

Joint Review Board Meeting Minutes

November 4, 2021

St Charles Council Chambers

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

Carylie Forte conducted Roll Call of JRB Meeting members:

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| Edith Craig | St. Charles Public Library |
| Cathy Camm | St. Charles Park District |
| Ron Johnson | St. Charles Township |
| Justin Attaway | St. Charles Community School District #303 |
| Mark Armstrong | Kane County Assessment Office |
| Absent: David Sam | Elgin Community College |

Also in attendance:

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|-----------------|--|
| Heather McGuire | City Administrator, City of St. Charles |
| Jennifer Becker | Public Member, St. Charles resident |
| Colleen Lavery | Assistant Director of Finance, City of St. Charles |
| Nick Peppers | City Attorney, Storino, Ramello & Durkin |
| Russell Colby | Director of Community Development, City of St. Charles |
| Carylie Forte | Finance Sr. Administrative Asst., City of St. Charles |

City Administrator Heather McGuire called the meeting to order and asked for the roll to be called. McGuire stated that in years past a motion was made to select a public member and a chairperson and those selections would be carried through to each of the seven TIFs. She stated she would also ask for a motion and second for the one-time approval of the November 5, 2020 Minutes, to be carried through to each of the seven TIFs.

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

Ms. Camm made a motion, seconded by Mr. Armstrong, for Heather McGuire to be named Chairperson of these TIF meetings. All in favor. Motion passed.

A motion was made by Mr. Armstrong and seconded by Ms. Camm to approve the November 5, 2020 Minutes of the Joint Review Board meeting. 5 in favor, 1 abstained (Becker). Motion passed.

The elections of the Chairperson and Public Member, and the approval of the Minutes of each TIF from the Nov. 5, 2020 Joint Review Board were carried over through the remainder of the meetings.

McGuire requested Colleen Lavery give a review of the status of the Hotel Baker TIF to date.

Hotel Baker TIF #1

Ms. Lavery reported that the Hotel Baker TIF, District #1, was established in January 1997. The 2020 Levy year is the final year of TIF increment which the City did collect in calendar year 2021. On October 4, 2021, the City approved an Ordinance which terminated this TIF district. The TIF termination letters were mailed to each of the taxing districts so those taxing parcels can be included in their tax levy preparations. The TIF collected \$133,740 in the City's fiscal year end (FYE) April 30, 2021. The City collected interest of \$54.00 for total revenue of \$133,794. There was no debt outstanding, however, there were general advances outstanding from the previous year in the amount of \$53,824. The TIF was able to repay the General Fund those monies, leaving a fund surplus of \$80,117. This fiscal year we expect to receive a final TIF increment of \$134,820 which would yield a TIF surplus of \$214,937 at FYE April 30, 2022. In years 2010, 2011, 2012, 2015, 2016, and 2017 tax appeals were filed by businesses located within this TIF. Those have all been closed, however, given that history, we will hold these funds until it can be confirmed there are no appeals.

McGuire asked if there were any questions or comments regarding this TIF. There were none.

McGuire requested a motion to adjourn. Mr. Armstrong made a motion to adjourn, seconded by Ms. Camm. All in favor. The meeting was adjourned at 4:05 pm.

Heather McGuire, Chairperson

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 4, 2021
Council Chambers**

Moline Foundry TIF #2

The meeting was called to order at 4:06 pm.

Carylie Forte conducted Roll Call.

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| Jennifer Becker | St. Charles Resident – Public Member |
| Edith Craig | St. Charles Public Library |
| Cathy Camm | St. Charles Park District |
| Ron Johnson | St. Charles Township |
| Justin Attaway | St. Charles Community School District #303 |
| Mark Armstrong | Kane County Assessment Office |
| Absent: David Sam | Elgin Community College |

City Administrator McGuire requested a review of the status of the Moline Foundry TIF to date.

Ms. Lavery reported that the Moline Foundry TIF District #2 actually had been established in July 1997, not in 1998, as had been previously reported. This means that the Moline Foundry TIF will need to be terminated prior to December 31, 2021, so that it will be put back on the tax rolls of all the taxing districts. An Ordinance will be going to City Council on November 15 to terminate the TIF. Notification letters of this TIF termination will be mailed to the taxing districts tomorrow, November 5, 2021. This TIF has no debt outstanding or advances to the City. This year the TIF received \$366,146 in increment. It earned \$874 in interest for a total revenue of \$367,020. There were no expenses and no advances to the City so there were no outflows either. This leaves a fund surplus of \$999,834 as April 30, 2021. We anticipate TIF increment of \$371,245 in FYE April 30, 2022. Currently, the Public Works dept is working with a contractor and are receiving bids for a final resurface and overlay for some streets in this TIF district. A purchase order is expected to be issued by the end of calendar year 2021. The amount of disbursements for this project is not yet known. Once that project is complete, the remaining funds will be disbursed to the taxing districts. This will most likely happen next year.

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

McGuire requested a motion to adjourn. Mr. Armstrong motioned to adjourn, seconded by Ms. Camm. All in favor. The meeting was adjourned at 4:09 pm.

Heather McGuire, Chairperson

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 4, 2021
Council Chambers**

Former St. Charles Mall TIF #3

The meeting was called to order at 4:10 pm.

Carylie Forte conducted Roll Call.

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| Jennifer Becker | St. Charles Resident – Public Member |
| Edith Craig | St. Charles Public Library |
| Cathy Camm | St. Charles Park District |
| Ron Johnson | St. Charles Township |
| Justin Attaway | St. Charles Community School District #303 |
| Mark Armstrong | Kane County Assessment Office |
| Absent: David Sam | Elgin Community College |

McGuire requested a review of the status of the St. Charles Mall TIF.

Ms. Lavery reported that the St. Charles Mall TIF was established in June, 2000 and will expire with the 2023 property tax levy, for property taxes collected in calendar year 2024. This TIF has outstanding debt as of \$43,700 and the refunding of this TIF debt last year will yield a savings of \$18,000 over the next two years. The tax increment collected in 2021 was \$180,262 with interest earned of \$44.00 for total revenue of \$180,306. There were debt service payments of \$223,122. This increment did not cover the debt service payment, so the General Fund needed to transfer \$34,578 to the TIF in order to accommodate principal and interest payments. The fund deficit as of April 30, 2021 is \$994,188. That deficit came to be because the City has had to assist with debt payments since the debt was issued. As of April 30, 2021, the TIF fund owes the General Fund advances of \$994,200. Also, the General Fund has transferred and additional \$799,132 of funds to the TIF which are not accounted for in the advance amount. In total, the General Fund is owed \$1,793,332. We anticipate that \$454,154 of TIF increment will be received this year. This is a 250% increase from the prior year. This increase is due to Prairie Winds development and the increment amount should continue to improve over the next several years. Going forward with this increment amount, we know this TIF will be able to pay the last two debt payments without any supplements from the General Fund. In addition, we should be able to start paying back the General Fund. There will be two years of debt payments and for the remaining three years all of the increment will be used to pay back the General Fund. The hope is that the General Fund advance will be repaid in whole, at the time this TIF is terminated.

McGuire asked if there were any questions. There were none.

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

Heather McGuire, Chairperson

Submitted by,
Carylie Forte

Joint Review Board Meeting Minutes
November 4, 2021
Council Chambers
First Street TIF #4

The meeting was called to order at 4:14 pm

Carylie Forte conducted Roll Call.

Jennifer Becker
Edith Craig
Cathy Camm
Ron Johnson
Justin Attaway
Mark Armstrong
Absent: David Sam

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

City Administrator McGuire requested a review of the status of First Street TIF to date.

Ms. Lavery stated the First Street TIF #4 was established in March of 2002 and expires with levy year 2025, with tax increment collected in calendar year 2026. In 2015 the City went through a de-TIF/re-TIF process because development did not happen as planned due to the Great Recession. In order to extend the life of this TIF, a new one was created, TIF 7 (the Central Downtown TIF), for those areas that were not developed, basically east of First Street. There is substantial debt outstanding in this TIF. There is one Bond issue 2013A which matures in 2037. There is \$22,355,000 of principal and with interest added there is approximately \$34,000,000 of debt payments to be serviced. A second bond issue, 2016B, matures in December, 2026 which coincides with the last increment payment of this TIF. The amount outstanding on that bond issue is \$1,730,000 and with interest added, \$2,011,500 remains to be paid. Currently the City is in process of refunding the Series 2013A bond which is projected to yield a savings of \$3.8 million dollars over the life of the TIF. In 2021, the increment collected was \$453,078, and interest earnings were \$47.00 for total revenue of \$453,125. The debt service payment was \$1,181,100. All of the TIF 4 increment received this year was applied to the debt payment. In addition, a transfer of \$542,766 was received from TIF 7, and the General Fund transferred funds in the amount of \$184,800. As of April 30, 2021, this fund has a deficit of \$729,668. As of April 30, 2021, It owes the General Fund advances of \$729,692 and transfers of \$2,750,678. It is anticipated that the TIF increment will be \$463,731 in FY 2022 and there is a debt payment of \$1,194,800, this payment does not factor in any interest saving from refinancing. The refinancing is scheduled to take place this December. We don't anticipate any additional transfers from the General Fund to service the debt because TIF 7 is generating enough TIF that together the TIFs it should generate enough increment to satisfy the debt payments. Upon completion of the debt refunding we expect to realize annual interest savings of approximately \$200,000. Hopefully, the amounts owed to the General Fund does not increase. This TIF expires in 2026 and there won't be an ability for this TIF to pay back the General Fund, given that all the increment it receives now is going towards the payment of debt service. One parcel in this TIF, Building 8, has not yet been developed (the northeast corner of Illinois and Rt 31). This would help the increment once the build out is complete.

Ms Craig asked if Lavery could explain what happens when the deficit owed to the city cannot recoup those funds? Lavery responded that the city would lose out on those monies. The city would not be able to recoup those funds.

McGuire requested a motion to adjourn. Mr. Armstrong motioned to adjourn, seconded by Ms. Camm. All in favor. The meeting was adjourned at 4:19 pm.

Heather McGuire, Chairperson

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 4, 2020
Council Chambers
St. Charles Manufacturing TIF #5**

The meeting was called to order at 4:20 pm.

Carylie Forte conducted Roll Call.

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| Jennifer Becker | St. Charles Resident – Public Member |
| Cathy Camm | St. Charles Park District |
| Edith Craig | St. Charles Public Library |
| Ron Johnson | St. Charles Township |
| Justin Attaway | St. Charles Community School District #303 |
| Mark Armstrong | Kane County Assessment Office |
| Absent: David Sam | Elgin Community College |

Chairperson McGuire requested a review of the status of St. Charles Manufacturing TIF to date.

TIF 5 was established in May 2003 and will expire with tax levy year 2026, with receipt of the increment in calendar year 2027. This TIF has debt outstanding of \$905,000. Total principal and interest of \$968,875 remain to be paid. This debt matures on Dec. 1, 2023. The TIF increment collected in FY 2021 was \$200,137. There were slight interest earnings of \$56.00 for total revenue of \$200,193. The debt service payment this year was \$322,875. The TIF increment collected fell short of paying the debt so the General Fund transferred over \$119,951 to supplement the payment. The fund deficit as of April 30, 2021 is \$999,986. As of April 30, 2021, this TIF owes the General Fund advances of \$1,000,000 and transfers of \$901,666. After performing an analysis, we do not believe the General Fund is going to be repaid these dollars so the City did write off \$202,761 of advances. We will continue to write it down the advance over the life of the TIF, so we don't take the loss all at one time. The anticipated TIF increment in FY 2022 is \$205,607 and the debt payment in 2022 is \$326,675. For the next three years we anticipate that the General Fund will have to supplement TIF 5 debt payments averaging \$110,00 in each of these three years. For the last four years of the TIF we expect that the increment will be transferred to the General Fund to reduce the advance and transfer amount owed. The City does not anticipate being paid back in full for all the advances and transfers made to this TIF

McGuire asked for questions on TIF 5 and there were none.

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

Heather McGuire, Chairperson

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 4, 2021
Council Chambers
Lexington Club TIF #6**

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

Carylie Forte conducted Roll Call.

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| Jennifer Becker | St. Charles Resident – Public Member |
| Cathy Camm | St. Charles Park District |
| Edith Craig | St. Charles Public Library |
| Ron Johnson | St. Charles Township |
| Justin Attaway | St. Charles Community School District #303 |
| Mark Armstrong | Kane County Assessment Office |
| Absent: David Sam | Elgin Community College |

Chairperson McGuire requested a review of the status of the Lexington Club TIF to date.

Ms. Lavery reported that the Lexington Club TIF was established during January of 2013, and will expire with the 2036 tax levy, with TIF increment received in calendar year 2037. There was no debt issued with this TIF prior to the development, rather the City opted for a pay-as-you-go strategy. There has been no development activity in this TIF. The developer approached the City last April, however there has been no further communication since then. Given there has been no activity and we have reached the seven-year mark, we will be terminating this TIF next year. The TIF increment collected in FY 2021 was \$15,102, and the interest earnings was \$59.00 for total revenue of \$15,171. For the years the City has been collecting this increment we have accumulated a surplus of \$76,594. We anticipate collecting \$17,576 before this TIF is terminated next year.

There were no questions for this TIF.

McGuire requested a motion to adjourn. Mr. Armstrong motioned to adjourn, seconded by Ms. Camm. All in favor. The meeting was adjourned at 4:26 pm.

Heather McGuire, Chairperson

Submitted by,
Carylie Forte

**Joint Review Board Meeting Minutes
November 4, 2021
Council Chambers
Central Downtown TIF #7**

The meeting was called to order at 4:25 pm.

Carylie Forte conducted Roll Call.

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| Jennifer Becker | St. Charles Resident – Public Member |
| Cathy Camm | St. Charles Park District |
| Edith Craig | St. Charles Public Library |
| Ron Johnson | St. Charles Township |
| Justin Attaway | St. Charles Community School District #303 |
| Mark Armstrong | Kane County Assessment Office |
| Absent: David Sam | Elgin Community College |

Chairperson McGuire requested a review of the status of the Central Downtown TIF to date.

Ms. Lavery reported that the Central Downtown TIF District #7 was established in February 2015 as a re-TIF of the Central Downtown TIF. Although it has no debt of its own, the increment available is being ported into TIF 4 to assist with the payment of that debt. This TIF's last tax levy will be in 2038, collected in 2039. The termination of this TIF is actually a year later than when the 2013A bond issue expires. The TIF increment collected in 2021 was \$775,755. The interest earnings were \$2,400 for a total revenue of \$778,155. There is development within this area so other than helping to assist with debt service payments in TIF 4, we had expenditures of \$384,885 and that was for completion of the East Side Plaza area. As of April 30, 2021, there is a fund surplus of \$23,602. This TIF also owes the General Fund \$1,482,013 resulting from the General Fund advancing funds for construction of the parking garage, streetscape and plaza improvements. The anticipated TIF increment in FY 2022 is \$856,526. Building 7B next to the Blue Goose is being developed, with occupancy permits to be issued by the end of this year. Hopefully that will be on our rolls next year and we can improve the increment that we've been receiving. There is another building in that area, Building 6, and we're hopeful that the plans that have been approved will proceed. We anticipate using all TIF increment to repay the TIF 4 debt. TIF 4 expires with levy year 2025 but the debt service payments continue through 2037. The debt was structured so only interest is paid through 2026. In 2027, we begin paying principal and interest so the debt payments more than double and we foresee that the General Fund will need to start assisting with the TIF 4 debt payment. The amount of that assistance will be dependent on any future growth and EAV increments.

McGuire asked if there were any questions or comments regarding this TIF. There were none.

McGuire requested a motion to adjourn. Mr. Armstrong motioned to adjourn, seconded by Ms. Camm. All in favor. The meeting was adjourned at 4:29 pm.

Heather McGuire, Chairperson

Submitted by,
Carylie Forte