

Planning and Zoning Committee
December 5, 2022

Present: James John, Trustee (Chairperson)
Nicole Chen, Trustee
Alice Gallagher, President
Ellen Baer, Village Manager
Casey Biernacki, Deputy Village Manager
Tony Budzikowski, Director of Community Development
John Mastandona, Director of Finance
Mike Jurusik, Village Attorney

Call to Order: Trustee John called the meeting to order at 6:19 pm. There were no additions/deletions to the agenda.

Public Comment: No public comment

Approval of Minutes: Trustee John motioned to approve the September 6th minutes. Trustee Chen seconded the motion.

KLM Development Group, 514 Hillgrove Avenue –TIF Incentive Application and Eligibility – Trustee John stated that KLM is waiting for the Village’s response to their TIF request. Director Budzikowski provided background information and stated that KLM started construction and indicated that they planned to submit an after-the-fact TIF request. He added that KLM submitted this request in August and would like the board to move their request forward. Director Budzikowski indicated that KLM’s lender would like to see signs of progress.

Attorney Jurusik provided a memo to the Committee that summarized KLM’s request. Jurusik hit the high points which included the following:

- KLM filed a TIF application; they provided estimated development costs of \$9.4 with construction value at about \$8.9 million.
- KLM received PUD approval for 12 units versus 10 originally proposed.
- KLM is asking for 10-11% of an incentive.
- Total project cost provided was \$7.7 million with an appraised value of \$7.4 million.

Attorney Jurusik highlighted that TIF is used to incentivize projects and reimburse people making an investment into the community and commented that it is important to figure out what the costs are for KLM’s project. Jurusik suggested the Village retains Kane McKenna, a TIF consultant, to help with GAP analysis and number crunching to help the Village determine a good projection for a fair incentive for KLM.

Jurusik said the Village needs to have an idea of what the estimated payment schedule will be and how much of an incentive KLM will receive. He added that the TIF will be paid over-time and the real value of the building will not be captured until roughly 1.5 years after the project is completed. Jurusik mentioned that this project has its' own tax code which will also help the Village determine the correct amount for the TIF. In addition, should the Village move forward with KLM/s TIF request, the next steps are to name the term, dollar amount, and payback schedule. Attorney Jurusik concluded that the end point would be as follows:

- a summary/recommendation from the Planning & Zoning Committee to the Board of Trustees,
- review by the Economic Development Commission (EDC),
- review by the Finance Committee, and
- review and decision by the Board of Trustees for approval.

Commission/Board Updates:

Plan Commission: no updates

Economic Development Commission: no updates

Board of Zoning Appeals: On Tuesday, November 29, 2022, the BZA held a meeting for a residential variation. The Board unanimously approved the request, and the resident can now move forward with their garage rebuild project.

Other Business – none

Adjournment: Trustee John motioned to adjourn. Trustee Chen seconded the motion. All in favor, Trustee John and Trustee Chen. The meeting was adjourned at 6:37 p.m.

Submitted by E. Chenelle