

## MINUTES OF THE PUBLIC HEARING

**Public Hearing to consider rebating sales tax, above an annual base retained by the Village, up to a maximum of \$1,500,000 over five years, to allow commercial development of an approximately 10.17 acre vacant parcel on Northridge Drive. Development will include an approximately 40,500 square foot vehicle dealership building with outdoor storage and display.**

### GURNEE VILLAGE HALL DECEMBER 21, 2020

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| <b>Call to Order</b>                 | Mayor Kovarik called the public hearing to order at 6:40 p.m.   |
| <b>Other Officials in Attendance</b> | Patrick Muetz, Village Administrator; Bryan Winter, Village Attorney; David Ziegler, Assistant Village Administrator / Community Development Director; Ellen Dean, Economic Development Director; Heather Galan, Village Engineer; Brian Gosnell, Finance Director; John Kavanagh, Fire Chief   |
| <b>Roll Call</b>                     | <p><b>PRESENT: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien</b><br/><b>ABSENT: 0- None</b></p> <p>Village Administrator Patrick Muetz gave an overview stating that Anthony Buick GMC is proposing to relocate the dealership from Route 132 to new construction on a vacant parcel in Northridge Plaza. Mr. Bill Blum owns the car dealership, but leases the current building on Route 132. With its lease up in the next few years, Mr. Blum explored multiple options which included purchasing the current building on 132, building a new dealership on Northridge Drive or relocating the dealership to another community. His preference is to remain in Gurnee and construct a new facility on the Northridge parcel. The proposed new facility would occupy seven of the ten acres and include a 40,500 square foot dealership. The total investment is estimated in excess of \$10 million, with property improvements consisting of \$6 million of the total. The dealership is requesting financial assistance in order to bring the project to fruition. As is consistent with previous sales tax agreements, the Village drafted an agreement that protects its \$300,000 sales tax base generated by Anthony and rebates everything above that dollar amount over a 5-year period up to \$1.5 million, whichever comes first. The 3 acres not occupied by Anthony may also be included in the rebate agreement if approved by the Village Board at a future date. In addition, the Village negotiated waiving \$25,000 in building permit fees related to the development. Based on estimates, this is about 50% of the expected building permit fee. The agreement as structured protects our base, retains a valued Gurnee business, captures significant capital investments (and therefore new property tax revenue for other taxing bodies) and solidifies many years of future revenues.</p> <p>Mr. Blum introduced himself to the Board and provided an overview Anthony Buick GMC's proposal stating why the Northridge parcel would be the perfect location for the new construction. He stated the size of new vehicles would require substantial retrofitting of the current facility, combined with him not owning the facility, resulted in him looking for a new location to build upon. He stated the facility would be a state-of-the-art design and the location provides great accessibility from the Tollway. Mr. Blum stated this is the sole Buick GMC dealership in Lake County. He concluded by stating the facility has been in Gurnee for many years and he wants to keep it that way. The partnership with the community has been great and he is looking forward to continuing that partnership and contributing to the Village.</p> <p>Village Attorney Bryan Winters swore in those who wished to make public comment.</p> <p>Assistant Village Administrator / Community Development Director, David Ziegler gave a review of the zoning items that will be presented at the regular meeting later in the evening including a Special Use Permit for the vehicle dealership outdoor storage and display; Special Use Permits for signage and electronic message board; vacation of emergency access easement.</p> <p><u>Economic Development Director Ellen Dean addressed the Board stating</u></p> |

the project benefits including:

- Retention / expansion of successful Gurnee business
- Capital investment, long term commitment
- Automotive retail cluster – regional draw
- Significant generator – sales tax, jobs - with minimal service demand
- Complementary use to surrounding hotels, restaurants
- New Growth
  - Vacant land, commercially zoned, never developed
  - Property tax on 10 acres: current \$300, as developed estimated \$100,000+
  - three additional acres for future development
- Attract new user to existing Anthony property

Ms. Dean also presented the agreement terms of the rebate to include:

- \$300,000 (Base) to Village, remainder to Anthony; state shared 1% sales tax only
- Rebate for 5 years or \$1.5M, whichever occurs first; all 10 acres included
- 40,500 square foot new & used automotive dealership
- Construction value minimum \$6M excluding land acquisition
- Commence construction by 6/30/22; complete (C.O. issued) within 24 months
- Sharing triggered Year 1 or 2 after dealership fully open
- Anthony agrees to operate new & used for 10 years

Ms. Dean then reviewed the proposed building permit waiver, including:

- Construction value minimum \$6 million
- Building permit fee waiver \$25,000; represents approximately 50% of anticipated total building permit fees to be collected
- Anthony to pay all other fees including water and sanitary connection, engineering, business license, and other applicable fees or costs to Village

Ms. Dean concluded by stating that combination rebate agreement and permit fee waiver this new development would:

- Protect the Village's revenue base
- Retain a valued Gurnee business
- Capture significant new capital investment
- Create new property tax for partner jurisdictions
- Solidify future years of sales tax revenues

Questions from the Board:

None.

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**H. PUBLIC COMMENT**

None.

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**Adjournment**

It was moved by Trustee Balmes, seconded by Trustee O'Brien to recommend the incentive package be voted on at the regular Village Board meeting.

**Roll call,**

**AYE: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

Mayor Kovarik adjourned the Public Hearing at 7 p.m.

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**Donna R. Dallas,  
Deputy Village  
Clerk**

