

**MINUTES OF THE MEETING OF THE JOINT REVIEW BOARD
OAK PARK AVENUE
TAX INCREMENT FINANCING DISTRICT
OCTOBER 28, 2020
Scheduled Start: 1:00 P.M.**

The Meeting of the Joint Review Board was called to order by Mayor Jacob Vandenberg, Village's Designated Authorized Representative, at 1:04 p.m. in the Council Chambers at the Village Hall of Tinley Park.

At this time, Mayor Vandenberg stated this meeting is being conducted pursuant to Governor Pritzker's disaster proclamation and Public Act 101-0640, which amends requirements of the Open Meetings Act due to the COVID-19 pandemic. Pursuant to the same, the Joint Review Board finds that it may be impractical to conduct an in-person meeting with all members present.

Introduction of Joint Review Board Members and responding to Roll Call:

Jacob C. Vandenberg, Chairperson, Village of Tinley Park (Participated electronically)
Shawn Roby, Executive Director, Tinley Park Park District
Jeff Charleston, Business Director, Community Consolidated School District 146
Leonard Moody, Business Manager, Community Consolidated School District 159

Joint Review Board Members Absent:

Tinley Park Public Library
Bremen Township
Rich Township
Cook County
Bremen Community HSD 227
Bremen Community High School District 228
South Suburban Community College District 510
Community Consolidated School District 159
Prairie State Community College District 515
Public Member

Others Present:

Brad Bettenhausen, Village Treasurer
Andrew Brown, Assistant Village Treasurer
David Niemeyer, Village Manager
Priscilla Cordero, Business Development Manager
Laura Godette, Deputy Village Clerk
Terica Ketchum, FOIA & Compliance Coordinator
Hannah Lipman, Management Analyst
Amy Lutchen, Accountant
Chris Frankenfield, Staff Accountant
Eileen Scholz, Senior Accountant
Leasha Cooper, Accountant II

Village of Tinley Park Mayor Jacob Vandenberg thanked everyone for attending the Joint Review Board meeting. He stated that the Oak Park Avenue TIF District is closed, and the district's final year of operation was fiscal year 2018. The Village has convened the Joint Review Board because

there are still funds held from the Oak Park Avenue TIF District. The funds that are currently held on behalf of the closed district are to satisfy potential property tax claw backs.

Mayor Vandenberg introduced himself and explained that until the election of a chairperson, he would moderate the Joint Review Board Meeting. He then explained that this meeting is to review the fiscal year 2019 activities of the Oak Park Avenue TIF District's Redevelopment Plan. He noted that the date of this meeting was published on October 23, 2020. Notice of this JRB meeting was also provided by priority mail to each taxing district represented on the Board, which included Cook County; Tinley Park-Park District; Tinley Park Public Library; Bremen Township; Rich Township; Community Consolidated School District 146; Community Consolidated School District 159; Kirby School District 140; Bremen Community High School District 227; Bremen Community High School District 228; Consolidated High School District 230; Prairie State Community College District 515; South Suburban College 510; and the Village of Tinley Park. Public notice was also posted as of October 23, 2020 at various locations throughout the Village Hall.

Mayor Vandenberg stated that the first order of business is to select a chairperson for this Joint Review Board.

At this time Shawn Roby, Tinley Park Park District, nominated Jacob Vandenberg as chairperson of this JRB, seconded by Jeff Charleston, Community Consolidated School District 146.

Mayor Vandenberg asked if there were any other nominations. No one came forward. Vote by voice call. Motion was carried. Jacob Vandenberg was selected as the chairperson and will serve as chairperson for the remainder of this meeting.

Chairman Vandenberg presented an overview of the JRB Statutory duties including:

The TIF Act requires this JRB to convene 180 days after the close of the municipal fiscal year or as soon as the redevelopment project audit for that fiscal year becomes available to review the effectiveness and status of the redevelopment project area up to that date.

Chairman Vandenberg asked if the members of the Joint Review Board had any questions about the assigned task. No one came forward.

Andrew Brown asked for a motion for approval of the minutes from the JRB meeting for the Oak Park Avenue TIF District from fiscal year 2018.

Motion was made by Shawn Roby, Tinley Park Park District, seconded by Jeff Charleston, Community Consolidated School District 146, to approve the minutes from the JRB meeting for the Oak Park Avenue TIF District from fiscal year 2018. Vote by voice call. Chairperson Vandenberg declared motion carried.

At this time, Village Assistant Treasurer Andrew Brown presented an overview of tax increment financing as follows:

TIF is a tool to help local governments restore run-down areas or jumpstart economically sluggish parts of town. It also helps local governments attract private development and new businesses. TIFs help local governments make the improvements that are needed, such as new roads, sewers, and water mains. It also allows redevelopment costs to be comparable to green grass development costs, therefore “incenting” redevelopment.

TIF is not a tax increase. It is the difference between the amount of property tax revenue generated before a TIF district is established and the amount of property tax revenue generated before a TIF district has been developed. TIF does not reduce property tax revenues available to other taxing bodies. Only property taxes generated by the incremental increase are available for the use by the TIF and within the TIF.

To establish a TIF:

- Identify an area with physical and economic deficiencies.
- Eligibility Study and Redevelopment Plan is prepared.
- Hold a Public Information Meeting to discuss the proposed TIF.
- Convene a Joint Review Board.
- Conduct a public hearing where residents and other interested parties can express their thoughts on the TIF district at hand.
- Adopt TIF Ordinances to establish the TIF.
- No state or federal approval is required.
- Law allows a TIF district to exist for a maximum of 23 years.
- TIF districts may be terminated earlier if all financial obligations are paid-off and the Village Board votes to terminate the district early.

Eligibility Study

- Review and document the Criteria for Eligibility
- Eligibility class definitions include: Blighted, Conservation, Combination of Blighted and Conservation, or Industrial Conservation.
 - Conservation – including land with buildings and improvements has 13 criteria. A minimum of 3 must be met, AND over 50% of buildings over 35 years of age.
 - Blighted – includes Improved Land (land with buildings) and Vacant Land (no primary structures).
 - Industrial Conservation

Typical Qualifications of Conservation Area:

- Improved land - Of the 13 criteria, the following are typical
 1. Obsolescence
 2. Deterioration
 3. Inadequate Utilities
 4. Lack of Community Planning
 5. Lagging EAV

#1. Obsolescence – typical property characteristics

- Primary structures in the Redevelopment Project Area (RPA) are more than 35 years of age.

- Residential buildings have been converted to commercial uses.
- Building structures located on more than one parcel.
- Parcels have buildings which are not adequately sized for contemporary uses.
- Buildings are deteriorated. Surface improvements are past their useful lives.
- Public infrastructure throughout the RPA is also aged or obsolete:
 - Water mains
 - Sanitary sewer collection system
 - Storm water management
 - Electrical

#2. Deterioration –

- Deterioration is present throughout the RPA
 - When structures are closely examined deterioration is identified.
 - Site improvements throughout RPA are deteriorated.
- Deterioration typically observed in:
 - Commercial buildings
 - Surface areas, parking lots and driveways
 - Buildings not in compliance with Village requirements regarding fire alarms and/or sprinkler systems.

#3. Inadequate Utilities –

- A need for infrastructure improvements within the RPA and this factor is reasonably present within all of the blocks of the RPA.
- The RPA suffers from inadequate drainage utilities throughout, with insufficient capacity for storm drainage. County requirements for off-site detention are not being met. Storm water management improvements are needed within the RPA to accommodate existing uses and future redevelopment.
- Some water lines, and sanitary sewers are undersized for current needs and demands and are reaching the end of their service lives.
- Excess storm water flow causes sewer and basement backups.
- Current overhead electrical system is aged and subject to power outages.

#4. Lack of Community Planning –

- Most of the Village RPAs contain areas developed prior to establishing comprehensive planning standards. The Village adopted its first Comprehensive Plan in 1967.
- Parcels are of an inadequate shape and size to meet contemporary development standards.
- Parcels with structures have buildings located on more than one parcel.
- Parcels with buildings exhibit excessive land coverage.
- Buildings have a lack of access to the rear of the building or insufficiently sized loading areas.

#5. Lagging EAV

- Data indicates that the **total EAV** of the Redevelopment Project Area has:
 - EAV on a declining trend line over several years.
 - EAV increased at an annual rate that is less than the balance of the Village.

- EAV increased at an annual rate that is less than the Consumer Price Index for All Urban Consumers.
- All three measurements of EAV according to the TIF Act indicate that EAV is lagging in the parcels of the RPA.

Redevelopment Plan –

- Introduction and Eligibility - Describes the area and its issues.
- Redevelopment Goals and Objectives - Provides overall framework for guiding decisions during implementation of the TIF Plan.
- Program Policies and Implementation - Outlines general activities and financing techniques to achieve the redevelopment Goals and Objectives.
- Project Costs - Provides a maximum limit of expenditures by statutory categories. Village is not committed to finance all of the Redevelopment Project Costs in Plan.
- Program Certifications and Findings.

Housing Impact Study

- According to the TIF Act, the municipality must determine the need for a housing impact study, based on if 10 or more inhabited residential units are planned to be displaced, and certification would affirm the criteria are, or are not met.

A presentation was made by Andrew Brown, Assistant Village Treasurer, showing an overview of the 2019 Fiscal Year Activities relative to the Oak Park Avenue TIF District as follows:

The final incremental tax year was 2017, which the Village received those funds in 2018. The final tax base was nearly 18 times the frozen base. Some of the primary (taxable) developments over life of the TIF include:

- Convention Center Hotel (18501 Convention Center Dr)
- Cornerstone Center (NE corner 183rd & Harlem)
- “Always Open” shopping center (NW corner 183rd & OPA)
- Tinley Pointe mixed use development (Hansen Development; 7014-7086183rd St)
- Park Ave Townhomes (179th St, W of OPA)
- Millennium Lakes Townhomes (generally SW corner of 183rd & OPA)
- Lakeview Townhomes
- (White Egret Ct @ 178th & OPA; part in OPA TIF and MSS TIF)
- LA Fitness (18400 Convention Center Dr)
- Garofalo shopping center (partial in-TIF) (7101 183rd St)
- Union Square Townhomes (in development – 179th & OPA) (Seen Below)

Non-taxable developments:

- Convention Center (18451 Convention Center Dr)
- Central Middle School (partial in-TIF) (18146 Oak Park Ave)

Tinley Park Convention Center - Original 2000 structure was 64,000sf, with an 2011 addition of 60,000sf, for a total of 124,000sf. It can accommodate 77% of all conventions, trade shows and conferences held in US.

Largely due to existence of the Convention Center, Tinley Park now has 10 hotels providing nearly 1,100 rooms.

He pointed out redevelopment sites/opportunities that remained at end of TIF.

He also discussed Union Scare Townhomes. It is a total of 17 units and 4 structures. It was approved by the Plan Commission in Fall 2015 and is currently under construction.

The Village undertook several projects as the TIF came to a close, primarily in the vicinity of the Tinley Park Convention Center.

- Resurfacing 183rd Street roadway
- Convention Center parking lot resurfacing
- Construction of sidewalks, walking paths, and crosswalks to improve access to the Convention Center and Hollywood Casino Amphitheatre facilities
- Land acquisition
- Replacement of parking lot lighting with LED fixtures.

The last chart shows the base vs. the increment growth over the time of the TIF's existence, with the final increment as 17.9 times the base.

The Oak Park Avenue TIF has been included in the FY 2019 JRB due to the funds that are currently held that are associated with anticipated "claw-backs" from the county for property tax appeals and other adjustments anticipated to be processed over the next few tax years related to years in which the TIF was active.

The total 2017 final EAV was \$32,582,000, with its base in 1994 at \$1,820,721, and an incremental EAV growth of over \$30,000,000 over this time period.

This has been said to be one of the most successful TIFs in Cook County and the State of Illinois.

After the presentation, Andrew Brown then asked if there were any questions about the Oak Park Avenue TIF from the members of the Joint Review Board.

Jeff Charleston, Community Consolidated School District 146, asked how much is being held back. Brad Bettenhausen answered and stated that about \$400,000. We knew that the hotel has several appeals that are still hanging.

Jeff Charleston, Community Consolidated School District 146, then asked if there was a chance that there could be another distribution at some point. Brad Bettenhausen answered and stated that there is a small possibility.

Chairperson Jacob Vandenberg thanked Andrew Brown.

Chairperson Vandenberg asked if there were any other questions or comments from the members of the JRB. No one came forward.

Chairperson Vandenberg asked if there were any comments from the public. No one came forward.

Being no further questions or comments, Chairperson Vandenberg called for a motion to adjourn.

Motion was made by Shawn Roby, Tinley Park Park District, seconded by Jeff Charleston, Community Consolidated School District 146, to adjourn the Meeting of the Village of Tinley Park 159th & Harlem TIF Joint Review Board. Vote by voice call. Chairperson Vandenberg declared motion carried and adjourned the meeting at 1:26 p.m.