

Terry's Lincoln Mercury - Current Agreement – 2000/2005 (amended)	Proposed New Agreement (Key Changes)
1. <u>Terry's Rights and Obligations</u> - Expand Dealership and Sales area to the South (existing storm water detention) - Relocate the Main Entrance to align with north side of 143rd street - Dedicate 143rd ROW dedication - completed - Acquire the new detention site at the southeast corner of 143rd and John Humphrey Drive and deed to Village - completed in 2007	1. <u>Terry's Rights and Obligations</u> - Terry's will expend approx. \$2.5m for expansion project - Village reimburses Terry's up to \$250,000 for his previous acquisition of wetlands at SE corner (\$200K unless it appraises higher, max of \$250K)
2. <u>Orland Park's Rights and Obligations</u> - Creation of a new storm water detention site at the southeast corner of 143rd and John Humphrey Drive. Includes the necessary engineering, MWRD permitting, excavation, underground piping, and landscaping necessary to serve as a fully improved storm water detention facility. - Allow refacing of existing monument sign – completed - Allow use of Loan program – up to \$600,000 for expansion. - Continue the use of Apple Towing Services – as outlined by Village's rotating policy. - Sales Tax Rebate – Village keeps base - was originally set at \$255,000. Amended in 2005 to \$190,000. After base deduction, Terry's gets 90% of increment produced from expansion for a period of tens year or maximum pay out of \$2M.	2. <u>Orland Park's Rights and Obligations</u> - Village no longer has to create or construct new storm water detention facility - Loan is up to \$750,000 - Sales tax rebate – total \$1.625m - Subaru: 100% of first dollar sales tax for first 2 years; then 100% of new base thereafter until total is reached - Lincoln/Mercury: 50% of first dollar for first 2 years; then 100% of new base thereafter until total is reached <i>(It is important to note that as a practical matter the base from the current agreement is not near \$190K, so Terry's gets no incentive – we tried to structure this with a realistic view of what will yield a return toward the project)</i>
3. <u>Status of Detention Pond</u> Southeast corner property will be classified by the Corps as a High	3. <u>Status of Detention Pond</u> As noted above, Village has no obligation to pursue detention pond.

Quality Aquatic Resource. Based upon analysis from CBBEL, Corps will not approve mitigation. If mitigation was approved it would be at a 3:1 replacement ratio. • Village has pursued other locations for a regional detention pond, with no resolution. • The original agreement anticipated a cost of \$170,000 for the detention pond, current estimates are around \$1.7M. • The existing detention pond on Terry's site has been modified and the restrictor is no longer present.	This frees up the obligation to acquire land and construct a facility that is estimated between \$1.5m and \$2.0m
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Key Points to Note:

- The left column represents the development agreement we are in now. If the Board does not approve the revised agreement, we will have to comply with terms of current agreement
 - Significant expenditure in land acquisition (potential condemnation) for detention facility that would in reality be for a single user
 - Significant construction costs, as noted above
- Current agreement calls for \$600K revolving loan and \$2.0m in sales tax incentives, for total incentive of \$2.6m. That is nearly the same as our current proposal of \$1.625m in sales tax incentive along with \$750K in revolving loan funds as well as up to \$250K for reimbursement for wetland land, for a total of \$2.625m.