

# Village of Bartlett TOD Plan Market Analysis Technical Memorandum



Prepared for



December 2015

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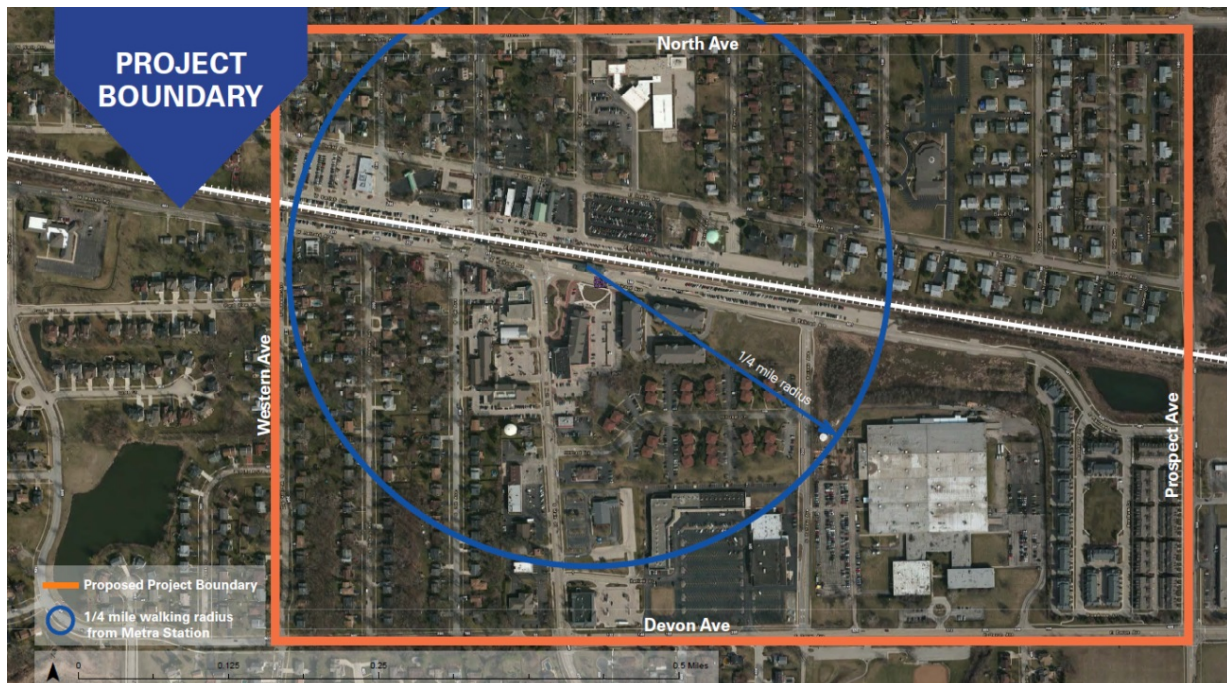
## I. Executive Summary

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### Background to the Assignment

Goodman Williams Group is part of a team headed by Solomon Cordwell Buenz that has been retained by the Regional Transportation Authority (RTA) under its Community Planning Program to provide a Transit-Oriented Development (TOD) Plan for Downtown Bartlett, Illinois. The goal of the plan is to help Bartlett realize the full potential of its downtown district in a core area surrounding its Metra station.

The following Market Analysis Technical Memorandum by Goodman Williams Group presents information on the residential and commercial markets within the Village of Bartlett. It provides initial conclusions regarding current market conditions, retail and commercial opportunities, and viable housing options on select sites in the defined TOD area. This area, shown in the accompanying map outlined in red, is bounded by North Avenue on the North, Prospect Avenue on the East, Devon Avenue on the South, and Western Avenue on the west.



Source: Solomon Cordwell Buenz

## **Methodology**

As part of this assignment, Goodman Williams Group completed the following tasks in the Fall and Winter of 2015:

- Analyzed demographic, household, and economic trends to better understand market fundamentals within the Village of Bartlett.
- Assessed the current residential and commercial markets within the Village and its environs, and analyzed the resulting data in order to identify current usage, market gaps, and longer-term market potentials.
- Participated in meetings with the project team, Steering Committee, and in community workshops.
- Interviewed civic leaders, representatives from the real estate industry, and other stakeholders to learn about their plans and ideas for improving the Village.

We also reviewed a number of past studies related to Downtown Bartlett, including:

- Bartlett Town Center Summary of Findings, completed by Houseal Lavigne Associates in 2010.
- Downtown TIF Closeout Report, Village of Bartlett, 2011.
- TIF Qualification Report, Kane McKenna, 2014
- Village of Bartlett EDC - Briefing The DB (Downtown Bartlett) Initiative 2014

## **Preliminary Market Findings and Opportunities for Downtown Bartlett**

New Transit Oriented Development in Downtown Bartlett will be led by demand for residential units, both multifamily rental and for-sale townhome products. Proximity to the Metra station, existing residential developments, and convenience retail make this an attractive residential location.

## Residential Market Conclusions

Demand for new residential development in the Study Area is based on our analysis of the anticipated population growth in the market area, particularly in the 25-34 and 35-44 age cohorts, as well as for those aged 55 and older. Our analysis of the existing rental and for-sale residential inventories also revealed the following encouraging factors:

- Housing occupancies in Bartlett (and the Primary Market Area more broadly) are extremely tight at the present time, with very little capacity to accommodate the more than 800 new households expected to be added to the market area within the next five years. In addition, there will be the inevitable need to replace obsolete, abandoned, and demolished units as the area housing stock ages.
- In addition to very low vacancy rates, more than 90 percent of the rental apartment stock within the wider submarket was built prior to 1990, and no new apartments have been built since the 1990s. The aging apartment stock will face increasing obsolescence in the coming years.

Desirable infill locations – such as those offered within the Downtown Bartlett TOD Subject Area – could capture a significant share of demand in this market, assuming viable housing products are made available at reasonable price points.

Our analyses of housing market conditions within Bartlett and the PMA suggest that sufficient market strength exists to support the development of **45-55 for sale townhomes** within a near to mid-term timeframe (i.e., one to five years). In order to achieve successful absorption rates, it is recommended that the townhome program offer units ranging from approximately 1,600 to 1,900 square feet in size and from \$225,000 to \$245,000 in price.

The median sale price of detached homes in Bartlett year-to-date, at \$262,500, stands 23% above the PMA as a whole. At suggested pricing levels, the recommended townhomes could introduce a needed lower priced for sale housing alternative, drawing younger families into the Study Area who may otherwise purchase elsewhere within the PMA.

For the rental apartment program in the near term, **50-60 rental apartments** could be reasonably absorbed within the Downtown Bartlett Study Area. A portfolio of one and two bedroom unit plans is recommended, ranging from approximately 750 to 1,200 square feet in size and from \$1,250 to \$1,600 in base monthly rent. Both younger professionals and downsizing empty nesters are considered primary target markets for the rental apartments, with proximity to Bartlett's Metra station serving as a major draw.

Finally, it should be noted that the market offers little (if any) support for condominiums for the foreseeable future. This conclusion is based on persistent weakness in the multifamily for sale sector throughout most areas of suburban Chicago, as well as the experience of the

condominium market within Bartlett itself – most notably that of Bartlett Town Center, where two of the five buildings originally planned were never built and where most units, purchased by investors after a wave of foreclosures, have now been put onto the rental market.

## **Commercial Market Conclusions**

The commercial space in Downtown Bartlett serves primarily as a neighborhood-scale shopping district, offering convenience retail, eating and drinking establishments, and professional and personal services to area residents, Downtown employees, and those coming into the area. Of the 125 establishments included in the Downtown Bartlett business inventory, 18 were classified as retail stores and 14 as bars or restaurants. The inventory includes older commercial spaces located along the railroad tracks, late 20<sup>th</sup> century auto-oriented centers like Bartlett Plaza, and the ground floor space in the mixed-use Bartlett Town Center.

Downtown Bartlett competes with several nearby high-traffic corridors in the Primary Market Area that have captured much of the recently built retail inventory. These include Illinois Route 59, Irving Park Road (IL-19), Lake Street (U.S. Route 20), and Barrington Road. The PMA includes much of the eastern half of Bartlett and smaller portions of Streamwood and Hanover Park.

A leakage analysis of the estimated 16,903 households living in the Primary Market Area shows that they are spending more than \$350 million at stores located outside the market area, indicating the potential for more retail that would capture these dollars. A similar leakage analysis for the Village of Bartlett also demonstrates significant leakage.

Yet Downtown Bartlett is unlikely to support a significant amount of new commercial development in the near term. Currently, Downtown Bartlett is suffering from a high vacancy rate in its commercial space. In a 2014 TIF eligibility study, Kane McKenna estimated that downtown Bartlett had a 20% vacancy rate based on square footage. Our inventory identified nearly 74,000 square feet of space currently available in Downtown Bartlett. This total includes more than 43,000 square feet in Bartlett Plaza and 12,800 square feet in Bartlett Town Center.

A combination of factors is contributing to the high vacancy rate in Downtown Bartlett:

- Low traffic counts along Downtown's major streets
- Limited pedestrian circulation
- Lack of patronage by Metra commuters
- High Cook County property and sales tax rates as compared to DuPage County
- Older buildings in need of interior and exterior improvements.

Over the near term, the focus for upgrading Downtown Bartlett's commercial space should be to identify and help secure tenants to occupy some of the key vacant and underutilized parcels.

These tenants will likely include more restaurants, local retailers selling food, apparel, or other specialty merchandise, and services businesses that attract people into the Downtown.

### **Recommendations**

New residential development will add excitement to the Downtown, generating potential support for additional commercial uses. In order to attract new residential development and successfully compete with the nearby commercial corridors and neighboring communities, Bartlett will likely have to offer financial incentives to property owners and developers. In addition, infrastructure and streetscape improvements are needed that will require funding. Other economic development strategies that the Village has discussed include the expansion of marketing efforts, better branding, and staging of additional events in the Downtown.

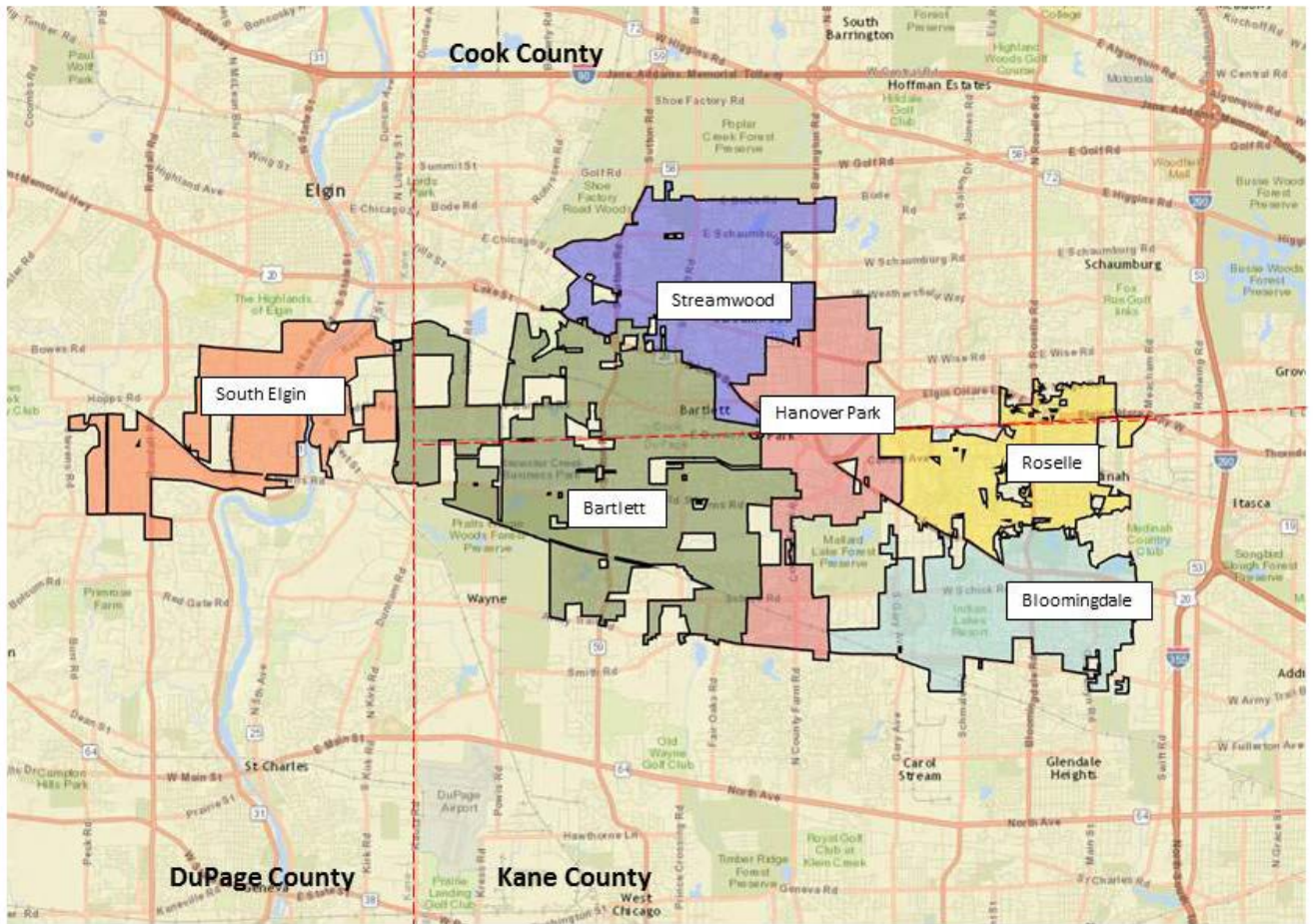
The Downtown Bartlett TIF expired in 2010, and attempts to create a new TIF have not been successful. The Village should reexamine establishing a TIF district, given the current and anticipated market opportunities that will require one-time and dedicated income streams.



## II. Socioeconomic Overview of Bartlett and Neighboring Communities

Goodman Williams Group gathered socioeconomic information on Bartlett and five neighboring communities: South Elgin, Streamwood, Hanover Park, Roselle, and Bloomingdale.


### Village of Bartlett and Surrounding Communities



Source: Esri Business Analyst, produced by Goodman Williams Group October 2015



The following table presents some comparative metrics on Bartlett and these surrounding communities. The bullet points highlight the key findings.

Comparative Metrics on Bartlett and Surrounding Communities							
Community	2015 Population Estimate	2015 Household Estimate	2015 Median Age Estimate	2015 Median HH Income	2014 Annual Retail Sales Tax	SF Units Permitted (2012-2014)	MF units permitted (2012-2014)
<b>Bartlett</b>	<b>41,299</b>	<b>14,187</b>	<b>38.7</b>	<b>\$94,980</b>	<b>\$2,097,181</b>	<b>20</b>	<b>0</b>
Streamwood	40,381	13,214	36.0	\$75,828	\$3,890,637	22	128
Hanover Park	38,399	11,082	33.1	\$71,657	\$5,359,959	30	0
Roselle	23,000	8,825	40.8	\$79,593	\$2,282,256	36	0
Bloomington	21,948	8,718	42.8	\$75,305	\$7,942,144	5	0
South Elgin	22,378	7,297	35.9	\$85,009	\$3,877,560	48	0
Sources: Esri Business Analyst (2015 estimates), IL Dept of Revenue, Censtats							

With an estimated 2015 population of more than 41,000, Bartlett is slightly larger than the neighboring communities of Streamwood and Hanover Park. It has nearly double the population of Roselle, Bloomington and South Elgin.

- Bartlett’s median household income is notably higher than the median in the five surrounding communities.
- Bartlett does not have as much retail as in neighboring communities as measured by annual retail sales tax.
- During the past three years, Bartlett has permitted 20 single family residential units and no multifamily units. Streamwood is the only one of these communities to have recently permitted multifamily units.

## Demographic Characteristics

The population of Bartlett, estimated to be 41,299 in 2015, has grown by 12.5% in the past fifteen years, with most of that growth occurring between 2000 and 2010. It is projected to grow by an addition 365 persons, or 176 households, by 2020.

While nearly 76.1% of Bartlett's population identifies as white, the largest minority is Asian/Pacific Islander (15.2%). The number of residents identifying as Hispanic (a Census category separate from race) has grown modestly since 2000 and now comprises almost 10.9% of the population in the Village.

The table below presents the 2000 and 2010 Census findings and 2015 estimates and 2020 projections by Esri Business Analyst, a respected vendor of demographic information.

Bartlett Demographics Trends							
Summary		2000	2010	2015 Estimates	2020 Projections	% Change 2000-2015	
	Total Population	36,706	41,208	41,299	41,664	12.5%	
	Total Households	12,356	14,073	14,187	14,363	14.8%	
	Total Housing Units	12,179	14,509	14,618	14,789	20.0%	
	Average Household Size	3.00	2.92	2.91	2.90	-3.3%	
<b>Household Characteristics</b>							
	Family HHs	9,989	11,111	11,020	11,121	10.3%	
	Median Age	33.5	37.8	38.7	39.7	15.5%	
						<b>% Change 2000-2015</b>	<b>% of 2015 Total</b>
<b>Population by Race</b>							
	Population Reporting One Race						
	White	32,020	32,397	31,439	30,740	-1.8%	76.1%
	Black	725	966	1,095	1,133	51.0%	2.7%
	American Indian	52	100	112	120	115.4%	0.3%
	Asian/Pacific Islander	2,879	5,930	6,277	7,015	118.0%	15.2%
	Some Other Race	497	1,017	1,397	1,567	181.1%	3.4%
	Population Reporting Two or More Races	533	798	979	1,089	83.7%	2.4%
	<b>Total Hispanic Population</b>	2,024	3,557	4,520	5,080	123.3%	10.9%

Source: 2000/2010 data from U.S. Census Bureau. Where Census Data are not available, estimates and projections are from Esri Business Analyst

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## Employment

Esri Business Analyst estimates that there are 1,101 businesses in Bartlett with a total of 9,300 employees. An estimated 13.1% of total businesses are associated with the construction industry, although the total number of employees in this sector is only 575. The Village of Bartlett also has a large number of manufacturing and wholesale trade businesses, many of which are located in Brewster Business Park. These industries are the largest in terms of number of employees, making up 26.7% of total employment in Bartlett.

Food Services and Drinking Places is also a significant industry sector, with more than 10% of Bartlett’s employees. These jobs tend to have lower wages.

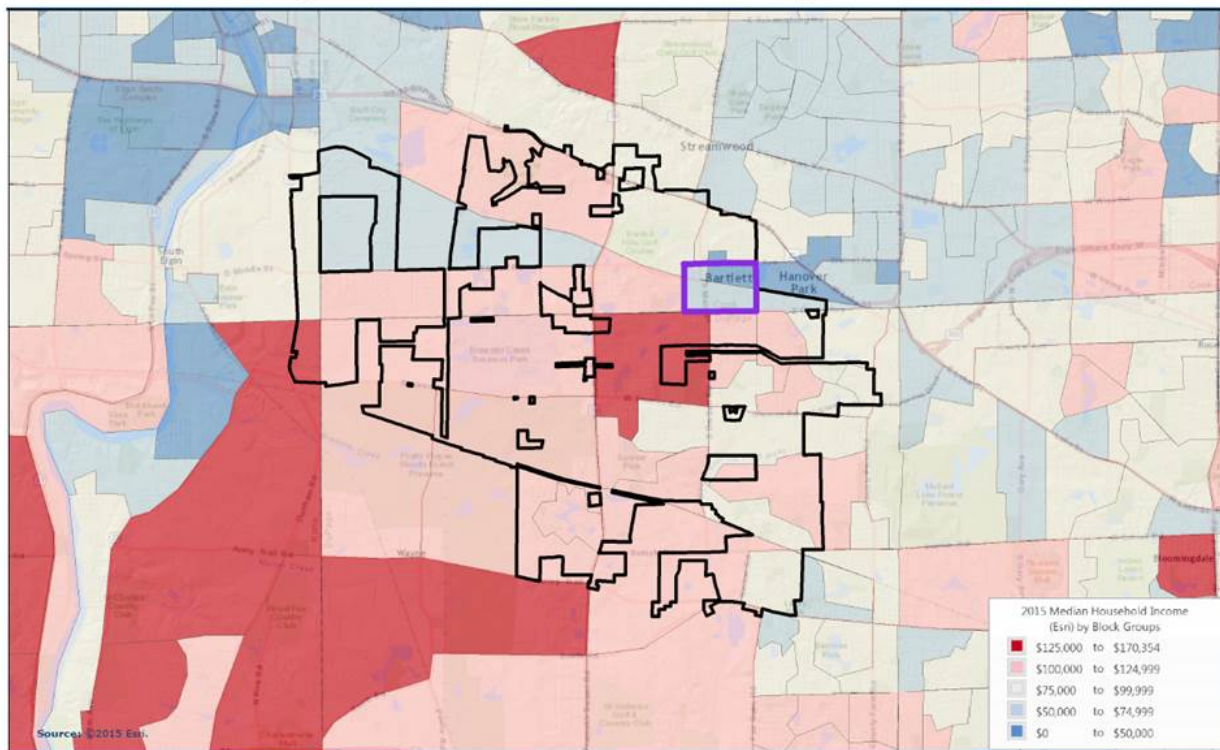
Bartlett Employment				
Total Businesses:				1,101
Total Employees:				9,300
Total Residential Population:				41,299
Industry	Businesses	% of Total Businesses	Employees	% of Total Employees
Construction	144	13.1%	575	6.2%
Professional, Scientific & Tech Services	127	11.5%	441	4.7%
Retail Trade	121	11.0%	741	8.0%
Other Services (except Public Administration)	110	10.0%	526	5.7%
Finance & Insurance	69	6.3%	299	3.2%
Health Care & Social Assistance	67	6.1%	952	10.2%
Food Services & Drinking Places	61	5.5%	1,009	10.8%
Administrative/Support/Waste Management/Remediation Services	61	5.5%	357	3.8%
Manufacturing	57	5.2%	1,225	13.2%
Wholesale Trade	53	4.8%	1,260	13.5%
Unclassified Establishments	47	4.3%	79	0.8%
Real Estate, Rental & Leasing	46	4.2%	222	2.4%
Transportation & Warehousing	41	3.7%	197	2.1%
Arts, Entertainment & Recreation	31	2.8%	310	3.3%
Educational Services	27	2.5%	642	6.9%
Information	21	1.9%	148	1.6%
Public Administration	9	0.8%	231	2.5%
Utilities	3	0.3%	52	0.6%
Agriculture & Mining	3	0.3%	19	0.2%
Accommodation	3	0.3%	15	0.2%
<b>Total</b>	<b>1,101</b>		<b>9,300</b>	
<i>Source: Esri Business Analyst</i>				
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## Household Incomes

The 2015 median household income in Bartlett is estimated by Esri Business Analyst to be \$94,980, higher than the median in many of the surrounding communities. The map below illustrates median household incomes by block group. The color red represents the highest incomes, followed by pink, white, and blue. Bartlett is outlined in black, and the TOD Study Area is outlined in purple.

Most of The Village of Bartlett falls in the \$100,000 to \$125,000 range of median income, shown in light pink on the map. Notably, median income in the Study Area is considerably lower than the village as a whole. The block group north of Railroad Avenue in the Downtown has a median income of less than \$50,000.

Village of Bartlett 2015 Median Income by Block Group



Source: Esri Business Analyst

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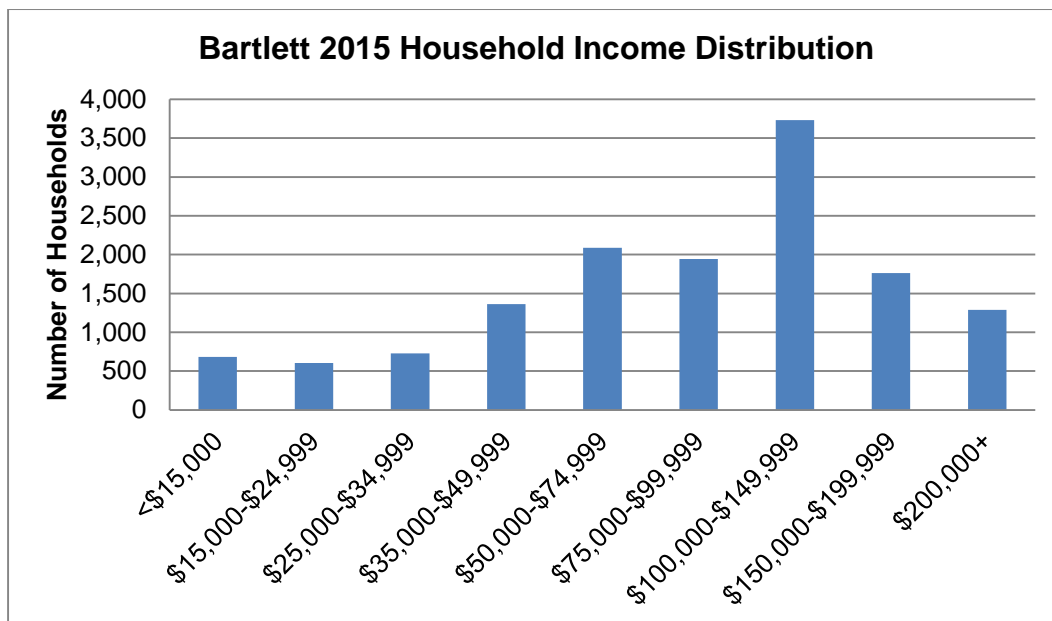
Source: Esri Business Analyst, produced by Goodman Williams Group, August 2015

The table and graph below further illustrate the income distribution for the estimated 14,138 households in Bartlett.

<b>Bartlett 2015 Household Income Distribution</b>		
<b>Total Households</b>	14,138	100.0%
<b>&lt;\$15,000</b>	682	4.8%
<b>\$15,000-\$24,999</b>	603	4.3%
<b>\$25,000-\$34,999</b>	729	5.2%
<b>\$35,000-\$49,999</b>	1,362	9.6%
<b>\$50,000-\$74,999</b>	2,087	14.8%
<b>\$75,000-\$99,999</b>	1,944	13.8%
<b>\$100,000-\$149,999</b>	3,730	26.4%
<b>\$150,000-\$199,999</b>	1,764	12.5%
<b>\$200,000+</b>	1,287	9.1%
<b>Median Household Income</b>		\$94,980
<b>Average Household Income</b>		\$110,326
<b>Per Capita Income</b>		\$38,090

Source: Esri Business Analyst

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Source: Esri Business Analyst



### III. Residential Market Overview

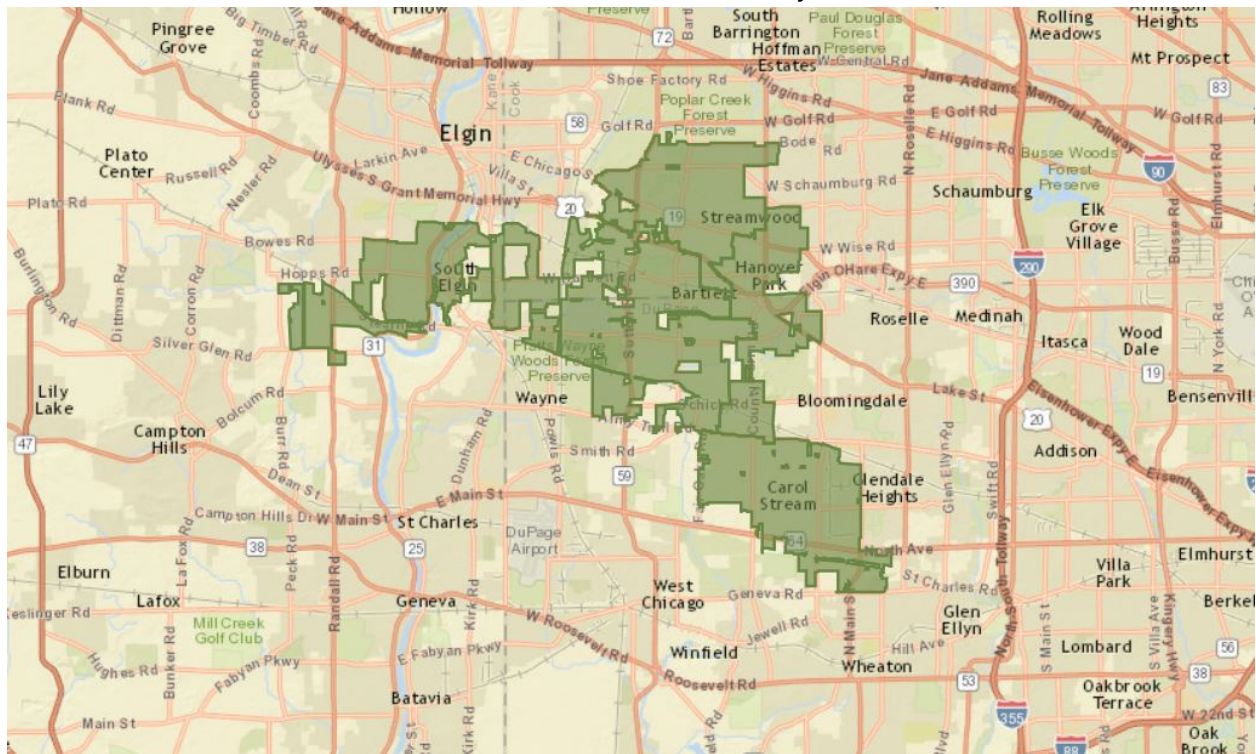
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This section of our report explores residential market fundamentals and the competitive environment within Bartlett and the surrounding market area. It provides a forecast of new home demand potentials for the near to mid-term. Finally, it provides a detailed discussion of our market findings, conclusions, and recommendations for the introduction of new housing within the Downtown Bartlett Study Area.

#### Definition of Primary Market Area

The Primary Market Area (PMA) for new residential development within the Downtown Bartlett Study Area is here defined as an area encompassing – along with the Village of Bartlett – the villages of Streamwood, Hanover Park, Carol Stream, and South Elgin. Portions of the PMA are located in Cook, DuPage, and Kane counties. Approximately 75% of market support for any new residential units introduced within the Study Area can be expected to emanate from within the defined PMA.

Downtown Bartlett Residential Primary Market Area

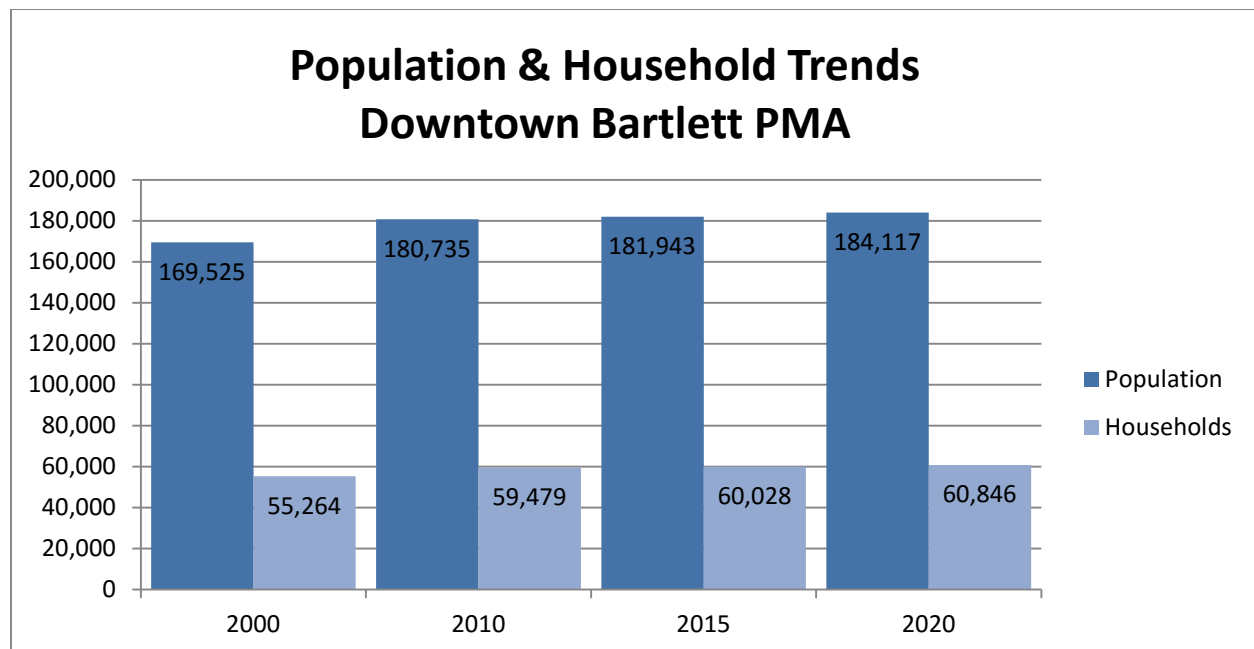


Source: Esri Business Analyst

This Downtown Bartlett PMA has been established based on the following: 1) Demographic, geographic, and socio-economic linkages between the five municipalities; 2) Recent trends in localized residential and commercial development throughout the area; 3) Proximity to regional employment concentrations (primarily aligning I-90); 4) Commuting patterns along area freeways and arterials and via Metra’s Milwaukee District/West commuter line; and 5) Information gleaned generally on local geographic mobility patterns.

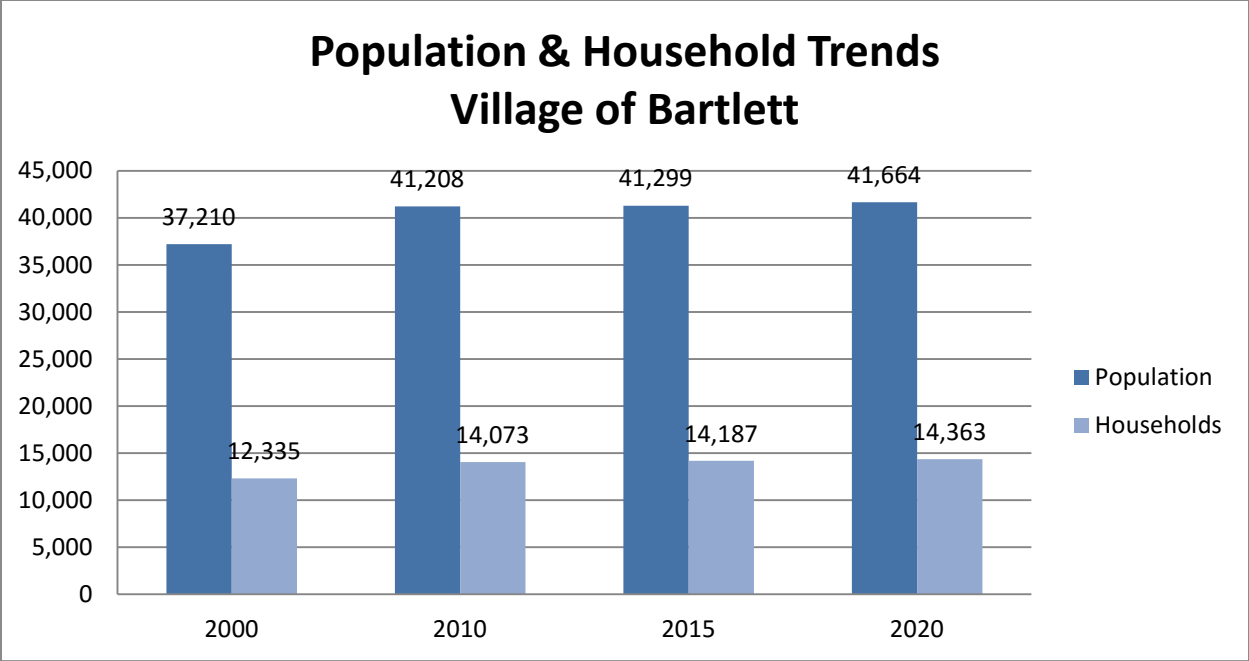
### Population & Household Trends

According to current estimates from Esri, the five-community PMA is home to nearly 182,000 people and more than 60,000 households. Rapid growth was seen through the early 2000s, when the PMA grew at a pace of more than 1,100 new residents and 420 households annually – with much of this growth driven by new residential development in South Elgin.



Source: U.S. Census Bureau; Esri, Inc. (2015 estimates, 2020 projections)

The pace of growth moderated significantly in the aftermath of the Great Recession, with the area adding barely 1,200 residents during the 2010-2015 period. During the 2015-2020 timeframe, however, population growth is expected to return to more normalized levels. Esri projects that the PMA municipalities will add approximately 2,175 residents and 820 households between 2015 and 2020. Household growth is the primary source of demand for new housing, and according to Esri projections, the Village of Bartlett alone is expected to add 176 new households during the five-year forecast period – equating to 21.5 percent of overall household growth within the PMA.



Source: U.S. Census Bureau; Esri, Inc. (2015 estimates, 2020 projections)

### Housing Occupancy Characteristics

According to estimates from the U.S. Census Bureau’s American Community Survey (ACS), there are 13,932 occupied housing units within the Village of Bartlett. Of these, 12,413 (89.1%) are owner-occupied, while 1,519 (10.9%) are renter occupied. Owner-occupancy within Bartlett is very high when compared to much of suburban Chicago, and is, in fact, significantly higher than the PMA as a whole, at 81.7%.

Meanwhile, an estimated 484 housing units were vacant as of the survey date. Vacancy rates for both ownership and rental housing units within the Village are *extremely low*, at 1.1% and 0.0%, respectively. (Note that it is unlikely that no rental units at all were vacant during the survey, and that the reported figure is a function of small sample size rather than reality – though the survey data do suggest that the actual rate is likely to be near zero.) Within the larger PMA, reported vacancy rates were balanced for ownership units, at 1.7%, but low for rental units, at 3.5%. (For comparison, research shows that, in balanced markets nationwide, vacancy rates average 1.5% for ownership units and 7.4% for rental units over the long term.)

**Downtown Bartlett PMA & Village of Bartlett**

<b>Attribute</b>	<b>PMA</b>	<b>Village of Bartlett</b>
Total Housing Units	62,664	14,416
Occupied Housing Units	59,910	13,932
Owner-Occupied	48,951	12,413
Percent	81.7	89.1
Renter-Occupied	10,959	1,519
Percent	18.3	10.9
<hr/>		
Vacant Housing Units	2,754	484
Vacancy Rate (%)	4.4	3.4
Homeowner Vacancy Rate (%)	1.7	1.1
Rental Vacancy Rate (%)	3.5	0.0

*Source: U.S. Census Bureau*

**Income by Housing Tenure**

In order to assess income support for new housing within the Village of Bartlett and the wider PMA, we utilized data from the U.S. Census Bureau’s American Community Survey for 2009-2013 (the most recent vintage available) to analyze area household income levels by housing tenure (i.e., owner-occupants versus renter-occupants). This analysis showed that the median annual income among all PMA households at the time of the survey stood at \$78,448 (in 2013 dollars). However, significant income disparity exists between owner and renter households, with renter households earning approximately 56 percent less than their owner counterparts.

**Households by Housing Tenure & Income  
Downtown Bartlett PMA**

Income	Owner		Renter		Total	
	HH	%	HH	%	HH	%
Less than \$5,000	502	1.0	591	5.4	1,093	1.8
\$5,000 - \$9,999	310	0.6	338	3.1	648	1.1
\$10,000 - \$14,999	542	1.1	987	9.0	1,529	2.6
\$15,000 - \$19,999	948	1.9	734	6.7	1,682	2.8
\$20,000 - \$24,999	1,154	2.4	833	7.6	1,987	3.3
\$25,000 - \$34,999	2,289	4.7	1,617	14.8	3,906	6.5
\$35,000 - \$49,999	5,074	10.4	1,684	15.4	6,758	11.3
\$50,000 - \$74,999	8,944	18.3	1,963	17.9	10,907	18.2
\$75,000 - \$99,999	9,357	19.1	1,058	9.7	10,415	17.4
\$100,000 - \$149,999	12,428	25.4	817	7.5	13,245	22.1
\$150,000 or More	7,403	15.1	337	3.1	7,740	12.9
<b>Total</b>	<b>48,951</b>	<b>100.0</b>	<b>10,959</b>	<b>100.0</b>	<b>59,910</b>	<b>100.0</b>
<b>Median</b>	<b>\$87,565</b>		<b>\$38,409</b>		<b>\$78,448</b>	

Source: U.S. Census Bureau

A similar disparity exists within Bartlett itself, with owner households earning a median of \$99,282 at the time of the survey, and renter households earning a median of \$43,343.

**Households by Housing Tenure & Income  
Village of Bartlett, IL**

Income	Owner		Renter		Total	
	HH	%	HH	%	HH	%
Less than \$5,000	144	1.2	34	2.2	178	1.3
\$5,000 - \$9,999	88	0.7	0	0.0	88	0.6
\$10,000 - \$14,999	99	0.8	256	16.9	355	2.5
\$15,000 - \$19,999	154	1.2	108	7.1	262	1.9
\$20,000 - \$24,999	349	2.8	166	10.9	515	3.7
\$25,000 - \$34,999	462	3.7	52	3.4	514	3.7
\$35,000 - \$49,999	1,108	8.9	256	16.9	1,364	9.8
\$50,000 - \$74,999	1,705	13.7	208	13.7	1,913	13.7
\$75,000 - \$99,999	2,165	17.4	158	10.4	2,323	16.7
\$100,000 - \$149,999	3,446	27.8	129	8.5	3,575	25.7
\$150,000 or More	2,693	21.7	152	10.0	2,845	20.4
<b>Total</b>	<b>12,413</b>	<b>100.0</b>	<b>1,519</b>	<b>100.0</b>	<b>13,932</b>	<b>100.0</b>
<b>Median</b>	<b>\$99,282</b>		<b>\$43,343</b>		<b>\$94,162</b>	

Source: U.S. Census Bureau



Nevertheless, within the PMA there were 4,175 renter households earning more than \$50,000 annually and 2,212 earning more than \$75,000, evidencing significant income support for rent levels that would likely be necessary to support the cost of new construction.

## Age Dynamics

Shifting population age dynamics will play a role in shaping the future of the residential market within Bartlett and its environs. Like many markets across the country, the aging of the Baby Boomers has dramatically impacted the population of the PMA. Between 2010 and 2015, as the leading edge of the Baby Boom generation entered retirement years, the median age within the PMA rose 3.1% (from 34.9 to 36.0 years). Between 2015 and 2020 it is expected to rise another 3.3%, to 37.2 years.

Population by Age Downtown Bartlett PMA								
Age (Years)	2010		2015 <sup>(1)</sup>		2020 <sup>(2)</sup>		Change (2015-2020)	
	Pop.	Percent of Tot.	Pop.	Percent of Tot.	Pop.	Percent of Tot.	Gain/ Loss	Percent
0-4	13,211	7.3	12,353	6.8	12,161	6.6	-192	-1.6
5-9	13,582	7.5	13,251	7.3	12,310	6.7	-941	-7.1
10-14	14,147	7.8	13,353	7.3	13,824	7.5	471	3.5
15-19	13,828	7.7	12,248	6.7	12,062	6.6	-186	-1.5
20-24	10,502	5.8	11,718	6.4	9,522	5.2	-2,196	-18.7
25-34	25,462	14.1	25,439	14.0	25,817	14.0	378	1.5
35-44	28,487	15.8	26,183	14.4	27,493	14.9	1,310	5.0
45-54	28,620	15.8	27,239	15.0	25,128	13.6	-2,111	-7.7
55-64	18,981	10.5	22,285	12.2	23,296	12.7	1,011	4.5
65-74	8,083	4.5	11,491	6.3	14,565	7.9	3,074	26.8
75-84	4,049	2.2	4,419	2.4	5,732	3.1	1,313	29.7
85+	1,783	1.0	1,963	1.1	2,207	1.2	244	12.4
<b>Total</b>	<b>180,735</b>	<b>100.0</b>	<b>181,942</b>	<b>100.0</b>	<b>184,117</b>	<b>100.0</b>	<b>2,175.0</b>	<b>1.2</b>
<b>Med. Age</b>	<b>34.9</b>		<b>36.0</b>		<b>37.2</b>		<b>---</b>	

<sup>(1)</sup>Estimate

<sup>(2)</sup>Projection

Source: U.S. Census Bureau, Esri, Inc. (2015 estimates, 2020 projections)

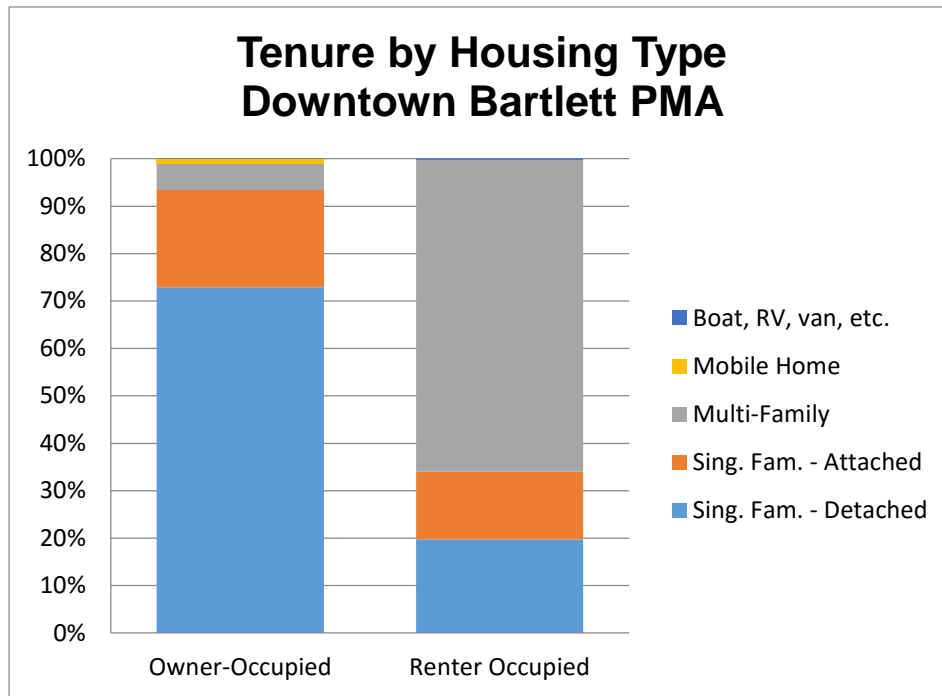
Notably, by 2020 the PMA is expected to be home to 5,646 more residents age 55 and above than it is today, with persons in this age range encompassing almost 25 percent of the total area population. Many of these residents – particularly those age 65 and above – will be looking to downsize and can be expected to pursue housing options in maintenance-free, single level living environments.

Meanwhile, the youngest adult age cohort (20-24 years) will decline by 18.7%, while the 25-34 year age cohort (often considered a primary target market for rental housing and, at the later end of the range, first time home ownership) will increase by 1.5%. Finally, those in the 35-44 year cohort (often an age associated with “moving up” to home ownership or, at the later end of the range, to more expensive ownership housing) will increase by 5.0%.

### Tenure by Housing Type

Nearly 73% of owner-occupied housing units within the PMA are single family detached homes. However, single family attached forms (generally townhomes, but also inclusive of other “single address” attached forms such as duplexes) have a significant presence within the market area, representing just over 20 percent of all owner-occupied units. Multifamily ownership units have a small presence, at less than six percent, while mobile homes and other alternative housing types have a negligible presence.

Among renter-occupied housing, multifamily forms have the largest presence, accounting for almost two thirds of all units. Single family detached units represent just under 20%, of renter-occupied homes, while single family attached forms account for less than 15% of all units.

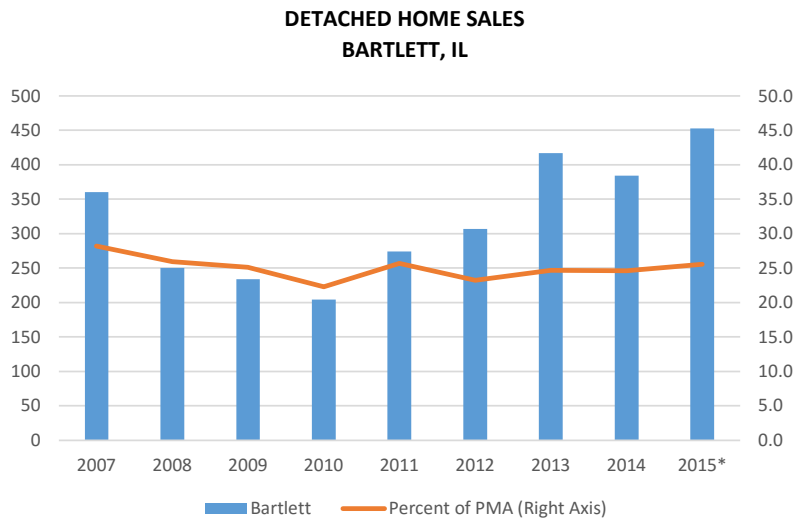


Source: U.S. Census Bureau

## Current For Sale Market Conditions

In terms of sales volumes, the for sale market within Bartlett has recovered to – and above – levels seen in 2007 on the cusp of the housing market crash. For example, after falling more than 43% between 2007 and 2010, detached home sales for 2015 (on an annualized basis) will register a 25% increase over 2007 levels. Sales within the typically more volatile attached sector demonstrate a similar cyclical pattern, though recovery has not been as robust, with 2015 levels essentially flat to 2007.

Meanwhile, the Village has maintained a fairly steady share of sales within the wider PMA. From 2007 to 2015, Bartlett accounted, on average, for 25% of detached home sales PMA-wide, with the current year share standing at 25.6%. Similarly, in the attached sector, Bartlett captured, on average, 17.1% of sales PMA-wide, with the current year share at 17.4%.

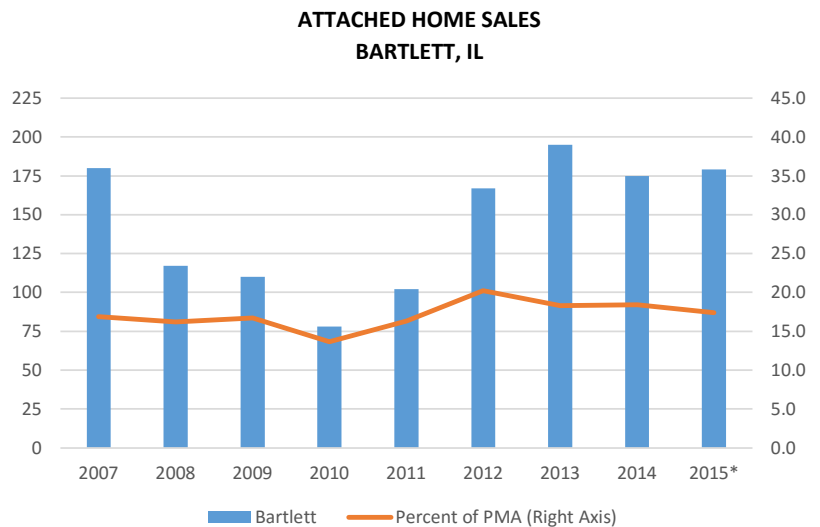


Yet, along with sales volume, pricing must be viewed as an indicator of market strength; and in terms of median sale price, the market has yet to fully recover. As demonstrated in the following graph, the median price of detached and attached homes sold in Bartlett reached a cyclical low in 2011 and 2012.

\*Seasonally adjusted, annualized rate.

Source: Midwest Real Estate Data

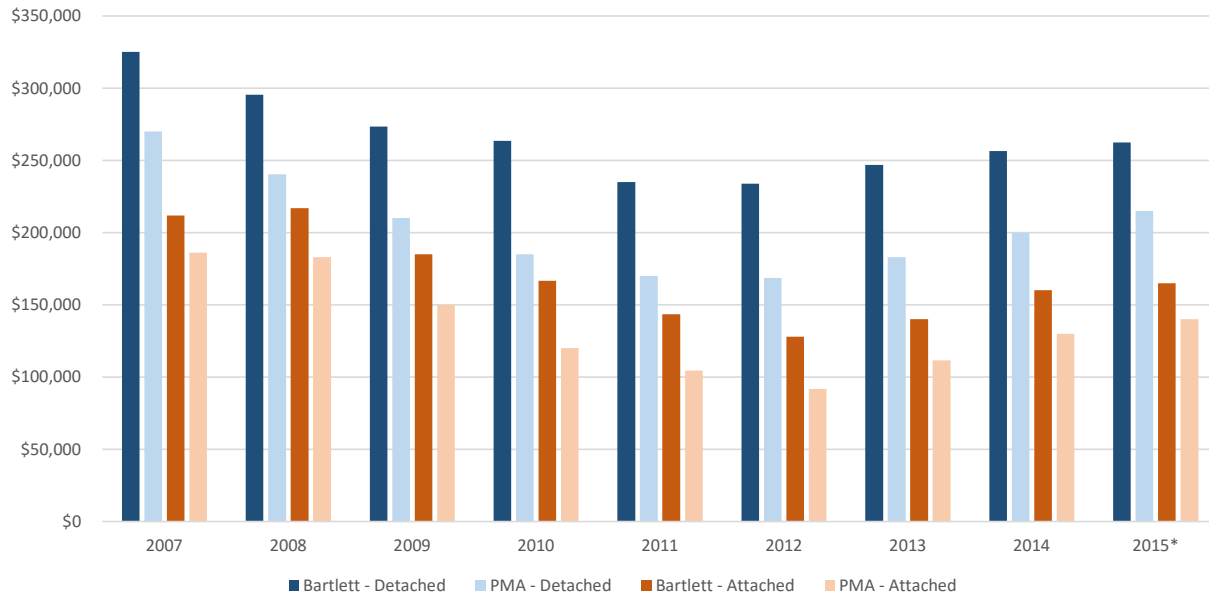
Since then, recovery, while relatively steady, has been slow. For 2015, the median sale price for detached homes, at \$262,500, stands 19.2% below 2007 levels, while that for attached homes, at \$165,000, remains 22.1% below 2007 levels. A similar pattern is seen in the PMA as a whole.



\*Seasonally adjusted, annualized rate.

Source: Midwest Real Estate Data

**MEDIAN SALE PRICE BY HOME TYPE  
BARTLETT & DOWNTOWN BARTLETT PMA**



\*2015 values represent January - October.

Source: *Midwest Real Estate Data*

Historically, Bartlett has maintained a price position significantly higher than the PMA as a whole. Over the nine year period depicted in the graph, the median price of detached homes sold in Bartlett has been 30.9% higher than that of the PMA as a whole, while that of attached homes has been 28.0% higher. However, current (2015 year to date) price differentials are considerably lower, at 22.1% for detached homes and 17.9% for attached homes. This could signal new relative levels of affordability in Bartlett (when compared to other PMA municipalities) that could serve as a boost to the localized for sale market.

Finally, within the Village of Bartlett there are currently 140 detached homes and 39 attached homes listed for sale within the regional Multiple Listing System (MLS). At current sales rates, active listings represent 3.5 months of sales for detached units and 2.6 months of sales for attached units. Note that these inventory conditions are considered extremely tight. (By comparison, a market with six months of supply is normally considered balanced.)

### **Bartlett Multifamily/Townhome For Sale Update**

This section of the report updates the “Comparable Developments” section of the *Bartlett Town Center – Summary of Findings* report completed in August of 2010 by Houseal Lavigne. That report provided inventory and listing details for five developments offering condominium and/or townhome product considered comparable to the 16 units contained within the Bartlett Town Center Lofts building, based on age and product type. These included the **Bartlett Town Center Condominiums**, along with four nearby townhome developments: **Asbury Place**,

**Castle Creek, Eagles Ridge, and Herons Landing.** The following table provides updated information for each of the five developments.

**Summary of Selected Newer Multifamily & Townhome Developments  
Village of Bartlett, IL**

Development Info/ Sales Summary		Current Listings					Representative Photo
<b>Asbury Place Townhomes</b>	<u>Address</u>	<u>List Price</u>	<u>Bed</u>	<u>Bath</u>	<u>Size (SF)</u>	<u>\$/SF</u>	
<i>Railroad Ave. &amp; Broadmoor Ln.</i>	274 Broadmoor Ln	\$242,900	2	2.1	1,955	\$124.25	
Edward R. James, 2003	<b>Average:</b>	<b>\$242,900</b>	--	--	<b>1,955</b>	<b>\$124.25</b>	
126 units							
<u>One-Year Sales Summary</u>							
Sales:	8						
Avg. Sale Price:	\$240,363						
Avg. DOM:	43						
<b>Bartlett Town Center Condos</b>	<u>Address</u>	<u>List Price</u>	<u>Bed</u>	<u>Bath</u>	<u>Size (SF)</u>	<u>\$/SF</u>	
<i>Railroad Ave. E of Main St.</i>	271 E Railroad Ave, #208	\$183,900	2	2.0	1,512	\$121.63	
New England Builders, 2006	267 E Railroad Ave, #102	\$199,800	2	2.0	1,742	\$114.70	
72 units	271 E Railroad Ave, #301	\$199,900	2	2.0	1,746	\$114.49	
	271 E Railroad Ave, #302	\$195,000	2	2.0	1,742	\$111.94	
<u>One-Year Sales Summary</u>							
Sales:	5	<b>Average:</b>	<b>\$197,720</b>	--	--	<b>1,700</b>	<b>\$116.33</b>
Avg. Sale Price:	\$155,843						
Avg. DOM:	90						
<b>Castle Creek Townhomes</b>	<u>Address</u>	<u>List Price</u>	<u>Bed</u>	<u>Bath</u>	<u>Size (SF)</u>	<u>\$/SF</u>	
<i>Edinburgh Dr. &amp; Lambert Ln.</i>	1626 Edinburgh Dr	\$217,900	4	2.1	1,960	\$111.17	
Ryland Homes, 2003	754 Lambert Ln	\$216,900	2	2.1	1,641	\$132.18	
133 units	746 Lambert Ln	\$227,900	3	2.1	2,000	\$113.95	
	<b>Average:</b>	<b>\$220,900</b>	--	--	<b>1,867</b>	<b>\$118.32</b>	
<u>One-Year Sales Summary</u>							
Sales:	5						
Avg. Sale Price:	\$202,000						
Avg. DOM:	75						
<b>Eagles Ridge Towhomes</b>	<u>Address</u>	<u>List Price</u>	<u>Bed</u>	<u>Bath</u>	<u>Size (SF)</u>	<u>\$/SF</u>	
<i>Edinburgh Dr. &amp; Lambert Ln.</i>	--	--	--	--	--	--	
Town & Country Homes, 2000							
146 units							
<u>One-Year Sales Summary</u>							
Sales:	7						
Avg. Sale Price:	\$200,014						
Avg. DOM:	82						
<b>Herons Landing Townhomes</b>	<u>Address</u>	<u>List Price</u>	<u>Bed</u>	<u>Bath</u>	<u>Size (SF)</u>	<u>\$/SF</u>	
<i>Bartlett Rd. &amp; Blue Heron Wy.</i>	1943 Sun Drop Ct	\$259,900	3	3.0	1,782	\$145.85	
Orleans Homes, 2006	<b>Average:</b>	<b>\$259,900</b>	--	--	<b>1,782</b>	<b>\$145.85</b>	
119 units							
<u>One-Year Sales Summary</u>							
Sales:	2						
Avg. Sale Price:	\$221,250						
Avg. DOM:	69						

Source: Midwest Real Estate Data & Goodman Williams Group



Compared to the 2010 report, when 31 homes were listed for sale within the five developments, a great deal less inventory is now on the market. Only Bartlett Town Center Condominiums currently has a significant number of listings, with nearly seven percent of its units listed for sale – a full year’s supply, given the rate of sales in this development over the last year.

When compared to 2010, current sales performance within the communities has been mixed. Current list prices are in some cases significantly lower than those reported in the 2010 report. Specifically, as shown in the following table, asking prices within Bartlett Town Center Condominiums and Cast Creek Townhomes have, on average, seen significant declines from those reported in 2010. Moreover, average *sale* prices (considered a more realistic measure of true market value) for these two developments for the last 12 months suggest that achievable price levels are even lower. However, on this same basis (i.e., average sales price), Asbury Place Townhomes has seen a modest increase since 2010, while the Eagles Ridge and Herons Landing townhome developments are essentially flat to 2010 pricing levels.

**Comparative Sales Summary  
Selected Condominium & Townhome Developments  
Village of Bartlett, IL**

Development	Average Asking Price			Avg. Sale Price Last 12 Mo.
	2010	2015	Change	
Asbury Place Townhomes	\$236,447	\$242,900	2.7%	\$240,363
Bartlett Town Center Condos.	\$242,592	\$197,720	-18.5%	\$155,843
Castle Creek Townhomes	\$259,872	\$220,900	-15.0%	\$202,000
Eagles Ridge Townhomes	\$197,138	---	--	\$200,014
Herons Landing Townhomes	\$222,450	\$259,900	16.8%	\$221,250
<b>Average</b>	<b>\$231,700</b>	<b>\$230,355</b>	<b>-0.6%</b>	<b>\$203,894</b>

*Source: Midwest Real Estate Data & Goodman Williams Group*

Among these developments, Bartlett Town Center and Asbury Place – both located within the Downtown Bartlett Study Area – deserve special consideration.

- **Bartlett Town Center** was developed the mid-2000s by New England Builders on an assemblage of former industrial sites aligning Main Street and Railroad Avenue. Original plans called for one mixed-use building featuring 16 loft-style units over ground floor retail, one 18,700 square foot two-story commercial building, and five three-story condominium buildings with 24 units each (120 units). Sales began in 2005, with prices for loft units generally from the mid-\$200,000s and those for the condominium units from the high \$200,000s to mid-\$300,000s. With the collapse of the housing market and

onset of the national recession, however, sales faltered. Two of the condominium buildings were never built, and many of the units previously sold went into foreclosure. The second commercial building was also never built and instead converted into park space. Today, most of the units are owned by private investors who have entered them into the rental market. While the development failed to achieve success in the for sale sector, demand for the units on the rental market has reportedly been robust, with few if any long term vacancies. Tenancy within the development is reportedly a mix of singles and couples generally ranging from ages 30-40, along with empty nesters. Many are commuters, and proximity to the Metra Station serves as a key draw. Rents for currently available units range from \$1,600 for a 1,300 square foot loft unit to \$1,775 for a 1,950 square foot condominium unit.

- **Asbury Place Townhomes**, located generally south of North Avenue and west of Prospect Avenue, is a community of two and three story townhomes built in the early 2000s by Edward R. James Homes. The 126 townhomes range in size from 1,550 to 2,050 square feet and feature generally high levels of design features and unit amenities. While closeout of the community was achieved approximately ten years ago, demand for resale units has been relatively strong, with roughly 20 units sold over the last two years and just one unit currently listed for sale. Recent sales have generally ranged from the low to mid \$200,000s.

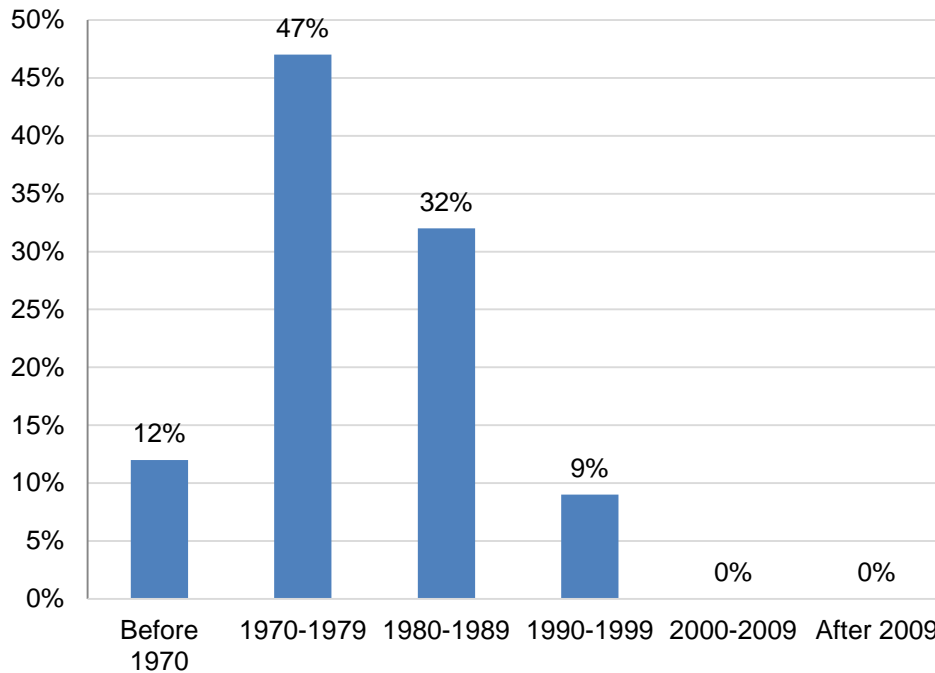
### **Area Rental Apartment Market**

In terms of multifamily rental housing, Bartlett is part of the Schaumburg-Hoffman Estates Submarket (as defined by the national multifamily market information provider Reis). This submarket covers all market rate multifamily rental developments with a scale of 40 or more units in an area bounded roughly by Interstate 90 to the north, Interstates 290 and 355 to the east, Army Trail Road to the south, and the Cook/DuPage county line to the west. Historic market trends within this submarket are considered comparable and most relevant to the localized apartment market within Bartlett itself.

Within the submarket are 27 market rate properties of scale (i.e., 40 or more units), together encompassing 19,948 units. Inventory additions have not occurred in over 15 years, even as condominium conversions in the 2000s took units out of the rental market and occupancies tightened considerably. In total, just 446 units have been added to the market in the last 20 years, while 2,033 units were converted to condominiums. On an annual basis, the submarket vacancy rate fell to 3.3% in 2014 and stood even lower, at 2.8%, as of the third quarter of 2015.

The average age of units within the submarket is 36 years, with almost half of the total stock built in the 1970s. Another 32% were built in the 1980s, and just nine percent were built in 1990 or later. This suggests that the area apartment stock will face increasing obsolescence in the coming years, which could spur demand for new development.

**Market Rate Apartment Inventory by Year Built**  
Schaumburg-Hoffman Estates Submarket



*Source: Reis, Inc.*

The average asking rent submarket wide currently stands at \$1,136, with the average concession equating to 0.8 months of free rent. Not surprisingly, newer units command the highest rents, with average asking rents for those built in 1990-1999 standing at \$1,353.

Two bedroom units comprise 55% of the area apartment stock and carry an average asking rent of \$1,212 per month for 992 square feet of living space, or \$1.22 per square foot. One bedroom units comprise another 40% of area stock, with an average asking rent of \$1,044 for 730 square feet of living space, or \$1.43 per square foot. Studio and three bedroom units have a relatively small presence within the market (each less than three percent), and carry average asking rents of \$1.72 and \$0.99 per square foot, respectively.

With an average unit size of 883 square feet across the submarket, the current rent per square foot stands at \$1.29.

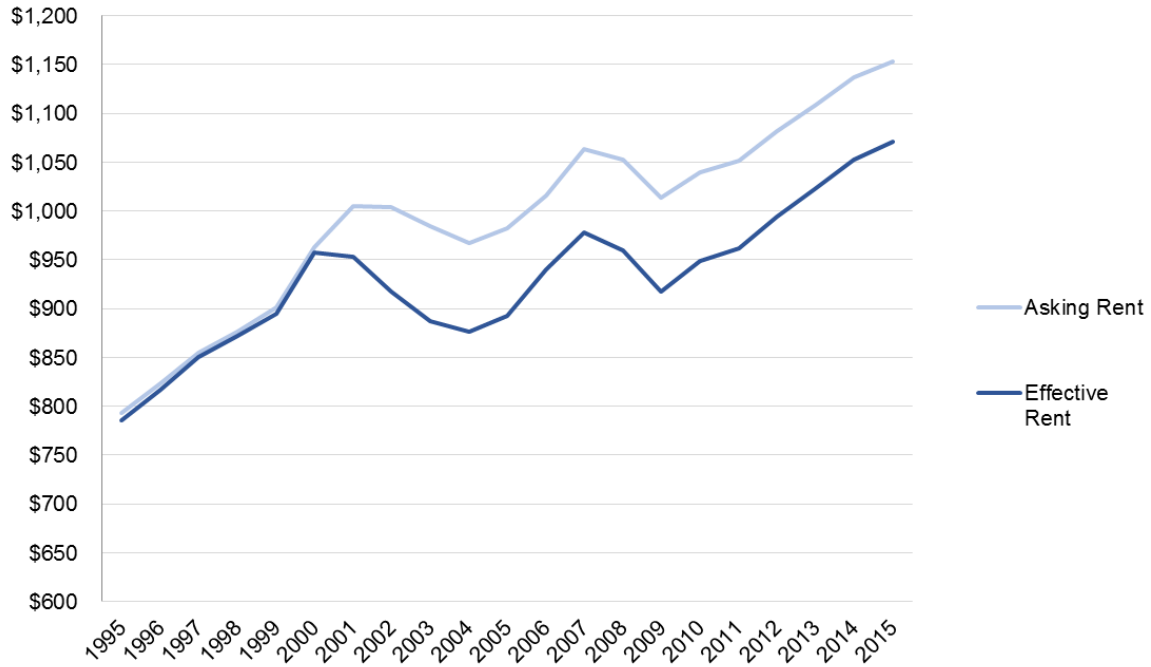
**Average Rent by Plan Type  
Schaumburg-Hoffman Estates Submarket**

Plan Type	Number of Units	Avg. Size (Sq. Ft.)	Average Asking Rent	
			\$	Per SF
Studio/Efficiency	519	454	\$779	\$1.72
One Bedroom	7,919	730	1044	1.43
Two Bedroom	10,971	992	1212	1.22
Three Bedroom	539	1311	1299	0.99
<b>Total/Average</b>	<b>19,948</b>	<b>883</b>	<b>\$1,136</b>	<b>\$1.29</b>

Source: Reis, Inc. & Goodman Williams Group

Submarket asking rent growth has averaged 1.9% per year over the last 20 years and 2.2% per year since 2010. This five-year rate of rent growth is slightly lower than the Chicago region as a whole, at 2.4%.

**Rent Growth Trend  
Schaumburg-Hoffman Estates Submarket**



Source: Reis, Inc. & Goodman Williams Group

## Localized Apartment Market

Within the Village of Bartlett are just two rental apartment communities of significant scale. Built in the 1970s, the two developments are typical for their age in terms of design. Rental rates are typical for the market, and occupancies are tight.

**Bartlett Lake Apartments:** located at 562 Deere Park Circle, Bartlett Lake Apartments was built in 1975 and encompasses 192 garden style apartments in four-story buildings. The community offers one and two bedroom units ranging from 742 to 1,000 square feet in size. Current rents stand at \$885 for a one bedroom unit to \$1,030 for the largest two bedroom unit. Four units were available at the time of survey, for an occupancy rate of 97.9%.



**Bartlett Terrace:** Located within the Downtown Study Area at 131 Hillcrest Lane, Bartlett Terrace was built in 1979 and encompasses 144 units in small scale three-story buildings. The community offers one and two bedroom units ranging from 900 to 1,000 square feet in size. Current rents range from \$900 for a one bedroom unit to \$1,050 for a two bedroom unit. The community was fully occupied at the time of survey. The community leasing manager noted that high occupancy rates are generally the norm, and that tenancy within the community consists largely of younger couples and families who work within the Bartlett area. The community is typical for its size and age, with few contemporary updates or unit amenities (such as open floorplans, in-unit washers and dryers, and walk-in closets). Likewise, community amenities are limited, though a tennis court is available for resident use.



## Single Family Home/Condominium Rental Market



In addition to the conventional apartment communities described above, a significant market for single family (both detached and attached) and condominium rentals exists in Bartlett. While an exact count of single family homes and condominiums that have been entered into the rental market is unavailable, we estimate, given census data on rental occupancies by unit type, that they number more than 1,000. A significant number of these were put onto the rental market as a result of the foreclosure crisis and the Chicago region's slow recovery from the Great Recession.

While the vast majority of these homes are occupied, the real estate listing website Trulia lists 43 as currently available for rent within Bartlett, encompassing single family detached homes,



townhomes, and condominiums. The age and condition of the homes varies widely. Asking rents range from \$1,125 to \$3,700 and average \$1,909 across the group.

Eight of these currently available homes are located within the Downtown Study Area, with asking rents ranging from \$1,125 to \$2,598 and averaging \$1,494. Newer units currently available include two located within Bartlett Town Center: a 1,300 square foot loft unit for \$1,600 and a 1,950 square foot condominium unit for \$1,775. As noted previously, occupancies among Bartlett Town Center's rental units have reportedly remained extremely tight, with units filled quickly after they are vacated.

### **New Home Demand Potentials**

New home demand is supported first and foremost by household growth—that is, the increase in the total number of resident households either by in-migration (movement into a market area) or the formation of new households within the market.

As discussed above, the PMA is expected to add approximately 820 new households over the next five years, creating demand for new housing. Further, as any housing stock ages, homes inevitably fall into obsolescence and disrepair and are subject to demolition. Others are destroyed by fire or man-made or natural disaster. On average, in markets across the nation, roughly 0.26% of the existing housing stock is lost each year, creating replacement demand for new homes.

Finally, a third (though smaller) factor contributing to new home demand based on household growth is the need to retain a certain amount of vacancy within the market for the purpose of efficient unit turn.

Our derivation of new home demand potentials supported by household growth – factoring in current housing tenure rates, expected housing unit loss due to abandonment and demolition, and the need to retain vacancy balance – suggests that over the next five years the PMA will experience demand for approximately 1,355 ownership units and 320 rental units, as shown in the following table.

**Derivation of New Home Demand Potentials  
2016-2020  
Downtown Bartlett PMA**

Households, CY Estimate	60,028
Households, 5Y Projection	60,846
Projected HH Growth	818
Expected Loss, Units (0.26%/year)	815
Gross Housing Demand, Units	1,633
Ownership Units (81.7%)	1,334
Vacancy Requirement (1.5 Percent)	20
Total Owner-Occupied Demand	1,354
Average Per Year	271
Rental Units (18.3%)	299
Vacancy Requirement (7.4 Percent)	22
Total Renter-Occupied Demand	321
Average Per Year	64

Source: Goodman Williams Group

(Household and housing tenure estimates and projections from Esri, Inc.)

### Capture Potentials by Product Type and Area

Currently, attached single family homes (generally townhomes) comprise approximately 20% of owner-occupied housing units within the PMA. Utilizing this figure as a gauge of market preference suggests that approximately 20% of future ownership demand can be expected to accrue to the townhome sector, yielding an anticipated demand of 270 new townhomes during the forecast period, or 55, on average, per year.

Given the desirable TOD environment offered within the Study Area, we anticipate capture potentials there to range from 15-20% of demand for new townhomes within the PMA. (Note that this closely approximates Bartlett's share of attached sales within the PMA overall, which generally ranges from 15-20% and stands at 17.4% for the current year.) Thus, the introduction of 45-55 new townhomes within the Study Area over the next five years is considered entirely reasonable.

Likewise, multifamily forms currently represent approximately 66% of renter-occupied homes within the PMA (with the remaining 34% consisting of single family homes, townhomes, and condominiums). Utilizing this figure would suggest that the area will experience demand for 210 multifamily apartments within the next five years. However, given the *extremely limited* availability of newer apartment product within the market area as a whole, it is likely that the multifamily sector could capture a larger share of overall rental demand, were such product to be made available in desirable locations and at viable rental rates. We thus utilize a higher multifamily sector demand potential of 75% of overall rental demand, or 240 units.

Given the desirability of the TOD area, together with recent trends in the localized rental market (most notably the strength demonstrated within Bartlett's single family and condominium rental market, where availability, at 43 units, is extremely limited), we anticipate that the Study Area could capture 20-25% of five-year rental demand, equating to 50-60 units.

### **Residential Development Recommendations**

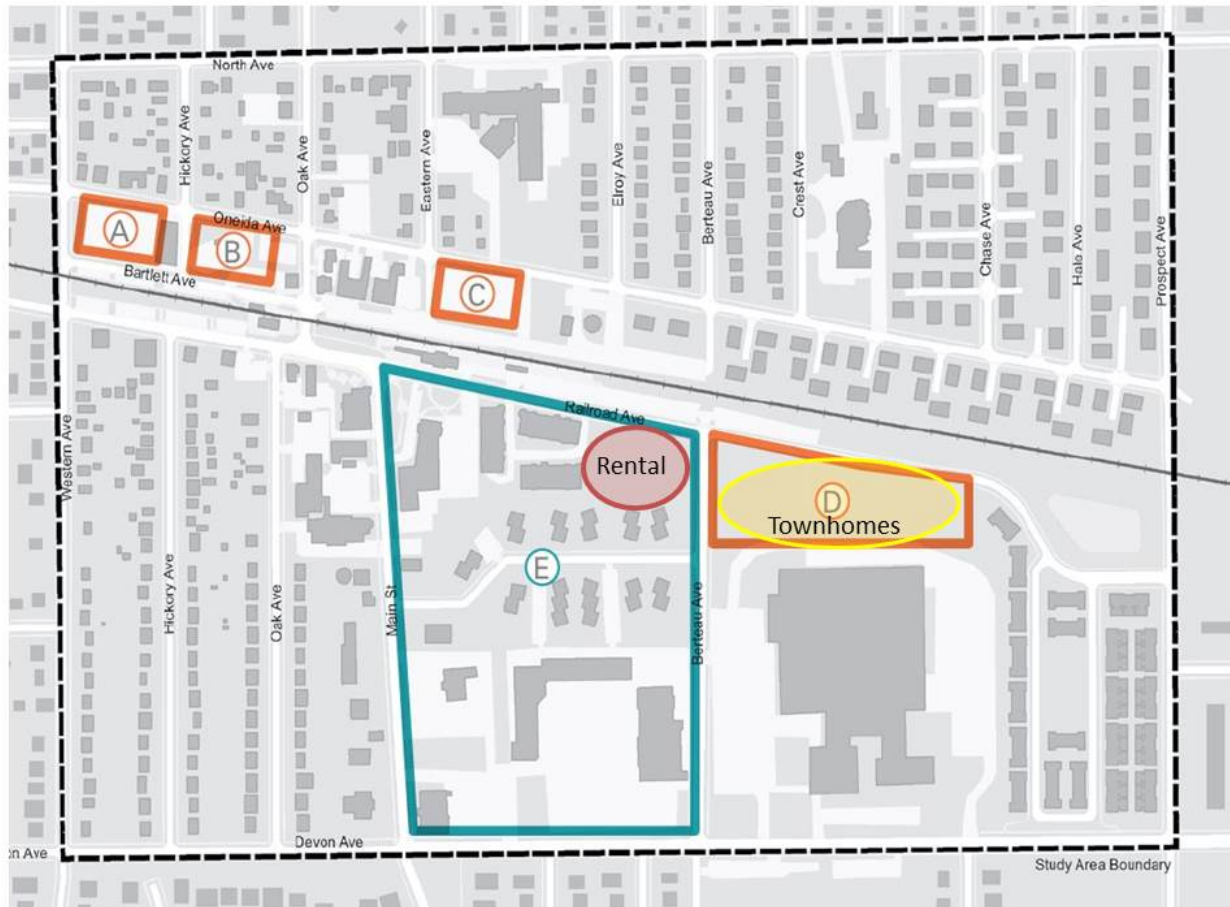
In order to achieve the capture potentials detailed above for townhomes, we recommend a portfolio of two and three bedroom plans ranging from approximately 1,600 to 1,900 square feet in size and from \$225,000 to \$245,000 in price. The suggested development site for the townhomes is the vacant parcel aligning Railroad Avenue east of Berteau Avenue, proximate to the existing Asbury Place Townhomes, and designated as zone D (see map below).

For the rental apartment program, a portfolio of one and two bedroom unit plans is recommended, ranging from approximately 750 to 1,200 square feet in size and from \$1,250 to \$1,600 in base monthly rent. The suggested location for multifamily development is aligning Railroad Avenue on the undeveloped portion of Bartlett Town Center, north of the Bartlett Terrace apartment community, designated as part of zone E on the map below.

The recommended sizes, mix, and prices are based on the analyses of recent sales and rental market conditions within Bartlett and the PMA more broadly. They afford a premium for new construction in an undersupplied market, while keeping in mind price tolerances as demonstrated in recent market trends.

The primary target market for the townhomes will be younger couples with or without children, including many first time home buyers and those moving up from older, lower-cost ownership homes. For the rental apartments, the primary target market will consist of both younger singles and couples along with downsizing seniors.

## Near Term Residential Opportunity



### Looking Forward: Future Development and Village Support

In a longer term planning context, as the units in these initial developments are absorbed and demand continues to incubate throughout the market area, potentials exist for additional housing within the Downtown Bartlett Study Area. Assuming that viable land parcels can be assembled, additional rental apartments and for sale homes can be introduced – particularly if the Village is successful in increasing the commercial vitality of the downtown area and creating a vibrant, walkable town center environment where residents have access to a diverse array of commercial amenities, including shopping, dining, and entertainment.

Development zones A, B, and C are prime candidates for future residential development, and additional redevelopment in zone E could create new opportunity there as well. While rental apartments are expected to remain the primary viable housing type within the Study Area, future recovery of the multifamily for sale sector (not expected for at least three to five years) could create opportunity for the introduction of medium density condominium development as well.

Finally, it should be noted that Village support in the form of TIF funds or other incentives is highly recommended – and may be necessary for new residential development to occur. While a growing number of developers are willing to take on infill projects of the scale recommended for the Study Area, the reality is that many TOD locations are available to them, and many of these have TIFs in place. To successfully compete, it is suggested that the Village adopt a proactive stance that includes both political and financial support for new downtown development.

In closing, our analysis amply demonstrates that the Downtown Bartlett Study Area is well positioned to continue to offer a wide variety of housing types to meet the needs of a changing demographic profile within the area and to take advantage of key downtown TOD amenities.

#### IV. Commercial Market Overview

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This chapter explores the retail and commercial market trends in Bartlett and the larger market area. Recommendations are then offered to enhance the competitive position of the Downtown Bartlett Study Area.

##### Introductory Overview of Market Indicators in Far West Suburbs

The global real estate firm CBRE provides quarterly overviews of retail market trends in the City of Chicago and ten suburban submarkets. The Village of Bartlett falls into their Far West Suburban submarket, which is situated west of I-294 between I-90 on the north and I-55 on the south.

#### Chicago Retail Statistics

Submarket	No. of Properties	Gross Building Area (Sq. Ft.)	Vacant Area (Sq. Ft.)	Vacancy Rate (%)	Average Asking Lease Rate Range (\$/Sq. Ft./ Yr)	
					low	high
Far West Suburbs	134	21,301,207	2,520,237	11.8%	\$14.29	\$17.73
Total	719	121,564,207	11,354,494	9.3%	\$16.77	\$19.36

Source: *Chicago Retail MarketView Q32015 CBRE*

The vacancy rate for the 21.3 million square feet of retail space in their inventory is 11.8%, high compared to the average for the metropolitan area. Net rents in the Far West suburban market are lower than in other suburban submarkets.

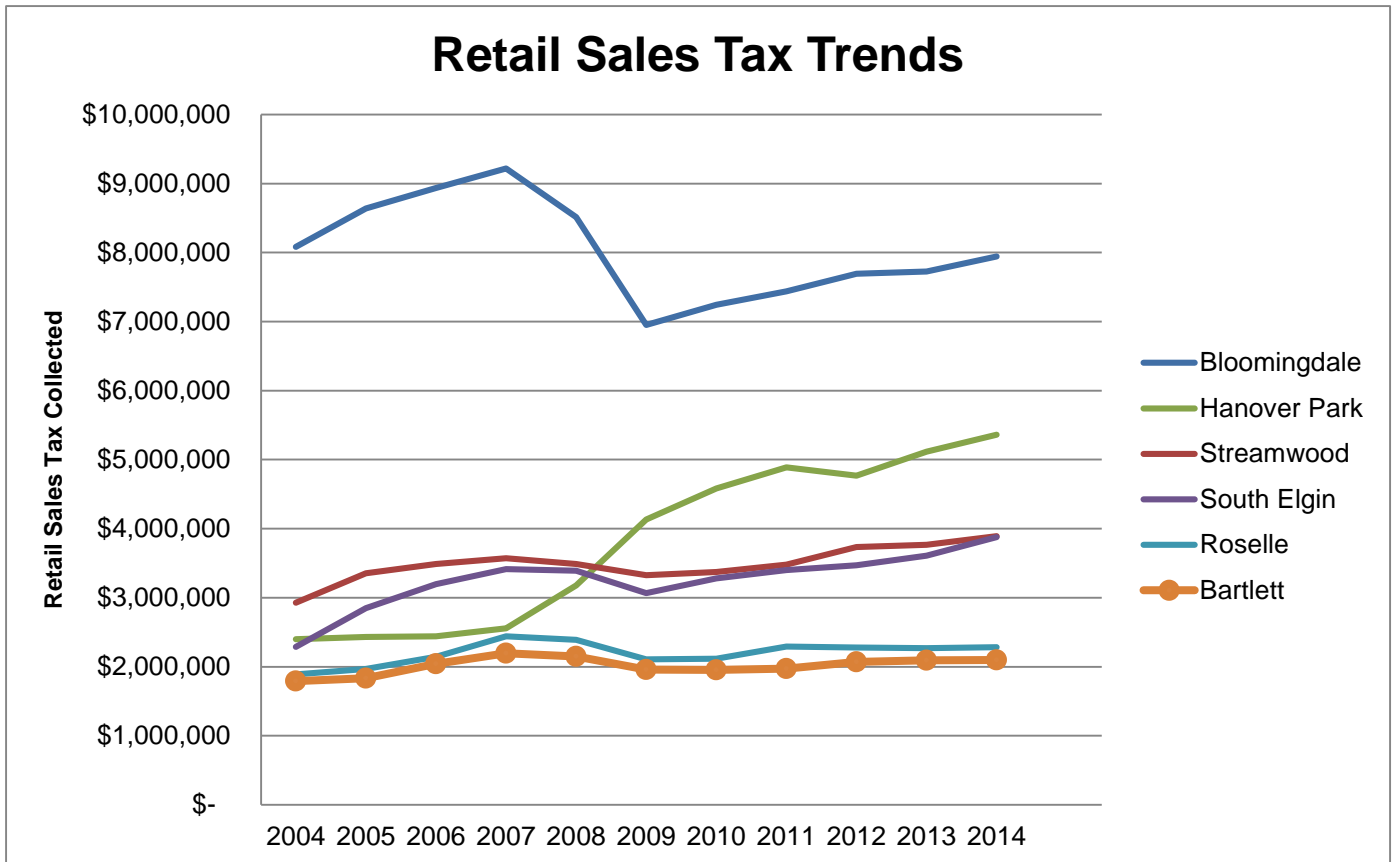
CBRE notes that consumer confidence is up and retail sales are increasing throughout the region. In general, rents are also increasing and vacancy rates dropping in the Chicago market, based in large measure on continued leasing from Mariano's and other grocery stores. New restaurants, both quick-service national chains and locally owned establishments, are also helping to fuel demand.



## Retail sales tax trends for Bartlett and neighboring communities

In 2014, the Village of Bartlett collected \$2.1 million in retail sales tax, according to the Illinois Department of Revenue. This is considerably lower than its five other neighboring communities and has remained relatively unchanged over the past ten years.

Bloomingtondale has the highest retail sales tax of the six municipalities, based in large measure on the Stratford Square Mall; a 1.3 million square foot super regional mall located there.



Source: Illinois Department of Revenue

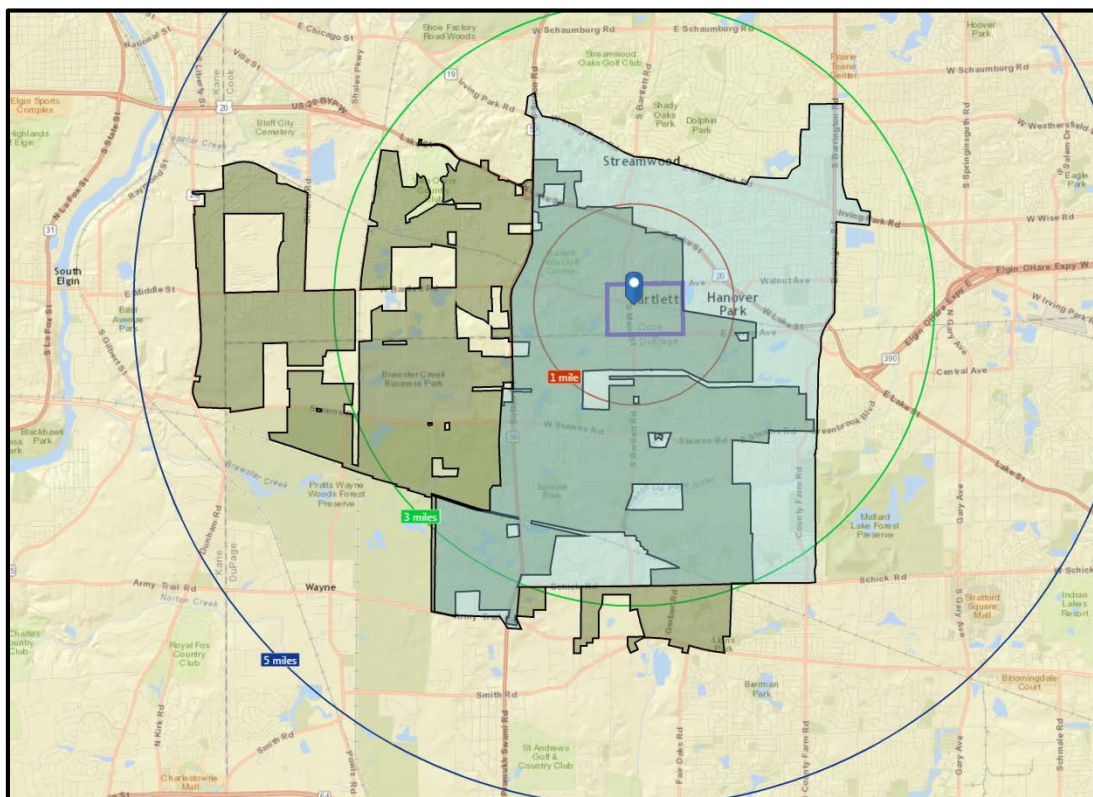
## Primary Market Area

Goodman Williams Group delineated a Retail Primary Market Area for Downtown Bartlett. According to the definition from the International Council of Shopping Centers (ICSC), a Primary Market Area provides 60% - 80% of the patronage for area businesses.

Our delineation of the market area is based on nearby commercial areas, interviews with stakeholders, natural boundaries, and the origins of riders that use the Bartlett Metra Station and commute via the Milwaukee District West Service Line. As shown on the accompanying

map in blue, it includes the eastern half of Bartlett, and is roughly comparable to the 5-minute drive time PMA designated by Houseal Lavigne in the 2010 Bartlett Town Center report. It is roughly within 2-3 miles from the Bartlett Metra Station. The boundaries of the Primary Market Area are Highway 59 to the west, a noted major divider within the Village, Schlick Road to the south, County Farm/Barrington Road to the East, and Irving Park Road to the north. It is useful to note that this retail PMA is considerably smaller than the residential primary market area discussed in the prior chapter, with this difference due to the fact that consumers generally consider convenience and proximity when making retail choices, while looking at larger, community-based geographies when considering housing choices.

### Primary Market Area Village Of Bartlett



Source: Goodman Williams Group

Downtown Bartlett, outlined in purple, is situated in the northeastern portion of Bartlett. The downtown area near the station serves as primarily a neighborhood-serving commercial district, although it does have some distinct commercial anchors that draw from a larger trade area. In addition, the Metra Station, which has 1,081 daily boardings, draws people from a number of neighboring communities, most notably Streamwood.

## Competitive Retail Corridors in the Primary Market Area:

An analysis of opportunities for additional retail in downtown Bartlett must consider the other commercial districts and shopping centers located in and near the Primary Market Area. These various destinations are competing with Downtown Bartlett for retailers as well as for residents' dollars.

- **Illinois Route 59.** Illinois Route 59 (IL-59), from I-90 in Streamwood south through Bartlett, is lined with various sized shopping centers. This commercial corridor is located 1.5 – 2.0 miles west of Downtown Bartlett. The average daily vehicle count along this stretch of Route 59 ranges from 35,000 to 40,000, much higher than traffic counts in Downtown Bartlett. With good visibility and affordable rents, these shopping centers directly compete for retailers with downtown Bartlett. Asking net rents range from \$12/sf/year at Bartlett Orchard Plaza to \$15/sf/year at Bartlett Square. The vacated Dominick's property and newer Stearns Crossing center advertise asking rents at \$16-\$24/sf/year triple net.

These centers have a mix of national retailers such as Verizon Wireless, GameStop, Jimmy John's, UPS, and Wendy's, but also include many locally owned commercial businesses that choose to co-locate in these centers. Local businesses such as Bannerman's Sports Grill, Dog Father Hot Dogs, Smokin' Pit BBQ, veterinary clinics and locations for various sports activities are found along Highway 59. Recently Town and Country Gardens, a local flower shop that was in Bartlett Plaza downtown, closed and reopened on Highway 59.

Crown Community Development recently purchased a 115-acre site at the northwest corner of Rt. 59 and W. Bartlett Road with future plans calling for a mixed-use retail and residential development.

- **Irving Park Road.** Irving Park Road (IL-19), located north of Downtown Bartlett, has retail extending from Route 59 to Barrington Road. The average daily vehicle traffic counts on Irving Park Road near the Woodland Heights Shopping Center that is anchored by Jewel-Osco shopping center are about 27,000. This shopping center lists asking rents between \$15-\$16/sf/year on a triple net basis.
- **Lake Street.** Lake Street (U.S. Route 20) is the northern boundary of the Village of Bartlett and connects Bartlett to neighboring Hanover Park and the Elgin-O'Hare Expressway. The average daily vehicle traffic count at the intersection of Lake and Oak Streets which is the main arterial connecting Lake Street to downtown Bartlett is 38,100. There are local-serving strip centers along Lake Street that compete with downtown Bartlett.

- Barrington Road Corridor.** A concentration of Big Box stores is located between the intersection of Irving Park and Barrington north to Old Church Road, traversing through a portion of Hanover Park, Streamwood and Schaumburg. Retailers such as Wal-Mart, Sam's Club, LA Fitness, Kohl's, Dollar Tree, and Menards are located here along with many restaurants. These national retailers are well suited for this highly trafficked corridor and would not find appropriate sites in downtown Bartlett. However, their shopping and dining appeal nevertheless drive traffic away from downtown Bartlett.

In addition, Westgate Commons, built in 2007 and located on W. Bartlett Road east of Highway 59, is in direct competition with downtown Bartlett. This center has a combination of 23,000 square feet of professional office and 17,000 square feet of retail space. As of May 2015, the Village of Bartlett estimated that 13.6% of the retail space was available for lease or for sale. Local favorite Savoury Restaurant is located there.

The accompanying map shows the location of the major commercial development on these corridors and elsewhere in and around the Primary Market Area. The land highlighted in red on the map shows retail land use identified by CMAP in 2010 through its periodical survey of the region's land uses. The numbers on the map correspond to the entries in the table, which provides more detail on selected shopping centers.

**Selected Competitive Retail Centers**

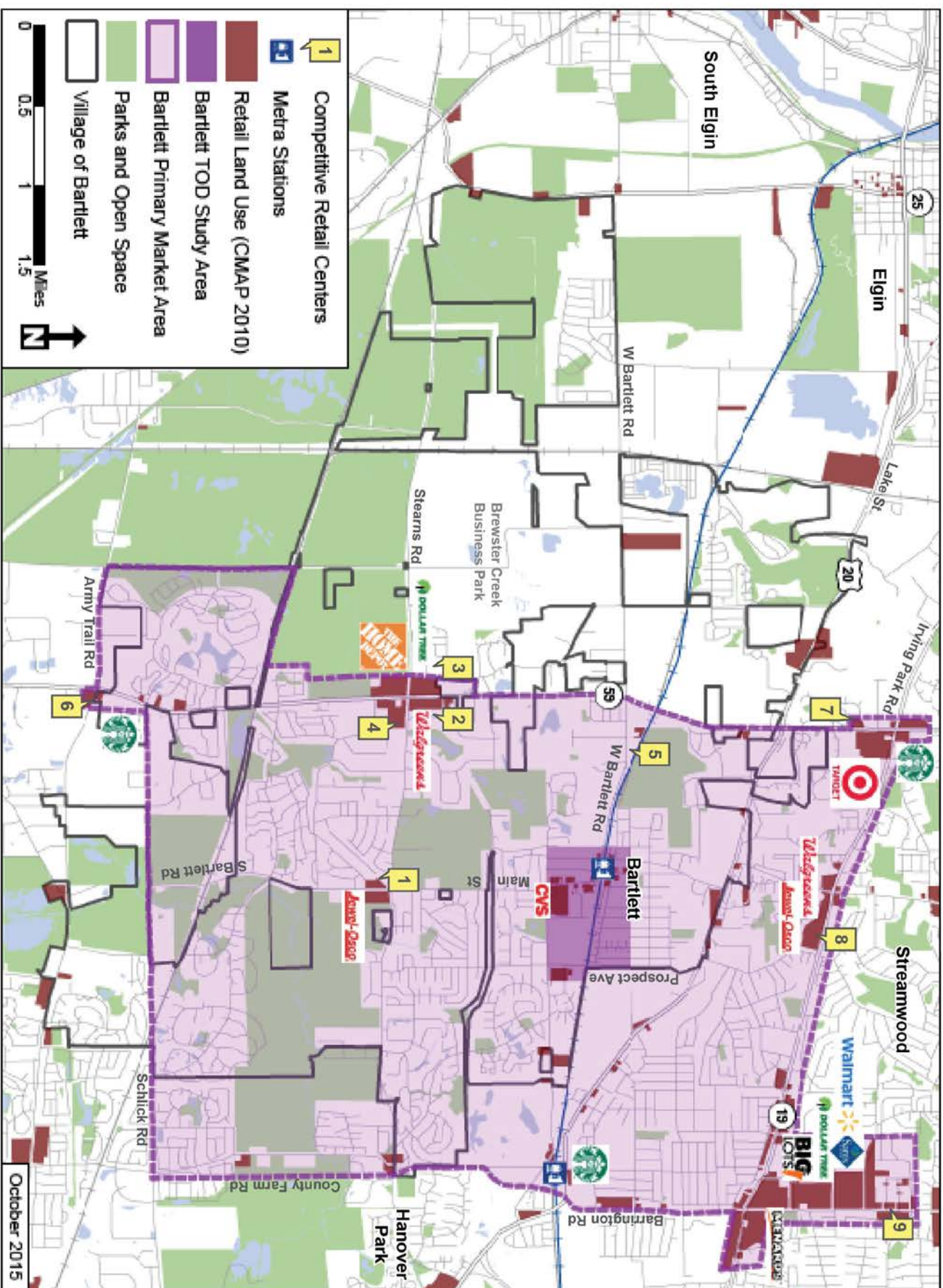
<u>Map Label</u>	<u>Retailer</u>	<u>Municipality</u>	<u>Address</u>	<u>Corridor</u>	<u>Type</u>	<u>GLA</u>	<u>Anchors</u>	<u>Vacancies</u>	<u>Asking Rent \$/SF</u>	<u>Owner/Manager/Broker</u>
1	Bartlett Orchard Plaza	Bartlett	956 S. Bartlett Rd.		Neighborhood Center	15,985	UPS Store	0	\$12/ sf/ yr	Koenig Rubloff
2	Stearns Crossing	Bartlett	NEC Rte. 59 and Stearns Rd.	Route 59	Community Center	92,000	Verizon Wireless, GNC, Autozone	4	\$16-\$24 / SF/ Year NNN	CBRE
3	Bartlett Commons	Bartlett	810-892 Rte. 59	Route 59	Community Center	96,678	Bannerman's, LA Tan	1	\$15/sf NNN	Sperry Van Ness / LANDMARK
4	Brewster Creek Shopping	Bartlett	SEC Rte. 59 and Stearns Rd.	Route 59	Neighborhood Center	42,000	Sherwin-Williams, Walgreens	2	\$13/sf NNN	Management Corp.
5	Westgate Commons	Bartlett	772 W. Bartlett Rd.	W. Bartlett Road	Office	23,030	Raymond James	6	Negotiable	Landmark Partners
5	Westgate Commons	Bartlett	773 W. Bartlett Rd.	W. Bartlett Road	Retail	17,095	Savoury Restaurant, Tipsi Monkey	2	Negotiable	GC Realty
6	Bartlett Square	Bartlett	SEC Army Trail & Rte 59	Route 59	Neighborhood Center	18,254	CVS, Papa John's	1	\$15/sf/year NNN	
7	Willow Pond Market Place	Streamwood	1040 S. Sutton Road	Route 59	Neighborhood Center	17,762	Jimmy John's, GameStop	1	\$20/SF/Year NNN	Core Equities, LLC
8	Woodland Heights	Streamwood	115-237 Irving Park Road	Irving Park Road	Community Center	120,694	Jewel-Osco, USPS, Chase	2	\$15-\$16/ sf/ year NNN	Inland Real Estate Corp
9	Barrington Meadows	Streamwood	140 N. Barrington Road	Barrington Road	Neighborhood Center	13,176	Dairy Queen, PepBoys Auto	5	\$16.00/sf/year/ NNN	Berkson & Sons Ltd.

Source: Village of Bartlett, Goodman Williams Group based on sources deemed reliable, 2015



# Existing Retail Bartlett and Primary Market Area

GOODMAN WILLIAMS GROUP  
REAL ESTATE RESEARCH



## **Leakage Analysis for Primary Market Area**

One approach to quantifying the potential demand for additional retail in Bartlett is to determine the expenditure potential of households within this Primary Market Area and compare it to estimates of actual sales. If certain categories are “leaking” sales to other shopping districts outside the trade area, (shown in green on the table) it may represent an opportunity for additional stores. Conversely, if sales exceed the trade area’s expenditure potential in various categories (shown in red on the table); the existing stores are attracting dollars from a larger area. This would indicate a more competitive retail environment.

The following leakage analysis of the Primary Market Area indicates that the 16,903 households in the area spend nearly \$864 million annually on retail purchases and food and drink. Existing establishments within the PMA have sales totaling around \$510 million, indicating that dollars are indeed being “leaked” to stores located outside the market area. The categories in the trade area that are not leaking sales (shown in red) are general merchandise stores (includes discount department stores like Target), health and personal care stores (pharmacies), and special food services.

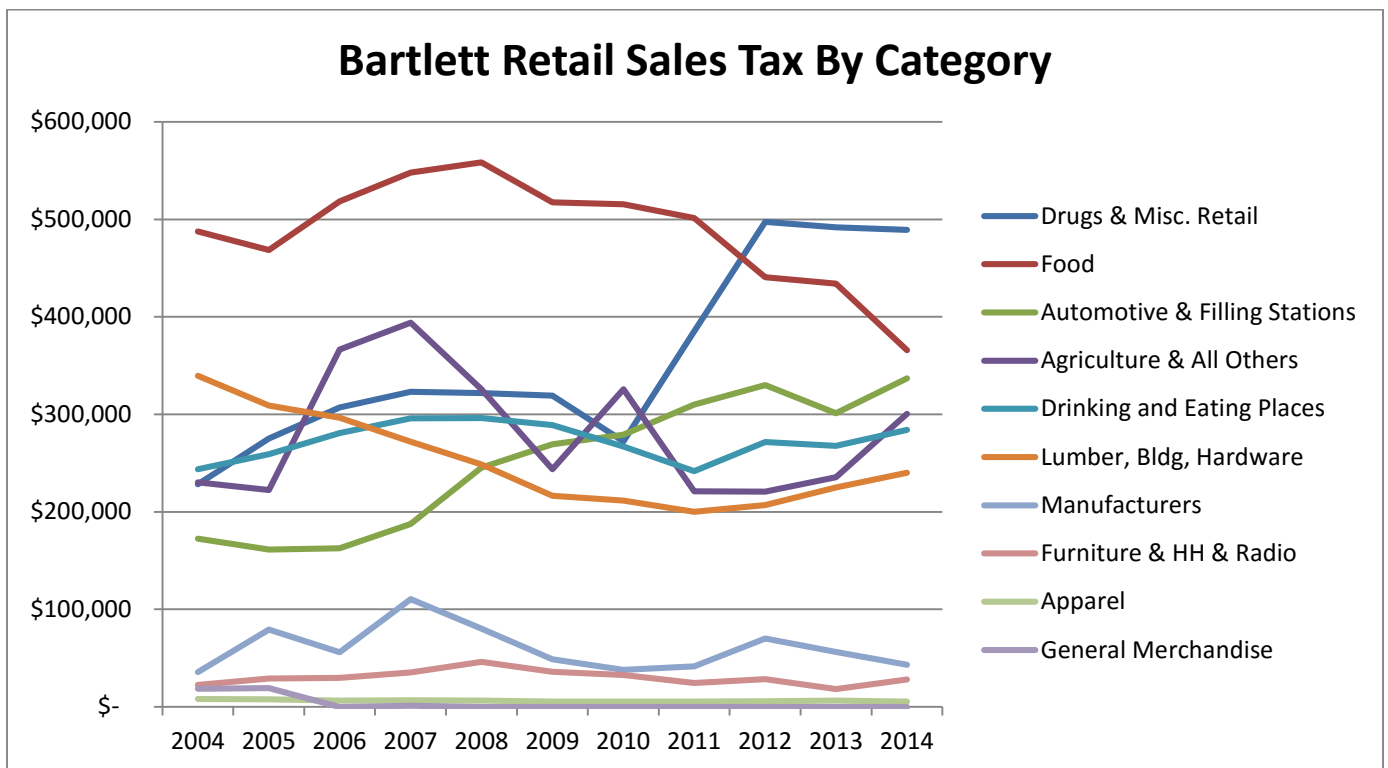


## Leakage Analysis for Bartlett Primary Market Area

Leakage Analysis for Bartlett Primary Market Area			
<b>Summary Demographics</b>			
2015 Population			54,250
2015 Households			16,903
2015 Median Disposable Income			\$60,164
	<b>Demand</b>	<b>Supply</b>	
	<b>(Retail</b>	<b>(Retail</b>	
<b>Industry Summary</b>	<b>Potential)</b>	<b>Sales)</b>	<b>Retail Gap</b>
Total Retail Trade and Food & Drink	\$863,621,626	\$510,240,952	\$353,380,674
Total Retail Trade	\$773,039,779	\$447,229,241	\$325,810,538
Total Food & Drink	\$90,581,847	\$63,011,711	\$27,570,136
<b>By Category:</b>			
Motor Vehicle & Parts Dealers	\$184,103,172	\$6,577,073	\$177,526,099
Gasoline Stations	\$53,540,953	\$19,426,181	\$34,114,772
Furniture & Home Furnishings Stores	\$24,120,943	\$14,922,949	\$9,197,994
Electronics & Appliance Stores	\$41,293,154	\$9,780,864	\$31,512,290
Bldg Materials, Garden Equip. & Supply Stores	\$40,768,070	\$38,279,604	\$2,488,466
Food & Beverage Stores	\$149,117,415	\$133,192,146	\$15,925,269
Grocery Stores	\$131,847,122	\$124,751,090	\$7,096,032
Specialty Food Stores	\$8,022,191	\$2,105,709	\$5,916,482
Beer, Wine & Liquor Stores	\$9,248,102	\$6,335,346	\$2,912,756
<b>Health &amp; Personal Care Stores</b>	\$38,964,944	\$44,567,530	-\$5,602,586
Clothing & Clothing Accessories Stores	\$44,136,550	\$9,578,220	\$34,558,330
Sporting Goods, Hobby, Book & Music Stores	\$24,426,687	\$5,748,293	\$18,678,394
<b>General Merchandise Stores</b>	\$145,986,833	\$151,017,429	-\$5,030,596
Miscellaneous Store Retailers	\$26,581,059	\$14,138,953	\$12,442,106
Food Services & Drinking Places	\$90,581,847	\$63,011,711	\$27,570,136
Full-Service Restaurants	\$50,069,655	\$30,613,397	\$19,456,258
Limited-Service Eating Places	\$34,670,632	\$28,028,591	\$6,642,041
<b>Special Food Services</b>	\$2,055,296	\$3,145,331	-\$1,090,035
Drinking Places - Alcoholic Beverages	\$3,786,264	\$1,224,392	\$2,561,872
<i>Source: Esri Business Analyst</i>			

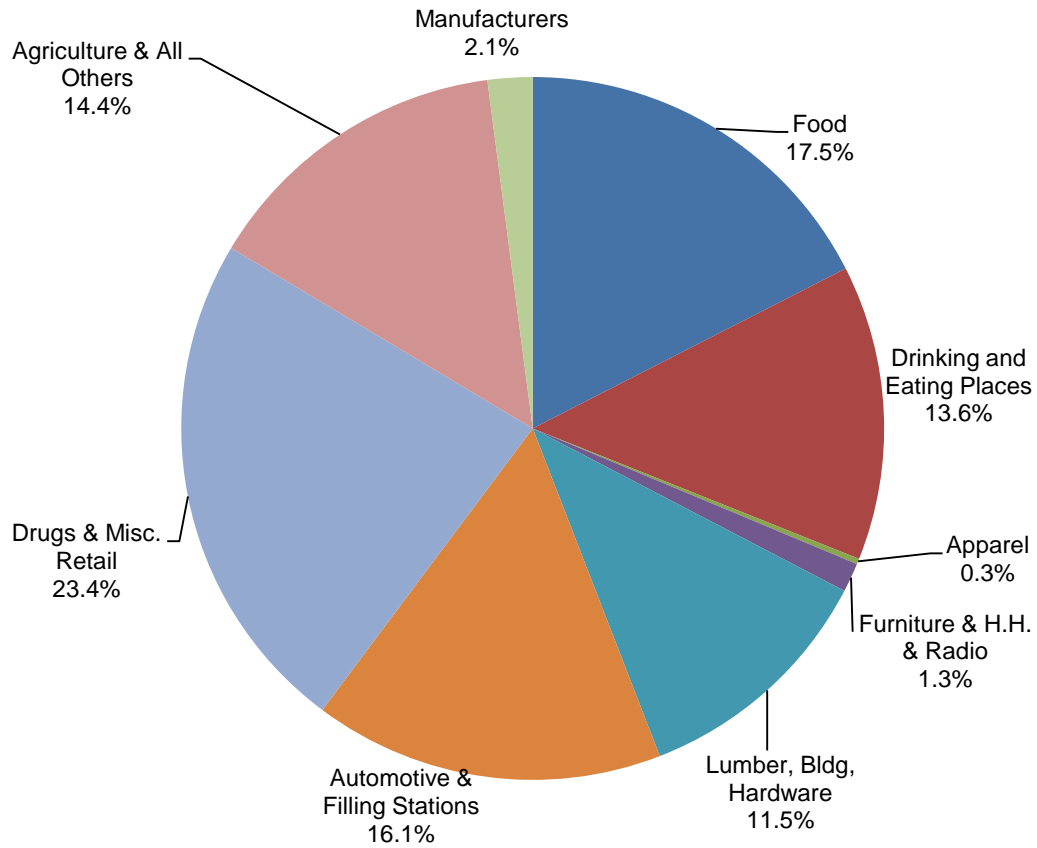
## Bartlett Retail Sales Tax

In 2014, Bartlett's retail sales tax revenue was the lowest of five of its surrounding communities at \$2.1 million as reported by the Illinois Department of Revenue. The graph below shows the breakdown over the past ten years by retail category. Drug stores and establishments in the Miscellaneous Retail, Food, and Automotive categories generated the most retail sales tax in 2014. Stores selling General Merchandise, Apparel, and Furniture, as well as Manufacturers generated the least. The sporadic growth and dips in sales tax revenue also shows the volatility of retail sales and the lack of one dominant category over the past ten years.



Source: Illinois Department of Revenue

## Bartlett 2014 Retail Sales Tax




Source: Illinois Department of Revenue

### Bartlett Leakage Analysis

Similarly to the leakage analysis for the larger Primary Market Area, Bartlett is leaking retail sales in most retail categories (shown in green on the accompanying table). This indicates the extent to which the 14,187 households living in Bartlett are spending their dollars at establishments located outside the Village boundaries. The exceptions, where sales are coming from households located outside Bartlett, are in the following categories:

- Food and Beverage Stores, specifically grocery stores
- Special Food Services

## Leakage Analysis for Bartlett

Leakage Analysis for Bartlett			
<b>Summary Demographics</b>			
2015 Population			41,299
2015 Households			14,187
2015 Median Disposable Income			\$69,648
2015 Median Household Income			\$94,980
	<b>Demand</b>	<b>Supply</b>	
<b>Industry Summary</b>	<b>(Retail Potential)</b>	<b>(Retail Sales)</b>	<b>Retail Gap</b>
Total Retail Trade and Food & Drink	\$594,307,647	\$239,193,932	\$355,113,715
Total Retail Trade	\$526,614,222	\$214,648,758	\$311,965,464
Total Food & Drink	\$67,693,425	\$24,545,174	\$43,148,251
<b>By Category:</b>			
Motor Vehicle & Parts Dealers	\$118,605,485	\$6,630,842	\$111,974,643
Gasoline Stations	\$54,157,523	\$19,218,989	\$34,938,534
Furniture & Home Furnishings Stores	\$13,001,397	\$1,565,515	\$11,435,882
Electronics & Appliance Stores	\$15,667,582	\$1,992,166	\$13,675,416
Bldg Materials, Garden Equip. & Supply Stores	\$21,721,912	\$16,668,185	\$5,053,727
Food & Beverage Stores	\$90,692,106	\$109,323,135	-\$18,631,029
Grocery Stores	\$80,225,831	\$106,868,429	-\$26,642,598
Specialty Food Stores	\$2,691,063	\$691,696	\$1,999,367
Beer, Wine & Liquor Stores	\$7,775,212	\$1,763,010	\$6,012,202
Health & Personal Care Stores	\$51,696,983	\$44,202,166	\$7,494,817
Clothing & Clothing Accessories Stores	\$37,280,983	\$2,834,470	\$34,446,513
Sporting Goods, Hobby, Book & Music Stores	\$15,027,078	\$1,619,817	\$13,407,261
General Merchandise Stores	\$96,455,195	\$5,818,504	\$90,636,691
Miscellaneous Store Retailers	\$12,307,978	\$4,774,969	\$7,533,009
Food Services & Drinking Places	\$67,693,425	\$24,545,174	\$43,148,251
Full-Service Restaurants	\$28,390,969	\$5,672,228	\$22,718,741
Limited-Service Eating Places	\$32,369,364	\$10,143,714	\$22,225,650
Special Food Services	\$3,207,174	\$7,345,815	-\$4,138,641
Drinking Places - Alcoholic Beverages	\$3,725,918	\$1,383,417	\$2,342,501
<i>Source: Esri Business Analyst</i>			
			


## Downtown Bartlett Commercial Conditions

The 2014 TIF Qualification Report prepared by The Village of Bartlett and Kane, McKenna and Associates estimated a total of 617,000 square feet of commercial space in the Downtown Redevelopment Project Area. Most of this space is located along the railroad tracks and extending north on Oak Avenue; south along Main Street; and along Devon Avenue from Main east to Prospect Avenue.

Within Downtown Bartlett, the Study Area for this TOD plan, there are three distinct types of commercial spaces, as described below.

- Older commercial spaces, many in converted residential buildings, are located on Bartlett Avenue and Railroad Avenue, lining both the north and south sides of the railroad tracks. Some newer commercial developments, including banks, have been added on infill sites, but the area along the tracks encompasses the historic downtown.
- At the southern end of Downtown along Devon Avenue, **Bartlett Plaza** is an 86,000-square-foot auto-oriented shopping center built in the latter part of the 20<sup>th</sup> Century. It suffers from a more than 50% vacancy rate, including a 31,000 square foot former grocery store space and a 10,000 square foot former Ace Hardware space. Other smaller shopping centers and free-standing retail developments were also built at about the same time, including Devon Prospect Plaza and Main Street Plaza.
- **Bartlett Town Center**, the mixed-use development whose first phase was completed in 2005, has 24,530 square feet of ground floor commercial space fronting Main Street. Its square footage is now 55.2% vacant with one 3,500 square foot space having never been leased. The five other available spaces range from 893-4,381 square feet and are advertised for rent at \$16/sf/year triple net.

The Downtown Bartlett Existing Conditions report identified 125 individual business establishments in the downtown/study area, 18 of which (14.4%) are retail. Professional Offices and other service businesses comprise more than half of the total while restaurants and bars make up only 11.2%. As of October 2015, there were 19 vacant storefronts, equating to 15.2%, a high percentage.

<b>Bartlett Study Area Business Inventory</b>		
<b>Category</b>	<b>Number of Establishments</b>	<b>Percentage</b>
Personal & Household Services	26	20.8%
Medical Office	19	15.2%
Vacant	19	15.2%
Retail Stores	18	14.4%
Professional Services / Office	18	14.4%
Food Services and Drinking Places	14	11.2%
Government/Institutional	9	7.2%
Auto-Related Businesses	2	1.6%
<b>Total</b>	<b>125</b>	
<i>Source: Goodman Williams Group, field work October 2015</i>		
		

The Kane McKenna TIF report identified 120,911 square feet of vacant space in the Redevelopment area, a vacancy rate of 20% of the total. The high vacancy rate was in fact one of the factors that qualified this area for TIF designation.

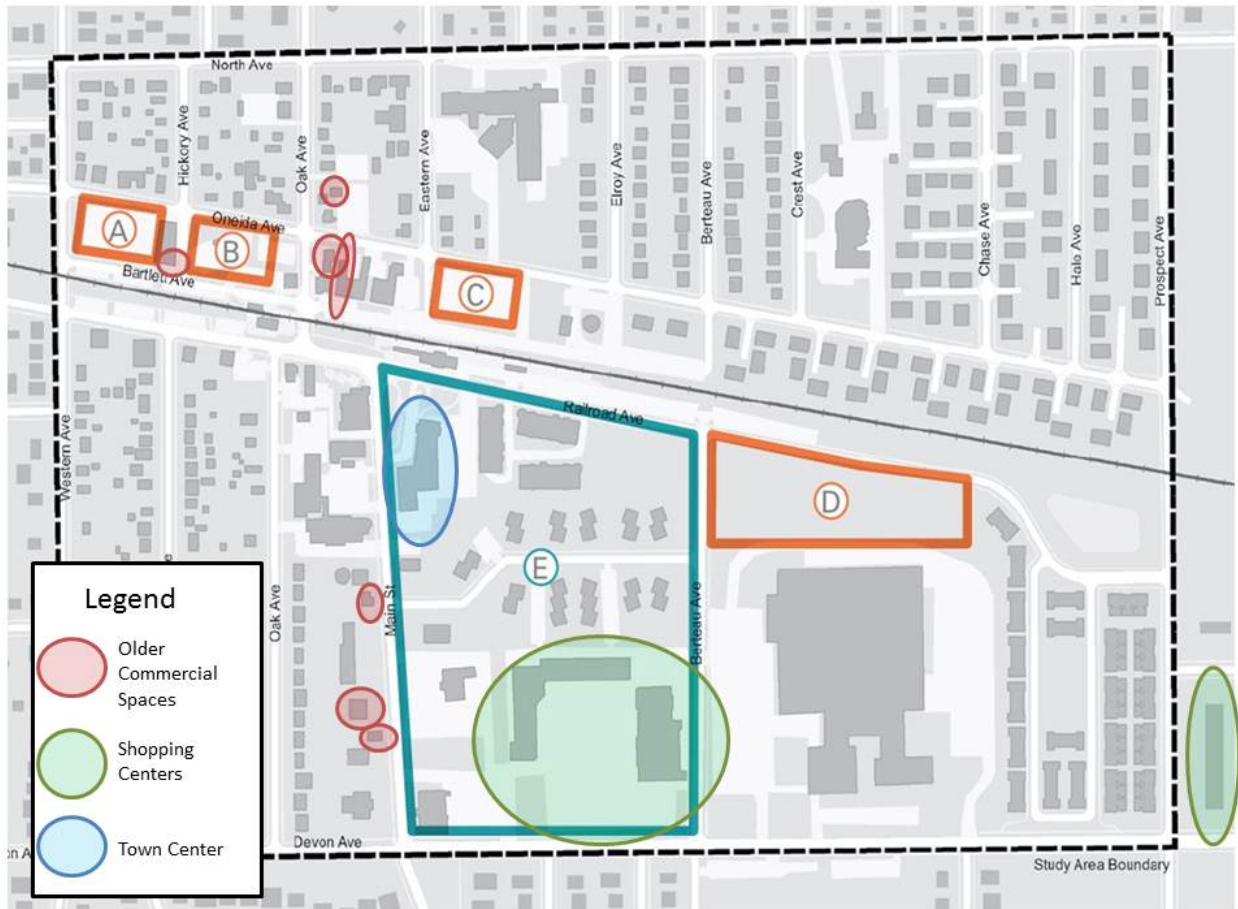
Based upon information from the Village of Bartlett, active listings available on LoopNet and CityFeet, and conversations with plaza owners, we identified nearly 74,000 square feet of currently available and vacant inventory in Downtown Bartlett. The table and map below provides information on these active commercial listings.



**Downtown Bartlett Commercial Space on the Market**

Property Type	Address	Type of Space	Total Square Feet	Available Square Feet	# of Vacancies	Percent Vacant	Notes
Older Commercial Spaces	143 S. Oak Ave	Retail	1,200	1,200	1	100.0%	1,296 sf cottage for rent, B-1 Zoning \$12.50/sf/year gross. Rent to own
Older Commercial Spaces	151 S. Oak Ave	Office	2,000	2,000	1	100.0%	2,000 sq. ft. free-standing building downtown, wired for 20 work stations \$16/sf/ year sale price \$375K
Older Commercial Spaces	310 S. Main St	Retail	2,053	2,053	1	100.0%	2,053 sq. ft. building for sale, asking \$349,000
Older Commercial Spaces	366-368 S. Main St	Commercial	6,000	3,000	3	50.0%	6,000 sq. ft. building for sale in heart of Downtown negotiable, 3,000 sq. ft. available for lease
Older Commercial Spaces	370 S. Main St	Commercial / Office	1,800	1,800	1	100.0%	100+ year old 2-story building on 16,000 sf of land for lease \$1,450/month gross
Older Commercial Spaces	120 W. Bartlett Ave	Office / Retail	3,600	3,600	1	100.0%	\$15/sf/year NNN older building, recently renovated available right across from Metra station
Older Commercial Spaces	NWC S. Hickory and W. Bartlett Ave	Commercial / Office	8,350	700	1	8.4%	Cartland Building \$18.85/ sf / year modified gross
Bartlett Plaza	136 Bartlett Plaza	Neighborhood Center	85,873	43,400	3	50.5%	\$10-\$15/SF Modified Gross. 3 sites 31,000 sf, 10,000 sf, 2,400 sf. Grocery Store site very negotiable
Bartlett Town Center	201 Main Street	Community Center	23,177	12,800	6	55.2%	6 spaces ranging from 893 SF - 4,381 SF \$16/ sf / year NNN
Devon Prospect Plaza	NEC Prospect Ave and Devon Ave	Community Center	18,100	3,300	3	18.2%	two 1,200 sq. ft. spaces and one 900 sq. ft. \$16 per sq. ft. modified gross
<i>Source: Village of Bartlett, Goodman Williams Group based on sources deemed reliable, 2015</i>			<b>Totals</b>	<b>152,153</b>	<b>73,853</b>	<b>21</b>	

## Downtown Bartlett Commercial Space on the Market



Source: SCB, based on GWG and Village of Bartlett data

## Downtown Bartlett Commercial Conclusions

With its high retail vacancy rate, Downtown Bartlett is experiencing difficulties attracting and supporting a vibrant retail community. Despite the fact that there is ample leakage and market potential within the Primary Market Area, Downtown Bartlett is not capturing its share of retail dollars. Newer centers along the Route 59 and Barrington Road Corridors in particular, are better positioned to capture new retail demand, especially from national tenants.

A number of reasons help explain the current conditions in Downtown Bartlett. All retailers in Downtown Bartlett are affected by the following factors:

- **Low traffic counts.** The average daily traffic count on W. Railroad and S. Main Street in Downtown Bartlett is about 9,250 vehicles. The comparable traffic count on Highway 59 near the intersection with Bartlett Road is 39,000 vehicles, making Highway 59 a much more appealing destination for retailers. Several of the key commercial streets in the Downtown, including Main Street, are not through streets. This makes it less convenient for patrons to drive to Downtown destinations.
- **Limited pedestrian counts.** As discussed in the SCB report, improvements to sidewalks and streetscapes will more encourage shoppers to walk around the Downtown and visit multiple destinations.
- **Metra commuters are not patronizing nearby establishments on a regular basis.** This trend is not unique to the Bartlett station. Commuters are often in a hurry to get on the train in the morning and to get home at night.
- **High Cook County taxes.** Devon Avenue in Bartlett forms the dividing line between Cook and DuPage Counties. Thus, Downtown Bartlett falls entirely within Cook County, where both property taxes and retail sales taxes are higher. The higher property taxes affect building owners, who will often pass these costs along to commercial tenants in the form of higher rents.

Higher sales tax rates may affect where consumers choose to shop. Effective January 1, 2016, the retail sales tax rate for General Merchandise in Cook County (outside the City of Chicago) will be 9.0%, as compared to 7.25% in DuPage and 7.0% in Kane County. It should be noted, however, that most of the northern portion of the Primary Market Area also falls within the Cook County limits. The southern portion of the Route 59 corridor and Stearns Road are located within DuPage County.

Other factors may also affect the ability of the various types of commercial space in Downtown Bartlett to compete optimally, including the following:

- A number of the older buildings with commercial spaces along Railroad and Bartlett Avenues are in need of exterior and interior renovations. The Downtown area until 2010 was a Tax Increment Financing District, which provided a source of financing for individual property improvements.
- Bartlett Plaza, one of the Downtown's major commercial anchors, has suffered from high vacancies for years. Redeveloping the property to reduce the amount of commercial space and add residential uses should be contemplated.
- Additional marketing efforts and improvements to the pedestrian environment may be needed to enhance the competitive position of the retail space in Bartlett Town Center.

### Potential Downtown Tenants

Downtown Bartlett will continue to function as a neighborhood shopping district that offers convenience retail and services to nearby residents, and some specialty stores and restaurants that attract people into the downtown. Over the near term, the focus for upgrading Downtown Bartlett should be to identify and help secure commercial tenants to occupy some of the key vacant and underutilized parcels. Among the categories of likely tenants are the following:

- ***Eating and Drinking Places.*** While quick-service national restaurants or coffee shops are likely to be more interested in locations along the heavily trafficked corridors in Bartlett (like Route 59), independent, locally-owned restaurants may be interested in a location Downtown. TL's Four Seasons, JC's Mexican and V&V Paesano's Pizzeria are popular local downtown favorites that are successful in attracting clientele. The leakage analysis for Bartlett estimates that more than \$43 million annually is spent at restaurants and bars outside of Bartlett.
- ***Specialty Foods.*** A bakery and other specialty food retailers would be appropriate tenants in Downtown Bartlett, serving the Downtown residential population as well as commuters.
- ***Other Miscellaneous Retailers.*** Retailers selling used merchandise or specialty apparel may be interested in locating along Main Street or along Bartlett or Railroad Avenues, particularly if the rents are affordable. Banbury Fair has been successful at bringing shoppers and children to downtown with its unique shops and activities. Other businesses could also serve this market.
- ***Service Businesses.*** While service businesses do not pay sales tax, they meet important needs of local residents and can serve to bring people to Downtown Bartlett. The following types of businesses tend to be most supportive of downtown retail corridors:

- Medical offices, including dentists and physical therapy providers. The term “medtail” is increasingly being used by shopping center owners and their leasing agents to describe these types of tenants.
- Exercise studios. These may cater to youth (dance or martial arts, for example) or to adults who want to take classes or work out.
- Daycare. Proximity to the train station might be attractive to some working parents.
- Beauty salons
- Laundry and dry cleaning/tailoring or other personal service businesses

### **Tax Increment Financing**

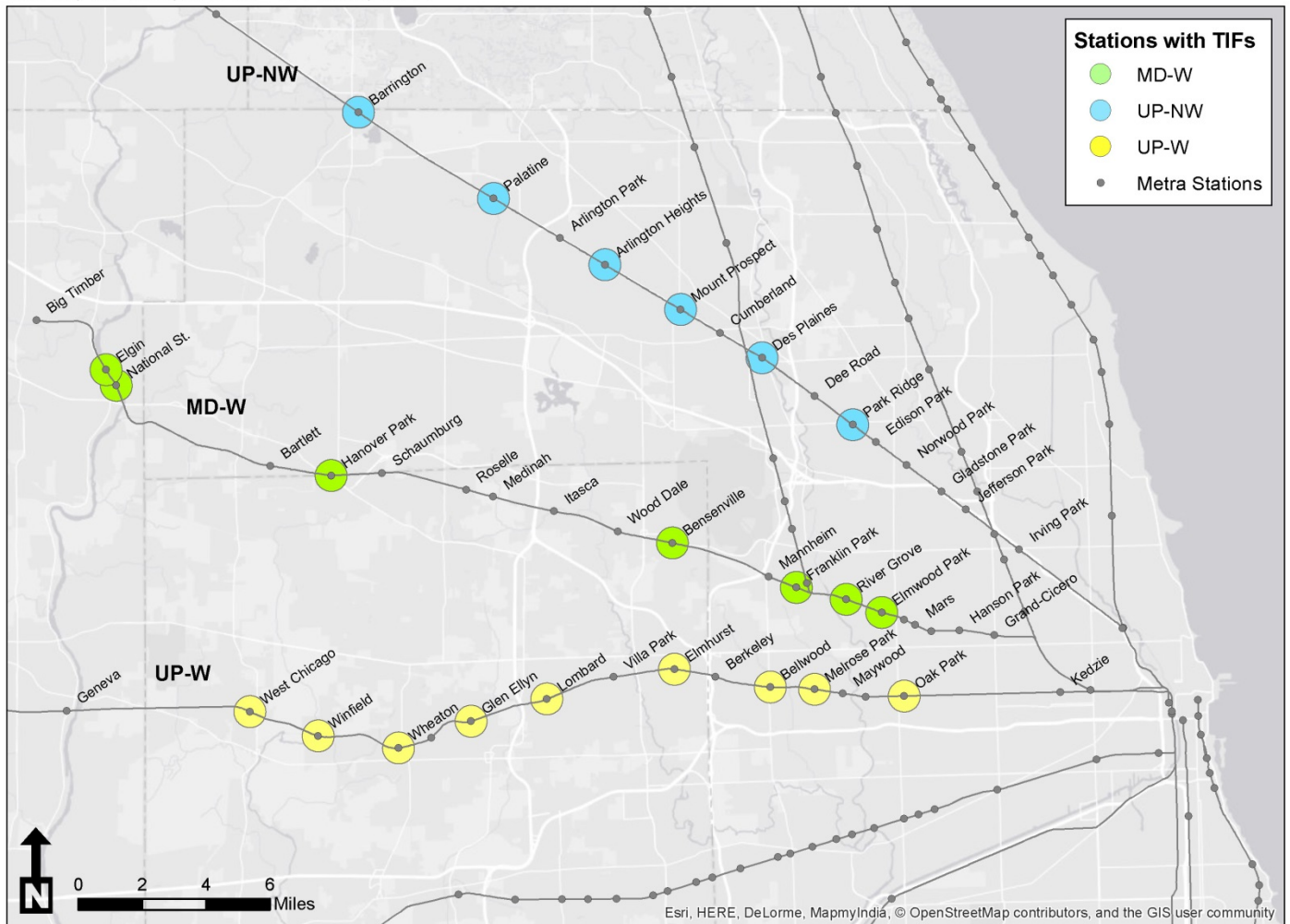
In December 1986, the Village of Bartlett created a TIF district with an initial term lasting through 2009. As stated in the TIF redevelopment plan, the Village created the TIF to combat the Downtown’s aging buildings, the underutilization of property, excessive vacancies, physical deterioration, and a lack of private investment. In recognition of the economic downturn, the TIF district was extended for one year through the end of 2010.

As part of the TIF, the Village established a façade rebate program that provided, over the course of the TIF, a total of 120 reimbursements amounting to \$850,224 to private property owners who upgraded their properties. (Source: Village of Bartlett, ***Downtown TIF Closeout Report***). Another key aspect of the TIF was to provide a TIF district advertising budget to help promote the shopping district. A variety of other improvements to the infrastructure and environmental clean-up projects were also undertaken.

In 2014, the Village hired Kane, McKenna and Associates to complete a plan to create a new TIF district in Downtown. After lengthy debate, the new TIF legislation was defeated, and Downtown Bartlett currently does not have a TIF district.

As shown on the following map, many of the communities with Metra stations along the Milwaukee District / West line as well as those on the Union Pacific Northwest and West Lines do currently have TIF districts. These communities, a number of which compete with Bartlett for new residents as well as retail, will be in a position to offer developers incentives to move to their communities and help market themselves to attract new retailers . As Bartlett struggles to compete with these communities, a new TIF district would be an important tool for future development.

**Metra Stations with Downtown TIF Districts**  
 MD-W, UP-NW, and UP-W Lines, 2014



Source: Goodman Williams Group



## **Other Economic Development Initiatives**

Consultants associated with Elgin Community College completed a Downtown Bartlett economic development plan for the Village in December 2014. Their goal was to develop options for attracting, improving, and managing the growth of the Downtown Bartlett area. Among their strategies were:

- To leverage existing events that benefit the Downtown
- Improve signage and landscaping
- Encourage temporary uses (pop up stores)
- Target tenants for vacant spaces

In addition to the implementation of these economic development strategies, the development of new residential projects in Downtown Bartlett will bring more households into the downtown, helping to stimulate the commercial environment. New households will not only bring in more expenditure potential, they will help to create a new sense of energy and excitement that will help Downtown Bartlett reach its full potential.