



COUNTY OF KENDALL, ILLINOIS ECONOMIC DEVELOPMENT COMMITTEE

**KENDALL COUNTY OFFICE BUILDING
111 W. Fox Street; County Board Room; Yorkville
Friday, April 29, 2022 at 8:00a.m.
AGENDA**

- 1. Call to Order**
- 2. Roll Call – Dan Koukol (Chair), Amy Cesich, Scott Gryder, Matt Kellogg, Robyn Vickers**
- 3. Approval of Agenda**
- 4. Approval of Minutes from March 25, 2022**
- 5. Committee Business**
 - *Discussion of Camp Mutty Paws RLF Loan*
 - *Discussion of Molto Properties Property Tax Abatement*
 - *Discussion of TMF Plastics Property Tax Abatement*
 - *Review and Approval of Anthony Salerno dba Salerno's Red Hots RLF Pre-Application*
- 6. Updates and Reports**
- 7. Chair's Report**
- 8. Public Comment**
- 9. Executive Session**
- 10. Adjournment**

If special accommodations or arrangements are needed to attend this County meeting, please contact the Administration Office at (630) 553-4171, a minimum of 24-hours prior to the meeting time

**COUNTY OF KENDALL, ILLINOIS
ECONOMIC DEVELOPMENT COMMITTEE
Meeting Minutes for Friday, February 25, 2022**

Call to Order

The meeting was called to order by Committee Chair Dan Koukol at 8:02a.m.

Roll Call

Attendee	Status	Arrived	Left Meeting
Amy Cesich	Present		
Scott Gryder	Here		
Matt Kellogg	Yes		
Dan Koukol	Here		
Robyn Vickers	Absent		

Others Present: Jennifer Karales, Financial Analyst, County Administrator Scott Koeppel, Minooka Administrator Dan Duffy, Plano Mayor Mike Rennels

Approval of Agenda – Member Koukol asked that the Camp Mutty Paws RLF Application discussion item be moved to the top of the agenda. Member Cesich made a motion to approve the agenda as amended, second by Member Gryder. **With four members present voting aye, the motion carried by a vote of 4-0.**

Approval of Minutes –Member Kellogg made a motion to approve the February 25, 2022 meeting minutes, second by Member Gryder. **With four members present voting aye, the motion carried by a vote of 4-0.**

Committee Business

- *Discussion of Camp Mutty Paws RLF Application* – Mr. Koeppel briefed the committee on the RLF application for Camp Mutty Paws. The owner is requesting \$54,100. Discussion on the term of 7 years at a rate of 3.5 percent.

Member Kellogg made a motion to approve the application, second by Member Gryder. **With four members present voting aye, the motion carried by a vote of 4-0.**

Mr. Koeppel stated that he would collaborate with Attorney Lisa Coffey on the agreement with Camp Mutty Paws.

- *CPACE Program in Kendall County Presentation* – Mr. Koeppel reported that he has worked with CPACE personnel for several years. Anna Maria Kowalic reviewed the program, and stated that the Illinois Energy Conservation Authority is the program administrator for CPACE.

Ms. Kowalic stated that CPACE financing is up to 100 percent for qualifying commercial property projects, and fixed terms are a maximum of 30 years, and 25 percent.

Ms. Kowalic explained the benefits of the program to local governments including job creation, economic development, and no cost to the County.

To participate in the program, Ms. Kowalic stated that the County needs to pass an ordinance to adopt the program, but there is no requirement for participating municipalities.

Member Gryder made a motion to forward the new CPACE documentation and agreement to the State's Attorney's Office for legal review, second by Member Cesich. **With four members present voting aye, the motion carried by a vote of 4-0.**

- *Discussion of Remaining Small Business Grant Applications* – Mr. Koepfel reported there were an additional 175-200 applications for the Small Business Grant program, but there are no additional ARPA funds.

Mr. Koepfel asked the committee to review the proposed denial letter, and to determine who should author the letter. **There was consensus by the committee that EDC Chair Dan Koukol should be the author for the letters. Administration staff will create and send letters to the applicants that were not awarded a grant.**

- *Discussion of TMF Plastics Property Tax Abatement Application* – Mr. Koepfel explained that about the property in Plano, and said that TMF Management, LLC wants to explain their current building on Galena Road. TMF Management, and TMF Plastic Solutions is the leasee. TMF Plastic Solutions manufactures and distributes plastic products, so the new facility will be an expansion of its current operations. The workforce is primarily machine operators and production laborers. The lease agreement expires on January 1, 2042. Koepfel stated that the abatement would be 75 percent in the first year, 50 percent in second year and 25 percent in the third year. Once the Certificate of Occupancy is issued, the company cannot challenge their taxes for 3 years after abatement period ends. The abatement will be on the new part of construction only.

Member Cesich made a motion to proceed with the process, second by Member Gryder. **With four members present voting aye, the motion carried by a vote of 4-0.**

Mr. Koepfel will ask the State's Attorney's Office to draft the ordinance, and then it will go to the Forest Preserve District for discussion and approval.

- *Discussion of Minooka Water Project* – Discussion of the Minooka Water project to extend water and sewer under Interstate 80 (along Holt Road to Ridge Road) project they've been planning for several years. The Village has approximately 1.5 million ARPA dollars available for utility extensions. There is 9 million additional square footage of warehousing available along that corridor. They are bringing 26 inch sanitary sewer line and 16 inch water main under I-80, freeing up capacity north of I-80 and all the way to Shorewood. Mr. Koepfel stated there is an increased interest in

expansion north of Interstate 80, and the Minooka Board began planning for the extension of water and sewer for the current and possible new warehouse expansions in that area. Minooka is asking the County for a match of 1.5 million to complete the sewer expansion, and the Village will apply for IPA loans to complete the water expansion project.

Discussion on using ARPA funds, and possibly utilizing EDC funds as a grant or loan.

Committee Member Reports – None

Public Comment – None

Executive Session – Not needed

Adjournment - Member Gryder made a motion to adjourn, second by Member Cesich. There being no objection, the Economic Development Committee meeting was adjourned at 9:23a.m. by a vote of 4-0.

Respectfully submitted,

Valarie McClain Administrative Assistant and
Recording Secretary

Kendall County Economic Development Commission
 Loan Status
 3/31/2022

Account Name	Last Pymt	A Monthly Payment		Interest Rate	B Total Paid		D Principal Balance	E Bank Totals	
	Loan Date	Principal	Interest		Principal	Interest		Interest Earned	Bank Balance includes I earned
Surplus - EDC BB #815-535								437,077.46	1,691,176.44
<u>Law Office Corporation</u> Payment: #72	3/1/2022	579.05			468.23	110.82			
Loan Status: Midland State Bank	3/11/2015	450.56 <u>120,000.00</u> 120,450.56	1.50%	29,954.58	9,430.71	90,495.98	109.14	39,494.43	
<u>Dearborn Café</u> Payment: #77	3/2/2022	1,024.93			1,010.69	14.24			
Loan Status: FNB #2920	9/1/2015	80,000.00	2.10%	72,875.75	6,043.88	7,124.25	216.47	79,136.10	
<u>Lucky's Beef N Dogs</u> Payment: #34	1/24/2022	225.00			159.68	65.32			
Loan Status: BB 286	5/23/2017	32,086.20	2.90%	5,218.76	2,431.24	26,867.44		9,541.96	
<u>Grace Holistic Center for Education</u> Payment: #12	3/29/2022	1,332.63			1,093.86	238.77			
Loan Status: Midland State Bank	5/1/2021	100,000.00	3.25%	12,933.09	3,058.47	87,066.91	0.77	15,992.33	
Total Loan Statuses		332,536.76			120,982.18	17,905.83	211,554.58	437,403.07	1,835,341.26

Total Assets (D +E) 2,046,895.84



COUNTY OF KENDALL, ILLINOIS

SCOTT KOEPPPEL

COUNTY ADMINISTRATOR
KENDALL COUNTY OFFICE BUILDING
111 WEST FOX STREET, SUITE 316
YORKVILLE, ILLINOIS 60560
630.553.4171

April 29, 2022

TO: Chairman Dan Koukol and Members of the Economic Development Committee

RE: Revolving Loan Fund Small Business Loan Pre-Application

On Monday April 25, 2022, Tony Salerno submitted a Revolving Loan Fund Pre-Application by email. Salerno's Red Hots is a carry out only business located at 197 E Veterans Parkway in Yorkville. They are open 7 days a week from 11am to 8pm. They've operated out of the current location since November of 2018.

The business currently has 2 part-time employees. The owner is requesting a loan of \$50,000. The owner did not contact a lending institution. The loan would be used for an ice cream machine, the purchase of a food truck, and upgrades to the food truck (details attached). The owner anticipates a total of 10 part-time employees once the ice cream machine and food truck are operational.

The biggest concern from staff is the proposed collateral. Staff recommends seeking alternative collateral. An ice cream machine and food truck would be difficult to sell and recover costs. The committee has been hesitant to allow personal homes as collateral. The home was purchased in 2021. The revenues far exceed expenses, but staff is concerned all expenses were not included (salary for the owner as an example).

Staff recommends moving forward if the owner can provide different collateral.

**KENDALL COUNTY
RF PRE-APPLICATION FACT SHEET**

To qualify as a RF project, you will be asked to provide the following information in convenient format for your company. Please mark attachments with corresponding numbers below. We would like to review these documents with your bank or lending institution participating in the project. Please return to: Kendall County Administration / Economic Development kendallede@co.kendall.il.us or fax number (630) 553-4214. **If pre-approved, an Application for Revolving Fund Financial Assistance must be completed and submitted to the Kendall County Office of Administrative Services.**

Business Name: Anthony Salerno dba Salerno's Red Hots
Legal Name of Borrower: Anthony M Salerno Sr
Home Address: 125 Linden Dr Oswego IL 60543
Home Phone: 630.688.3455
Contact Person: Tony Salerno
Title: Owner
Business Address: 197 E Veterans Pkwy Yorkville IL 60560
Business Phone: 630.383.8983
Email: tmsalerno@gmail.com Fax: NA

Type of Business/Products Produced, Services Provided:
Existing restaurant, Salerno's Red Hots. One Carry-Out/Pick-Up location at 197 E Veterans Pkwy, Yorkville IL 60560. We are an established, family owned and operated business. Open seven days per week providing lunch and dinner, 11am to 8pm. We serve items, typically found in Chicago neighborhood hot dog stands. Our menu consists of Chicago's favorite Vienna beef products along with other Chicago favorites, including hot dogs, fresh cut fries, Italian Beef sandwiches, Maxwell Street Polish, Chicago Polish, Tom Tom Tamales, ILtaco Brand Pizza Puffs, and Vienna Beef Corn Dogs. We also offer cans of soda, bottles of water and Gatorade.

Number of Years in Business: 31 years... My father, Joseph Salerno Sr, also known as Joe the Hot Dog Man and I started Salerno's Red Hots in Villa Park, IL, part of DuPage County in April of 1991. With one hot dog cart, serving concessions to youth sports programs, baseball, and football. We donated a portion of the sales to each organization. He built that side of his business into multiple carts and

ultimately retired after 15 years, in 2006. Joe Sr was diagnosed with ALS, also known as Lou Gehrig's disease in late 2008. Tragically we lost him fourteen months later in November of 2009. He was and is still dearly missed today.

My wife Brenda and I moved to Oswego in 1995 when there were just 5,000 residents. We first started a mobile Good Humor ice cream cart business in the late 1990's. I was known by many as the Ding Ding Man. I served from a Honda motor scooter, with freezer cart, sidecar mounted to it. Boulder Hill was established. We moved into Lakeview Estate's new construction homes. Fox Chase and Heritage were the only other new construction subdivisions at the time. We served children and families as they came to Oswego and Kendall County and our little family owned and operated business grew. We soon decided to duplicate what my father Joe Sr and I started back in Villa Park and brought Salerno's Red Hots mobile concession business to Oswego and Kendall County. Serving Oswego PONY Baseball, Oswego Youth Tackle Football, and Oswego Park District programs, including Soccer and T-Ball. We grew our business with multiple mobile hot dog carts, a concession trailer and even took over Oswego Pony Baseballs concession stand, at their marquee field at OHS/Prairie Fest Park. We continued to donate a percentage of sales as well. In addition to operating Salerno's Red Hots mobile concessions business, I was employed since 1997 as a home loan mortgage originator. Like many businesses and families, we were negatively impacted by the downturn in the housing market and the recession of 2008. As I mentioned we lost my father, Joe Sr. in 2009. We are a strong family unit. My wife Brenda, sons Cody and Anthony, and daughters Francesca, Isabella and Gianna. All have been fortunate to have grown up in Kendall County and gone to Oswego's School District 308. Cody is married with a 4-year-old daughter making us grandparents. Anthony Jr. works with me at Salerno's Red Hots while attending Aurora University, earning his computer science degree. Francesca is finishing her Masters in Structural Engineering at University of Illinois, Urbana - Champaign, graduating May 14th. Isabella is a Jr. and Gianna is a Freshmen at Oswego High School. We are truly vested in the Kendall County community.

Number of Years Operating at Present Business Address:
3.5 years\November 15, 2018

Business Ownership: Sole Proprietorship Partnership
 Corporation Other(specify)_____

Principal Owners (Individuals, Address, and Phone of Those Owning 20% or/and more): Sole Proprietorship - Anthony Salerno Sr.

General location of project:

1. Operating out of our existing Location, Salerno's Red Hots - 197 E Veterans Pkwy, Yorkville, IL 60560/Kendall County. Hiring additional staff to meet our existing growth and labor needs.
2. Operating out of our existing location, Salerno's Red Hots - 197 E Veterans Pkwy, Yorkville IL 60560/Kendall County. Adding a new soft serve ice cream machine adding revenue and the need to hire additional staff.
3. Operating out of our existing location, Salerno's Red Hots - 197 E Veterans Pkwy, Yorkville IL 60560/Kendall County. To grow our business as an extension to our current location, we would like to add a fully operational Food Truck. We will need to hire additional staff to operate the vehicle.

Describe Company product or service provided at the project site:

1. Additional request for funds to hire additional staff at our existing location. Since opening in November of 2018, we were fortunate to build our family owned and operated business in 2019. When Covid-19 hit in March of 2020, we pivoted our business model from mostly carry-out and limited UberEats delivery to 100 percent curbside pick-up and UberEats delivery. We added an additional POS(point-of-sale) register, card processing equipment, added additional phone lines, and hired more staff. Some were let go from other restaurants in Kendall County that were unfortunately forced to close. We took all orders over the phone, processed credit cards and delivered the orders to customers vehicles. An amazing number of customers utilized UberEats for delivery as well. The silver lining for us was that we were able to increase revenue during 2020 compared to 2019. With the increase of revenue, came the increase of all costs related to operating. Food and paper goods costs rose. Labor costs increased to maintain our staff as they were put at risk of getting Covid. Utility bills escalated. We couldn't get grants or assistance as we didn't have a loss in revenue from 2019 to 2020. We have maintained a level of revenue in 2021 due to our new customers from Kendall County that found us to be a safe, with high-quality products and provided excellent customer service during the Covid-19 pandemic of 2020. We continue that growth in 2022 and need to hire additional staff to maintain the same levels of quality products and service.

2. Proposed request for funds for our existing location. In addition to what was previously mentioned above regarding our existing products and services offered at Salerno's Red Hots in Yorkville, we want to add a new soft serve ice cream machine. Our type of restaurant businesses, hot dog stands, typically offer Ice Cream Shakes, Ice Cream Cones, and Ice Cream Sundae's. This will allow us to meet the needs of our existing customers, as well as add new customers seeking these new items. We strongly feel that the addition of an Ice Cream machine, will significantly increase our revenue allowing us to hire additional staff members.
3. Food Trucks have become very popular in Kendall County since we opened in 2018. We have had an overwhelming number of requests since opening Salerno's Red Hots in November of 2018 for us to participate in Food Truck Events, including corporate functions for area businesses, Food Truck Festivals, local high schools, and colleges as well as many requests from other small locally owned and operated businesses that focus on their core primary products, services, and offerings. They chose not to offer food at their business locations. It is our specific menu offerings at Salerno's Red Hots that make us an attractive addition to the existing Food Trucks currently operating in Kendall County. We are requesting funds to purchase an existing Food Truck that was owned and operated by the City of Chicago, approved to operate by the Cook County Board of health. The vehicle has many new or lightly used refrigerators and freezers. It has a fully operational large 3 compartment sink and separate hand washing sink. We would need additional funds to purchase some necessary equipment needed to be able to offer Salerno's Red Hots current menu items. As we currently have a Kendall County license to operate our existing restaurant and have previously operated our hot dog carts and concession trailer in Kendall County, we know that Kendall County Board of Health sets high expectations and we can continue to meet them. With the addition of a Salerno's Red Hots Food Truck operating in Kendall County we can create multiple new jobs.

Describe proposed use of loan funds:

See # 1, 2 and 3 above.

Collateral/Security offered for RF Loan:

We have equity in our home at 125 Linden Dr, Oswego IL 60543. The Ice Cream machine purchase would be collateral. The price of the Food Truck we are planning to acquire already has significant equity.

Total number of jobs the company will create or retain in Kendall County:

1. Based on our current labor needs at Salerno's Red Hots restaurant, we would need 3 to 4 part-time employees.
2. With the addition of a soft serve ice cream machine, 1 - 2 additional part-time employees.
3. Adding the Food Truck to Salerno's Red Hots would require 3 - 4 additional part-time employees.

Created: Up to 8 new part-time employees. We are presently understaffed.

Retained: 2 existing part-time employees.

Total Number of all jobs: up to 10.

Number of jobs for low to moderate-income individuals:

Estimated date to complete job creation and retention above: June 30, 2022

Present Number of Employees:

Full Time: 0 Part Time: 2

Anticipated Number of Employees:

1 Year Full Time: 0 Part Time: 10

2 Year Full Time: 0 Part Time: 10

Total loan funds requested (Max \$15,000 x number of jobs created/retained, or 49% total project cost, whichever is less): \$50,000.00

Approached Lending Institution? Yes _____ No X

If Checked "No", Please Explain:

I was not aware that I was required to contact my lender.

If Checked "Yes", Please Complete the Following:

Name of Lending Institution: Midland States Bank

Address: 208 E Veterans Pkwy Yorkville IL 60560

Contact Person/Title:

Phone Number: (630) 466-6015

Please State the Amount, Interest Rate, and Term of the lender's loan: No lender information currently. Pre-approval state.

Permission to contact lender (authorized signature here): N/A

Site Regulations

Will any of the project activities be in a special flood hazard area?

N/A Yes _____ No _____

Is the site annexed to a municipality?

N/A Yes _____ No _____

What is the current zoning for the site? N/A

Is the site currently zoned for the project's proposed activities?

N/A Yes _____ No _____

If No, what is the anticipated date zoning will be finalized? N/A

Business Cash Flow

Revenue 2021 Income tax returns not filed. We have an extension.

Prior Years		Current Year	
2 Yr	1 Yr	YTD @ mm/dd/yyyy	Projected Year End
\$137,610.00 2019	\$269,273.00 2020	\$68,704.00 04/24/2022	\$231,795.00 12/31/2022

Next Projected Year					
JAN	FEB	MAR	APR	MAY	JUN
\$17,642.00	\$16,874.00	\$22,160.00	\$22,173.00	\$22,584.00	\$21,696.00
JUL	AUG	SEP	OCT	NOV	DEC
\$23,693.00	\$22,796.00	\$22,158.00	\$21,280.00	\$18,370.00	\$15,063.00

Operating Expense 2021 Income tax returns not filed. We have an extension.

Prior Years		Current Year	
2 Yr	1 Yr	YTD @ mm/dd/yyyy	Projected Year End
\$73,871.00 2019	\$104,420.00 2020	\$26,642.00 2022	\$79,926.00 2022

Next Projected Year					
JAN	FEB	MAR	APR	MAY	JUN
JUL	AUG	SEP	OCT	NOV	DEC

Business Loans & Credit

Institution/Bank	Litespeed Capital	Fundomate Techno	Woodforest Bank	
Value	\$11,700.00	\$23,202.50	\$2,500.00	
Vehicles/Equipment/Land	@ 17%		Line of Credit	
Purchase Amount				
Est. Current Value				
Balance Owed	\$5,359.00	\$19,244.00	\$2,500.00	
Term (start and end year)				
Payment Amount	11% of credit card	\$152.27 per	5% of monthly	
Required Payments/Year	Processing	business day	balance	

Business Assets

Institution/Bank	Woodforest Bank	Restaurant	Carts and	
Current Liquid Asset (checking acct., life insurance, etc.)	\$8,356.00	Equipment	Freezers	
Value				
Vehicles/Equipment/Land				
Purchase Amount				
Est. Current Value		\$20,000.00	\$20,000.00	
Balance Owed		\$0.00	\$0.00	

Personal Loans & Credit See credit report

Institution/Bank				
Value				
Vehicles/Equipment/Land				
Purchase Amount				
Est. Current Value				
Balance Owed				
Term (start and end year)				
Payment Amount				
Required Payments/Year				

Personal Assets

Institution/Bank				
Current Liquid Asset (checking acct., life insurance, etc.)				
Value				
Vehicles/Equipment/Land				
Purchase Amount				
Est. Current Value				
Balance Owed				

Please provide a credit report from one of 3 credit bureaus within the last 60 days.

www.equifax.com

www.transunion.com

www.experian.com

*****Please redact your entire Social Security Number (SSN) prior to submitting a credit report or any other document containing a portion of or an entire SSN. *****

*****If any or all of a SSN is identified on any document prior to submitting to the Administrative Office, our office will redact any and all references to a SSN upon receipt of said documents**

Please provide business references

Contact Name	Jeff Johnson	George Zois	Sean Niemiec
Business Name	Vienna Beef	Christ Panos Food Corp	Joe and Ross Ice Cream
Address	201 W. Fullerton St	1465 Industrial Drive	7451 W 100th Pl
City, State, Zip	Chicago IL, 60612	Itasca IL 60143	Bridgeview IL 60455
Phone	(773) 255-5353	(312) 735-1790	(630) 333-6002
Nature of Relationship	Sales Rep	Sales Rep	Sales Contact

Anthony Salerno dba Salerno's Red Hots Kendall County RF Application details

Salerno's Red Hots- 197 E Veterans Pkwy Yorkville IL 60560

Taylor Twin Twist Soft Serve Ice Cream Machine:

1. New Unit \$17,000.00
Used, Refurbished - \$8,000.00
March Quality New and Used Equipment
930 W Fullerton Ave, Addison, IL 60101
Marshall: (630) 627-3031
2. Triple Spindle Shake Mixer unit - \$800.00
3. Electrical Contractor to add Three - Phase Power - \$500-\$1,000

March Equipment has Taylor Twin Twist @ \$8,000.00

New Triple spindle shake Mixer machine @ \$800.00

Addition of Three-phase Power - \$500 to \$1000.

Estimate for Ice Cream Machine @ \$9,800.00

2008 Holiday Rambler Food Truck - \$20,000

1. Cook County Converted vehicle to Food Truck
2. Was licensed and approved by the Cook County Board of Health.
3. Has many BOH necessary features.
 - a. 3 compartment sink and wand washing sink.
 - b. Several undercounter refrigerator/freezer units.
 - c. Cummins 15,000-watt generator.
 - d. more than enough watts and outlets to power all added countertop equipment.

Additional Equipment needs:

1. food truck 7' X 30" Hood System w/ Fire Suppression Cost @ \$7,000- \$10,000
2. (2) side by side liquid propane Fryers - Cost @\$1195.00 each/ \$2,390.00 total
3. 36" liquid propane manual griddle. – Cost @ \$1375.00
36" Stainless steel stand for griddle. – Cost @ \$400.00
4. 2 burner liquid propane hot plate- Cost @ 550.00
5. French fry hot hold unit. Cost at \$1,400.00
Stainless steel stand for French fry warmer unit. Cost @ \$400.00
6. 2 tabletop steamer units. Cost @ \$500.00 each X 2 = \$1,000.00
7. Island oasis Smoothie maker - Cost @ \$2,000.00
8. Coffee Maker - Cost @ \$500 - \$800.00
9. 2 Door reach in Refrigerator. – Cost @ \$3,000.00
10. Miscellaneous shelving units – Cost @ \$600-\$1,000

\$5,000 - \$10,000 contingency for service fees to complete the Food Truck.

Food Truck Purchase estimate: \$20,000.00

Cost to complete/Finish: \$23,415.00

Cost for Contingency: \$5,000.00

Cost Amount requested: \$48,415.00