

**PUBLIC HEARING: Joint Review Board for the Downtown
Mundelein TIF District Redevelopment Plan and Qualification
Report**

November 29, 2004

Marilyn Sindles called the meeting to order at 8:10 p.m. Ms. Sindles asked Attorney Steve Elrod to explain the purpose of the Joint Review Board meeting. Mr. Elrod explained that in accordance with State statute, a meeting of the Joint Review Board to consider the TIF Plan and Project is required. Resolution 04-11-30, adopted by the Mundelein Village Board on November 8, 2004, set the time and date for this meeting and established the date for the public hearing on the TIF Plan to be December 27, 2004 at 8:00 p.m.

Purpose of meeting

Mr. Elrod explained that the authorized attendance for the Joint Review Board meeting is established by statute to be representatives from: the Village of Mundelein, County of Lake, Libertyville Township, Fremont Library District, Junior College District No. 525, Mundelein Park and Recreation District, School District No. 75, School District No. 76, High School District No. 120, and a Public Member.

Authorized attendance

Attendance was as follows: Marilyn Sindles, Village of Mundelein; Tim Johnson, School District 75; Cheryl Longfellow, School District 76; Alex Marx, Mundelein Park District; Betty Ann Moore, Libertyville Township; and William Morgan, Libertyville Township Road & Bridge. Absent: County of Lake, Fremont Library District, College of Lake County District 532, and Mundelein High School District 120. Also in attendance: Michael Flynn, Deputy Village Clerk.

Attendance

Mr. Elrod established that a quorum of the authorized Joint Review Board members is present.

Quorum present

Mr. Elrod explained that the next item of business is to select the public member. Marilyn Sindles explained that John Schockmel is present in the audience and that he is eligible and qualified to be the public member.

Public Member selection

Motion by Alex Marx, seconded by Betty Ann Moore, to nominate John Schockmel as the public member to the Joint Review Board. Upon unanimous voice vote, the motion carried.

Mr. Elrod explained that the next item of business for the members of the Joint Review Board to select a chairperson. Motion by Alex Marx, seconded by Tim Johnson, to nominate Marilyn Sindles as chairperson of the Joint Review Board. Upon unanimous voice vote, the motion carried.

Chairperson selection

Duties of Joint Review Board

Mr. Elrod explained that the Joint Review Board must review the TIF Plan and Project, and qualifications of the TIF area. Copies of the plan were distributed to the members, along with the notices of the Joint Review Board hearing mailed on November 10, 2004. Mr. Elrod also noted that letters were mailed to all residential units located within 750 ft. of the proposed TIF boundary on November 11, 2004. Deputy Clerk Flynn affirmed that the required notices were mailed as noted.

Introductions

Mr. Elrod introduced Phil McKenna and Bob Rychlicki of Kane McKenna, Inc., financial consultants for the Village of Mundelein on the proposed TIF, and Village of Mundelein Community Development Director John Lobaito.

Joint Review Board recommendations to Village Board

Mr. Elrod explained that the Joint Review Board must make a positive or negative recommendation to the Mundelein Village Board regarding the proposed TIF Project. A negative recommendation by the Joint Review Board would require a super majority vote of the Village Board in order to adopt the TIF ordinances. The Joint Review Board may vote this evening, or may schedule another meeting to act. The Joint Review Board's recommendation is made in the form of a resolution. A draft resolution was included in the agenda packet for tonight's meeting.

Questions re: Resolution

Alex Marx asked if the resolution and the other documents that have been presented to the Joint Review Board have been reviewed by legal counsel. Mr. Elrod responded that they had.

Questions re: Libertyville Twp. Representation

Betty Ann Moore requested clarification regarding the presence of two members from Libertyville Township on the Joint Review Board. Mr. Elrod and Mr. Rychlicki explained the details of the TIF Act with respect to Township representation. Since Road and Bridge is a separate taxing entity within the Township, some TIF Districts include Road and Bridge as a member. For the purposes of this meeting, both Libertyville Township Road and Bridge and Libertyville Township will be permitted to sit on the Joint Review Board.

Presentation by Kane McKenna

Phil McKenna made a presentation on the process that has been undertaken by the Village of Mundelein to establish the proposed TIF District. He reviewed the map of the proposed TIF area, reporting that it consists of 81 parcels with a present equalized assessed value of \$8.3 million. The goal of the TIF District is to encourage economic development and redevelopment. Old, vacant and underutilized properties are targeted for redevelopment.

Economic growth is anticipated through job creation and increased tax base. The TIF process uses the public sector to fuel economic growth in an area that without stimulus would not take place.

Economic growth
expected

Bob Rychlicki explained that under the TIF law, it is possible to qualify as “vacant property,” or as an “improved area.” The Mundelein project is being proposed as an “improved area.” It may also qualify as either a “conservation area,” or a “blighted area.” The “conservation” option has been chosen in this case. As such, 50% of the buildings in the proposed area must be at least 35 years old or older. A review of the Mundelein TIF area indicates 55% of the structures are over 35 years. In addition, in order to qualify under the “conservation” standard, at least three other qualifying factors must exist. The Mundelein area qualifies under six additional factors. Mr. Rychlicki reviewed the six qualifying components:

Qualification
conditions

1. The presence of inadequate utilities, either streets, storm water, sanitary sewer, or water. A number of inadequate utilities have been identified in the proposed TIF area.
2. The presence of deleterious land uses. In downtown Mundelein, the presence of mixed uses without adequate buffering, traffic and parking coordination, etc., were examples of deleterious uses.
3. Lack of community planning. The Mundelein comprehensive plans were prepared in 1969 and 1990, with updates to the 1990 plan performed in 1995, 2000 and 2004. The Mundelein Zoning Code was last updated in 1980. The presence of 50% of the structures in Mundelein older than 35 years indicates that the majority of the area was built prior to community planning efforts.
4. A lag in EAV. As the Plan indicates, there has been no real growth in EAV in the downtown for four of the last five years, and the rate of growth is less than the balance of the Village growth over the same period of time. The TIF Act requires a lag of three to five years.
5. Deterioration of structures, parking, or streets. A review of the TIF area indicates that 45% of the parcels had identifiable deterioration.
6. Obsolescence of structures. A review of the vacancies and properties for sale in the downtown indicate the presence of functional and economic obsolescence.

Mr. Elrod explained that the Joint Review Board must also review the ordinances that will be presented to the Village Board for the establishment of the TIF. Deputy Clerk Flynn distributed the following ordinances to the Joint Review Board members:

Ordinance review

- (1) An Ordinance of the Village of Mundelein, Lake County, Illinois, Approving a Tax Increment Redevelopment Plan and Redevelopment Project for the Downtown TIF Redevelopment Project Area
- (2) An Ordinance of the Village of Mundelein, Lake County, Illinois, Designating the Downtown TIF Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act
- (3) An Ordinance of the Village of Mundelein, Lake County, Illinois Adopting Tax Increment Allocation Financing for the Downtown TIF Redevelopment Project Area.

Meeting opened for questions from Board

The meeting was opened for questions and comments from the Joint Review Board members. Questions focused on the boundaries of the proposed TIF, specifically, the exclusion of properties within the general TIF boundaries.

The Board also questioned the projected increase in EAV, which was estimated by Kane McKenna to be \$124 million over the 23 year life of the TIF.

There were questions and discussion concerning the declaration of surplus funds by the Village Board. Additional questions focused on job training, the planning and legal costs that have been included in the proposed budget, and the addition of subsequent TIF projects.

A lengthy discussion ensued regarding the suggestion that the Village indicate a willingness to retire the TIF District early if the goals of the Village have been achieved. Tim Johnson asked that a declaration of such intent be added to the TIF Plan. After considerable discussion, Phil McKenna suggested language that could be added to the Redevelopment Plan.

Several of the Joint Review Board members spoke in favor of the TIF and its potential benefits for downtown Mundelein.

Meeting opened to comments from public

The meeting was opened to comments from the public. Wells Frice, 201 W. Park Street, Mundelein, a member of the District 75 School Board, questioned how the proposed addition to the Redevelopment Plan would be forwarded to the Village Board, and how future Boards would be held to a recommendation to consider an early closure of the TIF.

Additional language added to Plan

After further discussion, the following language was suggested by Attorney Elrod be added to Section VII C of the TIF Redevelopment Plan: *The Joint Review Board established to review this*

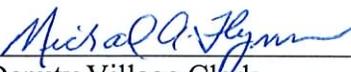
Redevelopment Plan and Project pursuant to the Act shall, based on its review of the status of the special tax allocation fund for the Redevelopment Project at its statutorily required annual meeting, consider the desirability of terminating and retiring the Redevelopment Plan and Project prior to the stated twenty-three (23) year term, and shall transmit its recommendation regarding the same to the President and Board of Trustees of the Village.

Motion by Alex Marx, seconded by John Schockmel, to approve the resolution with the additional language, as suggested by Attorney Elrod, being added to Section VII C of the proposed Redevelopment Plan. Upon unanimous voice vote, the vote was as follows: Ayes: Mundelein Park District, Public Member, School District 75, School District 76, Libertyville Township Road & Bridge, Libertyville Township, Village of Mundelein. Nays: None. Motion carried.

Mr. Elrod explained that the Village Board will hold a public hearing on the proposed plan on December 27, 2004, and will consider the three ordinances establishing the TIF on January 10, 2005 if the public hearing concludes on December 27th. It is not necessary for the Joint Review Board to meet until six months after the beginning of the next fiscal year.

Some concern was expressed over the December 27, 2004 date. Marilyn Sindles explained that this is a regular meeting of the Village Board.

Motion by Betty Ann Moore, seconded by John Schockmel, to adjourn. Upon unanimous voice vote, the meeting adjourned at 10:07 p.m.



Deputy Village Clerk

Motion to approve
Resolution

Public Hearing
12/27/04

Adjournment
