

Economic Development Corporation

Quarterly Update

90 Day Accomplishments

- **Completed and submitted budget and financial report for 2006/2007 (attached)**
- **Completed executive board (attached)**
- **Completed non-executive board (attached)**
- **Established sub-committees**
 - **Attraction and Retention**
 - **Strategic Planning**
 - **Marketing and Communications**
 - **Finance**
- **Completed administrative requirements**
 - **Health Care**
 - **D & O Insurance**
 - **Liability Insurance**
- **Established new office**
- **Established basics for website**
- **Establish criteria for board participation**
- **Completed Mission and Vision Statements**
- **Defined general goals and metrics**
- **Prepared a draft of strategic plan for economic development**

Budget

	2006 Rmdr Proposed Plan	2007 Proposed Plan (E.D.)	2007 Proposed Plan (Toursim)	Item	YTD Q3* Actual	
Economic Development	7 Months					
Staffing Full Time Equivalents:	2.00	2.50	1.50			
Revenues	\$253,333	\$450,000	\$243,000		254,062	includes \$729 interest
Salaries	\$82,440	\$215,000	\$100,000	Regular Salaries	29,936	
Auto Reimbursement	\$2,800	\$4,800	\$0		1,458	
Part-time Salaries	\$0	\$0	\$0	Part-time	-	
Savings Plan	\$7,998	\$15,050	\$7,000		-	
Medicare	\$1,452	\$7,468	\$7,468	Medicare		
Social Security	\$5,422	\$9,631	\$5,201	Soc. Sec.	2,808	
Hospital & Life Insurance	\$10,062	\$31,860	\$18,216	Health/Life		
Optical Insurance	\$140	\$420	\$252	Optical		
Dental Insurance	\$1,016	\$3,048	\$1,829	Dental	4,518	
Insurance Capitalization	\$8,750	\$12,500	\$7,500			
subtotal	\$120,080	\$299,776	\$147,465		38,720	
Office Space Rental / Build out	\$19,000	\$12,500	\$5,000		8,070	
Office Equipment	\$20,000	\$5,000	\$3,000	Office Furniture	800	
Office Supplies	\$2,500	\$2,560	\$1,000	Office Supplies	85	
Computer Supplies	\$1,250	\$1,250	\$1,000	Computer Supplies		
Operating Supplies	\$1,250	\$1,250	\$1,000	Operating		
Operating Costs	\$1,500	\$1,750	\$1,000			
Books and Magazines	\$500	\$2,000	\$1,000	Books/Magazines	-	
subtotal	\$46,000	\$26,310	\$13,000		8,954	
Dues & Membership	\$3,000	\$4,500	\$2,500	Dues & Memberships	-	
Conferences/mtg..	\$10,000	\$18,000	\$10,000	Seminars/Conferences	-	
Entertainment/Attraction	\$15,000	\$15,000	\$12,000	/Trade Shows/Travel	919	
Other Professional Serv	\$21,250	\$21,250	\$10,000	Professional Services	6,441	
Personnel Recruitment				Recruitment		
Telephone	\$2,500	\$3,500	\$3,000	Telephone	868	
Postage	\$2,500	\$4,000	\$3,500	Postage		
subtotal	\$54,250	\$66,250	\$41,000		8,229	
Advert. and Pub. Rel.	\$25,000	\$30,000	\$35,000	Advertising/Public Relations		
subtotal	\$25,000	\$30,000	\$35,000		-	
Computer Equipment	\$8,000	\$10,000	\$10,000	Computer Equipment	6,508	
subtotal	\$8,000	\$10,000	\$10,000		6,508	
TOTAL ECON. DEVEL.	\$253,330	\$432,336	\$242,973		62,411	
Carry Forward	\$3	\$158	\$27		191,651	equals amount on deposit at Mid-America Bank
* YTD results - includes June, 2006 - 1st month of EDC's existence						

Criteria for Board Participation

- Driven by by-laws of corporation
- Key government and business personnel
- Cross-market representation
- Financial contribution
 - Being determined by Finance committee
 - Subject to full board approval

Board of Directors

Board Of Directors Information	* = Executive Committee Member
Name	Position
Brian Krajewski*, Chairman	Mayor of DG
Stan Urban*, Vice Chairman	DG Commissioner
Cara PaVicek*, Secretary	DG Village Manager
Dave Fieldman*	DG Deputy Village Mgr.
Mike Baker*	Asst. Village Mgr.
Mike Riordan*, Committee Chair	Dir. McDonald's Corp.
Mike Parilla*, Treasurer, Committee Chair	CFO, Larry Roesch Auto Group
John Randall*, Committee Chair	Gen. Mgr. Marriott
John Luka*	Partner, Column Financial Incorporated
Mike Kelch*, Committee Chair	President, Heartland Business Systems
Don Jankowski, PhD*	Partner, Price Waterhouse Coopers
Ed Green*	Partner, Foley and Lardner
Dr. Dale Martin	Superintendent, DG Dist 58
Dr. Dave Eblen	Superintendent, DG Dist 99
Dan Cermak	Administrator, DG Park District
Brien Sheahan	DuPage County Board Member
Chris Burke	President, Chris Burke and Ass.
Gary Mori	Partner, Hamilton Partners
Gary Vlk	Principal, One Smooth Stone
David Fox	CEO, Good Samaritan Hospital
Charles Cooney	Co-founder Tell Labs
Dr. Kathleen Goeppinger	President, Midwestern Univ.
Scott Grove	V.P. Max Madsen Auto Group
Matt Ward	Senior V.P., Alter Group
Mike O'Malley	President, O'Malley and Assoc.
Rod Mourad	President, Luxury Motors
Pehti Velu	President, Custom Automation
Pam Stefik	V.P., Mid-America Bank
Jeff Bilek	Partner Ernst and Young
Al Duran	V.P., Retail Operations, Dominick's
Mark Cosenza	Inland Realty
Matthew Fiascone	Senior V.P., Inland Realty
Senator Kirk Dillard	State Senator

Sub-committees

- Attraction and Retention
 - Mike Parilla, Chairman
- Strategic Planning
 - John Randall, Chairman
- Marketing and Communications
 - Mike Kelch, Chairman
- Finance
 - Mike Parilla and Mike Riordan, Co-Chairs

Administrative Requirements

- All insurance requirements fulfilled
- D & O Liability
- Entity Liability
- Workers Compensation
- State Unemployment
- 501c6 filing
- Health Care
- Defined benefit plan
 - Sep IRA
 - 401 K in 2007

New Offices

- 2001 Butterfield Road, Downers Grove, IL 60515 Phone 630-729-0380
- www.dgedc.com
- Access to state of the art business environment

Website

- Under Development – will be:
 - Interactive
 - Available property database
 - Updated monthly
 - Searchable
 - Zoning Maps
 - Critical Maps
 - Advantages of doing business in Downers Grove
 - Matrix for economic assistance
 - Demographic information
 - Links

Mission and Vision

- Economic Development is committed to retaining existing businesses and attracting new businesses to The Village of Downers Grove. By utilizing the core competencies of the individuals within the EDC as well as the resources of the Village, its staff, and other affiliates, the Economic Development Corporation shall provide commercial concerns with clearly defined benefits unique to the Village of Downers Grove. We will shepherd potential businesses through the development process and work to assure measurable return on investment for the business community while maintaining support of public land use policies and the overall betterment of the Citizens of Downers Grove.
- Our Vision is to establish distinct economic benefits within the Village of Downers Grove specifically related to business and commercial entities making the Village of Downers Grove the preferred choice for businesses consistent with the existing and future planning.

Goals and Objectives

- **Strengthen sales tax base**
 - **Strengthen commercial and industrial tax base**
 - **Increase hotel tax revenue**
 - **Increase employment base**
- Subject to board review and approval**

EDC - Performance Measurements

- **Village sales tax revenues (% increase/decrease)**
 - **Downers Grove 2007/2006 vs. DuPage County 2007/2006**
- **Village total occupied office space (ft2 increase/decrease)**
 - **Downers Grove 2007 vs. Downers Grove 2006**
 - **In defined areas (Finley/Butterfield Road corridor)**
- **Village commercial and industrial EAV's (%increase/decrease)**
 - **Downers Grove 2007 vs. Downers Grove 2006**
 - **Downers Grove 2007/2006 vs. DuPage County 2007/2006**
- **Village available commercial/office space (ft2 increase/decrease)**
 - **Downers Grove 2007/2006**
 - **In defined areas**
- **Hotel tax revenue**
 - **Downers Grove 2007 vs. Downer Grove 2006**
 - **Adjusted for new construction**

Hard objectives to be determined by finance committee with board approval

Strategic Plan for Economic Development

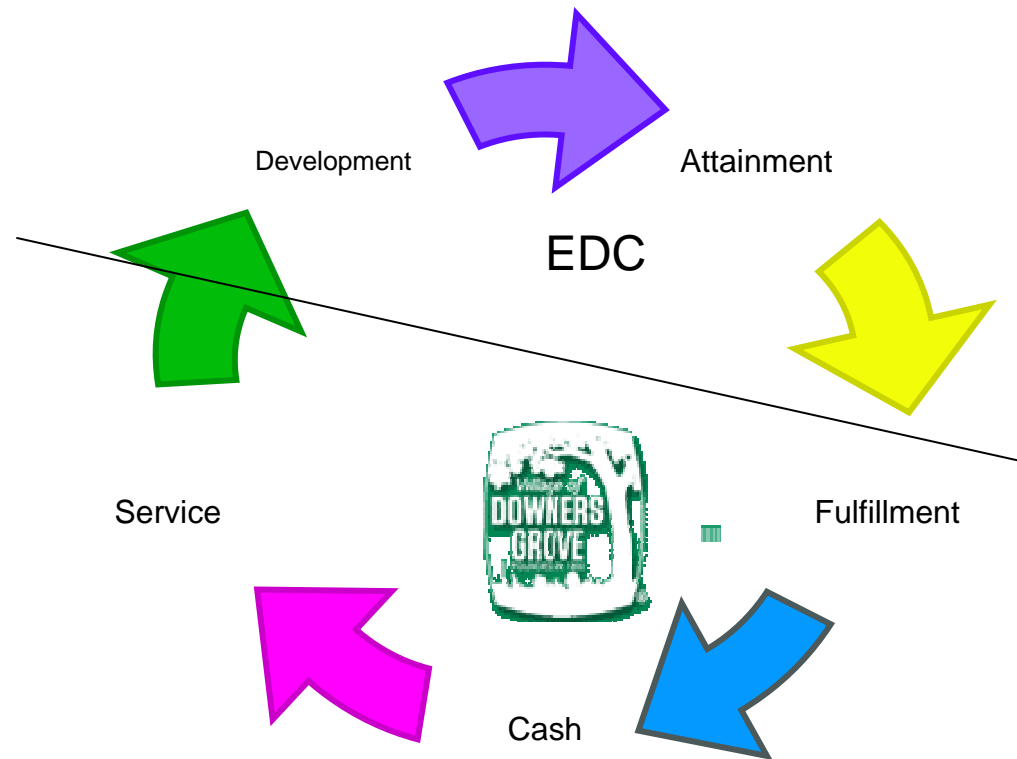
This document sets out a strategic plan for Economic Development. It reviews desired results, goals and objectives; strengths, weaknesses, threats and opportunities and key strategies to achieve desired outcomes. It further presents roles and responsibilities and the EDC's Vision, Mission, Values and Objectives.

Vision

In-line with Village's Strategic Plan

- Downers Grove has a strong and diverse local economy
- Downers Grove has vibrant major commercial corridors
- Downers Grove is a regional employment center
- Downers Grove is a regional retail center
- Downers Grove is a location for high quality hotels

Strategic Action Model



Roles and Responsibilities - EDC

- Lead Development and Attainment
- Sales and Marketing
- Attraction and retention with Village
- Voice of Customers
- Information Management
- Team Coordination
- Shepherding
- Lobbying
- Property Acquisition

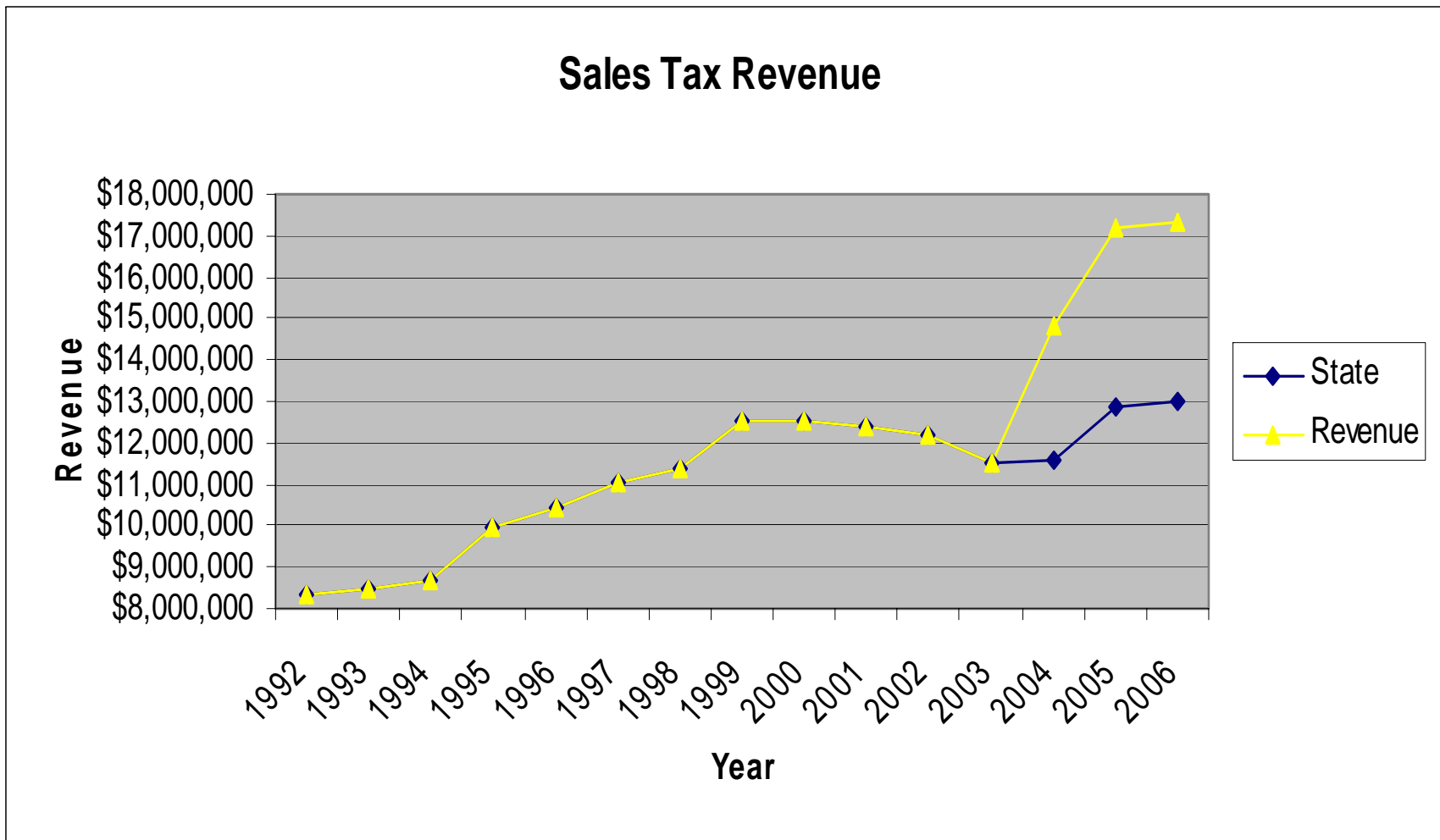
Roles and Responsibilities - Village

- Fulfillment
 - Execution
 - Entitlement
 - Development Agreement
 - Land Use
 - Annexation
- Cash
 - Collections
 - Re-investment
- Service
 - Customer satisfaction
 - Customer retention (with EDC)

S.W.O.T. Analysis

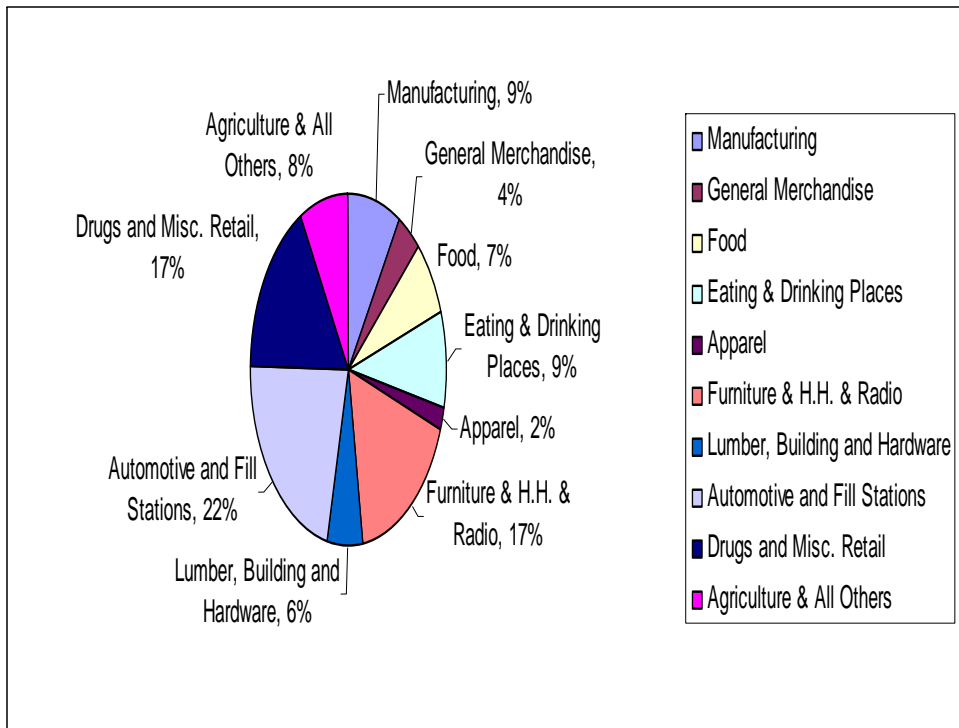
- **Strengths**
 - Heart of transportation network
 - Low tax rate
 - Access to highly skilled labor pool
 - Award winning schools
- **Weaknesses**
 - Land-locked community
 - Aging infrastructure
 - Shortage of high-end hotels
- **Opportunities**
 - Creation of EDC
 - Comprehensive Village Strategic Plan
 - Available land for office development
 - Business to tourism connection
- **Threats**
 - Competitive environment
 - Internet sales
 - High land values
 - Downturn in housing starts and sales

Goals and Objectives – Strengthen Sales Tax Base – Historical Trend



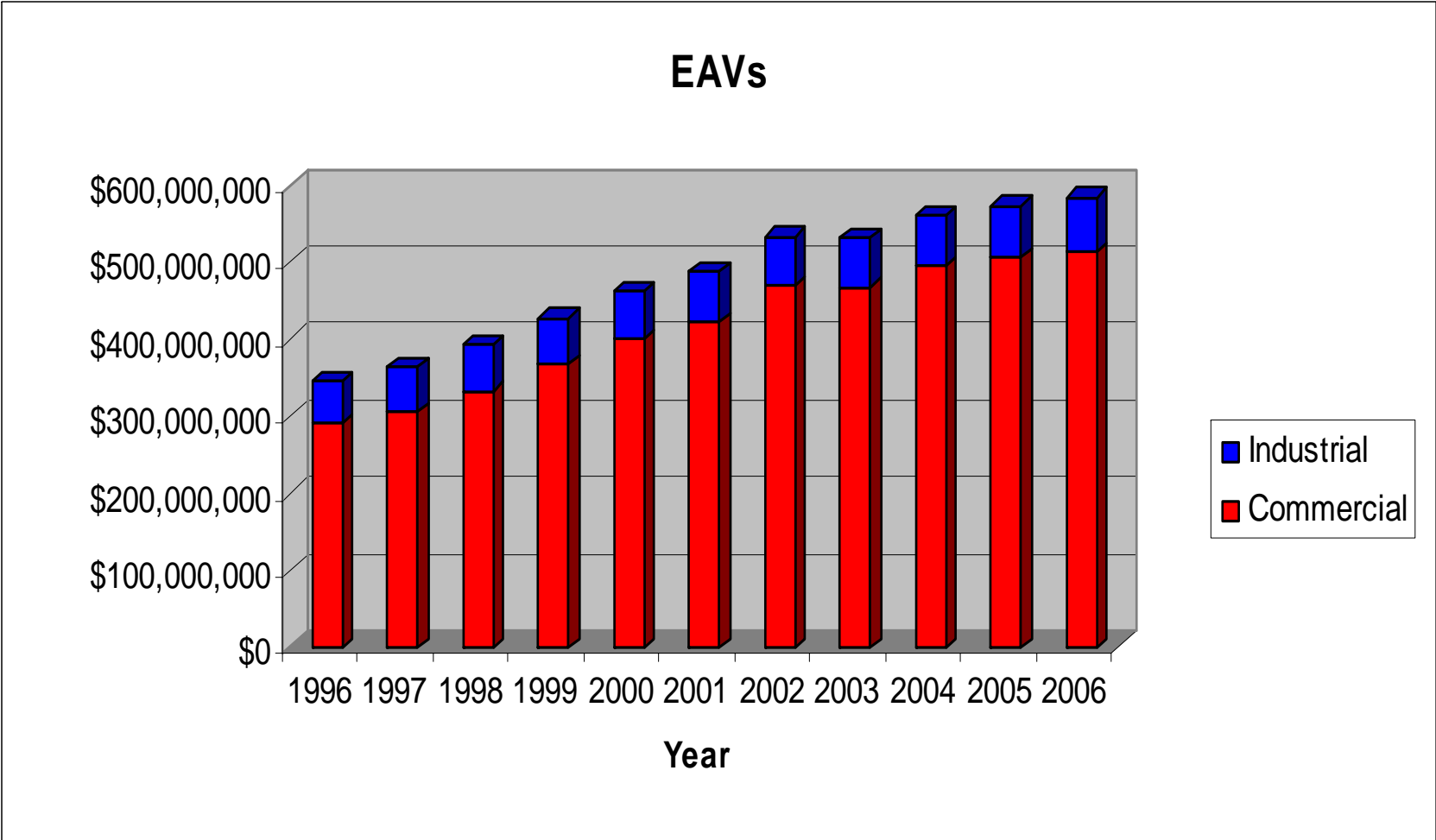
Goals and Objectives –Retail Mix and Sales Surplus Ratio

- 515 Retailers within the VoDG
- \$1.2 BB of total taxable sales from VoDG retailers
- Downers Grove residents spend \$694 MM in retail purchases
- Retail Sales Surplus ration of 1.8



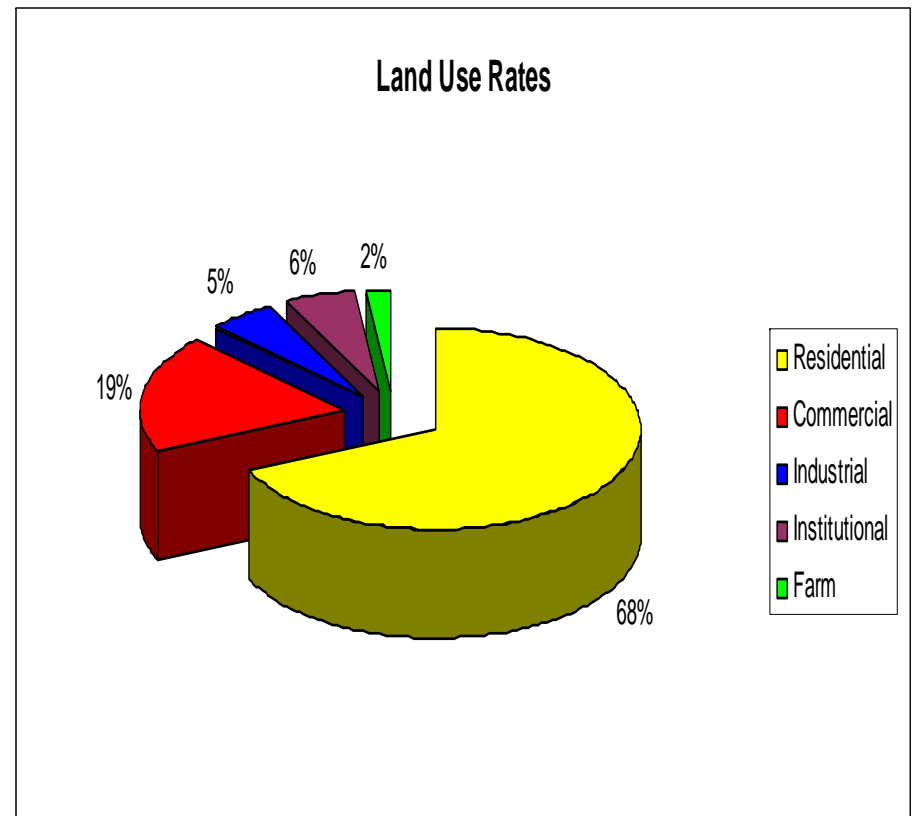
Village	Trade Ratio
OakBrook	3.81
Schaumburg	2.54
Downers Grove	1.8
Lisle	1.42
Naperville	1.09
Wheaton	0.74
Hinsdale	0.52

Goals and Objectives- Strengthen Commercial and Industrial Real Tax Base – Historical Trend



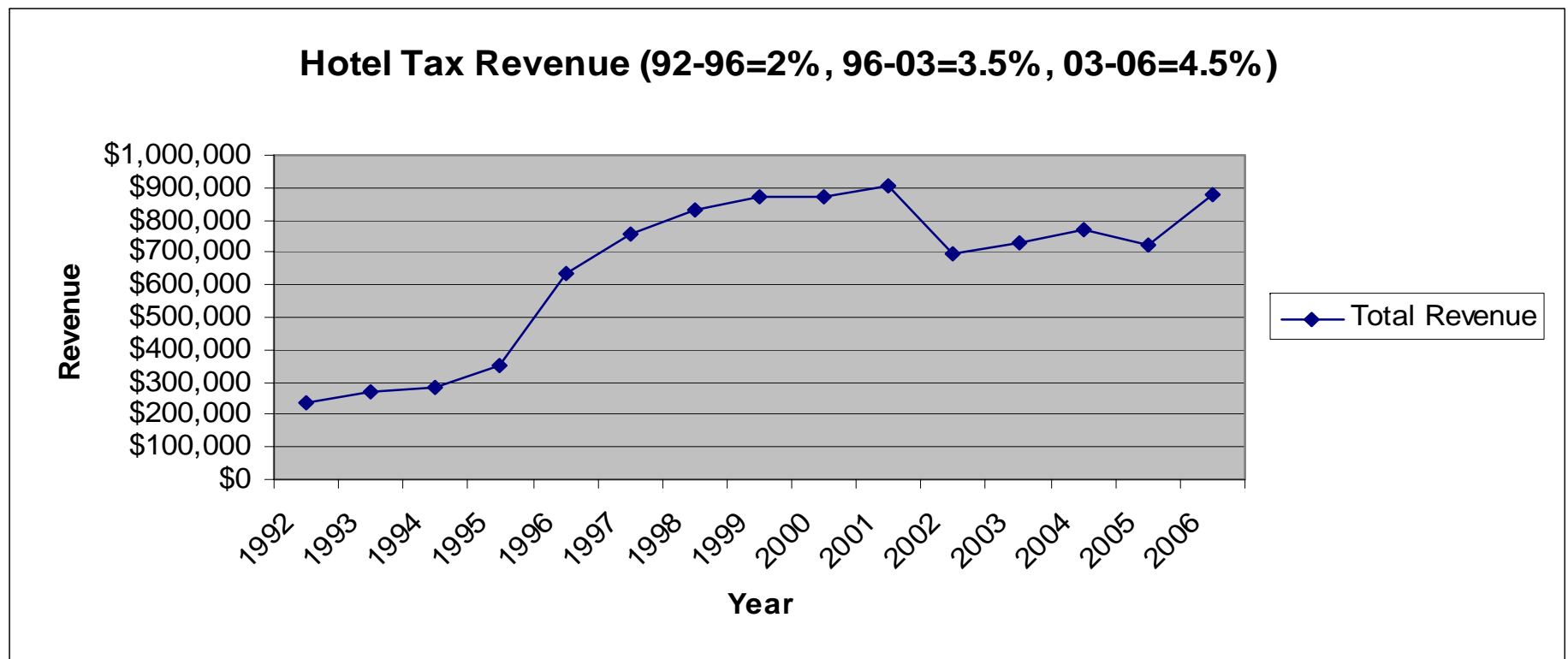
Vacancy and Land Use Rates

- Retail vacancy rate is low. Vacancy is higher in older shopping centers
- Office vacancy rates are low compared to region
- Industrial vacancy rates are very low compared to region, but there is small supply of space in the Village.
- Class A vacancy = 13.3%
- Class B vacancy = 8.2%
- Class C vacancy = 3.3%
- Industrial vacancy = 2.4%
- Retail vacancy = 5%



Goals and Objectives – Strengthen Hotel Tax Base – Historical Trend

- Increase hotel tax revenue
 - Maintain existing two quality tier hotels and attract one additional quality tier non-extended stay high-end hotel.

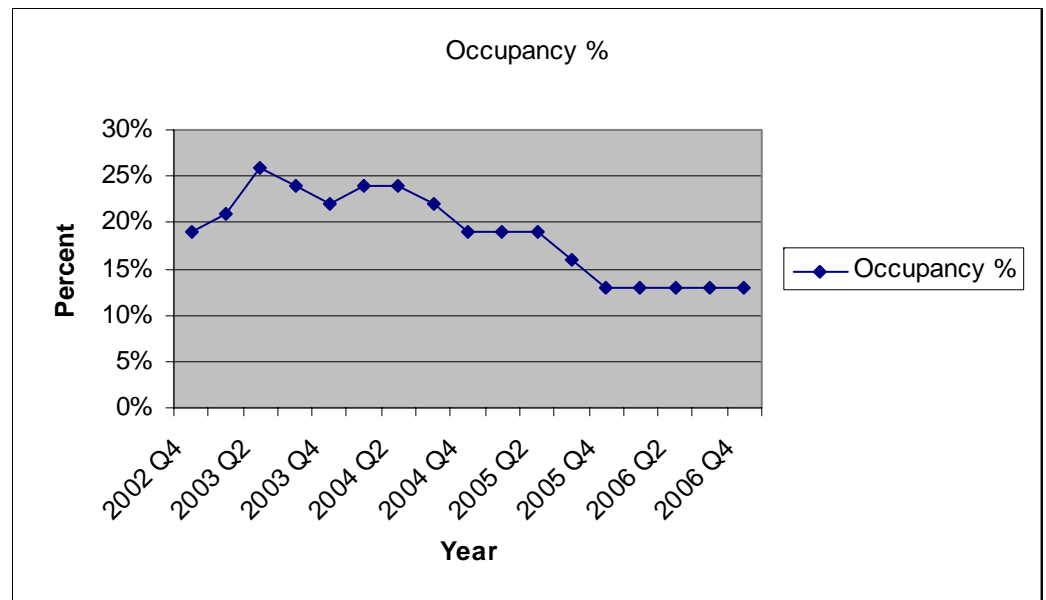


Hotel Environment

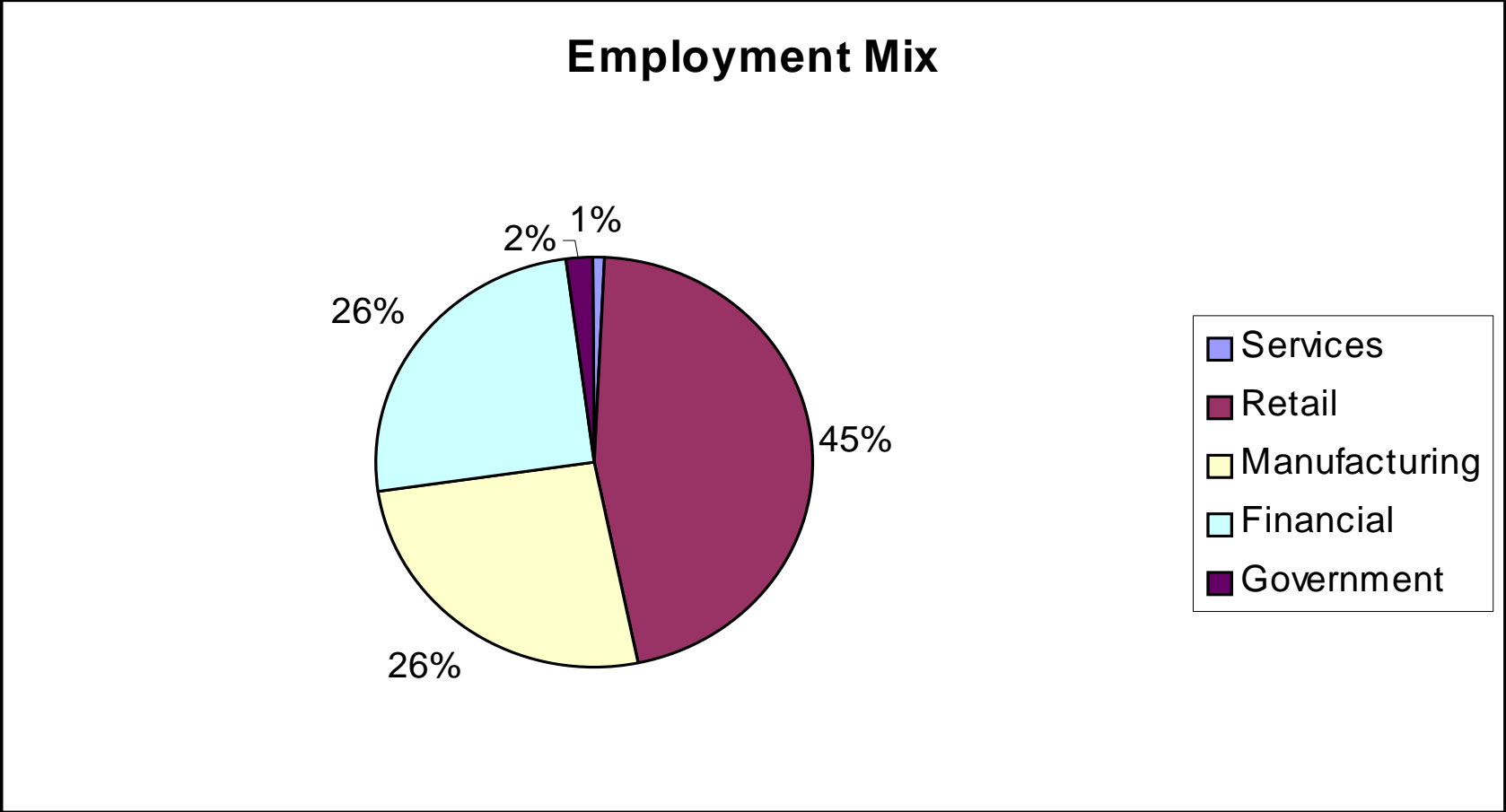
- 1200+- rooms available
- 4 major hotels
- 2 quality tier hotels
- 68% occupancy rate
- One central hotel location (Butterfield Road)
- Limited conference capabilities
- 850K +- tax to village

Goals and Objectives – Increase Employment

- Increase total employees
- Determine number of business by 2008
- Increase number of businesses annually
- Maintain total Class A office occupancy
- Increase Class A office space square footage



Real Estate and Employment Base – Background



Key Strategies

- Creation of independent Economic Development Corporation
- Define metrics to evaluate EDC performance
- Re-establish sub-committees
- Create strategic plan for business/tourism connection
- Implement Ogden Avenue Development plan
- Implement Downtown Downers Grove Development Plan
- Create development strategy for defined corridors
 - Butterfield
 - 63rd Street
 - 75th Street
- Develop Available Property Database
- Continue to work on new opportunities and institute retention plan
- Develop Business Licensure Program and Database
- Develop Hotel Strategy in conjunction with tourism plan
- Develop Targeted Marketing Campaign format for perspective businesses