

Joint Review Board Meeting Minutes

November 5, 2020

Council Chambers

The meeting was called to order at 4:00 p.m.

Carylie Forte conducted Roll Call of JRB Meeting members (in-person and remote attendees):

Raymond P. Rogina	Mayor, City of St. Charles
Edith Craig	St. Charles Public Library
Cathy Camm	St. Charles Park District
Ron Johnson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Mark Armstrong	Kane County Assessment Office
Absent: David Sam	Elgin Community College

Also in attendance:

Jim Holderfield	St. Charles resident
Nick Peppers	Storino, Ramello & Durkin
Mark Koenen	City Administrator, City of St. Charles
Christopher Minick	Director of Finance, City of St. Charles
Rita Tungare	Director of Community & Economic Dev, City of St. Charles
Colleen Lavery	Assistant Director of Finance, City of St. Charles
Carylie Forte	Finance Sr. Administrative Asst., City of St. Charles
Ciara Miller	Economic Development Planner

Mayor Rogina made general comments about the meeting's agenda, suggesting the selection of the Public Member and the Chairperson, and the one-time approval of the November 5, 2019 Minutes be made at one time and be carried through to each of the seven TIFs.

Mr. Armstrong made a motion, seconded by Mr. Chapman, that St. Charles resident, Jim Holderfield be elected as "Public Member" for this Joint Review Board. All in favor. Motion passed.

Mr. Armstrong made a motion, seconded by Mr. Chapman, for Raymond P. Rogina to be named Chairperson. All in favor. Motion passed.

A motion was made by Mr. Armstrong and seconded by Ms. Camm to approve the November 5, 2019 Minutes of the Joint Review Board meeting. All in favor. Motion passed.

The elections of the Chairperson and Public Member, and the approval of the Minutes of each TIF from the Nov. 5, 2019 Joint Review Board were carried over through the remainder of the meetings.

Mayor Rogina requested a review of the effectiveness and status of the Hotel Baker TIF to date.

Hotel Baker TIF #1

Mr. Minick stated he met over the summer with John Emerson of the Kane County Clerk's Tax Extension office and they were able to verify the dates of this TIF. Minick plans to repeat this process with the other TIFs over the next several months. He will report to the Joint Review Board via email as that information is verified.

Mr. Minick reported that the Hotel Baker TIF, District #1, was established in January 1997. The first Levy that was applied to this TIF was in 1998 and the 2020 Levy, which is collected in 2021, will be the final Levy year for this TIF. During calendar year 2021, the City plans on formally going through the process of closing out this TIF via Resolutions and notifying the review board. There was General Obligation Debt that was issued to assist with financing the rehabilitation of the Baker Hotel. There is no outstanding bonded debt related to this TIF as of April 30, 2020. At FYE April 30, 2020 there were revenues of \$132,798. There were no expenses or debt service related to this TIF leaving a surplus of \$132,798. As of April 30, 2019, this TIF owed the City's General Fund \$441,249 for advances made from

the City's General Fund to assist in debt service payments for bonds related to the TIF. During FY 2020, \$387,425 of that liability was repaid to the City's General Fund. That leaves a balance due back to the General Fund of \$53,824 at April 30, 2020. For FYE 2021, we do expect revenues and a surplus of \$133,740, which would leave approximately \$80,000 in the TIF at April 30, 2021. As we discussed, we plan to go through the closure process with this TIF during calendar year 2021.

Mayor Rogina asked if there were any questions or comments regarding this TIF.

Mayor Rogina requested a motion to adjourn. Mr. Armstrong made a motion to adjourn, seconded by Mr. Johnson. All in favor. The meeting was adjourned at 4:09 p.m.

Raymond P. Rogina, Chairman

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 5, 2020
Council Chambers**

Moline Foundry TIF #2

The meeting was called to order at 4:10 p.m.

Carylie Forte conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Jim Holderfield	St. Charles Resident – Public Member
Edith Craig	St. Charles Public Library
Cathy Camm	St. Charles Park District
Ron Johnson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Mark Armstrong	Kane County Assessment Office
Absent: David Sam	Elgin Community College

Mayor Rogina requested a review of the effectiveness and status of the Moline Foundry TIF to date.

Mr. Minick reported that the Moline Foundry TIF District #2 was established in July 1998. It will expire with the 2021 tax levy that will be payable during calendar year 2022. There is no debt outstanding for this TIF as of April 30, 2020. That debt matured on December 1, 2017. For FY 2020 there was \$354,475 in incremental revenue. There was \$4,703 of interest income, for a total of \$359,178 in revenue, leaving a surplus of \$359,000. The fund had a liability to the General Fund as of April 30 and during FY 2020, \$47,465 was paid back to the General Fund. There is now no liability from the Moline TIF back to the City's General Fund. We anticipate \$366,000 in incremental revenue in FY 20/21. There will be no debt service expenditures so we anticipate we would have a \$366,000 surplus. Minick recommends that at the time they take a look at the Hotel Baker TIF, that they also look at the Moline TIF to determine if they need to continue that TIF in its life, or whether or not to begin the closeout on that TIF, which would be a year early based on current dates. They will check the redevelopment plan and make sure that everything was accomplished that was set out to be done, and evaluate closure of that TIF.

Mayor Rogina asked Minick if he was suggesting that in FY 20/21 we would close out two TIFs. Minick stated he would need to check the redevelopment plan for the Moline TIF before that were to happen, but it is possible.

Mayor Rogina asked if there were any questions on this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mr. Armstrong motioned to adjourn, seconded by Mr. Holderfield. All in favor. The meeting was adjourned at 4:13 p.m.

Raymond P. Rogina, Chairman

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 5, 2020
Council Chambers**

Former St. Charles Mall TIF #3

The meeting was called to order at 4:13 p.m.

Carylie Forte conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Jim Holderfield	St. Charles Resident – Public Member
Edith Craig	St. Charles Public Library
Cathy Camm	St. Charles Park District
Ron Johnson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Mark Armstrong	Kane County Assessment Office
Absent: David Sam	Elgin Community College

Mayor Rogina requested a review of the effectiveness and status of St. Charles Mall TIF.

Mr. Minick reported that the St. Charles Mall TIF, District #3, was established in June, 2000, and will expire with the 2023 Levy, payable during calendar year 2024. This TIF has outstanding debt as of April 2020 of \$610,000. Those bonds were actually refunded in Sept. 2020, which enabled the City to take advantage of about \$18,000 savings of interest costs over the next two years. The debt matures as of Dec.1, 2022. During FY 2020 there were debt service expenditures of \$220,775. Those were paid from a combination of incremental revenue generated by TIF 3 of \$125,903. There was interest income of \$437 and a transfer from the City's General Fund of \$94,872. This fund has a liability to the General Fund of \$1,758,753 as of April 30, 2020. We anticipate a fairly significant increase in the incremental revenue for FYE April 30, 2021. We anticipate incremental revenue of \$180,578, an increase of about 44%, that is attributable to the development expenditures going on in this area related to Prairie Winds development. We anticipate we will have debt service expenditures of \$213,400, resulting in a deficit of \$32,822. That would result in a liability to the City's General fund of approximately \$1,791,000 at April 30, 2021. There has been some significant development activity in this TIF area and we hope this will continue to provide some additional increment generation prior to expiration of the TIF in calendar year 2024.

Mr. Armstrong asked if the income on this TIF will be sufficient to pay off any indebtedness to the General Fund or bondholders by the expiration of the TIF or if the TIF would be extended if that indebtedness could not be repaid before the expiration of the TIF. Minick suggested that any extension of a TIF would be considered by City Council. He added that the bondholders will be made whole at the end of this TIF. TIF bonds are backed by the City's General Obligation bond pledge. In the event the TIF does not generate sufficient revenues, the City's General Fund makes up any shortfall.

Mayor Rogina requested a motion to adjourn. Mr. Chapman motioned to adjourn, seconded by Mr. Armstrong. All in favor. The meeting was adjourned at 4:17 p.m.

Raymond R. Rogina, Chairman

Submitted by,
Carylie Forte

Joint Review Board Meeting Minutes
November 5, 2020
Council Chambers
First Street TIF #4

The meeting was called to order at 4:18 p.m.

Carylie Forte conducted Roll Call.

Raymond P. Rogina
Jim Holderfield
Edith Craig
Cathy Camm
Ron Johnson
Seth Chapman
Mark Armstrong
Absent: David Sam

Mayor, City of St. Charles
St. Charles Resident – Public Member
St. Charles Public Library
St. Charles Park District
St. Charles Township
St. Charles Community School District #303
Kane County Assessment Office
Elgin Community College

Mayor Rogina requested a review of the effectiveness and status of First Street TIF to date.

Mr. Minick said TIF #4 was established in March of 2002 and expires with levy year 2025, payable in calendar year 2026. In 2015 TIF 4 was a much larger TIF. The City went through a de-TIF/re-TIF process and split off the undeveloped portion of the original First Street TIF, and that became TIF 7, the Central Downtown TIF. That was done in response to the Great Recession and the delays that the recession caused in the ability for the First Street area to develop the incremental revenue that was contemplated in 2002 when TIF 4 was established. Some highlights from 2020: TIF 4 generated incremental revenue of \$443,738 and there was interest income of \$433 for total revenues of \$444,171. Additionally, \$433,478 was transferred from TIF 7 to TIF 4 for debt service, and the City's General Fund subsidized \$283,965 to TIFs 4 and 7 for funds they did not generate. There was \$1,161,650 in debt service costs, leaving a deficit of about \$283,000 that was transferred from the General Fund. This particular TIF owes \$3,295,575 to the City's General Fund as of April 30, 2020. Currently, there is \$24,295,000 in debt outstanding. For FY 2021, we anticipate we will have \$453,511 in incremental revenues from TIF 4. We believe that TIF 7 will generate \$776,226 primarily related to the opening of Building #3 on First Street. There has been significant development activity on that parcel in TIF 7. This leaves \$1,229,737 in total revenues between TIFs 4 and 7, and we anticipate \$1,181,100 in debt service expenses. So between TIF 4 and TIF 7, we should generate a \$48,000 surplus for the First Street TIF moving forward in FY 2021. If that \$48,000 is used to begin to repay the General Fund, that would result in \$3,247,000 that would be owed to the City's General Fund at April 30, 2021.

There were no questions on the First Street TIF 4.

Mayor Rogina requested a motion to adjourn. Mr. Armstrong motioned to adjourn, seconded by Ms. Camm. All in favor. The meeting was adjourned at 4:23 p.m.

Raymond P. Rogina, Chairman

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 5, 2020
Council Chambers
St. Charles Manufacturing TIF #5**

The meeting was called to order at 4:24 p.m.

Carylie Forte conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Jim Holderfield	St. Charles Resident – Public Member
Cathy Camm	St. Charles Park District
Edith Craig	St. Charles Public Library
Ron Johnson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Mark Armstrong	Kane County Assessment Office
Absent: David Sam	Elgin Community College

Mayor Rogina requested a review of the effectiveness and status of St. Charles Manufacturing TIF to date.

TIF 5 was established in May 2003 and will expire with levy year 2026, payable in calendar year 2027. There is \$1,185,000 of general obligation debt outstanding as of April 30, 2020. That debt matures Dec. 1, 2023. During FY 2020, this TIF generated \$187,650 of incremental revenue; there was additional interest income of \$671, for total revenues of \$188,321. There were debt service expenses of \$323,675, leaving a deficit of \$135,354 for the year. This fund has a liability to the General Fund of \$1,984,476 as of April 30, 2020. During FY 2021 we anticipate revenues of \$200,137 and debt service of \$322,875, leaving a deficit of \$122,738 to be subsidized by the City's General Fund, leaving a liability of \$2,107,214 as of April 30, 2021, assuming we hit the numbers as anticipated.

There were no questions from the board on TIF 5.

Mayor Rogina requested a motion to adjourn. Mr. Holderfield motioned to adjourn, seconded by Mr. Armstrong. All in favor. The meeting was adjourned at 4:26 p.m.

Raymond P. Rogina, Chairman

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 5, 2020
Council Chambers
Lexington Club TIF #6**

The meeting was called to order at 4:27 p.m.

Carylie Forte conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Jim Holderfield	St. Charles Resident – Public Member
Cathy Camm	St. Charles Park District
Edith Craig	St. Charles Public Library
Ron Johnson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Mark Armstrong	Kane County Assessment Office
Absent: David Sam	Elgin Community College

Mayor Rogina requested a review of the effectiveness and status of Lexington Club TIF to date.

Mr. Minick reported that the Lexington Club TIF was established during January of 2013, and will expire with the 2036 tax levy, payable during calendar year 2037. This TIF is structured a little differently in that there is no debt related to this TIF. It was established as a pay-as-you-go TIF in 2013. The intent was that the developer would incur certain site development demolition and remediation costs. And they would certify those costs to the City, and those costs would be repaid as the incremental revenue came into the City from the TIF. There has been no development activity on this TIF and there have been no costs to be certified for the City to reimburse. We are currently picking up incremental pieces and incremental growth in the property value as it occurs naturally and organically, without any new development. During FY 2020, we had \$16,611 in new incremental revenue. We had interest income of \$506, creating a total of \$17,117 of revenue for FY 2020. There were no expenses and there was a cash balance on hand of \$61,423 as of April 30, 2020. We estimate we will receive approximately \$15,000 in incremental revenue for FY 2021, leaving a grand total of about \$76,500 of cash on hand at April 30, 2021 if we hit those numbers. Mr. Minick advocates that when the Hotel Baker and Moline TIF are evaluated that they include the Lexington Club TIF to determine if that can also be closed out. It would make sense to evaluate these three together and explain to the City Council at one time the intent to close these three TIF districts.

Mr. Chapman asked if it was possible that the surplus generated with these three TIFs could be reassigned to other TIFs? Minick said he would have to investigate but thought that only the Hotel Baker TIF 1 would be eligible because it touches TIF 4 and may touch TIF 7. City Council may be able to consider surplus transfers when moving forward with these three TIFs.

Mayor Rogina requested a motion to adjourn. Mr. Johnson motioned to adjourn, seconded by Ms. Camm. All in favor. The meeting was adjourned at 4:29 p.m.

Raymond P. Rogina, Chairman

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 5, 2020
Council Chambers
Central Downtown TIF #7**

The meeting was called to order at 4:30 p.m.

Carylie Forte conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Jim Holderfield	St. Charles Resident – Public Member
Cathy Camm	St. Charles Park District
Edith Craig	St. Charles Public Library
Ron Johnson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Mark Armstrong	Kane County Assessment Office
Absent: David Sam	Elgin Community College

Mayor Rogina requested a review of the effectiveness and status of Central Downtown TIF to date.

Mr. Minick reported that the Central Downtown TIF District #7 was established in February 2015. Incremental revenue began with the 2016 levy, making the 2038 levy payable in calendar year 2039, the final year of this TIF. Because this TIF still has active development and there are still some uncompleted City projects, there are two components – a debt service component and a capital projects component. \$433,057 in incremental revenue was generated during FY 2020. There was \$471 in interest income that accrued during that fiscal year, and \$433,478 was transferred over to TIF #4 to assist in the debt service repayments for the First Street TIF. It is anticipated that these debt service repayments will continue. In terms of capital projects for this TIF, during FY 2020 there was \$1,439,000 expended for construction of the East Plaza of First Street where the BE YOU statue is located near the river. The plaza was completed during FY 2020, which is what those expenditures were used. The property acquisition of One West Main was not made through TIF funds. There was a grant to the City from Exelon and the City’s General Fund made up the difference between the grant and the purchase price of that expenditure. Even though the plaza fits within the confines of TIF 7, no TIF funds were utilized for the purchase of that property. In FY 2021 we do anticipate \$776,226 in incremental revenue. That will be transferred to TIF 4 to assist in the debt service payments. On the capital projects side, this fund has been advanced almost \$1.5 million for expenses related to construction of the parking garage and the streetscape and plaza improvements, and the plaza expenses incurred during 2020 were paid from these funds. That amount should not increase, but we should be able to decrease that with some payments back to the General Fund as time goes along.

Mayor Rogina asked if there were any more questions or comments regarding this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mr. Armstrong motioned to adjourn, seconded by Ms. Chapman. All in favor. The meeting was adjourned at 4:38 p.m.

Raymond P. Rogina, Chairman

Submitted by,
Carylie Forte