

MINUTES OF PUBLIC HEARING
PROPOSED LINCOLN MALL REDEVELOPMENT PROJECT
AREA NO. 2 AND ADOPTION OF A REDEVELOPMENT PLAN AND PROJECT
FOR A TAX INCREMENT FINANCING PROGRAM IN MATTESON, ILLINOIS
HELD IN THE COUNCIL ROOM OF THE MATTESON VILLAGE HALL
4900 VILLAGE COMMONS
ON THIS 5TH DAY OF NOVEMBER 2001

President Stricker called the Public Hearing meeting to order at 7:07 p.m. for consideration of a proposed Lincoln Mall Redevelopment Project Area No. 2 and adoption of a Redevelopment Plan and Project.

CALL TO ORDER

Clerk Grisco called the roll, and the following Trustees answered present:

Shirley Green
Allan Johnson
Andre' Ashmore
Nathaniel Motton Jr.
Allene Maxwell

Also present were: David Mekarski, Village Administrator; Joe Perozzi, Village Attorney; Hildy Kingma, Director of Community Development; Robin Kelly, Director of Community Affairs; Brian Ramsey, Parks and Recreation Director; Cyndi Zeibert, Recording Secretary; and the Star Newspaper.

President Stricker explained the purpose of this Public Hearing is to have the consideration of a proposed Lincoln Mall Redevelopment Project Area No. 2 and possible adoption of a Redevelopment Plan and Project. The proposed Redevelopment Plan provides for the Village of Matteson to implement a set of actions to facilitate commercial retail use redevelopment within this Redevelopment Project Area No. 2. The contemplated Village of Matteson actions include, but are not limited to, land acquisition, the construction of public infrastructure, including water mains, sewer mains, sidewalks, roadways; site preparation; building rehabilitation, and related professional costs. The Village of Matteson would realize the goals and objectives of the Redevelopment Plan through public finance techniques including, but not limited to, tax increment allocation financing. President Stricker noted that this matter of the Public Hearing was property advertised.

CONSIDERATION OF
A PROPOSED
LINCOLN MALL
REDEVELOPMENT
PROJECT AREA NO. 2
AND ADOPTION OF A
REDEVELOPMENT
PLAN AND PROJECT

Trustee Brown arrived at 7:09 p.m.

Director Kingma stated this Public Hearing is a statutory requirement for establishment of a TIF district. In March, the Village adopted a resolution providing

PUBLIC HEARING

November 5, 2001

11-128-01

for the undertaking of a feasibility study. The first draft of the feasibility study and draft redevelopment plan and eligibility study were completed by the property owners' consultants in July. At the September 17th meeting, the Village Board approved a resolution and posted a notice setting the Public Hearing date for this meeting. A Joint Review Board was also called at that time. A Joint Review Board is a statutory requirement that is made up of several of the taxing districts, of which Ed O'Malley is the Chair. (He is in the audience if there are any questions for him.) The Joint Review Board held two meetings, October 9 and October 23, 2001. Their job was to review the redevelopment plan and the eligibility report to determine if the project is eligible under state statute. At their October 23, 2001 meeting, they did vote unanimously to recommend that the project is eligible under state statute and to prepare the report for this public hearing. The purpose of tonight's meeting is to conduct a public hearing on the proposed TIF project and the applicant's consultants are available to make a brief presentation on the proposed project.

President Stricker explained since this is a Public Hearing, it means the interested parties, (applicants) would participate, the Board would participate, and he would encourage the residents of the community to participate and make any inquiries. The purpose of a Public Hearing is to have public input and comments to the parties involved.

Ed O'Malley, Director of Fiscal Services of School District #227 - Representative on the Joint Review Board, stated they did have two meetings, selected a public member, reviewed everything and concluded that the requirements of this project qualified under the TIF statutes. The Joint Review Board consisted of himself; a representative from District #159, a representative from County of Cook, and a representative from the Village of Matteson all were present at the first meeting. The second meeting consisted of the same, as well as, a representative from the Public Library and a Public Member.

Phil McKenna, from Kane, McKenna & Associates – retained by the owners of Lincoln Mall to establish the redevelopment plan. In summary, Mr. McKenna explained that the proposed tax increment finance district is what is commonly known as Lincoln Mall, with the exception of that parcel which is owned by Sears. Sears is already a Tax Increment Financing District. None of the out lots of Lincoln Mall are being considered for the TIF. One of the problems of the Mall now is the lack of two anchors, short-term leases in the small shops, and a high vacancy rate overall. The objective is for some rehabilitation to the structure of the Mall, the parking lot, and adding attractions to bring in some new tenants. There is not a specific business plan at this time, but some ideas discussed were to take the vacant anchors and split them into smaller anchors, reconfiguring some of the space.

OVERVIEW OF
PROPOSED PROJECT

PUBLIC HEARING

November 5, 2001

11-129-01

Trustee Ashmore asked as to when a “plan” would be available. Mr. McKenna stated that ownership is in California and they will be coming to meet face-to-face with Matteson by the end of November to present a business plan at that time.

Trustee Brown asked if there was a projection of possible increase in sales. Mr. McKenna stated that they have run three different scenarios; one of modest increase in sales, one more aggressive, and one as the “grand slam” effect. They will not only be looking for good tenants, but long term tenants.

COMMENTS BY
VILLAGE OFFICIALS

Trustee Motton asked why they think a TIF would be conducive to “our” mall when business retail is slow all over. Mr. McKenna answered that the big component of total operating cost is taxes, which will help defer the cost of their lease.

Trustee Motton asked if stores had said they would not come to the Mall because taxes are too high, and Mr. McKenna stated that they have.

Trustee Green asked him to describe what he means by the pattern of land use activity. Mr. McKenna explained that the Mall is hidden by out lots surrounding it, and the plan is to make it more visible.

Trustee Brown asked what kind of commitment is the Mall management willing to make to bring in quality stores. Mr. McKenna stated that the purpose of an agreement would be the commitment. That would be how they, too, would be more apt to make a profit.

Bert Bell, 4306 Oakwood Lane – The owners of the Mall need to show commitment. He has a complaint of one of the anchors of the mall in having items of not good quality. He hopes all will work together to do what’s good for the Mall and Matteson.

Harold Gillis, 608 Academy, member of the Housing and Human Relations Commission – It seems that the future of malls is a thing of the past, and that we should start talking about smaller, designer outlets.

OPPORTUNITY FOR
PUBLIC COMMENT

Joan Mc Killip, 616 Academy – would like to know how the TIF works in relation to the homeowner’s taxes.

Mr. McKenna described that a TIF District is a self-contained entity. The increase would be put in a tax-increment fund and the current EAV is frozen.

Ann Carr, 22 Huntington Road – asked how many businesses have showed any interest in the Mall. Mr. McKenna could not give a number, but noted that the Mall has approached a significant number of businesses. The Mall meets with 5 – 10

November 5, 2001

retailers per week.

President Stricker added that 70% of taxes are generated for School Districts, Rich Township and Prairie State College. The TIF program is designed to increase the value of the property, which should provide some more business traffic and more dollars through the cash register and therefore provides the Village with more sales tax dollars.

Mr. McKenna stated that if improvements are made, taxes should increase. If there is revitalization of the mall, tenants will pay more taxes.

Administrator Mekarski added that there might not be a direct benefit, but hope to benefit in a long-range term. More value towards the businesses, thus more taxes generated – and possibly more sales tax revenue throughout the Lincoln Cicero Corridor.

President Stricker concluded that the proposed amount of the TIF was \$20 million, and the Village is now for one-half of that amount. It is our responsibility to safeguard our investment, which we plan to do.

Director Kingma realized that this was a lot to digest, and if there are any further questions, to give her a call. She would then recommend reconvening this Public Hearing until December 3, 2001 at 7:00 p.m.

President Stricker asked if there was any written correspondence to the Village of Matteson in regards to this TIF. Clerk Grisco stated that there was none. President Stricker also suggested setting up a workshop to give more information on what a TIF is all about.

Trustee Brown moved to recommend that this Public Hearing be tabled to reconvene on December 3rd at 7:00 p.m. Seconded by Trustee Ashmore.

AYES: (6) Green, Johnson, Brown, Ashmore,
Motton, and Maxwell

NAYS:(0)

ABSTAIN: (0)

ABSENT: (0)

TABLE TO
RECONVENE PUBLIC
HEARING

Public Hearing adjourned at 8:23 p.m.

Respectfully Submitted,

Dorothy Grisco, Village Clerk