

MINUTES OF THE ECONOMIC DEVELOPMENT COMMISSION

August 25th, 2016

An EDC meeting was held on Wednesday, August 25th, 2016.

The meeting began at 8:02 A.M.

MEMBERS PRESENT: Tom Herbstritt, Kirk Allen (8:10am), Mike Giannelli, Sixto Rincon and Bill Geary

MEMBERS ABSENT: Frank Cangelosi, Dan Olson

ALSO PRESENT:

Eric Richard, Zoe Heidorn – Village Planner, Matt Welch – Montana Welch Law, Anita Mauro – Thompson Coburn, LLP, Debbie Chanel, Richard Goon - Russian Pointe, Inc., Jim Chronopoulos – owner 3230 Mannheim Road

MOTION TO ACCEPT minutes of the July 6th meeting made by Tom Herbstritt

SECONDED by Sixto Rincon. **VOICE VOTE CARRIED.**

Old Business: *none*

New Business: *Discussion on and consideration of a 6b real estate tax assessment application by Russian Pointe, Inc. for the property located at 3230 Mannheim Road, Franklin Park, IL 60131.*

Ms. Mauro opened by introducing herself and her client, Russian Pointe. They are requesting a resolution in support of a 6b tax assessment for the property located at 3230 Mannheim Road. The property qualifies as “abandoned” as defined under the Cook County Code. It has been vacant and unoccupied since 2012.

Ms. Mauro proceeded to describe the property, which includes a 28,490 square foot single-tenant building with 18,180 square feet of unfinished warehouse space, a 10,310 square foot office area and a 6,160 square foot mezzanine. The building was constructed in 2003 and sites on a 42,144 square foot lot with frontage to Mannheim Road.

Ms. Mauro introduced her client, Russian Pointe. They are under contract to purchase the subject property for \$1.6 million. The company was founded in 1998 by Aleksandra Efimova. They are a manufacturer and distributor of dance products with a focus on ballet slippers and jazz shoes, apparel, accessories and carrying cases. They currently have offices in the City of Chicago and warehousing and distribution space in Bensenville. They are planning to consolidate the businesses operations into one facility at the subject property in Franklin Park.

Ms. Mauro spoke about the economic benefits of the 6b tax assessment. She indicates that the total taxes paid for the property under a 6b assessment during a 12 year period will be greater than its current condition of vacancy over the same period.

Ms. Chanel introduced herself and proceeded to talk about the current business operations. They have outgrown their space in Chicago and need to have a facility that can accommodate their growing business.

Mr. Rincon asked how much space they currently occupy.

Mr. Goon indicated that they are currently in about 10,000 square feet between their offices and warehouse. They would more than double their space in the new facility in Franklin Park.

Mr. Herbstritt asked where their products come from.

Ms. Chanel indicated that most products are from China and Russia.

Mr. Giannelli asked about the number of employees.

Ms. Chanel indicated that they currently have 16 employees and hope to hire at least 8 more when they get in their new facility.

Mr. Geary asked how much investment was being put into the facility.

Ms. Chanel stated that they would be investing between \$100,000-150,000 into the new facility to build the space out to their needs.

Ms. Mauro also noted that the investments into the property are separate from the \$1.6 million purchase and the approximately \$200,000 in relocation costs.

Mr. Richard spoke about the history of the property and the sellers' attempts to lease the space over the past few years.

Discussion took place on related matters.

**Additional information on the petitioner's intents can be found in the complete application submitted to the Department of Community Development & Zoning.*

MOTION TO APPROVE RECOMENDATION of the 6b application by Russian Pointe, Inc. made by Tom Herbstritt. **SECONDED** by Sixto Rincon. **VOICE VOTE CARRIED UNANIMOUSLY.**

Project updates from Staff: *Discussion took place on the following items*

- October 7th Manufacturing Day Celebration

Report from the Mayor: none

Public Comment: none

Being no further business before the Commission, Tom Herbstritt **MADE A MOTION** to adjourn. Sixto Rincon **SECONDED** the motion. **VOICE VOTE CARRIED UNANIMOUSLY.**

Meeting adjourned at 8:32 A.M.

Respectfully submitted,

Eric Richard