

MINUTES
Meeting of the Committee of the Whole
July 20, 2021 – 6:15 p.m.
Tinley Park Fire Station No. 46
17355 68th Court
Tinley Park, IL 60477

President Pro Tem Brennan called the meeting of the Committee of the Whole on July 20, 2021, to order at 6:18 p.m.

At this time, President Pro Tem Brennan stated this meeting is being conducted pursuant to Governor Pritzker's disaster proclamation and Public Act 101-0640, which amends requirements of the Open Meetings Act due to the COVID-19 pandemic. President Pro Tem Brennan introduced ground rules for effective and clear conduct of Village business.

Clerk Thirion called the roll. Present and responding to roll call were the following:

Members Present:	M. Glotz, Village President K. Thirion, Village Clerk W. Brady, Village Trustee W. Brennan, Village Trustee D. Galante, Village Trustee D. Mahoney, Village Trustee C. Sullivan, Village Trustee
Members Absent:	M. Mueller, Village Trustee
Staff Present:	D. Niemeyer, Village Manager P. Carr, Assistant Village Manager K. Clarke, Community Development Director J. Urbanski, Public Works Director M. Walsh, Police Chief S. Klotz, Interim Fire Chief L. Godette, Deputy Village Clerk H. Lipman, Assistant to the Village Manager P. Connelly, Village Attorney
Others Present:	Stephanie Dremonas, Pete's Fresh Market Eugene Grzynekowicz, PM Realty Inc.

Item #2 - CONSIDER APPROVAL OF THE MINUTES OF THE SPECIAL COMMITTEE OF THE WHOLE MEETING HELD ON JUNE 29, 2021 – Motion was made by Trustee Mahoney, seconded by Trustee Brady, to approve the minutes of the Committee of the Whole meeting held on June 29, 2021. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #3 – CONSIDER PETE'S FRESH MARKET DEVELOPMENT AGREEMENT – Kimberly Clarke, Community Development Director, presented the development agreement. 163rd & Harlem, LLC, the real estate holding company for Pete's Fresh Market, owns the former K-Mart site located at 16300 Harlem Avenue. The project includes three phases: Phase I was approved in September of 2020 permitting a Special Use for warehouse use. Phase II, for which the incentive was requested, includes the construction of an 88,608 sq. ft. Pete's Fresh Market grocery store and 51,831 sq. ft. of in-line retail tenant space, and approximately 12,400 sq. ft. expansion of the warehouse and dock area.

This site is located within the 159th and Harlem Tax Increment Financing (TIF) District and therefore, eligible for TIF funding. The terms of the agreement are as follows:

- Term - 10 years
- Completion Date - December 31, 2022 (agreement allows for a 1-year extension for any force majeure delays)
- Project Cost - \$36.6 million
- Financial Assistance - \$5.5 million TIF incentive or 20% of the actual project costs, whichever is less.
 - 80 % of increment sharing. Based on the percentage, the development should be paid back in 8-9 years.
 - Lookback language - There is language allowing a lookback commencing on the sixth year of the available incremental tax term. This will allow the Village to consider modification of the available increment taxes in the event the maximum reimbursement cannot be paid by the end of the 10 years.
- Clawback - The agreement is contingent on the property operating as a grocery store for 10 years. In the event Pete's closes the grocery store prior to 10 years there is language being negotiated on requiring them to pay back a portion of their economic assistance given from the Village. The TIF funding will be based on TIF increment generated by this site alone.

Cook County reclassification incentives were approved in May of 2020. The 6b incentive was for the warehouse portion of the site and the 7b incentive was for the commercial land to be developed. These reclassifications provide a tax savings of approximately \$49 million over the 23-year life of the TIF.

Pete's Fresh Market expects to generate \$50-60 million in annual gross sales. Once the project is complete, they expect to hire 30-40 full-time employees for the distribution facility and approximately 170 employees for the supermarket (155 full-time and 15 part-time). They expect the additional retail tenants to create 30-60 jobs and generate approximately \$10 million in annual gross sales.

The project will be an enhancement to the Village by encouraging the development of an area previously designated as blighted by the Village.

The following statements are in line with the Village of Tinley Park's incentive policy:

1. Due to its location in an area previously designated as blighted, this project meets the Target Development Area Incentive Policy Requirement outlined in section B-8.
2. The project will create over 25 jobs as outlined in section B-1.
3. As a project expected to exceed \$1 million in capital investment, this project meets the Minimum Capital Investment Policy requirement
4. The project has annual retail sales of at least \$5 million as outlined in section B-5.

The Economic and Commercial Commission (ECC) reviewed the incentive request at its July 12, 2021 meeting and voted 7-0 to recommend approval.

President Glotz thanked Ms. Dremonas and Mr. Grzynekowicz for the enjoyable negotiations.

Trustee Galante expressed concerns regarding the impact of the increase in trucking for the residents nearby. Ms. Clarke stated a Public Hearing was held on September 17, 2020 where resident concerns were heard. Pete's is working to mitigate those impacts noting a landscape buffer will be in place as well as more efficient equipment.

Motion was made by Trustee Brady, seconded by Trustee Sullivan to recommend the Pete's Fresh Market Development Agreement be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #4 – CONSIDER A CLASS 8 REQUEST FOR IMAGINE ASPEN, LLC, 6851 167TH STREET – Ms. Clarke presented the Class 8 request for Imagine Aspen, LLC (the “Applicant”), the contract-purchaser of the site at 6851 167th Street (PIN: 28-30-103-002-0000). The property consists of a one-story, 6,733 square foot office building which has been vacant since July 2019. The applicant proposes to invest \$400,000 to retrofit the interior to build out 23 suite-style salons, install a sprinkler system, and add landscaping around the building.

Imagine Aspen, LLC is managed by Cynthia Payne, Patrick Reilly, and Patsey Reilly. Ms. Payne has 45 years of retail experience, according to the request submitted by their attorney, and is co-owner of a 25-suite salon building in Plainfield, Illinois which is currently fully leased since opening last year. As a result of its success, a second location is under construction in Plainfield and is expected to open in September 2021. It is expected that 19 full-time jobs and 8 part-time jobs will be created as a result of this project.

The Applicant is requesting a Class 8 Incentive on this site to effectively lower their tax assessment from the commercial rate of 25% to the residential rate of 10%. The property is located in Bremen Township, which is one of the Townships the Cook County Assessor's Office has designated as a certified Class 8 area. The property has been vacant for two years which is why it is eligible however, the recent amendment of Sec. 74-62 through 74-63 of the Cook County Code, decreased the vacancy requirement for a property from 24 months to 12 months and eliminated the need for a "special circumstances" finding.

The project at present is in line with the Village of Tinley Park's incentive Policy as follows:

- The developer will file the Cook County forms, plans to be a long-term owner/investor, and plans to comply with Village and County obligations of the Class 8 Incentive Program.
- The project will create at least 25 jobs as outlined in section B-1 of the incentive policy.

The ECC reviewed the application at its July 12, 2021, meeting and voted 7-0 to recommend approval of the Class 8 request.

President Pro Tem Brennan asked if there were any questions from the Committee. There were none.

Motion was made by Trustee Galante, seconded by Trustee Sullivan to recommend the Class 8 request for Imagine Aspen, LLC, 6851 167th Street be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #5 – CONSIDER A CLASS 8 REQUEST FOR MIRA REAL ESTATE, LLC, 6775 PROSPERI DRIVE

– Ms. Clarke presented the Class 8 request for Dr. Chris Higgins of MIRA Real Estate, LLC (the "Applicant"), he recently purchased the site at 6775 Prosperi Drive (PIN: 31-06-400-002-0000). The property consists of a 63,124 square foot building that was formerly occupied by a not-for-profit organization. The owner proposes to invest \$6,000,000 in improvements to the building to operate a MIRA Neuro-Behavioral Health Center for Children and Adolescents that will consist of a 30-bed acute care psychiatric hospital.

Dr. Chris Higgins has identified a need in the community for acute care resources for youth struggling with mental health issues. It is expected that 30 full-time jobs and 15 part-time jobs will be created as a result of this project. When fully operational, that number will increase to 50-70 jobs including psychiatrists, psychologists, nurses, general office staff, and maintenance staff. Construction is expected to commence summer of 2021 with completion estimated 6-8 months thereafter.

Per the estimates prepared by MIRA's attorney, the property once fully renovated, is estimated to be valued at approximately \$8.5 million and would generate approximately \$450,000 a year in taxes with the incentive. This property was previously owned by a non-profit and therefore, exempt from paying property tax.

The Applicant is requesting a Class 8 Incentive on this site to make their project feasible. The property is located in Rich Township, which is one of the Townships the Cook County Assessor's Office has designated as a certified Class 8 area. The property has not been vacant for two full years; however, the recent amendment of Sec. 74-62 through 74-63 of the Cook County Code, decreased the vacancy requirement for a property from 24 months to 12 months and eliminated the need for a "special circumstances" finding.

The project as presented is in line with the Village's incentive policy as follows:

- The developer will file the Cook County forms, plans to be a long-term owner/investor, and plans to comply with Village and County obligations of the Class 8 Incentive Program.

- The project will create at least 25 jobs as outlined in section B-1 of the incentive policy.
- This project meets the Minimum Capital Investment Policy requirement of at least \$1 million.

The ECC reviewed the application at its July 12, 2021, meeting and voted 7-0 to recommend approval of the Class 8 request.

President Pro-Tem Brennan asked if there are any concerns from police or fire. Chief’s Walsh and Klotz replied there are none.

Motion was made by Trustee Brennan, seconded by Trustee Galante to recommend the Class 8 request for Mira Real Estate, LLC, 6775 Prosperi Drive be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #6 – CONSIDER ELECTRICAL AGGREGATION PROGRAM – Hannah Lipman, Assistant to the Village Manager, presented the Electrical Aggregation program renewal changes. As previously discussed with the Board, there have been several changes presented to the Village in regards to the electric aggregation program. The Village’s consultant has received final pricing and presented the following one (1) year options:

Green Aggregation with Annual Civic Contribution (12 mos)				
	Green Energy	Eligo Energy		MC Squared Energy
Exactly at ComEd rate, guaranteed	0%	\$70,304 **		\$42,000 **
	EPA Designation	\$22,146		\$12,000
	50%	\$13,525	\$53,062 **	N/A
	100%	N/A	\$35,820 **	N/A

** Without EPA Designation

Trustee Brady asked about the difference in civic contributions. Ms. Lipman explained while there are a lot of moving parts, changes in the market have created some uncertainty.

President Pro-Tem Brennan noted if Eligo was selected the Village would not have the logo on the website but would receive a larger civic contribution. He also asked if there was a recommendation from the EEC on the use of the civic contribution. Ms. Lipman stated the EEC would be happy if it was used for a sustainable project.

Trustee Mahoney asked what the drawbacks are to switching from MC2. Ms. Lipman responded while the Village is used to MC2, the Village consultant feels both companies are acceptable and do not have any concerns with Eligo. If there will be a change, those in the program will be notified via a mass mailing.

Trustee Sullivan asked about the length of the contract. Ms. Lipman responded it will be for one (1) year.

Motion was made by Trustee Brady, seconded by Trustee Mahoney to recommend contracting with Eligo Energy for the purchase of electricity to be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #7 – CONSIDER EXCEPTIONS TO THE SECTION 2.11 OF THE PERSONNEL MANUAL – DUAL CAPACITY EMPLOYMENT – David Niemeyer, Village Manager, presented two (2) requests to waive Section 2.11 of the personnel code prohibiting an employee from holding two different positions.

- Colby Zemaitis, who was recently promoted to Assistant Public Works Director, is also holding the title of Village Engineer until a new Village Engineer is hired.
- Roxane Tyssen currently serves on a few Commissions as secretary. Previous discussions were held regarding obtaining part-time clerical help in the Clerk’s Office as the full-time FOIA coordinator position is vacant. Ms. Tyssen has the skills to fill the position. As her total hours with the Village will not exceed 1000 hours per year, she will not receive Illinois Municipal Retirement Fund (IMRF) or insurance benefits.

President Glotz asked John Urbanski, Public Works Director if he had any concerns with Mr. Zemaitis holding both positions. Mr. Urbanski replied no, adding the engineering consultant will also be available. President Glotz noted this is not the first time this section of the code has been waived.

Trustee Galante asked if Mr. Zemaitis holding the position of Village Engineer will be temporary. Mr. Niemeyer replied yes.

Motion was made by Trustee Brady, seconded by Trustee Sullivan to recommend the exceptions to Section 2.11 of the Personnel Manual be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #8 – CONSIDER HYDRANT PAINTING CONTRACT – Mr. Urbanski explained that previously it was an eight (8) year program to paint all the hydrants in the Village, with approximately 600 completed per year. The number of hydrants painted has increased to 1,200 per year, resulting in a four (4) year program.

The hydrant painting project was advertised to prospective bidders on June 24, 2021, with a public bid opening on July 12, 2021. The Village received the following three (3) bids with the Deputy Clerk and Water & Sewer Superintendent from the Village present.

Contractor	Location	Bid
Cryder Enterprises	Minooka, IL	\$99,600
Capital Industrial Coatings	Hammond, IN	\$186,900
Lankford Construction Co.	Tinley Park, IL	\$192,000

Funding in the amount of \$99,600 is available in the approved FY2022 Budget.

Budgeted Amount	\$108,000
Bid Amount	<u>\$ 99,600</u>
Under Budget	\$ 8,400

Motion was made by Trustee Sullivan, seconded by Trustee Mahoney to recommend the hydrant painting contract be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #9 – CONSIDER POST 3 LIFT STATION PUMP REPLACEMENT – Mr. Urbanski presented the Post 3 pump replacement contract. Upon completion of the control panel and other electrical work at Post 3 in 2020, two (2) jockey pumps were pulled for inspection. The pump housings have begun to deteriorate beyond the point of repair. Replacing the pumps now will avoid costly emergency pump replacement when complete pump failure occurs. Sole source purchase and installation are requested based on the quality of work Superior Pumping Services provide the Village. Superior Pumping Services has been the contractor used exclusively for over 4 years for needed repairs; as such they have become very familiar with the Village stations and needs. The contractor can provide quality work while keeping costs lower than other companies offering the same services.

Contractor	Location	Quote
Superior Pumping Services	Location	\$21,739.70

Funding in the amount of \$21,739.70 is available in the approved FY2022 Budget.

Budgeted Amount	\$64,000.00
Quote Amount	<u>\$21,739.70</u>
Under Budget	\$42,260.30

Motion was made by Trustee Sullivan, seconded by Trustee Brady to recommend the Post 3 Lift Station pump replacement be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #10 – CONSIDER PURCHASE OF SELF-CONTAINED BREATHING APPARATUS BOTTLES

(SCBA) – Stephen Klotz, Interim Fire Chief, presented the Air One Equipment, Inc. contract to purchase 120 air bottles used for the SCBA. The bottles have reached their 15-year end of life, which is mandated by NFPA and DOT Standards, at the end of June 2021. Currently, there are 60 SCBA units; the requirement is to have a spare air bottle for each unit. Air One Equipment, Inc. is the sole territorial supplier of SCBA air bottles. Delivery time is approximately four (4) weeks.

A grant to replace all of the SCBA units was applied for in January 2021. Currently, no information on the status of the grant is available.

\$100,000 was budgeted for the replacement of the expired air bottles. The replacement cost of \$78,000 is under budget.

Motion was made by Trustee Brennan, seconded by Trustee Sullivan to recommend the purchase of self-contained breathing apparatus bottles (SCBA) be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the motion carried.

Item #11 – RECEIVE COMMENTS FROM THE PUBLIC –

President Pro Tem Brennan asked if there were any comments from the public. There were none.

Laura Godette, Deputy Village Clerk, stated there was no written comment or request to speak telephonically.

Motion was made by Trustee Sullivan, seconded by Trustee Mahoney, to adjourn the Committee of the Whole. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Sullivan. Nays: None. Absent: Mueller. President Pro Tem Brennan declared the meeting adjourned at 6:59 p.m.

dm