



SUSANA A. MENDOZA

ILLINOIS STATE COMPTROLLER

Municipality: Palatine Village (016/430/32)

TIF Application

Select TIF District

Fiscal Year 2019

● Back to Login - Step 1 (UpldTIFRptLogStp1.cfm) 📄 TIF Instructions/Help
(<http://illinoiscomptroller.gov/services/local-government-division/upload-tif-reports/>)

The PDF file(s) for the FY 2019 TIF Report for Rand Corridor TIF TIF District has been marked as being received by our office!

Instructions

1. You can click on the **Request to Resubmit** button to request to resubmit one or more of your TIF District reports.

Select TIF District

CONTINUE

REQUEST TO RESUBMIT

STATE OF ILLINOIS
COMPTROLLER

SUSANA A. MENDOZA

Name of Municipality:	Village of Palatine	Reporting Fiscal Year:	2019
County:	Cook	Fiscal Year End:	12/31/2019
Unit Code:	016-430-32		

2019 TIF Administrator Contact Information

First Name:	Reid	Last Name:	Ottesen		
Address:	200 E Wood St	Title:	Village Manager		
Telephone:	(847) 359-9031	City:	Palatine	Zip:	60067
E-mail-required	findept@palatine.il.us				

I attest to the best of my knowledge, that this FY 2019 report of the redevelopment project area(s) in the City/Village of: **Palatine** is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Rud J. Ottem

May 11, 2020

Written signature of TIF Administrator

Date _____

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT

[illegible]

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2019

Name of Redevelopment Project Area (below):	
Rand Road Corridor TIF	
Primary Use of Redevelopment Project Area*: Retail	
* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.	
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act	☒ X
Industrial Jobs Recovery Law	☐

Please utilize the information below to properly label the Attachments.

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A).	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports or meeting minutes <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage. [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, then Analysis <u>MUST</u> be attached and (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only, not actual agreements (labeled Attachment M).	X	

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2019

TIF NAME:

Rand Road Corridor TIF

Special Tax Allocation Fund Balance at Beginning of Reporting Period

\$ 10,000,266

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 3,014,256	\$ 41,764,695	45%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 236,827	\$ 688,854	1%
Land/Building Sale Proceeds	\$ 2,224	\$ 216,159	0%
Bond Proceeds		\$ 39,111,075	42%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (Transfer from contiguous redevelopment area)		\$ 10,661,452	12%

All Amount Deposited in Special Tax Allocation Fund

\$ 3,253,307

Cumulative Total Revenues/Cash Receipts

\$ 92,442,235 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 2,549,639

Transfers to Municipal Sources

\$ -

Distribution of Surplus

\$ 941,890

Total Expenditures/Disbursements

\$ 3,491,529

Net/Income/Cash Receipts Over/(Under) Cash Disbursements

\$ (238,222)

Previous Year Adjustment (Explain Below)

\$ -

FUND BALANCE, END OF REPORTING PERIOD*

\$ 9,762,044

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

FY 2019

TIF NAME:

Rand Road Corridor TIF

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment costs)

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Legal services	1,548	
		\$ 1,548
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
Reimburement to developer for land acquisition	940,182	
		\$ 940,182
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		\$ -
6. Costs of the construction of public works or improvements.		
Rights of way improvements	43,721	
Water system improvements	5,000	
		\$ 48,721

SECTION 3.2 A		
PAGE 2		
7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
Principal retirement	1,270,000	
Interest & Fiscal Charges	289,188	
		\$ 1,559,188
10. Capital costs.		
		\$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -

SECTION 3.2 A		
PAGE 3		
13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 2,549,639

FY 2019

TIF NAME:

Rand Road Corridor TIF

Optional: Information in the following sections is not required by law, but would be helpful in creating fiscal transparency.

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

[illegible]

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source
FY 2019

TIF NAME:

Rand Road Corridor TIF

FUND BALANCE BY SOURCE

\$ 9,762,044

Amount of Original Issuance	Amount Designated
--------------------------------	-------------------

1. Description of Debt Obligations

General Obligation Taxable Refunding Bonds, Series 2014B	\$ 7,265,000	\$ 4,325,000
General Obligation Taxable Refunding Bonds, Series 2017D	\$ 6,060,000	\$ 4,855,000

Total Amount Designated for Obligations

\$ 13,325,000	\$ 9,180,000
---------------	--------------

2. Description of Project Costs to be Paid

Property Assembly and Site Preparation Costs		\$ 1,750,000
Sanitary system improvements		\$ 1,400,000
Rights of way improvements		\$ 402,225
Water system improvements		\$ 235,000

Total Amount Designated for Project Costs

\$ 3,787,225

TOTAL AMOUNT DESIGNATED

\$ 12,967,225

SURPLUS/(DEFICIT)

\$ (3,205,181)

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**FY 2019****TIF NAME:****Rand Road Corridor TIF**

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X**Check here if no property was acquired by the Municipality within the Redevelopment Project Area****Property Acquired by the Municipality Within the Redevelopment Project Area**

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

FY 2019

TIF NAME:

Rand Road Corridor TIF

Page 1 is to be included with TIF Report. Pages 2 and 3 are to be included **ONLY** if projects are listed.

Select **ONE** of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of ALL projects undertaken in furtherance of the objectives of the redevelopment	9

LIST **ALL** the projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 77,694,493	\$ 8,000,000	\$ 8,000,000
Public Investment Undertaken	\$ 62,307,766	\$ 750,000	\$ 1,750,000
Ratio of Private/Public Investment	1 20/81		4 4/7

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Walmart

Private Investment Undertaken (See Instructions)	\$ 36,094,493		
Public Investment Undertaken	\$ 30,382,599		
Ratio of Private/Public Investment	1 3/16		0

Project 2*: Arlington Toyota

Private Investment Undertaken (See Instructions)	\$ 10,000,000		
Public Investment Undertaken	\$ 17,927,209		
Ratio of Private/Public Investment	29/52		0

Project 3*: Tore & Luke's

Private Investment Undertaken (See Instructions)	\$ 1,500,000		
Public Investment Undertaken	\$ 1,126,390		
Ratio of Private/Public Investment	1 1/3		0

Project 4*: White Castle

Private Investment Undertaken (See Instructions)	\$ 1,500,000		
Public Investment Undertaken	\$ 121,520		
Ratio of Private/Public Investment	12 11/32		0

Project 5*: Harley Davidson

Private Investment Undertaken (See Instructions)	\$ 7,000,000		
Public Investment Undertaken	\$ 1,352,355		
Ratio of Private/Public Investment	5 3/17		0

Project 6*: Foxfire/Caputo's

Private Investment Undertaken (See Instructions)	\$ 3,300,000		
Public Investment Undertaken	\$ 901,601		
Ratio of Private/Public Investment	3 33/50		0

Project 7*: Sonic Restaurant

Private Investment Undertaken (See Instructions)	\$	850,000		
Public Investment Undertaken	\$	125,000		
Ratio of Private/Public Investment		6 4/5		0

Project 8*: Menards Site/Napleton

Private Investment Undertaken (See Instructions)	\$	13,200,000	\$	8,000,000	\$	8,000,000
Public Investment Undertaken	\$	10,250,000	\$	750,000	\$	1,750,000
Ratio of Private/Public Investment		1 19/66				4 4/7

Project 9*: United Growth/Panera

Private Investment Undertaken (See Instructions)	\$	4,250,000		
Public Investment Undertaken	\$	121,092		
Ratio of Private/Public Investment		35 7/72		0

Project 10*:

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

Project 11*:

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

Project 12*:

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

Project 13*:

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

Project 14*:

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

Project 15*:

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. ***even though optional MUST be included as part of complete TIF report**

SECTION 6

FY 2019

TIF NAME: Rand Road Corridor TIF

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
2002	\$ 53,566,271	\$ 73,719,114

List all overlapping tax districts in the redevelopment project area.

If overlapping taxing district received a surplus, list the surplus.

_____ Check if the overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	\$ -
Cook County (County allocates to Districts)	\$ 941,890
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention:

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 8

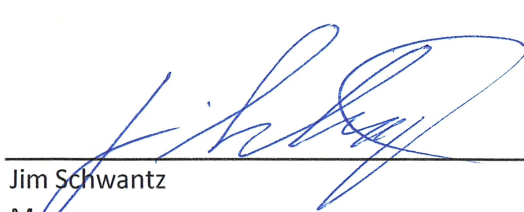
Provide a general description of the redevelopment project area using only major boundaries:

--

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

I, Jim Schwantz, the duly elected Mayor and Chief Executive Officer of the Village of Palatine, County of Cook, State of Illinois, do hereby certify that to the best of my knowledge, the Village complied with the requirements pertaining to the Illinois Tax Incremental Redevelopment Allocation Act during the fiscal year beginning January 1, 2019 and ending December 31, 2019.

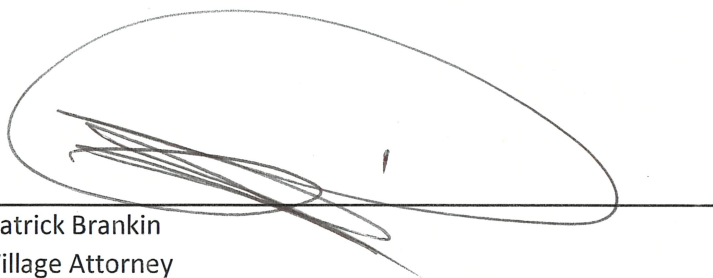


Jim Schwantz
Mayor

May 11, 2020
Date

CERTIFICATION BY THE VILLAGE ATTORNEY

This will confirm that I am the duly appointed Village Attorney of the Village of Palatine, County of Cook, State of Illinois. I have reviewed all information provided to me by the Village of Palatine staff and consultants. I find that the Village has conformed to all the applicable requirements of the Illinois Tax Incremental Redevelopment Allocation Act set forth thereunder for the fiscal year beginning January 1, 2019 and ending December 31, 2019, to the best of my knowledge and belief.



Patrick Brankin
Village Attorney

May 11, 2020
Date

Activities Undertaken in Furtherance of the Objectives of the Redevelopment Plan

The Napleton Automotive Group acquired the former Menards and Knupper Nursery properties to facilitate the relocation of their existing Subaru and Mazda dealerships in Arlington Heights to the site. The construction of the two new dealerships is complete and both dealerships are now open for business in Palatine. Another commercial development, near the intersection of Rand & Dundee Roads, was recently completed and contains a drive-through Palatine Bank & Trust and two multi-tenant commercial buildings (which includes Cousins Subs, T Mobile, and Aspen Dental). Lastly, the Village has had ongoing conversations with the owner of the Park Place shopping center regarding options related to the redevelopment/reconfiguration of portions of the property.

DRAFT

Village of Palatine

Dundee Road Tax Increment Financing District
Rand/Dundee Tax Increment Financing District
Downtown Area Tax Increment Financing District
Rand Corridor Tax Increment Financing District
Rand/Lake Cook Tax Increment Financing District

Meeting of the Joint Review Board

Monday, December 9, 2019 – 3:00 PM

Minutes

I. JOINT REVIEW BOARD CALL TO ORDER

Reid Ottesen, Village Representative, called the meeting to order at 3:02 PM

II. ROLL CALL OF TAX DISTRICT MEMBERS

Present:

Community Consolidated School District 15
Laurie Heinz, Superintendent
Cory Bultemeier, Director of Fiscal Services
Palatine Park District
Mike Clark, Executive Director
Palatine Public Library District
Jeannie Dilger, Director
Melissa Gardner, Assistant Director
Beth Schwarz, Finance Manager
Palatine Township
Ken Lopez, Administrator
Township High School District 211
Lauren Hummel, Chief Operating Officer
Village of Palatine
Reid Ottesen, Village Manager
Mike Jacobs, Deputy Village Manager
Paul Mehring, Finance Director
Patrick Brankin, Village Attorney

Absent:

Cook County
Forest Preserve District of Cook County
Illinois Department of Commerce and Economic Opportunity
Metropolitan Water Reclamation District of Greater Chicago
Northwest Mosquito Abatement District
Palatine Township Road District
William Rainer Harper Community College District 512

III. NOMINATION FOR AND SELECTION OF PUBLIC MEMBER

Reid Ottesen indicated that Ray Franczak, who had previously served as the Public Member, was notified of the scheduled Joint Review Board meeting. Mr. Franczak was not in attendance, thus no public member nomination occurred.

IV. NOMINATION FOR CHAIR OF THE JOINT REVIEW BOARD

Mike Clark, seconded by Ken Lopez, nominated Reid Ottesen as the Chair of the Joint Review Board meeting for December 9, 2019. The motion was approved unanimously.

V. V.APPROVAL OF THE JANUARY 24, 2019 MINUTES OF THE JOINT REVIEW BOARD

Ken Lopez, seconded by Mike Clark, moved to approve the January 24, 2019 minutes of the Joint Review Board. The motion was approved unanimously.

VI. ANNUAL REVIEW OF PERFORMANCE

Reid Ottesen explained that all taxing bodies are required to meet once a year to discuss the status of the Village's TIF districts. He then indicated that he would review the projected surplus to be declared from the Dundee Road TIF and Rand/Dundee TIF and the upcoming expiration of these two TIF districts following an overview of development activity within the Village's TIF Districts over the past year.

- A. DUNDEE ROAD TIF DISTRICT
- B. RAND/DUNDEE TIF DISTRICT
- C. RAND ROAD CORRIDOR TIF DISTRICT
- D. DOWNTOWN AREA TIF DISTRICT
- E. RAND/LAKE COOK TIF DISRICT

Mike Jacobs noted that, as all of the taxing districts were previously notified, the Dundee Road TIF District will expire at the end of 2019. He then provided a brief overview of the development activity that occurred last year, is currently underway, and is anticipated in the coming year. The projects highlighted included the Napleton Mazda & Subaru project that is nearing completion on the former Menards/Knupper site, the Spruce Village supportive housing project behind Firestone/Tore & Luke's, the commercial redevelopment project underway east of Panera/Verizon, including Aspen Dental, Cousins Subs, and Palatine Bank & Trust, the concepts being considered by the new owner of Park Place Center, and the Dundee Road improvements that IDOT is looking to construct in 2020.

In addition, Mr. Jacobs reviewed the RFP process that was completed for the Village owned properties between Towne Square Park and the railroad tracks and the associated consideration of an extension of the Downtown TIF District. Mr. Ottesen then provided a preliminary list of the remaining infrastructure or municipal projects the Village would still like to complete within the downtown area and the Village's desire to pursue an extension of the TIF District to generate the funding necessary to complete the projects. Mr. Ottesen noted that consideration could be given to agree up front on either ending an extension early or to declare an ongoing surplus, based on a set percentage or amount, once the desired Village projects and associated funding are achieved. Mr. Ottesen noted a separate Joint Review Board meeting would be planned to specifically discuss a potential extension, but wanted to provide each taxing body a chance to discuss the issue today, seek feedback from their respective organizations, and then further discuss at a later date.

Paul Mehring distributed a summary chart that outlined the projected surplus distribution by agency. There was some additional discussion regarding past surplus distributions and those anticipated in the future.

VII. ADJOURNMENT

Ken Lopez, seconded by Lauren Hummel, moved to adjourn the Joint Review Board Meeting at 3:40 PM. The motion was approved unanimously.

Respectfully submitted,

Michael W. Jacobs
Village of Palatine

Village of Palatine

Dundee Road Tax Increment Financing District
Rand/Dundee Tax Increment Financing District
Downtown Area Tax Increment Financing District
Rand Corridor Tax Increment Financing District
Rand/Lake Cook Tax Increment Financing District

Meeting of the Joint Review Board

Thursday, January 24, 2019 – 3:30 PM

Minutes

I. JOINT REVIEW BOARD CALL TO ORDER

Reid Ottesen, Village Representative, called the meeting to order at 3:32 PM

II. ROLL CALL OF TAX DISTRICT MEMBERS

Present:

Community Consolidated School District 15
Michael Adamczyk, Chief School Business Official
Township High School District 211
Barb Peterson, Controller & Treasurer
Palatine Public Library District
Melissa Gardner, Assistant Director
Beth Schwarz, Finance Manager
Village of Palatine
Reid Ottesen, Village Manager
Mike Jacobs, Deputy Village Manager
Paul Mehring, Finance Director

Absent:

Cook County
Forest Preserve District of Cook County
Illinois Department of Commerce and Economic Opportunity
Metropolitan Water Reclamation District of Greater Chicago
Northwest Mosquito Abatement District
Palatine Park District
Palatine Township Road District
Township of Palatine
William Rainer Harper Community College District 512

III. NOMINATION FOR AND SELECTION OF PUBLIC MEMBER

Mike Jacobs indicated that Ray Franczak, who had previously served as the Public Member, was notified of the scheduled Joint Review Board meeting. Mr. Franczak was not in attendance, thus no public member nomination occurred.

IV. NOMINATION FOR CHAIR OF THE JOINT REVIEW BOARD

Mike Adamczyk, seconded by Melissa Gardner, nominated Reid Ottesen as the Chair of the Joint Review Board meeting for January 24, 2019. The motion was approved unanimously.

V. APPROVAL OF THE NOVEMBER 28, 2017 MINUTES OF THE JOINT REVIEW BOARD

Melissa Gardner, seconded by Mike Adamczyk, moved to approve the November 28, 2017 minutes of the Joint Review Board. The motion was approved unanimously.

VI. ANNUAL REVIEW OF PERFORMANCE

Reid Ottesen explained that all taxing bodies are required to meet once a year to discuss the status of the Village's TIF districts. He then indicated that he would review the projected surplus to be declared from the Dundee Road TIF and Rand/Dundee TIF and the upcoming expiration of these two TIF districts following an overview of development activity within the Village's TIF Districts over the past year.

- A. DUNDEE ROAD TIF DISTRICT
- B. RAND/DUNDEE TIF DISTRICT
- C. RAND ROAD CORRIDOR TIF DISTRICT
- D. DOWNTOWN AREA TIF DISTRICT
- E. RAND/LAKE COOK TIF DISTRICT

Mike Jacobs provided a brief overview of the development activity that occurred last year, is currently underway, and is anticipated in the coming year. The projects highlighted included the Ayrshire Townhome project at the corner of Hicks Road and Garden Avenue, the Napleton Mazda & Subaru project that will occupy the former Menards/Knupper site, the supportive housing project behind Firestone/Tore & Luke's, the commercial redevelopment project underway east of Panera/Nerizon, and the concepts that are being considered by the new owner of Park Place Center. In addition, Mr. Jacobs reviewed the RFP process underway for the Village owned properties between Towne Square Park and the railroad tracks and the associated consideration of an extension of the Downtown TIF District.

Paul Mehring distributed a summary chart that outlined the projected surplus distribution by agency.

Discussion ensued regarding dissolving the Dundee Road TIF District upon its upcoming expiration and related issues regarding fund balances, surplus distribution, porting of funds, and the establishment of a property tax appeal fund to address any issues that should arise in the future with properties that were located within the TIF District.

Representatives of the Palatine Public Library District noted their efforts regarding the Library's upcoming property tax referendum to increase funding and their preference regarding the distribution of the remaining funds within the Dundee Road TIF District. They also indicated a desire to reduce their referendum request and have an immediate distribution of all surplus dollars.

Mr. Ottesen indicated that he would revisit the distribution of surplus funds with the Village Council after the audit was completed this summer. It was noted that the Library could abate a portion of their tax levy if the referendum passes using the surplus distribution.

Mr. Ottesen also indicated that the Village was beginning the process of considering the future of the Downtown TIF District as it is due to expire at the end of 2022. There remains many infrastructure projects to complete and the assessment declines of 2009, and following years, have impacted the Village's ability to complete these projects. He noted more discussion regarding this issue would occur at the next Joint Review Board meeting.

VII. ADJOURNMENT

Melissa Gardner, seconded by Mike Adamczyk, moved to adjourn the Joint Review Board Meeting at 4:19 PM. The motion was approved unanimously.

Respectfully submitted,

Michael W. Jacobs
Village of Palatine

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the Village Board
Village of Palatine, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Palatine, Illinois (the Village) as of and for the year ended December 31, 2019, which collectively comprise the basic financial statements of the Village, and have issued our report thereon dated May 1, 2020, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Village's basic financial statements. The supplementary financial information (schedule of revenues, expenditures and changes in fund balance and schedule of fund balance by source for the Dundee Road Tax Increment Financing District Fund, Rand/Dundee Tax Increment Financing District Fund, Downtown Tax Increment Financing District Fund, Rand Road Corridor Tax Increment Financing District Fund and the Rand/Lake Cook Tax Increment Financing District Fund) of revenues, expenditures, and changes in fund balance) is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Naperville, Illinois
May 1, 2020

Supplementary Information

VILLAGE OF PALATINE, ILLINOIS

TAX INCREMENT FINANCING DISTRICT FUNDS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2019

	Dundee Road TIF	Rand/Dundee TIF	Downtown TIF	Rand Road Corridor TIF	Rand/Lake Cook TIF
REVENUES					
Taxes					
Incremental property taxes	\$ 3,312,549	\$ 312,878	\$ 6,090,442	\$ 3,014,256	\$ 450,633
Investment income	68,034	21,254	141,937	236,827	12,971
Total revenues	3,380,583	334,132	6,232,379	3,251,083	463,604
EXPENDITURES					
Economic development					
Supplies and services	-	-	7,583	1,548	-
Project expenditures	34,733	-	-	940,182	-
Loss on disposal of land held for resale	-	-	1,527,300	-	-
Surplus distribution	4,373,437	415,000	-	941,890	-
Capital outlay					
Rights of way improvements	-	-	19,020	43,721	15,489
Street improvements	-	-	123,345	-	-
Water system improvements	-	-	303,464	5,000	-
Debt service					
Principal retirement	-	-	3,060,419	1,270,000	-
Interest	-	-	443,813	287,963	-
Fiscal charges	-	-	2,250	1,225	-
Total expenditures	4,408,170	415,000	5,487,194	3,491,529	15,489
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,027,587)	(80,868)	745,185	(240,446)	448,115
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of land held for resale	-	-	-	2,224	-
Transfers (out)	(716,292)	-	-	-	-
Total other financing sources (uses)	(716,292)	-	-	2,224	-
NET CHANGE IN FUND BALANCE	(1,743,879)	(80,868)	745,185	(238,222)	448,115
FUND BALANCE, JANUARY 1	1,743,879	886,300	4,566,083	10,000,266	330,386
FUND BALANCE, DECEMBER 31	\$ -	\$ 805,432	\$ 5,311,268	\$ 9,762,044	\$ 778,501

VILLAGE OF PALATINE, ILLINOIS

TAX INCREMENT FINANCING DISTRICT FUNDS

SCHEDULE OF FUND BALANCES BY SOURCE

For the Year Ended December 31, 2019

	Dundee Road TIF	Rand/Dundee TIF	Downtown TIF	Rand Road Corridor TIF	Rand/Lake Cook TIF
BEGINNING BALANCES, JANUARY 1, 2019	\$ 1,743,879	\$ 886,300	\$ 4,566,083	\$ 10,000,266	\$ 330,386
ADDITIONS					
Taxes					
Incremental property taxes	3,312,549	312,878	6,090,442	3,014,256	450,633
Investment income	68,034	21,254	141,937	236,827	12,971
Proceeds from sale of land held for resale	-	-	-	2,224	-
Total additions	3,380,583	334,132	6,232,379	3,253,307	463,604
BEGINNING BALANCES PLUS ADDITIONS	5,124,462	1,220,432	10,798,462	13,253,573	793,990
DEDUCTIONS					
Economic development					
Supplies and services	-	-	7,583	1,548	-
Project expenditures	34,733	-	-	940,182	-
Loss on disposal of land held for resale	-	-	1,527,300	-	-
Surplus distribution	4,373,437	415,000	-	941,890	-
Capital outlay					
Rights of way improvements	-	-	19,020	43,721	15,489
Street improvements	-	-	123,345	-	-
Water system improvements	-	-	303,464	5,000	-
Debt service					
Principal retirement	-	-	3,060,419	1,270,000	-
Interest	-	-	443,813	287,963	-
Fiscal charges	-	-	2,250	1,225	-
Transfers out	716,292	-	-	-	-
Total deductions	5,124,462	415,000	5,487,194	3,491,529	15,489
ENDING BALANCES, DECEMBER 31, 2019	\$ -	\$ 805,432	\$ 5,311,268	\$ 9,762,044	\$ 778,501
ENDING BALANCES BY SOURCE					
Incremental property taxes	\$ -	\$ 805,432	\$ 1,229,268	\$ 9,762,044	\$ 778,501
Investment in land held for resale	-	-	4,082,000	-	-
Subtotal	-	805,432	5,311,268	9,762,044	778,501
Less Surplus Funds	-	-	-	-	-
ENDING BALANCES, DECEMBER 31, 2019	\$ -	\$ 805,432	\$ 5,311,268	\$ 9,762,044	\$ 778,501

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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the Village Council
Village of Palatine, Illinois

We have examined management's assertion, included in its representation letter dated May 1, 2020 that the Village of Palatine, Illinois (the Village) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2019. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village's compliance with statutory requirements.

In our opinion, management's assertion that the Village of Palatine, Illinois complied with the aforementioned requirements for the year ended December 31, 2019 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the Village Council, management of the Village, the Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
May 1, 2020