

**MINUTES
VILLAGE OF LAGRANGE PARK
STRATEGIC PLANNING WORKSHOP**

February 3, 2015

Meeting was called to order by President Discipio at 6:20 p.m.

Roll call: Trustees Mesick, Rocco, Kucera, Lautner, Fotino and Sheehan were all present. Also attending were Chief Rompa, Chief Maggos, Finance Director Noller Public Works Director McLaughlin, Village Manager Cedillo and Assistant Village Manager Rodman, Village Attorney Cathy Keating, Village Engineer Paul Flood and three consultant (Anthony Griffin, Robert Rychlicki, and Kathleen Orr).

School District 102 Board President David May and LaGrange Park resident Herb Massin were in the audience.

President Discipio welcomed everyone to the presentation and discussion of economic development initiatives and tax increment financing.

There was no Public Comment.

Village Manager Julia Cedillo presented an introduction, stating that the ultimate question for the Board to address at this workshop is whether the Board supports a TIF implementation study in the upcoming fiscal year. She presented a summary of annual sales tax revenues (copy attached), noting a dramatic decline of \$200,000 in sales tax when Walgreens and other businesses left. She also noted a trend throughout the Village toward service businesses rather than retail stores.

Assistant Village Manager Emily Rodman stated that the Community Revitalization Committee has been discussing the possibility of TIF financing incentives for quite awhile. The Committee suggested this strategic planning workshop in order to educate the Board about TIF incentives. Ms. Rodman asked trustees to be active learners and ask questions of each speaker as issues arose, so that at the end of tonight's meeting, the Board could discuss whether to ask the staff to obtain more detailed information about the feasibility of using TIF financing incentives to stimulate development in the Village.

Robert Rychlicki, of the consulting firm Kane, McKenna, presented an overview of TIF. His detailed handout is attached. He stated that TIF benefits give developers something to barter with when negotiating a particular development (e.g., lower density or more parking in exchange for monetary contributions by a village to the development). He emphasized that TIF must be a part of a comprehensive economic development plan and can be useful in inducing commercial development. He discussed the policy considerations behind implementation of a TIF and

summarized the steps a consultant goes through to determine the feasibility of a TIF. He stressed the need for accurate projections of incremental taxes and development costs in making a feasibility determination.

Kathleen Orr discussed the need for an economic development policy prior to consideration of a TIF. She summarized what redevelopment costs were reimbursable through a TIF and important items to include in a redevelopment agreement. She also outlined how a village could provide sales tax incentives to developers by declaring an area a Business Development District. (Ms. Orr's handout is attached).

Anthony Griffin, the Executive Director of Berwyn Development Corporation (a not-for-profit corporation which provides economic development and TIF consulting services to the City of Berwyn) summarized the existing TIF Districts in Berwyn, the history of BDC, and a variety of TIF-funded projects which Berwyn had approved over the past 15 years. He stated that Berwyn and BDC have a rigorous application and review process for all TIF projects, and that in many instances, Berwyn has acquired properties (or threatened to do so through eminent domain proceedings) as a means of controlling economic development in the city. BDC has also taken a very active role in obtaining tenants for larger parcels of land.

The Board then discussed whether to have staff further investigate retaining the services of a consultant to do a TIF feasibility study for a cost of approximately \$10,000 - \$12,000. Possible TIF Districts might include the Village Market, 31st and LaGrange Road and the area along the IHB tracks currently zoned Industrial. The trustees discussed how TIF districts had been successfully implemented in other villages and the differences between LaGrange Park and those villages. The general consensus was that the Village Board should explore options for economic development including TIF financing, and would like to hear more from Village staff about next steps in that process. Board members expressed concerns about the impact upon other governmental bodies and adjacent residences, and agreed that all stakeholders would need to be consulted before any decisions are made.

Meeting WAS adjourned at 9:05 p.m.