

**VILLAGE OF JOHNSBURG
APRIL 21, 2026 REGULAR MEETING
OF THE PRESIDENT AND BOARD OF TRUSTEES**

President Hettermann called the meeting to order at 7:00 p.m. in the Village Hall.

Attendees

Trustee Mike Fouke

Trustee Josh Hagen

Trustee Scott Letzter

Trustee Jamie Morris

Trustee James Sylvanus

Trustee Keith Von Allmen

~~Village Administrator Claudett Sofiakis (absent)~~

Assistant Village Administrator Vinny Lamontagna

Assistant Village Administrator Ethan Hoffman

Chief of Police Jason Greenwald

Village Attorney Michael Smoron

Special Projects Coordinator Rick Quinn

~~Village Engineer Tim Hartnett (absent)~~

PRESIDENT’S REPORT – Village President announced amending the order of the Agenda published due to introductions before From-the-Floor public comments due to audience and guest’s attendance. Pres. Hettermann introduced the recent appoint of Jeremy Gaughan to Village’s Police Commission and advised the Board of Trustees appointments to other committees and commissions will take place at the upcoming May board meeting. Additionally, Pres. Hettermann provided the opportunity to Chief Greenwald to briefly discuss OFC Santana & OFC Adams giving a brief statement of years of service, time with Johnsburg and what these specific patrol officers’ additional responsibilities are to the Johnsburg Police Department in addition to patrol shifts. Pres. Hettermann then advised fellow board of trustees to ensure their committees are up to date on postings and minutes.

FROM THE FLOOR -

Gary L. Cancer (3113 River Park Dr); in summary shared comments being longtime property owner and resident (38 years on the river) expressed concerns about the proposed project’s density, parking demand, and increased traffic. Noted that while some project adjustments have been discussed, there has been little recent discussion about implementing a no-wake zone near the Chapel Hill Bridge. Stated that increased boat traffic from Hidden Harbor could significantly impact river activity, particularly on weekends. Predicted that heavier boat congestion may eventually necessitate a no-wake zone. Expressed concern that increased idling boats, noise, and water traffic could alter the character of the Village and river environment.

Brad Fox (5714 Meadowlark Ln); in summary shared comments being resident expressed support and enthusiasm for the Hidden Harbor development. Stated that he is speaking as a longtime resident, not as someone affiliated with the project, and noted he has lived in Johnsburg for most of the past four decades. Shared that he and his family moved back to Johnsburg four years ago to raise their children in the community. Commented that Johnsburg has experienced many positive changes over the years, while the subject property has remained undeveloped for decades. As a local real estate professional, described the property as one of the most valuable undeveloped parcels in Johnsburg. Highlighted anticipated regional and local benefits of the development. Encouraged the board to approve the term sheet and move the project forward, stating it would be a positive addition to the community.

Cheryl Markunas (1310 Hayden Dr); in summary shared comments thanking Dave and the Village of Johnsburg for establishing multiple sandbag distribution locations to assist residents. Expressed appreciation for the repair of potholes on the bridge following a request made at a previous Village Board meeting. Commended the Trustees for their work and thanked them for their service to the community.

Joseph Donald Szamlewski (103 S. Sheridan Rd); in summary shared a resident of Lakemoor for more than 45 years, addressed the board in support of the project applicants. Stated that he has served on the Lakemoor Zoning Board for approximately 20 years and expressed pride in the community's zoning and development process. Shared that Michael Oliver is his son-in-law and Lisa Nicole Oliver is his daughter. Spoke positively about the couple's character, work ethic, dedication, and commitment as parents and business partners. Encouraged the board to give the applicants the opportunity to succeed and stated his belief that they would make the Johnsburg community proud. Concluded by expressing strong confidence in their ability to be successful.

Salvador Flores (3604 Hamlin Dr); in summary shared Johnsburg resident and business owner expressed support for the proposed project. Stated that the development would create spaces that bring people together and provide more opportunities for community interaction and local activity. Commented that increased visitation to Johnsburg would benefit local restaurants, shops, and businesses by encouraging residents and visitors to spend time locally. Described the project as positive growth that would strengthen the community and move Johnsburg forward.

David P. Albers (298 Greenview Dr); in summary shared being a Crystal Lake resident, retired civil engineer, and former community development director addressed the board in support of the project and discussed its community development potential and complexity. Stated that the project site presents significant development challenges, including lack of direct sewer and water service, demolition needs, high groundwater levels, existing well and septic systems, and uncertainties related to past site excavation and river conditions. Described the project as one of the most complex development proposals he has encountered in his professional experience. Praised the applicant's vision for repurposing the existing harbor and incorporating car condominiums, boat storage, and commercial uses to create a financially viable development. Commented that the proposed private infrastructure improvements, including water service, fire protection solutions, sewer extension, and a lift station, would provide long-term benefits and future development opportunities for surrounding properties and nearby land. Discussed challenges involving riverfront permitting issues and access coordination with Chapel Hill Road and county agencies, noting that resolving these issues required substantial effort, redesign, and additional expense. Stated that the revised project approach reduced density compared to earlier concepts. Expressed the opinion that the project would attract visitors and spending to local businesses, generate sales tax and permit revenue, and provide economic benefits to the Village. Noted that the development would place limited additional demand on schools, parks, libraries, and other public services. Concluded by encouraging the board to recognize the project's long-term opportunities and benefits for the Village.

Dan Mitchell (1817 Sunnyside Beach Dr); in summary shared a 28-year waterfront resident of Johnsburg, expressed support for the proposed project and stated that the property is visible from his residence. Commented that he believes the development would add value to the Village of Johnsburg and that he looks forward to seeing the project move forward. Noted that, in his role as an elected official associated with the Fox Waterway Agency, the project had been reviewed by the agency. Stated that while the Fox Waterway Agency does not formally endorse private developments, the agency identified no concerns with the proposal and recognized that it aligns with goals related to waterway improvement and tourism. Encouraged the board to support the project and assist in moving it forward.

Mark Romme (1314 Old Bay Rd); in summary shared a Johnsburg resident and longtime McHenry County resident, spoke in support of the proposed project. Recalled the property's history as the former

“Sasha’s” venue, noting that it was once a valued and popular community gathering place. Expressed hope that the redevelopment project would move forward successfully. Commented that the Oliver family has invested significant time and financial resources into the project. Stated his belief that the applicants have the best interests of Johnsburg and the community in mind. Concluded by expressing support for seeing the project completed.

Shannon Loud (5914 Highland Prairie Dr); in summary shared comments she voted for the current trustees based on their stated priorities and hopes they will follow through on those commitments. Referenced a prior public statement outlining priorities including business growth and support for small businesses, expanding marketing efforts to attract developers, and remaining flexible in reviewing new development ideas.

Expressed agreement with those priorities and stated that the Hidden Harbor project aligns with them. Argued that the project would generate financial benefits and support local economic growth. Noted anticipated positive impacts on local businesses, including restaurants, contractors, service providers, marina-related businesses, and retail operators, as well as potential job opportunities for youth. Encouraged the board to reduce regulatory barriers and support private investment following years of planning and coordination on the project. Stated that the development would enhance the village’s visibility and make better use of the riverfront, and expressed strong community support for the project.

Julie Loud (5914 Highland Prairie Dr); in summary shared comments resident and niece of Mike Oliver, spoke in support of the Hidden Harbor project. Shared that she has observed her uncle’s long-term dedication and effort toward developing the project. Stated that, as a 17 y/o student, she believes Johnsburg currently has limited recreational opportunities for youth. Expressed that the proposed marina and Riverwalk would provide a valuable new space for socializing, outdoor activity, and community engagement. Noted that the project could create additional job opportunities for high school students, including part-time work in local businesses such as the proposed ice cream shop. Highlighted potential benefits for student organizations and fundraising efforts within the school community. Emphasized that the development would help attract visitors and provide new activities for young residents and their peers from neighboring communities. Concluded by expressing strong support for the project and encouragement for the board to approve it.

Barb Szamlewski (103 S. Sheridan Rd); in summary shared comments a longtime area resident of Lake County & Johnsburg region, spoke in support of the Hidden Harbor project. Expressed that she has lived in the area her entire life and views Johnsburg and surrounding communities as a single connected community. Shared familiarity with Mike Oliver and described his sustained effort and persistence on the project over approximately three years. Stated frustration that the project has taken a long time to advance despite significant prior investment and planning. Encouraged the board to support the project and allow it to move forward. From a family perspective, expressed excitement about future recreational amenities such as a splash pad, playground, dining options, and waterfront activities for grandchildren. Concluded by urging the board to approve the project and recognize the work already completed.

Tina Lawrence (3310 Turnberry Dr); in summary shared comments Tina Lawrence of McHenry spoke in support of the Hidden Harbor project, noting personal ties to Johnsburg through family and community connections. Identified herself as a supporter of local business growth and community development, referencing her work in local media and as a small business owner at McHenry Riverwalk Shops. Stated that projects like Hidden Harbor can strengthen local economies, support small businesses, and create opportunities for community gathering and engagement. Expressed belief that the project would bring new energy, pride, and economic activity to Johnsburg. Highlighted the importance of creating opportunities for youth and future generations, including small entrepreneurial efforts. Emphasized that the development is being led by a local family investing their own time and resources into the community.

Acknowledged concerns about change but urged the board not to let negativity outweigh potential benefits. Concluded by encouraging support for growth, community development, and approval of the project.

Michael Ferguson (2571 W. Birch Dr); in summary shared comments A non-Johnsburg resident and local business owner (Treehouse Play Cafe, McHenry) spoke in support of the project and shared perspective based on experience with a Tax Increment Financing (TIF) program in McHenry. Described how engagement with McHenry's economic development officials and availability of TIF incentives influenced their decision to locate and invest in McHenry after initially pursuing development elsewhere. Stated that the TIF program ultimately helped make the project viable and contributed to business growth in that community. Noted that their business now employs about a dozen people, including high school students, and contributes to local employment opportunities. Reported ongoing community involvement and charitable efforts, including donations, food drives, sponsorships, and support for local organizations and the McHenry Police Department. Emphasized that TIF-supported development can generate broader community benefits through business growth and reinvestment. Encouraged the board to consider the value of the proposed development and expressed strong support for the applicant and project.

Randy Hueks___ (1717 N Woodlawn Park Ave); in summary shared comments in strong support of the Hidden Harbor project. Described the subject property as blighted for decades and stated it has long been an underutilized and deteriorated site. Noted that the project has faced extensive regulatory review and coordination with multiple agencies, including state and county authorities. Stated that the applicant has successfully navigated significant permitting and engineering challenges to advance the project. Clarified his view that Tax Increment Financing (TIF) is intended to support private investment by using incremental future tax growth to fund improvements, not by redirecting existing tax dollars. Argued that the project would generate increased tax revenue, economic activity, tourism, and business growth for the village and surrounding area. Cited examples of successful waterfront and downtown developments as comparable outcomes supported by similar investment structures. Stated that the project would improve public access to the riverfront, create jobs, increase property values, and enhance community amenities. Concluded by expressing personal financial support for the project and urging approval of the development.

Debbie Schmidt (Oakleaf Dr); in summary shared comments a longtime Johnsburg resident since 1978 and aunt of Lisa, spoke in support of the Hidden Harbor project. Referenced her long-term involvement in the community and prior local improvement efforts, noting this project represents a larger-scale development opportunity. Expressed belief that the project is designed for broad community use, including families, youth, and residents of all ages, not just boat or vehicle owners. Highlighted planned amenities such as the Riverwalk, ice cream shop, splash pad, restaurants, and gathering spaces intended to foster community interaction. Emphasized potential benefits for teenagers, including local job opportunities and recreational spaces, as well as improved places for families to gather and connect. Stated confidence in the applicants' planning, family support, and commitment to seeing the project through and adapting as needed. Encouraged approval of the project and expressed hope that the site will be redeveloped into a vibrant community asset rather than remaining underutilized.

Andy Enright (709 Bristol St); in summary stated comments a former local resident who currently lives elsewhere, spoke in support of the proposed development. Shared that he grew up in the area and was previously familiar with McHenry, noting the impact of its Riverwalk style redevelopment as a positive example. Stated that the Johnsburg project presents a similar opportunity for transformative community investment and regional attraction. Cited potential amenities including restaurants, boat storage, car condos, entertainment options, Riverwalk features, and an ice cream shop. Expressed belief that the development would create jobs, enhance local recreation, and strengthen the area's appeal. Concluded by encouraging approval of the project.

Benjamin Kelly (6635 Woodland Hills Dr); in summary stated comments being a Lakewood resident, spoke in support of the proposed project, noting family connections to Johnsborg and proximity to the site. Stated that he and his family spend time on the water nearby but currently do not spend time or money in Johnsborg due to limited local amenities. Viewed the project as an opportunity to stimulate economic development and create new destinations similar to successful redevelopment in nearby communities such as McHenry. Emphasized that the project is locally driven and represents reinvestment by community members rather than outside corporate interests. Argued that the development would help create jobs, enhance community identity, and strengthen local economic competitiveness. Encouraged the board to consider examples of downtown revitalization in surrounding areas as models for potential benefits. Requested clearer and more consistent guidance through the approval process and expressed concern about shifting requirements. Concluded by urging the board to consider redevelopment of the site as a significant opportunity for Johnsborg's future.

Landon Sharp (2013 W. Indian Ridge Dr); Lauren Sharp, speaking on behalf of herself and her husband Landon Sharp, addressed the board in support of the proposed development. Stated that they are Johnsborg residents and active community members involved in youth sports and local family activities. Shared personal experience of frequently leaving town for amenities such as dining and ice cream, and expressed interest in having more local options within Johnsborg. Described the project as an opportunity to create community gathering spaces, support small businesses, increase local economic activity, and retain local spending within the Village. Noted that improved local amenities would benefit families and youth by providing more recreational and social opportunities. Identified their involvement in small business and nonprofit work, including expansion efforts connected to the McHenry Riverwalk area, and suggested the project could positively influence future local investment decisions. Emphasized that the development is locally driven and supported by a family with ties to the community. Acknowledged that growth can bring concerns but stated that thoughtful development can strengthen community cohesion and long-term vitality. Concluded by expressing support for the project and its potential to contribute to Johnsborg's future growth and sustainability.

Jonathan Cowan (16156 New Ave); in summary shared comments being a hospitality business owner (two restaurants, wedding venue, and catering company), spoke in support of the proposed project. Noted he traveled a significant distance to attend and stated strong personal support for the applicant and development. Described the project site as underutilized for many years and characterized it as a challenging redevelopment location. Expressed belief that approving the project and associated TIF support would be a significant benefit to Johnsborg. Cited the applicant's professional background managing large-scale construction projects and stated confidence in his ability to deliver the development. Referenced familiarity with the applicant and characterized him as a capable and driven leader. Indicated potential personal business interest in partnering within the proposed development. Shared observations from working in multiple municipalities, noting that supportive development policies can help attract investment and economic activity. Concluded by encouraging approval of the project and support for moving it forward.

Kimberly Ruppel (5415 Rachel Ln); in summary shared comments regarding the proposed Hidden Harbor development, stating she was a first time attendee and had reviewed prior meeting discussions. Acknowledged the site's current condition and noted that redevelopment is being considered for a long-vacant and underutilized property. Expressed concern that comparisons to the McHenry Riverwalk may not be fully applicable due to differences in surrounding land use and connectivity. Raised questions about the proposed Tax Increment Financing (TIF), including its size, duration, and how public funds would be used for infrastructure improvements such as utilities and demolition. Asked what financial or community "return on investment" residents outside the immediate development area would receive from the project. Expressed concern about potential indirect public costs, including increased demand for

services such as police staffing, and whether such costs would be covered by the TIF. Noted concerns about impacts on taxpayers, particularly residents on fixed or limited incomes, and broader affordability considerations. Concluded by acknowledging potential benefits of the project while urging the board to carefully evaluate costs, benefits, and equity impacts across the broader community.

It should be noted; extensive public comment was received regarding the proposed Hidden Harbor development. Support was expressed via multiple residents in the audience and from business owners, developers, and community members who spoke in support citing the redevelopment of long-vacant riverfront property, job creation for youth and local residents, increased tourism and economic development, support for local businesses and community gathering spaces, river walk, marina, restaurant, retail, and recreational opportunities, positive impact on property values and community identity, confidence in developer Michael Oliver and family investment in the community. Concerns raised from audience; Increased density, traffic, parking, and boating congestion, the potential need for a no-wake zone near Chapel Hill Bridge, questions regarding TIF financing structure, return on investment for taxpayers, long-term public safety and infrastructure costs, and community impact for residents not directly using the development.

OMNIBUS AGENDA – Trustee Von Allmen moved to approve the Omnibus Agenda. Trustee Fouke seconded the motion. All Trustees voted aye on the roll. Motion carried

- Move to approve the minutes of the April 7, 2026 regular meeting of the President and Board of Trustees
- Move to approved Fee Schedule and Agreement with HR Green for Engineering, Storm Water Review and Building Plan Review/Inspection Services for FY 2027
- **Disbursements**
- General Fund \$ 243,124.58
- Motor Fuel Fund \$ 34,251.56
- Waterworks & Sewage Fund \$ 17,251.07
- Golf Course Fund \$
- Total All Funds \$ 294,627.21

NEW BUSINESS

- ArrivaDeli; Façade Improvement Program Application. Pres. Hettermann provided a brief overview of the ArrivaDeli application regarding the program and submission from Mr. DeMarco. Trustee Hagen provided a recap regarding the reason for the façade program and ArrivaDeli request is an example of why the program from the EDC was developed and example to support the application and improvement assistance. Mr. DeMarco provided a quick recap on a possible opening date of Memorial Day, but still working on improvements to the establishment and working forward to a pre-tour of the establishment for the Village Board. Trustee Sylvanus moved to approve ArrivaDeli; Façade Improvement Program Application. Trustee Hagen seconded the motion. All Trustees voted aye on the roll. Motion carried.
- Award contract for 2026 Road Program. Pres. Hettermann requested Assistant Lamontagna to provide a quick overview and recap related to 2026 Road Program proposed for Dutch Creek Estates (Ph 1&2 only) from bidders with low bidder meeting the requirements at \$676,176.91 and recommendation from engineer consultants to support contract submitted by Peter Baker & Son, Co. Trustee Von Allmen moved to approve and award contract for 2026 Road Resurfacing

Program to Peter Baker & Son as recommended by HR Green, Inc. Trustee Letzter seconded the motion. All Trustees voted aye on the roll. Motion carried.

OLD BUSINESS

HIDDEN HARBOR; Consideration of Hidden Harbor proposed TIF Term Sheet. Potential adoption of same. Pres. Hettermann provided a recap of last board meeting comments regarding importance of the TIF term sheet for the project to be able to move forward in the development process and provided the opportunity for developer to continue on his proposed development. Discussion continued regarding the proposed Tax Increment Financing (TIF) term sheet for the Hidden Harbor development. Board members emphasized that the developer previously stated that, the project could not move forward without TIF assistance, and after years of work, they believed he deserved a clear decision. Mike Oliver introduced Jim Ernst, Director of Business Development who explained that investor interest in the project was strong, noting that over \$13 million in commitments had already been raised. However, he stressed that investors were unwilling to finalize funding until the Village formally supported the project through TIF approval.

Jim spent considerable time addressing what he described as public misunderstandings about TIF financing. He explained that the TIF would not increase property taxes for current Johnsburg residents. Instead, Hidden Harbor would effectively reinvest future tax revenue generated by the improved property back into the project itself. He argued that the current property is an underutilized, unattractive site generating limited tax revenue, while a successful redevelopment could increase the property's value dramatically, potentially raising annual tax revenue from roughly \$100,000 to significantly higher levels over time. He also argued that concerns about increased traffic, crowds, or security issues should be viewed as signs of a thriving business and therefore positive challenges for the community.

Mike then presented a series of slides to support Hidden Harbor's eligibility for TIF assistance. He described the project as much more than a single business, explaining that Hidden Harbor would consist of seven separate small businesses serving the community. He highlighted plans for over 600 feet of public river walk access, 42 publicly accessible transient boat slips, retail spaces such as "Lily's Lighthouse," community gathering areas, and public event spaces. Mike argued that Johnsburg has historically lost tourism and boating-related spending to neighboring communities such as McHenry and Fox Lake, and Hidden Harbor would allow Johnsburg to capture that lost economic activity.

Mike also emphasized that the property is already informally used by residents during holidays and community events, but currently lacks infrastructure, accessibility, and safety improvements. He presented renderings showing upgraded public spaces, safer parking and parade staging areas, riverfront gathering spots, and retail amenities. He stated that the project was intentionally designed to serve both high-end users and average residents, noting that while motor cave units may appeal to wealthier buyers, other components such as boat storage and public events would remain accessible to everyone.

The discussion then shifted heavily toward financial mechanics. Mike and Jim repeatedly explained that the proposed TIF structure would operate as a "pay-as-you-go" reimbursement model. Under this arrangement, Hidden Harbor and its private investors would fund all construction costs upfront, and only after the project is fully completed, occupied, and generating new property tax revenue would any portion of that new tax increment be reimbursed to the developer. They compared the process to a rebate system, stressing that the Village would contribute no upfront money and would assume no financial risk if the project were never completed.

Board members questioned how property taxes from the motor cave units would be assessed and whether those taxes would directly fund the TIF district. Mike explained that the units would likely be taxed as commercial condominiums at an estimated county taxation rate of approximately 2.57%, generating substantial property tax revenue. Village legal counsel clarified that the TIF district would capture only the increase in assessed value over the property's current baseline value, with those incremental taxes funding the reimbursement. Questions were also raised about potential TIF extensions beyond the standard 23-year period. Legal counsel clarified that any extension would require separate legislative action by the Village and would not be controlled by the developer.

Some trustees expressed support for TIF as a concept but questioned whether all project components qualified as providing "regional public benefit," which has been an important standard for previous Johnsburg TIF projects. Concerns were specifically raised about whether private elements such as motor caves, land acquisition, and site preparation costs should be eligible for reimbursement. Mike responded that many land acquisition costs are tied directly to public improvements, including river walk construction, roadway realignment, shoreline stabilization, public drainage, and land dedicated for public right-of-way. Legal counsel for the developer added that only the proportionate share of those costs associated with public benefit would be considered eligible.

Several trustees also addressed criticism from members of the public who suggested the board was slowing the project down. Board members emphasized that this was the Village's first major private-sector TIF since a much simpler school redevelopment project, and that the Hidden Harbor proposal involves significantly greater complexity, including environmental regulations, engineering constraints, Army Corps approvals, Illinois Department of Natural Resources compliance, road realignment, storm water management, and utility upgrades. Trustees stressed that due diligence and engineering review were necessary parts of the process, not attempts to obstruct development.

As the discussion approached a vote, trustees acknowledged that the revised TIF term sheet now reflected updated engineering approvals and revised infrastructure costs totaling approximately \$8.22 million. Some trustees expressed strong support for the project and for TIF generally, but continued to struggle with whether the full requested amount was justified relative to the measurable public benefit Johnsburg would receive over the life of the agreement. The conversation ended with trustees continuing to weigh the balance between the project's ambitious economic vision and the scale of public incentives being requested. Trustees Letzter, Fouke, Von Allmen, & Sylvanus expressed their support for the Hidden Harbor Non-Bidding TIF term sheet and Trustees Hagen and Morris did not support.

ADJOURNMENT – Trustee Von Allmen moved to adjourn the meeting. Trustee Sylvanus seconded the motion. All Trustees voted aye on the roll. Motion carried at 9:08 p.m.

Respectfully Submitted,

Vinny Lamontagna
Assistant Village Administrator