

Village President

Jennifer Konen

Village Administrator

Scott Koepfel

Village Clerk

Tracey R. Conti



Village Trustees

Matthew Bonnie

Sean Herron

Heidi Lendi

Sean Michels

Michael Schomas

James F. White

**MINUTES
VILLAGE OF SUGAR GROVE
SPECIAL VILLAGE BOARD MEETING
SEPTEMBER 10, 2024, 6:00 P.M.
VILLAGE BIBLE CHURCH
847 IL-47, SUGAR GROVE, IL 60554**

1. Call to Order

President Konen called the meeting to order at 6:00 p.m.

2. Pledge of Allegiance

Trustee Michels led the Pledge of Allegiance.

3. Roll Call

The Village Board meeting was in-person at Village Bible Church on September 10, 2024.

Present: President Jennifer Konen, Trustee Sean Herron, Trustee Matthew Bonnie, Trustee Michael Schomas, Trustee Sean Michels, Trustee James F. White, and Trustee Heidi Lendi.

Additional Attendees: Police Chief Patrick Rollins, Public Works Director Merkel, Economic Development Director Michael Cassa, Planning and Zoning Administrator Marion, Village Engineer Brian Schiber, Michelle Piotrowski, Geoff Dickinson, and Village Clerk Tracey Conti.

Absent: None

4. Public Comment on Scheduled Action Items

1. Mike Smith commented against the annexation agreement.
2. Kim Tee commented against the annexation agreement.
3. Lou Lendi commented against the annexation agreement.
4. Perry Elliott commented against the annexation agreement.
5. Mari Johnson commented against the annexation agreement.
6. Victor Gensini commented against the annexation agreement.
7. Dan Randell commented against the annexation agreement.
8. Jaden Chada commented against the annexation agreement.
9. Bob Raimondi commented against the annexation agreement.
10. Laura Tyrpin commented against the annexation agreement.
11. Aaron Rosengarn commented against the annexation agreement.
12. Dave Paluch commented against the annexation agreement.
13. Bill Klish commented against the annexation agreement.
14. Lisa Essling commented against the annexation agreement.
15. Dale Essling commented against the annexation agreement.
16. Fran Babich commented against the annexation agreement.
17. Walt Zimmer commented against the annexation agreement.
18. Carolyn Anderson commented against the annexation agreement.

19. Michael Ruskopf commented against the annexation agreement.
20. Monica Hubble commented against the annexation agreement.
21. Sheila Albano commented against the annexation agreement.
22. Jera Piper commented against the annexation agreement.
23. Megan Musano commented against the annexation agreement.
24. Tim Slamans commented against the annexation agreement.
25. Barbara Saloga commented against the annexation agreement.
26. Carrie Guerra commented against the annexation agreement.
27. Terry Michels commented against the annexation agreement.

Village Administrator Koeppel informed the board that a legal supplement had been provided, outlining items to be included in the Annexation Agreement and Regulating Plan as requested by the village attorney.

5. General Business

***a. Ordinance: Property at I-88 and IL-47 Annexation Agreement (Sugar Grove LLC.)**

Koeppel reviewed his Board Report, noting the Board should discuss the underlined items. He also provided a list of changes to the Annexation Agreement requested by the Village Board.

The initial topic of discussion was whether to have an elevated or a ground water storage tank. Public Works Director Merkel recommended an elevated tank. Koeppel mentioned that they need a consensus from the Board to update the documents properly. The majority of the Board favored a groundwater storage tank.

During the meeting, there was a discussion about the type and location of a water tank for the Village. It was explained that an elevated tank would be a better option as it doesn't require constant pumping and provides better water availability, especially in emergencies. Concerns were raised about the tank's placement near residential areas, and a suggestion was made to place the elevated tank on the north side of the development, away from homes. Ultimately, it was decided that a ground storage tank was not appropriate, and an elevated tank would be placed at a location agreed upon, with a specific distance from residential areas. The decision was to place the tank where areas 4 and 5 meet in the development.

A discussion occurred about land cash contributions and the need for the Park District to receive a cash contribution to support additional facilities due to increased development. There was agreement among the trustees regarding this matter. The inclusion of Kane County Forest Preserve was also discussed, and it was confirmed that the property up to the utility lines is currently within the Park District. It was noted that Crown will annex the property to the Sugar Grove Park District, and the Park District will benefit from property tax growth resulting from the development. The Board discussed the land cash issue and the developer's request, highlighting that \$1.6M impact fees will go to the Park District, along with improved parks. It was clarified that the 40% open space and land cash are two

separate ordinances that are not tied together. Trustee Lendi emphasized the need for a land cash requirement for the Developer since they are asking for less than 40%.

In the next topic of discussion, regarding the Village Hall Land Donation, Koepfel mentioned that the developer suggested a half-acre site. However, after consulting with an architect, it was recommended to have .75 to 1 acre for the site to allow on-site parking. The Board agreed that .75 acres would be sufficient.

The next discussion item was Roadway Improvements. Brad Merkel, the Public Works Director, requested that the hot-poured joint sealer between the finished pavement surface and the curb and gutter not be required to be removed from the agreement. Cowan mentioned that after consulting with the staff, they agreed to remove this requirement. The Board agreed to this change.

The Board discussed the improvements needed for the east portion of Seavey Road, including the asphalt overlay and the inspection and potential improvements of the box culvert. There was also talk about the potential use of TIF funds for road repairs due to new developments and the agreement that developers should improve the road and culvert as necessary. It was decided that the developer would pave the road to their property line and improve the culvert as determined by the engineers at that time, with the understanding that additional language to the agreement would be needed due to the floodplain.

The next item for discussion was Final Acceptance. Cowan mentioned that they would be willing to cover the cost of converting the CAD file to GIS if that was an acceptable solution. Koepfel confirmed that this would be acceptable. The Village does not have GIS staff and would need to engage a third party to add the new roads and utilities to GIS. Trails were discussed, particularly the need for proof-rolling paved trails. Cowan stated they agreed to proof-roll the paved trails.

The next discussion revolved around the Fees Exhibit. The Board previously discussed increasing fees over time but did not reach a consensus. The developer preferred to keep impact fees as presented to minimize costs for residential units and attract more builders. Some trustees suggested adding language for fee escalation and tying fee escalation to CPI. The Board decided to implement a 15% increase on total building permits from years 6 to 7, holding until year 12, then another 15% increase on building permit fees, resulting in a total building permit fee of \$3,316 for years 13 and beyond. The schedule will be updated to reflect these changes.

Administrator Koepfel stated that all the items discussed by the board and developer in previous meetings are outlined in his memo and the redline agreement and have been accepted by both parties.

Trustee Michels requested a discussion about the information emailed earlier in the day regarding the development's water needs. Koepfel confirmed that he had sent detailed

information to the Board. The question was whether the Village had enough capacity to meet the daily demands of the entire development in terms of pumping and storage. A change has been made to the Annexation Agreement in both wastewater and fresh water to 9 PE per acre. Michelle Piotrowski estimated the number of gallons per day at full build-out and confirmed that the Village has sufficient capacity and storage. The answer is yes for both, with an additional capacity for further development, assuming water trends remain the same. The Village will have extra storage because the tank is larger than required, anticipating that it would also help with further development north of I-88. Michelle Piotrowski stated they considered various historical information to determine the 9 PE per acre. She confirmed that there is adequate capacity to meet the Village's needs in terms of volume. The tank is there for fire flow and emergency needs, and it's very important. Trustee White suggested that the language should state that the Village should not be required to provide more than the 9 PE per acre, which will be represented as a cap. It was noted that the Village could accommodate another 500 acres of development before needing more treatment.

Trustee Lendi asked if the Annexation Agreement required the acceptance of the PDD and the TIF. Attorney Julien answered that the Annexation Agreement would only be effective if the TIF and the PDD were approved.

Motion by Trustee Schomas, second by Trustee Bonnie to approve an Ordinance approving the Property at I-88 and IL-47 Annexation Agreement (Sugar Grove LLC.), subject to attorney review and to include the following: Items raised in the Village Administration Memo and the Community Development Director Memo, including recommendations, as well as the supplemental document. Items raised in the Supplemental Attorney Memo and changes acknowledged and agreed to on record at this meeting.

Ayes: Schomas, Bonnie, Koenen, Herron, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

***b. Ordinance: Annexation of the Grove Property**

Motion by Trustee Schomas, second by Trustee Herron to approve an Ordinance approving the Annexation Agreement of the Grove Property.

Ayes: Schomas, Herron, Koenen, Bonnie, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

***c. Resolution: Property at I-88 and IL-47 Property Subdivision (Sugar Grove LLC.)**

Motion by Trustee Schomas, second by Trustee Bonnie, to approve a Resolution approving the Property at I-88 and IL-47 Property Subdivision (Sugar Grove LLC.)

Ayes: Schomas, Bonnie, Herron, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

***d. Ordinance: Property at 1-88 and IL-47 Planned Development District (Sugar Grove LLC.)**

Community Development Director Danielle Marion outlined the changes made to the PDD and brought up some other specific items for discussion. She reviewed the items that needed to be addressed:

1. Seavey Road west of Rt. 47. The Board had requested screening across from Red Oak, access to the detention for fishing for residents, and a berm for noise buffering on the south side of the detention along I-88. The owner has investigated these requests and provided the following responses:
 - The full access point is at Red Oak Drive, so a berm there is not feasible. Instead, they will add language for a berm on the western leg of Seavey Road on the south side up to Red Oak Drive.
 - The detention will be a wet-bottom facility that won't be deep enough to support fish. However, residents will be allowed to fish, and no signs will be posted to prohibit fishing.
 - A berm along I-88, the lowest point on the property, won't be possible due to its low elevation.

President Konen stated that the Board understands that the developer is making efforts throughout the development to address the landscaping and berm requests. It should be consistent everywhere as much landscaping and berms as possible should be created so there is an aesthetic buffer between the two. The developer said they will do the same standards seen along Area 4.

Director Marion brought up the Plan Commission's recommendation to remove language in Section 1, Loading Area and Loading Dock, Item 3a (Similar Uses). The owner decided not to remove the language from the PDD. Cowan explained that the language was kept in the agreement to provide guidelines in case a similar use is identified, ensuring that it would need to comply with the requirements. Village Administrator Koeppel stated that the language should remain in place in case of similar use so that the requirements can be adhered to. The Board ultimately decided to keep the item in the PDD.

Trustee Lendi asked about lot coverage and the table that was added. Trustee Lendi asked why there is 100% coverage. Cowan noted it is the walkable Town Center area, so landscaping requirements won't exist. It was stated the lot is the footprint. Greenspace is accessible in that area for the townhomes.

President Konen requested that Area 2 be added to the Building Appearance Standards and Table of Permitted Building Materials in the PDD, along with Areas 1 and 3. Cowan agreed to include that change. Another change involved not allowing 100% horizontal vinyl but instead including other materials like siding. Additionally, language was added to avoid a flat façade on the rear elevation of homes.

Break, 9:15, reconvene, 9:33

Roll Call

Present: President Jennifer Konen, Trustee Sean Herron, Trustee Matthew Bonnie, Trustee Michael Schomas, Trustee Sean Michels, Trustee James F. White, and Trustee Heidi Lendi.

Motion by Trustee Schomas, second by Trustee Bonnie, to approve an Ordinance for the Property at 1-88 and IL-47 Planned Development District (Sugar Grove LLC), subject to attorney review and to include the following: Items raised in the Village Administration Memo and the Community Development Director Memo, including recommendations, as well as the supplemental document. Items raised in the Supplemental Attorney Memo, and changes acknowledged and agreed to on record at this meeting.

Ayes: Schomas, Bonnie, Herron, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

***e. Ordinance: Approving the Village of Sugar Grove, Illinois, I-88 & IL-47 Redevelopment Project Area Tax Increment Financing District Eligibility Report and Redevelopment Plan and Project.**

The discussion revolved around whether the property north of I-88 should be removed from the TIF due to its lack of flooding. It was clarified that the runoff from the area contributes to flooding in the watershed, and the focus should be on whether the runoff contributes to flooding rather than the percentage of the total watershed affected. Trustee Lendi expressed concerns about the TIF's intent and its potential impact.

Motion by Trustee Schomas, second by Trustee Bonnie, to approve an Ordinance Approving the Village of Sugar Grove, Illinois, I-88 & IL-47 Redevelopment Project Area Tax Increment Financing District Eligibility Report and Redevelopment Plan and Project.

Ayes: Schomas, Bonnie, Herron, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

***f. Ordinance: Designating the Proposed 1-88 and IL-47 Tax Increment Financing District Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act.**

Prior to the vote, Trustee Lendi asked her fellow Board Members to consider the implications of the TIF and stated that "the ends don't justify the means." She expressed concerns about the potential negative impact on Taxing Bodies and the Fire Department. She also mentioned that the TIF doesn't meet the qualifications and expressed a preference for a PUD over a PDD, as the latter gives the developer too much power. She urged the Board to make a thoughtful decision.

Motion by Trustee Herron, second by Trustee Schomas to approve an Ordinance Designating the Proposed 1-88 and IL-47 Tax Increment Financing District Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act.

Ayes: Herron, Schomas, Bonnie, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

***g. Ordinance: Adopting Tax Increment Financing for the 1-88 and IL-47 Tax Increment Financing District Redevelopment Project Area.**

Motion by Trustee Schomas, Second by Trustee Bonnie to approve an Ordinance Adopting Tax Increment Financing for the 1-88 and IL-47 Tax Increment Financing District Redevelopment Project Area.

Ayes: Schomas, Bonnie, Herron, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

***h. Ordinance: Approving a Redevelopment Agreement for the 1-88 and IL-47 TIF with Sugar Grove LLC.**

Administrator Koepfel informed the Board that the Redevelopment Agreement was modified, with changes related to the Annexation Agreement. Some changes were advised by Bond Counsel and TIF Counsel, aiming to pay 6.8% interest instead of 8% whenever possible. Legal changes were made to protect the Village's liability, stipulating that the notes will be paid from the TIF Increment/Fund. Furthermore, there was a shift from a 90/10 split to an 80/20 split, with 80% used to repay the developer or pay for notes, 10% diverted back to taxing bodies, and the remaining 10% put into a fund managed by the Village. He asked for direction from the Board regarding the 80/20 split.

A discussion was had regarding the accrued interest payments. It was noted that that going from 90/10 to 80/20 will take two years longer to pay, but we will see more immediate funds going to the taxing districts. Also, the 10% holdback and the 10% surplus could be used at the Village's discretion to pay down the interest by Village Board approval. Koepfel stressed that no bonds are being issued for this TIF. The Village is having the developer front fund the infrastructure and pay it back with the TIF, funds only generated by the TIF, and they are not backed by the full faith and credit of the Village.

Geoff Dickinson highlighted that the project's expenses exceed the revenues due to infrastructure costs. He emphasized that without TIF assistance, the project would not proceed, and with the increment, the total rate of return would be less than 10%. Additionally, Dickinson mentioned that without the Village's participation, the land would have no development.

The board reached an agreement on the 80/20 split.

Motion by Trustee Schomas, second by Trustee Bonnie to approve an Ordinance Approving a Redevelopment Agreement for the 1-88 and IL-47 TIF with Sugar Grove LLC.

Ayes: Schomas, Bonnie, Herron, White; Nays: Michels, Lendi; Abstain: None; Absent: None. MOTION CARRIED

6. Public Comment

1. Perry Elliott commented on the Board's decision.
2. Mari Johnson commented on the Board's decision.
3. Jaden Chada commented on the Board's decision.
4. Carolyn Anderson commented on the Board's decision.
5. Lisa Essling commented on the Board's decision.
6. Dale Essling commented on the Board's decision.
7. Lou Lendi commented on the Board's decision.
8. Kyle Slamins commented on the Board's decision.
9. Carrie Guerra commented on the board's decision.
10. Barbara Saloga commented on the board's decision.

7. Executive Session

- Personnel – 5 ILCS 120/2(c)(1)
- Litigation – 5 ILCS 120/2(c)(11)
- Property/Land Acquisition – 5 ILCS 120/2(c)(5)
- Sale of Property – 5 ILCS 120/2(c)(6)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

8. Adjournment

Motion by Trustee White, second by Trustee Schomas, to adjourn the meeting at 10:26 p.m.

Ayes: White, Schomas, Michels, Lendi, Herron, Bonnie; Nays: None; Abstain: None;

Absent: None. MOTION CARRIED

ATTEST:

/s/ Tracey R. Conti

Tracey R. Conti

Village Clerk