

Economic & Commercial Commission Meeting Agenda

Monday, October 14, 2019 6:30 p.m.
Kellsen Center Rooms C & D: Tinley Park Village Hall

AGENDA ITEMS

OPENING

APPROVAL OF September 9, 2019 MINUTES

APPROVAL OF AGENDA

INTRODUCTION OF GUESTS

1. Chairman Report
2. New Business/Old Business
 - a. BRE Visits
 - b. Oak Park Avenue Playbook Grants Discussion (Proposed Changes)
3. Staff Report –
4. Trustee Report –
5. Receive Comments from the Public

Economic & Commercial Commission Meeting Minutes – September 9, 2019

Members Present

Jay Walsh
Richard Osty
Paul Spass
Dino Sanfilippo
Dennis Reidy
Chris Shoemaker
Brian Potter
Christine Obbagy

Staff Present

Kimberly Clarke, Community Development
Kevin Gomulka, Business Retention
Mike Mueller, Trustee
Kathy Congreve, Commission Secretary

Guests Present

none

Members Not Present

Frank Williams
Dave Spedale

Chairman Walsh called the Sept. 9, 2019 Economic & Commercial Commission meeting to order at 6:33 p.m. There was a motion made by Dennis Reidy, seconded by Christine Obbagy to approve the minutes from the August 12, 2019 ECC meeting; motion carried. There was a request made by Jay to swap the order of the 2b and 2c agenda items so that we have more time to spend on the Grant Discussion. A motion was made by Dino Sanfilippo, seconded by Paul Spass to approve the agenda for tonight's meeting; motion carried.

Chairman's Report – Jay mentioned that he has a few emails from trustees and business owners regarding the Playbook, but will cover that in the discussion.

New Business/Old Business –

Dr. Robert Thies Façade Grant:

Kimberly stated that they'll be going through a PowerPoint presentation and sharing more paperwork with commissioners for the grant requests to be more thorough and to make sure the requests meet all the guidelines and intent of the program. Dr. Thies recently purchased the property and wishes to put a new façade on the building and rehab the interior of the apartments above the storefront so as to have them ready by December 1st of this year. Dr. Thies worked with the Community Development Department to ensure that his plans comply with the Legacy Code and he submitted two proposals for the work being done.

A motion to recommend approving a matching Façade Grant not to exceed \$35,000 to renovate the exterior of the property located at 17326 S. Oak Park Avenue was made by Paul Spass; seconded by Brian Potter. Motion carried.

Some discussion took place after the motion regarding whether it was a building with sprinklers and if they will be approached again with a Code Grant. Commissioners also asked whether work would be done to the exterior of the back of the building; there wouldn't be any more grant money made available for that.

BRE Visits:

Forty-one businesses were contacted in August and Kevin visited ten of them. Positive feedback received: businesses were happy to see Harlem Avenue being resurfaced, and are pleased with how nice the musical chairs look and are anxious to see how the Marketing Dept. will promote the program and bring additional business to them.

Smaller specialized businesses are concerned with the larger businesses that they supply moving out of state. This is more of a State of Illinois issue though, rather than a Tinley Park issue.

Some businesses stated that the Discover Tinley event was not beneficial to them and they don't think they'll participate next time. Attendees didn't seem concerned with learning about the business, but rather just getting freebies. Kevin will forward that feedback to the CRC Commission. It's possible they might consider holding a restaurant week or something similar that other communities are doing to get people to actually visit the local businesses.

OPA Playbook Grant Program:

Jay headed off the discussion stating he has received a few emails and comments regarding the grant program. He would like to make the first priority the business opportunity and making it business friendly. Jay brought up the following topics to be discussed individually:

- The process and timeline of grant inquiries/applications.
- Should we cap a dollar amount per business?
- Should we require a Business Plan from everyone?
- Timeline or expiration of the grant funds
- A business to remain in business for 3 years or have a call back

Kimberly walked to commissioners through the process:

- 1) Make a visit to the property
- 2) Hold a pre-application meeting
- 3) Review the application for compliance
- 4) Put packet together for ECC to review

Currently businesses can apply and receive up to \$70,000 total for all grants per year. It can be a six-week process to go through all the approvals. Applicants usually expect more immediate approval.

Discussions:

- a. Drop the claw back requirement on the Sign Grant
- b. Allow a requirement of only one bid for the Sign Grant
- c. Streamline the approval process for Sign Grants by skipping ECC approval
- d. Only require a business plan for the Retail Grant
- e. Offer an extra 10% incentive for using a licensed Tinley Park business
- f. Require mandatory attendance to ECC meeting
- g. Grants limits to be capped per business license not per property address
- h. Require applicant to submit an estimated construction schedule
- i. Consolidate the sign grant into the façade grant
- j. From the approval date of grant, require the following timeline:
 - a. 90 days – submit full set of drawings/plans
 - b. 6 months – get building permit
 - c. 12 months – completion of project
 - d. Allow extension with board approval
 - e. If grant has expired, they can reapply

Discussions for next meeting:

- a. Cap each business at \$70,000 per fiscal year
- b. Amplify Retail Forgivable Loan mentioned in Matrix

Staff Report – None

Trustee Report – No report. Trustee Mueller just mentioned that the Board wants clear requirements spelled out so that business owners know what is expected of them.

Kimberly and Kevin will update the Matrix for the Oak Park Avenue Playbook.

Comments from the Public – None

There was a motion made by Christine Obbago and seconded by Brian Potter, to adjourn the meeting. Vote by voice call. All were in favor. The meeting was adjourned at 8:54 p.m.



Interoffice Memo

Date: October 14, 2019

To: Economic and Commercial Commission

CC: Kimberly Clarke, AICP, Community Development Director

From: Kevin M. Gomulka, Business Retention Specialist

Subject: Oak Park Avenue Playbook Grants

Background:

On the August 12, 2019, Economic & Commercial Commission (ECC) meeting, there were discussions by commissioners to revisit the Oak Park Avenue Playbook program to determine if any changes should be made moving forward. Staff reviewed ECC minutes dating back to 2016, to identify areas of concern that need consideration moving forward. During the September 9, 2019, ECC meeting, commissioners and staff discussed the Oak Park Avenue Playbook grants as currently written and possible changes to the program to be implemented moving forward. The following changes, if approved, will apply to all Oak Park Avenue Playbook grants beginning in FY2020.

Proposed Changes:

Bonus Incentive:

Currently, there is no incentive for applicants to utilize a Tinley Park contractor to complete a project. This proposed change would incentivize applicants to use a licensed Tinley Park contractor to complete the applicant's project by offering a 10% bonus incentive to the applicant. This proposed bonus incentive is currently in the process of being reviewed by the Village Attorney to check the legality of providing such a bonus.

Applicant Attendance Requirement:

This change would require the applicant or appointed representative (who has intricate knowledge of the proposed project); to attend Village meetings regarding the applicant's grant application. If the applicant, or designated representative, fails to attend a meeting regarding the submitted grant application, the grant application would be moved to the following month's meeting agenda. If the applicant, or designated representative, fails to attend three meetings in a row, the Village reserves the right to consider the applicant's grant application null and void with approval from the Commission, Committee, or Village Board tasked with reviewing the applicant's grant application.

Requirement of Business Plan:

As currently written, all grant programs require the applicant (if a startup business) to consult with the Governors State Community College Small Business Development Center or a SCORE counselor to assist with developing and reviewing the applicant's business plan.

During the September 9, 2019 ECC meeting, Commissioners suggested removing the business plan as a requirement for all Oak Park Avenue Playbook grant programs. This suggestion is appropriate due the majority of grant applicants being property owners or current business owners who all have experience operating successful businesses. This proposed change would eliminate the need for a business to submit a business plan as part of the grant application packet.

Timeline for Project Completion:

To eliminate the earmarking of grant funds from the previous fiscal year, the ECC and staff are proposing the implementation of a timeline for project completion. The timeline will begin once the Village Board approves a resolution awarding the applicant with grant funding. The proposed timeline is as follows:

Time Frame	Actions Required by Applicant
3 Months	Submit a full set of drawings/plans to Community Development
6 Months	Obtain Building permit(s)
12 Months	Project must be completed (including final inspections)

In the event the proposed project will exceed the 12-month timeline, the applicant may request a one-time extension from the Village Board. If the applicant fails to request an extension before the 12-month deadline, the applicant's grant application is voided. The applicant may reapply, provided no permits for the proposed project is released by the Building Department.

Landscape Grant:

There have been previous discussions at ECC meetings to eliminate the landscaping grant to allocate additional funding towards the code compliance and façade grants, which have a higher return on investment for the Village. Staff met with the Mayor's Executive Assistant to discuss the changes mentioned above. During this meeting, staff suggested eliminating the landscape grant due to a lack of participation. The Mayor's Executive Assistant recommended that the Village retain the current landscape grant, since this grant, like all of the playbook grants, are still in the infancy stage. Staff will continue to monitor business/ property owner participation in this grant program for the remainder of FY2019. Staff will reevaluate the landscape grant program during the FY2020 budgeting process and make a recommendation at that time if the landscape grant will be eliminated.

Items Needing Additional Discussion:

Capping of Grant Funds:

Currently, an eligible business may receive a maximum award of \$70,000 per fiscal year. There have been concerns from members of the Village Board regarding this component of the Oak Park Avenue Playbook grants. Additional discussion is necessary to determine whether a funding cap will be placed on grant applicants moving forward.

Clawbacks:

A clawback is currently in effect for the Oak Park Avenue Retail grant. As now written, the clawback would require a business owner to repay all or a portion of awarded grant funds in the event a business closes or leaves the Village of Tinley Park before (3) three years. In the event, the business owner fails to repay all or a portion of grant funding awarded, a lien is placed on the business/property owner, as a means to recoup grant funding owed to the Village for failing to remain in business for (3) three years after grant funds are distributed. Additional discussion is necessary to determine if the current clawback shall remain in effect.

Current Clawback Repayment Schedule

% of Repayment Required	Failed Commitment Date
100%	Closed before one (1) year
75%	Closed after one (1) year but before two (2) years
50%	Closed after two (2) years but before three (3) years

Request:

Staff requests guidance from ECC Commissioners on the proposed changes to the Oak Park Avenue Playbook Grants. Additionally, staff would also like to receive feedback on the two outstanding items that still need to be discussed.