

MINUTES OF THE PUBLIC HEARING

Public Hearing to consider contributing \$1,000,000 and rebating sales tax revenue up to \$1,000,000 for a total of \$2,000,000 toward certain improvements at the former Sears Grand store at Gurnee Mills to prepare the vacant anchor space for a new global home furnishings retailer. The total cost of the improvements is estimated to be \$6,000,000.

GURNEE VILLAGE HALL
DECEMBER 1, 2025

Call to Order	Mayor Hood called the public hearing to order at 6:41 p.m.
Other Officials in Attendance	Patrick Muetz, Village Administrator; Austin Pollack, Assistant to the Village Administrator; Bryan Winter, Village Attorney; David Ziegler, Community Development Director; ; Jake Litz, Assistant Community Development Director; Heather Galan, Public Works Director; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; Erica Wells, Assistant Finance / HR Director; Ellen Dean, Economic Development Director; Nick Leach, Village Engineer; John Kavanagh, Fire Chief; David Douglass, Deputy Fire Chief.
Roll Call	<p>PRESENT: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside</p> <p>ABSENT: 0- None</p>
	<p>Administrator Muetz said the Village has an opportunity to fill the remaining vacant space in the former Sears Grand building at Gurnee Mills. To prepare the space for the proposed retailer, Simon Properties will invest \$6 million to improve the space with the retailer expected to invest an additional \$6 million. Administrator Muetz stated Jocelyn Gluber, Vice President – Development, Simon Properties, is in attendance and will share information about the project and answer questions. Following her presentation, Economic Development Director Ellen Dean will review the proposed incentive agreement.</p> <p>Ms. Gubler provided the Village Board with general information about the status of the retail sector and Gurnee Mills. She stated she visited the Mall today and despite the recent snow and it being Cyber Monday, Gurnee Mills was full of shoppers. Brick and mortar shopping remains important, and Gurnee Mills remains strong in attracting shoppers. Ms. Gubler thanked the Village Board for being partners over the past 18 years Simon has owned Gurnee Mills.</p> <p>Ms. Gubler stated the next chapter at Gurnee Mills is filling the remaining Sears Grand space. She stated Simon has been successful in attracting Hobby Lobby and Round 1. The remaining space is the last big box at the Mall that needs to be filled. She stated that while she cannot share the name, it is a popular, budget-friendly, home goods retailer. The retailer has been launching smaller format stores, as a complement to its larger standard-size, warehouse-type of environment that is in 27 states and territories in the U.S. She stated the smaller stores are being rolled out across the country, with the Gurnee Mills location being the tenth. The retailer has been in business for 80 years and is expanding to be located closer to its customers. She stated it is a wonderful opportunity that Simon is very excited about. Ms. Gubler stated the partnership with the Village is key to bringing this retailer to the property.</p> <p>Economic Development Director Dean reviewed the proposed incentive agreement including:</p> <ul style="list-style-type: none">• Six-year agreement• Maximum \$2 million contributed/shared by the Village on \$6 million in improvements/investments by Simon• Maximum contributed/shared reduced proportionally if investment is less• Years 1-4: Direct Contribution of \$250,000 annually for a total of \$1 million• Years 3-6: Rebate 100% State Sales Tax + 50% Home Rule Sales Tax, up to \$1 million• No Base retained by the Village as the Sears Grand base has been satisfied with Hobby Lobby and Round One tax revenue• New retail taxable sales projected at \$18-\$20 million annually.

- Based on sales projections, the Village should retain \$900 thousand during the term of the agreement
- After the agreement is satisfied, the Village should retain approximately \$500 thousand annually in sales tax revenue

Mayor Hood opened the floor for Public Comment. There was none.

Trustee Garner, motioned, seconded by Trustee O’Brien, to recommend the approval of contributing \$1,000,000 and rebating sales tax revenue up to \$1,000,000 for a total of \$2,000,000 toward certain improvements at the former Sears Grand store at Gurnee Mills to prepare the vacant anchor space for a new global home furnishings retailer. The total cost of the improvements is estimated to be \$6,000,000.

Mayor Hood asked if there were any questions from the Trustees. There were none.

Roll call,
AYE: **6- Ross, Garner, O’Brien, Balmes, Thorstenson, Woodside**
NAY: **0- None**
ABSENT: **0- None**
Motion Carried.

H. PUBLIC COMMENT

None.

Adjournment

It was moved by Trustee Woodside, seconded by Trustee Garner to adjourn the Public Hearing.

Voice Vote: **ALL AYE:** **Motion Carried.**

Mayor Hood adjourned the Public Hearing at 6:53 p.m.

Andrew Harris,
Village Clerk

MINUTES OF THE REGULAR MEETING
OF THE GURNEE VILLAGE BOARD

GURNEE VILLAGE HALL
DECEMBER 1, 2025

Call to Order	Mayor Hood called the meeting to order at 7:00 p.m.
Other Officials in Attendance	Patrick Muetz, Village Administrator; Austin Pollack, Assistant to the Village Administrator; Bryan Winter, Village Attorney; David Ziegler, Community Development Director; Jake Litz, Assistant Community Development Director; Heather Galan, Public Works Director; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; Erica Wells, Assistant Finance / HR Director; Ellen Dean, Economic Development Director; Nick Leach, Village Engineer; John Kavanagh, Fire Chief; David Douglass, Deputy Fire Chief; Jeremy Gaughan, Deputy Police Chief; Jason Kalinowski, Police Commander.
Roll Call	<p>PRESENT: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside</p> <p>ABSENT: 0-</p>
Pledge of Allegiance	Mayor Hood led the Pledge of Allegiance.
<u>A. PUBLIC COMMENT</u>	None.
<u>B. APPROVAL OF CONSENT AGENDA</u>	<p>It was moved by Trustee Balmes, seconded by Trustee O'Brien to approve the Consent Agenda as presented.</p> <p><u>Roll call,</u> AYE: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside NAY: 0- None ABSENT: 0- None Motion Carried.</p>
<u>C. CONSENT AGENDA / OMNIBUS VOTE</u>	<p>The Village Administrator read the consent agenda for an omnibus vote as follows.</p> <ol style="list-style-type: none">1. Approval of the minutes from the November 17, 2025, meeting.2. Approval of Ord. 2025 – 80 authorizing a Change Order to the Professional Service Agreement with Kimley Horn for the 2025 Street Maintenance Resurfacing Program (Ord. 2025-39) in the amount of \$40,000 for the additional roads and work within the Village.3. Approval of Ord. 2025 – 81 authorizing a Change Order to the contract with Manhard Consulting for the Public Works Fuel Island and Parking Lot Project in the amount of \$14,650 to provide civil engineering and surveying services for new site location.4. Approval of Ord. 2025 – 82 authorizing construction on State Highways to make emergency pavement openings for years 2025 and 2026.5. Approval of Res. 2025 – 12 regarding Surface Transportation Program funding for Cemetery Road and Tri-State Parkway improvements (Washington Street to Illinois Route 132).6. Approval of Payroll for period ending November 14, 2025, in the amount of \$1,161,769.03.7. Approval of Bills for the period ending December 1, 2025, in the amount of \$875,326.79. <p>It was moved by Trustee Garner, seconded by Trustee Thorstenson to approve the Consent Agenda for an omnibus vote as read.</p>

Roll call,
AYE: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside
NAY: 0- None
ABSENT: 0- None
Motion Carried.

D. PETITIONS AND COMMUNICATIONS

1. Approval of Mayor Hood’s recommendation to promote Deputy Police Chief Jeremy Gaughan to Police Chief and Administration of the Oath of Office.

It was moved by Trustee Ross, seconded by Trustee Garner to approve of Mayor Hood’s recommendation to promote Deputy Police Chief Jeremy Gaughan to Police Chief and Administration of the Oath of Office.

Roll call,
AYE: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside
NAY: 0- None
ABSENT: 0- None
Motion Carried.

Mayor Hood recognized retiring Police Chief Brian Smith for his dedication and service to the Police Department and Village of Gurnee. He stated he has honored the Village and its residents. He and the Department have conducted themselves during his tenure.

Administrator Muetz provided those in attendance background information about Gaughan including his tenure with the Village, education, accomplishments, awards, military service, and external leadership roles.

Mayor Hood administered the Oath of Office.

Chief Gaughan thanked the Village Board, everyone in attendance and his family. He stated it is really about men and women of the Gurnee Police Department and the excellent service they provide. Chief Gaughan stated he looks forward to continuing to improve the Department while serving both the officers and the community.

2. Administration of Oath of Office for the promotion of Police Commander Jason Kalinowski to Deputy Police Chief.

Chief Gaughan provided those in attendance information about Commander Kalinowski including his tenure with the Village, departmental achievements and his commitment to relationship building and community policing.

Mayor Hood administered the Oath of Office.

Deputy Chief Kalinowski thanked the Village Board, retired Chief Smith, newly appointed Chief Gaughan and those in attendance. He stated as a child his dream was to be a Police Officer. Realizing that dream motivates him to have a positive impact on those around him and those he interacts with.

3. Approval of a Proclamation designating December 2025 as National Impaired Driving Prevention Month in the Village of Gurnee.

Mayor Hood summarized the Proclamation.

It was moved by Trustee O'Brien, seconded by Trustee Garner to approve of a Proclamation designating December 2025 as National Impaired Driving Prevention Month in the Village of Gurnee.

Voice Vote: ALL AYE: Motion Carried.

E. REPORTS

None.

F. OLD BUSINESS

None.

G. NEW BUSINESS

1. Approval of Ord. 2025 – 83 approving a Redevelopment Agreement – 2025 between the Village of Gurnee and the Mall at Gurnee Mills, LLC to renovate vacant tenant space (remaining Sears Grand space).

Administrator Muetz said this was the topic of the 6:40 p.m. Public Hearing. He summarized by stating the former Sears Grand space has a 65,000 square foot portion on the south end that is vacant. Simon Properties is proposing to fill the space with a well-known global home furnishings retailer. The retailer offers a variety of household furniture, furnishings, and appliances, complemented by design and planning services. Administrator Muetz stated the location will feature 17,000 square foot Showroom displaying thousands of products in vignette settings, 20,000 square foot Market Hall selling “pick up” goods and food items (both prepared and packaged) and a 4,000 square foot fast casual, in-store dining operation. Dedicated spaces for merchandise pickup will be located at the rear of the store (formerly Sears Automotive). Construction is expected to begin in January 2026, and the store is expected to open for holiday shopping later in the year. Based on projected sales estimates, the retailer is projected to generate \$450,000 in sales tax revenue for the Village. To prepare the space for the retailer, Simon will invest \$6 million to improve the space. The retailer is expected to invest an additional \$6 million. Administrator Muetz stated Simon has requested Village participation in the form of both direct contributions, as well as sales tax sharing. During years one and two of the agreement, the Village would make a direct contribution of \$250,000 per year. During years three and four the Village would make a direct contribution of \$250,000 and share all the State Shared Sales Tax and 50% of the Home Rule Sales Tax. During years five and six the Village would share all the State Shared Sales Tax and 50% of the Home Rule Sales Tax. The term of the agreement is six years or \$2 million contributed/shared, whichever comes first. Administrator Muetz concluded by stating based on projections, over the term of the agreement, the Village should net approximately \$1 million in revenue after the direct contribution and rebate.

It was moved by Trustee Garner, seconded by Trustee O'Brien to approve of Ord. 2025 – 83 approving a Redevelopment Agreement – 2025 between the Village of Gurnee and the Mall at Gurnee Mills, LLC to renovate vacant tenant space (remaining Sear Grand space).

Roll call,

AYE: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside

NAY: 0- None

ABSENT: 0- None

Motion Carried.

2. Approval of Ord 2025 - 84 authorizing the execution of a Master License Agreement for fiber optic installation between the Village of Gurnee and Metro Fibernet, LLC.

Administrator Muetz said the Village has been in discussions with several fiber-optic providers interested in expanding broadband infrastructure throughout the community. In response to the interest, staff worked with Attorney Winter to develop a Right-of-Way (ROW) Use agreement. Following staff review, each firm will be required to enter and comply with a ROW Use Agreement. The agreement outlines the responsibilities of both parties and includes requirements/regulations related to plans, permits, fees, installation, operations, maintenance, insurance, remedies, modifications, and termination. Administrator Muetz stated the purpose of the agreement is to create a consistent process that protects the Village's right-of-way. All applicants will follow the same process which requires Village Board approval and commitment that all costs associated with permit review, inspection and restoration are borne by the respective fiber company. If the ROW becomes congested or a conflict arises with existing utilities or Village infrastructure, the Village reserves the right to deny additional installations or to require relocation of proposed fiber facilities to preserve space and protect existing infrastructure. The agreement was based on previously approved agreements in other communities and was modified based on Gurnee's needs.

Administrator Muetz said MetroNet was the first company to approach the Village regarding a community-wide buildout. While residents and businesses currently have access to high-speed internet through Comcast and AT&T, there is no dedicated fiber provider serving the entire Village. MetroNet is proposing to invest approximately \$8 million to construct a 100% fiber-optic network that will provide direct fiber service to homes and businesses across Gurnee. Administrator Muetz stated

	<p>MetroNet builds and operates fiber-optic networks while T-Mobile offers the service to residents and businesses. MetroNet has already constructed systems in nearby municipalities including Round Lake, Round Lake Beach, Downers Grove, Bolingbrook, Bartlett, Woodridge and Darien, and has announced plans to expand into Grayslake, Winthrop Harbor, Zion, Beach Park, Long Grove, Buffalo Grove, North Chicago, Lake Bluff, and Lake Forest. MetroNet will perform all installation and restoration activities under the oversight of the Village Engineering Division and/or a designated third-party consultant. MetroNet will also be responsible for advance resident notifications prior to construction with the Village providing assistance via its media channels. Administrator Muetz concluded by stating MetroNet has reviewed the agreement and is agreeable to the terms.</p> <p>It was moved by Trustee O'Brien, seconded by Trustee Ross to approve of Ord 2025 - 84 authorizing the execution of a Master License Agreement for fiber optic installation between the Village of Gurnee and Metro Fibernet, LLC.</p> <p><u>Roll call,</u> AYE: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside NAY: 0- None ABSENT: 0- None Motion Carried.</p> <p>3. Approval of Ord 2025 - 85 authorizing the execution of a Professional Services Agreement with Clark Dietz, Inc. for permit review and construction oversight services for the MetroNet Fiber Optic Project throughout the Village of Gurnee.</p> <p>Administrator Muetz said in conjunction with the MetroNet Right-of-Way Use agreement, staff is recommending approval of a professional services agreement with Clark Dietz to provide permit review and construction observation services. The Village has used Clark Dietz in the past and has been pleased with its performance. All the costs related to these services will be reimbursed by MetroNet.</p> <p>It was moved by Trustee Garner, seconded by Trustee Balmes to approve of Ord 2025 - 85 authorizing the execution of a Professional Services Agreement with Clark Dietz, Inc. for permit review and construction oversight services for the MetroNet Fiber Optic Project throughout the Village of Gurnee.</p> <p><u>Roll call,</u> AYE: 6- Ross, Garner, O'Brien, Balmes, Thorstenson, Woodside NAY: 0- None ABSENT: 0- None Motion Carried.</p>
<u>H. PUBLIC COMMENT</u>	None.
<u>Closing Comments</u>	None.
<u>Adjournment</u>	<p>It was moved by Trustee Balmes, seconded by Trustee O'Brien to adjourn the meeting.</p> <p><u>Voice Vote:</u> ALL AYE: Motion Carried.</p> <p>Mayor Hood adjourned the meeting at 7:34 p.m.</p>
<u>Andrew Harris,</u> Village Clerk	