

Tax Increment Financing Committee – February 22, 2021

A Tax Increment Financing (TIF) Committee meeting of the City of Aledo met in Open Session in the Council Chambers of the City Hall building on February 22, 2021. ALD. SARABASA called the Committee meeting to order at 7:00 P.M. The roll was called, whereupon the following committee members answered present:

Aldermen MICHAEL CHAUSSE, BARRY COOPER, CHRIS KOPP and LINDA SARABASA. Mayor CHRIS HAGLOCH.

Also, present ILA BERTRAND, Alderman, DENNIS DIXON, Alderman, JIM HOLMES, Alderman, CHRISTOPHER SULLIVAN, City Administrator / Chief of Police, MICHAEL THOMPSON, ERIK READER, 353 Court, LLC, and JAROD DALE, City Clerk.

The following was discussed:

Approval of Committee Minutes: Motion was made by ALD. KOPP and seconded by ALD. CHAUSSE to approve the minutes of the TIF Committee held on 09/30/20. A Unanimous voice vote followed in agreement.

Public Comment: No Report.

Old Business: No Report.

New Business:

Discussion on the TIF Application submitted by Jonathon Hank / Hank's Power & Equipment, LLC for property located at 104 SE 15th Avenue, Aledo, Il., 61231:

Jon Hank, business owner of Hank's Power & Equipment and property owner of 104 SE 15th Ave., is seeking to redevelop the property for purposes of relocation of a lawnmower, recreational vehicle, and trailer sales retail business. Work will include electrical, concrete foundation, flooring covering, glass storefront windows and garage doors. Additional work outside of the funding request includes siding, bathrooms, plumbing, HVAC, and landscaping. The total request for funding is \$80,000. The scope of work is provided below and included in additional documents.

Project Scope & Funding Request:

- \$23,877.74 – Floor covering
- \$6,480.00 – Specialty storefront glass windows
- \$10,932.01 – Overhead garage doors
- \$39,900.00 – Concrete foundation floor
- \$17,625.00 – Concrete floor surface coating

\$56,232.86 - Electrical
\$155,047.61 Total Eligible Project Costs
\$80,000 Total City Project Contribution

Recommendation: After discussions with the building owner and review of the project scope along with documentation we are in favor of moving forward with the application for funding at 104 SE 15th Ave. Due to timing of the property acquisition and timeline to opening the business, the applicant had difficulty securing complimentary bids for construction. We chose not to include the construction in this request because it is of a limit that would suggest an additional bid or two. The nature of the floor covering, storefront glass, and garage doors were of specialty nature and limited options existed. The total redevelopment investment by the owner is anticipated to exceed \$300,000. Our belief is that this is an excellent quality project to support and it adds immediate jobs, sales tax revenues, increased property tax value, and will be completed in an efficient manner using local contractors.

The committee discussed the issue, voiced by ALD. Cooper, of the funding request being over the Downtown Revitalization program limits by \$30,000. It was reported if the City should approve the funding request, it would be a 33% investment of TIF dollars compared to a 50 / 50 ask.

The committee continued to debate the original parameters of the program with the max limitation of \$50,000. Ideas were suggested to consider the project in two (2) phases as an option to elevate issues regarding the total funding request. It was also reported that the applicant would be completing the project in 30 – 45 days. It was noted MAYOR Hagloch had originally requested 353 Court, LLC review the TIF application submitted by Hank's Power & Equipment, with that in-turn being presented as a Downtown Revitalization program TIF application.

Motion was made by ALD. Chausse and seconded by ALD. Kopp to move the project forward to the City Council on 3/1.

YEAS: Kopp, Sarabasa, and Chausse. NO: None. PRESENT: Cooper. Motion carried.
3 yeas, 0 nays, 1 present.

After the roll call vote, the Committee returned to debate over concerns voiced by Ald. Cooper and Ald. Holmes. City Staff reported the City would also look into drafting a redevelopment agreement with Hank's Power & Equipment as a regular TIF development agreement instead of a Downtown Revitalization program agreement. No further discussion followed.

ADJOURNMENT: There being no further business, motion was made by ALDERMAN CHAUSSE and seconded by ALDERMAN KOPP that the meeting be adjourned. Unanimous voice vote followed in agreement. Meeting was adjourned at 7:37 P.M.

Jarod Dale, City Clerk