

**Minutes of the
TIF Committee Meeting
Of
October 12, 2017**

Attendees:

Mayor John Hucker – Committee Chairperson

Trustee Mark Ottersen – Member

Trustee Linda Sittig – Member

Jerry Nellessen – Community Development Director

Sandi Pastell – Recording Secretary

Jon Kindseth – Village Administrator

Peggy McHugh – Finance Director

Roll call was taken and the meeting brought to order at 5.04 p.m.

Chairman Hucker opened the meeting with a motion to approve the minutes from the September 14, 2017 meeting. Trustee Ottersen made the motion, Trustee Sittig seconded, and by voice vote minutes were approved.

Chairman Hucker went over the Points of Action (POAs) from the September 14, 2017 TIF Committee Meeting, stating no change.

Chairman Hucker stated that there were no pending TIF applications; however, we have received the beginnings of one from Speedway. Jon Kindseth stated that we received an incomplete application from them on October 5th; however, some of the information requested in the application may not be necessary as they are already in the process of building the station. Jon Kindseth stated that the largest omission in the application is their current financials. We only have the ones they submitted in 2015. At that time, Speedway was looking for \$350,000.00; however, we did tell them that some of their “extraordinary” expenses would not be taken into account such as grease traps, etc. as these are regular development expenses. Jon Kindseth said that when he, the Mayor and Peggy McHugh met with them they told Speedway that they could include the additional roadwork that IDOT had them do as extraordinary. The cost of the road work for Speedway ran approximately \$551,000.00. Jon Kindseth explained the road work that Speedway had to do to the committee.

Jon Kindseth stated that Speedway is now asking for \$500,000.00. They want \$250,000.00 from TIF and the remaining balance as a sales tax incentive. Jon Kindseth stated that they have currently projected between 12 and 13 million in annual sales; however, that is going to depend on gas prices. Trustee Ottersen asked if they are contributing some of that to video gaming. Jon Kindseth stated yes, they are and that the gaming will bring in approximately \$9,000.00 to the village monthly. Trustee Sittig asked if they are requesting a liquor license and was told yes, they are; however, as they are being considered as a truck stop, they do not need a liquor license to have video gaming. Jon Kindseth told the committee that they will also offer a made to order café.

Jon Kindseth stated that staff has prepared a response to them and that we should have a more complete application for the November TIF Committee meeting. Trustee Ottersen said that we should look at the road work or the water main extension as incentives. Chairman Hucker stated that right now they are asking for TIF and a sales tax incentive and Chairman Hucker stated he wants to stay out of the general fund, which sales tax goes to.

Jon Kindseth stated that there was a discussion on a permit fee refund of \$50,000.00 and explained that Speedway has paid permit fees in the amount of \$60,419.00 plus inspections, professional fees, etc. Jon Kindseth stated he would like to issue the \$50,000.00 either at issuance of the Certificate of Occupancy or at the time of the opening, which they are predicting will be November 14th. Trustee Ottersen asked if the \$3,000,000.00 is the actual construction costs. Jerry Nellessen said yes; however, that does not include the site works, just the building and pump stations.

Trustee Ottersen said he has no problem with refunding \$50,000.00 in permit fees. Chairman Hucker stated this all comes down to timing with the TIF application as they have already started the project and are almost complete. Chairman Hucker said that once they submit a completed application the \$50,000.00 could be included in the RDA. Trustee Sittig said that she wants to see the completed application. Jon Kindseth stated that he believes that if we approve the \$50,000.00 in permit fees, that Speedway may back off of the TIF request and the sales tax incentive. Chairman Hucker said to the committee that staff is asking to approve the \$50,000.00 refund of permit fees or recommend that it is part of the incentive package. Trustee Sittig said that she wants a different approach.

Trustee Ottersen said that Jon Kindseth said they were told we were going to contribute something; however, he is concerned that if we do not allow the \$50,000.00 they will request more. Trustee Sittig said we can suggest we will give them the \$50,000.00 but TIF application would not be accepted. Chairman Hucker said that we cannot deny anyone's submission of a TIF application and are obligated to look at it. Chairman Hucker stated once again he would much rather have a TIF incentive and stay away from the sales tax incentive. Trustee Ottersen said let's give them the \$50,000.00 and advise Speedway that it will be subtracted from any other incentives. Jon Kindseth said that he has already made that very clear to Speedway. Peggy McHugh stated that she booked the \$50,000.00 last year. Trustee Ottersen said that permit fees can be a bargaining tool.

Jon Kindseth stated he also needs an access agreement from Speedway for the cell tower the village would like to place on their property and that the impact fees would be around \$5,000.00 to \$10,000.00 to Speedway. Jon Kindseth stated that we need their cooperation in order to have this cell tower. Chairman Hucker and the Committee agree to hold the \$50,000.00 until we receive a completed TIF application to look at everything as one complete package.

Chairman Hucker then asked about current marketing efforts and what the status is with Retail Strategies. Jon Kindseth stated that they have had direct contact with some developers; however, there were no favorable responses as of yet.

Chairman Hucker then moved the discussion to new business and stated that the annual JRB meeting will be held on November 1st. Peggy McHugh informed the Committee that the date may need to be changed as we still do not have the spreadsheets from the state to move forward. Peggy McHugh stated that Mayor Hucker should be receiving a letter from Susana Mendoza in regards to the new changes. Jon Kindseth stated that in the Board packet they will find the 10 year status report for the Original Sheridan Road TIF and he explained what will happen at the Board meeting in regards to the required public hearing.

Chairman Hucker then moved the discussion to the southeast corner of Sheridan Road and Wadsworth Road. Jon Kindseth explained that the property is owned by Nat Zala and that he has had some discussions with developers and that they have a meeting next week to go over infrastructure; however,

the developer and the owner cannot come to an agreement on the sale price. The owner of the property is asking for 1.1 million dollars and the broker for the buyer has only been authorized to spend \$750,000.00.

Jon Kindseth said that he has made it very clear to the owner that the village has put a lot of time into helping him market the property; however, if he cannot work with the developers, the village will no longer offer their assistance. Jon Kindseth then told the Committee he is working on a CDBG grant for the water extension down Sheridan road as well as the road re-location of Paxton Drive.

Chairman Hucker moved to other items. Jon Kindseth said that he has had a conversation with the owner of the building on Sheridan Road and Beach Road and that he told Paul Pastell that the village would be more interested in assisting in the demolition if all of the buildings were included. Jon Kindseth stated that Paul told him he needs the 3 offices as that makes up his only source income. Jon Kindseth stated that he knows Paul cuts hair out of his home for extra income and that in order to just demolish the one building, he will need to hire an architect because of how the buildings are connected. Jon Kindseth stated that the good news is Paul has come down on the price to \$350,000.00; however, a developer that he and Jerry have been speaking to said it's not worth that much.

Trustee Ottersen asked if Nick Gianaris has any idea what he is going to do with the property he purchased to the north of his station. Jon Kindseth explained that he wants a gaming café and was told that the Village is not open to that at all. More discussion was had.

Chairman Hucker then asked the Committee if there were any public comments. Hearing none, Chairperson Hucker asked for a motion to adjourn. Trustee Ottersen made the motion to adjourn. Trustee Sittig seconded. Upon a voice vote, motion passed. The TIF Committee meeting was adjourned at 6:26 p.m.

Next TIF Committee Meeting: To be Determined

POA (Points of Action):

None