



DeKalb Municipal Building  
Council Chambers, Second Floor  
200 South Fourth Street  
DeKalb, Illinois 60115

## **AGENDA**

Meeting of the Joint Review Board  
February 1, 2019  
2:00 p.m.

- A. Call to Order
- B. Roll Call: City of DeKalb - Bill Nicklas  
DeKalb Community Unit School District #428 - Jamie Craven  
DeKalb County - Gary Hanson  
DeKalb County Forest Preserve - Terry Hannan  
DeKalb Park District - Amy Doll  
DeKalb Public Library - Emily Faulkner  
DeKalb Township - Jennifer Jeep Johnson  
DeKalb Township Road and Bridge District - Craig Smith  
Kishwaukee Community College #523 – Bob Johnson  
Kishwaukee Water Reclamation District - Mark Eddington  
Public Member - Tim Hayes
- C. Approval of Minutes
  1. Minutes of the JRB Meeting of August 7, 2019;
  2. Minutes of the JRB Meeting of September 4, 2019;
  3. Minutes of the JRB Meeting of November 9, 2019.
- D. Public Participation
- E. Principles and Structure of the JRB to Assure Public Accountability, Fiscal Accountability, and Public Transparency
- F. Intergovernmental Agreement Between Taxing Districts Related to Proposed Central Business District TIF (TIF #3)
- G. Next Meeting
- H. Adjournment

**MINUTES  
MEETING OF THE  
JOINT REVIEW BOARD  
CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT AREA  
CITY OF DEKALB  
AUGUST 7, 2018**

The Joint Review Board (JRB) of the City of DeKalb, Illinois convened on Friday, August 7, 2018 in the Council Chambers of the DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois.

The meeting was called to order at 3:00 p.m.

**ROLL CALL**

Roll was recorded by Economic Development Planner, Jason Michnick, and the following members of the JRB were present:

- DeKalb Park District, Heather Collins
- DeKalb Community School District 428, Cynthia Carpenter
- DeKalb County, Gary Hanson
- DeKalb Township, Jennifer Jeep Johnson
- City of DeKalb, Mayor Jerry Smith
- Kishwaukee Community College, Bill Nicklas (Proxy for Dr. Laurie Borowicz)

Also present were Fran Rood and Ryan Schmitt from S.B. Friedman, Kathy Field Orr from Kathy Field Orr and Associates (Special Counsel for City of DeKalb), and Gino Galluzzo from Nicolosi Galluzzo (Special Counsel for DeKalb Community School District 428).

**ELECTION OF A PUBLIC MEMBER**

**MOTION**

Ms. Johnson made a motion to nominate Mr. Tim Hays as the public member. Mr. Hays is a resident and business owner in the proposed Central Business District (CBD) TIF. The motion was seconded by Mayor Smith. Motion carried by a 6-0 vote. Mr. Hays joined the JRB at the Public Member.

**ELECTION OF A CHAIRPERSON**

**MOTION**

Mr. Hanson made a motion to nominate Mayor Smith as the Chairperson. The motion was seconded by Mr. Nicklas. Motion carried by a 7-0 vote.

**REVIEW OF THE PUBLIC RECORD AND PLANNING DOCUMENTS**

Ms. Rood of SB Friedman provided an overview of the TIF designation process to date, and future checkpoints throughout the designation process. SB Friedman was contracted in December of 2017 by the City of DeKalb to conduct an eligibility study for the proposed CBD TIF. Ms. Rood shared the findings of the eligibility study, which indicated that the

proposed district qualified as a conservation area and met four of the factors that would qualify the area under the “but, for” test. Conservation Area districts are only required to meet three factors. Ms. Rood also discussed the Redevelop Plan and Project, projected budget, and Housing Impact Study.

## **REVIEW OF THE PROPOSED ORDINANCES**

Special Counsel for the City of DeKalb, Ms. Orr introduced the three Ordinances that are required in order to establish a new TIF district. It is anticipated that these Ordinances would be presented to City Council for consideration on September 24. The first Ordinance adopts the plan itself. The second Ordinance designates the specific area and includes a map, pin numbers, and a legal description. The third Ordinance applies the TIF Act and mechanism to the redevelopment area.

## **DISCUSSION, DELIBERATION, AND RECOMMENDATION**

### **MOTION**

Ms. Carpenter made a motion to recess and continue the meeting until September 4, 2018. The motion was seconded by Mr. Hanson.

The motion and request to continue the meeting was made on the basis that the taxing districts need more time to evaluate the merits of the proposed CBD TIF and findings of the eligibility study.

A question as raised as to whether a delay would have an impact on the timing of the designation process. According to the TIF Act, the JRB has 30 days to make a formal recommendation, therefore a continuation until September 4 would provide adequate time to make a recommendation within the 30 days and prior to the Public Hearing scheduled for September 10, 2018. The JRB discussed whether a working session could take place sooner, but there were concerns about a possible violation of the Open Meetings Act if not all members could attend. If the JRB were to meet earlier, a modified motion would need to be made. The JRB could not agree upon an earlier date to meet than September 4, 2018.

The Motion to reconvene on September 4, at 3:00 p.m. at City Hall was called to a vote. The motion carried 7-0.

## **PUBLIC COMMENT**

Bessie Chronopoulos stated that she was glad the JRB was meeting and has been requesting the meeting for months. She believes that the JRB needs to meet more regularly and hope they are provided with adequate time to review the information provided with their elected officials.

## **ADJOURNMENT**

The meeting was adjourned until September 4, 2018 at 3:00 p.m.

Respectfully Submitted:  
Jason Michnick, Economic Development Planner

**MINUTES  
MEETING OF THE  
JOINT REVIEW BOARD  
CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT AREA  
CITY OF DEKALB  
SEPTEMBER 4, 2018**

The Joint Review Board (JRB) of the City of DeKalb, Illinois convened on Tuesday, September 4, 2018 in the Council Chambers of the DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois.

The meeting was called to order at 3:00 p.m.

**ROLL CALL**

Roll was recorded by Economic Development Planner, Jason Michnick, and the following members of the JRB were present:

- Public Member, Tim Hays
- DeKalb Township, Jennifer Jeep Johnson
- DeKalb Park District, Heather Collins
- City of DeKalb, Mayor Jerry Smith
- Kishwaukee Community College, Bill Nicklas (Proxy for Dr. Laurie Borowicz)
- DeKalb Community School District 428, Cynthia Carpenter
- DeKalb County, Gary Hanson

Also present was City Attorney, Dean Frieders; Community Development Director, Jo Ellen Charlton; and Interim City Manager, Molly Talkington.

**PUBLIC COMMENT**

Prior to public comment, Mayor Smith addressed the JRB and public with a statement in regards to the work the City has done over the past several weeks in an attempt to come to a resolution that would alleviate the concerns of the other taxing districts. These concerns include the City's past use of TIF funds to cover administrative costs related to the existing TIF districts. Rather than engaging in conflict over the actions of the various taxing districts over the past 20 years, the Mayor would request that Council approve an agreement that would result in over \$11 million in available fund balance between the Central Area TIF district and TIF 2 be declared as surplus. The large sum of money is equal to the amount that the City has claimed in administrative costs since Fiscal Year 2000. The Mayor also stated that the purpose that the JRB has been convened is to discuss the merits of the proposed CBD TIF and whether the Redevelopment Plan and Project meet the requirements of the TIF Act. The purpose in explaining the perspective of the City is to create a circumstance where the taxing districts can get beyond concerns they have about past use of TIF and focus on coming to terms that would result in a positive recommendation for the new TIF.

Mr. Robert Goering, resident of the proposed CBD TIF and owner of the McCabe's and Andy's buildings stated his support for the propped TIF. He felt that the reduced footprint focused on the necessary area that needed to be revitalized and in need of economic support. As a building owner he stated that historic buildings are expensive to maintain and increasing property taxes have made it challenging to keep up with general

maintenance. Without TIF, rehabbing and updating historic buildings would not be possible and would continue to deteriorate, similar to the old Otto's building. The result would be the demolition of historic buildings and replacement with buildings that do not have the same character.

Mr. Glenn Goering, resident and property owner in the proposed CBD TIF also stated his support for the proposed TIF district. Mr. Goering and his brother purchased the McCabe's building in 1976 and remember when downtown DeKalb was filled with thriving businesses. He also shared the history of the McCabe's building, including that the eastern portion of the building was the original blacksmith shop in DeKalb. He invited anyone that was interested in touring the historic building to get in contact with him. He also stated that he believed supporting the TIF was more than just about economic development, but it was supporting DeKalb as a community. He requested that the JRB give deep consideration to supporting the CBD TIF.

Bessie Chronopoulos stated that she was glad to see the format of the JRB was changed and was being recorded. Recording meeting is an important part of transparency. Ms. Chronopoulos asked several questions of the JRB, including: Did the members have a chance to review the information being presented? Did the members have a chance to speak with their elected officials? Have the members of the JRB had enough time to digest and ponder all these questions? Will the JRB commit to meeting more frequently? She also stated that she felt there was not adequate information provided in regards to the positive and negative impacts of how TIF was spent historically. She also stated that it was important to consider sustainability of TIF projects.

Gino Galluzzo, Special Counsel for the School District stated that he believed that more disclosure and transparency was needed in order to avoid the mistakes of the past. An example being that a recent \$30,000 approval of TIF to renovate the Finance Department at City Hall should have been communicated to the JRB members. He does not believe that the School Board desires to stand in the way of the proposed TIF district, but still requests that the City consider delaying the process to work towards a resolution about their concerns. He questioned whether a proposed \$11 million surplus distribution would be approved by the end of the year if the taxing districts did not come to an agreement. He believes by continuing to push forward, the City is not being collaborative as they state they are trying to be.

Steve Kapitan stated that the most appropriate structure of TIF is to identify a specific project that would be supported by TIF, and then issuing debt. The increment from the project would then be used to pay the debt service and a TIF could be ended earlier than 23 years. If there is not a clear vision for the future, TIF can be misused over time. A good example of a successful TIF in DeKalb was the County Nursing Home TIF.

## **DISCUSSION, DELIBERATION, AND RECOMMENDATION**

### **MOTION**

Ms. Carpenter made the following motion:

"By majority vote of those present and voting and having reviewed the public record, the planning documents and proposed Ordinances approving the Redevelopment Plan and Project that the Project Area fails to meet the requirements of the eligibility criteria and objectives of the Tax Increment Redevelopment Act, in that the Plan Area is inclusive of

parcels which have already been subject to the Redevelopment Plan and Project have been assisted to the maximum extent by such plan and project and therefore are not blighted. Furthermore, the proposed Redevelopment Plan and Project fail to meet the objectives of the Act because the proposal as currently constituted will not eradicate blighted conditions and therefore does not promote, protect, the health and safety, morals, and welfare of the public. In addition, the City has demonstrated a failure to follow the requirement of the Act in its management of the collected increment from the other Plans and Projects to such an extent that it is unlikely that this Plan and Project will serve to promote the welfare of the public as it's presently structured. The assembled taxing bodies are willing to undertake further discussion and negotiation regarding an amended Plan and Project, if the Plan and Project Area is amended to actually deal with blighted properties and if appropriate insurances regarding the use of TIF revenues solely for economic development purposes and keeping with the Act can be put in place."

The motion was seconded by Ms. Collins.

The JRB discussed the motion and a desire to work towards a resolution. Ms. Carpenter stated that the purpose of the motion was to start those conversations. The JRB discussed a concern with the proposed CBD TIF, namely the inclusion of the Cornerstone and Plaza DeKalb properties. The City has publicly stated that its intention of including those properties was to "seed fund" the proposed TIF. A question was raised about the timing of a JRB recommendation and whether one would need to be made at the meeting. The Act states that the JRB has 30 days to make a recommendation, and if no recommendation was made within that time period, it would default to a positive recommendation. A request was made to slow down the timeframe of designation by restarting the clock on the noticing process to allow the taxing districts to work through the concerns and come to a resolution. As it is currently proposed, the City will have the Public Hearing on September 10 and could vote on the Ordinances as early as September 24. The City could choose to delay the introduction of the Ordinances up to 90 days after the Public Hearing. The JRB could reconvene to work through the issues if the City would agree to delay a final vote.

The motion was called to a vote and failed 3-4. Aye: Collins, Carpenter and Hanson. Nay: Hayes, Johnson, Smith, and Nicklas.

Mr. Nicklas made a motion to continue the meeting until Friday, September 7 at 1 p.m. in the Council Chambers. The motion was seconded by Ms. Johnson. Motion carried by a vote of 7-0.

## **ADJOURNMENT**

The meeting was adjourned until September 7, 2018 at 1:00 p.m.

Respectfully Submitted:  
Jason Michnick, Economic Development Planner

**MINUTES  
MEETING OF THE  
JOINT REVIEW BOARD  
CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT AREA  
CITY OF DEKALB  
NOVEMBER 9, 2018**

The Joint Review Board (JRB) of the City of DeKalb, Illinois convened on Tuesday, November 9, 2018 in the Council Chambers of the DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois.

The meeting was called to order at 9:03 a.m.

**ROLL CALL**

Roll was recorded by Economic Development Planner, Jason Michnick, and the following members of the JRB were present:

- DeKalb Township, Jennifer Jeep Johnson
- DeKalb Park District, Heather Collins
- DeKalb Community School District 428, Cynthia Carpenter
- City of DeKalb, Mayor Jerry Smith
- Kishwaukee Community College, Bill Nicklas
- DeKalb County, Peter Stephen (proxy for Gary Hanson)
- Public Member, Tim Hayes

Also present were City Attorney, Dean Frieders; Community Development Director, Jo Ellen Charlton; and Interim City Manager, Molly Talkington.

**APPROVAL OF MINUTES**

Draft minutes from the September 7, 2018 meeting of the Joint Review Board were provided prior to the meeting. A motion was made by Mr. Nicklas to approve the minutes, seconded by Ms. Carpenter. The motion was approved unanimously.

**PUBLIC COMMENT**

Mr. Glenn Goering addressed the Joint Review Board and stated that he has been a property owner in the downtown for the past 40 years. He has been following the TIF discussions for the last several months and talking to other throughout the community. Though there have been some questionable allocations of TIF funds over the past 20 years, the proposed distribution would have a negative impact on the success of the TIF program. Downtown is in desperate need of revitalization that is funded through TIF. If we do not move forward quickly, the momentum will be slowed or stifled.

**DISCUSSION, DELIBERATION, AND RECOMMENDATION**

Mayor Smith stated that the Joint Review Board had been continued from the September 7, 2018 meeting, at the request of Superintendent Jamie Craven. Since that meeting, a working group of representatives from the various taxing districts have worked together

in good faith to develop a proposal for moving forward on an intergovernmental agreement and support of the creation of the Central Business District TIF. Mayor Smith thanked those that were part of the working group.

Ms. Johnson made a motion that the Joint Review Board recommend that approval and adoption of the three ordinances that would result in the creation of the Central Business District TIF. The motion was seconded by Mr. Hays.

Mr. Nicklas stated that his board had not yet had a chance to vote on the proposed intergovernmental agreement and therefore would be abstaining from the vote. Ms. Carpenter and Mr. Stephen also stated that they would be abstaining due to the same circumstances.

Mayor Smith asked how the vote of the Joint Review Board would impact the City Council vote. City Attorney Frieders stated that although the Joint Review Board has taken longer than 30 days to make a recommendation, and per the TIF Act, a positive recommendation is the default, it would not be practical for the City Council to not take into consideration the vote of the Joint Review Board. It is recommended that a vote still take place and be recorded.

Ms. Johnson stated that it was important for the Joint Review Board to show its work since the last meeting. The most relevant point in today's discussion is the items around TIF 3 and the intergovernmental agreement. As it is contemplated, there will be a higher degree of transparency and reporting, as well as more frequent public discussion of TIF practices.

Mr. Nicklas supported Ms. Johnson's statement and requested that all financial data and quarterly spending reports be provided to the board two weeks in advance of the meeting. In addition to the greater transparency and reporting, a surplus distribution out of TIF 3 will begin in year four at 30% of annual property tax increment and increase to 50% in year eight.

Mayor Smith stated that the City heard the message loud and clear and if more meetings are required, the City will do so.

The motion was approved by a vote of 4-0-3. (Aye: Johnson, Collins, Smith, Hayes; Abstentions: Carpenter, Nicklas, Stephen).

## **ADJOURNMENT**

The meeting was adjourned at 9:20 a.m.

Respectfully Submitted:  
Jason Michnick, Economic Development Planner