



Village of Arlington Heights
Arlington Economic Alliance
Commissions Room 2nd Floor
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
October 18, 2017
7:30 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- A. Minutes 9/20/17

IV. REPORTS

- A. Development Updates

V. OLD BUSINESS

- A. Business Retention Survey

VI. NEW BUSINESS

- A. Arlington Heights Job Board
- B. Update on State Tax Disbursements

VII. OTHER BUSINESS

VIII. ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact David Robb, Disability Services Coordinator, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, (847)368-5793 (Voice), (847)368-5980 (Fax) or drobb@vah.com.



Item: Minutes 9/20/17

Department: Planning & Community Development

ATTACHMENTS:

Description

Minutes

Type

Minutes

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MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE HELD ON SEPTEMBER 20, 2017 AT 7:30 A.M. AT THE VILLAGE HALL

MEMBERS PRESENT:

Scott Whisler – Chairman
Tom Gaynor
Tony Guido
Jackie Lewis
Dave Parulo
Andi Ruhl
Brian Roginski

MEMBERS ABSENT:

Frank Appleby
Lisa Henderson
Rex Paisley
Jon Ridler

STAFF PRESENT:

Michael Mertes – Business Development Coordinator

ALSO PRESENT:

None

Call to Order

Chairman Scott Whisler called the meeting to order at 7:39 AM.

Approval of Minutes – July 12, 2017

The meeting minutes of the July 12, 2017 Arlington Economic Alliance meeting were reviewed.

TOM GAYNOR MOVED AND TONY GUIDO SECONDED A MOTION TO APPROVE THE DRAFT JULY 12, 2017 ARLINGTON ECONOMIC ALLIANCE MEETING MINUTES. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Development Report

Cinemex has purchased Paragon Theaters in Downtown. Village Staff is uncertain of any changes to the interior or exterior of the building other than a likely name change per shopping center ownership. Formal plans have not been received at this point. Staff remains in contact with management of the Arlington Town Square shopping center to assist the cinema's new owners.

A meeting was held at the DoubleTree Hotel the previous week to update south Arlington Heights Road corridor property owners and business representatives regarding Village Staff's efforts and vision to improve the area. Staff from both the Chamber of Commerce and Meet Chicago Northwest also attended. Improvements such as landscaped medians, relocation of sidewalks and power lines, and redevelopment of properties are all possibilities dependent upon available funding. In the meantime, new banners have been placed along Arlington Heights Road. Chairman Whisler inquired about next steps. Michael Mertes replied that a survey is available to Southtown corridor stakeholders, while the presentation from the meeting has been posted on the Village website. Staff is looking for potential funding opportunities as well.

Sigwalt Apartments is a proposed five-story, 88-unit apartment building with 110 parking spaces for the vacant land immediately west of the Vail Avenue parking garage. The Design Commission approved the project earlier in the

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month and the Plan Commission will review the project, along with a public hearing, next Wednesday (9/27). The Plan Commission's recommendation may go to the Village Board in mid-October.

The proposed Ivy Hotel, to potentially be built atop the existing European Crystal banquet facility, is scheduled to go to the Plan Commission for a public hearing on October 11. The proposal calls for 12 stories and 128 rooms. They are moving forward despite a substantial parking deficit per Zoning Code requirements. The concept was approved by the Design Commission in July. Chairman Whisler asked Dave Parulo how a new hotel would impact the market. Mr. Parulo responded that several local hoteliers are opposed to new competition being developed in the area. Currently, nightly rates and occupancy are trending downward with new hotels opening in the metro area, especially in the city of Chicago which is adding 6,000 new rooms. This creates more competition at all levels. Local taxing bodies could see a little benefit with additional property taxes generated.

Hey Nonny is a restaurant and live music venue proposed for 10 S. Vail Avenue in the Downtown. The project is going to the Conceptual Plan Review Committee for their feedback on October 11, prior to that evening's Plan Commission meeting. A Special Use for the music venue portion is being requested.

Arlington Economic Alliance Budget – 2018

Next year's proposed budget allocation for the Arlington Economic Alliance is \$15,800, an increase of \$200 from 2017. Having discussed with Chairman Whisler, Mr. Mertes proposed the following breakdown:

- \$300 dedicated to photocopying
- \$3,000 dedicated to one annual Alliance Newsletter to be mailed to all commercial addresses in the Village
- \$12,500 dedicated to business retention outreach activities such as a forum/seminar

Mr. Guido asked how the newsletter is distributed. Mr. Mertes answered that paper versions are mailed to all commercial addresses in the community. Ms. Lewis asked if the newsletter is posted online and what happens to the Commission's funds if they are not all used by the end of the year. Mr. Mertes replied that the newsletter is posted on VAH.com. The Commission's unused funds are returned to the Village.

TONY GUIDO MOVED AND DAVE PARULO SECONDED A MOTION TO APPROVE THE 2018 ARLINGTON ECONOMIC ALLIANCE BUDGET AS PROPOSED. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Performance Metrics

Mr. Mertes explained that the only data that has been updated since the last performance metrics report, in April, is the vacancy rates. In summary, the changes have been marginal:

- Retail vacancy is up 0.2% (from 9.3% to 9.5%)
- Office vacancy is down 0.2% (from 16.7% to 16.5%)
- Industrial/Flex vacancy is up 1.0% (from 15.1% to 16.1%)

The increase in retail vacancy can be partly explained by the recent closures of hhgregg and Savers. However, previously vacant spaces have recently been filled by Kirkland's and by restaurants such as Shakou and Passero. Regarding office space, there have been about 20 new office businesses opening in Arlington Heights since April, bringing in over 75 employees and re-occupying over 22,000 square feet of tenant space. There have been no new large industrial employers opening in Arlington Heights since April. The vacancy rate for industrial/flex continues to be high due to three significant vacancies: the two Northwest Crossings buildings on Shure Drive and 1410-1460 W. Dundee Road. Cumulatively, these three properties make up over 80% of the vacant industrial square footage in Arlington Heights and full re-occupation would drop the vacancy rate significantly.

Chairman Whisler added that vacant office space in Schaumburg, especially across from the Motorola campus, partially explains the submarket's high office vacancy rate, which at 21.5% is 5% higher than that of Arlington Heights. He also inquired as to the status of the Southpoint shopping center. Mr. Mertes responded that no formal

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plans have been submitted, but that Planning & Community Development Staff is communicating regularly with the shopping center's owners regarding enhancements to the property.

Other Business

Matt Ottaviano has resigned from the Special Events Commission, meaning that he will also step down as that Commission's representative to the Economic Alliance. He told Mr. Mertes that the Special Events Commission would discuss appointing someone to serve as a representative on the Alliance.

Currently there are two vacant positions on the Economic Alliance: *Hospitality* and *Residential Real Estate*. There is an interested candidate for the *Hospitality* position and he is expected to speak to Mayor Hayes regarding a potential appointment. Chairman Whisler and Mr. Mertes asked to be sent contacts for any residential brokers interested in the other available position. Meanwhile, Tom Gaynor expects to step down from the Alliance by the end of the year, due to Nokia's relocation, which will leave the *Industrialist* position available.

Mr. Guido inquired as to the Village's position on the State's possible withholding of some sales taxes typically passed along to the municipalities that generate this revenue. Mr. Mertes stated that Village Staff is aware of this and that it is being handled by the Village Manager's office. Regarding the business retention survey presented recently to the Alliance, Mr. Gaynor inquired about the status. Mr. Mertes said that he is in discussions with a vendor to produce the postcard that will be mailed to all commercial and industrial address in the Village. The postcard will direct the recipients to the on-line survey. A mid-October timeline for dissemination of the postcard is anticipated.

Ms. Lewis suggested the creation of a community job board. She has a vacant position at her business that she has been unsuccessful in filling, despite efforts to publicize the opening. Brian Roginski and Chairman Whisler echoed this sentiment, noting they also have positions at their businesses they have yet to fill as well. The Alliance requested that Mr. Mertes look into such a possibility moving forward.

Ms. Lewis also suggested a job fair, which Chairman Whisler agreed would be a good idea for a future Economic Alliance event. Andi Ruhl noted that a job fair could be tied into an event with speakers as well. Heavily promoting such an event, in order to get a greater attendance, would be crucial.

Adjournment

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

The meeting adjourned at 8:20 AM.

Scott Whisler, Chairman
Arlington Economic Alliance

Prepared by Department of Planning & Community Development



Item: Business Retention Survey

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Business Survey Postcard	Exhibits



2017 Arlington Heights Business Survey



Department of Planning & Community Development • (847) 368-5200 • planningmail@vah.com

The Village of Arlington Heights is committed to helping businesses grow and thrive within our community. We are asking you to participate in a survey for us to better learn about your business, enhance communication with you, and to understand areas in which you feel we thrive and in which we need improvement. Your feedback is valuable to us as it will help guide policy, programs, and other future economic development efforts.

Please visit: **www.surveymonkey.com/r/AHBusiness2017** to complete the business survey.

The survey should take about 5-7 minutes to complete.

Deadline to complete is **11/03/2017**.

Please take the time to inform us, so that we can work to make our business community more successful!

Village of Arlington Heights
33 S. Arlington Heights Rd.
Arlington Heights, IL 60005

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