



**VILLAGE OF BARTLETT
ECONOMIC DEVELOPMENT COMMISSION**

MEETING AGENDA

**Meeting to be held at:
BARTLETT VILLAGE HALL
228 South Main Street, Bartlett, IL
March 9, 2020
7:00 PM**

1. Call to Order
2. Roll Call
3. Approval of the February 10, 2020 meeting minutes
4. Public Comment
5. BEDA Program Enhancements
6. New Business
7. Adjournment

**Minutes
February 10, 2020
Village of Bartlett
Economic Development Commission**

1) Call to Order

G. Kubaszko called the meeting to order at 7:01 pm.

2) Roll Call

Present: K Erickson, S. Gandsey, N. Gudenkauf, G. Kubaszko, J. LaPorte, A. Lewensky, T. Smodilla

Absent: M Hughes, R. Perri

**Also Present: T. Fradin, Economic Development Coordinator
S. Skrycki, Assistant Village Administrator;
J. Dienberg, Management Analyst
S. Spradling, GIS Coordinator**

3) Approval of Minutes

A motion was made to approve the minutes from the January 13th, 2020 meeting.

Motioned by: K. Erickson

Seconded by: J. LaPorte

T. Smodilla Abstained

Motion Carried

4) Public Comment

None

5) Interactive Map-Based Dining Guide

T. Fradin stated that about ten years ago as the country moved out of the Recession, staff began issuing annual dining guides in print in an effort to support and promote eating and drinking establishments throughout the Village. Staff distributes these printed dining guides throughout many public venues in the Village including at the Library, Metra station, community center, Village Hall and the Chamber of Commerce.

While staff will continue to print and distribute these guides on an annual basis, the Village has more recently improved and updated an electronic version of this guide on the Village's website.

Because the print versions become inaccurate quickly as some establishments close and others open, we urge residents and visitors to visit the web-based dining guide which is more easily kept up-to-date.

T. Fradin invited up Steven Spradling, GIS Specialist, and has worked with me to develop the map-based dining guide.

S. Spradling demonstrated the use of the online guide. He then asked the commissioner's if they had any questions.

S. Gandsey asked if the list includes gaming cafés.

S. Spradling stated that all places that serve food, or offer carry-out, are on the list which includes gaming cafés.

T. Smodilla suggested that the map page highlight what is included in the interactive map page.

S. Spradling thanked commissioner Smodilla for the suggestion and added that he would implement that.

J. LaPorte asked for clarification on the website's navigation.

S. Spradling walked through the requested steps.

S. Gandsey suggested adding more images and descriptive links to the maps.

K. Erickson suggested adding more "Things to Do" to the map page. She also asked if the Village provides businesses with the website data (i.e. clicks, etc)

S. Spradling stated that they are looking into it, they have wanted to add highlights to events that individual businesses are doing. He added that the difficulty is getting that information from the businesses.

T. Fradin stated that this is relatively new, and at this point they are not sharing that data.

T. Smodilla recommended tying into village branding similar to that of Small Business Saturday to be consistent and attractive to residents.

S. Gandsey agreed with the branding comments.

K. Erickson suggested semi-annually sharing this information with businesses and reminding them to share back with the village to keep it as up to date as possible. She suggested sitting down with a small panel of businesses and providing them with updates on what the village is doing for them.

N. Gudenkauf stated that she heard Gambits was closed.

S. Skrycki stated that the last correspondence he had with the owner, they had a personal family issue and that they will keep the village up to date. He said that was a few days ago and he will be following up.

A. Lewensky suggested optimizing the website for mobile devices, and suggested creating an application for this.

S. Skrycki stated that staff is in the process of revamping the website, and along with that includes enhancing the mobile framework.

6) Video Gaming Revenues Report

T. Fradin stated that the Village opted into allowing video gaming in late 2012 when the State of Illinois passed legislation allowing for it. The EDC hosted multiple public hearings on the matter, ultimately recommending in favor of allowing it to the Village Board as a strategy to help retain business by allowing an additional source of income as well as generating additional revenue for the Village.

Since that time, the video gaming machines have generated over \$1 million for the Village. Revenues for every establishment in the state are available to the public on the Illinois Department of Revenue website, and staff tracks it on a monthly basis.

When the Village Board adopted the BEDA program to offer financial incentives to businesses and developers in an effort to attract redevelopment of properties to sales tax generating uses, the program has been funded directly by this newer revenue stream. As we begin looking toward the next fiscal year and several potential BEDA grant applicants, we will continue analyzing the data.

J. Dienberg presented an overview of the gaming numbers. He stated that Video gaming in Bartlett Started in November, 2012, currently the Village has seventeen businesses with a total of 79 video gaming machines. Since 2012, the video gaming machines have generated \$1,051,553.14 for the Village. He added that the limit per business, the limit of terminals was raised by the state to 6, and many Bartlett Establishments will be upgrading to that 6th machine.

He emphasized the total number that individual businesses were bringing in, which is a total of 35% of the total winnings each machine brings in. He highlighted that these smaller restaurants are getting a substantial boost to their monthly income, which is very beneficial in some leaner times for this businesses.

S. Skrycki pointed out to the commissioners that Bartlett is right in the middle of the pack in the total number of machines in relation to neighboring communities. He added that the rumor is that Bartlett is plagued with machines, but wanted to point out that it simply isn't the case in direct comparison.

T. Smodilla thanked Mr. Dienberg for putting the report together, and stated that it is very telling which places are doing well, and which ones need some help. She asked where Moretti's is listed, as she does not see it on the report.

J. Dienberg stated that Moretti's is listed under its LLC as Cadillac Ranch.

K. Erickson asked if businesses look at these gaming numbers to see how they are doing in comparison to other communities, and other businesses.

T. Fradin stated that some do, and the majority of the ones that do are the gaming parlors themselves. He emphasized the benefit that these games have on individual restaurants as it is such a great help to them during leaner times. He added that is especially apparent in the lack of turnover in comparison to before the machines were allowed.

7) Discussion on Scheduling of Meetings

G. Kubaszko stated that over the past few months, several commissioners have inquired into the possibility of scheduling the meetings for an earlier time so as to reduce other conflicts. Staff has researched the Resolution establishing the EDC in 1980 and some minor amendments in 1999 and found no reference to when the meetings should be held; only that meetings be held on a regular basis. He added that the point is to have a discussion on the topic, and no vote will be made tonight.

T. Smodilla stated that she is amenable to change, as long as they accommodate everyone's working schedule.

A. Lewensky asked if there is a specific window of time that meetings have to be in order to create availability to the public.

T. Fradin stated that there is nothing specific they have to stay in other than being on a regular basis.

N. Gudenkauf stated that she has been on the EDC for some time now, and has stated that there have been a lot of new members. She wonders if Mondays at 7 is really a good time, and stated that it must be horrible for staff, creating a very late night. She stated that for her self, she rarely wants to go back out in the cold and the dark to come back out for a 7pm meeting.

T. Smodilla stated that as a public agency, their obligation is to the tax-payer and anything earlier would make it more difficult.

N. Gudenkauf stated that changing the time will not affect the taxpayer.

K. Erickson agreed with Commissioner Gudenkauf and stated that meeting at an earlier time may be more inviting for residents to be in the audience, where they can come straight from work, rather than going home and leaving again. She suggested 6pm as a much more preferred time, by better serving the public.

T. Smodilla argued that people getting off of a 5:40 train will not attend a 6pm meeting. She added that there are many points to be made, and pointed out that the Village Board also meets at 7, which is important to keep in mind as a public agency.

S. Skrycki emphasized that this decision is up to the commissioners, and should be focused on what works best for them, as staff will attend the meeting no matter the time.

A. Lewensky agreed with Commissioner Smodilla's point that they need to be available. He emphasized that if there is a time that better fits the public, that it should be discussed.

T. Smodilla pointed out that those that would be interested in attending an EDC meeting are interested in Business issues, she posed the question if Manny Rafidia would oppose a 7pm meeting.

T. Fradin stated that Manny Rafidia has expressed interest in meeting before Village Hall Opens.

S. Gandsey stated that it sounds like the group is against meeting before 6pm, and asked if anyone is opposed to looking at meeting at 6pm. She added that she is open to any time.

A. Lewensky stated that he is good with any time, but emphasized meeting at a time that makes them most available to residents. He asked if there are any other suggested times.

S. Gandsey pointed out that the meetings are already scarcely attended, and asked if 7pm is even a good time for residents. She asked if morning meetings are off of the tables.

S. Skrycki stated that communities are very inconsistent. He stated that some boards meet at 7pm, 8pm, and some even meet during the work day.

G. Kubaszko stated that much of the conversation has been about moving the meeting up an hour or so, he then asked about the other end of the spectrum, and asked what the other commissioners thought of an 8am or 9am meeting.

T. Smodilla stated that her vote will always be for the taxpayer.

N. Gudenskauf stated that they are not here at 7pm.

K. Erickson agreed.

T. Smodilla stated that it does not matter, she said what matters is that they are available, and that is a part of good transparency and good governance.

N. Gudenskauf stated that they would be available, just at a different time.

K. Erickson emphasized that even if they cannot attend a meeting, that they can still get their comments shared by sending them to staff to share. She added that Village staff is already there during the day, that it would be much more productive to utilize staff when they are already at Village Hall as opposed to additional hours. She added that she likes a 6pm meeting, but she also is not opposed to exploring daytime options once a month.

S. Skrycki suggested that the commissioners share their preferred time with staff through an email, and staff could compile that and bring it back with information behind it. He also added

that this does not need to be solved tonight, and stated that they will respect the taxpayer no matter what time it is.

N. Gudenkauf stated that in all the time she has been on the EDC, she has not seen an audience, so it is clear that this time does not work for residents.

K. Erickson stated that a different time could be a real opportunity to engage the business community. She emphasized that a restauranter could not attend a 7pm meeting, and it might be something they can further explore.

A. Lewensky added that if it doesn't work out, they can always change back. He added that it can be coupled with a plan to get more engagement.

K. Erickson agreed, and added that it could just be a trial period.

S. Gandsey agreed and added that it would be great to have more action items.

T. Smodilla stated that when they have had opportunity for public engagement through public forums, they have come out. They just need a reason to.

8) New Business

S Gandsey asked about an update on the Bartlett Tap, especially in terms of the BEDA Money that was spent on the business.

S. Skrycki stated that the money that was granted to the owner went towards Code Compliance, fixing a fire suppression system, fixing the cooler system that was 100 years old, and fixing the facility to make it ADA accessible. He added that those components were paid for by video gaming revenue, not property taxes. Those expenditures will stay with the business. He added that in hindsight knowing they would close so quickly, that staff may have still recommended the BEDA Grant. He stated that the number 2 call that Tony gets to his desk on a weekly basis from business owners is "Do you have a Turn-key commercial kitchen available," and the answer for the last 5 years has been "no." He stated that when they pick up the phone now, the answer is "Yes". For staff to be able to offer a commercial kitchen in the center of downtown is a great advantage. He stated that staff is not happy about the turn of events, but stated that staff is going to work to bringing in an owner that is committed to the restaurant business.

A. Lewensky added that the owner lost a great deal of money in this project. He stated that it is important to emphasize that the village didn't just give away money, and it made great improvements to the building.

T. Smodilla asked what the disposition of the business is,

T. Fradin stated that Mr. Castilla owns the business, but not the building. He added that he is actively trying to sell the LLC. He added that the right owner and operator will have a great opportunity in that site.

N. Gudenkauf asked for an update on the Mexican Restaurant in the Streets of Bartlett.

T. Fradin stated that Mr. Rafidia has been in the restaurant business for decades, and has been showing the building to different operators. He added that the restaurant itself is done and ready to go, its just waiting on the right operator.

S. Skrycki stated that if they would like a walk thru to let staff know.

S. Gandsey asked for an update on the current BEDA Grants that have been approved.

T. Fradin stated that for Siri Indian Grocery is close to being finished. In terms of the Still, it is unsure if they are going to move forward at this point, and that they are not going to commence in the near future. In terms of 120 Live, they will be open in the coming months, and they are shooting for March.

T. Smodilla stated that with the progress of The Still, it would be beneficial to put a cap on the amount of time to commence the project so that the Village is not holding funds indefinitely.

T. Fradin stated that they have discussed implementing that change along with the Village Administrator. He said that along with some other tweaks, they are looking at putting in a hard deadline of one year to start construction on the project.

S. Gandsey added that when meeting with future businesses, it may be beneficial to ask them if they have funding in place.

T. Smodilla agreed and also suggested require business plans.

T. Fradin thanked the commissioners for the suggestions. He added that he is leery of creating a requirement of written business plans, as someone can write an immaculate business plan and not be as successful, and the best business owners can not have the best plans. He did add that staff does encourage it in practice.

T. Smodilla asked if there is anything in the BEDA Grant agreement that would prevent someone from selling assets purchased through the BEDA Program if that owner goes out of business.

T. Fradin stated that currently there is not. He added that administration did not want to become collection agents and that often more money would be spent on legal fees in something like that. He stated that these funds will usually be spent on permanent fixtures, and will stay with the building.

T. Smodilla suggested that maybe even the language being included would be a strong deterrent.

9) Adjournment


A motion was made to adjourn the meeting.

Motioned by: S. Gandsey

Seconded: N. Gudenkauf

Motion Carried. The Meeting Adjourned at 8:07pm

ECONOMIC DEVELOPMENT MEMORANDUM

DATE: March 4, 2020
TO: Chairman and Members of the Economic Development Commission
FROM: Tony Fradin, Economic Development Coordinator 
RE: BEDA Program Improvements

BACKGROUND:

Staff, the EDC and the Village Board created the Bartlett Economic Development Assistance (BEDA) program in the 2018-2019 fiscal year as an economic development tool to help attract and retain businesses.

A majority of the eleven short-term complex elements of the Village's Strategic Plan are related to improving the Village's economic development. Four of the items include developing a business recruitment strategy to attract developers to invest in the downtown area and provide options for businesses to locate in Bartlett; to develop strategies for development of Railroad Avenue vacancies; working to improve the retail business profile in the Village; and revisit, refine and execute the Village's overall economic development incentives.

The program was created to help achieve several of those goals.

Since August of 2018, seven grants have been approved for various projects. The total amount of grants approved to date has been \$250,000, leveraging \$2,773,500 in private investment.

Three projects have been approved but not yet completed. Both Siri Indian Grocery and 120 Live are nearing completion of their projects in the coming months. The Still has not yet commenced its expansion and interior improvement project.

DISCUSSION:

While the Village has succeeded in enhancing our business environment via the BEDA program these past few years, we have also found some of the elements of the program as originally conceived as limiting or incomplete in our efforts to make the best use of the funds allocated for this program.

While meeting with numerous potential applicants and pitching this program to desirable businesses as an attraction and retention tool, staff has multiple suggestions on ways to improve it.

For example, when the program was created, we included a caveat restricting individual properties from being eligible for grants more than once every three years. The impetus for this was based on the TIF rebate program that was in place from the late 1980's through 2010 and the desire to spread the rebates around through the entire community rather than concentrating on particular properties.

The best example of this is the Streets of Bartlett, where Mr. Rafidia has been the recipient of two BEDA grants in the maximum amount, totaling \$100,000. He has documented a substantial amount of investment in the property and we continue working closely with him to fill the remaining portion of the former grocery store space.

Attracting a second grocer to the Village is one of the top priorities of the Village Board, the EDC and staff, and we believe that removing the limitation of grants on particular properties for a period of three years could possibly be a useful tool in helping to attract a store to this space despite the two grants already awarded the past two years.

Other properties would also be eligible and may benefit from removing this limitation as we work with existing property owners or investors to enhance commercial buildings over the coming years.

We have removed the three-year provision from the application but will continue to be mindful about concentrating too many applications for the same properties.

Another example is removing all language referencing a fifty percent (50%) rebate amount. This came from other towns' programs but generally applied to smaller buildouts than the ones we have worked with.

To date, the grants awarded have ranged from 5% for Streets of Bartlett to 35% for the Still. The Village's economic development team meets to discuss appropriate amounts to recommend to the EDC and Village Board based on several factors prior to presenting a recommendation, so we feel it better to remove the references to a 50% rebate.

Also, when the first applicant (Indian Express) first appeared before the Committee of the Whole, they requested that a business plan be provided. Knowing the risk of first-time business owners, particularly in the restaurant industry, staff has subsequently requested that business plans be provided with the applications.

For those businesses that have already succeeded in Bartlett or elsewhere, we still request that business plans be submitted, but can include less details. We have added language about business plans in the updated application.

Other changes include the addition of consideration of one's military status on applications and additional language that takes into consideration the most challenging properties to attract investment to, such as the former dentist office located next to First Class Cleaners on Main Street, the vacant cottage owned by Franco Vercillo at 143 S. Oak Avenue and the chronically vacant building at 151 S. Oak Avenue.



ACTION REQUESTED:

We want to continue enhancing the BEDA program to make the best use of limited resources while leveraging the maximum benefit for the Village as a whole.

No longer the pilot program it was two years ago, we feel that increasing the flexibility of the program while simultaneously not offering a fixed percentage may encourage more existing businesses to apply and may provide further opportunities for business owners and investors to continue rehabilitating properties that they otherwise may not have.

We ask the EDC to endorse these changes and consider others that may enhance the overall economic development of the Village throughout the early 2020s.

Bartlett Economic Development Assistance Program

The Village of Bartlett offers business assistance grants up to \$50,000 depending on the scope of the project. The purpose of the program is to encourage businesses to invest in their building and promote revitalization of the Village's commercial areas.

This program is available on a competitive basis and is first-come, first-served until funds are depleted or the program is terminated. Priority will be given to business projects that enhance the Village's overall business climate per specific criteria.

Assistance

The business assistance grant program will provide a grant up to \$50,000 for new and existing businesses with a priority given to sales producing uses including retail establishments and restaurants. Grants will be distributed on a reimbursement basis once projects are completed.

Building owners or lessees (who produce written consent from the building owner for all proposed improvements) are eligible to apply. The program applies Village-wide, with the exception of properties that are located within existing Tax Increment Financing (TIF) districts.

The amounts of incentives granted will vary based upon the improvements made and each application will be reviewed on a case-by-case basis. All improvements must conform to all applicable Village regulations including, but not limited to, the Zoning Ordinance and Building Codes. Bartlett's municipal code is available online at www.sterlingcodifiers.com.

Targeted Businesses

Priority will be given to those **generating sales tax** for the Village as defined by those offering merchandise or services to the public, the sale or providing of which is subject to sales tax ("Retail sales"), and from which the revenue derived constitutes the majority of the revenue of the business. Example of eligible businesses include, but not limited to, retail stores, bakeries, restaurants, grocery or specialty food stores.

Only businesses located in commercially-zoned areas are eligible to participate in this program. Existing businesses wishing to expand and/or upgrade are also eligible to participate.

Eligible Project Costs Include:

- Façade Renovations
- Interior Build-Outs and/or Rehabilitation
- Windows and Doors
- Signs or Awnings
- Outdoor Dining Areas
- Code-Required Landscaping Improvements
- ADA Compliance
- Improvements in Energy Efficiency
- Lighting

Approval Process for Successful Grant Applications

- 1) Schedule a pre-application meeting with Bartlett's Economic Development Team. Contact Tony Fradin at (630) 540-5937 or tfradin@vbartlett.org.
- 2) Develop a business plan describing the nature of the business, the applicants' experience and how it will enhance the Village of Bartlett's business environment.
- 3) Submit a complete application.
- 4) Staff reviews the application and presents it to the Economic Development Commission, which reviews it and makes a recommendation to the Village Board.
- 5) Village Board approval or denial.
- 6) Following approval of grants, all applicable permits and licenses must be obtained per the Village Code. All work *must begin within six months* of awarding of grant.
- 7) Grant recipients shall provide a request for reimbursement and required documentation for work completed. Once work is completed in accordance with submitted plans, the Village will reimburse the approved funds.

Criteria that Will Be Considered on Applications

- 1) The amount of private investment in the project and the ratio of private investment to the rebate.
- 2) Jobs that are anticipated to be created or retained as a result of the new business or expansion.
- 3) The type of use, with priority given to sales tax generating businesses.
- 4) The amount that the project demonstrates a significant improvement over the existing situation including the reoccupation of vacant buildings or spaces within commercial buildings.
- 5) The extent to which the project will improve the aesthetics of the property.
- 6) If a building has been vacant, underutilized and challenging to attract investment for a significant period of time.
- 7) That the project will enhance Bartlett's appeal to new businesses and visitors and add value to the Village.
- 8) The Village of Bartlett supports local businesses and contractors and encourages applicants to purchase materials and services locally. Consideration will be given to the extent to which materials are purchased and local contractors are engaged in the project or provided an opportunity to compete for participation in the project.
- 9) Consideration will also be given as to if the project will fulfill any goals of the Village's Strategic Plan.
- 10) If the applicant is active military or a Veteran.
- 11) The number of similar businesses within the Village of Bartlett.

Applicant Information:

Applicant(s) Name(s): _____

Applicant's Address: _____

E-Mail Address: _____

Primary Contact Person for Project: _____

Cell Phone Number and/or Home Number: _____

Applicant is or will be (check all that apply) _____ Tenant _____ Property Owner

Number of Years in Business: _____ Number of Years in Bartlett: _____

Contact Name and Information for Applicant's Agent or Architect (if any):

(Note: if applicant is a tenant, attach a letter from the property owner granting permission for this project)

Property Information:

Project Property Location/Address: _____

This Property is (check all that apply): Retail _____ Restaurant _____ Office _____

Other (Explain): _____

Number of Businesses on Site: _____

Names of Other Businesses on Site: _____

Size of Building (Dimensions or Total Square Feet): _____

Stories in Building: _____ Parking spaces on property: _____

Last Real Estate Taxes Paid: _____

Property Tax Index Number(s): _____

County: Cook _____ DuPage _____ Kane _____

Project Information:

Total Anticipated Project Cost: \$ _____

Project Scopet: Describe and identify all exterior and interior improvements proposed (use additional paper if necessary to fully describe proposed project)

If approved, estimated project completion date: _____

Please Attach: Receipts, copies of cancelled checks, credit card statements or bank accounts from which materials were purchased and contractors paid, lien waivers.

Application Statement (Read and Sign Below)

I hereby make application to participate in the Bartlett Economic Development Assistance (BEDA) program. In making this application, I understand that the purpose of BEDA is to help encourage and leverage private investment in the Village’s business community and to assist my business in improving a property to enhance it to a more economically productive use.

I understand that prior to commencing any work, the Village must first approve both my participation and proposed scope of work for the project. Applicants must meet with economic development staff prior to paying for improvements in order to review how much, if any, the Village may reimburse for the project.

I understand that all improvements made through the assistance of the BEDA program must be in accordance with all applicable Village plans and codes. Moreover, as a condition of approval, I understand that the Village may require changes to the scope of work that I am proposing. I further acknowledge that any work started or completed prior to approval of the project and my participation in the BEDA program may not be eligible for reimbursement.

In making this application, I understand that the BEDA program is competitive, funds are limited and selection for participation is at the sole discretion of the Village of Bartlett. I understand that the Village will review my application and at the Village’s discretion may reject or approve my participation in the program. I recognize that a project that enhances the Village’s overall business climate by returning an underutilized property into economic productivity, increases local employment opportunities and includes a larger percentage of private investment than public stands a greater chance of being funded by the Village.

I also understand that, if selected for the program, the Village will establish a maximum grant amount for the project and may be at a lower amount than requested or recommended by staff or the Economic Development Commission. I further understand that BEDA operates as a reimbursement program and, therefore, if selected for participation, Village funds will be disbursed to me at the conclusion of the work, after submittals by me of copies of bills and satisfactory evidence of payments made, either by lien waivers, canceled checks, credit card or bank statements or bills stamped “Paid” by all contractors.

By signing this application, I hereby acknowledge that I have read the above statement and understand these important features about the BEDA program.

Applicant Signature Date

(logo) Return this completed application with attachments to:
Tony Fradin, Economic Development Coordinator
Village of Bartlett
228 S. Main Street Bartlett, IL 60103