

Village of Lombard

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



Meeting Minutes

Wednesday, January 5, 2011

7:00 PM

Village Hall

Economic & Community Development Committee

*Trustee Bill Ware, Chairperson
Trustee Greg Gron- Co-Chairperson
Dennis McNicholas, Martin Carroll,
Garrick Nielsen, Jon Grant, Brenda Gannon
David Irion, Joe Glazier, Jr. & James Hogan
Staff Liaison: Bill Heniff*

1.0 Call to Order

The meeting was called to order by Chairperson Ware at 7:03 p.m.

2.0 Pledge of Allegiance

The Pledge of Allegiance was led by Chairperson Ware.

3.0 Roll Call

Present: Bill Ware, Dennis McNicholas, Jon Grant, Brenda Gannon, James W. Hogan, David Irion, Garrick Nielsen and Joe Glazier, Jr.

Absent: Greg Gron and Martin Carroll

Also present: William Heniff, AICP, Director of Community Development; Christopher Stilling, AICP, Assistant Director of Community Development; Karen Stonehouse, Executive Director of Lombard Town Centre; and Dan Whittington, President of Lombard Town Centre.

4.0 Public Participation

David Shuert, candidate for Trustee District 4 was in attendance for the meeting. Also in attendance were the following downtown property owners:

- o Art Frerichs*
- o Ken Moy*
- o Peter Garifalis*
- o Dan Harris*
- o Vernon Hammersmith*

5.0 Approval of Minutes

On a motion by McNicholas and seconded by Grant the minutes of the December 1, 2010 meeting were unanimously approved by the members present with one revision.

6.0 Unfinished Business

100463

Retail Grant Program Assessment

Request to review and recommend amendments to the Downtown Retail Business Grant Program.

Chairperson Ware introduced the item stating that at the last meeting, the Committee directed staff to invite the downtown property owners to discuss the proposed changes to the DRBG program. He then introduced staff for a presentation.

Mr. Stilling said at the last meeting, staff introduced several proposed revisions to the Downtown Retail Business Grant (DRBG) program for the Committee's consideration. He also mentioned that staff sent out notices to 63 commercial property owners within the Downtown TIF and TIF 1 West inviting them to the January 5, 2011 ECDC meeting.

Mr. Stilling went through staff's PowerPoint presentation providing background on the proposed changes. He highlighted the following key changes being proposed to the program:

- o Revised the DRBG program to allow 50% of the approved grant amount to be paid up front.
- o Created a provision which allows restaurants the ability to receive the full grant amount upfront (up to \$20,000), after improvements are completed.
- o A forgivable lien will be placed on the property to cover only the capital costs that are being reimbursed up front. 20% of the lien would be forgiven for every full year the business is in operation. In the event that a business was to close within the first 5 years, property owners will be given a 1 year grace period to find another tenant to fill the space. Once the space has been filled with a new tenant (retail or service), the remaining years left on the lien would be forgiven for every year that business remains open.
- o The remaining 50% of the grant amount approved will be paid out over a 5 year period (20%/year), so long as the business is in operation.
- o Staff has also clarified what is considered capital costs and soft costs. Staff suggests that soft costs be capped at 25% of the total eligible expenditures.
- o Program was revised to allow capital improvements made to a building within 18 months of an eligible business making a grant request for that tenant space may seek to include those capital costs as part of their grant request.

Chairperson Ware opened the meeting to the Committee for discussion. Several members provided some clarification on the provision related to allowing capital improvements made to a building within 18 months of an eligible business making a grant request

Mr. McNicholas suggested changing language on page 3 of the draft program policy.

Chairperson Ware asked the downtown property owners for their comments.

Vern Hammersmith, owner of 106 W St Charles, stated that he owned the property since 2006. He expressed a concern about the lien. He said existing owners already take a risk by leasing a property because the chances for failure of the business. He supports the proactive improvements prior to having a tenant. He ended by stating that he has an incentive to do something because he has a mortgage on the property.

Art Frerichs, owner of Arts Master Mechanics at 1 N Grace, expressed a concern about wasting money on landscaping. He said the downtown needs more foot traffic.

Ken Moy, owner of 13-15 S Park suggested that more foot traffic is needed to help spur new businesses downtown. He felt that the grant programs were not doing enough to help attract businesses. He also suggested that the Village should construct a parking garage.

Peter Garifalis, owner of Main Street Café, stated that he has owned the property since 1973. He suggested that more foot traffic is needed and something needs to be done differently.

Dan Harris, owner of 241 W St Charles, supports the grants and the restaurant provisions.

Following the discussion by the property owners, Mr. Grant provided some feedback he received from a property owner, Tom Masterson, who feels that the lien is unnecessary and that property owners should do their due diligence on a tenant.

Mr. Irion stated that businesses and property owners are making a big investment and the lien should not "make or break" a deal.

Karen Stonehouse suggested that the grant program be amended to allow resale shops as an eligible business.

Mr. McNicholas stated that there are several other properties outside that TIF that are successful in leasing their space without any grants.

Mr. Grant stated that he understands the need for the lien but is concerned about some of the logistics with it.

Mr. Hogan suggested that the payback for the lien should be spread out over 10 years or upon the sale of the property. Several of the members agreed with this concept.

Mr. McNicholas also suggested that the payback should come within 10 years or prior to the expiration of the TIF. He suggested that the Village legal counsel review this provision.

It was moved by Hogan, seconded by McNicholas, that this matter be recommended to the Board of Trustees for approval with an amendment to the lien provisions to spread out the payback to 10 years or upon the sale of the property. The motion carried by the following vote:

Aye: 6 - McNicholas, Gannon, Hogan, Irion, Nielsen and Glazier, Jr.

Nay: 1 - Grant

Absent: 2 - Greg Gron and Carroll

7.0 New Business

100701

Downtown Revitalization Project Guidebook

Request to consider the proposed development concept plans found in Chapters 1 and 2 and implementation strategies found in Chapter 7 as they pertain to adaptive building reuse and the preservation of buildings of historic and architectural significance.

Mr. Heniff provided background on the request and the downtown planning efforts to date. He stated that the ECDC should consider the proposed development concept plans (Chapters 1 & 2) and implementation strategies (Chapter 7) as they pertain to adaptive building reuse and the preservation of buildings of historic and architectural significance. The ECDC should also consider the financial impact of these sections on the Downtown TIF and St. Charles Road TIF 1 West.

Mr. McNicholas stated that the 101 S Main Street property is key and that any temporary improvements should not have duplicating expenses in the future. He said the use should cater to commuters.

Ms. Gannon supports the plan and stated the implementation is most important. She said she wants to see it happen now.

Mr. Irion commented on the branding and suggested that we get more people involved with making something happen now.

Mr. Nielsen referenced a recent book that he read called "Switch". He said the book talked about the importance of a grass roots effort to effectuate positive change. He said that we need to focus on what is right rather than what is wrong.

Mr. Grant agreed with the Committee's comments that something needs to be done now. He really likes the pedestrian underpass plan.

Mr. Hogan stated that he likes the plan, although he does not agree with all the development concepts. He said the downtown needs to be more pedestrian friendly and he supports the "road diet" concept.

Ms. Gannon suggested that an educational video be created to help explain and sell the plan.

The following is a summary of all the members' comments:

- o Members suggested that the Village should focus on the immediate actions. Items such as implementing the temporary use at the former DuPage Theater site or Main Street underpass improvements should be explored first.*
- o Members supported many of the transportation and pedestrian improvements such as mid block cross walks.*
- o Building upon the public input process, members suggested that the Village should increase the awareness of the plan and its recommendations.*
- o Members suggested that the Village explore a "Shop Local" campaign.*

100702

Lombard Town Centre - 6-Month Status Report

Presentation from Lombard Town Centre relative to their 6-month status report.

Discussion on this item was continued to the February 2, 2011 ECDC meeting.

8.0 Other Business

There was no other business.

9.0 Information Only

Development Update

Village staff provided an update to the Committee about recent development and business activities.

10.0 Adjournment

The meeting adjourned at 9:37 p.m.