

MINUTES  
VILLAGE OF LA GRANGE  
EXECUTIVE COMMITTEE MEETING

Village Hall Auditorium  
53 South La Grange Road  
La Grange, IL 60525

Monday, October 22, 2007  
(immediately following the regular Village Board meeting)

1. CALL TO ORDER AND ROLL CALL

An Executive Committee Workshop of the Board of Trustees of the Village of La Grange was held on Monday, October 22, 2007 and called to order at 8:35 p.m. in the Auditorium of the Village Hall.

PRESENT: Trustees Horvath, Kuchler, Livingston, Palermo and Wolf with President Asperger presiding.

ABSENT: Trustee Langan

OTHERS: Robert Milne, Village Clerk  
Robert Pilipiszyn, Village Manager  
Mark Burkland, Village Attorney  
Patrick Benjamin, Community Development Director  
Finance Director Lou Cipparrone  
Public Works Director Ken Watkins  
Assistant Public Works Director Mike Bojovic  
Police Lieutenant Arnold  
David Fleege, Fire Chief

2. TIF PLANNING SESSION

President Asperger noted that the meeting is being taped and televised live with the use of new microphones to enable the public to be informed of the discussion.

In order to capture the history of the TIF Plan, President Asperger explained that the highly successful TIF was created in 1986 to encourage economic growth and development throughout the Village. Some of the projects funded by TIF include the Triangle Redevelopment Project, the Façade Loan Program, and the Municipal Parking Structure. As only two or three years remain in the TIF Plan, it is important for the Village to consider how to best utilize the remaining funds.

President Asperger explained that it was the consensus of the Board only to consider redevelopment proposals which are brought forward and not actively seek redevelopment

opportunities. TIF funds have been utilized for certain specialty projects as in the preventive maintenance application of a special Kelmar coating to the parking structure floor.

Also noted by President Asperger was the renovation of exterior buildings through the Façade loan Program which has been so successful that the Village Board has directed staff to transition into a new, post-TIF façade loan program.

President Asperger stated as TIF is scheduled to end with the 2009 TIF tax levy which is collected in 2010, School Districts 102 and 204 have questioned the timing of the last TIF tax levy. The school districts believe that the term of TIF was 23 years and therefore, the Village is only entitled to 23 tax levies. President Asperger explained that the Village Board anticipated making a decision upon guidance from Cook County, however as yet documentation from the County has not been provided. Recently School Districts 102 and 204 renewed their request for the Village to waive the 24<sup>th</sup> tax levy.

President Asperger requested Village Manager Robert Pilipiszyn to elaborate on TIF planning and related issues. Mr. Pilipiszyn presented staff's preliminary thoughts for further Board discussion as follows:

Parking Structure / Federal Grant: Mr. Pilipiszyn explained that the Village anticipates receipt of Federal grant funds to pay off the 2003 TIF note issued for the parking structure. If the grant funds are received in the current fiscal year, they will create several TIF planning opportunities for the Village.

Mr. Pilipiszyn stated that assuming that federal funds are received prior to the end of this fiscal year, the Village would be able to retire the 2003 TIF note issued for the parking structure. In addition, it is anticipated that the TIF Fund will have sufficient reserves at that time to retire the 2000 TIF note issued for the Triangle Project, leaving no outstanding debt in the TIF Fund. The Village would still be able to complete all current projects as budgeted in FY 2007-08.

Mr. Pilipiszyn added that the TIF Fund will also be receiving at least two more years of tax levy distributions of approximately \$2.5 million each with only the La Grange/Ogden intersection project (\$1,000,000) and CBD street resurfacing project (\$400,000) scheduled to be completed in FY 2008-09 and FY 2009-10, respectively. Assuming revenues and expenditures occur as identified above, at the end of FY 2009-10 the TIF Fund will have approximately \$5.5 million of available reserves to fund not yet identified eligible projects. This estimated reserve amount does not include receipt of the 2009 TIF tax levy (24<sup>th</sup> levy) in FY 2010-11.

Capital Specialty Projects: Staff recommends that the Village Board affirm the capital / specialty projects as currently budgeted.

Façade Loan Program: Mr. Pilipiszyn noted that staff recommends the continuance of this highly successful TIF funded program and will be providing the Board a detailed report to move forward under a post-TIF strategy.

“Capstone” Projects: As there are several emerging development opportunities which may be considered “capstone” projects in the final years of the TIF Program, staff recommends retaining flexibility in the TIF Fund for such projects.

24<sup>th</sup> TIF Tax Levy: Mr. Pilipiszyn concluded his presentation by stating that assuming that the Village will have: (1) repaid all current outstanding debt; (2) completed all of the capital/specialty projects budgeted; and (3) reserved sufficient funds for potential “capstone projects” for TIF financial planning purposes, staff feels comfortable in recommending that the Village Board waive its ability to collect the 24<sup>th</sup> TIF tax levy.

At 8:58 p.m. President Asperger opened the discussion to the Trustees.

Trustee Horvath noted his support of the Village to waive the 24<sup>th</sup> TIF tax levy. Trustee Horvath also believes that TIF funds should be limited to projects that but for TIF, private investment would not occur.

Trustee Livingston believes staff’s recommendations are well presented. He supports the waiver of the 24<sup>th</sup> TIF tax levy. He also feels that it is important to reserve funds for potential intersection improvements at Ogden Avenue and La Grange Road. Trustee Livingston stated that TIF has been an excellent tool with measurable benefits for the Village.

Trustee Palermo believes TIF projects should not only demonstrate a return of investment, but also include a return on investment. Trustee Palermo does not believe that planters or benches throughout the Central Business District should be considered as TIF funded projects. Trustee Palermo is supportive of the Village waiving the 24<sup>th</sup> TIF tax levy; it is a great position to be in. He does however support reserving funds for intersection improvements at Ogden Avenue and La Grange Road as the developer’s obligations are unknown at this time. He will look at TIF on a project-by-project basis.

Trustee Kuchler, although generally not a fan of TIF, does feel that the La Grange TIF District has been handled responsibly. Beautification makes a vibrant Central Business District which reinforces economic growth. Trustee Kuchler is in favor of waiving the 24<sup>th</sup> TIF tax levy and believes the Board should remain frugal in spending remaining TIF funds. Trustee Kuchler indicated the need to move forward to improve road conditions at La Grange Road and Ogden Avenue.

Trustee Wolf inquired if surplus TIF funds would be returned and President Asperger indicated yes, however, if for some unforeseen reason the Village does not receive the federal grant, there may not be a surplus to return. Trustee Wolf is also in favor of waiving the 24<sup>th</sup> TIF tax levy, but cautioned the Board not to act until receipt of the federal grant. She also favors retirement of debt. Her preference is to keep TIF expenditures to a minimum.

Trustee Horvath echoed Trustee Wolf's sentiments. In response to a suggestion by Trustee Wolf to use General Fund monies rather than TIF for street work, Trustee Kuchler noted he would not support a tax increase for road repairs which could otherwise have been funded by TIF.

President Asperger relayed thoughts and comments received from Trustee Langan. Those being his support to waive the 24<sup>th</sup> TIF tax levy subject to completion of projects and earmarking funds for potential projects as recommended by staff.

Village Manager Pilipiszyn explained that road improvements and other budgeted work would not have been recommended as a TIF project if they were not necessary, appropriate or supportive of redevelopment efforts, and discussions with the developer of the former YMCA property are on-going in order to achieve pedestrian safety and traffic improvements.

President Asperger summarized indicating that subject to the receipt of the federal grant and retirement of debt, it appears there is a consensus of the Board as follows:

1. Waive collection of the "24<sup>th</sup>" TIF tax levy;
2. Re-visit capstone and specialty projects as part of the budget process;
3. Encourage staff to investigate a post-TIF strategy.

Trustee Livingston commended staff on the management of TIF funds; it has put the Village Board in a great position to make these type of policy decisions.

3. ADJOURNMENT

At 9:40 p.m. the Executive Committee meeting was adjourned.

Respectfully submitted,

Ellie Elder  
Administrative Secretary

Approved: Nov 12, 2007