



VILLAGE OF BARTLETT
ECONOMIC DEVELOPMENT COMMISSION MINUTES
May 8, 2023

1. CALL TO ORDER

Commissioner Erickson called the regular meeting of April 10th, 2023 of the Economic Development Commission (EDC) of the Village of Bartlett to order on the above date at 7:01 PM

2. ROLL CALL

PRESENT: Commissioners Densford, Erickson, Gorski, Gudenkauf, Lewensky, Perri, Suffern

ABSENT: Commissioner Kubaszko

ALSO PRESENT: Economic Development Coordinator Tony Fradin, Assistant Village Administrator Scott Skrycki, Management Analyst Joey Dienberg

3. APPROVAL OF April 10, 2023 MEETING MINUTES

Commissioner Lewensky moved to approve the April 10th, 2023 meeting minutes, seconded by Commissioner Suffern.

ROLL CALL VOTE

AYES: Commissioners Densford, Erickson, Gorski, Gudenkauf, Lewensky, Perri, Suffern

NAYS: None

ABSENT: Commissioner Kubaszko

MOTION CARRIED

4. PUBLIC COMMENT

NONE

5. BEDA PROGRAM UPDATES

Mr. Fradin stated that with five years having passed since initiating the Bartlett Economic Development Assistance (BEDA) program, we have seen much success. The program has attracted over \$7 million in private investment while recirculating a portion of the village's share of video gaming funds into new and expanding business ventures in town. The redevelopment of Bartlett Plaza to Streets of Bartlett, converting a vacant office into a thriving restaurant (One Twenty Live), converting a vacant grocery space into a bar and grill with a bowling alley (O'Hare's Pub/Midway Landing), assisting a home-based



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business in building out two commercial spaces for the village's only bakery, converting a 140-year-old barn into a code-compliant tapas bar and helping attract an 8,000 SF microbrewery with rooftop beer garden are a few examples.

Along with the success, there have been some challenges. Staff is proposing several improvements to the program to help ensure that the funds are allocated and reinvested in the business community to maximum effect.

The following are staff's suggested updates to the BEDA Program:

- 1) To add a consent form as part of the BEDA application notifying applicants the village may conduct background checks, credit inquiries, or review financial records to assess the qualifications and credibility of the applicant.
- 2) To impose a "clawback" provision whereby if a BEDA recipient relocates its business outside of the village, ceases business operations, or fails to comply with the BEDA Program's requirements within the first three years after receiving a grant, the village can recoup certain portions of the grant funds.
- 3) That outdoor dining as an eligible expense include only permanent improvements including patios, railings, and permanent outdoor seating fixtures. Expenses for tables, chairs, umbrellas or other items that can be easily moved elsewhere would not be eligible for grant reimbursement.
- 4) Stronger language requiring a project to be completed within 12 months, and that an extension request must be made in writing by the applicant and presented for approval to the Grant Administrator, EDC, or Village Board, if necessary.
- 5) A requirement that the applicant provide verification of a certificate of occupancy and a valid business license prior to a grant payment being made.
- 6) A requirement that the applicant be current on all payments due to the village.
- 7) Language that acknowledges that if the final costs come in less than what was estimated to determine the reimbursement amount, then the grant amount would be reduced accordingly.
- 8) Requirement to provide a copy of a lease upon request to ensure that the village does not make a grant to a business with an expiring lease.



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In an effort to keep this program streamlined and business-friendly, I believe that the above will improve it to the extent that it can continue to attract further investment in the village while adding a margin of safety for the village over the next several years.

Please consider the eight proposals and review the attached application and come to the meeting prepared to discuss them and any other suggestions that you may have on how to improve the BEDA program.

Commissioner Lewensky asked if it is worth having a claw back provision, given the difficulties in enforcement. When offering a program like this, a business going under is a known risk going into it.

Mr. Fradin stated that it is something he has thought about. Staff knows that if a business goes under, it may be difficult or impossible to collect, but there are so many different types of BEDA grants, there are different avenues that staff can use to collect. The village attorney would be involved in anything like that.

Mr. Skrycki stated that it is a little bit more government bureaucracy, some of the templates we looked at are 3 years at a pro-rated cost. Those decisions will be made by the management team, and at the end of the day, a business being hesitant to sign a clawback provision may create some hesitancy on the staff side.

Commissioner Lewensky added a point about maybe having a dollar amount threshold for a clawback, maybe for grants over \$10,000.

Commissioner Erickson agreed, but also stated that she liked having it vague, and a specific number could paint us into a corner. Every case should be looked at uniquely.

Commissioner Gorski had agreed with both points. There's a big difference between a \$3,000 sign and a \$50,000 remodel.

Commissioner Erickson added that she liked it being vague for when you look further down, and a valid business license, to me that could mean certificates of good standing. Fraud has moved from consumers to big time business fraud, so that's where we really look for that information.

Mr. Dienberg added that the certificate of good standing is a part of the business licensing process, and that would check those boxes.

Commissioner Gorski asked if there were any new points that staff didn't ultimately decide to add when doing the research for this.

Mr. Fradin stated that there were, but there were some towns that were a little bit more specific in the types of eligible projects, and we liked the broadness that we previously had describing a buildout, and just list what is not eligible.



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Commissioner Gorski also recommended making the consent form for background checks or credit inquiries required to be consistent to prevent any possible discrimination based on who staff deems requiring a background check.

Commissioner Erickson stated that she cannot speak to background checks, but as soon as you put credit inquiries and you pull credit, it does have to be all or nothing as a part of the fair credit act.

Mr. Fradin thanked the Commissioners for the feedback, and added that the new village attorney from Ancel Glink would review this information as well.

Commissioner Perri asked if we have the village attorney review this.

Mr. Fradin stated yes, there will ultimately be an official incentive agreement for every grant to help protect the village's interests.

Commissioner Suffern asked if a clawback provision was in place with the Bartlett Tavern, would we be going after them?

Mr. Skrycki stated that staff would have had to evaluate all factors, every situation is so different, and the management team would evaluate that specific project on a case-by-case basis.

Commissioner Erickson stated that she liked the case-by-case basis, citing the pandemic as an example of a special circumstance if a business went under, she couldn't see the village going after them for a small grant.

Mr. Fradin stated that he would work to change the language for point one to make the consent form required and less discretionary.

Commissioner Gorski moved to recommend the BEDA Program with the mentioned changes to the village board. That motion was seconded by Commissioner Gudenkauf.

AYES: Commissioners Densford, Erickson, Gorski, Gudenkauf, Lewensky, Perri, Suffern

NAYS: None

ABSENT: Commissioner Kubaszko

Motion Carries

6. NEW BUSINESS

Commissioner Suffern asked for an update on branding.



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Mr. Fradin stated that will probably be going before the board in June, and staff will be proposing a phased approach to fit within the budget.

Mr. Skrycki added that the recommendation will be the entire project, but just not all at once, to accommodate the budget.

Commissioner Suffern suggested putting in signage for parking once More Brewing is open.

Mr. Skrycki stated staff is looking at options. During hours of operation for More, METRA parking is already free, so it is a matter of advertising that and helping people along in the beginning.

Commissioner Erickson added that from her point of view at the bank, people are starting to figure it out, and parking near the train, and walking to their destinations.

There being no further business to discuss, Commissioner Densford moved to adjourn the meeting. Seconded by Commissioner Gudenkauf.

ROLL CALL VOTE TO ADJOURN

AYES: Commissioners Densford, Erickson, Gorski, Gudenkauf, Lewensky, Perri, Suffern

NAYS: None

ABSENT: Commissioner Kubaszko

MOTION CARRIED

The meeting was adjourned at 7:45 p.m.

Joseph Dienberg
Management Analyst