

**SUGAR GROVE INDUSTRIAL TAX INCREMENT FINANCING DISTRICT
JOINT REVIEW BOARD
DECEMBER 15, 2011 MINUTES**

CALL TO ORDER

Sean Michels called the meeting to order at 3:30p.m.

ATTENDANCE

Those present included:

Mike Hoffman, Teska Associates, Inc.; Pete Iosue, Teska Associates, Inc.; Sean Michels, Village of Sugar Grove President; Jeff Schuler, Kaneland School District Superintendent; Martin Kunkel, Sugar Grove Fire Protection District; Karen Pritchard, Sugar Grove Park District; Joan Roth, Sugar Grove Library Trustee; Joe Wolf, Sugar Grove Resident; Robert James Hammack, Hinckley Big Rock School District Superintendent; Ray Warchol, Big Rock Park District; Dan Nagel, Sugar Grove Township Supervisor; Sandy Carr, Big Rock Township Supervisor; Steve Andersson, Village of Sugar Grove Attorney; Brent Eichelberger, Village of Sugar Grove Administrator and Richard Young, Village of Sugar Grove Community Development Director.

PRESENTATION OF TIF PLAN

Mike Hoffman from Teska Associates, Inc. reviewed responses to issues raised at the JRB meeting held on 12-2-11. (See attached 12-15-11 Memo from Teska Associates.) The memo stated that the consultants feel that the “but for” test has been met, that the criteria regarding EAV has been met, that the “conservation area” criteria has been met, that the size of the Industrial Park Conservation Area standards have been met and that the Airport EAV estimates are based on actual trends over the past five years.

The consultants have documented the Village of Sugar Grove as a Labor Surplus Municipality, thus qualifying the Industrial District Redevelopment Project Area as an Industrial Park Conservation Area eligible for TIF designation. The consultants and the Village have concluded that the Project Area meets the statutory requirements for a Conservation Area.

QUESTIONS/COMMENTS:

Dan Nagel asked if some of the Airport property was to be included, why not add in all of the Airport property? Mike Hoffman noted that one of the concerns raised with the last TIF proposal was that the TIF was too large so the effort was to include only limited Airport frontage along US Rt. 30.

Ray Warchol asked if the EAV for the properties within the TIF area would be frozen in time at the start of the TIF in 2012? Mike Hoffman noted that the base EAV is set at the start of the TIF, so yes it would be frozen and if EAV went down the base would stay at the same level it was at the start.

Sean Michels stated that the Village had no intent on setting up a bond issue for capital improvements.

Marty Kunkel asked what would happen if the value of land continued to drop? Sean Michels stated that if this happened, the developers would not get paid back on their investment.

Dan Nagel said that if the Village Board changed, that answer could change. Brent Eichelberger stated that it all boils down to where the cash comes from. He noted that it was just like a sales tax rebate agreement. If the retailer doesn't sell anything there are no funds to rebate.

Dan Nagel noted that there would be a general flux over time with tax rates because of changes to the EAV.

Marty Kunkel stated all districts are looking at a reduction of revenue with increase demand for services and that is why he has a problem with the TIF.

Sean Michels noted that the Village Board will consider releasing 10% of the increment.

Jim Hammack stated that their projections for this year are that their EAV will be down 12% and that it will not be until 2016 or 2017 before the EAV will be back to the levels of 2008.

Sandy Carr stated that the multiplier would have to be adjusted up because of the reduction in EAV. She also asked if the January 3, 2012 Public Hearing date could be changed because it came right after the holidays. It was noted that the date had already been set and published.

JRB ACTION:

With there being no more questions, Joe Wolf moved and Sean Michels seconded a motion approving the planning document for the redevelopment planning area noting that the JRB finds that the plan satisfies the eligibility criteria and objectives of the TIF Act.

Chairman Michels called for a roll call vote:

- Sugar Grove Township: No
- Big Rock Township: No
- Big Rock Park District: No
- Hinckley Big Rock School District: Yes
- Village of Sugar Grove Resident Rep.: Yes
- Sugar Grove Library District: No
- Sugar Grove Park District: Yes
- Sugar Grove Fire District: No
- Kaneland School District: Yes
- Village of Sugar Grove: Yes

Vote: 5 Yes, 5 No Motion Fails

By a voice vote of 10-0 it was agreed that the minutes would serve as the written record of the JRB recommend.

ADJOURNMENT

The meeting was adjourned at 4:00 p.m.