


MEMORANDUM

TO: Anthony Puccio, Chairperson
Economic and Community Development Committee

FROM: William J. Heniff, AICP, Director of Community Development 

MEETING DATE: June 10, 2024

RE: **Prairie Food Co-op Business Retention Economic Incentive – Amended Request**

As the Economic & Community Development Committee (ECDC) members are aware, Prairie Food Co-op has secured a lease for a tenant space within the Eastgate Shopping Center, and they are proceeding with their proposal to establish a Co-op grocery store. The ECDC reviewed their submitted economic incentive request at the April 11, 2023 meeting (staff report attached) and unanimously recommended that PFC work with staff and Village Counsel on an Economic Incentive Agreement for future Village Board consideration, based upon the following elements:

1. Up to \$50,000 in eligible exterior signage, façade work and rooftop screening improvements;
2. Upon project completion, the Village building permit fee costs (estimated by PFC to be about \$10,000); and
3. A performance-based retail sales tax incentive for up to a period of up to ten (10) years, or until the requested \$300,000 generated sales tax performance cap is reached, whichever comes first. Recognizing that the requested sales tax component is intended to cover capital costs borne as part of the tenant improvements, PFC seeks a waterfall approach, in which higher percentages of reimbursement are made available at the start the reimbursement period (to address initial start-up costs) and with declining percentages for each subsequent year. The funding source would be from grocery sales tax proceeds collected by the State of Illinois and disbursed to the Village.

ACTION ITEMS SINCE MARCH, 2023

As previously represented, PFC has been diligently completing various project components over the past year. PFC is providing the ECDC with the following updated materials:

1. Memorandum to the ECDC regarding activities undertaken since March, 2023 regarding their project, funding efforts and project development.
2. An updated construction completion timeline.

- 3. The latest interior floorplan concepts.

To supplement their efforts, the Village has collaborated with the PFC in the following respects:

- 1. Federal Grant Funding: PFC secured a grant funding commitment in the amount of \$750,000. In 2023, as an obligation of the grant, the Village (as the designated Responsible Entity) worked with PFC to complete their requisite HUD federal funding application effort, which is a precursor step in order to allow for the release of federal grant funds.
- 2. Engagement with property owner North Companies and PFC relative to the precursor capital improvements, facilitating building permit issuance and inspection activities for the existing retail center shell modifications, building capital improvements (electrical, plumbing, HVAC and the like), all in an effort to allow PFC to proceed with permits for their individual tenant build out effort.
- 3. Staff prepared a talking points term-sheet and Village Counsel prepared a first draft of the economic incentive agreement for PFC review and PFC offered their initial comments, which were initially reviewed by the Village in December.
- 4. Worked with PFC on a neighborhood public meeting held in March for nearby residents to discuss the proposed activities and operations.

CHANGES TO SALES TAX REVENUE COMPONENT

The primary funding source for the previously identified \$300,000 sales tax incentive component. Currently, a one percent (1%) sales tax has been applied to applicable retail grocery purchases, which was collected by store operators, transmitted to the State, which would then distribute those proceeds to the municipality in which the sales was made. In early 2024, the Village was informed of pending legislation (HB 3144) that would significantly impact and/or eliminate the primary funding source for the previously identified \$300,000 sales tax incentive component. As of the writing of this memorandum and if approved as currently presented, this legislation would eliminate the statewide grocery tax, effective January 1, 2026.

Special Note: There are some items that would still be subject to state sales taxes that would be sold at PFC such as alcohol and other non-food items. Given the nature of the business and anticipated sales, PFC cannot offer definitive data as to how much of this sales component would be a part of their overall sales activity. However, for purposes of this incentive agreement, the concept would be that these items could still be a part of the incentive program as originally envisioned to be a part of the agreement.

PROPOSED AMENDED COMPONENTS AND OPTIONS

While not enacted yet, this action by the State would require a reconsideration of the previously contemplated Village incentive. Staff made PFC aware of this legislation and discussions with

PFC have occurred about approaches that could be undertaken to provide alternate funding availability through the Village under the following parameters, consistent with the Village's adopted policies:

1. Incentives shall be performance-based and not up-front grants. Performance based can be measured as a completion of:
 - a. an eligible permanent capital improvement or project in which expenses were paid for the improvements, improvements were undertaken, and the respective eligible business or property would be seeking a reimbursement of policy approved eligible costs, or
 - b. For eligible retail establishments, performance-based reimbursement through generated sales tax (like what was done for BlueStone/Thornton's or Mariano's) or a comparable performance metric as is being done for Heritage Cadillac). In these cases, if sales occur or increase through the successful business operations, the entity can receive a reimbursement.
 - c. Performance based increases can also pertain to increases in property EAV increases. However, in this application, a tenant buildout of an existing retail center would not have a material change on the future EAV in of itself.
2. Incentives should not be directly derived from the Village's General Fund, as those funds are intended to pay for essential services.
3. Incentives are available if located within a Business District, a TIF District or at a Key Development site if the Economic Development Fund is the funding source for the incentive.

Since funds can be considered fungible to an extent, staff has been contemplating what additional approaches could be taken to support the \$300,000 incentive concept gap, while being consistent with established policies. Staff cannot offer any representations that the gap can or would be filled through amended actions, nor is it not an obligation for the Village to do so, but the goal is to think creatively in this regard. Below are options be offered to the ECDC for consideration:

Retail Business Grant Element (\$20,000)

As previously noted, staff and the ECDC supported a \$50,000 incentive for the eligible exterior capital improvements for the project, consistent with the framework for a Retention & Improvement Grant. Consistent with another Village Program, the Retail Business Grant (RBG), this approach could be applied to this project as well. As the ECDC members are aware, the RBG is a 50%/50% matching program for eligible capital improvement for a retail business establishment, with a grant award cap of \$20,000. In further review of the project scope and

eligible costs for their tenant buildout, staff can represent that the projects costs and improvements being constructed could also meet this incentive component.

Including a Places for Eating Tax Component

The Village has established a Places For Eating Tax, which is levied on the gross receipts received for prepared food and beverages sold at retail. The amount of the tax is two percent (2%), and is placed on the owners of places for eating, who can pass the tax along to consumers. By adopted definition, "places for eating" is a place where prepared food and/or beverages are sold at retail for immediate consumption with seating provided on the premises, including any outdoor seating on the premises, whether the food or beverages are consumed on the premises or not." PFC is intending to have a sitting area in which customers can buy "fast-food" such as coffee, other drinks and items such as sandwiches other on-site prepared foods and the like. This would be an ancillary sales activity of the grocery store establishment. While the amount of sales tax that could be subject to this tax is uncertain and is subject to business operations, it would be a performance-based element that could be derived through the life of the Agreement. As such, staff could support its inclusion with a modified incentive component.

Adjusting the Proposed Waterfall

The ECDC supported the concept of a waterfall payout structure, in which higher percentages of funding could be reimbursed during the earlier years of the Agreement. Originally, the supported structure was as follows:

- *For twelve (12) months commencing the start of the first month following the first date of operation of the Business: One hundred percent (100%) of Municipal Sales Taxes and Food and Beverage Taxes;*
- *For months thirteen (13) to twenty-four (24): Ninety percent (90%) of Municipal Sales Taxes and the Food and Beverage Taxes generated by PFC;*
- *For months twenty-five (25) to thirty-six (36): Eighty percent (80%) of Municipal Sales Taxes generated by PFC;*
- *For months thirty-seven (37) to forty-eight (48): Seventy percent (70%) of Municipal Sales Taxes generated by PFC;*
- *For months forty-nine (49) to sixty (60): Sixty percent (60%) of Municipal Sales Taxes generated by PFC;*
- *For months sixty-one (61) to seventy-two (72): Fifty percent (50%) of Municipal Sales Taxes generated by PFC;*

- *For months seventy-three (73) to eighty-four (84): Forty percent (40%) of Municipal Sales Taxes generated by PFC;*
- *For months eighty-five (85) to ninety-six (96): Thirty percent (30%) of Municipal Sales Taxes generated by PFC;*
- *For months ninety-seven (97) to one hundred eight (108): Twenty percent (20%) of Municipal Sales Taxes generated by PFC; and,*
- *For months one hundred nine (109) to one hundred twenty (120): Ten percent (10%) of Municipal Sales Taxes generated by PFC.*

Payment would be made by the Village to PFC on a quarterly basis until PFC has received \$300,000; or ten (10) years from the commencement date.

An alternate approach for consideration could consist of providing for full reimbursement (100%) of derived and applicable sales taxes from the business until January 1, 2026.

Alternate Source if Established/Adopted

HB 3144 does include provisions for municipalities to be able to adopt grocery taxes. This is a larger policy question and its applicability for all establishments would need to be thoroughly vetted beyond the scope of this individual project. However, if an alternate funding source becomes available by State legislation or by Village Board action, the waterfall approach and cap provisions could be applied as originally structured (or depending on the future/alternate funding source), the respective funding percentages could be considered.

RECOMMENDATION

This item is being placed on the June 10, 2024 ECDC Agenda for discussion and consideration. Staff seeks a recommendation from the ECDC to direct staff to work with Prairie Food Co-op to prepare an amended Business Retention Economic Incentive Agreement approach, and considering the alternative funding approaches noted within the staff report.



837 S. Westmore Meyers Road, Suite A4-1, Lombard, IL 60148

MEMORANDUM

TO: Anthony Puccio
Chairperson, Economic and Community Development Committee

FROM: Leslee Keri, Board President, Prairie Food Co-op

DATE: May 30, 2024

RE: Prairie Food Co-op Business Retention Economic Incentive Agreement

In March 2023, Prairie Food Co-op submitted an economic incentive request for our retail grocery store within the Eastgate Shopping Center, located at 837 S. Westmore-Meyers Road. In that request, we noted the specific funding sources and anticipated expenses, including tenant improvement costs and start up costs, totalling about \$4,400,000. In response, the Village approved certain incentive components to cover:

1. Up to \$50,000 in eligible exterior signage, façade work and rooftop screening improvements;
2. The Village building permit fee costs; and
3. A performance-based waterfall structure retail sales tax incentive for up to a period of up to ten (10) years, or until the requested \$300,000 generated sales tax performance cap is reached, whichever comes first.

Business Retention Economic Incentive and Sales Tax Rebate Agreement

The specific terms and conditions have been outlined in the “Business Retention Economic Incentive and Sales Tax Rebate Agreement” (Incentive Agreement) provided by the Village in April 2023. Execution of this agreement has been pending final construction details, state and federal grant agreements, and most recently, a decision on HB3144 which includes the elimination of the state grocery tax.

On May 21, 2024, Prairie Food representatives met with Village representatives to discuss the terms of the Incentive Agreement and the status of Prairie Food Co-op.

Prairie Food Co-op remains committed to opening our community owned grocery store. This memo summarizes efforts completed over the last year which demonstrate forward progress towards the opening of Prairie Food Co-op.

Progress Update

Since March, Prairie Food Co-op has:

1. Finalized our Ends, Executive Expectations and Governance Policies to ensure that Prairie Food Board Members and future staff have clear policies under which to operate that align with the store's mission and values.
2. Coordinated tenant improvements with the landlord ensuring acceptable work, and holding the landlord accountable for remediating issues.
3. Initiated discussions with the Village to secure a liquor license. The addition of a new Class "GGGG" liquor license to accommodate Prairie Food Co-op's square footage is appreciated.
4. Hired a General Manager in August 2023.
5. Worked, in collaboration with the Village, to complete an Environmental Review per HUD as a condition of the federal grant.
6. Finalized the store design and engaged a signage vendor for tenant signage on the building facade in December 2023.
7. Submitted final construction documents to the Village and DuPage County Health Department in December 2023.
8. Conducted an Owner event at our tenant space to illustrate the design intent and show the progress being made on the project in February 2023. Over 150 Owners attended.
9. Received final permit approval from the Village and DuPage County Health Department in March 2024.
10. Held an open house event, in collaboration with the Village, inviting the communities neighboring Eastgate, to inform them of our project in April 2024.
11. Gathered an internal committee of PFC Owners to guide the co-op on artwork, info-graphics and final design touches for the interior of the store.
12. Hired a project manager in April 2024 to oversee construction and pre-store opening responsibilities.
13. Submitted the state and federal grant applications.
 - a. Award letter for \$750,000 received February 2024 from the Department of Housing and Urban Development (HUD)
 - b. Award letter for \$807,000 received March 2024 from the Illinois Department of Commerce and Economic Opportunity
14. With the state and federal award letters in hand, executed a construction agreement with Construction Manager, W.B. Olson. Prairie Food's project was publicly bid and bids were accepted on May 23, 2024. Construction is expected to start in June and conclude in October.
15. Overall project costs have increased since March 2024, primarily due to labor and equipment cost increases. The updated estimated project total is now \$5,000,000.
16. Annual Owners Meeting scheduled for June 8, 2024 at Lombard Commons. Presentations will include an update on the co-op, financial report, and construction plan update.



Capital Building Improvements

In March 2023, PFC identified several building improvements to improve the base building and beautify the exterior. The \$669,700 investment was itemized as follows:

Expense Item	Estimated Cost	Fund Source
Exterior Signage	\$20,000	50% Village Grant
Facade Work	\$40,000	50% Village Grant
Rooftop Screening	\$60,000	50% Village Grant
Front Curb Patio Extension	\$12,000	State Grant
Trash Enclosure and Gate	\$5,500	State Grant
Electric Switchgear	\$100,000	State Grant
New Roof Top Units (HVAC)	\$225,000	50% Federal Grant 50% LL Contribution
Bring building envelope up to current Energy Code Requirements (roof + perimeter walls)	\$101,200	LL Contribution
Bring building restrooms up to current ADA code (demolish & rebuild)	\$100,000	LL Contribution
Site Demo	\$6,000	LL Contribution

On a reimbursement basis, the Landlord will contribute \$100K towards the roof top units and switchgear replacement in addition to \$207,000 towards general building updates. The Landlord contribution is scheduled to cover costs incurred by PFC upfront associated with bringing the base building up to current building codes.

As of the date of this memo, these improvement items are still included in the project plan but costs are shown as of March 2023. As construction plans become finalized it is expected final costs will meet or exceed these estimated figures.

Store Opening

Once construction is complete, it is expected that an additional five-to-seven weeks will be necessary before we can open our doors to the public. During this time we will set the shelves and stock the store, notify all of our local vendors to bring in their products, and hire and train the staff. We will also be installing the network equipment and POS system. Based on this timeframe, an opening date is estimated to be November 2024.



Membership and Outreach

While anyone can shop at Prairie Food Co-op, owners have a vested interest in shopping at and supporting their own grocery store. Since March, more than 100 individuals in Lombard and surrounding communities have become Owners, resulting in over 1860 founding owners. As we start construction and approach store opening, community events and outreach efforts will increase, raising awareness of the new grocery store coming to Lombard. We expect this to engage our community, building excitement and increasing the number of new owners.

The Prairie Food Co-op Board, on behalf of its owners, appreciates the Village's continued support. Founded on cooperative principles, we understand the benefit of working collaboratively with strong partners in support of a shared goal - to continually improve the Village of Lombard. Our grocery store will not only be a destination for our community to access locally and sustainably grown food, but also serve as a hub for building community relationships. Any additional incentives will further support Prairie Food's development efforts and help to ensure long-term success. In the event the grocery tax is eliminated, we welcome discussions, now or in the future, on alternative performance based incentives.

Sincerely,

A handwritten signature in black ink that reads "Leslee Keri". The signature is written in a cursive, flowing style.

Leslee Keri
Board President, Prairie Food Co-op

Attachments

Preliminary Construction Schedule
Prairie Food Co-op Pro Forma Uses Summary
Store Renderings

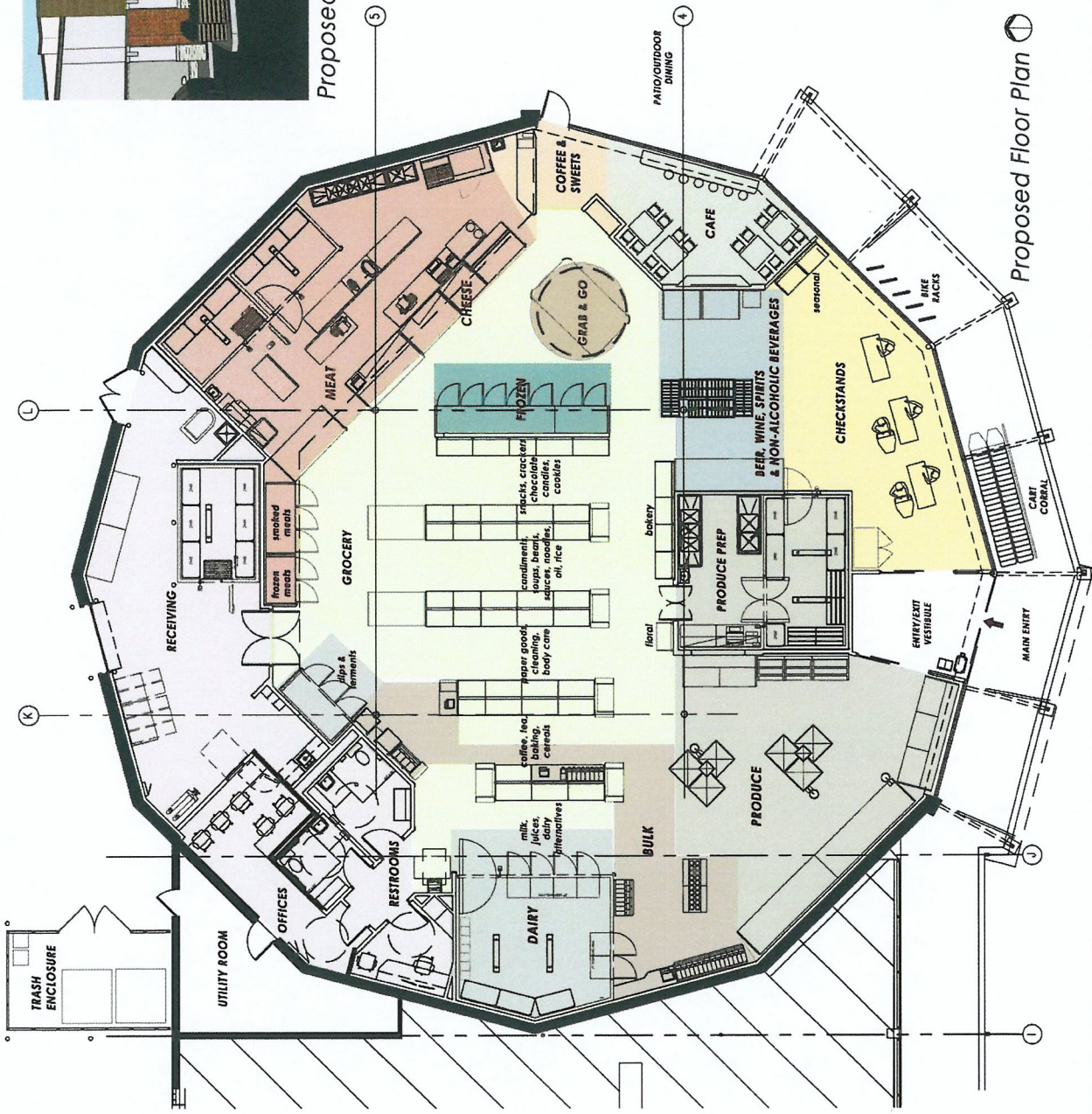
PRAIRIE FOOD CO-OP PRO FORIMA USES

Leasehold Improvements	2,503,284	49.77%	
Equipment	918,856	18.27%	
Inventory	226,368	4.50%	
Fees	210,999	4.20%	Includes consultants, architect/engineer, store design, legal, financing, environmental, misc. Fees are initially estimated at 10% of above Uses.
Start-up promotion	27,000	0.54%	Allows for promotion before opening day. Equivalent to 3 months of Year 1 promotions budget added on.
Start-up staffing	200,000	3.98%	Initially estimated as 1/12 of Year 1 labor (25% of sales) + salary/benefits for G.M. for one year before opening
Operating/Admin prior to opening	371,000	7.38%	Basic expenses incurred from 2012 until store opening
Holding/Site Costs	78,600	1.56%	Lease deposit, if required, plus option/rent/taxes/ins/CAM/utilities before opening (calculated as 6 months rent, no CAM)
Interest during project	15,000	0.30%	millions of debt at blended interest of 5% for 6 months at 50% avg. draw
Post-Opening professional support	0	0.00%	Set aside for consulting support to develop operating systems and provide support in Year 1
Working Capital allowance	448,493	8.92%	of Year 1 sales to provide operating funds until positive cash flow
Subtotal Uses	4,999,600	99.40%	
Overrun Allocation	30,000	0.60%	Initially calculated at 15% of subtotal. Lowered to no lower than 10% as estimated costs become firm. 50% allocated equipment; 50% leasehold improvements. PFC TI includes 5% overrun contingency.
Total Uses	5,029,600	100.00%	

As of June 2024



Proposed Exterior View of Store



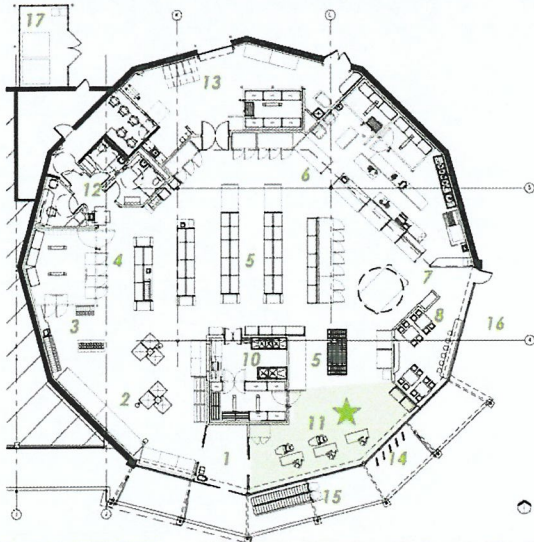
Proposed Floor Plan



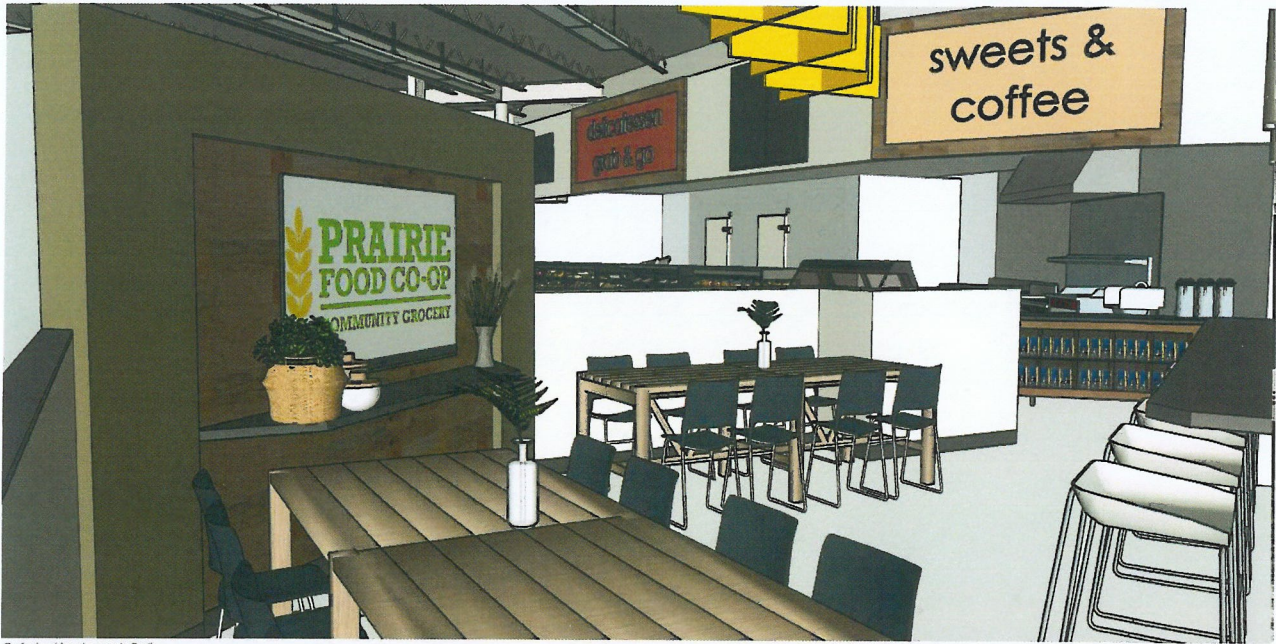
Checkstands- looking towards parking lot



Checkstands looking towards Deli



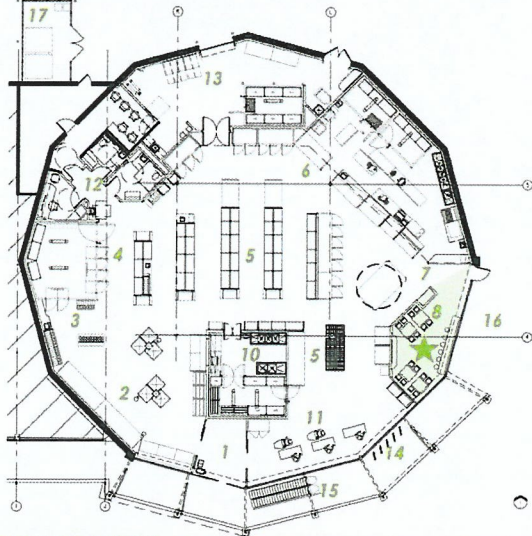
- Floor Plan Key**
- 1. Entry/Exit Vestibule
 - 2. Produce
 - 3. Bulk
 - 4. Dairy
 - 5. Grocery
 - 6. Meats, Cheese & Deli
 - 7. Coffee & Sweets
 - 8. Cafe
 - 9. Beer, Wine & Spirits
 - 10. Produce Prep
 - 11. Checkstands
 - 12. Offices/Restrooms
 - 13. Receiving
 - 14. Bike Racks
 - 15. Cart Corral
 - 16. Patio Area
 - 17. Trash Enclosure



Cafe looking towards Deli



Cafe looking towards Check-Outs



Floor Plan Key

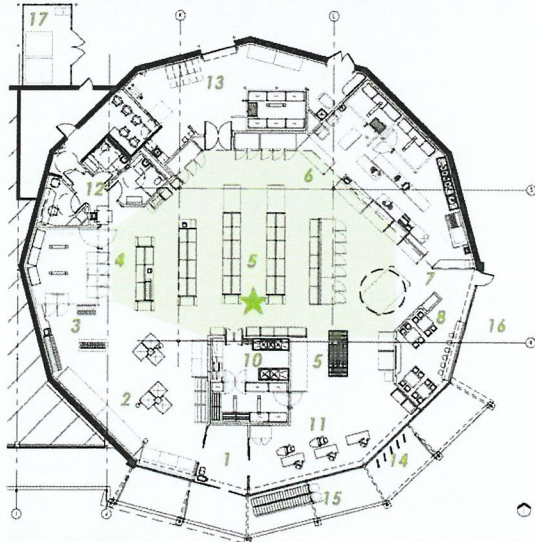
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Overview of Grocery Aisles



Overview of Grocery Aisles



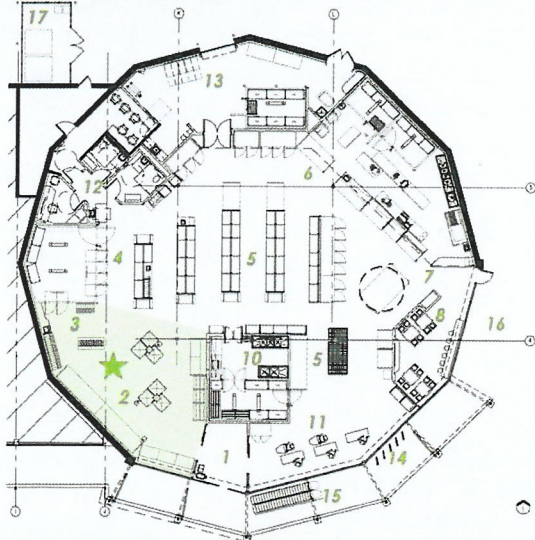
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 11. Checkstands
 12. Offices/Restrooms
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 14. Bike Racks
 15. Car Corral
 16. Patio Area
 17. Trash Enclosure



Produce- looking towards entry door



Produce- looking towards Bulk and Dairy




Floor Plan Key

- 1. Entry/Exit Vestibule
- 2. Produce
- 3. Bulk
- 4. Dairy
- 5. Grocery
- 6. Meats, Cheese & Deli
- 7. Coffee & Sweets
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MEMORANDUM

TO: Anthony Puccio, Chairperson
Economic and Community Development Committee

FROM: William J. Heniff, AICP, Director of Community Development 

MEETING DATE: April 11, 2023

RE: **Prairie Food Co-op Business Retention Economic Incentive Request**

The Village received an economic incentive request from Prairie Food Co-op (PFC) for their proposed retail grocery store within the Eastgate Shopping Center, located at 837 S. Westmore-Meyers Road. The tenant space is located between the existing Ace Hardware store and the to-be relocated State of Illinois Secretary of State Driver's License Facility. This request is being brought to the Economic & Community Development Committee for incentive consideration.

PROJECT COMPONENTS

PFC seeks to make significant capital investments to the interior and exterior tenant space and adjacent outside sidewalk, seating areas and landscape islands. Such improvements will provide for the development and operation of a co-op retail grocery store. Some of these improvements will also bring the tenant space up to current building code requirements.

PFC has indicated that their tenant improvement costs and start-up costs are anticipated to be about \$4,400,000. PFC secured grant funding through the Federal government (\$750,000) and the State of Illinois (\$807,000) to assist in their funding effort. Supplementing existing PFC funding reserves, landlord contributions (tenant allowances), share sales and companion bank loan and private commitments, PFC is also seeking assistance from the Village to facilitate the project.

PFC identified advance extraordinary costs associated with the tenant improvements which serves as the basis for a Village incentive request:

Expense Item	Cost	Fund Source
Exterior Signage	\$ 20,000	50% Village Grant
Facade Work	\$ 40,000	50% Village Grant
Rooftop Screening	\$ 60,000	50% Village Grant
Front Curb Patio Extension	\$ 12,000	State Grant
Trash Enclosure and Gate	\$ 5,500	State Grant
Electric Switchgear	\$100,000	State Grant
New Roof Top Units	\$225,000	50% Federal Grant & 50% LL Contribution
Bring building envelope up to current Energy Code (roof + perimeter walls)	\$101,200	Landlord Contribution
Bring restrooms to ADA Code (demolish & rebuild)	\$100,000	Landlord Contribution
Site Demo	\$ 6,000	Landlord Contribution
Total:	\$669,700	

The Landlord/Property Owner is contributing \$100,000 toward the rooftop unit (RTU) and Switchgear replacements and also contributing \$207,000 toward general building updates; all of which are on a tenant reimbursement basis. The landlord advance contributions are intended to cover costs associated with bringing the tenant space up to current Building Codes. Any Village incentive is intended to go solely to the PFC (not unlike some downtown improvement grants).

INCENTIVE COMPONENTS

The seeking a Business Retention Economic Incentive would cover:

1. Up to \$50,000 in eligible exterior signage, façade work and rooftop screening improvements;
2. The Village building permit fee costs (estimated by PFC to be about \$10,000).
3. PFC is also seeking a performance-based retail sales tax incentive for up to a period of up to ten (10) years, or until the requested \$300,000 generated sales tax performance cap is reached, whichever comes first. Recognizing that the requested sales tax component is intended to cover capital costs borne as part of the tenant improvements, PFC seeks a waterfall approach, in which higher percentages of reimbursement are made available at the start the reimbursement period (to address initial start-up costs) and with declining percentages for each subsequent year.

Assuming satisfactory completion of the project construction and issuance of a Final Certificate of Occupancy/Zoning Certificate for the leased premises, PFC would be eligible to receive funds for identified and approved construction costs from the following sources:

Economic Development Fund

For the proposed and applicable tenant façade improvements, up to \$50,000 in funds will be made available from the Village's established Economic Development Fund (EDF). Upon completion of the eligible improvements, submittal of waivers of lien and issuance of the Final Certificate of Occupancy/Zoning Certificate for the leased premises, the Village shall reimburse PFC for the façade, signage and screening improvements.

For the requested Village permit fees for the tenant improvements, reimbursement funds would also be from the EDF upon issuance of the Final Certificate of Occupancy/Zoning Certificate. While the PFC requested a request total of \$10,000 or the actual permit cost, staff would recommend that the final agreement simply state the incurred Village building permit cost.

Sales Tax Components

Sales taxes to be rebated shall include Municipal Use and Retail Occupation Taxes distributed to the Village by the Illinois Department of Revenue, currently established at a 1% rate. Provided that PFC has satisfied the tenant improvement requirements, the Village would rebate to PFC a defined percentage of the sales taxes generated from the retail operations at the subject property commencing the first month after the date of the opening, for a period of up to ten (10) years from the first date in which applicable retail sales taxes are collected, or the payment by the Village of

\$300,000 of applicable retail sales tax generated by PFC, and received by the Village for the State of Illinois at the leased premises, whichever occurs first.

PFC sought other incentive request approaches to assist in their project financing. PFC and Village staff are aware of a grant structure approved by the City of Bloomington, IL. In that case, an incentive agreement was approved by the Bloomington City Council that set a performance-based waterfall structure for a co-op grocery store rebate (Green Top Grocery), that would be as follows:

- For twelve (12) months commencing the start of the first month following the first date of operation of the Business: One hundred percent (100%) of Municipal Sales Taxes and Food and Beverage Taxes;
- For months thirteen (13) to twenty-four (24): Ninety percent (90%) of Municipal Sales Taxes and the Food and Beverage Taxes generated by PFC;
- For months twenty-five (25) to thirty-six (36): Eighty percent (80%) of Municipal Sales Taxes generated by PFC;
- For months thirty-seven (37) to forty-eight (48): Seventy percent (70%) of Municipal Sales Taxes generated by PFC;
- For months forty-nine (49) to sixty (60): Sixty percent (60%) of Municipal Sales Taxes generated by PFC;
- For months sixty-one (61) to seventy-two (72): Fifty percent (50%) of Municipal Sales Taxes generated by PFC;
- For months seventy-three (73) to eighty-four (84): Forty percent (40%) of Municipal Sales Taxes generated by PFC;
- For months eighty-five (85) to ninety-six (96): Thirty percent (30%) of Municipal Sales Taxes generated by PFC;
- For months ninety-seven (97) to one hundred eight (108): Twenty percent (20%) of Municipal Sales Taxes generated by PFC; and,
- For months one hundred nine (109) to one hundred twenty (120): Ten percent (10%) of Municipal Sales Taxes generated by PFC.

Payment would be made by the Village to PFC on a quarterly basis until PFC has received \$300,000; or ten (10) years from the commencement date. The concept is not dissimilar to the Village's TIF Restaurant Forgivable Loan Program in that it is performance based (i.e., the business must be open and operating) in order to maximize the potential incentive. Also it follows the general incentive policy concept of help ensuring that the Village receives 50% or more of the generates sales tax dollars of the life of the agreement. It also follows the 10-year target period for an incentive.

Authority to Consider Such Agreements and Incentives

The ECDC will recall past discussions regarding sales tax incentives. Pursuant to 65 ILCS 5/8-1-2, the appropriation of public funds for economic development is a proper public purpose for the use of public funds. The Village has the authority to enter into contractual agreements with third parties (in this case, PFC) for the purpose of achieving economic agreements in the best interests of the Village.

1. The Village adopted policies to provide funding for qualifying business retention and economic development incentive activities:
 - a. Ordinance 7990, adopted October 21, 2021, establishing an Economic Development Fund providing a Village funding source associated with business retention activities.
 - b. Ordinance 7991, adopted October 21, 2021, amending the Village's Financial Policies pertaining to the Year-End General Fund Reserve Maintenance Policy, providing for an Economic Development Fund Reserve.
 - c. Ordinance 7992, adopted October 21, 2021, which established a Business Retention Economic Incentive Policy for eligible business retention activities.
 - d. Ordinance 8051, adopted April 21, 2022, which amended the Business Retention Economic Incentive Policy to include the Subject Property as a key development site and eligible business retention activities.
2. The Village and PFC will confirm eligibility requirements to be considered for an economic incentive will be met.
3. If approved, the Village finds that the PFC tenancy with the incentive request:
 - a. is expected to maintain or create job opportunities within the Village,
 - b. will serve to stabilize the retail strength and commercial tenancies within the Eastgate Shopping Center,
 - c. will stabilize and/or strengthen the tax base of the Village; and

- d. without the incentive, the capital investment associated with the PFC tenancy would otherwise not occur or be fully realized (a “but-for” standard).

OTHER PERFORMANCE MEASUREMENTS

As a Business Retention Economic Incentive Agreement for a Key Development Site, there are other components that would make up a part of the incentive justification, including:

Capital Investment & Reimbursement

PFC identifies the budget costs for their proposed site improvements in generic terms, as they have not finalized project construction costs and any such estimates are still subject to significant changes given supply chain and increasing labor and material costs. However, if the project costs are higher, that in of itself would not change the Village’s portion of the incentive request.

To address this approach, staff offers a blended approach that the Village has used with various other incentive programs, in the following manner:

- The structure of an Agreement is approved between PFC and the Village.
- PFC will provide the Village with the project construction plans and associated construction costs at the time the plan set is being considered for a construction contract award and/or building permit submittal. Building staff has been meeting with the PFC project team to discuss the project components and some cost considerations.
- PFC undertakes the building and site improvements per the submitted plans. Similar to other incentive grants, while construction work can start upon issuance of a building permit from the Village, construction start and completion dates can be added to an agreement. Force majeure language provisions or timing issues from other governmental sources may be incorporated if needed.
- Upon completion of the work, deemed to be approval of a Certificate of Occupancy/Zoning Certificate, PFC will provide the Village with the final paid construction costs and any applicable waivers of lien. This would allow for the reimbursement of the \$50,000 construction portion of the Village incentive and the permit “credit” incentive.
- The issuance of the Certificate of Occupancy/Zoning Certificate and store opening shall then set the timeline for the “start date” for the sales tax component of the incentive.

This blended approach helps ensure that known and documented capital investment, a primary purpose for the incentive, is tied to any release of Village funds and confirming the performance based and “no up-front costs” policy component of incentives.

Property Valuations

Key site redevelopment projects can prevent commercial vacancies on the property as well as with a given corridor. In this case, the PFC tenant space has been vacant for an extended period. Completion of the improvements may slightly increase the property EAV, but most importantly any assessor vacancy reductions for commercial properties is reduced or eliminated.

Other Benchmarks/Performance Standards

Staff would also work with PFC to finalize incentive terms in an agreement to address performance measures. Typically, these include such items as:

1. If PFC ceases to operate its retail grocery store on the Subject Property, the retail sales tax reimbursement obligation by the Village shall also terminate.
2. The Village would not make a guarantee that the sales tax portion of the incentive being offered will be fully realized by PFC at end of the life of the agreement.
3. Other typical and requisite language associated with sales tax agreements which are required by State Statutes will be incorporated into the Agreement including: 65 ILCS 5/8-11-20 (requirements to municipalities entering into economic incentive agreements) and other applicable sections of State Statutes and the Village adopted Economic Development Policies, hold harmless provisions and the like. Further discussions may be required in order to coordinate other governmental grant requirements.

Lastly, the compliance measures for an Economic Incentive are attached as Appendix A.

RECOMMENDATION

Staff seeks a recommendation from the ECDC to direct staff to work with Prairie Food Co-op to prepare a Business Retention Economic Incentive Agreement for a Key Development Site at Eastgate Shopping Center for future Village Board consideration.

APPENDIX A
COMPLIANCE WITH LOMBARD ECONOMIC INCENTIVE POLICY FOR KEY
DEVELOPMENT SITES
(BUSINESS RETENTION, EXPANSION & TRANSFORMATION)

Statutory authority for the Village to establish economic incentive policies, including a Business Retention Economic Incentive Policy is provided by State Statutes (65 ILCS 5/8-1-2.5).

The Village Board adopted a Business Retention Policy and Economic Development Fund in October, 2021, and supplemented in May, 2022 for Eastgate Shopping Center, to help address selected properties and projects meeting defined criteria. The Policy aims to ensure that existing sales tax revenues, which contributes to paying for all municipal government services, are maintained or even strengthened in the immediate and possibly longer-term. The Policy attempts to meet the Village Board's stated goal to "continue to expand economic development strategies to attract, maintain or expand business opportunities within the community, to include creating innovative solutions to fill commercial vacancies and innovative solutions to vacant lot development." It also sets a negotiating framework for staff, Village officials, and the business community to address business retention and transformative projects that may stabilize or strengthen retail business activity.

In review of the PFC request, below are the policy statements (in italics) with a staff offers a response narrative:

General Statement: Incentives to advance retail sales tax business innovation and technology adaptation to meet anticipated future market demands.

Response: The proposed capital investment is being sought to meet future anticipated market demand and incorporate a business use sector (co-op retail grocery store) that does not exist in the Lombard retail market. This ongoing and emerging land use type attempts to meet demand in an innovative manner that would generally not directly cannibalize other local retail activities.

Goals and Policy Statements

1. *Given current statutory limitations, such retention and transformational programs would not rely upon the issuance of bonds or other financial constraining tools by the Village. However, program funding shall be primarily based upon existing and projected revenues within the proposed Lombard Economic Development Fund. The Village's non-home sales tax designated for capital improvements is specifically not to be eligible as part of an incentive.*

Response: The incentive request would be paid out of the EDF and through performance based generated sales tax rebates.

2. *Eligible businesses must undertake a significant capital investment to improve or expand their facility/business and meet one of the two following categories:*

- a. *Be located within an identified Key Development Site, as approved by the Village; or*
- b. *Identified as being among the Top 25 retail sales tax generating businesses during one of the preceding three years.*

Response: PFC meets this threshold for an incentive as noted in sub-section a above.

3. *Developers and businesses are strongly encouraged to discuss their projects with staff prior to seeking approval of any incentives. This step is critical to determine incentive need, market conditions and level of resources that may be needed to meet desired outcomes. Such engagement may also require engagement with the Village's economic development consultant team – to that end, disclosure of relevant documents and data to determine incentive appropriateness should be expected.*

Response: Staff has been working with PFC on their business and development concept over the past decade, as the ECDC members are aware. Discussions relative to the Eastgate Shopping Center site have occurred of the past several months, both in terms of an incentive as well as general construction activity. The request is a culmination of this effort.

4. *All discretionary incentives shall still be subject to a "but for" component. There should be a finding by the Village that the project and the incentive is necessary for retention or stabilization purposes, otherwise it could:*
 - a. *result in a business relocating outside the Village or significantly curtailing operations,*
 - b. *create an adversely negative financial impact upon the Village's ability to perform essential services at acceptable levels, or*
 - c. *result in costs being borne to Village residents or businesses, through the Village's General Fund or other discretionary funds.*

Response: The incentive is intended to meet the standards of a "but for" provision, to maximize the ability for PFC to meet the intended structure of an effective co-op grocery store. The state and federal incentives supplement the Village's requested contribution in order to achieve longer term sustainability for PFC and strengthen the overall center itself.

5. *Incentives will be granted only at the level necessary to stabilize an existing business, business corridor or enhance the project's growth and generation of additional sales tax dollars.*

Response: The proposed incentive is intended to address the parameters identified in the report.

6. *Preference shall be given to projects in which sales taxes or revenues historically received by the Village will not be reduced below the base year of any incentive, as established by the individual redevelopment plans, after an incentive is approved.*

Response: The incentive is intended to meet this provision, as the EDF reserve is independent of the General Fund Reserve. It is envisioned that the unique business type will be a catalyst for an influx of dollars to the Village over time.

7. *The Village will not waive permit or development fees, if applicable, but such fees may be considered as part of the overall pro-forma of the overall construction/development cost that can be used as a basis for an incentive, or if the Village determines that including the permit costs in the incentive creates a net economic benefit to the Village.*

Response: No fee waivers are intended to be a part of this incentive, but rather such fees and the reimbursement would be a part of the performance-based incentive and would be covered by the EDF.

8. *All projects receiving incentives must be consistent with adopted Village plans and must comply with all federal regulations, State Statutes and adopted Village codes.*

Response: The intent is that the incented project will meet this provision.

9. *To the greatest extent possible, incentives shall have a performance-based element to measure the success of an incentive. While such measure may or may not be directly related to the sales tax dollars generated for a business, each project shall identify proper metrics for determining the specific measures in which performance-based measure shall be measured against. Such measures can include sources beyond sales tax data and can include impacts upon Equalized Assessed Valuations (EAV) data and other generated tax revenues.*

Response: As previously noted, the incentive is intended to provide additional business activity in a center that has not performed to significant performance level in years. Such building improvements and business activity are intended to help change that past condition.

10. *The Village shall require periodic reporting evidencing compliance with the requirements of the program and measuring the specific and overall economic benefit to the community.*

Response: This provision and the reporting functions will be placed within the agreement, similar in structure to what the Village has done in the past.

11. *To the greatest extent possible, the Village should continue to receive the first revenues generated by a project. This can include revenues that are currently received by the Village for existing or past sales tax generations, the costs of performing municipal services anticipated by the project as well as any incidental administrative costs.*

Response: As proposed, the reimbursement structure will be sales tax rebate driven. The derived sales revenues will be collected and allocated into the General Fund. The proposed project is not envisioned to create any additional increases in direct service levels and the business operations would be largely unchanged and the indirect Village costs would generally be associated with the administration of the agreement and its negotiated terms.

12. *Retention incentives should be established in such a manner that the greatest percentages of Village reimbursement shall be based off of existing revenues, with the possibility of an increase in the amounts based upon satisfactory compliance and performance of the*

business establishment. Such percentage should be readily identified as part of any agreement.

Response: The agreement will meet these provisions.

13. *A project will be more favorably reviewed if the retention or transformative project:*
- a. *represents significant private-sector financial capital investment above current conditions;*
 - b. *promotes a higher and better use of the property as determined by the Village through its adopted plans;*
 - c. *provides a positive fiscal and economic impact to the Village;*
 - d. *adds new and unique retail business tenants to the Lombard market;*
 - e. *mitigates any potential negative impacts to the surrounding area;*
 - f. *closes an existing leakage in retail sales tax dollars within the Village; or*
 - g. *addresses impacts of consumer expenditure cannibalization, or in the reverse, the impact of the loss of the business in its entirety on remaining Village businesses.*

Response: PFC intends to meet each of these stated goals and will fill a unique market niche as previously noted. The capital improvements to be undertaken by the landlord represent a significant investment in the center; the investment is consistent with the Village's Comprehensive Plan commercial land use designation, creates investment in a long-vacant tenant space that provided little Village benefit, bring a unique retail land use to the community, the capital improvements will improve the center's aesthetics and minimize negative impacts to adjacent nonresidential properties through additional screening and landscaping, would reduce leakages for those individuals seeking to patronize co-op grocery store establishments; and given the unique nature of the grocery store concept, cannibalization impacts would be minimal or nonexistent.

14. *Each agreement will be considered individually, based solely upon the merits of the project as defined at the time of the agreement consideration. No previous proposal or agreement should be considered as a precedent for the consideration of other projects.*

Response: While economic incentives have been offered and implemented for other grocery store concept and retail business activities, the uniqueness of PFC does separate it from other such agreements.

15. *As with all of the Village's Economic Incentive Policies, this Policy is not a property owner or business entitlement, or a commitment to spend on behalf of the Village but rather, any incentive is subject to availability of funds and is subject to review and sole discretion by the Village.*

Response: Assuming implementation of the EDF, there will be escrow fund components to meet the incentive request.



Mar 30, 2023

William J. Heniff
Director of Community Development
Village of Lombard
255 E. Wilson Avenue
Lombard, IL 60148

Dear Mr. Heniff:

The purpose of this letter is to demonstrate Prairie Food Co-op's eligibility for economic assistance from the Village of Lombard.

Project Background

As the first and only food co-op in DuPage County, Prairie Food Co-op will be a destination grocery store, drawing values-driven shoppers from across the county and beyond to Lombard where they will discover their connection to local farmers and producers and foster a thriving, interconnected economy. Per our 2022 professional market study, Prairie Food Co-op anticipates \$5M in annual sales and, like all Co-ops, due to prioritization of local sourcing will generate an additional \$8M in local economic activity in the surrounding region. Grocery shoppers will visit Lombard regularly and expand their purchases beyond the co-op. Dozens of Lombard businesses have invested in PFC for this reason.

Project Location

Prairie Food Co-op will be located at 837 S. Westmore-Meyers Rd in Lombard located in the Eastgate Shopping Center. The expectation is for Prairie Food Co-op to open between Fall 2023 and Q1 2024. The funding model for this project coupled with lingering Covid supply chain issues and labor shortages add complexity to project planning.

The location of the project falls within the boundaries of the Village's First Amendment to Ordinance 8051 Approving Lombard Business Retention Econ Incentive Policy as approved in April 2022.

Corporate Ownership Structure

Rather than ownership by a single corporation or proprietor, Prairie Food Co-op has over 1700 Owners from across DuPage County who are committed to the co-op's success. Prairie Food Co-op Owners include 65 small business owners, 15 Elected Officials in the Illinois House of Representatives, DuPage County Board, DuPage Forest Preserve, and area school boards, leaders from 9 local churches, staff at local food pantries and Northern IL Food Bank, and volunteers at



many nonprofits dedicated to food insecurity, environmental advocacy, health, education, and cultivating community.

This request is being made on behalf of Prairie Food Co-op and its 1700+ Owners.

Tenant Lease Terms

Premises: Eastgate Shopping Center, 837 S. Westmore-Meyers Road, Unit A4, consisting of approximately 7,860 rentable square feet

Term: Ten (10) Lease Years, with Four (4) renewal options, each for a period of Five (5) years

Security Deposit: \$78,600.00

Landlord: Rezin Family Investments, LLC, an Illinois limited liability company and Illinois Holdings (USA), Inc., an Illinois corporation, as tenants-in-common

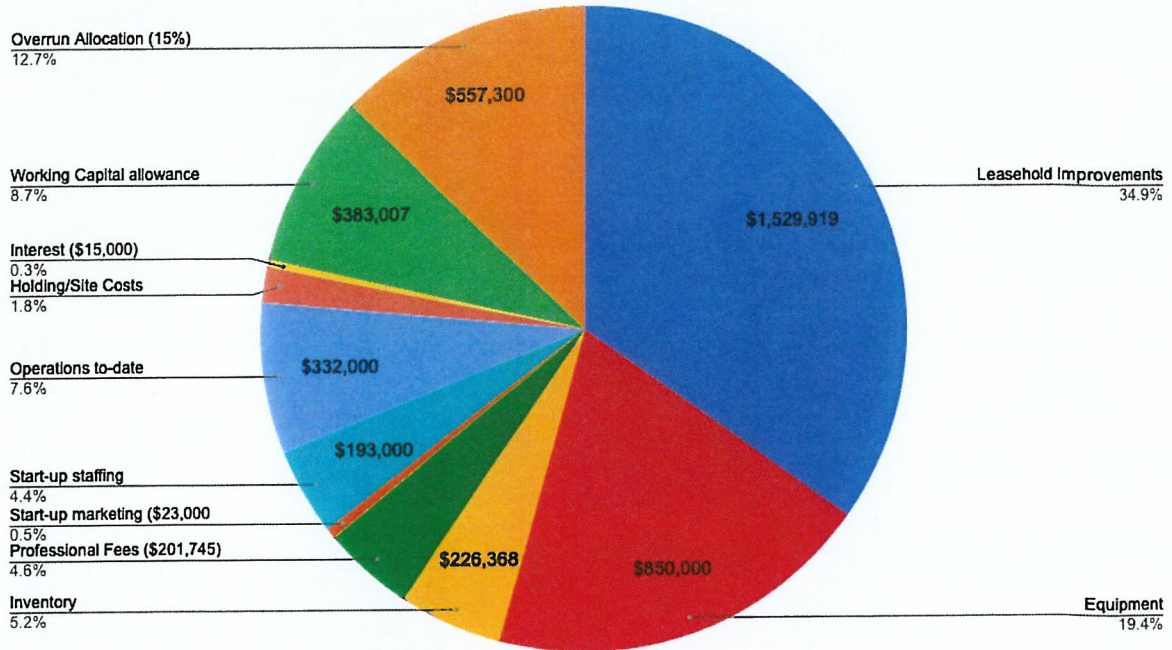
Tenant: Prairie Food Co-Op, an Illinois corporation

Permitted Use: Full-service grocery store (including the sale of beer, wine and liquor pending permits and approvals), and all lawful uses incidental thereto.

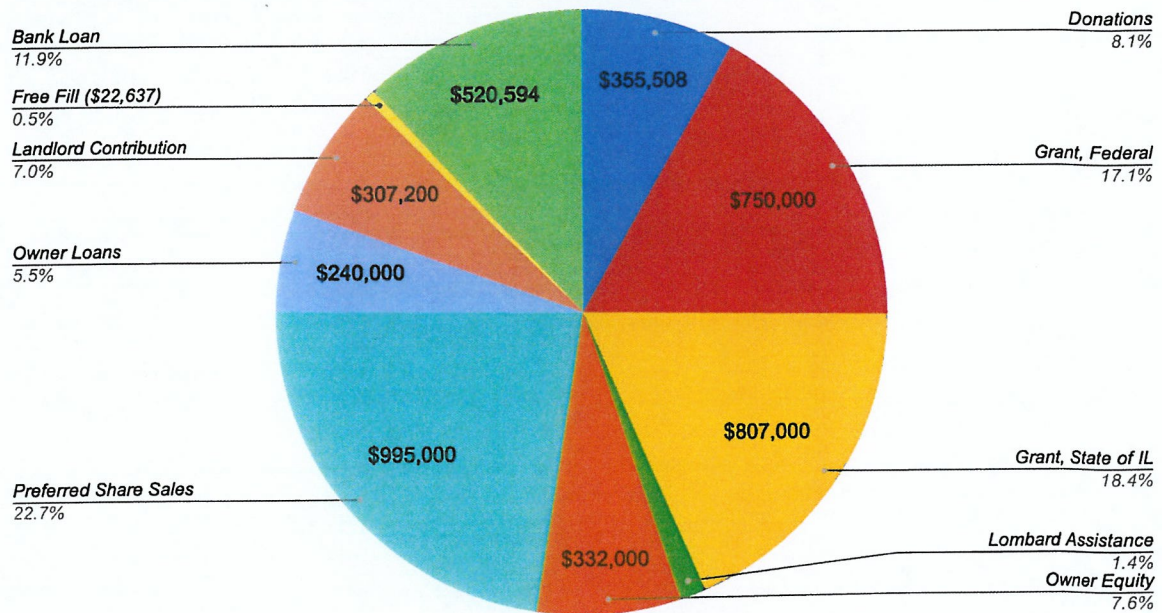
Project Funding Sources and Uses

The overall project cost is approximately \$4.4 million. Below is a breakdown of the funding sources and uses. While the Co-op has done due diligence to create and monitor this budget, we expect small changes in certain funding categories as the project progresses.

Use of Funds



Sources of Funds

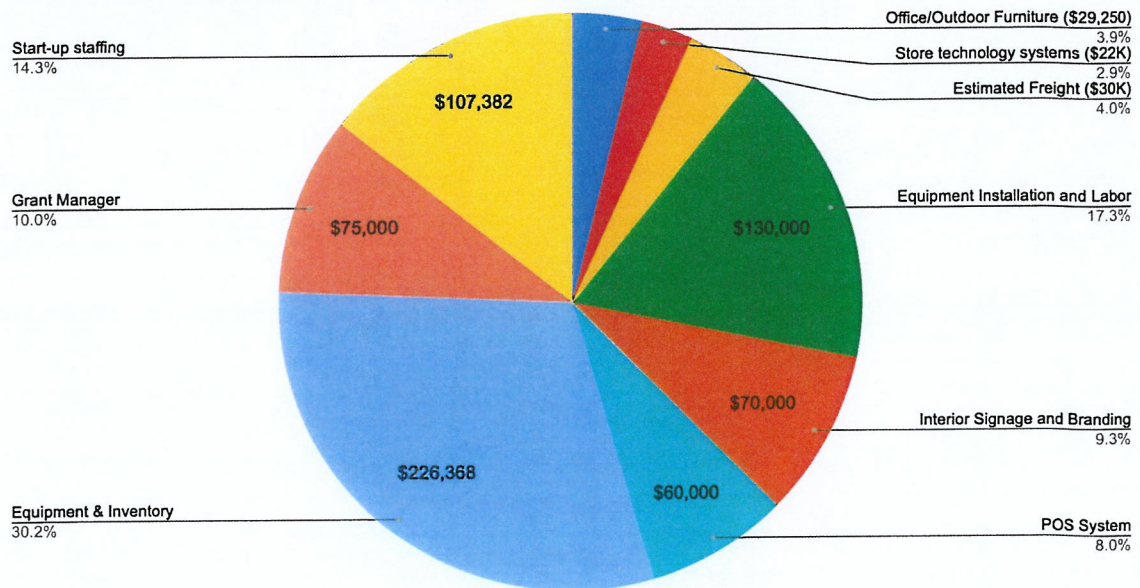




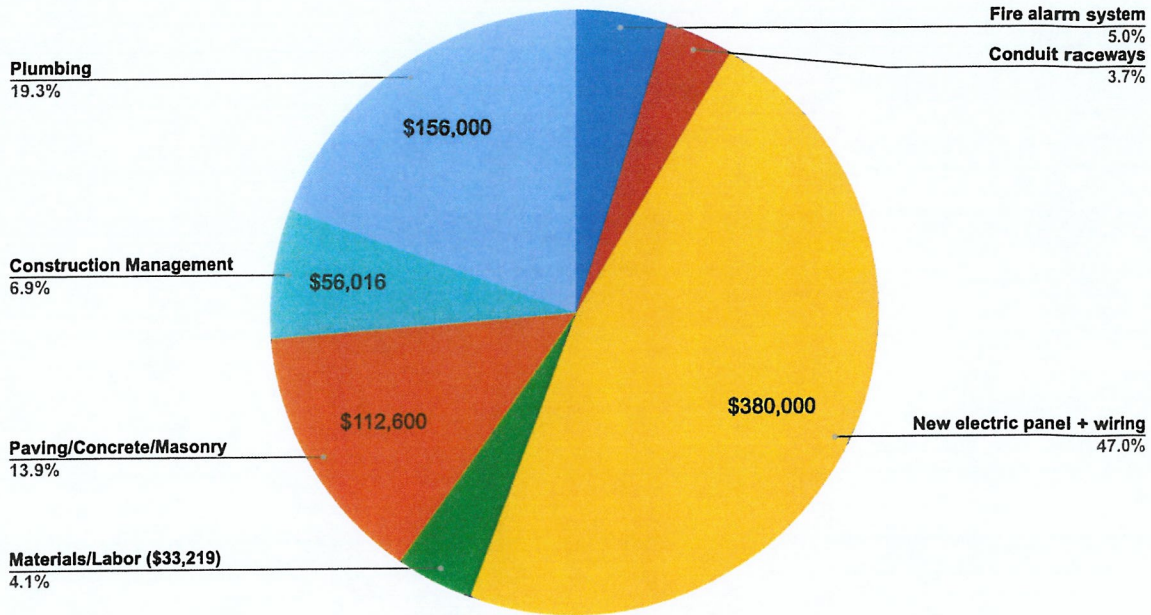
Grant Award Allocations

The Co-op has been awarded two grants. These State and Federal grant awards are reimbursement based, meaning that the Co-op will incur upfront costs that must be funded. Below is the breakdown of expenses that are expected, but not guaranteed, to be reimbursed from these grant awards.

Federal Casten Grant



State of IL Grant



Capital Building Improvements

The current building at 837 S. Westmore-Meyers Rd has been vacant several decades and is in need of these base building improvements. This list of items will prepare the building to house Prairie Food Co-op but also represent an investment in the Village of Lombard. For example, traffic along S. Westmore-Meyers Road, a significant arterial within the Village of Lombard, is strong, but the building is setback quite a bit away from the roadway, making signage even more important for the businesses at the center. Additionally, the Co-op tenant space has a unique, segmented, configuration that does not allow for the façade to directly face the road- making it more challenging to find our store. Our intent is to upgrade the building façade that most closely faces Westmore-Meyers Road by incorporating warm wood tone panels with our colorful yellow wheat shock logo and store name backlit that will help identify our from the road in the daytime and evening hours. All signage will comply with the Village's signage ordinance. The proposed façade upgrade will improve the aesthetics of the building and allow more visibility from Westmore-Meyers Road, helping to solidify our positive impact on the Village of Lombard. Should PFC outgrow this space and seek to move elsewhere within the area, these investments would ensure the property is well suited for releasability in the future.

Additionally, PFC is enhancing the exterior of our tenant space to accommodate an outdoor patio destination. The existing curb and sidewalk will be extended and reconfigured to allow for a safer pedestrian experience along with providing seasonal outdoor space for dining, events and seasonal merchandise. The presence of the exterior patio extension will also help attract traffic from Westmore-Meyers Road to our location.



Lastly, PFC is investing in architectural screening on the existing roof as well as a larger trash enclosure that will keep the back of house exterior areas clean and tidy. The rooftop screening and trash enclosure will comply with Village ordinances and will be placed in a way to be respectful of the adjacent residential properties.

Below is a summary of extraordinary costs associated with this project that improve the base building and incurred by the Co-op. The Landlord is contributing \$100K towards the RTU and Switchgear replacement in addition to \$207,000 towards general building updates - on a reimbursement basis. The Landlord contribution is scheduled to cover costs associated with bringing the base building up to current building codes. PFC incurs these costs upfront.

Expense Item	Cost	Fund Source	Type
Exterior Signage	\$20,000	50% Village Grant	Reimbursed
Facade Work	\$40,000	50% Village Grant	Reimbursed
Rooftop Screening	\$60,000	50% Village Grant	Reimbursed
Front Curb Patio Extension	\$12,000	State Grant	Reimbursed
Trash Enclosure and Gate	\$5,500	State Grant	Reimbursed
Electric Switchgear	\$100,000	State Grant	Reimbursed
New RTUs	\$225,000	50% Federal Grant 50% LL Contribution	Reimbursed
Bring building envelope up to current Energy Code Requirements (roof + perimeter walls)	\$101,200	LL Contribution	Reimbursed
Bring building restrooms up to current Accessibility Code (demolish & rebuild)	\$100,000	LL Contribution	Reimbursed
Site Demo	\$6,000	LL Contribution	Reimbursed

Total: \$669,700

Additional Tenant Improvements

The following tenant improvements, financed by Prairie Food Co-op, will enhance the existing space and help create a welcoming store for the community.



- Using vestibules to minimize air loss when the doors open which can prevent substantial amounts of heat or cool air from escaping the building when entering and exiting. This will prevent energy-consuming drafts and will make the store more energy-efficient.
- Replacing the mechanical and electrical systems with modern, energy-efficient systems that comply with the State's energy code.
- Giving new life to an existing building and re-using what makes sense (masonry, ductwork, etc.).
- Insulating all of the existing exterior walls and roof for better energy efficiency.
- Using LED bulbs in all light fixtures.
- Using occupancy sensors in offices and restrooms (lights will only go on when the sensor senses someone in the room).
- Using Low VOC paint and materials to the greatest extent possible.
- Utilizing refurbished equipment for approximately half of the food service equipment.
- Providing a designated area for composting. Food waste is the single most common material landfilled and incinerated in the U.S. Composting aligns with the Village's goal to reduce the volume of refuse and yard waste as outlined in the Village's 2019 Sustainability Framework.

Improvements made by Prairie Food Co-op will benefit the entire shopping center and therefore the Village of Lombard as a whole. The success of Prairie Food Co-op will bring more customers into this shopping center and benefit other tenants, as grocery stores generally increase traffic into sites such as Eastgate.

Landlord Shopping Center Improvements

The landlord is making a significant investment to update and improve the Eastgate shopping center, including but not limited to:

- Resurfacing of the parking lot
- Exterior facade improvements, including repair and repainting of the existing EIFS (external insulation finishing system), new storefront system, new entry doors, new back of house hollow metal doors, masonry repair and tuckpointing.
- New roof membrane for PFC tenant space
- Modernization of the monument signage along Westmore-Meyers Road

It is unlikely that the Landlord would have invested to this extent in shopping center improvements without a junior anchor tenant such as Prairie Food Co-op.

Jobs and Improved Quality of Life

Prairie Food Co-op will create dozens of new jobs with benefits and opportunities for advancement. Our storefront will host educational events to amplify the work of organizations focused on sustainable farming practices, food preparation, meal planning, wellness, etc. Like other food co-ops, PFC plans to donate to community-selected nonprofits and organizations.



The Co-op will serve as an intentional market partner that will help iterate products, promotions, and packaging to increase local producers' sales and spawn new, innovative producers. The average co-op will stimulate the creation of 8-12 micro businesses due to this mentorship and lower barrier to entry (no shelf fees and manageable product minimums).

One of the central tenants of Cooperative businesses such as ours is Concern For Community. Building community is part of our mission. As such, the Prairie Food Co-op Board will work to ensure our project is beneficial to the surrounding community. The Co-op has committed to work with Village staff to meet with nearby neighbors to transparently discuss the project, our plans, and ensure concerns are addressed.

Project Economic Impact

Professional market studies project \$4M in annual sales at year one and over \$6M at maturity. Like all food co-ops, due to prioritization of local sourcing, Prairie Food Co-op is expected to generate *an additional \$8M in local economic activity* annually.

Prairie Food Co-op will be a junior anchor tenant in this center and a grocery anchor. Grocery tenants are necessity-based tenants that customers visit at a minimum of weekly. As previously mentioned, the value proposition Prairie Food Co-op brings to the Lombard community and the Eastgate Center is a current membership of over 1,700 people/families. We expect this membership to continue to grow once the store opens, attracting new shoppers from all over DuPage County and breathing new life into the Eastgate Shopping Center. Our members are also likely to become customers of nearby business, specifically in this center, and those along the routes within Lombard that they will travel to shop at PFC. The cascading effect of this necessity-based shopper is an increase in sales revenue of surrounding businesses that will directly increase tax revenue for the Village of Lombard. The developers of Eastgate Shopping Center have already begun work on improving the overall experience of the complex by demo-ing and reconfiguring the space. The whole mall is bustling with activity in preparation for its makeover. They will also be repaving the entire parking lot and improving the overall design of the exterior.

Village Assistance Request

We have reviewed numerous sites for this startup business. In order to make this project feasible in Lombard, we respectfully request an incentive of up to \$360,000 in net present value which includes the following. This request represents 8% of total project costs. All reimbursements, credits, and rebates to be paid directly to Prairie Food Co-op.

- A facade and exterior improvements grant of \$50,000. The critical importance of a strong visual presence to grow sales in the first years was noted in both a professional market



study and store design proposal. Success at this location will be tied to achieving high visibility through bold, visual signage concepts and related facade updates.

- Permit fee credit applied to PFC’s investment in base building improvements - partial or full credit, minimum ask of \$10,000 or the full permit fee, whichever is higher.
- Sales tax rebate program, up to \$300,000 over 10 years as outlined below.

Lombard Sales Tax Revenue from Sales at PFC

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Est Sales	3,830,070	4,404,581	4,845,039	5,232,642	5,494,274	5,659,103	5,828,876	6,003,742	6,183,854	6,369,370
Tax Rate	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Tax	38,301	44,046	48,450	52,326	54,943	56,591	58,289	60,037	61,839	63,694
Village Retention	-	4,405	9,690	15,698	21,977	28,296	34,973	42,026	49,471	57,324
Co-Op Share	38,301	39,641	38,760	36,628	32,966	28,296	23,316	18,011	12,368	6,369

- Per existing policy, The village retains the first 20 percent of sales tax generated . The remaining sales tax will be divided equally between the village and business for 10 years
- In order for this incentive to provide the greatest benefit to a grocery business such as PFC, we request that PFC retain more sales tax in the early years as the business is established and grows, starting at 100% and tapering down over the 10 year incentive period.
- This incentive request was included in PFC’s bid for 109 South Main and has been discussed with Village leadership during the past 10 years. It is critical to our success and included in our financial planning.

While the advantages of the Lombard location are clear, but for the incentive, the project would not be feasible. For over 10 years, our owners and volunteers have dedicated countless hours working to bring Prairie Food Co-op to Lombard which we believe is the right community for our store. A successful Prairie Food Co-op will benefit our entire community, and therefore we appreciate the Village’s support. We have reviewed the Lombard incentive policies and believe, based on the aforementioned information, we meet the Village’s criteria.

Thank you.

Sincerely,

Kathy Nash

Kathy Nash
Board President, Prairie Food Co-op