

AGENDA
COMMITTEE OF THE WHOLE

**City Hall – Council Chambers
3600 Kirchoff Road
Rolling Meadows, IL 60008**

May 16, 2023 – 7:30 p.m.

- 1) 2023 Business Development Strategic Plan Project**
- 2) Comprehensive and Subarea Planning Discussion**
- 3) Former Fire Station 15 at 3111 Meadow Drive Next Steps Discussion**
- 4) Rebranding Initiative**

COMMITTEE-OF-THE-WHOLE – May 16, 2023

1) 2023 Business Development Strategic Plan Project

Attachment:

- 2023 Business Development Strategic Plan – Process Review & Suggested Plan Topics
- Power Point Presentation

Summary:

The City is in the process of creating a Business Development Strategic Plan (“Plan”) to ensure the continued growth and vitality of the Rolling Meadows community (Strategic Plan Process Review & Suggested Plan Topics attached).

Upon its expected completion in late 2023, the Plan will detail an ambitious set of strategies and actions to support the local economy. The purpose of the Plan effort is to develop a set of measurable strategies and actions to support economic activity and business growth within the community. With a Plan horizon of approximately 3 years, the Plan will be a dynamic document subject to nearer term change as business conditions change. The Plan would be updated every 3 years to maintain relevance and to incorporate evolving commercial trends.

The business climate throughout the Chicago metropolitan area is evolving with the rise of e-commerce and shifting consumer habits, both of which were exacerbated by the pandemic. The Plan will include a robust evaluation of the impacts of these paradigm changes, with the ultimate goal of setting forth a work plan to ensure continued business vitality and growth in the community matched with exceptional consumer experiences for the public.

Purposefully robust in scope, the effort will involve a series of focus group discussions among City staff members, elected leaders, EDC members, local business and real estate representatives and other key constituencies. The City will undertake extensive research of best practices in business development, conduct analysis of existing conditions, and complete a full review of Rolling Meadows’ current business development policies, activities and programs. Ultimately, the Plan will be carried out by City staff with guidance from the City Council and EDC.

The Economic Development Committee (EDC) reviewed a draft “2023 Business Development Strategic Plan – Process Review & Suggested Plan Topics” at their April 3, 2023 Regular Meeting. Following discussion, the EDC approved attached outline.

Direction Requested:

Staff requests Council’s discussion and opinions on the following questions:

- 1) Council feedback on the Business Development Strategic Planning process?
- 2) Are there any items that may have been missed from the work plan that should be included?



2023 BUSINESS DEVELOPMENT STRATEGIC PLAN

Process Review & Suggested Plan Topics

1. Ongoing – Review other business development strategic plans for best practices, etc.
2. January – Outline Business Development Strategic Plan process and work schedule.
3. April 3– Meet with EDC to discuss the process, next steps and desired policy objectives.
4. May 16 - Meet with COW to discuss the process, next steps and desired policy objectives.
5. May through July - Focus Group Meetings:
 - Business owners and management staff (TBD)
 - Property owners
 - Arlington Park vicinity (Arlington Office Park, Bear Construction, Sparrowhawk, etc.)
 - Commercial/office
 - Aloft/Holiday Day Inn Express
 - Atrium
 - Avalon Realty
 - Bradford Real Estate
 - Continental Towers
 - Imperial Realty
 - Marc Realty
 - North American Real Estate
 - Pacifica Rolling Meadows
 - Phillips Edison
 - Stadium Club Center
 - Stahelin Partners
 - Timbercreek Capital
 - Industrial – Total List TBD
 - 5000 Newport Drive
 - Mercury Corporate Center
 - School Health
 - Restaurants (TBD)

- Realtors (TBD)
 - Commercial
 - Residential
- 1:1 with largest sales tax generators (Meijer, Walmart, Jewel, etc.)
- 1:1 with top employers (Northrop Grumman, Arthur J. Gallagher, Verizon, A&H Management, etc.)
- Partners (DCEO, Meet Chicago Northwest, SBA, Next Level Northwest, Harper College, Chamber)
- Residents (open houses, set ups at events TBD)
- IEDC Input

6. July – Meeting with Mayor/Council Liaison/EDC Chair to discuss business development initiatives

7. August 7 – Present public feedback and suggested considerations to EDC

8. August/September – Draft Plan

9. October 2 – Present Proposed Plan to EDC

10. October 17 – Present Proposed Plan to Council at COW

11. November – Open House to introduce/kick off plan

- Press release to Crain’s Business; Daily Herald; Journal and Topics; Chicago Tribune

Suggested Plan Topics

1. Community Profile and Business Districts Overview
2. Arlington Park Redevelopment Impacts
3. Local/Regional Partnerships
4. Communication, Outreach and Marketing (including public education)
5. Community Vibrancy, Events and Quality of life
 - Things to do/activities/recreation
 - Community
 - Attractions
6. Encouraging Entrepreneurship
7. Business Recruitment/Talent Attraction
8. Business Retention and Expansion
9. Financial Resources and Incentives
10. Development, Redevelopment and Repositioning Activities (include accomplishments and objectives)
 - Infrastructure investment
 - Transportation services and options (bus, rail access, multi-use paths)
11. Working with the City (business and liquor licensing, permit process, planning and development, comprehensive plan)
12. Sustainability

2023 BUSINESS DEVELOPMENT STRATEGIC PLAN

May 16, 2023 Committee-of-the Whole



Plan Goals

- Articulate Measurable Business Development Strategies & Actions
- Engage Local Stakeholders & Leaders
- Adapt to Changing Business Conditions
- Develop Programs to Enhance Business Development & Encourage Investment
- Three Year Plan Horizon



Plan Focus Areas

- Business Retention & Attraction
- Marketing & Public Education
- Local & Regional Partnerships
- Policy Considerations
- Administrative & Regulatory Processes
- Development, Redevelopment & Repositioning Strategies
- Infrastructure Improvements



Process Review

- April - Economic Development Committee (EDC) Input
- May - COW Input
- May/July - Focus Group Meetings
- July - Mayor/Council Liaison/EDC Chair to Discuss Business Development Initiatives
- August - EDC Feedback
- August/September Draft Plan
- October - EDC Draft Plan Review, Council Review
- November - Finalize Plan and Hold Open House



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2) Comprehensive and Subarea Planning Discussion

Attachments:

- None

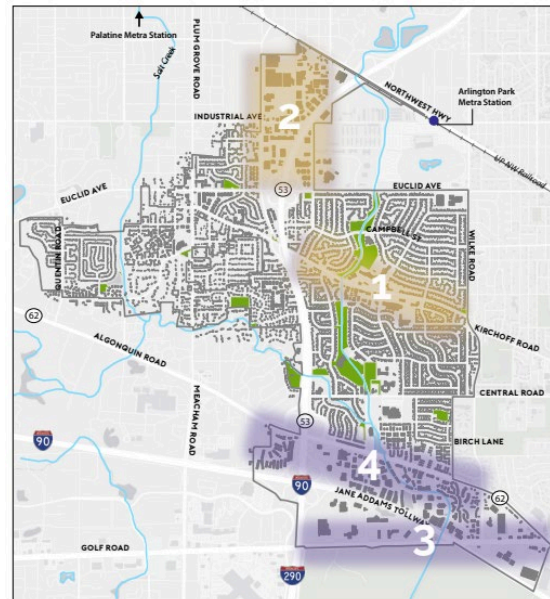
Background: Comprehensive Plans are key policy documents for municipalities that serve as long-term plans to guide the growth and development of communities. Comprehensive Plans are intended to address many aspects of community development over 20-30 years such as land use, housing, parks and recreation, transportation, public utilities and infrastructure, and economic development among others. In addition to its policy value, an adopted Comprehensive Plan is required by statute as a pre-requisite to the City’s exercise of its planning and zoning powers and the City’s exercise of these powers should be consistent with the Plan.

In April 2019, the City adopted a new Comprehensive Plan. While still relatively new, there have been significant changes to the macro-level assumptions underlying the plan:

- The closure of Arlington International Racecourse and its subsequent acquisition by the Chicago Bears
- Societal changes resulting from the COVID-19 pandemic, especially as to commercial offices; commuting patterns; and future growth potential for retail and multiple-unit residential land uses

Discussion: These new conditions present challenges and opportunities in two key subareas identified in the Comprehensive Plan – the Kirchoff Road Corridor (#1 on top right) and the Northwest Industrial District (#2 on top right). The depth of planning for these subareas was relatively limited in the 2019 Comprehensive Plan due to scope and funding constraints; each district has about one dedicated page. City staff proposes to use a small portion of the American Rescue Plan Act parallel funding allocated to economic development to update the Comprehensive Plan by pursuing more detailed subarea planning in these two locations.¹ It is critical that the City plan before, rather than as, change begins to be realized in these areas. The scope of work to do so may include these concepts:

A. Kirchoff Road Corridor: The Comprehensive Plan envisions this subarea as *“strategically noteworthy as the ‘Center of Town.’ Its mix of activities defines the physical and communal center of Rolling Meadows resulting from its commercial, service, civic and recreational uses.”* The City has continually invested in revitalizing this corridor, and in the late 1990s and early 2000s pursued pedestrian- and bicyclist- friendly streetscape updates including the reconstruction of the Salt Creek Bridge and the erection of the Carillon Bell Tower. The Corridor is primarily still a mix of residential and automobile-oriented uses.



KEY SUBAREAS

City of Rolling Meadows Comprehensive Plan

- | | |
|-----------------------------------|---------------------------|
| 1 Kirchoff Road Corridor District | 3 Golf Road Corridor |
| 2 Northwest Industrial District | 4 Algonquin Road Corridor |



¹ From an accounting standpoint, the City has already spent 100% of its ARPA funding on eligible expenses that would have otherwise been paid from the General Fund. These expenditures have created a surplus of money in the general fund that Council has designated for capital and planning purposes. There are no restrictions on the use of these funds. The City refers to their use for one-time investments as “ARPA Parallel” funding.

The changing conditions described above, paired with a high area of vacant- and City- controlled sites within the Corridor, make it possible and likely that there will be significant pressure for redevelopment. Timely planning may allow this district to more fully realize its vision in the Comprehensive Plan and serve as a vibrant and walkable “downtown” district that acts as an amenity for Rolling Meadows residents as well as an attraction for visitors to the redeveloped Arlington International Racecourse. A subarea planning study for this corridor may consider:

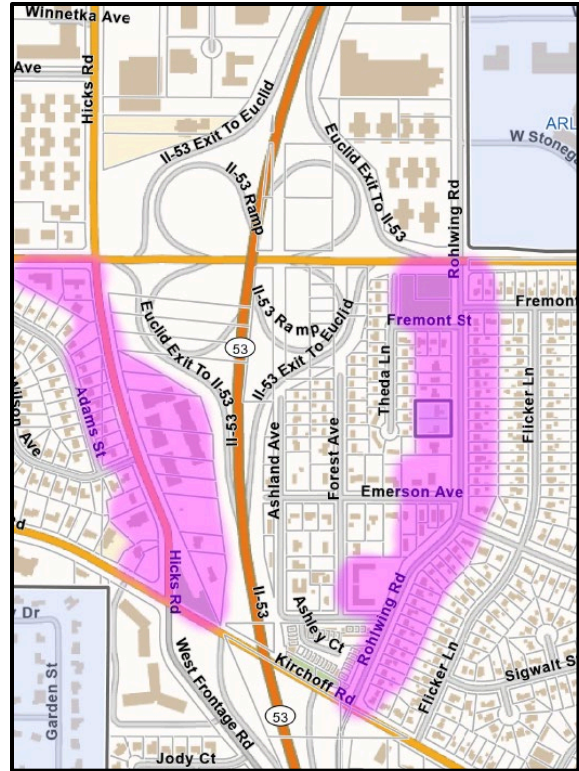
- The **configuration of Kirchoff Road** (e.g. lanes, signals, intersections, pedestrian and bicycle amenities, etc.)
- Facilitating **mixed-use development** that includes residential components above the first floor, similar to recent projects in our neighboring downtowns
- Opportunities to create **public parking** (on-street and dedicated facilities / lots)
- Appropriateness or necessity of current **minimum parking requirements** for private development
- **Wayfinding strategies** to create a sense of place and highlight destinations
- Better integration with and access to **Kimball Hill Park and Salt Creek**
- Redevelopment of **key available sites**:
 - 3111 Meadow Drive (former Fire Station 15)
 - 2835 Kirchoff Road (east of former Taco Bell)
 - 3500 Wellington Court (diagonal from City Hall)
- Considerations for the large land area of **religious users** in the corridor, and what happens if those uses change over time

B. Northwest Industrial District: This district primarily consists of business park and industrial land uses, and the Comprehensive Plan anticipates that future users should be consistent with this character owing to the existing buildings, infrastructure, and lower traffic counts that would not support retail. Since the Plan’s adoption, there have only been increasing trends and pressure towards accommodating new and creative users within the District’s flexible tenant spaces. The proximity of the District to the Arlington International Racecourse redevelopment, paired with its aging building stock and the alternative locations available for tenants, may lead to *rapid* change after redevelopment plans for the Racecourse are finalized. A subarea planning study for this district may consider:

- **Changes in use trends**, including:
 - If and how to integrate destination and tourism-oriented businesses that serve visitors to the Arlington International Racecourse redevelopment
 - Appropriateness of retail and service uses in a “flex” district approach, especially visitor-heavy uses such as alcohol manufacture (e.g. breweries)
 - Preparing for increased logistics development in the regional market
 - Managing compatibility of the above with existing users
- Appropriateness or necessity of current **minimum parking requirements** for private property
- **Roadway configuration**, including strategies for streetscape, pedestrian, and bicycle amenities that are compatible with both industrial and mixed uses traffic patterns
- Preliminary consideration of **transit facilities and connections** that may serve users within the District as well as the redeveloped Arlington International Racecourse site
- Identifying **key sites** for potential site assembly for redevelopment, including preferred users and placemaking strategies for each

C. Connecting Areas. A possible third subarea may consist of the connecting roadways of Rohlwing Road and Hicks Road where they lie between Kirchoff Road and Euclid Avenue. These areas are characterized by single-unit residential frontage with limited multi-unit residential and light commercial users. These areas are too small for significant subarea planning, and are too different in character from the Kirchoff Road Corridor and the Northwest Industrial District to be grouped with either. However, these two corridors will likely benefit from some degree of more specific, individualized management in the future dependent on how traffic to the Arlington International Racecourse redevelopment is routed.

Recommended Action: Staff recommends that the City Council provide feedback on the proposed scope of these proposals. At the end of its discussion, the City Council is asked to consider directing Staff to issue a Request for Proposals and begin the process of recruiting a qualified firm. The study process is likely to take 10-16 months after a consultant is authorized by Council.



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3) Former Fire Station 15 at 3111 Meadow Drive

Attachments:

- None.

Background: The City’s former Fire Station 15 at 3111 Meadow Drive was vacated by the Fire Department in December 2019 following the construction of a new Fire Station 15. The property consists of an approximately 5,400 square foot building footprint located on 18,000 square feet of land (lot dimensions of 120’x150’). The existing building is two-stories with a frontage consisting of three fire apparatus bays. It was constructed approximately at the founding of the City in 1954. An October 2010 inspection said that “observed deterioration [...] varied from fair to poor” and proposed repairs with an estimated cost, in total, between \$257,545 and \$303,465. A November 2019 appraisal report provided an opinion of value for the property at \$507,000 assuming, among other things, that the structure was in “average condition suitable for adaptive reuse.”

In 2020, the City directed Colliers under a commercial broker agreement to facilitate the sale of the property. In early 2022, the City entered into negotiations with Coaction Corporation to redevelop the property as a “food hall” incubator space featuring six small restaurant tenants on the first floor; an event space and bar on the second floor; and an outdoor covered patio dining area. The City ended negotiations with Coaction earlier in 2023. At that time, Staff was directed to present options to continue to pursue redevelopment of the property for the City Council’s consideration.

Discussion: Based on the City Council’s previous discussions, we understand that the City’s priorities are, in no specific order, to:

- Return the property to a productive and revenue generating use.
- Obtain a reasonable value for the property given the City’s desired uses, which may be less than the appraised or fair market value.
- Recruit a user that will serve as an amenity for Rolling Meadows and its residents, such as restaurants; breweries, wineries, and distilleries; or other attractions. Avoid residential uses in any floor or component of the redevelopment.
- Realize architectural and landscape design that is consistent with the City’s intended evolution of the Kirchoff Road corridor as a pedestrian-oriented commercial corridor.

In order to best realize these goals, Staff recommends that the City Council discuss the following key decision points that will affect the marketing and sale of the property:

- Goals.** The City Council should discuss if the reuse or preservation of the existing fire station building should be included among the other goals identified by Staff above, as well as any other goals.
- Timing.** In general, commercial lending for real estate development is becoming more difficult as commercial financing tightens amid stresses on the commercial real estate sector and the banking sector as well as the current interest rate environment. Many of the uses or developments that would be of the greatest interest or benefit to the City are among the riskiest, more so without a mixed use component, and may be more difficult to finance at this time.

The City may begin corridor planning on Kirchoff Road (see previous agenda item) which would include the property. The conclusions of this study may add clarity as to the best or realistic options for redevelopment, as well as actions by the City Council that may be necessary or desirable to sell the property consistent with its goals. The City may pursue a sale immediately, or may choose to wait until the study’s conclusion before it again seeks a buyer for the property. As discussed in the previous agenda item, this process may take 10-16 months. In total, after accounting for this delay, the marketing and sale process, and redevelopment, waiting likely leads to the property lying vacant for 6-8 years in total (e.g. since 2019) without a productive use.

- C. **Marketing Plan (Broker vs. RFP).** The City previously marketed the property by using a private commercial real estate broker. An alternative marketing method, also common for municipalities, would be for the City to conduct a competitive Request for Proposals process to identify a developer. Some of the considerations when choosing a sale method include:
- a. **Objectives:** Brokered sales are more oriented towards obtaining the best or market price for the property, and implicitly assumes that the seller has limited concern for the use of the property after it is sold. The RFP process is more oriented towards evaluating a proposal against a diverse set of goals and objectives and the property’s long-term use.
 - b. **Costs:** A broker is typically paid a commission as a percentage of a sales price, and may have recourse to obtain their commission if the City does not close a qualified sale. The RFP process requires a greater commitment of staff time, but no cash outlay to third parties.
 - c. **Knowledge:** Brokers typically have more information about the market and its transactions and participants than Staff, which can help recruit buyers. A broker may also represent multiple sellers and potentially competitive properties, which may help or hinder the recruitment of buyers. The City believes it has the expertise to select an offer and negotiate a sale under either method.
 - d. **Submissions:** A brokered offer is typically submitted on a standard form that primarily focuses on the business terms of the deal, especially price, earnest money, and time to closing. RFPs commonly involve more complicated submittal requirements, which may include concept plans; project budgets; proof of financing or financial capacity; resumes; and so on. These requirements can also narrow the pool of purchasers. Some RFPs of this type use a two-stage approach and only ask the most competitive/qualified proposals to continue; in these cases, the seller may even offer a payment to proposers for the investment of time necessary to prepare the second submittal.
 - e. **Fixed Deadlines:** In a brokered sale, offers arrive and must be considered on a rolling basis. In an RFP process, there is a fixed deadline for offers and all offers are evaluated concurrently. This can provide additional clarity as to the true market value of a property given the City’s goals and objectives.
- D. **Additional Work.** The City Council should consider directing Staff to pursue an updated appraisal, Phase 1 environmental study, or other investments that can reduce uncertainty and improve the attractiveness of the property, regardless of when or how the City markets it for sale.

Recommended Action: Staff recommends that the City Council discuss the following decision points, as well as the following Staff specific recommendations concerning each:

- A. **Goals – Does the Council concur with the goals presented on the first page?**
Should the City discourage or refuse proposals that demolish the existing building?
Staff offers no recommendation.
- B. **Timing – When should the property next be marketed?**
Staff recommends not soliciting or considering offers for the property until the Kirchoff Road corridor study is completed and adopted by the City (10-16 months).
- C. **Marketing – How should the property be marketed?**
Staff recommends marketing the property utilizing a Request for Proposals.
- D. **Additional Work – Should the City invest additional resources into sale of the property?**
Staff recommends obtaining new studies of the property in order to maximize the odds and benefits of redeveloping the property.

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4) Rebranding Initiative

Attachment:

- None.

Summary:

The City of Rolling Meadows' many assets sets itself apart from many other suburbs as a destination of choice for business, developer investment, shopping, dining, experiences, and for prospective residents and visitors. As the City looks ahead to the evolution and growth of the community the City is at an inflection point that offers an opportunity to modernize the City's brand and how the community desires to present itself to amplify the significant opportunities and benefits of choosing to call Rolling Meadows home or your place of business.

A timeliness exists for the City to explore its branding and incorporate a new brand into important and highly visible projects that will be focal points of the City for decades. With planned improvements in the next few years to Rt. 53 bridges within Rolling Meadows, IDOT has presented an opportunity for the City to feature aesthetic and branded improvements that are incorporated into the renovated bridges to build awareness of the City. With an average of 105,000 vehicles passing through Rolling Meadows daily on Rt. 53, incorporating the City's brand into highly visible infrastructure helps build name and location recognition and creates awareness of the City.¹ The City is also planning to repaint its water system standpipe on Apollo Drive which is highly visible from I-90 in a location that has an average of 137,800 vehicles driving by it daily. Under current conditions, there are a total of 242,800 vehicles on average that pass by these two highly visible locations which present a significant opportunity to build brand and place recognition of Rolling Meadows (for frame of reference, an average of 275,000 vehicles use the Kennedy Expressway to get to and from Chicago on a daily basis). In addition, private redevelopment offers opportunities to feature Rolling Meadows branding as part of their aesthetic, and at least one developer has already approached the City seeking this partnership.

Rolling Meadows has long been known for its rich history, beautiful landscapes, and vibrant community. However, as our city continues to evolve and grow, it is crucial that we proactively communicate our forward-thinking and innovative approach, as well as the exceptional quality of life we offer to residents. A strategic rebranding effort will enable us to do just that by presenting our image as a community that supports development and investment, that is a safe and vibrant community to call home, and that is a highly accessible and visible destination. Here are the key advantages of pursuing a rebranding initiative:

- **Differentiation and Competitive Edge:** In a highly competitive economic landscape, it is essential for Rolling Meadows to stand out among other cities in our region. A rebranding initiative will allow us to differentiate ourselves by highlighting our unique attributes, such as our strategic location, supportive business environment, strong infrastructure, and excellence in public safety. By showcasing our forward-thinking approach and innovative spirit through a brand that embraces who we are and where we are going, the City can attract businesses, entrepreneurs, and investors who are seeking a city that embraces progress and fosters growth.

¹ All traffic counts provided by the Illinois Department of Transportation from studies performed in 2021.

- **Business Development and Investment Attraction:** A well-executed rebranding strategy will position Rolling Meadows as an attractive destination for business development and investment. By effectively communicating our city's economic potential, we can capture the attention of companies looking to expand or relocate. A compelling brand image will demonstrate our commitment to creating a conducive business environment, leading to increased investment, job creation, and economic prosperity for our community. A strong brand also helps promote the professionalism of the City ensuing confidence into people who choose to invest in the area.
- **Enhanced Regional Tourism and Visitor Experience:** Rolling Meadows has much to offer in terms of attractions, recreational opportunities, and cultural experiences. However, it is crucial that we effectively market these assets to potential visitors and compete for their dollars. A rebranding initiative will help us create a strong tourism identity, highlighting our natural beauty, community events, and dining options. By positioning Rolling Meadows as an appealing destination, we can attract visitors, boost existing tourism-related businesses while attracting additional ones, and stimulate economic growth.
- **Talent Attraction and Retention:** In order to maintain our economic vitality, it is imperative that we attract and retain talented individuals who will contribute to our city's growth. A well-defined brand that showcases our high quality of life, excellent educational institutions, and recreational amenities will serve as a magnet for skilled professionals and families seeking an ideal place to call home. By fostering a reputation as a desirable residential community, we can attract a diverse range of residents who will contribute to the social fabric and economic prosperity of Rolling Meadows.
- **Community Engagement and Civic Pride:** A rebranding initiative provides an opportunity to engage our community in a meaningful way, fostering a sense of pride and unity among residents. By involving stakeholders in the branding process, we can ensure that our city's identity is reflective of our shared values and aspirations. A cohesive brand will strengthen community bonds, inspire volunteerism, and encourage active participation in local initiatives.

Undertaking a rebranding initiative requires careful planning, commitment, and resources. To commence this rebranding initiative, Staff seeks to engage with a consultant to guide the City through a comprehensive rebranding initiative that will feature residential and commercial engagement along with input from City Council, staff, and committees. The consultant would work to identify the assets and characteristics of Rolling Meadows that make it unique along with its vision for the future and create a brand that will be incorporated throughout all media platforms, signage, communications, and be a featured image throughout the community and beyond.

It is recommended that the City undertake an RFP process to identify a consultant to conduct the rebranding process for the City and to provide deliverables such as a new logo and signage imagery; new brand imagery for communications; and brand identity materials. The funding for the rebranding initiative is included in the ARPA Parallel Funding for economic development purposes.

Direction Requested:

Staff requests Council direction to prepare an RFP and procure the services of a branding consultant to perform a comprehensive rebranding for the City.