNSKI
MR. JEFF KING
MR. KEVIN ROMEJKO
MS. SARA SABO
MS. KAROLYN NANCE
MR. JAMES BARR
MR. MICHAEL FALESE
MR. MARK ARMSTRONG
MS. MARY BETH SMITH

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

ALSO PRESENT:

MR. TONY FRADIN, Economic Development
Coordinator

MR. TODD DOWDEN, Assistant Finance Director

MR. BRYAN E. MRAZ, Village Attorney

1 MR. FRADIN: Okay. We're going to call the
2 Village of Bartlett Tax Increment Financing
3 Districts Joint Review Board Meeting of Wednesday
4 September 26, 2018 to order. We have three TIF
5 districts we'll be reporting on this afternoon and
6 I'm going to start this off by asking Ms. Nance to
7 introduce herself and the taxing district that she
8 represents and then we're just going to go straight
9 down the line here.

10 MS. NANCE: Good afternoon. My name is
11 Karolyn Nance and I'm the director of the Bartlett
12 Public Library District.

13 MR. KING: Jeff King, Deputy Superintendent
14 School District U-46.

15 MS. SABO: Sara Sabo, Gail Borden Library
16 Deputy Director.

17 CHIEF FALESE: Mike Falese, Bartlett Fire
18 Protection District Fire Chief.

19 MR. BARR: James Barr, Hanover Township
20 Administrator.

21 MR. ROMEJKO: Kevin Romejko, Superintendent
22 of Services, Bartlett Park District.

23 MR. ARMSTRONG: Mark Armstrong Kane County
24 Supervisor Assessor.

1 MR. PLONCZYNSKI: Jim Plonczynski, Community
2 Development Director for the Village of Bartlett
3 for two more days.

4 MR. MRAZ: Bryan Mraz, village attorney.

5 MR. FRADIN: Our next order of business here
6 is for the members of the joint review board this
7 afternoon to elect a chairperson.

8 MR. PLONCZYNSKI: I'll nominate James Barr
9 from the township as chairperson.

10 CHIEF FALESE: Second.

11 MR. FRADIN: Okay. I'm going to take roll
12 call then. Library District?

13 MS. NANCE: Yes.

14 MR. FRADIN: District U-46?

15 MR. KING: Yes.

16 MR. FRADIN: Gail Borden Library?

17 MS. SABO: Yes.

18 MR. FRADIN: Fire District?

19 CHIEF FALESE: Yes.

20 MR. FRADIN: Hanover Township?

21 MR. BARR: Sure.

22 MR. FRADIN: Park District?

23 MR. ROMEJKO: Yes.

24 MR. FRADIN: Kane County?

1 MR. ARMSTRONG: Yes.

2 MR. FRADIN: Village of Bartlett?

3 MR. PLONCZYNSKI: Yes.

4 MR. FRADIN: Okay. We have a chairperson.

5 MR. BARR: Okay. Do we have a public
6 member?

7 MR. PLONCZYNSKI: I'll nominate Mary from
8 the chamber.

9 MR. ROMEJKO: Second.

10 MR. BARR: Is there an objection? Mary, do
11 you accept?

12 MS. SMITH: I do.

13 MR. BARR: All right. Should we do a roll
14 call?

15 MR. FRADIN: We can. Sure. Village of
16 Bartlett?

17 MR. PLONCZYNSKI: Yes.

18 MR. FRADIN: Kane County?

19 MR. ARMSTRONG: Yes.

20 MR. FRADIN: Hanover Township?

21 MR. BARR: Yes.

22 MR. FRADIN: Park District?

23 MR. ROMEJKO: Yes.

24 MR. FRADIN: Bartlett Fire Protection

1 District?

2 CHIEF FALESE: Yes.

3 MR. FRADIN: Gail Borden Library?

4 MS. SABO: Yes.

5 MR. FRADIN: Bartlett Library?

6 MS. NANCE: Yes.

7 MR. FRADIN: And School District U-46?

8 MR. KING: Yes.

9 MR. FRADIN: We have a public member.

10 MR. BARR: Very good then. The report on
11 TIF financial activity?

12 MR. DOWDEN: Thank you. My name is Todd
13 Dowden. I'm the finance director here at the
14 Village of Bartlett and we're first going to do
15 Brewster Creek or Bartlett Quarry TIF District.
16 It's in both DuPage County and Cook County.
17 Everybody has a financial summary there. It has a
18 little chart with the revenues and expenditures on
19 the front. Tony's has pictures and mine has a
20 chart so there's the difference.

21 Well, first of all, this is from
22 the period ending April 30, 2017. That was the
23 most recently audited financial report. We're in
24 the process of finishing our 2018 right now. Our

1 auditors are Lauterbach & Amen.

2 Brewster Creek TIF is split up
3 into two funds, we have the project fund and the
4 municipal fund. The project fund is mostly for the
5 construction infrastructure and debt service, and
6 the municipal fund is for administration expenses.
7 Ending fund balance as of April 30, 2017 in the
8 project fund was 5,276,000 and 326,000 in the
9 municipal fund for a combined fund balance of both
10 TIF Brewster Creek funds 5.6 million. Revenues in
11 the project funds total about 14 and a half million
12 and 620,000 in municipal fund for a total revenues
13 exceeded expenditures by about \$2,000,000.

14 Second paragraph property taxes
15 total just under \$5,000,000 for both funds
16 combined, that's the TIF increment property taxes.
17 That's split 85.5 percent in the project fund and
18 12 and a half percent in the municipal. So the
19 project fund received just under four and a half
20 million and the municipal fund 618,000. Other
21 revenue is listed at 10,257,000 in the project
22 fund. Most of that was from a bond issue of
23 9.2 million dollars that went towards 7.2 million
24 towards refunding developer notes that were

1 outstanding, 800,000 was towards project expenses,
2 920,000 of that went into increase in debt service
3 repairs and then the remainder was for the debt
4 issuance cost. Other expenses in the fund included
5 roadway and site prep that was about \$2,000,000.

6 So the chart below just gives a
7 summary of all of the revenue and expenses for the
8 life of the TIF. Below the chart is the Equalized
9 Assessed Value. Currently in DuPage County it's up
10 to 58.8 million for assessed value and the base
11 started at 1.8 million. Cook County portion is
12 currently just slightly over one million and the
13 base 1.2 million is where it started. So the Cook
14 County portion is currently below the base and
15 we're not receiving any increments at this time.

16 The annual TIF reports were filed
17 with the comptroller. They can be found on the
18 comptroller website. I did try to look at them
19 before I came today as far as the comptroller
20 website, it doesn't seem to be working properly.
21 So if you have an issue or you need to get those I
22 can email.

23 MR. ARMSTRONG: One of the things I found is
24 that comptroller's website does not have an

1 adequate fire wall. I know in Kane County the
2 county will not let me access it directly from a
3 computer connected to the county's network because
4 of that. So what I have to do is give my own
5 access maybe through my own wi-fi at home and
6 that's where I was able to get it. I was able to
7 download the TIF reports today. So they're there
8 and they look fine but that seems to be the issue.
9 The general local government people don't find the
10 state's web security to be sufficient to allow you
11 to connect to that site.

12 MR. DOWDEN: All right. Thank you for that
13 tip.

14 MR. ARMSTRONG: Not your problem, theirs.

15 MR. DOWDEN: All right. If there's any
16 other questions regarding the financial report I'd
17 be happy to answer them.

18 MR. BARR: Are there questions? Okay. Can
19 we move on to the next?

20 MR. FRADIN: The redevelopment report so the
21 way we typically do the TIF rather than doing each
22 district in half hour increments we do them one
23 after the other finances and then is the
24 development reports.

1 I wanted to mention a few
2 housekeeping items that we mailed the notices of
3 this meeting to all of the taxing districts within
4 the villages of the three TIF districts that span
5 Kane, DuPage and Cook County and also we published
6 the meeting notice in the Daily Herald with the
7 required advanced notice for that so I had to
8 mention that.

9 Brewster Creek Business Park is
10 the one out of the three TIFs where you've seen
11 some big numbers in terms of the growth in EAV.
12 This is my 14th time coordinating this joint review
13 board. Many years I have said that much of the
14 business growth and development in the village has
15 been in the Brewster Creek Business Park. Brewster
16 Creek Business Park spans DuPage and Cook County,
17 not in Kane County for those representatives that
18 are here from Kane County today. All of the
19 development so far to date has been in the Cook
20 County portion in terms of industrial and business
21 development.

22 I've provided a summary of the
23 development for everybody to look at while I go
24 through it because it's been quite a bit. As I

1 just heard Todd reporting on the rapid growth of
2 the EAV I recall last year prognosticating that it
3 would jump over 50 million. You can see it's 58
4 million. It should be a larger number by next
5 year. So it's continued to expand since we sat
6 here a year ago with several new speculative
7 buildings.

8 For the village as a whole the
9 vacancy rate had been increasing for a period of
10 years. It was a very low 3.9 percent when 2016
11 came about and then by the first quarter in 2018
12 our industrial vacancy rate was over 20 percent but
13 this wasn't due to businesses leaving the business
14 park or elsewhere in the town. It was primarily
15 due to a large wave of speculative buildings that's
16 come into the village and really the whole Chicago
17 area industrial market as a whole. There were
18 actually seven new buildings totaling 1.3 million
19 square feet four of them of the speculative nature.
20 The industrial rate has since declined to 11 and a
21 half percent and our staff here, our planning, our
22 economic development and building staff anticipates
23 that to continue declining over the next few months
24 and should be lower than that by a year from now.

1 Some of the projects we've worked
2 on include Clarke Packing & Crating Company who
3 recently signed a 108,000 square foot lease in one
4 of the speculative buildings that I told you about
5 here last year. That is a 186,000 square foot
6 building constructed by Ridge Development one of
7 the big institutional developers that's been active
8 in our business park over the past few years.

9 Another speculative building that
10 we were reporting on last year was by G4
11 Development. That is the development arm of the
12 Greco Company, Greco & Sons Company. They had
13 built a 167,000 square foot building and it was
14 just recently put under contract by a very large
15 plastics company called Axium Plastics that's going
16 to be moving into town in the coming months.

17 Going back about six months ago
18 Brolite Products which is a baking supply company
19 their plant remained in Streamwood but they lease
20 48,000 square feet in a new building in Ridge
21 Development's first building called Ridge Brewster
22 Creek 1 at 1331 to 1337 Shiferl Road. The other
23 half of the building had been pre-leased to a
24 company in the auto supply chain called Winhere

1 Brake Parts. They originally leased half of that
2 building actually prior to its construction and
3 since that time it expanded again. So when we talk
4 about the vacancy rate being maybe 20 percent about
5 a year from now or a year ago I should say this is
6 a case in point of a 271,000 square foot building
7 that's been filled since this year began.

8 The largest building in Brewster
9 Creek Business Park is Exeter Development who
10 constructed a 421,000 square foot facility and
11 earlier this year Animal Supply Company leased
12 220,000 square feet. The remaining space in this
13 building is currently the largest vacancy in the
14 village at 199,000 square feet. Of course, we're
15 hopeful that we can work along with the building
16 owners and the brokers to fill that vacant space
17 here in the coming months.

18 Staff worked with a subsidiary of
19 a large Chinese company called CMEC, a
20 multi-billion dollar corporation that expanded into
21 the U.S. market just with their first office here.
22 They don't do any manufacturing here in Bartlett, a
23 15,000 square feet office at 1236 Hardt Circle.

24 Moving on to one of the village's

1 largest employers you all know very well Rana Meal
2 Solutions and they're busy constructing their new
3 326,000 square foot facility that's going to house
4 its headquarters that's relocating from Oak Brook
5 as well as their lasagna line. This will be the
6 company's fourth expansion here in our business
7 park and they're going to add additional employees.
8 The photos that you see that I stuck in this report
9 on the left side is the rendering as they submitted
10 it to the village eight or nine months ago and then
11 on the right is how this building looked as of
12 yesterday afternoon. I took many of these photos.

13 So Brewster Creek Business Park
14 it's nice to sit here and to report to you how it's
15 continued expanding over the past year. One of the
16 factors that's leading to its growth is the
17 continued growth in general of e-commerce and what
18 they call last-mile facilities where they want to
19 have distribution centers for their products.
20 Animal Supply Company is a good example of that, a
21 big distributor who has pet stores throughout the
22 whole Midwest that they supply based out of their
23 location here in Brewster Creek Business Park.

24 Industrial real estate is really

1 hot right now. Things go in cycles as you all know
2 and can change year to year or perhaps over a
3 period of several years. Industrial real estate is
4 very hot right now in the Chicago market in general
5 and Brewster Creek Business Park has certainly
6 benefitted from that. I mentioned all of the
7 development so far has been in the DuPage County
8 portion and that has certainly been a factor in
9 success as well as a lot of the road improvements
10 that happened in the area.

11 So my last tidbit on Brewster
12 Creek Business Park it was adopted back in 1999.
13 The standard period of a TIF district unless it's
14 created otherwise or unless it's extended is
15 typically 23 years thus we are within four years of
16 reporting that this TIF District is going to
17 conclude. I didn't put it in my report but the
18 percentage that is completed would be somewhere in
19 the mid 70 percent range. There really aren't any
20 more of the large sites available except in the
21 Cook County portion where somebody could put one of
22 these buildings like I talked about like a 300 or
23 400,000 square foot building but there are land
24 sites that could still have smaller buildings maybe

1 in the 40 to 60 to, 70,000 square foot range. So
2 we certainly anticipate more of those coming in and
3 that's the development related report in terms of
4 Brewster Creek Business Park TIF.

5 And at this time I would be happy
6 to answer any of the questions that you might have
7 or one more thing I do want to add Jim Plonczynski
8 being the village representative and retiring at
9 the end of this week and having been not only the
10 village's representative on the joint review board
11 for the 14 years that I have been here but has had
12 his hand in essentially every single project that
13 I've spoken about from the smallest industrial
14 condominiums to the expansions of all the largest
15 food companies so I wanted to get that on today's
16 record that Brewster Creek was in its early stage
17 when I started here in 2005 with seven buildings
18 but Jim has been here since the TIF was created and
19 conceived of and in terms of tax increment
20 financing this one is often used as a model for how
21 to make a successful TIF district. It was a gravel
22 quarry and quarries automatically qualify as a TIF
23 by Illinois statute, don't have to meet all the
24 blighting factors like some of the other TIF

1 districts do so as Todd went over those millions of
2 dollars that have been spent in the TIF it's been
3 essentially to put in the infrastructure over
4 \$36,000,000 to convert what was a depleted gravel
5 quarry into what's widely considered one of the
6 best business parks in the area so I wanted to do
7 my little plug for both how well this TIF works as
8 well as Jim's role in the TIF from the time it was
9 formed.

10 MR. PLONCZYNSKI: Thanks, Tony.

11 MR. FRADIN: You're welcome. Now I'm ready
12 to answer any questions you have about Brewster
13 Creek Business Park development.

14 MR. BARR: Any questions? For the bonds,
15 the original bonds, are those near or at pay off?

16 MR. FRADIN: I'm going to defer to Todd. I
17 know there were some more bonds issued about a year
18 and a half ago.

19 MR. DOWDEN: Sorry, I didn't get to, I have
20 been adding, as of the end of 2017 we still had 14
21 and a half million out from the 2007 refunding and
22 we added 9.2 million to that so we're up to 23
23 million outstanding bonds at the end of 2017. So
24 they're scheduled to be paid off by the end it

1 looks like it looks good for being able to pay
2 those off at the end of the TIF.

3 MR. BARR: Thank you. Any other questions?
4 All right. I think you said it well I mean this is
5 quite literally a textbook example of a successful
6 TIF district why TIF districts were created and
7 well executed and Jim, perhaps, after next week you
8 will probably go lecture on the topic of
9 (inaudible).

10 MR. PLONCZYNSKI: Thanks, James. I just
11 remember the first time we met with the
12 representative of Elmhurst Chicago Stone you went
13 out there it was literally just mounds of dirt
14 laying around and there was if you remember the old
15 asphalt plant was in there and they said well, what
16 do you want to do with it and he said well, we want
17 to turn into an industrial park. They had actually
18 plans for a big housing development and then he
19 said no, we don't want that, we want some balance
20 to our taxes and Valerie and I sat with Ken Lainer
21 (phonetic) who was the representative and he goes
22 ah, we'll get it done for you and he was actually,
23 he passed away last year, but he was a major force
24 in getting Elmhurst to get this, you know, on the

1 charts and then they kind of modeled after that
2 Cantera Development that they did so this is a
3 great accomplishment for the village. Thanks.

4 MR. BARR: Should we move on to the second
5 TIF? Do we need to take a vote on it at all?

6 MR. FRADIN: I'm going to ask Village
7 Attorney Mraz if he advises a vote on accepting
8 individual reports.

9 MR. MRAZ: It's up to you guys if you want
10 to vote individually or what. I think that because
11 we have taxing districts that overlap we should do
12 it now.

13 MR. BARR: Having individual?

14 MR. MRAZ: Vote on it one at a time.

15 MR. BARR: All right. So can we have a
16 motion to accept the report?

17 CHIEF FALESE: So moved.

18 MR. ROMEJKO: Second.

19 MR. BARR: Moved and second. Any further
20 discussion? Okay. Can we have a roll call?

21 MR. FRADIN: Yes, public member Ms. Smith?

22 MS. SMITH: Yes.

23 MR. FRADIN: Bartlett Library?

24 MS. NANCE: Yes.

1 MR. FRADIN: Bartlett Park District?

2 MR. ROMEJKO: Yes.

3 MR. FRADIN: Hanover Township?

4 MR. BARR: Yes.

5 MR. FRADIN: Bartlett Fire Protection
6 District?

7 CHIEF FALESE: Yes.

8 MR. FRADIN: School District U-46?

9 MR. KING: Yes.

10 MR. FRADIN: And Jim at the Village of
11 Bartlett?

12 MR. PLONCZYNSKI: Yes.

13 MR. FRADIN: Thank you. Motion carries.

14 MR. BARR: All right. Motion carries.
15 Moving on to the second TIF.

16 MR. BARR: Moving on to the second TIF.

17 MR. DOWDEN: The second TIF we are going to
18 be looking at is only in Cook County. We call it
19 the Route 59 and Lake Street TIF because it's
20 located on Route 59 and Lake Street. This TIF
21 doesn't have as much activity as the Brewster Creek
22 TIF as you see that our fund balance is zero.

23 Basically we just cover the annual
24 expenses and transfers from the developer deposits

1 fund. There is no property tax increment at this
2 time as its value is currently below the base so
3 we're not receiving anything. We did purchase the
4 land with some loans from other funds within the
5 municipality. Currently outstanding loan as to 3.5
6 million is put through the municipal building fund,
7 developer deposits funds and the sewer fund. So
8 the only expense that we had during this year
9 ending April 30, 2017 was interest on those loans
10 to the village so not a lot of financial activity
11 in this TIF to report.

12 MR. BARR: Thank you.

13 MR. FRADIN: I'm going to echo Todd's
14 sentiment where he says not a lot of financial
15 activity. There hasn't been a lot of development
16 activity also. There hasn't been any.

17 This TIF district was adopted back
18 in the fall of 2004 so every year we're here it's
19 aging one more year. Back then high traffic
20 corners were in high demand by shopping center
21 developers and this TIF was created in anticipation
22 of a shopping center being developed on that site.
23 So also it was adopted for the standard period of
24 23 years so it's currently scheduled to expire in

1 2027.

2 This TIF is comprised of eight
3 parcels that cover approximately 49 acres and at
4 the time the TIF was created it was considered a
5 blighted area as it still is today due to several
6 factors. First and foremost being the project area
7 was not subject to growth and redevelopment through
8 private investment; also, the physical condition of
9 the project area testifies to a lack of maintenance
10 and improvement activities; the third factor was
11 that the Equalized Assessed Value of the area had
12 been consistently lagging that of the balance of
13 the Village of Bartlett and, of course, by what
14 Todd said how the EAV has declined in the time
15 since the TIF was adopted so that that has
16 continued. There were several site constraints in
17 the TIF study that made development of the site
18 difficult which also contributes to this day of the
19 site remaining vacant. Some of those included
20 chronic flooding and also development that is
21 consistent with the recommendations of the
22 village's comprehensive plan is not anticipated to
23 occur without financial and other incentives
24 through Tax Increment Financing.

1 All I really did was change some
2 dates on this from last year and said the above
3 findings of the TIF study from 2004 remain accurate
4 14 years later.

5 One of the things that has changed
6 when we meet with potential developers which we
7 still do is they express their concern with the
8 short amount of time that remains in this TIF
9 District thus a much shorter time to generate
10 increments that can repay for some of their TIF
11 related costs.

12 As the financial report indicates
13 the EAV for this district is currently \$725,000
14 lower than when it was formed. It could
15 conceivably become necessary to revisit the
16 parameters of this TIF District should a developer
17 pursue the properties in the future since at this
18 point well more than half of the life of the TIF
19 has now elapsed.

20 One thing that has changed,
21 however, since last year's joint review board is
22 the village does own property within this TIF and
23 we hired a commercial broker from Sperry Van Ness
24 or SVN last fall in an effort to market the village

1 owned properties and they have been able to
2 generate some interest in them. We're actually
3 going to be renewing our contract with them since
4 it took several months for them to generate some
5 prospects and then we're hoping they can generate
6 more in the coming months.

7 In another one of the properties
8 within this TIF there is a developer currently
9 looking at a 19.7 acre parcel that's just south of
10 the village owned properties. This property is
11 owned by Mike Ryan so there is still the potential
12 of having some development within this TIF District
13 before it expires but as you've seen in my report
14 and in Todd's financial report there has not yet
15 been any development at all.

16 There have been a lot of prospects
17 and leads and tire kickers over the years but
18 nobody who's taken that next step to put properties
19 under contract and then to start lining up their
20 financing for the project. We still hope that that
21 can happen before the TIF expires but at this point
22 there isn't any development really to report within
23 this TIF District.

24 I'm ready to answer any questions

1 on the 59 and Lake Street TIF if you have any. As
2 Todd mentioned it's in Cook County only.

3 MR. BARR: Any questions? A couple, do you
4 anticipate the street improvements on 59 and Lake
5 having any effect, possible effect, on development
6 at that location?

7 MR. FRADIN: We do. I know I recall you
8 asking that last year and that's when it was still
9 a future project but now that it's well underway it
10 is actually one of the factors that has helped
11 really renew some interest in the site.

12 There's a lot of blighting factors
13 to that land as I mentioned but one of them has
14 always been that it may not be the most easy site
15 to access particularly for a large scale
16 development and even though a lot of the road
17 improvements going on now are on the other side of
18 the road it's going to make that intersection
19 easier to navigate. It may increase traffic counts
20 and for whatever reason it's increased the
21 visibility of that site simply by having Sperry Van
22 Ness putting their sign up there where there's
23 never been a for sale sign on it before has
24 generated some amount of interest in it. So that's

1 a long answer. The short answer is yes.

2 MR. BARR: Very good. Is there a mechanism
3 to either renew or extend the life of the TIF if
4 interested parties indicate interest in that?

5 MR. FRADIN: Yes, when it comes to TIF law
6 oftentimes it may be easier to create a new TIF.
7 One of the parameters, I might have to lean on our
8 village attorney for this, but it's my
9 understanding to extend the TIF it would require
10 the support from all the taxing districts within
11 the TIF. The state legislature is currently
12 updating TIF laws and in some aspects it can make
13 it more challenging to extend one than to create a
14 new TIF.

15 Also, there is a property that's
16 not within the TIF District but that the village
17 owns three and a half acres of right at the hard
18 corner of the southwest corner of 59 and Lake
19 Street and that property was not within the Village
20 of Bartlett when we sat here a year ago. I want to
21 say it was annexed into the village earlier this
22 year. So that is one of the properties that peaks
23 developer's interest but by the same token it's not
24 within the TIF District so, again, kind of a longer

1 answer but extending a TIF can be more challenging
2 in some aspects than creating a new one.

3 MR. MRAZ: There's a procedure and one of
4 those would be an amendment to the TIF, amendment
5 to the plan, and we'd have to give you folks notice
6 and you would have to weigh in on it so any
7 amendment that would extend the TIF or modify the
8 plan by more than five percent in terms of
9 expenditures plus inflation would require that we
10 convene the joint review board to review it like
11 you do when the TIF is originally created.

12 MR. BARR: Would that also hold true do you
13 have the ability to maybe close this TIF and start
14 a new one so they can capture the new property?

15 MR. MRAZ: The new TIF would require the
16 whole process before the joint review board. To
17 close it, you may recall the downtown there's sort
18 of a true up where we distribute dollars, there's
19 no real dollars to distribute, we're owed 800 some
20 thousand or a large sum that shows that the
21 (inaudible) so there isn't really anything as far
22 as that goes so that weighs in on what is the best
23 way to go and those laws are in a flux so we're
24 looking at a proposed amendment and things but it

1 is a possibility.

2 It would be nice to have that one
3 piece right at the loop of the interchange been
4 included originally that has caused some
5 consternation with a few developers so that would
6 be an easy fix and a slight extension so it could
7 be something we would send you notice of and ask
8 for your written vote and bring it before you.

9 MR. BARR: Okay. Thank you. Any other
10 questions on this TIF? Okay. Should we make a
11 motion to accept the report?

12 MR. PLONCZYNSKI: So moved.

13 CHIEF FALESE: Second.

14 MR. BARR: Moved and seconded. Any
15 discussion on accepting the report? Seeing none
16 then can we take a roll call?

17 MR. FRADIN: School District U-46?

18 MR. KING: Yes.

19 MR. FRADIN: Bartlett Fire Protection
20 District?

21 CHIEF FALESE: Yes.

22 MR. FRADIN: Bartlett Park District?

23 MR. ROMEJKO: Yes.

24 MR. FRADIN: Public member?

1 MS. SMITH: Yes.

2 MR. FRADIN: Bartlett Library?

3 MS. NANCE: Yes.

4 MR. FRADIN: Hanover Township?

5 MR. BARR: Yes.

6 MR. FRADIN: And Village of Bartlett?

7 MR. PLONCZYNSKI: Yes.

8 MR. BARR: All right. On to the third
9 financial activities report.

10 MR. DOWDEN: Yes, thank you. Our third TIF
11 this is just in Kane County. It's at the
12 intersection of Route 25 and West Bartlett Road
13 northeast corner. Again, this is for the financial
14 report as of April 30, 2017. Total fund balance
15 was \$9,600. This is again split between a project
16 fund that receives 94 percent of the increment and
17 a municipal fund that's just receiving six percent.
18 Revenues for the fiscal year was 73,000.
19 Expenditures total 68,000. Basically the only
20 expenditures in the fiscal 2017 year was paying
21 interest on developer notes with the money that was
22 available.

23 So the EAV listed here is for 2017
24 up to 6,150,000. It has increased significantly

1 over the last few years. The increments came in
2 during the 2017 year basically from the EAV from
3 2015. So in 2015 we only received a 75,000
4 increment and 2016 we're expecting about 275 and
5 then with the 2017 EAV it should be up to almost
6 \$490,000. So the increments picked up
7 significantly.

8 The developer note balance at the
9 end of the 2017 year was 2,297,000. After the end
10 of the 2017 year we did issue or approve another
11 payout on a developer note of 6,218,000. So
12 currently total developer notes outstanding is just
13 about eight and a half million so again that's a
14 short financial report on the condition of the
15 Bluff City TIF.

16 MR. FRADIN: Okay. In terms of the economic
17 development of the Bluff City TIF District the
18 Southwind Business Park and Blue Heron Business
19 Park are two business parks that comprise this TIF
20 District. It was adopted in May of 2009 similar to
21 the Brewster Creek Business Park. The intention of
22 this TIF was to redevelop the Bluff City quarry
23 area into a mixed use business park. So this TIF
24 will conclude quite a few years from now in 2032,

1 14 more years left in this TIF area.

2 The areas both the southeast and
3 northeast corner of West Bartlett Road and Route
4 25, the southern portion is the Southwind Business
5 Park which consists of 27 acres and the northern
6 portion Blue Heron Business Park consists of four
7 parcels that cover 115 acres. All four parcels
8 were former quarry sites and they're located this
9 is our TIF that's located in the Kane County
10 portion of the village.

11 As Todd mentioned the majority of
12 the expenditures so far have been for earth work
13 the 1.1 million and road work for about three
14 quarters of a million dollars. Years ago we were
15 reporting that all the expenditures were to prepare
16 for site development in a similar fashion to the
17 way Brewster Creek Business Park was developed.

18 There has not been any new
19 buildings constructed in the past year. There were
20 probably three potential buildings that I can
21 recall off the top of my head but for various
22 reasons that did not move forward so there
23 currently are three previously reported buildings
24 within this TIF, Traffic Services Incorporated,

1 Traffic Control & Protection and Elgin Beverage.

2 There is a six acre site right at
3 the southeast corner of Route 25 and West Bartlett
4 Road that's been planned to be a commercial site
5 rather than an industrial site and is being
6 marketed by one of the leading retail brokers in
7 the Chicago market. Staff has met and worked with
8 him several times and we're currently still working
9 on attracting a sale tax producing project for that
10 corner.

11 The remainder of this TIF district
12 is being marketed by Abbott Land and Development
13 the owner of the land and they're marketing it as
14 an industrial area that could include outdoor
15 storage which can be a challenging type of thing to
16 locate in this area. For instance, in Brewster
17 Creek Business Park there is only a few sites where
18 that's allowed. So when people look for that type
19 of use we do direct them to this area.

20 A variety of heavier uses already
21 exist in the Bluff City area including asphalt
22 shingle recycling, a liquid asphalt plant, mining,
23 concrete products and as I mentioned the
24 redevelopment plan when we did this TIF plan I'm

1 going to say almost ten years ago allows for that
2 type of heavier land use within this area so we
3 certainly hope to add some more projects in the
4 next year.

5 As Todd mentioned the EAV growth
6 in the last few years has been basically because
7 Elgin Beverage has been fully assessed since we
8 last were here. So we hope to continue that and to
9 bring some more of these projects to fruition in
10 the next year and, again, with that I welcome any
11 questions you have I'll try to answer on this TIF
12 District.

13 MR. BARR: Any questions? All right. No
14 questions. Need a motion to accept the report.

15 MR. ARMSTRONG: So moved.

16 MS. SABO: Second.

17 MR. BARR: Motion and second. Any further
18 discussion on the subject report? Seeing none.
19 Can we have roll called?

20 MR. FRADIN: Yes, I'm going to, forgive me
21 if I by accident called somebody who is in Cook
22 County. This is in Kane County. So I'm going to
23 start with Kane County.

24 MR. ARMSTRONG: Aye.

1 MR. FRADIN: Thank you. Gail Borden Public
2 Library?

3 MS. SABO: Yes.

4 MR. FRADIN: Village of Bartlett?

5 MR. PLONCZYNSKI: Yes.

6 MR. FRADIN: Bartlett Fire Protection
7 District doesn't cover this area.

8 CHIEF FALESE: No.

9 MR. FRADIN: School District U-46?

10 MR. KING: Yes.

11 MR. FRADIN: Public member?

12 MS. SMITH: Yes.

13 MR. FRADIN: Did I miss any taxing
14 districts? Oh, Bartlett Park District?

15 MR. ROMEJKO: Yes.

16 MR. MRAZ: Are you in Kane County?

17 MR. ROMEJKO: Yes. Small little section in
18 Kane County.

19 MR. BARR: Okay. Motion passes. With that
20 said is there any other business? Any other
21 business going once, going twice? All right. With
22 that can we have a motion to adjourn?

23 CHIEF FALESE: So moved.

24 MS. SABO: Second.

1 STATE OF ILLINOIS)
) SS.
2 COUNTY OF K A N E)
3

4 I, KIMBERLEE A. ELLIOTT, being first
5 duly sworn on oath says that she is a court reporter
6 doing business in the County of Kane and State of
7 Illinois; that she reported in shorthand the
8 testimony given at said hearing aforesaid; that the
9 foregoing is a true and correct transcript of her
10 shorthand notes so taken as aforesaid, and contains
11 all the testimony so given at said hearing.

12 *Kimberlee A. Elliott*
13



14 Notary Public, Kane County, IL
15 CSR # 084-003093
16
17
18
19
20
21
22
23
24