Village of Arlington Heights
Arlington Economic Alliance
Commissions Room, 2nd Floor
33 S. Arlington Heights Rd.
August 18, 2021
7:30 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. Minutes 4/21/21

IV. REPORTS

A. Development Update

V. OLD BUSINESS

A. Arlington Alfresco Discussion
B. Business Assistance Opportunities

VI. NEW BUSINESS

A. Arlington Economic Alliance Budget - 2022

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.

Arlington Economic Alliance
8/18/2021

Item: Minutes 4/21/21

Department: Planning & Community Development

ATTACHMENTS:

Description	**Type**
Minutes	Minutes

DRAFT

MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE
HELD VIRTUALLY (ONLINE) ON APRIL 21, 2021 AT 7:30 A.M.

MEMBERS PRESENT:
Andrew Stengren – Chairman
Joyce Barabicho
Rich Casey
Matt Fink
Tony Guido
Dave Parulo
Jon Ridler
Brian Roginski
Scott Whisler

MEMBERS ABSENT:
Michele Petrie
Andi Ruhl

STAFF PRESENT:
Michael Mertes – Business Development Coordinator

ALSO PRESENT:
Melissa Cayer, Resident
Keith Moens, Resident
Mike Driskell, Arlington Heights Memorial Library
Scott Rowader, Special Events Commission

Call to Order

Chairman Stengren called the meeting to order at 7:33 AM. He read the following statement as requested by the Village: *I find that the public health concerns related to the coronavirus pandemic render in-person attendance at the regular meeting location not practical or prudent.*

Approval of Minutes – March 17, 2021

The meeting minutes of March 17, 2021 Arlington Economic Alliance meeting were reviewed.

SCOTT WHISLER MOVED AND JOYCE BARABICHO SECONDED A MOTION TO APPROVE THE DRAFT MARCH 17, 2021 ARLINGTON ECONOMIC ALLIANCE MEETING MINUTES. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Development Update

Arlington 425 was approved on April 19 by the Village Board. The mixed-use development had received recommendations for approval by the Design and Plan Commissions. Also, Village Staff has received permits for the Hickory-Kensington Apartments. The development is a five-story mixed-use building at the northwest corner of Hickory Avenue and Kensington Road. The plan calls for 76 apartments and 3,500 square feet of first-floor commercial space.

Arlington Alfresco Discussion

Next week, the more permanent features of Arlington Alfresco will be installed. This includes white fencing, barricade covers with Alfresco branding, and landscape planters at the entryways. Staff has contacted the Alfresco businesses regarding this, and will reach back out when official date of commencement is finalized.

Economic Alliance Work Plan – 2021

A draft letter to the Village Board, from the Alliance, has been completed and is attached to this agenda packet. The primary focuses of the letter regard property tax concerns, small business assistance on codes and permits, business aid beyond Arlington Alfresco, and a potential long-range destination plan for Downtown. As was done in 2019, this correspondence is for the Village Board to consider as part of their annual strategic planning retreat. Multiple recommendations from the 2019 letter were carried over into this version as well. Mr. Guido expressed his support of the letter, feeling that its focal points covered a range of economic development issues.

JON RIDLER AND SCOTT WHISLER SECONDED A MOTION TO APPROVE THE LETTER FROM THE ARLINGTON ECONOMIC ALLIANCE TO THE VILLAGE BOARD DATED APRIL 21, 2021. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Following its approval, Chairman Stengren reiterated his support for the letter, stating that he feels this exercise would be something valuable to conduct on an annual basis.

Business Assistance Opportunities

Village Staff has submitted criteria to representatives of HUD (U.S. Department of Housing and Urban Development) regarding the small business forgivable loan program presented to the Alliance in March. The Village's criteria incorporate feedback from the Economic Alliance, but HUD review is necessary to ensure that the Village's application conforms to federal requirements for use of the designated funds. Once approved by HUD, Staff will notify the Village Board that the loan program will be soon be activated, and the application can be distributed shortly thereafter.

Mr. Ridler suggested that Staff review the requirements for the SBA's Restaurant Revitalization Fund (RRF) program, in case there are potential issues with cross-funding between that program and the Village's loan program. Mr. Whisler asked how much was reserved for the forgivable loan program. Mr. Mertes responded that the Village Board approved $130,000 in funding towards loans worth $5,000 each.

Commissioner Reports

Ms. Barabicho discussed the state of the hotel industry. Travel remains down from 2019 although there has been some growth in the past couple months. Average occupancy in the region is around 35.8%, compared to a pre-pandemic rate of 60%-75%. The first quarter tends to be slow though, typically picking up in the second quarter. Average daily rate (ADR) currently is about $78.44, down by 23.2% from the previous year.

Business travel is still down significantly, partly due to virtual meetings often serving in place of conferences. However, travel spending is expected to increase in the coming months. Hotel stays for meetings that are occurring are, on average, longer than before the pandemic. Also, fewer co-workers are sharing rooms, for safety reasons, resulting in more room rentals. Corporations are scaling down on preferred hotels, looking at a smaller pool of choices and emphasizing economy or mid-scale options. Some hotel closures have allowed those that remained open to garner more business. Leisure travelers are currently the highest segment of travelers, including those staying locally for "staycations" with amenities. Ms. Barabicho's hotel has been promoting Arlington Alfresco to their guests.

Many hotels are struggling with limited staffing. Those who are working need to wear many different hats. It has been difficult to find new employees as well. Discrepancies among various states' COVID safety measures have created an additional burden among hotel workers trying to enforce Illinois' requirements. With demand for hotel rooms and meetings still down, there is strong competition among hotels for limited business. On the positive side, travel seems to have started picking up and there seems to be a renewed and enhanced focus on customer service.

Mr. Ridler noted that the Chamber is speaking with State lawmakers on ways to encourage employees to get back into the workforce, and inquired if housekeepers and other employees seem to be finding it more financially valuable to stay on unemployment with the additional federal COVID financial aid. Ms. Barabicho said that variations among communities in hourly wage makes it hard to capture workers, but that her hotel (Holiday Inn Express) has been able to get some new housekeepers. Still, the hospitality industry is competing for a limited pool of available workers.

Mr. Casey noted that Northwest Community Hospital has also had some challenges in keeping hospitality workers, whether because of unemployment benefits or competition over a limited workforce. Mr. Parulo is seeing this issue across all sectors and communities, with some hotel brands pivoting towards automation (e.g. self-service kiosks) in lieu of jobs. Good news includes a substantial increase in celebratory events, such as weddings, and anticipation of a strong holiday season in the fourth quarter of this year.

Chairman Stengren is encouraged by Arlington Alfresco being promoted by the hotels. He re-emphasized support for Village Board consideration of a destination development plan for the Downtown, as highlighted in the letter approved earlier in the meeting. Recruiting high school students for part-time employment was suggested as a potential solution for expanding the workforce pool by Ms. Cayer. She also asked if the Arlington 425 project will impact Arlington Alfresco. Mr. Mertes responded that the Village will be working with the developer to minimize potential impact on the Alfresco program. Mr. Moens expressed interest in the impact of competitive wage, and its possible impact on hospitality businesses' ability to hire workers.

Other Business

Mr. Fink and Mr. Parulo both announced their resignation from the Arlington Economic Alliance at the end of the month and their appreciation for their time on the Commission. Mr. Parulo, who is relocating from the Chicago region, added that a search committee has begun for his successor on Meet Chicago Northwest. The convention and visitor's bureau has also begun rolling out the "Eat Local Challenge" restaurant promotion campaign, and their annual Restaurant Week will be held the second week of June so as to avoid overlap with any other "restaurant weeks" in the region. The CVB will be emphasizing "eat local" during Restaurant Week, and Chairman Stengren see this as a good social media promotion opportunity.

Adjournment

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

The meeting adjourned at 8:28 AM.

Andrew Stengren, Chairman
Arlington Economic Alliance

Prepared by Department of Planning & Community Development

Arlington Economic Alliance
8/18/2021

Item: Arlington Economic Alliance Budget - 2022

Department: Planning & Community Development

ATTACHMENTS:

Description	**Type**
Budget	Exhibits

Item	FY '22 Proposed	FY '21 Approved	Notes
Photocopying	$300	$300	
Marketing & Communications	$3,000	$3,000	Alliance Newsletter Design, Printing, & Postage
Business Retention Outreach	$12,700	$12,700	Alliance Forum/Seminar & Venue
Petty Cash			
TOTAL	**$16,000**	**$16,000**	