

# Glen Ellyn Economic Development

## 2017 Annual Review

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Glen Ellyn continued to grow and welcome new businesses in 2017. Some downtown developments that the Village was anticipating in 2017, unfortunately did not come to fruition. However, the Village Board and Staff continue to evaluate programs and opportunities to entice development in Glen Ellyn.

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.

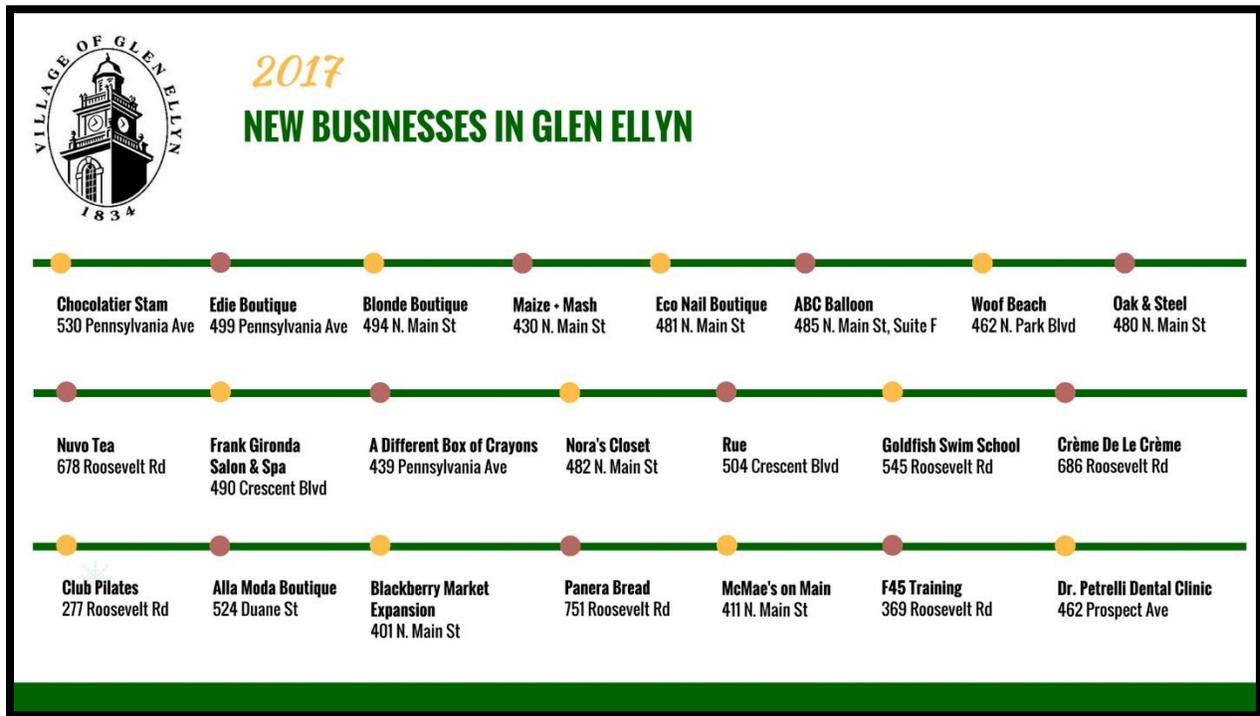
As business ombudsman, the Economic Development Coordinator continues to assist new and existing businesses grow and strengthen their enterprises as well as navigate Village processes and procedures.

The Village has continued to monitor and update the Village's economic incentive guidelines to encourage business growth including the Façade, Downtown Retail Interior Improvement and Fire Prevention System Awards. These programs were created to help offset some of the costs of renovating older buildings to meet current code and safety requirements. In 2017, the Village Board amended the Fire and Retail Interior Improvement Award programs to allow businesses to apply for both awards if financially necessary. Previously these programs were exclusive of each other, however with businesses requiring additional financial assistance the Village Board saw the allowance of both awards provided the additional incentive to businesses and property owners to invest in Glen Ellyn's building stock. After two consecutive years of exceeding the budgeted funds for the award programs, the Village Board increased funds by \$30,000, for 2017, to \$155,000.

In 2017, the Village continued their partnership with DuPage County communities that also lost a Dominick's in 2014 and were actively seeking to fill the void. Since 2015, Albertson's picked up the former Dominick's lease and continued to hold the store vacant, blocking any attempts by the Village or the property owner to backfill the space. In June 2017, Albertson's terminated their lease agreement with Phillips Edison, the Baker Hill Shopping Center property owner opening the door for a new opportunity. Phillips Edison and the Village worked quickly to secure a lease with Pete's Market. For the Village's part, the Board approved a \$1.25 million sales tax rebate agreement with Phillips Edison to assist with the shopping center improvements to accommodate Pete's opening in the 72,000 square foot vacant grocery anchor space. Pete's Market is planning a February 2019 opening.

Staff has continued to foster a relationship with strategic economic development partners in the community and the county. The collective effort between the Chamber of Commerce, Alliance of Downtown Glen Ellyn, DuPage Convention & Visitors Bureau Choose DuPage, Choose DuPage,

College of DuPage and others serves the business community well and goals are met through a team effort (see organization chart attached).



## Commercial Districts

A quick review of the commercial districts illustrates some of the new businesses and plans for the future:

### *Roosevelt Road Commercial Corridor*

Roosevelt Road continued to transform in 2017. Since the creation of the Roosevelt Road TIF District in 2013, concept plans continue to come before the Village for consideration to redevelop and increase retail shopping opportunities and improve the corridor as a whole. Most notably, the Roosevelt Glen office park saw drastic transformation with the demolition of several office buildings and the construction and opening of a new drive thru Panera Bread. Plans were also approved for a CVS Pharmacy on the corner lot. Construction is slated for 2018 with an October 2018 opening date scheduled.

In addition to Panera Bread, several other Glen Ellyn businesses relocated in order to expand their businesses on Roosevelt Road. Both ATI and Massage Envy opened their new locations in 2017, and plans for a drive thru Jimmy John's were approved.

Enterprise Rental Car closed their car sales and fleet management divisions and received approval for redevelopment of the long vacant property at 369 Roosevelt Road to relocate the rental car division.

Development plans for an Andy's Frozen Custard were approved for a portion of the vacated Enterprise site and discussions continue for the redevelopment of the remainder of the parcel.

These projects and others that have been in preliminary discussion with staff, demonstrate the continued interest in Roosevelt Road and the addition of the TIF District will lead to continued development projects.

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

The Village continues to encourage developers to consider mixed-use projects in the downtown and is willing to consider a public parking lot with the right project. Since the closing of two landmark businesses in downtown, Giesche Shoes and McChesney & Miller Grocery Store, in 2014, the Village has seen progressive plans for mixed use, luxury apartment, retail and parking projects. The Giesche Shoes property has continued to see interest by both single use proprietors as well as developers. In 2017, the property was temporarily under contract by two different single use proprietors. At the close of 2017, it was being considered for use as an event space.

McChesney & Miller Grocery Store was purchased in 2015 by SpringBank Development. The team presented concept plans to both the Architectural Review and Plan Commissions in the fall of 2015 and the mixed use retail/luxury apartment project received positive feedback from both commissions. The Development team and plans continued to evolve with throughout the year. Staff anticipates some movement on the project in 2018.

Downtown Street Level Commercial Space Inventory Suitable for Retail						
	Inventory *		Vacant		% Vacant of total inventory	% Change from 2015
North of rail tracks**	174,730		14,927			
South of rail tracks	80,813		18,321			
<b>Total</b>	255,543		33,248		13.0%	-26%
<b>C5A</b>			18,321		7.2%	-15%
<b>C5B or inside mall</b>			14,927		5.8%	-36%
* The inventory includes all spaces zoned C5A, including interior mall spaces, all street level spaces zoned C5B in current retail use, and all street level C5B spaces that are available.						
** Includes 12,600 purchased for redevelopment						

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

The Village Board approved the sale of village owned property at 825 N Main Street to True North for a gas station and convenience store. This project has been delayed due to ongoing litigation.

### **Business Attraction and Retention**

#### ***Business Retention***

The Village began to formalize the business retention effort during 2012, and has continued to reach out to the business community every month with a goal of meeting at least two businesses each month. A snapshot of some of the businesses contacted or visited during 2017 include but not limited to the following:

Shawn Sergeant Designs	The Glen Movie Theatre
A Toda Madre	Young's Appliance
M & Em's Boutique	Salon Esteem
Re:New	Learning Express
The Beer Cellar	Chicks 'n Salsa
Olive 'n Vinnie's	Cosmo's Beauty Bar
Sign of the Whale Antiques	The Prince's Table
The Sweet Shoppe	

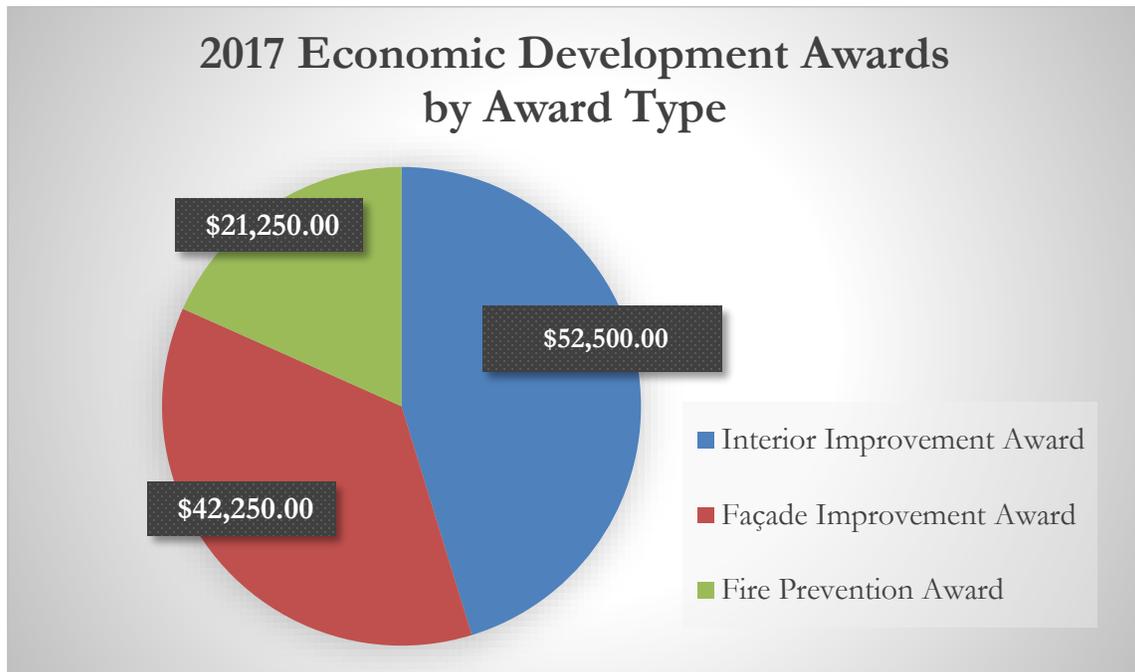
Staff has also met with property owners and commercial real estate brokers including representatives working on properties in Glen Ellyn including:

- Phillips Edison & Company
- Ramco Gershwin Properties
- CBRE
- Sperry Van Ness
- Stahelin Properties Management
- Madison Corporate Group
- Key Investment Group

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

- Oak & Steel
- Sunshine Dance
- The Bookstore/String Theory
- Maize + Mash
- Two Hound Red
- Blonde Boutique
- Blackberry Market
- McMae's on Main

In total, the Village Board awarded and earmarked \$116,000 through these partnerships. These investments contributed to permanent improvements to the interior of the businesses, including ADA compliance improvements, plumbing, HVAC, grease trap interceptor and other structural improvements. The façade awards assisted with businesses also making necessary ADA improvements including ramps and wider doorways for the businesses as well as energy efficient windows and doors. The Fire Prevention award assisted with updating fire alarm systems in downtown properties.



The Village has also tapped into other resources to induce business development in 2017. While the Village has two (2) Tax Increment Financing (TIF) Districts, they are both relatively ‘young’ and have not yet produced revenues that can be utilized in major investment. In order to meet financial gaps presented by both Two Hound Red BrewPub in the downtown and Pete’s Market on Roosevelt Road, the Village Board approved a sales tax rebate incentive for each business.

Two Hound Red was approved for all three (3) Award programs totaling a \$45,000 investment by the Village. The developer still had a financial gap of \$105,000, due to the extensive work required to convert the former retail space to a brewery and restaurant. On June 12, 2017, the Village Board approved a sales tax rebate incentive of \$105,000. The incentive sales tax revenue will be split by the Village and the Developer 25/75% respectively over a 10 year period or until the developer receives \$105,000.

Similarly, the Village Board approved a \$1.25 million sales tax rebate with Phillips Edison to accommodate improvements to the center to secure a deal with Pete's Market to fill the former Domick's space. The not to exceed performance based sales tax rebate of \$1.25 million is from the new grocery anchor business (including home rule sales tax). The Village will receive \$75,000 base sales tax before any distribution to the developer. All new grocery revenues above \$75,000 will be split 50/50% between the developer and the Village. The agreement terminates after the \$1.25 million is reached or 10 years, whichever comes first.

### ***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 – Glen Ellyn's downtown TIF district was established in 2012 and a Roosevelt Road TIF district was created in 2013 TIF districts are a major redevelopment tool to encourage new investment and business attraction in the redevelopment process.
- 4) Incentive Guide – As illustrated by The Glen Ellyn Market Center, Haggerty Chevrolet and DeSitter Flooring 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) 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.
- 6) Small Business Development Center (SBDC), College of DuPage – Staff has accelerated the Village's relationship with the SBDC and COD. Collaboration efforts with business recruitment and retention efforts have accelerated over the past year. 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.
- 7) SCORE – SCORE works with the SBDC in growing new and existing businesses. Staff is also working to promote this free mentorship program.

## **Other Initiatives**

### ***Innovation DuPage***

Early in 2017, the Village and College of DuPage (COD) began exploring opportunities to utilize the space in the Civic Center, left vacant by the departure of the Police Department, for two separate new business functions, including COD's Center for Entrepreneurship and their emerging partnership with Choose DuPage and Naperville based Rev3 for the development of Innovation DuPage, a new business incubator and accelerator concept. In November 2017, the Village Board approved a partnership with COD and Choose DuPage to house the Center for Entrepreneurship in the Village's current Planning and Development Department as well as part of the third floor of the Civic Center. Innovation DuPage will encompass the back of the vacant Police Department space and rear garage. The construction project is anticipated to begin mid-2018 with COD investing \$1.8 million dollars into the Civic Center for the necessary renovations.

### ***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 2016, the Village continued the Glen Ellyn Economic Development E-Newsletter. The recipient list, of 570 addressees has more than doubled since, 2012, and added 40 qualified recipients this year. The open rate has continued to be strong, averaging 52% among newsletter recipients for the year, an increase of 5% over 2016 (typical open rate is around 25%).
- 3) Commercial Real Estate Broker Events - On March 9, Village officials and representatives from Choose DuPage, Glen Ellyn Chamber of Commerce and the Alliance of Downtown Glen Ellyn welcomed over 20 commercial real estate brokers to tour newly available retail sites in downtown Glen Ellyn. Guests toured 419 N. Main Street, former Soukups Hardware Store, 413 N. Main Street, former Dance, Dance Dance space; 409 N. Main Street, formerly home to Riviera Jewelers; and 427 N. Main Street, former Katy's Boutique. Following this event, the entire Soukups Hardware Store was leased to two new restaurants, Nobel House and Sushi Ukai, both are planning 2018 openings. Blackberry Market expanded into the neighboring property at 409 N. Main Street.
- 4) Website – The Economic Development Strategic Plan and past annual reports have been added to the website. Staff has also worked with GIS to create a restaurant map for all of

Glen Ellyn. Staff continues to update and add information to the site to enhance communication efforts.

- 5) DuPage Convention and Visitors Bureau (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.). Staff participated in a roundtable discussion to focus on marketing opportunities for DuPage County. The DCVB is using the information from these discussion groups to drive traffic to DuPage County and highlight the County’s diverse tourism attractions.

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

### ***Special Events***

The Chamber of Commerce and the Alliance of Downtown Glen Ellyn, along with numerous other community organizations, continue to keep Glen Ellyn a vibrant and active community. The Chamber and the Alliance work with the business community to create events that drive traffic to retail stores and restaurants.

As part of the partnership agreement with the Alliance of Downtown, the Village receives an annual report outlining the endeavors and achievements by the Alliance. The Alliance events continue to bring consumers to downtown and drive traffic to the businesses. In addition to driving customers to downtown Glen Ellyn, the Alliance met their goals of increasing sponsorship dollars and creating unique sponsorship opportunities to increase revenue to the organization and therefore increase marketing and advertising efforts.

### ***Other On-Going Initiatives***

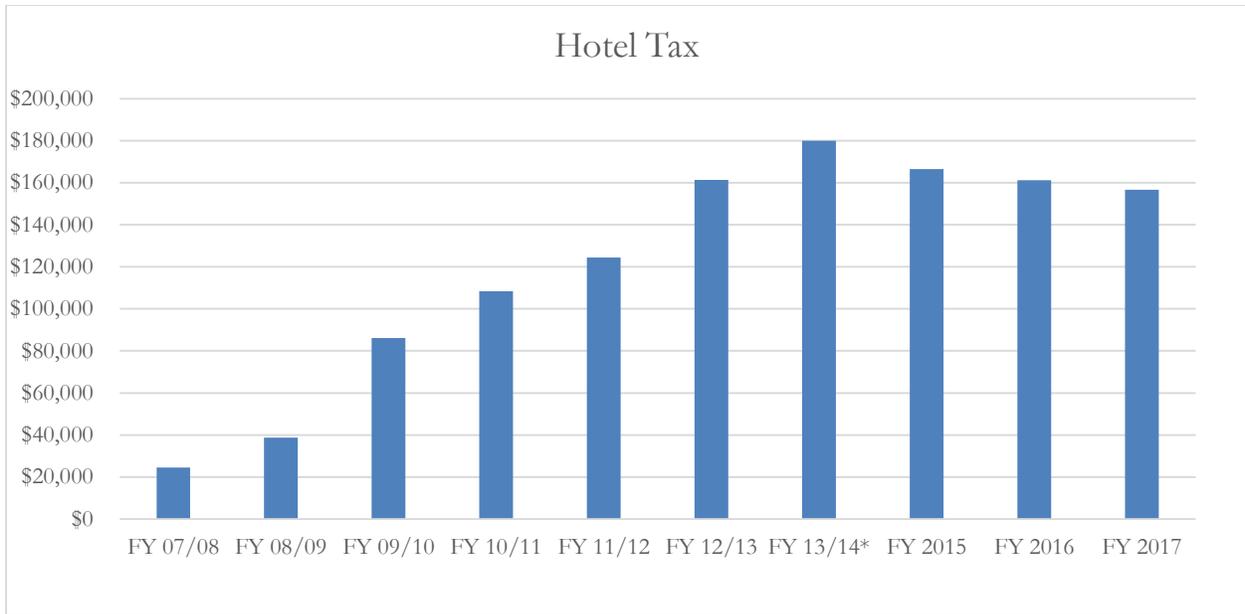
- 1) Real Estate Broker Coffees/After Hours/ Tours – The Village continues to offer this as an opportunity to co-market available spaces in Glen Ellyn and development opportunities to area real estate brokers.
- 2) Networking with Developers – The Village maintains close relationships with key area developers by way of ICSC event meetings, lunch meetings, and the Economic Development E-Newsletter.
- 3) Strategic Plan – The Village completed an Economic Development Strategic Plan in the beginning of 2014. The Strategic Plan was updated in 2017, and staff will continue to

utilize and update this document as new programs, initiatives and opportunities present themselves.

- 4) The Glen Ellyn Experience – The Village continued the video series promoting the people and places of Glen Ellyn that make up The Glen Ellyn Experience. Staff strives to shoot two videos each month on site at various businesses in Glen Ellyn. The videos have been well received by the business community and are posted on the Village’s website and shared via social media outlets.
- 5) 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.
- 6) Economic Development Programs – The Village Continues to monitor other communities’ economic development programs to remain competitive in the Village’s programs.
- 7) Increase Partnership Opportunities – The Village continues to look for opportunities to engage with economic development partners including the DuPage Convention & Visitors Bureau, College of DuPage, Choose DuPage and the Small Business Development Center. Staff looks for occasions to introduce businesses to the opportunities these organizations can bring to them as far as education, marketing, and branding Glen Ellyn as a place to do business.

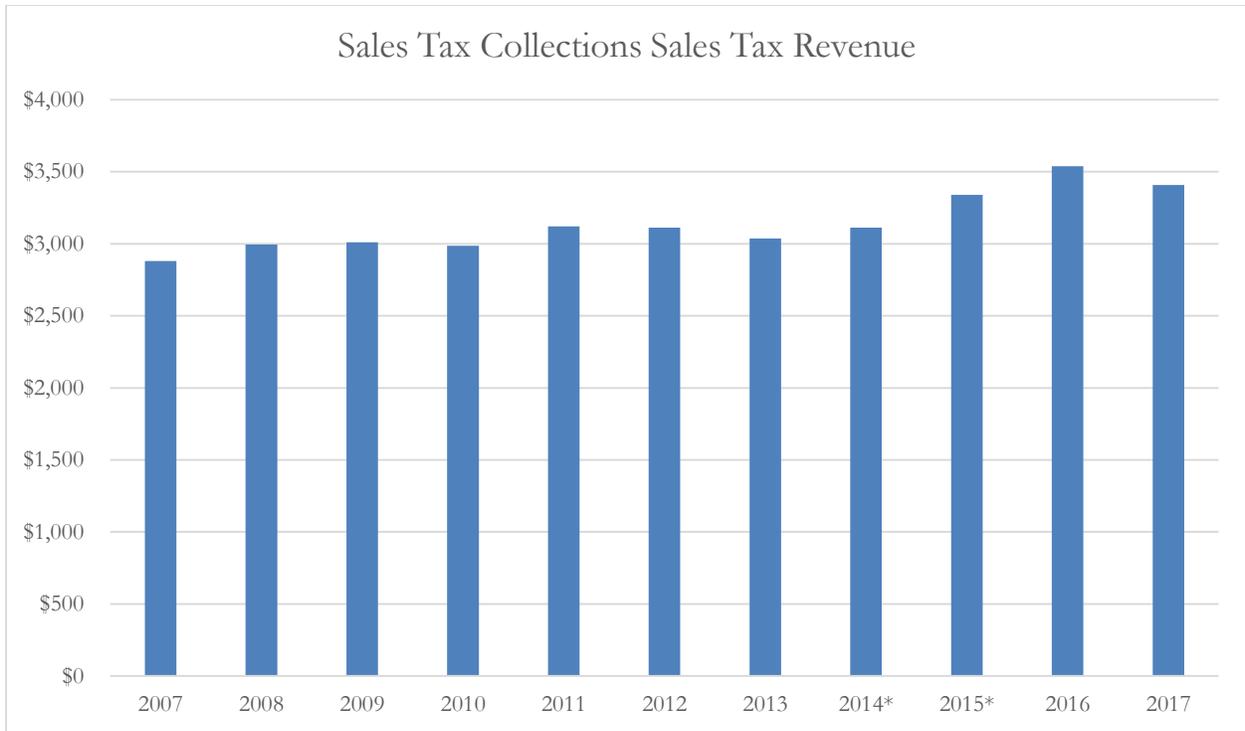
### **Performance Metrics**

During 2017, leasing and economic activity continues to grow 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.



Year	Hotel Tax	Percentage Change
FY 07/08	\$24,497	
FY 08/09	\$38,751	36.78%
FY 09/10	\$86,182	55.04%
FY 10/11	\$108,393	20.49%
FY 11/12	\$124,446	12.90%
FY 12/13	\$161,314	22.85%
FY 13/14*	\$180,000	10.38%
FY 2015	\$166,506	-8.10%
FY 2016	\$161,203	-3.29%
FY 2017	\$156,721	-2.86%

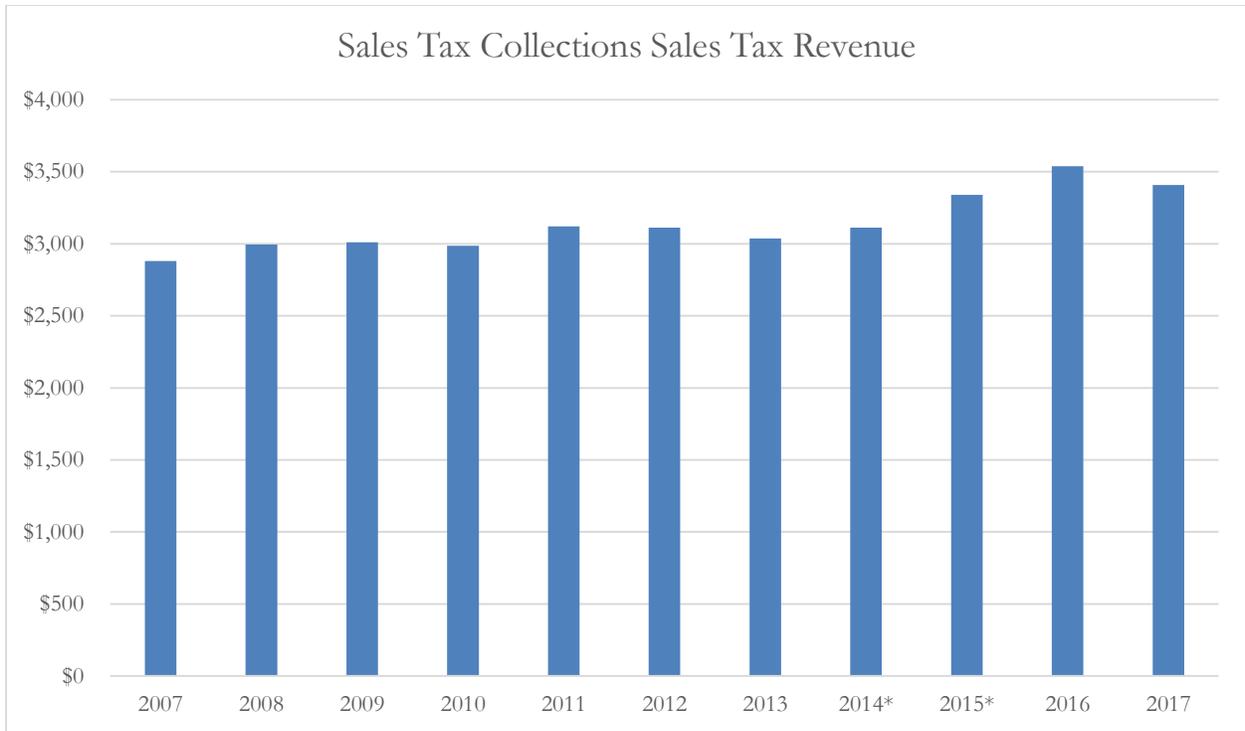
\*FY 13/14 hotel taxes actual through January 2014, remaining months projected.



Year	Sales Tax Revenue	Percentage Change
2007	\$2,880	
2008	\$2,995	3.84%
2009	\$3,010	0.50%
2010	\$2,986	-0.80%
2011	\$3,120	4.29%
2012	\$3,112	-0.26%
2013	\$3,037	-2.47%
2014*	\$3,112	2.41%
2015*	\$3,340	6.83%
2016	\$3,539	5.62%
2017	\$3,408	-3.84%

*\*2014 reflects data from May 1, 2013 – April 30, 2014. 2015 data is the first calendar year, January 1, 2015 – December 31, 2015. The short year is excluded since it does not represent a full 12 month period.*

Growth in this sales tax revenue has been slow over the 10 year period shown, however, it remained fairly stable during the deep economic downturn. 2017 showed a slight dip in sales tax revenue, with several new businesses slated to open in 2018, staff is looking to see a stabilization in the coming year.



Year	Home Rule Sales Tax	% Change	% of Sales Tax Collection
2010 (started mid-year)	\$1,013		
2011	\$1,714		54.94%
2012	\$1,763	2.78%	56.65%
2013	\$1,760	-0.17%	57.95%
2014*	\$1,778	1.01%	57.13%
2015*	\$1,934	8.07%	57.90%
2016	\$1,951	0.87%	55.13%
2017	\$1,963	0.61%	57.60%

*\*2014 reflects data from May 1, 2013 – April 30, 2014. 2015 data is the first calendar year, January 1, 2015 – December 31, 2015. The short year is excluded since it does not represent a full 12 month period.*

The Home Rule Sales Tax was implemented as of July, 2009. 2010 includes collections for 9 months of the year.

In summary, Glen Ellyn has seen continued growth in the business community during 2017. Efforts made by the Village Board and staff have laid the ground work for future development opportunities and business growth. Under the direction of the Village Board, staff will continue to work with the Village’s economic development partners to seek opportunities to grow and expand Glen Ellyn’s business community through targeted development sites, business expansion projects and investments throughout the Village.