



**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]  
FY 2018**

<b>Name of Redevelopment Project Area (below):</b>  <p style="text-align: center;">Town Center Redevelopment Project</p>	
<b>Primary Use of Redevelopment Project Area*:</b>	Residential/Retail Educational
* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.	
<b>If "Combination/Mixed" List Component Types:</b>	Residential/Retail Educational
<b>Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):</b>	
Tax Increment Allocation Redevelopment Act Industrial Jobs Recovery Law	<input type="checkbox"/> <input checked="" type="checkbox"/>

**Please utilize the information below to properly label the Attachments.**

	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)] <b>If yes, please enclose the amendment (labeled Attachment A).</b>	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)] <b>Please enclose the CEO Certification (labeled Attachment B).</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)] <b>Please enclose the Legal Counsel Opinion (labeled Attachment C).</b>		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] <b>If yes, please enclose the Activities Statement (labeled Attachment D).</b>	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)] <b>If yes, please enclose the Agreement(s) (labeled Attachment E).</b>	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)] <b>If yes, please enclose the Additional Information (labeled Attachment F).</b>	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)] <b>If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).</b>	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)] <b>If yes, please enclose the Joint Review Board Report (labeled Attachment H).</b>		X
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] <b>If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).</b>	X	
An 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)] <b>If attachment I is yes, then Analysis MUST be attached and (labeled Attachment J).</b>	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) <b>If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).</b>		X
Cumulatively, have deposits of incremental taxes 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)] <b>If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).</b>		X
A list of all intergovernmental agreements in effect 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)] <b>If yes, please enclose the list only, not actual agreements (labeled Attachment M).</b>	X	

**SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d))**

Provide an analysis of the special tax allocation fund.

FY 2018

TIF NAME:

Town Center Redevelopment Project

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 495

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 1,301,846	\$ 8,477,480	25%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 11,188	\$ 103,097	0%
Land/Building Sale Proceeds		\$ 50,000	0%
Bond Proceeds		\$ 23,840,204	72%
Transfers from Municipal Sources	\$ 130,185	\$ 836,812	3%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund \$ 1,443,219

Cumulative Total Revenues/Cash Receipts \$ 33,307,593 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 1,169,308

Transfers to Municipal Sources

Distribution of Surplus

Total Expenditures/Disbursements \$ 1,169,308

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 273,911

FUND BALANCE, END OF REPORTING PERIOD\* \$ 274,406

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

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

FY 2018

TIF NAME:

Town Center Redevelopment Project

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND  
(by category of permissible redevelopment project costs )

PAGE 1

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. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
		\$ -
2. Annual administrative cost.		
Bank account fees	60	
		\$ 60
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		\$ -
6. Costs of the construction of public works or improvements.		
		\$ -



SECTION 3.2 A

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -
<b>TOTAL ITEMIZED EXPENDITURES</b>		<b>\$ 1,169,308</b>





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

FY 2018

TIF NAME: **Town Center Redevelopment Project**

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

X

Check here if 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 - 20 ILCS 620/4.7 (7)(F)

PAGE 1

FY 2018

TIF Name: **Town Center Redevelopment Project**Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.**Select ONE of the following by indicating an 'X':**

1. <b>NO</b> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality <b>DID</b> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The number of projects undertaken by the municipality within the Redevelopment Project Area:	4

**LIST** the projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 42,808,650	\$ -	\$ 42,808,650
Public Investment Undertaken	\$ 9,588,068	\$ -	\$ 9,588,068
Ratio of Private/Public Investment	4 33/71		4 33/71

\*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

**Project 1\*: Port Clinton Place**

Private Investment Undertaken (See Instructions)	\$ 23,507,674		\$ 23,507,674
Public Investment Undertaken	\$ 1,489,264		\$ 1,489,264
Ratio of Private/Public Investment	15 62/79		15 62/79

**Project 2\*: Vernon Hills Town Center**

Private Investment Undertaken (See Instructions)	\$ 17,815,205		\$ 17,815,205
Public Investment Undertaken	\$ 6,881,000		\$ 6,881,000
Ratio of Private/Public Investment	2 43/73		2 43/73

**Project 3\*: College of Lake County**

Private Investment Undertaken (See Instructions)	\$ 1,485,771		\$ 1,485,771
Public Investment Undertaken	\$ 717,804		\$ 717,804
Ratio of Private/Public Investment	2 3/43		2 3/43

**Project 4\*: Philly G's**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 500,000		\$ 500,000
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





**Village of Vernon Hills**  
**290 Evergreen Drive, Vernon Hills, IL 60061**

## **Certification by the Chief Executive Officer**

I, Roger L. Byrne, the duly elected President and Chief Executive Officer of the Village of Vernon Hills, County of Lake, State of Illinois, do hereby certify that to the best of my knowledge, the Village complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year beginning May 1, 2017 and ending April 30, 2018.

A handwritten signature in cursive script that reads 'Roger L. Byrne'.

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Roger L. Byrne  
President

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February 1, 2019  
Date



**Village of Vernon Hills**  
**290 Evergreen Drive, Vernon Hills, IL 60061**

## **Certification by the Village Attorney**

This will confirm that I am the duly appointed Village Attorney of the Village of Vernon Hills, County of Lake, State of Illinois. I have reviewed all information provided to me by the Village of Vernon Hills staff and consultants. To the best of my knowledge and belief, I find that the Village has conformed to all the applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth there under for the fiscal year beginning May 1, 2017 and ending April 30, 2018.

A handwritten signature in black ink, appearing to read 'Keith Hunt', is written over a horizontal line. The signature is stylized and includes a large, sweeping flourish that loops back under the name.

Keith Hunt  
Village Attorney

Date February 1, 2019

**Meeting of the Joint Review Board Minutes**  
**Tuesday, October 17, 2017**

**I. Call to Order and Roll Call**

Village President Byrne called to order the Meeting of the Joint Review Board at 5:03 PM.

**II. Roll Call of Tax District Members**

**Present:**

Roger L. Byrne, Village President Village of Vernon Hills  
Sean Carney, Adlai Stevenson High School District 125  
Pat Brankin, Village Attorney  
Darrell Blennis, Central Lake County Joint Action Water Agency  
Connie Kravitz, College of Lake County District 532

**Absent:**

Vernon Hills Park District  
Vernon Area Public Library  
Vernon Township  
Lincolnshire/Riverwoods Fire Protection District  
Lake County  
Lake County Forest Preserve District  
Department of Commerce & Economic Development  
Lincolnshire Prairieview School District 103  
Member of the Public, Resident

**Staff Members:**

John M. Kalmar, Village Manager, Village of Vernon Hills  
Joseph T. Carey, Assistant Village Manager  
Nikki Larson, Director of Finance  
Brian Bourdeau, Assistant to the Director of Finance

**III. Annual Review of Performance**

Assistant Village Manager Joseph Carey indicated the JRB is required to meet once annually to review the status of the TIF and the Village's activities within the TIF District during the previous budget year that runs from May 1, 2016 to April 30, 2017. In completing this update, the JRB is not asked to take any action nor certify that the Village's activities are in compliance with the TIF Redevelopment Act. Instead, the meeting acts as a forum to allow the various taxing districts affected by the TIF the opportunity to receive an update on activities; question the Village on matters related to the TIF and review the Annual Tax Increment Finance Report submitted to State Comptroller office. This report requires that the Village provide details on all TIF revenue received and all expenditures made including but not limited to the costs for consultants, land acquisition, environmental remediation, financing, relocation, job training, etc. The TIF expires in 2025.

VHTC, LLC was the initial developer of the mixed use commercial portion of the property located at the corner of Milwaukee Avenue and Route 45. This year Lexington Homes recently completed construction of the 27 un-built townhomes during the subject period. Taxman Corporation is working towards constructing the remaining un-built multifamily building and intends to increase the density from 66 to 85 units. Another item which occurred during this reporting period it that Taxman sold the multi family mixed use building to Inland for \$23,000,000. The Taxman Corporation has proposed 18 townhomes in lieu of the multi tenant unit.

Finance Director Larson provided an overview of the Financial and Compliance Report for the year ending April 30, 2017. She indicated the most of the financial activity can be seen in the Statement of Revenue expenditures and the change in fund balance on page 4 of the report. The fund balance started out at -\$153,789 and generated \$1,221,286 in tax increment revenues and interest and \$1,188,682 was expended for debt services. The Village provided its 10% match of \$121,680 which is reflected as a transfer in. This activity resulted in a surplus of \$495. The Village has been refinancing the alternate revenue bonds issued in 2007 by exercising call options. The bonds had 5.5% to 6.25 % average coupons and quite a few covenants as to the cash we are required keep on hand. These have all been replaced by general obligation bonds under the interest rate of between 2% and 2 ½%. With the new interest rates and ongoing construction on the site, the Village is anticipating that the Village will break even now and possible generate a surplus in its final year.

**IV. Approval of Minutes of the October 18, 2016 Meeting**

On a motion by President Byrne and seconded by Sean Carney, the Joint Review Board voted 4-0 to approve the Minutes of the October 18, 2016 Joint Review Board.

**V. Adjournment**

On a motion by President Byrne and seconded by Darrell Blennis, the Joint Review Board voted 4-0 to adjourn the meeting.

Meeting adjourned at 5:10 PM.

Respectfully submitted

Joseph T. Carey  
Assistant Village Manager

**Distribution:**

Village President and Trustees  
Village Clerk  
Village Manager  
Assistant to the Village Manager  
Department Heads  
Village Attorney  
JRB Members

11/27/18  
Approval Date  
  
Chairperson

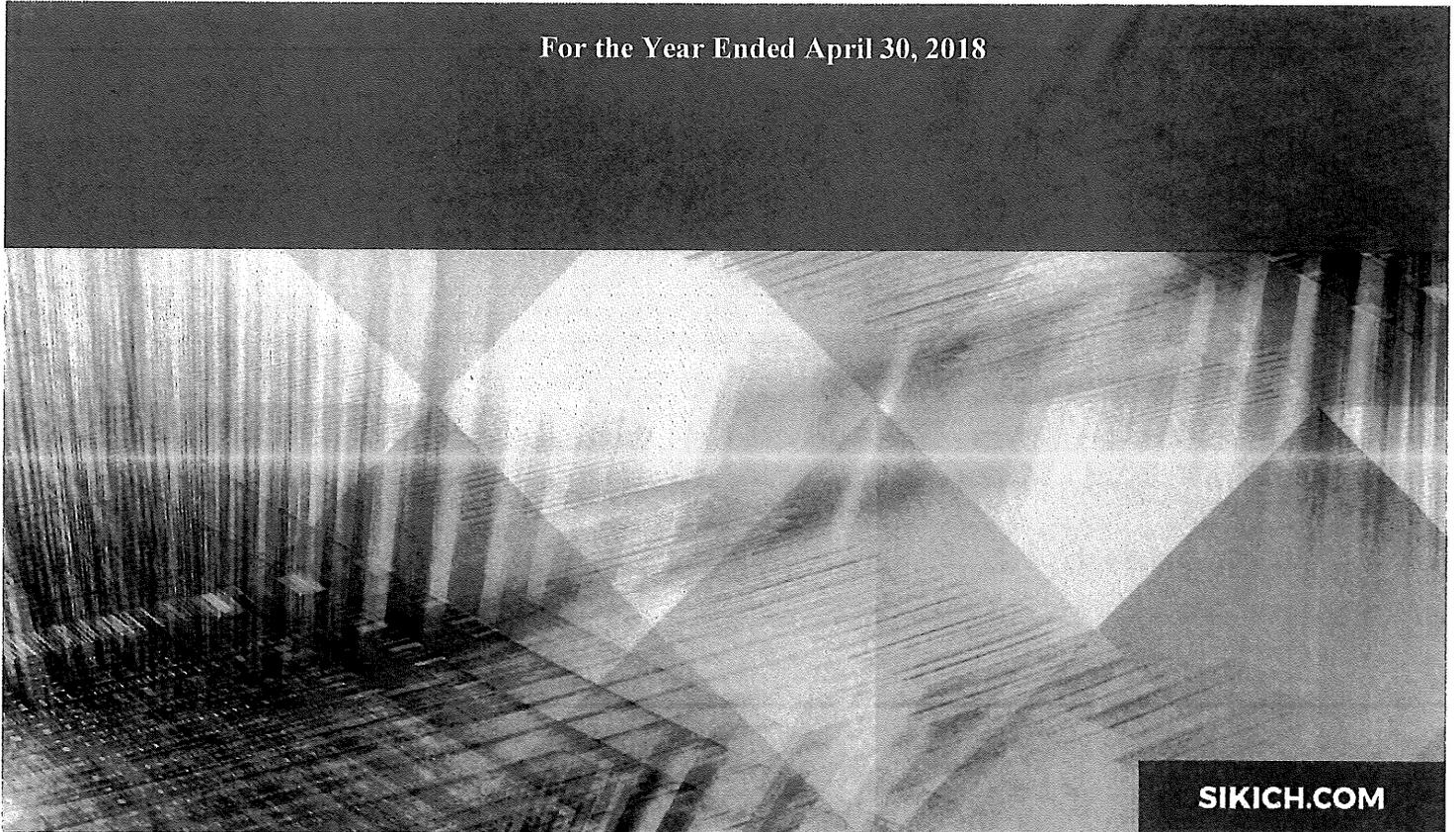


VILLAGE OF VERNON HILLS, ILLINOIS

TOWN CENTER REDEVELOPMENT FOR THE  
NW & SW CORNER OF ROUTE 45/24  
TAX INCREMENT FINANCING DISTRICT

REPORT ON COMPLIANCE  
WITH PUBLIC ACT 85-1142

For the Year Ended April 30, 2018



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Exhibit L

**VILLAGE OF VERNON HILLS, ILLINOIS**  
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Naperville, IL 60563  
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**INDEPENDENT AUDITOR'S REPORT  
ON SUPPLEMENTARY INFORMATION**

The Honorable President  
Members of the Board of Trustees  
Village of Vernon Hills, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information of the Village of Vernon Hills, Illinois as of and for the year ended April 30, 2018, which collectively comprise the basic financial statements of the Village of Vernon Hills, Illinois, and have issued our report thereon dated January 18, 2019, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Sikich LLP*

Naperville, Illinois  
January 18, 2019

**SUPPLEMENTARY INFORMATION**

VILLAGE OF VERNON HILLS, ILLINOIS

BALANCE SHEET

TOWN CENTER REDEVELOPMENT FOR  
THE NW & SW CORNER OF ROUTE 45/21  
TAX INCREMENT FINANCING DISTRICT

April 30, 2018

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**ASSETS**

Cash and cash equivalents	\$ 942,355
Receivables	
Accrued interest	<u>2,051</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 944,406</u></u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Advances from other funds	<u>\$ 670,000</u>
Total liabilities	<u>670,000</u>

**FUND BALANCE**

Restricted	<u>274,406</u>
Total fund balance	<u>274,406</u>

**TOTAL LIABILITIES AND**

<b>FUND BALANCE</b>	<u><u>\$ 944,406</u></u>
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(See independent auditor's report on supplementary information.)

VILLAGE OF VERNON HILLS, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE

TOWN CENTER REDEVELOPMENT FOR  
THE NW & SW CORNER OF ROUTE 45/21  
TAX INCREMENT FINANCING DISTRICT

For the Year Ended April 30, 2018

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**REVENUES**

Taxes	
Tax increment financing	\$ 1,301,846
Investment income	11,188
	<hr/>
Total revenues	1,313,034
	<hr/>

**EXPENDITURES**

Current	
Economic development	60
Debt service	
Principal	890,000
Interest and fiscal charges	279,248
	<hr/>
Total expenditures	1,169,308
	<hr/>

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	143,726
	<hr/>

**OTHER FINANCING SOURCES (USES)**

Transfers in	130,185
	<hr/>
Total other financing sources (uses)	130,185
	<hr/>

NET CHANGE IN FUND BALANCE	273,911
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FUND BALANCE, MAY 1	495
	<hr/>

<b>FUND BALANCE, APRIL 30</b>	<b>\$ 274,406</b>
	<hr/> <hr/>

(See independent auditor's report on supplementary information.)



1415 W. Diehl Road, Suite 400  
Naperville, IL 60563  
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## INDEPENDENT ACCOUNTANT'S REPORT

The Honorable President  
Members of the Board of Trustees  
Village of Vernon Hills, Illinois

We have examined management of the Village of Vernon Hill's (the Village) assertion that the Village complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) included in its Report on Compliance with Public Act 85-1142 dated January 18, 2019 during the year ended April 30, 2018. The Village's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Village's compliance with the specific requirements.

In our opinion, management's assertion that the Village of Vernon Hills complied with the aforementioned requirements, included in the Report on Compliance with Public Act 85-1142 for the year ended April 30, 2018 is fairly stated, in all material respects.

This report is intended solely for the information and use of the President, Member of the Board of Trustees, and management of the Village of Vernon Hills and is not intended to be, and should not be, used by anyone other than the specified parties.

*Sikich LLP*

Naperville, Illinois  
January 18, 2019