



CITY OF WASHINGTON, ILLINOIS

Finance & Personnel Committee Agenda Communication

Meeting Date: December 9, 2021

Prepared By: Jon Oliphant, AICP, Planning & Development Director

Agenda Item: TIF Funding Request – Corpo Bello Salon, 104 N. High Street

Explanation: Jenny McCoy of FTR7, LLC – Series CB2, has submitted an application for TIF assistance to complete interior and exterior building improvements at 104 N. High to facilitate the eventual opening of Corpo Bello Full Service Salon and Day Spa, which is currently located in Peoria. While some exterior modifications will be completed, most of these items—asphalt sealcoating/stripping and landscaping—typically have not been eligible through the City’s TIF program. A description of the business and its proposed new operation in Washington is attached. The building has been vacant for about six months and most recently housed a fitness studio. The building was constructed in 1965.

The interior improvements would consist of concrete flat work; carpentry finishes; new windows and doors; new drywall, flooring and painting; HVAC upgrades; and plumbing and electrical upgrades. The building’s exterior is proposed to be painted. The owners would like to open the west- and south-facing portions of the building slightly to make it more inviting to pedestrians and vehicles coming from the Square and the parking lot on the northeast side of the Square. A retail area would be created near the front entrance.

Two prior TIF redevelopment agreements have been approved for this property: 1) An agreement in 2010 with Dennis Shubert provided financial assistance for the roof replacement, tuckpointing, and the construction of a deck. Interior improvements included upgraded framing, insulation, drywall, plumbing, HVAC, electrical, and windows/doors. TIF provided 20% of the funds for the project; 2) An agreement in 2017 with Black Panther Holdings, LLC, provided financial assistance for painting, soffit/facia repair, siding and window/door improvements, roof repairs, and plumbing upgrades. TIF provided 26% of the funds for the project.

The application form and supporting materials for the project are attached for your review and consideration. Ms. McCoy obtained two quotes for each of the project components and those are shown on the attached spreadsheet. Baldovin Construction is the lower of the estimates with a TIF-eligible total of \$279,966.94.

Fiscal Impact: This would be a major investment in this building and property. The majority of the work would be to the interior and would not likely significantly increase its taxable value. There figures to be some sales tax generation through its product sales and the owners project that roughly 35% of the projected revenue of \$500,000 during its first full year would be generated from retail sales. Other similar projects have included subsidies ranging from 20 to 30%. The total not-to-exceed subsidy would depend on the percentage share of the project. A 20% subsidy would be capped at \$55,993.39 whereas a 30% subsidy would not exceed \$83,990.08.

Action Requested: A recommendation on a subsidy level at a special December 9 Finance and Personnel Committee meeting prior to the drafting of a redevelopment agreement to be placed on the City Council’s agenda for a first reading ordinance on December 13. This property is subject to removal from the TIF district along with 58 other parcels upon the effective date of the new boundaries on December 22. Therefore, a redevelopment agreement would need to be approved by the Council at its meeting on December 20 in order for the TIF incentive to be utilized for this property and paid in 2022.

CITY OF WASHINGTON, ILLINOIS
APPLICATION FOR TAX INCREMENT FINANCING (TIF) ASSISTANCE
PRIVATE REDEVELOPMENT INCENTIVE

Complete this form in its entirety and attach all necessary documents. Submit the completed application to the Planning & Development Department at 301 Walnut Street, Washington, IL 61571. If you have any questions, contact Jon Oliphant, Planning & Development Director at 444-1135 or by email at joliphant@ci.washington.il.us.

Applicant name: JENNY MCCOY (please print or type)

Mailing address: 2312 W. ALTORFER PEORIA IL 61615 Daytime Phone: 309-692-3400

Email Address: TMCCOY177@GMAIL.COM I would like to receive correspondence by: ☐ Mail ☒ Email

1. Applicant interest in property (check one): ☒ Owner/Mortgagor ☐ Purchaser ☒ Tenant
☐ Third-Party (name) _____

2. Property owner name: FTR7 LLC

3. Business name(s): CORPO BELLO FULL SERVICE SALON AND DAY SPA LTD

4. Project address or location: 104 N. HIGH

5. Property tax ID number(s): _____

6. Current use of property: VACANT

7. Proposed use of property: SALON/ RETAIL / BOUTIQUE

8. Choose the applicable project (check all that apply): ☐ New construction ☒ Interior renovation
☒ Exterior renovation/restoration ☐ Relocation ☒ Site improvement ☐ Other


9. Describe the nature of work proposed for the property: REMODEL OF INTERIOR FOR AN UPSCALE SALON AND BOUTIQUE. UPDATING THE EXTERIOR OF THE BUILDING ADDING WINDOWS. UPDATING AND ADDING NEW LANDSCAPING, LIGHTING, TREE REMOVAL AND PARKING LOT

10. Estimated total project cost: \$ \$377,985.14

11. Attach the following documentation to support the project and to complete the application for TIF assistance:

- ✓ Preliminary, itemized cost estimates or quotes from a contractor or design professional;
- ✓ Scaled plans, renderings, and/or photos, as applicable, clearly illustrating the proposed improvements; and
- ✓ A copy of the Warranty Deed, including a legal description and owner name for the property.

12. Sign and date below to complete the application.


Applicant signature

12/6/21
Date

Property owner signature (if different from applicant)

Date

IMPORTANT: If the Finance Committee votes on a level of assistance, it will be included in a contract agreement between the City and applicant. NO WORK SHALL BEGIN UNTIL THE CONTRACT DOCUMENTS ARE APPROVED BY THE CITY COUNCIL. Any work that begins prior to contract approval shall be ineligible for TIF assistance.

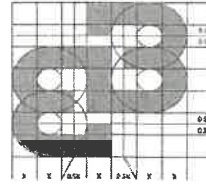
Corpo Bello – Washington

Located in Central Illinois, Corpo Bello Salon, Day Spa and Boutique provides superior services & retail unlike any other salon and spa establishment in our area. Our staff consists of stylists, makeup artists, nail technicians, estheticians and massage therapists as well as wonderful customer care, social media and support representatives. All of which exude tremendous talent in their department. All team members are properly trained in their field and licensed in the State of Illinois. We cater to a clientele that deserves impeccable customer service, wants to stay current with industry trends and loves trying new, innovative techniques; all to achieve a beautiful end result. In addition, Corpo Bello Spa offers many premium, luxury services. Through our relaxation and rejuvenation areas you can expect exquisite skincare services, signature massages and our popular, yet private, body treatments. In addition to our salon and spa services, we are excited to offer the City of Washington and surrounding areas a great apparel and accessory shopping experience. This environment is so exciting for the Washington community and importantly the Washington Square. Highlighting the fashion and beauty industry is what our business has entailed or over 14 years and we are so excited to bring that vision and implementation to you. Corpo Bello is dedicated to providing superior, customized care for all our guests by exceeding industry standards in ongoing training, certification and extensive product knowledge. Community and industry elevation is what our company is built on. Creating an environment where both employees and guests can thrive. Yearly sale projections of upwards of \$500k and providing new and exciting services and products will assist in establishing Corpo Bello in the popular Illinois town of Washington!

Estimate

Corpo Bello Salon
Washington, IL

Bushell Builders
3126 S. Hilton Lane
Bartonville, IL 61607
Office: 309.838.2264
Bushell.builders@yahoo.com



General Requirements	\$	16,205.00	
Architectural, Engineering, Design	\$	8,500.00	
Project Management/Supervision	\$	4,685.00	
Dumpsters	\$	7,050.00	
Dust Control	\$	3,670.00	
Construction Cleaning	\$	3,000.00	
Final Cleaning	\$	1,800.00	
Demolition	\$	14,000.00	
Saw Cut Trench	\$	4,000.00	
Asphalt Sealcoat & Stripe	\$	8,000.00	N/A
Interior Flatwork	\$	6,498.00	
Brick Panels	\$	41,000.00	
Carpentry: Façade Work	\$	10,000.00	
Interior Framing	\$	14,000.00	
Finish Carpentry	\$	10,300.00	
Wood Slat Ceiling Accent	\$	22,000.00	
Quartz Countertops	\$	26,015.00	N/A
Kitchen Cabinetry & Finish Carpentry to Install	\$	30,000.00	
Reception Desk & Finish Carpentry to Install	\$	12,000.00	
Cabinets for Salon Retail and Finish Carpentry to Install	\$	8,700.00	
Interior Doors	\$	6,050.00	
Glazing at 1/2 wall	\$	8,380.00	
Double Door	\$	7,925.00	
Drywall	\$	15,000.00	
Flooring - Polish Concrete	\$	24,000.00	
Paint Ceiling	\$	6,800.00	
Paint Interior	\$	12,000.00	
Paint Exterior	\$	10,500.00	
Restroom Accessories - Grab Bars	\$	950.00	N/A
Restroom Accessories - Towel dispenser & Paper holder	\$	800.00	
Mirrors for Restrooms	\$	900.00	
HVAC	\$	12,000.00	
Plumbing	\$	15,000.00	
Plumbing Fixtures	\$	5,500.00	
Electrical	\$	33,000.00	
Light Fixtures	\$	10,000.00	
Lanscaping Allowance	\$	24,000.00	N/A

Total Estimate: \$ 444,228.00

Accepted By / Date

Baldovin Construction Co.
Office: 810 SW Adams Street Peoria IL 61602
Billing: PO Box 5273 Peoria IL 61601
Work: (309) 437-0201
Office@baldovinconstruction.com
baldovinconstruction.com



Estimate

Job Name	Corpo Bello
Job Number	908
Issue Date	December 6, 2021
Valid Until	January 5, 2022

Item	Amount
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01 General Conditions	\$32,096.70
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Items in the descriptions above are not applicable to all jobs; They are intended to give a better idea of what the line item entails. Your pricing reflects only the scope of work that is applicable to your project.

007200 - General Requirements	\$14,107.50
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General Requirements includes our general mobilization costs for a job and include a large umbrella of items including but not limited to: jobsite trailers, jobsite utilities, small tool charges and small equipment, superintendent costs and reoccurring clients updates/meetings, project management, safety costs, site & office administrative costs, project accounting, field computer services, utility locates, job site prints, job signs, job site finished photos (which are made available to the client upon job completion), site security cameras on large jobs, temporary toilet/water where applicable, design consultation and floor plan design, material ordering, city inspections and occupancy walk-through's, permitting submissions and coordination where applicable, etc.

013323 - Architectural, Engineering, & Permitting (Allowance)	\$5,700.00
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For Permitting, a municipal code review as well as a building code review will need to be conducted and documented by an Architect licensed to practice in the state of Illinois, to ensure that all parts of the proposed project comply with national and local building codes. In addition to the code review, the architect will compile the additional information that the city will require for permitting and present it in graphic form including but not limited to: life safety plan, framing plan, existing floor plan, demolition plan, proposed floor plan, door & window schedule, material schedule, etc. The city will also require engineered stamped prints for civil, structural, HVAC, plumbing, and electrical. These will need to be completed by licensed civil, structural, HVAC, plumbing, and electrical engineers respectively. The drawing set will need to be reviewed (and revised where necessary) by the licensed Architect. There is a standard allowance included for revisions, which are almost always required, so that the client will not be charged extra if the city's requests for revisions are within reason. If the city requires revisions in excess of the given allowance, it will be the client's responsibility to pay the difference for the required revisions.

003146 - Permit/Fees - Owner Pays Any Permit Fees, Utility Fees, etc. Directly to the Entity That Requires Them	\$0.00
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The overhead admin costs necessary for submitting print sets and coordinating engineers, subcontractors, the architect, and city code officials in order to obtain the necessary permits for the job are included in the general conditions. However, the actual permit fee from the city will be the owner's responsibility. The client will pay the city directly for the permit fee. Other applicable city and service fees, in addition to the building permit, are also not included and will be paid directly by the client to the necessary service or city entity. This includes but is not limited to set-up fees from outside utility or municipal entities including but not limited to Ameren, IL American Water, City Sewer/Sanitary, etc. These fees are often unknown to us until the project is "in motion". The client is welcome to contact these entities independently prior to the job starting to initiate conversations concerning what service/utility/civil modifications will be needed for the project and an approximate cost for these items. Again, coordination for these items is included in the scope of work once the project has begun.

013100(T) - Project Management & Supervision	\$2,964.00
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017419 - Dumpsters	\$5,016.00
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Item	Amount
<p><i>Construction dumpsters are for the use of our construction-related items only. Since the cost of the dumpsters is directly related to the amount of items in the dumpsters (pricing goes by weight and frequency of dumpster replacement), Owners are not permitted to use the dumpsters for their personal disposal uses. If you would like to use the dumpsters for items outside of the scope of work BCC is being contracted to perform on this job, please let us know and we will account for this.</i></p>	
015616 - Dust Control	\$2,134.08
<p><i>Adequate floor protection and plastic enclosures will be implemented on your job to ensure that dirt, dust, and other debris will keep the rest of your job site substantially undamaged and unaffected within reason.</i></p>	
017419 - Construction Cleaning	\$1,450.08
<p><i>Ongoing Cleaning of Construction Site During Job</i></p>	
017423 - Final Cleaning	\$725.04
<p><i>Professional Final Cleaning at Job Completion</i></p>	
02 Site Work	\$20,582.70
024100 - Demolition	\$11,856.00
<p>-Walls -Concrete Removal -Flooring -Panels</p>	
038100 - Saw Cut Trench	\$2,280.00
320116.74 - Asphalt Sealcoat & Stripe	\$6,446.70 N/A
03 Concrete	\$6,498.00
033500 - Interior Flat Work	\$6,498.00
04 Masonry	\$38,623.20
044200 - Thin Brick Panels with German Schmere - 110 LF	\$38,623.20
06 Woods And Plastics	\$115,929.34
Rough Carpentry	
061100 - Rough Carpentry	\$8,823.60
<p>Facade Work Panels Trimout</p>	
061100 - Rough Carpentry	\$11,764.80
<p>-Frame Interior Walls -Backing -Blocking</p>	
Carpentry Finishes Trim/ Stairs/ Cabinets	
Trim	
062000 - Finish Carpentry Trim Base & Casing	\$8,823.60
062000 - Finish Carpentry Trim -Wood Slat Ceiling Accent	\$19,790.40

Estimate

December 6, 2021

Item	Amount
Cabinets	
062200 - Quartz Countertops	\$23,085.00
062200 - Finish Carpentry, Cabinets Kitchen	\$27,975.60
062200 - Finish Carpentry, Reception Desk Allowance	\$8,952.20
062200 - Finish Carpentry, Cabinets Salon Retail - Allowance	\$6,714.14
08 Windows And Doors	\$16,504.92
Doors	
081429 - Interior Doors 3-0x 7-0 (Wood door with wood frame)	\$4,692.24
Windows	
085313 - Glazing at 1/2 Wall - Allowance	\$6,340.68
Storefront Windows	
084113 - Double Door	\$5,472.00
09 Finishes	\$56,248.40
Drywall	
092116 - Gypsum Drywall	\$11,963.16
Flooring	
096813 - Concrete Polish	\$20,317.88
Painting	
099123 - Paint Ceiling	\$5,362.56
099123 - Paint Interior	\$9,712.80
099113 - Paint Exterior	\$8,892.00
10 Specialties	\$2,071.16
102813 - Restroom Accessories - Grab Bars 42", 36"	\$821.72
102813 - Restroom Accessories - Paper Towel Dispenser, Toilet Paper holder	\$501.60
102813 - Restroom Accessories - Mirrors 24" x 36"	\$747.84
15 Mechanical	\$27,478.56
157000 - HVAC Budget	\$9,120.00
-Spiral Ductwork open areas	
-Ductwork to rooms	

N/A

N/A

Estimate

December 6, 2021

Item	Amount
154000 - Plumbing Budget	\$13,680.00
-Remove Showers	
-Mechanical room	
-Rough in Kitchenette	
-Rough in Shampoo Bowls	
154000 - Plumbing Fixture Allowance	\$4,678.56
-Sink Restrooms	
-Faucets Restrooms	
-Toilets	
-Kitchen Sink	
-Kitchen Faucet	
(No shampoo bowls)	
16 Electrical	\$39,152.16
165000 - Electrical Fixtures	\$8,372.16
162000 - Electrical Budget	\$30,780.00
32 Exterior Improvements	\$22,800.00
321623 - Landscaping Allowance	\$22,800.00 N/A
Price	\$377,985.14

Terms

Due to COVID-19, there has been an extreme increase in building material pricing. If the pricing for building materials increases over 5% of the current pricing for your project, the client will be responsible for the increase in cost.

Any Change Orders and Extras will be tracked, signed off and paid once work has been completed.

I hereby acknowledge that I have read, understand, and am prepared to comply with the terms and conditions listed in the above Estimate & Scope of Work. I understand that this Estimate and Scope of Work only include the items expressly listed in this document.

Client Name (Printed) _____

Client Signature _____ Date _____

Corpo Bello Salton
Proposed TIF renovation project
104 N. High St.

ESTIMATE #1 - Bushell Builders

12/7/2021

ELIGIBLE EXPENSES	ESTIMATE	SUBSIDY %	BASE SUBSIDY AMT.	POSSIBLE SCOPE BONUS (10%)	POSSIBLE SCOPE BONUS AMT.	TOTAL SUBSIDY (30%)	TOTAL SUBSIDY AMT. (30%)
<u>Exterior Work</u>							
Painting	\$ 10,500.00	20%	\$ 2,100.00	10%	\$ 1,050.00	30%	\$ 3,150.00
SUBTOTAL	\$ 10,500.00	20%	\$ 2,100.00	10%	\$ 1,050.00	30%	\$ 3,150.00
<u>Interior Work</u>							
General requirements/Proj. Mgmt.	\$ 29,390.00	20%	\$ 5,878.00	10%	\$ 2,939.00	30%	\$ 8,817.00
Dumpsters/cleaning	\$ 15,520.00	20%	\$ 3,104.00	10%	\$ 1,552.00	30%	\$ 4,656.00
Demo/saw cut trench	\$ 18,000.00	20%	\$ 3,600.00	10%	\$ 1,800.00	30%	\$ 5,400.00
Interior flat work	\$ 6,498.00	20%	\$ 1,299.60	10%	\$ 649.80	30%	\$ 1,949.40
Brick panels	\$ 41,000.00	20%	\$ 8,200.00	10%	\$ 4,100.00	30%	\$ 12,300.00
Rough carpentry	\$ 24,000.00	20%	\$ 4,800.00	10%	\$ 2,400.00	30%	\$ 7,200.00
Carpentry trim	\$ 32,300.00	20%	\$ 6,460.00	10%	\$ 3,230.00	30%	\$ 9,690.00
Windows and doors	\$ 22,355.00	20%	\$ 4,471.00	10%	\$ 2,235.50	30%	\$ 6,706.50
Drywall/flooring/painting	\$ 57,800.00	20%	\$ 11,560.00	10%	\$ 5,780.00	30%	\$ 17,340.00
HVAC	\$ 12,000.00	20%	\$ 2,400.00	10%	\$ 1,200.00	30%	\$ 3,600.00
Plumbing	\$ 20,500.00	20%	\$ 4,100.00	10%	\$ 2,050.00	30%	\$ 6,150.00
Electrical	\$ 43,000.00	20%	\$ 8,600.00	10%	\$ 4,300.00	30%	\$ 12,900.00
SUBTOTAL	\$ 322,363.00	20%	\$ 64,472.60	10%	\$ 32,236.30	30%	\$ 96,708.90
TOTAL	\$ 332,863.00	20%	\$ 66,572.60	10%	\$ 33,286.30	30%	\$ 99,858.90

(NOT TO EXCEED)

PROPOSED REIMBURSEMENT SCHEDULE

Duration:	1 payment
Year 1 (20%)	\$66,572.60
Year 1 (30%)	\$99,858.90

EXHIBIT B

Corpo Bello Salon
Proposed TIF renovation project
104 N. High St.

ESTIMATE #2 - Baldwin Construction

12/7/2021

ELIGIBLE EXPENSES	BASE		POSSIBLE		TOTAL SUBSIDY (30%)	TOTAL SUBSIDY AMT. (30%)
	ESTIMATE	SUBSIDY %	SCOPE	SCOPE		
			AMT.	BONUS (10%)	AMT.	
<u>Exterior Work</u>						
Painting	\$ 8,892.00	20%	\$ 1,778.40	10%	\$ 889.20	30% \$ 2,667.60
SUBTOTAL	\$ 8,892.00	20%	\$ 1,778.40	10%	\$ 889.20	30% \$ 2,667.60
<u>Interior Work</u>						
General requirements/Proj. Mgmt.	\$ 22,771.50	20%	\$ 4,554.30	10%	\$ 2,277.15	30% \$ 6,831.45
Dumpsters/cleaning	\$ 9,352.20	20%	\$ 1,870.44	10%	\$ 935.22	30% \$ 2,805.66
Demo/saw cut trench	\$ 14,136.00	20%	\$ 2,827.20	10%	\$ 1,413.60	30% \$ 4,240.80
Interior flat work	\$ 6,498.00	20%	\$ 1,299.60	10%	\$ 649.80	30% \$ 1,949.40
Brick panels	\$ 38,623.20	20%	\$ 7,724.64	10%	\$ 3,862.32	30% \$ 11,586.96
Rough carpentry	\$ 20,588.40	20%	\$ 4,117.68	10%	\$ 2,058.84	30% \$ 6,176.52
Carpentry trim	\$ 28,614.00	20%	\$ 5,722.80	10%	\$ 2,861.40	30% \$ 8,584.20
Windows and doors	\$ 16,504.92	20%	\$ 3,300.98	10%	\$ 1,650.49	30% \$ 4,951.48
Drywall/flooring/painting	\$ 47,356.00	20%	\$ 9,471.20	10%	\$ 4,735.60	30% \$ 14,206.80
HVAC	\$ 9,120.00	20%	\$ 1,824.00	10%	\$ 912.00	30% \$ 2,736.00
Plumbing	\$ 18,358.56	20%	\$ 3,671.71	10%	\$ 1,835.86	30% \$ 5,507.57
Electrical	\$ 39,152.16	20%	\$ 7,830.43	10%	\$ 3,915.22	30% \$ 11,745.65
SUBTOTAL	\$ 271,074.94	20%	\$ 54,214.99	10%	\$ 27,107.49	30% \$ 81,322.48
TOTAL	\$ 279,966.94	20%	\$ 55,993.39	10%	\$ 27,996.69	30% \$ 83,990.08

PROPOSED REIMBURSEMENT SCHEDULE

Duration:	1 payment
Year 1 (20%)	\$55,993.39
Year 1 (30%)	\$83,990.08

EXHIBIT B

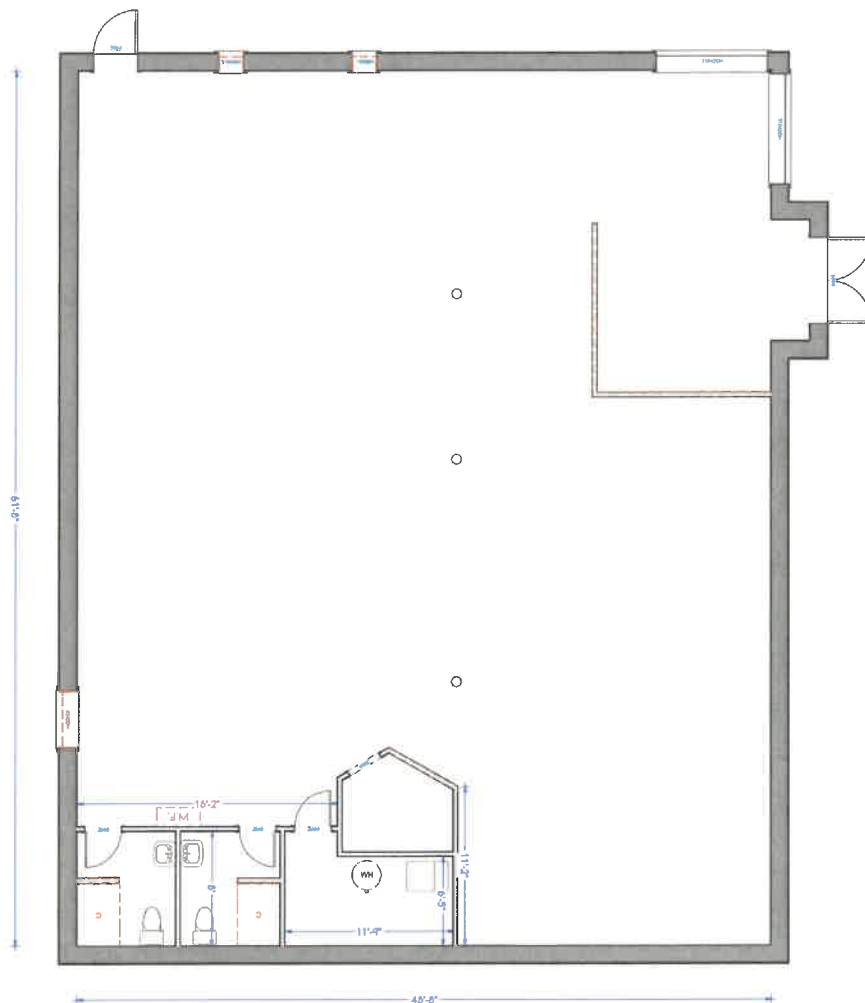
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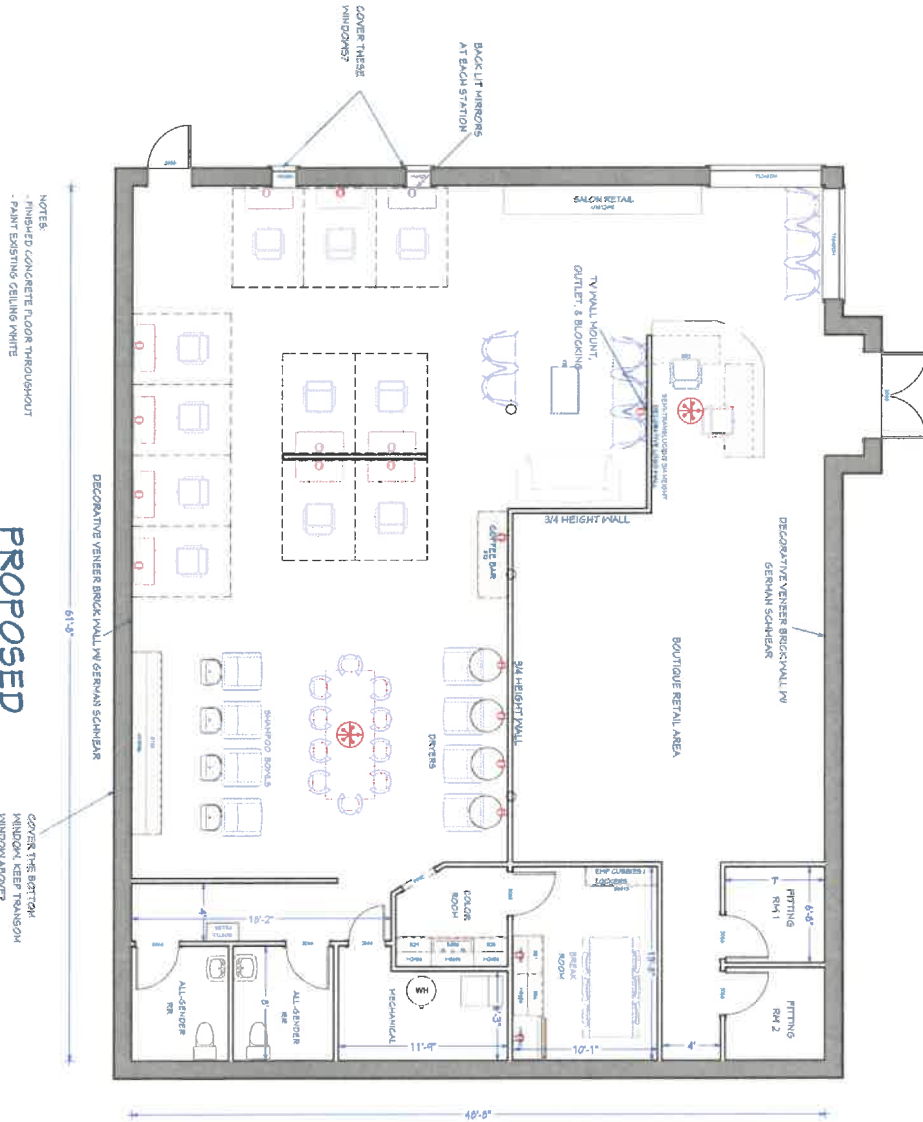
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EXISTING PLAN
SCALE: 1/4" = 1'-0"

EXISTING / DEMO



DATE	BY	REV	DESCRIPTION



1 PROPOSED FLOOR PLAN - DIMENSIONS
SCALE: 1/4" = 1'-0"

PROPOSED FLOOR PLAN

CORPO BELLO
WASHINGTON, IL 61511

DATE	REVISION BY	REVISION

BALDOVIN
CONSTRUCTION CO.
GENERAL CONTRACTING
COMMERCIAL - RESIDENTIAL - DESIGN - BUILD

610 SW Adams Street, Peoria, IL 61602 309.437.0201

APPROVED BY:	DATE:
DRAWN BY:	SCALE:
SHEET: 3 of 20	1" = 1'-0"