

Village of Lombard

*Village Hall
255 East Wilson Ave.
Lombard, IL 60148
villageoflombard.org*



Minutes

Monday, November 13, 2023

7:00 PM

Village Hall

Economic & Community Development Committee

*Anthony Puccio, Chairperson
Brian LaVaque, Alternate Chairperson
Dennis McNicholas, Garrick Nielsen, Matthew Pike,
Paula Dillon, Laine Vant Hoff,
Gregory Ladle and Patrick Kennedy
Staff Liaison: William Heniff*

1.0 Call to Order and Pledge of Allegiance

The meeting was called to order by Trustee Puccio at 7:00 p.m.

The Pledge of Allegiance was recited.

2.0 Roll Call

Present 6 - Anthony Puccio, Dennis McNicholas, Garrick Nielsen, Matthew Pike, Gregory Ladle, and Patrick Kennedy

Absent 2 - Paula Dillon, and Laine Vant Hoff

3.0 Public Participation

None

4.0 Approval of Minutes

A motion was made by Mr. Pike, seconded by Mr. Ladle, the minutes of the October 9, 2023 meeting were approve.

The motion carried by the following vote:

Aye: 5 - Dennis McNicholas, Garrick Nielsen, Matthew Pike, Gregory Ladle, and Patrick Kennedy

Absent: 2 - Paula Dillon, and Laine Vant Hoff

5.0 Unfinished Business

None

6.0 New Business

[230331](#)

244 East St Charles Road - Lombard Veterinary Hospital:

Consideration of an amended Renovation and Improvement Grant Program funding request. The applicant is redeveloping the entire subject property with an expanded veterinary hospital plus a 2,400 square-foot second building for future commercial use. The grant request is for partial funding to provide for the relocation and burial of an existing Com Ed transmission line with companion AT&T and Comcast pole co-locations, in an amount not to exceed the Program maximum of \$50,000.00. (DISTRICT #4)

William Heniff stated that at the last ECDC meeting, a grant request was considered to partially cover overhead utility relocation costs associated with the redevelopment of the Lombard Veterinary Hospital property at 244 E. St. Charles Road. The ECDC recommended for

approval to the Village Board in an amount of \$44,809.97. Subsequent to this action, the applicant, LVH, was informed of additional costs by co-locating utilities AT&T and Comcast that also utilizes the ComEd poles to transmit their respective utilities. Given this change and the request by LVH, the Village Board tabled the matter so that LVH could submit an amended request for consideration.

Greg Ludwig, representing LVH, provided a summary of the amended request and stating the additional costs that are being incurred through the relocation by the other utility companies as well. In total, the costs being charged for the relocation is \$135,673.40. While the additional utility provider cost increases the project cost by \$46,000, the additional incentive request is only increasing by \$5,190, as the grant program and noted that as the grant cap is \$50,000. He closed by noting that the costs are unavoidable.

McNicholas inquired about condition number 4 in the staff report, which requires that a grant sign be placed on the property and if the ECDC should be adding time provisions. Heniff stated that this condition has been added to past grants. Sign placement has been followed without a need to add timing conditions, and to date we have not had any recipients removing such signs. In this case, the sign would not be affixed until project completion later in 2024. Discussion occurred regarding the merits of adding such a provision.

A motion was made by Mr. McNicholas, seconded by Mr. Pike, The ECDC unanimously voted to approve the grant request.

The motion carried by the following vote:

Aye: 5 - Dennis McNicholas, Garrick Nielsen, Matthew Pike, Gregory Ladle, and Patrick Kennedy

Absent: 2 - Paula Dillon, and Laine Vant Hoff

[220185](#)

Yorktown Reserve Economic Incentive Agreement - First Amendment:

A recommendation from the Economic and Community Development Committee to approve a First Amendment to the previously approved economic incentive agreement between the Village and Lombard Development Manager LLC. The amendment would modify various established benchmarks and timelines, as well as providing for an amended funding dispersal approach for the proposed greenspace (Business District #2 funding source) elements. (DISTRICT #3)

Heniff introduced the staff report and provided a status update regarding the Yorktown Reserve project. He stated that the economic incentive entitlements that the ECDC worked on over four different

meetings were approved. Since that time, Synergy Construction (Lombard Development Manager LLC) has been working to secure project financing for the project. Through discussions they are requesting a few amendments pertaining to timing and payout provisions for the Greenspace component of the project.

Phil Domenico offered an update on the project. They have been working on this project for two years and have spent over a million dollars on the project to date (not including land costs). Their equity partner remains on-board, but interest rates remain high, banks are tightening their belt, and banks are having trouble redeploying capital as capital is not coming in. There is just not a lot of sales activity in the market, and lenders are slow to respond. He stated that there is some great leasing activity going on at Yorktown and PRCP remains on board. He said the project will get built, the question is when, so they are requesting a little more time to secure financing. Their senior members inquired about timing issues, and they envision a 6 to 12-month period to get this off the ground.

Heniff then summarized the proposed amendments, focusing on timing provisions, with a 90 provision and an additional 90-day extension provision which can be approved by staff) and payouts for the Greenspace improvements to create multiple tranche payout provisions. Most importantly, the dollar amounts associated with the incentive will remain unchanged. If the ECDC feels comfortable with the approach, then a recommendation can be made to direct staff and Village Counsel to prepare a First Amendment for Village Board consideration.

Garrick Nielsen concurred with Domenico's comments that there are many lenders who are not lending at this time. His perception is that many will be lending next year. He sees this as a very reasonable request.

McNicholas mentioned a past development proposal in 1999 (101 S. Main Street) and opined that in that case the property was donated back to the Village. He speculated that perhaps if the project cannot go forward, could the Village secure a right-of-first refusal for the project. This would allow the Village to control the property's future disposition.

A motion was made by Mr. Nielsen, seconded by Mr. Pike, the ECDC unanimously voted to approve the First Amendment.

The motion carried by the following vote:

Aye: 5 - Dennis McNicholas, Garrick Nielsen, Matthew Pike, Gregory Ladle, and Patrick Kennedy

Absent: 2 - Paula Dillon, and Laine Vant Hoff

[230365](#)

118 West St. Charles Road (PREA):

Consideration of a Renovation and Improvement Grant in an amount not to exceed \$50,000 or 50% of the eligible project costs, whichever is less, for modifications to the exterior façade of the commercial building.
(DISTRICT #1)

Heniff introduced the request from Performance Real Estate Appraisers (PREA) for a Renovation and Improvement Grant for modifications to the exterior façade of the commercial building. PREA currently occupies a first-floor tenant space at 123 W. St. Charles Road. They purchased the subject property earlier this year and they are undertaking improvements to their new building in order to give them expanded office space. The grant request is being made as part of their overall office interior build-out activities, but the grant would only cover exterior façade modifications.

He summarized the exterior improvements noted and depicted in the report. An existing State Farm office will remain at the premises for a shorter time period, but ultimately PREA is representing that they will be the sole tenant in the building. Staff work with Richard Yangas, project liaison on the costs and Yangas submitted quotes for each of the varying components, as noted in a staff table that was included in the report. While three-quotes were not achieved for each discipline, they tried to secure as many as possible. Village staff will also be reviewing these quotes. In total the eligible costs are anticipated to be \$99,235 and is therefore grant eligible up to \$49,618. He stated that the proposed improvements will be compatible with the block face. In closing, he noted the “trust but verify” provisions in the grant program.

McNicholas stated that contractor Jim’s Decorating is reputable. Greg Ladle wanted to confirm the status of the property, noting the “for sale” sign in one of the depictions. Staff confirmed that they have acquired the site, and it is a graphic from earlier this year. Heniff noted the release of building permits for the interior improvements and work is ongoing there.

Nielsen inquired about the State Farm tenant that is currently there.

Heniff stated that that business will remain there for the forthcoming year, and they have a one-year lease. The anticipation is that they would talk over the office area that they currently use on a going forward basis. PREA will be operating within the premises in 2024.

A motion was made by Mr. Nielsen, seconded by Mr. McNicholas, the ECDC unanimously voted to approve the grant request.

The motion carried by the following vote:

Aye: 5 - Dennis McNicholas, Garrick Nielsen, Matthew Pike, Gregory Ladle, and Patrick Kennedy

Absent: 2 - Paula Dillon, and Laine Vant Hoff

[230366](#)

16 South Park Avenue (Punky's):

Consideration of a Renovation and Improvement Grant in an amount not to exceed \$50,000 or 50% of the eligible project costs, whichever is less, for modifications to the first-floor exterior façade of the mixed-use building. (DISTRICT #1)

Heniff stated that the property owner representative Brendan Fitzharris seeks to make significant modifications to the exterior façades of the existing Punky's establishment. Fitzharris presented an overview of the project. After acquiring the property, they undertook some interior improvements. They now want to make modifications to the building exterior which would replace its outdated appearance. He noted its location on South Park Avenue, with visibility for Cruise Nights and the train station. The façade changes on the east and south wall will make it look more like a traditional Irish Pub. He referenced the window improvements on the east elevation.

Heniff summarized the staff report, stating that staff has been working with the architect on a plan that will work well for their vision. Heniff stated that within the packet, actual quotes have not been submitted. Rather the architect has been working with a proposed project contractor to review the project elements and through this effort, the architect provided the table noting the best estimate of the estimated project costs of \$139,375, which would be higher than the 50% eligible costs/\$50,000 grant eligible cap. He referenced a similar approach used for Heritage Cadillac which is to get estimates or quotes, review data and provide the prove-up costs (a 9-step process), which is noted as a condition of approval.

McNicholas supported his support for the exterior of the building.

Nielsen asked about the proposed teal beams. Heniff and Fitzharris stated that the beams would be a structural support function for the proposed east exterior windows.

A motion was made by Mr. Pike, seconded by Mr. Kennedy, the ECDC unanimously voted to approve the grant request.

The motion carried by the following vote:

Aye: 5 - Dennis McNicholas, Garrick Nielsen, Matthew Pike, Gregory Ladle, and Patrick Kennedy

Absent: 2 - Paula Dillon, and Laine Vant Hoff

[230349](#)

Text Amendments to Section 36.30 to 36.74 of Village Code:

With the expiration of the Lombard Downtown Tax Increment Financing (TIF) District, several code changes are being introduced striking all references to the Downtown TIF District, removing all grant requirements, and referencing the adopted Program Policies adopted by the Village Board. (DISTRICT ALL)

***Text Amendments to Section 36.30 to 36.74 of Village Code
(230349)***

Amendments to the Renovation & Improvement Grant, Retail Business Grant, Restaurant Forgivable Loan Program, Business Relocation Grant, and Art Grant Programs (230367)

Second Amendment to the Business Retention Economic Incentive Policy (230368)

Downtown Grant Program(s) (230369)

Amendments are proposed to the existing policy/program elements and creation of new programs to provide for new downtown grant programs utilizing the Village's Economic Development Fund in lieu of the Lombard Downtown TIF Fund.

Heniff asked the ECDC members if all four of the items could be discussed concurrently, as there is a lot of inter-relationship between the actions. He also stated that the four reports given to the ECDC members are only for introductory and discussion purposes. A final request for action will occur at the December 11, 2023 ECDC meeting.

Starting with the text amendments to the Village Code, they are being offered to remove all references to the Downtown Lombard TIF District, clarifying the existing grant programs remain available for the St. Charles Road TIF 1 - West District and making all of the referenced

grants available within the St. Charles Road TIF 2 - East District. Additionally, in discussion with Village Counsel, instead of having some provisions within the Village Code and others within the companion grant policy, the Village Code would be amended to reference the Policy by name, but actual provisions would be solely located within the applicable Policy. As has been past practice, any Policy amendments would be brought before the ECDC for a recommendation and final approval would be made by the Village Board.

Regarding the various grant policies, a series of amendments are proposed, to provide general consistency between the programs as it pertains to matters such as applicability, application requirements, and payout provisions. As with the code amendments, these edits strike all references to the Lombard Downtown TIF District, adding the program eligibility to the St. Charles Road TIF- 2 East District properties for each of the applicable programs. He also noted that the Relocation Grant and Art grant programs are intended to remain for now even though they have not be used for the past 15 years. Whether they will be used in the future is a different policy question by the Village Board, so they not are being terminated at this time.

The proposed Second Amendment to the Economic Incentive Policy is being offered, as it references a new funding source for the Downtown area (the Village Economic Development Fund) in lieu of TIF funding. Within the proposed amendment, it will also note the former Downtown TIF properties as well as Lilacia Park as being eligible for grant eligibility.

Lastly, a new Downtown Grant is envisioned. Before this can be written by staff for ECDC consideration, discussion on the amendments to the three other actions is needed. He referenced some of the topics noted in the memorandum that will need to be addressed and incorporated into the new policy.

The ECDC members then discussed the proposed actions. McNicholas inquired about the lien provisions and the proposed “may be recorded” rather than the “shall be recorded”. Nielson also raised comments on this aspect as well. Heniff noted that the grant policies had slightly different wording, but the “may” term was intended to provide the ability for staff to record liens if warranted. Concerns were also offered about universal applicability and consistency, and the lien provision also provides due notice to a future property purchaser.

There could also be dollar amount provisions that could be incorporated into the language. Through discussion, the members generally felt that the “shall” term remain in the grant programs, where applicable. Heniff noted some lien desirability of grants that are tied to a business operation like the Retail Business Grant and Restaurant Forgivable Loan Programs.

Heniff said that additional review will be undertaken, and the matter will be brought back to the ECDC in December. If further amendments are offered, they will be so noted.

7.0 Other Business

Chairperson Puccio introduced the discussion regarding setting the ECDC meeting start time for 2024, and whether the ECDC would want to change the time to 6:00 pm. Amongst the attendees present, they were supportive of the change. Staff will follow up with the two other ECDC members not in attendance (Dillon, Vant Hoff) to note their preferences. Once adopted by the Village Board, this time change would start with the January 8, 2024 meeting.

8.0 Information Only

Referencing the Development Team Update, Nielsen inquired about leasing activity at Lilac Station. In response, Heniff stated that the buildout of the MOTW Coffee Shop continues, but nothing new to report on the other tenant spaces. Nielsen asked about parking spaces for the project, in response Heniff noted that the apartment units have their own below-grade parking, while the retail spaces share the 44-space surface lot. As with other downtown properties and businesses, the commuter parking spaces are available for general parking after 11:00 a.m. Currently there is more parking space supply rather than demand.

9.0 Adjournment

On a motion by Mr. Pike and a second by Mr. Ladle, the meeting adjourned at 7:55 p.m.