FY 2014
ANNUAL TAX INCREMENT FINANCE REPORT

STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA

Name of Municipality:	MORTON GROVE	Reporting Fiscal Year:	2014
County:	COOK	Fiscal Year End:	12/31/2014
Unit Code:	016/365/32		

TIF Administrator Contact Information

First Name:	THOMAS	Last Name:	FRIEL
Address:	6101 CAPULINA AVENUE	Title:	VILLAGE ADMINISTRATOR PRO TEM
Telephone:	847-965-4100	City:	MORTON GROVE Zip: 60053
Mobile		E-mail	tfriel@mortongroveil.org
Mobile Provider		Best way to contact	_X_ Email ___ Mobile _X_ Phone ___ Mail

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of
MORTON GROVE
is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Written signature of TIF Administator Pro Tem

07-17-15
Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTICT

Name of Redevelopment Project Area	Date Designated	Date Terminated
LEHIGH FERRIS RPA	1/24/2000	
WAUKEGAN ROAD	5/9/1995	
DEMPSTER WAUKEGAN RPA	10/8/2012	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2014

Name of Redevelopment Project Area:
Primary Use of Redevelopment Project Area*:
If "Combination/Mixed" List Component Types:
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):
Tax Increment Allocation Redevelopment Act __x___ Industrial Jobs Recovery Law _____

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] **If yes, please enclose the amendment labeled Attachment A**	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] **Please enclose the CEO Certification labeled Attachment B**		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] **Please enclose the Legal Counsel Opinion labeled Attachment C**		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] **If yes, please enclose the Activities Statement labeled Attachment D**	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] **If yes, please enclose the Agreement(s) labeled Attachment E**		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] **If yes, please enclose the Additional Information labeled Attachment F**	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] **If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G**	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] **If yes, please enclose the Joint Review Board Report labeled Attachment H**	X	
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] **If yes, please enclose the Official Statement labeled Attachment I**	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] **If yes, please enclose the Analysis labeled Attachment J**	X	
Cumulatively, have deposits equal or greater than $100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) **If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K**	X	
Cumulatively, have deposits of incremental revenue equal to or greater than $100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] **If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L**	X	
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] **If yes, please enclose list only of the intergovernmental agreements labeled Attachment M**	X	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

FY 2014
TIF NAME: DEMPSTER WAUKEGAN RPA

Fund Balance at Beginning of Reporting Period | $ (121,624)

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment			0%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest			0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source ____________; if multiple other sources, attach schedule)			0%

***must be completed where 'Reporting Year' is populated**

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period	$ -		
Cumulative Total Revenues/Cash Receipts		$ -	0%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	$ 75,042		
Distribution of Surplus			
Total Expenditures/Disbursements	$ 75,042		
NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS	$ (75,042)		
FUND BALANCE, END OF REPORTING PERIOD*	$ (196,666)		

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3) | $ (196,666)

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

FY 2014

TIF NAME: DEMPSTER WAUKEGAN RPA

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6 10 (o)]	Amounts	Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Administration personnel services portion	17,917	
Professional Services	27,813	
Professional Services - Legal	19,562	
		$ 65,292
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
Branding/Marketing Services	9,750	
		$ 9,750
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4)		
		$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
		$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		$ -

SECTION 3.2 A		
PAGE 2		
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
		$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		$ -

SECTION 3.2 A		
PAGE 3		
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -

TOTAL ITEMIZED EXPENDITURES		$ 75,042

Section 3.2 B

FY 2014

TIF NAME: DEMPSTER WAUKEGAN RPA

List all vendors, including other municipal funds, that were paid in excess of $10,000 during the current reporting year.

_______ There were no vendors, including other municipal funds, paid in excess of $10,000 during the current reporting period.

Name	Service	Amount
Kane McKenna & ASSociates	TIF Consultant Services	$ 23,025.00
Holland & Knight LLP	Legal Services	$ 19,561.50

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

FY 2014

TIF NAME: DEMPSTER WAUKEGAN RPA

FUND BALANCE, END OF REPORTING PERIOD $ (196,666)

1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
Total Amount Designated for Obligations	$ -	$ -

2. Description of Project Costs to be Paid		
Total Amount Designated for Project Costs		$ -

TOTAL AMOUNT DESIGNATED $ -

SURPLUS*/(DEFICIT) $ (196,666)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2014

TIF NAME: DEMPSTER WAUKEGAN RPA

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

__X__ No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
PAGE 1

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TIF NAME: DEMPSTER WAUKEGAN RPA

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

Check here if NO projects were undertaken by the Municipality Within the Redevelopment Project Area:			X
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.			
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	$ -	$ -	$ -
Public Investment Undertaken	$ -	$ -	$ -
Ratio of Private/Public Investment	0		0

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE			
Private Investment Undertaken (See Instructions)			$ -
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 2:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 3:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 4:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 7:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 8:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 9:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 10:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 11:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 12:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 13:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 14:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 15:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 16:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 17:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 18:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 19:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 20:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 21:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 22:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 23:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 24:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 25:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. *even though optional MUST be included as part of complete TIF report

SECTION 6

FY 2014

TIF NAME: DEMPSTER WAUKEGAN RPA

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
2012	$ 30,579,764	$ 25,288,162

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

_X_ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -

SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
N/A	N/A		$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

Optional Documents	Enclosed	
Legal description of redevelopment project area	X	
Map of District	X	

Dempster-Waukegan Tax Increment Financing Redevelopment District

Certificate of Compliance

REPORT PERIOD: January 1, 2014 to December 31, 2014

DATE OF REPORT: June 18, 2015

In accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois (65 ILCS 5/11-74.4), I am submitting this certified statement as to the following:

> *I have reviewed the audit performed by Sikich Gardner & Co. LLP on behalf of the Village of Morton Grove as well as public records, proceedings, and documents regarding the Dempster-Waukegan Tax Increment Financing District. Based upon this review I certify the Village of Morton Grove is in full compliance with the Act.*

Sincerely,

Daniel DiMaria
Village President

Cc: Village Board of Trustees

Richard T. Flickinger Municipal Center
6101 Capulina Avenue • Morton Grove, Illinois 60053-2985
Tel: (847) 965-4100 Fax: (847) 965-4162

Village of Morton Grove

Office of the Finance Director/Treasurer

June 18, 2015

The Honorable Daniel DiMaria, Mayor
Village of Morton Grove
6101 Capulina Avenue
Morton Grove, IL 60053

RE: Audit of the Financial Statements
Fiscal Year ending December 31, 2014
Dempster-Waukegan Tax Increment Financing Redevelopment District

Dear Mayor DiMaria:

OPINION OF CORPORATION COUNSEL

I, Teresa Hoffman Liston, Corporation Counsel for the Village of Morton Grove, Cook County, Illinois, was the Corporation Counsel for the fiscal year beginning January 1, 2014, and ending December 31, 2014, and have reviewed information provided to me by the Village's administration and staff pertaining to the Dempster-Waukegan Tax Increment Financing Redevelopment Project Area.

Based solely upon the information with which I have been provided and without making any independent review or investigation of that information, and relying on the accuracy, authenticity, and genuineness of all of the said information provided, it is my opinion that, as to the matters of which I am aware and have been specifically brought to my attention, the Village of Morton Grove, Cook County, Illinois has complied with the requirements of the Illinois Tax Increment Redevelopment Allocation Act (65 ILCS 5/11-74.4-1 et. seq.).

This opinion relates only to the time period of this report and is based upon the information with which I have been provided by the Village's administration and staff.

Sincerely,

Teresa Hoffman Liston
Corporation Counsel

Cc: Village Board of Trustees

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Richard T. Flickinger Municipal Center
6101 Capulina Avenue • Morton Grove, Illinois 60053-2985
Tel: (847) 965-4100 Fax: (847) 965-4162

Recycled Paper

Attachment E Description of Agreements Regarding Property Disposition or Redevelopment

The Village will reimburse the Developer of new tax increment real estate taxes generated by the Development during the life of the TIF. Approved Ordinance attached as Exhibit A.

EXHIBIT A

Legislative Summary

Resolution 14-33

AUTHORIZING NEGOTIATIONS FOR AN ECONOMIC INCENTIVE AND TAX INCREMENT ALLOCATION FINANCING DEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF MORTON GROVE, ILLINOIS AND HEARTLAND REAL ESTATE PARTNERS, LLC

Introduced:	June 9, 2014
Synopsis:	This resolution will authorize negotiations for a redevelopment agreement with the contract purchasers of 8700 Waukegan Road for a new mixed use residential and commercial development.
Purpose:	Heartland Real Estate Partners, LLC are seeking to purchase 3.5 acres of property on the southwest corner of Dempster Street and Waukegan Road in order to build a residential mid-rise rental development along with two free standing retail buildings. The development is not economically feasible unless the Village provides TIF assistance.
Background:	Over the past several years, the area within the vicinity of the intersection of Dempster and Waukegan has experienced declining property values, and vacancies. This decline has had an adverse effect on surrounding properties. In 2011, the owners of the Prairie View shopping center approached the Village proposing a plan to do major renovations to the center, but informed the Village they will not be able to do so without Village assistance due to the high cost, the uncertain economic climate, and increased MWRD and related requirements. The Village then retained S.B. Friedman and Company to conduct an eligibility analysis of this area. The eligibility study found the area met the factors of blight necessary for the creation of Tax Increment Financing District. After holding required public meetings and hearings, the Village pursuant to Ordinance No. 12-34 approved a Tax Increment Redevelopment Plan and Project Area, Ordinance No. 12-35 designated the Dempster/Waukegan Redevelopment Project Area, and Ordinance No. 12-36 adopted Tax Increment Allocation Financing (collectively, "*TIF Ordinances*"), which established the Dempster/Waukegan Tax Increment Finance Redevelopment Project Area ("*TIF District*"). Heartland Real Estate Partners, LLC have entered into a contract for the purchase of 8700 Waukegan Road which is located in the Dempster/Waukegan TIF District. This property is approximately 3.54 acres in area and consists of an obsolete 1 and 2 story 61,985 sq. ft. building which has significant vacancies and structural issues. The developer has proposed to build a multi-story residential building for approximately 172 new rental units and two separate buildings which will consist of approximately 16,000 sq ft of retail space. The development will have new underground utilities and a detention system compliant with MWRD standards. The developer believes the new development will improve the area and be a catalyst for new additional redevelopment. The developer has advised the Village the project is not feasible unless the Village provides financial assistance. The developer is asking for assistance in the amount of $6,300,000. It is anticipated the new development will generate over $900,000 per year in new real estate taxes. substantial sales from retail sales, and during construction will create 150 construction jobs, and thereafter will create 20 new permanent jobs. This resolution authorizes staff to negotiate a redevelopment agreement subject to Board approval based on the developer's TIF application.
Programs, Departs or Groups Affected	Administration, Legal and Finance Departments, along with Community and Economic Development
Fiscal Impact:	N/A
Source of Funds:	N/A
Workload Impact:	The Village Administrator, Corporation Counsel, Finance Director, and Community and Economic Development Director will oversee the negotiations of this contract.
Admin Recommend:	Approval as presented
Second Reading:	N/A
Special Consider or	None

Respectfully submitted: ____________________
Ryan J. Horne, Village Administrator

Reviewed by: ____________________
Remy Navarrete, Finance Director/Treasurer

Prepared by: ____________________
Teresa Hoffman Liston, Corporation Counsel

Reviewed by: ____________________
Nancy Radzevich, Community & Econ Develop Comm

RESOLUTION 14-33

AUTHORIZING NEGOTIATIONS FOR AN ECONOMIC INCENTIVE AND TAX INCREMENT ALLOCATION FINANCING DEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF MORTON GROVE, ILLINOIS AND HEARTLAND REAL ESTATE PARTNERS, LLC

WHEREAS, the Village of Morton Grove (Village), located in Cook County, Illinois, is a home rule unit of government under the provisions of Article 7 of the 1970 Constitution of the State of Illinois, can exercise any power and perform any function pertaining to its government affairs, including but not limited to the power to tax and incur debt; and

WHEREAS, the Village has the authority pursuant to the laws of the State of Illinois to promote the health, safety, and welfare of the Village and its residents, to prevent the spread of blight, to encourage private development in order to enhance the local tax base, to increase employment, and to enter into contractual agreements with developers and redevelopers for the purpose of achieving such objectives; and

WHEREAS, the Village is authorized under the provisions of Article VII, Section 10 of the State of Illinois Constitution, 1970, to contract and otherwise associate with individuals, associations, and corporations in any manner not prohibited by law; and

WHEREAS, the Village is authorized under the provisions of Article VIII of the State of Illinois Constitution, 1970, to use public funds for public purposes; and

WHEREAS, the Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, as amended, 65 ILCS 5/11-74.4-1 *et seq.* ("*Act*"), to finance redevelopment projects in accordance with and pursuant to the Act; and

WHEREAS, On October 8, 2012, the Village, pursuant to and in accordance with the Act, adopted (i) Ordinance No. 12-34 approving a Tax Increment Redevelopment Plan and Project Area, (ii) Ordinance No. 12-35 designating the Dempster/Waukegan Redevelopment Project Area, and (iii) Ordinance No. 12-36 adopting Tax Increment Allocation Financing (collectively, "*TIF Ordinances*"), which established the Dempster/Waukegan Tax Increment Finance Redevelopment Project Area ("*TIF District*"); and

WHEREAS, Heartland Real Estate Partners, LLC, a corporation located at 1200 N. Ashland Avenue, Suite 60022 (hereinafter the "**Developer**") is the contract owner of certain parcels of improved property approximately 3.54 acres in area in the Dempster/Waukegan TIF District generally located at the southwest corner of Dempster Street and Waukegan Road and commonly known as 8700 Waukegan Road, Morton Grove IL, 60053 ("*Developer Property*"); and

WHEREAS, the Developer proposes to develop, operate and maintain the property as a mixed use residential and retail development project ("*the Development*"); and

WHEREAS, the Developer has made an application for assistance from the Village pursuant to the Act and has represented to the Village, without the financial contribution from the Village provided for herein, the Development is not economically feasible and the Developer would not undertake the Development. The total amount of economic assistance the Developer has asked for is six million three hundred thousand dollars ($6,300,000.00).

WHEREAS, the Development represents the Village will benefit from its investment in this project with the following public benefits:

1. The existing obsolete 1 and 2-story buildings consists of 61,985 square feet will be demolished and replaced with a new mixed-use development consisting of a residential midrise rental and two free standing retail buildings.
2. New underground utilities will be installed through the property along with an underground detention system compliant with current MWRD standards.
3. The residential building would be constructed under a Type 4 classification with concrete and steel structure and a curtain wall of metal panels and windows. The retail buildings would be steel framing and all buildings would have fire sprinklers.
4. The development will improve the existing streetscape and be a catalyst for additional redevelopment of the area.
5. The development will replace a property that currently is under utilized and current use is no longer contributing to the community.
6. An additional $39,000,000 of new property value will be added to the tax base potentially generating over $900,000 in annual property tax increment as well as substantial sales taxes from new retail sales.
7. During the construction there will be 150 construction jobs and approximately 20 new permanent jobs.

WHEREAS, the Village desires to have the property developed to clear the blighted factors and characteristics of the Dempster/Waukegan TIF, to promote the health, safety, and welfare of the Village and its residents, to prevent the spread of those blighting conditions and characteristics in the Dempster/Waukegan TIF, encourage further private investment and development, enhance the Village's tax base, increase employment opportunities for Village residents and enhance the future tax revenues for those overlying taxing bodies who levy against the property and within the Dempster/Waukegan TIF District, and for those reasons believe it is in the best interest of the Village to enter into an Economic Incentive and Tax Increment Allocation Financing Development Agreement with the Developer.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MORTON GROVE, COOK COUNTY, ILLINOIS AS FOLLOWS:

SECTION 1: The Corporate Authorities do hereby incorporate the foregoing WHEREAS clauses into this Resolution as though fully set forth therein making the findings as hereinabove set forth.

SECTION 2: The Village Administrator, Corporation Counsel, and the Director of Community and Economic Development are authorized to negotiate an Economic Incentive and Tax Increment Allocation Financing Development Agreement with Heartland Real Estate Partners, LLC subject to approval by the Village Board. By authorizing these negotiations, the Village Board agrees in principal that providing the financial assistance up to the amount requested by the Developer may be in the best interest of the Village.

SECTION 3: This Resolution shall be in full force and effect upon its passage and approval.

PASSED THIS 23rd DAY OF June 2014

Trustee Grear	AYE
Trustee Marcus	AYE
Trustee Pietron	AYE
Trustee Thill	AYE
Trustee Toth	AYE
Trustee Witko	AYE

APPROVED BY ME THIS 23rd DAY OF June 2014

Daniel P. DiMaria, Village President
Village of Morton Grove
Cook County, Illinois

ATTESTED and FILED in my office
This 24th DAY OF June 2014

Ed Ramos

Ed Ramos, Village Clerk
Village of Morton Grove
Cook County, Illinois