



SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF SULLIVAN, ILLINOIS, FRIDAY, OCTOBER 27, 2023

1. The City Council of the City of Sullivan, Illinois, met in special session on Friday, October 27, 2023, at 11:00 a.m. at the Elizabeth Titus Memorial Library, 2 West Water Street, Sullivan. The meeting was called to order by Mayor Mike Mossman. A roll call was taken.

Mayor Mike Mossman	- present
Commissioner Abbey Sherwood	- present
Commissioner Mike Kirk	- present
Commissioner Chuck Woodworth	- present
Commissioner Doug Shook	- present

2. Mayor Mossman asked if there were any comments from the public.

Bob Ingram asked if a vote was required for the City to use a truck as trade-in on the purchase of a new truck. Mayor Mossman stated that there is an ordinance on the agenda for the disposal of the truck that will be used as trade-in.

Ted Walk stated that Sullivan School district is the least funded of all the schools in the surrounding area, but the district does receive more TIF funding than most schools. He believes that TIF districts have done great things for the community and have promoted a majority of the developments that are being completed. Mr. Walk and the other taxing bodies are in favor of utilizing TIF funds to establish infrastructure for new developments and for incentivizing new developments. He would like to see TIF funds used for projects that generate EAV, as this will benefit the taxing bodies once the TIF districts expire. He would prefer to remove the large developed areas from TIF districts because they don't increase EAV. When developed properties are included in TIF, the taxing bodies have to raise their rates higher to get the same amount of money.

Chris Wright from the Sullivan Fire Department confirmed that they support TIF IV and the development on the south side of town, but have concerns about developed neighborhoods being included in TIF districts. Mr. Wright is aware of the need for additional housing in the community and is supportive of new subdivisions being included in TIF, as they encourage growth in the community. He added that the fire district does have concerns with the size of TIF IV and the proposed additions, as they believe it will have a detrimental effect on the SFPD.

Mayor Mossman explained that the purpose of the amendment to TIF IV is not to increase revenue, but to have funds available to improve the infrastructure in some of the older areas in town. Mr. Walk agreed that the infrastructure on Pifer's Lane will eventually be in need of significant repair, but doesn't agree that TIF should be used for repairs and maintenance. He would like to see the funds used towards something that incentivizes EAV, growth and development. He added that the taxing bodies are giving up TIF funds to spur developments which will result in a greater EAV, not for repairs.

3. Mayor Mossman stated that the purpose of this meeting was for the Council to learn about TIF and the proposed TIF IV amendment. Ms. Crawford was contacted in December after the City received inquiries about development in areas

that were no longer in a TIF district. An additional request was received regarding a potential extension of TIF III for the Keller Development. At that time, Jacob & Klein asked the City to identify potential areas that they would like to add to TIF IV, which are identified in the blue areas on the map. Some vacant properties on the northwest side were added to eliminate the need for an extension of TIF III.

A plan must be established before a TIF district can be amended. A public meeting to explain the City's intent must be held if there are more than seventy-five houses in the TIF area. Once that is done a public hearing date will be set, notices of the hearing will be mailed and the public hearing notice will be published. After the public hearing a Joint Review Board meeting will be held and an ordinance approving the amendment will be passed. This process takes approximately six months. A public meeting was already held regarding the TIF IV amendment, so it is estimated that it will take another three to four months to complete the process.

Ms. Crawford then explained the basics of TIF. When a TIF district is established, the current EAV of the included properties is set as the base value. During the life of the twenty-three year TIF, any increases in the EAV over the base value are contributed to the City's TIF fund. Those funds can then be used for infrastructure projects within that district, can be shared with developers for projects, can be used for renovation projects in the downtown or can be shared with the other taxing bodies for capital costs.

Mayor Mossman explained that the red areas on the map are the areas that the taxing bodies would like to remove from the TIF area; these are mostly existing residential areas. The Eastview Subdivision was included in TIF IV because of the drainage issues in that area. Areas to the north were included due to the condition of the water and sewer lines. The City could declare some of the residential areas a surplus and return the money to the taxing bodies. If the City chooses to move forward with this option, they would first need to determine the amount they want to declare as a surplus and then pass an ordinance declaring the surplus. Once that has been done, the City would issue a check to the County, which they would then redistribute to the taxing bodies. The taxing bodies can spend the surplus however they choose, as there are no restrictions on how it can be spent. The City currently receives one-hundred percent of the \$175,000 increment generated by the parcels within this area. That amount will decrease to twenty-five percent when TIF IV expires. Some of the residential areas along the highway were added so TIFs III and IV would be contiguous, which allows funds to be transferred between the two TIF districts.

The areas on the map that were drawn in black are not in City limits and would need to be annexed before they could be included in a TIF District, this includes the area south of 1200N where growth is expected to occur.

Commissioner Shook asked if Laurie Minor was aware of any development that might be occurring within the blue areas. She confirmed that there has been interest in a parcel to the south, an amendment was passed for the property to be added to TIF IV, but the developer chose not to purchase the property. There has also been interest in the farm ground behind the Faith Lutheran Church. She is aware of two or three additional projects that are on hold pending the approval of the amendment to TIF IV.

The area north of Wyman Park is included in TIF IV as there is a possibility of the City sewer being extended to these properties. The White Health Subdivision was included due to previous discussions on a fifty acre development being

accessed through the subdivision. If this option isn't possible, the area could still be accessed by installing a road off of Patterson Road and a bridge across Asa Creek.

If there continues to be interest in additional development at the south edge of town, the City may want to consider adding a fifth TIF district. Developers are likely to prefer a new TIF district so they can recuperate their project costs. This option is also cheaper than amending a current TIF district.

Mayor Mossman asked the Council to take their time to review the information that was presented, to identify parcels that they believe are necessary to add or remove, determine what upgrades the City has planned and to make a list of pros and cons to determine what is in the best interest of future development in the community. He suggested that they talk with Gwen Crawford and Laurie Minor about any questions they may have about TIF or interests in development.

Mayor Mossman added that the City has always tried to give back to the school and fire districts when there have been funds available. Unfortunately, there aren't enough funds in TIF IV at this time to allow this.

4. Mayor Mossman explained that the Park Department would like to get rid of their truck that has an inoperable dump bed. They recently replaced this truck with one from the Gas Department. The Street Department would like to use one of their trucks as trade-in on a new truck. Both of these vehicles were included in disposal ordinance 23-37.

A motion was made by Commissioner Shook and seconded by Commissioner Kirk to approve Ordinance 23-37 – Disposing of Personal Property of the two referenced vehicles. Upon a roll call being taken, the results were as follows:

Commissioner Doug Shook	- yea
Commissioner Mike Kirk	- yea
Commissioner Abbey Sherwood	- yea
Commissioner Chuck Woodworth	- yea
Mayor Mike Mossman	- yea

and the motion was declared carried.

5. Commissioner Shook stated that the Street Department was going to purchase a new truck in 2024 but had left over funds in the budget to make the purchase this year. They found a truck at Pilson's in Mattoon for a purchase price of \$44,348.26 after trade-in of \$15,000 for the department's current truck.

A motion was made by Commissioner Shook and seconded by Commissioner Kirk to waive bidding and approve the purchase of a 2023 Ford F-250 from Dan Pilson Auto Center for \$44,348.26. Upon a roll call being taken, the results were as follows:


Commissioner Doug Shook	- yea
Commissioner Mike Kirk	- yea
Commissioner Abbey Sherwood	- yea
Commissioner Chuck Woodworth	- yea
Mayor Mike Mossman	- yea

and the motion was declared carried.

6. A motion was made by Commissioner Woodworth and seconded by Commissioner Shook to adjourn the meeting. Upon a roll call being taken, the results were as follows:

Commissioner Chuck Woodworth	- yea
Commissioner Doug Shook	- yea
Commissioner Abbey Sherwood	- yea
Commissioner Mike Kirk	- yea
Mayor Mike Mossman	- yea

and the motion was declared carried and the meeting was adjourned at 11:58 a.m.



Mayor Mike Mossman

Attest 

Carrie Creek, City Clerk