

MINUTES OF THE DECEMBER 28, 2015 SPECIAL MEETING OF THE MOUNT CARROLL CITY COUNCIL

Mayor Carl Bates called the meeting to order at 10:12 a.m. CALL TO ORDER
Roll call: Mayor Carl Bates, present, Aldermen Paul Kaczmarski, present, Jim ROLL CALL
Rose, present, Kevin Powers, present, Doug Bergren, present, Mike Risko, present, and Joe Grim,
present.

Kathy Orr, City's TIF consulting attorney, and Sharon Pepin, Community Funding and Planning Services, were in attendance to present to the council the process for the City to declare a Business Development District. First would be to develop a plan and a district boundary area. The City would need to hold at least one public hearing. If the plan and area meet the eligibility criteria to declare this a blighted area and all is approved the tax would go into place for 23 years and be used to pay for project costs set out in the plan, such as to help out new business or current businesses to expand or redevelop. The tax would not be assessed to groceries, drugs or cars. Ms. Orr provided a copy of the state legislation for the city's reference, and read the definition of a "Blighted area means an area that is a blighted area which, by reason of the predominance of defective, non-existent, or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals, or welfare."

Ms. Pepin and Ms. Orr stated that the City could start with that area already designated within the TIF boundary, but scale it down by taking out some of the areas and set up a bit different area to link the northern and southern business districts.

In discussion the council referred to two major projects for the City in the future, being the new Galena Street Bridge and the sewerage treatment plant improvements.

Mayor Bates asked about costs and funding for the plan and approval and the timeline for the process. Ms. Orr stated that the boundary area could be set by her and Sharon by the end of January. The next step would be to set a date for the public hearing and have the eligibility study done. These could be done by the end of February. The plan could be presented for approval by the council by the end of February or sometime in March. The consensus of the council members present was to follow this timeline as best we could to keep it moving forward. Alderman Bergren stated he had experience with 3 BDD's in East Dundee. They started with a .5% tax rate. Ms. Orr stated the maximum rate that could be set was at 1%. Noted that possible revenues could be around \$40,000 annually depending on the rate. Ms. Orr stated to hire her and Sharon to implement this process would be \$25,000 in three payments. They would draft a proposal with the scope of work described.

Alderman Powers moved and Alderman Bergren seconded to proceed BUSINESS DEVELOPMENT
with the Business Development District plan and to enter into an DISTRICT
agreement (with Kathy Orr and Sharon Pepin) at a cost not to exceed \$25,000. Roll call vote: Aldermen
Kaczmarski, yes, Rose, yes, Powers, yes, Bergren, yes, Risko, yes, and Grim, yes. Vote: 6 yeses and 0
noes. The motion was carried.

Ms. Orr reported she had received a TIF application from a retail business TIF APPLICATION
via Sharon Pepin and the city clerk. Some of the possible factors regarding sales tax and property tax
revenues were discussed. Could also consider whether a portion of the BDD was reimbursable for this
type of project. She stated she would report back to the mayor with some agreement options.

The council discussed the possibility of extending the City's TIF time limit. At this time it expires in 2028. Ms. Orr stated that each of the taxing districts within the area would need to agree to this before it was presented to the State General Assembly.

Ms. Orr provided information about what was being proposed by the State legislature to impose a freeze on local government's tax levy rate for two years.

Alderman Grim moved and Alderman Powers seconded to adjourn the meeting. ADJOURNMENT
Roll call vote: Aldermen Rose, yes, Powers, yes, Bergren, yes, Risko, yes, Grim, yes, and Kaczmariski, yes. Vote: 6 yeses and 0 noes. Mayor Bates adjourned the meeting at 11:15 a.m.

The Mount Carroll City Council approved these minutes at the January 12, 2016 regular meeting.

Julie A. Cuckler
City Clerk & Collector