

MINUTES OF THE ECONOMIC DEVELOPMENT COMMISSION

August 27, 2009

A meeting of the EDC was held on Thursday, August 27, 2009.

The meeting began at 8:03 A.M.

MEMBERS PRESENT: Mike Giannelli, Don Olson (arrived 8:04 AM), Tom Herbstritt, Nick Sisto, Perry DuBose (arrived 8:18AM), Mike Briggs and Joe Penar.

MEMBERS ABSENT: none.

ALSO PRESENT: Jeff Eder- Community Development Director, Nicole Driskell- Community Development Administrator, John Mick- Baxter & Woodman (arrived 9:12 AM), Mayor Barrett Pedersen (arrived 9:04 AM), Zachary Kafitz- Liston & Tsantilis, Brian Liston- Liston & Tsantilis, Domenica Cresap- Plote and Dan Shepard- Plote.

MOTION TO ACCEPT minutes from last meeting held on Thursday, July 23, 2009 as presented by Nicole Driskell, was made by Nick Sisto. Tom Herbstritt **SECONDED** the motion. **VOICE VOTE CARRIED.**

New Business:

2009 Business Appreciation Luncheon

- Luncheon invitations were distributed to the members along with revised agendas for this EDC meeting.
- Mr. Eder informed the members that luncheon invitations were mailed out during the week of August 17.
- The agenda for the luncheon was discussed as Diane Swonk (key speaker) needs to leave early for another speaking engagement. Ms. Swonk's topic was discussed: the state of this economy, both national and local.
- Discussion commenced on networking time during the luncheon.

Informal Discussion Regarding Plote Purchase of Seymour Avenue Centrella Site

- Dan Shepard, Domenica Cresap, Zach Kafitz and Brian Liston appeared on behalf of Plote to inform the members of their intentions for the Seymour Avenue Centrella Site.
- Plote has the property is under contract.
- The due diligence period is very short.
- The Plote representatives intended to update the members on the progress of the transaction at this time and then follow up with a formal 6b application.
- Mr. Liston stated that the transaction makes sense with a 6b application as Plote intends to stay at their current location (adjacent to the property in question) and expand into the future. Land Title Survey and Plote information were distributed to everyone present.
- Mr. Shepard informed the members that Centrella presented the site to Plote 30 days ago.
 - The transaction must close by September 10, 2009.
 - Plote is not sure what they intend to do with the property, but since it is adjacent to their current property, this is a logical investment.
 - They are looking to increase "green" initiative.

- Plote is a forty-nine (49) year old company with approximately fifty-seven (57) different companies that fall under its name.
 - Family owned and operated.
 - They have 1.6 million square feet under their “umbrella.”
- Discussion commenced on Plote’s Hillside, Illinois project at Mannheim Road and the Eisenhower Expressway.
 - Low-key real estate development is part of their business.
- Mr. Penar inquired as to whether or not they have decided to tear the Centrella building down.
 - No decision has been made regarding the structure.
- Discussion commenced on the type of 6b application that would be filed.
 - Cannot file 6b application under two (2) year vacancy rules as the property has not been vacant that long.
 - Special circumstances rule is being considered.
 - Approximately \$200,000 in improvements is required just to bring the building up to code.
- The intended direction for the parcel should be deciphered within the forty-five (45) days allotted for site improvement.
- Mr. Giannelli inquired as to how the project is only viable with a 6b, yet the direction of the project is not determined.
 - Mr. Liston confirmed this is the case and noted that the life safety, code issues, etc. are grounds for a 6b application under the special circumstances rule.
- Mr. Giannelli asked if the intention was to make this parcel another asphalt plant.
 - Mr. Shepard informed the members that Plote cannot have another asphalt plant.
- Mr. Sisto asked if this is a conditional sale.
 - Mr. Shepard informed the members that Plote has two (2) weeks for due diligence and one (1) week to close.
 - The parcel is being purchased under Plote’s real estate company.
- Mr. Giannelli stated that this is one of the last great parcels in Franklin Park and that he is concerned about potential uses as he does not want to see a transfer station or additional asphalt plant.
 - Discussion commenced on desirable uses and other Plote real estate projects/developments.
- Mr. Shepard stated that today’s discussion was intended to introduce Plote to the Commission, discuss the site in question and Plote’s relationships with municipalities.
- Mr. Giannelli led a discussion regarding pollution and clogging of the cooling towers for his business.
 - Mr. Shepard informed the members the Plote did not cause Mr. Giannelli’s issues, but that they would be happy to look at the problem. He stated that the problems were likely caused by O’Hare Airport construction.
 - Mr. Shepard presented an example of Plote’s attentiveness to their communities with a story:
 - Hillside school children were falling ill and Plote was blamed for the wave of sickness. The actual cause of the sickness was the local landfill, but Plote still investigated.
 - Further discussion commenced on Plote’s Hillside, Illinois development and their relationship with the Village of Hillside.

- Mr. Shepard informed the members that he likes the low ceiling building on the property in question as it can contain any operation including sorting debris: operations can be totally enclosed and only trucks will be seen.
- Mr. Olson inquired if code improvements will be made with the intent on finding a tenant and if no tenant is found, will the property be fenced in the meantime.
 - Mr. Shepard informed those present that the property will be fenced if a tenant cannot be found after code improvements are made.
- Mr. Briggs inquired about code violations relating to sidewalks and exterior lighting, etc.
 - Mr. Eder informed the members that these are not life safety issues.
 - Mr. Briggs discussed his concern for pedestrians in that area with the lack of sidewalks and street lighting.
 - Mr. Briggs inquired if Plote would add exterior lights and sidewalks for pedestrian's safety in that area.
 - Mr. Eder informed the members the Seymour Avenue extension to Irving Park Road project also requires the expansion of the East end of Seymour Avenue by the Village in the future.
- Potholes and the roads in the area were discussed.
 - Mr. Shepard informed those present that Plote must run a "test batch" of asphalt every day and that though this test batch cannot be used on a construction project, he would be happy to let the Village use it to fill potholes in the area.
- Mr. Penar inquired as to the proposed cost of rehab.
 - Mr. Shepard explained that since Plote has not yet decided on a direction for the property, they cannot confirm how much, if any, rehab work will be done to the property.
 - Plote's current intention is to make life safety improvements to the property and then determine the direction for the property.
- Mr. Penar informed the Plote representatives that if they present the EDC with a 6b application for purchase it likely will not be granted, but if they present the EDC with a 6b application to improve the building and property, it will likely be granted. The EDC would like to see a plan/direction/end-goal for the property in place before a 6b application is presented.
- Mr. Liston informed those present that in order to make the building habitable, it will cost approximately \$2 million to correct roofing problems, address life safety code issues and repair most of the dock doors.
 - \$2 million to make the building habitable, \$2 million to make it operational, and \$1 million to meet Plote standards will likely be invested if the decision is made to pursue tenancy.
- Mr. Giannelli informed the Plote representatives that the Commission has no problem working with them, but there is concern regarding the lack of a formal development plan and direction for the parcel.
 - Mr. Shepard informed the members that a decision will be reached shortly in order to prepare the asset for use whether that is tenancy or demolition.
 - If the decision is made to pursue tenancy, Plote will gladly invest the previous discussed estimated \$5 million for property improvements and pursue tenancy as soon as possible.
- Mr. Giannelli asked if the Plote representatives would be willing to formally present a 6b application after they determine a direction for the parcel as he is concerned for the use of the property.

- The Plote representatives would be happy to present an application after a decision has been reached. They have many issues to consider with regard to the direction of this property.
 - Mr. Olson stated that Plote is certainly being a good neighbor by discussing this issue with the EDC before any action is taken.
- Mr. Giannelli stated that as long as a formal and complete 6b application is presented which meets a use deemed acceptable to the EDC, they will be glad to hear the presentation.
- Discussion regarding sidewalks and exterior lighting in the area commenced.
 - Discussion also commenced on the possibility of laying out concrete barricades to define temporary sidewalk areas once the property's end-use is determined.
- Discussion commenced on whether or not the EDC should conditionally approve the application pending the presentation of a formal packet.
 - The members decided they would rather call a special meeting to review the formal application once prepared rather than grant conditional approval without any documentation.
- Discussion commenced on the property and the roughly 700,000 square foot building. If redeveloped, code restrictions only allow for an approximately 500,000 square foot building to be constructed on the redeveloped site.
- General discussion commenced on Plote's proposal.
 - The EDC does not like the idea that Plote needs the 6b approval to close on the project. The Commission does not appreciate being put in this sort of situation.

Old Business:

Business Retention Visits

Discussion commenced on how many retention visits have been conducted and how many are scheduled in the future. Catherine Mick (Community Development Summer Intern) was praised for her assistance in coordinating and scheduling the visits this summer.

Project Updates:

Elgin O'Hare Western Bypass

Mr. Eder discussed the Monday, August 24, 2009 Village Committee meeting where he was given formal approval to support Option D for the Bypass project. A resolution will be drafted and will include certain items the Village requires in exchange for support of this option. The items include: State reconstruction of Franklin Avenue from Mannheim Road West to Village boundaries and storm water management (approximately 100 acre feet of retention), in addition to other items. Mr. Eder informed those present that he does not know what property will be used for the retention.

Discussion commenced on detention/retention options and the new MWRD detention requirements.

6b and Retention Visits

Mr. Olson requested a list of 6b's granted in the last ten (10) years and a list of retention visits conducted in the last four (4) years or more, if possible. Staff will conduct the research and present findings as soon as possible.

Super 8 Motel - Mannheim Road

Mr. Eder informed the members of the closing of this motel due to fire and life safety code issues. The bank was also looking to close down the business as the mortgage was not being paid. Mr. Eder was supposed to meet with a potential buyer of the property but the meeting was cancelled due to bank issues.

Grand Avenue/Mannheim Road

Mr. Giannelli noted crews had been performing some work on this site recently. Mr. Eder informed everyone that preparations for the demolition of the Resurrection building were underway including attempting to secure the environmental permit, asbestos removal and temporary fencing.

With regard to the whole development, fences are being pulled and work will be progressing soon. Sewer and water infrastructure work will be done first followed by the construction of the outlots. Most permits are ready.

Mr. Giannelli voiced concern for traffic flow on Grand Avenue for both his business and the mall development. Mr. Eder informed the members he must follow State guidelines as Grand Avenue is a State route. A possible stoplight on Grand Avenue was discussed and Mr. Eder said he would support it if it was feasible.

The movement of trucks in the area was discussed.

Larry Roesch Parts Building – Grand Avenue

Mr. DuBose inquired about the Larry Roesch parts building on Grand Avenue. The facility is up for sale.

Vacant Buildings

- Mr. Eder informed the members that interest in vacant buildings seems to be increasing.
- Discussion commenced on the KTR property on River Road.
- A newspaper article from the Franklin Park Herald Journal was presented to the members regarding a company moving into a previous vacant building in town.
 - Discussion commenced on the remainder of the building and that it could be rented by another company.
- Mr. Eder informed the members that there have been multiple productive and positive showings at the former Werner building and the former GCC Drum building.

Unilever

- Mr. Eder did not have any new information to share regarding the Unilever property.

Thompson Steel

- The members inquired about the status of the former Thompson Steel building. Mr. Eder informed them that the property was purchased by Leyden High School.
- Environmental cleanup on the parcel was discussed.
- Demolition of the building is expected in October, 2009.

KTR Werner Ladder Site

- Mr. Eder informed the members that he has spoken to KTR representatives about bringing potential new tenants to the EDC before letting them take occupancy.

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

Meeting adjourned at 9:13 A.M.

Respectfully submitted,
Nicole Driskell