

**MINUTES**  
**Finance and Economic Development Committee Meeting**  
**February 14, 2017 – 6:15 p.m.**  
**Council Chambers at**  
**Tinley Park Village Hall**  
**16250 S. Oak Park Ave.**  
**Tinley Park, IL 60477**

Members Present:                   B. Maher, Chair, Village Trustee  
  M. Pannitto, Village Trustee (arrived at 6:24)  
  K. Suggs, Village Trustee

Members not Present:           None

Other Board Members Present: D. Seaman, Mayor  
  T. J. Grady, Village Trustee  
  B. Younker, Village Trustee

Staff Present:                    D. Niemeyer, Village Manager  
  S. Tilton, Assistant Village Manager  
  B. Bettenhausen, Village Treasurer  
  P. Wallrich, Interim Community Development Director  
  P. Hoban, Economic Development Manager  
  R. Hopkins, Economic Development Consultant  
  C. King, Village Engineer  
  L. Godette, Deputy Clerk  
  B. Bennett, Commission Secretary

**Item #1** - The meeting of the Finance and Economic Development Committee Meeting was called to order at 6:15 p.m.

**Item #2 – CONSIDER APPROVAL OF THE MINUTES OF THE FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE MEETING HELD ON JANUARY 17, 2017** – Motion was made by Trustee Suggs, seconded by Trustee Maher to approve the minutes of the Finance and Economic Development Committee Meeting held on January 17, 2017. Vote by voice. Chairman Maher declared the motion carried.

**Item #3 – DISCUSS INCENTIVE PACKAGE FOR BANGING GAVEL BREWERY AT 6811 HICKORY STREET-** Owner and President, Jim Richart of the Banging Gavel gave a PowerPoint presentation. The Banging Gavel is planning a \$4,157,350 purchase and remodel of the Vogt Building into a brew house and restaurant. The historic three-story building will feature a brewery in the basement, a bar and restaurant on the first floor, a kitchen and private party room on the second floor and an apartment and office on the 3<sup>rd</sup> floor. The rehabilitation and conversion of the property will require significant remodeling of the estimated 8,000 SF plus building.

The basement will require extensive excavation and plumbing for the brew works. Entry to the basement will require a wide ramp and wide door for installation and maintenance of the brew works.

The first floor will feature openings in the restaurant and bar to view the brew works in the basement and the stairs to the second floor

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The Second floor will have a small kitchen for hot and cold sandwiches, side dishes and other menu items. It will also feature a private party room (used occasionally), and stairs to a third-floor apartment. Events requiring full service food will be catered from local restaurants.

The third floor will be an apartment and office, with a bathroom and kitchen area. Due to the sloped roof and dormers only two-thirds of the floor area is usable.

Trustee Pannitto asked about the parking and the hours of business. Trustee Maher responded in addition to property being purchased the train parking could be used and the hours will be subject to the Village Code. The outdoor beer garden will be closed at 11:00 p.m. and the interior Liquor License is subject to a 2:00 a.m. closing time.

Roger Hopkins, Economic Development Consultant stated this type of business will create a festival market place in the Downtown area which is one of the themes of the Legacy District. This is a TIF district so it has to meet some of the incentive requirements for the TIF and other incentives. These people need the incentive or they cannot proceed. The property is in a receivership position and they are acquiring it for a pretty inexpensive value. They are putting in the majority of the money either through bank financing, their own shareholder investments or their own personal equity.

There are 3 different elements that the Village would be participating in.

1. The purchase of the Plaza and the parking and alley areas
2. An operating incentive – Sales taxes
3. The investment in the construction and remodeling of this Historic building

The request from the Banging Gavel is \$850,000 in assistance; \$600,000 of the request includes a \$450,000 Historic Preservation grant plus an estimated \$150,000 for public land purchase. Both requests will be paid from TIF funds and according to Treasurer Bettenhausen there are sufficient TIF funds in the account to cover the grant portion of the project.

The remaining \$250,000 comes in the form of a sales tax rebate providing an operating incentive over the first ten (10) years. This is based on the 1% State of Illinois Sales Tax collected by the Village, estimated at \$20,000 to \$30,000 per year. The Village's home rule tax is not part of the incentive.

Sources of Funding are:

- Village of Tinley Park for \$850,000
- Loan of \$1,300,000
- Shareholders injection of \$732,200
- Business Operations for \$1,285,699

The project provides several benefits to the Village. Given that the investors are paying a premium to rehabilitate a historic building requiring \$525,000 of additional/incremental remodeling investment, the additional costs should be aided by the Village to preserve the historic, nature of the building and create an anchor or "trigger" investment in the downtown, as indicated for a deviation from the incentive policy.

- Preserves and restores one of the few landmark buildings in the Village. This property is listed on the National Register of Historic Places for its architectural significance. This is probably considered the one most important benefits of proceeding with this project.
- Houses a business that has the potential to create the desired synergy to attract Millennials, a vital demographic to the Downtown.

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- Serves as an anchor to attract related visitor and tourism businesses, adding an estimated 30-36 jobs that it will create.
- Will provide additional sales tax to the Village, albeit less than policy.
- The business should generate entertainment consistent with the Village's re-branding efforts.

**Item #4 – DISCUSS WEBSITE REDESIGN RECOMMENDATION** - On November 18, 2016 the Marketing department issued an RFQ for the Village website redesign, which garnered 15 responses. Marketing staff evaluated each proposal on the following criteria: approach to website redesign; long-term strategic outlook and partnership; features and function of CMS (Content Management System); technical and hosting expertise; local government experience and capacity; management qualifications; client list; references and pricing. Four vendors were selected to provide presentations to staff committee comprised of representatives from each operating department. After three sessions of review, discussion and deliberation, the staff committee selected Revize out of Troy, Michigan as the preferred vendor to manage the website redesign.

The Cost of the redesign is \$22,500 which includes initial meetings, website design, content migration and staff training, of which \$14,900 was budgeted in FY17. The balance of this expense will be included in the FY18 Marketing budget. Beginning in year two, the annual hosting fee will be \$5,900 which includes website hosting; technical support, four annual website upgrades, unlimited storage and a free website redesign every fourth year.

Motion was made by Trustee Suggs, seconded by Trustee Pannitto to recommend the Website Redesign by Revize of Troy, Michigan to the Village Board. Vote by voice. Chairman Maher declared the motion carried.

**Item #5 – RECEIVE COMMENTS FROM THE PUBLIC** – None

#### ADJOURNMENT

Motion was made by Trustee Pannitto, seconded by Trustee Suggs to adjourn this meeting of the Finance and Economic Development Committee. Vote by voice call. Chairman Maher declared the motion carried and adjourned the meeting at 6.55 p.m.

bb

cc: *Village Board*  
*Village Manager*  
*Assistant Village Managers*  
*Village Treasurer*  
*Deputy Village Clerk*