

County OKs tax break for Fresh Thyme in River Forest

Construction could start early 2015

Wednesday, November 19th, 2014 11:22 AM

By Deb Kadin
Contributing Reporter

Opening a new grocery store on North Avenue took a giant step forward when a Cook County commission approved tax breaks for Fresh Thyme to renovate the old Dominick's store in River Forest.



Fresh Thyme Farmers Market

The Cook County Economic Development Advisory Committee on Nov. 12 approved an application granting Fresh Thyme a 7C property tax exemption so it can complete \$4.1 million in renovations to the building.

The application is being reviewed by the Cook County Assessor's Office; when it will move forward from there is uncertain.

A letter of intent with Mid-America Real Estate Group has been completed for the site. Signing a contract is contingent on approval of the chain's request for financial assistance, Village Administrator Eric Palm said. A lease for the building still has to be signed, and Mike George, a principal with Mid-America Real Estate Group, refused comment on when that might take place.

Getting a new tenant for the building has been one of the village's key priorities, and Village President Catherine Adduci was delighted it is moving toward fruition.

"Fresh Thyme will bring jobs and improve River Forest's quality of life. We're

pleased we took advantage of an incentive that Cook County put together. We will have a better property over the long run and on top of that more sales tax," Adduci said.

Approximately 36 construction jobs, plus 20 full-time and 40 part-time jobs will be created as a result of the project, according to Barbara Maloof, a spokesman for the Cook County Bureau of Economic Development. Renovations are expected to begin in early 2015, she said.

Based on the performance of other locations, Fresh Thyme is projected to have sales of \$11.7 million in the first year, and sales are expected to increase by 5 percent from year one to year 2, according to the application. Fresh Thyme estimates that the new store will generate \$400,000 in sales tax annually, based on the performance of other stores, Maloof said.

"It was an excellent application," Maloof said. "The whole concept is about bringing jobs and economic vitality to the area. The village was a partner in this and was there as part of the presentation. Part of the excitement (for the application) was reusing the space formerly occupied by Dominick's."

Approval of the financial incentive, which would allow the chain to recoup up to \$1 million in property taxes, was approved in September by River Forest trustees.

The property tax exemption will provide up to one-quarter of that investment, which will consist of a complete gutting of the North Avenue building. All new electrical, mechanical, plumbing as well as work on the onsite sewers will be undertaken.

A Class 7c incentive is a five-year incentive that would reduce the property tax assessment level to 10 percent for three years, 15 percent in the fourth year and 20 percent in the fifth year. It can be renewed for a five-year term, Palm said. It is principally used for real estate that engages in the buying and selling of goods and services. The benefit is that no funds would be spent by the village. Rather, Palm said, the property tax assessment is ultimately reduced. Each taxing body will still receive the dollars it levies through the property taxes.

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Gateway Inc., Dominick's parent company, announced last fall that it would leave the Chicago market, closing locations that had not been sold to other grocery chains or for other uses. Rumors of closing had been circulating for years although Mid-America and Dominick's signed a five-year lease extension in 2012 for the River Forest location. Dominick's moved out of the 25,000 square-foot location in December; about two years remains on the lease.

Efforts to reach a representative of Fresh Thyme were unsuccessful.