

Village of Lombard

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



Minutes

Monday, November 11, 2024

6:00 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,
Patrick Kennedy and Lindsay Brown
Staff Liaison: William Heniff*

1.0 Call to Order and Pledge of Allegiance

The meeting was called to order by Chair Puccio at 6:00 p.m.

The Pledge of Allegiance was recited.

2.0 Roll Call

Present 6 - Anthony Puccio, Dennis McNicholas, Garrick Nielsen, Matthew Pike, Laine Vant Hoff, and Lindsay Brown

Absent 3 - Paula Dillon, Gregory Ladle, and Patrick Kennedy

Also present: William Heniff, AICP Community Development Director

3.0 Public Participation

None

4.0 Approval of Minutes

A motion was made by Ms. Brown, seconded by Mr. Pike, that the 10-14-24 meeting minutes be approved. The motion carried by the following vote:

Aye: 6 - Anthony Puccio, Dennis McNicholas, Garrick Nielsen, Matthew Pike, Laine Vant Hoff, and Lindsay Brown

Absent: 3 - Paula Dillon, Gregory Ladle, and Patrick Kennedy

5.0 Unfinished Business

None

6.0 New Business

Yorktown Reserve Economic Incentive Agreement - Fourth Amendment

Lombard Development Manger LLC requests a Fourth Amendment to the previously approved Yorktown Reserve Economic Incentive Agreement. This would further amend/replace the first amendment as it pertains to payout provisions during the three phases of advance activities (i.e., asbestos removal, demolition and other related costs previously identified in the amendment). (DISTRICT #3)

William Heniff introduced a request associated with the previously approved Yorktown Reserve Economic Incentive Agreement. He

stated that asbestos remediation work has been underway, demolition permits have been issued, excavation of the parking lot area has started. As part of these efforts, LDM has been submitting cost information, invoice payment, and waivers of lien, with a payout request for work completed to date.

Within the approved First Amendment, payments were slated to occur upon completion of the each of the asbestos removal, demolition and project completion. In lieu of this approach, LDM is requesting payment based on a monthly payouts versus payout upon completion of the tasks and a spreadsheet noting the projected costs for the greenspace improvements, expenditures and projected draws through the end of February, 2025. They are also seeking approval of ancillary but related costs indirectly related to the demolition effort as these costs primarily pertain to related site development design work. LDM notes benefits of this approach can include quicker payouts and reduction in interest costs while the asbestos and demolition work is completed.

He then stated that much of the existing working being undertaken now are precursors to the actual demolition project and that if the project did not proceed, there is value in completion the current tasks. Staff would still follow all other payout compliance requirements on a monthly basis. He then offered sample language in the staff report for consideration and would like to bring this to the Village Board by November 21.

McNicholas stated that this could be a win-win and noting that this does not create exposure or additional costs to the Village. He also stated he supports the concept.

Nielsen asked about cash flow and any TIF in place. Heniff noted that this amendment will not affect TIF dollars, as this item pertains to Business District #2 funds that have already been collected by the Village. If they payout exceeds what we have in the fund account, it would then follow the Village's performance based payout structure. Nielsen asked further about the payout and the requested exception. Heniff responded by stating that staff is not concerned for these aspects, as it would still be based upon completion of past work. The goal is to get the demolition work completed. This issue is more about how the Village should release the funds.

Rick Ehler of Synergy asked about the next steps on the process. Heniff stated that with this recommendation, staff will work with Village Counsel for a further review and complete a Fourth Amendment for Village Board consideration.

A motion was made by Garrick Nielsen, seconded by Dennis McNicholas, that

this item was recommend for approval by the committee.

The motion carried by the following vote:

Aye: 6 - Anthony Puccio, Dennis McNicholas, Garrick Nielsen, Matthew Pike, Laine Vant Hoff, and Lindsay Brown

Absent: 3 - Paula Dillon, Gregory Ladle, and Patrick Kennedy

Grove Tavern Restaurant (2-8 W. St. Charles Road)

A contingency amendment to the grant approval for the project, which could result in utilization of the Downtown Business Grant (Economic Development Fund) in lieu of TIF funding, if the project is not fully complete by December 31, 2024. (DISTRICT #1)

Heniff introduced George Garifalis, recipient of the grants. He stated that the proposed request is only for contingency purposes. As the ECDC members are aware, the Downtown TIF District expired in 2023 and staff contacted a number of property owners to get them to file for approval of grant requests. The Village approved three grants for the 2-8 W. St. Charles Road property for the proposed Grove Tavern. He stated that while construction continues, it will likely not be done by the end of 2024. Rather than leaving the recipient in a lurch, staff is proposing a contingency possibility to use the Village's Economic Development Fund (EDF), in lieu of TIF funds for grant eligible work that is not completed by the end of the year. If the deadline cannot be made, a First Amendment would need to be considered by the Village authorizing the use of the alternate fund source.

Garifalis then discussed the status of the construction project, noting that they hope to complete many of the grant eligible project by year's end. He then noted various construction components and the status of each item.

Heniff said that staff is seeking direction and concurrence by the ECDC that, if necessary, staff shall prepare a First Amendment to Resolution 49-23 which would allow utilization of the EDF to pay for any project completion funds that otherwise could not be paid by the Downtown Lombard TIF District funding source. The proposed grant award dollar amounts are not changing, only the Village funding source of the grant. McNicholas asked about the funds that has been released. Heniff reviewed the three grant sources for the project: \$50,000 for exterior enhancements, \$20,000 for a retail business grant and \$100,000 in a restaurant forgivable loan. No funds have been released yet, but the recipient can get waivers of lien and paid invoices, TIF funds could be released. For components that are not completed, the EDF could be used. Overall, the Village has spent more than what exists in the TIF fund which is attributable to the completed Park Avenue and downtown sidewalk improvements - final fund allocation will be reviewed by

Finance Department staff. He also said that the expenditure will not affect the other taxing bodies. He also stated that the EDF is funded by the General Fund, which does not impact the other taxing districts.

McNicholas asked for confirmation regarding the other TIF Districts. Heniff responded by noting the two TIF Districts on East St. Charles Road and the Butterfield Road TIF District. McNicholas asked if this creates a precedent. Heniff said that it would not create one as we do not have an alternate funding source established for the other TIF Districts at this time. McNicholas then opined about construction escrow processes. Heniff noted that the approach being offered is a conservative one and addresses the possible funding sources that were approved in the original Resolution.

Nielsen asked questions regarding payout before the project is done. Heniff stated that any grant funds would not be released until the project is completed. At that time, disbursement would be done by the Finance Department in a "two-check concept" - one payout for those elements that would be covered by the TIF funding and one for anything funded by the EDF.

On a motion by McNicholas and a second by Pike, the item was recommended for approval by the committee

The motion carried by the following vote:

Aye: 6 - Anthony Puccio, Dennis McNicholas, Garrick Nielsen, Matthew Pike, Laine Vant Hoff, and Lindsay Brown

Absent: 3 - Paula Dillon, Gregory Ladle, and Patrick Kennedy

7.0 Other Business

16 South Park Avenue - (Punky's)

Consideration of a modification to the Punky's approved Downtown Renovation & Improvement Grant to provide for the existing projecting sign to remain on the exterior façade. (DISTRICT #1)

Heniff introduced Jeff Budgell, architect for the façade renovation project at Punky's. Heniff stated that the approved façade renovations are matching or exceeding the concepts that were a part of the initial grant proposal and it meets the intent of the façade grant program. Heniff shared a photo of an existing "Old Style" projecting sign from 1990 that was and is still located on the front exterior wall of the establishment. In the staff report relative to the façade grant request, it was represented that the existing projecting "Old Style" sign would be removed.

With the project nearing completion, business owner Brendan Fitzharris inquired to staff about the possibility of keeping the projecting sign on the building as-is. In response staff noted the past representations to the ECDC and the Sign Ordinance provisions. As a first step, the question to the ECDC is whether they find it to be acceptable to have it remain on the premises as it was a precursor statement that it would be removed. Secondly, if it is acceptable, staff would work with either as a variance application before the Zoning Board of Appeals (ZBA), or designation of the projecting sign as a historic element before the Historic Preservation Commission (HPC).

Budgell stated that while they recognized that the staff report and the discussion undertaken during the grant process noted the sign removal, they were unaware that it would be an obligation on behalf of Punky's to remove the sign. He stated that they believed the sign has some historic value and would like to keep it as it currently exists. The ECDC members asked about the history of the sign. Heniff could confirm it has been there for at least 34 years. Staff may look for additional information regarding the specific history of the sign. He noted that such signs were a part of a larger marketing effort in the 1970s by the brewer, which would suggest that the sign could be about 50 years old. He referenced that the HPC designated the Dairy Queen roof sign as a historic element in 2000. McNicholas offered some historical context regarding the Dairy Queen sign.

Pike asked further questions about the sign and whether it would be supported by one of the other committees. Heniff noted that the ZBA would determine matters such as whether a hardship exists while the HPC would determine if the sign has historical value for designation. Both entities would review the sign on a case-by-case basis based upon their criteria. Staff did not want to take this through a formal process only to have the question raised that the property was subject to a grant request by the ECDC and have that question raised at a later date.

Puccio noted the history of the sign and that it has not been a past issue. Heniff noted that staff did not want to summarily make an interpretation that it was acceptable without further consideration by the ECDC.

Vant Hoff asked if the sign is designated as historic by the HPC, does this create any future issues for the property. Heniff stated that it does not create any precedent issues as they look at such requests individually.

The ECDC did not raise any issues with allowing the existing "Old Style" sign to remain on the premises. Staff will review the signage

further for future consideration by the Zoning Board of Appeals or the Historical Preservation Committee.

8.0 Information Only

Heniff provided the ECDC with an update regarding the discussions to date regarding their recommendation to proceed with an amendment to the previously established agreement. He also noted an ICSC presentation he will be making tomorrow relative to mall/shopping center transformations and the Village's experiences with Yorktown.

He also noted that with his pending retirement, the existing Community Development Director position will be parsed. Tasks associated with Building, Code Enforcement and Private Engineering Services will be under the responsibility of the Director of Building Keith Steiskal and a modified position of the Director of Economic Development and Planning. The amended position will create an additional focus upon economic development activity and will remove elements such as backyard drainage requests and construction activities.

He also stated that between now and March, he will assist in the recruitment and onboarding efforts. Dan Gardner, formerly of Houseal Lavigne Associates, and an individual who assisted with staff on the 2011 downtown planning and visioning efforts will be available on a part-time basis as a consultant to help with selected economic development and planning activities. He closed by noting that the goal as seamless as possible. Lastly, he informed the ECDC members that the various aspects of Village Code that reference the Community Development director will be reviewed and amendment to reflect the forthcoming Director of Economic Development & Planning and/or the Director of Building based upon the issue and responsibilities.

Before meeting adjournment as it was Veteran's Day, McNicholas offered his personal experiences and context from 50 years ago, specifically recognizing those individuals who were left behind or are dealing with ongoing issues from their service.

9.0 Adjournment

On a motion by Mr. McNicholas and a second by Mr. Pike, the meeting adjourned at 6:46 p.m.