



Village of Arlington Heights
Arlington Economic Alliance
Commissions Room, 2nd Floor
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
June 20, 2018
7:30 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- A. Minutes 4/18/18

IV. REPORTS

- A. Development Update

V. OLD BUSINESS

- A. Performance Metrics

VI. NEW BUSINESS

- A. Potential Fall Program
- B. Proposed Update to Economic Alliance Intent and Purpose

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 4/18/18

Department: Planning & Community Development

ATTACHMENTS:

Description

Minutes

Type

Minutes

DRAFT

MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE HELD ON APRIL 18, 2018 AT 7:30 A.M. AT THE VILLAGE HALL

MEMBERS PRESENT:

Scott Whisler – Chairman
Frank Appleby
Tony Guido
Jon Ridler
Brian Roginski
Andi Ruhl
Parth Shaha

MEMBERS ABSENT:

Lisa Henderson
Jackie Lewis
Rex Paisley
Dave Parulo

STAFF PRESENT:

Michael Mertes – Business Development Coordinator

ALSO PRESENT:

None

Call to Order

Chairman Scott Whisler called the meeting to order at 7:36 AM.

Approval of Minutes – March 21, 2018

The meeting minutes of the March 21, 2018 Arlington Economic Alliance meeting were reviewed.

JON RIDLER MOVED AND TONY GUIDO SECONDED A MOTION TO APPROVE THE DRAFT MARCH 21, 2018 ARLINGTON ECONOMIC ALLIANCE MEETING MINUTES. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Development Report

The South Arlington Heights Road Corridor Plan was approved by the Village Board on March 19th. A Cook County Class 7c incentive request is expected to go to the Village Board in May. Unlike the Class 6b incentive, which focuses on industrial, the Class 7c program focuses on commercial properties. The site in question is 1421 W. Shure Drive.

The proposed mixed-use building for the intersection of Hickory & Kensington is still moving forward, but a Plan Commission date has not yet been set. The industrial spec building proposed for 703-709 W. Algonquin Road received a split vote at the Plan Commission by a 4-4 vote. There were concerns regarding the impact of adding greater traffic, especially from trucks, on a shared drive aisle that the neighboring property is maintaining.

An eight-story 62-room hotel above the existing European Crystal Hotel banquet facility has been proposed. The previous Ivy Hotel proposal that was rejected by the Village Board was planned to be 12 stories and 126 rooms.

DRAFT

Mr. Shaha stated that it is uncommon to see newer hotel proposals with fewer than 80 rooms in order to make the economics for the hotel work. Additionally, any new hotel introduced to the area would likely result in the other hotels needing to lower their rates in order to remain competitive.

Several of the Downtown restaurant owners met with Village Staff, and the Village's hired consultant, to discuss the upcoming Downtown Parking Study. Mr. Roginski spoke highly of a proposed "Parking" sign to draw attention to the Vail Avenue garage, and he felt positive about the discussion with the hired consultant. Mr. Ridler said that most of what was discussed by the Commission at the previous month's Alliance meeting is being covered in the project's request for proposals (RFP).

Mr. Appleby feels that once the study is done, the implementation should carry the Downtown through the next decade. The discussion with the Staff and consultant was very encouraging. Ms. Ruhl asked if any discussion centered around analyzing parking during the winter, and the impact of snow piles on the streets. Mr. Roginski replied that it wasn't brought up at the last meeting, but that he would make mention of it next time.

Chairman Whisler inquired about the status regarding consideration of video gaming. Mr. Roginski said that several restaurant owners are in support of it, while others are interested but skeptical in voicing their support of it. Mr. Ridler added that video gaming would not be actively pushed unless there is widespread support for it.

Chairman Whisler also mentioned that he spoke with Mr. Mertes regarding a recent news article stating that Napleton's Subaru-Mazda is considering a move to Palatine. Mr. Mertes stated that Staff has reached out to discuss with ownership of the auto dealership as to how the Village can retain this business and help them grow.

State of the Village Co-Sponsorship

At last month's Alliance meeting, co-sponsoring the Mayor's "State of the Village" address with the Chamber and Rotary was discussed. The event will be held on May 10th at the Metropolis Ballroom. Mr. Ridler feels that having the Alliance's support would be a great benefit to the program, and he is just looking for help in promoting the event to the community. Mr. Mertes also offered to promote the event through a business e-newsletter from the Village.

FRANK APPLEBY MOVED AND ANDI RUHL SECONDED A MOTION FOR THE ARLINGTON ECONOMIC ALLIANCE TO CO-SPONSOR THE MAYOR'S "STATE OF THE VILLAGE" ADDRESS WITH THE ARLINGTON HEIGHTS CHAMBER OF COMMERCE AND ARLINGTON HEIGHTS ROTARY CLUB.

Ms. Ruhl emphasized the need to get the word out with the event being only a few weeks away.

SelectChicago Presentation

Mr. Mertes discussed an initiative with which he has been involved. SelectChicago is an organization designed to attract foreign direct investment (FDI) to the Chicago area. This involves connecting with investors from other countries to potentially help finance redevelopment projects, vacant properties, and/or growing businesses. This is an official spin-off of SelectUSA, which seeks to attract FDI throughout the country.

Mr. Mertes is working with his counterparts from other Chicago area municipalities on this program. This is an opportunity to inject financing and benefit the entire region, as opposed to just individual communities. There will be a formal SelectChicago program from June 25-27 where foreign investors will come to the Chicago area to meet with community representatives. The municipalities involved with this organization will also be providing bus tours of their communities to these investors on June 26th as well, in order to promote potential investment opportunities.

Mr. Guido asked how SelectChicago is connecting with foreign investors. Mr. Mertes explained that SelectUSA is the primary channel. SelectChicago is also establishing contact with consulates and foreign Chambers of Commerce with presences in the Chicago area. Mr. Shaha asked how Staff will identify sites to showcase in June. Mr. Mertes responded that the investors will be surveyed as to the type of investment they focus on, and Staff will show sites relevant to those on the tour.

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Mr. Guido asked if there would be an issue with the language barrier. Mr. Mertes responded that most attendees will likely bring translators with them. Materials will also be translated for the investors.

Other Business

No other business was discussed.

Adjournment

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

The meeting adjourned at 8:16 AM.

Scott Whisler, Chairman
Arlington Economic Alliance

Prepared by Department of Planning & Community Development



Item: Performance Metrics

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Economic Development Statistics Report	Report

Village of Arlington Heights



Summary of Economic Development Statistics



Department of Planning & Community Development
June 2018

BUSINESS GROWTH

Retail Sales

CATEGORY	2017	2016	2015	2014	2013
TOTAL	\$1,211,136,994	\$1,242,171,899	\$1,201,101,905	\$1,193,437,412	\$1,117,087,211
General Merchandise	\$65,638,604	\$67,156,885	\$69,716,729	\$68,516,473	\$69,643,789
Food	\$170,172,046	\$180,313,474	\$193,818,605	\$200,129,694	\$194,300,650
Eating & Drinking Places	\$151,368,277	\$148,466,376	\$149,996,391	\$146,726,150	\$141,513,966
Apparel	\$35,406,339	\$36,641,201	\$36,098,855	\$36,733,442	\$35,976,049
Furniture & H.H. & Radio	\$88,403,553	\$84,899,804	\$90,155,078	\$87,521,924	\$86,304,607
Lumber, Bldg., Hardware	\$48,514,678	\$48,729,612	\$49,788,269	\$49,236,050	\$46,360,831
Auto & Filling Stations	\$360,481,318	\$363,764,225	\$293,619,290	\$280,295,034	\$236,672,946
Drugs & Misc. Retail	\$151,439,321	\$170,868,494	\$158,083,288	\$162,247,633	\$157,640,595
Agriculture & All Others	\$121,508,363	\$117,992,950	\$137,985,335	\$136,930,601	\$119,505,829
Manufacturers	\$18,188,431	\$23,328,850	\$21,922,005	\$25,100,411	\$29,167,949
Municipal Sales Tax Revenue	\$12,111,370	\$12,421,719	\$12,011,019	\$11,934,374	\$11,170,872

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

Sales Tax Generated (Municipal & Home Rule)

CATEGORY	2017	2016	2015	2014	2013
TOTAL	\$18,947,815	\$19,417,270	\$19,153,857	\$19,166,387	\$18,071,926
General Merchandise	\$1,235,231	\$1,262,364	\$1,285,322	\$1,263,104	\$1,284,756
Food	\$2,125,854	\$2,259,380	\$2,413,551	\$2,463,207	\$2,393,915
Eating & Drinking Places	\$2,887,864	\$2,832,050	\$2,852,450	\$2,790,187	\$2,686,287
Apparel	\$705,572	\$730,560	\$719,440	\$731,192	\$714,296
Furniture & H.H. & Radio	\$1,768,046	\$1,697,997	\$1,802,679	\$1,761,426	\$1,725,285
Lumber, Bldg., Hardware	\$969,065	\$973,763	\$995,280	\$984,073	\$926,279
Auto & Filling Stations	\$4,244,304	\$4,228,756	\$3,555,678	\$3,528,284	\$3,079,034
Drugs & Misc. Retail	\$2,315,180	\$2,702,765	\$2,455,384	\$2,526,139	\$2,411,769
Agriculture & All Others	\$2,339,571	\$2,270,067	\$2,644,303	\$2,625,745	\$2,271,949
Manufacturers	\$356,966	\$459,367	\$429,762	\$493,029	\$578,356

Source: Illinois Department of Revenue

New Businesses

Year	Businesses	Employees	Square Feet	Major Employers
2017	77	351	366,902	Shakou; Vensar Technology; Keefer's Pharmacy; Arrows Up LLC
2016	104	2,329	648,486	HSBC; E3 Diagnostics; LA Fitness; DevLinks; TruSweets
2015	99	982	563,514	Lexus of Arlington; Transitional Care Center of Arlington Heights; SVM

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

VACANCY RATES

Retail Vacancy Rates

Year	Arlington Heights	Northwest Submarket
Existing SF	5.1 million	29.0 million
May 2018	7.8%	7.2%
2017	10.1%	8.2%
2016	7.3%	9.0%
2015	7.6%	8.9%
2014	6.9%	9.9%
2013	9.3%	10.3%

Source: CoStar (Dec. 2017)

Office Vacancy Rates

Year	Arlington Heights	Northwest Submarket
Existing SF	4.8 million	36.4 million
June 2018	15.3%	20.5%
2017	15.6%	20.7%
2016	16.3%	21.0%
2015	20.5%	16.8%
2014	15.8%	15.9%
2013	19.5%	18.0%

Source: CoStar (June 2018)

Industrial/Flex Vacancy Rates

Year	Arlington Heights	Northwest Submarket
Existing SF	5.3 million	75.3 million
June 2018	12.4%	6.5%
2017	13.6%	6.9%
2016	15.7%	9.7%
2015	22.4%	8.5%
2014	15.5%	8.4%
2013	16.3%	10.4%

Source: CoStar (June 2018)

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

VILLAGE STAFF EFFORTS

Attraction and Retention Efforts (Individual Businesses Assisted)

Year	Attraction / Recruitment	Retention / Expansion
2017	495	263
2016	368	360

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

EMPLOYMENT FIGURES

Private Sector Businesses and Employees*

Year	Companies	Workers
2017p	2,858	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
2005	3,163	46,471

Source: IL Department of Employment Security

p = projected (Dec. 2017)

Per IDES, the figures were re-calculated in 2017. The decline does not represent a loss from 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.*

VILLAGE WEBSITE (VAH.com)

Site Data

Year	Sessions	Pages/ Session	Avg. Session Duration	Bounce Rate
2017*	61,765	2.37	2:33	55.61%
2016	415,704	2.83	2:57	48.66%
2015	377,971	2.98	3:00	47.41%
2014	350,717	3.25	2:58	42.58%
2013	320,507	3.39	2:39	40.89%

Source: Google Analytics

Sessions: Number of total visits to the site by a user.

Pages/Session: Number of pages viewed per session, on average.

Average Session Duration: Length of time (minutes: seconds) per session, on average.

Bounce Rate: Percentage of sessions where the user left after visiting only the home page.

Most Viewed Pages

Page	2017*	2016	2015	2014	2013
/departments		30.0%	30.9%	34.1%	36.2%
(Home Page)		18.9%	17.3%	15.6%	13.1%
/village_info		17.1%	17.8%	16.5%	14.9%
/residents		7.0%	6.3%	6.6%	7.0%
/news		6.6%	5.6%	4.2%	3.4%
/documents		4.6%	4.7%	5.0%	6.0%
TOTAL		84.2%	82.6%	82.0%	80.6%

Source: Google Analytics

Traffic Sources

Source	2017*	2016	2015	2014	2013
Google – organic	#1	48.9%	49.0%	48.9%	47.2%
(Direct)	#2	31.3%	31.7%	30.9%	30.4%
Bing – organic	#4	5.3%	5.0%	5.0%	5.4%
Yahoo – organic	#7	3.8%	5.5%	6.5%	5.6%
Facebook – referral	#3	3.2%	1.9%	<1%	<1%
TOTAL		92.5%	93.1%	91.3%	88.6%

Source: Google Analytics

***Note: due to update of website, only figures from Nov. 1 – Dec. 31, 2017 are available**

SHOP.DINE.PLAY (DISCOVER ARLINGTON) - WEBPAGE

Site Data

Year	Sessions	Pages/ Session	Avg. Session Duration	Bounce Rate
2017	37,297*	2.46	1:21	55.94%
2016	65,650	2.59	1:28	52.84%
2015	67,397	2.93	1:43	47.08%
2014	81,917	3.16	1:56	44.24%
2013	74,099	3.17	1:55	44.90%

Source: Google Analytics

Sessions: Number of total visits to the site by a user.

Pages/Session: Number of pages viewed per session, on average.

Average Session Duration: Length of time (minutes: seconds) per session, on average.

Bounce Rate: Percentage of sessions where the user left after visiting only the home page.

Most Viewed Pages

Page	2017	2016	2015	2014	2013
/events		11.7%	6.4%	5.1%	6.1%
(Mobile Site)		9.2%	7.0%	4.6%	N/A
(Home Page)		8.7%	9.3%	11.4%	15.8%
/shopping/downtown		5.3%	4.9%	4.7%	4.9%
/dining		3.3%	4.5%	4.5%	7.8%
<i>TOTAL</i>		32.1%	32.1%	30.3%	34.6%

Source: Google Analytics

Traffic Sources

Source	2017	2016	2015	2014	2013
Google – organic	#1	63.9%	65.9%	68.0%	52.3%
(Direct)	#2	13.0%	12.7%	12.7%	21.5%
Yahoo - organic	#4	5.2%	5.8%	4.2%	3.6%
VAH.com - referral	#3	4.6%	4.9%	5.1%	8.1%
Bing - organic	#5	3.4%	3.6%	3.2%	2.6%
Facebook - referral	#7	1.7%	0.6%	1.7%	3.6%
<i>TOTAL</i>		91.8%	93.5%	94.9%	91.7%

Source: Google Analytics

***Note: due to update of website, only figures from Nov. 7 – Dec. 31, 2017 are available**

DISCOVER ARLINGTON - FACEBOOK

Cumulative “Likes”

Year	Total Likes
2017	11,973
2016	11,503
2015	10,980
2014	9,365
2013	6,282

Source: Facebook Insights

Most Viewed Posts (2017)

Topic	Views	Month
Shakou – Now Open	27,400	June
Kirkland’s – Now Open	15,400	June
Frontier Days – Coming Soon	13,500	June
Passero – Coming Soon	13,400	September
Jaunt – Grand Opening	12,500	April

Source: Facebook Insights

Most Viewed Posts (2016)

Topic	Views	Month
Woodcrafters DIY Studio – Now Open	18,100	December
Interview with Owner of Javier’s – Link to Article	17,600	March
Via Arenella – Now Open	14,200	December
Jaunt – Now Open	13,000	December
Armand’s Pizzeria – Relocating	12,900	June

Source: Facebook Insights



Item: Potential Fall Program

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Section from Alliance Minutes 3/21/18	Exhibits

APPROVED

SECTION FROM MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE HELD ON MARCH 21, 2018 AT 7:30 A.M. AT THE VILLAGE HALL

MEMBERS PRESENT:

Scott Whisler – Chairman
Frank Appleby
Tony Guido
Jackie Lewis
Rex Paisley
Dave Parulo
Jon Ridler
Brian Roginski
Andi Ruhl
Parth Shaha

MEMBERS ABSENT:

Lisa Henderson

OTHERS PRESENT:

None

STAFF PRESENT:

Michael Mertes – Business Development Coordinator

Potential Projects for 2018

Mr. Mertes distributed a list, for discussion, of potential topics from the previous year for an Alliance-hosted event or program. Chairman Whisler feels that a State of the Village address from the Mayor or other representative would be valuable to the business community, as the Chamber typically does on an approximately annual basis. Mr. Ridler responded that the Chamber is in discussions to put one on, potentially in partnership with the Rotary, which should help attract a larger audience. He suggested adding the Economic Alliance as a partner too. Mr. Parulo concurred, suggesting this be an annual program and partnership. Also, in regards to an autumn 2018 program, or one for early 2019, an update on the Downtown parking study could be valuable and generate interest.

Per the list of potential topics, Ms. Lewis felt that a roundtable discussion program might not be worthwhile as issues facing the Downtown were likely already voiced in the Village's recently conducted business survey. Ms. Ruhl felt that having multiple roundtables could focus on discussing different issues. The topics would be determined at the program itself, by the attendees, as opposed to the topics being pre-determined prior to the event. Mr. Ridler recommended two programs in 2018: State of the Village in the spring and the parking study in the fall.

Chairman Whisler floated the idea of a job fair, but Mr. Ridler responded that while getting businesses to show up should not be a problem, considering the current economy it is unlikely that a significant number of quality candidates would attend. Chairman Whisler also reiterated looking into water sharing between Arlington Heights and Prospect Heights along Rand Road. Having a representative from the Northwest Water Commission explain the situation and possibilities, or someone who can speak to the Village's policy with historical context, would be helpful.



Item: Proposed Update to Economic Alliance Intent and Purpose

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Proposal for the Arlington Economic Alliance Commission	Exhibits

Proposal for the Arlington Economic Alliance Commission

Current:

Intent and Purpose of the Arlington Economic Alliance Commission

To provide the business community a strong partnership with the Village and to promote a healthy business climate. The Alliance is the Village Board's economic advisory committee on business issues.

- Researching and advising the Board of Trustees, Village Manager and Boards and Commissions on matters relating to economic development

New:

Recommendation to the Arlington Heights Village Board:

Change the Intent and Purpose of the Arlington Economic Alliance Commission To:

To provide for an appointive, advisory body which shall, after due deliberation, make recommendations to the Board of Trustees on matters relating to any new ordinances or changes to any existing ordinances that will have an impact on the business community of Arlington Heights.

The Arlington Economic Alliance shall review all business-related ordinances, programs and regulations that are being presented new or updated prior to submittal to the Village Board. Village Staff will present all information to the Arlington Economic Alliance needed for discussion and recommendations for changes or approval of support. In addition to, the Alliance can research any existing ordinances, programs or regulations relating to the business community that may have areas needing to be updated or addressed according to current business trends and needs.