

MINUTES OF THE ECONOMIC DEVELOPMENT COMMISSION

August 25, 2011

A meeting of the EDC was held on Thursday, August 25, 2011.

The meeting began at 8:02 A.M.

MEMBERS PRESENT: Kirk Allen, Mike Giannelli, Tom Herbstritt, Dan Olson, and Perry DuBose.

MEMBERS ABSENT: Bill Geary.

ALSO PRESENT: Jeff Eder- Community Development Director, Nicole Driskell- Community Development Administrator, Joe Penar- Former Economic Development Commission Chairman, Patrick Ainsworth- Community Development Intern, Tom Brimie- Village Trustee, Barrett Pedersen- Village President (left 9:10AM) and Mark Lawton- Pioneer Press (arrived 8:08AM, left 9:10AM).

MOTION TO ACCEPT minutes from last official meeting held on Thursday, July 28, 2011, as presented by Nicole Driskell, was made by Perry DuBose. Kirk Allen **SECONDED** the motion. **VOICE VOTE CARRIED.**

New Business:

6b Application: 3747 Acorn- 3747 Acorn Holdings, LLC

Mr. Eder informed the members that this 6b application was withdrawn the previous day. Discussion commenced on why the application was withdrawn, the type of work the company performed, the number of people employed by the company, previous companies that have looked at and contracted to purchase the property and the building's characteristics. In addition, the workman's compensation laws in Illinois versus Indiana were discussed.

Old Business:

Mr. Olson inquired about The Jordan Group and wanted to know if they are still involved in the Village of Franklin Park. Mr. Eder informed the members that the Jordan Group is still working for the Village of Franklin Park and that they are working on a "buy local" campaign, the Franklin Park Partnership (Economic Development group) and a speaker for the EDC's annual luncheon, among other projects.

Project Updates:

Mr. Eder led a discussion about the Super 8 property (3010 Mannheim) and the fire that occurred there a few weeks prior to this meeting. He informed the members of the Village's efforts to obtain an emergency order of demolition and that the order was received the day after the fire due to the condition of the property and concerns for life safety. Mr. Eder further noted that the Village will incur the demolition costs for the property and then file a lien on the property. Mr. Herbstritt inquired about the owner of the property. Mr. Eder informed the members that the property is still technically in the possession of the owner, but that it is in foreclosure proceedings. Mr. Herbstritt also inquired about the size of the parcel. Mr. Eder informed the

members that the parcel is approximately two (2) acres. Mr. DuBose inquired about how the fire was fought. Discussion commenced. Mr. Olson inquired about the layout of the property and if the structure was all one (1) building or separate sections. Mr. Eder informed the members that there are multiple areas/sections and a parking garage. He further noted the presence of mold and asbestos contamination. Mr. DuBose inquired about the standard operating procedure for abatement and debris removal from a burned out building. Mr. Eder informed the members that he is unsure on how abatement and debris removal will be managed during demolition. He further noted that the portions of the property that are considered safe will be remediated before demolition as that option is cheaper. Mr. Olson inquired about a scheduled demolition date. Mr. Eder informed the members that demolition can start as early as the following day if all permits are in order and crews/machinery are available. Mr. Giannelli inquired about the cost of demolition. Mr. Eder informed the members that demolition is estimated at approximately \$500,000 due to the type of construction materials used on the buildings. Mr. Giannelli further inquired about the property value. Mr. Eder estimated the property value to be \$500,000. Mr. Giannelli noted that the demolition costs versus the property value cancel each other out. Mr. Eder noted that the property is in a TIF district, so all demolition costs can be charged against the TIF and not the general fund. Discussion commenced on the redevelopment of the property. Mr. Eder noted that he intends to have the Plan Commission review the area and identify what types of uses would be appropriate for that property.

Mr. Eder noted that the former Omar Packing property at King Street and Wolf Road, is under contract. Interplex Daystar is the intended buyer and is relocating due to their building being in the path of the Elgin-O'Hare Western Bypass project. Mr. Giannelli inquired about the ownership of Interplex Daystar's current property. Mr. Eder informed the members that the company owns the property and is waiting for the State to purchase it for the project. Mr. Herbstritt inquired about when the company plans to relocate. Mr. Eder informed the members that the company will relocate once the State makes an offer on their current property and once their due diligence on the King/Wolf property is complete.

Mr. Eder informed the members that he is considering a Special Service Area (SSA) for Cullerton Avenue. An engineering study is underway and Mr. Eder anticipates meeting with businesses in that area at the end of September. Thusfar, he has noted general support for the project.

Mr. Ainsworth led a discussion regarding retention visits he scheduled and the need for EDC member participation at these meetings.

Mr. Eder led a discussion regarding the annual Business Appreciation Luncheon.

Mr. Eder noted that he has not heard of any tenant interest in the Kmart building.

Mr. Eder discussed Jewel's parking lot improvements.

Discussion Items:

Mr. Eder informed the members that he can tell there is movement in the economy: broker interest in various properties is rising.

Mr. Giannelli led a discussion regarding Osco's lease renewal.

Discussion commenced on storm water management issues for businesses on the west end of Franklin Park and the possibility of a SSA in that area as well to cover those costs.

Discussion commenced on MacLean Power and their desire to move due to flooding issues.

Mr. Eder noted that the toll authority will vote on a rate increase today. Such an increase would fund the Elgin-O'Hare project and a few other projects. Discussion commenced on the Irving Park Road tollbooth.

Mr. Giannelli noted that he sees a pattern of properties being purchased and held without improvement or relocation. Discussion commenced.

Mr. Eder noted that companies that needed to move five (5) years ago, but chose not to, are now looking for property.

Mr. Eder noted that he is hearing some discussion about spec building construction next year.

Mr. Herbstritt led a discussion regarding impact fees in outlying areas (the fees government bodies charge to companies that are expanding their space because of the need to update infrastructure in the area to meet the new demands due to the expansion).

Mr. DuBose posed a question regarding Comcast's infrastructure and where their lines end. Discussion commenced on this question and internet providers in general.

Mr. Pedersen inquired about the 6b process after it leaves the EDC. Discussion commenced. Mr. Herbstritt asked if any 6b applications had been rejected by the County Board after the EDC's approval. Mr. Eder informed the members that no 6b applications had been rejected after EDC review. Discussion commenced on new construction taxes with a 6b versus an existing property's taxes without a 6b. Discussion commenced on the need for more information in 6b packets.

Mr. Pedersen noted Cook County Board President Preckwinkle's recent visit to Hill Mechanical and her press conference held there. Discussion commenced. Discussion also commenced on Hill Mechanical's 6b application.

Discussion commenced on trailer storage and usage in town.

Discussion commenced on the growth of Multigroup Logistics and their need for more paved parking. As such, they are currently leasing parking from Hill Mechanical. Mr. Eder noted that Multigroup has expanded into more space in the 10800/900 Belmont property and that projections show the company doubling in size in the next few years. Discussion commenced on freight brokers.

Mr. DuBose inquired about the Bell's Gun Shop property. Mr. Eder informed the members that MB Bank now owns the property, is maintaining it, and is looking to market the parcel. He further noted that MB also owns the Motorola property on Grand Avenue.

Discussion commenced on the Mannheim Road bridge and it's reopening.

Mr. Eder led a discussion on the 25th Avenue rail crossing improvements.

Mr. Giannelli inquired about who owns the vacant land that was slated to be Phase II of The Crossings. Mr. Eder informed the members that the Village currently owns the property and that the few developers that were interested in the property have gone quiet. He also noted that the Village has received a grant to help find developers for this parcel. Mr. Eder informed the members that The Crossings developer and condo association are arguing over the condition of the building and maintenance. In addition, Mr. Eder noted that the developer, DiPaolo Group, owns all the commercial space on the ground floor of Phase I and that they are experiencing rental problems.

Mr. Eder noted that a new restaurant is opening on Franklin Avenue sometime in October.

Public Comment:

Mr. Penar inquired about the 6b previously granted to the oil repackaging company on Fullerton. He further asked if Mr. Eder has reviewed the property to ensure that the improvements proposed in their 6b application have been executed. Mr. Allen asked if there is a stipulation in the 6b process requiring applicants to follow-up with the Village in the months after their application was approved to verify that they have executed their commitments to improve the property per their application. Discussion commenced on Geib's lack of follow through on their landscaping as promised in their 6b application.

Being no further business before the Commission, Perry DuBose **MADE A MOTION** to adjourn. Dan Olson **SECONDED** the motion. **VOICE VOTE CARRIED.**

Meeting adjourned at 9:11 A.M.

Respectfully submitted,

Nicole Driskell