

City of Red Bud

Economic Development Commission
Meeting Minutes
June 26, 2024

Members in Attendance: Chairman Mike Rheinecker, Jennifer Gregson, Stuart Langrehr, Clem Esker, Orvel Cox, Larry Ingalls, Warren Frank, Cole Stenzel, Butch Stellhorn, Jon Tallman, Greg Birchler
Members Absent: Tom Heizer, Mike Reed
Others in Attendance: Jeff Mueller, Jill Landgraf, Kristen Rahn, Nick Mancusi, Bridgette Blackmore, Vic Mohr

1. Call to Order

The meeting was called to order by Mike Rheinecker at 6:02 p.m.

2. Pledge of Allegiance

3. Minutes from April 24, 2024

Motion made by John Tallman, seconded by Orvel Cox, to approve the meeting minutes of April 24, 2024. Motion carried.

4. Revolving Loan/Micro-Loan Applications

Kristen Rahn, owner of the 133 E Market St building (formerly Susie's Restaurant), submitted a Revolving Loan application for \$500,000 and a Micro-Loan application for \$50,000 for committee review. She and her architect, Nick Mancusi, presented plans to renovate the building/grounds for a new restaurant, ice cream shop and 3-bedroom apartment space. Rahn explained her intent for this renovation and new business is to provide a consistent and sustainable establishment for her hometown community. Rahn offered ideas to partner with local service providers and educational institutions to educate, train and employ staff. Rahn will employ a kitchen manager, Brigette Blackmore, and a front house manager to run the restaurant/basement speakeasy. Rahn anticipates a total need of 35-40 employees, most of whom will be part-time.

The committee expressed concerns regarding parking and accessibility to the proposed basement bar/banquet room. Rahn and Mancusi shared ideas for reconfiguring the parking area on the north end of the building but would also rely on nearby public lots and street parking. If parking proved to be too problematic, Rahn said she would hire a valet as another option. Plans to include an elevator were in the initial design, but the plans and existing structure are not conducive to accommodate measurements for an elevator. Rahn acknowledged the difficulties in re-designing the existing space to include an elevator, but she and her architect are still working to finalize a design for a feasible solution.

Discussion continued to include questions on zoning ordinances. Jeff Mueller stated 3 special use permits would be required per Rahn's plan: 1) to serve alcohol, 2) to have a beer garden, and 3) to have an outdoor stage. Rahn and Blackmore discussed menu items (American with lighter-fare options, fresh ingredients, seasonal specials) and estimated timeline of this project (May 2025 completion goal).

The committee reviewed available funds to loan and eligibility requirements for the Revolving Loan and Micro-Loan programs as they pertained to Rahn's application and proposal. Discussion points were: 1) Preference on eliminating the \$50,000 Micro Loan Application 2) Adding the proposed micro loan amount to the revolving loan application and 3) Rahn's financial background to support the application. Stuart Langrehr and Cole Stenzel were both in favor of Rahn's application from reviewing her financial records. Langrehr recommended Rahn obtain a certified general appraisal as part of the loan process, if the committee moved to approve. ***The Commission recommends to the City Council to move forward in approving a 10-year loan at 3% interest for \$550,000 from the Revolving-Loan Fund. First 12 months interest only; monthly principal and amortization for the remainder of the loan. Motion made by Greg Birchler; seconded by Warren Frank. Motion carried with unanimous vote.***

5. **Financial Reports**

A Summary of Loan Funds report as of 05/31/24 was provided in the packet.

- The (revolving) Economic Development Fund balance is \$589,017.27. In addition, there is \$225,000 and a \$100,000 CD and a \$350,000 transfer from the parks capital plan, all earmarked for Red Bud Business Park.
- The Microloan Program balance is \$90,142.30.
- We are currently recapturing \$6,839.43 in monthly ED loan payments
- We are currently recapturing \$539.06 in monthly Microloan payments
- Rent income is \$7,500 annually
- Each business is current on their respective loan

6. **Red Bud Business Park**

Jill Landgraf discussed grant requirements of the Energy Transition Community Grant. With funding from this grant earmarked for the Red Bud Business Park, part of the ETCG grant requirements include obtaining input from a diverse set of stakeholders. Landgraf stated she received a favorable letter from Stephanie Mohr, Director of the Career Center of Southern Illinois, which proposed her interest in partnering with the city and businesses within the Red Bud Business Park to provide training for their students to align to future staffing needs. In addition to Mohr's letter, Landgraf invited input from stakeholders in attendance: Cole Stenzel—President of the Red Bud Chamber of Commerce; John Tallman, Superintendent of Red Bud Community Unit School District #5; and Jennifer Gregson, Chief Administrative Officer of Red Bud Regional Hospital.

Landgraf also requested feedback on the draft of the RBBP profile sheet, packet attachment, to be utilized for marketing purposes in the future. Members were invited to share their input on all RBBP agenda items via phone or email at a later date as well.

7. **IDOT; Southwestern Connect (Bypass) Project Discussion**

Jill Landgraf provided slides, packet attachment, and a summary on the SW Connect bypass from a recent meeting with Carrie Nelson, District 9 Program Development Engineer for the Illinois Department of Transportation. Landgraf reported new funding opportunities have initiated movement which will require stakeholders from the community to participate in Community Advisory Groups (CAGs) to provide input on different variables of this project: speed limits, access points, road width, etc. Landgraf advised the commission to start thinking of individual stakeholders to represent the needs of Red Bud in these CAG discussions.

8. Economic Development Efforts and Progress

Jeff Mueller provided the following updates: 1) Edits to the Enterprise Zone have been approved. 2) Mural Program Guidelines have passed through Committee; ordinance is being developed for Council approval. 3) Façade Grant also approved by Committee and moving to Council. 4) Comprehensive Plan next steps are to schedule a stakeholder meeting in August.

9. Economic Development Incentive Programs

Landgraf reiterated the purpose of the RBBP profile sheet, incentives updated to include the façade program, and potential of additional incentives to be added in the future.

10. Anything for the Good of the Order / Public Comments

After the motion to recommend Kristen Rahn's application, Cole Stenzel expressed his gratitude to Rahn for taking interest in our community and coming up with a plan to revitalize a building in Red Bud's downtown area.

11. Adjournment

***Motion made by Larry Ingalls, seconded by Warren Frank to adjourn the meeting at 7:33 p.m.
Motion carried.***

Respectfully submitted,
Jill Landgraf, Administrative Officer