

Community & Economic Development Committee

Minutes of the Meeting on
May 8, 2018

**Village of Homer Glen
14240 151st Street, Homer Glen, IL 60491
Community Meeting Room**

1. Call to Order.

The meeting was called to order at 7:03 p.m. by Mayor Yukich.

2. Roll Call.

Members present at 7:03 p.m. were Jodi Adelman, Dan Fleming, Dan Kenney, Jim Orban, Chris Plouzek, Mike Prodehl, Chairman Brian Burian and Mayor George Yukich. A quorum was established.

Members Absent: Bob Kman.

Other Attendees: Brian Tehako (Rhino Baseball), Lynn and John McGary, Ron Svara, Paul Anderson, Larry Kilmer, Bob Schmidt, Mike DeVivo, Trustee Carlo Caprio, Trustee Keith Gray.

Also Present: Village Manager Mike Mertens, Economic Development Director Janie Patch and Director of Planning and Zoning Vijay Gadde.

3. Approval of Amendments to the Agenda.

There were no amendments to the agenda.

4. Minutes.

Chairman Burian made a motion to approve the Committee minutes of March 13, 2018, seconded by Jim Orban. Voice vote taken, all in favor, none opposed. *Motion Carried.*

5. Old Business.

a) Code Update: Use Table for Non-Residential Districts (with Off Track Betting).

Director Gadde reviewed clarifications made to the current draft revisions proposed for the Use and Bulk Tables for Nonresidential Districts based on discussion at the April 15 Village Board meeting. Director Gadde elaborated some of the land use definitions and clarified how the eating and drinking establishments match up with the current liquor classifications. Input is sought from the CED Committee regarding whether a new liquor license classification should be created for tasting rooms. Class M is open and could be assigned for off-premise deliveries. There is a trend toward delivery services. An existing business that wants to offer this service would need both on- and off-premise licenses.

Mayor Yukich asked how delivery works. Manager Mertens stated that delivery would require 21 years+. Manager Mertens indicated that he would rather see the liquor code differentiate tasting rooms from off-premise (delivery service). An example of a tasting room is Open Bottle in Tinley Park. If the CED Committee is open to tasting rooms and off-premise delivery then staff can develop a proposal to create a new classification for tasting rooms and assign Class M to off-premise delivery. Chairman Burian stated that he is comfortable with this strategy.

Manager Mertens also indicated that the state law allows a person of legal age to bring their own bottled alcoholic beverages into an establishment for consumption

onsite. Another new liquor classification for BYOB would establish important criteria for this activity such as insurance and training. A BYOB license would be usable for business owners of small restaurants, beauty parlors and cigar lounges. Video gaming activity could be restricted for businesses wanting a BYOB liquor license. Staff can investigate BYOB criteria further. Chairman Burian noted agreement with this approach.

b) Strategic Planning Process.

Manager Mertens reported that action items developed by staff for the six strategic priorities identified by the Village Board were sent to the consultant today. The Village Board will receive the action items list next week. The Village committees will also see the list designed to cover the next three-year time frame of the Strategic Plan. There are a number of triggers where Village Board input will be needed during the three-year period. The action items present a good template that is broken down into steps and designates responsibilities. The overall action plan will need to be revisited and adjusted on an annual basis. Chairman Burian stated that the strategic planning process is a really positive exercise that creates the opportunity to receive more feedback from residents in a data-based approach. The process also calls upon the Village Board to have focused discussions on resources and priorities and creates a structure for accountability. Manager Mertens noted that strategic planning will be used in the budget process and will assist with buy-in on future activities. The action plan will be reviewed with the CED Committee at the next meeting.

c) Sports Complex.

Mayor Yukich summarized the rationale for considering a sports complex development including the state impacting sales tax sharing now and potentially in the future and the opportunity to create a unique revenue-generating destination that will attract hotels, restaurants, new retail and more consumer spending in town. A sports complex will not add new demand on the schools. Homer Glen has very good roadway connections and there is no competition facility-wise in the area. Twelve baseball fields as a first phase were originally considered; now 8 fields are proposed. At a site visit to Jacksonville, Illinois, attendees learned that the facility brings in \$3.9 million in revenue operating for 9 months out of the year with 3 full-turf fields and 3 additional fields with infield turf. The current proposal is to have turf on the infield only for the 8 Homer Glen fields at a cost estimate to build of under \$5 million. The proposed funding source to cover debt service is available from sales tax revenue. A sports complex will build new revenue over time that can help pay for other capital improvement projects. A \$3 million investment is going into Heritage Park; an additional \$7 million more is estimated to complete Heritage Park improvements. A nominal head charge at other sports complex facilities creates a new revenue stream. Users of a recreation facility pay for access.

The Mayor continued that the Township Road District has indicated that annual funding of \$2 million is needed to maintain roadways. How do we pay for road maintenance without diversifying revenues? Home development will increase demand on services and associated costs. Attracting new businesses to town will increase revenues with less added demand on services.

Mike Prodehl asked if there is a minimum number of baseball fields needed. Jacksonville is successful with 6 fields. Mike Prodehl asked if liquor sales is involved. Mayor Yukich indicated that liquor service has not been discussed. Artic Ice allows onsite consumption but not at the games. Mike Prodehl noted that liquor service is a great idea. Paul Anderson asked about where the competition is located. Rockford and north of Indianapolis locations were noted.

Jim Orban indicated a number of facilities that are operated by local park districts including Palatine, Wheeling, St. Charles and Bourbonnais. Ho Chunk and Benedictine operate privately-owned facilities. Jacksonville has a "stay to play" local hotels requirement that generates revenue from fees paid by participating hotels.

Jim Orban asked if there is a private benefactor. Mayor Yukich indicated that potential private investors want to see the Village's plans first. Jim Orban asked about the closest hotel location. The Holiday Inn Express planned for Lockport Square will be the closest location.

The cost per field for all turf is about \$1 million. Mayor Yukich stated that he envisions the Village building the facility and selling it to an operator. Jim Orban noted that if Homer Glen does not have restaurants online ready to serve a facility then Lockport will receive the benefits. Mayor Yukich commented that hotel operators want to see more heads in Homer Glen before they would be interested. Hotels are looking for 25,000 guest nights per year to qualify a site.

Chairman Burian provided background from the Village Board perspective. When the sports complex idea first surfaced it was viewed as an economic development tool that would be privately funded and there was a positive response. This idea with full private funding was worked on for about one year. A feasibility study was commissioned. A scenario of 50/50 private-public funding input also had support from the Trustees. However, the model does not work if it is profit-oriented on the private side. The Mayor looked at many creative ways to finance the sports complex. After 3 years of effort, the concept has been reduced from 12 to 8 fields with partial turf backed by sales tax revenue and no private funding involved. Over the last several months, there have been Committee of the Whole discussions that all concluded with support for full private or 50/50 private-public funding but only one Trustee fully supporting the scenario of 100% taxpayer funding. Chairman Burian stated that he does not support all public funding. Chairman Burian noted he sees the potential for future development with the completion of 159th Street improvements. 159th Street is similar to Route 30 ten years ago in terms of attracting development. Lockport is building a hotel without a sports complex to spur the business attraction. Homer Glen has the opportunity to see more hotel development piggyback on the first hotel in the local market. Chairman Burian noted that sales tax revenue would remain the only revenue source for the Village with a sports complex so all eggs would still be in one basket.

Paul Anderson inquired about how other communities have financed their sports complexes. Mayor Yukich said that there are many municipal complexes and there are also privately-owned and private-public models. Mayor Yukich noted that the process of trying to attract private funding has indicated that private money is not

going to come up front. Jim Orban asked if there another revenue source we can create and dedicate to the complex. Chairman Burian indicated that the feasibility study demonstrated that 100% public financing with 12 fields loses money and is off the table. The Village has other priorities including Heritage Park. There are other projects before the Village with no plan for how to pay for them determined at this time. Mayor Yukich noted that the Village needs to have an alternative that will generate revenue if the sports complex is not pursued. We cannot pay for needed projects if the demand for retail is not increased. A sports complex will bring in more spending.

Chairman Burian noted that Route 30 fully developed without a sports complex in the mix. New housing development is the generator that will build retail demand. It is time to focus priorities on amenities that are not up to par with surrounding communities. Chairman Burian questions focusing on a sports complex with no availability for resident access while current amenities are not present.

Jodi Adelman asked to hear from other Trustees observing the meeting about why they do not support the sports complex. So many big box retailers are stressed and are going out of business. Trustee Caprio stated that a 50/50 funding scenario is acceptable but he does not support 100% public financing. Trustee Gray stated that he prefers to discuss his viewpoint in the Committee of the Whole arena to give the CED Committee the opportunity to discuss their views. Trustee Gray stated that he is more comfortable with a 50/50 funding scenario. If there is a gap for private involvement and no guarantee of success then why does this idea catapult to the top of priorities? Trustee Gray agrees that 159th Street will develop on its own similar to Route 30. Trustee Gray noted that the Jacksonville operator is benefiting from referral-based hotel fees at hotels located in Springfield. Any growth to the sales tax base outside of the community does not benefit Homer Glen.

Former Township Supervisor Ron Svava provided food for thought and suggested that the issue be taken to the voters for a bond issue to cover the capital expense and 5 years of operating expenses. The land can become open space if the complex is not self-sustaining after this point.

John McGary asked about how long it takes to build out a complex versus 159th Street improvements completion. Will the complex stimulate the economy more quickly than the road improvement? The complex (ball fields) could take about 1.5-2 years to get open. IDOT has indicated that 159th Street improvements should be substantially complete by year end.

The land cost for the sports complex is estimated at about \$4.7 million. It could take another year if a bonding question is put to a referendum.

Brian Tehako, founder/co-owner of traveling Rhino Baseball and Homer Glen resident for 18 years, described his business. Rhino Baseball teams travel nationally. Two teams are nationally-ranked. About 120 teams participate per tournament. About 50,000-60,000 people attend per tournament. Four (4) fields would suffice. Grass outfields are not preferred due to the maintenance cost. There are no complexes in Illinois that compete on the national level. Rhino Baseball

travels to Georgia, Florida and Houston to get to a national field. These national tournaments can be brought to Homer Glen. A destination complex would get motorists off of I-355 and into Homer Glen. Intermediary fields can work for girls' softball. Alcohol service is recommended as a revenue-generator. Most complexes are sponsored by their town. The facility near Indianapolis was given land to build. No one can do this undertaking without town financial support. A structured presentation is necessary to seriously approach all the potential sponsors. Brian Tehako stated that he has never received any formal presentation from Homer Glen that he could use to help solicit private funding.

Chairman Burian indicated that there needs to be a commitment from town to obtain private involvement. However, the Village is not in a position to take the risk. Jim Orban inquired if Rhino Baseball would be a 50% partner. Brian Tehako stated that Rhino Baseball would need a financial package offer from the Village to consider.

Manager Mertens provided background on capital project financing status and options. Alternative revenue options could include raising the sales tax rate, raising the motor fuel tax or instituting a park district with tax. At the January 2018 Committee of the Whole meeting there was no support to fund a concept design for a sports complex and no support to fund a related economic impacts study. At the most recent Committee of the Whole meeting there is still no definitive response on a land commitment or private partner. Trustees communicated that other priorities need attention.

Bob Schmidt pointed out the community tag line and mentioned he is disturbed by what he understands to be a push for intense commercial development.

Paul Anderson commented that the sports complex is a great idea if we can figure out the financing.

Ron Svara reiterated that all discussion has focused on raising tax revenue; why not go to bond issue and let the residents decide? Chairman Burian noted that the Village reasonably has \$7.8 million of bonding authority. The sports complex land site is not publicly owned. Land and construction of a sports complex would put all bonding authority into one basket. This discussion is about priorities with Homer Glen needing basic amenities to be on par with other towns. Jim Orban suggested that the Village make the investment to get to the point where there is a package to market to potential private funding sources. Mayor Yukich stated that a land donation would constitute 50% private input. Lynn McGary agreed that without the investment in a presentation the Village cannot get an audience with the private sector.

Mayor Yukich requested that Manager Mertens investigate the steps and timing for put the bonding question to voters on the ballot. An education process for the public is involved. Committee members generally commented that the public at large is not aware of the sports complex idea.

Chris Plouzek asked about how many facilities have corporate names/sponsorship. Brian Tehako stated that most complexes have large sponsors with naming rights. Chris Plouzek commented that a plan needs to be created to show local support and how it will work with private involvement. Mayor Yukich stated that to date there has been no Trustee support to invest in complete studies to put together a marketing package.

Mayor Yukich noted that land is dollars. If land is donated, will the Trustees support moving forward? Trustee Gray replied that a \$4.7 million land donation will be monetized later such as through loosening development standards. What is the offset in the future? What is the value of waiving or reducing conservation subdivision design standards for some or all of the potential land donor's other land holdings in the future?

d) Development Projects Update.

i. 143rd/Bell Commercial PUD (Aetna).

The Village Board approved the PUD and Phase I site plan on March 14. The developer has since received conditional approval for the site development permit and site work has begun.

Manager Mertens reported that the developer is asking to use a performance bond in lieu of a letter of credit for stormwater and public improvements. A performance bond can be more difficult to collect on and requires Village Board action. A formal request will be scheduled for consideration early next month.

ii. O'Malley Court Subdivision (12513 Hadley).

An extension of the Windsor Court subdivision to the west is proposed on 7 acres with 11 lots. The Plan Commission had the builder return with a landscape buffer added. The builder will also provide for a tornado siren on the detention lot. The Village Board will consider the application on May 9.

iii. Dunn Property (M/I Homes).

Director Patch reported that the developer has removed the active adult product and expanded the single family product to the southeast area in the most recent iteration of the concept plan. The front loaded units are shifted to the former active adult area. The rear loaded units stay the same and overall the project has 3 less units. Face brick will be on the first level for all three product types. The developer is preparing a formal application which could be scheduled for a Plan Commission hearing on June 7 if the submittal is received by May 17.

Chairman Burian pointed out that removal of the age-targeted product was a choice the developer made and was not based on any request from the CED Committee or the Village. The first floor brick, however, is viewed as important.

Manager Mertens noted that the townhomes altogether have a density of 8.1 units per acre which is low in terms of regional density for townhome product. The average Transit-Oriented Development (TOD) density in the region is 16-18 units per acre.

Dan Kenney inquired why the developer removed the age-targeted product. Manager Mertens indicated that the numbers did not work.

e) New Business Update.

i. Escape Room.

The business owner is preparing to open. Some fire-related items are being addressed before the space will pass final inspection.

ii. Founders Crossing PUD Amendment.

The PUD exhibit showing the new layout for Pelican Harry's patio and parking expansion along with a new cross access drive connection to First American Bank was shared. The Village Board approved the PUD amendment on March 28.

iii. Bank of America New Facility.

Director Patch reported that Bank of America is targeting occupancy of their new facility around May 21. Demolition of the existing building is targeted for completion around August 10. The bank is going through legal and environmental review to ensure there are no issues before the adjacent undeveloped 1.61-acre parcel on 143rd Street it is put on the market for sale. The bank is a few months out from being ready to market the parcel. Director Patch has been keeping developers informed about this upcoming opportunity site and will assist the bank to formally market the site when the time comes.

6. New Business.

a) Big Joe's Backyard BBQ (12326 143rd).

A new lease for a take-out and delivery BBQ restaurant is signed for the "Mr. Beef" plaza. Big Joe's will occupy 1,000 square feet. A fire suppression system upgrade is necessary.

b) Dialysis Care Center Corporate HQ (15801 Bell).

The former Midwest Bank building has been purchased by Dialysis Care Center for their new corporate headquarters. Dialysis Care Center is preparing their formal submittal for site plan approval (Plan Commission meeting followed by Village Board consideration; no public hearing requirement). Eight parking stalls will be added to the area formally used as the bank drive-thru. Interior remodeling to prepare for 50-60 person occupancy is also anticipated.

c) Paraskis Development (12361 159th).

A new 20-unit townhome development on 4.7 acres at 12361 159th is proposed by the owner/developer. The Plan Commission provided feedback on the concept plan at their workshop on May 3. The architect will tweak the concept plan based on the input and prepare for formal submittal. CED Committee feedback on no commercial use of the 159th Street frontage in this location is sought.

Lynn McGary summarized some of the Plan Commission feedback including townhome balconies will view into neighboring homes in the Country View subdivision and the worst-case 90' building separation to the nearest Country View home.

Dan Kenney noted that the proposed development will increase traffic in Country View subdivision. Manager Mertens indicated that this property is a good example of the long and thin parcels in Homer Glen that are challenging for layout of development. An earlier design proposed straight-line development and had no character. Manager Mertens also pointed out that Country View residents will benefit from alternative access to 159th Street and a median break IDOT has planned at the Paraskis property. Manager Mertens inquired with the Committee regarding the proper depth for potential commercial development in this location. Director Patch noted that the Paraskis property is 167' wide with 66' right-of-way required for the driveway and internal road. An earlier concept plan with commercial frontage was not optimal as it showed the need for a depth that places commercial activity adjacent to the first two homes in the neighboring Country View subdivision. Manager Mertens remarked that the staff view is to focus commercial on the major intersections and that it makes sense to have residential development occur on narrow parcels.

Mike Prodehl commented that with cross easement there is no need to go through the existing subdivision. Chairman Burian indicated that we want to find a way to maximize commercial use of frontage. Mike Prodehl questioned if it is worth it having a commercial building on the frontage with only 100' width available after accommodating the driveway on the parcel.

d) Goodings Grove Opportunity Site.

Director Patch reported that the developer under contract is proposing rear-loaded townhomes fronted by commercial buildings with architecture that blends with the residential use. A concept plan will be shared at the next meeting.

e) Sign Redevelopment Pilot Incentive.

This item will be discussed in more detail at the next meeting given the late hour. The new fiscal year approved budget includes \$10,000 for a pilot incentive to test if assistance can be successful in getting non-conforming sign replacement to conform to the Village sign code.

7. Public Comment.

There was no public comment.

8. Adjournment.

Motion by Jodi Adelman, seconded by Chris Plouzek to adjourn. *Motion carried.* The meeting was adjourned at 9:55 p.m.

Respectfully Submitted:



Janie Patch
Economic Development Director