

VILLAGE OF GILBERTS
VILLAGE BOARD MEETING
August 5, 2008
7:30 p.m.

CALLED TO ORDER:

Village President Pro Tem Erbeck called the meeting to order at 7:30 p.m. President Pro-Tem Erbeck led those present in the Pledge of Allegiance.

ROLL CALL/ESTABLISH QUORUM:

Members present: Trustees Erbeck, Mierisch, Zambetti, Mueller, Garcia and Mengarelli. Absent: President Wajda. Others Present: Village Attorney Julie Tappendorf, Village Administrator Ray Keller, Village Administrative Intern Kyle Cratty, Village Engineer Ed Kanthack, Police Chief Mike Joswick, Finance Director Marlene Blocker and Village Clerk Darlene Mueller. President Pro Tem Erbeck declared a quorum present. (See attached list for members of the public).

PUBLIC HEARING – Tax Increment Financing Redevelopment Plan and Project for the Proposed Gilberts Central TIF Redevelopment Project Area.

A motion was made by Trustee Mengarelli and seconded by Trustee Mueller to open the Public Hearing. Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

PUBLIC HEARING – Tax Increment Financing Redevelopment Plan and Project for the Proposed Gilberts Central TIF Redevelopment Project Area.

A motion was made by Trustee Mengarelli and seconded by Trustee Mueller to open the Public Hearing. Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

Village Administrator Keller turned the meeting over to Mr. Jeremy Hayes, Urban and Project Manager for PGAV Urban Consulting. Mr. Hayes discussed an overview of what a TIF (Tax Increment Financing) Redevelopment Plan District was and its process. Mr. Hayes discussed the areas of qualification and the criteria for those qualifications. The TIF District is bounded by Interstate 90 on the southwest, Riemer Way on the east and Higgins Road on the north and Old Town along Railroad Street and Galligan north of Higgins Road.

Present Pro-Tem Erbeck opened the Public Hearing to the audience and asked that they give their name and address to the Clerk. President Pro-Tem Erbeck asked for questions prior to answering them.

Following is a summary of the discussion at the Public Hearing and is not intended to be a verbatim transcript of the hearing:

Mr. Andrew Starrenburg, 80 Industrial Drive, asked various questions and expressed concerns about how the TIF District would affect his industrial buildings and inquired about the financing the Village is going to use to fund the improvements. He also inquired about the joint review board; SSA (Special Service Area); plans for Old Town and widening of roads.

Administrator Keller explained an SSA is unrelated to the TIF District and is another tool for funding. Administrator Keller explained that establishing the TIF District is the first step in the process and is a tool to help us pay for infrastructure. Other strategies will be explored to help finance it. An SSA is an option and has not been thoroughly researched at this time.

Mr. John O'Hara, 50 Industrial Drive, inquired about the funding the Village had available for road improvement on Industrial Drive. Mr. O'Hara also inquired about the TIF District budget and the yearly breakdown on the TIF increments.

VILLAGE BOARD MEETING

August 5, 2008

Page 2

Attorney Tappendorf confirmed what Administrator Keller stated about the TIF District being separate from a SSA. An SSA would require a Public Hearing and notifications to taxpayers of record who would then have an opportunity to object to the SSA.

Administrator Keller further explained the purpose of the TIF District and that the Village received feedback from business owners at a prior meeting. Administrator Keller at this time could not give a specific amount on what it would cost per business owner. Administrator Keller discussed the Joint Board Review which consists of representatives from school district, fire prevention district, community college, Kane County, Village and library District. The Districts agreed after reviewing the TIF District redevelopment plan that it met the requirements set forth by State Statutes. Discussion included widening of the roads, which would be a big expense and scaling it back to construct adequate roads. The TIF funds would be separate from the General Funds.

Mr. Hayes explained in a 23 year time period, the property in the TIF District will appreciate forty-three million dollars. The total estimate cost of the project is \$28,300,000.

Administrator Keller stated that Old Town was included in the event that some time in the future if Old Town needed infrastructure repairs, TIF funds could be utilized. Administrator Keller discussed the Joint Board and taxing districts. The School District voiced their objection to Gilberts proposed TIF District as well as to other municipalities that have created TIF Districts.

Kathy Tonelli, property owner on Center Drive inquired about the TIF District financing and the shortfall for five to seven years. Administrator Keller explained after five or seven years, the increments would be used to help pay off some of the debts. Administrator Keller further explained that another funding source may be needed for a short term until revenue comes in the next 4 to 7 years.

Mr. James Healey, representing Mr. Mike Masciola, 99 Industrial Drive, felt that the TIF District would be an advantage to the Village due to not having any extra property taxes to pay and that it was not tied to an SSA. Administrator Keller confirmed Mr. Healey questions. Mr. Healey felt there was no down side to a TIF District and the Village should go forward with it.

Mr. Starrenburg questioned about other alternatives for funding. Administrator Keller stated that could not discuss all funding alternatives at this time and funding was not part of the TIF District Public Hearing.

Mr. Rick Janes, Marengo, and owner of property in the Industrial Center inquired about the a TIF District using his property as an example. Attorney Tappendorf explained that the tax rates would not increase as a result of the TIF, but funding for the TIF District is based on increased value of properties in the TIF district. Discussion followed on older buildings.

Ms. Elizabeth Jacobs, 160 Industrial Drive, felt that the TIF District was not adequate at this time and at an EDC meeting, an SSA was discussed as an option. Ms. Jacobs Inquired whether the TIF District could fund the improvements in the short term. Administer Keller said the TIF District would be able to pay for the improvements in 7 to 10 years. Discussion followed on the equalize assessed value and tax caps followed. Ms. Jacobs questioned on how this public hearing was initiated. Administrator Keller explained that business owners in past years have talked about having water and sewer in the industrial parks and from meetings at the Economic Development Committee, a TIF District was an option and would be a beginning to start infrastructure in the industrial parks.

Mr. O'Hara, inquiring about using a TIF note; borrowing off the increment in the future. Administrator Keller stated that this was a possibility.

Peter Page, 670 Welch St, expressed his concerns about the school district not receiving any funds for 23 years. Administrator Keller further explained how the TIF District works relative to the school and taxing bodies.

VILLAGE BOARD MEETING

August 5, 2008

Page 3

Ron Adeo, 44 and 48 West End Drive, expressed concern about the TIF District affecting older buildings vs. new buildings and if the benefits are the same. Trustee Erbeck explained both properties would benefit if either one was improved.

Mike Dougherty, 27 W. Willey, discussed certain items not related to the TIF District and inquired about having a TIF District for Old Town and the Industrial Parks. Administrator Keller explained that nothing specifically has been identified in Old Town and separate TIFs would increase administrative cost. Mr. Dougherty stated he was in favor of the TIF.

Bruce Starrenburg, 80 Industrial Drive claimed he did not receive his certified letter on the public hearing. Administrator Keller said we used Kane County property owner of records list. Mr. Starrenburg asked if the Village applied for an IEPA loan, Administrator Keller stated the Village has and this loan is considered another tool for funding. Mr. Starrenburg expressed concern over School District having to pass another referendum. Mr. Starrenburg discussed a potential memo to the business owners to gauge interest in the TIF District. Mr. Starrenburg inquired about a variance to move power lines on the 20 acre farm which caused his business be shut down by ComEd for 6 hours. No resolution on this topic and is not part of the TIF hearing. In response to Mr. Starrenburg question, after tonight's meeting a vote will be taken and all parties will be notified of the date of the Board meeting. Discussion followed on the size of the water line followed.

Mike Dougherty, 27 W. Wiley, inquired about when the assessed value was retrieved. Administrator Keller responded the Village used the assessed value in March of 2008.

Brett Coleman, 38 Higgins Road inquired if the Town Center and Riemer was part of the TIF District. Administrator Keller responded that it was not. Administrator Keller explained why they would not qualify. Discussion followed on the Joint Review Board and tax rates.

Andrew Starrenburg, 80 Industrial Drive inquired about what controls are in place for improvements. Mr. Hayes referred to Exhibit "G" on page 31 "Estimated Redevelopment Project Costs" of \$28,300,000. A public hearing is required if the total estimated redevelopment projects costs increased by more than 5%.

Norton Baum, 185 Industrial, inquired about eminent domain which is unrelated to the TIF District. Mr. Norton Building inquired on whether his building is included in the TIF. Administrator Keller responded that it was. Discussion followed on eminent domain. Attorney Tappendorf further explained this concept. Mr. Baum questioned about the property by the railroad track to I90 along industrial drive and why it was included in the TIF District. Administrator Keller explained that a boundary was formed to follow a natural barrier which in the future could be included if any in infrastructure was needed.

Mr. Andrew Starrenburg, 80 Industrial Drive asked if it would be possible to be excluded from the TIF District. Mr. Hayes explained that by excluding Mr. Starrenburg's building, it would be an additional cost to the Village. Discussion followed on tying into the infrastructure.

Mr. Brett Coleman, 38 Higgins Road inquired if a questionnaire letter could be sent out to business owners on whether they wanted to have a TIF District. Administrator Keller advised that it was the Board's decision. Based on prior meetings and tonight's meeting a letter will be sent to business owners on other funding sources for consideration.

Mr. Rich Salzmann, Industrial Drive was in favor of the TIF District and that said it would benefit the business owners and was in favor of creating a TIF District. Mr. Salzman further discussed his reasons why.

Mr. Dan Shepard, 114 Glenbrook Circle stated he was a resident in Gilberts for 18 years and a parcel owner of the 21 acre parcel. Mr. Shepard reiterated on what a TIF district is and how it operates when a

VILLAGE BOARD MEETING

August 5, 2008

Page 4

property is developed or not developed. Mr. Shepard explained by approving the TIF would give the business owners options in the future.

A question and answer session followed between Board, Staff and audience. Administrator Keller discussed at the TIF Joint Review Board, two taxing districts out of three that attended the meeting approved the TIF District. The next step after the Public Hearing on August 5, 2008 is an ordinance establishing a TIF District which must be approved no sooner than 14 days and no later than 90 days from the public hearing.

PUBLIC COMMENT AND DISCUSSION

Police Commissioner Bill Lindoerfer requested that the Police Commission item on the Village's Agenda be amended to be able to speak a first. **A motion was made by Trustee Mengarelli and seconded by Trustee Zambetti to amend the agenda to have Item 9J (Reports from Consultants, Officers, Boards, Commission) to be moved to Item 9A.** Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried. Police Commissioner Lindoerfer thanked the Board for their consideration.

EXECUTIVE SESSION TO ADDRESS PENDING LITIGATION. – Attorney Tappendorf had no litigation to discuss at this time.

APPROVAL OF MINUTES:

A motion was made by Trustee Mueller and seconded by Trustee Mengarelli to approve the Village Board Work Session minutes of July 8, 2008 and Village Board Minutes of July 15, 2008. Roll call: Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

APPROVAL OF BILLS AND SALARIES:

A motion was made by Trustee Mueller and seconded by Trustee Zambetti to approve the amended payment of bills as pursuant to the list dated 8/5/08 and presented to the Trustees prior to the meeting as follows: General Funds \$121,666.78, Developer Donations \$2,530.00, Permit Pass Thrus \$9,902.93; Performance Bonds and Escrows \$17,253.71; Water Fund \$53,325.57 and Payroll \$63,639.81. Discussion followed. Roll call: Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

ORDINANCES/RESOLUTIONS/PROCLAMATIONS/MOTIONS TO BE CONSIDERED

A motion was made by Trustee Mueller and seconded by Trustee Mengarelli to approve and exception from Section 5.6.5 of the Village Code for Mrs. Beulah Swanson, 38W360 Route 72 for a detached garage in an A-1 Agriculture District. Roll call: Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

A motion was made by Trustee Zambetti and seconded by Trustee Mierisch to approve Ordinance #08-19, An Ordinance Amending the Village Code, Section 11, Traffic and Motor Vehicles/Stop Signs. Approval of this ordinance would update the locations of stop signs within the Village. Roll call: Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

A motion was made by Trustee Mueller and seconded by Trustee Mierisch to the Treasurer's Report ending June 20, 2008 for filing. Roll call: Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

REPORTS FROM CONSULTANTS, OFFICERS, BOARDS, COMMISSIONS

Police Commission Chairperson – Police Commissioner Bill Lindoerfer request the approval of the Board for the following police candidates for part time police contingent on their successful completion of the polygraph and psychological testing. They would also have to pass an agility and written test, oral test and drug screen. The police candidates are George Steiner, Michael Lorkowski, Kevin Mullins, Paul McNamara and Slawomir Nowak. **A motion was made by Trustee Mueller and seconded by Trustee**

VILLAGE BOARD MEETING

August 5, 2008

Page 5

Mengarelli to approve the hiring of the part time police candidates George Steiner, Michael Lorowski, Kevin Mullins, Paul McNamara and Slawomir Nowack contingent on successful completion of the aforementioned tests Vote: 6-ayes (Trustees Erbeck, Mierisch, Zambetti, Mengarelli, Garcia and Mueller), 0-nays, 0-abstained, 0-absent. Motion carried.

Village Administrator – Administrator Keller informed the Board that Lynn Montei will be attending next week's work session to work with the Board on the result of the work performed on the strategic plan. The Design team will also be invited. An open house will be scheduled in September for the public to attend.

Village Engineer – Engineer Kanthack's gave an update to the Board about the Bridge project at I-90. Information will be sent to the Village. The Board expressed their concern about the entrances of Industrial Drive and Windmill Meadows and asked Engineer Kanthack to relay their concerns to the appropriate personnel.

Village Attorney – Attorney Tappendorf had no report at this time.

Village Treasurer – Finance Director Blocker stated the draft audit was emailed to the Board and will be put on the F/L/O Agenda and to contact her if they have any questions.

Village Clerk – Clerk Mueller had no report at this time.

Village Planner – Village Planner Duffy had no report at this time.

Police Chief – Chief Joswick discussed a candidate list for part time offers for consideration for the next full time position and if the list is valid. Chief Joswick will discuss this matter with Attorney Tappendorf.

Chief Building Inspector - Chief Building Inspector Swedberg had no report at this time.

Plan Commission Chairperson – Chairman Cullotta had no report at this time

REPORT FROM TRUSTEES AND VILLAGE PRESIDENT

Trustee Garcia reported at the Public Works Committee meeting a unanimous recommendation was made that the Village proceeds with taking over the water billing prior to year 2011. Administrator Keller will be contacting Illinois American Water Services on this matter.

Trustee Mierisch attended the Northern Kane County meeting on Economic Development, State Representatives Ruth Munson and Tim Schmidt; Representatives from East and West Dundee, Carpentersville, Sleepy Hollow and Gilberts were in attendance to discuss regional economic development. Trustee Mierisch will report share ideas from each community.

EXECUTIVE SESSION TO ADDRESS PENDING LITIGATION

The Board had no litigation to discuss at this time.

ADJOURNMENT:

There being no further business; **a motion was made by Trustee Mengarelli and seconded by Trustee Mueller to adjourn the meeting.** Roll call: Vote 6-ayes (Trustees Erbeck, Zambetti, Mierisch, Mengarelli, Mueller, and Garcia), 0-nays, 0-abstained, 0-absent. Motion carried. Adjournment time: 9:58 p.m.

Respectfully Submitted,

Darlene Mueller, Village Clerk