

**VILLAGE OF DOWNERS GROVE
ECONOMIC DEVELOPMENT COMMISSION**

Village Hall, Committee Room

801 Burlington Avenue

Downers Grove, IL

August 13, 2003

8:00 a.m.

Commission Chair Riordan called the meeting to order at 8:15 a.m.

PRESENT: Commission Chair Mike Riordan, Ken Bohanon, Liz Chalberg, Phil Cullen, Mike Kelch, Jan Kopis, John Luka, Mike Parilla, John Randall, Bill Weiss, Gary Vlk, Barb Wysocki

STAFF: Joe Skach, Director of Planning and Community Development
Steve Rockwell, Director of Economic Development
Mary Scalzetti, Director of Tourism and Events
Cathy Schuster, Assistant Director of Economic Development
Lori Skotterud, Redevelopment Specialist/Planner
Ginny Mindo, Administrative Assistant for Economic Development

ABSENT: Jeff Bilek, Mary Henthorn, Mike Ryan

GUESTS: None

Commission Chair Riordan introduced the new members of the Commission members, Mike Parilla and Bill Weiss.

Departing Commissioner Jan Kopis was presented with a plaque, and the group shared humorous recollections.

APPROVAL OF MINUTES FROM JULY 8, 2003

Mr. Riordan mentioned a date change should be made in the Ogden Avenue section. He also noted a change in verbiage regarding IDOT's concern regarding traffic conflicts. Mr. Skach requested an improved summarization of the section on Planning on Community Development.

Commission Chair Riordan requested a motioned to APPROVE THE MINUTES from July 9, 2003, with the above-mentioned revisions. Mr. Cullen motioned to approve the minutes, Ms. Chalberg seconded the motion.

Vote: Yay: Commission Chair Mike Riordan, Ken Bohanon, Liz Chalberg, Phil Cullen, Mike Kelch, Jan Kopis, John Luka, John Randall, Gary Vlk, Barb Wysocki

Nay: None

Motion carried 10:0

COMMITTEE REPORTS**MARKETING**

Ms. Schuster reported that the Village has recently received a lot of positive press from many sources including the Downers Grove Reporter and Naperville Sun, which both included articles on the Governor's Hometown Award. Press was also received from the West Suburban Living Magazine, which featured Downers Grove and included pictures from the EDC's seasonal gallery. Ms. Schuster also reported that Downers Grove was listed as one of the Top Ten Downtowns in the Chicago Tribune. Also of note is an "economic powerhouse" book about DuPage County that Cherbo has put together which includes a section we submitted about Downers Grove. Ms. Schuster noted that this would be useful tool in attracting new businesses. Ms. Schuster also informed the group that the Mayor will be interviewed by CNN and it will be shown on Headline News. Mr. Rockwell and Mr. Vlk complimented Ms. Schuster on all her hard work and diligent efforts in communicating with the press, making the right contacts, and becoming the source to provide any and all the necessary information needed. Ms. Chalberg also complimented Ms. Schuster on her great photography work, suggesting she take some photographs of the construction from a "bird's eye view" site. Ms. Schuster informed her that she took some pictures from the top of the Station Crossing site and also noted that Mr. Cullen has some great pictures taken from his building looking down at the cemetery.

Ms. Schuster also reported that the EDC staff is researching the cost of purchasing metal Home Town Award signs, which would be more durable, and could be displayed at the community's gateways. Mr. Rockwell added we would need to present the information to the Council before proceeding. He added that Public Works is helping us identify locations for the signs.

OPPORTUNITIES FOR RETENTION AND ATTRACTION

Mr. Kelch stated that the Incentive Committee met to evaluate policies and procedures for groups applying for incentives. He noted that the focus of the meeting was to improve some of the filtering criteria for new businesses interested in receiving incentives. He added that they looked at the current matrix, which is the tool used to evaluate businesses. Also discussed was what would be used as a quantitative analysis. Mr. Kelch cited that Mr. Skach proposed that the group assess the businesses to see if they truly need the assistance to make their project viable. He added that the quantitative analysis would also provide equal protection and fairness to petitioners. Mr. Riordan stated that the interested party could probably 'slant' the analysis to show need. He also questioned what the threshold is that the Incentive Committee would want to use, and should this group be in the position of making those decisions. Mr. Riordan stressed the importance of laying out what the objective is. He suggested that the initial criteria could be whether the incoming business would meet the financial threshold and bring economic vitality to the community. The second criteria could be if a company is going to come to Downers Grove regardless, then they need not receive an incentive. Mr. Riordan stated that after getting those two criteria down, the group could start focusing on the matrix.

Mr. Skach noted that the staff has been working on a SIC (Standard Industrial Code) project which categorizes business uses, as one of the tools to complete a financial goal oriented attraction/retention program. He added that this group could start to review the categories and set targets. He added that, based on those categories and assessing the market potential, along with looking at direct marketing strategies, separating the ones that have a high likelihood, better than 50%, with high potential revenue, potential market share, and market capture. Mr. Skach noted that this is a process that needs to be integrated and reviewed on a continuing basis and is very much part of a turnkey process that follows right over into the zoning process. Mr. Riordan agreed that is a good direction to go in, but should all different types of businesses be open for an incentive or should it be categorized by a financial standpoint. Mr. Randall noted that it is necessary to know the competitive landscape first, before making a decision. Mr. Skach noted that the Gruen Report is a good baseline for this. To the issue of deciding whether or not

the Village provides assistance to somebody requesting assistance, whether it is an auto dealer or something else, the Village does have a certain amount of responsibility to ensure that there is some due diligence done on the Village's part. Mr. Skach noted that there is a certain responsibility on the Village's part with the respect to the use of public funds to be used in a manner beneficial to the Village and not just the petitioner.

Ms. Kunze inquired if this plan would provide an incentive for a retail business downtown that would act as an anchor to bring other businesses in. Mr. Skach stated that that was a good point, and it is important to note that when vision statements are released, that they are carefully drafted to entice the types of businesses that are desired. Mr. Skach also mentioned that the Village has two TIFs which are economic and redevelopment vehicles for potential assistance subject to rigorous standards notwithstanding zoning. Mr. Skach stressed the importance that when this goes in front of the Council, it would be in the Village's best interest to be on the same page with respect to policy. Mr. Randall asked, in regards to an anchor retail business coming into the Downtown, if there has been or can be a language used for certain districts; incentive structure. Mr. Skach said that may go to zoning, and, for example, the Downtown (B2) zoning allows a very wide variety of different types of business, and that they are currently looking at making that a little bit more streamlined. Ms. Kunze noted that potential businesses refuse to come to the Downtown unless there is an anchor store. She added that the challenge is getting the first one or two anchor stores and, and the rest will come.

A conversation then ensued regarding the benefits of using a Sunset strategy with a five-year deadline. Mr. Rockwell noted that it hastens the decision making process. Ms. Chalberg stated that the vision about certain areas could completely change in five years. Mr. Riordan noted that it is necessary to also have an overall general policy. He stressed the importance of laying out clear criteria noting that a third criteria could be requiring a minimum return from the anchor store.

Mr. Rockwell said that he would send an e-mail out to this Commission inviting them to the next Incentive Committee to start crafting the policies.

Mr. Kelch informed the group that Mr. Parilla has agreed to join this Committee. Mr. Parilla stated that this is a really good discussion, which makes a lot of sense. He agreed that the incentives should be for large ticket items, but that it also has to be a supply and demand tool. He added that car dealers do look at them and pit village against village but that only works to a degree because once a village has an established "automobile dealership row" with limited amounts of space, the automobile dealers will come regardless of assistance. He also said that incentives are impactful and that a lot of it has to do with the investment, the ROI, building a single purpose building versus a multi purpose building. Mr. Skach added that, regarding automobile dealership, certain other aspects could be considered incentives besides hard money, including the fact that Downers has a completely different upscale demographic and image.

Ms. Chalberg stated that Council and this Commission was behind the policy that was in place. Mr. Luka added that the only thing that should be done in this regard is to benchmark it and learn from it. Mr. Parilla added that the Village demonstrated its willingness to work with people, which is extremely positive. He noted that a recent particular deal excluded the proforma. Mr. Skach added that the proforma is really a preliminary step. Ms. Chalberg suggested that each case should be documented.

Mr. Riordan asked Mr. Kelch if there was going to be another meeting in the near future. Mr. Kelch replied that there was, focusing mainly on criteria.

Mr. Rockwell reported that the SIC (Standard Industrial Classification) project, stating that Mr. Skach has asked the EDC staff to come up with a targeting list of who the Village is trying to attract to the Community. He informed the group that he and Ms. Schuster have been using Standard Industrial

Classification to do this along with the newer model, the American Industrial Classification. Mr. Rockwell reported that they have come up with a list of appropriately 60-70 categories, but have not completed the list because this is probably something that should be worked through with the Incentive Committee or this Commission as a whole. Mr. Kelch requested clarification if this list is to identify the businesses this group would want to populate here, or is the list identifying acceptable businesses. Mr. Rockwell stated that it would entail the whole list of business categories available.

STRATEGIC PLANNING COMMITTEE

Mr. Riordan reported that the group is still meeting about every other week and they are currently reviewing each of the 13 business districts and refining the language in the Goal Statements of what the strategic plan is for that particular area. He added that from there, they will start addressing the Council and could take place with the Future Land Use Plan, which would give the group the opportunity to give the Council more details. Mr. Riordan also noted that a group of students from College of DuPage attended a meeting.

Mr. Skach summarized, for the new Commission members, the purpose of the workshops stating that this is on the planning and land use side and the EDC's Strategic Planning Committee is meeting with the Plan Commission and revisiting the Future Land Use Plan with respect to Commercial. He noted that in regards to attraction and retention, this is probably the item that has the biggest impact on how the Village structures it's land use to be able to attract and ultimately retain businesses. He added that the staff could coordinate a draft to this assembly.

Mr. Skach informed the group that the GIS presentation would need to be rescheduled due to the time constraints of this meeting.

OGDEN AVENUE

Mr. Kopis reported that the Ogden Vision was presented at the Council meeting the previous evening. He noted that the Council appeared excited and were on board this time with some concern regarding discussion on zoning amendments. Mr. Riordan noted that even though the Ogden Vision is an extremely positive document, the real challenge is getting it in place. Mr. Rockwell noted that the Council had asked for some defined next steps. He informed the group that the Ogden Vision was presented via PowerPoint with an excellent lead in from Ms. Skotterud. He added that Mr. Randall did an outstanding job of keeping the energy going as the presenter. The Council was very excited about it. Mr. Rockwell stated that the difficulty came with the simple request to no longer keep petitioners from coming in front of the Council and having a conversation about receiving a variance. He explained that the only variances that are allowable are the ones in the ordinance, and if a petitioner requests a variance that is not in the ordinance, it is not open for discussion. Mr. Skach added that there are a lot of complex issues here. He noted that the Council has not yet made a decision. Mr. Luka stated that there might be some confusion or concern that the Village may not legally be allowed to change the text of the variance versus the text amendment for parking, and then stop gapping that with a special use. Mr. Skach noted that there is concern that if the Village grants a variation to a petition, then they are bound to grant it to everyone else. Mr. Luka asked if someone requested a legal opinion on this. Mr. Skach replied that the Council requested that the Village Attorney look into it. Ms. Chalberg added that there are constant variations on lot splits, etc. that are economically beneficial to the community. Mr. Skach agreed but noted that in terms of zoning code issues, the basic charge is protecting public health, safety and welfare, which must be maintained. Mr. Luka suggested using handouts or the like, and getting back up in front of Council again on this issue. Mr. Rockwell assured him he would have another opportunity. Mr. Rockwell noted that there are a lot of vehicles that are close to the street by being "grandfathered" in, and those buildings are not being purchased because the new investor does not have the same option. Mr. Skach added there needs to be a balance. He added that there is also a heightened need for coordination on what EDC says on the marketing end, and the follow-through. Mr. Randall agreed that it was clear that there was

confusion and concern of what the legal ramifications would be; he suggested education. Mr. Rockwell asked the Commission if they felt they were educated enough on the importance of this issue, and if they were educated, enough to even talk to the Council. Ms. Chalberg suggested that the EDC meeting with the Council in a workshop setting. Mr. Luka questioned if this would get them their legal opinion. Mr. Skach stated that the Village Council had requested the Village Attorney to consult on this issue. He noted the Council was very current on these issues. Ms. Chalberg noted that if there is a perception there is an education gap, then that perception needs to be corrected. Mr. Rockwell noted that it is important that everyone understand the importance of the language of the ordinance. Ms. Chalberg asked if this could be part of the Incentive Package as a tool to help a business stay, expand, come, and could a workshop to present and work through what this group come up with in terms of incentives.

Mr. Riordan suggested the need for some immediate next steps to address this. Mr. Randall concurred and he also agreed with the workshop idea. Mr. Skach noted that this ties into capital planning and budget discussions. Mr. Riordan stated that education needs to be addressed. Mr. Rockwell suggested that the education discussion should go back to Mr. Skach as Director of Planning and Community Development and he added that he did not think that talking to the Council would be particularly useful. Mr. Luka stated that this group has to be able to sit down with the Council and address their concerns. Mr. Riordan stressed an immediate need for some education to some or all of the Council members regarding variances versus special uses.

Mr. Skach informed the group that the minutes from the Luxury Motors petition will be coming forward and will be forwarded to everyone. He added that there is potentially an issue regarding a Saab petition.

DIRECTOR'S REPORT

Mr. Rockwell informed everyone that he would e-mail them the report.

PLANNING & COMMUNITY DEVELOPMENT DIRECTOR'S REPORT

Time was yielded based on previous discussion.

TOURISM AND EVENTS

Mr. Randall reported that there is a great deal of PR going on via radio and television regarding the bike race this upcoming weekend.

DOWNTOWN MANAGEMENT CORPORATION

Ms. Kunze exclaimed that she was happy to be back. She reported that the new Irish shop needs a sign out front and business is a little slow right now, but should improve when the parking deck is finished. She also reported that Bally Doyle has windows now. She noted that there is a new store, Hot Rags, which is geared toward teenagers, specializing in t-shirts, necklaces, etc. Ms. Kunze also mentioned that Slim and Tone 30 Minute Workout has moved into the Downtown. Ms. Kunze stated that there is an abundance of office space available.

Ms. Kunze reported that the Downtown Management's annual meeting is scheduled for September 28th in their boardroom.

CHAMBER OF COMMERCE

Ms. Wysocki noted that the Chamber is finishing up their fiscal year, which ends in September, and that their annual meeting will be Sept 30th, and that their Nominating Committee is in the process for choosing some directors for the coming year.

OLD BUSINESS

None.

NEW BUSINESS

Mr. Rockwell reported that the pictures of the new board members are currently on the website.

COMMITMENT LIST

1. Mr. Rockwell will forward to this Commission, all documents that are sent to the Incentive Committee.
2. Commissioner Kelch will set up a meeting of the Incentive Committee to identify criteria.
3. EDC staff will provide a spreadsheet displaying SIC codes and the lists/results of the businesses this Commission is currently working to attract/retain.
4. Mr. Rockwell will e-mail the group a Director's Update.

ADJOURNMENT

Commission Chair Riordan motioned to adjourn the meeting; so motioned by Ms. Chalberg, seconded by Mr. Vlk.

Respectfully submitted,

Ginny Mindo, Recording Secretary