

# ***Glen Ellyn Economic Development 2013 Annual Review***

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Through strong Village Board leadership, a pro-business environment has been solidified in Glen Ellyn over the last few years. Municipalities do not necessarily have the ability to create economic development. Instead, proactive Villages create the conditions that allow economic development to thrive. To that end, the Village of Glen Ellyn has taken some progressive initiatives to accomplish this goal. A Roosevelt Road Tax Increment Financing (TIF) district was created and the Village's Economic Incentive Policy was updated to reflect this addition to the Village's Economic Development efforts. The Village updated the Façade and Interior Improvement Grants to help offset some of the costs of renovating older, outdated buildings to meet current code requirements and safety requirements or to assist with improvements to façades that benefit entire commercial districts. These updates to the grant programs will be implemented with the SY2014 Budget.

The Economic Development Coordinator and Planning and Development staff combined efforts to create a New Business Toolkit outlining the different steps, stages and processes for opening a business in Glen Ellyn. The Toolkit provides contact information and various flow charts if you are opening a business in an existing storefront/office space or if you are going to be developing a larger scale project including redeveloping a site. The Toolkit is an additional mechanism staff can use when meeting with a business to walk them through their specific needs and aids the Economic Development Coordinator in creating an Ombudsman role aiding entrepreneurs through the new business process.

## **Commercial Districts**

It has taken a collective effort between the Chamber of Commerce, Alliance for Downtown Glen Ellyn, and the Village working together to better serve the business community. A quick review of our commercial districts illustrates some of the new developments and plans for the future:

### ***Roosevelt Road Commercial Corridor***

The Village Board's approval of an incentive agreement with Opus Development in 2012 has proven beneficial with the recent completion of the 34,200 sq ft development of The Glen Ellyn Market Center at 285 Roosevelt Road. To date, three of the five inline retail spaces have completed leases and a fourth lease is in the process of being completed, leaving only one vacancy. The Fresh Market, anchor to the project, opened on February 26, 2014.

To support the project, the Village Board approved a Redevelopment Agreement with Opus Development Company in 2012. The incentive consists of a reimbursement for public improvements to Taft Avenue and sales tax incentives for 10 years. The agreement includes a sales tax sharing arrangement in which the Village receives the first 10% of all sales tax revenue, and the remaining 90% of sales tax revenues will be split on a 60/40% (Village/Developer) basis. This performance-based incentive was necessary to attract this development and will generate tax revenues estimated at \$1.6 million for our taxing districts over a 10-year period. The Village will begin to see this payback schedule in the SY2014 Budget, although it will be 10 years before we receive full benefit of this development project.

To complement this development, the property owner of 299 Roosevelt Road, just east of the Fresh Market, has approached the city for a possible redevelopment of the site for another commercial use to further expand the Village's retail footprint on Roosevelt Road.

In addition, the Village Board approved a TIF District for a portion of the Roosevelt Road corridor around Park Boulevard and Roosevelt Road including the Roosevelt Office Park, south of Roosevelt Road. This area needs some major investment and the TIF should provide some partnering opportunities as well as provide the development community an idea that we are serious about economic development. The ANA Apartments were removed from the TIF District at their request, but in late 2013, the apartments appear to be sold to a developer and the much needed investment may be coming soon.

Also, some significant infrastructure improvements have been completed including the north-bound left turn lane at Lambert and Roosevelt Road which helps relieve congestion at this intersection. Just to the south of this intersection, Taft Avenue is open and now extends into Wheaton, which improves access to Fresh Market and adjacent stores.

### ***Other Businesses***

Oberweis completed the impressive build-out of Main/Roosevelt in 2013, a project that transformed that intersection from a long-term vacant bank to an impressive three-restaurant store that continues to impress. Jewel-Osco completed their store renovations, Unleashed by Petco opened in the Market Plaza center and Lola, a new women's apparel store, opened in Pickwick Plaza. As previously mentioned, The Fresh Market opened to rave reviews with co-tenants Great Clips and Firehouse Subs already open as well. Tide Dry Cleaners will open in 2014 in the same center.

### ***Central Business District (CBD) - Downtown***

Since the adoption of the Downtown Plan in 2009, the Village has accomplished a number of the goals. In early 2012 a TIF district was approved for the downtown. The money generated from the TIF will help fund future downtown improvements. The new Glenwood Duane Metra parking lot opened last November which provides additional commuter parking, but also additional customer parking after 11 am. In addition, the Village modified some of the parking restrictions in the downtown to create more customer only parking at the Shelf Lot, Shock's Park and the Main/Pennsylvania lots. Resulting from the opening of the new Metra lot, and these parking modifications, the Village has created 93 new parking spaces for customers, 47 on a limited basis, and 46 customer dedicated spots.

Most importantly, the downtown has seen a number of new businesses open. In 2013 alone, the downtown saw an influx of new businesses ranging from restaurants to specialty retail shops and service uses. Some of these new businesses include Element Multi Sport (purchased The Bike Shop), Bird on a Wire, Made in Italy Trattoria, The Stand, School of Rock, The Urban Mutt, The Beer Cellar, Luis Arturo Dance Academy, Fabulous Me Boutique, A Bella Bead, Punch Barber Shop as well as new locations for Olive 'n Vinnies and 10,000 Villages. Planned to open in 2014, RISE Fitness Studio and SHEER, a kitchen design company. Interest levels are high by several quality restaurants for the former Honey space; staff is optimistic that an announcement will be made in Spring 2014 for a new restaurant at this location.

The Village continues to encourage developers to consider mixed-use projects in the downtown and is willing to include a public parking lot with the right project. Discussions have been ongoing throughout 2013, and will continue in 2014. One such project is the proposed development at the Giesche Shoes property and Main Street parking lot.

### ***Stacy's Corners***

Over the last 10 years, no commercial district has seen more progress than Historic Stacy's Corners at Main Street and Geneva Road. Further improvements include the build-out of the new Chamber of Commerce location at 810 Main Street which will complete the transformation of the History Park. The Village was not able to negotiate a sale for 825 Main Street, so an RFP was issued in early 2014. The RFP was posted on February 17, 2014, on the Village's website, and press releases were sent out to local media, as well as the Village and Economic Development electronic newsletter recipients. Choose DuPage posted the RFP on their website and the Village and Choose DuPage utilized social media outlets including Facebook, Twitter, and LinkedIn to promote the posting. Other developers, architects, and real estate brokers that have worked with the Village in the past or have expressed interest in the site over the past couple of years, received an email directly with information about the posting as well. The closing date is April 4, 2014.

## **Business Attraction and Retention**

### ***Business Retention***

The Village began to formalize the business retention effort during 2012, and going forward will systematically reach out to the business community every month. Businesses contacted or visited during 2013 include the following:

- Stahelin Properties Management
- Crowne Plaza Hotel
- Olive 'n Vinnie's
- Anastasia's
- Inland Bank
- Elite Eyewear
- PS Flowers
- Marcel's Culinary Experience
- The Book Store
- 2 Toots Train Whistle Restaurant
- Chicks 'n Salsa
- Lu's Sushi & Chinese

Staff has also met with property owners and real estate brokers including representatives working on properties in Glen Ellyn including:

- Phillips Edison & Company
- Ramco Gershenson
- CBRE
- Sperry Van Ness
- Stahelin Properties Management
- Coldwell Banker
- Madison Corporate Group

With the assistance of the Downtown Interior and Façade Improvement Grant programs, the Village was able to assist the following businesses with expansion or relocation efforts or meet their business needs:

- Bird on a Wire
- School of Rock
- Oberweis
- PS Flowers/Suki Salon
- 535 Pennsylvania Ave
- Made in Italy Trattoria
- Peanut Butter Planet

## ***Business Recruitment***

The Village uses several tools for business recruitment:

- 1) International Council of Shopping Centers (ICSC) trade show participation – ICSC, an international retail real estate industry trade association, regularly hosts trade shows throughout the year that include retail real estate professionals and municipal representatives. Glen Ellyn staff participates in all such events.
- 2) Glen Ellyn Economic Development E-Newsletter –The periodic newsletter provides updates on recent projects, new or expanding businesses, business resources and economic development initiatives in the Village of Glen Ellyn. Among newsletter recipients are business owners, real estate professionals, public officials and others as they relate to the greater Glen Ellyn business community.
- 3) TIF Districts – A Roosevelt Road TIF district was created in 2013 and now the Village has 2 TIF districts. Glen Ellyn’s downtown TIF district was established in 2012. TIF districts are a major incentive for new investment and business attraction in the redevelopment process.
- 4) Incentive Guide – As illustrated by The Glen Ellyn Market Center and Haggerty Chevrolet incentives, businesses can leverage their investment in Glen Ellyn with incentives, and these guidelines explain how the Village can assist in meeting their business needs.
- 5) RetailLIVE! – RetailLIVE! is new to the Chicagoland area and it is similar to the ICSC deal-making events. However, unlike ICSC where real estate brokers, vendors and retailers have booths, only retailers are permitted to have display booths. Glen Ellyn staff participated in this event this year.
- 6) Choose DuPage – Glen Ellyn staff is working more closely with the Choose DuPage team. Staff is utilizing their resources in updating and maintaining our current demographic information, accessing available sites and utilizing their expertise in public relations.
- 7) Small Business Development Center (SBDC), College of DuPage – Staff has begun building a relationship with the staff at the SBDC. Collaboration efforts have begun with business recruitment and retention efforts. The SBDC offers numerous classes, many for free, to assist new and existing businesses with business plans and financial forecasting. Staff has been encouraging entrepreneurs to contact the SBDC prior to site selection to help businesses get their feet off the ground. With all relationship meetings staff has with existing businesses, owners are encouraged to utilize this resource to ensure that their business is growing at the rate they expect and want.
- 8) SCORE – SCORE works with the SBDC in growing new and existing businesses. Staff is also working to promote this free mentorship program.

- 9) Broker Events – Staff is partnering with Commercial Real Estate Brokers to market their spaces/properties. The first Broker Coffee will be hosted at 530 Crescent Blvd with Sperry Van Ness. Staff will be coordinating these events with the Chamber of Commerce, neighboring communities and the Alliance when appropriate.

### **Other Activities**

Following are descriptions of specific economic development activity efforts that took place during 2013:

#### ***Economic Development Group***

Comprised of representatives from the Chamber of Commerce, the Downtown Alliance, the Village Manager, Economic Development Coordinator and Planning and Development Department staff, the group meets informally to provide updates on their respective economic development activities. Further, the group discusses potential economic development initiatives including events and marketing and how to best coordinate efforts and reduce duplication of efforts.

#### ***Marketing***

- 1) Work with Alliance of Downtown Glen Ellyn and Chamber of Commerce – The Village continues to partner with the Alliance and the Chamber in hosting events, developing an event calendar, and collaborating through the activities of the Economic Development Group.
- 2) Social Media-Economic Development E-Newsletter – During 2012, the Village issued the first Glen Ellyn Economic Development E-Newsletter. The newsletter was very well received, with an open rate of 47% among approximately 200 newsletter recipients (typical open rate is around 25%). Many more have joined the subscriber list since that time.
- 3) Website – The Village has laid the groundwork for a new, comprehensive Economic Development section of the Village website to be launched during 2013. This will replace the current Economic Development Corporation website which is still active in terms of property availability listings, etc.
- 4) Promotional Materials – The Village continues to produce high quality promotional materials such as Opportunity Site brochures, marketing folders with demographics, etc. and event calendars.

- 5) DuPage Convention and Visitors Bureau (DCVB) – The Village is completing its first year as a member of the DCVB. As a member of the DCVB, the Village has an opportunity to take advantage of their regional and national marketing through DCVB printed brochures and website activity (e.g. digital marketing, event listings, etc.). Complementary memberships by way of the Village’s membership include:
- Crowne Plaza Hotel
  - Village of Glen Ellyn
  - Chamber of Commerce
  - Downtown Alliance
  - Village Links
  - College of DuPage (including Inn at Waters Edge)
  - McAninch Arts Center
  - Glen Ellyn Park District

### **New Initiatives Going Forward**

- 1) Networking with Developers – The Village maintains close relationships with key area developers by way of ICSC event meetings, lunch meetings, and the Economic Development E-Newsletter.
- 2) Strategic Plan – The Village will complete a new Economic Development Strategic Plan in the beginning of 2014. With the addition of a new Economic Development Coordinator in the last quarter of 2013, staff will be making this a priority to assist in directing economic development efforts.
- 3) Economic Development E-Newsletter Development, Expansion of Social Media – The Village will continue to build upon the initial Economic Development E-Newsletter effort and work to integrate that and other marketing materials with state of the art social media tools.
- 4) Real Estate Broker Coffees and Tours – The Village will be hosting at a minimum quarterly real estate broker coffees to allow area real estate brokers to network and highlight available properties in Glen Ellyn. In addition to this, staff will be coordinating real estate broker tours of available sites and opportunities in conjunction with Choose DuPage. Fall 2014 is currently slated for the tour.

**Performance Metrics**

During 2013, leasing and economic activity picked up throughout the Village. While the Village cannot control external economic forces and therefore some contributing factors to sales tax and other economic trends, the following indicators illustrate the general success of the Village’s economic development efforts.

**Downtown Retail Vacancy Rates \***



# Buildings:	<b>39</b>	% Vacant:	<b>4.9 %</b>	YTD Net Absorption:	<b>4,223</b>
RBA:	<b>276,391</b>	% Leased:	<b>95.1 %</b>	YTD Leasing Activity:	<b>0</b>
Avg Age (yrs):	<b>71.9</b>	% Available:	<b>7.2 %</b>	YTD Deliveries:	<b>0</b>

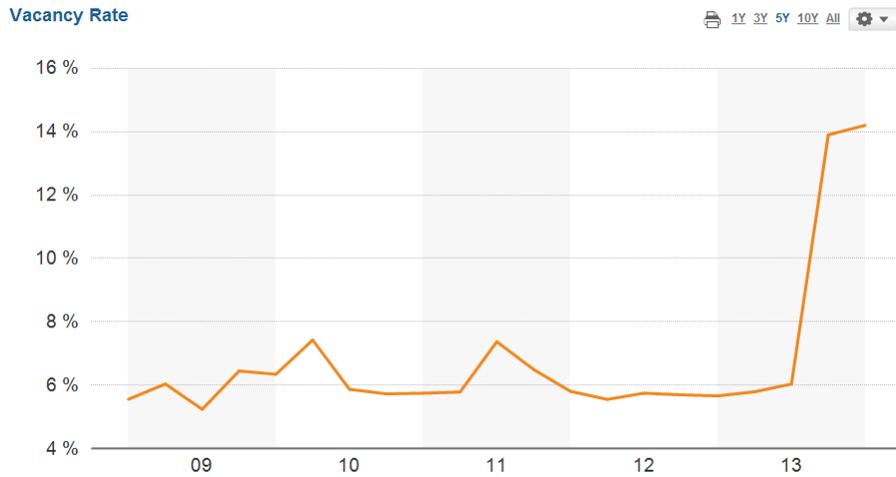
  

Absorption	YTD	2013	QTD	2013 1Q
Net Absorption	4,223	1,542	4,223	(1,200)
Gross Absorption	5,423	11,444	5,423	3,279
Leasing Activity	0	3,336	0	0
Deliveries	0	0	0	0

Vacancy	Direct		Sublet		Total	
	SF	%	SF	%	SF	%
Vacant	13,500	4.9 %	0	0.0 %	13,500	4.9 %
Vacant Available	13,500	4.9 %	0	0.0 %	13,500	4.9 %
Available	19,800	7.2 %	0	0.0 %	19,800	7.2 %

### Roosevelt Road Retail Vacancy Rates \*



# Buildings:	<b>71</b>	% Vacant:	<b>14.2 %</b>	YTD Net Absorption:	<b>24,030</b>
RBA:	<b>937,922</b>	% Leased:	<b>85.8 %</b>	YTD Leasing Activity:	<b>11,300</b>
Avg Age (yrs):	<b>36.2</b>	% Available:	<b>17.1 %</b>	YTD Deliveries:	<b>1</b>
<b>Absorption</b>					
	YTD	2013	QTD	2013 1Q	
Net Absorption	24,030	(74,332)	24,030	297	
Gross Absorption	31,920	9,520	31,920	4,377	
Leasing Activity	11,300	3,500	11,300	2,500	
Deliveries	1	0	1	0	
<b>Vacancy</b>					
	Direct		Sublet		Total
	SF	%	SF	%	SF %
Vacant	133,161	14.2 %	0	0.0 %	133,161 14.2 %
Vacant Available	133,161	14.2 %	0	0.0 %	133,161 14.2 %
Available	160,174	17.1 %	0	0.0 %	160,174 17.1 %

\* Retail vacancy rates based on gross leasable area (GLA) and compiled by utilizing CoStar, a commercial real estate vacancy listing, as well as windshield surveys.

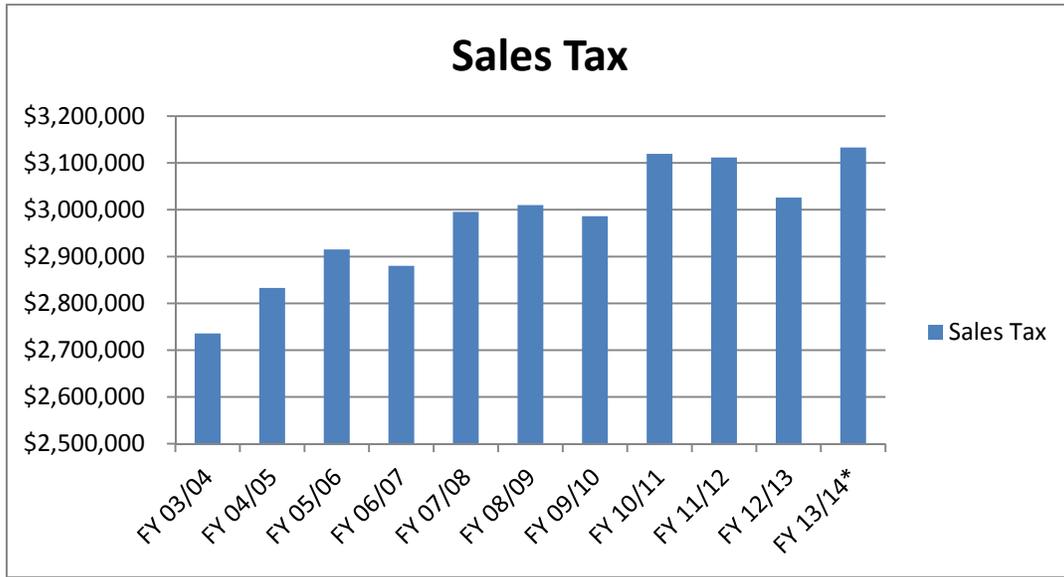
## Hotel Tax Revenue



FY 03/04	\$80,614
FY 04/05	\$75,142
FY 05/06	\$81,744
FY 06/07	\$93,840
FY 07/08	\$24,497
FY 08/09	\$38,751
FY 09/10	\$86,182
FY 10/11	\$108,393
FY 11/12	\$124,446
FY 12/13	\$161,314
FY 13/14*	\$180,000

*\* FY 13/14 hotel taxes actual through January 2014, remaining months projected.*

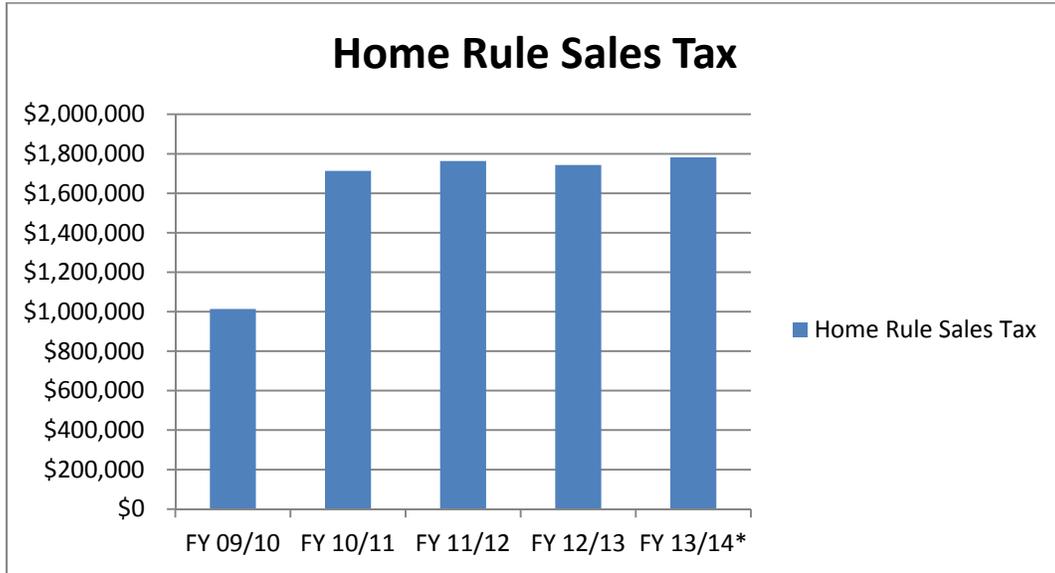
Sales Tax Revenue



FY 03/04	\$2,735,617
FY 04/05	\$2,833,024
FY 05/06	\$2,915,239
FY 06/07	\$2,880,194
FY 07/08	\$2,995,373
FY 08/09	\$3,009,976
FY 09/10	\$2,986,176
FY 10/11	\$3,119,624
FY 11/12	\$3,111,540
FY 12/13	\$3,025,864
FY 13/14*	\$3,133,000

\* FY 13/14 sales taxes actual through January 2014, remaining months projected.

## Home Rule Sales Tax Revenue



FY 09/10	\$1,013,460
FY 10/11	\$1,713,720
FY 11/12	\$1,763,252
FY 12/13	\$1,742,869
FY 13/14*	\$1,782,000

*\* FY 13/14 sales taxes actual through January 2014, remaining months projected.*