

**MEETING NOTICE  
VILLAGE OF TINLEY PARK  
MEETING OF THE COMMITTEE OF THE WHOLE**

**NOTICE IS HEREBY GIVEN** that a Committee of the Whole Meeting of the Village of Tinley Park, Cook and Will Counties, Illinois will be held on Tuesday, November 5, 2019, beginning at 6:30p.m. in Council Chambers, located in the Tinley Park Village Hall, 16250 South Oak Park Avenue, Tinley Park, Illinois 60477.

The agenda is as follows:

1. CALL MEETING TO ORDER.
2. CONSIDER APPROVAL OF THE MINUTES FROM THE COMMITTEE OF THE WHOLE MEETING HELD ON OCTOBER 15, 2019.
3. DISCUSS AMENDMENT TO LIQUOR ORDINANCE – CREATION OF A TRUCK STOP CLASSIFICATION.
4. DISCUSS AMENDMENTS FOR VIDEO GAMING REGULATIONS.
5. DISCUSS ECONOMIC INCENTIVE AGREEMENT BETWEEN THE VILLAGE OF TINLEY PARK AND BANGING GAVEL, PROPERTIES, LLC.
6. DISCUSS APPROVING A FOUNDATION ONLY PERMIT (FOP) FOR UNION SQUARE TOWNHOMES (PHASE 2, BUILDING A).
7. DISCUSS 2020 TAX LEVY.
8. RECEIVE PRESENTATION FROM RICK HEIDNER REGARDING THE RACINO.
9. RECEIVE COMMENTS FROM THE PUBLIC.
10. ADJOURN TO EXECUTIVE SESSION TO DISCUSS:
  - a. THE PURCHASE OR LEASE OF REAL PROPERTY FOR THE USE OF THE PUBLIC BODY, INCLUDING MEETINGS HELD FOR THE PURPOSE OF DISCUSSING WHETHER A PARTICULAR PARCEL SHOULD BE ACQUIRED.
  - b. THE SETTING OF A PRICE FOR SALE OR LEASE OF PROPERTY OWNED BY THE PUBLIC BODY.

ADJOURNMENT

KRISTIN A. THIRION  
VILLAGE CLERK

**MINUTES**  
**Meeting of the Committee of the Whole**  
**October 15, 2019 – 7:45 p.m.**  
**Village Hall of Tinley Park – Council Chambers**  
**16250 S. Oak Park Avenue**  
**Tinley Park, IL 60477**

Members Present: M. Glotz, Village President Pro-Tem  
C. Berg, Village Trustee  
W. Brady, Village Trustee  
W. Brennan, Village Trustee  
D. Galante, Village Trustee  
M. Mueller, Village Trustee

Members Absent: J. Vandenberg, Village President  
K. Thirion, Village Clerk

Staff Present: D. Niemeyer, Village Manager  
P. Carr, Assistant Village Manager  
B. Bettenhausen, Village Treasurer - Arrived 7:08 p.m.  
M. Walsh, Police Chief  
F. Reeder, Fire Chief  
K. Clarke, Community Development Director  
J. Urbanski, Assistant Public Works Director  
D. Framke, Marketing Director  
L. Valley, Executive Assistant to the Manager and Trustees  
H. Lipman, Management Analyst  
D. Sanfilippo, Executive Assistant to the Mayor  
L. Godette, Deputy Village Clerk  
P. Connelly, Village Attorney

Others Present:

**Item #1** - The meeting of the Committee of the Whole was called to order at 7:18 p.m.

**Item #2 – CONSIDER APPROVAL OF THE MINUTES OF THE COMMITTEE OF THE WHOLE MEETING HELD ON OCTOBER 8, 2019** – Motion was made by President Pro-Tem Glotz, seconded by Trustee Berg, to approve the minutes of the Committee of the Whole meeting held on October 8, 2019. Vote by voice call. Village President Pro-Tem Glotz declared the motion carried.

**Item #3 – DISCUSS EV LIQUOR & VIDEO GAMING LICENSING FOR HAPPY BITES BURGERS & WINGS, 8021 183<sup>RD</sup> STREET** – Dominic Sanfilippo introduced Pradeep Patel of Happy Bites. He noted that this license had been brought before the Administration and Legal Committee on October 8, 2019, and the Trustees state that would like to visit the restaurant before recommending this license to the Village Board. President Pro-Tem Glotz and Trustee Brennan recently visited the restaurant. Mr. Patel presented an overview of the proposed floor plan for the restaurant with sectioned off video gaming room. He noted that the video gaming room would not have windows and would have eight (8) foot walls. He also stated that he sees approximately 25% of his revenue coming from video gaming and the remainder from the sale of food. Happy Bites plans on expanding to include a second counter, “The California Way,” a health option for his customers. The plans for expansion are awaiting approval with the Community Development department. Motion was made by Trustee Mueller, seconded by

Trustee Brennan, to recommend an EV liquor/video gaming license to Happy Bites Burgers & Wings and be brought before the Village Board and the Village Board meeting on October 15, 2019. Vote by voice. President Pro-Tem Glotz declared the motion carried.

**Item #4 – DISCUSS AV LIQUOR & VIDEO GAMING LICENSING FOR ISLAND BISTRO, 7020 183<sup>RD</sup> STREET, UNIT E**

– Dominic Sanfilippo presented and overview of the application for a AV liquor/video gaming license for Island Bistro, noting that the petitioners brought this application for license before the Administration and Legal Committee on October 8, 2019. At this meeting the petitioners were asked to submit a business Performa which they has done. The owner of the complex at 7020 183<sup>rd</sup> Street is Tinley Pointe Center, LLC, Tiffany Perkins is the owner of Tinley Point Center. It was stated by the petitioners that the reason for opening this restaurant is to increase revenue to supplement the increase in property taxes over the past couple of years. Tinley Pointe Center, LLC, is trying to avoid passing off the increase in property taxes to its tenants. There are three (3) open storefronts on the property. Tinley Point Center, LLC has recently lost tenants due to the increase in the tax base. The petitioners do have restaurant experience. Trustee Berg discussed the issues that have occurred with other tenants at the center. The petitioners have discussed this with the owner of the established in question and noted since there is lease involved they do not have much control. Motion was made by Trustee Brennan, seconded by Trustee Mueller, to recommend an AV liquor/video gaming license to Island Bistro and be brought before the Village Board at the Village Board meeting on October 15, 2019. Vote by voice. President Pro-Tem Glotz declared the motion carried.

**Item #5 – DISCUSS ILLINOIS COUNTIES RISK MANAGEMENT TRUST (ICRMT)**

**INSURANCE RENEWAL** – Hannah Lipman stated that the Village’s current liability insurance coverage through ICRMT will expire on December 1, 2019. Therefore, the Village’s insurance broker, Alliant Mesirow, has submitted an updated application to ICRMT for the renewal pricing. The Villages current annualized premium for the 2019 policy year was \$745,654. This covers the following:

- General Liability
- Automobile Liability
- Law Enforcement Liability
- Public Official Liability
- Property
- Workers Compensation
- Cyber
- Crime

Trustee Brennan stated that he would like staff to keep an eye on the workers compensation liability and he sees only one discrepancy was with the property premium. He believes this is due to an appraisal done by the company, the premium went up \$24,000. Maintaining the current deductibles, the renewal premium for the 2020 policy year was quoted at \$769,624, representing a 3.2% increase. Overall, the Village has had good claims experience this past year in terms of keeping costs to a minimum, which has contributed to keeping the premium similar to the previous year. Staff did request a quote for the reduced deductibles at the \$50,000 limit. Alliant informed staff that lowering the deductibles to \$50,000 would increase the premium roughly 20% percent, or approximately \$925,000. Motion was made by Trustee Berg, seconded by President Pro-Tem Glotz, to recommend renewing insurance contract with ICRMT and continuing with the same deductibles for the upcoming policy year. Vote by voice. President Pro-Tem Glotz declared the motion carried.

**Item #6 – RECEIVE COMMENTS FROM THE PUBLIC** – No one came forward.

**ADJOURNMENT**

Motion was made by Trustee Brady, seconded by Trustee Brennan, to adjourn the Committee of the Whole meeting. Vote by voice call. President Pro-Tem Glotz declared the motion carried and adjourned the Committee of the Whole meeting at 7:46 p.m.

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DRAFT



# Interoffice Memo

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**Date:** October 31st 2019

**To:** Village Board of Trustees

**From:** Dominic Sanfilippo, Executive Assistant to the Mayor

**Subject:** Amending Municipal Code To Add "Truck Stop" Liquor Licence Classifications

The Liquor Commissioner proposes that the Board consider creating Class U and UV liquor license classes, or "Truck Stop" classes, that would regulate liquor and gaming at Village establishments that meet the definitions of a truck stop under the Illinois Video Gaming Act (ILCS Ch. 230, Act 40 § 5). All Class U and UV licensed establishments would be subject to Village ordinances & regulations.

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**THE VILLAGE OF TINLEY PARK**

**Cook County, Illinois**

**Will County, Illinois**

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**ORDINANCE**

**NO. \_\_\_\_\_**

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**AN ORDINANCE AMENDING VARIOUS SECTIONS OF TITLE 9, CHAPTER 112  
OF THE TINLEY MUNICIPAL CODE PERTAINING TO DEFINITIONS AND  
LIQUOR LICENSE CLASSIFICATIONS**

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**JACOB C. VANDENBERG, PRESIDENT  
KRISTIN A. THIRION, VILLAGE CLERK**

**CYNTHIA A. BERG  
WILLIAM P. BRADY  
WILLIAM A. BRENNAN  
DIANE M. GALANTE  
MICHAEL W. GLOTZ  
MICHAEL G. MUELLER  
Board of Trustees**

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Published in pamphlet form by authority of the President and Board of Trustees of the Village of Tinley Park  
Peterson, Johnson, & Murray Chicago, LLC, Village Attorneys  
200 W. Adams, Suite 2125, Chicago, IL 60606

**VILLAGE OF TINLEY PARK**  
Cook County, Illinois  
Will County, Illinois

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 6, ARTICLE I. SECTIONS 6-2 AND 6-3  
OF THE TINLEY MUNICIPAL CODE PERTAINING TO DEFINITIONS AND  
LIQUOR LICENSE CLASSIFICATIONS**

**WHEREAS**, Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois provides that any municipality which has a population of more than 25,000 is a home rule unit, and the Village of Tinley Park, Cook and Will Counties, Illinois, with a population in excess of 25,000 is, therefore, a home rule unit and, pursuant to the provisions of said Section 6(a) of Article VII, may exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, the Corporate Authorities of the Village of Tinley Park, Cook and Will Counties, Illinois, have determined that it is in the best interest of the Village of Tinley Park and its residents to amend Title IX Chapter 112 Sections 1 (Definitions) and 20 (Classification and Fees) to create a new classification of liquor license for “Licensed Truck Stops”; and

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF VILLAGE OF TINLEY PARK, ILLINOIS:

**SECTION ONE:** That the City hereby incorporates all of the recitals above into this Ordinance as if fully set forth herein.

**SECTION TWO:** That Title 9 Chapter 112, Section 1 6-2 “Definitions” is hereby amended by adding the following underlined language in proper alphabetical order.

**Sec. 6-2. - DEFINITIONS.**

Licensed truck stop establishment means a facility (i) that is at least a 3-acre facility with a convenience store, (ii) with separate diesel islands for fueling commercial motor vehicles, (iii) that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month, and (iv) with parking spaces for commercial motor vehicles. "Commercial motor vehicles" has the same meaning as defined in Section 18b-101 of the Illinois Vehicle Code. The requirement of item (iii) of this paragraph may be met by showing that estimated future sales or past sales average at least 10,000 gallons per month.

**SECTION THREE:** That Title 9 Chapter 112, Section 29 is hereby amended by adding a new Section V which shall be read in its entirety as follows:

(V)(1) Class U licenses. A Class U license shall authorize the following for Licensed Truck Stop Establishments:

“Licensed Truck Stop Establishment” means a Licensed Truck Stop Establishment as defined by Illinois Video Gaming Act (ILCS Ch. 230, Act 40 § 5). Alcoholic liquor sold at licensed Truck Stop Establishments must be sold in the original package as defined in 235 Illinois Compiled Statutes 5/1-3.06, and such alcoholic liquor shall at the time it leaves the premises be sealed in its original container. No alcoholic liquor, except in the original package, shall be sold upon any premises licensed as a Licensed Truck Stop Establishment. There shall be no consumption whatsoever of alcoholic liquor on the premises of a Licensed Truck Stop Establishment. The annual fee for this license shall be \$1,000.

(2) Class UV licenses. A Class UV license shall authorize the following for Licensed Truck Stop Establishments:

A “Licensed Truck Stop Establishment” means a Licensed Truck Stop Establishment as defined by Illinois Video Gaming Act (ILCS Ch. 230, Act 40 § 5). Alcoholic liquor sold at licensed Truck Stop Establishments must be sold in the original package as defined in 235 Illinois Compiled Statutes 5/1-3.06, and such alcoholic liquor shall at the time it leaves the premises be sealed in its original container. No alcoholic liquor, except in the original package, shall be sold upon any premises licensed as a Licensed Truck Stop Establishment. There shall be no consumption whatsoever of alcoholic liquor on the premises of a Licensed Truck Stop Establishment. Video gaming as defined under the Illinois Video Gaming Act, ILCS Ch. 230, Act 40, §§ 1 et seq., shall be authorized so long as the licensee also has a video gaming license issued by the Illinois Gaming Board and the Village of Tinley park in accordance with the provisions of the Illinois Video Gaming Act and all rules, regulations, and restrictions imposed by the Illinois Gaming Board and the Village of Tinley Park; and the operation of video gaming terminals shall not be permitted during the hours alcoholic liquor sales are prohibited. The annual fee for this license shall be \$1,000.

SECTION FOUR: If any provision of this Ordinance or application thereof to any person or circumstance is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Ordinance is severable.

SECTION SEVEN: This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED THIS \_\_\_\_ day of \_\_\_\_\_, 2019.

AYES:

NAYS:

ABSENT:



APPROVED THIS \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
VILLAGE PRESIDENT

ATTEST:

\_\_\_\_\_  
VILLAGE CLERK

STATE OF ILLINOIS     )  
COUNTY OF COOK     )     SS  
COUNTY OF WILL     )

\_\_\_\_\_  
KRISTIN A. THIRION, VILLAGE CLERK



Patrick G. Connelly  
[pconnelly@pjmchicago.com](mailto:pconnelly@pjmchicago.com)

October 30, 2019

**Re: Amendments to Video Gaming Regulation**

We were asked by the Mayor's Office and BOT to look into our current Video gaming regulations due to a flurry of recent requests and changes to the state law. Before you is a draft ordinance that address the following issues: (1) allowing up 6 machines at each establishment; (2) clarifying that all licensed establishments including truck stops are subject to the Village's regulations; (3) creating a provision whereby new businesses cannot request a video gaming license unless they have been in business for 365 consecutive days; and (4) the ordinance does not create any new food and beverage sales thresholds as we believe that was adequately covered in when the Village adopted the Video Gaming Hall Liquor License Classification.

We can discuss enforcement techniques at the meeting. Please feel free to call me with any questions.

/s/Patrick G. Connelly



# Interoffice Memo

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**Date:** October 30th, 2019

**To:** Village Board of Trustees

**From:** Dominic Sanfilippo, Executive Assistant to the Mayor

**Subject:** Consider Increasing the Video Gaming Terminal Establishment Cap to Six

On June 28<sup>th</sup>, 2019, Illinois Governor J.B. Pritzker signed SB 690 into law, which prompted an array of changes in video gaming regulations statewide. One such change increased the upper limit on video game terminals (VGTs) in any one establishment from five (5) to six (6).<sup>1</sup> Since this change in state law, numerous establishments and terminal operators have contacted the Mayor's Office inquiring what the status of Tinley Park's local regulations are with respect to the new state VGT cap.

The Village of Tinley Park Code of Ordinances § 132.23.C states that "(n)o more than five video gaming terminals may be located, maintained or operated in any one establishment."<sup>2</sup>

The Mayor's Office encourages the Administrative and Legal Committee to initiate discussion as to whether the Village should consider changing § 132.23.C to allow for six video gaming terminals, in line with state law. It is the understanding of the Mayor's Office that other surrounding communities with video gaming are similarly considering such a change. Note that it is the prerogative of the Village to establish its own cap, and establishments may not add an additional sixth machine without permission (via ordinance change) of the Village Board of Trustees.

Out of 34 licensed, VGT-active establishments in Tinley Park, 27 currently operate the maximum allowed 5 VGT's. Based on current licensing fees and recent revenue reporting from the Illinois Gaming Board, internal projections from Finance show that if all 27 establishments were to add a sixth machine, the projected & combined additional Village revenue would range from \$116,000 to \$120,000 annually.<sup>3</sup>

The Mayor's Office first brought this item to the Admin & Legal Committee on October 8<sup>th</sup>, 2019. At that meeting, the Committee suggested that the entire Board of Trustees review the item. The Mayor's Office suggests that the Board consider changing the maximum cap on VGT's to six machines per establishment across all license categories in the Village of Tinley Park.

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<sup>1</sup> SB 690, cited numerous places, inc. pg 739, <http://ilga.gov/legislation/101/SB/PDF/10100SB0690lv.pdf>.

<sup>2</sup> § 132.23.C ("Video Gaming"),

[http://library.amlegal.com/nxt/gateway.dll/Illinois/tinley/villageoftinleyparkillinoiscodeofordinan?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:tinleypark\\_il](http://library.amlegal.com/nxt/gateway.dll/Illinois/tinley/villageoftinleyparkillinoiscodeofordinan?f=templates$fn=default.htm$3.0$vid=amlegal:tinleypark_il)

<sup>3</sup> As a reminder, licensing fees from VGT's go into the General Fund, whereas VGT revenue is earmarked toward the Harmony Square project and its future functioning and programming.

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**THE VILLAGE OF TINLEY PARK**  
**Cook County, Illinois**  
**Will County, Illinois**

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**ORDINANCE**  
**NO. \_\_\_\_\_**

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**AN ORDINANCE AMENDING TITLE XIII CHAPTER 132, SECTION 23 OF THE  
TINLEY PARK VILLAGE CODE ENTITLED "VIDEO GAMING"**

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**JACOB C. VANDENBERG, PRESIDENT**  
**KRISTIN A. THIRION, VILLAGE CLERK**

**CYNTHIA A. BERG**  
**WILLIAM P. BRADY**  
**WILLIAM A. BRENNAN**  
**DIANE M. GALANTE**  
**MICHAEL W. GLOTZ**  
**MICHAEL G. MUELLER**  
**Board of Trustees**

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Published in pamphlet form by authority of the President and Board of Trustees of the Village of Tinley Park  
Peterson, Johnson, & Murray Chicago, LLC, Village Attorneys  
200 W. Adams, Suite 2125, Chicago, IL 60606

**VILLAGE OF TINLEY PARK**  
Cook County, Illinois  
Will County, Illinois

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING TITLE XIII CHAPTER 132 SECTION 23 OF THE  
TINLEY PARK VILLAGE CODE ENTITLED "VIDEO GAMING"**

**WHEREAS**, Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois provides that any municipality which has a population of more than 25,000 is a home rule unit, and the Village of Tinley Park, Cook and Will Counties, Illinois, with a population in excess of 25,000 is, therefore, a home rule unit and, pursuant to the provisions of said Section 6(a) of Article VII, may exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, the Corporate Authorities of the Village of Tinley Park, Cook and Will Counties, Illinois, have determined that it is in the best interest of the Village of Tinley Park and its residents to amend Title XIII Chapter 132 Section 23 (Video Gaming); and

**BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF VILLAGE OF TINLEY PARK, ILLINOIS:**

**SECTION ONE:** That the Village hereby incorporates all of the recitals above into this Ordinance as if fully set forth herein.

**SECTION TWO:** That Title XIII Chapter 132, Section 23 "Video Gaming" is hereby amended by adding the following underlined language;

**132.23 VIDEO GAMING**

- (A) Video gaming is allowed in licensed establishments within the village. No establishment licensed by the Illinois Gaming Board shall be permitted to operate any video gaming terminal pursuant to the Illinois Video Gaming Act unless the establishment has also obtained a license and paid a yearly fee to the village in the amount of \$1,000 for each video gaming terminal on its premises. No license may be issued where the license applicant owes a debt, fine, fee or penalty to the village.
- (B) Application to the village for a video gaming license shall be made in conformity with Chapter 110 of this code except as otherwise provided herein. The application shall attach a copy of the applicant's state video gaming license, and shall in addition set forth:
  - (1) The location of the premises where the video gaming terminal is to be located, maintained and/or operated.
  - (2) The charge to be made to the player for operating the device; and
  - (3) Such other information as the village may determine is necessary.

No more than ~~five~~ six video gaming terminals may be located, maintained or operated in any one establishment. No license issued hereunder shall permit the operation of a video gaming terminal

in a manner which will disturb the peace of persons otherwise properly within or without the premises where the terminal is located or otherwise constitute a nuisance.

- (C) The Village Clerk shall issue a license to each licensed establishment that obtains a license to locate, maintain and/or operate any video gaming terminal on its premises. The license must be displayed by the applicant in a conspicuous place and must indicate the number of video gaming terminals allowed.
- (D) All annual licenses shall terminate on December 31 in each year where no provision to the contrary is made. If at the time of application for a license six (6) months or more of the calendar year have expired, the applicant shall be required to pay one-half of the license fee set forth above. No license shall be issued for less than one-half of the annual fee.
- (E) The Village Clerk shall mail to all licensees a statement three (3) weeks prior to the date of expiration informing the licensees of the upcoming expiration date. Failure to send out the notice, or failure of any licensee to receive it, shall not excuse the licensee from failure to secure a new license, or a renewal thereof, nor shall it be a defense in any action for operation without a license.
- (F) Any licensee who fails to pay the fees and charges for the renewal of a license by January 31 of the year following expiration of the license shall be charged a penalty of fifty dollars (\$50). The penalty shall be paid at the time of renewal of the license.
- (G) Issuance. In addition to all other general licensing requirements set forth in this Code, Any Board member, committee member, elected official, appointed official, or employee reviewing an application for a video gaming license or a request for a liquor license that allows video gaming may only issue said license after confirming the following factors exist:
  - 1 That the applicant is over the age of 21.
  - 2 That the applicant or any principal officer therein has not held a license under this article or had an interest therein that was revoked for cause.
  - 3 That the applicant or any principal officer therein has not furnished false or misleading information on the application.
  - 4 For a new applicant, that said applicant applying for a license to operate video gaming terminals, has been operating under a valid C/O issued by the Village for at least 365 days and that the applicant's establishment has generated at least 60 percent of its revenue from the sale of food or beverages. However, if an applicant currently operates an establishment in compliance with this section and wishes to operate another establishment similar to the initial establishment, the applicant will be exempt from the two-year waiting period described above. Whether the new establishment is similar to the previously operated establishment is determined by the liquor commissioner in the commissioner's sole discretion.
  - 5 For an applicant who has been previously issued a license under this article, the applicant's establishment has not maintained at a minimum, 60 percent of total revenue annually from the sale of food or beverages.
  - 6 That the applicant has not provided the city comptroller with a report or reports showing its gross annual sales totals and categories, including food and beverage sales.
  - 7 The requirements related to minimum level of sales of food and beverages shall not apply to any \_\_\_\_\_.
  - 8 That the video gaming area be fully enclosed unless the applicant can display that a full enclosure would not be feasible in any matter in any location in the Licensed Premises.



# Interoffice Memo

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**Date:** November 05, 2019

**To:** Committee of the Whole  
Dave Niemeyer, Village Manager

**From:** Kimberly Clarke, AICP  
Community Development Director

**Subject:** Banging Gavel-Incentive Modification Request

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## **Background**

Pilsen Breweries, Inc. d/b/a Banging Gavel Brews (BGB) purchased the Vogt building located at 6811 Hickory Street on June 30, 2017. The Village and owner of the property entered into an economic incentive agreement on April 3<sup>rd</sup>, 2017. The incentive agreement would allow the developer to redevelop the property in order to feature a brewery and restaurant with an outdoor patio. The incentive agreement granted \$850,000 in assistance; \$600,000 of the request includes a \$450,000 Historic Preservation grant plus an estimated \$150,000 for public land purchase. The purchase of the public land was completed. The remaining \$250,000 came in the form of a sales tax rebate providing an operating incentive over the first ten (10) years. The owner was entitled to 50% of the sales tax revenue received in excess of incentive base (\$6,000), with the Village retaining the remaining 50% of the excess over the incentive base.

## **Discussion**

The owner of the property, met with staff on July 31<sup>st</sup> to discuss some of the obstacles they have faced with redeveloping the property. It took from July 19, 2017 to November 18, 2018 to obtain conditional approval from the State Historical Preservation Offices (SHPO), the National Parks Service (NPS) & comply with local building code. As of this date, BGB has expended a sum in excess of \$110,000.00 in architectural, \$23,000.00, in civil engineering and \$17,000.00, related to mechanical expense. A vast majority of these expenses is directly tied to addressing the NPS requirements of this project. This does not include their contractor expense or other holding costs. At this meeting, the owner was requesting to receive \$150,000 of the previously approved \$450,000 in TIFF funds at the date of their loan closing, with the remaining available at the issuance of a certificate of occupancy. There was no support for this request. In September the owner contacted staff again to consider modifying the incentive to pay the \$450,000 at the time of completion of phase 2. In further discussion with the owner, they need to have money in escrow in order for the bank to close on the loan. Therefore, he is requesting for \$150,000 be put in a joint construction

escrow account at the completion of phase 1 and the remaining \$300,000 be paid at the completion of phase 2 (2<sup>nd</sup> floor kitchen and event room).

The exact schedule for opening has not been finalized at this point. Everything is conditioned on final approval plans by the Village, final loan approval and obtaining a letter from the State to waive the need for an elevator. It should be noted that the completion of the tap room and brewery would constitute approximately 90% completion of the project. Only the second floor would need to be finalized for an event space.

### **Request**

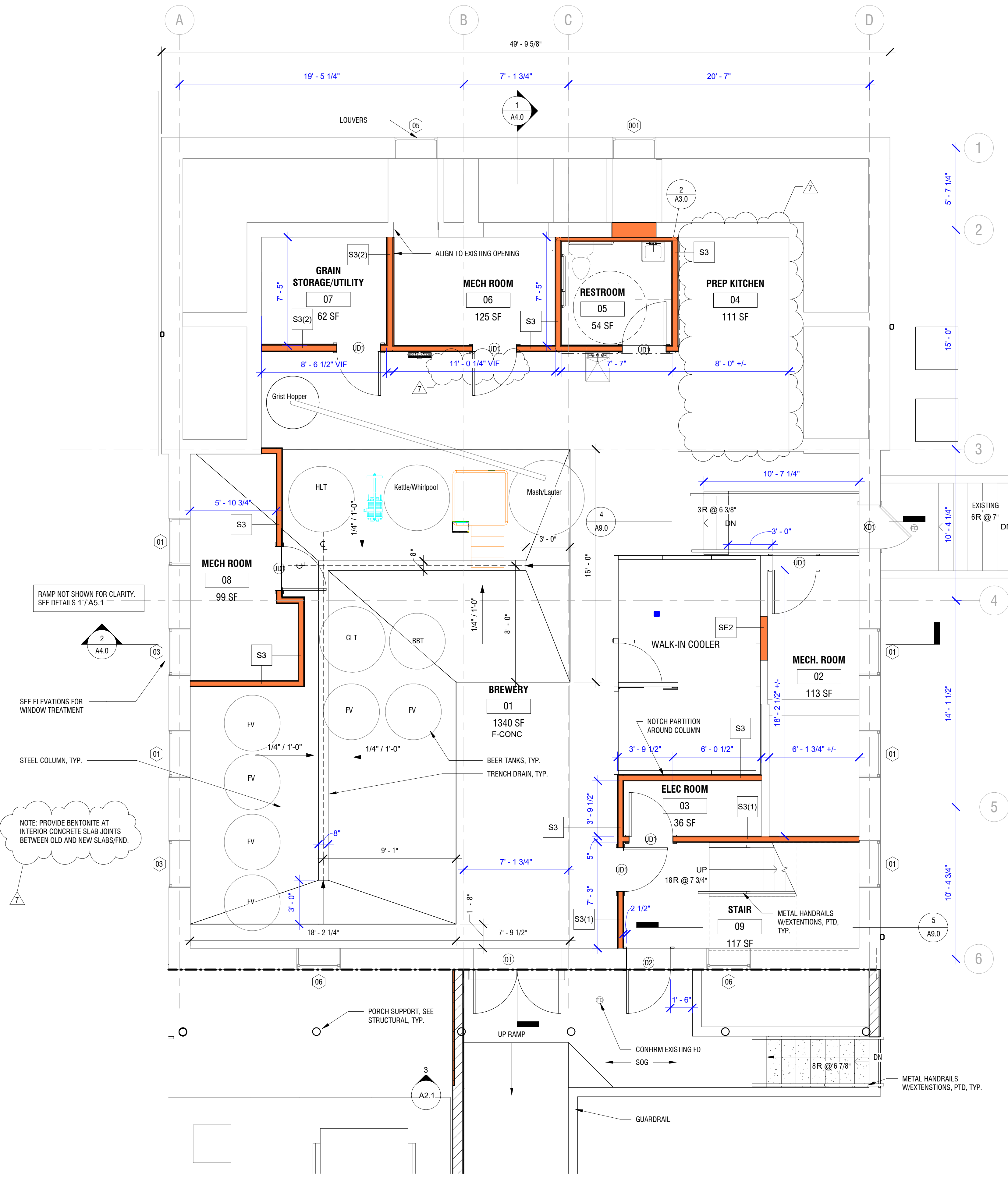
Amend the incentive agreement to allow the redevelopment of the project for phase 1 to include only the brewery, taproom and outdoor patio (weather permitting). The Village will create a joint construction escrow account and deposit \$150,000 for the developer to access for construction costs. The second phase will include the 2<sup>nd</sup> floor kitchen and second floor special event room. At the completion of the second phase and issuance of an occupancy permit, the Village would pay the developer an \$300,000.00 which is a total incentive of \$450,000 for the project. This amended agreement should include language about timing of each phase as did the original agreement.



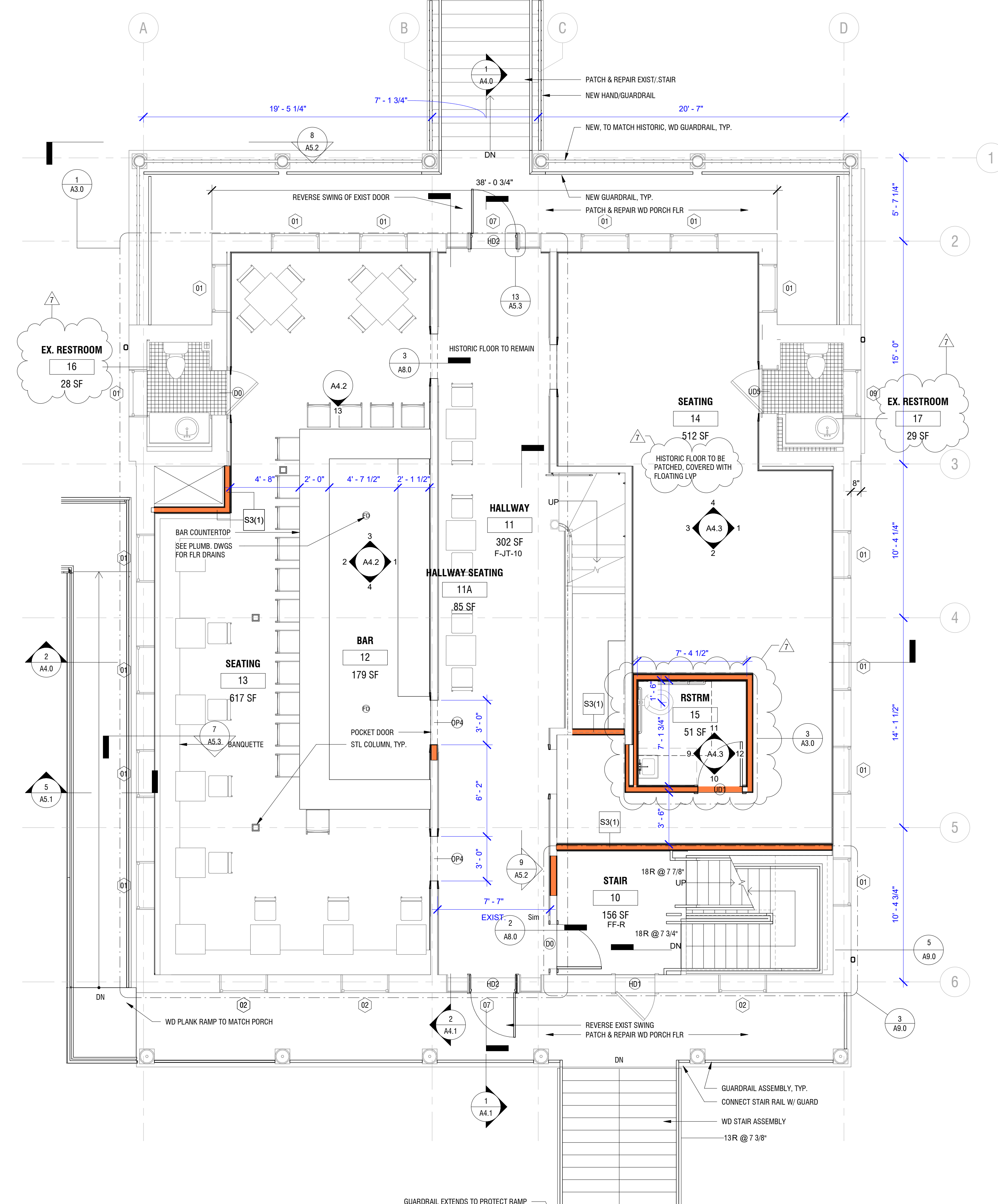




**WALL LEGEND**  
 — NEW WALL  
 — EXISTING WALL



1 BASEMENT FLOOR PLAN - PROPOSED  
 1/4" = 1'-0"



2 FIRST FLOOR PLAN - PROPOSED  
 1/4" = 1'-0"

No.	Description	Date
1	VILLAGE REVIEW	3/7/18
2	SHPO REVIEW	3/16/18
3	SHPO REVIEW PART 2	09/18/2018
4	ISSUE FOR OWNER REVIEW	11/13/2018
5	ISSUE FOR BID & PERMIT	12/19/2018
6	ISSUE FOR BID & PERMIT REVISION	04/19/2019

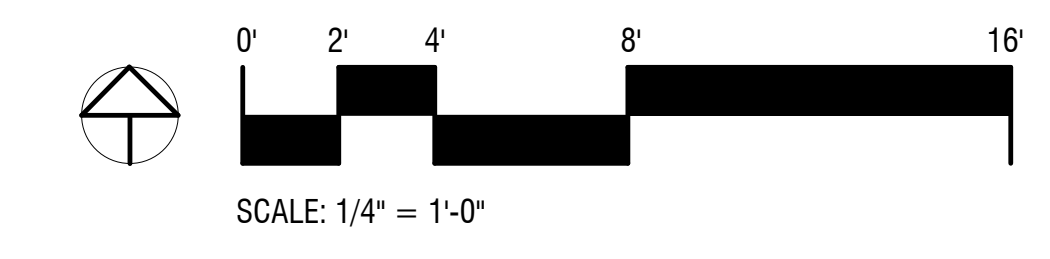
**NOT FOR CONSTRUCTION**

**BANGING GAVEL BREWS**  
 6811 HICKORY STREET  
 TINLEY PARK, ILLINOIS 60477  
 BANGING GAVEL BREWPUB

**PROPOSED - BASEMENT & FIRST FLOOR PLANS**

Seal	Project No. 17-014
	Drawn By KAS/KAKP
	Checked By AJB
	Approved By AJB
	Drawing No. A1.3

Scale As indicated



10/29/2019 4:36:56 PM



# Interoffice Memo

**Date:** November 5, 2019

**To:** Kimberly Clark, Community Development Director

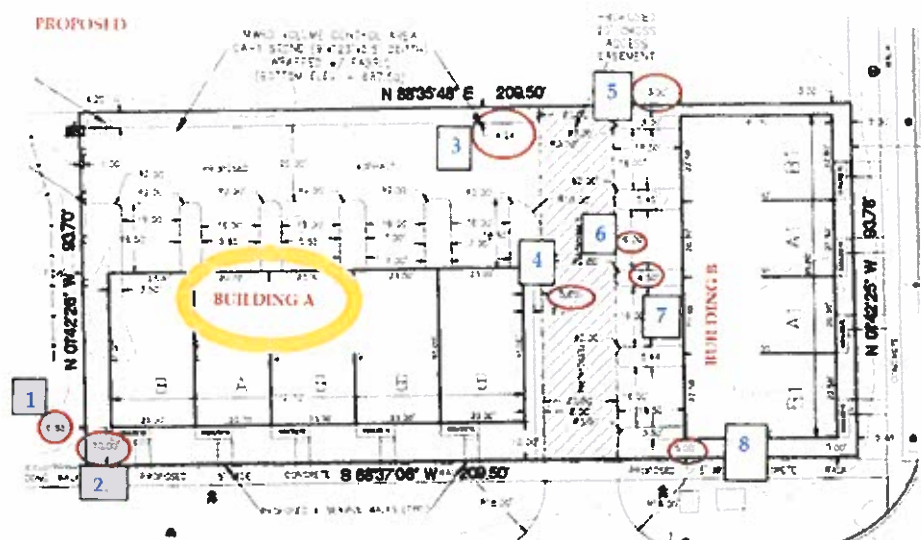
**From:** Paula J. Wallrich, AICP  
Community Development Director

**Subject:** Union Square- foundation permit



## BACKGROUND

Union Square Townhomes, 6820-6830 179<sup>th</sup> St., received Final Plat approval for their townhome development on June 7, 2016. Two of the four structures (9 townhomes) have been constructed and sold as part of Phase I which is located on the south side of 179<sup>th</sup> Street. As a consequence of sales indicating a preference for 3-bedroom units over 2-bedroom units, the developers requested a site plan and plat revision in September, 2019. This was approved by the Village Board at their October 1, 2019 meeting. The developer has pre-sold three of the five units in Building A and hopes to complete construction of these units by May-June 2020. In order to meet this schedule



he is requesting a Foundation Only Permit (FOP) be issued prior to his full permit which is awaiting an MWRD permit extension.

The Village Board approved a new policy for Foundation Only Permits last August (19-R-079). This policy legitimized a process that was lacking in our current code and provided certain requirements to guarantee the completion of the work. Although the Union Square project is small in comparison to some of the projects staff anticipated requesting a FOP, staff considers the request reasonable in light of the circumstances. The MWRD permit issued in 2016 has expired. An extension has been applied for, however it is uncertain when the permit will be issued. Despite all reviews and approvals having been completed for issuance of a building permit, the Village cannot issue a building permit without the MWRD permit. The Village Engineer has signed off on the MWRD permit and has stated he is comfortable issuing a foundation only permit for this project.

## **REQUEST**

The developer has agreed to all terms of the new FOP policy including the required Letters of Credit for public improvements and removal of the foundation if the project is not completed. If the FOP is granted, the developer is ready to break ground immediately.



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**THE VILLAGE OF TINLEY PARK**

**Cook County, Illinois**

**Will County, Illinois**

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**RESOLUTION**

**NO. 2019-R-113**

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**A RESOLUTION APPROVING A FOUNDATION ONLY PERMIT FOR UNION  
SQUARE TOWNHOMES (PHASE 2, BUILDING A) LOCATED ON THE NORTH SIDE  
OF 179<sup>TH</sup> STREET AT OAK PARK AVENUE**

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**JACOB C. VANDENBERG, PRESIDENT  
KRISTIN A. THIRION, VILLAGE CLERK**

**CYNTHIA A. BERG  
WILLIAM P. BRADY  
WILLIAM A. BRENNAN  
DIANE M. GALANTE  
MICHAEL W. GLOTZ  
MICHAEL G. MUELLER  
Board of Trustees**

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Published in pamphlet form by authority of the President and Board of Trustees of the Village of Tinley Park  
Peterson, Johnson, & Murray Chicago, LLC, Village Attorneys  
200 W. Adams, Suite 2125 Chicago, IL 60606

**VILLAGE OF TINLEY PARK**  
Cook County, Illinois  
Will County, Illinois

**RESOLUTION NO. 2019-R-113**

**A RESOLUTION APPROVING A FOUNDATION ONLY PERMIT FOR UNION SQUARE TOWNHOMES (PHASE 2, BUILDING A) LOCATED ON THE NORTH SIDE OF 179<sup>TH</sup> STREET AT OAK PARK AVENUE**

**WHEREAS**, Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois provides that any municipality which has a population of more than 25,000 is a home rule unit, and the Village of Tinley Park, Cook and Will Counties, Illinois, with a population in excess of 25,000 is, therefore, a home rule unit and, pursuant to the provisions of said Section 6(a) of Article VII, may exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, the Village of Tinley Park (“Village”) previously approved Foundation Only Permits pursuant to Resolution No. 19-R-079 to provide certain guarantees and building requirements for construction projects in the Village; and

**WHEREAS**, Mike Halleran, on behalf of Union Square Townhomes desire to obtain a Foundation Only Permit (“FOP”) to continue construction of Phase 2, Building A of the Union Square Townhomes Development located on the north side of 179<sup>th</sup> Street at Oak Park Avenue (“Subject Property”); and

**WHEREAS**, the building permit cannot be issued for this project due to the expiration of a MWRD permit for the project at the Subject Property; and

**WHEREAS**, the Village has previously approved Final Plat for project and a revised site plan and plat revision attached hereto as Exhibit 1; and

**WHEREAS**, the Corporate Authorities of the Village of Tinley Park, Cook and Will Counties, Illinois, have determined that it is in the best interest of Village of Tinley Park and its residents to approve said FOP for Union Square Townhomes to continue the development of Phase 2 Building A; and

**NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF TINLEY PARK, COOK AND WILL COUNTIES, ILLINOIS, STATE AS FOLLOWS:**

**SECTION 1:** The foregoing recitals shall be and are hereby incorporated as findings of fact as if said recitals were fully set forth herein.

**SECTION 2:** The President and Board of Trustees of the Village of Tinley Park hereby approve a Foundation Only Permit to Mike Halleran on behalf of Union Square Townhomes to continue

construction of Phase 2 Building at located on the north side of 179<sup>th</sup> Street at Oak Park Avenue and the Village Manager and/or his designee is authorized to execute all documentation required to memorialize said FOP, subject to review and revision as to form by the Village Attorney.

**SECTION 3:** Any policy, resolution, or ordinance of the Village that conflicts with the provisions of this Resolution shall be and is hereby repealed to the extent of such conflict.

**SECTION 4:** That this Resolution shall be in full force and effect from and after its adoption and approval.

**SECTION 5:** That the Village Clerk is hereby ordered and directed to publish this Resolution in pamphlet form, and this Resolution shall be in full force and effect from and after its passage, approval, and publication as required by law.

PASSED THIS 5<sup>th</sup> day of November, 2019.

AYES:

NAYS:

ABSENT:

APPROVED THIS 5<sup>th</sup> day of November, 2019.

ATTEST:

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VILLAGE PRESIDENT

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VILLAGE CLERK

STATE OF ILLINOIS        )  
COUNTY OF COOK        )     SS  
COUNTY OF WILL        )

CERTIFICATE

I, KRISTIN A. THIRION, Village Clerk of the Village of Tinley Park, Counties of Cook and Will and State of Illinois, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2019-R-113, "A RESOLUTION APPROVING A FOUNDATION ONLY PERMIT FOR UNION SQUARE TOWNHOMES (PHASE 2, BUILDING A) LOCATED ON THE NORTH SIDE OF 179<sup>TH</sup> STREET AT OAK PARK AVENUE," which was adopted by the President and Board of Trustees of the Village of Tinley Park on November 5, 2019.

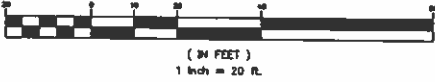
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Village of Tinley Park this 5<sup>th</sup> day of November, 2019.

KRISTIN A. THIRION, VILLAGE CLERK





GRAPHIC SCALE



Joseph A. Schudt & Associates

9455 ENTERPRISE DRIVE MOKENA, IL 60448  
PHONE: 708-720-1000 FAX: 708-720-1065  
e-mail: jas@jaseng.com http://www.jaseng.com

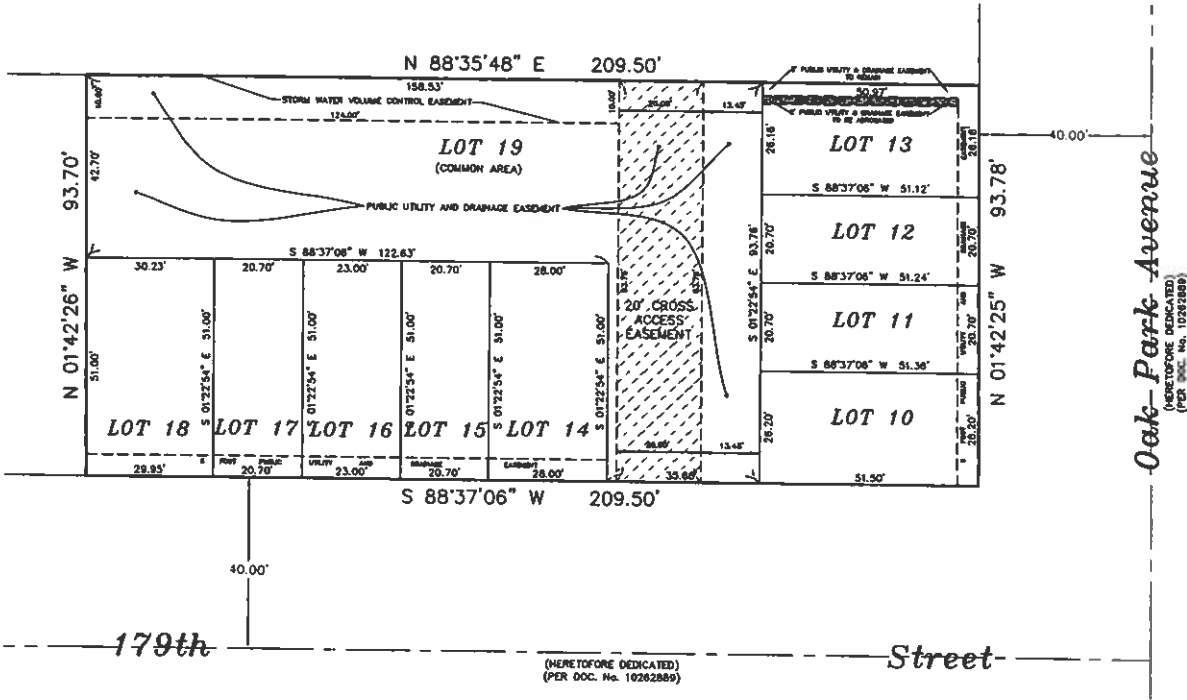
CIVIL ENGINEERING LAND SURVEYING ENVIRONMENTAL LAND PLANNING GPS SERVICES

# PLAT OF ABROGATION

OF THE PUBLIC UTILITY AND DRAINAGE EASEMENT DESCRIBED AS FOLLOWS:

The South 2.00 feet of the North 5.00 feet of Lot 13 (except the East 5.00 feet thereof) in Union Square Subdivision, being a subdivision of part of the West half of Section 31, Township 36 North, Range 13 East of the Third Principal Meridian, according to the plat thereof Recorded August 24, 2016, as Document No. 1623729105, in Cook County, Illinois.

P.I.N.: 28-31-105-079-0000



TO BE ABROGATED

### OWNERS CERTIFICATE

STATE OF ILLINOIS }  
COUNTY OF COOK }

179 OPA, LLC, An ILLINOIS LIMITED LIABILITY COMPANY, does hereby certify that it is the Owner of the hereon described property and that it, as such Owner, has caused the said property to be surveyed and subdivided with the dedications and easements as shown on the hereon drawn plat.

Dated This \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_\_\_

179 OPA, LLC  
17331 Valley View Drive  
Tinley Park, IL 60477

By: \_\_\_\_\_

Title: \_\_\_\_\_

### NOTARY PUBLIC

STATE OF ILLINOIS }  
COUNTY OF COOK }

I, \_\_\_\_\_, a Notary Public in and for the County in the State aforesaid, do hereby certify that \_\_\_\_\_ of 179 OPA, LLC, An ILLINOIS LIMITED LIABILITY COMPANY, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day and acknowledged that they signed and delivered the foregoing instrument as their own free and voluntary act and as the free and voluntary act of said Limited Liability Company.

Given under my hand and Notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_\_\_

Notary Public  
My commission expires: \_\_\_\_\_

### BOARD OF TRUSTEES APPROVAL

Approved and accepted this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_\_\_, by the President and Board of Trustees of the Village of Tinley Park, Cook County, Illinois.

By: \_\_\_\_\_  
Village President

ATTEST: \_\_\_\_\_  
Village Clerk

### VILLAGE CLERK'S CERTIFICATE

This is to certify that I, Village Clerk of the Village of Tinley Park, Cook County, Illinois, find no deferred installments of outstanding or unpaid special assessments dues against the hereon drawn property.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_\_\_

\_\_\_\_\_  
Village Clerk

### SURVEYORS CERTIFICATE

STATE OF ILLINOIS }  
COUNTY OF WILL }

Joseph A. Schudt & Associates hereby certify that they have surveyed the property described hereon from official plats and records, and that the plat hereon drawn is a correct representation of said survey. All dimensions in feet and decimal parts thereof.

MOKENA, ILLINOIS \_\_\_\_\_, A.D. 20\_\_\_\_  
JOSEPH A. SCHUDT & ASSOCIATES

ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 3152





# MEMORANDUM



TO: Village Board

FROM: Brad L. Bettenhausen, Treasurer

RE: 2019 Tax Levy

DATE: 24 October 2019

The following table recaps options for the 2019 Village levy request (taxes payable in 2020) and the corresponding amounts. All options presume that the Village Board’s Tax Abatement Policy will continue unaltered. A separate memo will recap the proposed 2019 property tax abatements for debt service on outstanding bond issues and its impact on the overall tax levy if the abatements were not approved. Detail of each option follows this memo.

Under Illinois Statutes, although they have their own governing Board, the Tinley Park Public Library is considered part of the Village for both budget and levy purposes. The detail found on property tax bills have presented Public Libraries separately since 1985.

The State Truth in Taxation Act utilizes the prior year extended levy as the basis for determining an increase for the current levy request. If the increase is greater than 5%, a published notice (“Black Box”) and public hearing are required.

	Village	Change	Library	Change	Total
Option 1. Same as last year	20,959,040	0	5,834,480	0	26,793,520
Option 2. Prior extended levy					
2A. Reduced Loss & Cost (1% / 3%)	21,175,631	216,591	5,903,497	69,017	27,079,128
2B. As If Full Loss & Cost (3% / 5%)	21,594,811	635,771	6,020,187	185,707	27,614,998
Option 3. Village tax cap formula					
3A. Inflation only	21,357,262	398,222	5,945,335	110,855	27,302,597
3B. Inflation and growth	21,566,852	607,812	6,003,680	169,200	27,570,532
Last year	20,959,040		5,834,480		26,793,520

Under all options provided above, a Truth in Taxation Act Notice or Hearing would NOT be required since the increase in the Village’s overall levy request would fall below the 5% threshold and would not require the extra actions called for under the Act.

Staff is suggesting a Village levy request of \$21,566,852, represented by option 3B above, which follows the Village's "traditional" levy formula that has been in use since the mid-1980s. This formula helps to address staffing and capital priorities that have been identified by the Village Board.

We have recently received the annual actuarial levy requirement for the Police Pension Fund in the amount of 3,532,273 (See also Annual Police Pension Report). This reflects a significant increase from the amount levied in 2018 at \$2,932,566 (Increase of \$599,707 or 20.4%). In general, even with the Village's conservative actuarial assumptions, the required levy amounts for police pension can generally be expected to increase over time as new officers are added and pay rates rise. A portion of the current year increase was due to the required use of an updated mortality table. If there were no change in the overall levy amount, it would mean that the portion of the Village tax levy available to support General operations would decrease by the same amount of the increase for Police Pension in order to maintain the identical total levy dollar request. As can be seen, the recommended levy under "3B" allows us to adequately address the increase in the pension funding requirement.

The Library Board is expected to approve the amount of the Library levy at their 24 October meeting. Their levy request is expected to be in amount corresponding to 3B above.

Option 1. Same as last year (Hold the levy at the prior year request) -

Following the passage of the Home Rule Sales Tax, the prior Village Board had expressed a desire to hold increases in the Levy for up to five years if it could be sustained. Tax year 2018 would have represented the fifth levy year under that objective. However, that initiative did not consider that the fifth year would coincide with the termination of the Oak Park Avenue TIF.

Due to costs connected to strategic plan priorities established by the Village Board for staffing, and capital projects, this option is not recommended by staff.

Option 2. Prior extended levy (Levy the prior year extended levy amount) -

Cook County automatically adds a Loss and Cost factor to each levy item. The default/standard rates are 3% for all levy items, except debt service at 5%. This is done to compensate for post-issuance adjustments (changes to the amount owed after tax rates have been determined and bills produced) to tax bills (e.g. Certificate of Error and appeal adjustments), and unpaid tax bills, to help to ensure that taxing bodies receive as close to the full amount of their levy request by the end of the tax year's distributions. For the past six years, in approving and submitting the tax levy documents, the Board had requested that Cook County use lower Loss and Cost factors (1% for all levy items, except debt service at 3%) than their standard rates.

In general, in review of our tax collections, the Village seemingly has not experienced significant issues with post-issuance adjustments and delinquencies. Utilizing the lower Loss and Cost factors in recent years has not seemed to have had a significant impact on

the net tax collections the Village has received. However, we have become aware of a number of incidents of tax bill adjustments subsequent to determination of rates and production of the tax bills that adversely impact collections. It is recommended that we return to utilize the default Loss and Cost rates, as deviating from the “standard” increases risk of errors occurring in the extension of the Village levy.

Option 3. Village tax cap formula -

As a Home Rule community, the Village is not subject to the Property Tax Extension Limitation Law (PTELL; a.k.a. “Tax Cap”). However, the Board's traditional tax cap formula as memorialized in the Fiscal Policies Manual uses the rate of inflation plus new growth to determine the extent the levy could be allowed to increase over the prior year's extended levy.

The rate of inflation applicable for the 2019 levy year is 1.9% (same as last year).

Last year, “new property” for purposes of PTELL (and as an indicator of new growth in the tax base) was nearly \$39.5 million, but primarily included EAV released by the end of the Oak Park Avenue (Convention Center) TIF (OPA TIF) of approximately \$30.8 million. The overall Village EAV decreased in 2018 from 2017 levels primarily as a result of a decrease in the Cook County Equalization Factor, and as a result, this “new growth” did not serve to increase the Village tax base as expected. Review of recent building permit activity for new construction reflects small but steady growth for the past several years. A growth factor of 1% has been used for the new construction component of the Village levy formula.

With consideration of this normal growth, under the Board's formula (prior year levy + inflation + new growth), the resulting rate of increase to the levy amount would be 2.9%. Using this rate, the Board's formula would produce a total levy request of \$21,566,852 for the Village, which represents an increase of \$607,812 over the prior year's levy request.

Considering staffing and capital priorities that have been expressed by the Village Board, and the increase in the police pension funding requirement, staff is suggesting a levy request following option 3B.

**RECOMMENDED CALENDAR**

(This schedule assumes levy request is less than 105% of prior extended levy.)

✘ **No later than Wednesday, 27 November 2019 -**

Finance Committee, or Committee of the Whole meets for “determination of levy.”

✘ **Tuesday, 3 December 2019 -** First reading of the Levy Ordinance at Board Meeting (if two readings are required).

✘ **Tuesday, 17 December 2019 -** Levy Ordinance adopted (if two readings are required).

✘ **no later than Tuesday, 31 December 2019 -**

Levy Ordinance filed with Cook and Will County Clerks.

**Table 1** shows the projected effect of the Village levy calculated utilizing the suggested Levy of \$21,566,852, and the projected resultant rates with new property changes of up to \$20 million. This table assumes no change in the Equalization Factor (multiplier) from the 2018 levy year applicable to Cook County properties (2.9109).

**Table 2** reflects the projected dollar impact on Village taxes for houses with market value of \$175,000, \$225,000, \$275,000 and \$350,000. With the implementation of the 10-25 Classification System of Assessments, the Cook County Assessor market values more reasonably approximate the “real” market values. Will County Assessor market values have always been reasonably comparable to the “real” market values. Utilizing the above assumptions, the typical homeowner of Tinley Park would likely see a nominal decrease to no change in the amount of property taxes they pay for Village services, at expected growth levels, and depending on the value of their homes.

**Table 1**  
**Projected Values - 2019 Village Levy Only (Payable in 2020)**

Dollars New Property Value	Projected Equalized Assessed Value	Village Levy Amount @ 2.9% Increase	Projected Village Rate
0	\$1,518,000,000	\$21,566,852	1.435
5,000,000	1,523,000,000	same	1.430
10,000,000	1,528,000,000	same	1.425
15,000,000	1,533,000,000	same	1.421
20,000,000	1,538,000,000	same	1.416
25,000,000	1,543,000,000	same	1.412

**Table 2**  
**Projected Impact to Homeowners - 2019 Village Levy Only (Payable in 2020)**

New Property Increase	HOUSE VALUE											
	\$175,000			\$225,000			\$275,000			\$350,000		
Current Village Taxes ----->	613	\$ Chg	% Chg	816	\$ Chg	% Chg	1,019	\$ Chg	% Chg	1,324	\$ Chg	% Chg
0	588	-25	-4.1%	796	-20	-2.5%	1,005	-14	-1.4%	1,319	-5	-2.5%
5,000,000	585	-28	-4.6%	794	-22	-2.7%	1,002	-17	-1.7%	1,314	-10	-2.7%
10,000,000	583	-30	-4.9%	791	-25	-3.1%	998	-21	-2.1%	1,309	-15	-3.1%
15,000,000	582	-31	-5.1%	789	-27	-3.3%	995	-24	-2.4%	1,306	-18	-1.4%
20,000,000	580	-33	-5.4%	786	-30	-3.7%	992	-27	-2.7%	1,301	-23	-3.7%
25,000,000	578	-35	-5.7%	784	-32	-3.9%	989	-30	-2.9%	1,297	-27	-3.9%

# LIBRARY LEVY

The 2011 GO Refunding Library bond issue carries a required levy of \$685,200 for tax year 2019 to cover debt service due in calendar 2020. When the original building bonds were issued in 2003, the Village's Finance Committee recommended that \$150,000 of the annual debt service levy requirement be abated on this bond issue each levy year. The abatement funds are budgeted from the Village's Surtax allocation of the State Income Tax distributions. It is assumed that the abatement will be continued at the same level, and would reduce the levy requirement for Library debt service to \$535,200 as included in the overall levy request.

**Table 3** reflects the estimated effect of the proposed Library levy with new property changes of up to \$20 million. As noted in the Village tables, this table assumes no change in the state equalization factor (multiplier) applicable to Cook County properties.

**Table 4** reflects the projected dollar increase in taxes for houses with market value of \$175,000, \$225,000, \$275,000 and \$350,000.

**Table 3**  
**Projected Values - 2019 Library Levy Only (Payable in 2020)**

Dollars New Property Value	Projected Equalized Assessed Value	Library Levy Amount @ 2.9% Increase	Projected Library Rate
0	\$1,518,000,000	\$6,003,680	.399
5,000,000	1,523,000,000	same	.398
10,000,000	1,528,000,000	same	.397
15,000,000	1,533,000,000	same	.396
20,000,000	1,538,000,000	same	.394
25,000,000	1,543,000,000	same	.393

**Table 4**  
**Projected Impact to Homeowners - 2019 Library Levy Only (Payable in 2020)**

New Property Increase	HOUSE VALUE											
	\$175,000			\$225,000			\$275,000			\$350,000		
Current Village Taxes ----->	171	\$ Chg	% Chg	228	\$ Chg	% Chg	284	\$ Chg	% Chg	369	\$ Chg	% Chg
0	163	-8	-4.7%	221	-7	-3.1%	279	-5	-1.8%	367	-2	-3.1%
5,000,000	163	-8	-4.7%	221	-7	-3.1%	279	-5	-1.8%	366	-3	-3.1%
10,000,000	163	-8	-4.7%	220	-8	-3.5%	278	-6	-2.1%	365	-4	-3.5%
15,000,000	162	-9	-5.3%	220	-8	-3.5%	277	-7	-2.5%	364	-5	-1.4%
20,000,000	161	-10	-5.8%	219	-9	-3.9%	276	-8	-2.8%	362	-7	-3.9%
25,000,000	161	-10	-5.8%	218	-10	-4.4%	275	-9	-3.2%	361	-8	-4.4%

## Summary and Comparison of Cook and Will County Property Tax Assessment Systems

	Cook County	Will County
<b>Assessment Process</b>		
Residential Assessment rate	10% (formerly 16%)	33.33%
Commercial Assessment rate	25% (formerly 38%)	33.33%
Equalization Factor	2.9109 (2018)	1.0000
Effective Residential Assessment rate - equalized	29.11% (2018)	33.33%
Effective Commercial Assessment rate - equalized	72.77% (2018)	33.33%
Homeowner Exemption	\$10,000	\$6,000
Senior Exemption	\$8,000	\$5,000
Assessor Market Value primarily determined by	County Assessor	Township Assessor
Township Assessor role in valuing property	Nominal	Significant
How Assessor Market Value is primarily determined	(Traditionally, some derivative of original sale value periodically adjusted by inflation/real estate market changes)	Sales Value
Frequency of Adjustment of Assessor Market Value	Every 3 years by inflation/market adjustments; unless major change to property (additions or demolitions) or appeal <b>2017 was a Reassessment Year</b>	Annually - by actual sale or inflation/market adjustments
Assessor Market in comparison to Resale/True Market value	Intended to be Comparable	Reasonably Comparable
<b>Levy, Extension, Tax Rates</b>		
Loss and cost adjustments to levy	Automatic (Must opt out)	Must request
Loss and cost adjustment rates	3% added automatically; 5% for debt service levies (tax years 2013 through 2018 have used 1% and 3% respectively)	Local government must specify the loss and cost rates
Determination of tax rate	Total Extended Levy to Total EAV	Will Co Share of Levy to Will Co EAV
Proration of levy across county lines	Actual proportion of EAV	Actual Will EAV to Total EAV using Estimated Cook EAV
Adjustment for using Estimated Cook Co EAV	Not Applicable	+/- adjustment in following tax year

## 2018 Tax Year Metrics at a Glance

	<b>EAV</b>	<b>Percent Total</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Cook	1,169,484,236	77.0%	(7,675,735)	-0.7%
Will	348,588,376	23.0%	4,818,033	1.4%
<b>Total</b>	<b>1,518,072,612</b>	<b>100.0%</b>	<b>(2,857,702)</b>	<b>-0.2%</b>

Cook County Equalization Factor:      2.9109      Percent change -1.75% ▼

<b>Exemptions</b>	<b>Cook</b>	<b>Percent Change</b>	<b>Will</b>	<b>Percent Change</b>	<b>Total</b>	<b>Percent Change</b>
Homeowner	152,615,390	-1.0%	14,320,736	-0.1%	166,936,126	-0.9%
Senior	39,634,646	3.2%	2,748,797	7.4%	42,383,443	3.5%
Senior Freeze	29,779,427	-9.4%	955,664	28.3%	30,735,091	-8.5%
All Other	10,659,321	26.5%	1,415,209	32.6%	12,074,530	27.2%
<b>Total</b>	<b>232,688,784</b>	<b>-0.5%</b>	<b>19,440,406</b>	<b>3.9%</b>	<b>252,129,190</b>	<b>-0.2%</b>

	<b>Cook</b>	<b>Will</b>	<b>Total</b>
PTELL New EAV - County determined	37,258,364	2,212,855	39,471,219



**REQUIRED REPORTING TO MUNICIPALITY BY  
THE TINLEY PARK POLICE PENSION BOARD**  
Fiscal Year Ended April 30, 2019

**1. Total Assets as of April 30, 2019**

	<u>At Fair Value</u>
Cash/ Short Term Investments	\$ 959,420
US Treasuries & US Agencies	17,446,500
State and Local Obligation	8,382,777
Mutual Funds	44,749,106
Common Stock	0
Insurance Annuity Contracts	3,167,576
Receivables less Liabilities	<u>217,377</u>
 Total Assets at Fair Market Value	 <b>\$74,922,756</b>
 Gains/Losses not yet recognized	 <u>946,576</u>
 Actuarial Value of Assets, 4/30/2019	 <b>\$75,869,332</b>

**2. Income**

Estimated receipts during the next succeeding fiscal year from:	
Participant Contributions deducted from payroll	\$ 900,000
Employer Contribution and all other sources	<u>8,151,490</u>
Total	<b>\$9,051,490</b>

**3. Expenses**

Estimated amount required during the next succeeding fiscal year to:	
(a) Pay all pensions and other obligations provided in this Article	<b>\$4,668,175</b>
(b) Meet the annual requirements of the fund as provided in Sections 3-125 and 3-127	
Levy – Tax Year 2018	<b>\$2,932,566</b>
Levy – Tax Year 2019	<b>\$3,532,273</b>

**4. Investment Information**

<u>Fiscal Year Ended April 30, 2019</u>	
Actual Net Income (Loss) received from investment of net assets	<b>\$3,603,859</b>
Assumed Investment Return	7.00%
Market Value of Assets Rate of Return	5.05%
Actuarial Asset Rate of Return	6.04%
 <u>Fiscal Year Ended April 30, 2018</u>	
Actual Net Income (Loss) received from investment of net assets	<b>\$5,304,264</b>
Assumed Investment Return	7.00%
Market Value of Assets Rate of Return	8.05%
Actuarial Asset Rate of Return	6.56%

**5. Participants**

Total number of Active Employees that are financially contributing to the fund:	<b>76</b>
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**6. Benefit Disbursements**

Payments to beneficiaries for fiscal year ended April 30, 2019

	<u>Annuitants</u>	<u>Total Amount</u>
(i) Annuitants in receipt of a regular retirement pension	45	\$3,526,271
(ii) Recipients being paid a disability pension	7	336,032
(iii) Survivors and children in receipt of benefits	4	147,667
(iv) Refunds to former participants	1	4,400
- Total Benefits		<u>\$4,014,370</u>

**7. Funding Ratio** as of May 1, 2019

**73.6%**

**8. Unfunded Accrued Liability** as of May 1, 2019

**\$27,177,991**

The Unfunded Accrued Liability is the excess of the Accrued Liability over the value of the Tinley Park Police Pension Fund assets.

The Accrued Liability represents the present value of projected future plan benefits that are to be provided.

The Actuarial Value of Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a five year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of the Market Value of Assets.

Entry Age Normal Cost is an actuarial methodology whereby the Normal Cost for each participant is computed as the level percentage of pay which, if paid from the earliest age the participant is eligible to enter the plan until retirement or termination, will accumulate with interest to an amount sufficient to fund the participant's benefits under the plan. The Normal Cost for the plan (the Tinley Park Police Pension Fund) is determined as the sum of the Normal Costs for all active participants. A change was made in the current valuation to update the mortality rates to reflect the PubS-2010 tables.

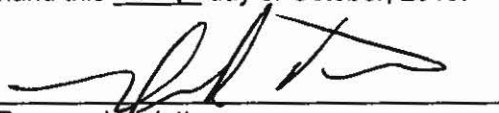
**9. Investment Policy**

Illinois State Statutes restrict the types of investments that can be held by a police pension fund. The Tinley Park Police Pension Fund has adopted its own investment policy that takes into account the statutory restrictions and provides further guidance.

**Certification**

I, Raymond Violetto, President of the Tinley Park Police Pension Board, Tinley Park, Illinois, do hereby certify that this document is a true and correct copy of: "Required Reporting to Municipality By Pension Board" as outlined in 40 ILCS 5/3-143.

Witness my hand this 24 day of October, 2019.

  
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Raymond Violetto  
President of Tinley Park Police Pension Board



# Interoffice Memo

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**Date:** November 1, 2019

**To:** Committee of the Whole

**From:** David Niemeyer, Village Manager *DN*

**cc:** Pat Carr, Assistant Village Manager  
Patrick Connelly, Village Attorney

**Subject:** Racino Entertainment Center

Rick Heidner will be in attendance to talk about recent articles on him in the media and his perspective on these articles.

**PUBLIC  
COMMENT**

# **EXECUTIVE SESSION**

## **ADJOURN TO EXECUTIVE SESSION TO DISCUSS:**

- i. THE PURCHASE OR LEASE OF REAL PROPERTY FOR THE USE OF THE PUBLIC BODY, INCLUDING MEETINGS HELD FOR THE PURPOSE OF DISCUSSING WHETHER A PARTICULAR PARCEL SHOULD BE ACQUIRED.**
- ii. THE SETTING OF A PRICE FOR SALE OR LEASE OF PROPERTY OWNED BY THE PUBLIC BODY.**

**ADJOURNMENT**