

CITY COUNCIL OF THE CITY OF HILLSBORO, ILLINOIS
HILLSBORO CITY HALL
Minutes of the Public Hearing – Tuesday, August 5, 2025

1. The meeting was called to order by Mayor Don Downs at 6:30 p.m.
2. Roll Call was taken:

Present: Mayor Don Downs
Commissioners Fred Butler, Patrick Ward and Kendra Wright

Absent: Commissioner Tommy Justison

Also Present: City Clerk David Jenkins
City Attorney Chris Sherer
Public Properties Supervisor Jim May
Police Chief Randy Leetham
Water & Sewer Plant Manager Tim Ferguson

3. The Pledge of Allegiance was recited.
4. **Public Comment:** None.
5. **Discussion – Hillsboro TIF II Overview and Description:** Jared Kanallakan, President of Moran Economic Development, presented information on the proposed second TIF district in the City of Hillsboro. He stated many residents received letters about the TIF, which was a requirement of the TIF Act. Those within the boundaries of the proposed TIF received notification via certified mail, and those within 750 feet of the boundaries received it by regular mail. He said the TIF has no impact on what homeowners may do with their property, and TIF funds can only be used within the boundary area. He explained TIF funds cannot be used for salaries or new construction, but could be used for the redevelopment of properties. Kannallakan explained the City hosted a joint review board meeting, which is also a requirement of the TIF Act. This board is made up of representatives from each of the taxing bodies affected by the TIF as well as one public member at large. Kirby Furness, one resident in attendance at the hearing, asked if most of the taxing bodies were present. Kanallakan said no as the City, the library and one public member at large were the only ones present. He stated Montgomery County Clerk Sandy Leitheiser was in attendance; however, she could not represent the County in a decision-making capacity. Leitheiser stated County Board Development and Personnel Committee Chairman Chad Ruppert submitted a written letter to be read aloud during the hearing. Furness also said he would like to hear the letter read. Downs said Leitheiser could read the letter. No members volunteered, so the letter was not read aloud. Downs said the letter would be included in the minutes as part of the record. It reads as follows:

“Dear Hillsboro City Council Members:

As the Development/Personnel Committee Chairman of the Montgomery County Board, I am expressing concern about the proposed new Hillsboro TIF District. My committee and myself oversee economic development services for the residents of Montgomery County, and we believe this TIF District will negatively impact Montgomery County government's property tax funding for the entire lifespan of this TIF District, which is at least the next 23 years.

After reviewing the map for this proposed Hillsboro TIF District, it is very troubling that most parcels in this TIF's boundaries are property tax-exempt, with the majority being Hillsboro city-owned. It is also very concerning that the proposed TIF's largest parcel is the now city-owned former Eagle Zinc property, which most likely will be parceled out and sold or leased by the City of Hillsboro to multiple private sector business and industrial developers, with all additional property tax value going to the TIF district and away from all other affected taxing bodies for the entire lifespan of this TIF District, which, again, is at least the next 23 years. This loss of property tax revenue would be devastating to both Montgomery County government as well as to all other affected taxing districts, which would result in either unnecessary tax hikes or avoidable loss of public services or both.

It is a valid observation that the main motivation to place Hillsboro city-owned tax exempt parcels in a TIF District is so these same parcels will benefit from TIF funding in the future. This new funding stream for Hillsboro city-owned parcels will benefit the City of Hillsboro, but the other affected taxing bodies will suffer. What are the City of Hillsboro's plans to use TIF funds from this proposed new Hillsboro TIF District? Not much information has been given about where these dollars will be spent. Without a detailed plan, I cannot support this broad multi decade tax grab.

For the above listed reasons, please do not approve the new proposed Hillsboro TIF District.

Sincerely,

*Chad Ruppert
Development/Personnel Committee Chairman
Montgomery County Board*

When asked why it was important for the existing TIF district and the new one to touch, Butler said the City would be able to use funds from the existing district to start the new one. Additionally, the City could use money from one district to fund projects in the other; however, Butler said this council is not in favor of doing that. Butler also emphasized the importance of utilizing these TIF funds to build infrastructure at the Eagle Zinc property for new businesses that may take up residence, in addition to creating infrastructure to the Sherwood Forest Campground.

6. **Discussion / Action – Adjourn:** Motion by Ward and second by Wright to adjourn the public hearing. Motion carried with a 4-0 vote in favor. The hearing was adjourned at 6:58 p.m.

Respectfully submitted,
David Jenkins, City Clerk