

**City Of Rolling Meadows
Economic Development Committee Minutes**

Tuesday, March 5, 2019

Members Present:

Glenn Adams
Dave McNaney
John D'Astice
Laura Majikes
Paul Anderson
Phil Spiewak
Lena Allegra
John Sokolowski
Bill Giambrone

Absent:

None

Others Present:

Barry Krumstok, City Manager
Melissa Gallagher, Finance Director
Lori Ciezak, Assistant to the City Manager
Martha Corner, Business Advocate
Judy Brose, Deputy City Clerk
Deb Austerlade, Administrative Assistant
Linda Ballantine, Chamber of Commerce
Tim Yormark, Daisy's Café
Todd Yormark, Daisy's Café

Call to Order

Having established a quorum, Chairman Adams called the meeting to order at 6:03 p.m.

Approval of Minutes

Chairman Adams requested a motion to approve the minutes of the December 4, 2018, meeting. A motion was made by Member Spiewak, seconded by Member D'Astice, and with no additional discussion the minutes were unanimously approved by the membership.

New Business List – Feedback Received

Members Majikes and Spiewak reported that they made calls to the new businesses listed on the December 2018 and January 2019 lists but did not receive return calls.

February 2019 New Business List Distribution

Chairman Adams volunteered to contact the businesses on the February 2019 New Business List.

Business & Community Showcase Discussion (April 25, 2019)

Ms. Corner informed the Economic Development Committee that postcard invitations have been sent to all City businesses, and an e-vite will also be sent to 750 e-mail addresses on file. The event was also advertised in the quarterly Business Messenger newsletter. To date, 28 businesses have committed to participating in the Showcase, while several others have indicated a desire to participate but have not yet registered. Ms. Corner expects to have over 50 tables at this year's event.

Member McNaney asked if the Showcase is open to businesses that are not located in Rolling Meadows, and Ms. Corner and Mr. Krumstok both stated it is not. Ms. Corner further clarified that because the event is funded by the City, participation is limited to those establishments whose businesses are located within the boundaries of Rolling Meadows.

Member McNaney asked if new businesses are required to participate in the showcase, and Ms. Corner and Mr. Krumstok both reiterated that all businesses are encouraged to participate but are not aggressively pursued or required to participate.

Business Advocate Update

Ms. Corner provided the following update on her activities:

- A business recognition ceremony was held at last week's City Council Meeting. A total of 66 businesses were recognized and 13 businesses attended the meeting.
- Comprehensive Plan Update—A second public hearing is scheduled for tonight's Planning & Zoning Commission meeting. The Plan should be approved and then moved to the City Council.
- The Business Messenger newsletter is in its second year and is sent to 1,200 addresses, and recently the Business Messenger was quoted in the Bisnow publication concerning a story about BEAR Construction. Additionally, one of our businesses contacted Ms. Corner to suggest running an article about the company's 10th anniversary celebration.
- Video Gaming – Mr. Krumstok told the Economic Development Committee that Grande Jake's will be going live this week. Mr. Krumstok, Ms. Corner, Alderman Majikes, and Mayor Prejna have met with several businesses interested in gaming, but most of them have not met the City's requirements. Currently, two video gaming establishments are open: Rep's Place and Stadium. Video gaming establishments that are expected to open soon include: Anna's Red Apple, Daisy's Café, Isabell's, and Sally's.
- Next Level Northwest—Mr. Krumstok provided an update on the activities of Next Level Northwest: Elk Grove Village held a "pitch meeting" and will be working with an automotive group; Schaumburg has also had a "pitch meeting" and will be working with a catering establishment. Hoffman Estates, Rolling Meadows, Streamwood, and Hanover Park have not yet held "pitch meetings".
- Meet Chicago Northwest provided tri-fold flyers containing a list of Rolling Meadows restaurants as well as a map of the City. Staff from the City and Meet Chicago Northwest have been working on this project for a few months.

Items of Interest in the City

Mr. Tim Yormark and Mr. Todd Yormark of Daisy's Café provided an update to the Economic Development Committee concerning the opening of their establishment:

- They had hoped to be on the March 1, 2019, Illinois Gaming Board agenda as they have been waiting since their December 7, 2018, approval; however, due to the number of cases, they were not. The Illinois Gaming Board has approximately 400 gaming applications in process and the backlog is growing. They hope to be on April 18, 2019, Gaming Board agenda, and if so, they expect to have their business up and running by April 21, 2019. In the meantime, they plan to complete work on the buildout and continue planning for the business. They want the restaurant to have a "community feel" to it.
- This is their third location—the other stores are in Itasca and Stone Park—and they stated they are grateful to Laura Majikes, Martha Corner, and Barry Krumstok for their support. They are on site every day and invited Economic Development Committee members to stop by.

Mr. Krumstok participated in a walk-through of the new School Health building on Golf Road. The building is very impressive with its high ceilings and numerous windows. A temporary certificate of occupancy has been issued, and this weekend 100 employees will move from Hanover Park to the new facility. Additionally, the warehouse will begin being stocked tomorrow, March 6, with over 10,000 products. They are in the process of subletting a 30,000 square foot portion of the building to a tenant until they need it for future expansion. The business plans to be fully operational by Monday, March 18, 2019. A ribbon cutting ceremony will take place some time in the spring or summer.

Open Land/Empty Office Building Incentive – Real Estate Transfer Tax Incentive Program

Mr. Krumstok opened the discussion by introducing Member D'Astice's Open Land/Empty Office Building Incentive which is meant to encourage development on vacant property and redevelopment in empty buildings in order to bring more businesses to town. The City's real estate transfer tax is \$3 for every \$1,000 of the purchase price (this excludes those properties that are exempt). Staff suggests an incentive of \$1 each to the agent and the seller in the form of a rebate from the City to be given six to nine months after the deed is recorded with the stipulation that development must occur on the vacant property or to the building parcel in order to qualify for the rebate incentive. For buildings, the incentive would be utilized if a building is more than 50 percent vacant. At the February 5 informal meeting of the Economic Development Committee, it was mentioned that the property or buildings be "vacant" for at least six months. It was also mentioned that perhaps work on the property should be in the permit process or undertaken within six months in order to be considered for this incentive.

Member Spiewak asked when a qualifying business would receive the rebate, and Mr. Krumstok reiterated that while staff suggested six to nine months after the deed is recorded, the details are for the Economic Development Committee to decide and could even be given one year after the transfer tax is paid.

Member McNaney suggested that the Economic Development Committee clarify or set development benchmarks such as the establishment of a building foundation for vacant land. Member D'Astice

suggested that a certain dollar amount threshold be established for renovations and once the business has reached the threshold they would qualify for the rebate.

Member Allegra suggested that the agent and seller split a \$1 rebate with the agent and seller receiving their money immediately and the buyer getting his or her portion after certain benchmarks are reached.

Ms. Gallagher clarified that in Rolling Meadows, the seller pays the transfer stamp fee, and perhaps the committee would want to consider giving a portion of the money back to the buyer in addition to the seller and agent.

Member Anderson asked about clarification in a case in which a business rents a property—does the tenant or the building owner receive the incentive?

Ms. Gallagher reminded the Committee members that the amount of money involved is insignificant and as such should not be divided too much.

Mr. Krumstok suggested providing the incentive exclusively to the buyer in a tiered system, and while some committee members felt favorably for this option, others stated a non-tiered system would be less confusing to administer. The Committee finally decided the incentive should only go to the buyer. At the next Economic Development Committee meeting, Mr. Krumstok will provide information on both a tiered and non-tiered system for further discussion.

Chamber of Commerce Update

Ms. Ballantine provided the following information on Chamber of Commerce events:

- Monday, March 25 – The 14th Annual Taking Care of Business Luncheon will take place featuring Mayor Prejna's Economic Update. This event takes place at Meridian Banquets and begins at 11:30 a.m. Registration is required.
- Sunday, March 31 – Chili Challenge with a Twist. This event takes place at Rep's Place from noon to 2 p.m.

Cancel April 2, 2019, Meeting

Mr. Krumstok stated that the Economic Development Committee meeting scheduled for April 2 falls on Election Day and members should consider cancelling that meeting. Member Sokolowski made a motion to cancel the April 2, 2019, meeting of the Economic Development Committee, seconded by Member Spiewak. With no further discussion a vote was taken. All in favor, and the motion carried. The next meeting of the Economic Development Committee will be held on May 7, 2019.

Issues Not on the Agenda

Mr. Krumstok informed the Committee about the following:

- March 13 – Rolling Meadows Community Events Foundation Fund Raiser at Rep’s Place. From 11 am to midnight, 15 percent of the proceeds will benefit the Community Events Foundations. Must present a flyer or display it on a cell phone.
- The Daily Herald Business Ledger contained an article about U.S. Waterproofing. Copies of the article were provided to Committee members.
- Summary copies of Senate Bill 1 were provided to Committee members. This Bill, which was passed into law and signed off by the Governor, concerns raising the minimum wage in Illinois.
- The Rolling Meadows Library will be holding its annual Spring Book Sale from Thursday, March 7, through Sunday, March 10.

In light of the upcoming road construction scheduled for Kirchoff Road, Member Sokolowski asked if the City had considered installing bike racks for Kirchoff Road businesses to use. Mr. Krumstok stated that the shopping centers may install them if they wish to do so and that construction is scheduled for March, April, May and June. July will be utilized if necessary, and there will always be one lane open during construction.

Public Comment

None.

Adjournment

Chairman Adams requested a motion to adjourn the meeting which was made by Member Giambrone, seconded by Member D’Astice, and unanimously approved by the membership.

The meeting was adjourned at 7:00 p.m.

The next regularly scheduled meeting of the Economic Development Committee will take place May 7, 2019.

Respectfully submitted by Deb Austerlade.

Minutes approved on: MAY 7, 2019

Glenn A. Adams
Chairman, Economic Development Committee, Glenn Adams