



Kankakee City Council
Economic Development Committee
Thursday, July 30, 2026, 5:30 p.m.
Council Chambers 385 E. Oak St.

The special meeting of the Economic Development Committee ("Committee") of the Kankakee City Council ("Council"), was called to order by Chairman Mike Cobbs on July 23, 2026 at 5:33 p.m. in the Council Chambers, proper notice having been given to the public and committee members.

- The following Committee members were present:
- Michael Cobbs, Chairman
- Alderman Dave Baron
- Alderman Dale Tolly
- Alderwoman Danita Swanson
- Alderwoman Carmen Lewis

A quorum was declared.

Public Comments

Michael Obodzinski addressed the committee regarding redevelopment opportunities for the vacant property at **609 E. Court Street** and the nearby property at **599 E. Court Street**, which is scheduled for demolition.

Mr. Obodzinski shared feedback gathered from more than 120 community comments on social media, noting strong public interest in:

- Recruiting a Raising Cane's restaurant to the site.
- Expanding family-oriented attractions in Kankakee, including the possibility of establishing a children's museum.

The committee thanked Mr. Obodzinski for his comments.

Approval of Previous Minutes

The previous meeting minutes had not yet been distributed to all members. Staff indicated the minutes would be revised as necessary and presented for approval at a future meeting.

New Business

1. 100% Fitness Studio

245 S. Schuyler Avenue

Staff presented proposed incentive terms for the rehabilitation of a vacant commercial space into the 100% Fitness Studio.

Highlights included:

- Total rehabilitation project estimated at **\$50,000**.
- Proposed city incentive of **\$6,250 (12.5%)**, consistent with a recently approved project.
- Developer has begun rehabilitation work and is continuing to secure financing.
- The project also includes a nonprofit component to assist individuals unable to afford memberships.

Committee Action: The committee unanimously approved forwarding the incentive terms to legal counsel for preparation of a redevelopment agreement, followed by consideration by the City Council.

Roll Call Vote

- Baron – Aye
- Tolly – Aye
- Swanson – Aye
- Lewis – Aye
- Cobbs – Aye

Motion carried.

2. Gallagher Building Boutique Hotel

145 S. Indiana Avenue

Staff presented a request for pre-development financing for redevelopment of the Gallagher Building into a **35-room boutique hotel**.

Proposal included:

- \$800,000 pre-development loan.
- 36-month term.
- 4% interest.
- Quarterly interest payments.
- Personal guarantee from the developer.

- Loan eligible to be incorporated into a future TIF redevelopment agreement.

Committee members discussed current interest rates and compared the proposal to the previously approved Jefferson redevelopment project.

Committee Action: The committee unanimously approved forwarding the proposal to legal counsel for preparation of a redevelopment agreement and subsequent City Council consideration.

Roll Call Vote

- Baron – Aye
- Tolly – Aye
- Swanson – Aye
- Lewis – Aye
- Cobbs – Aye

Motion carried.

3. Downtown Turk Redevelopment Project

Staff requested committee direction regarding a proposed redevelopment of the former church building into **14 residential apartment units**.

Discussion included:

- Approximately **\$4 million** rehabilitation investment.
- Construction of a new elevator and life-safety improvements.
- Potential use of Tax Increment Financing (TIF).
- Proposed reimbursement structure similar to previous downtown redevelopment projects.
- Parking availability and the use of nearby city-owned parking lots.
- Potential redevelopment timeline and performance milestones.
- Market-rate residential demand downtown.
- Positive impact of residential development on downtown revitalization.

Committee members expressed support for continuing discussions and requested staff to:

- Obtain additional information from the developer.
- Develop more specific incentive terms.
- Return with a formal recommendation for future committee consideration.

No formal action was taken.

Executive Session

No executive session was required.

Committee Comments

Committee members discussed the continued importance of encouraging quality downtown redevelopment while maintaining fiscal responsibility through performance-based incentives.

Adjournment

Motion to adjourn was made by Alderwoman Swanson and seconded by Alderwoman Lewis.

The meeting adjourned at **6:03 p.m.**

Respectfully Submitted,

Ald. Mike Cobbs

Chairman