

MINUTES OF THE PUBLIC HEARING

Public Hearing to consider contributing \$600,000 and rebating up to \$900,000 of sales tax revenue to Kensington Development Group LLC to allow for site development and construction of a minimum 10,500 square foot commercial building for a Cooper's Hawk Restaurant, at 7735 Grand Avenue.

GURNEE VILLAGE HALL APRIL 12, 2021

Call to Order	Mayor Kovarik called the public hearing to order at 6:30 p.m.
Other Officials in Attendance	Patrick Muetz, Village Administrator; David Ziegler, Assistant Village Administrator / Community Development Director; Bryan Winter, Village Attorney; Brian Gosnell, Finance Director; John Kavanagh, Fire Chief; Heather Galan, Interim Public Works Director; Ellen Dean, Economic Development Director; Jack Linehan, Assistant to the Administrator
Roll Call	PRESENT: 6-Hood, Thorstenson, Ross, Garner, O'Brien, Balmes ABSENT: 0- None
Kensington Development Public Hearing	<p>Economic Development Director Dean indicated that efforts to bring a Cooper's Hawk Winery & Restaurant to Gurnee have been underway for several years, and interest among residents has been very high. The Cooper's Hawk concept includes an upscale casual dining restaurant and bar, Napa-style tasting room, and a retail gift store – all under one roof. These locations, and the membership-driven wine club, draw clientele from a broad geographic area, aligning nicely with Gurnee's market position as a retail/dining/entertainment hub. Cooper's Hawk is a destination, and given its location near the Village's western boundary it is expected to draw visitor traffic down the Grand Avenue corridor thus providing a benefit to other businesses. Recruiting distinctive retailers and restaurants with regional appeal, like Cooper's Hawk, is key to the Village's continued ability to deliver services without a property tax.</p> <p>Pending adoption of the proposed Redevelopment Agreement, Cooper's Hawk Winery & Restaurant will be joining the College of Lake County (CLC) on the site of the former Lowe's home improvement property at 7735 Grand Avenue. CLC is transforming the interior of the existing building into a cutting-edge Advanced Technology Center, and Cooper's Hawk will occupy a new building on a newly developed outlot at the corner of Rollins Road and Grand Avenue (approximately 2.5 acres) developed by Kensington Group. CLC has agreed to a shared parking arrangement. Director Dean noted that repurposing the vacant Lowe's site with these two exciting, complementary uses is an indicator of the strength of the Gurnee market and public-private partnerships.</p> <p>Specific Agreement terms include:</p> <ul style="list-style-type: none">• Parties: Village of Gurnee and property owner, Kensington Development Group LLC• Kensington develops project to Cooper's Hawk's specifications, executes minimum 15 year lease• Incentive of up to \$1.5 million, comprised of two parts:<ol style="list-style-type: none">1. Direct Contribution - \$600,000 – paid upon opening of Cooper's Hawk, no later than November 1, 2023<ul style="list-style-type: none">▪ Source: Reserve for Economic Development, budgeted, unspent, added to General Fund balance2. Sales Tax Rebate - up to \$900,000 over a maximum of six years<ul style="list-style-type: none">▪ Source: 100% State Shared Sales Tax + 50% Home Rule Sales Tax• Project Investment minimum \$7.5million, Building \$4.5 million• Cooper's Hawk to open no later than 11/1/2023

The retained 50% of Home Rule Sales Tax and 100% of Food & Beverage Tax would enable the Village to recoup the Direct Contribution of \$600,000 within the first 4-5 years; for the remainder of the Agreement term, net new revenue to the Village is estimated at \$100-\$150,000.

After the Agreement terminates, annual ongoing sales and food and beverage tax revenue to the Village is expected to be over \$300,000, and property tax benefiting the other taxing jurisdictions is estimated at \$60-70,000 per year. This is supplemented by onetime building permit fee revenue of \$100,000 in FY 2021/2022. Director Dean added that the minimum capital investment required by the Agreement ensures that the community receives a quality, commercial development that will generate long-term benefits regardless of any single tenant's performance or longevity.

Mayor Kovarik said the Village has worked for 3 years trying to obtain Cooper's Hawk. She said this higher end non-chain restaurant will be an excellent addition to the community and a nice use of land on the west end of Gurnee.

Trustee O'Brien motioned, seconded by Trustee Balmes, to recommend approval of contributing \$600,000 and rebating up to \$900,000 of sales tax revenue to Kensington Development Group LLC to allow for site development and construction of a minimum 10,500 square foot commercial building for a Cooper's Hawk Restaurant, at 7735 Grand Avenue.

Roll call,

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

NAY: 0- None

ABSENT: 0- None

Motion Carried.

H. PUBLIC COMMENT

None.

Adjournment

It was moved by Trustee Garner seconded by Trustee Thorstenson to adjourn the Public Hearing.

Voice Vote: **ALL AYE:** **Motion Carried.**

Mayor Kovarik adjourned the Public Hearing at 6:41 p.m.

**Andy Harris,
Village Clerk**