

**Minutes  
February 11<sup>th</sup>, 2019  
Village of Bartlett  
Economic Development Commission**

**1) Call to Order**

**G. Kubaszko called the meeting to order at 7:04 pm.**

**2) Roll Call**

**Present: S. Gandsey, C. Green, M Hughes, A. Lewensky, G. Kubaszko, T. Smodilla, N. Gudenkauf,  
J. LaPorte, R. Perri**

**Absent: None**

**Also Present: T. Fradin, Economic Development Coordinator;  
S. Skrycki, Assistant Village Administrator**

**3) Approval of Minutes**

**A motion was made to approve the minutes from the January 14, 2019 meeting.**

**Motioned by: T. Smodilla  
Seconded by: A. Lewensky**

**Motion Carried**

**4) Introduction of new Commissioner: Michelle Hughes**

**G. Kubaszko** welcomed Michelle Hughes to the Economic Development Commission, and thanked her for serving her community.

**M. Hughes** introduced herself, stating that she grew up here in Bartlett and expressed her compassion for the community. She added that she has a degree in finance and stated that she works as a financial advisor.

**5) Economic Indicators Report**

**T. Fradin** presented the current Economic Indicators report. He prefaced that three years ago, the EDC completed a Marketing Plan for 2016 through 2020, with the overall goals to guide marketing activities in an effort to continue growing the Village's economy via increasing private investment through the development and redevelopment of vacant land sites and the numerous vacant commercial spaces at the time.

The EDC recommended establishing a baseline, so elected officials, appointed officials and Staff had a reference point from which to base progress.

Through a combination of increased marketing efforts and an improving economy, the commercial vacancy rate, which stood at 19% in February 2016 per EMSI was reduced to 14.1% in 2017 per CoStar and was further reduced by half to a healthy 7.1% in 2018 after the former 65,613 SF Dominick's space had been leased by Amita Healthcare and numerous smaller spaces were backfilled.

As of this month, the vacancy rate per CoStar has increased to 8.2%, likely due to the closing of multiple dry cleaning businesses and a relocation of a 4,000 SF Amita/Alexian Brothers office at Oak & Hickory in the Cartland Building. Besides the 31,860 SF former Bartlett Fresh Market space, vacancies are scattered throughout the community and are negligible.

Furthermore, three of the chronically vacant structures, the former Lucky Jack's building at Railroad Avenue and Oak, the former Tri-County Insurance building at 370 S. Main Street and the Bormann Building at 366-368 S. Main Street (since replaced by Balance Family Chiropractic) have been recently demolished.

**T. Fradin** then summarized the report stating many key metrics. He stated that when the EDC completed and approved the 2016-2020 Marketing Plan, the Commission requested to track progress via annual or semi-annual key metrics including vacancy rates, number of businesses, sales tax figures, job creation, daytime population, new projects and more.

In an effort to keep members of the Village Board, EDC and residents aware of the progress of this Marketing Plan, the following is a brief summary of various reports that were attached in the commissioners' packets.

### **Population Summary**

Until the results of the 2020 Census are released late next year, like most communities, the Village will continue utilizing population and demographics summaries from ESRI, Community Data snapshots from CMAP and other services to provide information to businesses and developers.

Keep in mind that other types of reports are regularly requested and provided, such as drive-time and distance rings around particular locations, as most retail businesses are more concerned with trade area demographics than Village-wide statistics.

ESRI estimates the Village's population at around 41,425, nearly unchanged since the 41,208 from the last Census. Since there have been few new residential developments since that time, ESRI's estimate seems accurate.

With some new homes at Bartlett Pointe West, the potential for an infill apartment project in the Downtown, a townhome developer with interest in developing in the Village and potential for multifamily housing at Route 59 and Lake Street, the Village's population could increase somewhat by the 2020 Census.

ESRI and CMAP both estimate median household income in the Village as right around \$100,000 even, which reflects a per capita income of approximately \$39,000 based on the income received by all persons aged fifteen and over divided by the total population.

Daytime population remains a challenge, with ESRI estimating 9,400 workers in the Village and 19,000 residents present during daytime hours for a total daytime population of 28,000. JobsEQ has a more accurate and up-to-date number of 12,661 employees within the Village at the close of Q3 2018. The Census Bureau's OnTheMap application provides greater detail on this metric, reporting 7,408 workers in the Village during daytime hours, 6,272 who come from elsewhere and 1,136 who both live and work in the Village. It shows 22,077 residents leaving the Village per day for work, resulting in a net loss of about 15,800 people from the Village. Note that these numbers are the same as reported last year and are nearly four years old. Staff will provide an update this fall when the 2016 numbers are released.

Two things to keep in mind: (1) estimates by the Census Bureau are always several years behind, thus do not reflect some of the expanding businesses in Brewster Creek Business Park and Blue Heron Business Park and (2) that these numbers reflect the "bedroom community" character of the Village prior to the development of these business parks.

With the Village Board's, EDC's and Staff's continued efforts to grow the local economy and attract office, industrial and retail development, the balance of inflow/outflow of workers should continue to grow in terms of inflow.

This being the fourth year of this report, prior years showed a net loss of 17,000 people in 2014 and a net loss of 17,500 in 2013.

The race/ethnicity of the Village continues to skew primarily White alone at 78.6%, followed by 14.4% Asian and 8.6% Hispanic. It is worth noting that the Asian population, which includes those of Indian origin, has been rising steadily since we have tracked population demographics in the Village. The first demographics report that I obtained in July 2006 showed an Asian population of 10.5%.

The population continues aging, with a median of 38.8 and the housing is predominantly owner occupied at 85%. 71% of the housing stock is comprised of single family detached homes.

The population aged twenty-five and older holding bachelor's degree or higher has increased steadily over the course of the past ten years and now stands at approximately 44%. This is considered a key metric by some of the higher end grocers.

The Village's unemployment rate is currently at 3.1%, by far the lowest measurement since prior to the Recession.

Further information on demographics, housing characteristics, educational attainment and much more is attached in multiple reports.

### **Business Summary**

At present, there are +/- 385 licensed businesses in the Village, an increase over the past several years, through a combination of new business openings and increased effort in ensuring that all businesses obtain licenses. Some new ones over the past year include Artis Senior Living, the Village's second

Starbucks, Derick Dermatology, Everwash, Indian Express, Olivia's Place, Lice Extinguishers, and KMA of Bartlett (martial arts) to name a few.

Coming soon businesses include May's Lounge, Gambit's, iPhix, 3J Cuts (barber shop), and a new car wash called Squeaky G's on the south side of Lake Street, just east of Naperville Road. Bucky's is now seeking to relocate and expand to a two-acre site at Route 59 and Norwood Lane, just north of Tokyo Steakhouse.

There are still approximately three hundred Home Occupation permits in use.

Staff anticipates this number to continue growing throughout 2019, as we anticipate the opening of Bartlett Tap in the downtown area, several additions to Brewster Creek Business Park including several recent leases and the addition of multiple tenants in the Galleria of Bartlett, a new strip retail center on Army Trail Road. The Village is working with MORE Brewing to build a microbrewery with an eclectic menu at the former Lucky Jack's location.

Village staff also continues working with Manny Rafidia, an owner of eighteen shopping centers, in the hope of having him purchase and redevelop Bartlett Plaza. Mr. Rafidia would subdivide the former grocery store space into four business units.

### **Retail Occupancy**

The most positive news in this summary is the dramatic decrease in the Village's commercial vacancy rate, alternatively viewed as an increase in the occupancy rate.

Following numerous calls, email correspondences and meetings involving three entities, Amita Healthcare, Albertson's and VEREIT, an agreement was reached to sublease the former Dominick's Finer Foods space, with Amita entering its own lease following the conclusion of Albertson's lease that expires this month.

With that space being leased and with some of the aforementioned smaller businesses, the retail vacancy rate decreased from a high of 17.7% in Q1 2016 to a low of 7.1% last spring. Furthermore, average rental rates have increased from \$11.89NNN to \$17.80NNN during the past three years. At present, the vacancy rate ticked up by a percentage point in 2018, with the largest remaining vacant space in the Village is the former Bartlett Fresh Market space in Bartlett Plaza at 31,860 SF or 47% of the vacant retail space in the Village.

### **Sales Tax Revenues**

Sales tax revenues collected by the Village have continued increasing year over year, with the Village receiving \$2,456,453 in disbursements from the State, indicating \$245.6 in taxable sales from July 2017 through June 2018. This represents a 1% increase over the past fiscal year and a 16% increase from the fiscal year ending in June 2015.

Without having added significant sales tax producing businesses since that time, this is likely attributable to many smaller sales tax generating businesses opening including those that offer video gaming and increased sales from existing businesses including Barrington RV, Jewel-Osco, the Home Depot, the two CVS Pharmacies and the new Walgreens.

### **Industrial Occupancy**

The industrial vacancy rate previously increased from a low of 4.3% in Q4 2016 to 14.8% in Q1 of 2018; however, with good reason.

There has been nearly one million square feet of inventory added over the past several years, with more currently under construction and several more in the planning stages. Brewster Creek Business Park continues experiencing a surge of new activity from early 2016 through present, with businesses and developers investigating the remaining undeveloped sites.

The industrial vacancy decreased throughout 2018 to 8.2% as several major leases were executed and new businesses opened including Animal Supply Company, Axium Plastics, Clarke Packing & Crating Company and Brolite Products.

Economic Development staff has been in discussions with additional potential large-scale users who have begun investigating the undeveloped Cook County portion of the business park as the DuPage portion moves closer to full build-out.

Two additional buildings of approximately 210,000 SF each are in the planning stages for the entrance of the business park at the northeast corner of Stearns and Munger Roads. These buildings may cause the vacancy rate to tick up by a few percentage points late this year into early next year prior to being leased or sold.

There remain three buildings in the Blue Heron Business Park, all build-to-suit projects. As there have not yet been any inquiries to build speculative projects in Blue Heron, staff is currently working with the business park owner and some prospects and we anticipate further build-to-suit projects at that location, each of which will decrease the industrial vacancy rate or increase the occupancy rate.

### **Office Occupancy**

Since the Village does not have a large amount of office space, only 315,000 SF classified as such, the occupancy rate has fluctuated between 90% and 94% over the past four years.

There remains only 16,000 SF of available office space at present, most of which is split between the Barrington Orthopedics building at 864 W. Stearns Road, the Woodland Hills Professional Center at 1110-1124 Schick Road and some spaces at the office portion of Westgate Commons.

Because there is no one single office user of major significance in the Village, this number should remain consistent through 2020 and beyond.

There is another end user with interest in developing some additional office space as a build-to-suit project, which would both increase the inventory and occupancy of such space as well as increase the daytime population of the Village. Staff will share details if and when this project moves forward.

**T. Fradin** wrapped up his presentation with a brief summary, stating that while there is no one metric by which developers or businesses select new locations, it is important for elected officials, appointed officials and staff to have a firm grasp of the economic indicators of the community we serve.

As a long-time economic development professional, I have been asked to provide information on traffic counts too many times to count, information on senior housing for housing developers and breakfast

restaurants, daytime employment for a wide range of businesses, number and age of automobiles for an auto parts store, ethnic statistics for a number of restaurants, income and education level statistics for nearly every business and so on.

Bartlett is well-known as a safe, family-oriented community with a small retail and office base and a strong, growing industrial base. As the business parks continue to develop and as the Brewster Creek TIF expires in 2022, the Village will have boosted and diversified its tax base as well as significantly increased the daytime population.

As staff continues to implement the Downtown TOD Plan to increase the viability of the downtown area and the 2016-2020 Marketing Plan to attract investment to undeveloped areas throughout the Village, we anticipate reporting increased occupancy rates and decreased daytime population loss in the coming years.

**T. Fradin** also walked the commissioners through some of the other attachments included in the packet, pointing out key figures and statistics, and opened the floor to questions.

**S Gandsey** shared that she interacts with residents that would be interested in seeing these types of reports. She asked where the best place to direct them would be.

**T. Fradin** stated that it is included in the Meeting Packet which is posted online, and said that he would post this information on the website so that it can be more accessible to help shut down rumors and get the facts out to the public.

**A. Lewensky** asked how a town can combat an aging population.

**T. Fradin** stated that apartments a common strategy. Rental units tend to attract a younger demographic, bringing them into a community that they may eventually purchase a home when they start a family.

**R. Perri** stated that there are many good starter homes in the Bartlett Area ranging around the \$200,000-250,000 range.

**S. Skrycki** added that it is not necessarily a negative trend. He pointed out the many senior living and senior centers in the town have contributed to overall age, but benefit the community in terms of daytime population and daytime traffic.

**T. Smodilla** agreed with Mr. Skrycki's comments and expressed that the Village should use that information to bring in businesses and services that will appeal to an aging population. She also elaborated that using that same mindset, asking what the village does to use Village strengths such as the strong business park to market Bartlett to future businesses.

**T. Fradin** stated that village staff isn't necessarily using it as a main marketing feature, but will often do so in reverse. He stated that when a new business comes to town, staff will market the new business to surrounding businesses. An example used was when a fast food restaurant comes to town, staff will market it to the business park for employees to patronize the restaurant on their lunch break. He also added that staff is currently working on a project to create a contact database so that staff can communicate with Village Businesses with the click of a button.

**S. Skrycki** added that the chamber is also working hard to bring in members from the business park as well.

**T. Smodilla** added that there is also a benefit to AMITA's new location, stating that it is a destination business that brings people into town, helping to boost other aspects of the local economy. She asked if Mr. Rafidia has begun to specify what types of uses he is looking to add to his property.

**T. Fradin** stated that he has presented a concept plan to the Village Board. His planned uses at this point include an amusement center/restaurant as well as retail with the intention of bringing a grocery store to an outlet. He added that Mr. Rafidia has a ready stable of potential tenants. He added that he is yet to close on the property and that when he is bringing in a formal application to the Village Board seeking special uses for his current plans.

**T. Smodilla** referenced potential spec buildings that developers are considering in Brewster Creek. She asked if the motives behind those were based in the TIF incentives to the developers, and if there is a potential concern in having a glut of space in there, especially with the TIF expiring in 2023.

**T. Fradin** stated that there isn't a concern and that the vacancy rate is below 10%, adding that there is always a chance that that could change in the next decade, but added that the industrial market is continuing to be hot and continuing to grow. He added that with the large investments that these projects are, that the developers are often in it for the long haul. He also added that once the TIF expires, the TIF funds will be added to the public tax rolls.

**M. Hughes** asked what staff does with the information generated from this report.

**T. Fradin** stated that it is used to track progress and to continually be aware of these factors in the community. He also added that it is a tool that is used by Village Staff when marketing sites to different developers. The information also helps when businesses inquire to staff when being asked about specific demographic information. He cited that a specific goal is to increase the Village's Daytime population, and was a leading factor in the creation of the Brewster Creek Business Park. He stated that the information is also a strong point in the Village's Strategic Plan. He stated that the large report being brought to the EDC is a part of measuring the data on a year by year basis as requested by the EDC.

**S Skrycki** added that staff often meets with prospective developers, and having this data in the Village's arsenal, they can tailor the data to the specific developer.

**M. Hughes** stated that while the Village has been successful in the Industrial market, she expressed a concern that many residents do not see that and focus in on the negatives that they can see.

**T. Smodilla** shared that she has come to learn that Economic Development is part science and part art, she stated that Brewster Creek is the Crown Jewel of Bartlett, and should be shared as a great success story. She shared that Bartlett is a unique community, being in 3 counties and 4 townships, and added that the businesses in Cook County have a higher tax burden, creating an obstacle for downtown development. She added that this data helps the EDC to better articulate the realities of both the successes and obstacles. She also added that Bartlett is known as a bedroom community, and pointed out the amount of greenspace available in Bartlett, and shared that it was personally something she is grateful for.

**T. Fradin** added that the industrial presence does help build the tax base and create more stability. This helps diversify the community, and one major company leaving will not do major damage to the local economy.

**R. Perri** asked if there is a way to help the business park recruit for their staff, to keep those jobs local rather than people from other towns driving in to work.

**T. Fradin** stated that rather than posting their position, staff helps link them with Elgin Community College to help with their workforce development as well as working with the Alignment Collaborative for Education to train high school students to enter the workforce.

**T. Smodilla** added that ECC has programs for not only traditional students, but non-traditional students that may be older and looking to change fields.

**C. Green** asked Mr. Fradin to elaborate on the built-to-suit project that he had referenced.

**T. Fradin** said it is too early to get into specifics, but stated it would be along Rt. 59.

#### **6) New Business/Public Comment**

**C. Green** asked Mr. Fradin to elaborate on what iFix is.

**T. Fradin** stated that it will primarily be a phone repair business at Devon and Prospect. He added that next door will be a lice removal business.

**G. Kubszko** opened the floor for Public Comment

**Peggy O'Hare, owner of O'Hare's Pub** stated that the train is central to Downtown. She said that people are often frustrated with being able to cross at the tracks, stating that the Split Platform makes it difficult. She wanted to know what is being done to help mitigate that issue. She added that people do not know about some of the areas away from the main intersection that are available to cross. She stated that it could be more beneficial if there were more areas to cross the tracks.

**S. Skrycki** stated that the Village could enhance their multi-annual rail safety programs to help with this issue, he stated that a project to change the infrastructure of the station would be a multi-million dollar project, and that the Village continually reaches out to Metra to discuss sharing the cost of that potential project.

**C. Green** stated that one of the EDC has found that trying to harness commuters at the end of their days and bring them into downtown businesses was a dead-end effort and did not seem to be worth the energy.

**S. Skrycki** rebutted Commissioner Green's point, and added that the Downtown did not have the exciting new development that currently exists at the times of those efforts. He stated that those pheasable in today's market.



**M. Hughes** stated that with more walkability it may be improved, but stated that many commuters tend to head straight to their cars to get home.

**T. Smodilla** asked if the area was well lit.

**P. O'Hare** stated that it is not.

**A. Lewensky** stated that lighting would bring new life to the downtown.

**C. Green** stated that it can look trashy.

**R. Perri** suggested a large bright sign that says "Downtown Bartlett"

**T. Fradin** stated that many of these points are included in the TOD plan, and that staff is continually working to make these changes with the Village's capital plan.

**P. O'Hare** stated that many commuters travel to Hanover Park to take the train for easier parking.

**A. Lewensky** said that he has heard that as well, but argued that the atmosphere will be different when the two large development projects in the downtown are opened.

**S. Skrycki** added that staff will look at the suggestions, but added that the biggest hurdle to reconfigure the parking is based in the area's geography.

**J. LaPorte** stated that if they looked at how many people head straight home from Brewster Creek, it would be comparable to the downtown.

**T. Fradin** stated that it would be worth looking into, but added that the growing daytime population has an effect on the sales tax revenues.

## **7) Adjournment**

**A motion was made to adjourn the meeting.**

**Motioned by: S. Gandsey**

**Seconded: A. Lewensky**

**Motion Carried. The Meeting Adjourned at 8:45 PM**