



Village of Arlington Heights
Arlington Economic Alliance
Commissions Room, 2nd Floor
33 S. Arlington Heights Rd.
October 20, 2021
7:30 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- A. Minutes 8-18-21

IV. REPORTS

- A. Development Update

V. OLD BUSINESS

- A. Arlington Alfresco Discussion
- B. Business Assistance Opportunities

VI. NEW BUSINESS

- A. Economic Development Statistics Update

VII. OTHER BUSINESS

VIII. ADJOURNMENT

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Arlington Economic Alliance
10/20/2021

Item: Minutes 8-18-21

Department: Planning & Community Development

ATTACHMENTS:

Description

Minutes

Type

Minutes

DRAFT

MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE HELD ON AUGUST 18, 2021 AT 7:30 A.M. AT THE VILLAGE HALL

MEMBERS PRESENT:

Andrew Stengren – Chairman
Joyce Barabicho
Tony Guido
Michele Petrie
Jon Ridler
Brian Roginski
Andi Ruhl

MEMBERS ABSENT:

Rich Casey
Scott Whisler

STAFF PRESENT:

Michael Mertes – Business Development Coordinator

ALSO PRESENT:

Melissa Cayer, Resident
Keith Moens, Resident
Scott Rowader, Special Events Commission

Call to Order

Chairman Stengren called the meeting to order at 7:43 AM.

Approval of Minutes – April 21, 2021

The meeting minutes of April 21, 2021 Arlington Economic Alliance meeting were reviewed.

JON RIDLER MOVED AND TONY GUIDO SECONDED A MOTION TO APPROVE THE DRAFT APRIL 21, 2021 ARLINGTON ECONOMIC ALLIANCE MEETING MINUTES. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Development Update

The Village approved an overlay zoning district in mid-June for Arlington Park. Among the elements of the overlay are the requirement of Planned Unit Development (PUD) approval for any redevelopment on any portion of the property, except for continued use as horse racing facility, and prohibitions on certain uses such as auto repair and most industrial uses. Arlington International Racecourse did not apply for 2022 race dates before the State's deadline and has begun to serve layoff notices to their employees. The apparent final day of racing is scheduled for September 25. Sale of the property has not yet been publicly announced.

At Arlington Downs, a proposed 350-unit apartment development went to the Conceptual Plan Review Committee (CPRC) in late July for the corner of Rohlwing and Salt Creek Lane. It would also include a 2,200 square foot commercial space. Arlington Downs currently has 218 residential units built and another 263 units nearing completion. In the Downtown, the former AT&T office building at Vail and Sigwalt has new owners. They will be conducting significant interior renovations and façade improvements, and an updated exterior design has been approved by the Design Commission. Staff is working with ownership on recruitment of new office tenants.

The Arlington Beer Company was approved by the Village Board for variations in July, and is currently going through signage approval. The developers at 4 N. Hickory are finalizing financing to begin construction of an apartment building at the northwest corner of Hickory & Kensington that would include 76 apartments and 3,450 square feet of

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first-floor commercial space. The owner of Arlington Lanes has purchased the former Chuck E. Cheese building at 955 W. Dundee Road to construct an indoor mini-golf course with some arcade games and a small dining area. The Village Board approved the buyer for a special use in July.

Crescent Place at 310 W. Rand Road, a four-story 40-unit affordable housing building, has been approved by the Housing, Design, and Plan Commissions. The project is anticipated to go to the Village Board in September for a vote. At 1400-1500 W. Dundee is a proposed industrial redevelopment involving the demolition of an existing vacant building and the construction of two spec facilities totaling 510,000 square feet. This project is going before the Plan Commission in late August for a PUD amendment. Mr. Ridler asked about the status on Raising Cane's. Mr. Mertes explained that they have been approved for permits, and the Village is awaiting them to finish construction on their new restaurant.

Arlington Alfresco Discussion

Alfresco fencing will be removed the week of Sept. 27 in order to accommodate Harmony Fest, which will run from October 1-2. Streets will be re-opened to traffic following the event. Per Village Board instruction at the beginning of the year, Staff is to review Alfresco implementation and feedback for future consideration. Mr. Ridler discussed Harmony Fest, which will have a scaled back number of vendors to allow for more seating and space on the streets. Many restaurants have limited Staff to operate their brick-and-mortar locations, so some are not running a booth this year. The event will also have a side entertainment stage on Campbell.

The Village will reach out to the Alfresco restaurants soon about when to bring in their tables and chairs from the streets. Unless there is a State-mandated closure, Mr. Ridler explained, Harmony Fest will go on as planned. Village Staff will update the businesses within the pedestrian zone on any future plans for Arlington Alfresco. Chairman Stengren shared his compliments on this year's Arlington Alfresco. Mr. Roginski added that the "Sounds of Summer" program also went well.

Business Assistance Opportunities

Staff is completing review of small business forgivable loan applications and communicating w/ HUD to ensure that federal requirements are met. About half of the 20 applicants were retail/restaurant/entertainment, and about half were services. The program was funded by Community Development Block Grant funding (CDBG) via the federal CARES Act. The Village Board agreed to \$130,000 in funding for forgivable loans in the amount of \$5,000 each.

The program had both municipal and federal requirements. The Arlington Heights criteria were that the business had to be a brick-and-mortar operation within the Village and in good standing. Restaurants located within the Arlington Alfresco pedestrian zone were not eligible. The business must have experienced a 20% or greater decline in sales revenues during the pandemic, could not be a corporate-owned business, and had to spend at least \$5,000 on COVID-related expenses. The two federal criteria were that the business had to have retained at least one full-time or equivalent low-to-moderate income job position for a six-month period, and not duplicate use of funds already awarded from other State, Federal, or Local programs.

The program was promoted extensively via three Village-wide business e-blasts, social media posts, and publication in Patch.com, *Chicago Tribune*, *Daily Herald*, and *Journal & Topics*. A link to the application was posted on the Village website, and the program details and application were sent to, and promoted by, the Chamber of Commerce and Meet Chicago Northwest. A postcard mailer was also sent out to all licensed business in the community.

Re-visiting the program in the future would likely Village Board approval, as well as additional CDBG funding or financial support from another source or fund. The COVID-relief loan program from 2020 was funded via the Village's Zero Interest Loan fund.

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Arlington Economic Alliance Budget – 2022

The Economic Alliance has been allocated \$16,000 for the 2022 fiscal year, just as it was in 2021. Per the attached proposed budget, Chairman Stengren had no objections but opened the floor to discussion and asked how much of the annual budget has been spent in recent years. Mr. Mertes noted that only a few thousand dollars have been spent the last couple years, but the pandemic has also hindered holding events and the typical expenditures that come with that.

Mr. Guido asked if the \$12,700 designated for business retention outreach could be used for anything specific to help promote businesses. He specifically suggested promotional efforts during more down times of the year. Ms. Petrie suggested a job fair or breakfast event. Mr. Ridler liked the idea of a job fair, but in light of the current economic situation suggested focusing more on helping businesses find employees, than just helping workers find employment.

ANDI RUHL MOVED AND JOYCE BARABICHO SECONDED A MOTION TO APPROVE THE 2022 ARLINGTON ECONOMIC ALLIANCE BUDGET AS PROPOSED. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Mr. Ridler inquired if it was possible to access unemployment records to invite them to a job fair event. It's also important to try and prevent workers using the event to jump from one business to another. It should be geared towards people trying to get back into the workforce. Ms. Petrie suggested an incentive, such as a gift card, to visit multiple tables. Mr. Rowader encouraged a "fun" element in order to encourage attendance. Ms. Ruhl felt that bringing in daycare facilities could be helpful. Ms. Petrie agreed, in order to attract people who can't go back to work because of daycare costs and are looking for options.

In addition, Mr. Ridler suggested having a person in attendance to assist in reviewing and helping re-write job descriptions. Businesses need to get creative with how they describe an available position. Such a program could be a partnership opportunity between the Chamber and the Economic Alliance while exposing businesses to available resources. Having an opportunity to attend remotely is crucial, noted Mr. Guido, as well as educating employers on best hiring practices. Mr. Ridler concurred on the possibility of a Zoom meeting and asked the Commission for suggestions on potential panelists.

Other Business

Ms. Cayer, resident, asked what funds were used to promote the small business forgivable loan program. Mr. Mertes explained that most of the marketing was done via free sources (e-mail, social media, etc.) In the Village's economic development budget there is a line item for marketing flyers and brochures, which was used to cover the cost of the mailer. It was requested that the Village Board's recently-approved strategic priorities be brought to the Commission's next meeting.

The next Alliance meeting would typically be held on September 15, but that falls on Yom Kippur and there are no public meetings that day or evening. Mr. Mertes will reach out to the Commission regarding availability for the following Wednesday, September 22.

Adjournment

BRIAN ROGINSKI MOVED AND ANDI RUHL SECONDED A MOTION TO ADJOURN. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

The meeting adjourned at 8:38 AM.

Andrew Stengren, Chairman
Arlington Economic Alliance

Prepared by Department of Planning & Community Development



Arlington Economic Alliance
10/20/2021

Item: Economic Development Statistics Update

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Economic Development Statistic Report (Oct. 2021)	Report

Village of Arlington Heights



Summary of Economic Development Statistics



Department of Planning & Community Development
October 2021

BUSINESS GROWTH

Retail Sales

CATEGORY	2020	2019	2018	2017	2016
<i>TOTAL</i>	<i>\$1,214,707,014</i>	<i>\$1,284,083,195</i>	<i>\$1,268,401,171</i>	<i>\$1,211,136,994</i>	<i>\$1,242,171,899</i>
General Merchandise	\$53,247,902	\$62,819,864	\$65,001,132	\$65,638,604	\$67,156,885
Food	\$193,525,074	\$177,474,428	\$174,551,271	\$170,172,046	\$180,313,474
Eating & Drinking Places	\$138,278,901	\$166,013,591	\$160,745,758	\$151,368,277	\$148,466,376
Apparel	\$21,149,891	\$32,959,165	\$33,681,367	\$35,406,339	\$36,641,201
Furniture & H.H. & Radio	\$79,542,426	\$84,175,116	\$88,657,422	\$88,403,553	\$84,899,804
Lumber, Bldg., Hardware	\$68,460,342	\$63,097,040	\$47,572,605	\$48,514,678	\$48,729,612
Auto & Filling Stations	\$309,646,528	\$385,670,944	\$378,540,581	\$360,481,318	\$363,764,225
Drugs & Misc. Retail	\$226,377,176	\$162,735,417	\$161,394,601	\$151,439,321	\$170,868,494
Agriculture & All Others	\$107,964,560	\$120,388,189	\$135,037,633	\$121,508,363	\$117,992,950
Manufacturers	\$16,514,214	\$28,749,441	\$23,218,801	\$18,188,431	\$23,328,850
<i>Municipal Sales Tax Revenue</i>	<i>\$12,147,070</i>	<i>\$12,840,832</i>	<i>\$12,684,012</i>	<i>\$12,111,370</i>	<i>\$12,421,719</i>

Source: Illinois Department of Revenue / Village of Arlington Heights Department of Finance

Sales Tax Generated (Municipal & Home Rule)

CATEGORY	2020	2019	2018	2017	2016
<i>TOTAL</i>	<i>\$18,455,067</i>	<i>\$20,134,276</i>	<i>\$19,965,880</i>	<i>\$18,947,815</i>	<i>\$19,417,270</i>
General Merchandise	\$985,431	\$1,172,541	\$1,222,724	\$1,235,231	\$1,262,364
Food	\$2,396,154	\$2,202,676	\$2,183,691	\$2,125,854	\$2,259,380
Eating & Drinking Places	\$2,593,417	\$3,166,627	\$3,066,640	\$2,887,864	\$2,832,050
Apparel	\$420,837	\$656,139	\$670,992	\$705,572	\$730,560
Furniture & H.H. & Radio	\$1,590,769	\$1,682,944	\$1,772,844	\$1,768,046	\$1,697,997
Lumber, Bldg., Hardware	\$1,368,248	\$1,261,479	\$950,933	\$969,065	\$973,763
Auto & Filling Stations	\$3,591,317	\$4,591,470	\$4,508,643	\$4,244,304	\$4,228,756
Drugs & Misc. Retail	\$3,185,068	\$2,551,872	\$2,538,362	\$2,315,180	\$2,702,765
Agriculture & All Others	\$1,998,610	\$2,280,301	\$2,595,245	\$2,339,571	\$2,270,067
Manufacturers	\$325,216	\$568,767	\$455,805	\$356,966	\$459,367

Source: Illinois Department of Revenue

New Licensed Businesses

Year	Businesses	Employees	Square Feet	Major Employers
2020	58	935	625,440	Amazon Services; International Services Inc.; Frito Lay; Carvana
2019	59	328	361,010	Taiki USA; Advocate Healthcare (warehouse); Tropical Smoothie Café; Arby's
2018	81	700	392,810	Northrop Grumman; Golden Corral; Elite Remodeling; Hey Nonny; JEDirect Corp.
2017	77	351	366,902	Shakou; Vensar Technology; Keefer's Pharmacy; Arrows Up LLC

Source: Village of Arlington Heights Department of Planning & Community Development

VACANCY RATES

Retail Vacancy Rates

End of Year	Arlington Heights	Northwest Submarket
Existing SF	5.3 million	29.5 million
Oct. 2021	5.8%	8.0%
2020	9.5%	9.2%
2019	7.2%	7.5%
2018	8.2%	8.9%
2017	10.1%	8.2%
2016	7.3%	9.0%

Source: CoStar (October 2021)

Office Vacancy Rates

End of Year	Arlington Heights	Northwest Submarket
Existing SF	5.1 million	37.0 million
Oct. 2021	19.7%	24.2%
2020	20.0%	23.2%
2019	18.3%	21.4%
2018	13.8%	19.6%
2017	15.6%	20.7%
2016	16.3%	21.0%

Source: CoStar (October 2021)

Industrial/Flex Vacancy Rates

End of Year	Arlington Heights	Northwest Submarket
Existing SF	5.4 million	77.7 million
Oct. 2021	13.0%	5.1%
2020	13.7%	7.4%
2019	16.3%	6.5%
2018	11.2%	5.0%
2017	13.6%	6.9%
2016	15.7%	9.7%

Source: CoStar (October 2021)

Note: "Northwest Submarket" includes portions or all of the following communities: Arlington Heights; Buffalo Grove; Elk Grove Village; Hoffman Estates; Mount Prospect; Palatine; Prospect Heights; Rolling Meadows; Schaumburg

EMPLOYMENT FIGURES

Unemployment Insurance-Covered Businesses and Employees*

Year	Establishments	Workers
2021	2,887	39,104
2020	2,893	41,449
2019	2,878	42,282
2018	2,847	43,304
2017	2,839	41,165
2016	3,157	50,079
2015	3,156	49,644
2014	3,257	48,028
2013	3,234	45,651
2012	3,213	45,386
2011	3,227	44,007
2010	3,196	44,641
2009	3,214	45,252
2008	3,225	47,776
2007	3,212	49,077
2006	3,201	47,952

Source: IL Department of Employment Security (June 2021)

Per IDES, the figures were re-calculated in 2017. The decline does not represent a loss of any specific number of companies nor decline in employees, but rather a correction of previous data.

**Note: 2012 U.S. Census estimates list Arlington Heights as having 8,255 total “firms” while the Reference U.S.A. database lists 5,369 total businesses in the Village.*