



\$1.5 Million In Additional Funding Approved For Orchard Town Center

by Dalton Brown, News Reporter
November 30 2023 3:12 PM







GLEN CARBON - The Glen Carbon Village Board on Tuesday approved a requested increase of \$1.5 million in funding to reimburse the developers of Orchard Town Center, who cited demands from the City of Edwardsville and Illinois Department of Transportation (IDOT) for the increased amount.

The originally agreed upon amount to be reimbursed by the village, \$3 million, has increased to \$4.5 million in the newest request. Tim Lowe, senior vice president for development with The Staenberg Group, said this increase was partially due to demands from the City of Edwardsville and IDOT.

“The request for the additional funds wasn’t just because of cost overran, it was also because of scope adds” Lowe said, noting most of the roads surrounding the development are either controlled by Edwardsville or IDOT. “Both Edwardsville and IDOT took it upon themselves just to, anything that was wrong, we had to fix - I mean, even if it wasn’t our issue, we had to fix it.”

Lowe said one example is the Mattress Firm parking lot, which is just across Troy Road from Orchard Town Center. He said the parking along the roadway sits over the IDOT right-of-way, and despite that mistake likely being made 10-15 years earlier by a different developer, Edwardsville and/or IDOT reportedly demanded The Staenberg Group fix it and other roadway problems they didn’t cause.

“We made the request for two reasons: one, that they added a lot of scope to the project that wasn’t really necessary, but it was something that both Edwardsville and/or IDOT wanted to add because of existing problems,” Lowe said. “Two, because of what happened with COVID, the pricing went up.”

The additional requested funds will be financed solely through business district revenue using a private placement bond, which Lowe said carries many benefits for the village.

“TSG is going to buy the bond today - now, the bond has a negative capital for a couple of years. We accept it, we bet on our project, we take that risk,” he said. “you look at the way we originally proposed doing it in the original agreement versus how we revised it with the private placement bond, the private placement bond will pay off five years earlier with \$2 million less interest cost.

“There is no risk at all for the village. If the sales fall short of projections, that’s our risk, we take that risk.”

The Village Board then unanimously gave their approval for the second amendment to the Orchard Town Center Redevelopment Agreement. Trustees Mark Foley, Walter Harris and Victor Smith were absent from the meeting.

A full recording of the Nov. 28, 2023 Village Board of Trustees meeting is available at the top of this story or on the [Village of Glen Carbon Facebook page](#).