



AGENDA

President and Board of Trustees
Village of Arlington Heights
Committee-of-the-Whole
Community Room
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
September 15, 2015
7:30 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

IV. NEW BUSINESS

- A. Chamber Small Business Report

V. OTHER BUSINESS

VI. 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: Chamber Small Business Report

Department: Planning & Community Development

In 2013 the Village of Arlington Heights and the Chamber of Commerce entered into an Agreement for services for Small Business Retention efforts. The Agreement stated, "for purpose of this Agreement, a small business is defined as having no more than approximately eight full time equivalent employees or occupying no more than approximately 2,000 square feet of space at the time of the initial contact".

In accordance with the Agreement, the Village provided the Chamber of Commerce with \$50,000 each year for these services.

The Chamber of Commerce has requested the opportunity to make a presentation to the Village Board at the Committee-of-the-Whole-meeting.

ATTACHMENTS:

Description	Type
AHCC - SBDA - 24 Month Statistic Report	Report
Small Business Retention Agreement	Agreement
Small Business Development Agreement	Agreement



Small Business Development Report

This is a Two Year report covering the period August 1, 2013 – July 31, 2015

Presentation on Tuesday, September 15th, 2015

Submitted by Jim Platt, Arlington Heights Chamber of Commerce

In compliance with the Small Business Retention and Development Agreement, between the Village of Arlington Heights and the Arlington Heights Chamber of Commerce, this is an Executive Summary covering data and development from the first 24 months of this 36 month agreement.

Quarterly reports as stated in Section Five of the agreement have been submitted to the Village liaison, Charles Perkins. Statistical reports have been provided in writing and survey issues have been discussed in monthly meetings with chamber and village staff. Written form of those discussions have been managed by Michael Mertes of the Planning and Development department. Originally, the monthly meeting discussion group included Jon Ridler and myself from the chamber as well as Charles Perkins and Michael Mertes from the village. Since approximately January 2015, Village Manager Randy Recklaus and Building Department Director James McAllister have joined the discussion to broaden the scope of insight pertaining to issues brought forward from visits and follow up communications with local businesses.

This report will address the three key areas from the visits and data collected over this 24 month period.

- 1. Retention Visits and Survey Results**
- 2. Expansion Plans and Opportunities**
- 3. Identified Needs - Educational, Promotional, Developmental**



Small Business Development Agreement between Village Trustees of Arlington Heights & Arlington Heights Chamber of Commerce
24 Month Statistic Report
Period Covering: August 2013 through July 2015

Date of Visits	Chamber	Non-Chamber	Qualified	Non-Qualified	Retail	Prof Office	Service	B 2 B	Food	South Town	North Town	Down Town
August 2013 - July 2014	65	177	117	125	60	55	56	30	41	66	58	118
August 2014 - July 2015	37	64	79	22	20	8	41	13	19	45	27	29
August 2015 - July 2016												
Total	102	241	196	147	80	63	97	43	60	111	85	147
Group Total	343		343		343					343		
Percentage	29.7%	70.3%	57.1%	42.9%	23.3%	18.4%	28.3%	12.5%	17.5%	32.4%	24.8%	42.9%

Noteworthy to Visit Statistics: Retention Visits and Survey Results

1. Agreement was for 10 visits per month. During this reporting period, we exceeded the 240 anticipated visits by 43%
2. The percentage of businesses visited that are Qualified has improved from year one to year two by over 60%
3. Visits are better balanced both geographically and categorically in year two in the absence of a village wide issue
4. Number of visits decrease in year two as the visits have generated issues needing more time for research, clarification and collaborative resolution
5. Number of visits in year two do not include multiple visits with a client for the same issue, to maintain the integrity of the count

Successes: Expansion Plans and Opportunities

1. When a new business opens, the timing is worth dollars in increased/decreased sales tax, property tax, food & beverage tax
2. Expanding the marketing tools for a business, including signage, partnerships, micro-marketing increases sustainability and retention
3. Retention of long time businesses in town increase the stability and quality of life for our residents
4. Expanding businesses can increase their potential for success, and by utilizing the programs available, can help with their financial health
5. Continued discussions with staff expands the scope on how ordinances are communicated to keep pace with technology

Moving Forward: Identified Needs - Educational, Promotional, Developmental

1. The perception of business owners toward village government improves with the ability to be heard, be thanked, and be helped
2. Confidentiality provides the ability to help businesses and prioritize those most vulnerable when improving retention
3. Business language translation keeps the business community and village government in sync
4. Information flow keeps businesses aware and appreciated
5. Centralized marketing promotes businesses to their neighboring residents for a deeper loyalty and engagement experience

AGREEMENT

THIS AGREEMENT is made and entered into the 1st day of August, 2013 by and between the Village of Arlington Heights, a municipal corporation, ("Village") and the Arlington Heights Chamber of Commerce ("AHCC").

WHEREAS, the Village and AHCC agree that it is important to the well-being of the Village to provide a small business development initiative designed to educate, facilitate and assist small business owners through a proactive retention, expansion and identified needs process; and

WHEREAS, in order to provide that initiative, the Village and AHCC agree that it is beneficial to build upon and strengthen an engaging, dynamic and positive collaboration between the Village and AHCC; and

NOW THEREFORE, in consideration of the foregoing premises, the mutual covenants and promises herein contained, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

SECTION ONE: This Agreement is intended to establish a program whereby the Village provides funds to the AHCC in order for the AHCC to utilize its resources to assist the Village in retaining small businesses. For purposes of this Agreement, a small business is defined as having no more than approximately eight full-time equivalent employees or occupying no more than approximately 2,000 square feet of space at the time of the initial contact. These parameters are established as guidelines and not to be read as absolute. It is further understood that should the small business expand beyond these parameters, the AHCC liaison shall remain the main contact to carry out the purposes of this Agreement.

SECTION TWO: AHCC will perform the services stated in this Agreement and provide the equipment, staff and materials to achieve them. In performing the services under this Agreement, AHCC is an independent contractor and its employees and agents are not employees of the Village. Employees and agents of AHCC will not hold themselves out as Village employees. Neither AHCC nor its employees or agents has authority to make any agreement or commitment on behalf of the Village.

SECTION THREE: This Agreement shall run for three years, commencing on the date set forth above. This Agreement shall continue in force for up to three years, as long as the Village continues to provide funding. The Village will review funding on an annual basis as part of its regular budget process. The determination as to whether to provide funding shall be made by the Village in its sole discretion. Should the Village decide to terminate the contract prior to the three year term, whether for lack of funding or otherwise, AHCC shall be barred from any legal action for breach of contract or to recover damages. If not terminated prior, the Agreement shall expire on April 30, 2016.

Notwithstanding the above, it is understood that either party has the right to terminate this Agreement annually on its anniversary date. The terminating party must give written notice no later than June 1 of the year in which termination is sought. Upon termination by either party, the Village's obligation to pay the AHCC shall cease as of the effective date of the termination.

SECTION FOUR: For the services rendered by AHCC under this Agreement, the Village agrees to pay AHCC \$12,500 for each quarter of service, payable quarterly upon the Village's receipt of an invoice from the AHCC. The first invoice should be submitted for the first full quarter following execution of this Agreement by both Parties.

SECTION FIVE: The AHCC will provide the Village with the following reports on the activities pursuant to this Agreement on a quarterly basis. Reports shall be provided within 30 days after the completion of each quarterly period. The Village may request reports more frequently or additional reports and such reports shall be provided by the AHCC in a timely fashion. At a minimum, quarterly reports shall include the following information:

- a. Retention Visits and Survey Results
- b. Expansion Plans and Opportunities
- c. Identified Needs - Educational, Promotional, Developmental

SECTION SIX: The Planning and Community Development Department shall serve as the primary liaison between the AHCC and the Village for this Agreement. Where appropriate, AHCC may contact other departments in the furtherance of its duties delineated in this Agreement. It is expected that the AHCC will communicate regularly with the Planning and Community Development Department. If requested by the Planning and Community Development Department, AHCC shall cooperate with any other economic development-related boards and departments, including but not limited to all Village departments, the Arlington Economic Alliance, and the Woodfield Chicago Northwest Convention Bureau, in furtherance of this Agreement.

SECTION SEVEN: It is recognized that the handling of information related to small business prospects may require access to confidential information. Both Parties agree to keep such information confidential, to the extent permitted by law. Such information may be shared between the AHCC and the Village as appropriate. All confidential information shall be identified as such, in order to prevent the identity of the small business prospects from being publicly known until such time as it is deemed appropriate or required by law.

It is understood that all work product created or attained by the AHCC in the carrying out of its duties pursuant to this Agreement is owned by the Village, and a copy of all such work product shall be delivered to the Village upon request or upon termination of this Agreement.

SECTION EIGHT: The duties and responsibilities of AHCC are as follows:

1. AHCC shall provide qualified and competent staff for the retention of and assistance to small businesses as well as for the expansion of existing small businesses, providing all management and administrative services necessary to present a viable program.
2. AHCC shall be responsible for the operation of the programs carried out under the terms of this Agreement.
3. AHCC shall provide office space, general office supplies, office equipment, rent, accounting and legal services, insurance, payroll taxes, general postage, and telephone necessary for carrying out the terms of this Agreement.
4. AHCC shall ensure that the funds provided by the Village pursuant to this Agreement will be used only to further the small business initiative and not to support traditional AHCC activities that generally serve and benefit only the AHCC membership.

5. AHCC shall operate the programs contemplated in this Agreement for the good of the general public and for the promotion of small businesses, industry, marketing, and trade within Arlington Heights.
6. AHCC shall conduct telephone or personal meetings with all small businesses referred to AHCC by the Village and shall regularly provide the Village with progress reports on each small business referred to AHCC by the Village.
7. AHCC shall provide collaboration with and assist the Village in its on-going strategy for small business economic development based upon current initiatives.
8. AHCC shall provide financial records concerning the funds expended under this Agreement quarterly to the Village. Upon request of the Village, the financial records governing this Agreement may be reviewed for accuracy on an annual basis.

SECTION NINE: The following are the core services and deliverables to be achieved through this Agreement:

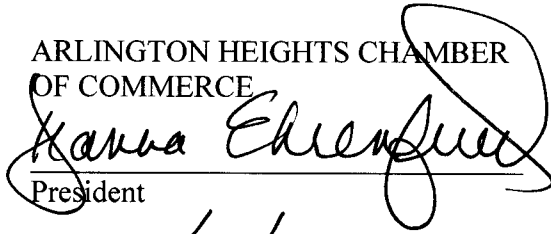
1. Small Business Retention: AHCC shall implement an annual small business retention program in which existing businesses and employers are identified and personal contact is made with business owners by the AHCC through on-site visits, mail or email surveys or both. The AHCC small business retention program shall be designed to identify and address the needs of existing small businesses and the manner in which AHCC and the Village can better assist those businesses, through the following components:
 - a. Meet with small business owners to understand their business needs.
 - 1) Conduct a minimum of ten qualified retention visits a month (a qualified retention visit is a scheduled in-person interview with the small business owner, completion of the AHCC retention survey, and a follow-up plan initiated on issues presented).
 - 2) Conduct monthly email and phone retention calls using brief talking points to establish a communication line and a possible qualified retention visit appointment
 - b. Connect small business owners with necessary resources for the successful retention of their business.
 - c. Guide and assist small business owners coordination with the appropriate Village officials regarding local codes and regulations and assist with the process of applications and permits requested.
 - d. Develop and implement cost savings programs to minimize overhead and maximize profitability.
 - e. Invite small business presidents/owners to meet with the Mayor for open discussion.
2. Small Business Expansion: As a result of small business retention visits, the AHCC shall provide assistance to small business owners seeking to expand their

business both physically and in employee size. In addition, the AHCC shall provide assistance to small business owners seeking to expand their customer base domestically or internationally.

- a. The AHCC shall coordinate with the Village regarding small business expansion needs and provide local business contacts needed to physically expand their existing building or space or relocate within Arlington Heights.
 - b. The AHCC shall provide local business contacts needed to recruit and hire qualified employees for positions needed to expand.
 - c. The AHCC shall provide local business contacts needed to promote and communicate more effectively to existing and new consumers.
 - d. The AHCC shall provide contacts if needed to begin relationships for the development of regional, national, or international trade and partnerships.
3. Small Business Identified Needs: AHCC shall assist in the coordinating of small businesses needs identified as a result of retention visits.
- a. The AHCC will develop a comprehensive follow-up plan for each business' identified needs and connect them with resources within government and private organizations based upon the needs plan.
 - b. The AHCC will provide coordination with the Village and outside agencies to assist in the successful resolution of identified needs to aid in the retention, and expansion, of small businesses.
 - c. The AHCC will work in collaboration with the Village on any qualified new business leads resulting from a retention visit or survey along with unsolicited contacts made by prospective business owners.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

ARLINGTON HEIGHTS CHAMBER
OF COMMERCE

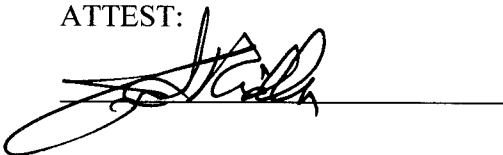


President

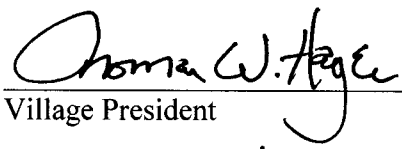
Date

7/15/13

ATTEST:



VILLAGE OF ARLINGTON HEIGHTS

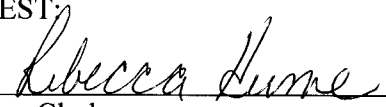


Village President

Date

7/15/13

ATTEST:



Village Clerk

A RESOLUTION APPROVING AN
AGREEMENT WITH THE CHAMBER OF COMMERCE

BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ARLINGTON HEIGHTS:

SECTION ONE: That an agreement by and between the Village of Arlington Heights and the Arlington Heights Chamber of Commerce dated July 15, 2013, concerning the establishment of a small business development initiative, a true and correct copy of which is attached hereto, be and the same is hereby approved.

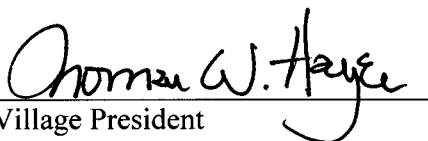
SECTION TWO: The Village President and Village Clerk are hereby authorized and directed to execute said agreement on behalf of the Village of Arlington Heights.

SECTION THREE: This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

AYES: SCALETTA, LABEDZ, FARWELL, GLASGOW, ROSENBERG, BLACKWOOD, TINAGLIA,
HAYES

NAYS: NONE

PASSED AND APPROVED this 15th day of July, 2013.


Village President

ATTEST:


Village Clerk

R13-018
A13-021

Arlington Heights Chamber Of Commerce
Small Business Development Agreement

Financial Report 8-1-2013 thru 7/31/2014

Aug 1, 2013 - July 31, 2014

Non-Dues		
SDBA Contract	50,000.00	
Total Non-Dues	<u>50,000.00</u>	
Expense		
Business meetings exp.	280.00	
Insurance General	311.00	8% of actual
Insurance Health	3,594.00	Econ Development Staff Position - 1/2 of actual
Office Expenses	280.00	8% of actual
Salaries	41,000.00	85% Econ Development Staff Position - 13% Executive Director- 2% Office Manager
Payroll Taxes	3,136.00	.765 of salaries
Rent	1,038.00	8% of actual
Staff travel Reimbursements	150.00	
Telephone	211.00	8% of actual
Total Expense	<u>50,000.00</u>	
Net Income	<u><u>0.00</u></u>	

Arlington Heights Chamber Of Commerce
Small Business Development Agreement

Financial Report 8-1-2014 thru 7/31/2015

Aug 1, 2013 - July 31, 2014

Non-Dues		
SDBA Contract	50,000.00	
Total Non-Dues	<u>50,000.00</u>	
 Expense		
Business meetings exp	305.00	
Insurance General	196.00	8% of actual
Insurance Health	3,600.00	Econ Development Staff Position - 1/2 of actual
Office Expenses	292.00	8% of actual
Salaries	41,000.00	85% Econ Development Staff Position - 13% Executive Director- 2% Office Manager
Payroll Taxes	3,136.00	.765 of salaries
Rent	1,072.00	8% of actual
Staff travel Reimbursements	250.00	
Telephone	149.00	8% of actual
Total Expense	<u>50,000.00</u>	
 Net Income	 <u><u>0.00</u></u>	