

**MINUTES
COMMITTEE-OF-THE-WHOLE
PRESIDENT AND BOARD OF TRUSTEES
VILLAGE OF ARLINGTON HEIGHTS
BOARD ROOM
MONDAY, OCTOBER 10, 2022 7:00P.M.**

BOARD MEMBERS PRESENT: President Hayes; Trustees: Bertucci, Canty, Grasse, LaBedz, Scaletta and Tinaglia

BOARD MEMBERS ABSENT: Baldino, Schwingbeck

STAFF MEMBERS PRESENT: Randy Recklaus, Village Manager; Charles Perkins, Director of Planning & Community Development; Tom Kuehne, Director of Finance; Diana Mikula, Assistant Village Manager; Hart Passman, Village Attorney; Kim Peterson, Recording Secretary

SUBJECTS:

A. Discussion of Pre-Development Agreement with Chicago Bears

Other Business

Adjournment

President Hayes called the meeting to order at 7:00 PM. The Pledge of Allegiance was recited.

President Hayes advised that there is just one item on the agenda to discuss, which is the Pre-Development Agreement with the Chicago Bears. President Hayes expressed his enthusiasm with tonight's discussion, as it signifies the next step in this long process of the possible redevelopment of the Arlington Park site to something very exciting, not just for the Arlington Heights community, but for Northwest Suburban region. President Hayes acknowledged the representatives of the Chicago Bears organization who were present at the meeting and discussed how professional and sincere they have been from day one regarding their intentions for the redevelopment of the Arlington Park site. In addition, President Hayes thanked George McCaskey, Ted Phillips and all of the members of the organization for the great relationship they have established so far in this long process.

New Business

A. Discussion of Pre-Development Agreement with Chicago Bears

President Hayes advised that the Chicago Bears representatives will be providing a brief presentation summarizing where they are in terms of their preliminary plans.

Paul Milana, Partner with Hart Howerton, along with Nicole Emmons, Partner with Hart Howerton, provided a short presentation about their vision for Arlington Park. Mr. Milana advised that because of the magnitude of this project, his firm is being joined by a large number of consultants, including JLL, real estate advisors; HR&A, economic impact consultants and Goldman Sachs, financial advisors. Mr. Milana discussed the term Chicagoland and how the location of Arlington Park and its proximity to Chicago, provides a gateway for Chicagoland. Mr. Milana explained how the site itself is unique in that three towns border it, including Palatine, Rolling Meadows and Arlington Heights, it is situated along the Metra line, and it is part of the larger drainage network that starts just to the North of Palatine and runs South into the Des Plaines River. In addition, Mr. Milana advised that the site itself is 326 acres and is one of a number of race tracks his firm has had a chance to study. Mr. Milana discussed how his firm studied the walkability factor of the site, as well as the topography, including drainage into Salt Creek, to better understand the qualities that are inherent in the geography of the site.

Following these studies, Mr. Milana explained how his firm determined that the site can be broken down into a Transit Oriented Development (TOD) or mixed-use center, which would be located on the East side and then the West side would be the Stadium District, with a landscape connector uniting the two sides. Mr. Milana referred to the site renderings and explained how the TOD on the East side would include high density residential, medium density residential, low density residential retail, restaurants, hotel sites and performance/entertainment venues. The stadium would be located in the Stadium District, along with a hall of fame and team store and surrounded by parking fields. A network of ponds, parks, open spaces that could accommodate tail gating, would then fill in the remaining portions of the site. Mr. Milana further discussed the drainage patterns, as well as the traffic patterns.

Ms. Emmons presented the visual imagery plan and explained how it conceptualizes the day-to-day activities of this development, as well as the potential for events in the open spaces to come alive on game day. Ms. Emmons discussed how the plan includes neighborhoods with small playgrounds near the lower density and multi-family residential areas, as well as paths and trails for walking and biking near the stadium threshold, which is the area that connects the TOD on the East side to the Stadium District on the West side. In addition, Ms. Emmons explained how the potential to be active on the water in the pond areas will exist, with the end goal of having the Stadium District and the TOD complement one another with usage and level of activity.

Mr. Recklaus expressed his excitement with this plan, as it provides many opportunities for the Chicago Bears, the fans, Arlington Heights residents and the region at large. Mr. Recklaus explained that with development this large comes many questions, which will not all get answered at this point, however Staff and the Chicago Bears representatives will begin to lay out a process of how these questions will be answered together. Mr. Recklaus acknowledged that this is a significant undertaking and assured everyone that a deal between the Village and the Chicago Bears has not already been worked out. Mr. Recklaus advised that if this project continues to move forward, it will likely be one of the largest real estate projects in the history of the state. The Village is committed to taking all of the time

and collecting all of the information necessary to ensure that any deal is in the best interest of the residents. Mr. Recklaus advised that Staff has been working with representatives of the Chicago Bears Football Club (CBFC) on a roadmap, which has taken the form of a Pre-Development Agreement, with the hope that a vote can be taken on this agreement in early November.

Mr. Recklaus advised that he will be discussing the Pre-Development Agreement section by section, but in its essence, it is a statement of mutual intent between the Village and Chicago Bears Football Club to work together, and a statement of mutual assurances. Mr. Recklaus explained how Sections 1 and 2 essentially say this but in greater detail. Section 3 explains how the agreement is not about making commitments, but about stating intent and that either party can back out of the agreement at any time. Section 4 explains how the parties agree that they intend to negotiate a community benefits agreement and Section 5 discusses the conceptual site plan. Mr. Recklaus advised that this Agreement does not endorse this exact plan necessarily, as it is meant to reflect the broad goals of the Village and Chicago Bears. Mr. Perkins stated that Section 6 discusses a possible amendment to the Village's comprehensive plan, as the existing site is designated mixed-use, which is appropriate, but clearly it did not envision an NFL stadium. Section 7 deals with the zoning, which is currently designated Zone B3 and not appropriate for redevelopment of this property, therefore it needs to be rezoned to something different. Mr. Perkins explained how this site really needs its own special zoning district, similar to what the downtown area has. Section 8 states that after these two steps, the team would then apply with the Village for the zoning approvals necessary for the project. Mr. Recklaus discussed Section 9, which relates to a potential public-private partnership with the Village and the CBFC. Mr. Recklaus advised that this section states that the Club intends to request public-private participation in funding a portion of certain infrastructure and other development costs in order for their project to be feasible. The Club will not seek any Village assistance to pay for the cost of an NFL Stadium structure and the discussion of use of project generated revenue would only occur if it's justified by economic and fiscal analyses conducted by the Village and its own consultants. The Bears acknowledge that that Village participation will not happen unless the Village concludes that the project would not be feasible without a public-private relationship and also that the Village must be convinced that the project itself will generate enough of an impact revenue for the Village to cover all of the new expenses the Village will need to incur. In addition, Mr. Recklaus advised that this Section also outlines some examples of the types of public financing that could potentially be used if all of these thresholds are meant, including Tax Increment Financing (TIF), as well as many other types of potential revenue the Village can consider that comes directly from the site, including special service area tax, food and beverage taxes, business taxes from within the site and parking taxes, which would not impact any current residents of the community. In addition, the Club will be seeking financial support from other public entities. Section 10 states that the Village and Club agree that there will be good cooperation between all parties in terms of communication and that a number of public meetings will be held before they move forward. Section 11 discusses the costs related to expenses incurred by the Village for review of the project, which the Bears have agreed to reimburse the Village for any extraordinary costs.

Mr. Recklaus advised that based upon the input they receive from the Board and anything additional from the Club, the next steps in the process are finalizing the Pre-Development Agreement, consideration of an amendment to the Zoning Overlay District by the Plan Commission, which would allow the notion of a sports wagering facility as a special use, with a vote on both of these items by the Village Board on November 7th. The Club is expected to make a purchasing decision later this year or early next year. If the Club decides to purchase the property and move forward, they will begin their preparation of plans and studies. The Village consultant team will review these studies and based on ongoing input from the Village and other stakeholders, the Club will define their plan, a new Zoning District would possibly be created and then detailed plans would be submitted. Mr. Recklaus advised that through every step of this process, public input will be gathered through various public meetings and public hearings.

President Hayes advised that this Pre-Development Agreement is the result of much hard work and thanked Village Staff and the Chicago Bears organization for their contributions to this effort. President Hayes asked Cliff Stein, General Counsel with Chicago Bears, and Paul Shadle, Partner with DLA Piper LLP, to address the Board as to the process in developing this agreement and whether or not it meets their needs. Mr. Stein thanked Mr. Recklaus and his Staff for everything they have done thus far. Mr. Stein explained how everyone has been very professional and thorough, and at all times making sure what is being done is in the best interest of the Village of Arlington Heights and surrounding communities. Mr. Stein looks forward to continuing their relationship and being a good partner and good neighbor. In addition, Mr. Stein thanked the Village Board for all of their time. Mr. Shadle thanked the Board for being there and making time for them and reiterated what Mr. Recklaus said about creating a roadmap so that there is a foundation for everyone to work collaboratively to build the framework of a feasible design. President Hayes asked Mr. Shadle if he is comfortable with this roadmap, in its current form, for their needs going forward in this process, which Mr. Shadle stated yes, that it is a condition that they find acceptable.

President Hayes advised that the Board does have a recommended motion, which is routine for the Committee-of-the-Whole to make a recommendation to the full Village Board at their next meeting.

Trustee Bertucci asked about the conceptual drawing and if the architects are aware that there is commuter parking currently available near the train station and if that will be factored into the new development. Mr. Milana advised that every one of those Metra parking spaces has been accommodated in the plan, whether it be in a surface lot or parking garage. Peter Lemmon, Senior Transportation Engineer with Kimley Horne, advised that there are currently 1,032 surface commuter spaces and with this plan there will be 1,075. Trustee Bertucci suggested that this information about the proposed commuter parking, whether it be surface spaces or parking garages, be relayed to the public, to alleviate any commuter parking concerns.

Trustee LaBedz asked about the term multimodal and what it means. Mr. Lemmon explained how people can drive to the station and park nearby, but they also want people to comfortably be able to walk or bike, which may entail constructing streets

that are pedestrian scale or adding bike lanes to the busier streets or trails around the perimeter. In addition, Mr. Lemmon discussed the possibility of establishing PACE service to the site, as well as offering off-site parking options during events, where a shuttle bus can provide pick up and drop off. Trustee LaBedz is happy that the option to walk or bike to the train station is being considered.

Trustee LaBedz asked Mr. Perkins if the plan is to create a new zoning district for this site, which Mr. Perkins stated yes, the Village would start drafting a new zoning district after the comprehensive plan amendment, to set that framework for what the vision of this property is.

Trustee LaBedz asked about the part of the Agreement that explains how the Bears have agreed to not ask for any funds for a stadium structure and what exactly this means. Mr. Shadle advised that this means the stadium structure or building itself. Trustee LaBedz asked about parking related to the structure, which Mr. Shadle advised they have not explored that yet.

Trustee Tinaglia advised that he wants to get this done and have the Chicago Bears come here, however he is not a fan of the site plan, as he is concerned about some things. Trustee Tinaglia advised that he doesn't think Arlington Heights needs another big Transit Oriented Development, as his vision of the site included an entertainment district that's tax-generating and exciting. Trustee Tinaglia explained how one-third of the site will host the football stadium and the other two-thirds of the site consists of very detailed, beautiful renderings of beautiful buildings with beautiful open spaces, with restaurants, office buildings and apartment buildings, which for a community that doesn't already have what Arlington Heights has, would be great. However, Trustee Tinaglia is concerned for the current business owners, as he is unsure if they would be able to survive with the competition that would come from this type of development. Trustee Tinaglia asked where the renderings are for the stadium and why is that one-third of the whole site is for the Bears and the other two-thirds is for every day, regular Transit Oriented Development. Trustee Tinaglia believes that maybe for another town this would be great, but not here in Arlington Heights. Trustee Tinaglia advised that he believes they will build a wonderful stadium, but who will be building the other 200 acres of the property. Trustee Tinaglia explained how he wants to see a heavier emphasis on the entertainment part, as he believes the other 200 acres on the other side of the property is a missed opportunity and if this site plan was up for a vote tonight, he would vote against it. Trustee Tinaglia reiterated that he is all in for getting this Pre-development Agreement done but he cannot buy into this site plan, as he believes it will be detrimental to the majority of businesses in town.

President Hayes advised that what's before the Board tonight is the draft Pre-Development Agreement and certainly not the final plan, as that is a long way away.

Trustee Tinaglia stated that he understands this, however he believes this conceptual plan is so far from where it needs to go.

Mr. Stein stated that this is the reason why they are there tonight, to get feedback

from the Board and community. Mr. Stein explained that this very preliminary and conceptual and how they do plan to meet with businesses and other stakeholders. Mr. Stein advised that he does understand the frustration with not seeing the stadium design, however they are just not there yet. In addition, Mr. Stein advised that it is their intention to have the property be complimentary of the Village and to drive economic revenue to the rest of the businesses. Mr. Shadle advised that the intention is to have the eastern portion of the site compliment the western portion.

Trustee Tinaglia asked why has there been so much energy spent on the TOD part of the site and nothing on the stadium, which is why everyone is there. Trustee Tinaglia wants to see the stadium and what it is going to look like and why it is so special.

President Hayes advised that he disagrees with Trustee Tinaglia, as he understands where the team is and why they don't have a design for the stadium yet and how they are not just there to look at the stadium portion, but all 326 acres of this site.

Trustee Grasse stated that she really appreciates the community benefits agreement and understands why it is so important. Trustee Grasse advised that this Pre-Development Agreement is not about commitment, but about intent, and very much likes the usage of words like mutuality, collaboration, cooperation and being good neighbors. In addition, Trustee Grasse advised that she is supportive of this Pre-Development Agreement, as she understands it is about intent and the ways they can collaborate and cooperate for what best benefits the Village and the Chicago Bears.

Trustee Scaletta advised that he is very excited and equally as anxious, as the Board has a tremendous amount of responsibility to make sure they get this right. Trustee Scaletta is okay with not seeing the stadium rendering yet, as he understands it will need to be unveiled at some point, however he is very concerned about the density of the TOD. Trustee Scaletta stated that he would like to clarify that he and the rest of the Board have never met Mr. Stein in person, nor has he ever met anyone on his team. Trustee Scaletta advised that this development is going to be a regional destination and have a tremendous impact on the Northwest suburbs, which is why the Board will have concerns with elements of the development, as well as elements of the Agreement. Trustee Scaletta asked Mr. Stein besides the nine or ten NFL games that will be played at the stadium, what else will go on with the stadium, which Mr. Stein advised that is to be determined. Mr. Stein stated that this is intended to be a state-of-the-art enclosed year-round facility, but in terms of capacity or types of events, they just don't know yet. Trustee Scaletta stated that this concerns him, as they have not seen anything when it comes to traffic and how it will be affected if this is a year-round facility. Trustee Scaletta advised that our community is not only the residents and the businesses, but the downtown, which is thriving, and they want to keep it that way. In addition, he wants to make sure this development does not have a negative impact to the community. Trustee Scaletta asked if there is anything about the property that will negatively impact them, which Mr. Shadel stated he doesn't necessarily consider it a negative but one of the features the architects focused on is the central wetland.

Trustee Scaletta advised that there is no TIF at this location and although Mr. Recklaus discussed the possible tax revenue sources, Trustee Scaletta stated that they are not prepared to share all tax generated revenue on the property, which Mr. Stein stated he understands.

Trustee Scaletta asked about the train station and if there will be a second train station in addition to the original one. Mr. Lemmon advised at this time they are not thinking this way, but instead looking into improving access to the station, and not just from a vehicular standpoint, and perhaps widening the platforms. Mr. Lemmon explained how the current station is in walking distance to the stadium and although they have had conversations with Metra, there has been no interest in a second station. Trustee Scaletta stated that he thought with the length of the trains that will be needed to accommodate the fans on game days, a second station closer to the stadium would make sense. Mr. Lemmon stated that this is valid concern and they will address this.

Trustee Scaletta asked if they will be doing Leed Building Certifications on the buildings, which Mr. Milana advised that he would expect there will be a whole host of green criteria with a development of this nature. Mr. Milana explained how most of the projects they have worked on, if not all of them, have a green checklist to follow.

Trustee Scaletta asked who is going to own the sportsbook, which Mr. Stein advised he doesn't know yet, but it will not be them. Mr. Stein explained how most clubs partner with a licensed sports betting operator. Trustee Scaletta asked if they are interested in having this on the property and if it is valuable to the overall property, which Mr. Stein stated yes, they do want a sportsbook on the property, and based upon the success of these sports betting facilities at other sporting venues, it should be valuable.

Trustee Canty advised that she is very happy to see that they are putting together this non-binding agreement and is in favor of it, although she does share the concerns that the other Trustees have raised, as well as the excitement they have raised. Trustee Canty explained how she does have some concern about the flow of traffic within in the site and onto the adjacent roadways and how critically important this is, especially to those residing near the property. In addition, Trustee Canty stated that she wants to be sure our Police and Fire Departments are weighing in throughout this process to make sure they feel confident in providing their services.

Melissa Cayer, Arlington Heights resident, does not want to take property tax money to build the development, as the investors, patrons and donors can pay for the development. In addition, Ms. Cayer stated that she didn't think the racetrack was going to sell to another betting facility.

Mr. Recklaus advised that he believes these are all great questions and what is being discussed tonight is a process of how to answer these questions.

Trustee Grasse moved, seconded by Trustee Bertucci, to recommend approval of the Pre-Development Agreement with the Chicago Bears Football Club, LLC at the November 7, 2022 Village Board Meeting.

Trustee Scaletta advised that the Board typically makes a motion to recommend to the Village Board during the Committee-of-the-Whole (COW) Meetings. Mr. Recklaus agreed that the this is more consistent language of how the motions are typically stated in a COW Meeting.

Trustee Canty moved, seconded by Trustee Scaletta, to amend the motion that the Committee-of-the-Whole recommend that the Village Board of Trustees approve the Pre-Development Agreement with the Chicago Bears Football Club, LLC at the November 7, 2022 Village Board Meeting.

Upon a voice vote, the motion passed unanimously.

Adjournment

Trustee Scaletta moved, seconded by Trustee LaBedz, to adjourn the meeting at 8:36 p.m. Upon a voice vote, the motion passed unanimously.