

**SUGAR GROVE INDUSTRIAL TAX INCREMENT FINANCING DISTRICT
JOINT REVIEW BOARD
MINUTES of July 25, 2011**

CALL TO ORDER

Sean Michels called the meeting to order at 3:00 p.m.

ATTENDANCE

Those present includes:

Mike Hoffman, Teska Associates, Inc.; Sean Michels, Village of Sugar Grove President; Marty Kunkel, Sugar Grove Fire Protection District Chief; Cheryl Krauspe, Kaneland School District President; Julie-Ann Fuchs, Kaneland School District Assistant Superintendent; Ken Hinterlong, Sugar Grove Township Trustee; Dan Nagel, Sugar Grove Township Supervisor; Jerry Elliott, Sugar Grove Water Authority; Sandy Carr, Big Rock Township Supervisor; Arlene Kaspik, Sugar Grove Library Acting Director; Joe Wolf, Sugar Grove Resident Representative to the JRB; Greg Repede, Sugar Grove Park District Executive Director; Stan Schmacher, Sugar Grove Township Community Building President; Mike Fagel, Rob Roy Drainage District; Steve Andersson, Village of Sugar Grove Attorney; Brent Eichelberger Village of Sugar Grove Administrator and Richard Young Village of Sugar Grove Community Development Director.

REVIEW OF THE MINUTES FROM THE JULY 11, 2011 MEETING

There were no recommended changes to the minutes and vote was taken.

CONTINUED PRESENTATION OF TIF PLAN

Mike Hoffman from Teska Associates, Inc. provided a review of information regarding the existing land use areas within the proposed TIF District. The total proposed TIF District area is 1,824 acres, of which 787 acres are vacant and developable. A total of 290 acres of vacant area owned by the airport have lease possibilities. An additional 436 acres of vacant properties, owned by the airport or school district properties are not developable. Existing uses within the proposed TIF District total 211 acres. Properties which include existing vacant

buildings within the proposed TIF District total 27 acres. There are 73 acres of public right-of-way within the proposed TIF District. Total area within Big Rock Township equals 340 acres. Total area within Sugar Grove Township equals 1484 acres.

Mr. Hoffman noted in reference to a question regarding the blighted area, that the District must contain vacant land and be adjacent to a blighted area. The blighted area in this case is made up of four parcels totaling 12.3 acres on the south side of U.S. Rt.30 east of Dugan Road/the BNSF RR.

Chief Kunkel stated that the size of the proposed TIF District and the impact it will have on

the Fire District is great. He stated that these are hard times for all of us and that the proposed TIF barely meets the blighted area standards.

Cheryl Krauspe stated that she felt that the TIF District Development Plan met the required blight standards by only a narrow margin.

Joe Wolf stated that there is a need for growth and that the way to have that happen is to invest in growth.

Sandy Carr said that the proposed district was too large, that it cost too much and that 23 years was too long of a time period.

Jerry Elliott questioned why the Sugar Grove Water Authority would not be allowed to have a vote? Steve Andersson stated that a review of the TIF Statute shows that not all Districts have a vote on the Joint Review Board (JRB). Mr. Elliott stated that a District Court had ruled that the Sugar Grove Water Authority was a legal taxing body. Mr. Andersson noted that respectfully, however, that did not mean that they are allowed as a voting member of the TIF JRB under the TIF Statute. Mr. Elliott stated that he was formally protesting. Stan Schumacher stated that on behalf of the Sugar Grove Community House he was formally protesting as well. (Note: The Sugar Grove Community Building was not allowed as a voting member of the TIF JRB).

Arlene Kaspik asked why was the TIF District needed now? It was noted that the Village felt that this was a good economic tool to use at this time to stimulate growth in the industrial area.

Dan Nagel asked if the Village planned to change its regulations to allow outside storage, warehousing and manufacturing? Sean Michels noted that some areas already have outside storage and others could be added. Brent Eichelberger noted that the Village never said it would not allow new warehouse uses. He said that at the last JRB meeting it was noted that the Village would look at warehousing carefully. He also noted that Hi Point Center, which is a part of the proposed TIF, would include outside storage as an allowable use.

Chief Kunkel asked why some areas of the airport are in the TIF and others are out? Mike Hoffman noted that any areas that are planned to be in the TIF District must be within the Village limits and not all of the airport property is within the Village limits.

Chief Kunkel asked if the amount of undeveloped land needed to be as large as proposed? Brent Eichelberger said that the Village Board may take out some of the areas in the northwest portion of the proposed TIF area.

Dan Nagel asked if areas east of the blighted area could be added into the TIF because it would have access to a possible railroad spur. Brent Eichelberger said that that was a valid point and the maybe the area could be added at a later date as an amendment to this TIF District.

Julie-Ann Fuchs asked about the use of the blighted area. Mike Hoffman stated that there was no set percentage that is needed for the blighted area condition to be met.

Arlene Kaspik asked if areas outside of the Village limits could be added to the TIF? Mike Hoffman stated that all areas within the TIF must be within the Village limits.

Dan Nagel asked why airport property that is tax exempt is shown within the TIF? Steve Andersson said that the property was within the Village limits and was needed for contiguity.

Dan Nagel asked how \$128,000,000 in redevelopment costs could be allocated to 787 acres of developable land? Mike Hoffman stated that the estimated number was generated by using the EAV of comparable industrial property on a per square foot basis with comparable industrial FAR's (floor area ratio) over a projected 23 years of growth.

FORMAL DETERMINATION/APPROVAL OF MEETING MINUTES OF THE JRB AS THE RECORD FINDING OF FACT

Steve Andersson read the Suggested Motion which was as follows:

Having reviewed the planning documents and proposed ordinances approving the redevelopment plan, we find that the Sugar Grove Industrial Tax Increment Financing District #1 redevelopment project area and redevelopment plan satisfies the plan requirements, the eligibility criteria, and the objectives of the TIF Act. The minutes of the Joint Review Board shall serve as the written report documenting this JRB recommendation.

Joe Wolf moved to approve the motion as read. Sean Michels seconded the motion.

Greg Repede asked if the wording of the motion could be changed from "recommendation" to "findings". Steve Andersson stated that the word "recommendation" needed to be used in the motion according to State Statute.

Sean Michels then called for a roll call vote:

- Sugar Grove Fire Protection District: NAY
- Kaneland School District: AYE
- Sugar Grove Resident Representative: AYE
- Village of Sugar Grove: AYE
- Sugar Grove Park District: AYE
- Big Rock Township: NAY
- Sugar Grove Library District: AYE
- Sugar Grove Township: NAY

Motion Approved: 5-3

ADJOURNMENT

It was noted that the Village Board will hold a Public Hearing on the proposed TIF District on August 16, 2011 at 6:00pm. As there was no further business the meeting was adjourned.