

MINUTES OF THE ECONOMIC DEVELOPMENT COMMISSION

June 25, 2009

A meeting of the EDC was held on Thursday, June 25, 2009.

The meeting began at 8:00 A.M.

MEMBERS PRESENT: Mike Giannelli, Don Olson (departed 9:05AM), Tom Herbstritt, Nick Sisto, Mike Briggs, and Joe Penar.

MEMBERS ABSENT: Perry DuBose.

ALSO PRESENT: Jeff Eder- Community Development Director, Nicole Driskell- Community Development Administrator, Catherine Mick- Community Development Summer Intern, Mark Lawton- Pioneer Press (arrived 8:03 AM), Mayor Barrett Pedersen (departed 9:21 AM), Anne Marie Pintore- Owner 2308 17th Avenue, Luigi Pintore- Owner 2308 17th Avenue, John Norris- Rubin & Norris, Donald Rubin- Rubin & Norris.

MOTION TO ACCEPT minutes from last meeting held on Thursday, June 4, 2009 as presented by Nicole Driskell, was made by Don Olson. Tom Herbstritt **SECONDED** the motion. **VOICE VOTE CARRIED.**

New Business:

6b Application

- One 6b tenant was presented to the Commission.

2308 17th Avenue – LPS Corp.

- The Pintore's will be the owners/sole occupants of the building.
 - Property was recently purchased for \$270,000.00.
 - Parcel is 9,000 square feet with an approximately 6,300 square foot building which will accommodate the current and future growth of the business.
 - Property has been vacant since September, 2006 and vacancy tax rates have been active for some time.
- LPS Corp. is a distributor and service contractor for food processing (meat) equipment.
- Business is relocating from 9490 Franklin Avenue where they currently rent approximately 2,100 square feet.
- Mr. Rubin led a discussion regarding Cook County's changes to 6b property classifications.
- Discussion commenced on the tax reduction with the 6b incentive.
- Mr. Olson verified the sale of the property has closed and the Pintore's are the current owners.
- Mr. Herbstritt inquired if there will be any work done to the building.
 - The Pintore's intend to paint, conduct general clean-up, and correct various code issues.
- Mr. Penar inquired as to whether or not this incentive application qualifies for the 6b program, as the Pintore's have already purchased the building.

- The attorneys with Rubin & Norris informed the members that the application qualifies for the program as applicants have up to one (1) year after the property purchase to apply. This relaxed standard applies only to buildings that meet the 6b program vacancy standards.
- Discussion commenced on if the applicants have lost some leverage with the EDC since the purchase is already completed and the closing is therefore not dependent on the 6b incentive.
- Mr. Eder asked if the seller went through bankruptcy proceedings.
 - Discussion commenced: the seller did not go through bankruptcy proceedings, the multiple owners of the building simply could not deal with handling the property.
- Mr. Olson inquired if the 2008 taxes had been paid.
 - The first installment has been paid.
- Mr. Giannelli inquired as to why a 6b was being applied for if only “cosmetic” improvements were planned: it appears as if there is a small amount of money going into the building (improvements/initial investment for purchase) versus the large tax savings.
 - The attorneys informed the members that this is a small business looking to own its own building and will subsequently add a long vacant building back to the tax rolls. Though the building does not need much work, the company still needs the incentive to proceed with doing business from this address.
- Mr. Olson inquired about the plan for aesthetic improvements.
 - The Pintore’s informed the members of their plans.
- Mr. Giannelli commented that the tax savings are in essence subsidizing the building purchase by approximately 50%.
 - Discussion commenced.
- Mr. Herbstritt asked if the vacancy taxes are lower than the 6b relief.
 - Discussion commenced on the various tax figures presented, vacancy tax rates versus 6b tax rates and assessments.
 - The current vacancy taxes are a bit higher than the 6b taxes.
- Mr. Sisto inquired about LPS’ occupancy schedule.
 - The goal is to have occupancy within the first two weeks of July upon completion of the cosmetic improvements.
 - Mrs. Pintore discussed the learning process with regard to the building purchase, running the business, the 6b application and legal involvement, etc.
- Mr. Sisto inquired about the lease at LPS’ current facility.
 - Mr. Pintore informed the members that he and his current landlord have an understanding that the business must move on to grow. No penalty is involved in breaking the lease.
- Mr. Sisto inquired as to why the 17th Avenue building was chosen as LPS’ new facility.
 - Mr. Pintore informed the members that he wants to stay in Franklin Park, he liked that particular building and it will provide his company with room to grow in the future.
- Discussion commenced on the continuity of the interiors and exteriors of the buildings in that area.
- Mr. Giannelli inquired as to whether or not the company does any inventory/stock.
 - Mr. Pintore informed the members that the company stocks parts for their machines.
 - The service aspect of the business was discussed.
 - Mr. Pintore informed the members that 90% of their service is done in the field unless a machine requires extensive work, in which case it is brought back to the shop for repair.

- Service truck traffic was discussed.
- Code required repairs, façade work and LPS' occupancy application were discussed.
- Discussion commenced regarding industry in Franklin Park.
- Mr. Sisto inquired about the cost of improvements required for occupancy.
 - The applicants estimated that \$15,000 to \$20,000 would need to be invested in building improvements in order to meet code for occupancy. Work is also planned in the future.
- The members all wished the Pintore's well in their endeavor.
- Discussion commenced on the multitude of properties for sale on 17th Avenue and that the applicants will work to improve their building and subsequently the area.
- The Pintore's informed the members that the space they are vacating will be used by the supplier in that building, so no vacancy will be left when LPS relocates from the property.

MOTION TO APPROVE LPS Corp. 6b Application was made by Don Olson. Nick Sisto **SECONDED** the motion. **VOICE VOTE CARRIED.**

Division of the Plan Commission/Zoning Board of Appeals

Mr. Penar led a discussion regarding a letter drafted to relay a few members' opinions on separating the Plan Commission from the Zoning Board of Appeals. The letter was reviewed and discussed. Discussion commenced on why the Plan Commission and Zoning Board of Appeals were combined in the first place and the duties and structure of both boards when they were separate.

The members discussed their visions for the Plan Commission's functionality and goals. They would like to see an active approach instead of a passive approach in trying to recruit businesses to Franklin Park.

Discussion commenced on the need to separate the two boards and the Comprehensive Plan that needs to be updated and enforced by the Plan Commission. Expenses, formal training, and the need for qualified people on the Plan Commission were discussed.

MOTION TO DRAFT LETTER in support of separating the Plan Commission and Zoning Board of Appeals into two different boards was made by Don Olson. Mike Giannelli **SECONDED** the motion. **VOICE VOTE WAS NOT NECESSARY, APPROVAL WAS UNANIMOUS.**

Old Business:

Business Retention Visits

- Catherine Mick was introduced to the members. She has been handling the Business Retention program.
- Five (5) available Business Retention Visits were discussed. The members asked that Nicole compile the information into an email for them and they will respond with their respective availability.

Project Updates:

- Discussion commenced on the Grand Avenue/Mannheim Road PUD project.
- The Comprehensive Plan was discussed. It was suggested that professional assistance and local citizens both work in conjunction to revise the Plan.
 - Mayor Pedersen proposed bringing in a professional at times to address/update the Comprehensive Plan and where businesses fit in the Plan.
- Discussion commenced on the desperate need for planning to capitalize on our assets in Franklin Park.
 - The Belmont Avenue/River Road area was brought up as an example of the need for proper planning: would an industrial facility be better suited to that area than residences? Discussion commenced on what would be a better use.
- Mayor Pedersen shared his vision for Franklin Park with the members.
- Mr. Eder informed the members of the potential for a 6b application to be presented at the July meeting. The potential applicant is a rug importer and intends to take occupancy for warehousing and retail on 25th Avenue.
- Discussion commenced on the Centrella property purchase and Franklin Partners' attempt to remarket the property after the previous deal did not close.
- Hill Mechanical's interest in purchasing the Belmont Avenue/Wolf Road area for expansion was discussed.
- Luxury Motors business was discussed.
- The old Olmarc Packaging building was discussed. Most of the slated renovations are complete, but a tenant has yet to be found.
- Life Fitness layoffs and decreasing interest in acquiring the GCC Drum building were discussed.
- Mayor Pedersen led a discussion regarding flooding from the June 19, 2009 rain storms.

Being no further business before the Commission, Mike Briggs **MADE A MOTION** to adjourn. Nick Sisto **SECONDED** the motion. **VOICE VOTE CARRIED.**

Meeting adjourned at 9:22 A.M.

Respectfully submitted,
Nicole Driskell