



AGENDA

Joint Review Board Meeting

October 28, 2022

1:00 P.M.

DeKalb Police Department
700 W. Lincoln Highway
2nd Floor Training Room
DeKalb, Illinois

A. Call to Order

B. Roll Call

City of DeKalb – Bill Nicklas*

DeKalb Community Unit School District #428 – Cindy Carpenter*

DeKalb County – Brian Gregory* (Chair)

DeKalb County Forest Preserve – Terry Hannan

DeKalb Park District – John Shea*

DeKalb Public Library – Emily Faulkner

DeKalb Township – Mary Hess*

DeKalb Township Road and Bridge District – Craig Smith

Kishwaukee College #523 – Laurie Borowicz*

Kishwaukee Water Reclamation District – Mark Eddington

Public Member – Larry Berke*

C. Approval of the Agenda

D. Approval of the Minutes

1. Minutes of the Joint Review Board Meeting of July 22, 2022.

E. Public Participation

F. Presentation of the Third Quarter FY2022 TIF Financials

G. Update on Current TIF #3 Projects

H. FY2023 Draft Budget

I. Next Meeting: January 27, 2023

J. Executive Session

1. Approval to Hold an Executive Session in Order to Discuss the Purchase or Lease of Real Property as Provided for in 5 ILCS 120/2(c)(5).

K. Adjournment

**MINUTES
CITY OF DEKALB
JOINT REVIEW BOARD MEETING
JULY 22, 2022**

The Joint Review Board (JRB) of the City of DeKalb, Illinois, convened on July 22, 2022, at 1:00 p.m. at the DeKalb Police Department, located at 700 W. Lincoln Highway, DeKalb, Illinois.

A. CALL TO ORDER

Chair Brian Gregory called the meeting to order at 1:00 p.m.

B. ROLL CALL

Executive Assistant Ruth Scott called the roll, and the following members of the JRB were present:

- City of DeKalb – Bill Nicklas*
- DeKalb Community Unit School District #428 – Cindy Carpenter*
- DeKalb County – Brian Gregory*
- DeKalb Park District – John Shea*

The following members of the JRB were absent:

- DeKalb Township – Mary Hess*
- Kishwaukee College – Laurie Borowicz*
- Kishwaukee Water Reclamation District – Mark Eddington
- DeKalb Public Library – Emily Faulkner
- DeKalb Township Road and Bridge District – Craig Smith
- DeKalb County Forest Preserve – Terry Hannan
- Public Member – Larry Berke*

Others present included Finance Director Carrie Dittman.

C. APPROVAL OF THE AGENDA

MOTION: Mr. Shea moved to approve the agenda; seconded by Ms. Carpenter.

VOTE: Motion passed by a voice vote of the majority of members present.

D. APPROVAL OF THE MINUTES

1. Minutes of the Joint Review Board Meeting of April 22, 2022.

MOTION: Ms. Carpenter moved to approve the minutes; seconded by Mr. Shea.

VOTE: Motion passed by a voice vote of the majority of members present.

E. PUBLIC PARTICIPATION

There was none.

F. PRESENTATION OF THE SECOND QUARTER FY2022 TIF FINANCIALS

Ms. Dittman provided an overview of this item based on the information provided in the agenda packet, which included the TIF Project Tracker as of June 30, 2022, the TIF #3 Income Statement Summary as of June 30, 2022, the Revenue & Expenditure Report (from City's accounting

system) for TIF #3, the Audit Report on Compliance with Public Act 85-1142 as of December 31, 2021 by Sikich LLP, the Annual FY2021 TIF Report filed with the Illinois Comptroller – TIF #1, and the Annual FY2021 TIF Report filed with the Illinois Comptroller – TIF #3

Brief discussion ensued.

G. UPDATE ON CURRENT TIF PROJECTS

Mr. Nicklas provided an overview of this item based on the information provided in the agenda packet, which included Agora Tower, the Illinois Route 38 (Lincoln Highway) reconfiguration in the downtown area, and 223 S. Fourth Street – City Hall Suites. He added that one or two more small AIP projects may be awarded in the near future for La Calle at 263 E. Lincoln Highway, and Fargo Skateboarding at 641 E. Lincoln Highway.

Mr. Nicklas also briefly discussed the possibility of extending the TIF map for the AIP program. Brief discussion ensued.

H. NEXT MEETING

The next meeting of the JRB will be scheduled for October 28, 2022.

I. ADJOURNMENT

MOTION: Ms. Carpenter moved to adjourn the meeting; seconded by Mr. Shea.

VOTE: Motion passed by a voice vote of the majority of members present and the meeting was adjourned at 1:12 p.m.

Respectfully submitted,

Ruth A. Scott, Executive Assistant

Click [here](#) to view the agenda packet for the July 22, 2022, JRB meeting.

TO: City of DeKalb – Bill Nicklas*
DeKalb Community Unit School District #428 - Cindy Carpenter*
DeKalb County - Brian Gregory* (Chair)
DeKalb County Forest Preserve - Terry Hannan
DeKalb Park District - John Shea*
DeKalb Public Library - Emily Faulkner
DeKalb Township - Mary Hess*
DeKalb Township Road and Bridge District - Craig Smith
Kishwaukee College #523 – Laurie Borowicz*
Kishwaukee Water Reclamation District - Mark Eddington
Public Member - Larry Berke*

FROM: Carrie Dittman
Finance Director

DATE: October 7, 2022

RE: Background Notes for the October 28, 2022 Agenda

* Indicates voting membership

The following notes provide background to the items on the published JRB agenda.

Approval of Minutes.

The minutes from the July 22, 2022 JRB meeting are attached for the Board's review and approval.

Presentation of Third Quarter FY 2022 TIF Financials.

The following reports are attached for the Board's review:

- TIF Project Tracker as of 9/30/2022
- TIF #3 Income Statement Summary as of 9/30/2022
- Revenue & Expenditure Report (from City's accounting system) for TIF #3

Update on Current TIF #3 Projects

Architectural Improvement Program (AIP) Summary

Property owners whose properties fall within the TIF #3 district boundaries may apply for limited incentives up to a maximum of \$25,000 based on a three-tiered list of reimbursable expenses. The tiers are shown in the following table:

Major Capital Improvements – 50% Reimbursement:

ADA Compliance	Façade Renovations	Life Safety Equipment
Electrical, Mechanical, and Plumbing Upgrades	Architectural Design Fees	Restoration of Historic Architectural Features
Fire Alarm and Suppression Systems	Tuckpointing	

Minor Capital Improvements – 25% Reimbursement:

Exterior Lighting	Exterior Painting	Window & Door Replacement
Screening of Unsightly Utilities		

Deferred Maintenance – 10% Reimbursement:

Roof Repair or Replacement	Gutter Replacement	Stair and Handrail Replacement
Floor Surface Repair	Water Damage Repair	

According to the terms of the AIP program, the City “forgives” 20% of the value of the matching funds each year for five years. In FY2022, the AIP budget allocated \$70,000 for 5 qualified projects on a first-come, first-served basis. The City Council amended the budget in May 2022 to add \$47,000 for qualifying AIP projects, offset by the higher property taxes expected due to final EAV numbers.

Between July – September 2022, the City Council approved three AIP grants:

1. La Calle, 263 E. Lincoln Highway = \$11,821 (ADA compliance, life safety equipment, electrical, mechanical, and plumbing upgrades)
2. Fargo Skateboarding, 641 E. Lincoln Highway = \$8,616 (façade/exterior signage)
3. Chilton’s Sporting Goods = \$1,388.30 (roof repair).

The first two were paid out during the quarter along with a previously approved \$25,000 award to Aurora Music Company for major interior upgrades.

Major Project Summary

- Agora Tower. The Project’s developer, John Pappas, and general contractor, Weaver Construction, are approaching full occupancy in about another month. Tenants are already slowing moving into the north/south portion which was given a tentative occupancy in late September. The project funding was approved in September 2019. The sixth payout request, for \$281,376, was received and paid during the quarter.
- IL Rt. 38 Reconfiguration. The reconfiguration was essentially completed on time before the Corn Fest weekend. One lingering and annoying task remains: the completion of the



storm water inlets which require cast iron grates that have been on back order since June. By the end of October, a “Plan B” must be completed if alternative grates cannot be found.

- 223 S. Fourth Street: City Hall Suites. This redevelopment project will be an “earner.” The one-block area has been off the tax rolls since the late 1960s so once the property is occupied all of the assessed valuation will count toward the calculation of the increment. The former city hall has been razed, the excavator has crushed and removed the masonry debris for recycling (except what has been used on the site), and the main building “pad” has been prepped. The general contractor, Pappas Development, has also replaced old water and sewer mains as well as electrical and natural gas services. To date, \$502,846 of the \$750,000 TIF #3 grant has been allocated. No additional reimbursement requests have been received in the last quarter. The developer, John Pappas, is racing to complete his other large project, Agora Tower, and will shift to the S. Fourth Street site if weather permits this fall or defer further construction until the Spring of 2023.

FY 2023 Draft Budget

The City is underway with budget planning for FY 2023, and the tentative budget for TIF #3 is attached. Revenues include property taxes, interest income and the remaining transfer of fund balance left in TIF #1. The amount will be transferred once any outstanding tax appeals are closed.

Administrative expenditures include the annual TIF audit, Union Pacific land lease payment (parking lot), annual legal review of the TIF and other required legal notices and TIF surplus distribution (30% of property tax revenue).

Private property rehabilitation/redevelopment expenditures include \$100,000 for future AIP grants and \$247,154 carried over for the 200 S. Fourth Street project, which is in progress as noted above. Lastly, \$500,000 is a placeholder for other potential major capital projects.

Executive Session to Discuss the Purchase or Lease of Real Property as Provided for in 5 ILCS 120/2(c)(5).

Adjournment



TIF 1 & TIF 3 - Central Business District
Estimated Cumulative Pay Out Schedule ("Project Tracking")
Period Ending 9/30/22

Redevelopment Project	Applicable PINS	Party (Developer)	Income Statement Expense Category	Year of RDA	Total RDA/TIF Commitment	Approved Eligible	Paid to Date to 9/30/22	Remaining Obligation
Administrative (Non-Project)		<i>Not allowable under IGA</i>						
Debt Service	TIF 1	City of DeKalb	Debt Service	2021	\$ 2,385,800	N/A	\$ 2,385,800	\$ -
Agora Tower	TIF 3		Private - For Profit	2019	\$ 3,000,000	Y	\$ 2,605,387	\$ 394,613
206 E. Lincoln Ave. apartments	TIF 3		Private - For Profit	2020	\$ 216,800	Y	\$ 216,800	\$ -
200 S. Fourth Street	TIF 3		Private - For Profit	2020	\$ 750,000	Y	\$ 502,846	\$ 247,154
AIP - 121 N. Second Street - Hillside	TIF 3		Private - For Profit	2020	\$ 18,076	Y	\$ 5,503	\$ -
AIP - 135 N. Second St - Egyptian Theater	TIF 3		Private - For Profit	2021	\$ 4,314	Y	\$ 4,314	\$ -
AIP - 115 N 1st St - R.A.M.P	TIF 3		Private - For Profit	2021	\$ 1,675	Y	\$ 1,675	\$ -
AIP - 218 W. Lincoln Hwy -Hickeys			Private - For Profit	2021	\$ 1,185	Y	\$ -	\$ 1,185
AIP - 151 N 4th St (property sold, project not completed)			Private - For Profit	2021	\$ 25,000	Y	\$ -	\$ -
AIP - 509 Oak St - Acculab	TIF 3		Private - For Profit	2021	\$ 25,000	Y	\$ 25,000	\$ -
AIP - 201-203 E. Locust St	TIF 3		Private - For Profit	2021	\$ 1,850	Y	\$ 1,850	\$ -
AIP - 518 E. Lincoln Hwy - KJ's Tap	TIF 3		Private - For Profit	2022	\$ 2,415	Y	\$ 2,415	\$ -
AIP - 126 S. 5th St- Stagecoach Players	TIF 3		Private - For Profit	2022	\$ 9,500	Y	\$ 9,500	\$ -
AIP - 137 E Lincoln Highway - Aurora Music	TIF 3		Private - For Profit	2022	\$ 25,000	Y	\$ 25,000	\$ -
AIP - 641 E Lincoln Highway - Fargo Skateboard	TIF 3		Private - For Profit	2022	\$ 8,616	Y	\$ 8,616	\$ -
AIP - 263 E Lincoln Highway - La Calle	TIF 3		Private - For Profit	2022	\$ 12,925	Y	\$ 11,821	\$ -
AIP - 248 E Lincoln Highway - Chilton's	TIF 3		Private - For Profit	2022	\$ 1,388	Y	\$ -	\$ 1,388
IL Route 38 Downtown	TIF 3	City of DeKalb	Infrastructure	2021-22	\$ 1,800,000	Y	\$ 1,622,285	\$ 177,715
Electric Car Charging Station - Palmer Ct.	TIF 3	City of DeKalb	Infrastructure	2021	\$ 15,000	Y	\$ 14,994	\$ -
Fire Station #1	TIF 1	City of DeKalb	Infrastructure	2021	\$ 181,554	Y	\$ 180,284	\$ -
DeKalb-Taylor Municipal Airport*	TIF 1	City of DeKalb	Infrastructure	2021	\$ 200,000	Y	\$ 159,395	\$ -
Total Project Expenses					\$ 8,686,098		\$ 7,783,485	\$ 822,055

*Total RDA Commitment estimated based on the Municipal Share of Grant Activity to Rehabilitate Airport Facilities

blue font = preapproved as part of TIF IGA 12/14/2020

TIF 3 - Central Business District TIF Income Statement Summary

TIF # 3 (esta. 2/11/2019)				
Tax Year for Base EAV for TIF Increment	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
TIF Year	0	1	2	3
Tax Year	2019	2020	2021	2022
Year Tax Due	2020	2021	2022	2023
Year Surplus Distributed (by 3/31)	2021	2022	2023	2024
Fiscal Year	2019	2020	2021	2022
Beginning Balance - January 1	-	(500,000)	1,271,337	3,626,801
				YTD
Revenue	Actual	Actual	Actual	9/30/2022
Revenue - Property Tax Increment	-	300,640	458,809	468,811
Revenue - Transfer from Other TIFs	-	4,275,000	2,650,000	-
Revenue - Interest Income	-	202	1,097	14,264
Revenue - Bond Proceeds	-	-	-	-
Revenue - Refunds/Reimbursements	-	-	-	8,712
Total Revenue	-	4,575,842	3,109,906	491,787
Total Available (Rev. + Beg. Balance)	-	4,075,842	4,381,243	4,118,588
Expenses Incurred (Paid)				
Expenses - Non-Project (Admin)	-	-	-	-
Expenses - Other Capital-Public Infrastructure	-	-	127,053	1,510,226
Expenses - Not-for-Profit	-	-	-	-
Expenses - Private For-Profit	500,000	2,803,802	624,588	363,728
Expenses - Debt Service	-	-	-	-
Expenses - Other	-	-	-	-
Expenses - Engineering Services	-	-	-	-
Expenses - Financial Services (TIF audit)	-	703	556	8,660
Expenses - Legal & Notices	-	-	2,245	555
Expenses - Surplus Other	-	-	-	-
Total Expenses (excl IGA Surplus Pmt)	500,000	2,804,505	754,442	1,883,169
Expenses - Surplus IGA (Note 1)	-	-	-	140,643
Ending Balance/(Deficit) - December 31	(500,000)	1,271,337	3,626,801	2,094,776

IGA % of Surplus	0%	0%	30%
	(2019 levy)	(2020 levy)	(2021 levy)

Note 1 - surplus to be paid in following year according to IGA; begins with 2021 levy year (collected 2022)

REVENUE AND EXPENDITURE REPORT FOR CITY OF DEKALB
 Balances for quarter ending 09/30/2022
 % Fiscal Year Completed: 74.79
 Fund 262 - TIF FUND #3

Account	Description	2022 Amended Budget	YEAR-TO-DATE THRU 09/30/22	ACTIVITY FOR QUARTER ENDED 09/30/2022	Available Balance	% Used
Revenues						
Department 00-00: GENERAL						
30300	PROPERTY TAX - TIF					
07/21/2022	CR /PROPERTY TAX REVENUE 07/21/2022			7,114.57	PROPERTY TAX REVENUE 07/21/2022	
08/18/2022	CR /PROPERTY TAX REVENUE 08/18/2022			20,643.88	PROPERTY TAX REVENUE 08/18/2022	
09/16/2022	CR /PROPERTY TAX REVENUE 09/16/2022			198,152.44	PROPERTY TAX REVENUE 09/16/2022	
30300	PROPERTY TAX - TIF	507,000.00	468,811.26	225,910.89	38,188.74	92.47
37100	INVESTMENT INTEREST					
07/31/2022	GJ JULY 2022 INTEREST			2,240.01	JE# 3874	
07/31/2022	GJ JULY 2022 INTEREST			317.76	JE# 3874	
08/31/2022	GJ AUGUST 2022 INTEREST			3,051.29	JE# 3964	
08/31/2022	GJ AUGUST 2022 INTEREST			435.22	JE# 3964	
09/30/2022	GJ SEPTEMBER 2022 INTEREST			3,407.97	JE# 4008	
09/30/2022	GJ SEPTEMBER 2022 INTEREST			290.00	JE# 4008	
37100	INVESTMENT INTEREST	250.00	14,263.67	9,742.25	(14,013.67)	5,705.
38200	REFUNDS / REIMBURSEMENTS	0.00	8,712.59	0.00	(8,712.59)	100.00
Total - Dept 00-00		507,250.00	491,787.52	235,653.14	15,462.48	96.95
Total Revenues		507,250.00	491,787.52	235,653.14	15,462.48	96.95
Expenditures						
Department 00-00: GENERAL						
62100	FINANCIAL SERVICES					
07/14/2022	AP SIKICH LLP/FY2021 AUDIT FEES			8,660.00	Inv #: '2248' Vendor '000943'	
62100	FINANCIAL SERVICES	750.00	8,660.00	8,660.00	(7,910.00)	1,154.
63800	CONTRACTED SERVICES	6,111.00	0.00	0.00	6,111.00	0.00
65300	LEGAL EXPENSES & NOTICES					
08/16/2022	AP ALLEN GALLUZZO HEVRIN LEAKE LLC/DEKALB - EXTERNAL REVIE			296.00	Inv #: '11601' Vendor '172368'	
65300	LEGAL EXPENSES & NOTICES	0.00	555.00	296.00	(555.00)	100.00
68600	TIF SURPLUS DISTRIBUTION	138,000.00	0.00	0.00	138,000.00	0.00
69199	PRIV PROP REHAB / REDEVELOP					
07/19/2022	AP PNG DEVELOPMENT LLC/AGORA TOWER DEVELOPMENT INCENTIVE			281,376.15	Inv #: 'PAYOUT #6' Vendor '002567'	
07/19/2022	AP SKATEBOARD LOVE LLC/TIF AIP 50% REIMB - ILLUMINATED SIG			8,615.85	Inv #: 'RES 2022-061' Vendor '172526'	
08/26/2022	AP YESENIA GALINDO/TIF AIP 50% REIMB - RENOVATIONS			11,820.68	Inv #: '082522' Vendor '172541'	
09/16/2022	AP AURORA MUSIC COMPANY INC/AIP GRANT 137 E LINCOLN HIGHWA			25,000.00	Inv #: 'RES 2022-046' Vendor '172563'	
69199	PRIV PROP REHAB / REDEVELOP	1,401,571.00	363,727.68	326,812.68	1,037,843.32	25.95
83900	OTHER CAPITAL IMPROVEMENTS					
07/29/2022	AP ELLIOTT AND WOOD INC/LINCOLN HWY LANE RECONFIGURATION C			747,812.85	Inv #: 'EPE2' Vendor '000344'	
09/02/2022	AP ELLIOTT AND WOOD INC/LINCOLN HWY LANE RECONFIGURATION C			487,921.92	Inv #: '3' Vendor '000344'	
83900	OTHER CAPITAL IMPROVEMENTS	1,800,000.00	1,510,226.17	1,235,734.77	289,773.83	83.90

REVENUE AND EXPENDITURE REPORT FOR CITY OF DEKALB
Balances for quarter ending 09/30/2022
% Fiscal Year Completed: 74.79
Fund 262 - TIF FUND #3

Account	Description	2022 Amended Budget	YEAR-TO-DATE THRU 09/30/22	ACTIVITY FOR QUARTER ENDED 09/30/2022	Available Balance	% Used
Expenditures						
Department 00-00: GENERAL						
Total - Dept 00-00		3,346,432.00	1,883,168.85	1,571,503.45	1,463,263.15	56.27
Total Expenditures		3,346,432.00	1,883,168.85	1,571,503.45	1,463,263.15	56.27
NET OF REVENUES AND EXPENDITURES		(2,839,182.00)	(1,391,381.33)	(1,335,850.31)	(1,447,800.67)	

**FY 2023 DRAFT BUDGET
TIF FUND #3**

GL NUMBER	DESCRIPTION	2021 ACTIVITY	2022 AMENDED BUDGET	2022 ACTIVITY THRU 09/30/22	2022 PROJECTED ACTIVITY	2023 REQUESTED BUDGET	2023 REQUESTED AMT CHANGE	2023 REQUESTED % CHANGE
ESTIMATED REVENUES								
Dept 00-00 - GENERAL								
PROPERTY TAXES								
262-00-00-30300	PROPERTY TAX - TIF	458,809	507,000	468,811	507,254	519,935	12,935	2.55
	PROPERTY TAXES	458,809	507,000	468,811	507,254	519,935	12,935	2.55
OTHER INCOME								
262-00-00-37100	INVESTMENT INTEREST	1,097	250	14,264	20,000	6,000	5,750	2,300.00
262-00-00-38200	REFUNDS / REIMBURSEMENTS			8,713	8,713			
	OTHER INCOME	1,097	250	22,977	28,713	6,000	5,750	2,300.00
TRANSFERS IN								
262-00-00-39260	TRANSFER FROM TIF #1 FUND	2,650,000				19,471	19,471	
	TRANSFERS IN	2,650,000				19,471	19,471	
Totals for dept 00-00 - GENERAL		3,109,906	507,250	491,788	535,967	545,406	38,156	7.52
TOTAL ESTIMATED REVENUES		3,109,906	507,250	491,788	535,967	545,406	38,156	7.52
APPROPRIATIONS								
Dept 00-00 - GENERAL								
CONTRACTUAL SERVICES								
262-00-00-62100	FINANCIAL SERVICES	556	750	8,660	8,660	8,830	8,080	1,077.33
262-00-00-63800	CONTRACTED SERVICES		6,111		6,111	6,294	183	2.99
262-00-00-65300	LEGAL EXPENSES & NOTICES	2,245		555	1,000	5,304	5,304	
262-00-00-68600	TIF SURPLUS DISTRIBUTION		138,000		152,176	155,981	17,981	13.03
262-00-00-69199	PRIV PROP REHAB / REDEVELOP	624,588	1,401,571	363,728	794,174	347,154	(1,054,417)	(75.23)
	CONTRACTUAL SERVICES	627,389	1,546,432	372,943	962,121	523,563	(1,022,869)	(66.14)
EQUIPMENT								
262-00-00-83900	OTHER CAPITAL IMPROVEMENTS	127,053	1,800,000	1,510,226	1,800,000	500,000	(1,300,000)	(72.22)
	EQUIPMENT	127,053	1,800,000	1,510,226	1,800,000	500,000	(1,300,000)	(72.22)
Totals for dept 00-00 - GENERAL		754,442	3,346,432	1,883,169	2,762,121	1,023,563	(2,322,869)	(69.41)
TOTAL APPROPRIATIONS		754,442	3,346,432	1,883,169	2,762,121	1,023,563	(2,322,869)	(69.41)
NET OF REVENUES/APPROPRIATIONS - FUND 262		2,355,464	(2,839,182)	(1,391,381)	(2,226,154)	(478,157)	2,361,025	(83.16)
BEGINNING FUND BALANCE		1,271,337	3,626,801	3,626,801	3,626,801	1,400,647	(2,226,154)	(61.38)
ENDING FUND BALANCE		3,626,801	787,619	2,235,420	1,400,647	922,490	134,871	17.12