

Minutes

Village of Bartlett Economic Development Commission April 9th, 2018

1) Call to Order

G. Kubaszko called the meeting to order at 7:02 pm

2) Roll Call

Present: G. Kubaszko, C. Green, R. Perri, T. Smodilla, N. Gudenkauf, J. LaPorte, S. Gandsey

Absent: D. Gunsteen

**Also Present: T. Fradin, Economic Development Coordinator,
S. Skrycki, Assistant Village Administrator
J. Dienberg, Administrative Intern**

3) Approval of Minutes

A motion was made to approve the minutes of the March 12, 2018 meeting.

Motioned by: R. Perri

Seconded by: J. LaPorte

T. Smodilla Abstained

Motioned carried.

4) Bartlett Economic Development Assistance Program

T. Fradin introduced a draft of the new Bartlett Economic Development Assistance (BEDA) Program to the commissioners.

In an effort to create a formal economic development incentive program to better compete for investment with neighboring communities and to achieve the primary economic development goals of attracting private investment, creating jobs and bringing underutilized or unutilized properties into productive economic use, Staff has requested and received \$150,000 in funding from the Village Board for a new line item titled "Economic Incentives."

Staff has created the proposed BEDA Program with the intention of fulfilling those goals. Although there remains a concentration of vacant and underutilized properties primarily in the Downtown Business District, this program will be made available Village-wide.

Unlike the former Downtown TIF Rebate program, these funds may also be used for interior build-out costs, for example the installation of hood and ductwork to convert a former office space into a restaurant or new floors, doors, windows and/or signs or awnings to convert a space into a store.

The program as formulated will not limit recipients to sales-tax generating uses only, but stipulates a preference for those types of businesses.

As a pilot project, these funds will be released upon the approval of the Fiscal Year 2018-2019 budget next month and will be made available on a competitive, first-come, first-served basis. Staff will make it known through the Village's communication channels including social media channels, the Village cable channel, email news blasts and at area trade shows that these funds are being made available.

It is the Village's hope that these funds highly leverage private investment in vacant or underutilized properties including, but not limited to, the former Platform 18 location, the former Fresh Market space or construction projects on the Route 59 corridor.

The funds will not be made available for new business investment in the Brewster Creek Business Park or the Blue Heron Business Park, as both of those areas are Tax Increment Financing (TIF) districts and any economic incentives granted by the Village would be comprised of funds from those respective redevelopment area's funds.

T. Fradin expressed his excitement about the creation of this new program, and stated that he would thoroughly review any and all requests as well as bring them before the EDC for review and recommendation.

T. Fradin opened the floor up for discussion and also requested the EDC's recommendation to move this program to the Village Board for approval at its May 1st Meeting.

C. Green asked about the review process for the program, and for Tony to elaborate on the Pre-Application meeting.

T. Fradin clarified the process, as outlined on the second page of the program application included in the packet. He added that the pre-application meeting is designed to be first point of contact with the business, to gauge the project and answer any questions the business may have before they embark on the program.

C. Green asked how staff came to the figure of \$150,000.

T. Fradin stated that it was a good starting point for a pilot program that wasn't too much to ask for, but enough to ensure that it could have an impact.

S. Skrycki added that the funds were provided through the annual Video Gaming revenues.

T. Smodilla asked a series of questions about the BEDA program, including if priority would also be given to Video Gaming establishments in addition to the sales tax preference, if there was any way the application could use metrics to make a more objective application, and if buildouts would be instructed to conform to the overall look and feel with surrounding areas, using the Town Center as an example.

S. Skrycki expressed a belief that the Village Board would not give preference to Video Gaming Parlors in this program.

T. Fradin added that some businesses may receive an incentive that have video gaming, but not if it's their main focus of the business. He added that the primary focus will be sales tax generation.

T. Smodilla expressed that it is important for the Village to show the metrics behind how funds are being allocated and how staff is weighing the businesses overall value to the community, giving smaller businesses a fair shot.

T. Fradin added that small shops would not be excluded from this program, and that they will be clear and upfront with every business, adding that the metrics would come into play more so if the funds were being depleted and it was two very similar applicants. He added that while the metrics are important, staff will be looking at the business's overall value to the community and will use all factors. In terms of conformity, it was added that the TOD plan has specific requirements on Façade, but that there are no formal requirements other than bringing the buildings up to code.

S. Gandsey asked if there will be a priority deadline for the fiscal year, and how long the process will take.

T. Fradin responded that it will be first-come first-served, hoping that it will generate interest and add a sense of urgency with the businesses. He also added that once the program is approved, staff and commissioners will advertise the program through social media, the village newsletter, and the village website.

S. Skrycki added that staff will not sit on applications, and move quickly on an application to bring the businesses to the village as quickly and efficiently as possible.

S. Gandsey asked staff if anything was being done to optimize the digital component of the marketing of the program, by optimizing key words in search engines, and create a specific landing page for the program/application on the website, etc.

T. Fradin agreed.

T. Smodilla added that she agrees with creating a sense of urgency, but added that she believes that the process may be too arduous, and asked how much total time will take to get through the application process.

T. Fradin responded that he would combine some of the steps, bringing it down to six rather than eight. He added that this process will be streamlined, and could be done as quickly as one month.

J. LaPorte asked if there would be bounce back from existing business owners.

T. Fradin responded that they may, adding that they are eligible. They will not be able to be reimbursed for prior projects before the program existed, but if they want to make improvements, they are more than eligible.

T. Smodilla asked if there would be a query on existing businesses, to ensure their financial health and stability.

T. Fradin responded that they will not, and that it is a risk, but that staff declined to add that. He did add that part of the process is that the business has to fund part of it, being a financial test of its own.

J. Laporte asked if there is anything at all the Village can do to incentivize businesses without this program.

T. Fradin added that there is not.

R. Perri clarified that the Village would have to approve the improvements to the business and that those improvements had to be up to Village code.

T. Fradin said that that is correct.

T. Smodilla made a motion to make a recommendation to the Village Board to approve the Bartlett Economic Development Assistance Program with the proviso that the previous recommendations to the program be added.

Seconded by: S. Gandsey

Motion Carried

5) New Business/Public Comment

T. Fradin cited that the TOD plan identifies Site E, a 1.8 acre parcel of land, east of the Town Center Development, for future development. After going through the RFP process, one developer submitted an eligible bid to buy the property \$662,500. Staff recently presented the bid to build apartments to the Village Committee of the Whole and will be bringing it to the board for a final vote.

R. Perri asked if the parking was worked out.

T. Fradin said it was, and that there are 71 spaces.

R. Perri informed the commissioners that Westgate Commons has just finished a long-term lease to bring in a well-known local dermatologist to the Village. He followed up to ask if this business would be potentially be eligible for the proposed BEDA program.

T. Fradin applauded Commissioner Perri's work to bring the business in, and added that this brings the vacancy rate down to 6%. He added that while that the new tenant could apply, but that it is not a sales tax generating business and will not receive preference.

6) Adjournment

A motion was made to adjourn the meeting.

Motioned by: T. Smodilla

Seconded by: S. Gandsey

Motion Carried. The Meeting Adjourned at 8:14 PM