

APPROVED MINUTES

VILLAGE OF ANTIOCH BOARD OF TRUSTEES COMMITTEE OF THE WHOLE – SPECIAL MEETING Antioch Senior Center: 817 Holbek, Antioch, IL October 28, 2015

I. CALL TO ORDER

Mayor Hanson called the October 28, 2015 Committee of the Whole Special Meeting of the Board of Trustees to order at 7:00 pm in the Antioch Senior Center: 817 Holbek, Antioch, IL.

II. PLEDGE OF ALLEGIANCE

The Mayor and Board of Trustees led the Pledge of Allegiance.

III. ROLL CALL

Roll call indicated the following Trustees were present: Macek, Jozwiak, Dominiak, Pierce and Johnson. Also present were Mayor Hanson, Attorney Long, Administrator Keim and Clerk Folbrick. Absent: Trustee Poulos.

NEW BUSINESS – SSA #1 and SSA #2 Bond Refinancing

Mayor Hanson offered welcoming remarks, and provided a history of the construction, bankruptcy, infrastructure and bonds in the SSA #1 and SSA #2 areas. He discussed actions taken by the Village of Antioch since the Neumann bankruptcy, and how the proposal presented at this meeting may lower SSA costs to the residents affected.

Administrator Keim discussed challenges with the SSA funds, including unpaid taxes and underdeveloped portions of the land. He provided introductions of the team involved in the proposed refinancing, which has been in discussions for well over one year. He stated that the team is at a point where a thorough and well thought out proposal may be presented for action. He indicated that there are different delinquencies in the two subdivisions resulting from unpaid taxes on undeveloped parcels. He related the difficulty of the Village to finance the debt of the existing bonds without the SSA tax money. Administrator Keim said that approximately 30% of Clublands was constructed, as opposed to an 80% completion in Neuhaven. Those undeveloped portions of the subdivisions create a burden for the current taxpayers in those special service areas.

Attorney Long reviewed his memo dated October 21, 2015, which provides a background of the developments, staff involvement, financial proposals, risk factors and analysis and the redevelopment proposal. He indicated the 3 key directives given to staff upon review of the proposal, and stated that all of the negotiations took the interest of the residents into consideration. He reviewed the different refinancing options for the bonds, and the risks associated with each.

Mr. Troy Mertz, developer for the project, discussed his history of property purchases, and potential to purchase property in Antioch. He was approached by Cole Taylor Bank regarding the Clublands property which he purchased in September, 2014. He discussed the power of combining and refinancing the SSA Bonds, and his current petition to the Planning and Zoning Board to revise the planned townhomes to single family homes.

Mr. Peter Rafael, Managing Director for William Blair, reviewed the bonds to be refinanced, reduction in interest rates, and \$22 million outstanding today. He discussed the benefits of refinancing, including a modified flow of funds, bond insurance, and what the refinancing would mean for the homeowners in that area. He said if the refinancing were done by February, taxes could be abated, saving residents money this year.

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Mayor Hanson invited the public to comment. No audience members wished to comment at this time.

Mayor Hanson asked for comments from the Village Board.

Trustee Jozwiak asked about the difference in interest rates, refinancing term, if the Village would be responsible in the case of a default, and how the single family homes in place of the townhomes would affect the taxes for current townhome owners. Mr. Rafael said that the proposed interest rate is 6% from 6.625% with the same maturity in 2033. In case of default, the Village would not be responsible. In response to the townhomes, the tax administrator will perform a calculation to determine the tax difference for single family vs. townhomes which will have to be paid by the developer.

Trustee Dominiak discussed any impact that may occur if the fed makes any changes over the next 3-6 months. Mr. Rafael responded that the treasury rates are already taken into account, and municipal rates do not always track with treasury rates. Bond insurance should provide minimal impact against that should it be procured.

Trustee Pierce asked the major benefit to taxpayers. Mr. Rafael replied that their taxes will decrease.

Trustee Macek explained that he holds a professional license which prohibits him from commenting and voting on this issue.

Mr. Paul Johnson, Clublands Homeowners Association, expressed concern with the change of plans for townhomes in the subdivision, and asked if the proposed single family homes would be the same style, size, and price point. Mr. Mertz said that he is working within the existing planned unit development (PUD), and it is too early in the process to determine. Mayor Hanson stated that any major changes must go through hearings at the Planning and Zoning Board. Attorney Long stated that anything contained within the plat is enforceable.

Mr. Don Carroll, Clublands resident, asked Mr. Mertz his thoughts on changes to the PUD. Mr. Mertz replied that he plans to market three product lines averaging \$200,000-\$240,000 base price.

Residents in the subdivision asked when groundbreaking can be expected, and what improvements may be made to infrastructure. Administrator Keim reviewed the process, and discussed access roads as a part of the PUD.

Attorney Long reviewed the process, and next steps to be taken, including ordinance approval and Planning and Zoning Board involvement.

VII. ADJOURNMENT

There being no further discussion, the Village Board of Trustees Committee of the Whole meeting adjourned at 8:32 p.m.

Respectfully submitted,

Lori K. Folbrick, RMC/CMC
Village Clerk