# THE VILLAGE OF TINLEY PARK

Cook County, Illinois Will County, Illinois

# RESOLUTION NO. 2018-R-035

A RESOLUTION APPOINTING GOVERNMENT CONSULTING SERVICES OF ILLINOIS (GCSI) AS THE VILLAGE LOBBYIST

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

MICHAEL J. PANNITTO BRIAN H. YOUNKER CYNTHIA A. BERG WILLIAM P. BRADY MICHAEL W. GLOTZ Board of Trustees

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Tinley Park

#### **RESOLUTION NO. 2018-R-035**

# A RESOLUTION APPOINTING GOVERNMENT CONSULTING SERVICES OF ILLINOIS (GCSI) AS THE VILLAGE LOBBYIST

**WHEREAS**, the Village of Tinley Park, Cook and Will Counties, Illinois, is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and

WHEREAS, the Corporate Authorities of the Village of Tinley Park, Cook and Will Counties, Illinois, have considered entering into an Agreement with Government Consulting Services of Illinois (GCSI) a true and correct copy of such Agreement being attached hereto and made a part hereof 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 interests of said Village of Tinley Park that said Agreement be entered into by the Village of Tinley Park;

**NOW, THEREFORE, Be It Resolved** by the President and Board of Trustees of the Village of Tinley Park, Cook and Will Counties, Illinois, as follows:

Section 1: The Preambles hereto are hereby made a part of, and operative provisions of, this Resolution as fully as if completely repeated at length herein.

Section 2: That this President and Board of Trustees of the Village of Tinley Park hereby find that it is in the best interests of the Village of Tinley Park and its residents that the aforesaid "Agreement" be entered into and executed by said Village of Tinley Park, with said Agreement to be substantially in the form attached hereto and made a part hereof as **EXHIBIT 1**.

Section 3: That the President and Clerk of the Village of Tinley Park, Cook and Will Counties, Illinois are hereby authorized to execute for and on behalf of said Village of Tinley Park the aforesaid Agreement.

Section 4: That this Resolution shall take effect from and after its adoption and approval.

**ADOPTED** this 19<sup>th</sup> day of June, 2019, by the Corporate Authorities of the Village of Tinley Park on a roll call vote as follows:

**AYES:** 

Younker, Pannitto, Berg, Brady

NAYS:

 ${\tt Glotz}$ 

ABSENT:

NONE

ABSTAIN: Curran

**APPROVED** this 19<sup>th</sup> day of June, 2018, by the President of the Village of Tinley Park.

Village President

Village Clerk

# **EXHIBIT 1**

# GOVERNMENT CONSULTING SERVICES OF ILLINOIS (GCSI) AGREEMENT

# GCSI

# **Government Consulting Services of Illinois, LLC**

Three First National Plaza

70 W. Madison, Suite 1600 Chicago, Illinois 60602 312.696.1925 (Direct) 312.927.8840 (Cell) 312.696.4225 (Fax) cortesef@gcsi.org

April 27, 2018

Mr. Dave Niemeyer Village Manager Village of Tinley Park 16250 S. Oak Park Tinley Park, IL 60477

Re: Government Relations Services

State of Illinois

Dear Mr. Niemeyer:

Please allow this correspondence to serve as a proposal which, if its terms are agreeable, will act as our retainer agreement between the Village of Tinley Park, ("VOTP") and the Government Consulting Services of Illinois, L.L.C. ("GCSI") for representation regarding the above-referenced matter. It is our practice to confirm with an engagement letter certain understanding regarding the manner in which we will perform and bill for services.

GCSI will: (i) Monitor and lobby the appropriate government officials at the State and County levels; (ii) Provide VOTP current reports of major legislation that would affect VOTP; (iii) Formulate a strategy to help VOIP advance legislation at the State and County levels and in the private business community at large that would further VOTP's objectives; (iv) Coordinate the effort to successfully execute the strategy; and (v) Provide advice on a variety of governmental and private business matters.

GCSI will pursue Capitol opportunities on behalf of VOTP within a new Capitol Bill or a re-authorization of existing Capitol.

GCSI will provide written reports upon request to VOTP's officials or their agents and will be available for all conference calls and meetings as requested by VOTP, its agents and/or governmental affairs consultants.

GCSI will provide quarterly reports to the Village Board.

Mr. Dave Niemeyer Village Manager Village of Tinley Park April 27, 2018 Page 2

This Agreement is effective as of May 2, 2018 and will continue through May 2, 2019 (the "Term"). The retainer fee for Services, as set forth in this Agreement, will be a fee of Thirty-Six Thousand Dollars (\$36,000.00), payable in installments of Three Thousand Dollars (\$3,000.00) per month. GCSI shall invoice VOTP for Services on the 2nd day of each month for the Term of this Agreement.

Should you ever have any questions or comments about the terms of our engagement, the services we are providing, or any particular charge, please do not hesitate to call me. Our continuing representation on your behalf in any other matters will be undertaken on the same basis as outlined in this letter, unless we confirm a new understanding by subsequent letter.

Please note that GCSI may in the future be asked to represent other companies or organizations in the State of Illinois. Any representation, however, would not be averse to VOTP, but may require a waiver from VOTP with such waiver not being unreasonably withheld.

If these arrangements are consistent with your understanding, we ask for your acknowledgement by signing the enclosed copy of this letter and returning it to me.

We appreciate your confidence in our firm and look forward to working with you. Thank you.

Best regards,

Government Consulting Services of Illinois, LLC

Frank J. Cortese

Frank J. Cortese

Village of Tinley Park

ACKNOWLEDGED and AGREED this

19th day of June 2018

Bv:

lts: Village President

#### Government Affairs Update

#### First Quarter 2018

#### State of Illinois:

The General Assembly has reconvened for the second year of the 100<sup>th</sup> General Assembly. Below is significant legislation that GCSI is tracking and issues that GCSI is working on in conjunction with the Village and its staff:

# Significant Introduced Legislation for 2018:

Status of SB 2249 (Tax Compliance Fund-Transfer):

This bill amends the State Finance Act, Counties Code, Illinois Municipal Code, Metro-East Park and Recreation District Act, Local Mass Transit District Act, Regional Transportation Authority Act, and Water Commission Act of 1985, provides that the amounts transferred into the Tax Compliance and Administration Fund shall be reduced from 2% to 1%.

Last Action: Assigned to Revenue (1/24/2018)

Status of HB 4101 (Tax Compliance Fund-Transfer):

This bill amends the State Finance Act, Counties Code, Illinois Municipal Code, Metro-East Park and Recreation District Act, Local Mass Transit District Act, Regional Transportation Authority Act, and Water Commission Act of 1985. Provides that the amounts transferred into the Tax Compliance and Administration Fund shall be reduced from 2% to 1%.

<u>Last Action:</u> Assigned to the Revenue & Finance Committee (2/2018).

Status of HB 4246 (Local Government Expenses):

This bill creates the Local Government Convention Expense Control Act. The bill provides that on or after the effective date of the Act, public funds shall not be expended by a unit of local government or expenses connected with attendance by an employee or contractor of the unit of local government at a convention or gathering of personnel. Excludes public funds expended (1) at any convention or gathering of public safety personnel of (2) pursuant to a entered into before the effective date of the Act. Effective immediately. Last Action: Referred to Rules Committee (1/16/2018)

Status of HB 4247 (Convention Space Appropriation):

This bill amends the State Finance Act and provides that, for contracts entered into on or after the effective date of the amendatory Act, State appropriations may not be expended to rent or pay for access to physical space for booths, hospitality suites, or other physical space for units of local government, school districts, community college districts, or other taxing bodies at a convention or gathering of personnel. Excludes appropriations for physical space expenditures at any convention or gathering of public safety personnel. Effective immediately.

Last Action: Assigned to Executive Committee (1/24/2018)

Status of HB 4248 (Convention Expense Limitations):

This bill creates the Local Government Convention Expense Control Act. Provides that on or after the effective date of the Act, public funds shall not be expended by a unit of local government for expenses connected with attendance by an employee or contractor of the unit of local government at a convention or gathering of personnel. Excludes public funds expended (1) at any convention or gathering of public safety personnel or (2) pursuant to a contract entered into before the effective date of the Act. Amends the State Finance Act. Provides that, for contracts entered into on or after the effective date of the amendatory Act by units of local government, school districts, community college districts, or local taxing bodies, State appropriations shall not be expended to rent or pay for access to physical space for booths, hospitality suites, or other physical space at a convention or gathering of personnel. Excludes appropriations for physical space expenditures at any convention or gathering of public safety personnel. Effective immediately. Last Action: Referred to rules Committee (1/16/2018)

Status of HB 4532 (Use/OCC-Motor Fuel-Local Government):

This bill amends the State Finance Act, the Motor Fuel Tax Law, the Emergency Telephone System Act, the Riverboat Gambling Act, and the Video Gaming Act. Provides that, in the absence of an appropriation for any State fiscal year, moneys that are required to be distributed to units of local government and other entities from the State and Local Sales Tax Reform Fund, the Motor Fuel Tax Fund, the State Gaming Fund, the Local Government Video Gaming Distributive Fund, and the Statewide 9-1-1 Fund are subject to a continuing appropriation. Effective immediately.

Last Action: Referred to Rules Committee (2/2/2018)

Status of HB 4990 (Tourism Promotion Grants):

This bill amends the Illinois Promotion Act. Provides that grants from the Tourism Promotion Fund awarded to a unit of local government, municipal convention center, or convention center authority may be made by the Department of Commerce and Economic Opportunity from appropriations for those purposes for any fiscal year, without regard to the fact that the qualification or obligation may have occurred in a prior fiscal year. Provides that the Department of Commerce and Economic Opportunity shall submit a report on the effectiveness of the program no later than January 1, 2022 (currently, January 1, 2020). Effective immediately.

Last Action: Referred to Rules Committee (2/14/2018)

Status of SB 1335 (Pencd-Dnst Fire-Secondary Empt):

This bill amends the Downstate Firefighter Article of the Illinois Pension Code. Requires a unit of local government that employs a firefighter who is a full-time firefighter in a different downstate firefighter pension fund to make specified contributions to that downstate firefighter pension fund. Requires a specified additional contribution to the pension fund from that firefighter's primary employer. Establishes reporting requirements. Authorizes the State comptroller to intercept State funds in the event the unit of local government does not make its required contribution to the primary employer's downstate pension fund. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

Status of SB 2528 (Finance Tourism Promotion):

This bill amends the Illinois Promotion Act. Removes a sunset date from provisions concerning grants from the Tourism Promotion Fund. Effective immediately.

<u>Last Action</u>: Assigned to Commerce and Economic Development (2/14/2018)

# Status of HB 5431 (\$FY19 Member Initiatives):

Appropriations and re-appropriations for capital projects for the Department of Commerce and Economic Opportunity for the fiscal years beginning July 1, 2018. Effective immediately.

Last Action: Referred to the Rules Committee (2/2018)

#### Status of SB 3384 (\$F19 Capital):

Makes appropriations and re-appropriations for the fiscal year beginning July 1, 2018. Effective immediately.

Last Action: As of February 2018, this bill has been referred to Assignments.

#### • Status of HB 5581 (TIF-SCHOOL DISTRICT APPROVAL)

Amends the Tax Increment Allocation Redevelopment Act of the Illinois Municipal Code. Provides that after July 1, 2018, a municipality may not adopt or amend a redevelopment plan or extend the life of a redevelopment project area unless each school district and community college district with territory inside the proposed redevelopment project area agrees to be subject to the redevelopment plan by a resolution adopted by a majority of each board. Provides that if a municipality adopts or amends a redevelopment plan or extends the life of a redevelopment project area in without each school district or community college district adopting a resolution agreeing to the change, the portion of ad valorem taxes arising from the levies upon taxable real property in the redevelopment project area attributable to each school district or community college district that did not adopt the resolution may not be taken or used for any purpose under the Tax Increment Allocation Redevelopment Act. Effective immediately.

Last Action: 4/13/2018 Rule 19(a) / Re-referred to Rules Committee

# Status of HB 5724 (TIF-MONEY TRANSFERS/WEB NOTICE)

Amends the Tax Increment Allocation Redevelopment Act of the Illinois Municipal Code. Provides that on or after the effective date of the amendatory Act, tax increment revenues may be utilized for jointly undertaken and performed redevelopment projects only in an amount equal to the percentage of eligible costs undertaken within the redevelopment project area that received the revenue. Provides that tax increment revenues received in one redevelopment project area may not be used for eligible costs in another redevelopment project area and tax increment revenues may not be transferred to another redevelopment project area. Provides that if there are any contracts or agreements in force on the effective date of the amendatory Act, tax increment revenues may continue to be used or transferred to another redevelopment project area or utilized for jointly undertaken and performed redevelopment projects only to the extent necessary to comply with the contract or agreement. Provides that a municipality must post on its website, at least quarterly, how all revenue received under this Act was expended, including to whom each expense was paid.

Last Action: 4/13/2018 Rule 19(a) / Re-referred to Rules Committee

# Status of HB 5799 (TIF-TRANSFERS BETWEEN AREAS)

Amends the Tax Increment Allocation Redevelopment Act of the Illinois Municipal Code. Provides that on or after the effective date of the amendatory Act, tax increment revenues may be utilized for jointly undertaken and performed redevelopment projects only in an amount equal to the percentage of eligible costs undertaken within the redevelopment project area that received the revenue. Provides that tax increment revenues received in one redevelopment project area may not be used for eligible costs in another redevelopment project area and tax increment revenues may not be transferred to another

redevelopment project area. Provides that if there are any contracts or agreements in force on the effective date of the amendatory Act, tax increment revenues may continue to be used or transferred to another redevelopment project area or utilized for jointly undertaken and performed redevelopment projects after only to the extent necessary to comply with the contract or agreement.

Last Action: 4/13/2018 Rule 19(a) / Re-referred to Rules Committee

# Status of SB 2328 (LOCAL GOV PROFESSIONAL SERVICE)

Amends the Local Government Professional Services Selection Act. Provides that a political subdivision may waive the public hearing, evaluation procedure, and selection procedure for the selection of architectural, engineering, or land surveying services in an emergency situation for a project that is expected to cost less than \$150,000 (currently, \$25,000). Provides that this amount shall be increased annually by a percentage equal to the annual unadjusted percentage increase, if any, as determined by the consumer price index-u.

Last Action: 4/26/2018 Referred to Rules Committee

# Status of SB 1451 (SMALL WIRELESS FACILITIES)

Creates the Small Wireless Facilities Deployment Act. Provides for legislative intent for the Act and definitions. Provides that an authority (a unit of local government with control over rights-of-way) may not prohibit, regulate, or charge for the collocation of small wireless facilities (the installation, mounting, maintaining, modifying, operating, or replacement of small wireless facilities on or adjacent to a wireless support structure or utility pole). Provides that small wireless facilities shall be classified as permitted uses and not subject to zoning review and approval under specified circumstances. Provides requirements for applications, fees, application review, and issuance of permits for collocation of small wireless facilities. Provides that an authority may not require applications for routine maintenance or replacement of wireless facilities with wireless facilities that are substantially similar, of the same size, or smaller. Requires authorities to allow the collocation of small wireless facilities on authority utility poles under specified circumstances. Prohibits authorities from regulating the design, engineering, construction, installation, or operation of any small wireless facility in specified circumstances. Provides that a circuit court has jurisdiction to resolve all disputes arising under the Act. Prohibits an authority from requiring a wireless provider to indemnify the authority or its officers or employees and from naming the authority on a wireless provider's insurance policy. Limits home rule powers. Amends the Counties Code making conforming changes. Last Action: 4/12/2018 Public Act ......100-0585

#### Issues GCSI is Working With the Village:

- Status of LGDF (Local Government Distribution Fund):
  The Governor, in his desire to pass a budget for FY19, has indicated that cuts to the LGDF are on the table.
- Reduction from 2% to 1% for the administrative fee for amounts transferred into the Tax Compliance and Admissions Fund.

#### Capital and Grants:

- Grants awarded in 2014, but not yet disbursed in the State of Illinois:
  - 15 203343
  - 14 203037

- 15 203046
- 14 203484
- Discussions have been occurring regarding a potential Capital Bill. I will be working with the Village Manaer and Staff regarding a potential list of projects.
- "Invest in Cook County" program, under Cook County Board applied for \$240K for the resurfacing of 84th Avenue from 159th Street to 171st Street.

#### Cook County:

Highway Department:

In discussions to try and reverse denied access to the 300,000 SF Hillwood Spec Building off Prosperi to Ridgeland Avenue. This is problematic for us in that it means their only access is from Prosperi via a shared private access with the First Hillwood 915,643 SF building. Truck traffic would need to circle their building and exit the same way they entered. The Tinley Park Fire Department has expressed some life and safety concerns.

Tax Incentive Ordinance 17-9977 Amendment:

PROPOSED ORDINANCE PROPOSED SUBSTITUTE TO ITEM 17-9977 AMENDMENT TAX INCENTIVE ORDINANCE BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 74 TAXATION, ARTICLE II REAL PROPERTY TAXATION, DIVISION 2. - CLASSIFICATION SYSTEM FOR ASSESSMENT:

Section 74-75 of the Cook County Code is hereby amended as follows: Sec. 74-75 -Incentive Classification Affidavit Requirement Waiver. (a) This Section shall apply to existing incentives classifications, pending applications and eligibility/renewal applications submitted during the 2017 and 2018 assessment year. The Assessor's Office shall liberally construe this Section to effectuate its intent as set forth in subsections (b) and (c) below. (b) Compliance with the existing affidavit requirements of Sections 74-71(b)(2), 74-72 and 74-74 (b) and (d) shall be waived for the 2017 and 2018 assessment years. Such waiver shall be lifted at the beginning of the 2019 assessment year and the affidavit requirements of Section.

Sponsor: Toni Preckwinkle (President)

In Control: Business and Economic Development Committee

Last Action: Committee Reports (11/9/2017)

## Property Class Tax Classification:

Discussing a 7B-7D Classification for certain parcels of property.

#### CMS / Howe Property:

- Monitoring the situation and conducted meetings with CMS, regarding the process and possibility of the Village acquiring the closed Howe Mental Hospital, located in Tinley Park.
- Recently met with new Director of CMS for an update and will be also inquiring as to a legislative opportunity to move the property to the Village.

#### Government Affairs Update

#### State of Illinois:

The General Assembly has reconvened for the second year of the 100<sup>th</sup> General Assembly. Below are the issues that GCSI is monitoring and working with the Village on, and significant legislation that is being tracked:

# Significant Introduced Legislation for 2018:

Status of SB 2249 (Tax Compliance Fund-Transfer):

This bill amends the State Finance Act, Counties Code, Illinois Municipal Code, Metro-East Park and Recreation District Act, Local Mass Transit District Act, Regional Transportation Authority Act, and Water Commission Act of 1985, provides that the amounts transferred into the Tax Compliance and Administration Fund shall be reduced from 2% to 1%.

Last Action: Assigned to Revenue (1/24/2018)

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Last Action: Assigned to the Revenue & Finance Committee (2/2018).

Status of HB 4246 (Local Government Expenses):

This bill creates the Local Government Convention Expense Control Act. The bill provides that on or after the effective date of the Act, public funds shall not be expended by a unit of local government or expenses connected with attendance by an employee or contractor of the unit of local government at a convention or gathering of personnel. Excludes public funds expended (1) at any convention or gathering of public safety personnel of (2) pursuant to a entered into before the effective date of the Act. Effective immediately.

Last Action: Referred to Rules Committee (1/16/2018)

Status of HB 4247 (Convention Space Appropriation):

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Last Action: Referred to Rules Committee (2/2/2018)

• Status of HB 4990 (Tourism Promotion Grants):

This bill amends the Illinois Promotion Act. Provides that grants from the Tourism Promotion Fund awarded to a unit of local government, municipal convention center, or convention center authority may be made by the Department of Commerce and Economic Opportunity from appropriations for those purposes for any fiscal year, without regard to the fact that the qualification or obligation may have occurred in a prior fiscal year. Provides that the Department of Commerce and Economic Opportunity shall submit a report on the effectiveness of the program no later than January 1, 2022 (currently, January 1, 2020). Effective immediately.

Last Action: Referred to Rules Committee (2/14/2018)

Status of SB 1335 (Pencd-Dnst Fire-Secondary Empt):

This bill amends the Downstate Firefighter Article of the Illinois Pension Code. Requires a unit of local government that employs a firefighter who is a full-time firefighter in a different downstate firefighter pension fund to make specified contributions to that downstate firefighter pension fund. Requires a specified additional contribution to the pension fund from that firefighter's primary employer.

Establishes reporting requirements. Authorizes the State comptroller to intercept State funds in the event the unit of local government does not make its required contribution to the primary employer's downstate pension fund. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

#### Senate Committee Amendment No. 1:

Removes provisions requiring the primary employer to make an additional contribution. Adds a provision requiring the secondary employer to deduct an amount equal to 9.455% of the salaries and wages paid to the secondary employee and, concurrent with the certification of a specified report, shall contribute an amount equal to 9.455% of the salaries and wages paid to the secondary employee to the primary employer's pension fund for deposit to the credit of the pension fund. Specifies that the required contributions apply beginning on the first day of the primary employer's pension fund's first fiscal year beginning on or after the effective date of the amendatory Act.

Last Action: Placed on calendar order of 2nd reading (2/14/2018)

#### Status of SB 2528 (Finance Tourism Promotion):

This bill amends the Illinois Promotion Act. Removes a sunset date from provisions concerning grants from the Tourism Promotion Fund. Effective immediately.

<u>Last Action</u>: Assigned to Commerce and Economic Development (2/14/2018)

## Status of HB 5431 (\$FY19 Member Initiatives):

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Last Action: Referred to the Rules Committee (2/2018)

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Last Action: As of February 2018, this bill has been referred to Assignments.

# Issues GCSI is Working With the Village:

## Status of LGDF (Local Government Distribution Fund):

The Governor, in his desire to pass a budget for FY19, has indicated that cuts to the LGDF are on the table.

#### Capital and Grants:

Grants awarded in 2014, but not yet disbursed in the State of Illinois:

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- 15 203046
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"Invest in Cook County" program, under Cook County Board applied for \$240K for the resurfacing of 84th Avenue from 159th Street to 171st Street.

#### CMS / Howe Property:

Monitoring the situation and conducted meetings with CMS, regarding the process and possibility of the Village acquiring the closed Howe Mental Hospital, that is located in Tinley Park.

#### **Cook County:**

Highway Department:

In discussions to try and reverse denied access to the 300,000 SF Hillwood Spec Building off Prosperi to Ridgeland Avenue. This is problematic for us in that it means their only access is from Prosperi via a shared private access with the First Hillwood 915,643 SF building. Truck traffic would need to circle their building and exit the same way they entered. The Tinley Park Fire Department has expressed some life and safety concerns.

Tax Incentive Ordinance 17-9977 Amendment:

PROPOSED SUBSTITUTE TO ITEM 17-9977 PROPOSED ORDINANCE AMENDMENT TAX INCENTIVE ORDINANCE BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 74 TAXATION, ARTICLE II REAL PROPERTY TAXATION, DIVISION 2. - CLASSIFICATION SYSTEM FOR ASSESSMENT:

Section 74-75 of the Cook County Code is hereby amended as follows: Sec. 74-75 - Incentive Classification Affidavit Requirement Waiver. (a) This Section shall apply to existing incentives classifications, pending applications and eligibility/renewal applications submitted during the 2017 and 2018 assessment year. The Assessor's Office shall liberally construe this Section to effectuate its intent as set forth in subsections (b) and (c) below. (b) Compliance with the existing affidavit requirements of Sections 74-71(b)(2), 74-72 and 74-74 (b) and (d) shall be waived for the 2017 and 2018 assessment years. Such waiver shall be lifted at the beginning of the 2019 assessment year and the affidavit requirements of Section.

Sponsor: Toni Preckwinkle (President)

In Control: Business and Economic Development Committee

Last Action: Committee Reports (11/9/2017)

Property Class Tax Classification:

Discussing a 7B-7D Classification for certain parcels of property.

#### Legislation (100th G.A.)

#### Government Update

#### **Government Affairs Update:**

#### **Veto Session:**

The 2017 Veto Session has concluded, of the 39 vetoes by Governor Rauner this year, 15 of those vetoes were overridden by the General Assembly.

#### Revenue:

Since our last update in July 2017, we have learned more about the implications of the legislative changes approved and passed by the legislature and signed into law by the Governor as part of the SFY 2018 Operating Budget.

• LGDF: Local Government Distributive Fund ("LGDF"): LGDF payments should be accelerated starting in FY 2018 as they now will be directly deposited for municipalities, rather than being distributed through the current "check and voucher" system. The LGDF direct deposit has been long sought-after and should result in municipalities receiving their payments in a timelier manner.

In FY 2018, municipalities will receive 14 LGDF payments rather than 12. The 10 percent cut was inserted in SB 42 to partially offset the two accelerated payments. It is expected that the LGDF distributions received in 2018 should be equal to FY 2017 levels. Beginning in FY 2019, LGDF distributions will return to a 12-payment schedule.

However, it should be noted that none of the income tax increase would be applied to the LGDF. Factoring in the new taxes, the actual distribution to the LGDF, which was intended to be a full 10 percent of income tax collections when it was enacted in the 1970s, will now stand at approximately 6 percent of total personal – and 6.85 percent of corporate – receipts.

- Personal Property Replacement Tax: SB 6 also continues the recent practice
  of diverting Personal Property Replacement Tax (PPRT) revenues intended for
  units of local government, for other purposes in the state. The estimates of the
  diversion range from \$200 million to \$300 million.
- Road Fund: Attempts are being made to raid \$200 to \$300 million from IDOT's Road Fund.

#### Capital and Grants:

Grants awarded in 2014, but not yet disbursed in the State of Illinois:

- 15 203343
- 14 203037
- 15 203046
- 14 203484

"Invest in Cook County" program, under Cook County Board applied for \$240K for the resurfacing of 84<sup>th</sup> Avenue from 159<sup>th</sup> Street to 171<sup>st</sup> Street.

#### CMS / Howe Property:

Monitoring the situation and conducted meetings with CMS, regarding the process and possibility of the Village acquiring the closed Howe Mental Hospital, that is located in Tinley Park.

#### Miscellaneous:

- Soda Tax Repeal: With the repeal of the Cook County sweetened beverage tax, taxpayers remind elected official who they represent. On October 11, the Cook County Board of Commissioners voted to repeal the notorious sweetened beverage tax. Fifteen of the 17 commissioners voted in favor of the repeal, providing enough support to thwart a possible veto of the ordinance. Shoppers will no longer have to pay the penny-per-ounce tax starting December 1.
- Gaming SB 7: Parts of Tinley Park qualify for a casino.
- Property Tax Freeze SB 851: Proposed 2-year property tax freeze for Cook County.

# Legislation (100th G.A.)

#### Springfield Update

After 2 ½ years of political impasse, and two weeks of brinksmanship during a Special Legislative Session, June 21 to July 6, the State of Illinois finally has a budget.

Between Saturday, July 2, and Thursday, July 6, the three-bill fiscal package was in quick succession approved by both the House of Representatives and the Senate, vetoed by Gov. Rauner and then, in turn, his vetoes were overridden by both Chambers, culminating in a final vote in the House.

The legislation enacted includes:

- Senate Bill 9, House Floor Amendment 3/Public Act 100-0022 A \$5 billion income
  tax increase, which raises the rate form 3.75 to 4.95 percent on personal income and
  from 5.25 to 7 percent on corporations. However, a proposed expansion of the state
  sales tax to several services was dropped from the final legislation;
- Senate Bill 6, House Floor Amendments 2, 3 and 4/Public Act 100-0021 A \$36.1 billion FY 2018 budget.
- Senate Bill 42, House Floor Amendment 1/Public Act 100-0023 A Budget Implementation Bill, or BIMP bill;

The FY 2018 spending plan detailed in SB 6 is approximately \$3 billion less than the \$39 billion state spent in FY 2017 through a mixture of court ordered spending, such as the mandate to pay state salaries, and targeted appropriations, such as for education and transportation projects. The new budget includes a 5 percent across the cute for state agencies, and a 10 percent slash for higher education.

SB 42 includes provisions to deal with state's \$15 billion bill backlog, including issuing \$3 billion in bonds and borrowing and/or sweeping another \$3 billion from various dedicated state funds. In addition, paying down the state's Medicaid budget backlog would generate another \$2 billion in matching funds from the Federal government. It is anticipated \$8 billion of the \$15 billion arrearage could be eliminated through this plan.

Fifteen House Republicans joined 57 Democrats in support of the SB 9, the tax increase bill, in the initial vote. In the subsequent override, 10 Republicans and 61 Democrats provided the votes to push the total to 71, or 60 percent of members, the minimum number required to enact the bill into law. Many of the GOP legislators represent districts with public universities and other state facilities that have been negatively impacted by the ongoing budget impasse. In the Senate, the vote was less bi-partisan, with only one Republican joining 35 Democrats in passing/overriding the veto of the revenue bill.

SB 9 passed by a slightly larger bipartisan margin in the override vote, 74-37 in the House, and 39-15 in the Senate, while SB 42 was overridden with the minimum of 71 votes in the House and 36 in the Senate.

## Impact on Local Governments

**Local Government Distributive Fund** – We are still analyzing the effect of the three bills on local municipalities. There were reports earlier this week that SB 42 included a 10 percent cut of the Local Government Distributive Fund, the local share of the state income tax. However, further review of the legislative language indicates that the impact may be less than first assumed.

LGDF payments should be accelerated starting in FY 2018 as they now will be directly deposited for municipalities, rather than being distributed through the current "check and voucher" system. The LGDF direct deposit has been long sought-after and should result in municipalities receiving their payments in a more timely manner.

In FY 2018, municipalities will receive 14 LGDF payments rather than 12. The 10 percent cut was inserted in SB 42 to partially offset the two accelerated payments. It is expected that the LGDF distributions received in 2018 should be equal to FY 2017 levels. Beginning in FY 2019, LGDF distributions will return to a 12-payment schedule.

However, it should be noted that none of the income tax increase would be applied to the LGDF. Factoring in the new taxes, the actual distribution to the LGDF, which was intended to be a full 10 percent of income tax collections when it was enacted in the 1970s, will now stand at approximately 6 percent of total personal – and 6.85 percent of corporate – receipts.

Personal Property Replacement Tax - SB 6 also continues the recent practice of diverting Personal Property Replacement Tax (PPRT) revenues intended for units of local government, for other purposes in the state. The estimates of the diversion range from \$200 million to \$300 million.

Also of significance were some of the things not included in the final package, including a property tax freeze. An attempt at a 4-year freeze, **Senate Bill 484**, was voted down by the House on June 28.

#### 9-1-1 Legislation

In another recent development impacting municipalities during the Special Session, the General Assembly overrode the Governor's amendatory veto of **House Bill 1811/Public Act 100-0020** bill, which will increase the per phone line charge from 87 cents to \$1.50 to underwrite 9-1-1 service in Illinois.

# Senate Bill SB1335 (PENCD-DNST FIRE-SECONDARY EMPT)

This Bill amends the downstate firefighter article of the Illinois Pension Code. Requires a unit of local government that employs a full-time firefighter in a different downstate Firefighter Pension Fund to make specified contributions to that downstate Firefighter Pension Fund. I was instructed by the Board that there is a real problem on truly paying two legitimate pensions for the same employee if they are IMRF eligible. GCSI conducted meetings with the sponsor of SB1335 and determined that this legislation will not be advancing for now. The legislation will continually be monitored.

#### Capital and Grants:

Grants awarded in 2014, but not yet disbursed in the State of Illinois:

- 0 15 203343
- 0 14 203037
- 0 15 203046
- 0 14 203484

"Invest in Cook County" program, under Cook County Board applied for \$240K for the resurfacing of 84th Avenue from 159th Street to 171st Street.

#### CMS / Howe Property:

Monitoring the situation and conducted meetings with CMS, regarding the process and possibility of the Village acquiring the closed Howe Mental Hospital, that is located in Tinley Park.

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. 2018-R-035, "A RESOLUTION APPOINTING GOVERNMENT CONSULTING SERVICES OF ILLINOIS (GCSI) AS THE VILLAGE LOBBYIST," which was adopted by the President and Board of Trustees of the Village of Tinley Park on June 19, 2018.

IN WITNESS WHEREO	F, I have hereunto set m	ny hand and affixed the corpora	ite seal of
the Village of Tinley Park this _	day of	2018.	

KRISTIN A. THIRION, VILLAGE CLERK