

**VILLAGE OF RIVER FOREST
REGULAR VILLAGE BOARD OF TRUSTEES MINUTES
Monday, October 25, 2021**

A regular meeting of the Village of River Forest Board of Trustees was held on Monday, October 25, 2021 at 7:00 p.m. in the Community Room of Village Hall, 400 Park Avenue – River Forest, IL.

1. CALL TO ORDER/ROLL CALL

The meeting was called to order at 7:00p.m. Upon roll call, the following persons were:

Present: President Adduci, Bachner, Brennan, Gillis, Johnson, O’Connell, Vazquez, Village Clerk Jonathan Keller

Absent: None

Also, Present: Acting Village Administrator Lisa Scheiner, Assistant to the Village Administrator Jonathan Pape, Management Analyst Sara Phyfer, Management Analyst/Deputy Clerk Elijah Bebor, Police Chief James O’Shea, Finance Director Rosemary McAdams, Acting Fire Chief Robert Nortier, Director of Public Works and Development Services Jeff Loster, Village Attorney Greg Smith

2. PLEDGE OF ALLEGIANCE

President Adduci led the pledge of allegiance.

3. CITIZEN COMMENTS

President Adduci recognized that Citizen Comments were about Unfinished Business item 8A. She stated those comments would be held until the Board reached that item on the agenda.

4. ELECTED OFFICIAL COMMENTS & ANNOUNCEMENTS

a. Trustee Liaison Updates

Trustee O’Connell stated he had no comments.

Trustee Johnson stated he had no comments.

Trustee Brennan stated that she met with the Community Outreach Director for Dominican University Truth in Racial Healing Transformation Group. She stated they are setting up relationship between the Village and the communication from the Truth in Racial Healing Transformation initiative. She stated they are keen to increase communications to help students feel welcome, and to help residents get to know the students. She also stated they will help students understand upcoming events, available resources, and indicate what

teachers are available to them at Dominican. She also mentioned that she has been participating in the 2021-22 Leadership Lab Cohort. She noted that this cohort is intentionally more inclusive rather than just including individuals from OPRF, it includes leadership in surrounding communities.

Clerk Keller stated he had no comments.

Trustee Vazquez stated that the Age Friendly Committee met on October 13th and have completed their survey and it is ready to go out. He stated they also came up with a random sample of residents to target in various age groups, ages 55+. He stated they put together a timeline for the mailings with communication indicating that these surveys can be completed electronically or by hard copy. He stated that he is looking forward to that going out and results coming in.

Trustee Gillis wished everyone a Happy Halloween, and noted that Trick or Treating is from 3 pm - 7 pm. She emphasized that residents should not throw pumpkins into the street, but instead do the Pumpkin Smash on 11/6. She reported the Sustainability Commission is working with Chicago Metropolitan Agency for Planning to enhance and improve measurements for greenhouse gas emissions, and she hopes to share in year two of the measurements.

Trustee Bachner began with a land acknowledgment, stating that this land was once and still is inhabited by Indigenous people and stated that River Forest continues to be a place that people from diverse backgrounds live and gather. She commented that they continue to have bi-weekly meetings of the Diversity, Equity, and Inclusion Advisory Group, and that good progress is being made in understanding what people want to achieve, how to group efforts, and build relationships with Dominican University.

President Adduci wished everyone a happy Halloween, again mentioning that Trick or Treating is from 3 pm – 7 pm. She asked residents to be safe and wear masks. She reported that on 10/19 she headed to Springfield for the Illinois Municipal League leadership orientation. President Adduci stated she is the first Vice President of the Illinois Municipal League, which puts her in rotation to be President next year. She reviewed the top legislative needs and stated she will share them once fully determined.

5. CONSENT AGENDA

- a. Village Board of Trustee Meeting Minutes – October 11, 2021
- b. Village Board of Trustee Executive Session Meeting Minutes – October 11, 2021
- c. Right-of-Way Encroachment Waiver and Agreement for an Irrigation System Located at 930 Jackson
- d. Approval of Payment to Klein, Thorpe & Jenkins, Ltd. for Legal Services in the amount of \$23,551.24
- e. Village Administrator’s Report

Trustee O'Connell made a motion, seconded by Trustee Bachner, to approve the Consent Agenda Items A-E.

Roll call:

Ayes: Trustees Bachner, Brennan, Gillis, Johnson, O'Connell, Vazquez

Absent: None

Nays: None

Motion Passes.

6. CONSENT ITEMS FOR SEPARATE CONSIDERATION

None.

7. RECOMMENDATIONS OF BOARDS, COMMISSIONS AND COMMITTEES

A. Board and Commission Appointments – Diversity, Equity and Inclusion Advisory Group:

1. Mary Jane Oliver

2. Lisa Petrov

President Adduci presented her appointments to the DEI Advisory Group. She stated there have been five resignations due to family reasons.

Trustee Bachner made a motion, seconded by Trustee Johnson, to give advice and consent to the Village President's appointment of Mary Jane Oliver and Lisa Petrov to the Diversity, Equity, and Inclusion Advisory Group.

Roll call:

Ayes: Trustees Bachner, Brennan, Gillis, Johnson, O'Connell, Vazquez

Absent: None

Nays: None

Motion Passes.

The Village Board reached a consensus to discuss item 9a. prior to 8a.

8. UNFINISHED BUSINESS

A. Authorizing the Execution of a Third Amendment to the Second Amended and Restated Redevelopment Agreement for Lake Street and Lathrop Avenue – Ordinance

President Adduci then called up Village residents present who wanted to make a public comment.

Shelby Boblick spoke about the development at Lake & Lathrop. She stated she practiced corporate real estate law for over 30 years and lives in The Windsor condominium complex near the Lake & Lathrop development and serves as the President of that condo association.

She stated she is deeply troubled by the proposed vote on the third amendment to RDA. She stated this amendment offers further extensions of performance deadlines and a waiver of the Village's sole meaningful remedy, the clawback clause, in the event developer fails to perform. She asked what does the Village receive in return? She stated she implored the trustees to vote against the amendment. She stated that this vote will indicate to constituents that the Board has violated their oaths to act in the best interest of the Village. She stated their vote is an acquiescence to pleas of the developer with nothing more than their collective fingers crossed that the developer will proceed. She stated that by the Board granting an extension and waiving the clawback clause, they will be giving away all the Village's rights and remedies. She cautioned that their oaths of office require a different vote. She stated that the Village can waive the clawback clause when and if the construction loan closes. She stated please don't cause residents to question their motivations for enacting such a unilateral third amendment. She stated the Board can postpone third amendment until the construction loan closes.

John Freidheim stated that he also lives at the Windsor on Lathrop. He stated he and his wife moved back into this neighborhood in 2020, as he had grown up here. He stated when he was looking for a place, he stopped by Lake and Lathrop office and a unit was promised by Christmas 2019. He asked how many delays should residents tolerate? He stated the site is visually unpleasant, and nothing has been done. He recalled from previous meetings that earlier construction dates have been missed. He stated that to grant any further extension or breaks would be disingenuous on the Board's part. He asked the Board not to do that, asked them to respect the citizens of River Forest, stating they have been waiting for something to be developed on that property for 5-6 years. He asked the Board not to grant the extension at this time.

Phyllis Rubin commented that she lives at 411 Ashland. She stated she supports the first two speakers. She stated she spoke with President Adduci as to why this is so important. She stated there is a long history of delays. She reported that her building residents do not trust the developers. She asked that didn't they have money for digging two feet before now. She asked who starts digging in winter, stating that is not the weather for it. She mentioned that President Adduci told her is that once the loan from the bank is granted, River Forest is no longer responsible. Ms. Rubin stated that, it's a River Forest problem if the developer doesn't build the building. She stated that if the building doesn't get built, it's on the Board. She stated she realized that the Board didn't hire this developer, but they are now responsible if they put more trust in him to finish this project. She stated that in her short time, he hasn't done anything that the Board didn't make him do regarding the weeds, the snow, etc. She asked what does that tell them? She stated the Board will be held responsible, not the bank. She also stated she is told there are plenty of developers around the country who would love to have this property and possibly build something more appropriate. She asked has anyone seen floor plans? She stated there isn't enough foundation even to the plans, let alone the building. Ms. Rubin stated the Village should put its foot down. She stated this is an important vote, going to extend yet again. She stated the Board is going to be held responsible.

Margie Cekander commented that she lives at 531 River Oaks Drive. She stated tonight that this is 10th version of the agreement, going back 5.5 years to 2016. She stated that the Village

first issued the Request For Proposals 11 years ago. She stated here they are six days before completion, and the developer is facing default as he did in 2016. She stated there has been adequate time to secure financing and the developer lacks reliability. She stated Trustees Cargie and Henek stated in October of 2019 they would not grant another extension. She stated Trustee O'Connell stated in the Spring to wait until the developer is out of compliance, and she asked what now? She stated that Lisa Scheiner stated in the October 21st memo that the remediation is substantially completed. Ms. Cekander asked what's left? She stated obtaining loan terms and letters of intent is not substantial progress. She asked what has been paid, what is owed. She asked does the Village owe money above what has been spent on remediation? She reviewed costs and asked why haven't residents seen updates on money. She commented about the public-private partnership and asked has the Village reviewed contracts to ensure compliance? She asked about recording of the original amendment as they were not recorded to the PIN's. She urged the Board not to amend the RDA and not to extend time, due to eight prior extensions. She also urged the Board not to remove the Village's primary recourse, the clawback provision, until the bridge loan is paid and released. She stated it's been long enough already.

President Adduci concluded public comments and asked for a motion and a 2nd.

Trustee O'Connell made a motion, seconded by Trustee Johnson, to approve an Ordinance Approving the Third Amendment to the Second Amended and Restated Redevelopment Agreement for Lake Street and Lathrop Avenue in the Village of River Forest, Cook County, Illinois, Amending Development Deadlines and Approving Other Matters Related Thereto.

President Adduci asked Ms. Scheiner to go through the cover letter to help explain this route.

Ms. Scheiner stated that the RDA was last amended in October 2019. Since that time, she stated the developer has obtained a bridge loan from Old Second National Bank to pay for the completion of the remediation work, substantially completed the remediation work, relocated utilities within the project area, obtained a watershed permit from the Metropolitan Water Reclamation District, cleared all issues necessary to obtain a new construction building permit from the Village, obtained 55% presale of residential units (as reported to the Village Board of Trustees on October 11, 2021), and negotiated with one commercial tenant and have other tenants in the "letter of intent" stage. She stated they have also obtained loan terms for the construction of the project. She stated the RDA amendment proposes to adjust the deadline to commence bona fide construction, as defined in the amendment, to January 23, 2022, and to adjust the deadline to complete construction of the project to 18 months after commencement after bona fide construction. In order to meet this timeline, she stated the developer will pay \$50,000 toward the cost of a building permit from the Village, which is ready to be issued. She stated once the permit has been issued, the developer will begin site work on the project which includes the removal of 2' of topsoil from most of the site that is unsuitable for construction and then excavating further down in certain areas to install foundations later. She stated that in order to start bona fide construction of the project, the developer must also obtain construction financing, enter into contracts with its general contractor and subcontractors, pay the balance of the permit fee due to the Village, and start work on the project's concrete footings. She stated once bona

bona fide construction begins, as defined in the Third Amendment, then the Village's ability to claw the property back if the developer defaults goes away, but the Village would retain legal remedies to ensure the property is safe and maintained. Ms. Scheiner explained the clawback expiration is a requirement in order for the developer to secure a construction loan or capital needed to construct the project. She stated if the Village claws the property back before bona fide construction commences, the developer's excavation costs would only be reimbursed by the Village for the costs of removing the top 2' of soil, because that soil needs to be removed from the site for any future development of the property. However, she stated, the developer will be responsible for the costs of removing soil below 2' for the project-specific work related to the concrete footings for the building by providing a form of security acceptable to the Village.

Village Attorney, Greg Smith spoke on public comments made regarding the Village's release of the clawback clause. He stated that the Village's clawback does not go away unless 5 things happen: 1) the Developer closes on a construction loan; 2) they have executed contracts with contractors & subs; 3) They have paid all permits required by the project, including the Village permit; 4) and have begun construction; and 5) provided the Village proof of these four items. He further stated that the Village's clawback doesn't go away as soon as this amendment is approved. Regarding comments by Ms. Cekander, Mr. Smith stated the first and second amendments were recorded against PINs, but for some unknown reason not recorded with the County.

Mark McKinney of Sedgwick Properties highlighted development updates. He noted first, the removal of reversionary rights or the clawback, to get the RDA amended toward that end which is very important to the lender. He reported that 14 residential units have been sold, which is closer to 65% of sales and the market is showing great appreciation for the project. Furthermore, he stated they are seeing the market respond to that with sales and price points on the penthouse units. He stated that they will be refreshing site signage to update sales progress and fences will be installed on the Ashland side to aide in visibility. He stated that the show room is still open and that 2500sqft of cosmetic surgeon space is very close to the final stages of lease negotiation. He reported two other restaurants and another medical care tenant are also in lease negotiations. Regarding the financing, he stated that they have selected a lender, term sheets, and noted it would be a 60-90-day loan process. He stated appraisal will take almost half of that timeline, along with environmental reports, and preparation of loan documents. He stated that there is a lot to do in that 60-90-day time frame. He stated that if things go well tonight, processing to get payment for the permit will be released. He stated contractors will need 10 days to get crews mobilized and he knows that it's important to have the contractor work closely with the Village. He stated that he is still committing to the 18-month timeframe once bona fide construction begins. He noted retail tenant buildout could be a piece that extends past that 18 months. He stated that the NFR letter will need an extension past the 18-month period.

President Adduci opened it up to comments.

Trustee Johnson mentioned that residents are frustrated and that this Board is putting a lot on the line. He asked the developer if they were granted this extension, what is their true timeline to get started given the timeline for the lender?

Mr. McKinney responded that they would commence construction prior to lending and the second phase of excavation. He stated the first phase is taking non suitable soil away.

Trustee Johnson questioned what date they will begin construction?

Mr. McKinney stated that it will take 90 days to get the loan closed, but within 60 days they would commence phase one to remove non suitable soil, and then 30 days to do the balance of the excavation.

Trustee Johnson asked how will concerns about weather affect this?

Mr. McKinney responded by stating that there are various things they can do with blankets, cement mixtures, and that they have built through winter before.

President Adduci noted that January 23 is date required to close.

Trustee Vazquez commented that all the conditions Attorney Greg Smith raised will have to be closed by January 23.

Clerk Keller noted that there is a disconnect between the Village residents and the Board regarding the clawback provision. He stated the Board and developer are clear, but not the residents.

President Adduci responded that this is a culmination of conversations, and this is a matter of clarity over what is the clawback.

Clerk Keller stated that the Village is not giving up the clawback clause until these 5 conditions are met.

Trustee O'Connell responded to the community that the Board has not given up on the clawback clause and they are not giving it up.

Julie Patterson, 7575 Lake, stated that she does not feel the Board has communicated well enough and provided enough information. She commented that some residents don't read everything that is there. She discussed information she has found. She stated it is difficult to know how to get there and where to look for information.

President Adduci stated she appreciated that this comment was brought to the Board's attention. She suggested a printed newsletter and to work with the Village's communications group and do better outreach.

Ms. Patterson ask if the Village can provide what the Village Attorney said in writing.

President Adduci responded that this information was in the Board packet prior to the meeting.

Trustee Bachner stated that deadlines have not been met and residents are frustrated.

President Adduci noted that the Village will try to come up with something for residents around construction and get something about the clawback clause.

Ms. Boblick commented that she saw the packet and reviewed the description. She stated that what she did not do was read the third amendment and will do that.

Village Attorney Greg Smith commented that information is on page #35 of the pdf within the packet, items 1-4 on the top of that page.

Trustee Brennan questioned the developer and the Village on how long have permits been ready to be pulled and how much more than \$50,000 is due.

Ms. Scheiner responded by stating that August in terms of permits and the total permit fee is \$220,000.

Trustee Brennan asked if what they are doing is that the developer pays \$50,000 now and pays the remainder in January? She asked the developer why he has not yet picked up the permits already?

Mr. McKinney responded that work under the permit was always contemplated to be part of the construction loan. He stated they also need a permit for Phase 1 of the 2 feet of excavation.

Trustee Brennan asked if the permit wasn't paid for in full because they were planning on paying it through financing, the construction loan?

Mr. McKinney responded by stating that yes, permit costs always are a part of a construction loan.

Trustee Bachner asked that if the Board were to approve this tonight, will he have the ability to get the loan financed and will it take until end of January to get that closed?

Mr. McKinney responded by stating that they can get mobilized within 10 days, which is the 2 feet of the second phase of excavation.

Trustee Bachner asked for clarification when he mentioned construction and what that would look like.

Mr. McKinney stated that they will mobilize in 10 days for the first phase, and the latter 30 days for the second phase of the excavation.

Trustee Bachner asked about his comment that the two penthouses may take longer than 18 months?

Mr. McKinney responded by stating that they may have sales that go on for several months and customer personalization may take longer. He stated these are things outside their current permit and may take longer.

Trustee Bachner noted that the Developer wouldn't be doing their job without a timeline, so what does construction look like in January?

Mr. McKinney responded by stating that he expects that they would be looking to have this constructed in three parts. He stated: first, the foundations; then the podium which is the ground floor to the first floor; then the residential of floors 2-3-4 + rooftop. He stated the foundations will be approximately 3-4 months of work; then, the podium is a 2-3 months' timeframe from there. He stated the residential exterior is another 3-4 months of work and the balance would be completing all the interior finishes.

Trustee Bachner questioned what would hinder the project to go over 18 months?

Mr. McKinney responded that who knows what the unforeseen are. He stated maybe, a drastic winter and that he didn't think pandemic would've come out as potential risk. He stated they are still dealing with realities of COVID with material delays and the supply chain impact.

Trustee Bachner asked if there is anything the developer can do to mitigate material delays?

Mr. McKinney responded by stating that they are planning the excavation phases now.

President Adduci stated they still need and want to know as soon to the 18 months that the Village is going to see people live in units or restaurant opening up.

Ms. Scheiner stated that in developments of this type, developers finish a shell of the exterior first, then the interior. She stated this is done in order to keep the building safe and structurally sound, even if not all the interior work is complete. She recalled the Hines Lumber site, stating over time as units are sold, they would then complete those interior spaces. She stated at that time, it comes more down to inspection than permitting, noting customized spaces. She stated the work continues to be inspected until a certificate of occupancy is issued at every unit.

Trustee Brennan stated that the materials mentioned lowering the height of the building, she asked if this is new information, and how much of the building is being lowered and why.

Ms. Scheiner commented that originally the development was for 80ft for 30 units, but a story was removed. She stated the Planned Development contemplated the potential to do

so. She stated since they did not exceed the height, but lowered it, then it did not need to come back to the Board.

Trustee Brennan commented that the momentum of room is moving toward a vote. She stated she wanted to note the long history of delays and unfulfilled promises. She stated what they heard from residents was lack of trust. She stated one of the residents referenced great frustration from trustees. She stated she voted to give them another chance against her better judgement. She stated she thinks it's possible but can't vote yes. She stated there is a labyrinthine of documents that make it confusing. She stated a real estate attorney has to get further clarification from village attorney. She stated she hopes to be proven wrong.

Mr. McKinney noted they ask people to keep in mind that maybe it's taken a few years to get to this point, but they demolished the site, handled the remediation process, and been doing this during a pandemic.

President Adduci commented that she thinks Ms. Scheiner summed it up well and the Village Attorney knows how to protect the Village very well. She stated that they have done quite a bit, and they are where they need to be. She stated it's a clean piece of property, and that even though they didn't take control of property until 2017-2018, a lot of progress has been made. She stated now, the next phase is to get it constructed. She reminded the Board that January 23rd is the end date, and there would be no additional amendments. She stated they have gotten to the end of road with the project. She asked the Clerk to take a vote.

Trustee Gillis stated that she will vote yes for a number of reasons. She stated starting over would put us back farther and that 90 days is not a long time to wait. She stated the Village is protected because they are not giving back the clawback clause until milestones are met. She stated she is truly looking forward to seeing it built.

Trustee Bachner commented that she understands that the residents are upset that she voted yes a year or so ago. But, she stated, there is progress that she doesn't want to get in the way of. She stated the Board has 90 days with the clawback. She stated this has been extremely frustrating as they watched a building go up at Chicago and Harlem. She stated she is voting yes, but that she is not happy about it.

Trustee O'Connell stated that this is not easy and the level of frustration has not been good. He stated the Board's role is to protect the residents and he has the utmost confidence in the document that Greg Smith negotiated. He stated residents will understand at that point in time. He stated he is willing to go 90 days so he is voting yes.

Trustee Johnson commented that his comments are similar to Trustee Gillis. He stated he does believe that 90 days is not a long time and going with a new developer will take longer. He stated he was looking for a better incorporated timeline within the 90 days. He stated residents need to know what's going on and steps should have been taken to do that. He stated he can be marked down for a "no" vote on the 24th, but that he is voting yes on the next 90 days.

Trustee Brennan stated that they have heard no more before, but that she can't continue with it tonight. She stated she is voting no tonight.

Trustee Vazquez stated that he was not able to vote previously due to a conflict of interest. He stated he was in the law firm that represented D90 and D200 and TIF funds were involved, so he abstained for that reason. He stated he is happy to vote tonight and to provide his comments. He stated he does agree with the frustration regarding this event. He stated he is saddened to hear about the confusion about clawback clause, and he's hoping to clarify and address. He stated they're almost at the end of the marathon race, and that he does want to see if they can finish the race. He stated he will be voting yes for the next 90 days, and that he too will express his decision not to renew after January 23rd. He stated for the developer, please finish and get this done.

President Adduci stated that the motion passes on a five to one vote. She clarified that the clawback clause will not be relinquished until the conditions are met. She stated the Village does not lose the right after that due to zoning and permitting. She stated the Village has proven it could be done with the Hines project on Madison. She also recommended a project plan between Sedgewick Properties and the Village, so the Village knows where things stand. She stated she is confident that they will succeed, but if not they will take another direction.

Roll call:

Ayes: Trustees Bachner, Gillis, Johnson, O'Connell, Vazquez

Absent: None

Nays: Trustee Brennan

Motion Passes.

9. NEW BUSINESS

a. Review and Acceptance of the FY 2021 Comprehensive Annual Financial Report (CAFR)

Director McAdams summarized the budget projections and expenditures in the Report. She encouraged the Village Board of Trustees to review, noting it summarizes and explains the Village's financial activities during the year. She thanked Staff, Assistant Finance Director Keke Boyer and Kimberly Marshall from BKD for their work.

Ms. Marshall from BKD reviewed the auditing process and highlighted key findings.

President Adduci stated the Village is in a good position and that she is proud of the team.

Trustee Vazquez made a motion, seconded by Trustee Bachner, to accept the Village's Comprehensive Annual Financial Report for the Fiscal Year Ending on April 30, 2021.

Roll call:

Ayes: Trustees Bachner, Brennan, Gillis, Johnson, O'Connell, Vazquez

Absent: None

Nays: None

Motion Passes.

10. EXECUTIVE SESSION

Mr. Pape announced that because the Board would be going into Executive Session, there would be no further discussion or action after Executive Session and that the Board would adjourn immediately after.

Trustee Vazquez made a motion, seconded by Trustee O'Connell, to enter into Executive Session to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the Village.

Roll call:

Ayes: Trustees Bachner, Brennan, Gillis, Johnson, O'Connell, Vazquez

Absent: None

Nays: None

Motion Passes.

The Village Board returned to regular session at 9:07 p.m. with the following members present: President Adduci, Trustees Bachner, Brennan, Gillis, Johnson, O'Connell, Vazquez, Village Clerk Keller.

11. ADJOURNMENT

Trustee O'Connell made a motion, seconded by Trustee Gillis, to adjourn the regular Village Board of Trustees Meeting at 9:08 p.m.

Roll call:

Ayes: Trustees Bachner, Brennan, Gillis, Johnson, O'Connell, Vazquez

Absent: None

Nays: None

Motion Passes.

Jonathan Keller, Village Clerk