VOT SPECIAL BOARD MEETING Minutes

VILLAGE OF TILTON
7/7/2026 5:30 PM
1001 TILTON RD, TILTON IL 61833

1. CALL TO ORDER

2. ROLL CALL

Attendance

Present:

Members: John Barnes - Board Trustee, Lori Fields - Village Clerk, Bob Finley - Board Trustee, Courtney George - Board Trustee, Tiffany Jones-McClellan - Village Administrator, Virgil Sheets - Board Trustee, Vanessa Sims - Board Trustee, Cassidy Warrick - Treasurer, Billy Wear - Village Mayor, Mike Weidenburner - Board Trustee

3. APPROVE OR AMEND AGENDA PRESENTED

   Motion:
   MOTION TO AMEND AGENDA TO REMOVE ITEM #5 IRON LEGACY LLC
   Motion moved by Bob Finley and motion seconded by Virgil Sheets. 6 AYES, 0 NAYES, MOTION PASSED

4. AUDIENCE

   NOT RECOGNIZED

5. IRON LEGACY LLC – REMOVED IN #3

6. RABER STORAGE

   City Administrator McClellan provided background on the Raber Storage request, explaining that Raber had originally requested $22,500 in TIF funds to relocate their shed display operation to the new Shady Acres property owned by Brian Carnaghi and Todd Cox. Administrator McClellan noted the project is not eligible for TIF funding, as no substantial structure would be erected to increase property tax increment. The alternative proposal under consideration was a 50% sales tax rebate for up to two years, capped at $11,250, along with a $11,250 contribution from the general fund to assist with relocating the sheds.

Brian Carnaghi addressed the Board, explaining the nature of the project and the rationale behind attracting Raber to the site. He described the property as largely undeveloped, with half subject to a Conservation Reserve Program (CRP) agreement expiring in October 2027. He noted that Raber's current location offers no room for expansion and that the business was committed to remaining in Tilton. Carnaghi stated that he and Todd Cox would be financing the gravel installation for the shed lot themselves, and sought Village assistance primarily with the main drive access and to help make Raber's lease terms financially viable.

Discussion turned to the possibility of using TIF funds for infrastructure improvements—specifically the main drive access into the property. Administrator McClellan expressed caution about TIF eligibility, noting that if the expenditure were audited and found ineligible, the Village would be required to repay those funds. Carnaghi and Mayor Wear discussed the merits of installing a properly engineered road base at this time, given that construction costs are projected to increase, which could serve the property's long-term development regardless of what tenant occupies the site.
Administrator McClellan suggested that the Board proceed with approving the sales tax rebate for Raber at this meeting and defer discussion of infrastructure cost-sharing to a subsequent meeting scheduled for the 16th, at which time Carnaghi and Cox agreed to provide detailed cost figures and measurements for the drive improvements.
Regarding the sales tax rebate, the estimate was approximately $21,000 over 12 months at 50%, making it approximately $10,500.00.

The Board and Carnaghi agreed to reconvene on July 16th to discuss the infrastructure cost-sharing arrangement, at which time Carnaghi would present specific measurements and cost estimates for the drive access. Administrator McClellan noted that infrastructure improvements may have some TIF eligibility and committed to consulting with the Village's TIF consultants prior to that meeting. It was also noted that an appraisal of the adjacent property—related to a separate eminent domain matter—had been ordered from appraiser Jim Webster of Champaign, with a six-week timeline for completion. The appraisal cost is to be split equally between the Village and the property owners.

Motion:
MOTION FOR 50% SALES TAX REBATE TO RABER STORAGE FOR TWO YEARS
Motion moved by Bob Finley and motion seconded by John Barnes. 6 AYES, 0 NAYES, MOTION PASSED

7. PATRIOT MOTORS HONDA HYUNDAI

Sean Kholi of Patriot Motors appeared before the Board to continue negotiations regarding the relocation and construction of two new dealership facilities—Honda and Hyundai—on property owned by Paul Offutt.

Summary of the Proposed Incentive Package

Administrator McClellan opened the discussion by presenting the TIF Committee's preliminary offer: $150,000 per dealership ($300,000 total) upfront upon acquisition of the land, combined with a 50% sales tax rebate for 10 years.
Mr. Kholi acknowledged the offer but expressed concern that the upfront amount, while a starting point, did not adequately reflect the scale of the project and the investment required. He noted that the original proposal contemplated a much larger facility with an estimated project value of approximately $20.2 million, which had since been scaled to roughly half that size, though he maintained that sales projections would not be proportionally reduced. He proposed taking $150,000 per dealership upfront and an additional tranche of approximately $350,000 upon completion of construction, along with extended sales tax sharing.

Financial Discussion and Comparables

Trustee Sheets noted that the Village had already invested approximately $183,000 in the property through engineering fees and related costs on the previous presented location. Administrator McClellan referenced the Village's existing agreements with comparable businesses: Vermilion Chevrolet had received a 50% sales tax rebate over 10 years capped at $1.2 million, along with approximately 50% of TIF increment, but no upfront cash. Toyota received 40% sales tax sharing, which has since expired, also with no upfront payment and a share of TIF. Both agreements were presented as precedent for the current negotiation.

Mr. Kholi argued that his project represented two separate dealerships—two brands, two management structures, two staffing complements—and should be viewed as a multiplied benefit to the Village. He projected combined monthly sales of approximately 100 units currently, with an expectation of doubling that output following relocation to a new facility with improved inventory allocations from the manufacturers. He cited factors including better highway access, a different customer demographic, and the business stimulus that new buildings bring as reasons for his confidence in the sales projections.

Treasurer Warrick and Trustee Sims both expressed reservations, with Trustee Sims noting that she had not been briefed on prior discussions and was hearing the numbers for the first time. Treasurer Warrick consistently advocated for a more conservative position, emphasizing that sales tax revenue is the Village's primary operating income. The Board discussed the TIF district expiration, which was confirmed to be 2045, leaving approximately 19 years remaining. Mr. Kholi proposed utilizing the full remaining TIF term for the sharing agreement. Administrator McClellan and the Board declined that approach for the sales tax component, noting it was the Village's "bread and butter" for funding operations and employee payroll.

Negotiated Terms

After extended discussion, Mayor Wear proposed a framework of 75% TIF sharing for 10 years combined with 50% sales tax sharing for 12 years, intended to give Mr. Kholi a higher total return through TIF while protecting the general fund. This prompted further dialogue about the estimated value of TIF increment: using the average of Vermilion Chevrolet's assessed value (approximately $183,845 per year in taxes) and Toyota's (approximately $41,000 per year), the Board estimated that 60% of TIF increment over 10 years would yield approximately $600,000 for the applicant.

The discussion also surfaced concerns about the disparity in property tax assessments in the area. Paul Offutt noted that his Molly's property—a wood-frame building—was assessed at $76,000 annually, which appeared disproportionate relative to other comparable commercial properties. Mr. Kholi expressed significant concern about what his new buildings might be assessed at and indicated he wished to consult with the Supervisor of Assessments, Nate Byram before committing to any agreement. Offutt agreed to accompany him to that meeting.

The final terms discussed and generally agreed upon in principle by the Board and Mr. Kholi were as follows:

- **$300,000 upfront** ($150,000 per dealership), payable upon Mr. Kholi's acquisition of the land from Mr. Offutt
- **50% sales tax rebate for 12 years**, with no cap
- **60% of TIF increment for 10 years**

Access and Infrastructure — Donna Drive

A parallel concern was raised regarding vehicular access to the proposed dealership site. Mayor Wear advised that, due to proximity to an existing traffic signal, the Illinois Department of Transportation would likely restrict access on Route 1 to right-in/right-out only, making a connection through Donna Drive to Ross Lane essential for northbound and delivery traffic. Mr. Kholi sought assurances that this access would be available, particularly for semi-truck deliveries of vehicle inventory.

Mr. Offutt expressed concern that routing large transport vehicles through the Donna Drive corridor without a through-connection to Ross Lane would create a significant operational bottleneck. Mayor Wear clarified that Donna Drive would need to be extended regardless of the dealership project, primarily to provide Ameren with a safe exit route, and that the Village already holds ownership of the existing Donna Drive right-of-way.

The Board acknowledged that the Donna Drive extension is contingent on the outcome of the pending eminent domain appraisal, expected within approximately five weeks. Trustee Finley suggested that the dealership agreement could be voted on contingent upon completion of the Donna Drive connection to Ross Lane. It was also noted that water service infrastructure should be coordinated with any road construction to avoid cutting through a newly completed road surface.

Next Steps

Mr. Kholi indicated he was not prepared to formally accept the offer at this meeting, as the structure differed from his original proposal and he wished to run the numbers and consult with the assessor. The Board agreed to place the item on the agenda for the next regular board meeting on July 16th. Mr. Kholi was asked to communicate his acceptance or remaining concerns to Administrator McClellan in advance of that meeting. It was

noted that a formal vote could then take place without requiring Mr. Kholi's attendance, provided the terms were mutually agreed upon.
No vote was taken at this meeting.

8. AUDIENCE

NO ONE REQUESTED TO SPEAK

9. EXECUTIVE SESSION (IF NEEDED) PERSONNEL 5 ILCS 120/2 (c) (1) OR PROPERTY 5 ILCS 120/2 (c) (6) – NONE REQUESTED

10. ADJOURN

Motion:
MOTION TO ADJOURN AT 7:20 PM
Motion moved by Virgil Sheets and motion seconded by Mike Weidenburner. 6 AYES, 0 NAYES, MOTION PASSED

LORI FIELDS-CLERK

7-16-2026
APPROVED