

**MINUTES OF THE SPECIAL SESSION
OF THE ANNA CITY COUNCIL
SEPTEMBER 21ST, 2021**

The Anna City Council met in special session at Anna City Hall at 4:03 p.m. on September 21st, 2021. The meeting was called to order by Mayor Steve Hartline. The roll call went as follows: Present were Commissioner Michael Bigler, Commissioner Kathy Bryan, Commissioner Martha Ann Webb and Mayor Steve Hartline. Commissioner Bryan Miller was absent.

Mayor Hartline welcomed those present. He then asked City Administrator Bigler to give a brief history on the TIF planning.

City Administrator Bigler explained that the City of Anna has been talking about creating a TIF district since December 2019. Mayor Hartline appointed Commissioner Bryan, Commissioner Bigler, and herself to do some research and look into this. Mr. Moran with Moran Economic Development was contacted to help the City of Anna with the process. The TIF committee also reached out to various other towns in the area that had TIF districts for more details and information. The City formally began the process in July 2021.

Mayor Hartline informed the audience that he is sure there are questions and that he too still has questions due to his lack of familiarity. Mayor Hartline opened the floor to questions; however, he did inform the audience that Mr. Moran may have to address detailed questions when he arrived.

Ms. Hackney asked if Administrator Bigler could explain and expand on what other towns did that sold them on setting a TIF. Ms. Bigler said there were a great deal of success stories however, one that sticks out is in the town of Sessor an individual invested \$400,000 into an old building. Sessor says they could not have accomplished what they have without the TIF. It has made a profound impact on their area. Commissioner Bryan commented that Sessor's Mayor said that their TIF is the number one reason they are growing. Discussion was held regarding who the Moran group is and what they do. City Administrator Bigler and Commissioner Bryan explained that Mr. Moran analyzes and provides a recommendation on each project presented. It was asked if it is a for profit or not profit organization. Commissioner Bryan informed it is a for profit organization that specializes in this area. They have

worked with municipalities throughout the state, not just Southern Illinois. Administrator Bigler explained that there are some businesses that seek out locations that are in TIF districts; for example, Dollar General. Ms. Bigler also stated we could request Mr. Moran and his organization recruit businesses as well. An audience member asked if Mr. Moran charges. Administrator Bigler responded that he does charge for his services and that the City of Anna pays for these costs.

Mr. Burnett asked what the length of the TIF district is. Administrator Bigler responded the TIF district is set for 23 years.

Mr. Hughey asked how the TIF district effects taxing districts. Administrator Bigler responded that the current property tax rate is froze; therefore, they will continue to get what they have been receiving.

Mr. Wright stated that many school districts deal with TIF districts and there are many different arrangements that can be made. Administrator Bigler responded that Mr. Moran stated there could be agreements that are worked out later in the TIF process. Mayor Hartline stated he wants to know and ask as well how districts will be affected. Administrator Bigler commented that it was discussed at the TIF joint review board meeting and Mr. Moran explained there can be arrangements made with school districts as well as TIF funding.

Mayor Hartline commented that 90% of the concerns he has heard regarding the TIF is that individual taxes are going to increase and how they are affected. He wants to be transparent and ask questions that we will all learn from. Commissioner Bigler commented that the City of Anna is open to have further discussions with school districts. Mr. Wright commented that he understands there are incentives but he does have some concerns.

Mr. Moran entered the meeting at 4:19 pm. Commissioner Bryan addressed the audience stating that if there were any questions asked that did not receive sufficient response to please ask Mr. Moran. Mr. Moran passed out copies of the TIF map to the audience. Mr. Moran explained that the process began more than a year ago with the City of Anna's main concern being what can we do to better our area. TIF is an economic development tool that communities have to facilitate growth. The population in 2000 was 5100 and now is at 4303; we do not have the growth we would like to see. Many surrounding towns such as Marion, Carbondale,

Goreville, Cobden, Murphysboro all have TIF districts and are growing. We would like to increase economic development and stimulate growth. The area was put together based on needs. This includes the undeveloped area east of town, the core area, the west side including the downtown and aging area. Looking at how the area qualifies including aging utilities, property evaluations, EPA issues, deteriorating buildings; The City of Anna qualified under Illinois TIF law then put a generalized plan together. Through the TIF process we have heard a lot of things; property is still zoned the same, we need to eliminate any concerns with personal property. TIF doesn't increase taxes, it takes the future value of your property and the City of Anna captures that and uses it to improve conditions within your area. The funds captured are used as an incentive tool. We want to encourage you to add to buildings. It will increase taxes and help beautify the area. We can do development agreements where we'll refund our portion of your taxes for a certain number of years to help individuals rehab buildings. We can improve sidewalks, ADA capable areas, extend utilities to areas for new development. Looking at the EAV's we don't have increases and booming areas; if there were we wouldn't need a TIF area. There is a great deal of age and history to the area and areas needed torn down. We don't want the TIF so large that the City of Anna captures all the growth. There is a touch and feel for choosing area and size. Taxing bodies will always get what it is getting now; only the increase is captured by the City of Anna's TIF. Commissioner Bryan commented that even the naturally rising taxes go into the TIF fund. Mr. Moran stated that the City of Anna can state surplus and give an amount to taxing bodies. The TIF itself does not increase taxes. Commissioner Bryan commented that commissioners that have buildings and or businesses within the TIF are excluded.

Mr. Starrett commented that he owns a building that cannot be expanded due to lack of area to add on. What happens when an outsider comes in to build, an example being a bolt factory. The historic area isn't receiving improvements. Mr. Moran responded that the City of Anna's TIF is multi-faceted. Mr. Starrett responded that Main Street has issues with the sewer system. Are big corporations going to get TIF money? Administrator Bigler responded that an example is Cobden, they utilized their TIF funds to repair sidewalks and utility issues. Mr. Starrett asked if there is going to be an advisory council. Mr. Moran responded that ultimately all decisions are the council's; there is a TIF joint review board and that TIF funds can be used for building rehab, infrastructure improvements, extensions, and can only be used for areas inside the TIF. If this is done there would be an increase in population and sales tax. TIF funds can't be used for salaries. Ms. Johnson commented that the TIF Joint

Review Board voted no; Schools are going to suffer for 23 years. Ms. Johnson then stated that she wanted to direct the council to the shop local campaign; what large chain could you bring in that would not put small businesses out? She commented that large businesses would improve EAV's but that it's not the school's responsibility; you're taking money away from the schools. Commissioner Bigler responded that we have looked into this for a year. We want new businesses and to improve old ones. Commissioner Bigler stated that he has lived here 42 years. We've lost the shoe factory, Transcraft, Bunny Bread, etc. Thankfully we have the grow center; it's not included in the TIF so the school districts will receive that money. We want more growth. Ms. Johnson commented that she still does not believe the City of Anna qualifies. Commissioner Bigler responded that we left out the grow center. Ms. Johnson replied that we could not have included it. Mr. Moran stated that a TIF is a working relationship with the taxing bodies. Schools still receive sales tax; therefore, new businesses will help all taxing bodies. There was great thought put into what areas were included and excluded. Within the 23 years, not a great deal happens the first three years therefore it is a 20-year redevelopment plan.

Mr. Carter asked why there is not a plan. Does the City of Anna not have an economic development plan in place? Commissioner Bigler responded that by having a TIF in place that alone brings businesses in. Commissioner Bryan commented that we haven't sat and said a certain amount of money goes this and that. Mr. Carter asked if there is an economic development plan. Commissioner Bryan asked if he asking if there is a funding gap? Commissioner Bigler said currently the City of Anna has no angle to attract businesses to the area. Keith Moran said that as money builds up then budgeting can begin. We don't get overly specific now.

An individual from the audience asks if someone brings in a shopping center on the east side of town and it goes under who pays the bills for the water and sewer lines? Mr. Moran responded that the TIF itself doesn't take out loans.

Mr. Hughey said that he recalls with Master's Choice there was a tax abatement given therefore there are areas for an angle. Mr. Hughey then commented that doesn't a TIF really last 35 years not the previously stated 23 years; do you not do this? Mr. Moran responded that you can extend a TIF; however, it must have legislative approval and all taxing districts must support or it cannot move forward. City Administrator Bigler stated to extend the TIF past the 23-year period, all taxing

bodies must agree to extend; unlike setting up a TIF which does not include the taxing bodies support, only the City of Anna council.

Ms. Bullard said that school District 37 has one building located within the TIF and one outside. Mr. Moran said the City of Anna can extend to taxing bodies (whether they are in or out of the TIF district). Ms. Bullard commented that she has faith in the current council but the TIF lasts 23 years, how do the schools know support will continue. Mr. Moran responded that intergovernmental agreements can ensure this or the council can extend money for specific projects, or the City of Anna can decrease the size of the TIF. Ms. Bullard stated she would like an agreement before the TIF is set. Commissioner Bigler commented that school districts could potentially receive more funds than they usually do from normal taxes.

Mr. Wright asked how many local TIF's set up agreements with their school districts. Mr. Moran responded that surplus is the easiest way to set something up with taxing districts and formally pass. Commissioner Bigler asked if a meeting could be set up with the City of Anna and the taxing bodies.

An individual from the audience asked what the top five priorities are for the City of Anna with the TIF funds. Commissioner Bigler responded that aging infrastructure is a priority. Commissioner Bryan said there are many buildings that need improvements and that this will improve the overall look of the City of Anna. Mayor Hartline stated cleaning up the downtown area; because it's hard to bring in new businesses and residences when the current ones look so poorly.

Mr. Lamdin stated he owns the majority of land surrounding the business park and asked what the plan is for the area. Mayor Hartline responded that for the City of Anna to develop we must go east. There is no known business but we are hoping for growth. Mayor Hartline commented that we are fortunate to have the cultivation plant and the development it has brought to our area.

Ms. Estel asked why some individuals received letters and others did not. Administrator Bigler responded that certified letters were sent to those individuals within the TIF district and that those within 750 ft of the district received non-certified letters.

An individual from the audience asked if the City of Anna had been approached by a big business and that is why a TIF district is being set up. Commissioner Bryan responded that the City of Anna has not been approached by anyone and that is illegal. Administrator Bigler commented that a good indication this is not the case is the fact that the City of Anna has been discussing and researching a TIF district since 2019 and it has taken this long to get to this point.

Ms. Johnson asked if the normal line item on the budget for utility repairs will change since TIF money will be coming in. Administrator Bigler responded that the City of Anna utilizes fund accounting therefore gas and water reserves must be used for gas and water projects, it cannot be used for other items.

Mayor Hartline asked if there were any other follow up questions. He stated we are not done. We aren't approving tonight.

An individual from the audience asked if the factories that have left such as Transcraft are included in the TIF area. Commissioner Bigler responded yes.

Commissioner Webb stated that Administrator Bigler said the entire council decided as a whole but now there is an advisory council. City Administrator Bigler responded that the entire council decides on TIF related decisions; the sub-committee would hold discussion with the taxing bodies and report back to the council as a whole. Commissioner Bigler stated that no more than two council members can meet outside a formal meeting. Mayor Hartline said he would like to look at creating a TIF advisory council.

Ms. Johnson advised the council to ask Mr. Moran to see his working papers because EAV's do not show COA meets qualifications and that the Joint Review Board requested to see these previously.

Ms. Estel commented that she would like to see work done on the storm drains in front of buildings that were previous businesses. Administrator Bigler responded that we cannot work on storm drains that are on state routes.

An individual from the audience stated that for 20 years he has asked about the street sweeper and he would like to know if it's fixed yet. Mayor Hartline responded that he is thankful for the suggestions and they will look into it.

Ms. Watkins commented that 23 years is a long time and this will have a large impact. Mayor Hartline responded that the City of Anna is a small portion of the taxes received by entity. Mr. Hughey commented that the City of Anna is responsible for the TIF funds. Mayor Hartline replied that an advisory council would take some of the burden off of the City Council.

An Individual from the audience asked about City leaf and limb pick up. Administrator Bigler replied that the chipper is fixed and will begin in November with City pickup. Commissioner Bryan added that she would suggest everyone follow the City of Anna's Facebook page for notifications and updates regarding clean up.

A motion was made by Commissioner Bryan and seconded by Commissioner Bigler that it be **RESOLVED THAT THE SPECIAL SESSION OF THE ANNA CITY COUNCIL MEETING OF SEPTEMBER 21ST, 2021 BE ADJOURNED AT 5:42 P.M.** A vote was taken upon the motion with the following results. Commissioner Bigler, Commissioner Bryan, Commissioner Webb and Mayor Hartline. voted yea. Nay – none. Mayor Hartline declared the motion carried.