



MINUTES

Committee of the Whole

Monday, May 20, 2019 – 8:33 PM

Village Board Room, Lisle Village Hall, 925 Burlington Avenue

PRESENT: Trustee Tony Carballo, Trustee Cathy Cawiezel, Trustee Kelly Dixit, Trustee Marie Hasse, Mayor Chris Pecak, Trustee Steve Winz, and Trustee Sara Sadat

ABSENT:

ALSO PRESENT: Village Manager Eric Ertmoed, Assistant Village Manager Jack Knight, Chief of Police Dave Anderson, Development Services Director Mike Smetana, Village Attorney Kathleen Elliott, Administrative Secretary/Deputy Village Clerk Karen Arnold, and Village Clerk Lorna Turner

I. CALL TO ORDER & ROLL CALL

II. PUBLIC COMMENT

Raza Siddiqui spoke on the Police Department Open House and Public Works Touch-A-Truck event and what an enjoyable experience it was.

III. PRESENTATIONS

A. Economic Development Incentive Policy

Village Manager Ertmoed presented the draft Economic Development Incentive Policy, he indicated that the policy establishes the Village's economic development goals and identifies the types of incentives by sub areas. He added the policy also discusses performance standards and a claw-back provision for agreements.

Trustee Cawiezel questioned where the incentive funds will be coming from. Manager Ertmoed stated these would sales tax abatements or TIFs. Trustee Cawiezel inquired about the claw-back; what would trigger it, and how it would be enforced. Manager Ertmoed stated the specifics would be in the agreement and be negotiated.

Trustee Sadat remarked that she liked the inclusion of performance standards and questioned if development status reports could be included. Manager Ertmoed stated yes, it could be in the review or claw-back and performance standards section.

Attorney Elliott stated this policy will assist with negotiations and it allows developers to see in advance what is expected of them. Manager Ertmoed added that the draft policy was modeled off of other municipalities.

Mayor Pecak inquired if the Village could impose a Fire District impact fee on developers. Attorney Elliot stated because the Village is non-home rule we do not have that authority. Mayor Pecak asked if impact fees could be allowed if passed by referendum. Attorney Elliott stated she will have to investigate.

**Moved by Cathy Cawiezel, seconded by Marie Hasse
Motion to direct staff to prepare a resolution approving an economic development incentive policy.
CARRIED.**

B. Proposed Business Development Grants Program

Manager Ertmoed presented proposed guidelines for a revised restaurant grant program, new retail business build-out program, and shopping center/multi-use program. He indicated that a budget of \$150K has been allocated for the new grant programs.

Trustee Hasse inquired if this would be limited to one restaurant. Manager Ertmoed stated it would depend on the amount of improvements; stating that if a restaurant did the minimum improvement (\$50K) there would still be funds left for another grant.

Trustee Cawiezel verified that this is independent of the Village hotel/motel tax fund. Manager Ertmoed stated this is fund 39 and the grants would be funded by the hotel/motel tax fund.

Trustee Cawiezel asked how the caps were established and why the restaurant grant is much higher than retail. Director Smetana stated related mechanical, electrical and plumbing improvements associated with restaurants typically have a higher cost than a retail build-out.

Trustee Cawiezel questioned if the retail grant could be more flexible if there was a retail business with a significant sales tax impact.

Trustee Sadat asked if grants could be combined. Manager Ertmoed stated it would be possible, but only if the owner of the building was also a retail business within the building.

Trustee Dixit asked if the shopping center / multi use program is for pre-existing centers or new. Manager Ertmoed stated it would be for the improvement of current buildings, adding that the EDC's intent was improve existing building stock.

Trustee Carballo stated the amount of the grant should depend on the amount of investment. Trustee Carballo also commented on the Lisle Convention and Visitors

Bureau and their lack of contract and how the grants are being funded by the same fund. He stated future funding of the LCVB needs to be addressed.

Trustee Cawiezel questioned if there is a return on investment (ROI) component with the grants. Manager Ertmoed stated it is not part of the qualifications or evaluation, it's based on investment / improvement.

Trustee Cawiezel remarked she is struggling with the retail versus restaurant grant funding amounts and feels that ROI and claw-back could be honed in on.

The Board discussed getting the funds back from a failed business. Manager Ertmoed stated the Village would work with them, but they would need to repay the grant, he also read the portion of the agreement regarding pay-back of grant funds.

Trustee Winz asked if there were grant options for service oriented businesses. Manager Ertmoed stated a requirement is sales tax generation.

Mayor Pecak questioned if a sales tax sharing agreement could also be applied for along with the grant. Manager Ertmoed stated grants would not preclude a sales tax sharing agreement, but the Village needs to ensure State Statute are followed with the sales tax agreement.

Trustee Cawiezel compared the opening of a fine dining and fast casual restaurant and how because of a higher price point the fine dining establishment would generate more sales tax, but the capital investment expenditure may be similar. She feels the grant should be based on projected sales tax revenue. Mayor Pecak stated there is no way to know what sales tax is being generated unless they enter into an agreement with the Village. Mayor Pecak pointed out that improvements are fixtures, and not capital, and maybe that needs to be outlined in the policy. Manager Ertmoed read the portion of the policy pertaining to eligible improvements.

Trustee Hasse inquired how the grants would be promoted to businesses. Manager Ertmoed stated it would be on the Village's website, and discussed with the EDC on how best to get the word out to the business community. He then reviewed the process from this point.

Mayor Pecak inquired about cooperative advertising for new businesses.

**Moved by Marie Hasse, seconded by Steve Winz
Motion to Direct Staff to Prepare Resolutions Approving Grant Program Guidelines.**

Trustee Carballo stated that this is premature and the guidelines need to be better addressed, as does the LCVB contract.

CARRIED.

Ayes: Marie Hasse, Steve Winz, Kelly Dixit, Chris Pecak, and Sara Sadat

Nays: Tony Carballo and Cathy Cawiezel

IV. PUBLIC / OFFICIALS / STAFF COMMENTS

Trustee Cawiezel thanked all those involved with the grant guidelines, adding they have been improved upon greatly.

Trustee Sadat asked that Village staff do whatever they can to help the residents effected by the cancellation of the elevation project.

Trustee Winz stated he spent some time with the LCVB this past week and was very encouraged and looks forward to seeing where it goes.

V. ADJOURNMENT

Moved by Marie Hasse, seconded by Sara Sadat

Motion to adjourn the Committee of the Whole Meeting.

CARRIED.

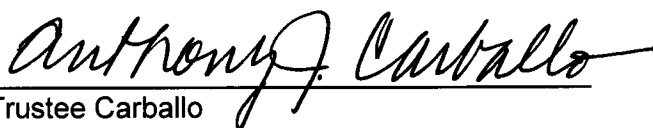
The Committee of the Whole meeting adjourned at 9:39 PM.

The minutes of the May 20, 2019 Village of Lisle Committee of the Whole were passed and approved

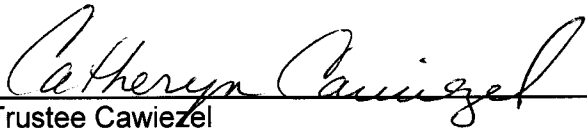
this 3 day of June, 2019.




Mayor Pecak



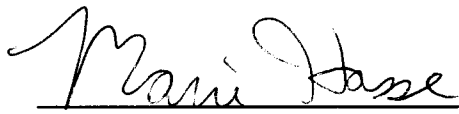
Trustee Carballo



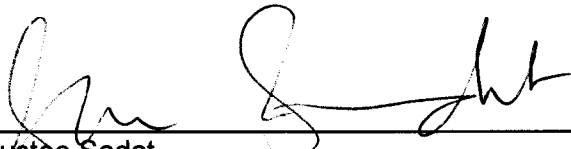
Trustee Cawiezel



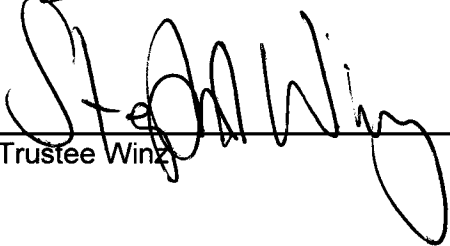
Trustee Dixit



Trustee Hasse



Trustee Sadat



Trustee Winz