



**VILLAGE OF BARTLETT
COMMITTEE MINUTES
September 19, 2017**

President Wallace called the Committee of the Whole meeting to order at 8:03 p.m.

PRESENT: Chairman Camerer, Carbonaro, Deyne, Gabrenya, Hopkins, Reinke, and President Wallace

ABSENT: None

ALSO PRESENT: Village Administrator Paula Schumacher, Assistant Village Administrator Scott Skrycki, Finance Director Todd Dowden, Community Development Director Jim Plonczynski, Director of Public Works Dan Dinges, Public Works Engineer Bob Allen, Building Director Brian Goralski, Head Golf Professional Phil Lenz, Police Chief Patrick Ullrich, Village Attorney Bryan Mraz and Village Clerk Lorna Giles.

PLANNING & ZONING COMMITTEE

1. Balance Family Chiropractic Fee Waiver Request

Chairman Hopkins stated that Balance Family Chiropractic discussion was waived from Committee review and was discussed and approved during the September 29, 2017 Board agenda.

2. Rana Pasta Solutions Economic Incentive Agreement

Community Development Director Jim Plonczynski stated that Rana Pasta was going to be moving their corporate offices to Bartlett and are building a 326,000 square-foot building for their lasagna line. The previous incentive that we granted on their first building was \$50,000 for permit reimbursement and different associated costs. That was coupled with the state's EDGE tax incentive grant. For this new building they got the same state grant and have asked the Village for additional incentive.

Chairman Hopkins stated that he was excited about this and they talked about it in the strategic planning meeting to promote incentives for new businesses.

Chairman Reinke verified that this incentive money was coming from TIF funds.

Mr. Plonczynski stated that was correct. It is an eligible TIF fund cost and they have contingency money and have budgeted incentives in the past from it.

President Wallace stated that they were shopping for locations from several different villages. This was going on for well over a year. The staff did a tremendous job bringing this project to Bartlett. This is not only the lasagna line, this is the entire headquarters for the United States which is moving from Oak Brook, Illinois.



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3. Route 59 and Lake Street Marketing

Economic Development Coordinator, Tony Fradin stated that he is going to talk about one of our undeveloped sites that is also included in the marketing plan. The Economic Development Commission (EDC) spent about 4 or 5 months last year creating a marketing plan that was titled the 2016–2020 Marketing Plan. The plan was broken down by different development areas in different strategies and initiatives to bring new development or redevelopment areas to Bartlett. This is turning our attention to some large undeveloped sites along Route 59 and Lake Street. There is a TIF district on the southwest corner and it is undeveloped. The Village owns approximately 11 acres within it. There is also the 100 acre plus site at the intersection of Route 59 and South Bartlett Road that is owned by Crown Community Development. The marketing plan was to become more aggressive and market some of these sites, increasing our participation in the International Council of Shopping Centers (ICSC).

The mayor of Hanover Park suggested bringing several communities together that are along the I-390 corridor. He attended a meeting that included 7 to 8 different communities. They are proposing a collaborative effort in creating some marketing materials and perhaps sharing a booth at the large ICSC Convention in Las Vegas, Nevada called the Recon show. He hoped to be at a future meeting bringing development projects before the Board at these sites and the way they can do that is by marketing more aggressively.

The other part of this marketing strategy would entail possibly engaging retail brokers who work on behalf of the Village in a partnership to more aggressively promote these sites. They have currently been investigating the hiring of retail land brokers Sperry Van Ness (SVN). They have been very active within the Village in the past few years leasing some of the shopping centers. SVN prepared a presentation that was presented to the EDC and was given a favorable recommendation.

Chairman Hopkins questioned the \$500 fee to SVN for marketing. He felt that the sign they would erect at Route 59 and Lake Street would be worth a lot more than that \$500. He didn't feel that the Village should pay \$500 to have it marketed.

Joel Miller from SVN stated that it is an item that is negotiable. They typically have a marketing fee which defrays some of their expenses. He stated that the development market is much stronger at this time and they have been closing several development transactions. He stated that they are starting to hear developers looking for new grocery anchor projects, new hotel projects, fuel stations, restaurants, automotive in the immediate area. He thought there was a lot of potential in seeing new developers come to this corridor. There are incredibly strong traffic counts in excess of 60,000 vehicles per day crossing Route 59 and Route 20. Those are numbers that developers, retailers, and hospitality look at as an indicator that there is opportunity.



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Chairman Hopkins asked if there was anything the Village can do to enhance the properties appearance.

Mr. Miller stated that he did not think physical appearance would be important. Developers will be looking for assistance in coordinating with any adjacent landowners for improved access to Route 59.

Chairman Camerer asked how marketable the property would be to an automobile dealership.

Brian Haney from SVN stated that it comes down to a lot of hustling and a lot of phone calling. Putting signs up might have worked in the sixties but it doesn't work anymore. It is really networking with people. The area has great potential for car dealerships with the current traffic counts.

Chairman Reinke asked about the reconstruction of Route 59 and Lake Street. He asked if he thought it would be a challenge to his ability to sell the property.

Mr. Haney stated that it will be a challenge. Any time you have substantial infrastructure and reconfiguration, it is a challenge. Developers look pretty far into the future and he feels they could still bring developers to the table. He did not think it was a hurdle that could not be overcome.

President Wallace asked what approximate amount of space is needed for a hotel.

Mr. Haney stated that the minimum is two acres and that is a minimum 14 room hotel. He stated that they did have preliminary plans (they were not able to get approved) for a hotel in St. Charles with 67 rooms on 1.4 acres. Larger, full-service hotels would probably require 3 to 4 acres. He felt that the property could support a hotel and several supporting components.

Chairman Hopkins asked how they calculated the \$1.7 million selling price.

Mr. Haney stated that it was a number they came to in conversations with staff and is supported by comps in the market. Valuing development land is always challenging. It is a difficult number to pin down. They look at what is being marketed in the immediate area. There are 7 sites within a block and a half of this property that range in size from 2 acres up to 20 acres.

Chairman Hopkins asked if this property was pad-ready for development and how would that change the list price?



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Mr. Haney stated but if they were pad-ready and had an anchor in place they would probably be looking at the high teens per square foot. Un-anchored pads are probably in the \$10 to \$12 dollars per square foot range. The \$1.7 million price on the Village's property is somewhere in the \$4 per square foot range based on 175,000 square feet.

Chairman Hopkins asked if staff has put together any numbers on what it would take to get this site pad-ready?

Mr. Fradin stated that it tends to vary based on what kind of project has been conceived of over there. The last time a developer pursued this property, as well as some other surrounding properties, was over a year ago for a large apartment development that would have had some supporting retail. They were really in the middle of putting together those numbers and they were pretty high. They include some wetland mitigation, grading and roadway improvements. The TIF was put into place in 2004 to help a developer offset some of those extraordinary costs associated with developing these kind of sites. He did not have an exact number, but it ranges pretty high.

Chairman Deyne asked if he has had any recent interest from hotel owners?

Mr. Fradin stated that he did not. An interested party he was speaking to in the past pursued another location in Hoffman Estates close to Route 59 and I-90. One of the biggest things that hotels look for is their proximity to similar hotels.

Chairman Camerer asked if the commission was negotiable.

Mr. Miller stated that it was not. There is not a lot of room in that commission. Six percent is a pretty common fee and certainly lower than it used to be for land development. Because of the scope of the project and the energy that goes into development. In addition to the time periods associated with taking a development through initial concepting, city review, city council approval and getting to the sale, it could take eighteen months on average. They could certainly strike upfront fees but commission rates are challenging. The other component is that they always offer 50 percent to the cooperating broker bringing a buyer to the table.

Chairman Hopkins stated that they will move this to the Village Board for approval.

Chairman Camerer moved to adjourn the Committee of the Whole meeting and that motion was seconded by Chairman Carbonaro.



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ROLL CALL VOTE TO ADJOURN

AYES: Chairman Camerer, Carbonaro, Deyne, Gabrenya, Hopkins, Reinke
NAYS: None
ABSENT: None
MOTION CARRIED

The meeting adjourned at 8:38 p.m.

Lorna Giless
Village Clerk