

City of Zion
Tax Increment Financing Board of Review

Bill Warren, Chairperson

Margie Taylor

Chris Szymanski

Tom Handyside

Marilyn Krieger

Juanita Winfrey

Dave Miller

Agenda

REGULAR MEETING OF THE
TAX INCREMENT FINANCING BOARD OF REVIEW
Friday, September 26, 2014, 5:30pm
ZION CITY HALL

I. Call to Order

Chairman Warren called the meeting to order at 5:34pm.

II. Attendance

Present: Tom Handyside, Dave Miller, Margie Taylor, Juanita Winfrey, Bill Warren

Staff: David Knabel

Absent: Marilyn Krieger, Chris Szymanski

III. Approval of Agenda

It was motioned by Ms. Winfrey and seconded by Mr. Handyside to approve the agenda as presented.

Vote: Tom Handyside, aye; Dave Miller, aye; Margie Taylor, aye; Juanita Winfrey, aye; Bill Warren, aye. Motion passed.

IV. Approval of Meeting Minutes from August 11, 2014

It was motioned by Ms. Winfrey and seconded by Ms. Taylor to approve the meeting minutes with the following changes:

- Page 2, paragraph 2, line 1 – insert the word “if” between asked and IUP.

Vote: Tom Handyside, aye; Dave Miller, abstain; Margie Taylor, aye; Juanita Winfrey, aye; Bill Warren, aye. Motion passed.

V. Consider including Ten Year Clawback Terms for all TIF Economic Development Agreements

Director Knabel stated that the 10-year clawback term is used to help protect the investment of the city. This 10-year term is the maximum allowed by state law.

Chairman Warren asked if Director Knabel has a recommended dollar amount. Director Knabel stated that a \$1000 grant would not be a viable amount to apply a clawback term.

After further discussion, it was motioned by Mr. Miller and seconded by Mr. Handyside to recommend that all grants over \$5,000 have a 10-year clawback term agreement.

Vote: Tom Handyside, aye; Dave Miller, aye; Margie Taylor, aye; Juanita Winfrey, aye; Bill Warren, aye. Motion passed.

VI. Consider TIF Grant Request for IUP Feedstore

At the August 11, 2014 TIF Meeting, IUP Feed Store requested a \$7500 TIF Grant to help address the north side of her building which has been exposed due to demolition of the property north of IUP Feed Store. It was the general consensus of the TIF Board to ask Ms. Ramsey to provide references for Robert Morris, along with his license and bonded insurance to the Board within 60 days.

Ms. Ramsey submitted to the TIF Board the references for Robert Morris and stated that he does not need bond insurance.

It was motioned by Mr. Miller and seconded by Ms. Taylor to recommend approval of a TIF Grant in the amount of \$7500.

Vote: Tom Handyside, aye; Dave Miller, aye; Margie Taylor, aye; Juanita Winfrey, aye; Bill Warren, aye. Motion passed.

VII. Consider TIF Grant Request from the City of Zion

Director Knabel stated that a new banquet hall is planning to open in the 2600 block of Sheridan Road. It is expected that the city owned lot at 2618 Elim Avenue would be greatly utilized for this business during their operations.

For liability purposes and general aesthetics, it is recommended that this lot be resurfaced and property striped for parking use by the public.

After further discussion, it was motioned by Mr. Handyside and seconded by Mr. Miller to recommend approval of a TIF Grant to Amon's Asphalt LLC of Beach Park Illinois in the amount of \$24,000.

Vote: Tom Handyside, aye; Dave Miller, aye; Margie Taylor, aye; Juanita Winfrey, aye; Bill Warren, aye. Motion passed.

VIII. Discussion regarding Project Neptune

Director Knabel stated that a US Manufacturing company is looking to relocate into the area. After touring different properties throughout the United States, the manufacturing company has narrowed its selections down to three possible sites. Based on an analysis of the company's real estate needs, the building located at 451 Trumpet Drive has been identified. In addition, the

company has identified two suitable industrial buildings in Kenosha County Wisconsin.

The company manufactures parts for equipment that is currently being sold in home improvement stores. The Company estimates that its operations would create 140 new full time jobs into the area. These jobs would have a significant positive impact in the community both directly and indirectly.

Although the Zion building is a suitable location from a real estate perspective, the cost of operating in Zion, Illinois is significantly higher than Kenosha County. The Company has requested EDGE tax credits and an ETIP (Employer Training Incentive Program) grant from the Illinois Department of Commerce and Economic Opportunity. In addition, the Company is also investigating low interest financing through various Advantage Illinois programs. In terms of local assistance, the Company would request a \$4 million tax increment financing assistance in the form of a developer's note plus 6% interest paid over 20 years.

If there is support for this project, staff would begin working with the company to get potential economic incentive agreements drafted and bring it back to the Board for review and to council for approval.

Mr. Miller asked if the company is looking at the building only or building and additional property. Director Knabel stated they are looking at the one building for now. Director Knabel stated that it would be ideal to add a clause to say that if the company plans to expand, additional TIF Funds would be available to address TIF eligible costs.

Mr. Warren asked where would the \$4 million come from. Referring to the distributed worksheet, Director Knabel stated that the \$4 million note would be generated by the TIF increment.

After further discussion, the general consensus of the TIF Board was in support of the project and having staff move forward to begin drafting the economic development agreement.

IX. Other Business
There was none.

X. Public Participation
There was none.

XI. Adjourn
Being no further business to come before the TIF Board of Review, it was motioned by Mr. Miller and seconded by Ms. Winfrey to adjourn the meeting at 6:33pm.

Vote: Tom Handyside, aye; Dave Miller, aye; Margie Taylor, aye; Juanita Winfrey, aye; Bill Warren, aye. Meeting adjourned.