



SPECIAL CITY COUNCIL MEETING MINUTES
OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PROSPECT HEIGHTS
HELD ON SATURDAY, JANUARY 21, 2017 at 3 P.M.

**IN THE COUNCIL CHAMBERS, PROSPECT HEIGHTS CITY HALL,
8 NORTH ELMHURST ROAD, PROSPECT HEIGHTS, ILLINOIS**

1. **CALL TO ORDER** – At 3:05 PM, Mayor Nicholas J. Helmer called to order the January 21, 2017 Special City Council Meeting at 8 North Elmhurst Road, Prospect Heights, IL 60070.
2. **ROLL CALL** – City Clerk Morgan-Adams called roll.
ELECTED OFFICIALS IN ATTENDANCE - Aldermen – Dolick, Messer, Rosenthal, Williamson, Ludvigsen; Mayor Helmer, Treasurer Tibbits, City Clerk Morgan-Adams
OTHER OFFICIALS IN ATTENDANCE – City Administrator Wade, Deputy Clerk Schultheis, Director of Building and Development Peterson, and Digital Communications Technician Colvin.
3. **PLEDGE OF ALLEGIANCE** – Led by Deputy Clerk Schultheis
4. **RESIDENT COMMENTS** (agenda matters) - None

5. DISCUSSION

A. Presentation of Thornton's Redevelopment Revenue Sharing Proposal and Council Review, Discussion and Direction – Jode Ballard – Thornton's Senior Manager of Development gave a presentation. He discussed the basics of the project, framework of the proposal. He noted the pieces of the project were completed – Building Setback/Special Use Permit/Text Amendment for gas station. They do not yet have the Liquor License, and they wanted to introduce the concept of the City working with Thornton's.

Their projections show that they will make \$9.5 million annually.

If the projection is correct there will be \$142,200 annually for the City in sales tax revenue

Jode Ballard discussed the Extraordinary Site Challenge – which included 1. Worse than typical circumstance - Reasonable productive land use would need to be overcome. 2. Soil export for site
The site has too much iron – it exceeds Title 35, Part 1100 (3J L.A.C., Part 1100)

They would like the City to help finance the initial investment to overcome the challenges. Recapture the net present value invested to overcome challenges based on performance. This deal's sunset would be a) recapture or completion of six full calendar years, whichever comes first.

OPEN DISCUSSION –

- The Mayor noted that the six years were finite.
- Jode Ballard said that Thornton's was asking for \$295,000 total to recapture.

He also added that there were no impediments that they saw in the permitting, but there would be a time factor because of IDOT, MWRD, and Highway permits.

- There was a question as to whether or not there was a sit down food service at Thornton's. Jode Ballard answered that there is no sit down eating. Building and Development Director Peterson noted that Thornton's had not applied for a sit down restaurant application nor did they have the square footage to apply for one.
- There was a question regarding the sales tax assumption which was based solely on Thornton's estimations. Jode Ballard replied that their assumptions were not based on City calculations. He also said that the projected revenue was based on calculations from their real estate team.
- It was noted that the commitment of Thornton's was to meet the sunset deal even if they did not meet their revenue targets
- There were questions from Council as to why the original tax assumptions were so much lower than the current ones. It was noted by Jode Ballard that Thornton's had originally used ½% rate instead of the sales tax rate of 1.5%. Building and Development Director Peterson added that the current tax figures were validated by City Finance Director Hannon.
- Jode Ballard noted that because there was not enough land, they need a vault. Building and Development Director Peterson added that the site does not have the size for surface detention so they need to use the underground. This also creates more green space. Under three acres of land, the MWRD has an exemption on detention. Thornton's is following City regulations. A surface pond cost would have been 1/3 the price of the vault.
- The Council suggested that Thornton's ask their landlord for relief. Jode Ballard said that they would ask again, but the initial response had been that they would not offer a reimbursement.
- Jode Ballard said that it takes 6-12 months for a location to hit full capacity, and that is why Thornton's would need six not five years before the sunset. The Council noted that the numbers that were given as estimates would indicate that the payout could be achieved in five years.
- There was a discussion regarding the contamination. Jode Ballard said that site was considered contaminated by Illinois Administrative Code because of its iron content.
- In response to concern, Jode Ballard said that it was the intention of Thornton's to be up and operational as soon as possible, and they were not expecting any major setbacks. But they did need permits from IDOT, and the landlord needs to get the tenants off the property.

The Council asked for bullet point information from Staff as to what the Attorney would be asked to draft.

City Administrator Wade said that

1. Asking for \$295,000
2. A credit if the amount needed for soil decontamination and/or detention
3. The term of the sunset should be five not six years
4. Start and completion dates of construction with a certificate of occupancy (that is when sales tax starts)

Jode Ballard noted that typically once construction starts, completion takes 12-150 days. Building and Development Director Peterson noted that the City has received construction permit drawings, and architects and engineers are already on the site. He added that Thornton's has shown an urgency to move forward with the permits.

It was noted that currently the site is a blighted parcel, and that the number requested might be reasonable but there was still a concern about the length of the sunset.

The Mayor said that the City Attorney should be able to respond within a week.

The City Administrator said that the Council would be updated before the February meeting. It was noted from the Council that the document that was being given to them by the City Attorney should be transparent with no surprises, so that it could be on the agenda for approval.

NO ACTION WAS TAKEN

7. EXECUTIVE SESSION - None

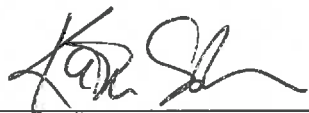
8. ACTION OF EXECUTIVE SESSION ITEMS, IF REQUIRED

9. ADJOURNMENT - At 4:15 PM; Alderman Rosenthal moved to adjourn; seconded by Alderman Williamson. There was unanimous approval.

VOICE VOTE: All ayes, no nays

Motion carried 5 - 0

Approved by the City Council of the City of Prospect Heights on this the 13th day of February, 2017



Deputy Clerk Schultheis



Mayor Nicholas J. Helmer

