

CITY OF BELLEVILLE, ILLINOIS
ECONOMIC DEVELOPMENT/ANNEXATION COMMITTEE
MEETING MINUTES
March 3, 2021, 5:00 PM

ATTENTION:

PLEASE TAKE NOTICE THAT, PURSUANT TO SECTION 7(e) OF THE ILLINOIS OPEN MEETINGS ACT (5 ILCS 120/7(e)) AND THE GUBERNATORIAL DISASTER PROCLAMATION ISSUED BY GOVERNOR JB PRITZKER ON FEBRUARY 5, 2021, THE ECONOMIC DEVELOPMENT & ANNEXATION COMMITTEE OF THE CITY OF BELLEVILLE IS CONDUCTING THIS MEETING BY AUDIO CONFERENCE AND IS PROVIDING THE FOLLOWING REMOTE ELECTRONIC ACCESS TO ITS MARCH 3, 2021 MEETING FOR ITS MEMBERS, STAFF AND PUBLIC.

MEMBERS:

Alderman Dave Pusa, Ward 2	Absent
Alderman Kent Randle, Ward 3	Present
Alderman Johnnie Anthony, Ward 4	Present
Alderman Shelly Schaefer, Ward 5	Present
Alderman Mary Stiehl, Ward 6	Present
Alderman Dennis Weygandt, Ward 7	Excused
Alderman Roger Wigginton, Ward 8	Present
Alderman Ken Kinsella, Ward 1, Chairman	Present

STAFF PRESENT:

Annissa McCaskill, Director of Residential & Commercial Development Services
Eric Schauster, Assistant Director of Economic Development, Planning and Zoning
Dean Hardt, City Treasurer
Penny Moore, Secretary, Economic Development, Planning and Zoning

GUESTS:

Mary Dahm-Schell
Keith Schell

The Economic Development and Annexation Committee meeting was called to order via phone conference at 5:00 PM by Chairman Kinsella at City Hall, 101 S. Illinois Street. Attendance of the Committee Members was taken, and a quorum was declared at 5:02 PM by Chairman Kinsella.

Chairman Kinsella asked if there were any corrections to be made for the December 2, 2020 meeting minutes. No corrections were noted. The minutes motioned for approval by Alderwoman Schaefer, seconded by Alderwoman Stiehl and approved by the Committee. Motion carried 6-0, with all present members voting in the affirmative.

NEW BUSINESS:

- 1. Discussion and possible motion on request from Dahm & Schell, Inc. d/b/a The EDGE regarding property tax relief.**

Eric Schauster explained that during the administration of the Business Recovery Grant in January 2021, it was found that businesses in the City that had received the Business Interruption Grant (funded through the State of Illinois) were not eligible to receive the Business Recovery Grant due to a stipulation that the City had received. In response to being ineligible, Dahm and Schell contacted Mr. Schauster via email requesting assistance for full property tax relief for 2019, 2020, and a request to review their circumstances for the 2021 year. Mr. Schauster added that the total, combined, 2019 taxes for the five (5) parcels involved in the project was \$67,306.62. Fifty-seven percent (57%) of those funds go into the TIF District and the remainder go to the taxing districts.

The original March 6, 2017, 2018 Development Agreement with Dahm & Schell, Inc. was for the remodeling and expansion of the family entertainment facility at 701 South Belt West and has a property tax reimbursement component to it. This request does not have a Staff Recommendation, as this type of request has never been addressed before. Mr. Schauster explained that the City does not have the ability to relieve the entire tax bill, but because the City has an existing agreement that includes a property tax rebate based on the improvements, allows discussion of a possible amendment to that agreement to allow property tax relief for Dahm & Schell, Inc.

Mr. Schauster briefed the Committee on the existing agreement, explaining the rebate of 50% of the incremental property taxes were for five (5) years or until the expiration of TIF 3 or whichever occurs first. TIF 3 is set to expire at the end of this year. The property taxes for this property will be collected in 2022. Therefore, because of timing of when the improvements were made when the tax bill is due, Dahm & Schell, Inc. would only receive four (4) years, rather than five (5) years of benefits. To date Dahm & Schell, Inc. has received one (1) reimbursement through the existing agreement from the 2018 tax year, in the amount of \$18,964.50.

The responsibility of Dahm & Schell, Inc. in the existing agreement included, investment, job creation, job retention, sales tax, and the commitment to remain and operate at the site. Pre-pandemic, Dahm & Schell, Inc. invested 4% more than required by the agreement, had 21% more jobs than required by the agreement, and sales were 135% above what was required by the agreement. Mr. Schauster then asked for discussion.

Alderman Wigginton asked how much Dahm & Schell, Inc. was requesting to have the property tax reduced. Mr. Schauster explained that Dahm & Schell, Inc. was looking for complete relief on the property tax bill. Discussion was made regarding Dahm & Schell, Inc. operating expenses. Alderman Wigginton shared his concern that The City would be setting a precedent.

Alderman Kent Randle expressed his concern that there is nothing that any business owners could have done to prevent the financial burden caused by the pandemic and government mandates, then recommended the option to give 100% rebate, instead of the current 50% rebate. Mr. Schauster added that the only the incremental taxes could possibly be adjusted. Discussion was made regarding the previous taxes paid prior to the existing agreement. Chairman Kinsella suggested, since this is due to COVID-19, assistance with the property tax bills from 2020 and 2021. Alderwoman Shelly Schaefer agreed with Chairman Kinsella. Alderman Johnnie Anthony agreed that this money will be reinvested in our community.

A motion was made to amend the Development Agreement between The City of Belleville and Dahm & Schell, Inc. for the increasing the rebate amount to 50% for 2019, 100% for the 2020 and 2021 property tax years by Mary Stiehl, seconded by Shelly Schaefer. Roll call vote: Randle-aye, Anthony-aye, Schaefer-aye, Stiehl-aye, Wigginton-aye, and Chairman Kinsella-aye. Motion carried 6-0, with all present members voting in the affirmative.

PUBLIC PARTICIPATION:

None

OLD BUSINESS:

None

OTHER BUSINESS:

None

MOTION TO ADJOURN: Alderman Schaefer made a motion to ADJOURN, seconded by Alderman Stiehl. With all present members voting in the affirmative, motion carried.

Chairman Kinsella adjourned the meeting at 5:46 PM.

Respectfully Submitted,
Penny Moore
Secretary
Residential & Commercial Development Services

Approved: _____ Date: _____

Ken Kinsella
Chairman, Economic Development and Annexation