

Minutes

**Village of Bartlett
Economic Development Commission**

March 13, 2017

G. Kubaszko called the meeting to order at 7:00 P.M.

Roll Call

**Present: G. Kubaszko, R. Perri, N. Gudenkauf, C. Greene, D. Weir
R. Martino, Joseph La Porte**

Absent: N. Mehta, T. Smodilla

**Also Present: J. Plonczynski, Director Community Development,
T. Fradin, Economic Development Coordinator**

Approval of Minutes

A motion was made to approve the minutes of the February 13, 2017 meeting.

Motioned by: R. Perri

Seconded by: D. Weir

Abstain: J. LaPorte, R. Martino

Motioned carried.

INTRODUCTION OF NEW MEMBERS

T. Fradin stated he was please to introduce two new commissioners Joseph LaPorte and Russell Martino.

J. LaPorte introduced himself to the Economic Development Commission [microphone was not yet on].

R. Martino stated he has been a resident of Bartlett for 25 years. His family owned a farm next to the Cadillac Ranch. Currently he is Project Manager for Meade Electric for the last year doing larger commercial projects, prior 24 years with Continental.

G. Kubaszko introduced all of the commissioners to the new members.

T. Fradin stated the Economic Development Committee consists of nine members with one being from the Bartlett Chambers of Commerce.

CHAMBER of COMMERCE UPDATE

N. Gudenkauf stated she is President of the Bartlett Chambers of Commerce and gave a brief description of what the role is as Chambers of Commerce of Bartlett. N. Gudenkauf noted there were several changes in the past two years. At present there are about 300 members. Just recently absorbed, is the Hanover Park Chambers of Commerce, making two Chambers in one. Another change is the Chambers is relocating to the BMO Harris Bank, on Main Street. The Chambers hosts casino nights, luncheons, golf outing June 22. The events are listed on the website bartlettareachamber.com, for more information. Currently they are focusing on larger businesses in town. N. Gudenkauf stated she will bring Chamber Directories next month once the move to their new location is complete.

Brewster Creek Business Park Update

T. Fradin stated, especially to the new members, the EDC talks about all areas of development within the Village. A majority of the time is talking about the Downtown Business District as well as the Commercial/Industrial areas. Brewster Creek is on the agenda this month due to the recent updates. Staff has update the maps with a list of the businesses located in the Park. Staff completed field inspections of the businesses and now the Brewster Creek Business Park section of the website has now been updated as promised from the last meeting.

T. Fradin stated the last time the business list was updated there were about 70 businesses and now it is close to 90 business within 39 buildings. Several calls per day are inquiring about Brewster Creek Business Park. T. Fradin stated there are two additional buildings under construction, with a third was just completed. One of the larger buildings in the Business Park, Dania Furniture, 1340 Brewster Creek Blvd., 300,000 sq. ft. has now been vacated.

T. Fradin went on to discuss the food cluster, which is the larger food businesses in the Chicago area which are located in Brewster Creek. This includes Greco, Rana Foods, Cheese Merchants and Get Fresh Produce. Also, Brewster Creek now has four high tech precision German based businesses. Two of which have been in Brewster Creek for over 10 years, Herrmann Ultrasonics and Wittenstein. Newer one include Bremskerl, brake manufacturer, who have been there for two years and BBS Automation, have been there about six months.

T. Fradin stated he has attended a German/American Chambers of Commerce meeting with the intension of attending more.

Automotive Cluster: There are a couple of auto components supply chain. Bartlett, Hanover Park, Streamwood & Elgin has a strong workforce.

Businesses open to the public such as boarding pets and learning self-defense. There are several businesses that are not just business to business. The list of businesses in the business park has now been updated. This has been linked to the Village website. T. Fradin stated some of the speculative buildings were finished at a bad time such as in 2008/2009, some of which sat empty for a few years. There is a new building which is due to break ground soon and will be the largest building in the Village at over 400,000 sq. ft. The very large buildings are in high demand.

T. Fradin stated there is space on Schiferl that has been divided and half of the building has already been leased by Winhere Brake Parts. The Dania Furniture building has just gone on the market, 300,000 sq. ft. Brewster Creek has well over a million sq. available. 800,000 sq. ft. of this is new construction. T. Fradin referenced the map that was included in the EDC packet. The properties off of Humbracht Circle have condominium units, some have four units and some have eight.

J. LaPorte asked what the occupancy rate is at Brewster Creek, how many sites available and how many are already filled. T Fradin stated the occupancy rate is in the 70-75 % range. The Cook County portion is not shown on the map, the map only shows DuPage County.

J. Plonczynski stated Staff is currently reviewing a building near Rana Foods that will hopefully be submitted sometime next year. The owner of the concrete plant, may move to the Cook County portion taking up 25 acres. J. Plonczynski also stated there has been internal financial, infrastructure movement in the Business Park. Within the last few months the whole business park has been refinanced with a new \$14 million bond issue. The original developer notes have been paid off. With the refinancing it is projected to be enough to refill, level off and regrade all of the lots and put in additional infrastructure. Also, The Village is reducing the letter of credit, accepting all the roads officially in the Village. An engineering agreement has just been signed with Com Ed for Spitzer Road. The north end of Spitzer Road will be developed once the Com Ed poles are moved and put underground.

J. LaPorte stated Bartlett did something right with the business park, having a 70% occupancy rate being with what the real estate market is at this time. J. LaPorte asked what was done to make this 70%.

T. Fradin stated several brokers have merged. C.B. Ellis have started picking up some listing within Bartlett. Newmark Grubb Knight Frank is the result of most of the mergers. Bartlett has become one of the big players in the industrial market. EDC has been marketing this business park, with print and digital advertisement, open houses and networking events. Also being in DuPage County helps with the success because of the taxes are more favorable on commercial and industrial real estate, than in Cook County. Build to suit has helped in the success of the industrial parks. Good proximity to roads and good workforce also helps.

C. Green started that the industrial park is also in a TIF district which also helps.

T. Fradin stated Bartlett doesn't offer a direct TIF incentive but the whole park is being developed under TIF financing. The Village reimbursed over \$30 million dollars' worth of expenses to help develop the park and the land. Also, with the refinance this adds another \$14 million dollars to be invested by the Village through the TIF. This will be pay for the roads, grading, filling, soil, water /sewer infrastructure, lighting and landscaping because it was a gravel pit. Totaling over \$44 million dollars.

J. LaPorte questioned if the Village was in danger of losing business once the TIF expires in 2022.

J. Plonczynski stated it is always a possibility but there is a strong core. The Dania building was just sold. The biggest asset is the food cluster which seem to attract businesses of the same type. Rana Pasta will soon be the largest pasta manufacturing company in the America. Olive Garden serves Rana Pasta. It is also sold at Walmart & Jewel. They have just started packaging a pasta and sauce combination that was high in demand starting out at 2000 cases and are now up to 10,000 cases a month. Rana is expanding into another building and wish they could find more. Companies like this may buy other food companies out just to expand. J. Plonczynski continued, stating Rana Pasta is in the Bartlett because of Greco. Greco started in Bartlett, expanded and brought other companies with them. Greco Cheese Merchants is the second largest just behind Kraft foods/cheese. Brewster Creek Business Park owner is very good to the Village. Rana Foods is bringing their corporate offices with another refrigerated food line to Bartlett. Staff have encouraged them to build four stories as opposed to three with a large mural that will stand out in the business park.

G. Kubaszko questioned "Open to the Public" businesses, how do people know that they are in the business park since they are off the beaten path.

T. Fradin stated advertising and through word of mouth. Some do marketing through the Chambers of Commerce, through local publication and social media. People request a list of businesses, usually used for solicitation purposes.

G. Kubaszko stated he thought it was odd that certain businesses would be in a business park, as to another location.

T. Fradin some businesses purchase units as opposed to renting for years.

J. Plonczynski stated the zoning was designed to make the business park mixed use. Zoning allows for commercial with flexible use space.

G. Kubaszko asked if there were no other options for such businesses.

T. Fradin stated a report was done in January with all the economic indicators, an industrial space can be rented for \$4.00 or \$5.00 a sq. ft. as opposed to \$12.00 in some of the plazas. If a business is not relying on walk in traffic then this is a better option. Also, the business park is in DuPage County the taxes are lower for those who purchase a unit.

J. Plonczynski stated there was indoor batting cages and basketball that were there for over ten years.

R. Perri stated St. Charles houses a large sports facility in buildings that are similar to Bartlett.

J. LaPorte asked what is the overall goal for Bartlett, commercial, retail or both?

T. Fradin stated Bartlett wanted both. Commercial, restaurants, retail and a grocery store. The industrial space is closer to building out than starting. The goal for the near future to be talking about another large food or manufacturing coming in. The TIF district will expire in 2022. Brewster Creek was originally assessed at \$2 million dollars, it is now over \$50 million. The equalized assessed value for 2022 is impossible to predict.

J. LaPorte asked if Bartlett benefits from tax dollars.

T. Fradin Bartlett benefits from all of the taxing district, this way Bartlett doesn't rely on just one company in the event that a large corporation leaves, it will not have such large impact on our tax base.

J. LaPorte asked if more businesses are built will they attract more retail, and will businesses make more revenue than retail, such as grocery stores compared to Greco Foods.

T. Fradin stated each fall into different categories. No retail sales tax come out of the business park, it provides employment for the area with more income tax. Once the TIF ends all of this will be taxable real estate for the taxing districts.

J. LaPorte asked what is it that Bartlett is lacking that the big box stores want and that the business parks are not fulfilling.

T. Fradin the daytime population is not where it needs to be to attract big retailers. Also, some of our larger vacant sites are in Cook County.

J. LaPorte asked if the Cook County land be zoned for a corporate headquarters or a hospital that would bring in more jobs, people into Bartlett.

J. Plonczynski stated the property at W. Bartlett and Munger Road, northwest corner, was owned by Central DuPage Hospital. Several years ago there was hope they would build a hospital at that location. They decided to build on their campus instead. J. Plonczynski went on to say a medical facility will be going into one of our vacant building in the near future. The larger big box stores, Farm & Fleet, Meijer's, Menards and Walmart were all contacted but are not expanding at this time. Some owners of larger properties are difficult to work with. The office developments want to be closer to the major expressways. The goal is to finish the industrial users and industrial land on W. Bartlett Road and annex from Elgin into Bartlett. On W. Bartlett and Rt. 25, there is 125-130 acres that is starting to develop. More retail should be out there. Currently the Village is revising a Strategic Plan looking into redeveloping the downtown and possibly another TIF district in the downtown. Car wash at Rt. 59 and Schick, Bannermans is looking into putting in a sports bar with a Duncan Donuts. BAPS Temple has a large piece of land on Army Trail that will be going commercial.

J. Plonczynski continued, another project is the 390 extension. A revised feasibility study was just completed. Elgin, Hanover Park, Bartlett & Streamwood are requesting the State Department of Transportation to send it into Phase 1 study. This takes it from being just an idea, into a potential highway.

R. Perri asked **J. Martino** what would he like to see come to Bartlett. **J. Martino** stated anything that would make our taxes go down, and was excited to hear about all of the businesses coming with influx of tax dollars and is very content with the Village. If commercial is brought in the retail will follow.

R. Perri stated big ticket items such as a car dealership would create a lot of sales tax revenue.

J. Plonczynski stated the Village was working with the Toyota dealership on Lake Street, however there wasn't enough land that they needed. There is the potential of Toyota bringing other business to the south side of Lake Street which is in our TIF district. In the past, Bartlett was the motor home sales capital of the Midwest. We still have a motorhome sales business that we are hoping he expands his business now that the economy is better.

NATIONAL KARATE BUSINESS VISIT

T. Fradin stated he and N. Gudenkauf met with the owner of National Karate in February, 2017. This very successful business has been in Bartlett for 20 years at Devon and Prospect Plaza. The owner, C. Nelson, owns five locations as well as twenty five in Minnesota. Overall he is pleased with the location. The basis for the meeting is to keep his business in Bartlett. National Karate offers Krav Maga, which is hand to hand combat system of the Israeli defenses forces. This is offered to try and bring in an adult clientele.

NEW BUSINESS

T. Fradin stated featured the Bartlett Letter that comes out April 1st, is the new Ziegler's Ace Hardware in Bartlett Plaza. Also, another restaurant opened, Flappy's Pancake House on Army Trail in the former location of O'Hare's Pub which is now located in the Town Center formerly

R. Perri asked about Tipsi Monkey, Platform 18 or Lucky Jacks.

J. Plonczynski stated two of the businesses are in various stages of legal issues and cannot be disclosed at this time.

T. Fradin stated he has been in contact with several prospects for the former Tipsi Monkey. This space is a very close to move in ready and has an excellent broker for the property.

R. Perri asked if there is a liaison representing Brewster Creek. Such as when Greco brought in Rana Pasta, who do they know, the circles they run in and can Bartlett capitalize on their contacts?

T. Fradin stated he will get that information.

J. Plonczynski stated the owner of Brewster Creek is the main contact, who knows the right people to market the business park.

G. Kubaszko asked if there is a motioned to adjourn.

Motioned to adjourn by: R. Perri
Seconded by: D. Weir

Motioned carried

Meeting adjourned at 8:15 PM