
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: MATT ANASTASIA, FINANCE DIRECTOR
SUBJECT: RESOLUTION: APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH SUGAR GROVE FIRE DISTRICT
AGENDA: JANUARY 7, 2025 REGULAR BOARD MEETING
DATE: DECEMBER 23, 2024

ISSUE

Shall the Village Board approve a resolution entering into an Intergovernmental Agreement with the Sugar Grove Fire Protection District.

DISCUSSION

During the September 17, 2024, Board meeting, the Village Board discussed entering into an intergovernmental agreement with the Sugar Grove Fire District to help pay for a portion of a new ambulance from TIF #2 increment.

For a little background refresh, TIF #2 was created on May 5, 2015, by the Village Board. When this TIF was approved, Sugar Grove Senior Living at 119 W. Galena Blvd. was already under construction at that time. Since this was not completed, the improved land with the Sugar Grove Senior Living building was not part of the base, but instead was immediately taken into the TIF as increment. The Sugar Grove Fire District has expressed their concerns, each time TIF #2 has been discussed at a JRB or Board meeting, having this building included in the TIF is a hindering to them, due to the increased call volume they experience at the building.

Staff reviewed the request and the cost of a new ambulance for the Fire District is \$485,979.91. Attached is a chart showing the property tax bill amount for 119 W. Galena Blvd. compared to the Sugar Grove Fire District portion of the tax bill, starting with 2015 when the TIF was created. There was an assumed escalation factor of 3% for future tax years until the TIF ended. Using this chart, Staff recommended a contribution towards the new ambulance in the amount not to exceed \$217,825.

The Sugar Grove Fire District has agreed to and passed the Intergovernmental Agreement at their Board meeting held on December 16, 2024.

In addition, we annually review each of the TIF Funds for progress. TIF #1 has been terminated as of 12/31/2024, thus there is no further discussion needed. After this agreement with the Sugar Grove Fire District, Staff believes the fund balance is at a desirable level moving into the new year. TIF #2 will again be revisited at the end of 2025 for future decisions by the Board.

Attachments

- Sugar Grove Fire District New Ambulance Cost Proposal
- 119 W. Galena Blvd. TIF #2 and Fire District Portion Breakdown
- Signed IGA from Sugar Grove Fire District

COST

If approved, there would be a cost of \$217,825 from TIF #2, payable to the Sugar Grove Fire District prior to January 31, 2025.

RECOMMENDATION

That the Village Board approve Resolution #20250107SGFD Approving an Intergovernmental Agreement between The Village of Sugar Grove and The Sugar Grove Fire District.

New Medic

Budget Cost	Actual Cost	Part	Vendor	Received Date
\$ 379,995.00	\$ 379,995.00	Ambulance	Foster Coach	
\$ 475.00	\$ -	Carhart seat covers	Carhart	
\$ 1,000.00		Computer Dock	CDS	
\$ 5,000.00		Computer	CDS	
\$ 300.60		Computer mounting hardware	Fleet Safety	
\$ 75,559.31		Power Load Cot and Warrenty	Stryker	
\$ 20,000.00		Lucas CPR Device	Stryker	
\$ -	\$ -	2 Flashlights like 0342	Foster Coach Supplied	
\$ 150.00	\$ -	Spot light	AirOne	
\$ 500.00		Miscellaneous		
\$ 3,000.00	\$ -	Install radios from 953	Camz	
\$ -	Remove from 953	StarCom Radio		
\$ -	Remove from 953	Ferno cardiac monitor mounting Bracket		
\$ -	Remove from 953	Nederman Metal Plate	Midwest Air Pro	
\$ 485,979.91	Remove from 953	Nederman control module	Midwest Air Pro	

Tax Year	119 Galena Blvd. Tax Bill to TIF #2	Total Fire District Percentage of TIF	Fire District Portion of Bill	Total TIF #2 Surplus Fire District	
2015	\$ 15,062.56	7.03%	\$ 1,059.47		
2016	\$ 44,855.04	7.06%	\$ 3,165.33		
2017	\$ 45,840.06	7.08%	\$ 3,245.04		
2018	\$ 47,177.42	7.07%	\$ 3,334.37		
2019	\$ 104,808.50	7.06%	\$ 7,401.69		
2020	\$ 106,259.92	7.16%	\$ 7,603.97		
2021	\$ 107,668.66	7.15%	\$ 7,693.78		
2022	\$ 111,429.34	7.23%	\$ 8,055.14		
2023	\$ 117,369.44	7.42%	\$ 8,713.00	\$ 3,614.47	FY23-24
Est. 2024	\$ 120,890.52	7.50%	\$ 9,064.14		
Est. 2025	\$ 124,517.24	7.57%	\$ 9,429.42		
Est. 2026	\$ 128,252.76	7.65%	\$ 9,809.43		
Est. 2027	\$ 132,100.34	7.72%	\$ 10,204.75		
Est. 2028	\$ 136,063.35	7.80%	\$ 10,616.00		
Est. 2029	\$ 140,145.25	7.88%	\$ 11,043.82		
Est. 2030	\$ 144,349.61	7.96%	\$ 11,488.89		
Est. 2031	\$ 148,680.10	8.04%	\$ 11,951.89		
Est. 2032	\$ 153,140.50	8.12%	\$ 12,433.55		
Est. 2033	\$ 157,734.71	8.20%	\$ 12,934.63		
Est. 2034	\$ 162,466.75	8.28%	\$ 13,455.89		
Est. 2035	\$ 167,340.76	8.37%	\$ 13,998.16		
Est. 2036	\$ 172,360.98	8.45%	\$ 14,562.29		
Est. 2037	\$ 177,531.81	8.53%	\$ 15,149.15		
Est. 2038	\$ 182,857.76	8.62%	\$ 15,759.66		
Escalation Factor	3%	1%	\$ 232,173.45	\$ 14,348.51	
			\$ 217,824.94	Total Est. Life of TIF	

Scenario: Fire District Portion of 119 Galena Blvd. Tax Bill



**VILLAGE OF SUGAR GROVE
KANE COUNTY, ILLINOIS**

Resolution No. 20250107SGFD

**A Resolution Authorizing Execution of an Intergovernmental Agreement between The
Village of Sugar Grove and The Sugar Grove Fire Protection District
Village of Sugar Grove, Kane County, Illinois**

Adopted by the
Board of Trustees and President
of the Village of Sugar Grove
this 7th day of January 2025.

Published in Pamphlet Form
by authority of the Board of Trustees
of the Village of Sugar Grove, Kane County,
Illinois, this 7th day of January 2025.

Resolution No. 20250107SGFD

**Resolution Authorizing Execution of an Intergovernmental Agreement between The
Village of Sugar Grove and The Sugar Grove Fire Protection District
Village of Sugar Grove, Kane County, Illinois**

WHEREAS, the Village of Sugar Grove Board of Trustees find that it is in the best interest of the Village to execute an Intergovernmental (IGA) with the Sugar Grove Fire Protection District for the purpose of contributing towards the capital cost of a New Ambulance from Industrial TIF #2 Increment;

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois as follows:

That attached hereto and incorporated by reference as Exhibit A is an IGA between the Village of Sugar Grove and the Sugar Grove Fire Protection District for the purpose of contributing towards capital costs of a new ambulance, and to execute the attached IGA;

The President and Clerk are hereby authorized to execute said agreement on behalf of the Village and to take such further actions as are necessary to fulfill the terms of said agreement.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois this 7th day of January 2025.

Jennifer Konen
President of the Board of Trustees
of the Village of Sugar Grove, Kane County, Illinois

	Aye	Nay	Absent	Abstain
Trustee Heidi Lendi	_____	_____	_____	_____
Trustee Michael Schomas	_____	_____	_____	_____
Trustee Sean Herron	_____	_____	_____	_____
Trustee James White	_____	_____	_____	_____
Trustee Matthew Bonnie	_____	_____	_____	_____
Trustee Sean Michels	_____	_____	_____	_____

ATTEST: _____

Tracey R. Conti
Village Clerk, Village of Sugar Grove

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE VILLAGE OF SUGAR GROVE, KANE COUNTY, ILLINOIS AND
THE SUGAR GROVE FIRE PROTECTION DISTRICT**

This Intergovernmental Agreement (the "*Agreement*") is made and entered into this 16 day of December 2024 by and between the Village of Sugar Grove, Kane County, Illinois, an Illinois non-home rule municipal corporation (the "*Village*") and the Sugar Grove Fire Protection District ("*Sugar Grove FPD*"), a fire protection district pursuant to the Illinois Fire Protection District Act, 70 ILCS 705/0.01 *et seq.*

PREAMBLES

WHEREAS, the Sugar Grove FPD and the Village are units of local government and public agencies within the meaning of the Illinois Intergovernmental Cooperation Act (5 ILCS 220/1 *et seq.*) (the "*Act*") and are authorized by the Act and by Article VII, Section 10 of the 1970 Constitution of the State of Illinois to enter into intergovernmental agreements of cooperation; and

WHEREAS, pursuant to Ordinance Nos. 2015-0505A, 2015-0505B, and 2015-0505C passed on May 5, 2015, in accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois, as amended (65 ILCS 5/11-74, 4-1, *et seq.*) (the "*TIF Act*"), the President and Board of Trustees of the Village (the "*Corporate Authorities*") approved the Sugar Grove Northeast Airport Area Redevelopment Plan and Program #2 (the "*Plan*") for a specific area qualifying as a redevelopment project area under the TIF Act known as the Sugar Grove Northeast Airport Area Tax Increment Finance District #2 ("*TIF District #2*"), and adopted tax increment financing for the purpose of implementing the Plan for TIF District #2; and,

WHEREAS, as a result of the foregoing actions by the Corporate Authorities, "Incremental Taxes", as hereinafter defined, derived from the TIF District #2 have been distributed to the Village for deposit into the Sugar Grove Northeast Airport Area Tax Increment Financial District #2 Special Tax Allocation Fund (the "*Special Tax Allocation Fund*") established pursuant to Ordinance No. 2015-0505C, as required by the TIF Act, for the purposes of paying costs incurred in connection with redevelopment projects in furtherance of the Plan and which qualify as "redevelopment project costs" under the TIF Act; and,

WHEREAS, as authorized by the TIF Act, the Corporate Authorities induced the development of the Sugar Grove Senior Living Center (the "*Center*") to provide independent living residences for senior citizens of the community which Center has been in full operation since

2016 and has resulted in a substantial increase in EMT-Paramedics and EMT-Basic services provided by the Sugar Grove Fire FPD to TIF District #2; and,

WHEREAS, the TIF Act authorizes use of Incremental Taxes for eligible redevelopment project costs including: "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 objections of the redevelopment plan and project" (65 ILCS 5/11-74.4-3 (q)); and,

WHEREAS, due to the substantial increase in services which must be provided in TIF District #2 as a direct result of the development therein, the Sugar Grove FPD has purchased a new ambulance to serve this area for a total cost of approximately \$486,000 and has requested financial assistance for this capital cost as the direct result of the implementation of the Plan for TIF District #2; and

WHEREAS, upon a review for the increased services provided by the Sugar Grove FPD as resulting from the new development in TIF District #2, the Corporate Authorities deem it to be necessary to provide financial assistance to the Sugar Grove FPD for a portion of the cost of the ambulance, as hereinafter provided, on the condition that Sugar Grove FPD agrees not to contest the Village's designation of the I-88 and IL-47 Redevelopment Project Area (the "Area") and the implementation of the Redevelopment Plan and Project for this Area.

NOW THEREFORE, in condition of the premises and the mutual covenants and agreements as hereinafter set forth, the Village and Sugar Grove FPD agree as follows:

Section 1. The above recitals are hereby incorporated by this reference as if fully restated herein.

Section 2. The Corporate Authorities hereby authorize the payment of \$217,825 toward the cost of the ambulance purchased by the Sugar Grove FPD on or before January 31, 2025, payable from Incremental Taxes deposited into the Special Tax Allocation Fund for TIF District #2, said amount due and payable to the Sugar Grove FPD as reimbursement toward the payment due for said acquisition.

Section 3. The Sugar Grove FPD, for and inconsideration of the foregoing commitment of the Village, agrees not to contest the designation of the I-88 and IL-47 Redevelopment Project Area (the "Area"), pursuant to the TIF Act or the implementation of the Redevelopment Plan and Project for this Area for its term.

Section 4. The Village agrees not to seek an extension of the designation of the Area without the approval of the Sugar Grove FPD unless the TIF Act is amended by the Illinois General Assembly to extend the terms of a designated redevelopment project area, which amendment would have general application to all designated redevelopment project areas in the State of Illinois.

Section 5. For purposes of this Agreement, "Incremental Taxes" shall mean the amount in the Special Tax Allocation Fund equal to the amount of ad valorem taxes, if any, paid in respect of the Industrial Project Area and its improvements, which is attributable to the increase in the equalized assessed value of the Industrial Project Area.

Section 6. The term of this Agreement shall commence upon execution by the parties hereto and terminate upon receipt by the Village of all Incremental Taxes from tax year 2047.

Section 7. Any term or condition of this Agreement may be amended, deleted or altered only by written agreement approved by and duly executed by the Village and Sugar Grove FPD.

Section 8. This Agreement may be executed in several counterparts that shall be an original and shall constitute but on and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective on the day and date first above written.

The Village of Sugar Grove, an Illinois municipal corporation

By: _____
Village President

Attest:

Village Clerk

Date: _____

Sugar Grove Fire Protection District

By: 
Board President

Attest:


Secretary

Date: Dec 16, 2024