

Tax Increment Financing (TIF) Meeting – November 14, 2017

The Tax Increment Financing (TIF) Committee of the City of Aledo met in Open Session in the Council Chambers of the City Hall building on November 14, 2017. Chairmen JAY DOHERTY called the meeting to order at 6:15 P.M. The roll was called, whereupon the following committee members answered present:

Aldermen MICHAEL CHAUSSE, JAY DOHERTY, and CHRIS KOPP. Mayor CHRIS HAGLOCH. Alderman BARRY COOPER was excused.

Also present were ILA BERTAND, Alderman, JIM HOLMES, Alderman, RANDY SLATER, Alderman, ERIN KNACKSTEDT, City Administrator, TARAH SIPES, Economic Development Coordinator, JAROD DALE, City Clerk, and CHRIS SCHULL, MMF2, INC.

Approval of Minutes: No Minutes to approve.

Old Business: The Committee requested an update on the sale of the properties located at 709 – 713 SW 3rd Street, Aledo, IL. City Staff reported no offers or proposals have been received to date. EDC Sipes and CLERK Dale are looking to generate a marketing proposal to solicit a potential developer. The Committee suggested the City consider appraising the property and City Staff to receive a quote.

The Committee discussed in brief, the property located at 101 – 105 N. College Avenue, Aledo, IL., commonly known as Button Building, with the Committee suggesting a new appraisal be obtained as well. City staff to obtain an appraisal for the building and review at the next TIF Committee meeting.

New Business:

Discussion on a TIF Application by Chris Schull, MMF2, Inc., 802 SE 19th Avenue, Aledo, IL., 61231: City Staff reported Mr. Schull is in the process of securing funding for the installation of a new plating line which will utilize a trivalent chrome plating process. Mr. Schull has obtained bank funding for a majority of the project and has approached the City to seek TIF assistance for the shortfall in order to move the project forward. A draft TIF agreement has been created to present to the Committee. The agreement is based on the development of ten (10) new full-time positions.

The main components of the agreement are as follows:

- The City to convey title to the vacant parcel and waive purchase price (\$23,125).
- The City will issue a forgivable loan to the developer in the amount of \$150,000 to be paid out according to section 2 of paragraph C of the agreement.

- The City will also reimburse the developer on the interest of the loan for an aggregate total of \$50,000.
- The agreement provides for a personal guarantee of the developer for all funds disbursed.

The Item has also been forwarded onto Ehler's & Associates for review as well. The Memorandum from Maureen Barry, Senior Municipal Advisor / Vice President, was handed out during the meeting.

TIF eligible categories include: Site Preparation & Assembly; Professional Studies; Job Training; Financing. Also, the applicant requested assistance with EPA Compliance, which Ehler's notes within the document would not be a TIF eligible item if related to ongoing operations of the facility. Also, Electrical Upgrades was requested by Mr. Schull. Ehler's notes within the Memorandum electrical improvements to the existing building would be a TIF eligible expense as part of renovations, but not for the new building(s) addition.

During the meeting, Mr. Schull questioned the prevailing wage requirements on the entire project. Mr. Schull requested the City consider waiting on the development agreement but would like to come back after the project is completed. Earmarking was also requested by Mr. Schull as well.

Due to questions being raised by the applicant and the Committee, ALD. Doherty and ADMINISTRATOR Knackstedt reported Mr. Schull will need to wait at this time and noted to the Committee to not move forward with the draft agreement as presented.

No further discussion followed.

ADJOURNMENT: There being no further business, motion was made by ALDERMAN CHAUSSE and seconded by ALDERMAN KOPP that the meeting be adjourned. Unanimous voice vote followed in agreement. Meeting was adjourned at 6:48 P.M.

Jarod M. Dale, City Clerk