Minutes
Regular Village Board Workshop
Glen Ellyn Village Board of Trustees
Monday, May 15, 2017

Pledge of Allegiance

President McGinley asked Trustee Kenwood to lead the Pledge of Allegiance

Call to Order

President McGinley called the meeting to order at 7:02 p.m.

Roll Call
Upon roll call by Village Clerk Chereskin, President McGinley and Trustees Fasules, Kenwood, Ladesic, Pryde and Senak answered "Present." Trustee Enright was excused.

In Attendance: Recording Secretary Solomon, Village Manager Franz, Assistant Village Manager Stonitsch, Village Attorney Mathews, Planning and Development Director Hulseberg, Finance Director Coyle, Police Chief Norton and Economic Development Coordinator Hannah.

Audience Participation

None

Agenda Item E. – Incentive Request of Glen Ellyn Brewing, LLC to be located at 486 Pennsylvania Avenue (Discussion Only)

Economic Development Coordinator Hannah presented information regarding an incentive request of Glen Ellyn Brewing, LLC to be located at 486 Pennsylvania Avenue. Economic Development Coordinator Hannah stated Glen Ellyn Brewing, LLC recently purchased the former Schmid pharmacy located at 486 Pennsylvania Avenue and are converting the retail space into a restaurant. Economic Development Coordinator Hannah stated the property has been vacant for several years. Economic Development Coordinator Hannah stated the owners have been making changes to the interior to accommodate this new restaurant which is around 8,000 square feet. Economic Development Coordinator Hannah stated the estimates for the work on the building are coming in significantly higher than originally anticipated due to the age of the building, and the developer is asking for the Village Board to consider an additional $120,000 incentive in the form of a sales tax rebate. Economic Development Coordinator Hannah stated $30,000 in Interior and Façade Awards were approved by the Board in November 2016.

Developer John Lindstrom stated they are putting in a brew pub and need to upgrade the utilities, plumbing and electrical as well as putting new trusses in. Mr. Lindstrom stated they originally estimated the costs at around $600,000, but now the costs are totaling around $1,200,000 to $1,300,000. Mr. Lindstrom stated there is about a $120,000 gap that they would like help with as well as possible financial assistance with the sprinkler system.

Developer Jon With stated he has been looking at this building for four years, and they are making it into a restaurant that makes its own beer. Mr. With stated this could be a great addition to the Village, and he does not want to give up on the property.

Village Manager Franz stated the incentive proposal would be to capture the first tier of sales tax dollars. Village Manager Franz stated the property is a unique space that has been vacant over six years and converting a retail space to a restaurant space can be costly. Village Manager Franz stated they want this kind of business on this site. Village Manager Franz stated the incentive proposal includes the Village receiving a base amount of $15,000 in sales tax revenue, with the remaining sales tax revenue being split between the Village and the Developer 25/75% respectively over the remaining 10 years or until the developer receives $120,000 (whichever occurs first). Village Manager Franz stated with the sales tax projections the developer has provided, the incentive could be closed out by year 6.

Trustee Pryde stated he toured the facility and reviewed the plans and asked if the developer had a contractor to which Mr. Lindstrom stated they do have a contractor. Trustee Pryde asked about the contingency money to which Mr. Lindstrom stated they have about 10% on top of the costs. Trustee Pryde asked how they put together the sales projections to which Mr. With stated they looked at the bare minimum of what numbers they would hit, but Mr. With thinks they will do better than this. Mr. With stated they could see a continuous bump of 15% in the first three to four years.

Trustee Ladesic asked about the sprinkler system to which Mr. With stated they have talked with the Village about this back and forth, and the system is definitely needed and would remain in the building. Trustee Ladesic asked about the fire alarm grant program to which Economic Development Coordinator Hannah stated this is matching up to $15,000, but the caveat is that if an interior grant is awarded, you would also need to make the fire improvements. There was a discussion about the use of this award and using this in conjunction with the sales tax rebate incentive.

Trustee Ladesic referred to the grid of cost estimates and asked about the increased costs in water service and sewer lining which he assumed was for the fire sprinkler. Mr. With stated this is an old building, and it needs work. There was a discussion on the water and sewer lines.

Trustee Fasules stated the Board should expand on the infrastructure program and less of a rebate, and this could set up a program for future businesses in Glen Ellyn. President McGinley stated they could look at this in the future.

Trustee Pryde asked if this building is in the TIF district to which Village Manager Franz stated it is. Economic Development Coordinator Hannah stated the award dollars would be coming from the TIF program.

Trustee Kenwood asked about the target opening date to which Mr. With stated Halloween 2017.

Trustee Senak asked if the projected sales were verified by the staff to which Village Manager Franz stated the staff has compared the projections to other restaurants in the area, and the staff thinks the projections are realistic. Trustee Senak asked why the sales tax rebate has been done for some retailers, but not for other restaurants to which Village Manager Franz stated the Village has not had the occasion to do this rebate for a restaurant yet.

There was a discussion about this possible sales tax rebate, and the Trustees supported this.

President McGinley stated there were four options to choose from for this incentive request which are:

1. The current proposal for the $120,000 in sales tax rebate with the 25/75% split.
2. $120,000 with an alternative base and same split.
3. Up to $120,000 based on actual cost
4. Do a Fire Suppression Award with the remaining to be sales tax incentive

Trustee Kenwood asked the developers what they would prefer to which Mr. With stated they would prefer the $15,000 Fire Suppression Award then the remaining $105,000 to be the sales tax incentive with the 25/75% split to be capped at 10 years. The Trustees were in consensus with this option.

Agenda Item F. – Update on Current Development Projects (Discussion Only)

Planning and Development Director Hulseberg presented an update on current development projects in the Village including commercial developments, residential developments and potential redevelopment projects.

<u>Commercial Developments</u>

1. 395 Roosevelt Road – former Enterprise Car Rental that is up for sale and under contract. Planning and Development Director Hulseberg stated the buyer has suggested there may be three to four uses on the property.
2. Roosevelt Glen Corporate Center Redevelopment – southeast corner of Roosevelt Road and Nicoll Way. Planning and Development Director Hulseberg stated this has been rezoned C3 Commercial, and Panera and CVS will be going in here.
3. Panera Bread – Village Board approved this in February 2017.
4. CVS Pharmacy - Planning and Development Director Hulseberg stated pre-application meetings were done at Plan Commission and the Architectural Review Commission (ARC), and the Village is waiting on a formal application.
5. Bucky’s Convenience Store/Gas Station – southeast corner of Roosevelt Road and Lawler Avenue. Planning and Development Director Hulseberg stated this property is now on the Glen Ellyn side of the boundary agreement. Planning and Development Director Hulseberg stated there will be public hearings at Plan and ARC in June. Planning and Development Director Hulseberg stated this property does back u to residential homes in unincorporated Lombard.
6. 700 Roosevelt Road – Aldi Foods expansion – Village Board approved this in March 2017
7. 640 Roosevelt Road – ATI Physical Therapy – Village Board approved this in November 2016.
8. 1100 Roosevelt Road – Shell Gas Station – Village Board approved this in April 2016. Planning and Development Director Hulseberg stated the building permit application is under review, and this property backs up to an existing three-story apartment building.
9. 825 N. Main Street – True North Gas Station – transfer of this property to True North was approved by the Village Board on May 1, 2017.
10. 419 Main Street – Soukup’s Hardware - Planning and Development Director Hulseberg stated the property has been purchased, and the owner has said there will possibly be one to six commercial tenants on the first floor. Planning and Development Director Hulseberg stated four of six of the residential units have been renovated.
11. 486 Pennsylvania Avenue - Two Hound Red Microbrewery

12. 475 Pennsylvania Avenue – Barone's Pizza – Village Board approved this in December 2016. Planning and Development Director Hulseberg stated the permit application is to be submitted soon.
13. 439 Pennsylvania Avenue – Different Box of Crayons – Village Board approved this in December 2016. Planning and Development Director Hulseberg stated this will be a retail destination quilting supply store.
14. 480 N. Main Street – Oak & Steel Aveda Salon – Village Board approved exterior renovation appearance in October 2016.
15. 462 Prospect Avenue – Glen Ellyn Dentistry - Village Board approved this in August 2016. Planning and Development Director Hulseberg stated they are relocating and expanding from current location at 577 Pennsylvania Avenue.

Residential Development

1. 1N450 Highland Avenue – proposed 22-lot detached single-family development. Planning and Development Director Hulseberg stated the Board will be discussing this development at an upcoming workshop. Planning and Development Director Hulseberg stated this property is in unincorporated DuPage County and would need to be annexed into the Village.
2. 765-787 Harding Avenue – attached single-family townhomes. Planning and Development Director Hulseberg stated there will be a pre-application meeting at the Plan Commission on May 25, 2017 for this development.
3. 490 Newton Avenue – townhomes the Village Board approved in April 2017.
4. Brookhaven Subdivision – 10 lot single-family residential development. Planning and Development Director Hulseberg stated the Village Board approved this in April 2015.
5. Enclaves of Glen Oak – 12 lot single-family subdivision
6. Georgetown by the River - Planning and Development Director Hulseberg stated an extension was granted in September 2016 to complete the two remaining 12-unit condominium buildings.

Potential Redevelopment Projects

1. Beijing Restaurant
2. "Dance Dance Dance" Studio
3. AK Diamond Gallery
4. McChesney & Miller
5. Giesche Shoes – Planning and Development Director Hulseberg stated this property is under contract again, but the Village has not heard from the purchaser.

Agenda Item G. Electric Aggregation Program Bid Results (Discussion Only)

Assistant Village Manager Stonitsch reviewed and presented information on the Electric Aggregation Program bid results. Assistant Village Manager Stonitsch stated in 2012, Glen Ellyn residents approved a referendum authorizing the Village to operate an opt-out electric aggregation program for resident and small business ratepayers. Assistant Village Manager Stonitsch stated some key features of the Municipal Aggregation program are all residents are informed via postal mail of new rate and terms prior to the rate change, any resident can opt out at any time without incurring a fee, there are no additional monthly fees nor a variable floating rate and the program offers price certainly versus the ComEd default rate which adjusts monthly. Assistant Village Manager Stonitsch stated the Village's current agreement with FirstEnergy expires in August, and FirstEnergy did not choose to put in a bid for the next renewal. Assistant Village Manager Stonitsch stated the staff directed the Village's broker/consultant Northern

Illinois Municipal Electric Collaborative (NIMEC) to solicit competitive energy supply bids in order for the Village to evaluate whether the Village could continue to maintain competitive market rates.

Assistant Village Manager Stonitsch stated four total suppliers replied to the RFP, with Dynegy Energy having submitted the lowest responsive/responsible proposal. Assistant Village Manager Stonitsch stated Dynegy submitted a very attractive 14-month contract proposal at a fixed $0.6954/ kWh, which is slightly below ComEd's newly published rate. Assistant Village Manager Stonitsch stated Dynegy's rate includes the priced premium for maintaining 100% Green Energy in the portfolio. Assistant Village Manager Stonitsch stated Dynegy comes with high marks, is an established company and is top-notch in customer service.

Assistant Village Manager Stonitsch stated letters about Dynegy Energy would go out to the residents in June 2017 and then the residents would have three weeks to opt out of the program before the Village transitions to Dynegy Energy in late August or early September 2017.
Trustee Senak asked about the difference in Green Energy versus renewable energy. Sharon Durling from NIMEC stated these terms are used interchangeably and are the same thing. There was a discussion regarding Green Energy, the number of residents that have opted out and the difference in rates between Dynegy and ComEd.

Trustee Fasules asked what the cost differential was per month for the Dynegy Energy at 100% Green versus Dynegy Energy's 0% Green to which Assistant Village Manager Stonitsch stated it is $1.72 extra per household per month for 100% Green Energy.

There was a discussion about Dynegy Energy's rates, and the consensus of the Board was to support Dynegy Energy's 13% Green Energy plus have an opt-in option for residents who would like to be 100% Green Energy. Assistant Village Manager Stonitsch stated he will let the Board know if he finds anything else out on this.

Agenda Item H. Village Board Strategic Plan Update

Village Manager Franz led the discussion on the Village Board Strategic Plan and stated the Village Board Strategic Issues are around Development, Business, Attractions, Communications and Involvement, Infrastructure and Financial Sustainability. Village Manager Franz reminded the Board the action steps are colored in green (On Schedule), yellow (Delayed), red (Off Track) or blue (highest priority projects). Village Manager Franz reviewed the high-priority projects and gave updates on each of these. Village Manager Franz stated the Board will do another strategic-planning session later this year.

Trustee Pryde asked about Reserve 22's Food and Beverage Director to which Village Manager Franz stated they are recruiting this week and hope to do interviews soon. There was a discussion on Reserve 22 regarding the second patio and an assessment on the current kitchen. Trustee Senak stated in his opinion, the Village needs to get out of the restaurant business.

Trustee Senak stated another important thing to look at on the goals would the possible pedestrian bridge or a parking garage behind the Civic Center.

President McGinley stated the Board will have a planning session in the next few months, and they will need to clean up the goals. Trustee Ladesic stated they need to possibly pare down the goals and show what steps are being taken to get to these goals and how to keep these goals on track.

Trustee Ladesic stated he would possibly like to see a full-time Economic Development Coordinator as the Village needs to put economic development at the forefront. Trustee Fasules stated the model the Village has been using for economic development is the same as 20 years ago, and things have totally changed so there needs to be a new model for this.

I. Other Items

Trustee Ladesic asked about the survey mentioned in the Manager's Report and asked if the Village was paying for this. Village Manager Franz stated this survey is in the Village's budget. Trustee Ladesic stated a survey could be put together in-house and would save money. Village Manager Franz stated there has not been a survey of the residents in 17 years, and the Village could benchmark the residents' responses to other communities. There was a discussion about this possibly survey.

President McGinley stated there would be a Regular Board Meeting on Monday, May 22, 2017. President McGinley stated there would be a Special Board Meeting and Special Workshop on Monday, June 12, 2017, with the Board Meeting first and then a longer Workshop. There was discussion on this, and the order of the meetings may change. President McGinley stated there will be no meeting on Monday, June 19, 2017. Trustee Fasules asked if more meetings or workshops are needed as more discussion may be needed on things coming to the Village. Village Manager Franz stated they will add more workshops or meetings if need be to ensure things are being discussed in a timely manner.

J. Adjournment

At 9:40 p.m., a motion was made by Trustee Kenwood and seconded by Trustee Senak to adjourn. Motion carried.

Respectfully submitted,

Debbie Solomon
Recording Secretary

Reviewed and approved by

John A. Chereskin
Village Clerk