

# AGENDA

*Village of Hoffman Estates  
Special Meeting of the Month  
Village Board of Trustees*

*1900 Hassell Road  
Hoffman Estates, IL 60169  
847-882-9100*

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**Board Room**

**April 22, 2019**

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*(Immediately following Special Transportation & Road Improvement Committee)*

1. **CALL TO ORDER/ROLL CALL**
2. **PLEDGE OF ALLEGIANCE TO THE FLAG**
3. **ADDITIONAL BUSINESS**
  - A. Discussion regarding distribution of the \$9,661,977.33 developer allocation for tax levy year 2017 within the EDA Special Tax Allocation Fund, conditioned upon the Village's prior receipt of an order following the bankruptcy court hearing on April 18, 2019 on the Debtors' turnover motion (deferred from March 4, 2019 Finance Committee Meeting).
4. **ADJOURNMENT – Executive Session – Litigation (5 ILCS 120/2-(c)-(11))**

*(Further details and information can be found in the agenda packet attached hereto and incorporated herein and can also be viewed online at [www.hoffmanestates.org](http://www.hoffmanestates.org) and/or in person in the Village Clerk's office).  
The Village of Hoffman Estates complies with the Americans with Disabilities Act (ADA). For accessibility assistance, call the ADA Coordinator at 847/882-9100.*

**SPECIAL VILLAGE BOARD MEETING – April 22, 2019**  
**VILLAGE OF HOFFMAN ESTATES**

**SUBJECT:** TLY2017 EDA Distribution Declaration  
**MEETING DATE:** April 22, 2019  
**FROM:** Patti Cross, Assistant Corporation Counsel

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**PURPOSE:** To consider distribution of the statutory developer increment allocation for the tax levy year 2017 within the EDA Special Tax Allocation Fund.

**BACKGROUND:** On March 4, 2019, this matter was first presented to the Village's Finance Committee with a request for authorization for the Treasurer to distribute the TLY 2017 developer increment (55%) in the total amount of \$9,661,977.33 to Sears Roebuck & Co., conditioned upon the Village's prior receipt of an order from the bankruptcy court granting the Debtors' turnover motion then scheduled for hearing on April 18, 2019. We have not yet received a copy of that ruling.

**DISCUSSION** In accordance with the EDA statute's payment protocol, the Village has already distributed to the other taxing districts the balance of the funds (\$234,139.93) remaining from the annual \$350,000 expense allocation, and the next \$5,000,000 of incremental tax had previously been allocated to the Village as directed by statute.

The 45% allocated by the legislature to the taxing districts (excluding the Village of Hoffman Estates but including School District 300) has previously been paid out (\$7,905,254.17) pursuant to the bankruptcy court's January 11, 2019 order, and as authorized by this Board.

As you are aware, the creditors of Sears had filed a petition with the bankruptcy court seeking an order directing the Village to turnover to them the 55% increment which PA097-0636 requires to be paid to the developer or any of its successor entities and its subsidiaries (now estimated to be \$9,661,977.33). School District 300, however, had objected to that distribution and as we expected vigorously argued before the bankruptcy court that Sears did not maintain the required 4,250 full-time equivalent jobs within the economic development project area for the fiscal year. The Village, however, had previously received confirmation from Sears Holdings that, in fact, there were 4,250 or more jobs at the Sears campus for all of TLY2017.

**RECOMMENDATION** Take no further action pending the bankruptcy court's ruling on Sears' turnover motion.