

Resolution No. 30-14

**A RESOLUTION OF THE VILLAGE OF EAST DUNDEE,
COOK AND KANE COUNTIES, ILLINOIS, TO INDUCE THE REDEVELOPMENT
OF CERTAIN PROPERTY WITHIN A TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AREA**

(455 E. Main Street)

WHEREAS, the President and Board of Trustees (the "*Corporate Authorities*") of the Village of East Dundee, Cook and Kane Counties, Illinois (the "*Village*"), on June 18, 2008, pursuant to Ordinance Nos. 08-34, 08-35 and 08-36, approved a Redevelopment Project Plan and Eligibility Report for an area designated as the Downtown Tax Increment Redevelopment Project Area (the "*Project Area*"), and adopted tax increment financing for the payment and financing of redevelopment project costs incurred within the Project Area, pursuant to the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1 *et seq.*, (the "*TIF Act*"); and,

WHEREAS, the Village has been informed by SAAV Realty, LLC, an Illinois limited liability corporation (the "*Developer*"), that the Developer intends to acquire certain property included within the Project Area ("*Subject Property*"), commonly known as 455 E. Main Street, East Dundee, Illinois, and identified by permanent index number 03-23-377-005 and intends to construct a drive thru restaurant on the Subject Property (the "*Project*"); and,

WHEREAS, the Developer has also informed the Village that the ability to undertake the Project on the Subject Property shall require financial assistance from the Village for certain costs that would be incurred in connection with the acquisition and development, which costs would constitute "*Redevelopment Project Costs*" as such term is defined in the TIF Act; and,

WHEREAS, the Developer would like to incur certain costs in connection with the acquisition and development of the Subject Property prior to the approval of an ordinance authorizing the execution of a redevelopment agreement with the Village; wherein

reimbursement for such costs may be considered as reimbursable costs subject to certain terms and conditions; and,

WHEREAS, the Developer desires such costs related to the Project be able to qualify for consideration as redevelopment project costs that can be reimbursed to the extent such costs constitute "*Redevelopment Project Costs*" as such term is defined in the TIF Act; and,

WHEREAS, this Resolution is intended to allow the Developer to incur certain costs relating to the acquisition and development of the Subject Property that may be considered "*Redevelopment Project Costs*" as such term is defined in the TIF Act, prior to approval of any ordinance authorizing the execution of a redevelopment agreement pertaining to the Subject Property with the Village, subject to the conditions as hereinafter set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of East Dundee, Cook and Kane Counties, Illinois, as follows:

Section 1. That the above recitals are incorporated herein and made a part hereof.

Section 2. That the Corporate Authorities may consider expenditures in connection with the acquisition and development of the Subject Property incurred prior to the approval and execution of a redevelopment agreement with the Developer, to be expenditures that are eligible for reimbursement through the TIF Act, provided that such costs constitute "redevelopment project costs" as defined by the TIF Act, and that the development of the Subject Property is consistent with the redevelopment project and plan for the overall Project Area.

Section 3. That all undertakings of the Village set forth in this Resolution are specifically contingent upon the Village approving the execution of a redevelopment agreement with the Developer, which provides for the acquisition and development of the Subject Property in accordance with all applicable Village ordinances.

Section 4. That any financial assistance rendered to the Developer by the Village shall be contingent upon the authority, restrictions, terms and conditions imposed by the TIF Act.

Section 5. That this Resolution shall be in full force and effect from and after its passage and approval as provided by law.

Passed by the President and the Village Board of Trustees of the Village of East Dundee, Illinois, this 20th day of October, 2014.

AYES: Trustees Lynam, Skillicorn, Selep and President Miller

NAYS: Ø

ABSENT: Trustees Wood and Ruffulo


ABSTAIN: Trustee Gorman

APPROVED:



Village President

Attest:



Village Clerk

Robert J. Skurla
Village Administrator
Village of East Dundee
120 Barrington Ave
East Dundee, Illinois 60118

Mr. Skurla,

We are writing you this formal letter on behalf of SAAV Realty Inc. for the parking lot at the address of 455 East Main Street East Dundee, Illinois 60118; pertaining to the TIF redevelopment agreement for this property. We are planning on putting a healthy fast food restaurant on the furthest corner of the lot; we believe that this will be of great value to the Village of East Dundee. The building size would be approximately 1,000 square feet. The parking lot would be purchased for \$150,000.00 and we hope to receive the maximum TIF benefit from the Village of East Dundee. With an estimated build out price of \$100,000.00 and initial equipment price of \$30,000.00 we will not have a large overhead on the business. The estimated property tax of \$1,500.00 annually and a conservative estimated gross sales of \$316,090.00 yearly. The 3% sales tax of gross sales would be \$9,482.70 (\$866.00 per day sales). We are looking to employ between 10-12 part time and full time employees at this location, with a gross payroll of approximately \$160,000.00 a year, which is including hourly and salary employees. SAAV Realty having control of the parking lot resolves 7 Hills Healthcare Center's Parking Lot issue and provides a new revenue source for the Village of East Dundee. We hope that the Village of East Dundee finds this proposal mutually beneficial.

Thank you for your consideration,

Michael Watson
Consultant/Chef

Aaron Bush MS, MHA
Managing Partner

Srinivas Ravanam MD, MPH
Chief Executive Officer



VILLAGE OF EAST DUNDEE

120 Barrington Avenue, East Dundee, Illinois 60118 847-426-2822 fax: 847-426-2956

October 16, 2014

To: Village President Lael Miller,
Village Administrator Robert J. Skurla,
Village Trustees

From: Doug Bergren,
Economic Development Consultant,

RE: Green Bean Restaurant

7 Hills Medical Clinic moved their offices to East Dundee at 455 Main Street a few years ago. Currently, the Clinic is the second largest at-home medical provider in the state reaching as far west as Freeport.

Next to 7 Hills Clinic, an opportunity has presented itself for the purchase of the parking lot and with it, a location for a new 1,000 square foot healthy menu carry out restaurant. The proposed menu will consist of all gluten-free food and a variety of healthy drinks and coffees.

The property owner, SAAV Realty, and Green Bean Restaurant has asked for Village participation with this project. Also, with the parking lot purchased, this eliminates any parking issues for both businesses.



VILLAGE OF EAST DUNDEE

120 Barrington Avenue, East Dundee, Illinois 60118 847-426-2822 fax: 847-426-2956

Project: 455 E. Main: SAAV Realty Inc. (buyer), and Green Bean Restaurant (lessee)

Current Use: Vacant

Purchase Price: \$150,000.

Construction: \$100,000. plus \$30,000 equipment

Current Prop. Taxes: \$2,464.12 (2013, payable in 2014)

Est. Increased Prop Taxes: \$5,963.11
(after improvements)

Estimated Sales: \$316,090.

Estimated Sales Taxes: \$9,482.70
(Village's Share at 3%)

Utility taxes: \$1,000.

Jobs created: 2 FT, 10 PT

Payroll: \$160,000/year

Village Assistance for 455 E. Main:

Purchase Price: \$150,000.

Improvement Costs: \$ 100,000.

Total Project Cost: \$250,000.

Total assistance requested of the Village of East Dundee: \$45,000 = 18% of Total Private Investment

Reimbursement with TIF for the requested dollar amount would be \$3500 for 13 years.