



Lincolnwood Economic Development Commission

Meeting
Wednesday February 26, 2014
8:00 AM

**Council Chambers Room
Lincolnwood Village Hall
6900 Lincoln Avenue**

Note: All Village Board Members are invited to attend this meeting

Meeting Agenda

- 1. Call to Order/Quorum Declaration**
- 2. Minutes Approval***
 - January 22, 2014 Meeting
- 3. Shoppes at Lincoln Pointe***
 - Request by North Capital Group for an Economic Incentive (request to remove from agenda)
- 4. Ravenswood Studio PEP Grant***
 - Request for a Time Extension for Project Completion
- 5. FY 14-15 TIF Budgets***
 - Review of Proposed Budgets
- 6. Reports**
 - a. Development Updates**
 - b. New Business Licenses**
- 7. Other Business**
- 8. Public Forum**
- 9. Adjournment**

**Commissioner Enclosures*

The next scheduled meeting of the Commission is Wednesday March 19, 2014 at 8AM

Note: This is the THIRD Wednesday of March due to Spring Break

DRAFT



**Economic Development Commission
Wednesday, January 22, 2014
Council Chambers Room**

Minutes

Commissioners Present

James Persino, Chairman
James Kucienski, Vice-Chair
James Berger
Patrick McCoy
Nadia Seniuta
Terrence Strauch

Commissioners Absent

Paul Levine
William Pabst
Maureen Ehrenberg

Staff Present

Timothy C. Wiberg, Village Manager
Timothy M. Clarke AICP, Community Development Director
Aaron N. Cook AICP, Community Development Manager
Ryan N. Johnson, Community Development Intern
Robert Merkel, Finance Director

Others Present

Jerry Turry, Village President
Jesal Patel, Village Trustee
Steve Elrod, Village Attorney
Robert Rychlicki, Kane McKenna and Associates
Jackie Boland, Lincolnwood Chamber of Commerce
Jerry Callaghan, Attorney for North Capital Group
Joel Cooper, Attorney for North Capital Group
Mike Laube, Laube Companies
Michael Bousis, Cermak Fresh Market
Jerome Schain, Attorney for Fresh Market
Anthony Casaccio, Attorney for Fresh Market
Joe Bailey, Superintendent, School District #74
Jessica Donato, Business Manager, School District #74
Anthony Ficarelli, Attorney for School District #74

1. Call to Order/ Quorum Declaration

Noting that a quorum of 5 was present, the meeting was called to order at 8:07 AM by Vice Chairman Kucienski.

2. December Minutes Approval

Commissioner Berger moved to approve as presented, the proposed December 18, 2013 meeting Minutes of the Commission. Commissioner Strauch seconded the motion. Motion approved by voice vote, 5-0. Shortly after minute's approval, Chairman Persino arrived and then presided over the meeting.

3. Shoppes at Lincoln Pointe: Incentive Request

Jerry Callaghan, attorney representing North Capital Group (NCG) was given the floor to address the Commission. Mr. Callaghan thanked the Commission for its time and stated that in preparation for today's Commission meeting, NCG met with representatives of staff last week. He stated that at this meeting several items were raised related to their incentive request and that NCG wanted to review their request prior to presenting it to the Commission. He indicated that this review could result in NCG modifying their request and as such, they would like this matter to be continued to the Commission's February 26th meeting.

Chairman Persino indicated that he did not see an issue with this request to continue but solicited Commission feedback. Discussion ensued after which Commissioner Kucienski made a motion, seconded by Commissioner Seniuta, to continue this matter to the Commission's February 26, 2014 meeting. Motion approved, 6-0.

4. Dominick's Site (Other Business)

Director Clarke advised the Commission that in the audience for today's meeting was Mike Bousis of Cermak Fresh Market, who is the contract buyer of the Dominick's property. Clarke indicated that Cermak was interested in introducing themselves to the Commission and noted that Cermak Fresh Market had indicated to staff their interest in applying for an economic incentive. Clarke noted their appearance today was under the "other business" portion of the Commission's agenda and suggested that the Commission adjust the order of the agenda in order to take this matter now. Commissioners concurred.

Jerry Schain attorney for Cermak Fresh Market took the floor and thanked the Commission for its time. He indicated that Cermak Fresh Market did secure a contract with Safeway to acquire the Dominick's Lincolnwood site, along with a Dominick's site located in Chicago's Rogers Park neighborhood.

Mike Bousis of Cermak Fresh Market indicated that they are interested in opening an upscale grocery store in Lincolnwood that would compete head-to-head with the planned new Mariano's in Skokie, but to do so, would require an economic incentive from the Village. As he spoke, a book showing photographs of their Milwaukee store was circulated among Commissioners. Mr. Bousis indicated that they are looking at the

possibility of adding approximately 3,000 square feet to the rear of the existing store. He stated that he believed that they would have a much better store than Mariano's. He also indicated that while he now lives in Highland Park, he had lived in Lincolnwood for 5 years, still has family here in the Village and that he knows this market very well. He indicated that as an alternative to a grocery store, they would either subdivide the building for several smaller uses or that potentially the entire site could be used for a banquet facility.

Mr Schain indicated that they are now preparing their economic incentive request for Commission consideration and were hopeful to be on the Commission's February meeting agenda. He noted that if they proceed with a grocery store at the Dominick's location, it was important for them to open prior to the Mariano's opening. At the conclusion of his remarks, both Mr. Schain and Mr. Bousis thanked the Commission for its time.

5. Lincoln-Touhy TIF District: Consideration of a Boundary Amendment

Director Clarke provided background on this matter explaining that this request to modify the boundaries of the Lincoln-Touhy-TIF District was initially made by North Capital Group (NCG). He noted that this request was considered earlier this year by the Village Board which authorized the engagement of Kane McKenna and Associates (KMA) to study this requested amendment, subject to this cost being paid by NCG which had been agreed to.

Clarke noted that in addition to owning the Purple Hotel properties, NCG also recently acquired the 2 office buildings located along Lincoln Avenue due north of the Purple Hotel site. He noted that the proposed boundary amendment would take in these 2 office properties owned by NCG which are not now within the TIF district, along with the adjacent Commonwealth Edison property to the west. Clarke stated that NCG's development plan for the area places much of the proposed hotel property outside of the existing TIF District and that NCG is desirous of their entire property and project being included within the TIF District.

In response to a question by a Commissioner, it was noted by NCG that their development plans currently call for the retention of the most northerly existing office building but the office building currently adjacent to the TIF boundary would be demolished to make way for the hotel. Discussion continued regarding the inclusion of the Commonwealth Edison property.

Clarke continued by stating that KMA had investigated the proposed area and found that it qualified for TIF Designation under the State's criteria for a Conservation Area which

requires at least half of the buildings to be 35 years or older, along with certain other factors.

Robert Rychlicki of KMA then addressed the Commission identifying the factors which they found in the proposed area for its qualification and referred Commissioners to the drafted Qualification Report contained in their meeting packet. Mr. Rychlicki, in responding to questions, stated that the term of the TIF would not change and that the process to amend the boundary of the TIF is the same process used for establishing a TIF District and would require the convening of the Joint Review Board and the holding of a public hearing. Discussion continued on related matters.

Mr. Rychlicki indicated that for this proposed boundary amendment, some housekeeping modifications would be necessary to the adopted Redevelopment Plan in order to account for the expanded geography, but that such changes did not involve any policy matters. Discussion ensued after which by consensus, Commissioners authorized KMA, in conjunction with staff, to make these ministerial changes without further review by the Commission.

After hearing no further discussion, Commissioner Kucienski made a motion, seconded by Commissioner Seniuta, to recommend to the Village Board that it proceed and initiate the process to formally consider adoption of this boundary amendment.. A roll call vote was taken. In favor of the motion: Kucienski; Berger; McCoy; Seniuta; Persino; and Strauch. Against the motion: none. Motion approved, 6-0.

6. Reports

Director Clarke summarized the Development Updates report, noting that the Plan Commission did take action at their January meeting and is recommending the preliminary PUD for the Shoppes at Lincoln Pointe.

7. Public Forum

The floor was opened for public comment. Anthony Ficarelli, attorney for School District #74 rose to address the Commission. He stated that the school district had requested that a subcommittee be established with the Village to review some of the concerns of taxing districts related to the proposed Devon- Lincoln TIF District. He indicated that he was hopeful that this process would proceed.

9. Adjournment

The meeting was adjourned by consensus at 8:55 AM.

Respectfully submitted,

Timothy M. Clarke, AICP Community Development Director



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February 20, 2014

Mr. Timothy M. Clarke
Director, Community Development
Village of Lincolnwood
6900 N. Lincoln Avenue
Lincolnwood, IL 60712

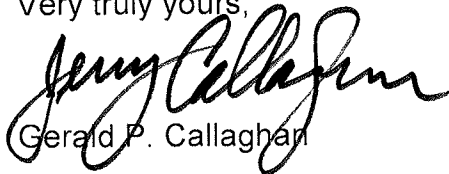
Re: *The Shoppes at Lincoln Pointe*
EDC Meeting of February 26, 2014

Dear Mr. Clarke:

On behalf of the North Capital Group (NCG), I request that the Shoppes at Lincoln Pointe be removed from the February 26th agenda of the Economic Development Commission. The reason for this request is to enable Mike Laube, NCG's financial consultant, to refine the previously submitted revenue and cost projections for the proposed development. To that end, Mr. Laube will be in contact with Kane McKenna, the Village's financial consultant, with the goal of reaching an agreement on the funding gap for the project. In addition, NCG will continue to explore other revenue sources to address the gap.

I understand that the next EDC meeting after February 26th will be on March 19th. I will let you know closer to that date whether NCG wishes to be placed on the agenda for that meeting or a subsequent meeting.

Very truly yours,



Gerald P. Callaghan

GPC/LMW

cc: Neal Stein

Memorandum

To: Chair and Members
Economic Development Commission

From: Timothy M. Clarke, AICP
Community Development Director

Date: February 20, 2014

**Subject: Ravenswood Studio: 6950 Central Park
PEP Grant: Request for Time Extension**

On October 15, 2013, based on the recommendation of the Commission, the Village Board awarded both a Green Initiatives for Tomorrow (GIFT Grant) and a Property Enhancement Program (PEP) Grant to Ravenswood Studio. The GIFT Grant, for installation of energy efficient lighting within the building at 6950 Central Park Avenue, has been completed.

The PEP Grant was awarded for window replacement at 6950 Central Park Avenue with a completion date for the improvement of not later than March 31, 2014. Due to the severe winter weather, Ravenswood Studio reports this work has been delayed and now seeks a time extension to May 31, 2014 to complete this work. Attached is the letter from Ravenswood seeking this time extension to complete this project.

In addition to successfully completing the recent GIFT Grant work, Ravenswood Studio has previously successfully participated in the GIFT Program for their building at 6900 Central Park with no issues. Given the severity of the winter, the request to extend the completion deadline for the recent PEP award appears reasonable and staff has no objection to the time extension request.

Recommended Motion: Move to recommend approval of an extension to May 31, 2014 to complete work for the PEP Grant awarded Ravenswood Studio for window replacement.

Attachments

1. Ravenswood request letter



February 4, 2014

Tim Clarke
Community Development Director
Village of Lincolnwood
6900 N. Lincoln Avenue
Lincolnwood, IL 60712

Tim,

This is to report on the progress of our PEP Grant for the new windows at 6950 N. Central Park Avenue. The windows have been manufactured and are waiting to be installed. We are waiting for the weather to break so that the tuck pointers can return and finish the tuck pointing and installing the new lentils. Due the extreme cold weather and snow this work has gone much slower than anticipated. They were only able to work three days in all of December and January and now February is starting out to be more of the same.

As a consequence, we would like to ask for an extension of two more months until May 31, 2014 to complete this work. If there is a break in the weather we will probably be able to meet our original completion date, but given the way this winter has developed so far I don't think we can count on that happening any time soon.

I appreciate all your help and I will keep you apprised of our progress on this project.

Thank you,

A handwritten signature in black ink that reads 'Rich'.

Rich Walthers

Ravenswood Studio, Inc.

Memorandum

To: Chair and Members
Economic Development Commission

From: Timothy M. Clarke, AICP
Community Development Director

Date: February 19, 2014

Subject: Proposed FY 14-15 TIF Budgets

Attached for Commission review are the proposed FY 2014-15 budgets for: 1) the North East Industrial District (NEID) TIF; 2) the Touhy-Lawndale TIF District (Lowe's); and 3) the Lincoln-Touhy TIF District.

In reviewing these budgets, note that each budget includes two sheets;

- 1) the first sheet contains a line item summary of the proposed expenses for FY 14-15 (listed under the heading "2015 Proposed", along with a comparison summary of the last three budgets; and
- 2) the second sheet contains the specific detail cost descriptions and breakout numbers for each of the proposed line items expenses listed on the first sheet.

NEID TIF

A total expenditure from this fund of \$2,576,900 is proposed for FY 14-15. Of this amount, \$1,779,000 is proposed for expansion of the Public Works Yard; construction of a nearby parking lot on the former Union Pacific ROW; and, construction of the planned bike path in the TIF. Also included in this figure is \$40,000 for cleanup of the UP ROW; \$45,000 for tree planting and sidewalk installation in the TIF; and, \$40,000 for Business Park signs. An additional \$155,000 is proposed for various engineering work related to these above cited construction projects.

Also included in this proposed budget are principal payments of \$288,750 and related interest payments of \$23,775 for previously issued bonds and \$300,000 has been set aside for PEP/GIFT grants in this TIF District. This budget also proposes expending \$15,000 for streetlight and landscape maintenance in the TIF; \$13,500 for legal and consulting costs; and, costs incurred for audit and bond charges.

Currently, there is sufficient TIF revenue on-hand to cover these projected costs.

Touhy-Lawndale TIF

Pursuant to the Development Agreement with Lowe's, this TIF fund is essentially dedicated to the payment to Lowe's of the incremental property tax portion of the economic incentive that was granted. The amount of \$520,000 has been budgeted in FY 14-15 for this cost.

Lincoln-Touhy TIF

For FY14-15, \$5,000 has been budgeted for potential consultant costs. This TIF District is not yet currently producing incremental revenue.

PEP/GIFT Fund

Concerning FY 14-15 budgets, also know that \$50,000 is being proposed in a separate fund to operate the Village's PEP and GIFT programs for business areas located outside of the NEID TIF District. This \$50,000 proposed budget amount for PEP/GIFT grants outside of the NEID TIF, is funded through the Village's General Fund.

After review of these proposed budgets, if in concurrence, it would be appropriate for the Commission to move its recommendation to adopt these proposed budgets.

Attachments

1. Proposed FY 14-15 NEID TIF Budget
2. Proposed FY 14-15 Touhy-Lawndale TIF Budget
3. Proposed FY 14-15 Lincoln-Touhy TIF Budget.

2014-2015 Operating Budget

Budget Analysis

NEID TIF

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2012 Actual	2013 Actual	2014 Adopted	October 2013 Actual	2014 Projected	Account	Description	2015 Proposed
1,500	1,200	1,500	-	1,500	217-000-517-5310	Audit	1,500
25,831	4,363	10,000	4,034	10,000	217-000-517-5399	Other professional services	13,500
27,331	5,563	11,500	4,034	11,500		Contractual	15,000
-	10,423	300,000	-	24,063	217-000-517-5520	Community Development Grants	300,000
-	10,423	300,000	-	24,063		Total Sharing	300,000
450	188	450	375	375	217-000-529-7100	Fiscal Charges	375
-	-	55,000	-	55,000	217-000-561-5290	Maintenance of TIF Improvement	15,000
251,250	273,750	281,250	-	281,250	217-000-573-7380	Principal - 2002A G.O. bonds	288,750
76,760	37,781	29,400	14,700	29,400	217-000-574-7580	Interest - 2002A G.O. bonds	23,775
328,460	311,719	366,100	15,075	366,025		Debt Service	327,900
47,763	2,795	101,000	27,460	101,000	217-000-561-5340	Engineering	155,000
193,594	27,337	5,393,000	-	2,300,000	217-000-561-6100	Land acquisition & improvement	1,779,000
241,356	30,132	5,494,000	27,460	2,401,000		Capital Outlay	1,934,000
597,147	357,836	6,171,600	46,569	2,802,588		Total	2,576,900

2014-2015 Operating Budget

Budget Analysis

NEID TIF**217**

Account Number	Account Name	Amount	Comments
217-000-517-5310	Audit	1,500	Annual Audit Fee L&A
217-000-517-5399	Other professional services	<u>13,500</u>	
		10,000	Holland and Knight Legal Services
		3,500	DB Calculation Consulting
217-000-517-5520	Community Development Grants	300,000	PEP \$50,000 Max. and GIFT \$10,000 Max.
217-000-529-7100	Fiscal Charges	375	Bond Charges
217-000-561-5290	Maintenance of TIF Improvement	15,000	Maintenance of Street Lights on Northeast Parkway, Pratt Avenue (East of Hamlin), Hamlin, Ridgeway and Morse and Landscape Materials for Central Park Parking Lot and Public Works Parking Lot
217-000-573-7380	Principal - 2011A G.O. bonds	288,750	Principal Payments
217-000-574-7580	Interest - 2011A G.O. bonds	23,775	Interest Payments
217-000-561-5340	Engineering	<u>155,000</u>	
		30,000	Public Works Yard Expansion Construction Oversight
		100,000	Union Pacific Bikeway Construction Oversight
		25,000	Parking Lot Construction Oversight
217-000-561-6100	Land acquisition & improvement	<u>1,779,000</u>	
		750,000	Public Works Yard Expansion Construction
		670,000	Parking Lot Construction
		200,000	Construction of Union Pacific Railway
		45,000	Parkway Tree Planting and Sidewalk Installation
		40,000	Union Pacific Bike Path Refuse Removal
		40,000	Business Park Signs

2014-2015 Operating Budget

Budget Analysis

Touhy/Lawndale TIF Fund

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2012	2013	2014	October	2014			2015
Actual	Actual	Adopted	Actual	Projected	Account	Description	Proposed
464,933	502,056	520,000	-	510,000	218-000-517-5911	Economic Dev RE Tax Agreement	520,000
464,933	502,056	520,000	-	510,000		Total	520,000

2014-2015 Operating Budget

Budget Analysis

Touhy/Lawndale TIF Fund

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<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>	<u>Comments</u>
218-000-517-5911	Economic Dev RE Tax Agreement	520,000	Lowes Tax increment rebate

2014-2015 Operating Budget

Budget Analysis

Lincoln/Touhy TIF
219

2012	2013	2014	October	2014	Account	Description	2015
Actual	Actual	Adopted	Actual	Projected			Proposed
64,880	(760)	25,000	-	-	219-000-511-5320	Consulting	5,000
48	-	1,200,000	-	5,000	219-000-517-5399	Other Professional Services	-
64,928	(760)	1,225,000	-	5,000		Contractual	5,000
-	-	40,000	-	-	219-000-574-7580	Interest - Lincoln/Touhy TIF	-
-	-	40,000	-	-		Debt Service	-
64,928	(760)	1,265,000	-	5,000		Total	5,000

2014-2015 Operating Budget
Budget Analysis

219-000-511-5320 Consulting

5000 Legal Fees



Village of Lincolnwood
Community Development Department
Development Updates
FEBRUARY 2014 Report

Public Hearing Continues on Proposed Devon-Lincoln TIF District

The public hearing on the proposed Devon-Lincoln TIF District has been continued to March 4., 2014 at 7:30PM before the Village Board.

Village Board Takes Action on Proposed Shoppes at Lincoln Pointe

At its February 4, 2014 meeting, the Village Board concurred with the recommendation of the Plan Commission and directed the Village Attorney to prepare, for adoption, the requisite legislation approving the Preliminary PUD. Approval of a final PUD for the Shoppes at Lincoln Pointe is still required. These plans call for a mixed use development in 5 buildings with a total of approximately 156,000 square feet of retail; 30,000 square feet of office; a health club of about 23,000 square feet; and a 160 room hotel. A total of 1,298 off street parking spaces are proposed on the subject property and on the adjacent Commonwealth Edison property.

Proposal to Amend Lincoln-Touhy TIF Boundaries

The Economic Development Commission is recommending that the Village Board take action to begin the formal consideration for modifying the boundaries of the Lincoln Touhy TIF District. This recommendation will be considered by the Village Board on March 4, 2014. This proposal is to expand the boundaries of this TIF District to include 2 office properties located to the north as well as adjacent Commonwealth Edison property to the west. North Capital Group, the owner of the Purple Hotel properties, has requested this action so as to include both the entire redevelopment project as well as all of their properties in this TIF District. Should the Village Board concur and take action on March 4, 2014, the public hearing on this proposal will be held on May 6, 2014. Prior to this hearing, the intergovernmental Joint Review Board will also convene to consider this proposal.

Cermak Fresh Market

As previously reported, Cermak Fresh Market has a contract to purchase the Lincolnwood Dominick's site, along with a Dominick's site located in Rogers Park. Cermak has indicated to staff that they desire to open an upscale grocery store to compete head-to-head with the Mariano's now under construction in Skokie. To do this however, Cermak has indicated that they plan to seek an economic incentive from the Village. Cermak's alternative plans for this site include subdividing the building for smaller users or a banquet facility. The property is located in a PUD which currently restricts the use to a grocery store.

Town Center Warehouse Building

The owner of this property continues to work to secure a dinner-cinema operator at this location.

ULI Devon Corridor Study

President Turry and staff attended a Board meeting of the Urban Land Institute to discuss and provide the Village's perspective of their work on the Devon Avenue Corridor. ULI has now published their report on their recommendations for the corridor. This report is available on the Village's website, www.lincolnwoodil.org.

Touhy Avenue Retail Overlay District

Staff met with a developer concerning possible projects as well as obstacles to development in the recently created Retail Overlay Zone along Touhy Avenue in the MB Zoning District.

Zoning Reviews Conducted for Business Licenses

In January the Community Development Department reviewed and approved zoning for 1 business license.

January Building Permits Issued

The following is a summary and comparison of building permits issued in December by the Village.

January	Permits Issued	Building Value	Permit Fees
2014	32	\$1,633,722	\$25,644
2013	43	376,772	24,194
2012	32	1,660,536	51,925
2011	28	502,443	11,010
2010	20	54,524	4,959
2009	22	167,799	8,612
2008	27	1,018,530	32,774
2007	41	1,638,038	44,334

