



Village of Arlington Heights
Arlington Economic Alliance
Virtual Meeting

March 17, 2021
7:30 AM

I. CALL TO ORDER

- A. In response to the COVID-19 pandemic, this meeting is being held virtually, which permits the public to fully participate via their computers or using their phones.

To participate in the virtual meeting, please follow these instructions: <https://bit.ly/3kWK2pk>

Individuals who wish to comment or ask a question on an item on the Agenda may either participate virtually or send an email to the Village at **mmertes@vah.com**. Please limit emails to 200 words or less. To be shared at the meeting, the email must be received by 3:00 p.m. on March 16, 2021.

II. ROLL CALL

III. APPROVAL OF MINUTES

- A. Minutes 2-17-21

IV. REPORTS

- A. Introduction of New Member
- B. Development Update

V. OLD BUSINESS

- A. Arlington Alfresco Discussion
- B. Economic Alliance Work Plan - 2021

VI. NEW BUSINESS

- A. Business Assistance Opportunities

VII. OTHER BUSINESS

- A. Commissioner Reports

VIIIADJOURNMENT

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
3/17/2021

Item: Minutes 2-17-21

Department: Planning & Community Development

ATTACHMENTS:

Description

Minutes

Type

Minutes

DRAFT

MINUTES OF THE MEETING OF THE ARLINGTON ECONOMIC ALLIANCE HELD VIRTUALLY (ONLINE) ON FEBRUARY 17, 2021 AT 7:30 A.M.

MEMBERS PRESENT:

Andrew Stengren – Chairman
Joyce Barabicho
Tony Guido
Rex Paisley
Dave Parulo
Jon Ridler
Andi Ruhl
Scott Whisler

MEMBERS ABSENT:

Rich Casey
Matt Fink
Brian Roginski

STAFF PRESENT:

Michael Mertes – Business Development Coordinator

ALSO PRESENT:

Melissa Cayer, Resident
Keith Moens, Resident

Development Update

As there was not a quorum at the beginning of the meeting, Mr. Mertes provided the Development Report first. Ms. Cayer inquired about in-person Commission meetings. Mr. Mertes explained that he will be surveying the Alliance prior to the next meeting, by request of the Village Manager, regarding in-person attendance. In terms of new business, Carvana is a used auto dealership that conducts minor repair as well, and has locations throughout the country. They are moving into the former Subaru/Mazda dealership at 1555 E. Rand Road. Also, in regards to the proposed senior care and commercial development at International Plaza, Village Staff continues discussions with the developer as they further update their plans for redevelopment of the property.

Call to Order

Following the arrival of two more Commissioners, the meeting reached quorum. Chairman Stengren called the meeting to order at 7:45 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 – February 17, 2021

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

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

Arlington Alfresco Discussion

Mr. Mertes summarized Village Staff's presentation to the Committee of the Whole (COW) on January 25 regarding approval for Arlington Alfresco in 2021 and direction for possible future years. Staff introduced the program, discussing it in terms of implementation, cost, and economic impact. Four surveys were conducted in December

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2020 and January 2021 in regards to Arlington Alfresco. Targeted audiences were Downtown residents, Downtown businesses, Alfresco customers in general, and vendors from the 2019 Mane Event / Taste of Arlington Heights.

Mr. Mertes highlighted the responses of these surveys, which were significantly positive overall regarding Arlington Alfresco. There were some concerns though regarding live music, lack of mask wearing, and with people riding bikes and skateboards in the pedestrian zone. In regards to the Mane Event/Taste, the majority of vendors found the event valuable. Downtown residents and businesses were split on future implementation of that event, with nearly 50% residents favoring the creation of a new event, while 35% suggested it be moved to a different location. The businesses preferred holding it at a different site in the Downtown.

Village Staff made several recommendations to the COW that evening, who responded with five motions for Staff:

- To begin operational preparation for a mid-March 2021 commencement of Arlington Alfresco (weather permitting), with a conclusion date on November 2, or earlier if accommodating a festival.
- To waive minimum parking and Code requirements for outdoor dining on private property.
- To allow outdoor live music, subject to Village Manager's potential modifications if needed.
- To develop an operational plan for Alfresco in 2022, and after, with the event commencing annually in May.
- To enable collaboration among the Special Events Commission, Chamber, and other stakeholders on development and cost/operational analysis of an end-of-Alfresco event.

Chairmen Stengren inquired as to the best approach for the Commission to be involved. Mr. Ridler explained how the Chamber runs the expo portion of the Mane Event/Taste. They need to raise \$75,000 to put it on, and the Chamber Board is discussing plans for 2021 and beyond. Additional clarity from the Mayor and Trustees would be helpful regarding the Alliance's participation on forming event. Chairman Stengren concurred, and would like the Commission to be able to provide input. Mr. Ridler noted that the Chamber has proposed to the Village a grant fund for businesses outside the pedestrian zone, in addition to the other assistance the Village has provided thus far. Perhaps the Alliance could help in this regard. Chairman Stengren affirmed that the Economic Alliance should be an advocate and voice for the entire business community, and should look for ways to assist it.

Per Mr. Paisley's question about next steps for an end-of-Alfresco festival, Mr. Ridler explained that the Chamber is communicating with the Village Manager, and is working on a proposal and budget. If the Alliance can be a supporter of such a program, Mr. Paisley would like to see that. He also expressed curiosity about the status of festivals in light of current events. Mr. Ridler said that an end-of-season event might be possible, but may have to be put together quickly as there is still uncertainty with future COVID regulations at this point. Mr. Whisler asked about feedback received from non-restaurant businesses. Mr. Mertes said that several Downtown retailers actually saw a boost in sales, while others did not due to the pandemic. Based on conversations with merchants, Mr. Ridler concurred. Some have benefitted, but others have hurt themselves by being closed in the early evenings when Downtown has had many customers. Another year of data is crucial to see the post-pandemic impact of Alfresco.

Mr. Whisler suggested the Village's Zero Interest Loan program for restaurant equipment purchases, such as tents or other structures. Mr. Ridler acknowledged that the Village is looking beyond Alfresco, but also emphasized significant expenses made by non-Alfresco restaurants. Ms. Ruhl added that restaurants are not the only businesses struggling. Mr. Ridler recognized this, and pointed out that there may not be enough funds available to help every business that needs them.

Ms. Ruhl asked what may happen to the Promenade of Art. It seems unlikely that it will happen in 2021 due to the pandemic, explained Mr. Mertes. If Alfresco continues in future years, Promenade of Art may need to be relocated or not renewed. Mr. Whisler asked when the annual Farmers' Market ends and if their lot could be used to hold a relocated festival. Responding, Mr. Ridler said potential issues include access to electric power as well as other structural needs. It may be difficult to get restaurants willing to set up at a location away from their business. Mr. Parulo recommended continued discussion on supporting businesses outside the Alfresco zone.

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Chairman Stengren summarized three key points from this discussion:

1. The Alliance, overall, seems supportive of the COW's approvals from January 25.
2. The Alliance would like to have a voice regarding an end-of-Alfresco event.
3. The Alliance would like to advocate on behalf of businesses outside the Alfresco area.

Chairman Stengren also asked what the Alliance's role as an advisory body should be, specifically if the Commission should be making formal recommendations. Mr. Ridler stated that other communities have offered grants to their businesses, and suggests that Village Staff look at these programs. Ms. Ruhl stressed the difference between a loan and a grant, and that as a Library Board Trustee she may not be able to apply for some assistance opportunities. Mr. Mertes responded that the Village Staff is looking closely at what other communities are doing, and all possible options. Many of these municipalities have used other sources of funding, such as Community Development Block Grant (CDBG) dollars.

CHAIRMAN ANDREW STENGREN MOVED AND JON RIDLER SECONDED A MOTION STATING THAT THE ARLINGTON ECONOMIC ALLIANCE SUPPORTS THE FIVE MOTIONS APPROVED BY THE VILLAGE BOARD AT THE COMMITTEE OF THE WHOLE MEETING ON JANUARY 25, 2021.

The motion passed 8-0. Chairman Stengren asked for a presentation of the potential end-of-year event, by the Chamber, when ready to be discussed.

Economic Alliance Work Plan – 2021

Ms. Cayer stated that the Library is moving forward with their makerspace and it could be a business assistance opportunity. Mr. Mertes asked if the Alliance would like him to compose a newsletter for 2021. It is typically done annually, but was not done in 2020 due to the pandemic causing the cancellation of Commission meetings. Chairman Stengren, Mr. Whisler, and Ms. Barabicho all felt that it would be a good idea, and now is an especially critical time to convey business assistance opportunities. A letter to the Village Board, regarding economic development issues, was also suggested for consideration at their annual strategic planning retreat. This was done in 2019 as well.

Commissioner Reports

As part of a rotating monthly discussion on the status of various industries, Mr. Ridler spoke about the Chamber's ongoing efforts. The Chamber has communicated with the Village since the start of the pandemic, and have shared information such as business assistance programs and State-mandated COVID requirements. Also, the Chamber is trying to work with business owners on a plan for when *Restore Illinois* finally reaches Phase 5.

Other Chamber efforts have included assisting businesses with grant and loan applications. Over 1,600 businesses in Arlington Heights have received nearly \$53 million in SBA loans. Also, over two dozen Arlington Heights businesses have received grants through the Illinois Department of Commerce and Economic Opportunity (DCEO), exceeding \$450,000 in total funding. The Chamber also advocated for Verilife in their efforts to get Village approval for retail cannabis sales.

Additional activities currently being undertaken by the Chamber include seeking an affordable marketing platform for small businesses, and getting involvement from residents in supporting local businesses. Further business advocacy includes working with developers, helping bridge communication between businesses and government, and supporting outdoor dining grants. Ms. Cayer also suggested "providing value for customers". Mr. Ridler agreed, adding that customer service is crucial for businesses. Finding more counseling for the owners who are fatigued and frustrated from the ongoing pandemic has been a challenge too.

Other Business

There was no other business discussed.

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Adjournment

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

The meeting adjourned at 9:03 AM.

Andrew Stengren, Chairman
Arlington Economic Alliance

Prepared by Department of Planning & Community Development



Arlington Economic Alliance
3/17/2021

Item: Economic Alliance Work Plan - 2021

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Letter from Alliance to Village Board	Exhibits
Village Board Strategic Priorities	Exhibits

May 15, 2019

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

Dear Mayor Hayes and Village Trustees of Arlington Heights:

On February 11, 2019, the Arlington Economic Alliance was given the opportunity to present to you, via a Committee-of-the-Whole meeting, amended Code language regarding our Commission. Although the proposed modifications to our purpose and intent was not ultimately approved, our Commission felt that the discussions that evening were fruitful and your direction appreciated.

A key result of this meeting was a request by you, the Village Board, for the Economic Alliance to provide a list of key economic development items for consideration at your annual strategic planning meeting. In response to this request, the Alliance has engaged in discussions over multiple monthly Commission meetings. The result is this letter with eight areas of focus that we feel are of significant importance to the business community over the next 12-18 months.

The following is list of these items. Please note that we feel that these are of comparable importance, and therefore are simply listed in alphabetical order:

- Business-Related Code and Ordinance Changes
- Corridor Improvement
- Licensing & Permitting Process
- Promotion of the Village's Business-Related Assets
- Property Tax Concerns
- Signage
- Small Business Promotional Partnerships
- Social Media Presence

The following is a short summary of each item with context as to why the Alliance feels they are relevant. They are sorted by which of your 2018-2019 strategic priorities we feel is most applicable:

#2: Improve Building and Life Safety Processes and Customer Services

➤ *Business-Related Code and Ordinance Changes*

We would like to clarify that this does not involve policy-making. Rather, this is a request for the Alliance to be informed of Code changes and ordinances that would impact the business community and, when possible, allow us an opportunity to provide feedback or a recommendation before a final decision is made. This Commission acknowledges the importance of not slowing down projects. As business community representatives, we ask that the Village Board actively consider our roles and expertise, and proactively allow us opportunities for feedback.

➤ *Licensing & Permitting Process*

The Economic Alliance acknowledges and appreciates that the Village is currently going through a process to review and potentially amend the Building Code. The Commission asks that Staff and the Village Board keep business needs in mind during the process, especially in order to help support independent small businesses that often do not have the financial resources to conduct significant changes to older tenant spaces. Furthermore, any opportunities to simplify the licensing or permitting requirements can encourage business investment in Arlington Heights. The Economic Alliance would like to review any suggested changes that may come from this review prior to them being amended.

#3: Review and Update Village Business Development and Recruitment Strategy

➤ *Promotion of the Village's Business-Related Assets*

In the past two years, Village Staff has conducted surveys requesting resident and business input. Staff and business representatives alike (such as the Alliance itself) should promote the assets identified in these surveys. The community should play to its strengths while continuing to work on areas for improvement.

➤ *Property Tax Concerns*

The new Cook County Assessor is currently implementing changes to the County's tax structure. Multiple townships have recently seen significant assessment increases. This affects both commercial and residential properties, and increases in property taxes typically result in rent increases to tenants, and price increases to customers. Educating owners on this impact is one opportunity to assist businesses in Arlington Heights. The Alliance understands that the Village's share of the property tax burden, and the Board's ability to further reduce it, is limited. However, any opportunity to advocate for the alleviation of increased taxes would greatly benefit the long-time commercial and industrial tenants who have invested in this community.

#5: Continue Infrastructure Improvement Efforts

➤ *Corridor Improvement*

As a critical symbol and economic driver for Arlington Heights, we acknowledge the importance of Downtown. However, we wish for the Village Board to continue to focus on ways to maintain and enhance the Uptown and Southtown sections of the community. Investments in visual appeal and infrastructure at key intersections, and along major commercial corridors, can result in greater business activity and sales generated by residents and visitors.

#7: Evaluate the Village of Arlington Heights Identity and Brand in the Community and Region

➤ *Signage*

The Economic Alliance acknowledges recent efforts to emphasize the importance of signage, especially in the Downtown and Southtown. The Commission wishes to reinforce not only the need for signage, but also its importance in terms of wayfinding as well as welcoming visitors at the Village's gateways and encouraging them to spend their dollars in Arlington Heights. Signage should also be tied into the community's branding to help further create a sense-of-place.

➤ *Small Business Promotional Partnerships*

It is important to motivate people to visit storefronts, especially considering the effects of the rise in online purchasing. Looking for ways to promote local merchants, and educating residents on the importance of "buying local", can help mitigate some negative impacts of increased internet shopping. Further, educating the businesses on how to utilize technology is key to helping them enhance their presence in the marketplace, and can help drive more traffic to their businesses.

➤ *Social Media Presence*

Utilizing social media should continue, and be expanded where possible. Regular outreach via multiple channels is a cost-effective way to market the community. Social media use does require Staff time. So looking for opportunities to collaborate with residents, business owners, and visitors to also provide content is an opportunity to further advertise the community's assets.

The Arlington Economic Alliance is grateful for the opportunity to bring these items to your attention, or to emphasize their importance. Any questions or direction from the Village Board is welcome.

Sincerely,

Scott A. Whisler
Chairman – Arlington Economic Alliance

C: Randy Recklaus, Village Manager

Summary of Strategic Priorities, 2019 - 21

Every two years the Village Board meets to discuss the current challenges facing the community and to determine its Strategic Priorities for the Village. The Village will face a variety of seen and unseen challenges over the next two years. However, the priorities identified will serve as the guiding principles for the development the Village Staff's biannual business plan and for the annual budget process.

1. Identify, Explore, Enhance Revenue Sources While Monitoring Taxes

Identify potential new revenues not currently being utilized by the Village to offset State of Illinois actions and reduce the need for future property tax increases

Find ways to grow current revenues by facilitating additional activity in growth sectors of the economy

2. Review and Update Village Affordable Housing Strategy and Regulations

Develop a clear policy and plan for affordable housing in the Village

Create educational materials for the public and development community on Affordable Housing

Communicate how housing funds will be utilized

3. Continue Improving Building and Life Safety Processes and Customer Service

Identify specific opportunities for process and communications improvement

Identify strategies to support the further enhancement of the Building and Life Safety Department's capabilities

4. Increase Efficiencies throughout Village Processes and Procedures

Evaluate service provision for efficiencies

Eliminate redundant or ineffective procedures to ensure staff time is spent on adding value and productive endeavors

5. Enhance Business Development Efforts

Increase Marketing and Recruiting of Businesses

Encourage experiential businesses to develop in the Village

Address development opportunities throughout the Village, particularly in the Southtown and Uptown areas

Improve Village Gateways

Evaluate a Southtown entertainment district

6. Explore New Sustainability Initiatives

Explore an Electric Car Charger policy/program for public and private locations

Improve walkability for pedestrians

Enhance bike friendly initiatives

Evaluate recycling challenges

7. Continue with Infrastructure Improvement Efforts

Evaluate infrastructure to ensure proper investments are being made

8. Review Impact of Changes to Cannabis Laws**9. Find New Ways to Embrace Diversity within the Community and Village Government**



Arlington Economic Alliance
3/17/2021

Item: Business Assistance Opportunities

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Forgivable Loan Concept - Summary	Exhibits

Potential CDBG-CV Small Business Forgivable Loan Summary of Potential Requirements

Mandatory Requirements

- Term of loan including forgiveness rate TBD
- Retention of eligible mid or lower income employee
- Demonstration of eligible expenses (rent; employee wage; PPE equipment; etc.)
- Documentation of how the financial assistance prevents, prepares for, or responds to COVID

Potential Requirements

- Max amount of forgivable loan (\$5,000 each)
- Max annual sales (no more than \$1 million in 2020)
- Max tenant space (no more than 5,000 square feet)
- Max number of employees (no more than 10)
- Demonstration of Covid revenue loss
- Business types (sales tax generating and/or entertainment uses only first priority)
- Limitations on their ability to operate at full capacity at physical location (State capacity restrictions)
- Good financial standing with the Village
- Other grant/loan recipients (priority to businesses that have not received standard AH 0% loan, Class 6/7, or IL BIG grant)
- Independent stores/businesses only (franchisees ok, but need to show proof of ownership)

Submittal Requirements

- Village application form
- Executed lease or property ownership verification
- Verification of business ownership (e.g. good standing w/State of IL;Village)
- Documentation demonstrating compliance with loan/grant criteria
- Proof of need
 - Verification of retained employee that meets low-income or moderate-income requirements.
- Other documentation as may be required

“contingent upon HUD’s approval and provision of funds”

February 23, 2021