



**CITY OF DES PLAINES  
TAX INCREMENT FINANCING (TIF) DISTRICT  
ANNUAL JOINT REVIEW (JRB) BOARD DRAFT MEETING MINUTES  
AUGUST 2, 2023**

**1. Welcome by City Representative**

Michael Bartholomew, City Manager, welcomed everyone to today’s meeting, introduced himself, and asked everyone to do the same.

**2. Call to Order**

The meeting was called to order at 2:02 p.m.

**3. Roll Call (in attendance)**

Bill Dussling	School District 214
Ellen A. Yearwood	Public Member
Rob Galick	Harper Community College
Annette Curtis	Des Plaines Park District
Andy Williams	Oakton College
George Giese	Mt. Prospect Park District
Karen Stephens	Rosemont Park District
Mike Vargas	School District 214
Alva Kreutzer	School District 216
Patricia Alvarez	School District 207
Ron O’Connor	Community Consolidated School District 59

**Also in attendance:**

Michael Bartholomew	City Manager, City of Des Plaines
Dorothy Wisniewski	Assistant City Manager, City of Des Plaines
John Carlisle	Director, Community & Economic Development
Emily Shaw	Management Analyst, Community & Economic Development
Margie Mosele	Executive Assistant, City of Des Plaines
Iryna Dziuk	TIF Consultant, Kane McKenna & Associates, Inc.

**4. Election/Confirmation of Chair**

A motion was made by Ellen Yearwood, seconded by Bill Dussling to nominate Michael Bartholomew as the Chairperson of this Joint Review Board meeting.

VOICE VOTE:

AYES: All

NAYS: None

Motion: CARRIES

5. **Election/Confirmation of Public Member**

A motion was made by Michael Bartholomew, seconded by Bill Dussling to confirmed Ellen Yearwood as the Public Member of all TIF Joint Review Board meeting.

VOICE VOTE:

AYES: All

NAYS: None

Motion: CARRIES

6. **Approval of Minutes:** August 5, 2022

A motion was made by Ellen Yearwood, seconded by Annette Curtis, to approve the August 5, 2022, minutes, as presented.

VOICE VOTE:

AYES: All

NAYS: None

Motion: CARRIES

7. **Public Comment:** There was no Public Comment.

8. **Review of Activities in District:**

Information combined with Review of 2022 State Comptroller's Report

9. **Review of 2022 State Comptroller's Report**

TIF Consultant Iryna Dziuk stated that the following reports are completed because they are required by state statute. The reports are for informational purposes only. Templates are provided by the State Comptroller's office and need to be followed to the letter lest they be rejected. A quorum is not required. All reports have been filed with the State and are on the City's website and will remain there. The reports are also available on the State's website.

**TIF District No. 3 Overview**

Ms. Dziuk provided an overview of TIF District No. 3 and indicated that it was established in 2000 and extended by 12 years mainly due to debt service requirements regarding a bond issue and when extended, allowed for a longer time to pay off bonds issued. This is set to expire in 2035. The beginning balance was (\$2,786,017). The property tax increment was \$2,417,417. The ending balance was (\$2,223,797) with expenses being \$1,855,216. Most of the expenses are for debt service – \$1,878,394. The EAV base is \$3,807,465 and the new EAV is \$29,952,256 for 2021. No property was bought or sold in this TIF - just a continuation of collection of increment and paying off the debt.

Mr. Bartholomew said that people are not familiar with TIF 3, it was established a long time ago. When it was first established there was new construction, but it has not been a well performing TIF.

George Giese asked for taxing bodies, it is back online in 2024 collective in 2025 for TIF 3?

Ms. Dziuk stated that TIF 3 expires in 2035 because it has been extended 12 years.

Mr. Bartholomew stated that this is an example of what we don't do anymore. Years ago, they granted 6B property tax exemptions which kills the increment. He stated that since he has been in Des Plaines it has not done.

VOICE VOTE:

Motioned by Rob Galick; Seconded by Ellen Yearwood to accept the TIF No. 3 report:

AYES: All  
NAYS: None  
Motion: CARRIES

### **TIF District No. 1 Overview**

Ms. Dziuk provided an overview of TIF No. 1, which is the downtown TIF and has been closed out effective 12/6/2021. The report for TIF No. 1 still needs to be filed and has a negative balance. Until the report gets filed, the balance will remain at zero. The beginning balance was (\$432,237). The ending balance was (\$488,326). The tax increment was (\$56,092). The frozen EAV was \$20,262,187 and will be closed out as soon as the County is able to do so.

Mrs. Wisniewski stated that this is a tracking mechanism for Finance to see how many property tax protests go through. And what kind of refunds are given on prior property taxes. The City of Des Plaines is covering the funds with their general fund. This has no impact on any taxing district. In terms of the EAV the funds are being shared by all of the taxing districts since the TIF is no longer existing.

Mr. Galick asked How do we get the negative balance down to zero?

Mrs. Wisniewski stated that they would make a transfer out of their general fund.

Mr. Bartholomew stated that TIF 1 has paid dividends where the City was able to do a lot of work over the years with it. There was no property tax abatement in the TIF 1 district. It was a successful TIF district.

VOICE VOTE:

Motioned by Andy Williams; Seconded by Annette Curtis to accept the TIF No. 1 report:

AYES: All  
NAYS: None  
Motion: CARRIES

### **TIF District No. 5 Overview**

Ms. Dziuk went on to review TIF District No. 5, which is the Lee/Perry TIF and was established in 2001. The beginning balance was \$340,824 with property tax increment of \$126,045 and ending balance of \$466,871. There is a TIF loan with \$854,714 outstanding. The base EAV was \$794,127 and the new EAV is \$2,348,547. No property was bought or sold in this TIF; this TIF expires in 2024.

Ms. Alvarez asked what causes the drop in the EAV from 2020?

Ms. Dziuk stated she is not sure what caused the drop without some research.

Mr. Bartholomew stated that this is a really small TIF with only few pins and its attached to TIF 1. He thinks after they established TIF 1 they felt like they should have included the few pins. Instead of amending TIF 1 they created a new TIF. It expires in 2024.

Mrs. Wisniewski stated that the EAV is the Shop and Save and the Fifth Third Bank. If either of those protested their taxes or their value went down, that would have an impact on the EAV.

VOICE VOTE:

Motioned by Ellen Yearwood; Seconded by Rob Galick to accept the TIF No. 5 report:

AYES: All  
NAYS: None  
Motion: CARRIES

### **TIF District No. 6 Overview**

Ms. Dziuk stated that TIF No. 6 was established in 2001. No property was bought or sold. The balance was \$(16,611,402) with property tax increase of \$102,201 and ending balance of (18,087,590) The expenses were \$1,578,390 mainly for debt service. The outstanding bond balance is \$2,152,698. The base EAV was \$2,136,807 and the tax year 2021 EAV is \$3,384,178. This TIF expires in 2024.

Mike Bartholomew stated that TIF No. 6 is the worst TIF that Des Plaines has done in its history. It will close with a significant deficit. It will not have impact on the taxing jurisdictions, but it will have impact on the general fund because the City has been loaning it money. Not long ago the City made a proposal to cut TIF 6 in half, make it its own little TIF. Then they could create TIF 7 and develop enough to create income and loan money back to TIF 6. That has worked but not to the advantage that they hoped.

VOICE VOTE:

Motioned by Rob Galick; Seconded by Ellen Yearwood; to accept the TIF No. 6 report:

AYES: All  
NAYS: None  
Motion: CARRIES

### **TIF District No. 7 Overview**

Ms. Dziuk stated that TIF No. 7 is the Higgins/Pratt TIF, established in 2014 and expires in 2037. The beginning balance was (\$1,482,368). property tax increment was \$725,534 and the ending balance was (1,060,377). Expenses were \$303,551. At the time of establishment, the base EAV was \$468,319 and the tax year 2021 EAV is \$6,765,070.

Mike Bartholomew stated that there has been development ongoing in TIF 7. It is mostly at Mannheim and Higgins. On the south side of I-90, there is a Holiday Inn Hotel and a BP gas station. There is more development planned for the site. There is a proposal for a quick service restaurant and an EV charging hub. On the north side of I-90, there are 4-5 tenants including an Outback and Five Guys Restaurant. The City is hoping that everything is built out by the first part of 2024. Once that happens it will generate income.

VOICE VOTE:

Motioned by Ellen Yearwood; Seconded by Karen Stephens to accept the TIF No. 7 report:

AYES: All  
NAYS: None  
Motion: CARRIES

### **TIF District No. 8 Overview**

Ms. Dziuk stated that our newest TIF, TIF No. 8, otherwise known as the Oakton TIF, was established in 2019. The beginning balance was \$2,287,784. Property tax increment was \$1,085,223, with an ending balance of \$2,780,107. Total expenses were \$592,913. There is projected land acquisition and project development. There was a property purchase at 1396 East Oakton for \$500,000. The 2019 base EAV was \$71,219,481 and the new EAV is \$81,008,628.

Mike Bartholomew stated that this is the newest TIF and thanked everyone for their support. He stated that if TIF districts are done responsibly they do what they are supposed to do. The City has the commitment of running TIF districts this way not granting 6Bs on top of the TIF district. He stated this this area is also referred to as our “second downtown”. This TIF district was created in hopes of spurring new development. The City is acquiring some obsolete properties that will not get developed unless the City intervenes. The City purchased some properties at the corner of the tracks and Oakton. This is where the City envisions and new train station. A study was conducted and submitted to Metra, who was initially very supportive of the idea, however, the pandemic stalled its progress. Metra then stated that they would want to wait until ridership returned to pre-pandemic levels before proceeding further. At this point, ridership is returning, however, the levels are not where they once were. The City also had a study with the RTA regarding development in the area. There was also a Developers Forum that discussed the prospects. The report should be issued this month and the City hopes to hire a consultant to come up with a master plan. MI Homes has started building townhomes in this TIF district. Mr. Bartholomew wanted to reassure that the townhome development did not receive any TIF assistance.

Ms. Alvarez asked for detail on the \$36,000 out and the capital outlay costs?

Mrs. Wisniewski stated that the \$36,000 transfer out is for the salaries and benefits of the employees working each individual TIF. This is tracked based on the projects. The capital outlay of \$500,000 was the property purchase at 1396 Oakton which was the old Romanos building.

**VOICE VOTE:**

Motioned by Ellen Yearwood; Seconded by Rob Galick to accept the TIF No. 8 report:

AYES: All  
NAYS: None  
Motion: CARRIES

**10. Questions from Board Members:**

Bill Dussling asked if there are any TIFs planned for the future?

Mike Bartholomew stated they do not have any new TIF districts planned. They had contemplated down on Cumberland because a developer came in and proposed a high-density residential TOD development. However, that fell through because the intersection improvements were really costly.

Ms. Curtis asked what can they expect for the the two TIFs that will be expiring in 2024?

Ms. Dziuk stated that the County is involved. She said for example TIF 6 expired in 2024 but it doesn't go away until a year later. The TIF will close in 2024 but the TIF still collects in 2025. There is currently a yearlong backlog at Cook County. You would adjust your 2025 levy and you would get notification and directions from Cook County. The taxes are a year behind, so we collect a year later.

Ms. Stephens reminded the everyone that it is important that you apply to get put back on the books.

Mrs. Wisniewski stated that the City's process is different. They have to file an ordinance that goes through the City Council. They file that with Cook County. This provides the County notification that the TIF has gone away but they still share in the taxes. Cook County sends the taxing district separate instructions.

**11. Adjournment**

**VOICE VOTE:**

Motioned by Karen Stephens; Seconded by Ellen Yearwood to adjourn the 2023 Joint Review Board Meeting.

AYES: All  
NAYS: None  
Motion: CARRIES

Respectfully submitted,

Margie Mosele  
Executive Assistant to the CED Director  
City of Des Plaines  
8/3/2023

DRAFT