



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: May 18, 2020

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Agenda Item: TIF Pay Request #2 – Aberdeen Enterprises, LLC, 114 and 118 Peoria Street

Explanation: On August 6, 2018, the City entered into a TIF redevelopment agreement with Dr. Joel Lovell of Aberdeen Enterprises, LLC, for TIF assistance to undertake a substantial exterior and interior renovation at 114 and 118 Peoria Street. The project was completed in the spring of 2019.

The work remodeled the existing 1953 building to allow for Dr. Lovell to move his operations from his current location at the Washington Medical Center at Hillcrest and Business 24. He is now using 3,200 square feet for the dentist office (two-thirds of the building). Half of the remaining building was completed early this year by Kayla and Jeremiah Boyd to establish a salon business. The last 800 square foot unit is a vanilla shell and is currently vacant and available for a potential office or retail use. The project brought the building to current building code standards and greatly improved it aesthetically.

The improvements included replacing the existing parallel parking next to the building with new 60-degree parking on the adjacent grass lot (114 Peoria); new landscaping along the Peoria Street façade; new wall and ground signs; new walls/framing; new seamless roofing/insulation/gutters/down spouts; new windows and doors throughout the building; new finishes including trim, drywall, paint, cabinetry, reception desk, countertops, bathrooms, flooring, and ceiling; two new gas furnaces and air conditioning units; new rough-in plumbing, gas water heater, and fixtures; upgraded electrical for the dental office and soffit/rear building lighting; and asbestos removal.

Fiscal Impact: Dr. Lovell previously submitted invoices for this project that total \$721,150, which was slightly less than the previously submitted estimates of \$721,230.38. The redevelopment agreement stated that there be a base 20% subsidy for this project with an additional 20% subsidy due to the scope of this project and the stability and employment of the business. The subsidies are to be paid in three annual installments of \$96,153.33 apiece from Account #208-00-590-2700. The total payout would amount to \$288,460.

Recommendation/

Committee Discussion Summary: The City Council approved the TIF agreement on August 6, 2018, following recommendation from the Finance and Personnel Committee. Staff recommends approval of the payment to Aberdeen Enterprises in an amount of \$96,153.33.

Action Requested: Approval of the payment at the May 18 City Council meeting on the consent agenda.