



## OFFICE OF THE SHERIFF

RICHARD J. DALEY CENTER  
COOK COUNTY  
CHICAGO, ILLINOIS 60602

THOMAS J. DART  
SHERIFF

*Via Facsimile and U.S. Mail*

Emanuel Christopher Welch  
Sanchez Daniels & Hoffman LLP  
333 W. Wacker Drive  
Suite 500  
Chicago, IL 60606  
Fax: 312-641-3004

James Shapiro  
Robinson, Shapiro & Schwartz  
208 S. LaSalle Street  
Suite 1750  
Chicago, IL 60604-1102  
Fax: 312-985-0274

Thomas Leinenweber  
Leinenweber Baroni & Daffada LLC  
203 N. LaSalle Street  
Suite 1620  
Chicago, IL 60601  
Fax: 800-896-2193

Donald J. Kreger  
Schiff Harden LLP  
223 South Wacker Drive  
Suite 6600  
Chicago, IL 60606  
Fax: 312-258-5600

Paul Shadle  
DLA Piper LLP  
203 N. LaSalle Street  
Suite 1900  
Chicago, IL 60601  
Fax: 312-251-5870

Gregg Graines  
DLA Piper LLP  
203 N. LaSalle Street  
Suite 1900  
Chicago, IL 60601  
Fax: 312-251-5853

January 27, 2014

Dear Gentlemen,

In October 2013 my office launched an investigation into the proposed limestone quarry and mining project in Robbins, Illinois. Enclosed please find a copy of our investigation report.

Our investigation was initiated after we received complaints from residents about the nature of the project and the circumstances under which it was conceived. From the beginning, the question our investigation sought to answer has been the same: have the interests of the residents of Robbins been protected?

Unfortunately, our investigation has made clear that the interests of the residents of Robbins were not protected nor were they the focus of the negotiations. Based on the public outcry, it was clear that the residents had not been adequately advised about the project, nor included in its planning.

The investigation also confirmed significant campaign contributions from the developer to Trustee Shantiel Simon leading up to the negotiation of the Acquisition and Redevelopment Agreement. These contributions cast a cloud of indelible doubt over the Agreement. Furthermore, Shantiel Simon no longer resides in Robbins and appears to have relocated from Robbins in the wake of our investigation. Simon has remained a trustee in violation of state statute.

Our investigation further determined that the Mayor and Trustees, at the time of the contract's negotiation, did not have all the relative facts to put a project of this magnitude into context. Furthermore, the Village did not have consistent legal representation prior to the negotiation of the contract.

Based on these findings, we strongly recommend that the parties renegotiate the Acquisition and Redevelopment Agreement to adequately account for the interests of the community and restore the public's faith in this project. While economic development in Robbins is sorely needed, it must be done with complete transparency and in a way that informs and protects the interests of the residents of this community.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas J. Dart', written in a cursive style.

Thomas J. Dart  
Sheriff of Cook County

OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

***INVESTIGATIVE REPORT***

**Case #13 R 0003**  
The Village of Robbins – Quarry Redevelopment Project

**INVESTIGATIVE REPORT**

**EXECUTIVE SUMMARY**

**I. SCOPE OF INVESTIGATION**

On October 22, 2013, the Cook County Sheriff's Inspector General's Unit initiated an investigation into the proposed quarry project in Robbins, Illinois. The investigation entailed interviews with stakeholders, requests for and review of relevant documents and meetings with village residents.

The following individuals were interviewed:

*Don Kreger* - Attorney, Schiff Hardin

*Stephen Davis* - Owner, Will Group

*Mark Franklin* – Manager, IM Crushing LLC (formerly Illinois Mining)

*Robert Fletcher* – Owner, En-Tire Incorporated

*Mark Falter* - Project Supervisor, Illinois Department of Natural Resources

*Darrell Mitchell* - Secretary/Treasurer, Friends of Shantiel Simon; Owner, Omega Tax and Accounting

*Mark Sterk* - Former Robbins Village Attorney

*James Louthen* - Manager, ALM Resources, LLC, through his attorney (written responses only)

*Cynthia Crane* - Bookkeeper, Town Builders, through her attorney (written responses only)

*Shantiel Simon* – Trustee, Village of Robbins (interview initiated, but not completed)

Investigators reviewed over 1000 pages of documents, including, but not limited to:

1. The agreement between ALM and Village, including ordinance #5-7-13 creating “business district #1”

**INVESTIGATIVE REPORT**

2. Resolution 12-13-11-A authorizing Town Builder Studios to represent Robbins interests in formulation of proposed industrial project
3. Resolution 6-26-12-R authorizing Village to engage with Schiff Hardin
4. Resolution 2-21-13 expressing intent regarding the development of industrial park
5. Ordinance 3-19-13 proposing the creation of “business district #1” and creating business plan
6. Meeting minutes only from 4-2-13 documenting engagement letter with Deutsch Levy and Engel (“DLE”)
7. Ordinance 5-7-13A authorizing the village to acquire property
8. Resolution 7-23-13 authorizing village to hire National Title Insurance Company
9. Resolution 8-13-13 authorizing village to engage various vendors for project
10. Resolution 8-13-13A and meeting minutes authorizing village to direct DLE to notify impacted property owners and intent to seek quick take legislation
11. Resolution 9-10-13 authorizing the escrow account agreement
12. Meeting minutes only documenting the approval of resolution 9-24-13 authorizing village to engage certain vendors for project
13. Board of Elections D-2 filings for Friends of Shantiel Simon
14. Copies of letters sent by Urban Real Estate Research Inc, regarding to Robbins home owners regarding real estate appraisals
15. Letter from Robbins Attorney Chris Welch dated 11-27-13 to stakeholders notifying them of agreement to suspend activities pending conclusion of the investigation

**INVESTIGATIVE REPORT**

**II. FINDINGS**

- The terms of the Redevelopment Agreement between the Village and ALM Resources, LLC disproportionately favor the Developer, specifically - the royalty schedule, the prohibition on any payments to the Village before a contract with IDOT is secured, and the speed with which quick-take legislation was to be sought.
- In 2012, Trustee Shantiel Simon's political committee, Friends of Shantiel Simon, received campaign contributions from two companies managed by the Developer's manager, for \$2,500 and \$2,000 respectively, and an \$800 campaign contribution from an employee of Louthen, for which Louthen reimbursed the employee in violation of the Illinois Election Code (10 ILCS 5/9-25). The contributions from Louthen's companies were the highest two contributions received by Friends of Shantiel Simon by at least \$1,000.
- Trustee Shantiel Simon admitted that he is no longer a resident of the Village and has not been for several months. His failure to reside within the Village of Robbins disqualifies him to hold the position of Village Trustee, in violation of Illinois Municipal Code (65 ILCS 5/3.1-10-50(c)(1)). He has been absent from nine board meetings since 6/25/13 during which the board took actions related to the Redevelopment Agreement.
- The Village did not have consistent legal representation prior to and after quarry project's negotiation, giving rise to concerns about the vetting process of the project.
- The Redevelopment Agreement's validity is questionable given the Mayor's deteriorating health during the period in which the contract was executed and her signature on the Memorandum of Purchase Rights was notarized by a Trustee whose family member owned several properties within the footprint.
- The project lacked transparency and efforts to inform and advise the residents of Robbins were insufficient.

**III. RECOMMENDATIONS**

- The Village of Robbins and ALM Resources, LLC renegotiate the Redevelopment

**INVESTIGATIVE REPORT**

Agreement focusing on:

- Reconsideration of leasing rather than ownership transfer to the Developer;
  - Renegotiation of the royalty schedule, including initial payment's timing to ensure profits are realized by the Village;
  - Reconsideration of the consequences should the project not be completed;
  - Consideration of a requirement that the ALM Resources cover the cost of any individual property owner's legal defense against any just compensation related condemnation suit.
- The Village involve the community and ensure transparency on this project by:
- Establishing a Residents' Advisory Committee, including quarry industry professionals, environmental experts and at least five residents with diverse perspectives;
  - Conducting a minimum of four public hearings, after public notice over a reasonable period of time, including participation from Illinois Department of Transportation, Illinois Environmental Protection Agency and the Illinois Department of Natural Resources;
  - Hiring/assigning an in-house staff person to oversee the management of this project.
  - Providing basic notification of all aspects of the project to all adjoining villages, cities or towns.
- Mayor and Board of Trustees generally expand the documentation of proceedings and actions in the future village board meeting minutes.
- Board of Trustees declare the trustee post currently occupied by Shantiel Simon vacant and Mayor appoint a qualified resident to the office of trustee to fill Simon's term, pursuant to Section 3.1-10-50 of the Illinois Municipal Code.

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

### **Introduction**

On 10/23/13, the Cook County Sheriff's Office received an anonymous complaint into the public corruption telephone hotline from a Robbins resident regarding the quarry and limestone development project in the Village of Robbins. The caller stated that the caller felt the project was not in compliance with regulations and inquired as to what actions could be taken to stop the project.

During this same period, between 10/12/13 and 10/23/13, the Southtown Star newspaper published six news articles regarding the quarry project. The articles covered among other things the scope of the project, revelation of a sizable campaign contribution made by another entity owned by the Developer, James Louthen, to a Robbins trustee, background of the Developer including his default on a business loan, possible quick-take legislation being moved through the General Assembly during the fall veto-session, an attempt by a citizen group to obtain an injunction, and Village officials responses to the citizens and media.

On 10/28/13, the Cook County Sheriff's Office attempted to obtain a copy of the Redevelopment Agreement between the Village and the Developer from the Robbins village administrator. This office was advised to file a Freedom of Information Act (FOIA) request.

On 10/30/13, an anonymous subject delivered a copy of the Redevelopment Agreement between the Village and the Developer and a Village resolution dated 5/7/13 to the residence of Sheriff Thomas Dart.

Based upon these circumstances, an investigation was opened.

### **Extent and Result of Investigation**

As stated, a copy of the Acquisition and Development Agreement ("Redevelopment Agreement") between the Village of Robbins ("Village") and the Developer, ALM Resources LLC ("Developer"), was obtained. Per the Agreement, the Village was represented by Donald J. Kreger of Schiff Harden and ALM Resources was represented by Paul Shadle and Gregg Graines of DLA Piper. The Village of Robbins ordinance authorizing then Mayor Irene Brodie to enter into the Agreement and the Agreement itself is dated 5/7/13. The trustees in office at this time were Willie E. Carter, Richard Williams, Lynn Johnson, Shantiel X. Simon, Tyrone Ward, and Chanel Kelley. (See Exhibit #1)

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

Additionally, the Sheriff's office obtained other documents associated with this development project that were approved by the Village between 2011 and 2013. Those documents include evidence of Village board resolutions authorizing the formulation of an industrial project, and expressing official intent regarding the development of an industrial park, and Village board approved ordinances establishing a business district, and acquisition of certain real estate properties by way of eminent domain. (See Exhibits #2 through #12)

A check of the Secretary of State records indicates that ALM Resources LLC is a manager-managed limited liability company, formed on 7/6/12 and solely managed by James Louthen. The Secretary of State Records also indicated its principal address is 50 Forest Avenue, Suite G, Riverside, IL. An inspection of that location indicated that it was a basement unit of a residential apartment complex, and that the name on the mailbox of Suite G listed Town Builders Studios. The Secretary of State Records indicate that Town Builders Studios Chicago, LLC is an active limited liability company solely managed by Louthen.

This office became aware of a website associated with the Developer and the project. A check of Robbinsresources.com indicated that Rib Mountain Aggregate Incorporated was involved in the project. Secretary of State records indicated that Rib Mountain Aggregate Incorporated showed the president and secretary are the children of Stephen Davis, Joshua Davis and Ashley Davis. Stephen Davis later acknowledged that the corporation is owned by The Will Group, Incorporated, which Stephen Davis is the president of and has acknowledged he owns. Rib Mountain Aggregate Incorporated listed their address as 703 Childs Street, Wheaton, IL. Rib Mountain Aggregate Incorporated could not be found on a sign listing businesses at that location after an exterior inspection of the location was conducted.

Contribution information related to Trustee Shantiel Simon's political committee, Friends of Shantiel Simon, was obtained from the Illinois State Board of Elections. These records indicated that Simon received a \$2,500 campaign contribution on 4/6/12 from Robbins Renaissance Construction LLC, a company solely managed by Louthen. Second, the records indicated that Simon received a \$2,000 campaign contribution on 3/10/13 from ALM Resources. These two contributions, from entities under the control of Louthen, were the highest two contributions received by Friends of Shantiel Simon by at least \$1,000. Lastly, the records indicated that Simon received an \$800 campaign contribution on 12/21/12 from Cynthia Crane, an employee of Louthen at Town Builders Studios. (See Exhibit #13)

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

A check of court records indicated that First Midwest Bank filed suit against Town Builder Studios and Louthen in 2013 (Case No. 2013-L-002597). The venue for this litigation was in Cook County Circuit Court – Law Division, and involved the default of a \$350,000 loan. This litigation is ongoing.

On 10/29/13, this office contacted Schiff Hardin attorney Donald Kreger. Kreger stated that he represented the Village of Robbins solely in negotiating the Redevelopment Agreement. He indicated that his work had been performed on a pro-bono basis, and that he did not represent the Village with regard to implementation of the Village's power of eminent domain or with respect to any other Village matters.

On 11/3-4/13, a review of the Redevelopment Agreement was conducted by Sheriff's office attorneys. The review identified contract terms that appear disproportionately favorable to the Developer, given that the project's promotion was as a public-private partnership to bolster a blighted area. Although royalty schedules are relative and their scrutiny inherently subjective, the royalty schedule provided for in the contract appears to favor the Developer. Of particular concern, was the clause allowing ALM Resources to withhold all payments to the Village until the project is fully operational, which is defined in the Redevelopment Agreement as agreement from the Illinois Department of Transportation to "use of aggregate products in IDOT construction projects." Additionally, the requirement that the Village take steps to have the Illinois General Assembly enact special legislation to speed the process of land acquisition, given the lack of public awareness of the project, also became a concern. Finally, the review of the Memorandum of Purchase Rights, a document to be recorded notice of the Redevelopment Agreement, was signed by Mayor Irene Brody and notarized by a Village Trustee, Willie E. Carter.

On 11/5/13, this office attempted to contact Cynthia Crane at her residence. Shortly thereafter, Crane spoke with this office and requested to know the nature of the contact. It was explained to Crane that this office was looking for information regarding her campaign contribution to Shantiel Simon. Crane advised that she was reluctant to speak with this office.

Additionally on 11/5/13, the Sheriff's Office sent a letter to Mayor Tyrone Ward requesting the suspension of activity involving the quarry project, including the introduction of quick-take legislation, until the completion of the investigation. (See Exhibit # 14)

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

On 11/6/13, Crane made telephone contact with this office. It was explained again to her the nature of the inquiry. She stated she would contact this office the next day to provide information as to the contribution.

On 11/8/13, the Sheriff's Office received notification from attorney James Shapiro that he represented Crane and Louthen and all attempts to interview these two should be arranged through him.

On 11/14/13, the Sheriff's office was notified that the Village retained Emanuel Christopher Welch as its Village counsel.

On 11/18/13, a concerned citizen of Robbins contacted the Sheriff's office after receipt of a letter from Urban Real Estate Research, Inc. requesting an appointment to conduct an inspection of the citizen's property for a real estate appraisal related to the project. The letter was dated 11/12/13, and it represented the first step in actual transference of real property as part of this project. (See Exhibit #15)

On 11/21/13, the Sheriff's Office sent a letter to Welch, Kreger, Shapiro, Thomas Leinenweber (counsel for Cynthia Crane), Shadle and Graines enclosing the 11/5/13 letter to Mayor Ward and requesting the suspension of activity related to the Agreement pending the completion of our investigation. (See Exhibit # 16)

On 11/26/13, the Village of Robbins board agreed to suspend all activity related to the Redevelopment Agreement, per the Sheriff's request.

On 11/27/13, Welch notified all parties involved in the quarry project to suspend their activities until this office completed the investigation (See Exhibit # 17).

On 12/20/13, the Sheriff's office sent written questions about the project to Shapiro for Louthen's response.

On 12/20/13, the Sheriff's office also sent written questions about the project to Leinenweber for Crane's response.

On 12/12/13, Stephen Davis was interviewed with his attorney present. Davis stated that he formed Rib Mountain Aggregate in 2005 and that the business is associated with the operation of one quarry in Wisconsin. He stated that he had not entered into any contract with Louthen as either a quarry operator or an investor. He stated that he had not completed his due diligence in

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

vetting the entire Robbins quarry project. He stated he became aware of the project from an investor colleague of his that he did not wish to disclose.

On 12/13/12, Mark Franklin, of Illinois Mining Company, now known as IM Crushing LLC, was interviewed. Franklin reported that geologist Robert Archibald recruited his company to be involved in the Robbins project, but that his company had only agreed to a letter of intent to execute a contract. His company has no further involvement in the project.

On 12/13/13, the Sheriff's office attempted to reach Trustee Simon at the village hall. A clerk stated he was unavailable and a message was left with the clerk to have Simon contact this office. This office also sent Trustee Simon an email to his village email address asking that he contact this office. No response was received.

On 12/16/13, Robert Fletcher, owner of En-Tire Incorporated, was interviewed. Fletcher reported that he had a preliminary commitment from the current owner of the nine acre property that used to be the incinerator for them to sell him the land for use as a tire plant factory. He said that as far as he knew the Village has not contacted the owner of the incinerator property about the quarry project, and ALM Resources was not aware of his tire plant proposal.

On 12/17/13, Mark Falter of the Illinois Department of Natural Resources (DNR) was interviewed regarding permitting. Falter stated that they have not received a permit application from anybody wanting to develop a quarry in Robbins. Illinois DNR has made one Q and A presentation in front of the community as to the permit process at the request of a state legislator.

On 12/18/13, Darrell Mitchell was interviewed. Mitchell confirmed that he is the secretary-treasurer of Shantiel Simon's political committee. Mitchell stated that Louthen solicited Kreger to represent the Village in preparing the Redevelopment Agreement. Mitchell reported that at a recent meeting with Steve Davis from Rib Mountain, Davis asked him if he thought the project could go forward without Louthen's involvement. Mitchell stated he was friends with Simon. Mitchell was asked if he could contact Simon and request that he contact the Sheriff's office to schedule an interview.

On 12/20/13, the Sheriff's office sent a second email to Trustee Simon requesting that he contact this office to arrange an interview. Also on this date, this office asked Village attorney Welch if he could reach Simon and request that he contact the Sheriff's office. Welch responded that Simon has not attended any recent board meetings and that he may be residing out of state.

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

On 1/13/14, the Sheriff's office spoke by telephone to an undisclosed source familiar with former Village mayor, Irene Brodie, regarding the Sheriff's request to interview Brodie. This source indicated that Brodie is incapable of participating in an interview and has been under doctor's care since 2011.

On 1/14/14, the Sheriff's office contacted Welch again requesting assistance in scheduling an interview with Trustee Simon.

On 1/14/14, the Sheriff's office received written responses to questions pertaining to the quarry redevelopment project from Louthen's attorney, James Shapiro. Louthen, through his attorney, declined to appear for a personal interview with this office. Louthen responded, relative to when he first became aware that there was valuable limestone in Robbins, that the presence of limestone underlying the entire Chicagoland area was a well-known fact. He generally understood the geology of the Chicagoland region, including the dolomitic substrate. ALM Resources completed geotechnical borings and had laboratory tests conducted to confirm the makeup of the limestone.

Relative to his initial contact with the Village of Robbins officials regarding his quarry development proposal, he responded that it was on 11/14/11, in a meeting with the Village Administrator. Relative to when he recalled making his first public presentation to Village officials, he responded that it was on 12/13/11 when the Village board approved Resolution #12-13-11A. He responded that he recalled Robert Archibald was present as well. On 3/1/12, a formal presentation was made at a public village board meeting. (Note: The Sheriff's office was unaware that a board meeting was held on Thursday, 3/1/12) He responded that he has made over 20 presentations to date regarding this project.

Relative to how attorney Donald Kreger of the firm Schiff Hardin LLP became involved in representing the Village with this respect to this project, he responded that Village representatives introduced Louthen to Schiff Hardin. On information and belief, the Village had retained Schiff Hardin as their counsel before introducing him to Louthen. Louthen did not use any personal influence in the selection of Schiff Hardin nor did he make any recommendation to them that they perform their work for the Village pro-bono.

Relative to the circumstances involved in Louthen's decision to contribute \$2,500 (under the name Robbins Renaissance Construction LLC) on 3/10/13 to the political committee of Shantiel Simon he responded that he concluded that Trustee Simon was a qualified candidate in the 2013

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

local mayoral election and that Louthen decided to contribute to his mayoral campaign. (Note: Shapiro's response omitted the reference the Sheriff's office made to the 3/10/13 contribution of \$2,000 that ALM Resources LLC made to Simon) He further responded he did not recall any offer by Simon for favorable consideration regarding the quarry project in exchange for the contribution. Louthen has made no other contributions to candidates running for office in Robbins.

Relative to Cynthia Crane, he responded that Crane is an employee of Town Builder Studios Chicago, LLC and serves as a bookkeeper.

Relative to the 12/21/12 contribution of \$800 by Crane to Simon, and whether Louthen asked Crane to make the donation, he responded, "not exactly." His response went on to explain that on or about 12/12/12, Louthen instructed Crane to prepare the \$800 contribution from the Robbins Renaissance Construction, LLC bank account. Given the lack of funds in this bank account at that time, Crane wrote the check from her personal account. Relative to whether Louthen reimbursed Crane, he responded that Robbins Renaissance Construction, LLC reimbursed Crane once its account had sufficient funds.

Relative to whether Louthen, or any of the companies under his control, entered into any negotiations, or signed a contract or agreement with the Illinois Department of Transportation for the transference of discarded aggregate materials as part of this project, he responded that he has not.

Relative to whether Louthen has the equity and/or lender financing in the amount necessary to complete Phase I or Phase II of the project, he responded that he does not, however he pointed out that the Redevelopment Agreement does not require him to furnish that documentation on financing until it is within 30 days of the closing of the particular phase. He responded that he intends to comply with all Developer conditions, including the demonstration of Phase I, II, and III financing, at the appropriate time.

Relative to the number of sub-contractors involved in the project, he responded that ALM Resources has approximately 14 project contracts. They are:

Associated Geologists

Bowser-Morner

Capitol Consulting Group Illinois, LLC (co-signatory with Village of Robbins)

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

Deutsch, Levy & Engel (co-signatory with Village of Robbins)

DLA Piper

GZA Geo Environmental Inc.

Laube Companies

Matthewson Right of Way Company (Suspended) (co-signatory with Village of Robbins)

Riverside Surveying LLC

Raimonde Drilling Corporation

Sticky Worldwide

Urban Real Estate Research, Inc. (co-signatory with Village of Robbins)

Urban Relocation Services, Inc. (co-signatory with Village of Robbins)

Wheatland Title Guaranty Company (co-signatory with Village of Robbins)

On 1/15/14, Odelson and Sterk attorney Mark Sterk was interviewed. He stated that his firm had been the Robbins Village attorneys for a long period of time and up until just after the election in May of 2013. He stated that shortly after the new village board took over, the Village terminated the services of the firm. He said that no attorneys of the firm had been attending the board meetings in 2012 and 2013 because the Village could not afford to have a representative in attendance. Sterk said that is the reason none of the minutes indicated that an attorney was present. He said he had no involvement in providing legal advice relative to the quarry project, nor did he know anything about the Redevelopment Agreement until he was told about it from Napoleon Haney the day after the Redevelopment Agreement between Louthen and the Village was signed. He said in his opinion it was obvious Mayor Brodie's health was failing when he saw at her retirement party.

On 1/15/14, Shapiro resubmitted responses to questions indicating that Louthen was responding to the inquiries exclusively as a member of ALM Resources, LLC and not individually or on his personal behalf. Shapiro also advised that an additional four subcontractors were involved in the project, that being Bondy Studio, Civiltech Engineering, Inc., Jay Heap & Associates, LTD, and Weaver Communications. (See Exhibit # 18)

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

On 1/16/14, the Sheriff's office received written responses to questions pertaining to Louthen's employee Cynthia Crane and her \$800 contribution to Trustee Simon. Crane, through her attorney Thomas Leinenweber, declined to appear for a personal interview with this office. Crane responded that she was asked by Louthen to make the contribution because the Robbins Renaissance Construction business bank account did not have the funds to cover the contribution. Crane responded that she was reimbursed from that business bank account when funds became available.

On 1/17/14 this office was able to make telephone contact with Trustee Simon. Simon stated that he no longer lives in the Village. He works full-time as a truck driver and does not consider himself a resident of the Village. Simon agreed to participate in an interview scheduled for 1/20/13.

On 1/17/14, this office was advised by consultant Paul Stewart that Stephen Davis had agreed to join ALM Resources as an equity partner, and that Rib Mountain Aggregate had agreed to be the operator of the proposed quarry.

On 1/20/14, Shantiel Simon advised this office in a voicemail message that he had reconsidered his decision to participate in a telephone interview, and advised that his attorney would be contacting the Sheriff's office.

A chronology for significant actions and their dates pertaining to the quarry project was prepared. (See Exhibit #19)

### **Analysis**

The public-private partnership makes this project unique.

In traditional commercial development, the Developer purchases needed property from the individual land owner.

Some of the parcels identified in the project's footprint are already owned by the Village. They are known as the Village Parcels and represent, according to the Redevelopment Agreement, about 72 acres of land.

Language in the Redevelopment Agreement specifically states that the Developer has represented to the Village that it cannot undertake the development of each phase without the

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

Village obtaining site control over the applicable additional Village Parcels, meaning privately owned parcels.

The Illinois Business District Development and Redevelopment Law (65 ILCS 5/11 -74/3-1) allows for the Village to purchase land needed to accomplish positive economic goals and eradicate blighted areas. Towards that end, the Village can use their powers of eminent domain to acquire the private property.

Additionally, the Redevelopment Agreement terms called for the Village to obtain quick-take acquisition authority from the Illinois legislature. This office learned that such quick-take legislation was taking form during the fall veto-session, at the same time many of the residents were learning of the project for the first time.

This office could find no necessity for such a hurried and inscrutable strategy. Citizen attendance and opinions voiced at public meetings held after the Redevelopment Agreement was signed confirmed that this issue was one that caused suspicion related to the transparency of the entire project.

The Agreement and other resolutions and ordinances involved and approved by the Village were an accumulation of complex real estate and financial transactions. It appears that the Mayor and Trustees did not have all the facts or the consistent legal representation in the critical periods leading up to the negotiation and execution of the Redevelopment Agreement. Additionally, the Mayor had been under doctor's case since 2011 which casts doubt on her ability to have meaningfully participated in the negotiations.

The Memorandum of Purchase Rights, a collateral document to the Redevelopment Agreement, was signed by Mayor Irene Brody and notarized by a Village Trustee, Willie E. Carter. Interestingly, Carter's son Kevin Carter is the manager of KJC Properties LLC, which owns multiple properties within the project's footprint.

With regards to the campaign contributions to Shantiel Simon, Louthen explained that he felt Simon was a qualified mayoral candidate. Simon lost that election to Tyrone Ward. Louthen admitted he did not contribute to Ward's or any other Robbins campaign. However, Simon was a trustee at the time all agreements were signed. Simon's decision not to provide information relating to his involvement in the project and his acceptance of the Louthen campaign money is a major concern of this office.

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## **INVESTIGATIVE REPORT**

Additionally, in the initial telephone contact with this office, Simon advised that he has not resided in Robbins for over four months.

With regard to Crane's campaign donation to Simon, and the subsequent reimbursement to her by one of Louthen's LLCs, Illinois Election Code (10 ILCS 5/9-25) requires that "no person shall make an anonymous contribution or a contribution in the name of another person..." That section defines person as "a natural person, trust, partnership, committee, association, corporation, or any other organization of persons." Given that Louthen's LLC had made an earlier contribution to Simon in April of 2012, it could be perceived that Louthen was attempting to hide the actual identity of the contributor, especially since the Board of Elections had no way of learning that Crane had been reimbursed.

Furthermore, Simon's acknowledgement that he is no longer a resident of the Village means that he is prohibited from holding the trustee post he currently occupies. Per the Illinois Municipal Code, an elected office in a municipality with less than 500,000 residents becomes vacant when the elected official for that district ceases to inhabit the district for which he was elected more than temporarily (65 ILCS 5/3.1-10-50(c)(1)). By his own admission, Simon does not live in his district he was elected to represent and has not for several months. Thus, his continued occupation of that the office of Trustee for the Village is in violation of state statute. It is interesting to note that the meeting minutes that were reviewed by this office reflect that Simon has missed nine board meetings since 6/25/13 during a time that the board has considered actions pertaining to the project, and citizen inquiries during the meetings about the project have been at their highest. It is unknown as to whether Simon has collected a paycheck from the Village after his Village residency ceased. If he continued receiving a paycheck, but ceased to live in the Village or attend any board meetings, his actions could be considered official misconduct (720 ILCS 5/33-3).

### **Conclusion and Recommendations**

It is concluded that the Redevelopment Agreement between the Village and ALM Resources, LLC, among other legal Village agreements made part of this project, contains language and provisions that are not favorable to the Village and are counterproductive to the public welfare of the citizens of Robbins.

Specifically, it is this office's recommendation that the Village renegotiates the Redevelopment Agreement focusing on the following areas:

**INVESTIGATIVE REPORT**

- Reconsideration of the issue pertaining to leasing the affected area rather than transfer of ownership to the Developer
- Reconsideration of the royalty schedule, including initial payment timing to ensure profits are realized by the Village.
- Reconsideration of the provisions relating to the terms and consequences should the project not be completed due to the actions of either party
- Consideration of a term requiring ALM Resources cover the cost of any individual property owner's legal defense against any condemnation suit related to the just compensation owed to that owner for the taking his or her property

Additionally, it is recommended that the Village take the following steps to ensure transparency and community participation as it relates to this project:

- Establish a Residents' Advisory Committee related to this project, which shall include quarry industry professionals, environmental experts and at least three residents with diverse perspectives.
- Conduct a minimum of four public hearings, after public notice over a reasonable period of time, which shall include participation from representatives of Illinois Department of Transportation, Illinois Environmental Protection Agency and the Illinois Department of Natural Resources.
- Hire or assigning an in-house staff member to be the project manager and liaison responsible for overseeing this project.

Furthermore, it is recommended that the Mayor and Board of Trustees generally expand the documentation of proceedings and actions reflected in the minutes at future village board meetings.

Lastly, it is recommended that the Board of Trustees declare the trustee post currently occupied by Shantiel Simon vacant, based on his admission that he does not reside in his elected district, let alone the Village. The Mayor should appoint a qualified resident to the office of trustee to fill Simon's term which expires in 2015, pursuant to Section 3.1-10-50 of the Illinois Municipal Code.

# OFFICE OF THE SHERIFF

THOMAS J. DART  
SHERIFF

*Office of Cook County Sheriff  
Independent Inspector General*

## ***INVESTIGATIVE REPORT***

### **Report Dissemination**

A copy of this report will be forwarded to the Cook County State's Attorney for their review and consideration of criminal charges relative to the Crane campaign contribution.

Additionally, a copy of the report will be forwarded to the Illinois State Board of Elections for whatever action they deem appropriate with respect to Crane's campaign contribution and the vacancy of Shantiel Simon's Trustee position.

Lastly, a copy of the report will also be forwarded to the Illinois Environmental Protection Agency and the Illinois Department of Natural Resources for whatever action they deem appropriate.