MINUTES
VILLAGE OF SUGAR GROVE BOARD MEETING
JUNE 18, 2024, 6:00 P.M.
WAUBONSEE COMMUNITY COLLEGE
ACADEMIC AND PROFESSIONAL CENTER
4S783 ILLINOIS 47, SUGAR GROVE, IL 60554
SUGAR GROVE, IL 60554

1. Call to Order
President Konen called the meeting to order at 6:00 p.m.

2. Pledge of Allegiance
Trustee Herron led the Pledge of Allegiance.

3. Roll Call
The Village Board meeting was held in person at Waubonsee Community College Academic and Professional Center on June 18, 2024.

Present: President Jennifer Konen, Trustee Sean Herron, Trustee Matthew Bonnie, Trustee Michael Schomas, Trustee Sean Michels, Trustee James F. White, and Trustee Heidi Lendi

Absent: None

Additional Attendees: Village Administrator Scott Koeppel, Finance Director Anastasia, Public Works Director Merkel, Community Development Director Danielle Marion, Community Development Director Michael Cassa, Police Chief Pat Rollins, Attorney Laura Julien, Village Clerk Tracey Conti, TIF Attorney Kathy Orr, and Geoff Dickinson from SB Friedman Development Advisors, LLC

4. Public Hearing

a. Annexation Agreement Amendment & Release Lis Pendens (Lot 70 & 71 Hannaford Farm).

President Konen opened the public hearing to discuss the Annexation Agreement. Amendment & Release Lis Pendens (Lot 70 & 71 Hannaford Farms).

Director Marion stated that the owners of Lot 70 & &71 in Hannaford Farm have paid their fee

in Lieu of Development. Therefore, a public hearing needs to be held for the Annexation Agreement Amendment that acknowledges that the property owner has completed all the obligations under the terms of the agreement. This is standard practice for the lots in Hannaford Farm. No public comment was made. The hearing was closed.

5. **Appointments and Presentations**
   a. **Fiscal Year 2023 GFOA Certificate of Achievement in Financial Reporting Award.**

President Konen recognized Director Anastasia for outstanding work for the Village of Sugar Grove.

6. **Airport Report -** None

7. **Public Comment on Scheduled Action Items -** None

8. **Consent Agenda**
   a. Approval: Minutes of the June 4, 2024, Board Meeting.
   b. Approval: Vouchers
   c. Approval: Treasurer's Report
   d. Ordinance: Zoning Text Amendment Food Pantry Use.

Motion by Trustee White, second by Trustee Herron, to Approve the Consent Agenda as presented.
Ayes: White, Herron, Michels, Lendi, Bonnie, Schomas Nays: None; Abstain: None; Absent: None. MOTION CARRIED

9. **General Business**
   a. Ordinance: Amending Title 4; Chapter 6 "Open Burning" of the Village Municipal Code by adding the word "leaves" to the existing prohibition list in 4-6-3.

Police Chief Rollins explained that the code was recently amended to remove Section F from the Open Burning Ordinance, which dealt with the burning of leaves. There was no reference to prohibiting the burning of leaves, and this amendment addresses this issue. As a housekeeping matter, leaves will be included in the ordinance under Prohibited Items, Section 4-6-3.

Motion by Trustee Schomas, second by Trustee Herron, to Approve an Ordinance: Amending Title 4; Chapter 6 "Open Burning" of the Village Municipal Code by adding the word "leaves" to the existing prohibition list in 4-6-3.
Ayes: Schomas, Herron, Lendi, Bonnie, White Nays: Michels; Abstain: None; Absent: None. MOTION CARRIED

   b. Ordinance: Approving Annexation Agreement Amendment for Lots 70 & 71 (Hannaford Farms).

Director Marion stated that the Public Hearing for this amendment has just taken place. An ordinance is being presented for approval to relieve the owners of their obligations.

Motion by Trustee Michels, second by Trustee Schomas, to Approve an Ordinance:
Approving Annexation Agreement Amendment for Lots 70 & 71 (Hannaford Farms).
Ayes: Michels, Schomas, White, Lendi, Herron, Bonnie; Nays: None; Abstain: None; Absent: None. MOTION CARRIED

c. Resolution: Petry Subdivision (Hannaford Farms).
Director Marion pointed out that this item also relates to lots 70 and 71 in Hannaford Farm. The Plan Commission met and suggested approval. The applicants are seeking to combine the lots into one larger lot to construct a single-family home. This has been done before in Hannaford Farm. The staff recommends approval.

Motion by Trustee Herron, second by Trustee Bonnie, to Approve an Ordinance:
Approving Annexation Agreement Amendment for Lots 70 & 71 (Hannaford Farms).
Ayes: Herron, Bonnie, Michels, White, Lendi, Schomas; Nays: None; Abstain: None; Absent: None. MOTION CARRIED

d. Resolution: Setting the Number of Liquor Licenses (Sugar Grove American Legion/Corn Boil).
Village Clerk Tracey Conti stated that the Sugar Grove American Legion applied for a temporary liquor license for the Corn Boil. The resolution being presented increases the number of temporary licenses for 2024-2025.

Motion by Trustee Schomas, second by Trustee Herron, to Approve a Resolution: Setting the Number of Liquor Licenses (Sugar Grove American Legion/Corn Boil).
Ayes: Schomas, Herron, Michels, Lendi, Bonnie, White Nays: None; Abstain: None; Absent: None. MOTION CARRIED

e. Resolution: Setting the Number of Liquor Licenses (Primos Tacos).
Village Clerk Tracey Conti explained that Primos Tacos Inc. applied for a liquor license to serve alcoholic beverages in its restaurant. The resolution, if approved, would allow another liquor license to be added for 2024-2025.

Trustee Michels asked if they would sell packaged liquor; Tracey confirmed they would not.

Motion by Trustee Herron, second by Trustee Schomas, to Approve a Resolution: Setting the Number of Liquor Licenses (Sugar Grove American Legion/Corn Boil).
Ayes: Herron, Schomas, Michels, Lendi, Bonnie, White Nays: None; Abstain: None; Absent: None. MOTION CARRIED

f. Approval: Liquor License for Primos Tacos.

Village Clerk Tracey Conti explained that this action would be to approve the liquor license for Primos Tacos Inc.

Motion by Trustee Herron, second by Trustee Schomas, to Approve a Resolution: Setting the Number of Liquor Licenses (Sugar Grove American Legion/Corn Boil).
Ayes: Herron, Schomas, Michels, Lendi, Bonnie, White Nays: None; Abstain: None; Absent: None. MOTION CARRIED

10. Discussion Items

a. Settlers Ridge Unit 1A Re-Subdivision.

Director Marion explained that TRG, the owners of 4 large lots in Settler's Ridge Subdivision, initially planned to build townhomes. However, they are now proposing to re-subdivide the lots into ten smaller lots for single-family homes. The Plan Commission discussed this in detail at the June 12 meeting and approved it with the condition that the buyer of the lots must seek approval from the Village Board for the architecture and go through the necessary approval process to change from townhome lots to single-family homes within the Planned Unit Development (PUD).

President Konen supported the proposal if the market was better suited for single-family homes than townhomes.

Trustee Michels inquired if there had been comments from the Homeowners Association (HOA). Director Marion responded that there had been none. Trustee Michels also asked about the builder's approval process, and Director Marion confirmed that the builder would have to go through the approval process.

President Konen requested this be added to the consent agenda on July 16, 2024.

b. Social Media Policy

Administrator Koeppel explained that the Village's social media policy needs to be updated. The goal is to allow conversations on social media while ensuring compliance with the law and protecting individuals, such as with the Child Online Privacy Protection Act. If approved by the Board, the changes would be implemented immediately.

President Konen confirmed that Attorney Julien had reviewed the document and requested that it be included on the consent agenda for the July 16, 2024, Village Board Meeting.

c. Deputy Village Clerk

Administrator Koeppel mentioned that there has been a significant increase in FOIA (Freedom of Information Act) requests, which is taking up a lot of his and the Village Clerk's time. As a result, the Administration Department cannot focus on its other projects. Administrator Koeppel suggested hiring a part-time person to help handle the FOIA requests and other tasks such as

record retention, scanning, and backup for the Clerk. He proposed bringing back the Deputy Village Clerk position for this purpose.

Trustee Michels asked about the funding for this position and if it was included in the budget.

President Konen responded that it was not budgeted, as the workload was unexpected. She mentioned that the budget was done without the grocery tax, which will continue to flow to the Village until 2026. She also noted that over the past year, $16,455 had been spent on legal fees for FOIA redactions. President Konen expressed concern about the substantial amount of time the Village Administrator and Director Anastasia spend on FOIA-related work and the impact on Tracey, who spends about 50% of her time on it.

Trustee White agreed.

Trustee Lendi verified that this would be a part-time position.

Trustee Bonnie asked if hiring a consultant was an option. Administrator Koeppel answered that we could investigate a consulting firm. However, there are some privacy concerns regarding personnel files, and we wouldn't want an outside party looking at these items.

Trustee Schomas asked about the additional responsibilities of the position being discussed.

Administrator Koeppel explained that the position would provide backup to the Village Clerk for her current duties, including scanning documents into Laserfiche to make them available online, handling social media, and streamlining processes.

President Konen reminded the board there was a deputy clerk position before Tracey joined the village. The initial idea was to merge the roles and have the Village Clerk take on the extra responsibilities. However, this is no longer the case due to the increased workload. President Konen requested that this matter be addressed at the July 16, 2024, Village Board Meeting under General Business.

Administrator Koeppel agreed and mentioned that a job description and salary would also be presented at that time.

11. Staff Reports

Police Department—There was an incident at the Hankes Road bridge. Asphalt fell through, and the road was closed for bridge inspection. A steel plate was put down, and permanent repairs will be done this week or next. Notice will be given to the community when this occurs. IDOT was on the scene, and the Kane County Office of Emergency Management assisted with blocking the road.

Trustee Michels asked if community notice could be sent when they are working on the bridge.

Community Development – nothing additional.

Economic Development – nothing additional.

Public Works – nothing additional.

Administration – nothing additional.

Finance – nothing additional.

12. Public Hearing

a. I-88 & IL-47 TIF Redevelopment Project Area.

President Konen opened the Public Hearing for the I-88 & IL-47 TIF Redevelopment Project Area. Geoff Dickinson from SB Friedman gave a brief presentation on the redevelopment project area and discussed the qualifications of the TIF district. President Konen explained that the Public Hearing is for the creation of a new TIF district and whether it meets the statutory requirements for creation. Comments are limited to 3 minutes.

President Konen read the following from the Village Code:

1-8-2: MEETINGS: Section G-3

Persons addressing the Board shall refrain from commenting about the private activities, lifestyles, or beliefs of others, including Village employees and elected officials, which are unrelated to the business of the Village Board. Also, speakers should refrain from comments or conduct that is uncivil, rude, vulgar, profane, or otherwise disruptive. Any person engaging in such conduct shall be requested to leave the meeting.

President Konen respectfully requested applause and comments be refrained from when people were speaking.

Geoff Dickinson from SB Friedman presented the following information:

The project encompasses 860 acres, 100 of which are designated right-of-way, and the remainder are privately owned land parcels.

The Illinois TIF Act has rules regarding eligibility for using TIF for vacant land. There are two qualifying tests: the One-Factor Test and the Two-Factor Test. The rules are dictated by State law. The field data collected was reviewed. This included historic property data, mapping data, an engineering memo from EEI regarding stormwater and runoff, and a review of the Village's Comprehensive Plan.

The concept of blight is based on a portion of the law, which states that if runoff from the study area contributes to flooding in the watershed, it meets the flooding standards. A study conducted by EEI found that 88% of the proposed redevelopment project area's runoff contributes to downstream flooding in the Blackberry Creek Watershed. A professional engineer must make this finding. The conclusion is that the contribution of runoff to flooding in the watershed qualifies the area.

Please keep in mind the following requirements based on State Law:

- The area must be 1 ½ acres or more
- Lack of growth from private investment test
- "But for" test
- The parcels must be contiguous
- Future land use plan
- Housing Impact
- Estimated date of completion (23 years from date of adoption)

The plan satisfies all these requirements.

Not all the land is within the corporate limits. There will have to be an annexation.

Farmland can't be part of a TIF unless the land is subdivided. There will have to be a subdivision. This is contemplated and expected, and the report assumes this action will be taken before being presented to the Board to vote on the TIF.

The TIF Act requires a redevelopment plan. It's a general plan and does not include specifics; it's to facilitate the development of private property.

A budget with a set ceiling and allocation of funds is required. There is a spending cap, but the board is not obligated to spend. The Board can move funds as needed if the cap is not exceeded.

The future land use plan is mixed, allowing for residential flex housing, single-family housing, business parks/commercial, parks and open space, and transportation improvements. The land use policymakers will be much more descriptive about this.

President Konen explained the process for making public comments and stressed that comments should be limited to the creation of the TIF. She informed the attendees that there would be another opportunity for public comment towards the end of the meeting, during which other topics could be addressed.

The following is a list of individuals who spoke during the public comment portion of the public hearing. Some individuals provided or emailed written comments to be included in the public record. These comments are attached at the end of this document.

1. Cody Slamans spoke against the creation of the TIF.
2. Perry Elliott spoke against the creation of the TIF.
3. Rod Feece spoke against the creation of the TIF.
4. Tim Slamans spoke against the creation of the TIF.
5. Carrie Boyle spoke against the creation of the TIF.
6. Rick Boyle spoke against the creation of the TIF.
7. Bobbi Boston spoke in favor of creating a TIF district.
8. Mark Castrovillo spoke against the creation of the TIF.
9. Ross Powell spoke against the creation of the TIF.
10. Esther Steel spoke against the creation of the TIF.
11. Carol Green spoke against the creation of the TIF.
12. Jaden Chada spoke against the creation of the TIF.
13. Lisa Essling spoke against the creation of the TIF.
14. Dale Essling spoke against the creation of the TIF.
15. Carolyn Anderson spoke against the creation of the TIF.
16. Paige Gravitt spoke against the creation of the TIF.
17. Jera Piper spoke against the creation of the TIF.
18. Judie Childress spoke against the creation of the TIF.
19. Kim Tee spoke against the creation of the TIF.
20. Roy Boston spoke against the creation of the TIF.
21. Yvonne Dinwiddie spoke against the creation of the TIF.
22. Carl Dinwiddie spoke against the creation of the TIF.
23. Pat Gallagher spoke against the creation of the TIF.
24. Amy Maher spoke against the creation of the TIF.
25. Tom Slosar spoke against the creation of the TIF.
26. Mike Smith spoke against the creation of the TIF.
27. Dale Peterson spoke against the creation of the TIF.
28. Lauren Pivovar spoke against the creation of the TIF.
29. Molly Reimer spoke against the creation of the TIF.
30. Kevin Reimer spoke against the creation of the TIF.
31. Bill Klish spoke against the creation of the TIF.
32. Lou Lendi spoke against the creation of the TIF.
33. Dan Randall spoke against the creation of the TIF.
34. Mari Johnson spoke against the creation of the TIF.
35. Bob Raimondi spoke against the creation of the TIF.
36. Gary Swick spoke against the creation of the TIF.
37. Lisa Neumann spoke against the creation of the TIF.
38. Carrie Guerra spoke against the creation of the TIF.

39. David Seely spoke against the creation of the TIF.
40. Tommy Thomson spoke against the creation of the TIF.
41. Charity Assell spoke against the creation of the TIF.
42. Shiela Albano spoke against the creation of the TIF.

The public hearing concluded at 8:15 pm, and the Board took a 20-minute break.
The Village Board returned at 8:35 pm.

Roll Call: President Jennifer Konen, Trustee Sean Herron, Trustee Matthew Bonnie, Trustee Michael Schomas, Trustee Sean Michels, Trustee James F. White, and Trustee Heidi Lendi

Absent: None

13. Discussion

a. **I-88 & IL-47 TIF Redevelopment Project Area and Plan.**

President Konen explained that this is the opportunity for the Village Board to ask questions of the consultants. She noted that Kathy Field Orr, the TIF Attorney for the Village of Sugar Grove, and Geoff Dickinson from SB Friedman could also answer questions.

Trustee Michels requested an Opinion Letter from Kathy Field Orr regarding the Joint Review Board (JRB) meeting and the non-recommendation of that Board.

Trustee Schomas asked about the active commercial farming happening on the property. Geoff Dickinson explained that in the TIF Act, land that has been subdivided, even if it's being farmed, is considered vacant land and subject to TIF.

Kathy Orr further explained that there is no intention to discourage farming on land that may be developed at some point. This is why the TIF Act specifically states and encourages commercial farming until the land is subdivided and development is ready.

President Konen asked for clarification from Geoff Dickinson on a comment he made at the JRB Meeting about the flooding and whether it matters. The State Statute does not dictate at what percentage, or a study be done beyond the included study to dictate the percentage and whether that percentage by itself creates chronic flooding. She asked for clarification on whether this comment was made in response to the fact that it wasn't relevant because the Statute doesn't dictate that.

Geoff Dickinson stated that he meant that if runoff from 88% of the study area contributes to flooding in the watershed, it meets the meaningful present and reasonably distributed standard in the TIF Act. The question being posed to him was about volumes of water which is not specified in the TIF Act.

Trustee Lendi asked a question regarding 88% of the property. She stated that it appears that the entire Crown property, minus the IDOT exchange portion, contributes to flooding.

Geoff Dickinson agreed.

Trustee Michels asked why this is being called a redevelopment project area.

Geoff Dickinson explained it's because that's what it's referred to in the TIF Act. TIF Districts and TIF boundaries; the technical term is the redevelopment project area. Three ordinances will go before the Board for consideration in creating the TIF District. The first is to accept the Eligibility Study and Plan; second is to create the Redevelopment Project Area; lastly, an ordinance to direct the County to begin diverting taxes.

Kathy Orr explained the rationale: Before a designated redevelopment project area is adopted, a plan for its use must be developed, and its eligibility must be determined. The logic is to first have a plan and eligibility, designate the area, and direct the county to calculate the allocation of taxes per the TIF Act. These three items would be adopted by ordinance.

Trustee Michels asked if the term "redevelopment" wasn't used if the project would no longer qualify under the TIF Act. Geoff Dickinson explained that when doing this work, they adhere as closely as possible to the Statute, and it's referred to as the redevelopment project area.

President Konen asked about the blight and chronic flooding and if the developer would have to rectify that issue. Geoff Dickinson stated that the plan requires rectifying and remedying the runoff problem.

President Koenen asked for an explanation regarding the "but for" and noted that during public comment, the family's wealth and the ability to have money regardless of the "but for" were mentioned.

Geoff Dickinson stated that the "but for" indicates whether the project will attract investment. This means debt and equity that can achieve adequate returns, and it's good to know you have developers with money who can provide the equity necessary and, in this case, be the capital source conceptually, the lender on the improvements. The analysis of the financials is that the terms are very bad. The site requires high upfront costs to get the project going. Putting a lot of money in early, most of which doesn't generate revenue (revenue comes over time), is a structural challenge in many of these environments. You couldn't attract debt and equity without public assistance to move the project forward.

Trustee Michels asked why the school tuition payments, the library reimbursement, and the 10% going back to the Village were factored in. Typically, the taxpayer pays these expenses, not the developer upfront.

Geoff Dickinson answered that the TIF Act requires that if school-age children are living in TIF-supported housing, there is a calculation, and the Village will be required to make payments to the school before making payments to anyone else.

Kathy Orr added that the maximum amount would be 40% of the increment generated from the subdivision, which would go to the schools. She noted that the district is losing children, which is negative regarding State funding, growth, curriculum, and a healthy environment. In this instance, the TIF Act could be beneficial regarding residential development.

President Konen clarified that a residential boost located in a TIF district won't force the school district to build a new school because of the 30% vacancy there.

Kathy Orr agreed and stressed that if there is an influx in students as a direct result of subdivisions that are in part subsidized by a TIF, 40% of the increment will go off the top for the schools.

Geoff Dickinson stated that it's about operating costs and capital costs. More children can come if the schools have physical capacity and it doesn't trigger a capital problem. Should it happen, the Village Board has the option to help. The operating side is solved with tuition payments, the capital side is solved by capacity, and ultimately, there is power in the Act for the Village to contribute to that.

President Koenen asked if it would be a problem for the school district if they wanted to locate a new school outside of the TIF district. Would it still be an eligible cost for the TIF district because it triggered the problem?

Kathy Orr agreed and noted that the TIF district has a project that generates children, so they would be eligible no matter where they go to school. Kathy mentioned that it's similar for the other taxing districts. If a project in the TIF creates a capital-required expenditure, the TIF is allowed to pay to that taxing district. The TIF Act tries to work with not only development in the municipality, but the municipality puts in any share of its taxes, and it must provide Police and other management services. There is more equity in the operation of the TIF Act than is generally known.

Trustee White mentioned that the Village had returned funds to the County from other TIFs and redistributed them. He inquired whether we would be able to do the same if a project within a TIF had an impact on one of the taxing districts.

Kathy Orr responded that it could be done if the impact directly results from a project in the TIF.

Trustee Michels mentioned that if the developer incurs infrastructure costs, the school tuition payments and library reimbursements should be expenses based on the end-user population,

and those expenses could be used against the TIF. This affects the TIF, but it should be the responsibility of the property owners or the third party purchasing the developed property to pay the tuition and reimbursements.

Geoff Dickinson replied that when someone buys a house, they pay a tax bill. In this case, the base value from a TIF perspective is very low because it's unapproved land. Most of the taxes will be incremental property taxes. That money goes to the County. The County splits it, the money on the base, and the farm value keeps going to the taxing bodies as usual. The rest goes back to the Village in the TIF fund. The school district notifies the Village of children living in the TIF district and asks for tuition to cover the children. The Village must pay up to a 40% cap at that time.

Trustee Michels asked if this is a detriment to the school district, library, and all the other taxing bodies because they aren't receiving increments on every house, just tuition for students. Homes with no students aren't paying anything to the school. Therefore, the school district is missing out on the tuition payment and the real estate taxes that would go to the school district.

Geoff Dickinson agreed and explained that from an operating expense perspective, there are no costs to the schools if there are no children. Tuition payments are designed to help solve the operating problem of additional children in the school. It depends on several different things. The size of the tax bill, the number of children, and the levy are other points. There is a limit on how much revenue you can raise as a taxing body. They can't generate more revenue regardless of TIF. If you need more money to run a school district or any taxing body, there is a limit to that. If you believe these buildings won't go up without TIF, you won't miss anything. The development won't happen without TIF, and therefore, they aren't missing out on anything, mainly if you can make the tuition payments, which are over and above the capped levy, so it's more money to an extent because they get their total levy plus tuition payments outside of the tax cap.

Trustee Michels noted that if there are 100 homes, roughly 70 students per household, $14,000 for tuition, and 70% of taxes go to the school, depending on the sales prices of the homes, they could be missing out on that extra revenue.

Geoff Dickinson agreed.

President Konen mentioned that there are currently 2 TIF districts in the Village of Sugar Grove, and the same principles hold true. Suppose you produce a child in this case because it was projected residential. The TIF pays the child's tuition versus the 2 TIF districts we have. You're still preventing that increased increment from flowing through to the taxing bodies to spur economic development. What is the difference between some houses? Those homes with children will be paid for through the TIF. There is, to Jeff's point, additional income. Over the last four years, we have proven that we have surplus funds back to the taxing bodies, which is extra

money above and beyond the cap. It's additional money. President Konen asked what the difference is.

Trustee Michels mentioned that services should be provided if there is a residential TIF. The school district may receive compensation, but the other taxing bodies - the Fire District, Waubonsee, and the Township - are not compensated. Residential properties are a burden on those taxing bodies, while commercial properties do not impose the same burden.

President Konen mentioned that Chief Moran had provided a list of the number of commercial, industrial, and residential calls they had received. She emphasized that the issue of calls is not limited to residential areas but is a result of overall development within the TIF district, and the resulting increase in value is not being realized. Whether in residential, commercial, or industrial areas, it is still hindering the equalized assessed value (EAV) from benefiting the community now rather than 23 years later.

Trustee White mentioned that this disregards the "but for" test. If it passes the "but for" test, the assumption is that no money will be generated from it, and no money will flow through the taxing districts.

Geoff Dickinson agreed and stated that, in fairness, there are also no costs. There is no revenue and no costs. The concerns are consistent. How can redevelopment be facilitated without overburdening taxing bodies? The law gives you latitude to figure that out.

Trustee White mentioned that some public comments were concerned about the financial impact on the community. In some cases, government units have issued bonds to finance TIF improvements, which can create problems. The developer must cover the costs if we decide not to provide upfront funding. If the development does not happen, the developer will not be reimbursed, and the village will not be obligated to make any payments to the developer.
Geoff Dickinson agreed but advised against this. He further stated that if the risk for payment is on the developer, the Village and developer's interests are aligned. They want to be successful and want things to get built; the Village also wants the taxes to flow so they get their money. But if it doesn't happen, the Village is not harmed. The Village won't have to tax residents or businesses.

President Konen addressed a public comment made about creating a TIF without a plan. She stated that the Village has 2 TIF districts created many years ago without a redevelopment agreement. They were created when the EAV had gone down, the unemployment rate was high, and they could qualify and have TIF districts. They did not have a redevelopment agreement. The TIF districts were created hoping to spur economic development in some Village of Sugar Grove areas.

President Konen mentioned that in TIF 1, staff is working on some projects and hoping to bring them forward. Overall, in the TIFs, the increment has been deferred and is sitting in a TIF District. We have a surplus of that money, and much has returned to the taxing bodies. The 10% we are speaking of in this TIF district is for the same purpose: to give money back to the other taxing bodies.

President Konen stressed that you can create a TIF district without a redevelopment agreement, but despite that, it hasn't created the economic development the Village hoped for. It is a tool that is used, but it can't be used unless it qualifies. She explained that the hearing addresses whether the TIF district qualifies under the statute.

President Konen noted that the Boards before her had decided to open and create access and a full interchange at the Tollway to unlock the property's full potential and economic development within the Sugar Grove area and region. These decisions were made to spur economic growth.

She explained that the TIF district, but for the TIF, does not create that economic development because, in the eyes of many in attendance, it's viable farmland and rich soil. Many of the documents we have received are full of information, but they also tell us how responsible we need to be with economic development and what it does for this area. President Konen stated that it instilled in her that the TIF is more warranted because of the amount that must be done. She acknowledged that many in the audience did not agree and stated that TIFs don't always work in the sense that they spur economic development. It's a rare opportunity for a developer to come forward, and the TIF will not be created unless the property is annexed. President Konen mentioned that the public hearing is necessary, but this may never come up for a vote if the project doesn't move forward.

President Konen explained that this is an opportunity to invest in public infrastructure with the developer's money and get reimbursed. This is how all the TIFs have worked from the increment generated, and that's how they are compensated. She stated that she doesn't think the Board is ready to deviate from this practice or put the Village on the line for bonds.

Trustee Michels asked about mass grading and site preparation costs, whether they are reimbursable under TIF, and whether all of them are TIF eligible or just a portion.

Geoff Dickinson answered that it's an eligible cost under the TIF Act.

President Konen replied that it was her understanding that it did not have to be used that way. The Board would decide on how the funds are allocated under the TIF.

Trustee Michels asked how the village is protected and said not much money is spent on the south side of 1-88 when most of the cost is running to the infrastructure for the north side of I-88. He stated he wouldn't like to see a lot of expenses put into the TIF on the south side, then

suddenly want to move to the north side, and there isn't enough TIF money to run the infrastructure.

Kathy Orr responded that no TIF money would exist unless the south portion was developed entirely. Also, the Board will enter into a redevelopment agreement, allowing the Board to set a policy for what it believes is best for Sugar Grove's overall development. There will be an opportunity to address all issues.

Trustee White asked if they decided not to move north after developing the south half if the increment funds would still be available, and if the Board could decide whether to use them.

Kathy Orr answered only if the amount developed generates more increment than the developer has invested and is entitled to reimbursement.

President Konen asked whether you can obligate a developer to provide that infrastructure through the redevelopment agreement.

Kathy Orr agreed and stated that's where you can ensure your policy is implemented in terms of what you want developed first, second, third, etc.

Trustee Schomas asked if EEI would be back at one of the Village Board Meetings before there is a vote. President Konen answered that they would be.

Trustee White asked the consultants what they have seen in their experience that would constitute abuse of a TIF and what the Board should be looking out for.

Kathy Orr stated that one thing to look out for is bonding up front. She went on to state that because an interested developer owns the land and is putting the money upfront to be repaid over 10-20 years, it is a satisfaction to the Village. You have a developer who is hated because of their deep pockets, but this is the only type of developer that would have the money to invest over $100 M and wait to see if it's a success. They are taking a significant risk, and the Village is protected from risk with the type of development you're contemplating.

Trustee White noted that the Village has already approved a project in one of the other TIFs and has a developer who did not have the financial ability to do the project. We've lost a great source of tax revenue, not just for the school district but also sales tax for the Village.

President Konen spoke to a public comment about Jewel, specifically how Jewel came into the Village naturally. She explained that Trustee Michels and previous board members brought Jewel to the Village. They worked hard and gave a $1 M sales tax agreement. This money was out of the Village of Sugar Grove's ability to cover its costs, and the property immediately came on the tax rolls. The concerns over TIF districts are understood. We have concerns and are looking at it

from protecting the Village and all the taxing bodies. This is why we've been meeting with taxing bodies to ask how to help.

President Konen mentioned that an infrastructure project of this magnitude is not something the Village can take on or bond for, which means the interchange would not develop but for the TIF district. The Village has high expenses, and when we give out sales tax agreements, we cut the revenue source for the Village. She explained that this project benefits all taxing bodies in the long term.

Trustee Lendi asked Kathy Orr what the intent of the TIF Act is and what a TIF is supposed to be used for. Trustee Lendi stated that she thinks a TIF may be used for property such as an abandoned gravel pit, which can't be developed easily unless someone with a lot of money wants to expand the land or there is an incentive.

Kathy Orr explained that Urban Renewal Acts were strictly for aging downtown areas before the TIF Act existed. Unfortunately, this has been an undercurrent of the TIF Act. This is because when it was written in 1977, the view of what would be required to incentivize development went beyond urban centers. Another issue is that developers won't develop without being incentivized. They will develop and take the risk only if, in the long run, there is a capital return for their efforts. This has taken on an entirely new definition of economic development that wasn't there in 1977.

Trustee Lendi stated that, in her opinion, the way the TIF Act is written, this does not qualify for a TIF. She said that as it's written, it is not blighted in that sense; just being uphill of the watershed seems to be a loophole for incentivizing development to come. If it needs to change, that needs to be done in Springfield.

Kathy Orr answered that the word blighted is the problem. For economic development in the TIF Act, blighted no longer means dilapidated buildings; blighted means the development costs are not economically viable without some additional input. Blighted has evolved into a pragmatic definition all over the State, with the idea that blight means there is a factor present that makes a project not viable economically unless, in the long run, the profit and the capital input make it worth the risk.

Geoff Dickinson agreed but stated that according to the law, the land is blighted if runoff contributes to flooding the watershed. He said it comes back to the Board and what they want to do. The Board doesn't have to do anything but does have the power to do something under the law.

Trustee Lendi stated that, from what she read, the municipality is required to see if this meets the intent of the ACT, and she explained that her opinion hadn't changed since November, when this was first presented.

President Konen stated that the Board will contact staff with questions. The president thanked Kathy Orr and Geoff Dickinson for attending the meeting.

14. Public Comment

1. Perry Elliott spoke against the creation of the TIF.
2. Carrie Guerra spoke against the creation of the TIF.
3. Carrie Boyle spoke against the creation of the TIF.
4. Rick Boyle spoke against the creation of the TIF and the Grove.
5. Tom Slosar spoke against the creation of the TIF.
6. Lauren Pivovar spoke against the creation of the TIF.
7. Diane Slosar spoke against the creation of the TIF.
8. Sheila Albano spoke against the creation of the TIF.
9. Pat Gallagher spoke about the Village of Sugar Grove's Social Media Policy revisions.
10. Paige Gravitt spoke against the creation of the TIF.
11. Bob Raimondi spoke against the creation of the TIF.
12. Carolyn Anderson spoke against the creation of the TIF.
13. Yvonne Dinwiddie spoke against the creation of the TIF.
14. Bill Klish spoke against the creation of the TIF.
15. Jim Marter spoke against the creation of the TIF.
16. Peter Baughman spoke against the creation of the TIF.
17. Jeff Arnold spoke against the creation of the TIF.
18. Tim Slamans spoke against the creation of the TIF.

15. Trustee Reports

Trustee Michels stated that the staff reports were not linked to the agenda.

Trustee White had nothing additional.

Trustee Lendi said a cleanup at Bliss Woods on Saturday, June 22, at 8:00 am.

Trustee Herron had nothing additional.

Trustee Bonnie had nothing additional.

Trustee Shomas thanked everyone who reached out to him and his family with their well wishes.

16. President Report

President Konen gave a reminder about Food Truck Friday, Groovin in the Grove, and the Fire Department Open House happening on Friday, June 21, 2024.

She also mentioned that Rocky's Dojo is holding an Open House on Saturday, June 22, 2024, from 1 to 5 p.m. to celebrate its 50th anniversary.

President Konen stated that she believes that most people don't want to hear the truth and that the thought is that the people on the Village Board are corrupt individuals who are being bought out. She stated the accusations about her owning property are false. Furthermore, it is a thankless job being on the Board; all they hear is criticism. She explained that hours are spent by the Board working on behalf of the constituents. She stated emphatically that she lives in Sugar Grove and wants the best for the community. She does not own property and is not being bought off. The narrative can continue, but it doesn't make it true.

President Konen addressed the accusation that she had said that Blackberry Township would not benefit and stressed what she said was taken out of context. She explained that the residents of Blackberry Township said they don't want additional property taxes, businesses, or development; President Konen noted that they would not patronize an industrial building and that there is *no benefit to them with an industrial building*. She's heard this mentioned many times and wanted to clarify what was said.

17. Executive Session

- Personnel –5 ILCS 120/2(c)(1)
- Litigation – 5 ILCS 120/2(c)(11)
- Property/Land Acquisition – 5 ILCS 120/2(c)(5)
- Sale of Property – 5 ILCS 120/2(c)(6)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

18. Adjournment

Motion by Trustee Herron, second by Trustee Bonnie, to adjourn the meeting at 10:23 pm. **Ayes: Herron, Bonnie, Michels, White, Lendi, Schomas; Nays: None; Abstain: None; Absent: None. MOTION CARRIED**

ATTEST:
/s/ Tracey R. Conti
Tracey R. Conti
Village Clerk

Blackberry Township
43W390 MAIN STREET RD.
ELBURN, IL 60119

June 16, 2024

Scott Koeppel
Village Administrator
160 S. Municipal Drive, Suite 110
Sugar Grove, Illinois 60554

Dear Mr. Koeppel,

Re: Blackberry Township Objection to the Village of Sugar Grove's Proposed I-88 and IL-47 Redevelopment Project Area Tax Increment Finance District

I am writing in my capacity as the Township Supervisor of Blackberry Township, Kane County, Illinois (the "Township"), to express the Township's firm objection to the proposed I-88 and IL-47 Redevelopment Project Area Tax Increment Finance District ("TIF") on approximately 760 acres (the "Project Area" legally described in the Village of Sugar Grove's Public Hearing Notice dated April 16, 2024) of land located partly within the Township.

After careful consideration and analysis, it has become evident that the establishment of the proposed TIF district would have significant adverse effects on the economic well-being of the Township and other taxing bodies within the Project Area, including without limitation, the Blackberry Township Road District. While we recognize the potential benefits that TIF districts may bring to certain areas, we believe that the proposed district's economic impact on Blackberry Township would far outweigh any potential benefits and that the Project Area does not otherwise meet the "blighted" designation upon which the Village seek to base the establishment of such TIF district..

First and foremost, the establishment of the TIF district would divert essential tax revenue away from our township's general fund, thereby limiting our ability to provide vital services and infrastructure improvements to our residents, both existing and future. As you are well aware, Blackberry Township relies almost exclusively on property tax revenue to fund various public services, including but not limited to general public assistance, senior services education, public safety, and road maintenance. The redirection of tax revenue to the TIF district would deprive our township of the resources necessary to maintain and enhance these critical services, ultimately detrimentally affecting the quality of life for our residents.

Additionally, the proposed development within the Project Area will be a tremendous burden on to the Township Assessor, who is statutorily charged with assessing all current and future

properties within the Township. It will be necessary for the Township to hire expert appraisers to assess the proposed commercial and industrial buildings to be constructed within the Project Area. *By dramatically increasing the equalized assessed value (EAV) within the Township but not providing any increased revenues to the Township to hire the necessary additional and expert staff to properly assess the new EAV, in addition to the concerns noted above, the Village should be advised the Township may not be able to fairly and accurately assess the new EAV within the Project Area.*

Finally, we do not believe that the property which is subject to the proposed TIF district is "blighted" within the meaning of the Illinois Tax Increment Allocation Redevelopment Act (the "Act"). The Village maintains that the subject property is a "blighted area" under the Act because it is "subject to chronic flooding that adversely impact real property or discharges water that contributes to flooding within the watershed." However, the subject property is prime farmland, and by that definition, all farmland in Kane County would be considered "blighted." We do not believe that is the intent or meaning of the statute, and accordingly the basis for the designation of the subject property as blighted is itself improper.

We are also concerned about the lack of transparency and community engagement in the planning and decision-making process regarding the proposed TIF district. The establishment of such a district requires thorough consideration of its potential impacts on all stakeholders, including residents, businesses, and local government entities. Unfortunately, it appears that adequate opportunities for public input and dialogue have been lacking throughout this process, raising serious concerns about the legitimacy and fairness of the proposed district.

In light of these concerns, we urge you to reconsider the establishment of the proposed TIF district within Blackberry Township. We believe that alternative strategies for economic development and revitalization can be pursued that do not undermine the financial stability and well-being of our township and its residents.

Thank you for considering our objections and for your attention to this matter. We remain committed to working collaboratively with all stakeholders to find equitable and sustainable solutions for the benefit of our community.

Sincerely,

Esther Steel
Supervisor, Blackberry Township

cc: Hon. Mayor Jennifer Konen
Village Trustees
Township Trustees

Blackberry Township
43W390 MAIN STREET RD.
ELBURN, IL 60119

June 18, 2024

Scott Koeppel
Village Administrator
160 S. Municipal Drive, Suite 110
Sugar Grove, Illinois 60554

Dear Mr. Koeppel,

Re: Objection to Proposed Tax Increment Finance District

I am writing in my capacity as Highway Commissioner of the Blackberry Township Road District (the "Road District") to formally object to the proposed establishment of a Tax Increment Finance (TIF) District within our jurisdiction. We believe that the creation of such a district would have significant adverse effects on our ability to fulfill our mandate of maintaining and improving the roads and infrastructure vital to our community.

The Road District has diligently worked to ensure the proper upkeep and development of our roads, bridges, and related infrastructure. Our primary goal is to provide safe and efficient transportation networks for the residents and businesses within our jurisdiction. However, the establishment of the proposed TIF district will seriously impede our ability to achieve this objective by diverting crucial tax revenue away from essential infrastructure projects and increasing heavy truck traffic on township roads.

Furthermore, we are concerned about the potential long-term impacts of the proposed TIF district on our funding sources. TIF districts have the potential to freeze property tax revenues at current levels for an extended period, depriving local government entities, including our Road District, of the incremental tax revenue necessary to keep pace with inflation and rising infrastructure costs. This could severely hamper our ability to address future maintenance and improvement needs, leading to deteriorating infrastructure and decreased quality of life for our residents.

Undoubtedly, the establishment of a TIF district will lead to increased traffic congestion and wear and tear on our roads due to the proposed industrial, commercial and residential development within or near the district boundaries. We have engaged HRGreen to provide an independent review of the Developer's Traffic Impact Study, which details the significant impact

the development will have on Township Roads. A copy of the Study is enclosed. Our analysis of the impact reveals that over 2 million dollars in costs will be reasonably need to be incurred by the Road District. Without adequate funding to address these increased demands, our ability to maintain a safe road network will be further compromised. The Road District is already struggling to maintain Township Roads.

Finally, we do not believe that the property which is subject to the proposed TIF district is "blighted" within the meaning of the Illinois Tax Increment Allocation Redevelopment Act (the "Act"). The Village maintains that the subject property is a "blighted area" under the Act because it is "subject to chronic flooding that adversely impact real property or discharges water that contributes to flooding within the watershed." However, the subject property is prime farmland, and by that definition, all farmland in Kane County would be considered "blighted." We do not believe that is the intent or meaning of the statute, and accordingly the basis for the designation of the subject property as blighted is itself improper.

Considering these concerns, we respectfully urge you to reconsider the proposed establishment of the TIF district. We believe that alternative methods of economic development and revenue generation can be explored that would not jeopardize the vital infrastructure needs of our community.

Thank you for considering our objections.

Sincerely,

Rod Feece

Rod Feece
Road Commissioner
Blackberry Township Road District

Enc.

cc: Hon. Mayor Jennifer Konen
Village Trustees

HRGreen

TECHNICAL MEMORANDUM

BLACKBERRY TOWNSHIP DEVELOPMENT STUDY

BLACKBERRY TOWNSHIP

To: Blackberry Township Road District

From: HR Green, Inc.

Date: May 22, 2024

Background Information

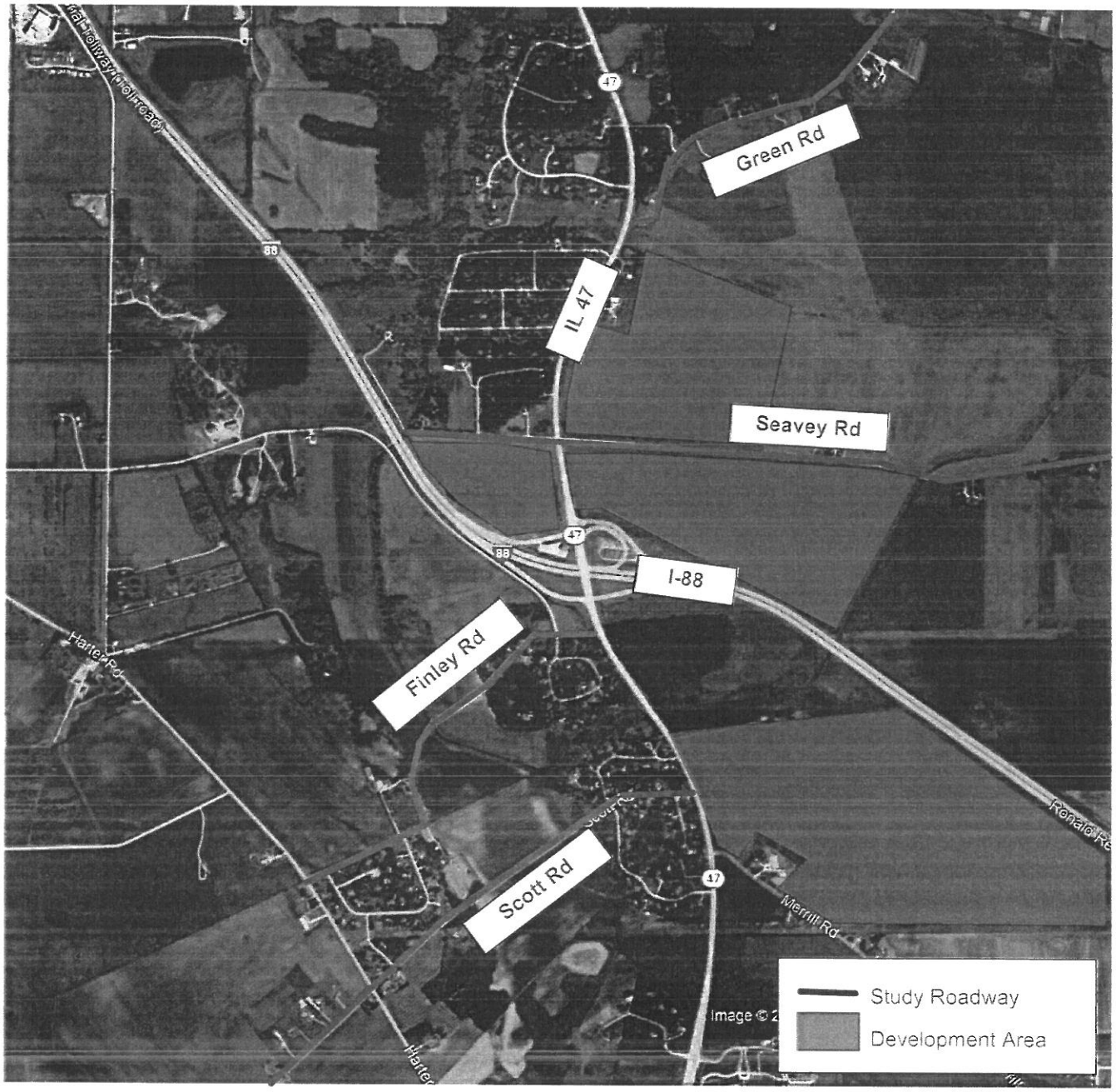
Blackberry Township has requested a traffic study on four of its roadways to assess the impacts of future development on the existing roadway network. The Grove is a large mixed-use development that is proposed to be built near IL 47 and Interstate 88 in the Village of Sugar Grove. The residential, commercial, and industrial development could draw large volumes of traffic to the neighboring roadways, including several roads under Township jurisdiction. The Township has provided a draft Traffic Impact Study (TIS) performed by the developer's engineers. In this memo, HR Green will review the development TIS, evaluate the added traffic on Township roads, and assess the future pavement cross section needs resulting from the proposed development.

Roadway Characteristics and Volumes

Four Township roads are being evaluated in this study: Scott Road, Finley Road, Seavey Road, and Green Road.

Scott Road is classified as a minor collector, per IDOT's functional classification map. The other three roads are classified as local roads. All roads have a single lane in each direction with no turn lanes provided at intersections. The roads are asphalt with aggregate shoulders, except for Seavey Road east of IL 47, which is unpaved gravel. These four roadways provide connectivity in the area to mostly rural farmland with some low-density housing. A location map of the study roadways with the development footprint is shown in **Figure 1**.

FIGURE 1 – STUDY AREA



Existing Volume of Vehicles

Traffic volumes on the subdivision streets are low. IDOT's traffic count database indicates that Average Daily Traffic (ADT) on the four roads are less than 2,000 vehicles per day, according to the most recent counts. IDOT did not have a count available for Finley Road. Peak hour traffic counts for the study roadways were available in The Grove TIS. These counts were used to make an ADT estimate for all four roadways, including Finley Road.

TABLE 1 – EXISTING ADT COUNTS AND ESTIMATES FOR THE STUDY ROADS (NUMBER OF VEHICLES PER DAY)

	2023 ADT (IDOT Count Database)	2023 ADT (Estimated from Grove TIS)
Scott Road	1000	1180
Finley Road	--	240
Seavey Road	175	130
Green Road	1800	1730

Future Volume of Vehicles

Traffic volumes on the roads are expected to increase due to general background growth throughout the area, as well as traffic projected to visit the Grove development. Background traffic growth is estimated at approximately 1-1.5% per year, according to projections from CMAP obtained for the TIS.

The primary driver of future traffic growth will be the proposed development plan. The Grove development is expected to attract approximately 36,000 vehicles per day. The development is proposed to include residential, commercial, and industrial land uses, and is expected to be implemented in two phases – the first is estimated to be completed by 2027, and the second by 2034.

According to the development plans, Scott Road is directly west of the southern portion of the proposed development. Finley Road is between the north and south portions of the development, Seavey Road is a major access road for the northern part of the development, and Green Road is north of the development, as shown in **Figure 1**.

As stated in the TIS, Seavey Road is the only road of the four studied providing direct access to the proposed development and is the only road that is assigned any development traffic. East of IL 47, Seavey Road is expected to provide access to 1.8 million square feet of warehouse space in the first phase of development. In the second phase of development, more warehouse space is expected on the east side of IL 47, along with nearly 150,000 square feet of shopping space and approximately 260 townhomes. West of IL 47, a gas station/convenience store and a large shopping center are anticipated on Seavey Road. Based on the daily trip generation rates for these types of developments as projected in the TIS, the west leg of Seavey Road could see as many as 20,000 vehicles per day accessing the development, and 18,500 vehicles, including 4% heavy vehicles on the east leg.

The TIS assumes that all development traffic will be coming to the site from IL 47 and I-88. This trip distribution assumes a regional draw to the development and is the most conservative way to assess the impacts on major intersections along IL 47 in the study area. However, the study does not predict increased traffic on neighboring local roads and collectors in the area, resulting in an underestimated development impact on smaller roads.

It is likely that neighboring roads like Scott Road, Finley Road, and Green Road will see added post-development traffic. Local traffic will likely visit the development for the commercial and retail stores, including the proposed gas station and supermarket. However, the amount of added traffic is limited by the low housing density and connectivity to other residential centers. We can assign a percentage of development traffic to these three local roads to assess the potential for neighborhood traffic impacts. The overall Grove development is projected to add approximately 36,000 daily trips at full build out. A baseline assumption of 2% of the total development traffic on Scott Road, Finley Road, and Green Road, would account for local travelers to the development, possible cut-through or diverted traffic, and potential infill development on undeveloped land. This would amount to 720 trips per day added to the three roads.

Table 2 summarizes the existing ADT estimates and the 2039 ADT estimates according to the TIS. The first 2039 estimate is what the TIS projects, accounting for only background traffic growth on Scott Road, Finley Road, and Green Road, with no added development traffic. The second 2039 estimate adds 2% of total development traffic onto the three roadways. Using this more conservative estimate, Finley Road, Scott Road, and Green Road are projected to have ADTs between 1,000 and 3,000, while Seavey Road is estimated between 18,000 and 20,000.

TABLE 2 - FUTURE ADT ESTIMATES BASED ON DEVELOPMENT TRAFFIC (NUMBER OF VEHICLES PER DAY)

	2023 ADT (Estimated from Grove TIS)	2039 ADT (Estimated from Grove TIS)	2039 ADT (Estimated from Grove TIS plus 2% of Total)
Scott Road	1180	1500	2220
Finley Road	240	340	1060
Seavey Road (West of IL 47)	130	20000	20000
Seavey Road (East of IL 47)	130	18500	18500
Green Road	1730	2200	2920

Recommended Improvements

The TIS recommended several improvements in the study area to accommodate the development traffic. Most of these are related to intersections and to IL 47. Some additional improvements not mentioned in the TIS are also recommended as part of this study. The improvements for each road are summarized below, and we have included a recommended typical pavement section for each corridor based on criteria from IDOT's Bureau of Local Roads and Streets (BLRS) Manual.

Scott Road

The development proposes positioning the re-aligned Denny Road east of IL 47 to be directly across from Scott Road. The study recommends the following intersection improvements in each of the two development phases:

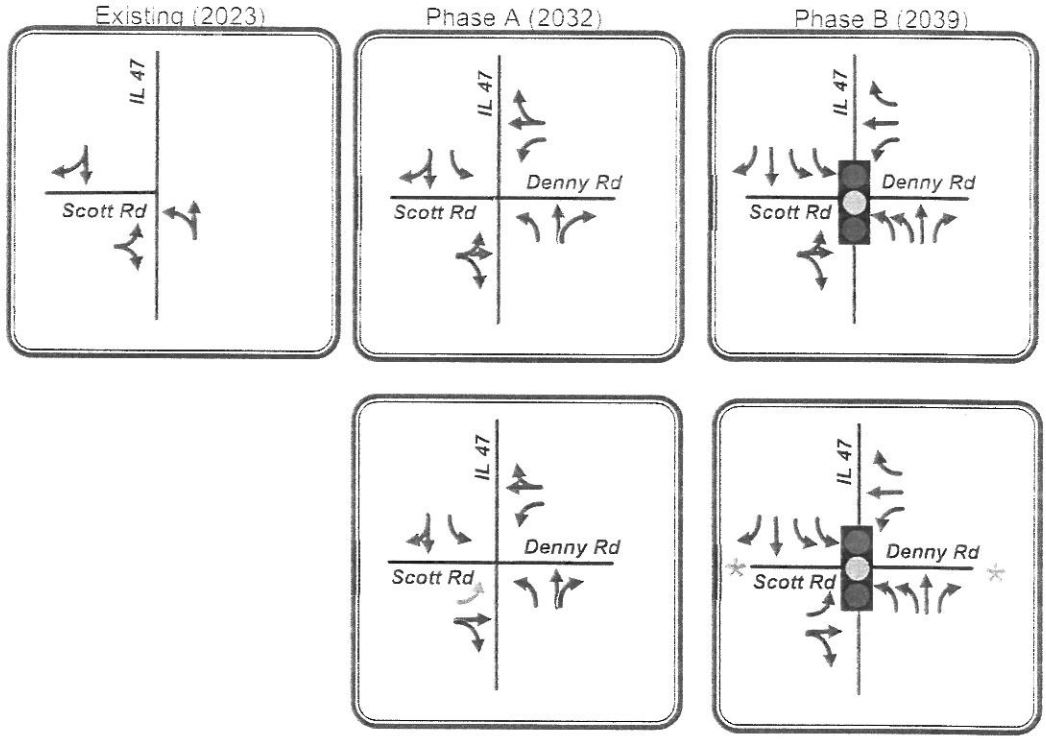
- Development Phase A
  - Dedicated left turn lanes on the north, south, and least legs of IL 47 and Denny Road
- Development Phase B
  - Add a traffic signal to the intersection
  - Dedicated right turn lanes on the north and south legs of IL 47

- Dual left turn lanes on the north leg of IL 47, and mirrored on the south leg

Although no improvements are recommended for the west leg of Scott Road, the leg should be reconstructed and re-aligned to be compatible with the other proposed geometry. A dedicated left turn lane on the east leg will require at a minimum the realignment of the through lanes on the west leg. Mirroring the lane configuration with a dedicated left turn lane on the west leg would be preferable. In the ultimate phase, dual left turn lanes from IL 47 are proposed. If dual lanes are necessary according to detailed traffic analysis, the east and west legs of Scott Road/Denny Road must be widened to provide two receiving lanes for the dual left turn lanes. Based on the projected ADT and IDOT's guidelines, Scott Road should have 6" of HMA full depth pavement, which is the minimum pavement thickness recommended by the BLRS.

Figure 2 shows the developer's recommendations for each development phase. Added lanes or movements in each phase are highlighted in blue. HR Green's recommendations are below, and the differences in recommendations are highlighted in orange.

FIGURE 2 - SCOTT ROAD IMPROVEMENTS



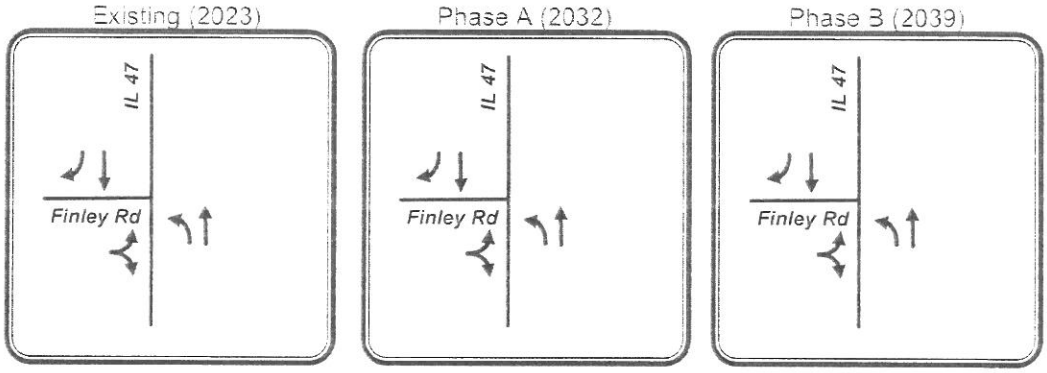
* Note: Developer should review the need for dual left turns lane. East and West legs of Denny Road/Scott Road must be widened to provide two receiving lanes for the dual left turn lanes on IL 47 if traffic analysis deems the dual left turn lanes necessary. The second receiving lane can be dropped at a sufficient distance after the intersection per IDOT's BLRS Manual.

Finley Road

No improvements are recommended for Finley Road in the TIS. Based on the projected volumes, the intersection geometry is likely sufficient as it exists today. Based on the pavement design guidelines, 6" full-depth HMA pavement is sufficient for this road.

FIGURE 3 - FINLEY ROAD IMPROVEMENTS

Developer Recommendations



Seavey Road

Seavey Road is expected to receive a significant amount of development traffic. Industrial developments are anticipated along Seavey Road east of IL 47 in the first development phase. In the ultimate phase, additional industrial and residential developments will be built east of IL 47, along with commercial developments east and west of IL 47.

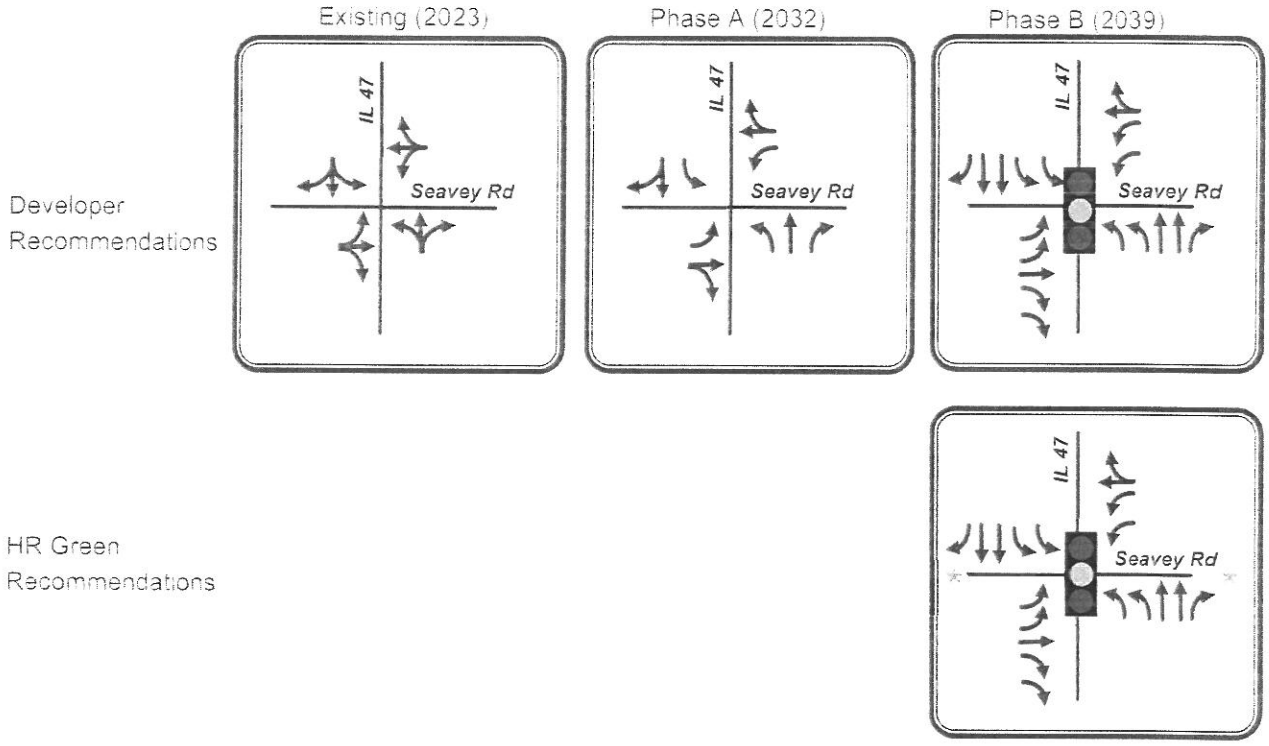
- Development Phase A
  - Reconstruct to a 3-lane cross section with two-way left turn lane east of IL 47
  - Dedicated left turn lanes on all four legs of Seavey Road at IL 47
  - Dedicated northbound right turn lane on IL 47
- Development Phase B
  - Add a traffic signal at IL 47
  - Dual left turn lanes on all four legs of Seavey Road at IL 47
  - Dual right turn lanes on west leg of Seavey Road at IL 47
  - Widen IL 47 to 2 lanes in each direction

In addition to the improvements stated in the TIS, there are a few additional design considerations for Seavey Road and its intersection with IL 47. In the ultimate phase, IL 47 is proposed to be widened to two lanes in each direction. Dual left turns are also recommended, but Seavey Road must be widened to provide two receiving lanes for the left turns. The two receiving lanes can be dropped after proposed development access points for the high-volume commercial and gas station land uses. On the west leg of Seavey Road, access points to the development must be carefully considered with the high volumes and wide cross section including dual right turn lanes and dual left turn lanes. Access points must not be placed too close to IL 47 and should promote good traffic flow in and out of the development.

The pavement cross section must also be designed to accommodate the high traffic volumes of up to 20,000 vehicles per day. Approximately 4% of the projected traffic is anticipated to be heavy vehicles accessing the industrial development. IDOT's pavement design guidelines recommend a 10.5" full-depth HMA pavement for

Seavey Road. This cross section will accommodate the higher traffic volumes and the truck traffic associated with the industrial development.

FIGURE 4 – SEAVEY ROAD IMPROVEMENTS

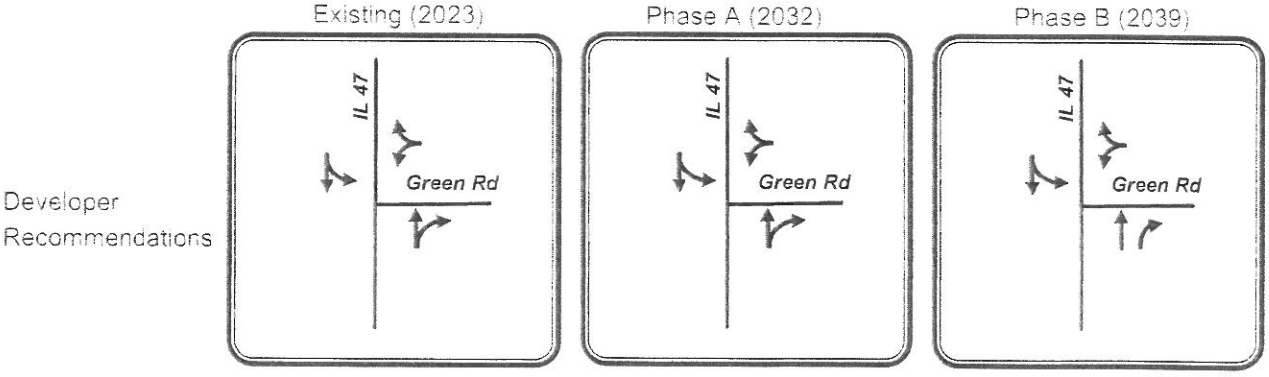


* Note: East and West legs of Seavey Road must be widened to provide two receiving lanes for the dual left turn lanes on IL 47 if traffic analysis deems the dual left turn lanes necessary. The length of second the receiving lane should be determined by the site plan and access points to the proposed development, as well as the taper distance required by the BLRS Manual.

Green Road

Minimal improvements are recommended at Green Road. In the ultimate scenario, a northbound right turn lane on IL 47 is proposed. No other improvements are identified as necessary. A 6" full-depth HMA pavement cross section is recommended for this road.

FIGURE 5 – GREEN ROAD IMPROVEMENTS



Conclusion

The Grove development in Sugar Grove is expected to drive significant traffic growth in the area. Scott Road, Finley Road, Seavey Road, and Green Road in Blackberry Township are expected to carry some additional traffic. Some improvements and pavement cross sections for these roads were identified to prepare them for the influx in traffic.

- Scott Road should be realigned on the west leg to match the lane configuration of the new east leg. The pavement should be 6" full-depth HMA.
- Finley Road should have a pavement thickness of 6" full depth HMA
- Seavey Road should be widened to accommodate dual left turns in the ultimate condition and should have carefully planned development access points on either side of IL 47. The pavement should be 10 5" full-depth HMA.
- Green Road should nave a pavement thickness of 6" full-depth HMA.

Based on a planning-level cost estimate, reconstruction of Scott Road, Finley Road, and Green Road with 6" full-depth HMA pavement and 24' pavement width is expected to cost approximately $275 per foot of roadway. Reconstruction of Seavey Road where proposed development traffic is highest, with 10 5" HMA pavement and 36' pavement width is expected to cost approximately $605 per foot.

The above recommendations will help ensure that Township roads remain in good condition and promote safe and efficient travel through the area after the development is completed.

TO: TRACIE Carolyn Anderson Page 1 of 2

Dear Village of Sugar Grove Trustees,

I would like to briefly walk you through the TIF Act and highlight some statutes in the SB Friedman document that do not appear to be currently compliant with these statutes.

The act states, "It is hearby found and declared that in order to promote and protect the health, safety, morals, and welfare of the PUBLIC, that blighted conditions need to be eradicate and conservation measures instituted, and that redevelopment of such areas be undertaken; that to remove and alleviate adverse conditions it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts in such areas by the development or redevelopment of projects areas."

Nothing about this potential TIF District, which is comprised of farmland and woodlands, jeopardizes the health, safety, morals, and welfare of the public. There is no blight that needs to be eradicated. In fact, this land contributes to clean air and water for everyone around it. It is a valuable resource to the community, not blight. Rather than restore an enhance the tax base of the taxing districts, this development would be a devastating blow to some, if not all, of the taxing districts. The Kaneland School District Annual Comprehensive Financial Report 2023 noted that "The District also has three Tax Incremental Financing (TIF) districts within the School District boundaries. The TIF districts cause the School District's property tax to remain on the level at which the property was during the inception of the TIF, with any increased value being captured by the TIF to further development. The existing TIFs will expire between 2035 and 2038. Growth within the TIF districts has helped the economic development within the local area but has created a loss of property tax revenue. The largest single source of revenue to the School District is local property taxes."

Conservation measures should start with Crown Community Development complying with the Clean Waters Act and ensuring that the Seavey Run portion of Blackberry Creek is properly maintained to prevent pooling of water. We have photos of the creek full of beaver dams and downed trees, creating pooling briefly after heavy storms. If the Clean Waters Act were being observed, this would not happen. Are they self-inflicting this so-called blight? We consider this land a valued and necessary ecosystem with a perfectly balanced watershed, and disrupting it would be highly detrimental.

I would like to bring to your attention that the TIF Act states,

"For any municipality with a population of 12,000 or less as determined by the 1980 U.S. Census: (a) the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, each such area, must be contiguous and the TOTAL of all such areas shall not comprise more than 35% of the area within the

Kristin Horner Sudol 6/18/24

OFFICIAL SEAL
KRISTIN HORNER SUDOL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/17/24

municipal boundaries nor more than 30% of the equalized assessed value of the municipality;"

The current EAV of the Village of Sugar Grove, per Kane County records, is $403,365,313. Thirty percent of this amount is $121,009,594. You currently have two TIFs in place: TIF 1 with an approved value of $45,900,000 and TIF 2 with an approved value of $128,233,000. Adding the two existing TIFs together totals $164,133,000. Now you are considering adding $350,000,000 more, bringing your total TIF amount to $494,133,000. This exceeds over 100% of the total EAV of the Village of Sugar Grove, whereas only 30% is allowed per state statutes. If you review TIF 1 and TIF 2, you will find that neither is on pace with their projected revenues based on their TIF Eligibility studies, and one has declined in value since its inception. Not only is this new TIF 3 beyond your allowed limit, but so is TIF 2. This puts the Village in a very dangerous financial position.

Next, I would like to ask, what is this TIF funding? Where is the concept that we were told to wait for? This SB Friedman document contains blank maps and lacks detail. The TIF Act states ten items, listed A through J, that must be included in a Redevelopment Plan. Each item is very vaguely addressed in this SB Friedman document, except for item J, which reads,

"If Property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.."

Where is the annexation agreement and its terms? How are you conducting TIF hearings on land that belongs to Kane County? Why has the annexation been omitted? Traditionally, an annexation agreement would commit to specific land uses on specific areas of land. If your commitment to this development is based on a town center, why wouldn't you require the terms of an annexation agreement committing the developer to that concept to qualify for a TIF?

I will ask you again, please make sure that ALL state statutes are in compliance before proceeding ahead with any development of this land. The health, safety, morals, and welfare of hundreds of homes are directly impacted by your decisions as well as thousands of members of this community. We have found that this SB Friedman document is NOT compliant with state statutes.

Thank You,
Carolyn Anderson

[redacted] Elburn IL 60119

No. 3-95-0455
Appellate Court of Illinois, Third District. Judgment affirmed

Henry County Board v. Village of Orion

663 N.E.2d 1076 (Ill. App. Ct. 1996) · 278 Ill. App. 3d 1058 · 215 Ill. Dec. 562 · 664 N.E.2d 1076
Decided Mar 29, 1996

1076*1076 **663 N.E.2d 1076 (Ill.App. 3 Dist. 1996) 278 Ill.App.3d 1058, 215 Ill.Dec. 562 HENRY COUNTY BOARD, Orion Community Unit District 223, Western District Library, Orion Community Fire Protection District, Western Township and the Board of Trustees of Blackhawk College, Plaintiffs-Appellees, v. VILLAGE OF ORION, Defendant-Appellant. No. 3-95-0455. Court of Appeals of Illinois, Third District. March 29, 1996.**

1060 *565 *1060

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[Copyrighted Material Omitted]

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Appeal from the Circuit Court of the 14th Judicial Circuit, Henry County, No. 94-CH-4; Honorable Jay M. Hanson, Judge Presiding.

John Ames, Orion, for Village Of Orion.

John X. Breslin, Deputy Director, State's Attorneys Appellate Prosecutor, Ottawa, Ted J. Hamer, Henry County State's Attorney, Cambridge, Judith Z. Kelly, State's Attorneys Appellate Prosecutor, Ottawa, for Henry County Board, Board Of Trustees Of Blackhawk College, Orion Community Unit District 223, Western Township, Western District Library.

Justice MICHELA delivered the opinion of the court:

Plaintiff Henry County Board (County Board) and co-plaintiffs Orion Community Unit District 223, Western District Library, Orion Community Fire Protection District, Western Township, and the Board of Trustees of Blackhawk College, filed suit against defendant Village of Orion (Orion). Orion adopted ordinances creating a real property tax increment financing district (TIF district) and an attendant redevelopment plan and project pursuant to the Tax Increment Allocation Redevelopment Act (the Act). 65 ILCS 5/11-74.4-1 et seq. (West 1994). The County Board sought equitable relief to declare Orion's ordinances void and enjoin Orion's implementation of the TIF district and execution of its redevelopment project and plan. Following a bench trial the court found in favor of the County Board. Orion appeals. We affirm.

The Act enables municipalities to eliminate present and future blighted conditions from within its boundaries by diverting incremental real property tax revenues from taxing districts, e.g., school, park, sanitary and fire districts located within a proposed TIF district to fund public improvements. 65 ILCS 5/11-74.4-2(a), 2(c); 65 ILCS 5/11-74.4-3(t). The tax bases of a 1061 municipality and its *1061 taxing districts are enhanced through encouraging private investment within the proposed TIF district. 65 ILCS 5/11-74.4-2(b).

A proposed TIF district may be composed of blighted improved or blighted vacant realty, or of improved realty comprising a conservation area or as a combination blighted/conservation area. 65 ILCS 5/11-74.4-3(n), 3(a). To qualify as blighted improved property a combination of five or more of the following characteristics must exist:

"age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health, morals or welfare * * *." 65 ILCS 5/11-74.4-3(a).

Blighted vacant realty qualifies as such if:

"(1) a combination of 2 or more of the following factors [is present]: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least 5 years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation, or dredge sites, or (7) the
566 area is *1080 *566 not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of this subsection (a) * * *." 65 ILCS 5/11-74.4-3(a).

A conservation area is an improved area in which fifty percent or more of the structures equal or exceed thirty-five-years of age. 65 ILCS 5/11-74.4-3(b). Conservation areas are not blighted, but
1062 because of *1062 the presence of three or more of the following factors the area may become blighted:

"dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health, morals or welfare * * *." 65 ILCS 5/11--74.4--3(b).

In 1993, factors ranging from an inadequate sewer system, a perceived slow growth in economic development and a steadily declining population caused Orion to adopt ordinances authorizing a TIF district. A substantial portion of Orion was designated as the proposed TIF district and an expert determined the district qualified as a combination blighted and conservation area. Orion adopted ordinances authorizing the district and a redevelopment project and plan. The County Board filed suit contending that Orion's ordinances violated the Act. On May 9, 1995 the trial court issued a written opinion finding that Orion's ordinances violated the Act and enjoined Orion from implementing its ordinances and collecting funds. Orion filed no post-trial motions. The trial court entered its final judgment on May 23, 1995 and Orion filed a timely notice of appeal.

Orion argues the trial court erroneously found the County Board proved by clear and convincing evidence that the proposed TIF district was neither blighted nor a conservation area. Challenging Orion's ordinances required the County Board to overcome their presumptive validity by clear and convincing evidence. *Castel Properties, Ltd. v. City of Marion,* 259 Ill.App.3d 432, 197 Ill.Dec. 456, 631 N.E.2d 459 (1994). Clear and convincing evidence is that "quantum of proof that leaves no reasonable doubt in the minds of the fact finder as to the truth of the proposition stated." *Bazydlo v. Volant,* 164 Ill.2d 207, 213, 207 Ill.Dec. 311, 314, 647 N.E.2d 273, 276 (1995). The fact finder's determinations will not be disturbed unless clearly contrary to the manifest weight of the evidence. *Reed-Custer Community School District No. 255-U v. City of Wilmington,* 253 Ill.App.3d 503, 192 Ill.Dec. 421, 625 N.E.2d 381 (1993). The decision of the trial court is against the manifest weight of the evidence if a review of the record clearly establishes that the decision opposite to the one reached by the trial court was the proper result. *In re Knapp,* 231 Ill.App.3d 917, 173 Ill.Dec. 292, 596 N.E.2d 1171 (1992). Thus, our inquiry is whether the trial court's decision that the County Board proved by clear and convincing evidence that the TIF district was neither blighted nor a conservation area is clearly contrary to the manifest weight of the evidence.

1063 *1063 Eligibility for the Act's benefits rests upon a municipal determination that the proposed TIF district qualifies using the statutory factors enumerated above. In the case at bar, this determination was aided by both parties' reliance on guidelines promulgated by the Illinois Department of Revenue which, although intended to give guidance on sales tax increment financing districts, has an equal applicability to real property tax increment financing districts. See *Wheeling v. Exchange National Bank of Chicago,* 213 Ill.App.3d 325, 333, 157 Ill.Dec. 502, 507, 572 N.E.2d 966, 971 (1991) (tacitly approving the guidelines' use in real property tax increment financing cases). As the Department of Revenue guidelines suggest, qualifying statutory factors should be present to a meaningful extent and reasonably distributed throughout the proposed
567 TIF district so that reasonable *1081 *567 people will conclude that public intervention is necessary.

The trial court's opinion demonstrates it found that while isolated parcels of improved property were blighted the TIF district nonetheless did not qualify as a blighted and conservation area. For example, the trial court found Orion's characteristics study relied on loose or missing shingles, gravel drives, grass growing through the cracks in a driveway, surface cracking in driveways and sidewalks to establish the manifest presence of blighting factors within the proposed TIF district. The trial court further found twelve new building permits had issued for roofs, gutters and siding on properties Orion found blighted. Additionally, the trial court found the evidence insufficient to support a finding of inadequate utilities within the TIF district justifying the use of potential TIF revenues for a new sewer system. Finally, the accuracy of the characteristics study upon which Orion relied was called into question as testimony revealed various parcels of realty were either omitted or counted twice.

Our review of the record, including the photographic and demonstrative evidence, comports with the trial court's findings. For example, new building was occurring within the proposed TIF district signalling economic development. Further, photographs of the majority of the improved property indicates it was in routine disrepair common to many communities. While expert testimony clarified whether this disrepair statutorily qualified as "deterioration", "dilapidation" or "depreciation", we find the trial court assessed the weight of the experts' testimony and concurred with the County Board's expert view. We find no basis in the record to overturn the trial court's finding that the statutory criteria enumerated in the Act were not meaningfully

present to qualify the improved property located within the proposed TIF district as a blighted or conservation area.

1064 *1064 Orion also challenges the trial court's finding that financing a new sewer system as a redevelopment project public improvement did not substantially benefit the proposed TIF district. Specifically, the trial court found only three property owners who had complained of poor sewer service were located within the proposed TIF district. As we earlier stated, the trial court's findings will not be set aside unless clearly contrary to the manifest weight of the evidence. Reed-Custer, 253 Ill.App.3d 503, 192 Ill.Dec. 421, 625 N.E.2d 381.

Orion agrees realty located outside of the proposed TIF district will benefit by a new sewer system financed through TIF revenues. However, Orion argues its ordinances are nevertheless valid because the sewer project serves a valid public purpose, i.e., the prevention of future blighted conditions. We do not dispute that Orion's selection of a public improvement to prevent future blighted conditions is a proper public purpose. See *People ex rel. City of Urbana v. Paley*, 68 Ill.2d 62, 73, 11 Ill.Dec. 307, 312, 368 N.E.2d 915, 920 (1977). However, this reasoning is not dispositive of the statutory requirement that a proposed improvement shall substantially benefit the TIF district. 65 ILCS 5/11-74.4-4(a).

In the instant case, Orion sought to finance a new sewer system despite a feasibility study that determined no more than four of the three hundred parcels of improved property within the TIF district were blighted because of inadequate utilities. Accordingly, the trial court's finding that the sewer project did not substantially benefit the proposed TIF district is supported by the record and not clearly contrary to the manifest weight of the evidence.

Orion next argues the trial court erroneously relied on the subjective observations of the County Board's expert witness to the exclusion of the objective criteria Orion generated to conclude the proposed TIF district was both blighted and a conservation area. At trial, Thomas N. Jacob testified he was hired by Orion to determine the feasibility of a TIF district. Jacob testified he and his employees conducted a field survey and noted the presence of qualifying characteristics. This data was tallied and a matrix was developed ultimately leading to Jacob's conclusion that the proposed TIF district qualified as blighted and a conservation area. Jacob's conclusions were 1082 memorialized in the *568 *1082 "Orion TIF District Report of Characteristics" and formed the foundation for the adoption of Orion's ordinances.

Theodore Johnson testified as an expert for the County Board. Johnson testified he used the raw data generated by Jacob's original field study and performed site visits to also develop a matrix to analyze the presence of the statutory 1065 characteristics in the proposed *1065 TIF district. Johnson testified that the presence of the qualifying characteristics in Jacob's report was significantly higher than the number of qualifying characteristics gleaned from his analyses.

Upon a review of the record we do not agree with Orion that Johnson testified to his subjective observations of the sites located in the proposed TIF district and ignored the empirical data he accumulated in preparation for trial. The record demonstrates that both Johnson and Jacob testified to the statutory criteria they observed within the proposed TIF district. Their views diverged on whether those factors were, as the Department of Revenue guidelines suggests they should be, present to a meaningful extent and reasonably distributed throughout the proposed TIF district. Accordingly, we find no error.

Orion next appeals the trial court's finding that the proposed TIF district did not contain vacant land. The Act defines vacant land as:

"any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for

commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is located in an industrial park conservation area or the parcel has been subdivided * * *." 65 ILCS 5/11-74.4-3(v).

We note none of the parcels termed vacant were subdivided according to the testimony of the chief deputy recorder of Henry County.

Orion first argues that property known as Augie and Earls is vacant and lies within an industrial park conservation area. 65 ILCS 5/11-74.4-3(d), 3(e). We find this parcel of realty does not qualify as vacant because it contains a commercial building, an on-going Chevrolet car dealership. See Reed-Custer, 253 Ill.App.3d at 506-07, 192 Ill.Dec. at 424-25, 625 N.E.2d at 384-85. As a threshold matter since the property is not vacant we need not decide whether the property qualifies as an industrial park conservation area.

Orion argues the trial court erred when it found property known as Orion Investments was not vacant. Orion contends this property qualifies as blighted vacant property because of an abandoned railroad right-of-way. 65 ILCS 5/11-74.4-3(a)(4). We agree with the trial court that although this parcel contains a railroad right-of-way it also contains residential homes and therefore, the property is not vacant.

Orion also claims that the Skladany Trust property qualifies as vacant realty because of chronic flooding, (65 ILCS 5/11-74.4-3(a)(5)), and is located within an industrial park conservation
1066 *1066 area. However, testimony adduced at trial showed no indication of chronic flooding as evidenced by flood plain maps and further, the seasonal planting of crops on this property belied the occurrence of chronic flooding. Thus, we find the property does not qualify as vacant and we need not reach the question of whether the property qualifies as an industrial park conservation area.

Orion next claims the parcel of realty known as the Skladany and Taets property is vacant because of obsolete platting and diversity of ownership, (65 ILCS 5/11-74.4-3(a)(1)), and is located within an industrial park conservation area. Testimony established Orion relied on the names of two owners as conclusive of diversity ownership without investigating the possibility of joint ownership. We find the record does not support that Orion established obsolete platting. The County Board successfully challenged the vacancy of the Skladany and Taets property and again, we do not reach the question of whether this property was an industrial park conservation area.

Orion next argues the trial court erred in
569 finding the County Board demonstrated *1083 *569 four parcels of realty were not vacant because they were actively farmed. Orion does not dispute these parcels were farmed but argues the County Board did not demonstrate they were farmed for commercial agricultural purposes. 65 ILCS 5/11-74.4-3(v).

At trial, the County Board defined commercial agricultural purposes through the unchallenged lay opinion of an Orion farmer, Robert DeBaille, who testified commercial farms grow crops for sale, resale or livestock production. However, the County Board presented no evidence on whether crops or livestock were presently being sold or were sold on these particular parcels of realty within the past five years. Orion now urges us to recognize a definition of commercial agricultural purposes utilizing factors such as profit and acreage.

The Act does not define "commercial agricultural purposes", but when a statutory term is not defined it must be given its ordinary and popularly understood meaning. *American Family Mutual Insurance Co. v. Baaske,* 213 Ill.App.3d 683, 686, 157 Ill.Dec. 239, 240, 572 N.E.2d 308, 309 (1991). We agree with Orion that commercial agricultural purposes must perforce include a remunerative element. However, we decline to

impose an additional requirement of acreage to further define commercial agricultural purposes, as any entrepreneur may parlay any amount of realty into a commercial agricultural venture.

In the instant case, the record discloses that even under the definition the County Board used as evidenced by DeBaille, the County Board did not show by clear and convincing evidence that
1067 the parcels *1067 of realty termed vacant were used for commercial agricultural purposes, i.e., a remunerative exchange between a seller and a buyer involving the goods produced upon the realty. Hence, the County Board did not clearly and convincingly demonstrate these parcels were not vacant.

However, we do not find this error reversible as these were four parcels of realty among at least seven vacant parcels and over three hundred improved parcels of realty composing the proposed TIF district. Accordingly, the trial court's finding that the above parcels did not qualify as vacant is supported by the record.

Next, Orion complains the trial court erred in finding the proposed TIF district was not composed of contiguous parcels of realty. Orion contends the standard to review the trial court's finding of contiguity is de novo as this is a matter of statutory construction and thus a question of law. *Village of South Elgin v. City of Elgin,* 203 Ill.App.3d 364, 367, 149 Ill.Dec. 17, 19, 561 N.E.2d 295, 297 (1990). We find, however, that the issue of contiguity is a mixed question of law and fact. *In re Annexation of Certain Territory to the Village of Chatham,* 245 Ill.App.3d 786, 794, 185 Ill.Dec. 593, 599, 614 N.E.2d 1278, 1284 (1993). Thus, to the extent that factual disputes are present, the trial court's decision will not be disturbed unless contrary to the manifest weight of the evidence. *In re Petition for Annexation of Certain Property to the Village of Plainfield,* 267 Ill.App.3d 313, 321, 204 Ill.Dec. 801, 806, 642 N.E.2d 502, 507 (1994).

Contiguity is not defined by the Act; however, when interpreting a statute, courts must ascertain the intent of the legislature using the language of the statute itself. *McCuen v. Peoria Park District,* 245 Ill.App.3d 694, 697, 185 Ill.Dec. 894, 897, 615 N.E.2d 764, 767 (1993). When the statute is clear and unambiguous courts will give the language its plain and ordinary meaning. McCuen, 245 Ill.App.3d at 697, 185 Ill.Dec. at 897, 615 N.E.2d at 767. Contiguity has long been defined in annexation cases as tracts of land which touch or adjoin one another in a reasonably substantial physical sense. *Western National Bank of Cicero v. Village of Kildeer,* 19 Ill.2d 342, 352, 167 N.E.2d 169, 174-75 (1960). We conclude that this definition of contiguity is well-suited to determine questions arising under the Act for several reasons. First, another definition may allow municipalities to circumvent the Act's legislative intent by creating TIF districts where physical eligibility may not otherwise exist. Second, imposing a substantial physical touching requirement upon a municipality to establish contiguity ensures a municipality has properly
570 constructed a TIF district and *1084 *570 is legitimately reaping tax increment financing benefits under the Act.

In the instant case, the trial court found that streets were used as "strips" to create contiguity.
1068 In reviewing the trial exhibit of the *1068 proposed TIF district it is evident that these parcels, otherwise isolated from the hub of the district, are now joined to the district proper by utilizing the length of the streets that border or extend forth from the district. We find that the trial court's factual findings are not against the manifest weight of the evidence. We also find that, upon a de novo review of the record, the proposed TIF district fails to meet the statutory requirement of contiguity.

Orion next contends the trial court improperly found ordinance No. 93-23 violated the Act. The Act states a municipality may:

"[m]ake a payment in lieu of taxes or a portion thereof to taxing districts. If payments in lieu of taxes are made to taxing districts, those payments shall be made to all districts within a project redevelopment area on a basis which is proportional to the current collections of revenue which each taxing district receives from real property in the redevelopment project area." 65 ILCS 5/11-74.4-4(1).

Orion enacted ordinance No. 93-23 approving the TIF district and redevelopment plan on December 28, 1993. Paragraph (V)(I) of this ordinance directs Orion to make payments to its school district from TIF revenues for the lifetime of the TIF district. The County Board asserts ordinance No. 93-23 is invalid because paragraph (V)(I) provides Orion is to reimburse one, not all, of the affected taxing districts.

Testimony established Orion inserted paragraph (V)(I) because it was concerned that its school district may suffer from the real property tax revenues lost during the lifetime of the TIF district. Orion now argues on appeal that paragraph (V)(I) is valid because the Act allows a municipality to make payments to individual taxing districts without providing pro rata payments to all taxing districts. Orion relies on the following text:

" '[r]edevelopment project costs' mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

* * * * * *

[a]ll or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs[.]" 65 ILCS 5/11-74.4-3(q)(7)

Orion argues that because the phrase "taxing district" is used in the *1069 singular possessive to sanction intergovernmental agreements between a sole taxing district and a municipality to replace capital costs, intergovernmental agreements between a municipality and a taxing district for payments in lieu of taxes are also sanctioned. Indeed, the record reflects that on August 1, 1994 Orion passed and approved ordinance No. 94-11 as an amendment to ordinance No. 93-23, allowing Orion to enter into intergovernmental agreements to provide assistance to the school district.

We are unpersuaded that the Act's municipal mandate to provide payments in lieu of taxes to all affected taxing districts is circumvented by the legislature's grammar in a separate statutory section. First, the legislature ensured that a municipality's payments in lieu of taxes should be made to all affected taxing districts when it used the following definition:

" '[p]ayment in lieu of taxes' means those estimated tax revenues from real property in a redevelopment project area acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not adopted tax increment allocation financing * * *." 65 ILCS 5/11-74.4-3(m).

This language expressly recognizes that all taxing districts located within a proposed TIF district lose real property tax revenues *1085 *571 under a tax increment financing plan. This differs from the language Orion relies upon, which merely pertains to repaying a single taxing district for capital costs it expended, not for its loss of real property tax revenues.

Additionally, although the Act states a redevelopment project cost may include a "payment in lieu of taxes" (65 ILCS 5/11-74.4-3(q)(9)), as we noted above the Act indicates all affected taxing districts should benefit by a

municipal agreement to make such a payment. We therefore find no basis in the Act or in the arguments presented to hold that a municipality may make payments to a single taxing district in lieu of taxes cloaked as an intergovernmental agreement.

Orion's final argument claims the trial court erred when it found Orion did not provide notice to taxing districts of changes made to the proposed redevelopment plan and project prior to their adoption by ordinance No. 93-23. The record shows Orion complied with the Act's notice provisions and provided copies of the proposed redevelopment plan and project to the general public and Orion's affected taxing districts. However, this displayed redevelopment project and plan differed from the redevelopment plan and project actually adopted as ordinance No. 93-23. 1070 These differences include an *1070 industrial park project and a five percent increase in monies private developers received as an incentive during the first four years of the life of the TIF district.

The Act states:

"[p]rior to the adoption of an ordinance approving a redevelopment plan or redevelopment project, or designating a redevelopment project area, changes may be made in the redevelopment plan or project or area which changes do not alter the exterior boundaries, or do not substantially affect the general land uses established in the plan or substantially change the nature of the redevelopment project, without further hearing or notice, provided that notice of such changes is given by mail to each affected taxing district and by publication in a newspaper or newspapers of general circulation within the taxing districts not less than 10 days prior to the adoption of the changes by ordinance." 65 ILCS 5/11-74.4-5(a).

Orion argues the changes made prior to its adoption of ordinance No. 93-23 are de minimis and do not require additional notice. The County Board argues these changes necessitated that Orion provide notice to the affected taxing districts by mail and publication. We agree.

The Act provides if changes to a proposed redevelopment plan or project are made prior to their adoption, notice is required. Whether a municipality is to provide notice by mail, publication or public hearing depends upon whether the nature of the proposed change alters the exterior boundaries, affects the general land use or substantially changes the redevelopment project. 65 ILCS 5/11-74.4-5(a). We need not, however, decide if the changes made prior to the adoption of ordinance No. 93-23 fall within any of the categories listed above as it is undisputed Orion gave no notice of the changes to the taxing districts. We therefore find the trial court correctly decided that Orion failed to provide affected taxing districts with notice of changes to the proposed redevelopment plan and project within ten days of the adoption of ordinance No. 93-23.

The judgment of the circuit court of Henry County is affirmed.

Affirmed.

McCUSKEY and LYTTON, JJ., concurring.

Village of Sugar Grove TIF Public Hearing

June 18, 2024

I'm going to jump right into the "eligibility" of the TIF, on page one of the statute in front of you is a highlighted section that says: "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality.

The first red flag is that it is not within the territorial limits of the municipality, so I'm not sure how you can even have a hearing or even consider a TIF until after annexation.

Next, we have the key word "vacant" if you go to page 22, you will see the definition of vacant: "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area.

For the last 5 years the fields on the property have been commercially farmed, as well as portions of the land have been used by the pumpkin farm, it is not vacant.

The next problem is on page 4 which states that if vacant the municipality must reasonably find that the (blight) factor is clearly present and evenly distributed. Geoff from Sb Friedman was asked at the JRB "How much (of a) problem is downstream flooding of the blackberry creek watershed". Geoff the TIF consultant replied: "I'm not sure that question is relevant". Any reasonable person would conclude the statute dictates that true evidence of "blight" or "downstream flooding" must be provided.

The land is not vacant (doesn't qualify). If it was vacant, it's still not blighted (doesn't qualify). The statute could not be clearer that this does not qualify. The statute was not written to be obsolete, if the lawmakers wanted farmland to be TIF eligible they would have included it in the statute.

Now let's talk about the "but for" requirement, but for the TIF, the property would not develop, that is the requirement that needs to be met.

The problem is, but for the TIF, the property will not be as profitable as crown would like it to be, they said it themselves last year at the "community engagement meeting". I say too bad, you made a bad investment, don't force the taxpayers to increase your ROI.

First you had a study from Moran which said on the basis of chronic flooding that it "could qualify" not that it does, that wasn't good enough, so you went to SB Friedman, and they say it contributes to flooding of the watershed. Give me a break, runoff is what makes the watershed! This is a sham, and no taxing body or citizen should suffer from poor decisions made by crown, nor should they be crown's failed investment insurance.

If you vote yes, you are blatantly violating state law and could end up in a lawsuit.

Jaden Chada

Illinois Compiled Statutes

Information maintained by the Legislative Reference Bureau
Updating the database of the Illinois Compiled Statutes (ILCS) is an ongoing process. Recent laws may not yet be included in the ILCS database, but they are found on this site as Public Acts soon after they become law. For information concerning the relationship between statutes and Public Acts, refer to the Guide.

Because the statute database is maintained primarily for legislative drafting purposes, statutory changes are sometimes included in the statute database before they take effect. If the source note at the end of a Section of the statutes includes a Public Act that has not yet taken effect, the version of the law that is currently in effect may have already been removed from the database and you should refer to that Public Act to see the changes made to the current law.

(65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

Sec. 11-74.4-3. Definitions. The following terms, wherever used or referred to in this Division 74.4 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.

(a) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "blighted area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where:

(1) If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

(A) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(C) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence

deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(D) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(G) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(I) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(J) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(K) Environmental clean-up. The proposed

redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(L) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(M) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(2) If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

(B) Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

(C) Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.

(D) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

(E) The area has incurred Illinois Environmental

Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(F) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) The area consists of one or more unused quarries, mines, or strip mine ponds.

(B) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.

(C) The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

(D) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

(E) Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

(F) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

(b) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "conservation area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area:

(1) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(2) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(3) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(4) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(5) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(6) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(7) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(8) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity

to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(9) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(10) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(11) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(12) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(13) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

(c) "Industrial park" means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but not be limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.

(d) "Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 1/2 miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

(e) "Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal county in which the municipality is located.

(f) "Municipality" shall mean a city, village, incorporated town, or a township that is located in the unincorporated portion of a county with 3 million or more inhabitants, if the county adopted an ordinance that approved the township's redevelopment plan.

(g) "Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located in a State Sales Tax Boundary during the calendar year 1985.

(g-1) "Revised Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located within the State Sales Tax Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

(h) "Municipal Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid to a municipality from the Local Government Tax Fund arising from sales by retailers and servicemen within the redevelopment project area or State Sales Tax Boundary, as the case may be, for as long as the redevelopment project area or State Sales Tax Boundary, as the case may be, exist over and above the aggregate amount of taxes as certified by the Illinois Department of Revenue and paid under the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen, on transactions at places of business located in the redevelopment project area or State Sales Tax Boundary, as the case may be, during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall determine the Initial Sales Tax Amounts for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amounts". For purposes of determining the Municipal Sales Tax

Increment, the Department of Revenue shall for each period subtract from the amount paid to the municipality from the Local Government Tax Fund arising from sales by retailers and servicemen on transactions located in the redevelopment project area or the State Sales Tax Boundary, as the case may be, the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act. For the State Fiscal Year 1989, this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, to June 30, 1989, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending June 30 to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as the case may be.

(i) "Net State Sales Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; and (c) 40% of all amounts in excess of $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary. If, however, a municipality established a tax increment financing district in a county with a population in excess of 3,000,000 before January 1, 1986, and the municipality entered into a contract or issued bonds after January 1, 1986, but before December 31, 1986, to finance redevelopment project costs within a State Sales Tax Boundary, then the Net State Sales Tax Increment means, for the fiscal years beginning July 1, 1990, and July 1, 1991, 100% of the State Sales Tax Increment annually generated within a State Sales Tax Boundary; and notwithstanding any other provision of this Act, for those fiscal years the Department of Revenue shall distribute to those municipalities 100% of their Net State Sales Tax Increment before any distribution to any other municipality and regardless of whether or not those other municipalities will receive 100% of their Net State Sales Tax Increment. For Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a State Sales Tax Boundary, the Net State Sales Tax Increment shall be calculated as follows: By multiplying the Net State Sales Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No

payment shall be made for State Fiscal Year 2008 and thereafter.

Municipalities that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991, or that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988, shall continue to receive their proportional share of the Illinois Tax Increment Fund distribution until the date on which the redevelopment project is completed or terminated. If, however, a municipality that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991 retires the bonds prior to June 30, 2007 or a municipality that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988 completes the contracts prior to June 30, 2007, then so long as the redevelopment project is not completed or is not terminated, the Net State Sales Tax Increment shall be calculated, beginning on the date on which the bonds are retired or the contracts are completed, as follows: By multiplying the Net State Sales Tax Increment by 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter. Refunding of any bonds issued prior to July 29, 1991, shall not alter the Net State Sales Tax Increment.

(j) "State Utility Tax Increment Amount" means an amount equal to the aggregate increase in State electric and gas tax charges imposed on owners and tenants, other than residential customers, of properties located within the redevelopment project area under Section 9-222 of the Public Utilities Act, over and above the aggregate of such charges as certified by the Department of Revenue and paid by owners and tenants, other than residential customers, of properties within the redevelopment project area during the base year, which shall be the calendar year immediately prior to the year of the adoption of the ordinance authorizing tax increment allocation financing.

(k) "Net State Utility Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Utility Tax Increment annually generated by a redevelopment project area; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of the State Utility Tax Increment annually generated by a redevelopment project area; and (c) 40% of all amounts in excess of $500,000 of State Utility Tax Increment annually generated by a redevelopment project area. For the State Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a redevelopment project area, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for the State Fiscal Year 2008 and thereafter.

Municipalities that issue bonds in connection with the redevelopment project during the period from June 1, 1988 until 3 years after the effective date of this Amendatory Act of 1988 shall receive the Net State Utility Tax Increment, subject to appropriation, for 15 State Fiscal Years after the issuance of such bonds. For the 16th through the 20th State Fiscal Years

after issuance of the bonds, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in year 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in year 20. Refunding of any bonds issued prior to June 1, 1988, shall not alter the revised Net State Utility Tax Increment payments set forth above.

(l) "Obligations" mean bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

(m) "Payment in lieu of taxes" means those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.

(n) "Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area, provided that, with respect to redevelopment project areas described in subsections (p-1) and (p-2), "redevelopment plan" means the comprehensive program of the affected municipality for the development of qualifying transit facilities. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting. Each redevelopment plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:

(A) an itemized list of estimated redevelopment project costs;

(B) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise, provided that such evidence shall not be required for any redevelopment project area located within a transit facility improvement area established pursuant to Section 11-74.4-3.3;

(C) an assessment of any financial impact of the redevelopment project area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand;

(D) the sources of funds to pay costs;

(E) the nature and term of the obligations to be issued;

(F) the most recent equalized assessed valuation of

the redevelopment project area;

(G) an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area;

(H) a commitment to fair employment practices and an affirmative action plan;

(I) if it concerns an industrial park conservation area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed; and

(J) if property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.

The provisions of items (B) and (C) of this subsection (n) shall not apply to a municipality that before March 14, 1994 (the effective date of Public Act 88-537) had fixed, either by its corporate authorities or by a commission designated under subsection (k) of Section 11-74.4-4, a time and place for a public hearing as required by subsection (a) of Section 11-74.4-5. No redevelopment plan shall be adopted unless a municipality complies with all of the following requirements:

(1) The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan, provided, however, that such a finding shall not be required with respect to any redevelopment project area located within a transit facility improvement area established pursuant to Section 11-74.4-3.3.

(2) The municipality finds that the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality.

(3) The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates may not be later than the dates set forth under Section 11-74.4-3.5.

A municipality may by municipal ordinance amend an existing redevelopment plan to conform to this paragraph (3) as amended by Public Act 91-478, which municipal ordinance may be adopted without further hearing or notice and without complying with the procedures provided in this Act pertaining to an amendment to or the initial approval of a redevelopment plan and project and designation of a redevelopment project area.

(3.5) The municipality finds, in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area.

(4) If any incremental revenues are being utilized under Section 8(a)(1) or 8(a)(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

(5) If: (a) the redevelopment plan will not result in displacement of residents from 10 or more inhabited residential units, and the municipality certifies in the plan that such displacement will not result from the plan; or (b) the redevelopment plan is for a redevelopment project area or a qualifying transit facility located within a transit facility improvement area established pursuant to Section 11-74.4-3.3, and the applicable project is subject to the process for evaluation of environmental effects under the National Environmental Policy Act of 1969, 42 U.S.C. 4321 et seq., then a housing impact study need not be performed. If, however, the redevelopment plan would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and no certification is made, then the municipality shall prepare, as part of the separate feasibility report required by subsection (a) of Section 11-74.4-5, a housing impact study.

Part I of the housing impact study shall include (i) data as to whether the residential units are single family or multi-family units, (ii) the number and type of rooms within the units, if that information is available, (iii) whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 is passed, and (iv) data as to the racial and ethnic composition of the residents in the inhabited residential units. The data requirement as to the racial and ethnic composition of the residents in the inhabited residential units shall be deemed to be fully satisfied by data from the most recent federal census.

Part II of the housing impact study shall identify the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited residential units are to be removed, then the housing impact study shall identify (i) the number and location of those units that will or may be removed, (ii) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed, (iii) the availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location, and cost of the housing, and (iv) the type and extent of relocation assistance to be provided.

(6) On and after November 1, 1999, the housing impact study required by paragraph (5) shall be incorporated in the redevelopment plan for the redevelopment project area.

(7) On and after November 1, 1999, no redevelopment plan shall be adopted, nor an existing plan amended, nor shall residential housing that is occupied by households of low-income and very low-income persons in currently existing redevelopment project areas be removed after November 1, 1999 unless the redevelopment plan provides, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform

Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. For purposes of this paragraph (7), "low-income households", "very low-income households", and "affordable housing" have the meanings set forth in the Illinois Affordable Housing Act. The municipality shall make a good faith effort to ensure that this affordable housing is located in or near the redevelopment project area within the municipality.

(8) On and after November 1, 1999, if, after the adoption of the redevelopment plan for the redevelopment project area, any municipality desires to amend its redevelopment plan to remove more inhabited residential units than specified in its original redevelopment plan, that change shall be made in accordance with the procedures in subsection (c) of Section 11-74.4-5.

(9) For redevelopment project areas designated prior to November 1, 1999, the redevelopment plan may be amended without further joint review board meeting or hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested party registry, to authorize the municipality to expend tax increment revenues for redevelopment project costs defined by paragraphs (5) and (7.5), subparagraphs (E) and (F) of paragraph (11), and paragraph (11.5) of subsection (q) of Section 11-74.4-3, so long as the changes do not increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted.

(o) "Redevelopment project" means any public and private development project in furtherance of the objectives of a redevelopment plan. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting.

(p) "Redevelopment project area" means an area designated by the municipality, which is not less in the aggregate than 1 1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

(p-1) Notwithstanding any provision of this Act to the contrary, on and after August 25, 2009 (the effective date of Public Act 96-680), a redevelopment project area may include areas within a one-half mile radius of an existing or proposed Regional Transportation Authority Suburban Transit Access Route (STAR Line) station without a finding that the area is classified as an industrial park conservation area, a blighted area, a conservation area, or a combination thereof, but only if the municipality receives unanimous consent from the joint review board created to review the proposed redevelopment project area.

(p-2) Notwithstanding any provision of this Act to the contrary, on and after the effective date of this amendatory Act of the 99th General Assembly, a redevelopment project area may include areas within a transit facility improvement area that

has been established pursuant to Section 11-74.4-3.3 without a finding that the area is classified as an industrial park conservation area, a blighted area, a conservation area, or any combination thereof.

(q) "Redevelopment project costs", except for redevelopment project areas created pursuant to subsection (p-1) or (p-2), means and includes the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after November 1, 1999 (the effective date of Public Act 91-478), no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

(1.5) After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;

(1.6) The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

(2) Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

(3) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;

(4) Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999, (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan, or (iii) the new municipal public building is for the storage, maintenance, or repair of transit vehicles and is located in a transit facility improvement area that has been established pursuant to Section 11-74.4-3.3;

(5) Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

(7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;

(7.5) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:

(A) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project

area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code or evidence-based funding as defined in Section 18-8.15 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(B) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition Charge equal to or more than $5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code or evidence-based funding as defined in Section 18-8.15 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts, no more than 13⅓ of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(C) For any school district in a municipality with a population in excess of 1,000,000, the following restrictions shall apply to the reimbursement of increased costs under this paragraph (7.5):

(i) no increased costs shall be reimbursed unless the school district certifies that each of the schools affected by the assisted housing project is at or over its student capacity;

(ii) the amount reimbursable shall be reduced by the value of any land donated to the school district by the municipality or developer, and by the value of any physical improvements made to the schools by the municipality or developer; and

(iii) the amount reimbursed may not affect amounts otherwise obligated by the terms of any bonds, notes, or other funding instruments, or the terms of any redevelopment agreement.

Any school district seeking payment under this paragraph (7.5) shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.5). By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

(7.7) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005 (the effective date of Public Act 93-961), a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph (7.7) applies only if (i) the library district is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph (7.7) shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units

within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed $120. The per-patron cost shall be the Total Operating Expenditures Per Capita for the library in the previous fiscal year. The municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph (7.7) shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Tax Allocation Fund.

A library district is not eligible for any payment under this paragraph (7.7) unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph (7.7) shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.7). By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

(8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or in order to satisfy subparagraph (7) of subsection (n);

(9) Payment in lieu of taxes;

(10) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and

3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;

(11) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

(A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;

(B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

(C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

(D) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act;

(E) the cost limits set forth in subparagraphs (B) and (D) of paragraph (11) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (B) and (D) of paragraph (11); and

(F) instead of the eligible costs provided by subparagraphs (B) and (D) of paragraph (11), as modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing.

The eligible costs provided under this subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under this subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (F) of paragraph (11) shall be established by guidelines

adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later;

(11.5) If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county, or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

(12) Costs relating to the development of urban agricultural areas under Division 15.2 of the Illinois Municipal Code.

Unless explicitly stated herein the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

After November 1, 1999 (the effective date of Public Act 91-478), none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman.

No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008 (the effective date of Public Act 95-934), unless no prudent and feasible alternative exists. "Historic resource" for the purpose of this paragraph means (i) a place or structure that is

included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This paragraph does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by this Act.

(q-1) For redevelopment project areas created pursuant to subsection (p-1), redevelopment project costs are limited to those costs in paragraph (q) that are related to the existing or proposed Regional Transportation Authority Suburban Transit Access Route (STAR Line) station.

(q-2) For a transit facility improvement area established prior to, on, or after the effective date of this amendatory Act of the 102nd General Assembly: (i) "redevelopment project costs" means those costs described in subsection (q) that are related to the construction, reconstruction, rehabilitation, remodeling, or repair of any existing or proposed transit facility, whether that facility is located within or outside the boundaries of a redevelopment project area established within that transit facility improvement area (and, to the extent a redevelopment project cost is described in subsection (q) as incurred or estimated to be incurred with respect to a redevelopment project area, then it shall apply with respect to such transit facility improvement area); and (ii) the provisions of Section 11-74.4-8 regarding tax increment allocation financing for a redevelopment project area located in a transit facility improvement area shall apply only to the lots, blocks, tracts and parcels of real property that are located within the boundaries of that redevelopment project area and not to the lots, blocks, tracts, and parcels of real property that are located outside the boundaries of that redevelopment project area.

(r) "State Sales Tax Boundary" means the redevelopment project area or the amended redevelopment project area boundaries which are determined pursuant to subsection (9) of Section 11-74.4-8a of this Act. The Department of Revenue shall certify pursuant to subsection (9) of Section 11-74.4-8a the appropriate boundaries eligible for the determination of State Sales Tax Increment.

(s) "State Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen, other than retailers and servicemen subject to the Public Utilities Act, on transactions at places of business located within a State Sales Tax Boundary pursuant to the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act, except such portion of such increase that is paid into the State and Local Sales Tax Reform Fund, the Local Government Distributive Fund, the Local Government Tax Fund and the County and Mass Transit District Fund, for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment

allocation financing, less 3.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amount". For purposes of determining the State Sales Tax Increment the Department of Revenue shall for each period subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, until June 30, 1989, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending on June 30, to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts. Municipalities intending to receive a distribution of State Sales Tax Increment must report a list of retailers to the Department of Revenue by October 31, 1988 and by July 31, of each year thereafter.

(t) "Taxing districts" means counties, townships, cities and incorporated towns and villages, school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

(u) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

(v) As used in subsection (a) of Section 11-74.4-3 of this Act, **"vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area,** unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that

connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act. For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

(w) "Annual Total Increment" means the sum of each municipality's annual Net Sales Tax Increment and each municipality's annual Net Utility Tax Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

(x) "LEED certified" means any certification level of construction elements by a qualified Leadership in Energy and Environmental Design Accredited Professional as determined by the U.S. Green Building Council.

(y) "Green Globes certified" means any certification level of construction elements by a qualified Green Globes Professional as determined by the Green Building Initiative.
(Source: P.A. 102-627, eff. 8-27-21.)

Thank you for the opportunity to speak.

I am an IT Executive Director at a leading fortune 500 company. While I deeply believe in my company's mission of saving water and am proud of our extensive philanthropic efforts, I am not confused that I earn my paycheck by maximizing shareholder wealth.

Henry Crown Companies is a privately held business founded in 1919. No mom-and-pop shop lasts 105 years without similar business executives who also focus on maximizing shareholder wealth.

Whether your shareholders are a family or the stock market… whether your philanthropic efforts are education or safe food.. make no mistake it's the same world of business.

As an executive myself, I'm pretty confident that if building the Grove was an economically viable project, we would have already started an environmentally conscience project the reflects the culture of this town and its people.

We don't have an actionable plan for the land in question because the business that owns it is waiting for corporate welfare. They need corporate welfare because they made an investment in land decades ago that they want to capitalize on NOW except they can't produce a viable plan that doesn't involve this community paying for it. Literally. The Tiff is a fancy made up financial loophole that politicians and corporations created a long time ago to fleece taxpayers.

Respectfully, please VOTE no.

– Carrie Boyle

Kristin Horner Sudol 6/18/24

OFFICIAL SEAL
KRISTIN HORNER SUDOL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/17/24

Village of Sugar Grove
Public Hearing
June 18, 2024

Crown has previously stated they are not willing to invest the funds necessary for the infrastructure needed for the improvements on the land that they purchased many years ago. They have previously indicated no TIF, no deal. Why should the community make that investment for them via a TIF in order for them to realize a specific profit for the Crown Family? On 2/8/2024, Forbes reported the Crown Family as the 30th America's Richest Family with a net worth of $14.7B in wealth. The local community has never been asked if this type of economic growth is suitable within 1/2 mile from our homes where many people have lived for 40 to 50 years. It has also become apparent that the VSG has not informed many of their residents what this project potentially consists of and how they view this in their community. There has not been transparency from the Village of Sugar Grove regarding this project and that is apparent given the fact that we are attending a Public Hearing tonight on the proposed TIF and have not received information on what will be developed within 1/2 mile from our homes. It is the opinion of many community members that there needs to be a referendum to allow the community to vote on this major project before the character of the community is changed forever! There are many safety issues that have never even been addressed by Crown or the Village of Sugar Grove.

Donna Baughman /Peter Baughman
[redacted]
Elburn, IL 60119
[redacted]

OFFICIAL SEAL
KRISTIN HORNER SUDOL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/17/24

Kristin Horner Sudol
6/18/24

As we sit here today, you are hearing the concerns of area residents about traffic, environment, water, safety etc. From the behavior/indifference shown by this board, those things matter very little to most of you. Jaden started the ball rolling down a different course, so let's continue.

The first TIF study that was done on this property by Moran, had the same State Statute for reference. That report stated "chronic flooding" as the reason that the property "could" qualify...not that it actually, with no uncertainty, did qualify. Crown and/or The Village Board saw the problem with the TIF report being uncertain in the property qualifying for a TIF, so they (Crown) wanted a new study done. Crown requested a new company who was more creative and aggressive with their studies. We raised the questions about the finding by Moran that this property chronically floods, so SB Friedman went a different direction, and CLAIMS that the run-off from these farm fields contributes to flooding in the 75 sq. mile Blackberry Creek watershed. I have read SB Friedman's report and fail to find one actual number of how many gallons of water run off of these fields. EEI was a party to this study, but there is no mention by them as to the amount of run-off into the watershed...just that water runs off into the watershed and "contributes to flooding". So, with absolutely no evidence to back up their statements, we are all supposed to believe that these 790 acres help flood 75sq. miles. A rough estimate of these fields would be that more than 700 acres are now planted and growing crops to be harvested in the Fall and shipped to the river or processing plants to generate income for the farmers. A rational person would deduce that if enough water ran off these fields to flood 75 sq. miles...there would not be enough water left for the farmers' crops to grow. We also have two conflicting TIF reports. One says the water stays on the property and "chronically floods" the land, and the other says NOPE, the water runs off the land...and floods somewhere else. There is GREAT doubt as the validity of anything SB Friedman has brought to the table.

SB Friedman based their study on a one-factor determination to determine blight. Their study however does not comply with State Statutes. In the statutes, Vacant land is described as not being farmed commercially for 5 yrs prior to it's designation. This land, as previously mentioned is being farmed right now. You are being handed a copy of an Illinois Appellate Court ruling where the "Vacant Land" issue is addressed. The lower court ruled, and the Appellate agreed that the Village of Orion could NOT use one factor to determine blight, because the properties were farmed commercially in the 5 years prior to the effort to determine it blighted.

SB Friedman's report is based on the same erroneous one-factor test, and is, in their own words, **irrelevant**. It violates State statute for TIF because the land does NOT meet the criteria for "Vacant Land". SB Friedman, Crown and Sugar Grove CANNOT use the one-factor test to determine this land as "blighted". ANY vote by this Board to grant a TIF using this study, leaves the Village open to a lawsuit, and would put the members voting for said TIF, in violation of their oath of office, in that they too would be breaking the State law.

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Good evening. I'm Pat Gallagher, a Sugar Grove resident. I received my master's degree in American Legal History from the University of Chicago. My thesis, which was cited in the Texas Law Review last year, happens to concern legal interpretation methods, so I believe I'm fairly well-suited to analyze the intent of the TIF Act.

SB Friedman has determined TIF eligibility through a byzantine loophole concerning surface water that contributes to watershed flooding. Given the dearth of empirical evidence, it's hard to determine whether the area in question qualifies; EEI's study does not provide any clear and convincing evidence that such flooding occurs. Interestingly, Friedman's report omits a key phrase in the statute: "so that a municipality may reasonably find that the factor is clearly present within the intent of the Act."

So, let's talk about the intent of the Act. Intent can be a controversial topic. A rich debate continues today between living constitutionalists and originalists on the Supreme Court. For now, let's sidestep that debate and look back to some of the basic rules, inherited from the English legal system, that are typically applied to statutory construction: the plain meaning rule, which interprets statutes based on the ordinary meaning of their language, and the golden rule, which allows for a modification of the plain meaning rule to avoid an absurd result.

If we refer to the beginning of the TIF Act, the goal is pretty clear: "to promote and protect the health, safety, morals, and welfare of the public... blighted conditions need to be eradicated." One would be extremely hard-pressed to argue that pristine farmland somehow endangers any of these. The beginning of the Act also specifies some of the problems TIFs seek to remedy, such as excessive and disproportionate expenditure of public funds, an abnormal exodus of families and businesses, and growth in delinquencies and crime. If anything, it actually seems like the TIF and the development will themselves lead to an excessive expenditure of public funds, increase crime, and force many families to leave due to diminishing property values, unsafe traffic, and deteriorated water quality.

Let's return to the golden rule, which, again, basically states we should go with the clear and ordinary meaning of the statutory language unless it leads to an absurd result. An absurd result is exactly what's happening here. Through its abuse of the TIF Act, Friedman is effectively concluding that all Illinois farmland is blighted and thus eligible for a TIF. Indeed, it would be quite a challenge to find a large parcel of farmland that doesn't contribute some sort of runoff to its watershed. The onus is on Friedman to show that the supposed flooding is exceptional, not typical, of farmland. As further proof of this abuse, consider that Friedman is using the exact same TIF qualifier no further away than Geneva, also on a large parcel of prime farmland. I find it impossible for a reasonable person to believe the intent of the legislature was to qualify effectively all farmland for a TIF.

This misuse of the TIF Act to label productive farmland as 'blighted' stretches the law beyond its intended scope and damages the integrity of our legislative framework. I urge you to demand a reevaluation of this TIF application to align with the clear and proper intent of the law, ensuring our community development efforts are truly beneficial and just. Thank you.

Public Hearing on TIF - VSG Board Meeting
Tuesday, June 18, 2024

Five years ago, I stood in this very room, in the same spot, fighting the same fight. Not a lot has changed in those five years – I still love my home, love this community and I am still greatly opposed to a TIF on this property.

Tax Increment Financing (TIF) started off as a tool of the best intentions – to re-energize blighted areas in communities by allowing the increase in real estate taxes generated by increased property values to help fund the redevelopment of the blighted area. Unfortunately, like so many other good intentioned ideas, it has been stretched and bent so far out of its original intentions, it is no longer recognizable in its current form.

I have included a copy of the UIC Government Finance Research article "TIF: Good Intentions Subverted" as a reference for the issues with TIFs, which is especially relevant to the current proposed TIF.

One of the major discrepancies in original intention of TIF vs. the current situation at hand is the original intent of setting up a TIF is to attract developers to participate in an area that is unattractive due to "blight" - with the cost of cleaning up due to contamination issues, rehabbing or demolishing old structures, etc - being prohibitive to development. The original intent was to make property that has sat unused, often for sale, without any interest due to these cost factors, attractive to developers for redevelopment – even allowing developers to use TIF funds to purchase the land. This TIF is for property already owned by a developer – who began purchasing the parcels of this land in 2002 (per county land records) – and has acknowledged this is a prime real estate area for development, as it surrounds an interchange with a major highway. This is not "unattractive" property for development per the developer and the village. Yet, the developer has stated loudly and clearly in many public events that they require the TIF to develop the land – trying to bully the municipality into getting the TIF approved by threatening to let the property remain farmland (with smaller real estate taxes) or sell it to "lesser" developers.

Why would the Village of Sugar Grove acquiesce to a bully – when without VSG the developer cannot have a TIF? VSG has boundary agreements with all surrounding municipalities – except Elburn – and Elburn's leadership has clearly delineated Elburn does not use TIF. The developer owns the land – but the TIF can only be done through a municipality – leaving Sugar Grove with the upper hand in this situation in regards to the TIF. The developer's only other option to develop would be to go through Kane County – and there is not TIF at a county development level.

As a community member whose home & property are within 30 feet of the proposed TIF, I am very concerned for the detrimental effects the TIF will have on the municipal services available to people in our area. We had a barn fire on our property in 2009 – and ECFPD reacted quickly and effectively at my rural home to get the fire put out. There will be additional buildings in the new development to service by the fire departments (as well as other community services) – but due to the TIF, no additional real estate tax revenue to provide additional employees or equipment to meet the service needs. The next community member who has a structure fire may not be as lucky as we were. And while TIF does not increase real estate taxes directly, when the municipal service providers do not have the funds they need to provide increased services to the additional needs of development in the TIF district, these financial needs will have to be funded by those outside the TIF district – likely by an increase in real estate taxes.

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While TIF is a legal financing structure – and in its original intended form, an idea with good intentions - in its current form this TIF is unethical and irresponsible. It pulls much needed tax dollars away from the taxing bodies who need the funds to support the community with various services (fire, police, road, assessor, education, mental health and others) – and puts them in a corporate pocket as a higher rate of return for the developer. Yes – other municipalities are using TIF in its bent and stretched form to develop their communities – that doesn't make it ethical or responsible. Other communities are also deep in debt – to the tune of tens to hundreds of millions of dollars, thanks to their use of TIF (examples include Bolingbrook, Romeoville and Elwood).

I ask all of the Board Members to take the time between this hearing and the date of the vote on this TIF to reach out to other communities that have used TIF and are now drowning in debt to discuss how detrimentally this has affected their community. Also, please talk to community members here and ask why they are opposed to the TIF – and ask them to share their research with you. There are a lot of us here tonight that have spent a lot of time in the last 5 years trying to stay on top of the situation. Please ask us to share our concerns with you – we will be happy to do so.

Thank you for the opportunity to speak, and your time and attention on this matter.

Judie Childress

UNIVERSITY OF ILLINOIS CHICAGO

Government Finance Research Center
College of Urban Planning and Public Affairs

Tax Increment Financing (TIF): Good Intentions Subverted

October 5, 2021

By Greg LeRoy, director, Good Jobs First, a nonprofit watchdog group focusing on economic development incentives.

Tax Increment Financing (TIF), which began as a targeted tool has, over time, become a fiscal termite, an engine of sprawl, and a subsidy for monopoly retail. In an era of rising government transparency, it remains poorly disclosed. In my decades working on economic development incentives, TIF has been the most common problem I've encountered.

TIFS are a geographically targeted economic development tool. They capture the increase in property taxes, and sometimes other taxes, resulting from new development, and divert that revenue to subsidize that development. That diversion means local public services do not get the new revenue they would normally get from new re/development.

Like their cousins, enterprise zones, TIFs in some states began with good intentions but have strayed so far and become so costly they are having lots of unintended consequences. Here are seven that have emerged from the work we've done at Good Jobs First: [https://www.goodjobsfirst.org/tax-increment-financing]

#1: The Intergovernmental Free Lunch: States give cities the power to create TIF districts even though the taxes that are diverted will typically also come at the expense of school districts, county governments, and other local taxing bodies — which usually lack any power to avoid such losses.

#2: The "Ravenous Increment" Problem: As a Chicago community group documented about 20 years ago, the property values in many of the city's neighborhoods that use tax increment financing TIF districts had been rising before the TIF district was designated. But when the TIF districts were created, the pre-existing growth that would otherwise have kept going to support schools and other public services became part of the "increment." In Illinois, that diversion of naturally occurring revenue growth lasts 23 to 35 years.

#3: "Blight" Defined by Local Option: States often require that a TIF district be declared as "blighted." Over time, this goal has been subverted, either by deregulation or litigation. Virginia allows a TIF anywhere it will "promote commerce and prosperity." Missouri's highest court allowed an aff St. Louis suburb to "blight" a shopping mall so that it could attract a Nordstrom store with a $41 TIF.

#4: "But For" that Blocks Public Accountability: Some states require a developer to certify that "but for" the TIF, the project would not occur. But this supposed anti-windfall safeguard is really no protection at all: States don't give cities the right to investigate a company's internal records about such decisions. The developer says, "trust me" and the public never really knows what factors drove the company's decision.

Based on research at Good Jobs First, I think the real purpose of this rule can be to disable criticism of public officials. If they get criticized, they can point to the "but for" certification as "proof" the project wouldn't otherwise have gotten built. No one can credibly question that claim, so the criticism dissipates.

#5: Fueling Suburban Sprawl: Vacant or agricultural land, with its low base value, is attractive to developers and TIF-bond transactors because all the new improvements will count towards the increment. In Wisconsin, anti-sprawl advocates decried a TIF district in Baraboo that paved an apple orchard for a Walmart store. But the low assessed value of farmland meant a low base value and a resulting big increment. It was not unusual: a study co-authored by David Merriman at the University of Illinois Chicago[https://www.jstor.org/stable/27759704] found that over a 14-year period, 54% of the newly annexed land in the Badger State was TIFed: i.e., sprawling TIF districts on the fringes of city limits.

#6: Building Excess Retail Space: The use of TIF for retail can undermine local jobs and tax revenues. In the St. Louis metro area, the East-West Gateway Council issued a scathing study [https://www.ewgateway.org/wp-content/uploads/2017/08/TIFFinalRpt.pdf] documenting $2 billion in TIF for malls and big-box stores given by St. Louis suburbs. Meanwhile, in the central city and inner-ring suburbs, retail establishments closed, tens of thousands of workers were laid off and the suburbs got the transferred buying power. Feeble retail job growth meant a per-job subsidy of more than $370,000.

When a TIF creates duplicate capacity like excessive retail space, it merely transfers jobs and revenue; it does not create net new growth. Consumers do not have more money with which to shop just because they have more places to shop. Yet TIFs have figured prominently in the aggressive subsidy strategies of a number of major retailers subsidizing the monopolization of U.S. retailing and all the problems associated with declining entrepreneurship and Main Street life.

#7: Poorly Disclosed Costs: Only a handful of states maintain rudimentary statewide databases on TIF districts, and a new government accounting rule is failing to capture many TIF revenue diversions. Since 2017, under GASB Statement No. 77 on Tax Abatement Disclosures [https://www.goodjobsfirst.org/gasb-statement-no-77], most local government bodies have been required to report (in their Annual Comprehensive Financial Reports) how much revenue they lose to economic development "tax abatements."

Because a TIF usually diverts taxes rather than exempting them, GASB has struggled in its rulings on how Statement 77 applies to the three variations of TIF. We at Good Jobs First have a strong recommendation for GASB: The board should issue a TIF-specific Statement that clearly defines them all as abatements.

Paige Gravitt by proxy

Members of the board,

My comments are being read on my behalf tonight because I was unable to attend this meeting. I am a Meteorology Professor and the discipline chair of the Earth Science department at the College of DuPage. Right now I am away leading a field studies course, and during this course students will learn about objectively assessing data and the importance of scientific integrity. It has come to my attention that the productive farmland being discussed tonight has been described as "blighted" in order to be eligible for a TIF. This determination was made based on a claim that much of the land "contributes to" downstream flooding. However, no examples were given for how much this land contributed to floods... in fact, there were no mentions of any specific floods that this land may have

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contributed to. The only justification given for this claim is that this land is part of a watershed, and water flows downhill. Using this logic, thousands of properties in the area would also be "blighted". Furthermore, the great irony of all of this is that large developments and warehouses greatly increase runoff and contributions to downstream flooding when compared to farmland. It is disheartening to see village leadership that does not value scientific integrity. It is even more disheartening to see village leadership that believes their voices are more important than their constituents' voices. Why not hold a referendum on a financial decision on a scale never before seen? Why not hold a referendum on a decision that will forever change the character of the entire area, not just Sugar Grove? Is a lack of integrity and a refusal to hear the voices of

your constituents the legacy you want to leave behind? I hope not, but it seems as if time is running out soon on any change for the better.

THE TIFF IS TAXPAYER MONEY THEFT. YOU'RE TAKING TAXPAYER MONEY,MY MONEY, AND GIVING IT TO ONE OF THE WEALTHLEST FAMILIES IN THE COUNTRY.

IF THE WAREHOUSE PROJECT GOES THRU, WE WILL SEE PROPERTY VALUES GO DOWN AS DOCUMENTED IN OTHER SIMULAR DEVELOPMENTS.

RT 47 IS ALREADY TREACHEROUS DUE TO THE INCREASED TRUCK TRAFFIC, THE LACK OF TRAFFIC LAWS OBSERVED AND ENFORSED.

WE ARE STRONLY OPPOSED TO THIS TIFF AND THE WAREHOUSE.

Carol Green-Clerk

John G Clerk

Black Berry township

Ross D. Powell
[redacted]
Elburn, IL 60119

June 17, 2024

Letter of Concern to Village of Sugar Grove Trustees
Sugar Grove, IL 60554

Dear SG Trustee

I am writing ahead of the public TIF hearing to provide you my perspective, allowing me to present more detail here than I will have time for in a 3-minute presentation. I live in Nottingham Woods subdivision in Blackberry Township and have done so for over 30 years.

I am a geoscientist having conducted research for about 50 years, and although I am neither a 'Professional Geologist' nor 'Professional Engineer', I have led international research projects funded in the $10s of millions and have published scientific papers in the most prestigious scientific journals such as '*Nature*'. So I do have a scientific research pedigree and understanding about scientific quality.

The arguments being made to justify a TIF district for the Crown development area, are at their core, geoscientific and hence I consider that I have a depth of knowledge appropriate in understanding what is being called "blighted". Furthermore, I also have a thorough knowledge of the possible changes in water resources that may be caused by the proposed development, potentially leading to substantial harm to communities living in this area, without proper scientific analysis.

I have studied the documents from EEI and SB Friedman companies which they used to determine that the land of the Redevelopment Project Area or RPA, is "blighted". I consider that public information is completely insufficient for making a scientific determination that the land can be characterized as "blighted" based on potential flooding.

They claim that 88% of the runoff from the RPA contributes to downstream flooding in the Blackberry Creek watershed. However, there is no public detailed documentation of that claim, providing:
- how and why that percentage was determined scientifically,
- no map is provided documenting where that 88% comes from within the RPA,
- no statement is provided of what criteria were used to define the 88%,
- no justifications are provided for using those criteria,
- no discussion is provided of how those criteria were put into practice in the assessment; and
- no assessment is provided as to what proportion of rainstorm water is determined to be runoff rather than infiltration based on soil types, ground cover and slope.

I have since clarified with the Clerk of SG, that there are no such documents in the Village's possession and so I presume each of you has no knowledge of such information required to verify the runoff/flooding claim. Perhaps EEI/Friedman have done such analyses, but not passed them on to SG? I would hope you will require such proof and require a scientific analysis of the data and interpretations, before making your decision.

Here are a couple of examples to demonstrate the absurdity of the runoff/flooding claim for characterizing "blight". It is a basic scientific fact that any topographic high area (hill) contributes runoff to lower lying areas within a drainage basin during rainstorms, and hence has the tendency to cause flooding in downstream areas of a creek or river. Using these criteria, it is logical to suggest that Johnson's Mound Forest Preserve is "blighted" and should be redeveloped because it is a topographic high within the Blackberry Creek Watershed and is bound to contribute to flooding downstream. The argument also logically leads to a preposterous conclusion that 40% of the US should be classified as "blighted" because that area contributes to flooding by the Mississippi River!

In any scientific study that I could get funded, I would be required to include those data and assessments mentioned above, but there are at least two more aspects that would be required without being laughed out of the funding

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agency's door. Any legitimate scientific study would need to determine the ***significance*** of this assessment of "blight". A couple of suggestions are:

1. Evaluate just how significant the concern is for flooding. That is, assess the size of rainstorm required to create detrimental flooding and then predict the frequency of such rainstorms. Plus, demonstrate how and why that size and frequency of flood was determined and chosen from all options. (All of which is feasible through current computer modeling, and such approaches are certainly required in any scientific predictions such as for climate change scenarios.)
2. Determine what proportion of Blackberry Creek floodwaters is contributed from the Crown area relative to the total 73 sq mi of the watershed. That would detail the true significance that this small RPA has on all Blackberry Creek flooding.

Further on flooding issues, following the 1996 Blackberry Creek flooding that cost $14M, the county commissioned a couple of reports, published in early 2000s, using expert panels to establish ways to avoid such disasters happening in future. They used population projection estimates for the county to grow through 2020 and their projections were quite accurate. As we've seen from here and other places, flooding from massive rainstorms is increasingly more likely now, and in the future. Has the planning committee also used these reports to guide them in their planning? If so, how were they factored-in, after all, this RPA is a very small part of the total watershed?

Other major concerns of mine involve issues of groundwater, its continued supply, and its water quality.

The Illinois State Geological Survey (ISGS), the Illinois State Water Survey (ISWS) and the Illinois Dept of Natural Resources (IDNR) have produced several reports through the earlier 2000s, addressing water resources, shallow and deep aquifers, groundwater flow and potential contamination issues in the Blackberry Creek Watershed, Kane County, and specifically Sugar Grove.

They have considered issues such as recharge rates compared with withdrawal rates from the aquifers given population projection scenarios as well as the potential for groundwater contamination of shallow aquifers from which many in Sugar Grove and Blackberry Township draw their potable water. Have you as a trustee used these reports to guide you in your planning? And if so, how did it influence your thoughts?

Important concerns in this regard are the likelihood of major changes in recharge rates of the shallow aquifers after regrading of the proposed RPA, and the likelihood of contamination of shallow aquifers that residents in unincorporated Blackberry Township depend on for their potable water from private wells.

For reference here, I am referring to the sand and gravel aquifers shown in yellow in this figure below from Kelley et al. (2016) and not the deep bedrock aquifers.

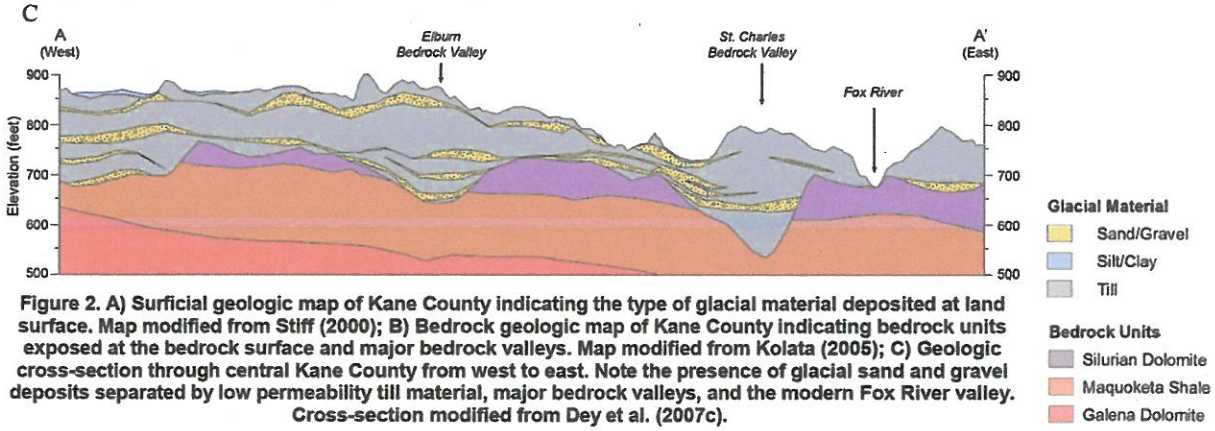
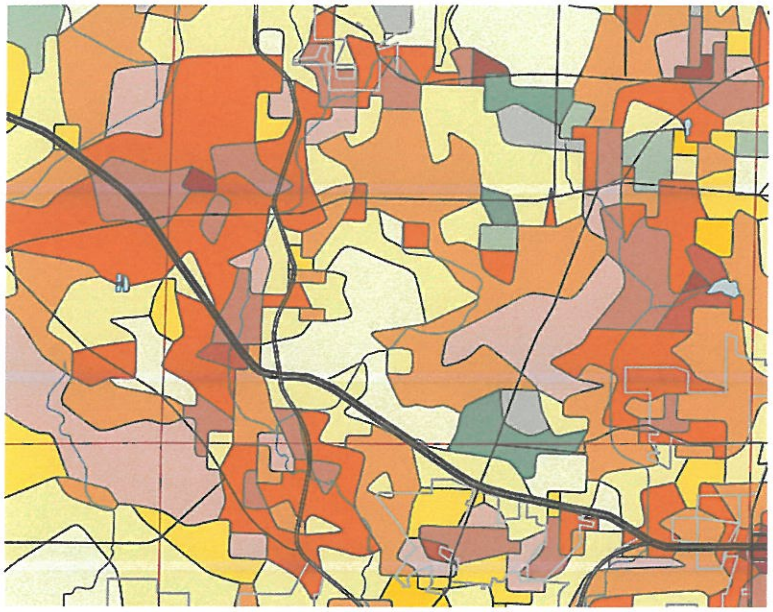


Figure 2. A) Surficial geologic map of Kane County indicating the type of glacial material deposited at land surface. Map modified from Stiff (2000); B) Bedrock geologic map of Kane County indicating bedrock units exposed at the bedrock surface and major bedrock valleys. Map modified from Kolata (2005); C) Geologic cross-section through central Kane County from west to east. Note the presence of glacial sand and gravel deposits separated by low permeability till material, major bedrock valleys, and the modern Fox River valley. Cross-section modified from Dey et al. (2007c).

The map segment and reference key below are taken from:
Dey, W.S., A.M. Davis, and B.B. Curry, 2007, Aquifer Sensitivity to Contamination, Kane County, Illinois: Illinois State Geological Survey, Illinois County Geologic Map, ICGM Kane-AS 1:100,000 (http://www.isgs.uiuc.edu/maps-data-pub/icgm/pdf-files/kane_co_as_icgm.pdf)



Aquifer Sensitivity Classification

Map Unit A: High Potential for Aquifer Contamination
The upper surface of the aquifer is within 20 feet of the land surface and the aquifer is greater than 20 feet thick.

- A1 — Aquifers are greater than 50 feet thick and are within 5 feet of the land surface.
- A2 — Aquifers are greater than 50 feet thick and are between 5 and 20 feet below the land surface.
- A3 — Aquifers are between 20 and 50 feet thick and are within 5 feet of the land surface.
- A4 — Aquifers are between 20 and 50 feet thick and are between 5 and 20 feet below the land surface.

Map Unit B: Moderately High Potential for Aquifer Contamination
The upper surface of the aquifer is within 20 feet of the land surface and the aquifer is less than 20 feet thick.

- B1 — Sand and gravel aquifers are between 5 and 20 feet thick, or high-permeability bedrock aquifers are between 15 and 20 feet thick, and either aquifer type is within 5 feet of the land surface.
- B2 — Sand and gravel aquifers are between 5 and 20 feet thick, or high-permeability bedrock aquifers are between 15 and 20 feet thick, and either aquifer type is between 5 and 20 feet below the land surface.

Map Unit C: Moderate Potential for Aquifer Contamination
Aquifers are between 20 and 50 feet below the land surface, and the overlying material is fine grained.

- C1 — Aquifers are greater than 50 feet thick and are between 20 and 50 feet below the land surface.
- C2 — Aquifers are between 20 and 50 feet thick and are between 20 and 50 feet below the land surface.
- C3 — Sand and gravel aquifers are between 5 and 20 feet thick, or high-permeability bedrock aquifers are between 15 and 20 feet thick, and either aquifer type is between 20 and 50 feet below the land surface.

Map Unit D: Moderately Low Potential for Aquifer Contamination
Upper surfaces of sand and gravel or high-permeability bedrock aquifers are between 50 and 100 feet below the land surface, and the overlying material is fine grained.

- D1 — Aquifers are greater than 50 feet thick and are between 50 and 100 feet below the land surface.
- D2 — Aquifers are between 20 and 50 feet thick and are between 50 and 100 feet below the land surface.
- D3 — Sand and gravel aquifers are between 5 and 20 feet thick or high-permeability bedrock aquifers are between 15 and 20 feet thick and either aquifer type is between 50 and 100 feet below the land surface.

Map Unit E: Low Potential for Aquifer Contamination
Aquifers are greater than 100 feet below the land surface, and the overlying material is fine grained.

- E1 — Sand and gravel or high-permeability bedrock aquifers are not present within 100 feet of the land surface.

Haeger Diamicton at the Land Surface
The overprint pattern indicates areas where the Haeger diamicton is at the land surface. Diamicton of the Haeger Member of the Lemont Formation is a sandy loam and contains abundant, discontinuous lenses of sand and gravel. The presence of this diamicton over an aquifer does not offer the same potential protection from contamination as an equal thickness of finer-grained diamicton. Areas with the pattern have higher sensitivity to contamination than areas without the pattern.

- Haeger diamicton at the land surface

The map segment above shows the area around the intersection of IL Route 47 and Interstate 88 where planned warehousing and a truck stop are being planned in the RPA development. As can be clearly seen in the map, many of the shallow aquifers cross IL47 from the RPA into the neighborhoods where residential wells tap into them. Furthermore, when the reference key is used, many of the aquifers in the proposed development area have a high to moderate potential for contamination. So, there are two concerns involved here:

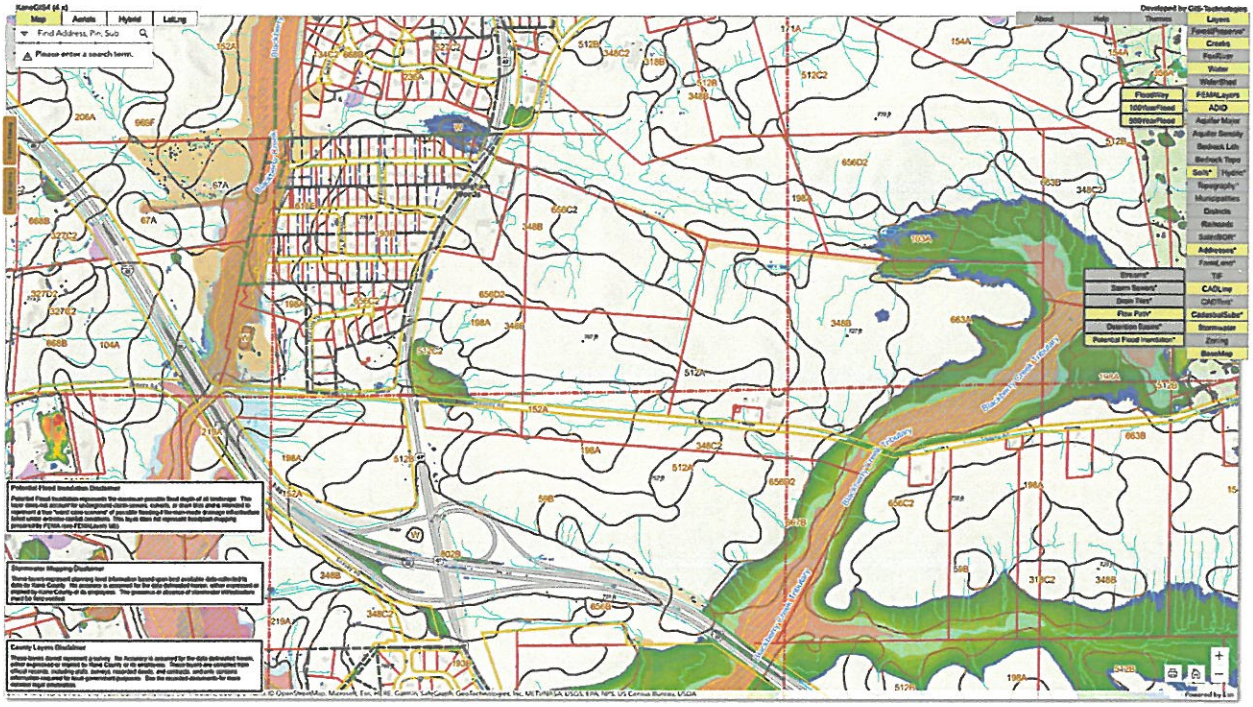
1. The lowering or cutting of recharge rates of the shallow aquifers, by regrading of the land to create large flat areas for the developments, plus the covering of the land surface by buildings and blacktop. These are the same aquifers supplying water to nearby neighborhoods, and cutting into them or sealing them off from surface infiltration can ruin recharge of the aquifer(s) for nearby residents.
2. The potential contamination by fuel, oil, heavy metals, etc. in runoff from the black-topped areas of these aquifers that provide all the potable water for nearby communities. Runoff from industrial and blacktop areas used by heavy vehicles is known to substantially increase groundwater contamination. Also, because of the topography of this area, the truck stop site would need to be regraded, plus its fuel storage tanks will

need to be excavated further underground. Both actions will likely lead to contamination of the highly sensitive shallow aquifers.

All of these aspects are alarming from an environmental point of view, both for contaminating surface waters that flow into Blackberry Creek and local residential areas during flooding events, and for contaminating the shallow aquifers. Ultimately, have you been provided appropriate documents so you can assess these potential consequences thoroughly with the aid of appropriate experts? I would also be interested to know if these documents exist, are they available to the public?

A further concern is how will stormwater runoff from the regraded RPA be handled, especially with the likelihood of what had been termed "100-year flood" events increasing in frequency due to climate change? And what is the likelihood that that runoff will be contaminated and pollute shallow aquifers, wetlands and Blackberry Creek?

The map segment below shows the area around the intersection of IL Route 47 and Interstate 88 where warehousing and a truck stop are being planned. The map is taken from an online map database KaneGIS4 that can be accessed at https://gistech.countyofkane.org/gisims/kanemap/kanegis4_agox.html#. It is possible to show different attributes on the map by selecting different layers – the options are displayed in the top right-hand corner of the map figure. Options selected for this figure are: Creeks, Water, FEMA layers (Floodway, 100 year flood, 500 year flood), ADID, Soils, Addresses, CADline, Cadastral Subs, Stormwater (Flow path, Potential flood inundation), and Base Map.



This area where the warehousing complexes are proposed, is one of the higher relief areas of Kane County. I understand from "*The Grove*" plans that much of this map area will need to be regraded during construction development to flatten it for creating a footprint for large warehouse structures and blacktop driveways and parking areas. As is clear from the map, any regrading will greatly affect runoff over the whole area.

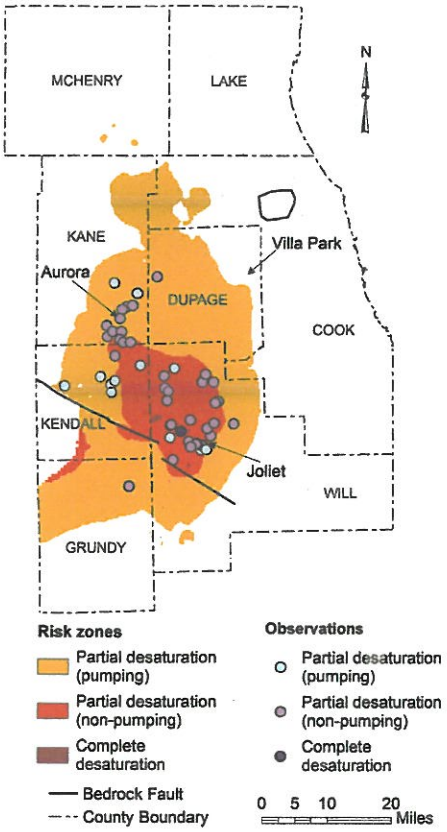
Commonly during large rainstorm events the areas colored green and orange will be flooded and the question is how would that be altered after proposed development. As has been well documented in scientific literature, bare farmland can absorb much more water more rapidly than areas covered with buildings and blacktop. Hence the volumes of floodwater shown here for past "50/100-year floods" is most likely to be much larger. If you add to that, the predictions that extreme rainstorm events are going to be increasingly likely in future due to climate change, the area could suffer major flooding. Furthermore, that flood effect could be felt farther downstream on Blackberry Creek in densely populated areas including "The Grove". I have heard that new retention basins will be constructed in an attempted to deal with this problem, but as no plans of such measures have been made public, given my concerns above, I remain skeptical, as I hope you do.

The remaining concern for me is where the water will come from to sustain "*The Grove*" development.

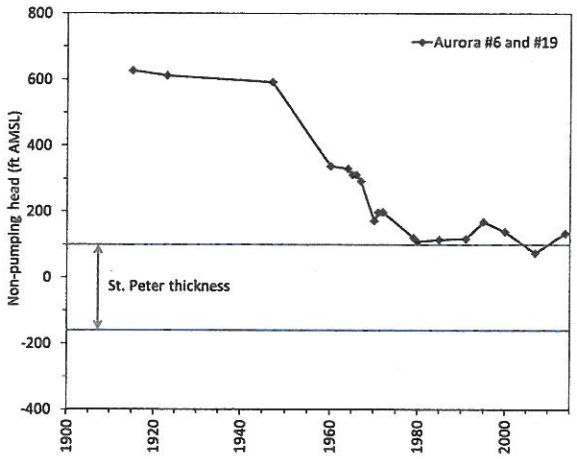
The quotes and their images below are taken from: *Mannix, Devin H., Abrams, Daniel B., Hadley, Daniel R., Roadcap, George S., Kelly Walton R., 2015, Groundwater Availability in Northeastern Illinois from Deep Sandstone Aquifers. Fact Sheet 2 from ISWS Contract Report 2015-02.*

[Note that "potential head" of water in an aquifer is basically the energy it has due to the elevation of its upper surface (or "water table") above mean sea level, and it can reflect how fast groundwater can flow in an aquifer. If the amount of water being withdrawn from a well is far greater than the rate at which groundwater in the aquifer is flowing toward the well, the water table depresses and gets lower around the well (termed "a cone of depression"), and that part of the aquifer becomes "desaturated". If this occurs, the well may need to be drilled deeper into the aquifer. But if demand continues to be greater than the rate at which groundwater can recharge it, the well will run dry.]

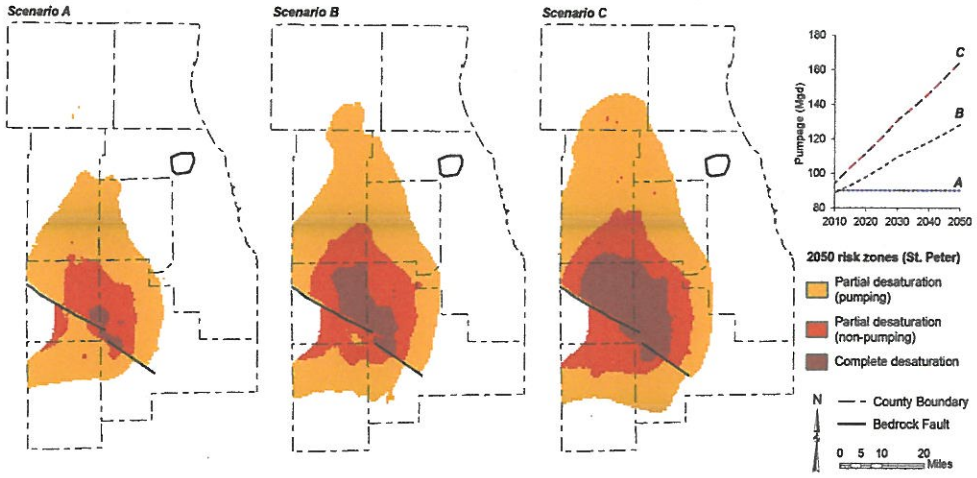
"The risk of desaturation in the 2014 map [below] was developed using the data obtained from the synoptic measurements. Also shown are wells where desaturation has been observed since 2000. As little recovery has occurred in the risk area, historical observations are shown alongside 2014 synoptic measurements."



"The projected risk of desaturation for 2050 was developed using a groundwater flow model discussed in Roadcap et al. (2013); three scenarios are depicted in Figure 4 [below]. Scenario A holds 2011 pumping rates constant (the most complete data available at the time of model development). Scenarios B and C simulate increased water demand based on projections developed for northeastern Illinois using socioeconomic and climate data (Dziegielewski and Chowdhury 2009). All simulations indicate that the risk of desaturation will increase between 2014 and 2050 for most areas."



"As the three scenarios depict here [below], the future extent of desaturation will depend on the rate of withdrawals from sandstone aquifers. Unconstrained pumping from these sandstones will result in further desaturation. Switching to alternate sources of water will increase the viability of the aquifers for those who have few alternatives, such as residential well owners and industries, though local geologic complexity leaves the long-term viability of the aquifers in question for some areas with heavy withdrawals. As this problem has developed from the combined influence of sandstone withdrawals across the region, it is our recommendation that communities collaborate in planning for future land use and water supply decisions."



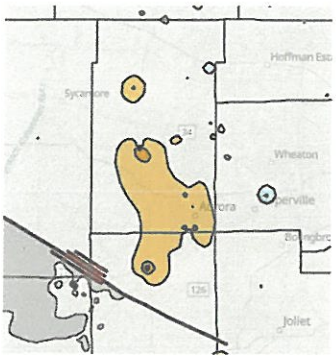
The following six figures and tables along with their descriptions, show the lowering of potential head in the two major deep bedrock aquifers (the St. Peter and Ironton-Galesville Sandstones) in the local Aurora-Sugar Grove-Elburn area over a period of only 6-7 years, between 2014 and 2021. The information (quotes and their images) below is taken from:

Hadley et al. (2023) Changing Groundwater Levels in the Sandstone Aquifers – Synoptic measurement of deep sandstone wells in 2021 throughout northern Illinois. IDNR Best online storymaps arcgis https://storymaps.arcgis.com/stories/6a8ff45c39134e168da93b45626fef36).

Head Change in the St. Peter Sandstone (2014-2021)

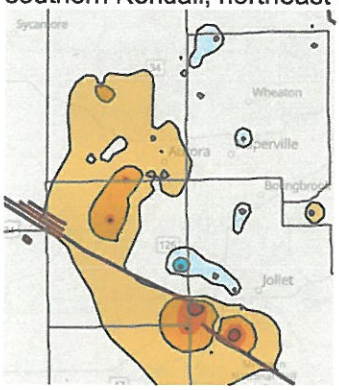
"St Peter Sandstone heads are also low (generally less than 200 feet above mean sea level) in southwest Kane County near St. Charles, Geneva, Batavia, Aurora, North Aurora, and Montgomery."

"In southern Kane and northern Kendall Counties, heads declined by over 25 feet generally and by as much as 100 feet, due to withdrawals from numerous communities (Elburn, Sugar Grove, Aurora, North Aurora, Montgomery, and Yorkville)." [below]



Head Change in the Ironton-Galesville Sandstone (2014-2021)

"In southern Kane and northern Kendall Counties, heads also declined by over 25 feet but over a greater area that extends to the Sandwich Fault Zone. This head decline of over 25 feet also extends through a large portion of southern Kendall, northeast Grundy, and western Will Counties." [below]

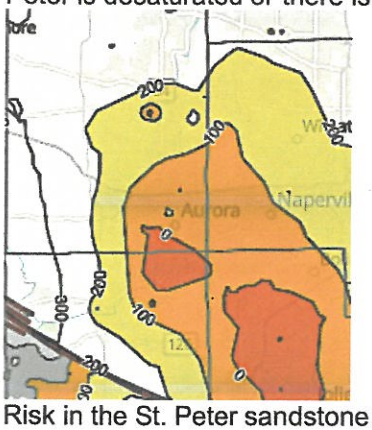


Level of risk in the sandstone aquifers based on available head.

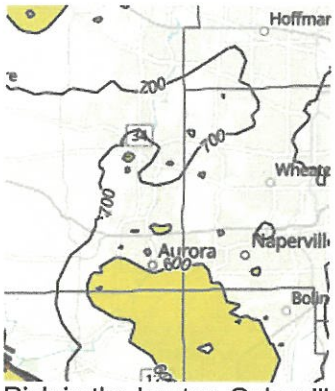
Category	Risk threshold (head above aquifer top in ft)		Description	Associated risks to wells
	St. Peter	Ironton-Galesville		
Medium	100-200	400-600	Vulnerable if new withdrawls are added to system	Possible decline in well performance/specific capacity Small capacity SP wells become High-risk with unforeseen multi-aquifer well High-capacity IG wells become High-risk with unforeseen IG demands
High	0-100	200-400	Risk of well inoperability	Possible pump failures due to sand entrainment Possible pump failures due to loss of suction (dry pumps)
Severe	< 0	< 200	Effective loss of aquifer	Disruptions to water supply Small capacity SP wells dry unless pumps are lowered below aquifer High-capacity IG wells effectively gone, pumps can't be lowered

SP, St. Peter; IG, Ironton-Galesville.

"The most important feature to note is the large region in Kane, Kendall, DuPage, and Will Counties where the St. Peter is desaturated or there is less than 100 feet of available head." [below]



Risk in the St. Peter sandstone in 2021.



Risk in the Ironton-Galesville sandstone in 2021.

Specific Capacity considerations

This table below taken from the same study (Mannix et al., 2015) considers "Specific Capacity" values at sandstone wells in the study area. Specific Capacity is a measure of the rate at which water can be pumped from a well and lower the water table in the well. It is measured in the number of gallons per minute water can be pumped out, per 1 foot of water level lowering in the well.

Mannix et al. state that "specific capacity also varies spatially over the study area. The areas of Rockford, DeKalb/Sycamore, northern Cook County, and DuPage County tend to have wells with larger specific capacities. In contrast, Northern Lake, McHenry, Kane, Kendall, and Will Counties tend to have smaller specific capacities."

	Specific Capacity (gpm/ft of drawdown)			
Well Open Intervel	*n*	Min	Max	Average
St. Peter	21*	0.6	22.1	6.0
Ironton-Galesville	85	1.5	26.3	7.3
St. Peter and Ironton-Galesville	105	1.4	165	14.2

**Two Somonauk wells excluded due to location in weathered portion of St. Peter sandstone*

Specific capacity is relevant when considering increasing population size because the more water usage at any one time by a large number of users, or one specific industrial user can lead to wells running dry at peak usage times (like power outages during high temperatures). Currently regional water sources are being depleted faster than they can recharge. For a 97% population increase (a total of ~18,735 people) living in Sugar Grove in 2050, leads to a projected use of over 1.3 million gallons of groundwater per day for a 51% increase from 2015's pumpage.

As an example of possible warehouse/industry use I present quotes from a study about data-center water usage from "*Mytton, D., Data centre water consumption. NaturePJ - npj Clean Water 4, 11 (2021) https://doi.org/10.1038/s41545-021-00101-w)*". I realize data centers are in the process of trying to mitigate their water consumption and usage can vary on size, however, this is a reminder of extremely important aspects to consider in future planning. "A medium-sized data center (15 megawatts (MW)) uses as much water as three average-sized hospitals, or more than two 18-hole golf courses. Some progress has been made with using recycled and non-potable water, but from the limited figures available some data center operators are drawing more than half of their water from potable sources.... A small 1 MW data center using one of these types of traditional cooling can use around 25.5 million liters [6.75 million gal] of water per year."

So, if there is a medium-sized datacenter (15MW as per the paper cited above) it could use 101.25 million gal of water per year, which is equivalent to about 0.7 gpm. That could mean, according to the specific capacity table above, that a warehouse datacenter could significantly contribute to large drawdowns of the deep aquifers in this area, because it alone is at least half the minimum specific capacities of the aquifers.

In closing I should note that I have submitted FOIA requests for all these data and scientific assessments that have been evaluated by the Sugar Grove administration and have received responses primarily saying that no such data or assessments are available.

I urge you to consider whether you are comfortable in understanding all of these aspects and future impacts on all communities in Sugar Grove and Blackberry Townships. I personally am not, and I would vote "no".

Sincerely

Dr Ross D. Powell
Board of Trustees and Distinguished Research Professor Emeritus
Northern Illinois University

[redacted]
Elburn IL 60119

[Please note I am writing as a private citizen and not representing opinions of Northern Illinois University.]

This is a bad deal. Crown knows it's a bad deal. If it wasn't the bulldozers would already be out there levelling the farm fields and there would be no ask for a $350 million-dollar TIF.
Crown knows it's a bad deal which is why they want to gamble with the taxpayers of Sugar Grove's money rather than with their own. It is also why they have written into the deal a very generous return on investment for themselves.

The recent joint review board knows this is a bad deal as evidenced by the three no votes and the six who voted present rather than risk the potential wrath of the village board had they voted their conscience and voted to deny this TIF. In fact, the only three yes votes came from Jen Konen and her handpicked lackey community representative, Susan Smith (more about her in a minute) and inexplicably the rep for WCC. Even the village's attorney said "everyone knows TIF's are bad."

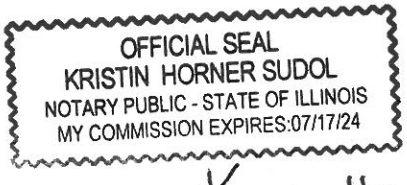
The people in attendance tonight also know this TIF is a bad deal. That is why they are once again showing up en masse to oppose this proposal.

So, the only people who seem to think that this is a good deal are Jennifer Konen and her Village of Sugar Grove lackey's.

Throughout this process I have avoided any personal attacks or insults. I believe them to be counterproductive, immature and stemming from a place of fear, insecurity and weakness.

However, I will say though, that I find it very disappointing that the village president, who last time around was staunchly on this side of the opposition to this is the one who approached Crown to resurrect a warehouse light version of it once she was elected.
There is the pie in the sky promise of a town center (not in the center of town), replete with beer gardens and swan boats and folksy mom and pop retailers peddling their ethically sourced wares to eager shoppers.

The only problem is that no one, will want to construct a quaint, rural town center next to millions of square feet of warehouses with unregulated and



6/18/24
Kristin Horner Sudol

unenforceable developer friendly zoning that only serves to further enrich a billionaire family and which puts the community's safety at risk.

You wouldn't put a strip club next to a school. Well maybe you guys would but we would not.

Sometimes people make mistakes. Sometimes rather than admitting our mistakes, we double down on them. We dig the hole deeper hoping to save face. It is a common mistake that compounds the original problem.

This happens frequently in construction projects. Original estimates are submitted, construction begins and then the costs rise. Rather than abandon the project, more money is thrown at the project with assurances that this time it will work. Inevitably there are more problems and good money is thrown after bad. An original $10 million ends up costing ten time this amount. It becomes a bottomless pit. In this case, due to the TIF ask, the bottomless pit will fall squarely on the backs of the taxpayers instead of where it should lie, the billionaire corporate welfare seeking Crown Community Development.

There is a term for this phenomenon, it is called cognitive dissonance. It is where the evidence is in opposition to our beliefs and rather than pivot to what the evidence shows, we desperately cling to the notion that if we just stick to our position, we can achieve the desired outcome.

This TIF is an example of cognitive dissonance. By agreeing to the terms of the TIF, I will get a shiny town center. Even a child could see that this is not going to happen. The people assembled here are opposed to having their resources, financial and environmental squandered and they absolutely do not want the inevitable warehouse sprawl that will inevitably follow when the swan boats and fishing pond fail to materialize.

Now, if there is a more nefarious reason for continuing to promote this project that really only serves to benefit one of the wealthiest families in the world, then we, the stakeholders should know about it.

If you, Jennifer Konen, are being threatened or coerced in any way by Crown or it's constituents to vote in favor of this disastrous project, you should report it to the authorities.

If you are not being threatened and there is a quid pro quo in this deal for you, then you are a corrupt individual. This may be closer to the truth as evidenced most recently by your rabid desire to appoint yourself chair of the JRB on May 22nd. even before the meeting came to order. And next by jumping out of your seat to nominate you handpicked lackey Susan Smith to the community representative role and forcing a vote with no discussion or open application process. Shameful

If there is a quid pro quo, it will eventually be uncovered and you will likely join the illustrious ranks of Edward Burke, Michael Madigan, Rob Blagojevich and a whole host of other officials in the state of Illinois. Maybe you will be able to play Orange is the New Black with Tiffany Aiesha Henyard, the mayor of Dolton Il.

I urge the rest of you to respect your commitment to serve the community in your roles as trustees and to put our environment and the will of the people who live here and cherish the beauty and rural charm of our community first by voting no to this TIF and the detrimental proposal it will unleash. This is not a development of land; it is a degradation of resources that will indebt the taxpayers and irrevocably destroy the environment.

Farmland is not blight and there is no flooding. Please vote no.

Rick Boyle

Good Evening,

I am here to speak against the proposed Tax Incremental Financing (TIF) development.

At first glance, Tax Incremental Financing sounds sweet and innocent, doesn't it? But let's be honest about what it really is: Tax Theft. This plan takes money from hard-working taxpayers and gives it to big corporations. And what do we get in exchange?

We are promised big dreams: beer gardens, property for a new village hall, a new downtown, walking paths, and beautiful lakes with swans. These visions sound wonderful, but are they worth $350 million?

Let's talk about SB Friedman, the firm hired to conduct the TIF study. Have they ever declared a project ineligible for TIF? It seems unlikely. In fact, I believe they would declare the sky blighted if you paid them enough money—because the sky rains, and rain causes flooding. Their website brags about releasing millions of dollars.

Let's call it what it really is, taking money from the tax payers pockets and giving it to large corporations.

We've heard that the roads, sewers, and water lines built for this development will belong to Sugar Grove, suggesting they are assets to our village. But let's be clear: these are not assets; they are liabilities. They will cost taxpayers money for the next 23-plus years without generating income.

Crown wants to spend $350 million and then receive 8% interest and 2% management fees, plus increases along the way. What will really happen is that warehouses will be built first and then when no builders can afford the high cost of the land, Crown will claim they need to build even more warehouses to cover costs.

If you were going to build this and knew all your costs would be reimbursed by taxpayers, would you try to be economical and spend as little as possible? No, you would spend as much as possible because you are guaranteed your money back plus over a 10% return. But don't worry we have been told that there will be a group watching how much they are spending.

Maybe they can hire SB Friedman to do that work also.

Let's also consider the impact on our local services. The Kaneland school district, which already struggles with failing infrastructure and routinely asks for more funding, will suffer from diverted tax revenues. Our police and fire departments will face increased demands, potentially compromising their ability to serve effectively. Public works will need more frequent maintenance and upgrades.

Sugar Grove has been removing signs regarding the TIF meeting tonight

From: Jen Ward
To: vclerk
Subject: [EXTERNAL] Public Comment 2024 0618 PH
Date: Tuesday, June 18, 2024 11:31:09 AM

Please submit into the public record as a public comment for public hearing 2024 0618 PH

> As a neighbor and Kaneland School District taxpayer I would like to urge you to consider what this TIF will do to our community. The unnecessary stress that it will burden the Kaneland Taxpayers with is disproportionate to any gains and the majority of the district knows it. There is a growing consensus of voters who are setting their sights on dissolving and consolidating the Kaneland School District per (105 ILCS 5/11E). It was not very long ago that this proposal gained serious traction. This TIF is the impetus that will put the ball into motion and motivate people to protect their best interests; which is distancing the tax burden of Sugar Grove from the rest of Kaneland School District.
>
> I appreciate your consideration of the potential impact this indirect tax will have on your neighbors.
>
> Thank you,
>
> Jennifer Ward

From: Marla Vartabedian
To: vclerk; Marla Vartabedian; Scott Koeppel
Subject: [EXTERNAL] Redevelopment Project
Date: Tuesday, June 18, 2024 8:02:17 PM

Good Evening,
My husband and I were unable to attend the meeting this evening due to his illness. However, we wanted to share our perspective on this project.

Please do not persue this project. It will fundamentally change our beautiful town and not in a good way.

We are very concerned and ask you, with all due respect, please do not do this.

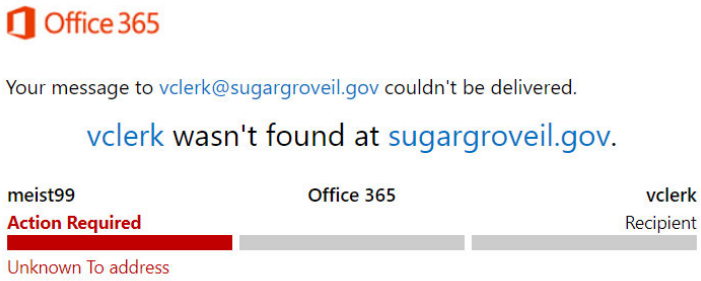
Sincerely,
Michael Fox and Marla Vartabedian
[redacted]
Sugar Grove, IL
[redacted]

Members of the board,

My comments are being read on my behalf tonight because I was unable to attend this meeting. I am a Meteorology Professor and the discipline chair of the Earth Science department at the College of DuPage. Right now I am away leading a field studies course, and during this course students will learn about objectively assessing data and the importance of scientific integrity. It has come to my attention that the productive farmland being discussed tonight has been described as "blighted" in order to be eligible for a TIF. This determination was made based on a claim that much of the land "contributes to" downstream flooding. However, no examples were given for how much this land contributed to floods… in fact, there were no mentions of any specific floods that this land may have contributed to. The only justification given for this claim is that this land is part of a watershed, and water flows downhill. Using this logic, thousands of properties in the area would also be "blighted". Furthermore, the great irony of all of this is that large developments and warehouses greatly increase runoff and contributions to downstream flooding when compared to farmland. It is disheartening to see village leadership that does not value scientific integrity. It is even more disheartening to see village leadership that believes their voices are more important than their constituents. Why not hold a referendum on a financial decision on a scale never before seen? Why not hold a referendum on a decision that will forever change the character of the entire area, not just Sugar Grove? Is a lack of integrity and a refusal to hear the voices of your constituents the legacy you want to leave behind? I hope not, but it seems as if time is running out soon on any change for the better.

Mr. Koeppel,

I tried submitting comments to the Village Clerk email address but received an undeliverable message below, so I am emailing you to ask that my comments below the screenshot be read and entered into the official record of the June 18 public hearing. Thank you.



My name is Scott Meister and I live in unincorporated Elburn immediately northwest of the Village. My eye doctor and veterinarian are in Sugar Grove, I drive through Sugar Grove every day, and I patronage Sugar Grove businesses every week. I AM a member of the Sugar Grove community.

I ask you to deny Crown's proposal and vote no for a TIF district. Crown does not need financial assistance, and the financial and environmental risks to the community are too great. The community does not want, nor need "The Grove".

No warehouses. No TIF.

Scott Meister

Dr. Ross D. Powell
[redacted]
Elburn, IL 60119

June 17, 2024

Letter of Concern to Village of Sugar Grove Trustees
Sugar Grove, IL 60554

Dear SG Trustee

I am writing ahead of the public TIF hearing to provide you my perspective, allowing me to present more detail here than I will have time for in a 3-minute presentation. I live in Nottingham Woods subdivision in Blackberry Township and have done so for over 30 years.

I am a geoscientist having conducted research for about 50 years, and although I am neither a 'Professional Geologist' nor 'Professional Engineer', I have led international research projects funded in the $10s of millions and have published scientific papers in the most prestigious scientific journals such as '*Nature*'. So I do have a scientific research pedigree and understanding about scientific quality.

The arguments being made to justify a TIF district for the Crown development area, are at their core, geoscientific and hence I consider that I have a depth of knowledge appropriate in understanding what is being called "blighted". Furthermore, I also have a thorough knowledge of the possible changes in water resources that may be caused by the proposed development, potentially leading to substantial harm to communities living in this area, without proper scientific analysis.

I have studied the documents from EEI and SB Friedman companies which they used to determine that the land of the Redevelopment Project Area or RPA, is "blighted". I consider that public information is completely insufficient for making a scientific determination that the land can be characterized as "blighted" based on potential flooding.

They claim that 88% of the runoff from the RPA contributes to downstream flooding in the Blackberry Creek watershed. However, there is no public detailed documentation of that claim, providing:
- how and why that percentage was determined scientifically,
- no map is provided documenting where that 88% comes from within the RPA,
- no statement is provided of what criteria were used to define the 88%,
- no justifications are provided for using those criteria,
- no discussion is provided of how those criteria were put into practice in the assessment; and
- no assessment is provided as to what proportion of rainstorm water is determined to be runoff rather than infiltration based on soil types, ground cover and slope.

I have since clarified with the Clerk of SG, that there are no such documents in the Village's possession and so I presume each of you has no knowledge of such information required to verify the runoff/flooding claim. Perhaps EEI/Friedman have done such analyses, but not passed them on to SG? I would hope you will require such proof and require a scientific analysis of the data and interpretations, before making your decision.

Here are a couple of examples to demonstrate the absurdity of the runoff/flooding claim for characterizing "blight". It is a basic scientific fact that any topographic high area (hill) contributes runoff to lower lying areas within a drainage basin during rainstorms, and hence has the tendency to cause flooding in downstream areas of a creek or river. Using these criteria, it is logical to suggest that Johnson's Mound Forest Preserve is "blighted" and should be redeveloped because it is a topographic high within the Blackberry Creek Watershed and is bound to contribute to flooding downstream. The argument also logically leads to a preposterous conclusion that 40% of the US should be classified as "blighted" because that area contributes to flooding by the Mississippi River!

In any scientific study that I could get funded, I would be required to include those data and assessments mentioned above, but there are at least two more aspects that would be required without being laughed out of the funding

agency's door. Any legitimate scientific study would need to determine the ***significance*** of this assessment of "blight". A couple of suggestions are:

1. Evaluate just how significant the concern is for flooding. That is, assess the size of rainstorm required to create detrimental flooding and then predict the frequency of such rainstorms. Plus, demonstrate how and why that size and frequency of flood was determined and chosen from all options. (All of which is feasible through current computer modeling, and such approaches are certainly required in any scientific predictions such as for climate change scenarios.)
2. Determine what proportion of Blackberry Creek floodwaters is contributed from the Crown area relative to the total 73 sq mi of the watershed. That would detail the true significance that this small RPA has on all Blackberry Creek flooding.

Further on flooding issues, following the 1996 Blackberry Creek flooding that cost $14M, the county commissioned a couple of reports, published in early 2000s, using expert panels to establish ways to avoid such disasters happening in future. They used population projection estimates for the county to grow through 2020 and their projections were quite accurate. As we've seen from here and other places, flooding from massive rainstorms is increasingly more likely now, and in the future. Has the planning committee also used these reports to guide them in their planning? If so, how were they factored-in, after all, this RPA is a very small part of the total watershed?

Other major concerns of mine involve issues of groundwater, its continued supply, and its water quality.

The Illinois State Geological Survey (ISGS), the Illinois State Water Survey (ISWS) and the Illinois Dept of Natural Resources (IDNR) have produced several reports through the earlier 2000s, addressing water resources, shallow and deep aquifers, groundwater flow and potential contamination issues in the Blackberry Creek Watershed, Kane County, and specifically Sugar Grove.

They have considered issues such as recharge rates compared with withdrawal rates from the aquifers given population projection scenarios as well as the potential for groundwater contamination of shallow aquifers from which many in Sugar Grove and Blackberry Township draw their potable water. Have you as a trustee used these reports to guide you in your planning? And if so, how did it influence your thoughts?

Important concerns in this regard are the likelihood of major changes in recharge rates of the shallow aquifers after regrading of the proposed RPA, and the likelihood of contamination of shallow aquifers that residents in unincorporated Blackberry Township depend on for their potable water from private wells.

For reference here, I am referring to the sand and gravel aquifers shown in yellow in this figure below from Kelley et al. (2016) and not the deep bedrock aquifers.

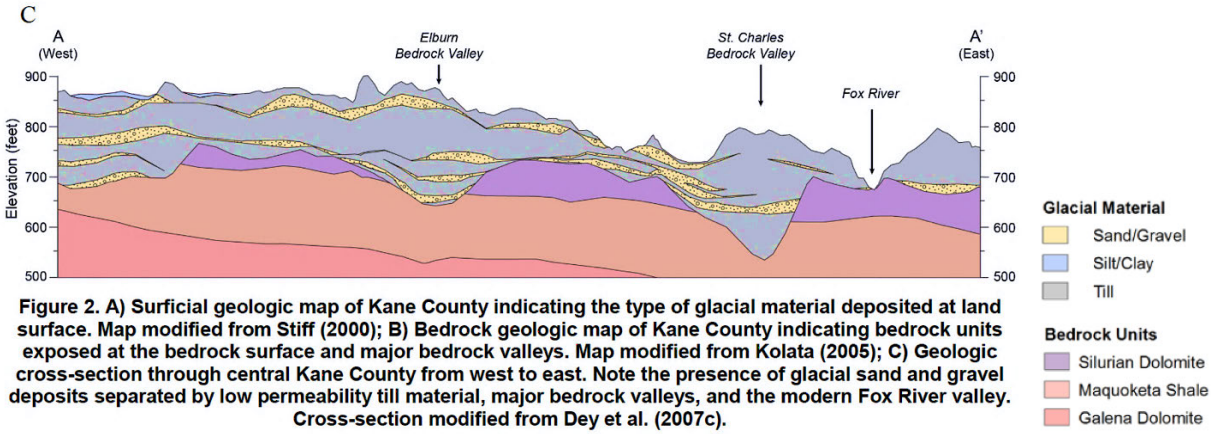
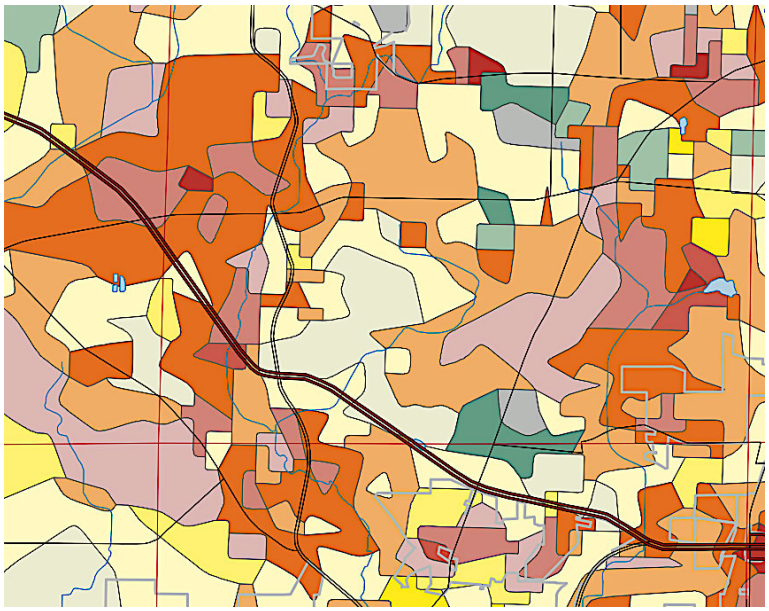


Figure 2. A) Surficial geologic map of Kane County indicating the type of glacial material deposited at land surface. Map modified from Stiff (2000); B) Bedrock geologic map of Kane County indicating bedrock units exposed at the bedrock surface and major bedrock valleys. Map modified from Kolata (2005); C) Geologic cross-section through central Kane County from west to east. Note the presence of glacial sand and gravel deposits separated by low permeability till material, major bedrock valleys, and the modern Fox River valley. Cross-section modified from Dey et al. (2007c).

The map segment and reference key below are taken from:
Dey, W.S., A.M. Davis, and B.B. Curry, 2007, Aquifer Sensitivity to Contamination, Kane County, Illinois: Illinois State Geological Survey, Illinois County Geologic Map, ICGM Kane-AS 1:100,000 (http://www.isgs.uiuc.edu/maps-data-pub/icgm/pdf-files/kane_co_as_icgm.pdf)



Aquifer Sensitivity Classification

Map Unit A: High Potential for Aquifer Contamination
The upper surface of the aquifer is within 20 feet of the land surface and the aquifer is greater than 20 feet thick.

- A1 — Aquifers are greater than 50 feet thick and are within 5 feet of the land surface.
- A2 — Aquifers are greater than 50 feet thick and are between 5 and 20 feet below the land surface.
- A3 — Aquifers are between 20 and 50 feet thick and are within 5 feet of the land surface.
- A4 — Aquifers are between 20 and 50 feet thick and are between 5 and 20 feet below the land surface.

Map Unit B: Moderately High Potential for Aquifer Contamination
The upper surface of the aquifer is within 20 feet of the land surface and the aquifer is less than 20 feet thick.

- B1 — Sand and gravel aquifers are between 5 and 20 feet thick, or high-permeability bedrock aquifers are between 15 and 20 feet thick, and either aquifer type is within 5 feet of the land surface.
- B2 — Sand and gravel aquifers are between 5 and 20 feet thick, or high-permeability bedrock aquifers are between 15 and 20 feet thick, and either aquifer type is between 5 and 20 feet below the land surface.

Map Unit C: Moderate Potential for Aquifer Contamination
Aquifers are between 20 and 50 feet below the land surface, and the overlying material is fine grained.

- C1 — Aquifers are greater than 50 feet thick and are between 20 and 50 feet below the land surface.
- C2 — Aquifers are between 20 and 50 feet thick and are between 20 and 50 feet below the land surface.
- C3 — Sand and gravel aquifers are between 5 and 20 feet thick, or high-permeability bedrock aquifers are between 15 and 20 feet thick, and either aquifer type is between 20 and 50 feet below the land surface.

Map Unit D: Moderately Low Potential for Aquifer Contamination
Upper surfaces of sand and gravel or high-permeability bedrock aquifers are between 50 and 100 feet below the land surface, and the overlying material is fine grained.

- D1 — Aquifers are greater than 50 feet thick and are between 50 and 100 feet below the land surface.
- D2 — Aquifers are between 20 and 50 feet thick and are between 50 and 100 feet below the land surface.
- D3 — Sand and gravel aquifers are between 5 and 20 feet thick or high-permeability bedrock aquifers are between 15 and 20 feet thick and either aquifer type is between 50 and 100 feet below the land surface.

Map Unit E: Low Potential for Aquifer Contamination
Aquifers are greater than 100 feet below the land surface, and the overlying material is fine grained.

- E1 — Sand and gravel or high-permeability bedrock aquifers are not present within 100 feet of the land surface.

Haeger Diamicton at the Land Surface
The overprint pattern indicates areas where the Haeger diamicton is at the land surface. Diamicton of the Haeger Member of the Lemont Formation is a sandy loam and contains abundant, discontinuous lenses of sand and gravel. The presence of this diamicton over an aquifer does not offer the same potential protection from contamination as an equal thickness of finer-grained diamicton. Areas with the pattern have higher sensitivity to contamination than areas without the pattern.

- Haeger diamicton at the land surface

The map segment above shows the area around the intersection of IL Route 47 and Interstate 88 where planned warehousing and a truck stop are being planned in the RPA development. As can be clearly seen in the map, many of the shallow aquifers cross IL47 from the RPA into the neighborhoods where residential wells tap into them. Furthermore, when the reference key is used, many of the aquifers in the proposed development area have a high to moderate potential for contamination. So, there are two concerns involved here:

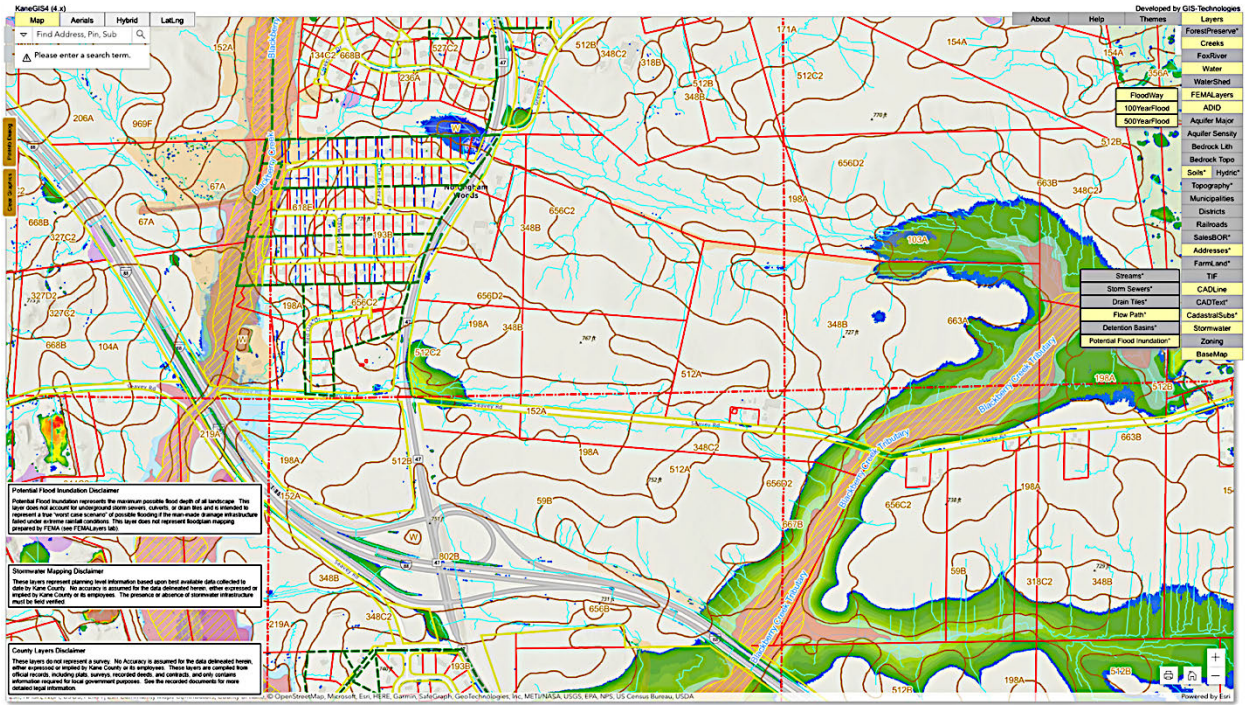
1. The lowering or cutting of recharge rates of the shallow aquifers, by regrading of the land to create large flat areas for the developments, plus the covering of the land surface by buildings and blacktop. These are the same aquifers supplying water to nearby neighborhoods, and cutting into them or sealing them off from surface infiltration can ruin recharge of the aquifer(s) for nearby residents.
2. The potential contamination by fuel, oil, heavy metals, etc. in runoff from the black-topped areas of these aquifers that provide all the potable water for nearby communities. Runoff from industrial and blacktop areas used by heavy vehicles is known to substantially increase groundwater contamination. Also, because of the topography of this area, the truck stop site would need to be regraded, plus its fuel storage tanks will

need to be excavated further underground. Both actions will likely lead to contamination of the highly sensitive shallow aquifers.

All of these aspects are alarming from an environmental point of view, both for contaminating surface waters that flow into Blackberry Creek and local residential areas during flooding events, and for contaminating the shallow aquifers. Ultimately, have you been provided appropriate documents so you can assess these potential consequences thoroughly with the aid of appropriate experts? I would also be interested to know if these documents exist, are they available to the public?

A further concern is how will stormwater runoff from the regraded RPA be handled, especially with the likelihood of what had been termed "100-year flood" events increasing in frequency due to climate change? And what is the likelihood that that runoff will be contaminated and pollute shallow aquifers, wetlands and Blackberry Creek?

The map segment below shows the area around the intersection of IL Route 47 and Interstate 88 where warehousing and a truck stop are being planned. The map is taken from an online map database KaneGIS4 that can be accessed at https://gistech.countyofkane.org/gisims/kanemap/kanegis4_agox.html#. It is possible to show different attributes on the map by selecting different layers – the options are displayed in the top right-hand corner of the map figure. Options selected for this figure are: Creeks, Water, FEMA layers (Floodway, 100 year flood, 500 year flood), ADID, Soils, Addresses, CADline, Cadastral Subs, Stormwater (Flow path, Potential flood inundation), and Base Map.



This area where the warehousing complexes are proposed, is one of the higher relief areas of Kane County. I understand from "*The Grove*" plans that much of this map area will need to be regraded during construction development to flatten it for creating a footprint for large warehouse structures and blacktop driveways and parking areas. As is clear from the map, any regrading will greatly affect runoff over the whole area.

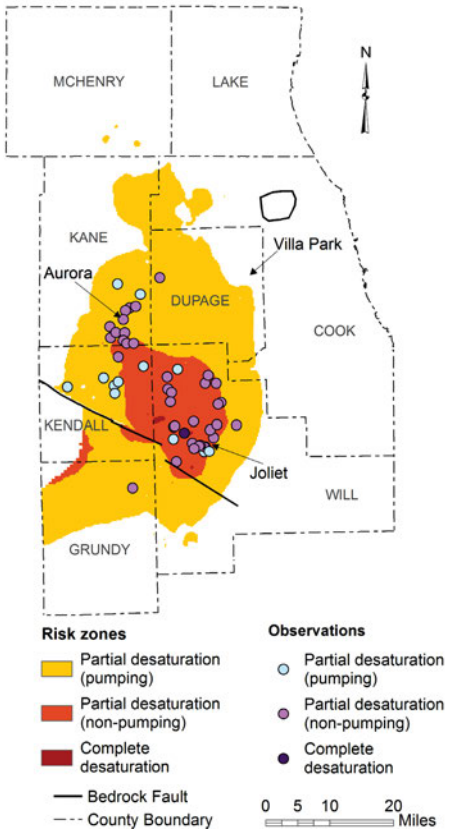
Commonly during large rainstorm events the areas colored green and orange will be flooded and the question is how would that be altered after proposed development. As has been well documented in scientific literature, bare farmland can absorb much more water more rapidly than areas covered with buildings and blacktop. Hence the volumes of floodwater shown here for past "50/100-year floods" is most likely to be much larger. If you add to that, the predictions that extreme rainstorm events are going to be increasingly likely in future due to climate change, the area could suffer major flooding. Furthermore, that flood effect could be felt farther downstream on Blackberry Creek in densely populated areas including "The Grove". I have heard that new retention basins will be constructed in an attempted to deal with this problem, but as no plans of such measures have been made public, given my concerns above, I remain skeptical, as I hope you do.

The remaining concern for me is where the water will come from to sustain "*The Grove"* development.

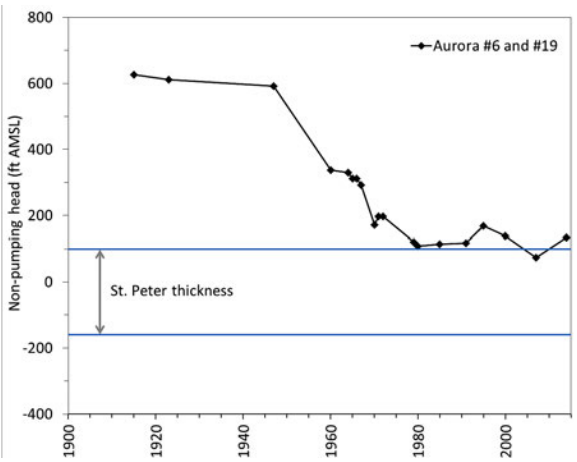
The quotes and their images below are taken from: *Mannix, Devin H., Abrams, Daniel B., Hadley, Daniel R., Roadcap, George S., Kelly Walton R., 2015, Groundwater Availability in Northeastern Illinois from Deep Sandstone Aquifers. Fact Sheet 2 from ISWS Contract Report 2015-02.*

[Note that "potential head" of water in an aquifer is basically the energy it has due to the elevation of its upper surface (or "water table") above mean sea level, and it can reflect how fast groundwater can flow in an aquifer. If the amount of water being withdrawn from a well is far greater than the rate at which groundwater in the aquifer is flowing toward the well, the water table depresses and gets lower around the well (termed "a cone of depression"), and that part of the aquifer becomes "desaturated". If this occurs, the well may need to be drilled deeper into the aquifer. But if demand continues to be greater than the rate at which groundwater can recharge it, the well will run dry.]

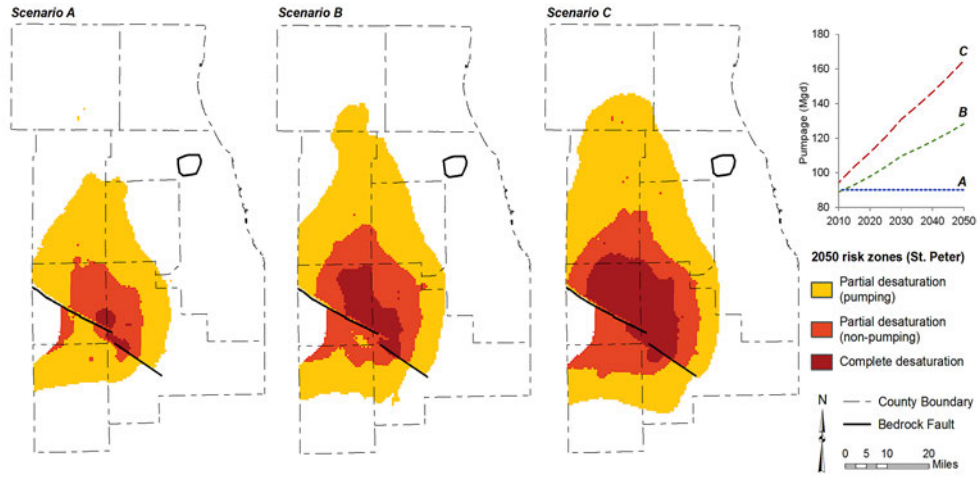
"The risk of desaturation in the 2014 map [below] was developed using the data obtained from the synoptic measurements. Also shown are wells where desaturation has been observed since 2000. As little recovery has occurred in the risk area, historical observations are shown alongside 2014 synoptic measurements."



"The projected risk of desaturation for 2050 was developed using a groundwater flow model discussed in Roadcap et al. (2013); three scenarios are depicted in Figure 4 [below]. Scenario A holds 2011 pumping rates constant (the most complete data available at the time of model development). Scenarios B and C simulate increased water demand based on projections developed for northeastern Illinois using socioeconomic and climate data (Dziegielewski and Chowdhury 2009). All simulations indicate that the risk of desaturation will increase between 2014 and 2050 for most areas."



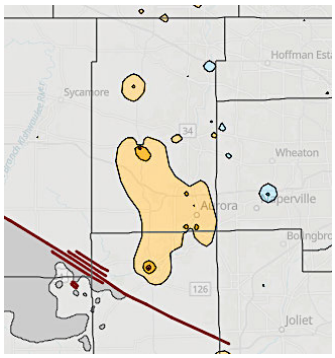
“As the three scenarios depict here [below], the future extent of desaturation will depend on the rate of withdrawals from sandstone aquifers. Unconstrained pumping from these sandstones will result in further desaturation. Switching to alternate sources of water will increase the viability of the aquifers for those who have few alternatives, such as residential well owners and industries, though local geologic complexity leaves the long-term viability of the aquifers in question for some areas with heavy withdrawals. As this problem has developed from the combined influence of sandstone withdrawals across the region, it is our recommendation that communities collaborate in planning for future land use and water supply decisions.”



The following six figures and tables along with their descriptions, show the lowering of potential head in the two major deep bedrock aquifers (the St. Peter and Ironton-Galesville Sandstones) in the local Aurora-Sugar Grove-Elburn area over a period of only 6-7 years, between 2014 and 2021. The information (quotes and their images) below is taken from:
Hadley et al. (2023) Changing Groundwater Levels in the Sandstone Aquifers – Synoptic measurement of deep sandstone wells in 2021 throughout northern Illinois. IDNR Best online storymaps arcgis https://storymaps.arcgis.com/stories/6a8ff45c39134e168da93b45626fef36).

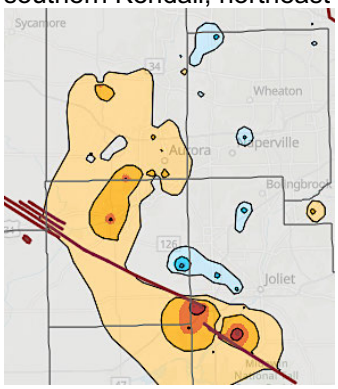
Head Change in the St. Peter Sandstone (2014-2021)
“St Peter Sandstone heads are also low (generally less than 200 feet above mean sea level) in southwest Kane County near St. Charles, Geneva, Batavia, Aurora, North Aurora, and Montgomery.”

“In southern Kane and northern Kendall Counties, heads declined by over 25 feet generally and by as much as 100 feet, due to withdrawals from numerous communities (Elburn, Sugar Grove, Aurora, North Aurora, Montgomery, and Yorkville).” [below]



Head Change in the Ironton-Galesville Sandstone (2014-2021)

"In southern Kane and northern Kendall Counties, heads also declined by over 25 feet but over a greater area that extends to the Sandwich Fault Zone. This head decline of over 25 feet also extends through a large portion of southern Kendall, northeast Grundy, and western Will Counties." [below]

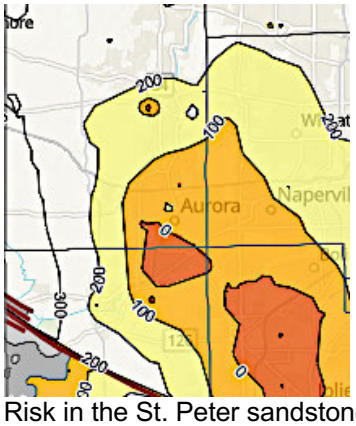


Level of risk in the sandstone aquifers based on available head.

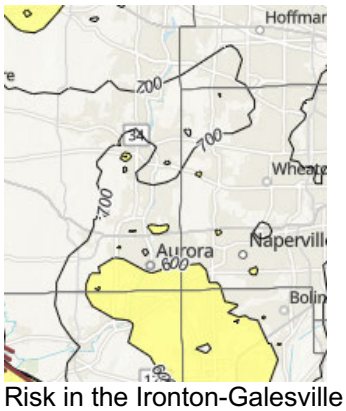
Category	Risk threshold (head above aquifer top in ft)		Description	Associated risks to wells
	St. Peter	Ironton-Galesville		
Medium	100-200	400-600	Vulnerable if new withdrawls are added to system	*Possible decline in well performance/specific capacity* *Small capacity SP wells become High-risk with unforeseen multi-aquifer well* *High-capacity IG wells become High-risk with unforeseen IG demands*
High	0-100	200-400	Risk of well inoperability	*Possible pump failures due to sand entrainment* *Possible pump failures due to loss of suction (dry pumps)*
Severe	< 0	< 200	Effective loss of aquifer	*Disruptions to water supply* *Small capacity SP wells dry unless pumps are lowered below aquifer* *High-capacity IG wells effectively gone, pumps can't be lowered*

SP, St. Peter; IG, Ironton-Galesville.

"The most important feature to note is the large region in Kane, Kendall, DuPage, and Will Counties where the St. Peter is desaturated or there is less than 100 feet of available head." [below]



Risk in the St. Peter sandstone in 2021.



Risk in the Ironton-Galesville sandstone in 2021.

Specific Capacity considerations
This table below taken from the same study (Mannix et al., 2015) considers "Specific Capacity" values at sandstone wells in the study area. Specific Capacity is a measure of the rate at which water can be pumped from a well and lower the water table in the well. It is measured in the number of gallons per minute water can be pumped out, per 1 foot of water level lowering in the well.

Mannix et al. state that "specific capacity also varies spatially over the study area. The areas of Rockford, DeKalb/Sycamore, northern Cook County, and DuPage County tend to have wells with larger specific capacities. In contrast, Northern Lake, McHenry, Kane, Kendall, and Will Counties tend to have smaller specific capacities."

	Specific Capacity (gpm/ft of drawdown)			
Well Open Intervel	*n*	Min	Max	Average
St. Peter	21*	0.6	22.1	6.0
Ironton-Galesville	85	1.5	26.3	7.3
St. Peter and Ironton-Galesville	105	1.4	165	14.2

**Two Somonauk wells excluded due to location in weathered portion of St. Peter sandstone*

Specific capacity is relevant when considering increasing population size because the more water usage at any one time by a large number of users, or one specific industrial user can lead to wells running dry at peak usage times (like power outages during high temperatures). Currently regional water sources are being depleted faster than they can recharge. For a 97% population increase (a total of ~18,735 people) living in Sugar Grove in 2050, leads to a projected use of over 1.3 million gallons of groundwater per day for a 51% increase from 2015's pumpage.

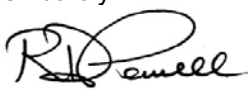
As an example of possible warehouse/industry use I present quotes from a study about data-center water usage from "*Mytton, D., Data centre water consumption. NaturePJ - npj Clean Water 4, 11 (2021) https://doi.org/10.1038/s41545-021-00101-w)*". I realize data centers are in the process of trying to mitigate their water consumption and usage can vary on size, however, this is a reminder of extremely important aspects to consider in future planning. "A medium-sized data center (15 megawatts (MW)) uses as much water as three average-sized hospitals, or more than two 18-hole golf courses. Some progress has been made with using recycled and non-potable water, but from the limited figures available some data center operators are drawing more than half of their water from potable sources…. A small 1 MW data center using one of these types of traditional cooling can use around 25.5 million liters [6.75 million gal] of water per year."

So, if there is a medium-sized datacenter (15MW as per the paper cited above) it could use 101.25 million gal of water per year, which is equivalent to about 0.7 gpm. That could mean, according to the specific capacity table above, that a warehouse datacenter could significantly contribute to large drawdowns of the deep aquifers in this area, because it alone is at least half the minimum specific capacities of the aquifers.

In closing I should note that I have submitted FOIA requests for all these data and scientific assessments that have been evaluated by the Sugar Grove administration and have received responses primarily saying that no such data or assessments are available.

I urge you to consider whether you are comfortable in understanding all of these aspects and future impacts on all communities in Sugar Grove and Blackberry Townships. I personally am not, and I would vote “no”.

Sincerely



Dr Ross D. Powell
Board of Trustees and Distinguished Research Professor Emeritus
Northern Illinois University

[redacted]
Elburn IL 60119

[Please note I am writing as a private citizen and not representing opinions of Northern Illinois University.]

Village of Sugar Grove TIF Public Hearing

June 18, 2024

I'm going to jump right into the "eligibility" of the TIF, on page one of the statute in front of you is a highlighted section that says: "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality.

The first red flag is that it is not within the territorial limits of the municipality, so I'm not sure how you can even have a hearing or even consider a TIF until after annexation.

Next, we have the key word "vacant" if you go to page 22, you will see the definition of vacant: "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area.

For the last 5 years the fields on the property have been commercially farmed, as well as portions of the land have been used by the pumpkin farm, it is not vacant.

The next problem is on page 4 which states that if vacant the municipality must reasonably find that the (blight) factor is clearly present and evenly distributed. Geoff from Sb Friedman was asked at the JRB "How much (of a) problem is downstream flooding of the blackberry creek watershed". Geoff the TIF consultant replied: "I'm not sure that question is relevant". Any reasonable person would conclude the statute dictates that true evidence of "blight" or "downstream flooding" must be provided.

The land is not vacant (doesn't qualify). If it was vacant, it's still not blighted (doesn't qualify). The statute could not be clearer that this does not qualify. The statute was not written to be obsolete, if the lawmakers wanted farmland to be TIF eligible they would have included it in the statute.

Now let's talk about the "but for" requirement, but for the TIF, the property would not develop, that is the requirement that needs to be met.

The problem is, but for the TIF, the property will not be as profitable as crown would like it to be, they said it themselves last year at the "community engagement meeting". I say too bad, you made a bad investment, don't force the taxpayers to increase your ROI.

First you had a study from Moran which said on the basis of chronic flooding that it "could qualify" not that it does, that wasn't good enough, so you went to SB Friedman, and they say it contributes to flooding of the watershed. Give me a break, runoff is what makes the watershed! This is a sham, and no taxing body or citizen should suffer from poor decisions made by crown, nor should they be crown's failed investment insurance.

If you vote yes, you are blatantly violating state law and could end up in a lawsuit.

Jaden Chada

State of Illinois

County of Kane

The forgoing document was acknowledged

Before me on 16th of July, 2024

Marcy Mazzocchi

Marcy Mazzocchi, Notary Public

My commission expires 3/16/25

OFFICIAL SEAL
MARCY MAZZOCCHI
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires March 16, 2025