



Village of Arlington Heights
Arlington Economic Alliance
Buechner Room, 1st Floor
Arlington Heights Village Hall, 33 S. Arlington Heights Rd.
July 19, 2023
7:30 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- A. Minutes 4/19/2023

IV. REPORTS

- A. Development Update
- B. Arlington Alfresco Report

V. OLD BUSINESS

- A. Zero Interest Loan Program Update

VI. NEW BUSINESS

- A. Arlington Economic Alliance Budget - 2024
- B. Promotion of Manufacturing

VII. OTHER BUSINESS

VIII. PUBLIC COMMENT

- A. Public Comment

IX. ADJOURNMENT

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Arlington Economic Alliance
7/19/2023

Item: Minutes 4/19/2023

Department: Planning & Community Development

ATTACHMENTS:

Description

Minutes 4/19/2023

Type

Minutes

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MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE HELD ON APRIL 19, 2023 AT 7:30 A.M. AT THE VILLAGE HALL

MEMBERS PRESENT:

Andrew Stengren – Chairman
Tonia Etoh
Tony Guido
Terry Iverson
Kerri Oots
Michele Petrie
Jon Ridler
Brian Roginski

MEMBERS ABSENT:

Rich Casey
Heather Larson
Ellen Para
Andi Ruhl
John Toliopoulos

STAFF PRESENT:

Michael Mertes – Business Development Manager

ALSO PRESENT:

Melissa Cayer, Resident
Mary Ellen Graf, Township High School District 214
Keith Moens, Resident

Call to Order

Chair Andrew Stengren called the meeting to order at 7:32 AM.

Approval of Minutes – March 15, 2023

The meeting minutes of March 15, 2023 Arlington Economic Alliance meeting were reviewed.

JON RIDLER MOVED AND TONY GUIDO SECONDED A MOTION TO APPROVE THE DRAFT MARCH 15, 2023 ARLINGTON ECONOMIC ALLIANCE MEETING MINUTES. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Development Update

The Arlington 425 project was granted a one-year extension of its approved Planned Unit Development ordinance (PUD) by the Village Board. Plans call for 319 residential units and approximately 8,000 SF of commercial space. The 116-120 W. Eastman Street redevelopment project was approved by the Design Commission, and is going to the Housing Commission regarding their planned provision of inclusionary housing. The conceptual multi-family project at 4 N. Douglas Avenue is expected to go to the Plan Commission sometime in the next few months.

Arlington Alfresco Discussion

Many Downtown Restaurants are now offering outdoor sidewalk dining, as approved by the Village. Arlington Alfresco officially begins Friday, April 28, with street closures planned for earlier in the week. A busking ordinance was approved by the Village Board as well. Street performers are allowed to perform on public rights-of-way or parks between 10am and 9pm. They may not obstruct safe passage along any street or sidewalk, nor erect tents or other structures. They also may not use any sound amplification. Exceptions apply for Village-sponsored events and businesses using their designated outdoor spaces.

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Village Board Strategic Priorities

Over the past month, Michael Mertes worked with Ms. Larson, Mr. Roginski, and Mr. Toliopoulos to compile feedback from the previous Alliance meeting into a letter that provides a list of economic development-related items to the Village Board for their upcoming strategic planning process. The nine areas of focus in the letter involve:

- Allowing for Alliance input regarding redevelopment of the Arlington Park site
- Reinvesting further in the South Arlington Heights Road Corridor
- Installing, and incentivizing installation of, electric vehicle charging station infrastructure
- Continuing support of, and ongoing investment in, Arlington Alfresco
- Promoting manufacturing and industry as a viable and valuable career path
- Implementing “Buy Local” programs that incentivize residents to support local businesses
- Strategizing implementation of the Village’s rebranding efforts over the next several years
- Contemplating more staff and/or resources to help on reviews, approvals, and inspections in light of anticipated Arlington Park redevelopment
- Considering a shuttle service that could connect major corridors and attractions within the Village

MICHELE PETRIE MOVED AND KERRI OOTS SECONDED A MOTION TO APPROVE THE LETTER FROM THE ARLINGTON ECONOMIC ALLIANCE TO THE VILLAGE BOARD DATED APRIL 19, 2023.

Ms. Etoh inquired about the mayor’s goals for the Commission and Mr. Mertes responded that the letter in question is a request from the Village Board to assist in developing their strategic planning goals. Mr. Moens mentioned that a Village budget surplus will result in a tax abatement for homeowners. He encouraged residents to consider spending the additional savings on local businesses and Village promotion. Chair Stengren complimented everyone on the Alliance for their input on the letter.

ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Zero Interest Loan Program Evaluation

Staff seeks to modify the Village’s Zero Interest Loan program to make it more enticing to new and existing businesses. The Economic Alliance provided feedback at their October 2022 meeting, and much of what was discussed is incorporated in proposed changes that were included with the meeting packet. Key recommended changes involve increasing maximum loan amount from \$20,000 to \$25,000, having the loan cover up to 75% of the project cost (increased from 50%), and adding a 20% forgivable provision for businesses that have been operating in Arlington Heights for over three years. A few program elements would remain in place, such as a repayment schedule topping off at five years or duration of lease, whichever is shorter. Also, collateral is needed, typically in the form of a real estate lien, in order to ensure that the Village has security in giving out the loan. Staff is looking at other loan options, such as a smaller loan amount that could be secured with a personal guarantee.

Based upon the proposed changes, Ms. Petrie feels that it’s an improved incentive and asked about the primary goal for the program. Mr. Mertes responded that its original intent was to incentivize business to open or grow and expand in Arlington Heights, and offer a program that differentiates the Village from other communities. Also, the Downtown TIFs have long since expired and this program can help businesses conduct interior build-out, façade improvements, and so forth. However, the program is open to all businesses, not just Downtown. The fund has grown with revenue from rebates from Cook County property tax abatement programs. Ms. Petrie asked if a loan larger than \$25,000 could be considered. Mr. Mertes responded that the primary goal of the fund was to support small businesses, but that larger projects could be considered if compelling enough.

Mr. Iverson suggested a manufacturing incubator as a potentially valuable use of funds. Chairman Stengren asked what happens to unused revenues and Mr. Mertes responded that it remains in the Zero Interest Loan fund. Thus far, those funds have only been used for interest-free loans. Mr. Ridler asked if the fund is interest-bearing (note: the fund is interest bearing) and how rebates from the Cook County Class 6b program fund the Zero Interest Loan program. Mr. Mertes explained that the property owners with the 6b designation are invoiced annually over the first

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five years of a 12-year rebate following release of that year's second tax bill. They are invoiced 10% of the difference between that year's tax bill amount and what the amount would have been without the 6b designation.

Mr. Ridler suggested incorporation of language where a request for more than \$25,000 could be considered, but would require Village Board approval. As a way to safeguard the program from being financially drained as a result of loan requests greater than \$25,000, Mr. Iverson suggested a cap on percentage of funds that can be available at one time. Chair Stengren favors the option to request an amount larger than \$25,000 as long as the fund is safeguarded from being swallowed up. Ms. Petrie and Mr. Ridler also support a percentage cap to the fund. Ms. Etoh asked if any loans have been defaulted on, and Mr. Mertes responded that there have not. Mr. Guido asked if other communities offer programs similar to this. Mr. Mertes said there are similar programs in other municipalities, but most are funded through TIF and are restricted to businesses within that TIF district (and not necessarily open to all businesses in that community).

JON RIDLER MOVED TO RECOMMEND APPROVAL OF THE PROPOSED CHANGES TO THE ZERO INTEREST LOAN PROGRAM AS PROPOSED, WITH THE ADDITION OF LANGUAGE STATING THAT A BUSINESS MAY BE APPROVED FOR AN AMOUNT GREATER THAN \$25,000 IF APPROVED BY THE VILLAGE BOARD. TONY GUIDO SECONDED. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Ms. Petrie requested occasional status updates to the Alliance regarding the program. Chair Stengren feels the modifications will incentivize use of the program and he emphasized the importance of marketing the program.

Other Business and Public Comment

Ms. Cayer requested that the Zero Interest Loan program be abolished. Mr. Iverson discussed the idea of a manufacturing incubator. A student-run company, financed and sustained by school districts, would be a great way to promote manufacturing as a career option. Manufacturers in the area could help support it as well, and it could incubate new companies and make Arlington Heights a leader in this area. Chair Stengren likes the idea and asked how the Alliance could support such a program. Mr. Iverson suggested that a concept be drawn up first. He also feels that several manufacturers in the area would buy into this concept.

Making tangible change in the local business community is a challenge for the Alliance said Chair Stengren, and more ideas such as the incubator, along with actionable items, is desired. Mr. Ridler said that the Chamber works with School District 214 on their entrepreneurship program and offered to help Mr. Iverson draw up an outline for his suggested program. Chair Stengren sees success from a program like this potentially expanding to other industries. Mr. Iverson hopes to draw on everyone's expertise.

Ms. Cayer stated opposition to use of government labor and property taxes for such programs. Mr. Ridler noted that many programs, such as the one proposed, are privately funded. Ms. Oots inquired about places or venues aimed at teenagers in Arlington Heights and referenced one currently operating in Palatine.

Adjournment

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

The meeting adjourned at 8:19 AM.

Andrew Stengren, Chair
Arlington Economic Alliance

Prepared by Department of Planning & Community Development



Arlington Economic Alliance
7/19/2023

Item: Arlington Economic Alliance Budget - 2024

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Proposed Alliance Budget (FY2024)	Report

Item	FY '24 Proposed	FY '23 Approved
Photocopying	\$100	\$100
Marketing & Communications	\$4,000	\$3,500
Business Retention Outreach	\$13,000	\$13,000
TOTAL	\$17,100	\$16,600