

Village of Lombard

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



Minutes

Monday, March 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.

After the Roll Call of the ECDC members was made, Chairperson Puccio stated that the Village received an email from Alan Bennett stating that he is resigning as a member of the ECDC. He also stated that he did have a telephone conversation with him. Chairperson Puccio informed the members of his intentions and thanked him for this service to the ECDC and the Village. Chairperson Puccio also noted that the Village has implemented a new policy to filling citizen committees and over the next few months, the formal process to fill the vacancy will be undertaken.

2.0 Roll Call

Present 6 - Anthony Puccio, Dennis McNicholas, Garrick Nielsen, Matthew Pike, Gregory Ladle, and Patrick Kennedy
Absent 3 - Paula Dillon, Laine Vant Hoff, and Alan Bennett

Also present: William Heniff, AICP, Director of Community Development

3.0 Public Participation

None

4.0 Approval of Minutes

A motion was made by Mr. Pike, seconded by Mr. McNicholas, that the minutes of the January 25, 2023 meeting were approved.

The motion carried by the following vote:

Aye: 5 - Anthony Puccio, Dennis McNicholas, Garrick Nielsen, Matthew Pike, and Patrick Kennedy
Abstain: 1 - Gregory Ladle
Absent: 3 - Paula Dillon, Laine Vant Hoff, and Alan Bennett

5.0 Unfinished Business

[220185](#)

Synergy Construction Group LLC and Pacific Retail Capital Partners (PRCP) Economic Incentive - March, 2023 Yorktown Reserve Update Memorandum

Status update and further discussion and consideration of an Economic Incentive request to provide performance based funding, based upon the following funding sources and eligible costs:

1. Butterfield Road/Yorktown Tax Increment Financing (TIF) funds to cover eligible performance based costs associated with the redevelopment of the property at 175 and 230 Yorktown Shopping Center (former Carson's anchor retail store and a portion of the existing JCPenney parking lot) for a two Phase multiple-family residential (apartment) redevelopment project, as provided through the Village of Lombard Economic Incentive Policy; and
2. Butterfield Road Yorktown Business District #2 funds to provide funding for the demolition and redevelopment of the existing Carson's anchor retail store with common area greenspace improvements and with associated parking and pedestrian enhancements, as well as requisite exterior mall construction activities, as provided for by the Village's Business Retention Economic Incentive Policy.

Staff is seeking further concurrence relative to the proposed incentive request, and in order to provide respective counsels time to complete proposed structure into the draft economic incentive agreement.

William Heniff reintroduced the pending economic incentive request by Synergy Construction Group LLC to the ECDC members and supplemented the discussion with a PowerPoint presentation. The presentation provided an update regarding the Yorktown Reserve project, including modifications to the incentive parameters.

He referenced past ECDC meetings on May 23, 2022 and September 12, 2022, in which the ECDC directed staff to develop an agreement for Village Board approval. Staff sought further concurrence relative to the request and the draft economic incentive agreement.

Specific updates since the last discussion included the filing for zoning entitlements to the Plan Commission on February 20, 2023. Reflective of market conditions, the residential unit count dropped from 714 to 621 units. The Plan Commission recommended approval subject to conditions.

As previously presented, there are two performance-based economic incentive funds - the Butterfield Yorktown Tax Increment Financing (TIF) District and the Butterfield Yorktown Business District #2 (BD #2). He noted the TIF fiscal components that remain unchanged and the incentive request refinements. Changes included additional engineering costs totaling \$4,075,073. Staff reviewed and finds that the latest EOPC is within the range of reasonableness and is generally defensible.

The September, 2022 Phase 1 project costs were adjusted slightly (\$12,148,004). Phase 2, the reimbursement request is increased to \$9,639,372 and is attributed to higher market interest rates, construction cost data, an additional carrying year for the Phase 2 construction activity.

A further Economic Incentive Policy (EIP) deviation is sought for the first four years of Phase 1. Synergy seeks and staff can justify up to 95% of performance based incremental property taxes. The remaining will be at the previously supported 75% levels. For Phase 2, the previously projected 65% levels is supported so that the development financing can be achieved at terms that will allow the project to proceed. Overall, the amended \$21,787,376 TIF incentive component (from \$20,756,501), computes to be 10.9% of the overall \$200,000,000 project costs.

The Commercial Open Space costs are not incorporated into Synergy's overall project costs. Carson's building demolition and site preparation is being funded through BD #2 sources. The BD#2 changes are attributable to site plan modifications and refined construction costs. Staff did not previously present the formal structure of the BD #2 reimbursement process. Upon completion of any prove-up provisions in the Agreement, the Village will reimburse the applicable parties with previously collected BD #2 funds since its inception in 2020. This figure is estimated to be in the \$4,400,000 to \$5,000,000 range and any additional BD #2 generated funds. Staff anticipates that this incentive component would still leave a substantial portion of future generated funds available (49%) for other projects within the geographical BD #2 area. He closed the presentation by referencing the Finance Department's ability to transfer funds between BD#2 and TIF if desired and the timeline for final consideration by the Village Board.

Phil Domenico of Synergy Construction concurred with the staff

presentation and noted their interest in the project, the engagement with Pacific Retail Capital Partners.

Mr. McNicholas asked about the public improvements and parking for the project. Mr. Heniff referenced the Plan commission discussions and the review of the project by the Village's traffic consultant. He also referenced the site improvements, including landscaping and pedestrian circulation, to create a neighborhood environment.

The ECDC members unanimously concurred with the proposed changes.

A motion was made by Matthew Pike, seconded by Dennis McNicholas, that this Development Project be approved by the committee. The motion carried by the following vote:

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

Absent: 3 - Paula Dillon, Laine Vant Hoff, and Alan Bennett

6.0 New Business

7.0 Other Business

8.0 Information Only

9.0 Adjournment

On a motion by Mr. Nielsen and a second by Mr. Pike the meeting adjourned at 7:38 p.m.