

APPROVED MINUTES

**VILLAGE OF ANTIOCH - BOARD OF TRUSTEES
PUBLIC HEARINGS – 7:00 PM
Municipal Building: 874 Main Street, Antioch, IL
February 26, 2020**

I. CALL TO ORDER

Mayor Hanson called the February 26, 2020 Public Hearing to order at 7:00 pm in the Municipal Building: 874 Main Street, Antioch, IL.

II. PLEDGE OF ALLEGIANCE

The Mayor and Board of Trustees led the Pledge of Allegiance.

III. ROLL CALL

Roll call indicated the following Trustees were present: Pierce, Yost, Dominiak and Johnson. Also present were Mayor Hanson, Attorney Long, Administrator Keim and Clerk Romine. Absent: Trustees Macek and Poulos.

IV. PUBIC HEARING regarding the possible amendment and re-naming of the Antioch Business District to the Antioch East Business District, the alteration of the boundaries of the Antioch East Business District and the imposition of certain sales taxes, collectively, being the approval of Amendment No. 1 to the existing business district plan.- Clerk Romine read aloud the public hearing notice and administered the oath to those who wished to testify.

Director Garrigan introduced Fran Lefor Rood of SB Friedman who provided a brief presentation on the business district plan.

Ms. Lefor Rood discussed what a business district is and provided an overview of the process to adopt a business district within the Village of Antioch. She outlined the plan's financial plan assuming a 1% tax rate and reviewed the next steps in order to meet the July 1 deadline to impose the tax. She reviewed eligible taxable items, and the amendment to the originally approved business district, including minor language changes, renaming to the Antioch East Business District and adding 3 vacant parcels adjacent to the existing business district. The goals and objectives of the overall plan have not changed. Ms. Lefor Rood discussed the powers of the village, including porting funds from one business district to another.

Trustee Pierce asked about deadlines and submittal requirements for an amendment. He also asked for clarification on the portability of funds. Ms. Lefor Rood confirmed they could be used in the other business district depending on the needs of the village.

Trustee Yost asked if a business district could be created without the imposition of a tax, and funds could also be used in the other business district. Ms. Lefor Rood said specialty council will need to be consulted, and added that the 23 year clock does not start ticking until the tax is imposed.

Trustee Dominiak asked about portability. Ms. Lefor Rood said in order to port funds, it has to be an eligible cost, and in furtherance of the goals. You can port funds from one to another, but it still has to meet the criteria. She added that it cannot go into the general fund, and can only be used for specific cost categories identified in the business district plan.

Trustee Pierce discussed the Antioch marketplace and additional 1% tax imposed in that area. Attorney Long said that was a different form of tax and expired in 2012.

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Mr. Stuart Malsh, village resident, discussed the tax and asked for any limitations on portability.

Trustee Dominiak moved, seconded by Trustee Johnson, to close the public regarding the possible amendment and re-naming of the Antioch Business District to the Antioch East Business District, the alteration of the boundaries of the Antioch East Business District and the imposition of certain sales taxes, collectively, being the approval of Amendment No. 1 to the existing business district plan. Upon roll call, the vote was:

YES: 4: Pierce, Yost, Dominiak and Johnson.

NO: 0.

ABSENT: 2: Macek and Poulos.

THE MOTION CARRIED.

V. PUBIC HEARING to consider the adoption of the Antioch Central Business District Plan and the designation of the Antioch Central Business District in the Village of Antioch, Lake County, Illinois and the imposition of a business district retailers' occupation tax and a business district occupation tax in such business district - Director Garrigan reviewed the public hearing notice and discussed the central business district and invited Fran Lefor to present the central business district.

Ms. Lefor discussed what a business district is and provided an overview of the process to adopt a business district within the Village of Antioch. The central business district covers 706 parcels within the district. It is a mix of existing land uses and covers 836 acres. She discussed the evaluation process and found that the area could be considered blighted due to deterioration of site improvements, and obsolete platting. She reviewed the eligibility factors, findings and tests. There has been little growth from the business community without village support. The overall goals are to eliminate blighting and deterioration, facilitate redevelopment and enhance the tax base by supporting local businesses and promote private investment. Funds may only be used within the business district or adjacent business districts. She outlined the plan's financial plan assuming a 1% tax rate and reviewed the next steps in order to meet the July 1 deadline to impose the tax. An overall budget of \$65,000,000 includes listed eligible costs such as professional services, site preparation, public works improvements and rehab of existing buildings and construction of new business.

Trustee Pierce asked if the budget was over a 23-year period, and asked for an opinion on a TIF vs. a Business District. Ms. Lefor said a business district is more flexible and revenues are realized sooner but they are both powerful funding tools. Administrator Keim said it is important to recognize that TIF revenues are the burden of the property owner, and the business district is the burden of the consumer. Trustee Pierce asked if they could carve out items that are ineligible for the tax. Attorney Long said that is not allowed. Fran added that the only power of the municipality is to choose the taxed amount in .25% increments up to 1%, and eligible taxable items are per statute.

Trustee Yost asked if the business district could be limited by the board in terms of length. Ms. Lefor said they could terminate early as long as there are no redevelopment or other agreements. She said they could put provisions to have it expire prior to the 23 years, but those are not currently in the plan, and would have to be added. Trustee Yost asked how the budget items were calculated. Ms. Lefor replied that they work with staff to determine what those expenses may be, and what they may be used for. Funds can be shifted between line items. Trustee Yost asked if there were any revenues realized in the east business district and impact on those revenues. Administrator Keim responded that we have seen about 4 months of revenue so far, coming close to \$80,000/month, and staff has not noticed any impact to sales over that month.

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Administrator Keim advised that if we wanted to fund a project with business district funds, the village would need to contemplate debt issuance in the form of an alternate revenue bond.

Mayor Hanson commented on the difference between the business district and a TIF and the effect of a TIF has on other taxing bodies.

Trustee Dominiak asked if what the potential downside is of implementing a business district. Ms. Lefor said in her experience, she has not seen large impacts related to sales tax. Use of the tax will help support and revitalize the areas affected by the tax.

Mr. Adam Kosh, business owner, discussed his concern with the additional 1% tax, and provided examples of consumers noticing differences in taxes. He cited a BYU study showing a proportional effect on consumerism. Another recent study he found said crossing state lines to avoid sales taxes is a threat. He also reviewed other surrounding communities with a lower sales tax, and said Illinois tax payers need relief. He asked the board to reconsider their support of this plan.

Ms. Mary Pedersen, village resident, likes this plan as a village resident. She discussed aging infrastructure, and appreciates the board asking for help with a 1% tax; lessening the burden on property owners and shifting it to consumers coming in from outside of the village. She thinks this is a good solution for the residents.

Trustee Pierce moved, seconded by Trustee Johnson, to close the public hearing to consider the adoption of the Antioch Central Business District Plan and the designation of the Antioch Central Business District in the Village of Antioch, Lake County, Illinois and the imposition of a business district retailers' occupation tax and a business district occupation tax in such business district.

Upon roll call, the vote was:

YES: 4: Pierce, Yost, Dominiak and Johnson.

NO: 0.

ABSENT: 2: Macek and Poulos.

THE MOTION CARRIED.

VI. ADJOURNMENT

There being no further discussion, the Village Board of Trustees Public Hearing adjourned at 7:57 p.m.

Respectfully submitted,

Lori K. Romine, RMC/CMC
Village Clerk