



March 3, 2020

# City Limits Newsletter



## TIF District Update

Quick recap, as you know, on May 10, 2010, and pursuant to Section 11-74.4-31 of the Illinois Tax Increment Allocation Redevelopment Act ("TIF Act"), 65 ILCS 5/11-74.4-31, the City of Wilmington, Illinois ("City") adopted Ordinance No. 10-05-04-06, titled "An Ordinance Approving a Tax Increment Financing Allocation Redevelopment Plan and Project for the RidgePort Logistics Center Intermodal Facility Terminal Area," and Ordinance No. 10-05-04-07, titled "An Ordinance of the City of Wilmington Designating the RidgePort Logistics Center Intermodal Facility Terminal Area Pursuant to the Tax Increment Allocation Redevelopment Act" ("Original Project Area") to stimulate and induce redevelopment in the City. The Original Project Area consisted of approximately 1,275 acres. The Original Project Area has been amended and is now approximately 1,277.28 acres ("Project Area" or "TIF District").

In this current TIF district all obligations issued by a municipality related to TIF districts must be retired not more than 23 years from the date of adoption of the ordinance creating a TIF district unless: (i) the General Assembly grants express authority to extend the life of a particular TIF district beyond 23 years; and (ii) the municipality with jurisdiction over the TIF district agrees to extend its obligations beyond the 23 year maximum. 65 ILCS 5/11-74.4-3.5. The TIF Act contains approximately 175 exceptions to the 23-year rule for various TIF districts, which permit municipalities to provide tax increment for a period longer than 23 years.

The administration of the TIF District and Adar Ridgeport Industrial Partners, LLC's ("Park Owner") development rights in the TIF District are set forth in the Amended and Restated Redevelopment Agreement for the TIF District dated January 3, 2018 ("Redevelopment Agreement"). The Redevelopment Agreement permits the Park Owner to develop approximately 14,000,000 square feet of industrial and ancillary office building and commercial space in the TIF District ("Approved Development"). To encourage and facilitate the Proposed Development, the City agreed in the Redevelopment Agreement to provide the Park Owner and the TIF District stakeholders a maximum reimbursement of up to \$140,000,000, plus interest, in a combination of TIF notes and pay-as-you-go reimbursements. *continued on page 2*

### Special Points of Interest

- Electronic Recycling is every second Thursday of the month from 5pm to 7pm at City Hall. Visit [willcountygreen.com](http://willcountygreen.com) for more recycling opportunities.
- Yard Waste Collection through Waste Management resumes April 2nd.
- W.E.C.A.N. - approximately 116 registered citizens to date.
- The Water Department will be conducting bi-annual hydrant and main flushing the weeks of March 30, April 6 & April 13 between the hours of 7AM to 3PM. Hydrant flushing signs will be moved accordingly to the area being flushed.

## *continued* TIF District Update

Since the creation of the TIF District in 2010, approximately 6,400,000 million square feet of the industrial and ancillary office building and commercial space allowed pursuant to the Redevelopment Agreement has been constructed in the TIF District. At the pace of development, it is anticipated the TIF District will expire in 2033 well before the Park Owner is able to complete the Approved Development, thereby preventing the City and the other taxing bodies from realizing the full benefits from the Approved Development.

To enable the full realization and benefits from the TIF District, the Park Owner is requesting the General Assembly to approve the attached amendment to Section 11-74.4-3.5 of the TIF Act to extend the lifespan of the TIF District and allow the Park Owner to receive the City's financial support through the extension.

Proposed Project - the Developer is proposing an additional approximately 24,000,000 million square feet of industrial space that is anticipated to be developed over the next 25 years.

TIF Eligible Costs - the City will increase the maximum reimbursement payable to the Park Owner and TIF stakeholders from \$140 million plus interest, to \$250 million plus interest, through a combination of (i) pay-as-you-go reimbursement, (ii) TIF Notes issued by the City, and (iii) net bond proceeds paid to or for the benefit of the Park Owner. The RDA will be updated to allow for the increase.

Extension & Legislation - The City would need to have all necessary discussions with the State legislature and support the introduction of legislation that authorizes life of the TIF District to be extended to 35 years (2045). Additionally, the City would need to prepare all the necessary amendments to the existing Eligibility Report and Redevelopment Plan, and hold all necessary City Council meetings and hearings as required by the TIF Act to approve the extension at the municipal level.

IGA's - The Park Owner will work in good faith with the City to enter into all necessary intergovernmental agreements to facilitate the necessary support of the taxing districts for this legislative extension.

When the Mayor and I met with Michael Stellino of Elion Logistics Partners on February 5<sup>th</sup>, we discussed a great number of things. One of the things Mr. Stellino requested was an itemized list of needed improvements to the City. Below is said list:

Road, street and right-of-way improvements

- \$400,000 to assist with completion of road improvements and land acquisitions on Peotone Road at RT 53

- \$300,000 to assist with completion of road improvements and land acquisitions on South Arsenal Road at RT 53

- \$500,000 to assist with bridge improvements on North Kankakee Street over Forked Creek  
City Buildings & Property

- City Hall - \$400,000 for renovations or \$5,000,000 for a replacement building

- Police Department - \$400,000 for renovation or \$5,000,000 for a replacement building

- Water Treatment Plant - \$300,000 for renovations, improvements & equipment

- Water Reclamation Plant - \$300,000 for renovations, improvements & equipment

- Public Works - \$300,000 for renovations, improvements & equipment

- ESDA - \$300,000 for renovations, improvements & equipment

- Administrative Vehicles - \$50,000 each (City Administrator, Chief of Police, Building Inspector, Superintendent of Water/Water Reclamation, Superintendent of Public Works, ESDA Director)  
Improvements to Downtown

- \$300,000 for completion of new parking lot & sidewalk and road improvements

- \$100,000 improvements to greenspace by pedestrian bridge

Improvements to Parks

- \$300,000 for playground equipment, pavilion repairs and new picnic tables

- \$3,000,000 Improvements to South Island Dam

Please keep in mind that this is just a draft, no deals have been made and there are many, many, items that need to fall in to place and agreed to, collectively by the Council. The Mayor and I have meeting on March 4th with the local taxing bodies.

## IL 53 @ Kankakee River Drive/Wilmington-Peotone Road

A brief history of the project is as follows:

- The project includes work on IL 53, Kankakee River Drive, and Wilmington-Peotone Road (Will County Route) including added auxiliary lanes, resurfacing, and traffic signal modernization.
- This was originally designed and bid in 2016 with bids nearly double the previous engineers cost estimate. Because this was so much more than the available funding the bid was rejected, and the project was shelved until more funding could be made available.
- Additional funds were made available using local and EDP funding.
- Due to the delay in engineering agreement approvals the special waste and environmental clearances required updating since they were over 2 years old and IDOT required additional plan revisions on the traffic signals. These were completed in time for the January 2020 letting.
- The funding was based on the prior updated (after the 2016 bidding) engineers cost estimate of \$2,341,863.
- The project was re-bid on Jan 28, 2020 through the local roads letting process. Four bids were submitted with the three lowest bids falling within 2% of each other and under the new engineer's estimate of \$2,770,000.
- The low responsible bidder appears to be Austin Tyler Construction, Inc. at \$2,629,523.47. However, this is \$287,660 over the prior engineer's updated costs used in the PPI and EDP Agreement, leaving the current shortfall.

The City's finances are currently strained leaving this critical project in limbo. The project needs to move forward because of the heavy truck traffic and commitments to the private companies through the state economic development programs. On February 21, 2021 a letter was submitted to IDOT urgently requesting additional funding of approximately \$288,000 using IDOT District Roadway Funds for the subject project. There are currently no IDOT roadway funds on the project even though the majority of the work is on IL 53. The project includes funding from 2 different Economic Development Projects (US Cold Storage and Prologis Park Credits), Will County Highway Department, City of Wilmington and private funds (US Cold Storage). The City continues productive conversations with US Cold Storage to obtain \$301,142. These dollars will be utilized for the City to purchase the two remaining easements, from private property owners, needed for this project to be a complete success.

## IL 53 @ South Arsenal Road

I have a meeting with ESI & Austin Tyler Wednesday, March 4th to discuss the schedule for the remaining work to get the permanent traffic signals installed and transferred to IDOT .

### City Limit Roads

Streets & Alleys are being inspected for this years MFT Project. More discussion on this will take place at the March WSSA meetings.

Stevens Lane - Working in conjunction with Wilmington Township to improve the drainage. The construction of new storm sewers and drainage swales needs to take place prior to the road improvements being made.

High Speed Rail—the revised land acquisition agreement is being reviewed by the property owner.

2020 Golf Cart Stickers are available for purchase. Applications are available at City Hall or online. To date, there have been six issued.

## Notable Anniversaries

### January

Nick Hansen 13 years

Luis Castro 2 years

### February

Ken Ewenson 18 years

David Soucie 14 years

## Planning & Zoning

Jayson Walinski was appointed to serve on the Planning & Zoning Commission

## Police Pension Board

David Schultz was reappointed to the Police Pension Board

## Azavar

In July of 2019 the City entered into an agreement with Azavar to undertake a Municipal Audit Program to review tax and fees associated with telecommunications, gas, electric, cable and sales tax.

Telecommunication results found that we were being charged a Federal Excise Tax which government entities are exempt from paying. The request has been made to remove this from the City's future CallOne invoices. The estimated savings on CallOne was \$28.93 per month. However, in the past, some customers were exempted from three Illinois taxes, known as the Illinois Telecommunications Excise Tax, the Illinois Telecommunications Municipal Infrastructure Maintenance Fee, and the Illinois Simplified Muni-

pal Telecommunications Tax. The State of Illinois has taken the position that municipal and not-for-profit entities are not exempt from any of these taxes. Starting with the February bill, CallOne ended these exemptions, and began to include these taxes on all customers' statements. So unfortunately we are now paying approximately \$76.72 more per month.

The wireless services provided by Verizon are on the Illinois State Plan and the City is getting the best rate possible.

Azavar has sent audit notices and is awaiting provider data from gas, electric, cable, and sales tax.

## Park Transfer

The transfer of Northcrest & Riley's Parks to the Wilmington Island Park District is current and ongoing. In October 2019 Integrity Environmental Services, Inc. performed a Phase I Environmental Site Assessment. This assessment revealed no evidence of current recognized environmental conditions in connection with the site or surrounding properties with the exception of a potential underground storage tank used to heat the former elementary school that was on-site. A ground penetrating radar survey was performed to determine if an underground storage tank was present. The areas surveyed were unable to detect a possible under ground storage tank.

Next steps - the Wilmington Island Park District Board unanimously passed an ordinance at their meeting on February 27th requesting the transfer and declaring it necessary or convenient for them to acquire the park. The City's Building, Grounds, Parks Committee will review a resolution to transfer this land to the Wilmington Island Park District at their March 11th meeting and from there, the resolution, will be moved to City Council for full approval at the March 18th meeting.



## Building Department Update

### January

New Single Family Residence  
\$307,500.00

Industrial/Commercial Remodeling  
\$134,313.00

Residential Rooftop Solar Array  
\$ 29,068.00

Roofing, Siding, Remodeling, Fences, etc  
\$ 57,600.00

**Total Value of All Permitted Works**  
**\$528,481.00**

**Total Permit Fees Collect**  
**\$ 12,833.75**

9 permits were issued, 11 inspections were performed

### February

Industrial/Commercial Remodeling  
\$ 4,000.00

Residential Demolition (Ridgeport)  
\$ 31,000.00

Roofing, Siding, Remodeling, Fences, etc  
\$ 57,692.00

**Total Value of All Permitted Works**  
**\$ 92,692.00**

**Total Permit Fees Collect**  
**\$ 2,235.00**

11 permits were issued, 10 inspections were performed

New Fire Station is almost finished, minor adjustments to fire alarm system that will be completed this week.

Work is progressing on Fox's Pizza, rough framing is in progress now.

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## *Spring is coming... time to cleanup*

Waste Management will begin collecting yard waste materials (i.e. tree branches, leaves, grass clippings and brush) April 2, 2020. Yard waste is collected by Waste Management once per week on the same day as the refuse collection. All yard waste items placed out for collection by residents must be at the curb by 6:00 a.m. Yard waste materials can be placed in kraft paper bags, which can be purchased at local retail stores. 96-gallon yard waste carts are available for rent from Waste Management. Branches and brush must be cut into 4-foot lengths and bundled with string or twine. Each bundle must not exceed 50 lbs. Unbundled brush will not be collected. Whole trees and limbs greater than 4 inches in diameter and stumps are not included in the weekly pickup. Please note that sod, whole trees, stumps and dirt are not part of the weekly yard waste program. This program runs until November 27, 2020.

The City's Spring Pick Up is May 7, 2020. All items must be placed curbside by 6AM. This annual program through Waste Management is for residents living in single-family homes or duplexes that are currently receiving City collection services. Items to be picked up include: couches, chairs, tables, mattress, white goods (i.e. ranges, washers, dryers, appliances with Freon, water heaters), automobile tires (limit of 4 with no rims), carpet and padding (all carpet & padding must be cut into 4-foot lengths, rolled and secured with tape or sting not to exceed 50 lbs). No pick-up for building materials, fencing, large car parts, engine oil, and yard waste.

Thank you for reading . If you have any questions or concerns regarding the contents of the newsletter, please feel to let me know.

*~Joie Ziller, City Administrator*