

**MINUTES OF THE SPECIAL MEETING  
OF THE PRESIDENT AND BOARD OF TRUSTEES  
VILLAGE OF VOLO**

**APRIL 17, 2007**

The Special Meeting was called to order by President Russell at 7:40 P.M. at the Village Office, 31726 N. McNally Road, Volo, Illinois, pursuant to proper legal notice.

**PLEDGE OF ALLEGIANCE TO THE FLAG**

President Russell led those present in the Pledge of Allegiance to the Flag.

**ROLL CALL**

Roll Call was taken. Present were: President Russell, Trustee Crow, Trustee Evans, Trustee Grams, Trustee Hill, and Trustee Wegener. Absent: Trustee Wagner. The President declared a quorum present.

**GUESTS AND STAFF ATTENDING**

Guests present were: The sign in sheet in attached. Staff present were: Village Attorney Nancy Harbottle, Plan Commission Chairperson Betty Wertke, Plan Commissioner Bruce Buschick, Financial Director Cheryl Grolle, Administrative Assistance Judy Rutishauser and Village Clerk La Verne Drake.

**PURPOSE OF MEETING**

Review Term Sheet of agreements between Village and Orput-Mid America-Archon including formation of Volo Business District No. 1 and a Special Service Area.

**ORPUT DEVELOPMENT - ELLIS PROPERTY - 90 ACRES ROUTE 12**

Mr. Greg Orput, Executive Vice-President of Orput Co. introduced his associates Curt Bailey and John Maggiore from Archon Group, and Richard Klawiter and Michael Laube from Laube Companies. Mr. Orput made a brief presentation explaining that they are working to secure tenants for this development, which they tentatively plan to take 3 to 4 years to build-out.. In addition to the retail stores, there are several outlots that will be suitable for restaurants, etc.

A question and answer period followed.

The following is a description of the Term Agreement under consideration.

Term Sheet of agreements between Village and Orput-Mid America-Archon including formation of Volo Business District No. 1 and a Special Service - were reviewed by Village Bond Counsel Greg Hummel and Village Attorney Nancy Harbottle.

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The Term Sheet sets forth the intentions of the parties as to the financing of the off-site and on-site improvements that the Orput group will be required to make prior to the opening of the retail center. The Board is aware from its experience with Ryan Development that the roadway improvements required by IDOT to the intersection of U. S. Highway 12 and Route 120 are extraordinary and extremely costly. In addition the Developer is responsible for the signalization and roadway improvements to Ellis Drive and U.S. Highway 12. Other public and private improvements necessary for the retail center are significant as well.

The Village (as it did for Ryan Development) offered to create a Business District and enact an additional 1% sales tax on sales generated from the Orput Development. This 1% sales tax would be used to pay for certain improvements made by the developer. The Village agrees to issue Sales Tax Revenue Bonds which will be paid down by a portion of the 1% sales tax revenue generated by the retailers located in the development.

What is different from the financial proposal presented to the Village by Ryan, is that there would also be a Special Service Area (“SSA”). A commercial SSA is the same process that the Village Board is familiar with for residential development. The Village agrees to issue SSA bonds for public improvements and a portion of the 1% sales tax from the Business District would be used to pay down the bonds and go to the bondholders.

The Term Sheet sets forth basic information such as the name and contact information for the developer, a description of the project (a 750,000 square foot retail center anchored by two large-box retailers) with related on-site and off-site improvements, including the construction of public infrastructure. The developer agrees to obtain the necessary zoning. (Orput will submit an application and related materials for a planned unit development by the end of April with public hearings before the Plan Commission anticipated for June.

The Term Sheet also provides that the Village will establish a Business District and a Special Service Area. The section entitled “Village Financing” describes in detail the information as to the bonds to be issued. Sales Tax revenue bonds pursuant to the Business District will be issued in the amount of approximately \$14,000,000 and the SSA bonds issued in the amount of approximately \$7,000,000.

An estimated “Project Timeline which provides that the Business District and the SSA will be proposed and established concurrently beginning in May and concluding in December. The SSA bonds will be issued in July and the Sales Tax Revenue Bonds issued by the end of the year.

In essence, the Village is agreeing to facilitate all of the above in a timely manner

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and to hold the necessary public hearings and public meetings and, in the event that no information is presented during the public hearing process which would cause the Village to do otherwise, establish the Business District and the SSA and issue the bonds.

**R-07-116 RESOLUTION APPROVING A CERTAIN TERM SHEET BETWEEN THE VILLAGE OF VOLO AND THE DEVELOPER, WHITEHALL STREET GLOBAL LIMITED PARTNERSHIP 2007 AND MARS/OCI VOLO,L. L.C. (ORPUT DEVELOPMENT)**

After discussion, Trustee Hill made a motion, seconded by Trustee Evans, to adopt R-07-116 RESOLUTION APPROVING A CERTAIN TERM SHEET BETWEEN THE VILLAGE OF VOLO AND THE DEVELOPER, WHITEHALL STREET GLOBAL LIMITED PARTNERSHIP 2007 AND MARS/OCI VOLO,L. L.C. (ORPUT DEVELOPMENT). Roll call vote. President Russell aye, Trustee Crow aye, Trustee Evans aye, Trustee Grams aye, Trustee Hill aye, and Trustee Wegener aye. Absent: Trustee Wagner. The President declared the Resolution adopted.

**ADJOURNMENT**

At 8:35 p.m. Trustee Crow made a motion, seconded by Trustee Grams, to adjourn the meeting, Voice vote. All ayes. Absent: Trustee Wagner. The President declared the motion approved.