



APPROVED

JOINT REVIEW BOARD MEETING

Wednesday, October 29, 2014 – 10:00 am
Lorraine Morton Civic Center, 2100 Ridge Avenue, Room 2404

Members Present: Ald. Holmes, Ahmadou Drame, Mary Brown

Staff Present: Martin Lyons, Johanna Nyden, Janella Hardin, Jessica Wingader

Others Present: Ald. Rainey, Ald. Braithwaite

Presiding Member: Alderman Holmes

AGENDA

1. CALL TO ORDER / DECLARATION OF QUORUM BY ALD. DELORES HOLMES, CHAIR

With a quorum present, Alderman Holmes called the meeting to order at 10:16 am.

2. APPROVAL OF JOINT REVIEW BOARD MEETING MINUTES OF DECEMBER 5, 2013

Dr. Mary Brown moved approval. Ahmadou Drame seconded. A voice vote was taken and the meeting minutes of December 5, 2013, were unanimously approved.

3. REVIEW OF ANNUAL REPORTS FOR FISCAL YEAR January 1, 2013 through December 31, 2013

Alderman Holmes requested introductions. Mr. Lyons provided introductions and context. Review activities of municipality in all TIF districts, provide reports including balances and uncommitted funds and the status of each TIF. One of the TIFs is closing. Mr. Lyons requested that Bob Rychlicki provide a statutory overview, he explained that he would provide financial overview and Economic Development Division Manager Johanna Nyden would provide economic development overview.

Bob Rychlicki stated that the City is required by statute to report, format dictated by Comptroller's Office, defined time period – fiscal year. Info provided by city staff and audit, Mr. Lyons signs off, certification from Mayor and City legal team. Finally, City has an independent auditor that reviews all. Mr. Rychlicki stated that the report was informational and that all were happy to provide more information.

A. SOUTHWEST T.I.F. DISTRICT 2

Johanna Nyden stated that the Southwest TIF was closing, there was no activity. She defined the geographic area. The TIF only has 6 properties and includes WARD Manufacturing. No future plans for projects.

Mr. Lyons stated that all parties would receive a letter stating the dissolution of the TIF, resolution passed in October, information on closure would be provided by November 1, 2014. Reiterated no planned activity stated balance, no infrastructure work to be done, TIF is surrounded by private properties. Mr. Lyons defined where information was located in the report. Page 19 provides an explanation of revenues and expenses. Mr. Lyons highlighted the property taxes – or what the TIF earned \$492,410. TIF had debt in the past, but not now. Increment over life 23 year life of TIF is \$10.8 million. As a result, City staff was able to transfer money to City in the amount of \$880,154 for economic development use. Expenditures of \$452,634 yield net income of \$39,778. Mr. Lyons discussed negative amount – City plans on using money for another project. TIF will not have a deficit. Mr. Lyons moved to page 26 to point out the amount the City would have from the TIF to support new development. Page 31 shows a review of the TIF 600% ROI on TIF.

Alderman Braithwaite asked about infrastructure.

Alderman Rainey commented on page 31, stating that it proves the TIF's success.

Mr. Lyons pointed out the partnership benefits with the schools that the money from the TIF provided. TIF was a success.

B. HOWARD HARTREY T.I.F. DISTRICT 3

Ms. Nyden outlined the boundary of the TIF. She talked about the Autobarn partnership that made this TIF successful. Property was vacant, but is now used to store vehicles for company, factory and offices also present. City Council approved \$2.5 million that made the property rehab possible. Sales tax sharing agreement that made additional successes possible. Business owner able to expand and bring FIAT to Evanston. Plans to improve Howard Street and develop out lots that have been difficult to develop because the property owners are large corporations that are difficult to negotiate with.

Alderman Braithwaite discussed the partnership with the community and the tour the business hosted. He asked about Culver's deal.

Ms. Nyden replied that the deal was not going through. One of the challenges is the soil removal that will be costly to remove.

Mr. Lyons discussed financial component. TIF opened April 27, 1992 TIFS are open 23 plus one years. Page 19 shows the strong finances of the TIF, fund balance of \$4.2 million at the start of reporting period and ends with \$3.9 million. Page 19 shows a negative balance, but that means that the funds are committed, not that the TIF is in debt. Funds are committed to Autobarn because the business is transforming the area. Mr. Lyons also pointed out the revenue sharing agreement to further incent business to increase property values and raise revenue. All information found on page 19 of the Southwest TIF section. Cumulative revenue of TIF is \$31 million. This TIF is a great resource for Evanston. Page 26 of the Southwest TIF shows further final numbers. Staff is still reviewing capital projects with Alderman Rainey. Mr. Lyons closed by stating that the TIF was strong and page 31 showed the \$13 million dollar growth.

C. WASHINGTON NATIONAL T.I.F. DISTRICT 4

Ms. Nyden defined the geography of the TIF. This TIF does not include the library.

Mr. Lyons pointed out that the City chose not to include the library. The City committed money to private development and decided not to use the money to improve municipal buildings – City did this 5 years before legislation prohibited this use of funds.

Ms. Nyden defined the major projects including Sherman Plaza and the Music Institute of Chicago relocating offices. The business is an NPO, but it increased foot traffic and retail spending. Continue to review opportunities in surrounding spaces. Ms. Nyden highlighted new businesses and improvements to properties and also highlighted sewer and water projects that improved infrastructure.

Mr. Lyons discussed TIF formation on page 19* and the numbers. This was a redevelopment of the downtown. Private developments allowed to use parking – 12 story Sherman avenue parking. ML explained the history of the finances of this TIF, the moneys spent on improvements, including streets and sewers and the revenue generated. Infrastructure projects also funded by other agencies; City still looking for developers. Page 26 \$18 million shows that the TIF debt is obligated. The City plans to review options to further develop. Page 31 shows success of TIF, now at \$78 million EAV.

There was discussion of County reassessments and the stability of the TIF. Mr. Lyons closed by asking for questions.

D. HOWARD RIDGE T.I.F. DISTRICT 5

Ms. Nyden defined geographic area. She described residential and commercial projects that were revitalizing the neighborhood including Ward 8, Peckish Pig and the Theater. Two of the properties that are successful were purchased as foreclosures. She further described the growth of the projects and the timeline for reduced funding.

Mr. Lyons discussed the development of the TIF. He stated that there will be additional money to invest (\$800k) and the City would like to expand development when more money comes in. ML pointed out that the City went for 10 years with no new TIF districts (1994 to 2004). This TIF started with a small fund balance and held value well. Properties stayed occupied. Page 24 shows private investment; page 26 shows a description of project costs and page 31 shows the financial growth of the TIF.

E. WEST EVANSTON T.I.F. DISTRICT 6

Ms. Nyden defined the geography of the TIF, the business districts present and some of the challenges. She additionally listed new businesses including the North Shore Contractors Cooperative, Heartwood Center, Evanston Soccer, Goldfish Swim School and a new Starbucks.

Ahmadou Drame asked if the TIF included BooCoo and asked about plans for the space. Ms. Nyden confirmed that BooCoo was within the TIF and stated that the area is a priority for the City.

The beginning balance was \$872,847 and as of 12/31/13 the balance was \$537,639.

F. DEMPSTER/DODGE T.I.F. DISTRICT 7

This TIF includes Evanston Plaza. The City pledged \$2 million in support for shopping center improvements for Valli Produce. Current Valli Produce stores are in Arlington Heights, Hoffman Estates and Glendale Heights. Ald. Braithwaite is planning roadtrip tours to the other facilities.

G. CHICAGO MAIN T.I.F. DISTRICT 8

No activity

4. BOARD DISCUSSION

Motion to accept the report made by Dr. Mary Brown and seconded by Ahmadou Drame. A voice vote was taken and the motion was unanimously approved.

5. ADJOURNMENT

Dr. Mary Brown moved approval. Ahmadou Drame seconded. A voice vote was taken and the meeting was adjourned.

Meeting was adjourned at 11:46 am

Respectfully Submitted,

Jessica Wingader
Administrative Secretary