

City of Zion
Tax Increment Financing Board of Review
Monday, April 9, 2007
4:00pm, Zion City Hall

MEETING MINUTES

I. Call to Order

Chairman Brown called the meeting to order at 4:02pm.

Present

John Brown; Brian Golweitzer; Al Hill; Debbie Lewis; Shantal Taylor; Doug Townsend; Bill Warren; Juanita Winfrey

Absent:

None

II. Approval of meeting minutes from February 12, 2007.

Ms. Winfrey asked for clarification to the following:

1. Chairman Brown's nay under Item II. Approval of Meeting Minutes from January 17, 2007. Ms. Bronson clarified stated that he said nay because he was not at the meeting.
2. Page 2; Second Paragraph; 9th sentence – Should the wording read as "...if they had to" or "if we had to"? Ms. Bronson stated that it should be "...if we had to".
3. Page 2; Second Paragraph; 11th sentence – Should wording read as "Mr. Townsend shared is concern" or "Mr. Townsend shared his concern"? Ms. Bronson stated that it should read as "Mr. Townsend shared his concern."
4. Page 2, Fifth Paragraph, 14th sentence – Should the wording read as "...to encourage All Tails to stay is their decision" or "...to encourage All Tails in their decision to stay in Zion."?

It was motioned by Ms. Taylor and seconded by Mr. Townsend to approve the meeting minutes from February 12, 2007.

Roll Call: John Brown, Aye; Brian Golweitzer, Aye; Al Hill, Pass; Debbie Lewis, Aye; Shantal Taylor, Aye; Doug Townsend, Aye; Bill Warren, Aye; Juanita Winfrey, Aye.

III. Discussion regarding National City Parking Expansion

Ms. Rogers expressed her hope that the TIF Members had a chance to visit the new National City facility. As with all new homes, once they got in there they realized they had a couple of situations that they hadn't thought through due to its unique lot design because it was very narrow, which was new to their engineers. What they found is that their handicap parking is located at the opposite side of the drive aisle, which makes it very difficult for their elderly customers to cross. National City proposed to redesign their parking lot by carving out the current landscaping to possibly create 2 or 3 parking spaces in front of the building that they can reserve for handicap accessibility clients. The cost of this would be \$23,000 project and we have done nothing to assist National City.

Mr. Brown expressed that they should also address the north side of the lot next to the funeral home for safety reasons. Mr. Rogers stated that the Branch Manager, Ms. Dawn Wright, was always frustrated with the process because the local branch operators were not consulted on the project. The designers of this project are not from this area and they basically said that this is the design that you are going to have and they have tried to make it work. Ms. Taylor stated that it seems that the folks out of New York made a mistake and now they want the City of Zion to pay for it. Ms. Rogers responded that the local regional people want to fix it, which will be out of their budget.

Ms. Winfrey asked if this would be for senior citizens. Ms. Rogers stated that this will be for people of any age who need handicap accessibility parking and it would put it on the south side of the drive aisle so people are not crossing traffic but directly to the door.

Ms. Taylor asked where this would put us in our budget. Ms. Rogers stated that this project would be in our new budget year. Ms. Winfrey asked what she had last year. Ms. Rogers responded that \$150,000 was set-aside for seed money. Ms. Lewis asked what we have left. Ms. Taylor shared that she is really big on things being done right the first time. She stated that she appreciates the handicap accessibility feature that they are trying to accomplish. She definitely needs to give it some more thought because they made a mistake. Ms. Lewis stated that her new building has recently went up and there were oversights that weren't faced until after the fact so she knows that things can turn up that weren't expected.

Mr. Warren stated that this is a stretch to use TIF money on this. National City should have money to cover their mistake. Mr. Warren asked if we are going to put a new alley in there. Ms. Rogers responded yes. National City improved the alley and did all of their landscaping, curbing, etc for their property and the council decided to finish the alley as soon as the weather breaks. Mr. Townsend asked how much money we have left this year. Ms. Bronson responded with \$109,500.

Mr. Golwitzer said that he feels that it's a bad mistake that shouldn't have happened but he also think that local people were probably victims and that he would be willing to kick in some of it. Ms. Lewis agreed.

It was motioned by Ms. Winfrey and seconded by Mr. Golwitzer to approve ½ of the requested \$23,000.

Roll Call: John Brown, Aye; Brian Golweitzer, Aye; Al Hill, Aye; Debbie Lewis, Aye; Shantal Taylor, Aye; Doug Townsend, Aye; Bill Warren, Aye; Juanita Winfrey, Aye.

IV. Discussion regarding Italian Restaurant Project – 3077 Sheridan Road

Ms. Rogers stated the Mr. Dino Maravela is moving forward. She received a new estimate today for roof repairs for \$9,000 not \$12,000. Ms. Rogers asked for the Board's input as to what the name of the new restaurant should be. He owns four other restaurants, including Emily's in Beach Park along with Dino's in Fox Lake. (Donna Flammini entered the meeting.) They will go to the Liquor Control Board in May. Assuming that a license is created, it will go to council the second meeting in May. Ms. Winfrey asked what happened to the liquor license Hennessy's had. Ms. Rogers stated that it was awarded to El Lago. Once a license exists, the next qualified applicant chosen by the Liquor Control Board can claim it. The license does not go with the property it goes with the operator.

Mr. Maravela will do some minimal changes to the building inside the lobby to give it a little bit of a different flavor when you come in. Estimated costs for these renovations will be somewhere around \$100,000. Ms. Rogers stated that this property's EAV has increased from \$58,000 to \$90,000 in one year.

Mr. Townsend stated that he thought that the roof was done. Ms. Rogers stated that parts of it was patched but when they added the new HVAC system and the industrial air exchange system, it created some issues around the structure of the roof. Ms. Flammini recalled that initially John Hennessy planned on putting a second floor on that building at one time so replacing the roof was a non-issue.

Mr. Maravela is willing to sign a five-year lease with an option to buy the property. Mr. Kravetz does own Kelso Burnett so that opens up a lot of opportunities for expansion.

It was motioned by Ms. Flammini and seconded by Ms. Taylor to approve the applicant's request NTE \$15,000.

Roll Call: John Brown, Aye; Donna Flammini, Aye; Brian Golweitzer, Aye; Al Hill, Aye; Debbie Lewis, Aye; Shantal Taylor, Aye; Doug Townsend, Aye; Bill Warren, Aye; Juanita Winfrey, Aye.

V. Discussion regarding Kmart Plaza.

Ms. Rogers stated that Mr. Bhat and Mr. Shah have purchased the Kmart plaza. Their goal, when they bought it last December, was to change the clientele that it might attract. What they are asking us to do is buy down the interest rate only. In addition, they're willing to tear down all of that signage in the entry-way into Kmart plaza, let us design a monument sign with a nice marquee and landscaping for a cost of around \$150,000. On behalf of the Council, Ms. Rogers stated that they would like to see that happen. She then asked the board their thoughts on replacing all of that signage at our expense and the other is buying down the interest rate. Ms. Rogers stated that over the remainder of the TIF, they would generate \$2.9 million dollars, which does not include the land that it's on. With a new restaurant plus four new retail spaces in front of it, the caliber of potential businesses opportunities will be different. She asked if there is any thought wanting to help them do this. She said it would be somewhere in the neighborhood of \$100,000 to \$150,000 to buy down the interest rate, making this a \$250,000 to \$300,000 commitment over time.

Ms. Taylor asked Ms. Rogers to describe her statement "over time". Ms. Rogers described the process where a fund can be established for them and over a certain amount of time the portion of taxes can self generate their funds. Ms Rogers stated that they are here for the long haul. They own several other retail malls in the Lake and Cook county areas. Ms. Flammini asked how much money is sitting in TIF 3 now. Ms. Roger said that with County Inn close to Country inn. Ms. Flammini said no with Country Inn taken out. Ms. Bronson said that the seed money remaining is \$243,651.61.

It was motioned by Ms. Flammini and seconded by Mr. Townsend to approve the monument signage in the amount NTE \$150,000.

Mr. Hill asked where did the numbers come from. Ms. Rogers stated from the developer. Mr. Hill asked if this is going to be the city's design, Ms. Rogers replied yes. We probably won't be doing it until Fall maybe.

Roll Call: John Brown, Aye; Donna Flammini; Aye, Brian Golweitzer, Aye; Al Hill, Aye; Debbie Lewis, Aye; Shantal Taylor, Aye; Doug Townsend, Aye; Bill Warren, Aye; Juanita Winfrey, Aye.

Mr. Hill asked if we could use whatever is left in TIF 3 to buy-down the rate and use next year's money for the second half. Ms. Flammini stated that she likes the self-funded one better because they're paying off their own buy-down. Mr. Hill stated that he doesn't like the idea of going out and spending money that we don't have yet. He said that we should spend this year's money and then we're done and then we get an increment next year and we spend it. Ms. Rogers said that there's a way not to write them a check at all, for now. We give them a note that says on three years we'll give you "X". That note is worth money to them. Mr. Hill replied that he doesn't want to spend this on something else and then we keep spending money before we actually have it. Ms. Flammini also stated that if we hand them a note that says in three years you're going to get \$300,000 to \$350,000 means much more the banks today than \$98,000 cash. It gives them a better buy-down. Mr. Warren stated that he liked the idea of the self-funding.

It was motioned by Mr. Warren and seconded by seconded by Ms. Taylor to support the self-generated funding for this project with a cap and a developers note to be brought back to the TIF for review.

Ms. Taylor stated that she really appreciates that the developers wants to bring up the quality of life in that area. Ms. Lewis asked if the theater is still coming. Ms. Rogers replied that it's tricky but they are still pursuing other options.

Roll Call: John Brown, Aye; Donna Flammini, Aye; Brian Golweitzer, Aye; Al Hill, Aye; Debbie Lewis, Aye; Shantal Taylor, Aye; Doug Townsend, Aye; Bill Warren, Aye; Juanita Winfrey, Aye.

VI. Adjourn

It was motioned by Ms. Lewis and seconded by Ms. Taylor to adjourn the meeting at 5:06pm.