

CITY OF OAK FOREST

Economic Advisory Council

Meeting Agenda

Wednesday, March 4, 2026 – 12:00 p.m.

Oak Forest Park District – 15601 S. Central Avenue



15440 S. Central Avenue
Oak Forest, IL 60452
(708) 687-4050

CALL TO ORDER

APPROVAL OF THE MINUTES

1. February 4, 2026

NEW BUSINESS

1. Cook County Class 8 Incentive Request – HD Developers, Inc. & 5230 Oak LLC. – 5230 W. 159th Street
2. Cook County Class 8 Incentive Request – Elsayed Elbanna – Cloud Salon Suites – 5601 Victoria Drive
3. Project Updates

OLD BUSINESS

ADJOURNMENT

CITY OF OAK FOREST
Economic Advisory Council
Meeting Minutes
Wednesday, February 4, 2026 – 12:00 p.m.
City Hall, Council Chambers
15440 S. Central Avenue



1. Call to Order at 12:01 p.m.

Present: Member Patricia Griffin
Member Patrick Gericke
Member Paul Hosman
Member Kim Malecky-Iles
Member Brian Martello
Member Dan Walsh (present at 12:20)
Paul Ruane, staff liaison
Hunter Heyman, staff

Absent: Chairman Don Vacha
Member Jim Emmett

2. Approval of Minutes from November 12, 2025

Member Patricia Griffin made a motion to approve the minutes from November 12, 2025. Motion was seconded by Member Kim Malecky-Iles. Minutes were approved by a vote of 5-0, with three members absent.

3. New business

A. Cook County Class 8 Incentive Renewal – Oak Forest Marathon – 15301 S. Harlem Avenue

Mr. Ruane presented the application via PowerPoint for the incentive renewal for 15301 S. Harlem Avenue. The petitioner, requested a class 8 incentive renewal. The original Class 8 incentive was approved in 2013. The subject property is a gas station with a convenience store. The applicant is proposing to continue the existing use as it exists today. Mr. Ruane remarked that this is the first renewal request.

Member Patrick Gericke made a motion to recommend approval of the class 8 incentive renewal. The motion was seconded by Member Paul Hosman. The motion passed by a vote of 5-0, with three members absent.

B. Cook County Class 8 Incentive Renewal – HD Hotels (Spark by Hilton) – 4375 Frontage Road

Mr. Ruane presented the application via PowerPoint for the incentive renewal for 4375 Frontage Road. The petitioner, requested a class 8 incentive renewal. The original Class 8 incentive was

approved in 2016. The subject property is a hotel. The applicant is has rebranded the hotel in the last year providing significant reinvestment in the property. Mr. Ruane remarked that this is the first renewal request.

Member Patricia Griffin made a motion to recommend approval of the class 8 incentive renewal. The motion was seconded by Member Brian Martello. The motion passed by a vote of 5-0, with three members absent.

C. Discussion about Business Update and Business Improvement Grant

Paul Ruane asked the members to provide some feedback about the Business Update event and the Business Improvement Grant. To the members that were present for the meeting they all enjoyed the meeting and saw this as a great opportunity to connect with the businesses and keep everyone informed of incentives available and project updates on the current developments around town.

4. Project Updates

Paul Ruane updated the members on the current and upcoming projects:

5. Old business

6. Adjournment

Member Patricia Griffin made a motion to adjourn. Motion seconded by Member Paul Hosman. All in favor.

The meeting was adjourned at 1:04 p.m.

Minutes prepared by: Paul Ruane

CHAIRMAN VACHA



ALL GOOD THINGS CLOSE TO HOME

ECONOMIC ADVISORY COUNCIL MEMO

DATE: March 4, 2026
TO: Economic Advisory Council
FROM: Paul Ruane, Assistant Director of Community and Economic Development
SUBJECT: CLASS 8 incentive request: HD Developers, Inc. & 5230 Oak, LLC. (Hetul Thakkar), 5230 W. 159th Street

Background

The petitioner, HD Developers, Inc. & 5230 Oak, LLC., is under contract for the property located at 5230 W. 159th Street. The class 8 incentive was requested to supplement the build out of the space. The subject property currently has an approximately 8,000 square feet office/storage space. The applicant is proposing to invest approximately \$526,250 in capital improvements.

With the incentive included taxes will be approximately \$23,205 or \$2.90 per square foot. Without the Class 8 property taxes will be \$58,012 or \$7.25 per square foot (8,000 SF).

Staff analyzes the following criteria when considering a Class 8 incentive request
The following is staff analysis of this project in relation to the City's above incentive criteria:

Real estate is eligible for Class 8 status under the following conditions:

1. The real estate is used primarily for "commercial purposes".
2. There is either (a) new construction, (b) substantial rehabilitation, or (c) substantial reoccupancy of "abandoned" property.
3. An Eligibility Application and supporting documents have been timely filed with the Office of the Assessor according to deadlines as set forth in the "What Must Be Filed" and "Time for Filing" sections of this Bulletin.
4. The municipality in which such real estate is located (or the County Board, if the real estate is located in an unincorporated area) must, by lawful resolution or ordinance, expressly state that it supports and consents to the filing of a Class 8 Application and that it finds Class 8 necessary for development to occur on the subject property.

Recommendation

Staff recommends approval of the requested class 8 for 5230 W. 159th Street

SANDRICK LAW FIRM LLC

A DIVISION OF KOVITZ SHIFRIN NESBIT

January 26, 2026

Paul Ruane
Asst. Director of Community & Economic Development
Village of Oak Forest
15440 S. Central Ave
Oak Forest, IL 60452

Re: Request for Class 8 Property Tax Incentive
Address: 5230 W 159th St, Oak Forest
PIN(s): 28-16-303-057
Applicant: HD Developers, Inc. & 5230 Oak, LLC

Dear Mr. Ruane:

On behalf of our client, HD Developers, Inc. & 5230 Oak, LLC, we are respectfully requesting that the City of Oak Forest issue a Resolution of Support for a Class 8 Property Tax Incentive for the approximately 8,000 square foot commercial building located at 5230 W 159th Street (the "Subject Property").

The Need for Relief

As a brief background, the Class 8 Property Tax Incentive is a critical economic development tool established by Cook County to encourage commercial and industrial reinvestment. It allows qualifying properties to be assessed at 10% of market value rather than the standard 25% assessment rate. This designation does not remove the property from the tax rolls; rather, it stabilizes the tax burden to a competitive level, ensuring the property remains occupied, productive, and a generator of revenue for the City.

Property Profile & Land Bank Partnership

The Subject Property is a **50-year-old** commercial building that has suffered from chronic, long-term vacancy. Our client is currently under contract to purchase this distressed asset directly from the **Cook County Land Bank Authority (CCLBA)**.

This acquisition represents a direct partnership in blight reduction. Our client is taking a non-performing asset off the Land Bank's roster with the specific intent of returning it to the tax rolls and productive use. The Class 8 Incentive is the critical final component needed to make this reactivation financially sustainable.

Rehabilitation & Economic Impact

Uniquely, our client already owns the building connected to the Subject Property and operates the successful laundry/dry cleaning business located in the building. Our client plans to substantially renovate the Subject Property to reverse



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Request for Class 8 Property Tax Incentive
Address: 5230 W 159th St, Oak Forest
PIN(s): 28-16-303-057
Applicant: HD Developers, Inc. & 5230 Oak, LLC
Page 2

years of neglect, a project estimated to create **10-12 temporary construction jobs**. Upon completion, the facility will serve as a commercial/light industrial storage hub supporting the adjacent laundry operations, as well as providing space for other potential commercial tenants.

The reactivation of this site will have immediate positive impacts:

- **Job Creation:** Once fully operational, our client expects the expanded facility to support **7-8 full-time** and **4-5 part-time** employees.
- **Corridor Improvement:** Renovating this vacant structure improves the visual appeal of the 159th Street corridor, replacing a boarded-up Land Bank property with an active business.

Tax Impact & The "But For" Argument

Despite the owner's commitment to purchase, rehabilitate, and re-occupy the Subject Property, the current tax structure presents a prohibitive barrier. The property's most recent assessed valuation implies a tax liability of approximately **\$59,000**.

For a storage and support facility, this tax load is mathematically unsustainable. It puts this Oak Forest site at a severe disadvantage compared to nearby properties in Will County and Northwest Indiana, where similar commercial space carries a fraction of the tax burden.


"But for" the Class 8 Incentive, the cost of rehabilitating this distressed Land Bank asset would exceed its market value. The Incentive is the necessary tool that makes this expansion and blight-reduction project feasible.

Conclusion

We have attached a copy of the Class 8 Eligibility Application filed with the Cook County Assessor's office. We are, therefore, respectfully requesting that the City of Oak Forest issue a Resolution supporting a Class 8 Property Tax Incentive for the Subject Property, finding that **"But For"** the Incentive, the purchase, rehabilitation, and subsequent re-occupancy are not tenable.

Should you need any additional information or documentation, please feel free to give me a call. I thank you for your help and cooperation with this matter.

Sincerely,
SANDRICK LAW FIRM, LLC


Michael J. Pyrchalla
Attorney

5230 W 158th Street, Oak Forest, IL

Tax Projections

	Class 5	Incentive
Assumed TAV	148,684	59,474
Eff Tax Rate	39.017%	(Based on last available)

	<u>25%</u>	<u>10%</u>
Base Year	\$ 58,012	\$ 23,205
Year 2	\$ 59,462	\$ 23,785
Year 3	\$ 60,949	\$ 24,379
Year 4	\$ 62,472	\$ 24,989
Year 5	\$ 64,034	\$ 25,614
Year 6	\$ 67,276	\$ 26,910
Year 7	\$ 68,958	\$ 27,583
Year 8	\$ 70,682	\$ 28,273
Year 9	\$ 72,449	\$ 28,980
Year 10	\$ 74,260	\$ 29,704

SANDRICK LAW FIRM LLC

A DIVISION OF KOVITZ SHIFRIN NESBIT

January 16, 2026

Ira Horwitz
Cook County Assessor's Office
Incentive Program
118 North Clark Street
Chicago, IL 60602

Re: Class 8 Application
PIN: 28-16-303-057
Address: 5230 W. 159th Street, Oak Forest
Applicant: HD Developers, Inc. & 5230 Oak, LLC.

Dear Ira:

Enclosed, please find a Class 8 Application along with a check in the amount of \$1,000.00 for the above-referenced parcel. We will forward the resolution as soon as we receive it.

Should you need any additional information or documentation, please feel free to give me a call. Thank you for your help and cooperation with this matter.

Sincerely,

SANDRICK LAW FIRM LLC



Adam E. Dotson
Director of Economic Development
AED/nrb

Enclosure

SLF

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KSN

Class 8 application is based upon the location of the property in:

- ___ 1) An area which has been certified for Class 8
X ___ 2) One of the following townships: Bloom, Bremen, Calumet, Rich, or Thornton
___ 3) Property obtained through the Cook County Tax Reactivation Program

Identification of Person Having an Interest in the Property

Attach a complete list of all owners, developers, occupants and other interested parties (*including all beneficial owners of a land trust*) identified by names and addresses, and the nature and extent of their interest.

Property Use

Type of Development: Industrial or Commercial (Please circle one)

General Description of Proposed Property Usage light industrial warehouse facility

Attach a detail description of the precise nature and extent of the intended use of the subject property, specifying in the case of the multiple uses the relative percentages of each use.

Attach legal description, site dimensions and square footage and building dimensions and square footage.

Include copies of materials, which explain the occupant's business, including corporate letterhead, brochures, advertising material, leases, photographs, etc.

Employment Opportunities

How many construction jobs will be created as a result of this development? 10-12

How many new permanent full-time and part-time employees do you now employ in Cook County?

Full-time: 4 Part-time: 5

How many new permanent full-time jobs will be created by this proposed development? 7-8

How many new permanent part-time jobs will be created by this proposed development? 4-5

Nature of Development

Indicate nature of proposed development by checking the appropriate space:

- New Construction (**Read and Complete Section A**)
 Substantial Rehabilitation (**Read and Complete Section A**)
Incentive only applied to the market value attributable to the rehabilitation
 Occupation of Abandoned Property - No Special Circumstance
(Read and Complete Section B)
 Occupation of Abandoned Property - With Special Circumstance
(Read and Complete Section C)
 Occupation of Abandoned Property - (CEERM)
(Read and Complete Section C AND CEERM Supplemental Application)

Preliminary Rehab Scope of Work & Estimated Costs

Property: 5230 W 159th St., Oak Forest, IL 60452

Building: ~8,000 SF Office / Warehouse

Structural & Exterior Improvements

Scope	Description	Estimated Cost
Roof Replacement	Complete tear-off and installation of new commercial roof	\$135,000
Masonry & Exterior Repairs	Exterior façade repairs, sealing, doors and hardware replacement, weatherproofing	\$38,450
Windows & Openings	Replacement/repair of windows, overhead doors, and building openings	\$52,750
Parking Lot & Site Work	Asphalt repairs, striping, site clean-up and exterior lighting improvements	\$41,300

Mechanical, Electrical & Plumbing Systems

Scope	Description	Estimated Cost
Electrical Improvements	Electrical distribution upgrades, wiring corrections and new LED lighting throughout building	\$47,600
HVAC Replacement	Replacement of building heating and cooling systems and controls	\$74,900
Plumbing Improvements	Restroom plumbing replacement, fixture replacement and supply/drain line work	\$44,800

Interior Improvements

Scope	Description	Estimated Cost
Interior Rehabilitation	General interior improvements to office and warehouse areas including drywall repairs, ceilings, painting and lighting adjustments	\$54,200
Bathrooms Remodel	Full restroom renovation including fixtures, finishes and accessories	\$27,450
Flooring & Finishing	Floor repairs/replacement and finish carpentry	\$31,150

Professional & Permit Related Costs

Scope	Description	Estimated Cost
Architectural & Engineering	Drawings, planning coordination and project administration	\$14,900
Permits & Fees	Permit applications, inspections and associated municipal fees	\$7,000

Total Estimated Rehabilitation Investment: \$526,250



ALL GOOD THINGS CLOSE TO HOME

ECONOMIC ADVISORY COUNCIL MEMO

DATE: March 4, 2026
TO: Economic Advisory Council
FROM: Paul Ruane, Assistant Director of Community and Economic Development
SUBJECT: CLASS 8 incentive request: Cloud Salon Suites (Elsayed Elbanna), 5601 Victoria Drive

Background

The petitioner, Cloud Salon Suites, is under contract for the property located at 5601 Victoria Drive. The class 8 incentive was requested to supplement the build out of the space. The subject property currently has an approximately 3,960 square feet medical office. The applicant is proposing to invest approximately \$300,000 in capital improvements.

With the incentive included taxes will be approximately \$15,382 or \$3.88 per square foot. Without the Class 8 property taxes will be \$38,455 or \$9.71 per square foot (3,960 SF).

Staff analyzes the following criteria when considering a Class 8 incentive request
The following is staff analysis of this project in relation to the City's above incentive criteria:

Real estate is eligible for Class 8 status under the following conditions:

1. The real estate is used primarily for "commercial purposes".
2. There is either (a) new construction, (b) substantial rehabilitation, or (c) substantial reoccupancy of "abandoned" property.
3. An Eligibility Application and supporting documents have been timely filed with the Office of the Assessor according to deadlines as set forth in the "What Must Be Filed" and "Time for Filing" sections of this Bulletin.
4. The municipality in which such real estate is located (or the County Board, if the real estate is located in an unincorporated area) must, by lawful resolution or ordinance, expressly state that it supports and consents to the filing of a Class 8 Application and that it finds Class 8 necessary for development to occur on the subject property.

Recommendation

Staff recommends approval of the requested class 8 for 5601 Victoria Drive.

SANDRICK LAW FIRM LLC

A DIVISION OF KOVITZ SHIFRIN NESBIT

February 3, 2026

Paul Ruane
Assistant Director of Community and Economic Development
City of Oak Forest
15440 S. Central Ave
Oak Forest, IL 60452

Re: Request for Class 8 Property Tax Incentive with Special Circumstances
PIN(S): 28-17-204-001
Address: 5601 Victoria Drive, Oak Forest
Applicant: Elsayed Elbanna

Dear Mr. Ruane:

On behalf of our client, Elsayed Elbanna, we are respectfully requesting that the City of Oak Forest issue a Resolution of Support for a Class 8 Property Tax Incentive for the approximately 3,960 sq. ft. commercial office space located at 5601 Victoria Drive (the "Subject Property").

The Need for Relief

As a brief background, the Class 8 Property Tax Incentive is a critical economic development tool by Cook County to encourage commercial and industrial reinvestment. It allows qualifying properties to be assessed at 10% of market value rather than the standard 25% assessment rate applied to other commercial properties. This designation does not remove the property from the tax rolls; rather, it stabilizes the tax burden to a competitive level, ensuring the property remains occupied, productive, and a generator of revenue for the City.

Property Profile: Adaptive Reuse & Business Incubation

Our client is the contract purchaser of the Subject Property, a **52-year-old** medical office building that is currently outdated. The building will be entirely vacant at the time of Closing.

Our client proposes a transformative "Adaptive Reuse" project. The plan is to convert this aging, single-purpose medical facility into a modern **Salon Suite hub**, creating approximately **30 individual suites**.

This model acts as a "**Small Business Incubator**" for the City. It lowers the barrier to entry for local barbers, beauticians, estheticians, and wellness professionals, allowing them to start their own businesses without the high overhead of leasing a full storefront.

Request for "Special Circumstances" (Substantial Rehabilitation)

Although the property will be vacant at closing, the vacancy duration will be less than 12 months. Therefore, we are requesting a finding of "**Special Circumstances**" based on the large capital investment required to repurpose the building.



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Request for Class 8 Property Tax Incentive with Special Circumstances

PIN(S): 28-17-204-001

Address: 5601 Victoria Drive, Oak Forest

Applicant: Elsayed Elbanna

Page 2

Our client brings a track record of success, having already completed **two similar salon suite conversions** in the Cook County area. To reactivate this site, our client is committing approximately **\$300,000** in capital improvements. This immediate infusion of capital will prevent the property from deteriorating into long-term blight.

The scope of work to convert medical offices into salon suites is extensive and includes:

- **Plumbing & Electrical:** Extensive upgrades to bring water and upgraded power to individual suites.
- **Demolition & Layout:** Reconfiguring the floor plan to accommodate ~30 private units.
- HVAC zoning, new flooring, modern lighting, and other cosmetic improvements.

Economic Impact: Keeping Revenue in Oak Forest

Creating this destination amenity ensures that Oak Forest residents do not have to travel to neighboring suburbs to access these personal services, thereby keeping disposable income and sales tax revenue within the City.

Furthermore, this development will drive consistent daily traffic to the area. The influx of professionals and their daily clientele will have a spillover effect, driving new customers to local businesses and restaurants along the nearby **Central Avenue and 159th Street** commercial corridors.

Tax Analysis: The "Gross Rent" Reality

The Subject Property is at a critical juncture. The current tax liability is approximately **\$39,000**. For a multi-tenant incubator model, this existing tax load creates a severe financial obstacle.

Our client's business model relies on leasing small, affordable suites to local entrepreneurs. These tenants are extremely price-sensitive and cannot absorb high tax pass-through costs. At the current tax level, the "gross rent" required to cover operating expenses and taxes would exceed the market rate for salon professionals in this area.

"But for" the Class 8 Incentive, the property's operating costs are too high to offer the competitive lease rates necessary to fill 30 units. The incentive is the specific tool that lowers the fixed costs, making the project financially feasible and ensuring the building does not remain vacant.

Conclusion

The Class 8 Incentive is the most effective tool the City has to ensure this development can maintain occupancy and generate revenue within the City.

We are, therefore, respectfully requesting that the City of Oak Forest issue a Resolution of Support for a Class 8 Property Tax Incentive, finding that **"But For"** this Incentive, the purchase, substantial rehabilitation, and re-occupancy are not viable and that **"Special Circumstances"** are present to waive the 12-month vacancy requirement.

Request for Class 8 Property Tax Incentive with Special Circumstances

PIN(S): 28-17-204-001

Address: 5601 Victoria Drive, Oak Forest

Applicant: Elsayed Elbanna

Page 3

Should you have any questions or need additional documentation, please feel free to give me a call.

Sincerely,

SANDRICK LAW FIRM LLC

A handwritten signature in black ink, appearing to read "Michael J. Pyrchalla", written over the printed name below.

Michael J. Pyrchalla
Attorney

5601 Victoria Drive, Oak Forest, IL

Tax Projections

	Class 5	Incentive
Assumed TAV	113,700	45,480
Eff Tax Rate	33.822%	(Based on last available)
	25%	10%
Base Year	\$ 38,455	\$ 15,382
Year 2	\$ 39,417	\$ 15,767
Year 3	\$ 40,402	\$ 16,161
Year 4	\$ 41,412	\$ 16,565
Year 5	\$ 42,448	\$ 16,979
Year 6	\$ 44,597	\$ 17,839
Year 7	\$ 45,711	\$ 18,285
Year 8	\$ 46,854	\$ 18,742
Year 9	\$ 48,026	\$ 19,210
Year 10	\$ 49,226	\$ 19,690

Class 8 application is based upon the location of the property in:

- ___ 1) An area which has been certified for Class 8
- X** ___ 2) One of the following townships: Bloom, Bremen, Calumet, Rich, or Thornton
- ___ 3) Property obtained through the Cook County Tax Reactivation Program

Identification of Person Having an Interest in the Property

Attach a complete list of all owners, developers, occupants and other interested parties (*including all beneficial owners of a land trust*) identified by names and addresses, and the nature and extent of their interest.

Property Use

Type of Development: Industrial or Commercial (**Please circle one**)

General Description of Proposed Property Usage Rental spaces _____

Attach a detail description of the precise nature and extent of the intended use of the subject property, specifying in the case of the multiple uses the relative percentages of each use.

Attach legal description, site dimensions and square footage and building dimensions and square footage.

Include copies of materials, which explain the occupant's business, including corporate letterhead, brochures, advertising material, leases, photographs, etc.

Employment Opportunities

How many construction jobs will be created as a result of this development? TBA

How many new permanent full-time and part-time employees do you now employ in Cook County?

Full-time: 45 Part-time: 50

How many new permanent full-time jobs will be created by this proposed development? TBA

How many new permanent part-time jobs will be created by this proposed development? TBA

Nature of Development

Indicate nature of proposed development by checking the appropriate space:

- New Construction (**Read and Complete Section A**)
- Substantial Rehabilitation (**Read and Complete Section A**)
Incentive only applied to the market value attributable to the rehabilitation
- Occupation of Abandoned Property - No Special Circumstance
(Read and Complete Section B)
- Occupation of Abandoned Property - With Special Circumstance
(Read and Complete Section C)
- Occupation of Abandoned Property - (**CEERM**)
(Read and Complete Section C AND CEERM Supplemental Application)