



MINUTES

President and Board of Trustees
Village of Arlington Heights
Committee-of-the-Whole
Community Room
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
May 7, 2018
7:30 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

In attendance were President Hayes and the following Trustees: Scaletta, Tinaglia, Rosenberg, LaBedz, Sidor and Baldino. Trustee Blackwood entered the meeting at 7:40 p.m. Trustee Glasgow was absent.

Staff present were: Randy Recklaus, Mark Burkland, Charles Perkins and Becky Hume.

Randy Tieman of Strategic Real Estate Services Corp. represented the developer.

IV. NEW BUSINESS

- A. TIF 4 Selection of Developer - Property at Corner of Arlington Heights Rd. & Golf Rd.

Mr. Recklaus said the previous proposal from Taco Bell/Wendy's for Golf/Arlington Heights Road was unable to move forward. Staff would like to move forward with the second ranked proposal.

Mr. Perkins said Taco Bell decided to revamp their existing site rather than develop this new one after many months of negotiation. While the proposal from Strategic Real Estate Services/Paragon Real Estate was not the first choice, the ranking was very close. SRES/Paragon proposes a 9,780 square foot retail center for a single user or a multi-tenant user. The developer is traveling to the International Council of Shopping Centers convention and wants to use the opportunity to meet with prospective tenants. A formal

designation would be an advantage in these conversations. A revised plan will come back before the Board after SRES/Paragon puts a proposal together. Next, a redevelopment agreement would be put forward. A time limit could be imposed.

Randy Tieman of SRES said they do not know exactly they will propose for the site. President Hayes asked the status of the market. Mr. Tieman said retail is in transition, and the most likely users would be food and beverage oriented. He said they would hit it hard to secure a tenant.

Trustee Tinaglia asked if they were flexible. Mr. Tieman said there is not a site plan and the user will drive the design. They will develop the site for an operator with credit. He said they have experience with national brands and Mid America Real Estate is part of their team. Seventy percent of their meetings at the upcoming convention are with food users. Trustee Tinaglia said to be aware of the parking requirements. Trustee Tinaglia said he could see a 6-month time limit to get started, then 12 months for the final. Mr. Tieman said they would demonstrate that they are proactive. Trustee Tinaglia said extensions were possible. He just wanted to make sure there was progress after six months.

Trustee Sidor asked if Mr. Perkins had mentioned the importance of beautification of this gateway parcel. Mr. Tieman said yes and his group would expect nothing less than putting a top-notch development here.

Trustee Scaletta said the Board is looking for decorative brickwork and enhancements, not just a good development, because it is a gateway. Mr. Tieman said they are prepared to do what is necessary. Trustee Scaletta agreed that he would like to see progress in 6 months. He said he did not want a mattress or mobile phone store here but something different from what the village has. McDonald's is not an option. Mr. Tieman asked by McDonald's was not okay when Wendy's was okay. Trustee Scaletta explained that McDonald's built a new location on Northwest Highway, and then the previous location was vacant for years because no competitor was allowed to use it. He said he did not want people moving around, he wanted something new.

Trustee Rosenberg said he would like to see more beautification on the corner, with the stores/restaurants set back. He said he did not like the previous proposal because there was not any space on the corner but the village did not have Taco Bell/Wendy's, which made the former proposal okay. He said he would like to see a brewpub, or a solid tax revenue generator. He said he was okay with a twelve-month time limit.

Trustee LaBedz asked if the tenants would be lined up prior to construction. Mr. Tieman said yes, this will not be speculative.

Trustee Tinaglia said he hoped for something more than a Taco Bell, as that was a low bar.

Mr. Recklaus said he spoke to Trustee Glasgow who asked him to relay that it is important that the development be in accord with walk-ability of the southern corridor and supportive of the new southern corridor plan. Trustee Glasgow also expressed the same concerns regarding tenants and would like some security.

Resident Keith Moens said he had concerns about the capacity regarding the development affecting downtown. He said he worried about being overbuilt.

Trustee Scaletta asked about the next steps. Mr. Tieman said this is enough for them to move forward. He said he wouldn't come back from ICSC with the entire project figured out. It will not happen overnight. Mr. Perkins said the first step is to designate them as the developer. After that, we will negotiate a redevelopment agreement. Mr. Tieman said they will report back regularly. Mr. Recklaus said staff will be in touch and report back to the Board.

Trustee Scaletta moved to designate Strategic Real Estate Services/Paragon as the developer of the 1.4-acre corner of Golf Road and Arlington Heights Road to report back in six months. Trustee Tinaglia seconded the motion.

Trustee Scaletta said the Board will work with them, it just wants to see movement.

Trustee Blackwood asked if the strategic direction of the TIF and the area would be the Board's direction versus the composite mix of the individuals in the southern corridor. She said she wanted high-level retailers, not necessarily big box, like LA Fitness or fast food. Mr. Perkins said this is a partnership and everyone must be cognizant of the market. Staff has discussed with the developer what uses would be preferred and what the village would not like to see. The study staff has will be shared with the developer. Trustee Blackwood said she wants it to make sense for the corridor. Mr. Recklaus said if the developer is unsuccessful in getting what we want to see, we do not have to go forward. The developer wants high quality tenants as well. Trustee Sidor said if no tenants come forward, he would like to know why.

The motion passed unanimously.

V. OTHER BUSINESS

VI. ADJOURNMENT

Trustee Scaletta moved to adjourn at 8:00 p.m. Trustee LaBedz seconded the motion. The motion carried.