Village of Arlington Heights
Arlington Economic Alliance
Community Room, 3rd Floor
33 S. Arlington Heights Rd.
April 19, 2023
7:30 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. Minutes - 3/15/23

IV. REPORTS

A. Development Update

B. Arlington Alfresco Report

V. OLD BUSINESS

A. Village Board Strategic Priorities

B. Zero Interest Loan Program Evaluation

VI. NEW BUSINESS

VII. OTHER BUSINESS

A. Public Comment

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 Erin Mercado, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, emercado@vah.com or (847)368-5793.

Arlington Economic Alliance
4/19/2023

Item: Minutes - 3/15/23

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Minutes - 3/15/23	Minutes

DRAFT

MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE
HELD ON March 15, 2023 AT 7:30 A.M. AT THE VILLAGE HALL

MEMBERS PRESENT:
Andrew Stengren – Chairman
Tonia Etoh
Tony Guido
Terry Iverson
Heather Larson
Kerri Oots
Ellen Para
Jon Ridler
Brian Roginski
John Toliopoulos

MEMBERS ABSENT:
Rich Casey
Michele Petrie
Andi Ruhl

STAFF PRESENT:
Michael Mertes – Business Development Manager

ALSO PRESENT:
Melissa Cayer, Resident
Caroline Kubzansky, *Chicago Tribune*
Keith Moens, Resident
Patrick Mogge, Township High School District 214

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

Approval of Minutes – January 18, 2023
The meeting minutes of January 18, 2023 Arlington Economic Alliance meeting were reviewed.

HEATHER LARSON MOVED AND BRIAN ROGINSKI SECONDED A MOTION TO APPROVE THE DRAFT JANUARY 18, 2023 ARLINGTON ECONOMIC ALLIANCE MEETING MINUTES. ALL ALLIANCE MEMBERS VOTED IN FAVOR OF THE MOTION.

Introduction of New Commissioners
The four newest Commissioners of the Economic Alliance were introduced and gave background on themselves:

- Terry Iverson of Iverson & Company (Industrial representative)
- Kerri Oots of Courtyard by Marriott (Hospitality representative)
- Ellen Para of Ottilia (Downtown Business representative)
- John Toliopoulos of Echo Commercial Realty (Commercial Real Estate representative)

Development Update
The Chicago Bears have closed on the Arlington Park property. They have acknowledged that while this is another step in the process, public meetings and formal approvals are still needed. The proposed seven-story multi-family development at 116-120 W. Eastman Street has gone to Design Commission, and the next step is a public hearing before the Plan Commission. Also, a proposed 64-unit multi-family building at 4 N. Douglas Avenue was recently

discussed at a Housing Commission meeting regarding provision of affordable units. This development will also go to the Plan Commission for a public hearing as the next step in the process.

Arlington Alfresco Discussion

Arlington Alfresco begins on Friday, April 28 with street closures occurring earlier in the week to allow for set-up. Alfresco concludes Monday, September 25 to allow for set-up of *Harmony Fest featuring the Taste of Arlington Heights* the following weekend. Streets will likely be re-opened the morning of October 1. Downtown restaurants will be allowed to have outdoor dining areas on the public walkway, as approved by the Village, through October 31.

Zero Interest Loan Program Evaluation

Final internal review of proposed modifications to the program is being undertaken. Consideration has been given to a few potential options from Alliance's suggestions, namely increasing the maximum award amount over $20,000, allowing the loan to cover more than 50% of project costs, and seeking alternatives to a lien on property as collateral. Staff will bring back any proposed modifications to the Alliance before finalizing. Since the last Alliance meeting, one loan has been approved under the existing program requirements, and Staff has been working with another business owner on a separate loan request. Mr. Mertes acknowledged concern regarding timeline for the program modifications, and tried to assure the Commission that Staff is working as quickly as possible. Per Mr. Guido's request, Mr. Mertes summarized the program for the new Alliance members.

Village Board Strategic Priorities

Village Manager Randy Recklaus has asked that several advisory Commissions, including the Economic Alliance, contribute to the Village Board's upcoming Strategic Priorities process. The Board is looking for feedback on important economic development issues that should be considered over the next couple years. In past years, the Commission has provided the Board with a letter outlining relevant economic development matters. Mr. Mertes summarized the previous year's letter, noting the key areas of focus: electric vehicle charging infrastructure, the South Arlington Heights Road corridor, employee recruitment assistance, and a "complete community" concept.

Ms. Larson asked for South Arlington Heights Road corridor improvements to continue to be an area of focus, pointing to redevelopment of International Plaza and overall beautification as key elements. Mr. Ridler noted that IDOT approvals will likely be needed for some corridor enhancements. Chairman Stengren is generally supportive of plans to redevelop Arlington Park, but wants to make sure Downtown continues to thrive. Having the Alliance be kept in the loop regarding Arlington Park, and having a voice on the project, would be appreciated.

Mr. Iverson would like to see a focus on the manufacturing sector, looking for ways to promote employment opportunities and advocating for ways to change the perception of "industry". Outreach efforts from Arlington Heights companies would be beneficial, such as working with High School District 214 to educate students as part of Manufacturing Day. Ms. Oots referenced the discussion on the South Arlington Heights Road corridor. Feedback she has received from hotel guests favors more aesthetic improvements. Additionally, more sit-down restaurants, that are walkable from the hotels, would keep visitors in Arlington Heights.

Mr. Guido would like the Alliance to remain appraised on the status of Arlington Park redevelopment, and also values planning for long-term community marketing and branding. Mr. Mertes gave an update on the Village's current rebranding efforts. Staff has been working with its hired consultant (Springboard) on an updated logo to be brought before the Village Board for final approval. Ms. Larson added that Arlington Heights has become nationally known because of the potential development of a Bears stadium. Mr. Toliopoulos echoed Mr. Guido's thoughts on Arlington Park. He also views South Arlington Heights Road corridor beautification and pedestrian mobility as a priority, as well as enhancing the Village's entryway from I-90.

Ms. Etoh spoke of the importance of being business-friendly, working closely with business owners to guide them through approvals as expeditiously as possible. Having additional Staff might help avoid adding time spent on reviewing other projects while review of Arlington Park redevelopment is occurring. Making Downtown even more walkable is something Mr. Roginski supports. Enhancing Arlington Alfresco is another area of importance, and consideration of a year-round program could help keep Downtown a destination amidst other regional developments. Chairman Stengren acknowledged this, also noting that there are many considerations to be given regarding a year-round Alfresco, such as logistical aspects. Ms. Para advocated for unique experiences offered in different parts of the Village, highlighting the diversity of the business community throughout the Village. Well-planned "buy local" events would help connect residents to local businesses. Further investment in, and expansion of, the annual Farmers Market could help bring more people to Arlington Heights as well.

Chairman Stengren would like to see Arlington Heights as a leader in terms of investment in electric vehicle charging stations. At the February Chicago Auto Show, Mr. Guido noted that every manufacturer had electric vehicles on display. Some companies have plans to go entirely electric by 2025. He believes electric chargers will become common at gas stations in the coming years. It also presents an opportunity for businesses who may be able to attract customers while their vehicles are charging, as well as adding the possibility of placing advertising on the charging stations. Mr. Toliopoulos added that third party companies may come in and install vehicle charging stations. This should also incentivize HOAs and property managers to install chargers for their residents, and Mr. Iverson inquired if the Village could encourage this among their multi-family developments.

Chairman Stengren acknowledged that the number of new charging stations needs to be balanced by actual demand. But growth in the electric vehicle industry will only increase and the Village should be prepared for that. Mr. Ridler asked if charging stations are being installed in the North Garage, and Mr. Mertes responded not in the immediate future. Mr. Guido inquired about electronic signage at the Village entryway at I-90 and Mr. Mertes responded that signage is being considered for that area, but the Village hasn't committed to a specific type at this point. Ms. Oots suggested consideration of a shuttle, like the Rosemont circulator, to bring people to and from the hotels, Downtown, and future Arlington Park development. Chairman Stengren requested the formation of an Alliance working group to assist Staff on drafting a letter to the Village Board. Ms. Larson, Mr. Toliopoulos, and Mr. Roginski volunteered.

Other Business and Public Comment

Ms. Cayer expressed concern regarding water management issues caused by dense development. She suggested that affordable housing requirements, TIF districts, and the Village's zero interest loan program be abolished. Ms. Cayer added that the Village should cease using resources to support Toys for Tots, and also referenced that Oak Park closed down a portion of its downtown streets in the 1980s for pedestrians and it was not successful. Mr. Moens advocated for a shop local program that would incentivize demand for residents to patronize local businesses.

Adjournment

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

The meeting adjourned at 8:45 AM.

Andrew Stengren, Chair
Arlington Economic Alliance

Prepared by Department of Planning & Community Development

Arlington Economic Alliance
4/19/2023

Item: Village Board Strategic Priorities

Department: Planning & Community Development

ATTACHMENTS:

Description	**Type**
DRAFT - Letter to VB	Correspondence

April 19, 2023

The Honorable Mayor Thomas W. Hayes
and the Trustees of the Village of Arlington Heights
33 S. Arlington Heights Rd.
Arlington Heights, IL 60005

Dear Mayor Hayes and Village Trustees:

As part of your upcoming strategic planning process, the Arlington Economic Alliance respectfully submits the following key areas of economic development for consideration. These points of focus were discussed in detail at the Commission's March meeting, and combine some elements of last year's letter with some newer aspects of the current local economy that we feel are worth sharing. We understand that not every item outlined in this letter may be included in your next set of strategic priorities, but we are grateful for your consideration of what is outlined below.

Input Regarding Arlington Park Redevelopment
Redevelopment of the Arlington Park property will be one of the most significant developments in the history of Arlington Heights. As an advisory commission to the Village Board, the Arlington Economic Alliance would like to be kept abreast on the progress of this development. As community business leaders, the Commissioners bring a wealth of experience in their respective industries. At the Board's request, the Alliance would be grateful to offer their consultation and expertise regarding this project. Whatever is built on the site will have a tremendous impact on the Village's economy, and the Economic Alliance is eager to offer input.

Investment in the South Arlington Heights Road Corridor
South Arlington Heights Road is a key Village gateway from Chicago, O'Hare International Airport, the northwest suburbs and beyond. The intersections at Algonquin Road and Golf Road are home to vibrant businesses and the bulk of our hotel properties. The Alliance acknowledges efforts that have gone into enhancing the corridor, and continues to advocate for improvements such as beautification, better pedestrian mobility, as well as more restaurants and entertainment. Hotels along this corridor will continue to bring travelers. The aforementioned improvements will create a more welcoming visitor experience including return visits and future economic impact.

Further Development of Vehicle Charging Station Infrastructure
Some auto manufacturers are planning to go entirely electric by 2025 and the demand for such vehicles will only increase in the coming years. The Alliance feels that it is important for Arlington Heights to be a leader in providing the infrastructure to support this. Potential residents who drive electric vehicles or hybrids will be attracted to housing that offers charging stations, and commercial properties with chargers can allow for customers to dine and shop while waiting for their vehicles' batteries to refill. The Village should consider expanding the installation of charging stations where possible, or incentivizing residential and commercial properties to do so.

Support of Arlington Alfresco
Begun as a way to aid our restaurants during the pandemic, Arlington Alfresco has grown into one of the Chicago area's premier dining experiences. Ongoing investment into this program will help Downtown Arlington Heights continue to thrive and be a destination for years to come. It is understood that many considerations need to be given to make any expansion feasible, and continued support to non-restaurants is also important. Reinvestment in Arlington Alfresco will help ensure our Downtown is a special and desirable place to shop, dine, live, and work.

Promotion of Manufacturing and Industry
Manufacturing and industry play a major role in our economy. In Arlington Heights, such properties total 5.4 million square feet of tenant space and employ 3,200 people. Manufacturing today is far cleaner and safer than many perceive, and salaries are 18% higher than the national average (NAM.org). Yet there is a shortage of skilled workers. Many companies provide both financial and educational support to their employees, offering a legitimate career path with little or no debt. By promoting this industry, and looking for ways to educate high school students about manufacturing as a fulfilling career, we can further invest in this key element of our economy.

Implementation of "Buy Local" Programs
Arlington Heights has a large and diverse business community. As such, many small businesses struggle to make themselves known. Well-planned "Buy Local" events could help steer attention to these independent brick-and-mortar businesses. Furthermore, incentivizing demand for residents to patronize these locations would help keep tax dollars in the Village, reduce vacancy rates, and help ensure that these businesses become further integrated into the community.

Utilization of Long-Term Community Branding
As the Village nears completion of its rebranding project, it is important to plan for how the new logo, tagline, and ad series will be used over the next several years. Planning a strategy to utilize this branding will help determine the best channels for promoting the Village and ideally bring new residents, visitors, and businesses to the community.

Consideration of Increase in Staffing as Needed
The Arlington Park redevelopment will require extensive Staff time for review and approvals. Other important projects will come up during this time that will also require detailed review. Consideration of increased staffing, or providing additional assistance or resources for existing staff, may help ensure that review, approvals, and inspections of other projects are not slowed down during the time that a formal Arlington Park redevelopment plan is under review.

Contemplation of a Village Shuttle
With the redevelopment of Arlington Park, as well as other planned and approved developments within the community, the number of visitors and residents should increase substantially. Coordination of a shuttle service, like the Rosemont Circulator or Schaumburg Trolley, could connect major commercial corridors such as Downtown, Arlington Park, and the hotels. This would further incentivize people to stay in Arlington Heights and bring traffic to other Village restaurants and attractions.

Summary
The Arlington Economic Alliance welcomes the Village Board's feedback and opportunity to further discuss these items. As the appointive body for economic development matters in Arlington Heights, we appreciate the Board's consideration of these ideas, and look forward to additional opportunities to help support our local economy.

Sincerely,

Andrew Stengren
Chair – Arlington Economic Alliance

Arlington Economic Alliance
4/19/2023

Item: Zero Interest Loan Program Evaluation

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Zero Interest Loan Program - Proposed Modifications	Exhibits

Zero Interest Loan Program

Potential Modifications
April 2023

Summary

At the October 2022 Economic Alliance meeting Staff discussed the Village's small business Zero Interest Loan program, seeking feedback or ways to improve it. The program is a revolving loan fund created in 2013 by Village Staff and approved by the Economic Alliance. The loan can be repaid in quarterly installments, up to five years or duration of lease (whichever is shorter), and must be used for tangible improvements. Credit checks and collateral (typically in the form of a lien on real estate) are required in order to secure repayment of loan. A designated committee reviews, then either approves or rejects, an application.

Key Alliance Feedback

- Maximum amount ($20,000) may not be enticing enough, especially for larger projects
- Consider covering more than 50% of the total project cost
- Look for alternatives to lien on residential property
- Timing may be better now for the program
  - Interest rates rising
  - Post-pandemic; owners can focus on investing in business rather than just surviving
- Alliance would like the opportunity to review any changes made to the program

Proposed Modifications

	Max	Repay	Covers	Collateral	Approval	Notes
Current Program	$20,000	Max 5 yrs.	≥ 50% of costs	Lien on Property	Loan Committee	
Proposed Program	$25,000	Max 5 yrs.	≥ 75% of costs	Lien on Property	Loan Committee	20% forgivable for *existing* businesses (3+ years) after 80% is repaid on time

Explanation of Modifications

- Maximum amount is capped at $25,000 (instead of the current $20,000)
- Repayment remains at a maximum of five years or duration of lease (whichever is less)
- Loan now covers up to 75% of project costs; so instead of needing a minimum $50,000 in expenses to qualify for a $25,000 loan, business needs just $33,333 in eligible project costs
- Collateral to secure the loan, such as a lien on real estate, is still required to limit risk to the Village
- As with the current standard loan, internal committee approval is needed (no Village Board approval is necessary)
- As an added incentive to existing businesses that have already invested in the Village for over three years, if 80% of the loan is repaid on-time then the remaining 20% is forgiven

Marketing Plan

- Post to Facebook on a quarterly basis, promoting the program
- Regularly include flyer in *Arlington Heights Business E-News*
- Send to brokers representing commercial properties in Arlington Heights
- Consider paying for digital ads