

**Minutes
Village of Bartlett
Economic Development Commission**

December 13, 2010

Chairman G. Kubaszko called the meeting to order at 7:30 pm.

Roll Call

**Present: G. Kubaszko, H. Lesch, C. Green (arrived at 7:35 pm), K. Erickson,
J. Phillips, D. Weir, B. Chhokar-Sahota, K. Wallace**

Absent: None

**Also Present: J. Plonczynski, CD Director; T. Fradin, Economic Development
Coordinator**

Approval of Minutes

A motion was made to approve the minutes of the November 8, 2010 meeting.

Motioned by: D. Weir

Seconded by: H. Lesch

The motion carried with all members voting aye (voice vote).

TIF Rebate Request – 151 S. Oak Avenue (Boutique Necessities by Dej) Tabled from November 8, 2010

A motion was made to remove this item from the table.

Motioned by: K. Erickson
Seconded by: B. Chhokar-Sahota

The motion carried with all members voting aye (voice vote).

Tony Fradin explained that the petitioner's request was originally presented to the EDC last month but was tabled until Staff could contact the property owner, Mr. Kriticos, to gauge his support for this rebate. Staff spoke to Mr. Kriticos the day following the EDC meeting and he indicated he would come in to review the request made by his former tenant. Mr. Kriticos did not come in or contact Staff even after a follow-up letter was sent on November 11, 2010.

Tony Fradin stated the petitioner requested a TIF rebate for signage, landscaping and several Code-related repairs to her former place of business, Boutique Necessities by Dej. The petitioner has submitted documentation for the TIF eligible work. Documentation of all work done to the property associated with her occupancy was reviewed by Staff to determine which items are eligible for a TIF rebate as code-related and appearance-related improvements to the property. The petitioner submitted lien waivers showing full payment has made to the contractors, however no canceled checks were submitted as the petitioner indicated she paid the contractors in cash. Mr. Fradin noted that Hollenback Painting completed wall repairs due to a water leak caused by broken pipes and \$4,025.00 worth of floor work performed by BJ Construction was excluded as a non-reimbursable expense because it is considered an upgrade rather than a remedy to a Code violation. Staff performed a search of the Cook County Recorder's website indicates no lien placed against this property. The petitioner has submitted documentation that \$11,341.01 is the total cost of the items that are eligible for a TIF rebate at this time. The petitioner is eligible for a TIF rebate of \$3,402.30. Tony Fradin stated this petitioner has never applied for a TIF rebate. The former owner of the building last received a rebate in 2001 but the current owner, Mr. Kriticos, has never obtained a rebate. Thus the property is eligible for \$30,000.00 in rebates prior to the end of this program.

The petitioner is a former tenant of the subject building at 151 S. Oak Avenue and contends that she was required to do the many improvements as code improvements in order to gain occupancy for her business Boutique Necessities by Dej, which closed May 2010. Mr. Fradin noted that Ms. Mills was present to answer any questions regarding the improvements she made to the property.

Commissioner Lesch noted that the Commission still does not have the clear acknowledgement and approval of the owner and asked if the TIF Ordinance indicates some guidance in this situation. Tony Fradin stated that when the TIF Rebate program was modified from a ceiling amount of \$15,000.00 to \$30,000.00 a clause was added that a tenant could receive a TIF rebate with the property owner's consent. Commissioner Lesch asked if Staff feels we have that consent for this request. Jim Plonczynski stated the signature on the petitioner's application is

what we have, and in conversations with Mr. Kriticos he neither affirmed nor denied signing the document. Jim Plonczynski stated there is no official letter from Mr. Kriticos nor has he ever come in to review the application. Mr. Plonczynski noted that Mr. Kriticos had plenty of opportunity to do either.

Commissioner Erickson stated she was not in attendance at the November EDC meeting, but it was her understanding that the request was tabled at the last meeting because the Commission did not have clear approval from the owner for the requested rebate and that was the only aspect that was holding up this request. Tony Fradin stated that was correct. Commissioner Erickson noted that it is still not clear if the owner of the property has given approval. Jim Plonczynski stated there is a signature on the application that matches other Village documents Mr. Kriticos has signed in the past. ***Ms. Mills makes a statement from the audience that is inaudible.***

Commissioner Erickson asked Ms. Mills if she has had contact with Mr. Kriticos since the November 8, 2010 EDC meeting when it was tabled. ***Ms. Mills' response is inaudible.***

Commissioner Green stated that is difficult to read the owner's mind, but Mr. Kriticos didn't show up for a meeting with Staff and he didn't respond to the letter. She stated that one might assume the owner may be taking a neutral stand in the approval of the rebate, but there seems to be no clear objection on his part. Chairman Kubaszko stated that the owner was notified and subsequently chose not to respond. ***Ms. Mills' statement is inaudible.***

Commissioner Lesch stated that the only issue here is that an owner of a property needs to approve of a request for a TIF rebate to a tenant. After a brief discussion it was the consensus of the Commission that if this owner has ignored any attempts for contact with the Village to clarify any dispute of the application from the petitioner, the petitioner should not be made to suffer the consequences of his failure to respond. Commissioner Green stated that the property owner has not objected to this request although he has had ample opportunity to do so if he wished. Chairman Kubaszko noted that the application bears what appears to be the owner's signature and stated that it should be taken at face value. Commissioner Erickson added that Mr. Kriticos was contacted and he indicated that he would come in the next day to meet with Staff, but failed to do so. She stated that would indicate that he has knowledge of the TIF rebate request.

Commissioner Lesch asked if Staff feels there is enough evidence of the owner's approval if Mr. Kriticos subsequently comes in to contest the TIF rebate to the petitioner. Tony Fradin replied that it is not unprecedented to have only an owner's signature on an application rather than a letter of support. He added that Mr. Kriticos's objection would need to be received prior to the Village Board's decision December 21, 2010.

A motion was made to approve the petitioner's rebate request of \$3,402.30 to Debra J. Mills of Boutiques Necessities, former tenant of 151 S. Oak Avenue.

Motioned by: H. Lesch
Seconded by: C. Green

The motion carried with all members voting aye (voice vote).

TIF Rebate Request – 110 S. Oak Avenue (Bartlett Professional Center)

Dr. John Katsis is requesting a TIF rebate on behalf of Bartlett Professional Center located at 110 S. Oak Avenue, Bartlett, IL.

Tony Fradin reviewed the petitioner's request and stated the petitioner is requesting a TIF rebate for remodeling and renovating the building at 110 S. Oak Avenue from 2004 to 2010. Mr. Fradin noted the petitioner moved the dental office from the second floor of the building to the first floor and made it handicap accessible. The exterior of the building was also extensively renovated and many interior and exterior improvements were made to bring the property to current Code and beautify the property. Tony Fradin stated the petitioner has submitted documentation that \$119,673.00 is the total cost of the items that are eligible for a TIF rebate at this time. The petitioner is eligible for a maximum TIF rebate of \$30,000.00. The petitioner has submitted documentation showing full payment has been made in the form of canceled checks, bank statements and lien waivers. Mr. Fradin stated the request is in compliance with the stated TIF policies and guidelines. Tony Fradin noted the petitioner has never applied for a TIF rebate. Staff is supportive of the petitioner's request and recommends approval of a TIF rebate of \$30,000.00 for reimbursement of TIF eligible items related to the improvements to the property. Commissioner Lesch asked if the petitioner provided a chronology of the projects. Tony Fradin replied it was not in the form of a specific list, but rather by the dates of the contracts and payments made. Commissioner Lesch asked why this petitioner is not eligible for two TIF rebates. Tony Fradin replied that according to how the TIF guidelines are written the rebate is basically for one rebate to cover the time span of three years, not for numerous small projects over the time span of six years. He added that the work to the property was mostly code related items that were performed on a fairly regular and ongoing basis. Tony Fradin noted that he first went to Dr. Katsis over one year ago when the business was erecting a new sign. Tony Fradin informed him at that time that the sign may be a TIF eligible item and encouraged Dr. Katsis to apply for a TIF rebate. Dr. Katsis was unaware of the TIF rebate program until that time.

A motion was made to approve the petitioner's request of \$30,000.00 to Dr. John Katsis, owner of 110 S. Oak Avenue.

Motioned by: D. Weir
Seconded by: G. Kubaszko

The motion carried with all members voting aye (voice vote).

TIF Rebate Request – 366 S. Main Street (Bormann Building)

Kathleen Bormann is the owner of the property located at 366 S. Main Street, Bartlett, IL. This is the former location of Bartlett Animal Hospital and is the current location of A-Plus Healthcare Training and Target Sales and Marketing.

Tony Fradin reviewed the petitioner's request for a TIF rebate for ADA accessibility improvements, landscaping and sealcoating and restriping the parking lot of the building. Tony Fradin stated the petitioner has submitted documentation that \$4,654.67 is the total cost of the items that are eligible for a TIF rebate at this time. The petitioner is eligible for a TIF rebate of \$1,396.40. The petitioner has submitted documentation showing full payment has been made to the contractors. Landscaping supplies, fire suppression supplies and other materials were purchased directly by the petitioner, who provided credit card receipts for those supplies. Mr. Fradin stated the request is in compliance with the stated TIF policies and guidelines with respect to the work completed. Tony Fradin noted that the petitioner received a TIF rebate last month in the amount of \$3,930.00 for roof replacement. Thus the property still has \$26,070.00 in rebate eligibility prior to the end of the program. Staff is supportive of the petitioner's request and recommends approval of a TIF rebate of \$1,396.40 for reimbursement of the TIF eligible improvements to the property.

A motion was made to approve the petitioner's rebate request of \$1,396.40 to Kathleen Bormann, owner of 366 S. Main Street.

Motioned by: G. Kubaszko
Seconded by: B. Chhokar-Sahota

The motion carried with all members voting aye (voice vote).

TIF Rebate Request – 141 S. Oak Avenue (Franco Vercillo Day Spa)

Franco Vercillo is requesting a TIF rebate for landscaping improvements made to property located at 141 and 143 S. Oak Avenue during the years 2009 and 2010. Mr. Vercillo is the business and property owner of Franco Vercillo Day Spa located at 141 S. Oak Avenue and property owner of 143 S. Oak Avenue.

Tony Fradin explained that the petitioner submitted one application although the improvements were made to two separate and distinct properties. He explained that 141 S. Oak Avenue houses Franco Vercillo Day Spa and 143 S. Oak Avenue is the former location of Back in Bloom and most recently, Bartlett Books. The petitioner has submitted documentation that \$21,695.00 is the total cost of the items that are eligible for a TIF rebate at this time. The petitioner is eligible for a TIF rebate of \$6,508.50. Tony Fradin stated that the petitioner has submitted lien waivers from PB Landscaping of Hanover Park. He stated that no checks were submitted as the petitioner claims that he paid for all of the landscaping and other minor improvements in cash.

Tony Fradin explained that the first lien waiver (\$17,495.00) is for work performed at 141 S. Oak Avenue for the years 2009 and 2010. The second lien waiver (\$4,200.00) is for work performed at 143 S. Oak Avenue in 2009, as indicated by the proposals attached. Mr. Fradin stated the attached proposals itemized all the work performed at each location.

Tony Fradin stated that the petitioner received ten prior rebates totaling \$36,568.00 since 1992. All prior rebates were attributed to the property at 141 S. Oak Avenue. Since December 2007, the petitioner has received only one rebate in the amount of \$2,010.00 in 2009. Thus, the petitioner is eligible for \$27,990.00 in rebates for 141 S. Oak Avenue and the full \$30,000 for the property at 143 S Oak Avenue. Staff is supportive of the petitioner's request and recommends approval of a TIF rebate of \$6,508.50 for reimbursement of the TIF eligible improvements. Tony Fradin stated the petitioner is present to answer any questions.

Commissioner Weir stated the dollar amount of items listed seemed to total a lot of money and asked if trimming and weeding were considered part of a regular maintenance program. Mr. Fradin replied they would not be eligible if they are performed as ongoing maintenance. He stated if those items are done as a big clean-up of the property, they could then be considered for a rebate. Commissioner Weir stated it is difficult for her to determine if some items are for maintenance work or not because of the manner in which it is written.

Chairman Kubaszko asked if it is within the TIF guidelines to incorporate two rebate requests for two different properties into one application. Tony Fradin replied that the Commission could break the request into two and therefore propose two recommendations, if they so desired. Tony Fradin stated that the petitioner submitted the documentation before Staff realized he was talking about two different properties. Jim Plonczynski stated that the petitioner could complete a second application for the second property, but not having the second application would not negate his eligibility for the second property rebate.

Commissioner Sahota asked how long it took for the landscaping to be done. Mr. Vercillo replied that the work took place over the course of several months. The plantings took place from May through October. *The remainder of Mr. Vercillo's response is inaudible.*

Commissioner Green asked if mulch is put down and settles or evaporates over the course of the year wouldn't the replacement of the mulch considered maintenance. Jim Plonczynski stated that Staff is presenting the request as the petitioner has submitted it, but if the Commission considers weeding, mulching and trimming are not eligible items, they could be subtracted from the eligible cost and the TIF rebate amount could be recalculated. He said that could be stated in the Commission's recommendation.

Commissioner Sahota stated the labor charges seemed quite large and asked how Staff confirms the charges were paid. Tony Fradin replied the lien waiver process indicates that all bills were paid. That is what is requested of the petitioner and considered final proof of payment.

Commissioner Weir stated that the bills all bear a date in November, which would indicate to her that some of the items are more of a maintenance occurrence. She added that the property has many beautiful flowers throughout the entire season, but the November date on all of the bills just triggers the question as to whether the bill is not just an end of season bill for all work done throughout the entire year. *Mr. Vercillo's response is inaudible.* Commissioner Erickson stated that the documentation before the commission is labeled "Proposal" and one is dated November 1, 2010. She asked when the work listed was done or was it a proposal for next year. *Mr. Vercillo's response is inaudible.* Jim Plonczynski explained to Mr. Vercillo that the Commission wanted to know if the contractor mistakenly listed the work performed throughout the past season on a "Proposal" form instead of on an "Invoice" form. Mr. Vercillo replied that was exactly what happened. The contractor itemized the work performed from April through October.

Commissioner Green asked if the work performed on the pond was for a new pond or for an existing pond. Mr. Vercillo replied it was for repair of the existing pond. Commissioner Erickson asked if that was considered maintenance to the pond. Tony Fradin replied it would be considered an exterior improvement to the property. Commissioner Erickson stated that she considers gravel, weeding, trimming and mulching as maintenance items and suggested they take a closer look at each line item. Several other Commissioners agreed with her evaluation of those items. Jim Plonczynski stated that if the Commissioners wanted to exclude those items they could state that in their motion and the total cost would be recalculated by Staff and Staff would then recalculate the TIF rebate amount. Commissioner Sahota asked how the labor costs would be calculated or recalculated. Jim Plonczynski stated that would be very difficult to recalculate. Chairman Kubaszko asked how the eligibility of the listed items would be determined. Tony Fradin replied that Staff could look at the clear-cut inclusions rather than the exclusions or just exclude the items the Commission recommends be excluded. Commissioner Phillips quickly totaled \$3,075.00 for weeding, trimming, and mulching costs. He concluded that the labor cost should therefore be reduced by 1/7.

Chairman Kubaszko asked if any receipts or other documentation was available to show that money actually changed hands. Commissioner Phillips stated the only documentation was the

lien waiver to show there was no lien placed on the property. The Commissioners concluded there was a fine line between improvements versus maintenance as applied to some of the listed items of this request.

A motion was made to approve the petitioner's rebate request, excluding the cost of trimming, weeding, and mulching and recalculating the labor portion of those items by 1/7 if those items are determined ineligible, to Franco Vercillo, owner of 141 and 143 S. Oak Avenue.

Motioned by: D. Weir

Seconded by: C. Green

The motion carried with all members voting aye (voice vote).

TIF Rebate Request – 116 W. Bartlett Avenue (Forever After Antiques & Collectibles)

Angela Loda is requesting a TIF rebate on behalf of Forever After Antiques & Collectibles, located at 116 W. Bartlett Avenue, Bartlett, IL.

Tony Fradin reviewed the petitioner's request and stated the petitioner is requesting a TIF rebate for front window signage. The petitioner is a tenant and the application bears the signature of the property owner, Chad Wagstaff. Mr. Fradin stated the petitioner has submitted documentation that \$323.07 is the total cost of the item that is eligible for a TIF rebate at this time. The petitioner is eligible for a TIF rebate of \$96.92. The petitioner has submitted documentation of the work performed including a paid invoice, credit card statement and final waiver of lien from the contractor. The property is eligible for the full \$30,000.00 in rebates. Tony Fradin stated the request is in compliance with the stated TIF policies and guidelines with respect to the work completed. Staff is supportive of the petitioner's request and recommends approval of a TIF rebate of \$96.92 for reimbursement of the TIF eligible improvements to the property.

A motion was made to approve the petitioner's request of \$96.92 to Angela Loda of Forever After Antiques & Collectibles located at 116 W. Bartlett Avenue.

Motioned by: K. Erickson
Seconded by: H. Lesch

The motion carried with all members voting aye (voice vote).

TIF Rebate Request – 374 S. Main Street (V&V Paesano)

Chris Bucaro is requesting a TIF rebate on behalf of V&V Paesano located at 374 S. Main Street, Bartlett, IL.

Tony Fradin reviewed the petitioner's request and stated the petitioner is requesting a TIF rebate for a new sign. The petitioner has submitted documentation that \$5,160.25 is the total cost of the item that is eligible for a TIF rebate at this time. The petitioner is eligible for a TIF rebate of \$1,548.08. The petitioner submitted documentation of the work performed that included a final lien waiver and a canceled check in the amount of \$2,400 for the down payment. He noted that a copy of the check showing the final payment was submitted today. The petitioner has received one previous rebate on this property in the amount of \$6,690.00 in 2009 and one that was just approved by the Village Board December 2010 for \$490.50. Thus, the property is eligible for \$22,819.50 prior to the end of the TIF rebate program. Tony Fradin stated the request is in compliance with the stated TIF policies and guidelines with respect to the work completed. Staff is supportive of the petitioner's request and recommends approval of a TIF rebate of \$1,548.08 for reimbursement of the TIF eligible improvement to the property.

A motion was made to approve the petitioner's request for a TIF rebate of \$1,548.08 to Chris Bucaro, property owner of 374 S. Mai Street.

Motioned by: C. Green
Seconded by: B. Chhokar-Sahota

The motion carried with all members voting aye (voice vote).

New Business

Tony Fradin reviewed the new Dining Guide with the Commissioners. He noted that there were many changes that occurred since the last guide had been printed so this year the guide was done as an in-house publication. This will allow Staff to make additions, deletions and other changes to the guide. He mentioned they will be printed in January 2011.

The meeting adjourned at 8:37 pm.