

MINUTES
Finance & Economic Development Committee Meeting
March 21, 2017 – 7:15 p.m.
Council Chambers at
Tinley Park Village Hall
16250 S. Oak Park Ave.
Tinley Park, IL 60477

Members Present: B. Maher, Village Trustee
M. Pannitto, Village Trustee

Members Absent: K. Suggs, Village Trustee

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

Staff Present: D. Niemeyer, Village Manager
B. Bettenhausen, Village Treasurer
S. Tilton, Assistant Village Manage
P. Connelly, Village Attorney
P. Wallrich, Interim Community Development Director
P. Hoban, Economic Development Manager
S. Neubauer, Police Chief
K. Workowski, Public Works Director
J. Urbanski, Assistant Public Works Director
J. Prinz, Village Engineer
L. Godette, Deputy Clerk
L. Valley, Executive Secretary
B. Bennett, Commission Secretary

Item #1 - The meeting of the Finance & Economic Development Committee Meeting was called to order at 7:15 p.m.

Item #2 – CONSIDER APPROVAL OF THE MINUTES OF THE FINANCE & ECONOMIC DEVELOPMENT COMMITTEE MEETING HELD ON MARCH 7, 2017 - Motion was made by Trustee Pannitto, seconded by Trustee Maher to approve the minutes of the Finance & Economic Development Committee Meeting held on March 7, 2017. Vote by voice. Chairman Maher declared the motion carried.

Item #3 – DISCUSS BANGING GAVEL INCENTIVE AGREEMENT – Trustee Maher and Economic Development Manager, Patrick Hoban, stated the Economic and Commercial Commission met and recommended approval of the proposed economic development incentive package for Banging Gavel Properties, LLC. Planned improvements for the Historic Vogt Building located at 6811 Hickory St./17400 Oak Park Avenue will include a brewery, restaurant and office/residential uses. The total incentive package will not exceed \$850,000 to include an amount not to exceed \$150,000 for land acquisition, an amount not to exceed \$450,000 for TIF eligible expenses for the renovation of the structure that will maintain its architectural integrity and registry on the National Register of Historic Places and an amount not to exceed \$250,000 for incremental sales tax receipts not to include the Village's home rule sales tax.

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Trustee Pannitto noted that he is pleased to see this type of business coming the downtown Tinley Park. He stated the following questions:

- What is the purchase price of the property, building and land? Community Development Director Wallrich replied \$415,000, the remodel is \$3.50 million
- Is there anyone in place to develop the property? Wallrich replied the owners are developing it themselves.
- Has there been any discussion about historic grants? The property owner replied no.
- Are there legal and accounting fees? Wallrich replied this is part of preforma, they are just outlining their operating expense. The property owner stated the operational expenses are CPA's, Marketing Services and Lawyers as part of the ownership they would be putting in time that would be the value of that.
- Did any other breweries receive incentives? Ms. Wallrich stated, there were no others that came to the downtown.
- He asked Attorney Connelly will there be a Village position in line behind or in front of the bank. Mr. Connelly replied there could be other liens, but it gives us the legal right to pursue those monies.
- Trustee Pannitto asked if we are fronting the \$600,000, how much will the property owners be putting in? The property owner replied 4 million over the course of the construction.
- He asked about the invoices that come in, who will check them? Ms. Wallrich replied the invoices will not be paid out until occupancy.

Trustee Maher stated that at the very beginning of this project, I made it very clear that this type of business would be eligible for an incentive.

Mayor Seaman stated the money is not general revenue funds, the money will come from the TIF. Treasurer Bettenhausen replied that there will be \$600,000 of TIF and \$250,000 of shared sales tax revenue potential.

Trustee Younker asked what would happen if the business fails? Village Attorney Connelly gave a summary of "Claw Back" and the agreement which would be in place in the event of a failure. Ms. Wallrich stated as part of the contract they would have to keep the Historic Nature with the National Register. They will have to keep up that status. There is a Special Use for the Brewery aspect. The distillery requires a Special Use.

Motion was made by Trustee Pannitto, seconded by Trustee Maher to recommend the Banging Gavel Incentive Agreement to the Village Board for first reading. Vote by voice. Chairman Maher declared the motion carried.

Item #4 – RECEIVE COMMENTS FROM THE PUBLIC –

Resident #1- thanked Trustee Pannitto for his questions on the Banging Gavel incentive plan. Trustee Pannitto stated he is not comfortable spending public money on a private enterprise. At least it is one that will help the downtown and keep a historic building intact.

ADJOURNMENT

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Motion was made by Trustee Pannitto, seconded by Trustee Maher to adjourn this meeting of the Finance & Economic Development Committee. Vote by voice call. Chairman Maher declared the motion carried and adjourned the meeting at 7:34 p.m.

bb

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