

Small Business Development Report

Attachment A

Pages 1-17

Period Covering August 1, 2013 – January 31, 2014
Presentation To Board of Trustees February 10, 2014
Submitted by Jim Platt, Chamber of Commerce

In compliance with the Small business Retention and Development Agreement, between the Village of Arlington Heights and the Arlington Heights Chamber of Commerce, Section Five ask for a quarterly report. This report will combine the first quarter report with the second quarter reporting for the ease of presentation to the Board of Trustees.

The report will address three key areas from the visits and data collected for the period August 1, 2013 – January 31, 2014

1. Retention Visits and Survey Results
2. Expansion Plans and Opportunities
3. Identified Needs –
Educational, Promotional, Developmental

Retention Visits and Survey Results

Visits were classified as Qualified and non-Qualified to identify different levels of a retention visit

A Qualified Visit is defined as having a direct conversation with the Business owner or manager that included an introduction and an explanation of the SBD program. Topical items were discussed; signage being a primary topic in the Downtown District, and follow up was done in person or minimally by email or postal mail.

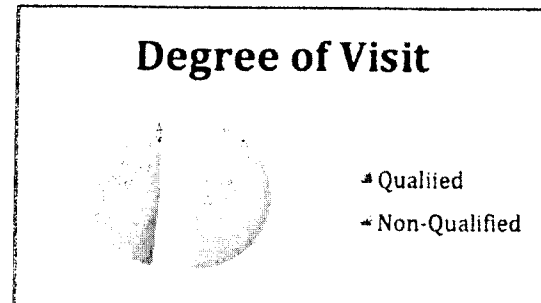
A non-Qualified Visit is defined as having a direct conversation with the Business owner or manager but not having ample time to acquire enough information for building a relationship. Issues were discussed and literature or information was presented. Follow up contact has been done and subsequent visits/communication can advance this client to a Qualified Visit status.

While the focus of my visits were in the Downtown District, the overall program balance will be maintained in the 3rd and 4th quarters. The downtown district has a high density of businesses and a single issue can erupt quickly, as can an opportunity for positive action. During this reporting period, the downtown dominated with a single issue that created an opportunity for repeated visits and direct partnership with the Department of Planning and Community Development. However, while the visit numbers are heavy in the Downtown District, the reporting of Identified Needs and Expansion Plans and Opportunities balance feedback from all three regions, identifying common threads of topics and themes.

Data break down collected from the **148** visits for the period:

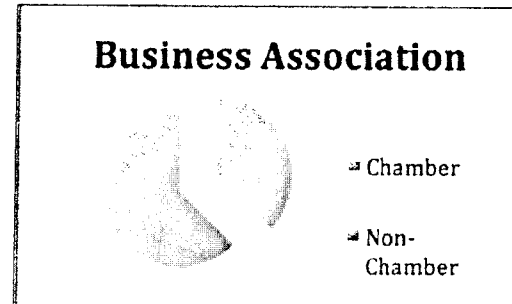
Degree of Visit

Qualified	76
Non-Qualified	71



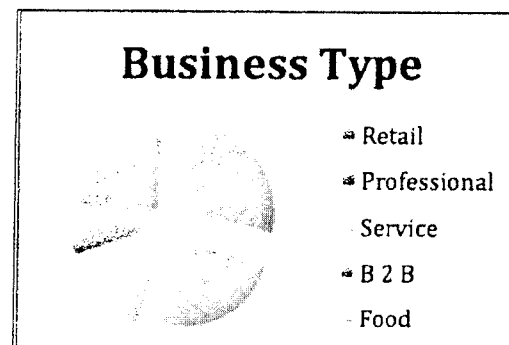
Business Association

Chamber Members	55
Non-Chamber Members	93



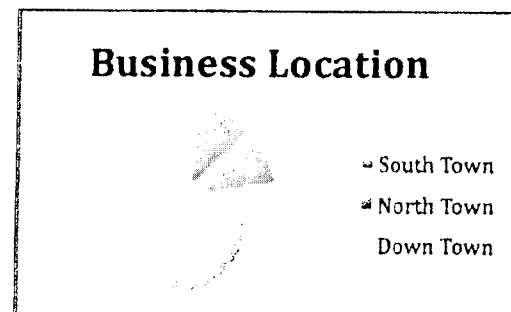
Business Type

Retail	43
Professional	37
Service	23
Business to Business	9
Food Establishment	36



Business Location

South Town	19
North Town	14
Down Town	115



Expansion Plans and Opportunities Identified Need Educational, Promotional, Developmental

This section addresses the needs of the Business owners visited, whether attained through qualified or non-qualified visits. A critical part of the feedback was offered under the premise of anonymity and confidentiality. Business owners are looking to avoid both the media exposure of their thoughts as well as the identification of themselves to protect them from a perception of heightened scrutiny by entities upset with the comments. I've adapted this category to include three sections:

- I. Emotional reaction from business people visited*
- II. My needs, realized as visits evolved*
- III. Combination Report of Identified Needs by those visited and my observations for Expansion Plans and Opportunities*

I Separated from topics of concern are the emotions shared by those visited

Partnering with the Village on select visits – Business people are impressed, and often time shocked, that someone would take the time to visit them and listen to them. The need to be identified and valued is authentic and sincere. I think it can only strengthen their desire to continue doing business here in town. Assuring them of Confidentiality allows conversation to expand but it is not uncommon for them to ask for re-assurance more than once during our visit.

Listen More, Timely follow up – Business owners express a lot of concerns, with the variety including Village issues, taxes, competition and business neighbor complaints. Having someone that will listen is therapeutic although I make it very clear that my role is to help them navigate through these issues, not solve them. Because the meetings are introductory between me and these business people, compounded by the length of time they have been waiting for the opportunity to be heard, I think giving them latitude on the subject matter is important in forming a deeper business relationship with them going forward. The result has been positive and encouraging for subsequent visits or at least maintaining an electronic level of communication.

Training and FAQ on Taxes – Education on where the tax money goes that they help generate by operating their business is a particular example of a need. They would like better education on how tax use relates to a better business environment for them grows to wanting some level of input. They are aware that the final decision is for others to make, yet a deep compassion to be part of the process, at some level.

II. Visits have organically identified needs for me to be a better advocate

Better educated on the Village procedures that business owners have expressed frustration over. Gaining access to the timetable program of a project can help identify the efficiency of the Village staff and teach business owners how to access this valuable tool.

Continuing to adapt the visit format to fit the need of that particular business person. Listening is so vital to a qualified visit and making that visit a positive experience for the business person.

Developing responses that build credibility and trust while trying to respond to needs on a timely basis. I represent the Village in this capacity and my response time reflects on both my integrity as well as the Village government and staff.

Establish and strengthen relationships with the Partners that are critical to the success of a collaborative Village message. These groups include but are not limited to: Chamber of Commerce, Community Planning and Development, Schools, Park District, Building Department, Library, Economic Alliance, Public Works, Fire, Police, Frontier Days, Special Events Commission, and Commercial Property Owners.

III.

Identified Needs: Subjects of Topic and Query Expansion Plans & Opportunities: Ideas to 'Move Forward'

1. Alcohol Service and Training

a: BASSET training

- Better lines of communication should prevail in topics of this severity so that more than 5 responses of 138 should help dictate policy. While still a privilege, a liquor license holder needs policy help that holds the employee to accountability, in addition to the owner.
- Punishment for violations should have intent to remedy the problem, not risk the health of the business. Village sponsored BASSET training could be a solution.

b: BYOB

- Some type of registration for businesses without liquor licenses would level the playing field for businesses already carrying a liquor license. BASSET training could be a stabilizer.

c: Complimentary Alcohol

- Without documented reason to regulate, don't.

d: Expanding Liquor Sales

- While the opportunity for business to expand into their full business model is understood, the same should be considered for private liquor stores who have been held back by limiting their small packaged liquor sales and compounded by expanding their competitors market while limiting their own full business model.

2. Bikes and Benches - A tremendous asset in the downtown district

a: location placement

- Understanding that the Bike Commission knows the regulations of the Village, consider them collaborating with businesses to determine need and placement

b: request

- Open conversation with the Bike Commission and business owners would reach a regulated accord

c: removal

- Notification to the same collaboration would help alleviate any tension for a decision on removal

3. Business Closings & Prospecting Businesses

a: Pro-Active Approach

- Establish a relationship with building owners that provides leasing information for retention prioritizing

b: Collaborative effort to retain

- Provide business at risk with resources that can assist with shortcomings: Chamber networking & marketing, Library education and marketing, SBA financing and education, SCORE counseling and mentoring

c: Shopping District Mapping

- Identify a shopping district's current layout, by address, to help identify vacancies, create business type balance, use as a marketing tool for prospective, moving or expanding businesses. Update quarterly to maintain integrity.
- Format this same tool as a shopping guide for consumers to increase the messaging of 'Shop Local' and the 'Discover Arlington' marketing themes.

4. Communication – Current toolkits are a great model to revise and build upon to make instructions easy to find and easy to use.

a: New Business information verification

- Welcome email sent out with a Call to Action response that could be initiated or accepted in a computer signature.

b: Business license expanded information

- Current form revised to include texting and smart phone access, possibly even an 'app' that could help businesses navigate. Even, a 'How Can We Help' line.
- Create a process for verification & accuracy.
- Request information re: building owner/management, length of lease, etc.
- Provide a legal disclaimer that expands the usage of the information provided.

c: Welcome Packet for Businesses, new & old

- **Parking info**
 - Downtown District: Entertain a discussion with business owners, staff and Police on incorporating parking permits into the business license using a scaled ratio. The goal is a solution to the employer/employee curb parking problem.
- **Discover AH info**
 - Working with the Economic Alliance, develop a collaborative between the Chamber, Park District, Library and School events to produce kiosk signage that identifies Village activities; the same could work for the message board.
 - A similar collaboration with these entities' websites can make navigation for consumers easier to participate in Village wide events.
 - A second tier of partners would encourage mentoring between large/small businesses and could include the Schools for internship participation. Sample second tier partners include Daily Herald, Northwest Community Hospital, Lutheran Life Communities, Arlington Racecourse and other high employers.
 - Marketing timeline for a cohesive targeted marketing built to succeed.
- **Advertising opportunities**
 - Cross sponsoring events between the entities benefits everyone and generates higher attendance for events and activities.
- **Video production opportunities**
 - If producing a video at the Library can give a business a view on the Village public channel, then this gem of an opportunity should be better promoted.
- **Contact flyer (update of 2010 version)**
 - This valuable tool needs revision and set in the language of a businessperson.

- **Email & texting verification**
-Utilizing today's technology to communicate better and notify owners faster.
- **Expansion Q&A**
-Sometimes business growth is stumped because business owners don't know where to begin and don't want questions or inquiries to be construed as a commitment or be placed under a microscope before its necessary. A tool kit or punch list for planning could alleviate the resistance to begin an expansion.
- **Assistance with code violations and property owner**
-Within the umbrella of the Village, there needs to be an independent moderator that can help clarify where responsibilities lie between tenant and landlord so decisions are equitable and factual.

5. Electrical Supplier

a: Initial program rate change

- While the initial program was a huge success, subsequent rates have been only climbing and the Village should consider advising its residents to search out other entities that are advocates for lower rates.

b: Aggregate for businesses

- The village should consider collaborating with the existing Chamber program to help businesses secure favorable rates.

6. Events & Ideas

a: Current

- These programs have great merit and could be enhanced if collaborated with businesses to provide a fuller experience for consumers and a great ROI for businesses; varying levels of business participation could be offered to upgrade the budget of the event.
- Halloween - Harmony Park tree lights expanded - Sleigh Rides

b: Potential

- Due diligence should be given to these ideas that have been suggested or successful in other communities
- Ladies Night Out - Wine Walk - Ice Rink - Santa Visit
- Norwood empty lot usage - Ice Sculptures - Pet Oriented Event
- Music in the trees downtown - Farmers Market revisions

7. Gaps in the Current System/Process - Common denominators in business feedback is not an indictment of fault, rather, exposure of a gap that exist where one entity contact begins and another takes over. This list of players are NOT in order of fault or priority; situations can take different routes where both the order and players participation varies.

- A consistent link of communication shared by these players, in varying degrees, would prevent the 'ping pong' action businesses feel when they inquire about the possibility of an idea they have or assume the answers from a meeting are consistent with every one of the players on the list.

- *It is critical to focus on the underlying CAUSE of these common denominators, not the need to justify actions in a single scenario; pro-active rather than re-active should be the objective to this initiative.*
- *Establish a scenario research program (SRP) to discover language barriers and gaps. While situations may still occur, the frequency and severity will decline.*
- Property Owner - Leasing Agent - Public Works - Engineering - IT
- Community Planning & Development - Building Department, incl. Fire

8. Marketing

a: Economic Alliance efforts

- *It may be helpful to invite different sectors of the business community to meetings when issues are being brainstormed to allow input; results could then be shared and co-owned through email/text or shared file groups.*

b: Collaborative efforts

- *Open involvement brings more acceptance to an idea and its results are shared/owned by the businesses who participated.*

c: Village funded efforts

- *A balance of funds invested for the return should be focused on business ROI as well as current criteria used to repeat an event.*

d: Co-op programs

- *Creating 'skin in the game' for businesses increase success and participation.*

e: Annual Marketing Timeline

- *Documenting events and activities notification a year in advance can help with budgeting, participation and collaboration from entities outside the targeted marketed event location. Inclusion village-wide becomes the norm.*

f: Free Marketing Tools & Services

- *Utilizing the USPS for blind targeted distribution and the Arlington Heights Memorial Library Business Card Program are examples of tools we offer as a community that go unknown to many. More are still to surface with time.*

9. Parking

a: Valet Parking

- *An expanded idea of the current usage, with the help of the Police Department, could create a new environment in the downtown district.*

b: Garage Parking

- *Police participating in a discussion with business owners would keep the issues transparent and factual; recommendations from businesses could help remedy some of the challenges faced by employees regarding safety.*

c: Parking permits

- *The program needs to be implemented for success while understanding circumstances that may be inhibiting its success.*

d: Curbside reserved parking

- Although desired, its practicality could be substituted with an expanded Valet parking program; see point 7a.
- e: Enforcement on private property**
 - Selective enforcement needs to be explained for private property parking.
- f: Backing into parking spaces**
 - Great example of government using a consumer concern to heart for a solution.
- g: Commission of residents and staff**
 - Would like to see business owners participating because they are part of the reason, the problem and the solution.

10. Signage

- a: Downtown inspection issue (September 2013)**
 - A great example of an incident that resulted in positive effect. Inconsistent enforcement and interpretation needs a remedy that only a collaborative effort can resolve. The problem is not one single item or person(s).
- b: Sandwich board signage**
 - Encouraging progress with a meeting scheduled for February 13th by Charles Perkins and the Community Planning and Development Department. Hopefully, the evolution of signage will emerge.
- c: Banners, free standing**
 - The next big sign hurdle, enforcement should be consistent or a change should be in the offering. The same is true for other types of signage in the Village.

11. Staff Initiatives

- a: World Cuisine Program**
 - Tremendous idea that could find more success if collaborated with the Chamber and other partners for a joint success.
- b: Zero Interest Program**
 - Great idea for attracting businesses and would like to see it expanded to include a wider range of businesses and seed money for an earlier launch.

12. Vendor Purchasing in the Village

- a: How to participate**
 - Great staff support that needs to be communicated and encouraged so the 'buy local' slogan for consumers is encouraged at the Village tax spending level.
- b: Rules of engagement**
 - A seminar for training and provided to the Chamber and Library would help spread the word on a well planned process; tool kit could emerge as well.

The primary purpose of this program is to reveal the hidden gems in the Village's existing procedures and programs to make starting, operating and expanding a business in Arlington Heights a lucrative venture. From the family owned business or franchise to the mid- and big box retailers, service companies, manufacturers and professional firms, we need to be vigilant to fill the gap between Village government policy and Business mentality. In essence, a language translation that blends the two climates to build partnerships that include the Village Government, Chamber of Commerce, Park District, Library, and School Districts all for the success of its business community and the continued quality of life in Arlington Heights.

- ❖ A Single Message across all the entities that communicate with businesses and residents.
- ❖ Realize that we have only ONE product, a life in Arlington Heights.
- ❖ Partnerships that produce more Offense in our message to Shop & Live here; less defense of our purpose and positions.
- ❖ Identify our Story and then show it in our Open Arms for new business and residents.

	Chamber	Non-Chamber	Qualified	Non-Qualified	Retail	Prof Office	Service	B 2 B	Food	South Town	Up Town	Down Town
4 Ever Printing		X		X				X			X	
72 Financial	X		X			X						X
9 Round	X		X				X					X
A La Mode	X		X		X							X
Addison Cleaners		X		X			X					X
Advanced Health Institute	X		X			X						X
Allstate, Ava Dacka		X	X			X				X		
Aloha Mind Math		X		X		X				X		
Alt Thai		X		X					X			X
Arlington Downtown Beauty Shop		X	X				X					X
Arlington Florist		X		X	X							X
Arlington Lanes	X		X		X						X	
Arlington Pro Shop		X		X	X						X	
Armands Pizza	X		X						X			X
Assure Vision		X	X			X						X
Bact Process		X	X					X			X	
Bangkok Café	X		X						X			X
Bath and Body Works		X		X	X							X
Becker Family Dental		X	X			X				X		
Bella's Hair Salon		X		X			X			X		
Bentley's Barkery		X	X		X							X
Berry Yo	X		X						X			X
Big Shot	X			X					X			X
Blenner Insurance	X		X					X				X
Bloom Salon	X		X				X					X

	Chamber	Non-Chamber	Non-qualified	Qualified	Non-qualified	Retail	Prof Office	Service	B 2 B	Food	South Town	Up Town	Down Town
Brackett and Company		X	X			X							X
California Pizza Kitchen	X		X							X			X
Caminiti Association		X	X						X			X	
Carlos and Carlos	X		X							X			X
Cavan Realty		X			X				X				X
Chase Bank		X			X	X							X
Choice Nails		X			X			X					X
Chrysalis Hair Emporium		X			X			X					X
Cindy's Cleaners		X			X			X			X		
Circa 57		X		X						X			X
Citibank	X				X	X							X
Claudio Salon		X			X			X					X
CM Interior Designs		X			X				X			X	
Core Power Yoga	X				X		X						X
Corrective Chiropractic		X			X		X				X		
Curves		X			X		X						X
Daily Grind and Grill	X			X						X			X
Danny's Pizzeria	X			X						X		X	
DKMO	X				X		X						X
Dolce Café		X		X						X		X	
Dunton Court Cleaners		X			X			X					X
Dunton House Restaurant		X			X					X			X
Dunton Tower Apartments	X			X			X						X
Eco Diva Clothing						X							X
Edward Jones, Christell	X				X		X						X

	Chamber	Non-Chamber	Non-qualified	Qualified	Retail	Prof Office	Service	B 2 B	Food	South Town	Up Town	Down Town
Egg Harbor	X			X					X			X
Evergreen Plaza, Larry Fumarolo		X		X				X				X
Expertline Systems		X		X		X					X	
Fausto's Italian Kitchen	X			X					X			X
First Arlington Barber Shop		X		X	X							X
First Class Travel		X			X							X
First Step Foot Care		X				X						X
Fitness 19	X			X		X				X		
Flaherty Jewelers	X				X							X
Forbici Hair Salon	X						X					X
Fuzzy Wuzzy Yarns		X		X	X							X
Golf Liquor		X			X					X		
Golf Road Laundromat		X					X			X		
Hairline Creations		X				X				X		
Harrys, Arlington Heights	X			X					X			X
Hase Petroleum Wax Co		X		X				X				X
Heights Dental Gallery		X				X						X
Hera Nails Salon		X					X					X
HKM Architects		X				X						X
Hohenadel Insurance Group		X				X						X
Hollywood Harry's		X					X					X
Honeyberry Café	X			X					X		X	
Huntington Learning		X		X		X						X
Image One Cleaners		X					X					X
J Nails and Beauty Salon		X					X					X

	Chamber	Non-Chamber	Qualified	Non-Qualified	Retail	Prof Office	Service	B 2 B	Food	South Town	Up Town	Down Town
Jewel Osco	X			X	X							X
Joseph A Clothiers		X	X		X							X
Keswick Jewelers		X		X	X							X
La Roca Tapas	X			X					X			X
La Tasca Tapas	X		X						X			X
Liberty Cleaners		X		X			X					X
Loft, The		X		X	X							X
Lucky Junk		X	X		X					X		
Mago Grill and Cantina	X		X						X			X
Manpasand Indian Restaurant		X		X					X			
Maui Tan		X	X				X					X
McDonald Dance Academy	X		X			X						X
Meritage Realty	X		X				X					X
Metropolis Ballroom	X		X		X							X
Metropolis Performing Arts	X			X	X							X
Micomp Computer Center		X		X				X			X	
Midwest Physical Therapy		X		X		X				X		
Mitchell Jewelers	X		X		X							X
Nakfoor Orthodontics	X		X			X						X
Nanabimbi		X	X		X							X
Noodles		X		X					X			X
Northwest Metalcraft		X	X		X					X		
Palermo Eye Care	X		X			X						X
Panera Bread		X		X					X			X
Peggy Kinnane Irish Pub	X		X						X			X

	Chamber	Non-Chamber	Non-qualified	Qualified	Non-qualified	Retail	Prof Office	Service	B 2 B	Food	South Town	Up Town	Down Town
Peoples' Bank	X			X			X						X
Persin and Robbins	X			X		X							X
Platania Financial	X			X			X						X
Podiatry Plus		X			X		X						X
Polskie Filmy		X			X	X					X		
Pulsation Yoga	X				X		X						X
Pure Juice Café	X			X						X			X
Randhurst Shoe Repair		X		X		X							X
Red Moon Martini Lounge		X			X					X			X
Responsive Financial	X			X			X						X
Runners Hi and Tri		X		X		X							X
RUSH Performance Training Ctr		X		X			X						X
Salon 117 Day Spa	X				X			X					X
Salon Centre		X			X			X			X		
Salsa 17		X		X						X			X
School of Martial Arts		X					X				X		
School of Rock Arlington Heights	X			X		X							X
Silver Screen Events Photo Studio		X			X	X							X
Soothe Feet		X		X		X					X		
Sorrentino's Barber Shop	X			X		X							X
Special Eyes		X					X						X
Sports Clips	X				X	X							X
Spunky Dunkers		X		X								X	
Star Cinema Grill		X		X						X			X
Starbucks		X		X						X			X

	Chamber	Non-Chamber	Qualified	Non-Qualified	Retail	Prof Office	Service	B 2 B	Food	South Town	Up Town	Down Town
Sub 5 Performance Center		X		X		X						X
Subway, Terramere		X		X					X		X	
Thai Little Home, Thai Restaurant		X		X					X	X		
Thomson Allstate	X			X		X						X
Threading Trends		X		X			X					X
thrown elements pottery	X		X		X							X
Toe the Line		X	X		X						X	
Trilogy Kitchens	X		X		X							X
Ttowa	X		X						X			X
Tuscan Market and Wine	X		X						X			X
Upstairs Boutique		X		X	X							X
Uptown Café		X	X						X			X
Vanessa's Modern Bride		X		X	X							X
Vantage Financial Partners		X		X		X						X
Vignettes		X	X		X							X
Vintages		X	X		X							X
Wells Fargo	X		X			X						X
Westgate Dental		X		X		X						X
Wild Fish Contemporary Sushi		X		X					X			X
Windy City Vapors, Electronic Cig		X	X		X							X
Yankee Candle		X	X		X							X
Yogurtland		X		X					X			X
Z Spa		X	X				X					X
TOTALS 148	55	93	76	72	43	37	23	9	36	19	14	115

PROS AND CONS OF EXTENDING THE 50/50 COST SHARE PROGRAM

The following are several pros and cons of extending the treatment program for another two year cycle:

PROS

- One additional treatment would help the Village manage the EAB removal and replacement process, by easing the burden on the Forestry Unit and contractors.
- This one additional treatment could be covered through EAB Fund reserves.
- Treatment helps maintain tree canopy.
- Treatment helps maintain benefits of mature trees (shade, erosion control, etc).
- Treated ash trees can remain part of Arlington Heights' diverse urban forest.

CONS

- The Cost Share Program initially stated it was a one-time reimbursement. Some residents may say that providing a cost share program on an ongoing basis would not be fair, because they may have made the decision to treat their trees had they known that the Village's participation would have been more than one time.
- Once treatments are stopped, the removal burden remains.
- If the request is approved, the Village Board would likely have to continue to address the issue of reimbursements every two years.

RECOMMENDATIONS

1. Grant Request (1) to continue the 50/50 Cost Share Program to aid resident efforts to repeat treatments through October 31, 2014.
2. Grant Request (2) to extend the current 50/50 Cost Share Program deadline to October 31, 2014 to allow additional first time treatments.
3. Clearly state that there will be no further extensions of the Village's Cost Share Program beyond a second treatment for residents who have already treated. Further, there will be only one second treatment for initial treatments conducted before October 31, 2014.

At present, staff believes that offering one additional treatment through the Cost Share Program provides a benefit to the Village by helping advance our efforts beyond the crest of the EAB infestation. An ongoing program would not benefit the Village as a whole and would increase the Village's operating expenditures. These recommendations have been discussed with the Finance Department and the EAB budget could accommodate the projected one time expenditures.