

CALL TO ORDER

Commissioner Kubaszko called the regular meeting of June 27, 2022 of the Economic Development Commission (EDC) of the Village of Bartlett to order on the above date at 7:01 PM

ROLL CALL

PRESENT: Commissioners Erickson, Gorski, Gudenkauf, Kubaszko, LaPorte, Smodilla

ABSENT: Commissioners Hughes, Lewensky, Perri

<u>ALSO PRESENT:</u> Economic Development Coordinator Tony Fradin, Assistant Village Administrator Scott Skrycki Management Analyst Joey Dienberg

3. APPROVAL OF April 11, 2022 MEETING MINUTES

Commissioner Smodilla moved to approve the April 11, 2022 meeting minutes, seconded by Commissioner Gorski.

AYES: Commissioners Erickson, Gorski, Gudenkauf, Kubaszko, LaPorte, Smodilla

NAYS: None

ABSENT: Commissioners Hughes, Lewensky, Perri

MOTION CARRIED

4. PUBLIC COMMENT

NONE

5. REBECCA'S CAKES BY DESIGN BEDA APPLICATION

Mr. Fradin stated that attracting a bakery to town had long been one of the village's targeted businesses for over ten years.

When Sorella's Bakery closed in Devon-Prospect Plaza in 2009, bakery items had primarily been available for sale only at Jewel and through home-based businesses.

One such home-based business was Rebecca's Cakes by Design, owned and operated by Rebecca Lesmeister. Eventually, her business grew to the point where she moved from a home-based business to a small commercial space in Downtown Bartlett two years ago.



Located on the south portion of Main Street Plaza (Krueger portion) in a rear-facing unit, Ms. Lesmeister built out a small vacant space into the village's first bakery in several years.

When she opened the small location, she expressed the hope to be able to expand into a larger storefront at the conclusion of her two-year lease.

Over the past two years, Rebecca's Cakes by Design has been well-received by the community and has continued to grow in popularity to the point where Ms. Lesmeister is ready to expand her bakery into a larger, more prominent storefront in a space that is easier to access and provides an attractive outdoor area for customers to enjoy baked goods.

Staff worked closely with Rebecca and her husband John in pursuing the space at 225 S. Main Street where they are currently working on converting the former crepe restaurant into a modern, code-compliant bakery that will also offer coffee, espresso and breakfast items in addition to delicious treats hand crafted daily.

Ms. Lesmeister has submitted the attached application, which includes a detailed business plan along with quotes totaling \$46,960.25 in improvements.

This includes full buildout of the space, which will be reconfigured from its current state to a bakery and includes all facets including electrical, plumbing, general construction, bakery equipment, drywall, a water purifier and an exterior sign.

Bakery equipment comprises the largest line item at \$22,100, followed by \$8,000 in plumbing improvements, \$6,900 for painting, and a sign for \$5,010.

Her business plan details her expertise in baking as well as her vast experience in the field. Ms. Lesmeister is continuing her passion for baking to serve a community need by providing baked goods that are not only delicious and safe but a work of art.

Ms. Lesmeister's BEDA application further includes a detailed marketing plan, which she has demonstrated the ability to carry through on over the past two years, participating in and sponsoring many local events and organizations.

She is well-aware of the demand for allergy-friendly baked goods and fills this need by ensuring safety in all ingredients and consulting with food experts to ensure integrity in their offerings.

Ms. Lesmeister is present at her bakery from open to close most days, and her business has grown from a one-woman shop to one with five part-time employees and two full-time



employees. She anticipates hiring two additional full-time employees and two additional part-time, possibly a third, within twelve months of opening this new location.

Having previously worked with our village's downtown bakery for the past two years, we are eager to continue supporting Rebecca's Cakes by Design with its expansion and relocation into Bartlett Town Center.

In continuing the "shop local" movement and encouraging entrepreneurial residents like Ms. Lesmeister to take the next major step from a small commercial location in the rear lower level of an older center to a prominent location in the middle of Bartlett Town Center, staff is strongly supportive of this endeavor.

Please note that the Village previously approved a BEDA grant at her soon-to-be former location, making Ms. Lesmeister the first two-time applicant as she continues to grow her business, demonstrating her and her family's enormous commitment to successfully running a bakery in downtown Bartlett.

Due to the desirability for a successful downtown bakery and the applicant's commitment to keeping her business in downtown, staff recommends the maximum fifty percent threshold for this BEDA grant in the amount of \$23,480.12.

May 1st began a new fiscal year and the unpaid BEDA funds committed at present include \$50,000 for Banbury Fair, \$1,992.50 for Geek Inc. Comics, and \$2,021 for The Dogfather.

Commissioner Erickson asked for clarification on which fiscal year the unpaid BEDA grants will come from. She added that she thinks it is good that every year the line item has grown, showing more growth and development of local businesses in the community.

Mr. Fradin clarified by stating that they will come out of the budget year that they are paid out in. He added that the further into the fiscal year they are, commissioners should keep in mind that BEDA grants brought before the commission would be paid out in the upcoming fiscal year. He added that staff uses this program to leverage private investment.

Commissioner Gorski asked the petitioner if she is keeping the equipment from her old location.

Ms. Lesmeister stated that they are bringing almost all of the equipment from the old location. She added that they are buying more equipment as well as completing a buildout to accommodate the growth that they have seen. This includes adding an additional oven and increasing the size of her bakery cases. Everything we are buying is to enhance what we are already doing.



Commissioner Smodilla asked what the previous BEDA Grant amounted in. She also complimented the petitioner on her detailed budget included in the packet, and asked about what she anticipates in gross sales for 2022. She also asked about the tax benefit to the village.

Mr. Fradin stated that they received a grant that was about \$7,000 and it was close to 30% of the project. He added that the Village receives 2% sales tax between the 1% sales tax and an additional 1% for the villages home rule sales tax.

Ms. Lesmeister stated that they are already ahead of their 2021 sales, and anticipates a 25-50% increase for gross revenue sales in 2022. In regards to the tax benefit, she added that they try to keep as much of their purchasing in Bartlett as possible, as well as hiring Bartlett residents as employees.

Mr. Skrycki stated that beyond the tax benefit, he added that throughout obtaining resident feedback, time and again a forward-facing bakery has been brought up, and incorporated into the strategic plan. Every stakeholder meeting, bakeries are hot topics. I don't like to get too emotional in a professional setting, but I can say that I have never been more proud of a BEDA recommendation, and the work Tony has done with Rebecca. You can look at the analytics and data, but when it comes to "sweat equity", which you are not going to see in ROI and a data driven document, but I have never met a small business owner with more sweat equity than Rebecca. Every staff recommendation, she has been one step ahead when it comes to joining the chamber, entering in community events, marketing tips, every single suggestion she implements before it is even suggested. Beyond some of the analytics, it is important that the EDC know that when we recommend these things, we look beyond the analytics. When we first sat down with Rebecca at her initial location, I wasn't too crazy about it, but I was wrong. That slow, mature, methodical growth is economic gardening 101. Starts from her home, moves into a location that is "OK", makes sure she can handle the business and the growth, and then makes the move to a location that is front and center, the geographical center of town, and out of all of the BEDA's that staff has recommended, we are so proud of this business, and it is right on main street.

Commissioner Erickson agreed with Mr. Skrycki, stating how great this business is for the community, and how great it will be for that location and the overall benefit for the center. She stated they have proven themselves, networked and grown, adding that this is the perfect time and place.

Commissioner Gudenkauf agreed and stated that they have done a great job, they are so involved and expressed excitement going forward. Plus, there are so many fitness centers in town, someone has to make sure they have business.



Commissioner LaPorte asked about the current lease terms, and where they see the business going. He also asked how steady the wholesale business is, with retail being sometimes fickle.

Ms. Lesmeister stated that this is a five-year lease, and hope to either renew at that time or potentially purchasing a new place that they hope to be their final move, would be freestanding, and renovate to their needs. We wanted to be sure that we did this in steps, and we didn't overdue ourselves. She also said there are options to expand in surrounding units in the shopping center, and there are lots of options. She added that they currently work with 120 Live. We are definitely looking to expand wholesale, and are looking for the right fit. There are certain products that lend themselves to being mass produced, and we are currently in the stepping stones of providing some desserts to some larger businesses. Adding wholesale is a goal to increase the predictable week to week sales, but the primary business is the custom cakes, and that the front sales are just the icing on the cake.

Commissioner Smodilla asked what the average ticket price is on a custom cake.

Ms. Lesmeister stated that they average \$200+, but they do vary. We are usually doing 30-40 cakes a week, and sometimes they are \$60 cakes, and some are \$500 plus an entire dessert table.

Mr. Skrycki added that 10% of their sales are out of town based on credit card sales, and noted how impressive that is, and only sees it improving with a new and improved location.

Commissioner Erickson moved to recommend a BEDA grant reimbursement of fifty percent of the buildout, which amounts to \$23,480.12 to Rebecca's Cakes by Design, Seconded by Commissioner Smodilla.

ROLL CALL VOTE

AYES: Commissioners Erickson, Gorski, Gudenkauf, Kubaszko, LaPorte, Smodilla

NAYS: None

ABSENT: Commissioners Hughes, Lewensky, Perri

MOTION CARRIED

6. NEW BUSINESS

Mr. Fradin provided updates on various restaurant sites around the village. The sites included the closing of Bovino and its already coming replacement by an Indian



restaurant, the changing of hands of the former Indian Express into the village's first Columbian restaurant and the relocation/expansion of Bannerman's into the Brewster Creek Business Park.

Commissioner Smodilla commented that the noise was a common complaint in their old location, and this site will accommodate Bannerman's much better.

Mr. Fradin agreed, stating that it could become the premier sports bar/concert venue in the area.

There being no further business to discuss, Commissioner Erickson moved to adjourn the EDC meeting and that motion was seconded by Commissioner Smodilla.

Commissioner LaPorte asked if the village would ever consider building a bandshell.

Mr. Fradin stated it is a good suggestion, but isn't aware of the history of this idea within the village, he added that Bannerman's would really fill that need for an outdoor band space.

Commissioner Smodilla added that there was a similar site in Elgin using a permanent structure, as well as Rosemont. She added that the nearby restaurants and businesses are really happy with that summer concert series.

Commissioner Gorski asked if there is open space around their site. He added that this will be a great lunch venue for the employees of the park, and if there are open sites around, maybe other venues could join in that area to capture those employees.

Mr. Fradin stated that they are buying a larger lot than the space will occupy, adding that it is well in the business park, but there is some open space within the lot. He added that they are adding a "quick lunch" option to cater to those nearby employees who may only have shorter lunch breaks. He added there are companies in the business parks that have 200-300 customers in and out everyday that Bannerman's has the opportunity to capture.

Commissioner Smodilla added that the location has a great opportunity to cater to nearby communities like West Chicago and St. Charles, which do not have any businesses like this to provide that concert venue with a good restaurant attached.

Mr. Skrycki stated that this is a great opportunity to show residents what is going on in the business park, adding connectivity to the residents and putting the park on display.

Mr. Fradin added that there could be a lot of meetings there, and could additionally add corporate accounts for businesses in the park.

Commissioner Smodilla asked if this facility would be eligible for a Sportsbook License Mr. Skrycki stated that it is a special license with the state.



Mr. Fradin stated that he could suggest it to the owner.

Mr. LaPorte asked about the facility on Devon.

Mr. Fradin stated that the developer of that site passed away recently, but the building is almost finished, and sites are being filled nonetheless, one by a specialty closet company.

ROLL CALL VOTE TO ADJOURN

AYES: Commissioners Erickson, Gorski, Gudenkauf, Kubaszko, LaPorte, Smodilla

NAYS: None

ABSENT: Commissioners Hughes, Lewensky, Perri

MOTION CARRIED

The meeting was adjourned at 7:48 p.m.

Joseph Dienberg Management Analyst