



ECONOMIC DEVELOPMENT COMMITTEE MINUTES
MAY 9, 2018

CALL TO ORDER

Chairman John Clavio called the Economic Development Committee meeting to order at 7:30 P.M. on Wednesday, May 9, 2018, at the Village of Frankfort Administration Building, 432 W. Nebraska Street, Frankfort, Illinois.

ROLL CALL

Economic Development Committee members present included Mayor Jim Holland, Chairman John Clavio, Trustees Cindy Heath, Bob Kennedy, Keith Ogle, and Mike Stevens; Village Clerk Adam Borrelli, Anitra Alexander, and Terry Briese. Staff members in attendance were Village Administrator Rob Piscia, Asst. Village Administrator Jeff Cook, Police Chief John Burica, Asst. Police Chief Kevin Keegan, Asst. Director of Development Services Zach Brown, Finance Director Jenni Booth, Building and Economic Development Manager Adam Nielsen, Utility Supervisor John Craven, and Administrative Assistant Theresa Cork. Others in attendance included Pete Bolsoni, Linzie Hartmann, Steve Lecas, Sue Lecas, Rachel McCurdy, Mike Cartolano, Sandy Kirsch, Gary Ross, Ruth Ann Morgan, Dr. George Georgelos, Lisa Slattery, Ramiro Pedraza, Pamela Biesen, Emily Meszaros, Choral Nissen, Kurt Nissen, Joe Christiano, Kris Pasquini, Sue Wolf, Kristen Schoon, Teresa Kara, Margaret Farina, John Sciacotta, Joe DeMarco, Mark Adams, Ilene LeRose, Daniel Krzak, Jennie Karg, Emily Biegel, Amanda Koch, Nick Schalmo, John Sabey, Bob Hearne, Erin Hearne, Shannon Kinisey, Deborah Hardwick, Marcia Steward, Danette Muscarella, and Plan Commission Chair Don Schwartz. Member Taeya Spencer was absent.

APPROVAL OF MINUTES (OCTOBER 11, 2017)

Trustee Kennedy made a motion (#1), seconded by Trustee Heath, to approve the Joint Economic Development and Land Use and Policy Committees minutes of October 11, 2017, as presented. The motion was unanimously approved.

T3IP GRANT REVIEW – SAME DAY TEES: 9525 W. LARAWAY ROAD – APPROVAL

Manager Nielsen reported owner Pete Bolsoni of Same Day Tees recently relocated his existing business from Peotone to 9525 W. Laraway Road. Mr. Nielsen further reported Mr. Bolsoni filed an application for a \$9,000 grant for the completed interior improvements, which are eligible for funding under the “Qualified Non-Target Industry” category of the T3IP Program in the amount of \$0.50 per square foot.

Following brief discussion, Trustee Heath made a motion (#2), seconded by Trustee Kennedy, to forward a recommendation to the Village Board authorizing approval of the Qualified Non-Target Industry Tenant Improvement Grant, in the amount of \$9,000 for Same Day Tees, located at 9525 W. Laraway Road. The motion was unanimously approved.

REDEVELOPMENT OFFER: 7 N WHITE STREET – APPROVAL

Asst. Administrator Cook provided an overview of a redevelopment offer for 7 N. White Street and 11. N. White Street pursuant to his memo. Mr. Cook reported DeMarco, Sciacotta, Wilkens & Dunleavy, LLP (DSWD), an accounting firm in Frankfort, proposes to acquire a portion of the Prairie Park parking lot property and a portion of the adjoining 11 N. White Street property to add commercial space to the downtown. The proposal includes construction of a new ±11,300 SF mixed use building and the conversion of the existing home at 11 N. White Street for commercial use. Additionally, DSWD would construct ±41 parking spaces to offset the loss of stalls in the Prairie Park parking lot. Mr. Cook noted current appraisals of the sites were obtained from The Gorman Group, Ltd, a MAI appraiser familiar with downtown Frankfort. The parking lot property appraised at \$175,000 and the partial lot at 11 N. White Street appraised at \$75,000.

Chairman Clavio opened the floor for committee discussion. Committee members discussed the terms of the proposed contract, including the written purchase offer of \$250,000 (plus \$18.90 for 11 N. White Street), development incentives by Village to include fee waivers of permit and utility fees, and a \$50,000 grant toward the remodeling and preservation of 11 N. White Street, awarded after the first \$100,000 in improvements are committed by the purchaser. Members voiced support of grant money being applied to the 11 N. White Street property for the preservation of the structure, noting it was an appropriate use of funds. Committee members felt the proposal was the best they've seen and would bring synergy to the downtown business district. Committee members also discussed the idea of preserving the green space further east of the site as part of the project, which was once proposed to be developed for a banquet hall.

Joe DeMarco, a partner and founding member of DSWD, spoke before the committee and voiced his excitement of the proposed development and his desire to retain their business in Frankfort, which is currently located at 9645 Lincolnway Lane. He also shared a personal story of how he and his family made the decision to move to Frankfort.

Mr. Cook described a draft timeline conceived to meet an aggressive development schedule sought by DSWD. Copies of the schedule were provided to members and attendees in the audience. He noted the process included a 30-day public review period of the proposal prior to the Board considering the recommendation of this committee. To promote public awareness of the proposed real estate contract, it was suggested the Board conduct a First Reading of the Purchase and Sale Agreement at a meeting prior to June 18, the date contemplated for Village Board action on the contract.

Following discussion, Trustee Heath made a motion (#3), seconded by Trustee Stevens, to forward a recommendation to the Village Board authorizing the execution of a real estate contract between the Village of Frankfort and DeMarco, Sciacotta, Wilkens & Dunleavy, LLP, for the sale of certain real estate for the purpose of developing commercial property generally located at 11 N.

White Street and 7 N. White Street, subject to legal review, and a 30-day public review period of the proposal and terms. The motion was unanimously approved.

LONG RANGE PLANNING - DISCUSSION

Mayor Holland referenced his recent Villager article regarding the sustainability of the Village's revenues to meet future obligations. He reported, while the Village's fund balances are currently healthy, they decline each year due to the need for investment in capital infrastructure. He stated in the past, surpluses from the Village's operations were used to fund capital reserves, but recognized an increasing need for capital investments to maintain the community. Mayor Holland noted existing pressure on operating revenues threaten to reduce or eliminate the Village's annual transfer to capital, concluding the Village cannot continue to sustain its long-term capital needs without additional revenue sources. He further reported the Village currently has the same number of police officers we had in 2001, although the population and size of the Village is much larger today. He noted Chief Burica proposed expanding patrol and crime prevention programs, but such programs require additional officers to implement.

Mayor Holland stated staff was directed to explore placing a measure on the November ballot to authorize the Frankfort Village Board to implement a Non-Home Rule sales tax of one percent. If approved by the voters and the board, the sales tax in Frankfort would increase from 7% to 8% on currently taxable items, except it would remain at 7% on titled goods, and would remain the same as it is now on qualifying food and drugs. Revenue from the increase in sales tax is estimated at \$2.8 million per year.

Mayor Holland opened the floor for discussion regarding the ballot measure. Committee members discussed the summary pamphlet and frequently asked questions provided and expressed their views of the proposed Non-Home Rule Sales Tax referendum initiative.

OTHER BUSINESS

None.

PUBLIC COMMENTS

Trustee Clavio opened the floor for public comments. Several residents spoke before the committee and shared their views on the proposed development and non-home rule sales tax referendum. A series of specific questions were asked covering several topics of concern relating to both the proposed development and the proposed non-home rule sales tax referendum, a few of which included sustainability of the sales tax increase, potential noise impact to neighboring residential properties for deliveries and garbage, utilization of the downtown parking lots, and the Village's financial investment of the properties proposed for sale. Several audience members voiced support to preserve as public land, the 'greenspace' east of the existing parking lot (the land formerly proposed for a banquet hall). Residents were encouraged to submit information in writing pertaining to the sale of the property and to participate in the ongoing Comprehensive Plan process.

ADJOURNMENT

Hearing no further discussion, Trustee Kennedy made a motion (#4), seconded by Trustee Ogle, to adjourn the Economic Development Committee meeting of May 9, 2018, at 8:50 P.M. The motion was unanimously approved.