

**Joint Review Board
Tax Increment Finance (TIF) District**

January 25, 2010

A Joint Review Board meeting was held Monday January 25, 2010 at 1000 North Midlothian Road, Mundelein. Mayor Kessler called the meeting to order at 6:37 pm.

Joint Review Board
Meeting Called to Order

Clerk Dahlstrom took the roll. It indicated these members present: Kevin Holly, District 75; Collette Ford, District 76; Gary Lonquist, District 120; Scott Davis, Fremont Library District; Diana O’Kelly, Lake County; Kathleen O’Connor, Libertyville Township; Margaret Resnick, Mundelein Park & Recreation District; and Ken Kessler, Village of Mundelein. Absent: College of Lake County, Libertyville Township Road & Bridge, and Public member. Village attendance: Administrator Lobaito, Assistant Administrator Flynn, and Phil McKenna, Kane McKenna & Associates, Incorporated.

Attendance

Motion by O’Connor, Libertyville Township, seconded by O’Kelly, Lake County to approve the minutes of January 26, 2009. Upon roll call vote, the vote was as follows: Ayes: O’Connor, Libertyville Township; O’Kelly, Lake County; Ford, District 76; Lonquist, District 120; Davis, Fremont Library District; Resnick, Mundelein Park & Recreation District; and Kessler, Village of Mundelein; abstain: Holly, District 75; nays: none; absent and not voting: College of Lake County, Libertyville Township Road & Bridge, and Public member. Motion carried.

Motion to Approve the
Minutes of January 26,
2009

Chairman Kessler introduced Mr. Phil McKenna, Kane McKenna and Associates to explain the purpose for the required annual joint Review Board. Mr. McKenna stated a quorum is two or more Board members, which is present. Mr. McKenna explained the State’s statute of the required annual meeting of the Joint Review Board regarding the Tax Increment Finance (TIF) District. The Illinois TIF Act requires the preparation of an Annual TIF Report (ATR) when \$100,000 is accumulated.

Purpose of Meeting -
Introduction

Mr. McKenna stated the ATR revolves around the Village’s fiscal year, April 30, 2009 (FYE09). Mr. McKenna stated this was an informational meeting, not action required. The meeting has two parts, the financial information and the activities part. Mr. McKenna gave an overview of the annual TIF Report. Mr. McKenna introduced Administrator Lobaito to present the highlights of activities.

TIF Annual Report

Administrator Lobaito highlighted the following activities:

- No amendments to the Redevelopment Project Area or the boundaries of the TIF during the FYE09.
- The Village complied with all of the requirements of the Act

TIF Annual Report
(Continued)

during the FYE09. The Mayor's and the attorney's certification have been provided.

- Review of the activities undertaken in FYE09 to further the plans objectives:
 - Cardinal Square Redevelopment
 - Park Station Redevelopment has not begun
- No Agreements adopted in FYE09 regarding property disposition or redevelopment
- Contracts with TIF Consultants
 - Kane McKenna & Associates
- Summary of obligations issued by the municipality
 - Cardinal Square - \$7M, based upon the conformance to certain provisions as set forth in the Redevelopment Agreement
 - Park Station - \$331,000 subject to conformance with provisions as set forth in the Redevelopment Agreement
- TIF Audit - Audit letter from McGladrey & Pullen

TIF Budget Summary

Administrator Lobaito reintroduced Mr. McKenna to present the financial information. Mr. McKenna stated in the Schedule of Revenues, Expenditures and Changes in Fund Balance Sheet, the Mundelein TIF District the ending balance is \$3,154; the Property Tax Increment was \$129,545; the interest received was \$457; total \$130,002. The total Expenditures/Disbursements was \$133,156 with an ending fund balance in FYE April 30, 2009 was (\$3,154).

Mr. McKenna stated the cumulative property tax increment was \$463,200. The cumulative interest was \$42,666, totaling \$465,866.

The Expenditures/Disbursements was \$132,980 in General Fund Reimbursements which includes costs of studies, administration, and professional services; \$176 was reimbursed to the Library District.

Mr. McKenna stated Section 3.3 Breakdown of the Balance in the Special Tax Allocation Fund describes the project costs to be paid totaling \$8,614,422.

Mr. McKenna stated when the TIF District was established in 2005, the base EAV was \$8,313,815. The EAV for FYE09 is \$9,212,662. Administrator Lobaito added there has been an extraordinary amount of tax objections filed and added it is too early to say what the effect would be.

TIF Project Review

Administrator Lobaito stated there was one project, Park Centre Condominiums, located at the southwest corner of Park Street and Seymour Avenue. It is a four story unit consisting of 21 residential units

and approximately 8,000 square feet of retail space.

TIF Project Review
(Continued)

Administrator Lobaito stated other changes were at 416 Morris Avenue formerly Schaeffer Packaging changed ownership to Northstar Pickles. Also, Sunrise Groceries, 345 North Seymour Avenue, the only grocery store in the TIF District is expanding. The property owner is investing in landscaping and redesigning the parking lot. Lastly, Mundelein Paint Center, 518 East Hawley Street, has done extensive façade improvements.

Administrator Lobaito stated the Zoning Ordinance update should be completed in 2010. Administrator Lobaito added the Comprehensive Plan is also being updated. Finally, opportunities to encourage downtown redevelopment and added negotiations are underway. Administrator Lobaito stated Weston Solutions has reconsidered an extension to their Letter of Interest.

Questions from Joint
Review Board

Chairman Kessler opened the floor to questions from the Board.

Mr. Holly, District 75, asked why the reimbursement for three students was denied in a letter dated January 20, 2010 from Administrator Lobaito. Administrator Lobaito stated the TIF is in its infancy, and the Village is trying to recover dollars that have been spent, close to \$750K has been spent and not yet reimbursed to the Village. Administrator Lobaito added funds are also being offered to incent developers as well. Mr. McKenna added the years are also complex; is it the calendar year; the fiscal year; the tax year. Mr. McKenna added the timing of the audit was for the 2008 tax year. The 2008 audit is based on the 2007 year.

Ms. O’Kelly, Lake County asked for procedural clarification; the request is submitted to the Village Board. Mr. McKenna stated the request goes to the Village Board after an administrative review and presented to the Village Board. The Village Board approves or denies the request. Administrator Lobaito stated the request was not presented to the Village Board, but pending a response to the letter that was received. Administrator Lobaito added a resolution is adopted in February outlining the funds expected, the available funds, and the funds to be paid out.

Mr. Holly, District 75, asked on behalf of Mr. Wells Frice, President of District 75, if there was an opportunity to appear before the Village Board to appeal their decision. Discussions continued regarding a Committee of the Whole to continue this discussion.

Chairman Kessler opened the floor to the public. No questions or comments were made. The floor was closed to the public.

Motion to Adjourn

Motion by O’Kelly, Lake County, seconded by Holly, District 75 to adjourn the Joint Review Board/TIF meeting. Upon unanimous voice

vote, the meeting was adjourned.

Adjournment

The Joint Review Board TIF District meeting was adjourned at 7:11 pm.

Minutes taken by Esmie M. Dahlstrom, Village Clerk

Minutes approved by Chairman Signature: _____

Minutes filed with Village Clerk on: _____

Initials: _____