

MEMORANDUM

To: Village President Tech and Board of Trustees
From: Zach Creer, Village Manager
Ed Cage, Director of Community Development
Ryan LCC
Date: September 4, 2024
Subject: 55th St TIF Summary of Actions to Date

Issue: 55th Street TIF Public Hearing, Ryan LLC will present findings to the Village Board regarding TIF feasibility on the 55th St Corridor (Map A).

Summary: The TIF consultant and staff believe the area qualifies as a TIF district. The development of the subarea is expected to provide a larger tax base for ALL taxing bodies, and development that reduces taxes for ALL residents within all impacted taxing bodies. Given all the identified issues within the area, this would likely not occur without the establishment of the TIF. Staff has proposed compromises to limit any short-term impacts (no matter if they are limited) to the taxing bodies and believes development outside of the TIF area, enabled by infrastructure improvements, particularly water capacity, in the medium term, will more than offset any reduced revenues.

Background:

1960-2000s- The area South of 55th was developed under the County's planning department as it was mostly unincorporated. Over time, some areas were eventually incorporated to access municipal water, especially after the mid-1980's when the Village received Lake Michigan water. Other areas, such as "The Reserves" townhome community, were incorporated before development and were built in the late 1990s.

2015- After receiving requests to join the Village's water system and complaints about low water pressure, Clarendon Hills hired Ciorba Group (engineering firm) to conduct a water capacity study for the area South of 55th St. The study determined the area needed significant water capacity improvements to properly service the area.

2017- the Village hired Michael Blue of Teska Associates to perform a subarea planning study to determine the desires and needs of residents in the 55th St Subarea. The study identified infrastructure issues particularly traffic safety, lack of road and pedestrian access to north of 55th, lack of proper water infrastructure, poor street layout, stormwater issues, and hodgepodge land use. The overall finding was that the infrastructure deficit made the area unattractive for voluntary annexations and major investment/ development problematic in the already incorporated areas.

2022- Village Board rejected a proposed development at the former Tracy's Tavern site for a commercial development centered on a Dunkin' drive-thru due to stated safety concerns at the intersection of 55th St and Western Ave including lack of signalization and pedestrian safety.

2023- Village Staff, at the request of the Village Board, reviewed economic development opportunities, including possibly revisiting the 55th Corridor to create a larger tax base for the community. The Village received increasing requests for annexation from the unincorporated area. Economics had shifted somewhat since the 2017 Subarea study. Redevelopment of single-family housing stock within District 86 began to occur throughout Willowbrook, in Clarendon Hills incorporated areas south of 55th Street, and unincorporated Golf View Hills (which has Hinsdale water). Furthermore, there was a shift in State shared revenues, increasing revenues available on a per capita basis as well as destination-based online sales taxes that make residential properties more attractive to incorporate. Increasing traffic counts on 55th St, made the corridor more attractive to sales tax-generating commercial properties.

March 18, 2024- Village Board reauthorized hiring the Ryan LLC to examine economic development opportunities and tools including the possibility of utilizing a TIF district to improve and maintain the tax base on 55th St. Notices to taxing bodies were sent pursuant to state law.

May 20, 2024- TIF feasibility study was posted and the amended version is attached as Exhibit A.

June 24, 2024- Notices to the taxing bodies (the "Districts") were sent regarding the proposal and the creation of a Joint Review Board (JRB)

July 10, 2024- 1st JRB meeting (continued)

July 31, 2024- 2nd JRB meeting (continued)

August 14, 2024- 3rd JRB meeting (Vote occurred)

September 5, 2024- Meet and Confer JRB meeting

JRB recommendation- JRB on a 4-3 vote rejected the findings of the TIF feasibility study, attached as Exhibits B and C are the written responses from District 60 and 181. Exhibit D contains a summary from the



TIF attorney regarding the decision and Exhibit H contains unapproved minutes from the JRB Meetings as drafted by Deputy Clerk Pries.

Consultant and Staff Response to JRB feasibility concerns-

A summary of the responses Village Staff and TIF consultant responses is below. Please note the Village is required by law to meet at least three factors.

1. Lagging EAV Factor- The factor of lagging EAV is explicitly defined in the State statute and the proposed TIF district meets this definition. There is no provision in the State statute for any required adjustments to abnormally high CPI numbers in any given year. While the school districts may think the use of the 8% CPI in 2022 is “not within the spirit or intent of the TIF Act” it is precisely what is required to be used under the Act as part of the five-year look-back in EAV, and therefor this qualification factor clearly complies with the Act.
2. Obsolescence- The school districts argue that the Jewel parcel is not obsolete simply due to its age. The State statute says that obsolescence “can be present due to age.” among other things. Our TIF Qualification Report states that the Jewel “retail center is 57 years old and is no longer consistent with today’s development commercial/retail development standards. In the last decade, sustainability and energy efficiency have become of increasing importance for built properties. Obsolescence can be related to such factors as unattractiveness and/or the availability of more attractive alternative options. The advanced age of the Jewel retail center makes it potentially obsolete for these reasons.” Village staff included the Jewel in the TIF in order to prevent its obsolescence due to age from accelerating. The school districts also maintain that “whatever could have been said about the obsolescence of the Tracy’s building can no longer be said now because the building does not exist and the building was demolished and the property cleared without TIF assistance” Our TIF Qualification Report says that “The recent demolition of these buildings and site improvements are a consequence these parcels’ obsolescence. Tracy’s Tavern was built in 1932, making the improvements 92 years old when they were demolished. The property had been vacant for approximately six years prior to the demolition. An inspection of the improvements in late 2023 states that ‘the current facility was found to be unsafe because it is damaged, decayed, dilapidated, and structurally unsafe.’ The inspection further states that ‘the code official found the structure to be unfit for human occupancy’, and ‘was deficient in having a system to detect fire and actuate an alarm.’ In general, maintenance is required to maintain a building’s performance, and without maintenance the building’s performance will eventually fail to meet user expectations and market demand, resulting in loss of economic efficacy. Furthermore, Tracy’s and Jewel are not the only two obsolete properties within the proposed TIF, as the school district contend. For example, Country House is not ADA code compliant, and the vast majority of all structures within the district are not compliant with current building codes due to sprinkler requirements



in the international building code. Therefore, investing directly into these properties, will trigger a laundry list of code updates which becomes very burdensome as well as exasperates the underlying water pressure issue and storm water issues.

3. Delirious Land Use/Layout- The school districts maintain that we wrongly “focus” on inadequate street and sidewalk connectivity in finding compliance with this criterion. On the contrary, our report looks not just at inadequate street and sidewalk layout, but also at inconsistent land uses among the incorporated and unincorporated parts of the Study Area. In addition, the inadequate street and sidewalk layout noted in the Qualification Report are uses that “are unsuitable for the surrounding area.” as described in the TIF Act. The 55th Street Subarea Plan speaks to this issue. The odd layout, disconnected streets, lack of pedestrian and bike planning, incongruent uses, lack of buffer uses, and infrastructure built at a county/township standard rather than a Village standard all aid in compliance with this criterion.
4. Inadequate utilities- The Study Area historically suffers from low water pressure and inadequate storage, which is a public safety issue as it impacts firefighting and disaster response. This is clearly in compliance with this qualification criterion.
5. Lack of Planning- As much of the area was not planned, but instead developments were approved on a case-by-case basis by the County Planning Department or the Village, this area meets the criteria.
6. “But for”- As a conservation district, Illinois state law requires that the standard be “but for” the TIF the area is endangered of becoming blighted. Our TIF Qualification Report finds that “The area would not be subject to redevelopment without the investment of public funds, including property tax increments. The school districts point to certain single-family redevelopment that has occurred on Western Ave. in recent years to suggest that this activity fails the “but for” test. Our TIF consultant’s response is that not every individual property has to meet the “but for” test to qualify the area under this criterion. Staff included Western Ave as it’s the identified low-pressure point in the Village’s water system ideally for a storage tank, not because of any plans for redevelopment. In addition, the school districts suggest that the failure of the Dunkin Donuts development proposal at the Tracy Tavern’s site would have proceeded without any TIF incentive but failed to develop due to “NIMBY” resident opposition. In fact, it failed to move forward because of the absence of signalization at 55th and Western, for which TIF assistance was needed. Based on past experience with development proposals for the Tracy’s site, Village staff maintain that the Tracy’s site will not be developed without TIF assistance, including the current development proposal.

Further School District concerns- Each of District 86, District 60, and District 181 provided public communications regarding TIF, these are attached respectively as Exhibit E, F, and G.



Staff Response to JRB and School District Concerns-

- **Alternative funding sources- Alternative funding sources-** The school districts argue that the Village intends to pay for the water infrastructure improvements on the financial backs of the school districts and that Village staff should use other funding sources instead. The Village is, indeed, seeking alternative funding sources to cover most of the cost of the infrastructure improvements including IEPA subsidized bonds, state and federal grants, developer or property owner contributions, and water fund and capital fund contributions. Site-specific tools such as Special Service Areas, or Special Assessments are not considered viable given the small tax base relative to the cost of improvements. Even when maximizing these other sources, however, a gap still exists without assistance from the proposed TIF and without pledging revenues generated by future development within the TIF, such as sales tax generated within the subarea towards these needs. However, staff projects an improved financial path forward if enough commercial development can occur within the TIF to meet a bond payment. It's important to note that the improvements to the water infrastructure will serve to generate additional development and therefore, additional TIF increment. Without water infrastructure improvements, the status quo will remain unchanged.
- **Financial Impact-** A major concern of the School Districts was the financial impact on the Districts. Below is the Village response.
 - **Small portion of District EAV-** The area within the proposed TIF district is a very small portion of each taxing district's EAV as shown in the chart below, which means it is a very small portion of each of the taxing bodies' tax base. The TIF locks in this base EAV in the year in which the TIF is adopted, and then can only capture incremental increases in EAV which are small percentages of small percentages.



JRB TAX DISTRICT	TAX DISTRICT 2023 EAV	PROPOSED 55TH TIF EAV 2023 EAV	TIF AS A % OF TAX DISTRICT EAV
DUPAGE COUNTY	\$ 48,777,803,336	\$ 14,333,261.00	0.029%
SD #60	\$ 765,611,658	\$ 14,333,261.00	1.872%
SCHOOL DISTRICT #181	\$ 2,738,033,742	\$ 14,333,261.00	0.523%
HIGH SCHOOL DISTRICT #86	\$ 6,224,747,054	\$ 14,333,261.00	0.230%
COLLEGE OF DUPAGE (#502)	\$ 47,070,405,993	\$ 14,333,261.00	0.030%
VILLAGE OF CLARENDON HILLS (AND LIBRARY)	\$ 677,322,225	\$ 14,333,261.00	2.116%
CLARENDON HILLS PARK DISTRICT	\$ 676,066,645	\$ 14,333,261.00	2.120%
DOWNERS GROVE TOWNSHIP	\$ 9,442,056,842	\$ 14,333,261.00	0.152%

- **New Growth vs Natural Growth-** The Districts are correct that based on certain assumptions about the future, the TIF consultant estimates between \$6 million to \$12 million in property tax increment to be generated by the TIF by the 23rd of the TIF, with a majority of the increment estimated to occur after the next 10 years due to compounding, and the time needed for development. The most increment is expected to be from new development which will take significant public action to facilitate. Natural, or organic, growth in EAV is also expected to accrue within the districts if there is not a “black swan” event like 2008 where EAVs declined. This organic growth is not part of the Districts’ tax caps, and they are entitled to increase their levies by CPI. To the extent this shifts tax burdens between various groups of residents and non-residents is unclear, however, it is expected to not be a substantial difference due to the small size of the TIF EAV relative to the taxing bodies’ overall EAVs. The combined districts’ budgets are over \$240 million, and even in a best-case scenario, the TIF district will not generate even 1% of the combined districts’ budgets, annually. To address the financial concerns of the school districts, Village can elect that some portion of incremental taxes attributable to organic growth in the district be rebated to the districts early (prior to the expiration of the 23-year term of the TIF) as was done in the past for previous TIFs when the Village Board determines no desirable projects exist. After 23 years, the Village expects a substantially stronger tax base, particularly for District 60 which has the most development potential.



- **Growth outside the TIF due to Infrastructure Improvements-** The development pattern throughout District 86 is single-family redevelopment or teardowns. These developer and property owner driven teardowns lead to a 200 to 300% increase in property tax revenues of which ~87% are captured by non-village taxing bodies. This development pattern has started and finished in Village incorporated areas south of 55th Street but has not occurred within the subarea due to the absence of municipal water, sewer, and municipal services/infrastructure. If the development cycle could be primed, all the resulting property tax revenues would be available to the taxing bodies. Staff estimates a complete redevelopment of the non-TIF subarea as a consequence of the infrastructure improvements could lead to the following additional property tax revenues, annually, to taxing bodies:

CLAR BLACKHAWK MOSQ	\$3,003.81
COLLEGE DU PAGE 502	\$133,215.30
COUNTY OF DU PAGE	\$102,897.82
DOWNERS GR TWP RD	\$37,442.79
DOWNERS GROVE TWP	\$22,214.19
DU PAGE AIRPORT AUTH	\$9,220.99
FOREST PRESERVE DIST	\$75,165.00
GRADE SCHOOL DIST 60	\$2,155,894.40
HIGH SCHOOL DIST 86	\$1,189,996.15

- A development of currently tax-exempt properties like the River of Life property, which is for sale, would, by itself, offset any lost TIF revenue for the taxing districts for many years, but likely cannot happen without TIF properties generating incremental tax revenues to help at least partially support the cost of the water system improvements, as the Village is limited in adding additional properties to the municipal water system due to water pressure/capacity issues.

Suggested Compromises:

Village staff is interested in compromising with the school districts as such it offered the following in advance of the last JRB meeting, the terms were largely asked for by the districts, and Village staff agreed:

- Declare 20% of all tax increment in the TIF District as surplus and direct the County to allocate the surplus to all impacted taxing districts on a pro-rata basis.



- Declare 50% of the increment for the Jewel property as surplus and direct the County to allocate the surplus to all impacted taxing districts on a pro-rata basis.
- Declare 100% surplus the increment from residential properties on the north side of 55th from Western Ave to Prospect Ave.
 - Removes virtually all financial impact to District 181.
 - These homes are not a target of redevelopment and were included to connect the commercial TIF areas on the south side of 55th Street which follows the watermain.
- Terminate the Ogden Avenue TIF four (4) years early and refund the existing fund balance.
 - This compromise makes the net impact of the two TIFs' cashflow positive to both District 86 and 181 for the initial years of the proposed 55th Street TIF.
- Provide additional tuition reimbursement beyond the requirements of the TIF Act

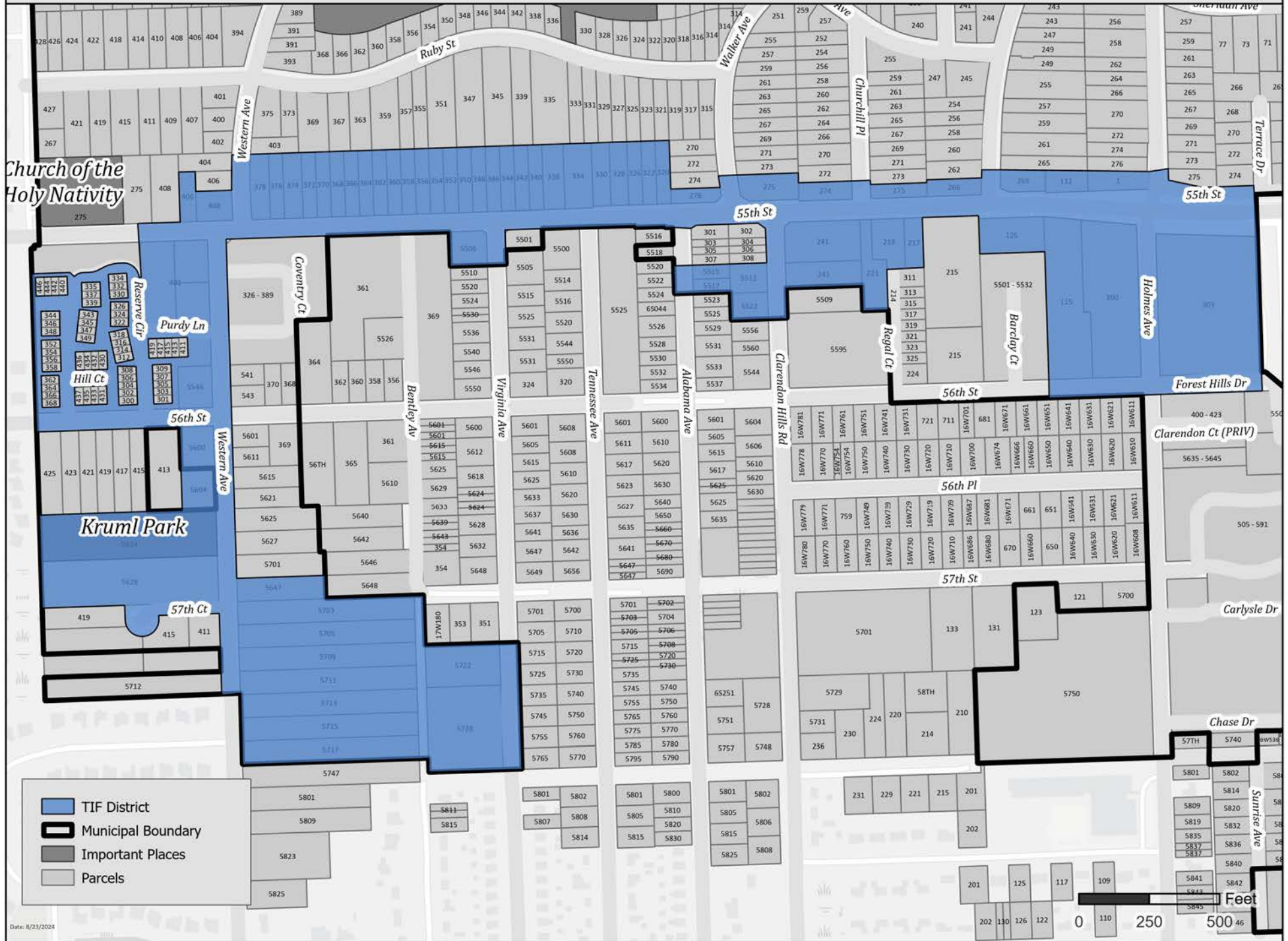
After the last JRB meeting staff recommends considering the following as well:

- **Removing large homes of Western Ave from the Proposed TIF District** - These were included only because they are the low point in the water system and a potential location for a water storage tank. They were not included in the proposed TIF districts to incentivize redevelopment. Indeed, there were some teardowns as late as 2020. Not every property needs to meet all the qualification factors within the TIF district, however, removing these parcels would address one frequently mentioned concern, but at the expense of restricting options for a future water tank location.
- **Decreasing the TIF budget-** Some future tax increment projections of the proposed TIF district indicate there is potential for surplus funds. The Village's intention is not to earmark any more funding than necessary, and to declare surplus funds when no projects are found. Decreasing the overall budget may be one way to ensure this occurs.

Action Requested: Review of the TIF consultant report on TIF feasibility. The public hearing on the proposed district. Discussion and feedback regarding the proposed TIF and any amendments, including whether to move forward with a vote at a future meeting.



55th St Tax Incremental Financing (TIF) District



From: [Nugent, Sean](#)
To: [Zachery Creer](#); [Hoss, Paul](#); [Mike Fletcher](#); [Mindy Bradford](#); [Patrick King](#); [supervisor@dgtownship.com](#); [jstephen@hinsdale86.org](#); [djg223@gmail.com](#); [Ed Cage](#)
Cc: [Hector Garcia](#); [Neal Smith](#); [cgreenspon@hinsdale86.org](#); [Coppola, Nina](#); [Jason A. Guisinger](#); [officeofthepresident@cod.edu](#)
Subject: RE: Call for Joint Review Board Meeting on September 5, 2024 at 10:00 a.m.
Date: Wednesday, September 4, 2024 8:32:25 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

EXTERNAL

Dear Mr. Creer,

Per your request, I am writing to provide a list of Maercker School District 60's specific reasons why the Redevelopment Plan for the TIF District fails to meet one or more of the objectives of the TIF Act and the plan requirements and the eligibility criteria defined in Section 11-74.4-3 of the TIF Act. Please note that the list below is not in any particular order and is based on our current understanding of the TIF District and Redevelopment Plan. It is not intended to be exclusive; the District does not waive any objections and expressly reserves all rights.

1. **The Area is Subject to Private Development and Does Not Meet the "But For" Test.** Based on the information the District has received to date, businesses in the TIF District do not show signs of disinvestment or inadequate development, and residential homes in the area are being bought and sold at substantial prices. Thus, the TIF District on the whole has been subject to growth and development through investment by private enterprise and is likely to continue to be developed without the adoption of the redevelopment plan.
2. **The TIF District Will Not Solve the Problems Cited in the Redevelopment Plan.** The TIF District is not designed to resolve many of the problems cited in the Redevelopment Plan. For example, the Village's public records and planning documents reflect the opinion that the 55th St. corridor should be commercial rather than residential. The Redevelopment Plan cites to such records and planning documents to establish the "lack of community planning" and "deleterious layout" eligibility factors. Yet the Redevelopment Plan leaves the residential areas intact at the end of the TIF District, and the Village is even willing to declare 100% surplus for the residential areas north of 55th Street, which begs the question why they are included in the TIF District at all.
3. **The TIF District Is Being Used to Resolve Larger Village Water System Problems Beyond the TIF Area.** The Redevelopment Plan's main expense appears to be a large water tank project, but this project appears to be intended to benefit properties outside the TIF District, including but not limited to the Sub Area referenced repeatedly throughout the Redevelopment Plan.
4. **The Reserve's Common Areas.** The Reserve's common areas (assessed at \$0) appear to be included in the TIF District, but the buildings are not. This is highly unusual and creates isolated islands of non-TIF property within the TIF District. Thus, the Reserve's common areas do not seem to touch or adjoin one another and other parcels in the TIF District in a

reasonably substantial physical sense. See 65 ILCS 5/11-74.4-4(a) (TIF District “shall include only those contiguous parcels of real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.”).

5. **The Birches/Residential Units.** The Birches includes up to 90 residential units, but the Village did not hold a public meeting at least 14 days before mailing notice of the public hearing. See 65 ILCS 5/11-74.4-6(e) (“If a municipality desires to propose a redevelopment plan for a redevelopment project area that ... contains 75 or more inhabited residential units, the municipality shall hold a public meeting...”) (emphasis added).
6. **Lagging EAV Factor/CPI.** The use of this factor to demonstrate eligibility of the TIF District as a “conservation area” is inappropriate, where CPI was so high in two of the relevant years and where the TIF’s EAV growth was greater than the rest of the Village’s during the period in question.
7. **Obsolescence Factor.** This factor exists only at two properties (Jewel/Osco and the former Tracy’s Tavern), and with respect to one of those properties (the Tracy’s site), it relates to a structure that has been removed.
8. **Inadequate Utilities, Lack of Community Planning and Deleterious Layout Factors Do Not Warrant TIF Treatment.** To the extent these factors are present in the TIF District, they do not appear to cause the area to be in danger of falling into blight or are not detrimental to the public safety, health, morals, or welfare.

We will be present with our Board’s legal counsel at tomorrow’s meeting. See you at 10:00 a.m.

Regards,
Sean Nugent

Dr. Sean Nugent, Superintendent



1 S. Cass Avenue, Suite 202
Westmont, IL. 60559

(630) 515-4840 / @SuptNugent

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From: Zachery Creer <zcreer@clarendonhills.us>

Sent: Thursday, August 29, 2024 2:04 PM

To: Hoss, Paul <Paul.Hoss@dupagecounty.gov>; Mike Fletcher

<mikef@clarendonhillsparkdistrict.org>; Mindy Bradford <mbradford@d181.org>; Patrick King <pking@maercker.org>; supervisor@dgtdtownship.com; jstephen@hinsdale86.org; djq223@gmail.com; Ed Cage <ecage@clarendonhills.us>

Cc: Nugent, Sean <SNugent@maercker.org>; Hector Garcia <hgarcia@d181.org>; Neal Smith

<nsmith@robbins-schwartz.com>; cgreenspon@hinsdale86.org; Coppola, Nina
<Nina.Coppola@ryan.com>; Jason A. Guisinger <jaguisinger@ktjlaw.com>;
officeofthepresident@cod.edu

Subject: Call for Joint Review Board Meeting on September 5, 2024 at 10:00 a.m.

Dear Joint Review Board Members:

On August 14, 2024, the Joint Review Board (JRB) for the proposed Clarendon Hills 55th Street TIF District (the "TIF District") voted to recommend rejection of the TIF District to the Village Board. The TIF Act requires a thirty (30) day meet and confer period between the JRB and the Village to attempt to resolve the objections to the TIF District on which the recommended rejection was based.

Accordingly, the Village is calling a JRB meeting for September 5, 2024 at 10:00 a.m. in the Board Room of the Clarendon Hills Village Hall located at 1 N. Prospect Avenue, Clarendon Hills, Illinois.

As part of the meet and confer process, the Village is requesting that any member of the JRB who has specific reasons as to why the redevelopment plan and project for the TIF District fails to meet one or more of the objectives of this Act and the plan requirements and the eligibility criteria defined in Section 11-74.4-3 of the TIF Act, please provide the specific reasons in writing to the attention of the undersigned by email. 65 ILCS 5/11-74.4-3. This will allow the Village to better assess whether any amendments to the TIF plan or project area can be made and resubmitted to address the JRB's concerns without undermining the goals of the TIF District.

Also, as a reminder, the Village has proposed an intergovernmental agreement to JRB members District 60, District 181 and District 86 to address their general concerns about the financial impact the TIF District would have on the districts. In the proposed agreement, the Village would:

- Declare 20% of all increment in the TIF District as surplus and direct the County to allocate the surplus to all impacted taxing districts on a pro rata basis.
- Declare 50% of the increment for the Jewel property as surplus and direct the County to allocate the surplus to all impacted taxing districts on a pro rata basis.
- Declare 100% surplus the increment from residential properties on the north side of 55th from Western Ave to Prospect Ave
- Terminate the Ogden Avenue TIF four (4) years early.
- Provide additional tuition reimbursement beyond the requirements of the TIF Act

The Village also believes there is significant financial value to the taxing bodies from the extension of water service into the unincorporated areas that will be enabled by

contributions from the TIF for certain capacity upgrades.

The Village looks forward to the September 5, 2024 JRB meeting to continue working with the JRB to try and resolve the JRB's objections to the TIF District. Please note that if the Village and the JRB are unable to resolve these issues, the Village may nevertheless proceed with creation of the TIF District pursuant to the requirements of the TIF Act.

Please contact me with any questions.

Zach Creer
Village Manager

From: Hoss, Paul <Paul.Hoss@dupagecounty.gov>
Sent: Thursday, August 29, 2024 1:55 PM
To: Mike Fletcher <mikef@clarendonhillsparkdistrict.org>; Zachery Creer <zcreer@clarendonhills.us>; Mindy Bradford <mbradford@d181.org>; Patrick King <pkings@maercker.org>; supervisor@dgtownship.com <supervisor@dgtownship.com>; jstephen@hinsdale86.org <jstephen@hinsdale86.org>; [dj223@gmail.com](mailto:djq223@gmail.com) <[dj223@gmail.com](mailto:djq223@gmail.com)>; Ed Cage <ecage@clarendonhills.us>
Cc: Nugent, Sean <SNugent@maercker.org>; Hector Garcia <hgarciad181.org>; Neal Smith <nsmith@robbins-schwartz.com>; cgreenspon@hinsdale86.org <cgreenspon@hinsdale86.org>; Coppola, Nina <Nina.Coppola@ryan.com>; Jason A. Guisinger <jaguisinger@ktjlaw.com>; officeofthepresident@cod.edu <officeofthepresident@cod.edu>
Subject: Re: JRB Taxing Body Meet and Confer Process

EXTERNAL

DuPage County via paul hoss will attend

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From: Mike Fletcher <mikef@clarendonhillsparkdistrict.org>
Sent: Friday, August 23, 2024 11:34:33 AM
To: Hoss, Paul <Paul.Hoss@dupagecounty.gov>; Zachery Creer <zcreer@clarendonhills.us>; Mindy Bradford <mbradford@d181.org>; Patrick King <pkings@maercker.org>; supervisor@dgtownship.com <supervisor@dgtownship.com>; jstephen@hinsdale86.org <jstephen@hinsdale86.org>; [dj223@gmail.com](mailto:djq223@gmail.com) <[dj223@gmail.com](mailto:djq223@gmail.com)>; Ed Cage <ecage@clarendonhills.us>
Cc: Nugent, Sean <SNugent@maercker.org>; Hector Garcia <hgarciad181.org>; Neal Smith <nsmith@robbins-schwartz.com>; cgreenspon@hinsdale86.org <cgreenspon@hinsdale86.org>; Coppola, Nina <Nina.Coppola@ryan.com>; Jason A. Guisinger <jaguisinger@ktjlaw.com>; officeofthepresident@cod.edu <officeofthepresident@cod.edu>
Subject: RE: JRB Taxing Body Meet and Confer Process

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Zachary,

I should be able to attend.

Thank you,

Michael B. Fletcher, CPSI, CPO
Superintendent of Parks
Clarendon Hills Park District
630.323.2626 office

630.323.5362 fax

630.327.9985 cell

www.clarendonhillsparkdistrict.org

www.facebook.com/pages/Clarendon-Hills-Park-District/143749199021976

Have a Day that Makes a Difference.

From: Hoss, Paul <Paul.Hoss@dupagecounty.gov>

Sent: Thursday, August 22, 2024 12:56 PM

To: Zachery Creer <zcreer@clarendonhills.us>; Mindy Bradford <mbradford@d181.org>; Patrick King <pking@maercker.org>; supervisor@dgtownship.com; Mike Fletcher <mikef@clarendonhillsparkdistrict.org>; jstephen@hinsdale86.org; djq223@gmail.com; Ed Cage <ecage@clarendonhills.us>

Cc: Nugent, Sean <SNugent@maercker.org>; Hector Garcia <hgarcia@d181.org>; Neal Smith <nsmith@robbins-schwartz.com>; cgreenspon@hinsdale86.org; Coppola, Nina <Nina.Coppola@ryan.com>; Jason A. Guisinger <jaguisinger@ktjlaw.com>; officeofthepresident@cod.edu

Subject: RE: JRB Taxing Body Meet and Confer Process

DuPage County will verify that time and date after conferring with our County Board Office.

We hope to have confirmation by Friday August 23, 2024.

From: Zachery Creer <zcreer@clarendonhills.us>
Sent: Thursday, August 22, 2024 8:52 AM
To: Mindy Bradford <mbradford@d181.org>; Patrick King <pking@maercker.org>;
supervisor@dgtdistrict.org; Mike Fletcher <mikef@clarendonhillsparkdistrict.org>;
jstephen@hinsdale86.org; Hoss, Paul <Paul.Hoss@dupagecounty.gov>; djq223@gmail.com;
Ed Cage <ecage@clarendonhills.us>
Cc: Nugent, Sean <SNugent@maercker.org>; Hector Garcia <hgarcia@d181.org>; Neal
Smith <nsmith@robbins-schwartz.com>; cgreenspon@hinsdale86.org; Coppola, Nina
<Nina.Coppola@ryan.com>; Jason A. Guisinger <jaguisinger@ktjlaw.com>;
officeofthepresident@cod.edu
Subject: JRB Taxing Body Meet and Confer Process

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Dear Joint Review Board Member:

I hope this message finds you well. Following the Joint Review Board's recent recommendation to reject the Village's proposed 55th Street TIF plan, the Village is initiating the required meet and confer process as outlined in the Illinois Tax Increment Allocation Redevelopment Act.

In accordance with the statute, the Village has 30 days to resubmit the plan or amendment and will utilize this period to meet with members of the Board to address the issues identified in the Board's written report.

To facilitate this process, we propose holding a meeting on **September 5, 2024, at 10:00 a.m. at Village Hall**. The purpose of this meeting is to discuss the specific concerns raised by the Joint Review Board and to work collaboratively towards resolving these issues.

Please confirm your availability for this meeting at your earliest convenience.

We appreciate your continued commitment to this important process and look forward

to a productive discussion.

Thank you for your attention to this matter.

Zachery Creer

Village Manager

Village of Clarendon Hills

630-286-5402

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September 5, 2024

Dear Village Manager Creer:

This correspondence on behalf of School District 181 expresses the District's opposition to the 55th Street TIF District as currently proposed and conceived. To be clear, District 181 supports economic development, and we can even get behind tax increment financing (TIF) in the right situation and when properly deployed. However, we do not support abuse of the TIF tool, and what we see with the proposed 55th Street TIF is just that. Rather than finding ways to raise revenues for Village spending, the Village plans to divert the tax receipts that would otherwise flow to District 181 and other taxing bodies and use the diverted revenue for deferred Village infrastructure projects.

The following list is not exhaustive, but gives a sense of the problems District 181 has with the 55th Street TIF:

1. The Village fails the "but for" test. With the but-for test, the Village is called upon to show that "but for" the public investment provided through the TIF, effective development or redevelopment will not occur. In saying that the "but for" test is satisfied, the Village asks us to not believe our own eyes about what is already present and taking place in the area. Over the past few years, individual residential parcels within the proposed TIF have been purchased for \$300K to \$400K and redeveloped into properties worth \$700K to \$1M. The TIF area is prosperous, and successful businesses are present and have long located in the area. Other businesses want to come: Dunkin Donuts would have located on the most prominent parcel in the TIF without any TIF incentives, but the Village Board yielded to the NIMBY faction and the Dunkin Donuts development did not happen.
2. The equalized assessed value (EAV) of the TIF area is not lagging or declining. The area is increasing in value faster than the Village as a whole, and while it may be said that EAV is not increasing as much as recent inflation-fueled increases in the Consumer Price Index (CPI), it is certainly not within the spirit or intent of the TIF Act to use the aberrational CPI metric in these inflationary times.
3. The TIF area does not exhibit obsolescence. The TIF Act defines obsolescence as the condition or process of falling into disuse. The Village gives us two examples of obsolescence. Implausibly, the Jewel retail center building—the leading sales tax producer in the Village—is described as obsolete. The age of the Jewel building is the only reason given. Its vibrancy was



apparently overlooked, as was the fact that the property was recently renovated. Moreover, there is no indication that corporate leaders at Jewel worry about obsolescence. To the contrary, the high-performing Clarendon Hills Jewel was not in recent announcements of store closures as a result of an upcoming grocery store merger.

The only other support for the obsolescence claim is the former Tracy's Tavern property. But the Tracy's Tavern building was demolished without the TIF, and whatever could have been said about the obsolescence of the Tracy's building can no longer be said now because the building does not exist and the building was demolished and the property cleared without TIF assistance.

4. The TIF area does not exhibit deleterious land uses. This factor is shown by the existence of incompatible land use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive or unsuitable for the area. For this factor, the Village's report focuses on inadequate street and sidewalk connectivity, but connectivity is not what this factor is all about. Rather, the factor is about whether incompatible uses are situated next to each other. For example, a warehouse in a neighborhood would be an example of an incompatible land use relationship. The Village's report simply looks at the wrong issues for this factor.

5. Inadequate Utilities and Lack of Community Planning factors do not support use of TIF. To the extent these factors are present in the TIF District, they are isolated instances and not characteristic of the proposed TIF area as a whole. Certainly, any isolated presence of these factors does not cause the area to be in danger of falling into blight or cause the area to be detrimental to the public health and safety.

The Village apparently seeks to use TIF dollars to install water service infrastructure in a discrete part of the TIF area. Given the fact that there is no reason to believe that EAV growth in the TIF area is likely to stop or go down, we can see the TIF District for what it really is intended to do. It is a mechanism to capture property tax increment from high-performing property tax-producing properties like the Jewel and divert those dollars from other taxing bodies for Village infrastructure spending, and all without the Village having to take the political inconvenient step of raising taxes.

This is a classic example of how the TIF tool should not be used. The schools and other taxing bodies should not be called upon to subsidize the Village's neglected infrastructure spending.



Community Consolidated

School District 181

I urge the Village Board to reject the establishment of the 55th Street TIF. Thank you for your attention to this correspondence.



MEMORANDUM

TO: Village President and Board of Trustees of Clarendon Hills

FROM: Jason Guisinger, Klein, Thorpe and Jenkins, Ltd.

DATE: September 12, 2024

RE: **Summary of Joint Review Board Proceedings – 55th Street TIF**

This memorandum summarizes the proceedings and recommendation of the Joint Review Board (JRB) for the Village’s proposed 55th Street TIF District (the “TIF District”). The statutory purpose of the JRB under the Tax Increment Allocation Redevelopment Act (the “TIF Act”), 65 ILCS 5/11-74.4-1 *et seq.*, is to review the plans related to the TIF District and make a recommendation to the Village Board as to whether the Village Board should accept or reject the proposed TIF District.¹ Specifically, the JRB has the following duties and powers:

1. Review of Public Documents: The JRB must review the public record, planning documents, and proposed ordinances that approve the Redevelopment Project Area and Redevelopment Plan and Project. This includes a detailed analysis of both the Eligibility Report and the Redevelopment Plan and Project, which have been distributed to the taxing districts.
2. Recommendation to the Village: In accordance with state statute, the JRB is required to submit a written recommendation to the Village regarding the Eligibility Report, the proposed Redevelopment Project Area, and the Redevelopment Plan and Project. This recommendation, which can either approve or reject the proposal, must be supported by a majority vote of the JRB members present and voting. The basis of this recommendation is whether the documents satisfy the statutory requirements and objectives set forth in the TIF Act.
3. Non-Binding Nature of Decision: The decision rendered by the JRB is non-binding, serving only as a recommendation to the Village Board. If the JRB rejects the proposal, the Village has thirty (30) days to attempt to address the concerns and resubmit a revised Redevelopment Plan and Project. During this period, the Village

¹ The Joint Review Board is composed of representatives from the community college district, local elementary school district, high school district, and, if applicable, the community unit school district. It also includes representatives from the park district, library district, if applicable, township, fire protection district, if applicable, county, and the municipality proposing the TIF district. Additionally, a public member is included on the board, selected by the other members.

representatives must confer with the JRB to resolve the issues identified in the rejection.

4. Approval by the Village: Should the Village and the JRB fail to resolve their differences, or if the JRB rejects the resubmitted plan, the Village may still approve the Redevelopment Project Area and Plan, but only with a 3/5ths vote of the corporate authorities.
5. Annual Review: If the TIF District is created, the JRB will continue to meet annually for the duration of the TIF District to review the status and effectiveness of the Redevelopment Project Area. Additionally, the JRB will review the Village's annual report regarding the TIF District's performance.

In this case, the JRB, after performing its statutory duties, recommended to the Village Board that the TIF District be rejected. The basis for the JRB's recommendation, which was provided through the JRB process from School Districts 181, 86 and 60, can be summarized as follows:

1. Failure to Meet the "But For" Test: The area within the proposed TIF has seen significant redevelopment, with residential properties increasing in value without TIF assistance. Successful businesses are present in the area, and new businesses are eager to locate there, indicating that development would continue without TIF incentives.
2. Rising Property Values: The equalized assessed value (EAV) of the area is increasing faster than the Village overall. The Village's reliance on inflation-fueled Consumer Price Index (CPI) comparisons does not align with the intent of the TIF Act, which is meant to address areas that are truly declining or lagging in value.
3. Lack of Obsolescence: The Village's claim of obsolescence is unfounded. The Jewel retail center, a leading sales tax generator, was recently renovated and continues to perform well. Similarly, the Tracy's Tavern property, cited as obsolete, has already been demolished without TIF support, eliminating any potential obsolescence concerns.
4. No Deleterious Land Uses: The Village's report incorrectly applies this factor, focusing on connectivity issues rather than incompatible land uses. There are no inappropriate or noxious land uses present that would justify the need for TIF designation.
5. Isolated Utility and Planning Issues: The presence of inadequate utilities or a lack of community planning is limited to specific instances and does not characterize the entire area. These isolated issues do not threaten the area's viability or public health and safety.

6. The JRB views the proposed TIF as a mechanism for the Village to capture property tax revenue from high-performing properties, such as the Jewel, and use it for infrastructure projects without directly raising taxes. This is seen as an inappropriate use of the TIF tool, shifting the burden of deferred Village infrastructure spending onto schools and other taxing bodies.
7. The TIF District Will Not Solve the Problems Cited in the Redevelopment Plan: The Redevelopment Plan identifies issues such as a lack of community planning and deleterious layout, based on the Village's vision that the 55th Street corridor should be commercial rather than residential. However, the plan leaves the residential areas intact and even suggests declaring 100% surplus for the residential areas north of 55th Street. This inconsistency undermines the argument that the TIF District is needed to address the cited problems.
8. The TIF District Is Being Used to Resolve Village Water System Problems Beyond the TIF Area: The Redevelopment Plan allocates a significant portion of funding to a large water tank project, which appears to benefit properties outside the TIF District, including the Sub Area mentioned in the plan. This suggests that the TIF is being used to address broader Village infrastructure issues unrelated to the designated TIF area.
9. The TIF District Is Being Used to Resolve Village Water System Problems Beyond the TIF Area: The Redevelopment Plan allocates a significant portion of funding to a large water tank project, which appears to benefit properties outside the TIF District, including the Sub Area mentioned in the plan. This suggests that the TIF is being used to address broader Village infrastructure issues unrelated to the designated TIF area.

The TIF eligibility report, prepared by the Village's TIF consultant, Ryan, disagrees with all these points as detailed in the report. Village staff also addressed the concerns of the JRB through the meet and confer process and through written communication. Despite the efforts of Village staff and the JRB, they were unable to resolve their differences.

Therefore, as a result of the negative JRB recommendation, in order for the Village Board to approve the TIF District, it must be approved pursuant to a 3/5ths vote of the Village Board.

Please feel free to contact me if you have any questions.

KLEIN, THORPE & JENKINS, LTD.



Jason A. Guisinger

cc: Zachery Creer (via email)

Proposed Clarendon Hills TIF

The Village of Clarendon Hills has proposed the establishment of a Tax Increment Financing ("TIF") district designated as the "55th Street TIF District" along 55th Street between Western Avenue and Illinois Route 83. As this proposal could have significant implications for our community, we aim to provide you with clear and comprehensive information to ensure you are well informed. At a special meeting held on Wednesday, July 24, 2024, the District 86 Board of Education decided to seek a continuance on an upcoming vote to approve the TIF. At that time, the Board voted unanimously (7-0) to cast its Joint Review Board (JRB) vote against the 55th Street TIF District Proposal unless and until the Board is satisfied that the establishment of the TIF is in the best interests of the community and is in conformance with the TIF eligibility requirements under Illinois law. The following will provide some background and additional information on the Board's decision and the potential TIF.

UPDATE: AUGUST 14, 2024

Joint Review Board Votes to Reject 55th Street TIF Proposal

A Joint Review Board (JRB) panel voted on Aug. 14, 2024, to recommend rejection of the 55th Street Tax Increment Financing (TIF) District that has been proposed by the Village of Clarendon Hills. The Village initiated the 55th Street TIF District project to create a designated area along 55th Street between Western Avenue and Illinois Route 83 in Clarendon Hills. The TIF was designed to divert future property tax revenues generated by this area's growth away from schools and other taxing districts, redirecting those funds to the Village for redevelopment.

The JRB is a panel comprised of representatives from Hinsdale Township High School District No. 86, Hinsdale Community Consolidated School District No. 181, Maercker School District No. 60 and other taxing bodies affected by the proposed TIF. The JRB was tasked with reviewing the TIF proposal and making a recommendation to the Village Board. During the review process, and at today's meeting, numerous JRB representatives and members of the public expressed strong opposition to the TIF proposal, highlighting critical concerns about its potential impact on local schools and taxpayers. A key issue raised was the substantial tax burden shift that would result from the TIF, placing a disproportionate financial impact on individual taxpayers outside of the TIF district.

It is important to note that on July 24, 2024, the Hinsdale Township High School District 86 Board of Education unanimously voted (7-0) to reject the 55th Street TIF District proposal unless and until the Village could demonstrate that the TIF was in the best interests of the community and fully aligned with the TIF eligibility requirements under Illinois law.

Following thorough discussions and public input at the JRB meeting, a motion to recommend the approval of the TIF was made but failed to pass, with the three affected School Districts, and Downers Grove Township, voting against approval. The vote for approval was followed by a motion to recommend rejecting the TIF, citing the TIF's failure to meet the objectives, and the eligibility criteria, of TIF policy and legislation. This motion to reject the TIF passed, with all of the School Districts, and Downers Grove Township, voting to recommend rejection.

As the result of the JRB's vote, the TIF proposal must now obtain a 60 percent supermajority vote by the Village Board to advance, significantly elevating the threshold for approval and highlighting the serious concerns raised by the affected taxing bodies. There will be a public hearing on the TIF held by the Village of Clarendon Hills on Aug. 19, at 6:30 p.m. at the Village Hall, located at 1 N. Prospect Ave., Clarendon Hills. This hearing is a critical opportunity for members of the public to attend and voice their opinions. After the public hearing, the Village must wait at least 14 days before holding the final vote to establish the TIF.

District 86 believes the JRB decision reflects the broader community's concerns and emphasizes the necessity of ensuring that any redevelopment plan serves the best interests of our schools and taxpayers. The school district remains particularly concerned about the underestimated tax burden that would be placed on non-TIF residents and the lost opportunity for the School District and other taxing districts to benefit from robust area growth.

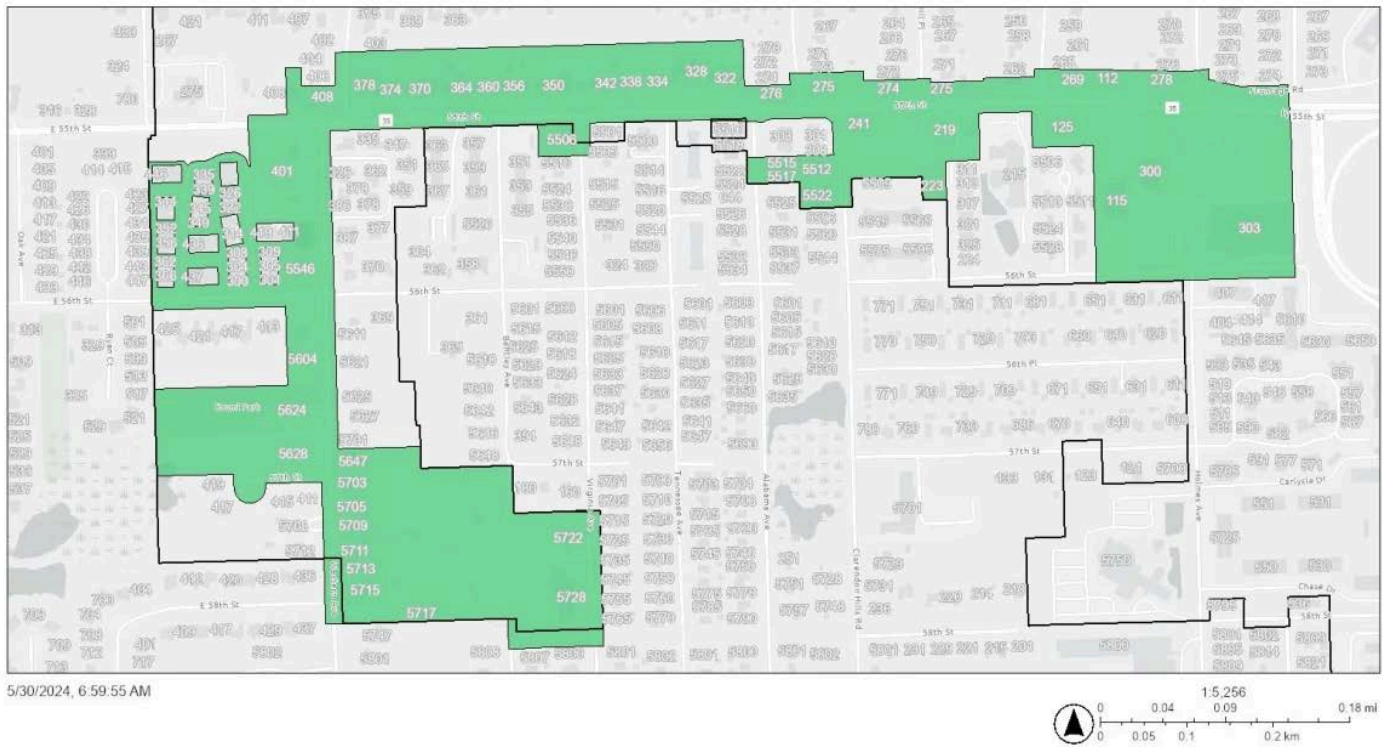
If you have any questions, please contact us at boe@hinsdale86.org. Thank you for your continued support and engagement.

Frequently Asked Questions (FAQ) about the Proposed 55th Street TIF District

What is a TIF District? A Tax Increment Financing (TIF) district is a designated area where a municipality can use property tax revenues to fund improvements and redevelopment projects. The goal of a TIF is to stimulate economic growth and development in areas that are struggling or "blighted." To qualify as a TIF district, the area must meet a minimum number of eligibility factors, and the school district is reviewing the qualifications used by the Village for the TIF district. One area of concern in particular is the "Lagging or Declining EAV" factor. It seems that the EAV of the TIF area is only "lagging" because the TIF area's growth is being compared to anomalously high Consumer Price Index (CPI) growth in recent years.

What is the 55th Street TIF? The proposed TIF is generally located along the north and south sides of 55th Street between Western Avenue to the west and the Jewel-Osco property to the east. It includes a significant area south of 55th Street generally at the west and east sides of Western and Bentley avenues. **See the Village of Clarendon Hills Website** (<https://clarendonhills.us/CivicAlerts.aspx?AID=394>).

Clarendon Hills TIF Boundary



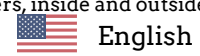
How does a TIF District work? When a TIF district is created, the rate-setting value of properties within the district is frozen for the school district and other taxing districts. As redevelopment happens, actual property values nevertheless continue to increase. Annually, the taxes generated by the difference in the frozen rate-setting values and the increased actual values will be diverted from the taxing bodies to the Village of Clarendon Hills for the TIF. The percentage of the diverted tax funding that would normally go to District 86 will then have to be covered by the remainder of the Hinsdale District 86 tax base through increased tax rates.

What improvements are planned for the 55th Street TIF District? Typically, planned improvements may include infrastructure upgrades to replace or repair deteriorated roads, sidewalks, and utilities, and to provide incentives for new businesses and residential developments. District 86 is still in the process of investigating and understanding planned projects for the 55th Street TIF.

How long will the TIF District last? The proposed TIF district is expected to last for 23 years, with an option, under certain circumstances, to be extended for up to 12 additional years for a maximum TIF term of 35 years.

What happens if the Village has TIF funds remaining at the end of the TIF? Generally, if TIF funds are not obligated at the end of the TIF, the funds are to be declared "surplus" and disbursed pro rata to the taxing districts. However, municipalities may create obligations in the final year of a TIF and spend the funds in the year after expiration of the TIF. Municipalities are incentivized to do so since the funds are disbursed to the taxing districts otherwise. Because the TIF Act lacks clarity on this issue, there has been litigation over the disposition of TIF funds remaining at the end of a TIF district.

How will the TIF affect property taxes for D86 residents? As District 86's revenue needs inevitable increase due to inflation, population growth and changes in the law, the school district will not be able to collect revenue from properties within the TIF beyond the current, frozen TIF EAV, which will remain frozen until the TIF expires. The property taxes collected within the TIF district that would normally go to local taxing bodies, such as schools, will instead be diverted for TIF redevelopment projects. This will result in increased tax rates for the remaining taxpayers, inside and outside of the TIF. For the lost revenue, raising the overall property taxes of District 86 residents.



What is the role of District 86 in this process? District 86 is closely monitoring the proposed TIF district to ensure that the interests of our students, staff, and community are protected. We are seeking detailed information from the Village to understand the potential impacts on school funding and resources.

Can the Village approve the TIF over the objections of taxing districts? Yes, the Village can approve the TIF district even if taxing districts object. The proposed TIF district must be considered by a Joint Review Board (JRB), which includes representatives from each affected taxing body. While the JRB provides a recommendation, the final decision rests with the Village Board. If the JRB votes in favor of the TIF, the Village Board needs a simple majority to establish the TIF. If the JRB votes against the TIF, Village Board can still approve the TIF district with 60% approval by the Village Board.

What concerns does District 86 have about the TIF? Our primary concerns include ensuring that the TIF district does not unnecessarily increase tax rates or negatively impact school funding, understanding how the increased property values and tax revenues will be managed, and making sure that the benefits of the TIF are clearly defined and achievable.

How can I learn more or share my opinion? You can attend public meetings held by the Village and District 86, visit the Village's website for updates, and contact District 86 with any questions or concerns. Your input is valuable, and we encourage community members to stay informed and involved. All community members are welcome to express concerns to the Board of Education by email to boe@hinsdale.org (<mailto:boe@hinsdale.org>).

Key Points to Consider

- **Alternative Funding Sources:** Establishing a TIF district may not be the only opportunity for redevelopment projects. Funding for the redevelopment described by Clarendon Hills may be available through bond sales and/or partnerships with DuPage County, the State of Illinois, and the Federal Government through grants. The School District is currently working to understand what other funding opportunities have been considered and investigated.
- **Impact on Taxes:** As a result of the TIF, a portion of the tax burden for funding schools and other governmental services such as parks, fire protection and libraries, will shift to individual taxpayers outside of the Clarendon Hills TIF District boundaries. This shift will result in higher taxes for those not directly benefiting from the TIF including residents of Clarendon Hills who reside outside of the 55th TIF District boundaries.
- **Revenue Implications:** The TIF report prepared by the Village's consultants estimates tax implications based upon a 3-5% EAV annual increase. According to the Village's consultants, EAV in the TIF will go from around \$14 million at the beginning of the TIF to \$30-\$40 million at the end. When considering recent developments, growth and parcel sales, it seems that the Village's projected EAV growth would probably happen even without the TIF and, indeed, the Village's projections could be substantially underestimated.
- **Recent Property Sales:** While a TIF is meant to stimulate growth, the proposed TIF District has already seen noteworthy growth in recent years. Over the past few years, individual residential parcels within the proposed TIF District have been purchased for \$300,000-\$400,000 and redeveloped into properties worth \$700,000-\$1,000,000+.
- **Need for Comprehensive Analysis:** District 86 has many immediate and long-term implications to consider regarding the proposed TIF district. District 86 is still in the early stages of discussing the TIF proposal with the Village. We are working with the Village and other taxing bodies to gather all pertinent information and engage in thoughtful discussions. Unfortunately, a meeting scheduled by the Village for August 9, 2024, could not go forward as planned, as the Village raised concerns at the last minute about possible violations of the Open Meetings Act that the Village had not previously raised with the meeting attendees who had been invited by the Village. To avoid any violation of the Open Meetings Act, the meeting was rescheduled for August 16, 2024.

[Skip to Main Content](#)



English

Act and protect the impacted school districts, each school district had only legal counsel meet with the Village representatives.

- **Joint Review Board (JRB) Involvement:** As a taxing district impacted by the proposed TIF, District 86 is a member of the Joint Review Board ("JRB") that provides guidance and recommendations to the Village for the TIF. To make any decision on behalf of the District, the Board needs to be fully informed.

TIF Status: On Wednesday, July 31, there was a meeting of the Joint Review Board, which is made up of one voting member from each taxing body with tax revenue impacted by the proposed TIF District plus one public member. At the July 31 Joint Review Board meeting, the taxing districts voted unanimously to delay the vote in favor of or against the TIF. The JRB members are working together to gather relevant information and answer questions posed by individual JRB members and the community.

Upcoming Dates

- **August 14, 2024:** Joint Review Board Meeting (continuation)
- **August 19, 2024:** Village of Clarendon Hills Public Hearing on TIF
- **Fall 2024:** Village adoption of TIF ordinances expected at a regular board meeting

Additional Information

For further information regarding TIF districts and the impact of the proposed 55th Street TIF District on the District, please consult the **Presentation given by Robbins Schwartz Attorneys for the District at a Special Meeting of the Board of Education on July 24, 2024** (<https://drive.google.com/file/d/1v2rBNKmrvgQeBP3toepl1pOzZpldBzlb/view>).

We encourage all community members to stay informed and involved in this important process. For more information, please contact **D86 Executive Director of Communication Alex Mayster** (<mailto:amayster@hinsdale86.org>) via email at amayster@hinsdale86.org.

Thank you for your interest and involvement in our community's future!

D60 Community Update

Proposed Village of Clarendon Hills 55th Street TIF

D60 Community,

Since becoming aware in early May that the Village of Clarendon Hills intended to create a Tax Increment Financing (TIF) District for a portion of the village that is served by D60, Dr. Nugent, CSBO Patrick King, and Board President Michael Jones have actively engaged in discussions with the Village of Clarendon Hills. Further discussions have also occurred with our partner school district leaders in D181 and D86. The proposed TIF will be a topic of discussion at the D60 Board of Education meeting taking place on Tuesday, August 13.

What is a TIF?

TIF stands for Tax Increment Financing. TIF districts are proposed by local governments like cities or counties and are designed to encourage development in areas considered blighted (vacant properties, poorly maintained properties, etc.), or unlikely to be improved "but for" the existence of the TIF district.

How Long Does a TIF District Last?

TIF districts last for 23 years, and can be extended further by mutual agreement of all taxing bodies.

How Will a TIF District Impact D60?

When a TIF district is created, property taxes that taxing bodies collect are frozen at the amount in place at the time the TIF is established. The yearly increase in property values (the increment) that normally would be received by the taxing districts is instead diverted to a municipally controlled account to fund improvement projects. So, every year for the next 23 years D60 would receive the same amount of yearly revenue from properties within the TIF as we do right now. D60 will propose the same tax extension in alignment with inflation in future years, however, with revenue from

the TIF not increasing with inflation, other property owners throughout the entire district would have to make up the difference.

Using the Village of Clarendon Hills property growth assumptions, our staff conducted an analysis of the proposed TIF and found a loss of revenue to D60 between \$3.9 million to \$6.3 million.

What is the Proposed Village of Clarendon Hills 55th Street TIF?

The proposed TIF is generally located along the north and south sides of 55th Street between Western Avenue to the west and the Jewel-Osco property to the east. It includes a number of residential properties south of 55th Street generally at the west and east sides of Western and Bentley avenues.

[55th Street TIF District Redevelopment Plan and Project](#) (from Village website)

What are the Next Steps?

The required Joint Revue Board (JRB) composed of a representative from the affected taxing bodies along with a member of the community is scheduled to meet on Wednesday, August 14, at 10 a.m. at the Village of Clarendon Hills Village Hall. This is an opportunity for taxing bodies to ask questions and share perspective. Members of the public can also make comment. The JRB will take an advisory vote on the proposed TIF plan that will be passed to the full village board.

The next step is a required public hearing on the plan that will be held on Monday, August 19, at 6:30 p.m. at the Village of Clarendon Hills Village Hall. Members of the public have the opportunity to share their perspective with the village board.

Finally, the Village Board will schedule a formal vote on creating the TIF at a date in the future at least 14 days beyond the public hearing.

If You Would Like to Share Your Perspective

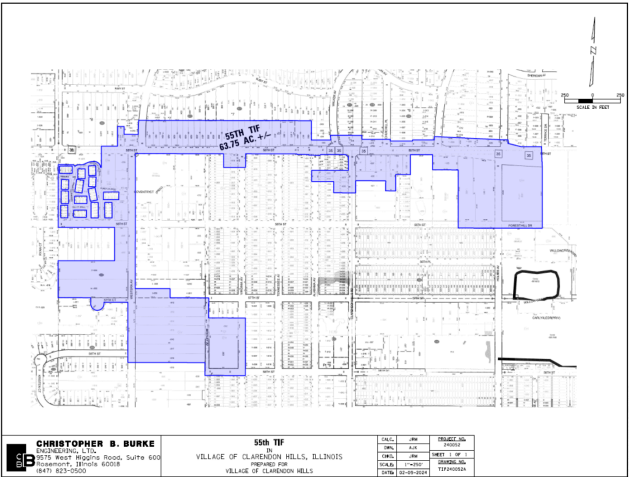
The D60 Board of Education will be discussing this issue at the August 13 regular school board meeting. If you have any input you would like the D60 Board of Education to consider, you can share that via email at boardofeducation@maercker.org.



Home

Update: Village of Clarendon Hills 55th Street TIF District Proposal

Aug 15 2024



Background:

The Village of Clarendon Hills proposed establishing a Tax Increment Financing (TIF) district along 55th Street, between Western Avenue and Illinois Route 83. This proposal could significantly impact our community.

D181 Action:

On August 12, 2024, the D181 Board of Education unanimously voted to reject the 55th Street TIF proposal unless the Village could provide more clarity and impact on the D181 stakeholders. The District

did receive an IGA from the Village on the 12th, and will start the legal and financial review process.

Joint Review Board (JRB) Decision:

On August 14, 2024, the JRB, comprised of representatives from D181, Maercker School District 60, D86, and other affected taxing bodies, voted to recommend the rejection of the 55th Street TIF proposal.

Reasons for Rejection:

- **Unequal Tax Burden:** Members of the JRB expressed concerns about a substantial tax shift that disproportionately impacts non-TIF residents.
- **Impact on Schools:** JRB Members also highlighted the potential negative impact on school funding from lost property tax revenue.

Next Steps:

- **Village Board Vote:** Due to the JRB decision, the proposed TIF now needs a supermajority vote (60%) by the Village Board for approval.
- **Public Hearing:** A public hearing is scheduled on August 19 at 6:30 pm at the Village Hall (1 N. Prospect Ave., Clarendon Hills). This is an opportunity for community members to voice their opinions ahead of the Village Board vote in September.

Our Schools: CHMS | HMS | Elm | Madison | Monroe | Oak | Prospect | The Lane | Walker | Preschool/ECE

DISTRICT NEWS

TIF Update: JRB Hearing Statement

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Aug 20 2024

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Hinsdale Little League - Great Lakes Region - Good Luck!

Aug 16 2024

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Update: Village of Clarendon Hills 55th Street TIF District Proposal

Aug 15 2024

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CALENDAR

SEP

16

2024

Board of Education - Regular Business Meeting Executive Session

6:00 PM - 7:00 PM

Hinsdale Middle School, 100 S Garfield St, Hinsdale, IL 60521, USA

SEP

16

2024

Board of Education - Regular Business Meeting

7:00 PM - 9:00 PM

Hinsdale Middle School, 100 S Garfield St, Hinsdale, IL 60521, USA

OCT

7

2024

Board of Education - Regular Business Meeting Executive Session - Professional Development

6:00 PM - 7:00 PM

Hinsdale Middle School, 100 S Garfield St, Hinsdale, IL 60521, USA

OCT

7

2024

Board of Education - Regular Business Meeting- Professional Development

7:00 PM - 9:00 PM

Hinsdale Middle School, 100 S Garfield St, Hinsdale, IL 60521, USA

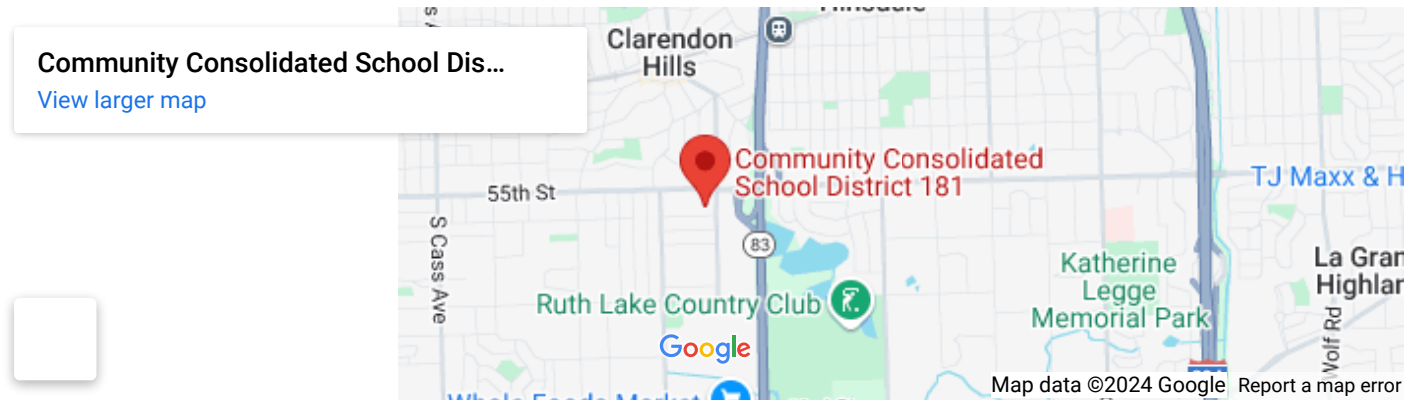
QUICKLINKS

- [Accessibility Statement](#)
- [Back-to-School Toolkit](#)
- [Board of Education](#)
- [Building & Grounds Service Request](#)
- [Cafeteria](#)
- [Calendar](#)
- [Community Backpack](#)
- [CSCI](#)
- [FOIA](#)
- [Newsletter Signup](#)
- [Open Book](#)
- [Public Comment](#)
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- [Report an Absence](#)
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- [Transparency in Coverage: MRF](#)
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COMMUNITY CONSOLIDATED
SCHOOL DISTRICT 181



Address: 115 West 55th St.
Clarendon Hills, IL 60514
Phone: (630) 861-4900
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**MINUTES OF THE JOINT REVIEW BOARD MEETING
PROPOSED 55th STREET TIF DISTRICT
JULY 10, 2024 – 10:00 A.M.**

**VILLAGE OF CLARENDON HILLS
1 N. Prospect Avenue
Clarendon Hills, Illinois**

I. Call to Order

Community Development Director Cage called the meeting to order at 10:01AM

II. Introduction of Representatives was made.

ROLL CALL

Present: (1) Resident Member Daniel Quealy, (2) District 181 Mindy Bradford and Brian Bresnahan, (3) District 60 Sean Nugent and Patrick King, (4) District 86 Josh Stephenson, (5) Clarendon Hills Park District Mike Fletcher, and (6) Village of Clarendon Hills Ed Cage

Absent: (7) DuPage County, (8) Community College District 502, and (9) Downers Grove Township

Others Present: Village Attorney Jason Guisinger, Ryan Consultant Charles Durham, Ryan Consultant Nina Coppola, Village Manager Zachery Creer, Community Development Director Ed Cage, and Deputy Clerk Pries

Charles Durham noted that the roll call was a full list of all the taxing districts but the only ones part of this Joint Review Board (JRB) is the school districts, county, park district, township, and village. He stated we have a quorum. The Roll Call above reflects the attendance or absence of JRB members only.

Sean Nugent asked how there was a quorum. Attorney Guisinger confirmed that we have a quorum of the Joint Review Board.

III. Selection of Public Member

CD Director Cage made a motion to have Dan Quealy to serve as the Public Member of the JRB, Park District Representative Mike Fletcher seconded the motion.

Roll Call Vote

Ayes: Resident Member Daniel Quealy, District 181 Mindy Bradford,
District 60 Sean Nugent, District 86 Josh Stephenson, Clarendon
Hills Park District Mike Fletcher, Clarendon Hills Ed Cage,
Nays: None

Mr. Nugent asked about a clarification of the taxing bodies not here.

Attorney Guisinger explained that the Village notified all the impacted taxing bodies of this meeting but they are not all members of the Joint Review Board. He stated they are free to come but they are not voting members. Mr. Nugent asked how that is determined and Attorney Guisinger explained by state statute.

MOTION carried.

IV. Selection of Chairperson

Public Member Dan Quealy made a motion to appoint Ed Cage to serve as chairperson, Mike Fletcher seconded.

Roll Call Vote

Ayes: Resident Member Daniel Quealy, District 181 Mindy Bradford,
District 60 Sean Nugent, District 86 Josh Stephenson, Clarendon
Hills Park District Mike Fletcher, Clarendon Hills Ed Cage,
Nays: None

MOTION carried.

V. Review of Joint Review Board Procedures and Duties

Attorney Guisinger explained the statutory duties of the JRB – They are to review the public records, planning documents and proposed ordinance and the plans related to the redevelopment project area. The JRB report need to be approved by majority vote was members present today. Written report is due 30 days of this meeting, must be done by August 9th, 2024. The JRB must be sure the RPA and plan satisfies the plan requirements, the eligibility criteria, and the objectives of the TIF Act. The decision by the JRB is only a nonbinding decision only a recommendation. If a rejection is made by the JRB, the Village has 30 days to resubmit a revision to the JRB to see if they can come to an agreement. If this is approved there will be an annual meeting of the JRB to give annual report of the TIF.

VI. Adoption of Rules Concerning Public Comment and Testimony (three minutes max)

Mr. Cage referred to a handout with the rules for the meeting

Attorney Guisinger stated for the record these are standard rules for public comment that deal with time lengths of public comment.

Mr. Cage made a motion to adopt the *Rules Concerning Public Comment and Testimony*, Mr. Quealy seconded the motion.

Roll Call Vote

Ayes: Resident Member Daniel Quealy, District 181 Mindy Bradford,
District 60 Sean Nugent, District 86 Josh Stephenson, Clarendon
Hills Park District Mike Fletcher, Clarendon Hills Ed Cage,
Nays: None

MOTION carried.

VII. Review 55th Street TIF Plan and TIF Eligibility Criteria

Mr. Cage asked to be sure everyone had the documents and then introduced Mr. Charles Durham.

Mr. Durham stated that the PowerPoint he was about to present was based on a court document and plan for the proposed 55th development. He stated that he was going to skip the TIF 101 explanation as he felt everyone in the room knows the basics of a TIF.

Mr. Durham explained that this TIF plan used the 1991 Comprehensive Plan and the 55th Street Sub Area plan which identifies the challenges and opportunities along 55th Street. He further explained that areas outside of this TIF district would not be able to benefit from the TIF District.

Mr. Quealy inquired as to why the east side of Western Ave was not part of the TIF. Village Manager Creer explained that we went down Western to the west side for the water system this is the lowest point, this also allows us to grab the park down there so there is some green space that could potentially host some infrastructure some point in the future if the Park District was agreeable. This area was key in order to make improvement to the water systems in the area.

Mr. Durham explained that Clarendon Hills was very conservative in the properties chosen for this TIF. Most communities grab way more. He. Stated that the buildings on the West side are not included, just the common areas are.

Mr. Quealy wanted to know why didn't we include all the residential areas. Don't all the residents have the same issue of water pressure and/or drainage?

Creer explained that we wanted the least amount of residential as possible in the TIF as that it would trigger other requirements that are costly that the Village didn't feel

necessary to accomplish what we are looking to do here. Our goal was to not redevelop the residential areas but commercial properties. The properties north of 55th do have some drainage issues that were identified that we could potentially address, but those homes are really serving as a bridge with the TIF for us to get to the commercial side of 55th. We have potential development at 5506 Virginia that the Village owns, and parcel at Holmes at 55th and some parking lot areas over by Jewel that could be an area for development. We just want to piece enough development together to make the TIF viable so we can fund the infrastructure issues predominantly the 2 we've identified, such as the water pressure issues and the traffic issues at Western Avenue and 55th Street. We are aware of the stormwater issues in the area.

Deputy Clerk Pries asked to clarify that if we fix the water on the west side of Western Ave it would help improve the water pressure for the entire area not just the west side residents.

Manager Creer clarified that the issue isn't the water mains but the elevated water storage in the area to increase water pressure. Anything we do will help everyone south of 55th. Mr. Durham stated that this would assist in the development of the area and Mr. Creer agreed as this is a limiting factor for future development in the area. Ms. Coppola stated that if a property is connected to TIF the state statute allows the Village to spend money in the non-TIF area if needed to complete infrastructure improvements.

Mr. Durham shared that the goal of the TIF is to help the Village meet the objectives of the 1991 Comprehensive Plan and the 2017 55th Street Sub Area Plan as well as the following:

- Ensure that new development/redevelopment is compatible with existing uses on adjacent land.
- Develop and put into place revenue-generating mechanisms that assure adequate funding to carry out the Goals and Objectives of the Plan without placing an unreasonable tax burden on the citizens.
- Complete annexation of all unincorporated areas south of 55th Street, consistent with existing boundary agreements (on a voluntary basis as water infrastructure allows).
- Improve both vehicular and pedestrian circulation.
- Develop a program for coordinating the rehabilitation or replacement of storm sewers and water mains with the improvement of street pavements.
- Develop a systematic infrastructure repair, preventative maintenance and extension programs.

Mr. Stephenson asked if Mr. Durham could further explain the development of an in place revenue generating mechanisms. Are you looking to attract new businesses and where will the growth be? Mr. Durham stated the old Tracy's Development and the

possible is the Jewel location. Mr. Stephenson asked how does existing businesses bring in revenue? Ms. Coppola stated that this is a 23-year plan and we are looking at possible future opportunities. Manager Creer stated that we have had potential interests at the Tracy's site but without infrastructure improvements at that site development will not happen. Mr. Nugent asked if the residents don't want any commercial business on the Tracy's site and Mr. Quealy stated that the residents are not against development on that site, just not a 90 an hour car drive-thru, due to the unsafe intersection at Western and 55th.

CD Director Cage stated that the intersection isn't ideal at the moment for a development, so if we have the TIF in place we could work on the infrastructure improvement and help get a project into that site. Mr. Nugent asked like what? Manager Creer stated that there are other commercial developments without a drive-thru that are interested, an example is a possible daycare along with another development, whose property tax alone would help kick off some initial infrastructure for the area. The Village owns other properties along 55th that could be developed like 5506 Virginia and a well house on Holmes that we could in the future develop once closed. There is an out lot in front of Jewel that we could possibly develop if the Village could help with their parking concerns. With the mergers of grocery stores we have to consider what we would do if Jewel was no longer there. They are a big revenue generator for us and this is a 23-year plan, so we need to look at the bigger picture and would like to be in a position to assist our current businesses if need be. Developing the out lot at Jewel could help bring more revenue to the store and help keep it open. Another site is PNC as they are closing several locations, and we as a Village would like to have the means to help redevelop these areas if need be.

Mr. Nugent asked how does a daycare help the TIF? Manager Creer answered that the property tax would be larger than it is right now for an empty lot and that would bring in the extra increment. The development would help pay for the infrastructure which would kick off future development in the area. We are trying to get ahead of an issue of the unsafe intersection. If we get to a point that there is no more development plan in the area the Village would be happy to end the TIF earlier than the 23 year plan and distribute the money back to the taxing bodies. Mr. Durham stated that the Village has been extremely conservative with the TIF plans.

Mr. Durham continued to explain the qualifying factors of the TIF designation.

- The proposed TIF District meets the criteria for designation as a "Conservation Area"
- 52 of the 65 structures (or 80%) of the structures in the proposed TIF District are 35-years of age or older
- At least 3 of the 13 qualifying factors for "conservation area" set forth in the TIF Act (Illinois State Statute) are present in the proposed TIF District.

Mr. Durham stated that they found 5 out of the 13 Qualifying Factors for the TIF and the Village only needs to have 3 of the 13 to qualify. He further explained the 5 that they found the Village met.

- 1) **Lag or decline in EAV**
- 2) **Obsolescence**
- 3) Deterioration
- 4) **Deleterious land use or layout**
- 5) Excessive vacancies
- 6) **Inadequate utilities**
- 7) **Lack of community planning**
- 8) Dilapidation
- 9) Excessive land coverage
- 10) Environmental clean up
- 11) Code violations
- 12) Illegal uses
- 13) Lack of ventilation or sanitary facilities

Mr. Stephenson was not happy that the EAV years shown, did not include 2023. He also stated that a 57-year-old Jewel doesn't meet the obsolescence list. Mr. Creer stated that is why we want to develop the out lot to help bring revenue to that store to bring additional profitability. Mr. Durham explained that the TIF won't solve all the issues but might help mitigate them. Manager Creer stated the TIF could also bring Country House up to code in regard to their bathrooms which could assist in their long-term presence in the community. Deputy Pries stated an example of using TIF funds on an obsolete building was just done with a 100-year-old property within the current Downtown TIF to bring it up to current standards by helping to pay for the sprinklers.

Mr. Quealy asked if the TIF would benefit anyone like home builders if they wanted to build on the lots that have older homes. Mr. Durham stated the TIFs help stabilize the current residents and could attract those home builders, but that hasn't been the TIF's goal. Manager Creer stated that increasing the water pressure could for sure trigger more interest among home builders and having residents asking to annex into the community, as we get those annexation inquiries already, but the Village's goal is not focused on home builders but on making improvements to our existing commercial properties and the local infrastructure.

Mr. Nugent stated that if there are new homes with new students the schools would miss out on that revenue source. Attorney Guisinger stated that is not correct as the State Statute states the school would still get their share. Manager Creer stated that the Village is happy to work with the schools in regard to an agreement to reimburse the schools if new students are generated. Mr. Durham clarified Manager Creer's statement and said that the TIF act mandates that if new kids come into the school district, the TIF would be required to

reimburse the schools for the impact fees. The reimbursement fee is based on the State's tuition offset rates.

Manager Creer and CD Director Cage mentioned that there are properties outside of the TIF who have asked to be annexed but they can't allow it because the infrastructure is not in place to assist with the water pressure for new homes and for possible fires. Water is tanked in right now for fires in the areas south of 55th Street that are unincorporated.

Mr. Stephenson stated Manager Creer you are concerned about using Village resources to fund improvements for a subset of the Village residents. However, with the TIF he feels that the Village is asking his district, especially, basically separate communities, to subsidize these improvements. How is that fair? Mr. Creer stated that without the TIF no development will occur and if it does it might be substandard, and some businesses may close. The whole reason for the TIF is to help the area. Manager Creer understands the school districts' concerns, but given the improvements needed in the area, the size of the pie, right now, to divvy up is smaller but with the TIF the pie would be much larger and all the taxing bodies would benefit overall.

Mr. Durham stated that TIF is to create increased resources but it is also to help keep an area from declining. New infrastructure would help the area, and if the property taxes decline because these preventative actions aren't taken it will hurt the taxing bodies in the future.

Manager Creer stated that we are good stewards of our TIFs. Our downtown one has been a great success as well as our Ogden Avenue one. We actually refunded the TIF reserves back to the taxing bodies earlier than the expiration of the Ogden Avenue TIF.

Mr. Stephenson stated they're not concerned directly about the resources of the school districts. He understands that the main benefit for this TIF is for the residential properties and you are asking other residents to subsidize the improvements of another area. .

Mr. Durham and Ms. Coppola once again stated that this is a proactive approach to avoid an area from declining. Deputy Clerk noted that the number of residences within this TIF is very low. For this proposed TIF the Hinsdale School District 86 its 61 homes and for the Maercker School District 60 is just 25 homes. Mr. Durham reiterated that the Village has been very conservative and responsible, emphasizing to include the least amount of resident homes as possible. Manager Creer reaffirmed that we are very fiscally prudent respecting these are taxpayers' dollars. Mr. Durham reiterated that the TIF may not solve all the issues but this is a great valid tool for the Village. This is a modest TIF proposal. Ms. Bradford asked if the public opinions will matter on whether or not this TIF happens? Mr. Quealy stated that the Village Board has been good listeners to the public in his past experience using the example of the Duncan Donut development. Mr. Durham then stated that the current Village Board still needs to vote on this TIF and the public hearing will be

August 19th. This is all part of the process. Manager Creer stated that the Village Board would consider options if the taxing bodies had other thoughts.

Mr. Durham then wrapped up by sharing the Key Elements of the TIF Plan, sharing the following information:

- The Base EAV for the TIF District is \$14,017,502 (2022)
- The projected EAV upon completion is approximately \$30,000,000 to \$40,000,000
- The maximum proposed TIF budget is \$29,157,000 over the 23-year TIF term

Mr. Stephenson thought these numbers were arbitrary without the details on how these numbers were derived. Mr. Durham stated that they would share that formula with them. Mr. Nugent asked if these numbers included the natural growth and Ms. Coppola stated yes the numbers include both the natural growth and the proposed growth.

Mr. Durham stated that the \$29 million is the 23-year budget cap for the eligible TIF expenditures. We do admit that the TIF may never meet this amount, but for the establishment of a TIF requires a budget. Ms. Coppola explained that there is a model used and it's an academic exercise because we need to create a cap.

Mr. Stevenson asked what are the Village's goals that will bring in revenue. Manager Creer stated right now, it's the Tracy's Tavern property, the infrastructure improvements at 55th Street and Western. The Village intends to develop 5506 Virginia for commercial, hopefully the Jewel out-lot, and Country House improvements such as an ADA bathroom.

Mr. Durham reiterated these are not guaranteed but aspirational. Ms. Bradford asked how realistic are these numbers? Mr. Durham stated that without specific projects in hand we can only predict what could happen and make the assumptions with the information we have.

Attorney Guisinger explained that the purpose of this group is to decide if we would recommend this TIF to the Village Board by August 9th, which is in the 30-day timeframe. Mr. Durham stated that the decision is if the plan meets the requirements stated by the state statute.

Mr. Quealy asked what are the next steps? Mr. Durham then explained the following:
Process and Next Steps:

- **July 10, 2024:** Joint Review Board (JRB) Meeting
- **August 19, 2024:** Public Hearing will commence for input from the general public
- 14-90 days after the close of the Public Hearing the Village may adopt the TIF ordinances and then file the ordinances with DuPage County

- Annual JRB meeting to review annual TIF report filed with the State of Illinois pursuant to the Act

VIII. JRB members questions/comments

CD Director Cage asked if there were any questions or comments.

There were none.

IX. Review of Draft 55th Street TIF Ordinances

Attorney Guisinger explained the three ordinances up for vote.

X. Public Comments

CD Director Cage asked if there were any public questions or comments?

Mr. Nugent stated that the invite did not come to their address. How do we correct that? Attorney Guisinger stated that it was sent to the address where your Board meets and we have a signed certified mail of receipt, but we are happy to update our future list. Mr. Nugent feels his district is losing \$400,000 currently with the Westmont TIF and his Board is not happy about this. What is the Village willing to do to help us support this?

Mr. Creer stated he is comfortable with sharing some of the growth beyond the improvements of the ones recognized by this TIF. We can work on this together, just provide the ask. Mr. Nugent stated that in Westmont they reduced the scope. Attorney Guisinger stated that they can work on an agreement.

Since an agreement has yet to be made. Attorney Guisinger suggested that we continue this meeting to a later date.

Mr. Quealy made a motion to continue this Joint Review Board meeting on July 31, 2024 at 10 am. Mr. Nugent seconded the motion.

Motion carried by a unanimous voice vote.

Mr. Fletcher made a motion to adjourn this portion of the meeting and Ms. Bradford seconded the motion.

MOTION carried by a unanimous voice vote.

This portion of the meeting adjourned at 12:10 pm.

XI. Adoption of Resolution Recommending to the Village Board the Approval of the Redevelopment Plan and Project for the Village's Proposed 55th Street TIF District

XII. Review of Timetable and Next Steps

XIII. Adjournment

**MINUTES OF THE JOINT REVIEW BOARD MEETING
PROPOSED 55th STREET TIF DISTRICT**

(continued from July 10, 2024)

July 31, 2024 – 10:00 a.m.

VILLAGE OF CLARENDON HILLS

**1 N. Prospect Avenue
Clarendon Hills, Illinois**

I. Call to Order

Village Manager Creer called the meeting to order at 10:05 AM

II. Introduction of Representatives was made.

ROLL CALL

Present: (1) DuPage County Paul Hoss, (2) District 181 Mindy Bradford and Hector Garcia, (3) District 60 Patrick King, (4) District 86 Josh Stephenson, Michael Lach, and Cat Greenspon, (5) Downers Grove Township Paul Coultrap, and (6) Village of Clarendon Hills Zachery Creer

Absent: (7) Resident Member Daniel Quealy, (8) Community College District 502, and (9) Clarendon Hills Park District Mike Fletcher

Others Present: Village Attorney Jason Guisinger and Deputy Clerk Pries

III. Continuation of JRB members questions/comments

Manager Creer stated that the school districts are still reviewing the proposed TIF and requested a little more time to work out an agreement. Therefor a continuance would be ideal.

Paul Hoss made a motion for a continuance to August 14th at 10:00 AM
Zachery Creer seconded the motion.

Motion carried by unanimous voice vote.

MOTION carried.

IV. Public Comments

Manager Creer asked if there were any comments.

Catherine Greenspon of Hinsdale District 86 stated that the district appreciates the Village and the JRB to allow the Districts more time to review all the information.

Manager Creer said as stated previously, the Village appreciates the school districts and are happy to work with them. He also asked if a Q&A release was acceptable to the members of the JRB. The members agreed.

Motion was made to adjourn this portion of the meeting by Paul Hoss and seconded by Paul Coultrap.

MOTION carried by unanimous voice vote.

This portion of the meeting adjourned at 10:10 AM

- V. Adoption of Resolution Recommending to the Village Board the Approval of the Redevelopment Plan and Project for the Village's Proposed 55th Street TIF District**
- VI. Review of Timetable and Next Steps**
- XIII. Adjournment**

**MINUTES OF THE JOINT REVIEW BOARD MEETING
PROPOSED 55th STREET TIF DISTRICT**

(continued from July 31, 2024)

August 14, 2024 – 10:00 a.m.

VILLAGE OF CLARENDON HILLS

**1 N. Prospect Avenue
Clarendon Hills, Illinois**

I. Call to Order

Community Development Director Cage called the meeting to order at 10:00 AM

II. Introduction of Representatives was made.

ROLL CALL

Present: (1) DuPage County Paul Hoss, (2) District 181 Mindy Bradford (3) District 60 Patrick King, (4) District 86 Josh Stephenson (5) Downers Grove Township Paul Coultrap, and (6) Village of Clarendon Hills Ed Cage, (7) Resident Member Daniel Quealy (8) Clarendon Hills Park District

Absent: (9) Community College District 502

Others Present: Village Attorney Jason Guisinger, Ryan Consultant Charles Durham, Village Manager Zachery Creer, and Deputy Clerk Pries

III. Continuation of JRB members' questions/comments

Community Development Director Cage asked if there were any comments from the JRB members.

Paul Coultrap asked if the Village will seek alternative financing sources other than the TIF? Manager Creer stated that yes we hope to seek funding from an IEPA bond, will ask DuPage County in respect to the intersection improvements, and expect contributions from the Village's Capital and Water funds. Since not all improvements to the water infrastructure would be in the TIF area only, those improvements would need to come from alternative revenues. Developers south of 55th, would also need to contribute to these costs.

Mr. Coultrap asked if the roads not going through going to be a part of the TIF? Manager Creer answered yes, the roads are dead ends such as Bentley are included in the TIF, well as we would like to take a look at 57th.

Mr. Coultrap asked if we are satisfied with the EAV calculations. Mr. Durham answered yes we are reasonably satisfied.

Community Development Director Cage asked if there were any more comments from the JRB members. There were none.

IV. Public Comments

Community Development Director Cage asked if there were any public comments.

Jenny Gannon a Dist. 86 resident, stated she was not satisfied with the EAV analysis and asked why we are not using more traditional financing. Doesn't meet the But-for aspect of the TIF Requirement and Clarendon Hills has already used TIF recently, and this would be the Village's 3rd attempt at a TIF, and she doesn't appreciate the residents having to pony up more for this TIF. She has heard that businesses get boycotted when they use TIF funding.

Manager Creer said we expect to look at alternative methods as mentioned before. We could probably seek bonds, grants, etc. There is just too many numbers of unknowns at this time, but we've been studying this for a decade, and this is just one of the options that we wanted to look at. In regard to the boycotting of businesses, we've not experienced that within this community and would be surprised if anyone would boycott a business because of the actions of a local taxing body, but that's not to say it couldn't happen.

Sara Kurth, Westmont Dist. 60 resident, asked why should I as a Westmont resident pay for Clarendon Hills projects as a Westmont taxpayer, as well as the others in other communities part of the school districts.

Manager Creer, stated that Westmont and Willowbrook have TIFs and the taxing funds have already been shifted. It's fair to say that development won't happen if not for the But-for of the TIF. It's fair that new development won't occur if not for the But-for of the TIF and where the bulk of the revenue that schools would incur may or may not occur.

Ms. Kurth stated that she received a letter from School District 60 stating that the school with the proposed TIF would suffer a loss of revenue in the amount of 3.9 to 6.3 million dollars. Are Westmont residents going to have to make up this loss? Manager Creer said he is not aware of how those numbers were calculated. Patrick King from District 60 stated it was based on EAV growth times the tax rate projection over the 23 years.

Manager Creer mentioned that the JRB is to vote on whether the TIF meets the requirements under the TIF Act. The Village Board will decide if the benefits will outweigh the costs involved. Mr. Durham confirmed what Mr. Creer stated and that the JRB is only to make their recommendation to the Village Board and that several surrounding communities have these TIFs already. The TIF is a way to assist the

Village in paying for some of these improvements, the Village will use its existing tax base too.

Cat Greenspon, the bulk of taxing dollars being diverted to TIF would be the ones that go to the school districts. She would like the Village to update the numbers in the 2016 study used for the proposed TIF. She thinks the area and numbers have changed. Current numbers should be used. Maercker School District is operating at a deficit in part due to TIF districts. Village should not negatively impact the school districts. This creates a burden for taxpayers of other communities for Clarendon Hills' projects.

Mr. Creer stated that the impact of this district will be minor for the Maercker School District 60 and they have the option to capture the CPI.

Resident Sinead Duffy didn't feel the community has gotten enough information regarding the TIF. Stated that no one from Clarendon Hills was at all the schools' meetings regarding the TIF. Why aren't other revenues searched for prior to raising the TIF? She believed TIF is for commercial. Why are the homes north of 55th in the TIF? She liked the analysis of the Downtown TIF District done by the last consultant but feels that this TIF for 55th Street lacks explanation.

Manager Creer stated we are happy to answer questions and have been answering questions as we get them. The earliest that the Village Board will vote on this would be the September Village Board meeting.

Mr. Durham stated that we still need to have a Public Hearing regarding this. This is just part of the purpose.

Manager Creer also stated that with District 181 we have an outstanding IGA in regard to the properties north of 55th, so not sure why there are still so many concerns.

Jenny Cannon stated that she thought an IGA is inappropriate and the Village and the consultant have provided all the answers. It's just that this is a weak proposal and it doesn't meet the TIF Act. The Village didn't meet their proof of burden.

Kim Notaro stated that this area is already being redeveloped. Don't price people out of this community. The rate is faster than in town. The Village to do a bond to improve infrastructure. She saw that the Birches is being rezoned in a plan. Why?

Mr. Cage stated that there is no plan to rezone the Birches. Mr. Creer stated that that is not in the TIF and we are not rezoning the Birches. Kim Notaro stated that the documents from Ryan show that the Birches is zoned Institutional.

Deputy Clerk Pries asked for clarification – that the TIF funds would only come from the properties (63 homes) with the TIF? Mr. Durham stated that is correct. Ms. Pries then explained the odd map and that the homes north of 55th are in the TIF because that is where the watermain lines run and it was a way to connect the two sides of the TIF

together and that is where the funds would be spent on that watermain system to help all of the residents south of 55th Street with water pressure.

School District 86 and 181 Attorney Neal Smith asked to clarify the process and when the Village Board will vote.

Manager Creer stated that the Public hearing is currently slated for August 19th Village Board meeting. Vote would then happen at the September meeting at the earliest.

Community Development Director Cage then explained the TIF map.

Cat Greenspon asked why do we have the area south of 55th Street along Western in the TIF?

Manager Creer stated that because it's the low point of the water system and the system is not adequate for fire suppression. The main parcels of the TIF development are the Tracy's Property, 5506 Virginia, and a possible outlot development at Jewel. We would like to use the TIF to place a traffic signal at the 55th and Western intersection. Water tower or storage tanks would go south of 55th.

Someone from the audience asked "What possible development would go into Tracy's" and Manager Creer stated we have been talking to developers about ideas and a daycare was one of the options. The Developers have been reaching out to the area residents asking what they would find acceptable. Nothing has been submitted or even seriously discussed at this point.

Kim Notaro stated that the area where a possible location of a water tower is residential, isn't this going to have a big impact on the residents having it in their backyards?

Manager Creer these conversations haven't even been started. We don't have the financing yet to even do this.

Mr. Durham explained that the TIF is mostly known for development, but it also is used to preserve and protect certain areas. Without the actions the Village is looking to take to improve the infrastructure, their concern is what will happen over the next 20 years if they don't take any actions now to upgrade the infrastructure.

Cat Greenspon stated that the Village has other funding sources. Mr. Durham stated yes and the TIF is one of the financing ways they are considering to help fund some of these projects.

Sinead Duffy stated that none of the funding should come from the TIF.

Mr. Durham stated that the decision would be up to the Village Board. The JRB opinion will be shared with the Village Board.

Community Director Cage stated that the first meeting was July 10th and public notices did go out as required by law and this meeting along with the meeting held July 31st are continuations of that meeting.

It was stated that the word blighted was used five times in the Ryan report but the area is not blighted, why?

Mr. Durham explained that under the TIF Act the area does not need to be blighted at this time, but the plan notes that if actions are not taken to improve certain conditions it could become blighted over the next 23 years.

Sinead Duffy didn't agree with the lagging EAV evaluation in the report. Covid era data is not a normal situation and these numbers shouldn't be used. 2023 data should be included and the numbers updated prior to presenting the Village Board.

Cat Greenspon stated that CPI was at an all-time high in the data used.

Director Cage thanked everyone for their comments.

Dan Quealy asked of the 63 homes within the proposed TIF what percentage of the school's budget is this TIF impact annually and will the TIF be 23 years?

Mr. Durham stated he doesn't have the numbers, probably less than 1% of the total EAV and yes, most TIFs last 23 years but that is up to the Village Board.

Manager Creer stated that the Odgen TIF has a possibility to end early and that the surplus over the last few years has been given back to the districts. He also stated that we are very good stewards of the funds. The Village hasn't taken all the funding we could have taken from the TIF because we understand the impact TIFs have on the other taxing bodies.

Josh Stephenson from District 86 stated that using the EAV target of 30 million the amount would be about 3.2 million and if 40 million was used it would be about 5 million of distributed taxes.

Mr. Durham stated that those numbers of 30-40 million is just an estimation and these numbers are estimates if the TIF improvements occur. These dollars/growth will not occur without an investment into the area.

Manager Creer stated that the school districts under law can still levy CPI. They will not miss out on any new growth during this time. Growth is usually very slow within a TIF for the first 5 years.

Josh Stephenson stated again this area is not blighted and there is natural growth occurring.

Mr. Durham stated again that the Village Board has to make the decision here.

Deputy Clerk clarified that the TIF would only be diverting the growth, and the schools would still be collecting what they are collecting at this time.

Dan Quealy stated that there are 175 residents south of 55th Street who are very concerned about the water pressure, the safety issues of having low pressure, and the intersection of Western and 55th Street, and are hoping this TIF opportunity will get these addressed.

V. Adoption of Resolution Recommending to the Village Board the Approval of the Redevelopment Plan and Project for the Village's Proposed 55th Street TIF District

A motion was made by Dan Quealy, and Seconded by Park District, Mike Fletcher.

Neal Smith, attorney for District 86 and 181, asked for clarification of the process.

Village attorney Jason Guisinger explained that if the recommendation is to be to approve the TIF district then that would go to the Village Board for vote. If the recommendation is to reject the 55th TIF eligibility factors that would trigger a 30-day meet and confer for the Village and JRB to work through any issues. Then the public hearing would be pushed to a later date. A resolution would be generated either way and the Chair would sign it and it would be delivered to the taxing bodies.

Development Director Cage asked if there were any further discussion comments. There was none.

Roll Call Vote:

Yays: Park District, Resident Representative, Village of Clarendon Hills

Nays: District 181, District 86, District 60, Downers Grove Township

Abstain: DuPage County (initially passed)

MOTION failed 4-3 vote.

Josh Stephen, District 86, made a motion that the JRB recommend disapproval of the redevelopment plan and designation as a redevelopment project area on the basis that the redevelopment plan and redevelopment project area do not satisfy the objectives of the TIF act and do not satisfy the eligibility criteria defined in section 11-74.3-4 of the TIF act.

Seconded by Patrick King, District 60.

Roll Call Vote:

Yays: District 181, District 86, District 60, Downers Grove Township

Nays: Resident Representative and Village of Clarendon Hills

Abstain: Park District, DuPage County

MOTION carried 4-2 vote.

A Written report will be created by the Village Attorney.

XIII. Adjournment

A motion was made to adjourn by Paul Hoss and seconded by Dan Quealy.

MOTION carried by unanimous voice vote.

MEETING ADJOURNED at 11:36 am.

DRAFT

**MINUTES OF THE JOINT REVIEW BOARD MEETING
PROPOSED 55th STREET TIF DISTRICT**

(continued from August 14, 2024)

September 5, 2024 – 10:00 a.m.

VILLAGE OF CLARENDON HILLS

**1 N. Prospect Avenue
Clarendon Hills, Illinois**

I. Call to Order

Community Development Director Cage called the meeting to order at 10:02 AM

II. Introduction of Representatives was made.

ROLL CALL

Present: (1) DuPage County Paul Hoss, (2) District 181 Mindy Bradford (3) District 60 Patrick King, (4) District 86 Josh Stephenson, and (5) Village of Clarendon Hills Ed Cage, (6) Resident Member Daniel Quealy (7) Clarendon Hills Park District

Absent: (8) Community College District 502, (9) Downers Grove Township Paul Coultrap

Others Present: Village Attorney Jason Guisinger, Ryan Consultant Charles Durham, Village Finance Director Maureen Potempa, Village Manager Zach Creer, and Deputy Clerk Pries

III. Continuation of JRB members' questions/comments

Community Development Director Cage asked if there were any comments from the JRB members.

Neal Smith Attorney from District 181 and 86 stated he has issue with the wording of this agenda item as listed and that it doesn't reflect where we are as it suggests the ball is in the school districts' court but the Village's.

Village Attorney, Jason Guisinger stated that the JRB passed a resolution to recommend a rejection of the TIF district to the Village Board. That negative recommendation triggers a 30-day period to meet and confer. This meeting is part of that "Meet and Confer" process. Mr. Creer has responded by email to the districts that have submitted concerns. At the present time, the Village does not see how the TIF plan can be modified to address the concerns made by the taxing bodies. September 13th is the last day to meet and confer. If disputes aren't settled by then, the item will

go to the Village Board with the JRB's negative recommendation and in order for the Village Board to approve the TIF it will require a 3/5ths vote.

Manager Creer stated the members of the Village Board will be given comments from the JRB as we receive them.

Again, Community Development Director Cage asked if there were any comments from the JRB members.

Patrick King asked about the confusion of the Birches not within the TIF, per an email response. Was it initially in the TIF?

Manager Creer stated that the Birches was never part of the TIF, maybe a bad map. Not sure why and confirmed that the Birches is not part of the TIF. Village Attorney Guisinger confirmed that it's not part of the legal description.

Community Development Director Cage confirmed it's not in the TIF and has a clearer map if anyone wants it. Cat Greenspon asked why the Birches was intentionally left out and Manager Creer responded that we only put in the properties that we felt necessary for the TIF, trying to keep it as small as possible.

Cat Greenspon, as a resident, asked why does the TIF district include all these properties down Western Avenue. Manager Creer stated that because this is the low spot of the water line.

Village Attorney Jason Guisinger stated that we are not on Public Comment at this time, this is the JRB time right now.

Resident member Dan Quealy asked if we could go through the terms of the IGA with the school districts? Village Attorney Jason Guisinger stated that school districts are still negotiating and working on terms and the school members of the JRB aren't able to make the decision with the IGA negotiations and so wouldn't be able to go through those terms appropriately. Dan Quealy is glad that the Village is trying to work with the taxing bodies and feels it would be worth discussing here. School districts' attorney Neal Smith also stated that this isn't the forum to discuss the schools' IGA.

Josh Stephenson asked about the CPI and doesn't understand the rationale of this TIF area as this area since it is outperforming the rest of the Village. Ryan Rep Charles Durham stated that Ryan used the standards identified by state law which if an area lags 3 out of 5 years, it qualifies as a factor and this area lagged 4 out of the 5 years. You would need to discuss with Village Staff and/or Board to use as a qualitative factor or not. Mr. Stephenson stated that the district think this is a weak qualification.

Mr. Stephenson also discussed obsolescence. He didn't think Jewel property meeting the criteria. Mr. Durham stated that obsolescence looks at what a property will need within the 23 years of the TIF, so older buildings are often included because they will

need improvements that a newer building would not need. The Village is including it within the TIF to help keep the building from being a target for potential vacancies if it doesn't keep up with the maintenance of the building. Mr. Stephenson thinks it a disingenuous argument.

Mr. Stephenson stated in regard to Tracy's Tavern being listed as obsolescent is not accurate since the building no longer exists. Mr. Durham explained it did exist when the report was written.

Mr. Stephenson with Deleterious Land Use, he doesn't think the inadequate street and sidewalk connectivity is relevant as a factor. Mr. Durham stated he disagreed and it's a strong factor. These issues have been brought up for many years.

Mr. Stephenson stated on qualifications – the Village fails the “But-for” test since you have properties being redeveloped naturally and you have interest in the properties. The TIF justification seems weak. Mr. Durham stated he disagreed again and said the TIF Act doesn't require that the area be void of any redevelopment. This is a conservation factor and the Village thinks that if they don't take action this area could fail in the future. This TIF would provide another tool to help address these long-standing issues. Mr. Stephenson stated the fear of future blight is in contrast of what is naturally being developed. Manager Creer stated that redevelopment would for sure increase if the water pressure improvements were made in the area. All the taxing bodies would benefit if more development happened anywhere outside of the TIF area.

Mr. Stephenson how was the projected EAV arrived. Mr. Durham stated that we have to make projections per the TIF Act. Ryan used an assumption of 3.5% annually which is the top end. Working with staff we looked at the potential of redevelopment of specific parcels, like Tracy's property, the possibility of townhomes, the properties the Village owns, and the Jewel out lots. These assumptions are not to be exact, they are just reasonable assumptions required by the TIF Act. The Village Board may ask us to change these assumptions.

Community Development Director Cage gave the example that the owners of Country House have reached out about expanding or remodeling but they can't without updating their older non-ADA restrooms. The TIF would assist with this.

Mr. Stephenson asked, where would townhomes be?

Manager Creer stated that townhomes have been discussed at a well site we have and as identified in the study by extending Bentley, single-family homes could possibly go there. Mr. Durham again stated that we had to have a mechanism to come up with a plan.

District 181, Mindy Bradford stated that we still contend that the proposed TIF does qualify under the TIF Act. Urges the Village Board to vote no on this.

Resident Member Dan Quealy stated that the estimated access values are estimates made on assumptions, so this is an academic exercise. Mr. Durham stated that it's a practical exercise but yes you could use the term academic. Mr. Quealy stated that the residents are encouraged about the possibilities of safety issues being taken addressed. Please don't underestimate these issues. The homeowners in the area care about the water, the 55th Street traffic signal, and sidewalks.

Patrick King wants to know why the Reserves common areas are in the TIF but not the buildings and seems not to be continuous. Attorney Guisinger stated that from a legal standpoint this is continuous, it's not uncommon. Manager Creer stated that we tried not to include anything that wasn't needed to create the TIF and to make it the smallest TIF as possible.

IV. Public Comments

Community Development Director Cage asked if there were any public comments.

Cat Greenspon stated it odd that the Birches wasn't included. Has Jewel reached out to the Village about closing. Manager Creer stated no Jewel hasn't said anything. She agreed with the 55th Street safety issues Mr. Quealy mentioned. Since these reports are many years old and what has been done with the special service area money from that area. Manager Creer stated that we don't have any special service areas in the Village that are for water. He also stated that it would great if the school districts would ask us to amend the map or whatever. It seems like we never get to a compromise point.

Cat Greenspon thinks the Village should inform the schools of any future residential development and offer compensation. Attorney Guisinger stated there is an amount set by the State Statue that Village would be required to pay. Manager Creer stated that as part of the IGA agreements we offered to increase that amount based on school districts recommendations. Cat Greenspon if the school districts are saying this is not good and one district stating the negative impact is so great on the school that they are worried and that it should give the Village pause.

Kim Natara asked how many live in the area. The TIF is disingenuous. It TIF on a technicality, it's covid impacted, and they're gerrymandering. The pieces are already redeveloped. You removed the redeveloped homes from this TIF map. This is a booming area. The TIF is bad also because it's going to remove significant resources from the schools. The Village should fix the infrastructure issues that they have been ignoring for years. This TIF is going to hurt our schools. The redevelopment plan isn't enough for what you need. To make the money you would need to develop the Seton property. Community Development Direct Cage stated that there is no plan to redevelop the Seton property. Manager Creer stated that the reasons those properties are included are because it's the low point of water system. Ms. Natara stated that properties are being developed already in this area. Please be good neighbors.

Linda Berg stated that a TIF is a flawed concept. This is taxation with representation. This is not a good TIF and does not meet the standard of a conservation area.

Jenny Gannor stated that the burden of proof has not been met by the Village.

Sinead Duffy provided her own handout of an analysis she did. She stated that properties were added during the year and wanted to know why they were added. There are 9 parcels that already have SSAs. The water pressure issue has been around a long time, so the Village should tax or levy on the area that would benefit. There are other funding sources the Village should use.

Ann Scott stated she feels the TIF communication by the Village to the residents is lacking. We cannot afford to take funds from the schools. We already have 2 other TIFs in this Village.

Kim Natara noted the original taxable EAV numbers need to be adjusted because there are 34 of the 71 properties that have senior exemptions.

Community Development Director Cage asked if there were any more comments. There were none.

Attorney Guisinger stated that the Village Staff doesn't have an additional plan to be reconsidered, so I recommend we adjourn. It appears we are unable to resolve our differences so the JRB negative recommendation will stand and the Village Board will need a 3/5 vote to pass the TIF. The public hearing will be September 16th and the Village Board could vote on the TIF at the October 21st meeting.

Community Development Director Cage thanked everyone for their time and comments.

V. Adjournment

A motion was made to adjourn by Paul Hoss of DuPage County and seconded by Mike Fletcher of the Park District.

MOTION carried by unanimous voice vote.

MEETING ADJOURNED at 11:51 am.