

landscaping was removed and stated that when Salem Avenue is realigned in the future, the frontage road would be removed and landscaping installed.

Mr. Oliver reported that he has addressed the seawall violation by agreeing to meet the IDNR halfway. He explained that the violation measures 28 feet and he is going to remove 14 feet to align with the jog in the shoreline, Mr. Oliver added that the splash pad was moved closer to the hotel so that it is out of the floodway. Trustee Sylvanus questioned the number of parking spaces being provided. Mr. Oliver stated that he is showing 98 parking spaces which includes spaces for golf carts.

Mr. Oliver stated that he will be going back before the Planning and Zoning Commission once he has addressed all of the HR Green comments but he would like to proceed with establishing the TIF. He stated that he is now seeking 100% of the TIF funds for the full 23 year term and pointed to moving the seawall, aligning Charnbrook Avenue and overall cost increases as reasons for the increase in TIF funding.

Trustee Fouke questioned if he is improving Salem Avenue. Mr. Oliver stated that he is addressing some drainage and will patch areas he disturbs with his stormwater improvements. Trustee Letzter remarked regarding Mr. Oliver's reference to the increase in engineering, legal and other softcost and questioned why the Village should consider those costs into the TIF. Mr. Oliver stated that those costs increased significantly. Trustee Sylvanus remarked that the RDA will spell out all of the details regarding the cost. Mr. Oliver stated that he would like to move towards developing the RDA.

Village Attorney Michael Smoron explained how the eligible improvements were summarized in the Berkshire RDA. Village Administrator Sofiakis explained how the scope of what would be eligible in the Berkshire TIF was developed, which only included costs to construct improvements that benefited properties beyond the Berkshire property. Mr. Oliver stated that he originally requested \$7.3 million over 18 years and is now asking for \$9.12 million over 23 years which equates to \$21.4 million in total tax increment with an 8.25% discount rate.

Trustee Letzter questioned the status of the Fire District's review letter. Mr. Oliver stated that he is trying to coordinate a meeting with the Fire District to discuss the items included in the letter. Trustee Letzter stated that following Mr. Oliver's last attendance before the Board, he was instructed to present his TIF request to the School, Fire and Library boards and questioned if that occurred. Mr. Oliver stated that he met with the School's superintendent and assistant superintendent, as well as the fire chief and librarian to provide them a high level review of his plans.

Trustee Hagen questioned what the public is getting for the public investment Mr. Oliver did not provide a response but stated that he has to finance the project and recoup costs through the TIF once everything is done. Trustee Letzter stated that 23 years is a long time and questioned if the term is typical. Mr. Smoron explained that TIF's can be done for 23 years and even longer if extended. He discussed the extension of a TIF pursued in Woodstock for portions of the TIF area.

Trustee Von Allmen questioned if the project is doable without TIF funding. Mr. Oliver stated that it is not doable without TIF funding. Trustee Letzter asked Mr. Oliver to confirm that if the board is not agreeable to his request for TIF funds, he will not proceed with the project. Mr. Oliver confirmed Trustee Letzter's understanding that he would not proceed with the project without TIF funding.

Trustee Hagen again questioned how the Village is benefitting from the project. Mr. Oliver stated that the former Jigger Dune building will be demolished. Trustee Morris stated that it will be demolished regardless of the project. Mr. Oliver added that he is expanding the harbor to provide boaters an area to

get off of the river and dock to go to the restaurant. He added that he is providing a riverwalk and will have events and festivities on the property.

Trustee Sylvanus discussed other benefits such as the ice cream shop, restaurant, etc. Trustee Hagen pointed out that they are private businesses, for which Mr. Oliver will receive an income. Mr. Oliver stated that the TIF provides him the opportunity to have the ice cream shop. Trustee Hagen questioned if the project includes \$21 million in improvements benefitting the public and if sewers will be extended to Salem Avenue and the adjacent neighbors. Mr. Oliver stated that he will extend the sewers through the property to River Park Drive.

Village Engineer Tim Hartnett explained that the Berkshire TIF covered the cost of sewer and water extensions offsite to serve neighboring properties as well as the resurfacing of Johnsbury Road, Church Street sidewalk improvements, and a new well and well house improvements to the Shiloh Ridge water system. He added that certified sworn statements to confirm expenses were required before any funding was authorized. Mr. Hartnett stated that Mr. Oliver was directed to come before the Village Board to see if the Board was agreeable to the manner he intends to use TIF funds before he spends any additional dollars with his consultants. He added that the sewer extension from his property to Oakland Subdivision, Chapel Hill Road improvements, the sidewalk/path along Chapel Hill Road, and the realignment of Salem Avenue with Bay Road all have regional benefits and are consistent with what the Village has deemed to be public improvements. Trustee Von Allmen stated that he fears the improvements constituting a public benefit will not provide Mr. Oliver enough dollars to make the project work.

Attorney Smoron explained that what is being proposed is that all of the improvements must be completed in order for Mr. Oliver to receive any of the tax increment and if the increment falls short, he will not receive the full amount he is seeking. Trustee Sylvanus questioned the next steps. Attorney Smoron explained that any action item would need to be included on a future agenda and the Village should make it clear as to what the TIF funds can be used for. He suggested the board may want Mr. Oliver to submit detailed cost estimates and have Mr. Hartnett review them before any further consideration. Attorney Smoron explained that he and Mr. Hartnett have not spent time reviewing the proposed TIF, Covenants and other legal documents until being directed to do so to help contain costs for Mr. Oliver. Mr. Oliver concurred that he asked to delay the Village's review of those documents because of ongoing changes.

Trustee Von Allmen stated that the board needs to understand where the dollars are going to be spent, the total dollar amounts for each improvement, and "what if" scenarios. Attorney Smoron reiterated that it is not necessarily a question of if the expenses are legally available for a TIF, but what exactly those dollars will go to and if the Village is agreeable to what is being proposed.

President Hettermann requested input from the Board. Trustee Fouke stated that there are components that he does not agree with and others that he likes. Trustee Letzter stated that he needs more information and feedback from Mr. Hartnett before making a decision. Trustee Von Allmen stated that he is looking at the matter as an investor and expressed concern that the public improvements won't justify the amount being requested.

Mr. Oliver stated that he has investors to develop the project but needs the TIF funds to pay back the investors. Attorney Smoron explained that the Village needs to agree to the dollar amounts and how they will be spent. The process can be finalized after that is done.

Mr. Oliver stated that he feels he can justify the amount being requested with the harbor expansion, riverwalk and road improvement. Trustee Hagen stated that he understands that there are some public

benefits associated with the development but does not agree with some of the items such as the harbor expansion and land acquisition. He added that he sees some public benefit but not enough to justify \$21 million. He explained that he needs more information before giving more input. Trustee Morris concurred with the concerns expressed by Trustees Hagen and Von Allmen. Mr. Oliver stated that he will not be able to get to a present day value of \$21 million but will be able to show \$15.6 million in TIF eligible expenses.

Mr. Hartnett suggested that Mr. Oliver create a chart reflecting the TIF eligible expenses per State statute and then the board can determine what expenses they are agreeable to. The board concurred and asked that the information be submitted in advance so that Mr. Hartnett can review it, confirm the cost estimates and provide input to aid the board in determining what improvements they may be willing to include in a TIF.

NEW BUSINESS

RESIDENTIAL REFUSE, RECYCLING AND YARDWASTE SERVICES - Ms. Sofiakis informed the Board that the initial 5 year term of the residential refuse, recycling and yard waste contract is coming to term later this year. She explained that the contract provides for an extension if both parties can agree to terms therefore she is working with the current hauler regarding updated terms for the board's consideration. Trustee Morris expressed concern with issues he has experienced with the current hauler. Ms. Sofiakis asked that the concerns be provided to her so they can be addressed with the hauler. She stated that more information will be provided in the near future.

ADJOURNMENT – Trustee Von Allmen moved to adjourn the meeting. Trustee Sylvanus seconded the motion. All Trustees voted aye on the roll. Motion carried at 8:38 p.m.

Respectfully Submitted,

Claudett Sofiakis
Village Administrator