

**City Of Rolling Meadows
Economic Development Committee Minutes**

Tuesday, February 6, 2018

Members Present:

Paul Anderson
Lena Allegra
Dave McNaney
John D'Astice
John Sokolowski

Absent:

Laura Majikes
Bill Giambrone
Glenn Adams
Phil Spiewak

Others Present:

Barry Krumstok, City Manager
Melissa Gallagher, Finance Director
Martha Corner, Business Advocate
Deb Austerlade, Administrative Assistant
Linda Ballantine, Chamber of Commerce

Prior to calling the meeting to order, Mr. Krumstok requested a motion to elect an Acting Chairman of the Economic Development Committee for tonight's meeting in the absence of Chairman Adams. Member McNaney made a motion for Member D'Astice to be Acting Chairman, seconded by Member Sokolowski. With no further discussion, the motion was unanimously approved by the membership.

Call to Order

Having established a quorum, Acting Chairman D'Astice called the meeting to order at 6:05 p.m.

Approval of Minutes

Acting Chairman D'Astice requested a motion to approve the minutes of the January 2, 2018, meeting. A motion was made by Member Anderson, seconded by Member McNaney, and with no additional discussion the minutes were unanimously approved by the membership.

New Business List-December 2017 Feedback

Member Allegra reported that the telephone number provided for the Law Offices of Soojae Lee/OP Property Management was not valid, therefore she was unable to make contact; she left a message at Royaum Design; and the telephone for Lone Rover Construction rang unanswered. She sent email message to all three companies introducing herself, but received no response.

Member McNaney reported that he left messages at Atlas Stone Distribution, FH Paschein, S.N. Nielsen & Associates LLC, and Neptune Management Corporation but received no responses.

Member Spiewak was absent and therefore unable to provide feedback on his contact with Hithink Financial Service, Inc.

Ms. Corner presented the follow-up postcards to the Committee. These cards will be sent to the above companies and all new businesses once a member of the Committee attempts to make contact.

January 2018 New Business List

The following Committee members volunteered to contact the businesses on the January 2018 New Business List:

Member McNaney: Marc Realty (second location), Unbreakable Ink, and EPAY Systems

Member Allegra: SCS & Associates, MW Recyclers, Inc., and Archicnix, Inc.

Member Sokolowski: Label Graphics Co. and Stewart Title Company

2017 Economic Development Review & New Business Summary

Mr. Krumstok provided the Committee members with an Economic Development Recap of 2017:

Fifty-five new businesses opened in 2017, eight are classified as home occupation, and one is a second location within the City. The new businesses by Ward are as follows:

Ward 1: 0
Ward 2: 8
Ward 3: 2
Ward 4: 5
Ward 5: 2
Ward 6: 37
Ward 7: 1

Among the new businesses to open during 2017 are:

- Arthur J. Gallagher – 2850 Golf Road
- Anytime Fitness – 3256 Kirchoff Road
- Arlington Dermatology – 5301 Keystone Court
- Aurico Reports LLC – 3800 Golf Road, Suite 120
- Illinois Institute of Foot & Ankle – 4215 Kirchoff Road
- U-Haul Co. of Illinois – 5201 Tollview Drive
- Village Bank & Trust – 1635 Algonquin Road

The following projects are currently being undertaken in 2018:

School Health – 5600 Apollo Drive
Dunkin Donuts – 1921 Algonquin Road
Fuller's Car Wash – 2765 Algonquin Road
Holiday Inn remodel to Aloft Hotel – 3405 Algonquin Road
Jersey Mike's Subs – 1450 Golf Road

Also of note, it is expected that the Lexington Crossing project will be completed in 2018. As of January 22nd, it was reported to the City that 52 of the 55 homes have been sold; forty-six of the 52 have closed.

A question arose from the members regarding the demographic makeup of Lexington Crossing, and although Staff has requested this information on several occasions, representatives of Lexington Homes have not provided it.

Video Gaming

Mr. Krumstok stated that this matter will be before the City Council once again and provided a letter of support received from the Rolling Meadows Chamber of Commerce.

More and more communities are allowing video gaming, and there are businesses in the Rolling Meadows community that would like video gaming including the Stadium and Squire Court. While the City Council has heard this matter on two occasions, there are several new Aldermen who have not heard it. A recommendation from the Economic Development Committee is requested as in the past. Mr. Krumstok provided a Council Action Summary and the Chamber's letter of support for the Committee's consideration.

Of the communities nearby that allow video gaming, Elk Grove, Hoffman Estates, and Cary have indicated that the State and the municipality closely regulate the establishments. The majority of the businesses Staff have spoken with have indicated that they plan to reinvest the money generated by video gaming back into the business. Subsequently, video gaming could be a great tool for our local businesses.

Ms. Ballantine pointed out that pertinent bullet points are provided in the Chamber's memo dated 2/6/2018 including restricted hours of operation, limited number of machines, and background checks. She also told the Economic Development Committee of the many rules and regulations imposed by the Illinois Gaming Association and the State which govern the video gaming industry. In the event of non-compliance, an establishment can be shut down immediately. Additionally, because Rolling Meadows is a Home Rule community, we can impose rules and regulations that are more stringent than the State and Gaming associations if we wish to do so. Home Rule communities can also charge more than \$25 application fee as long as there is a valid reason to do so. The Chamber Board approved video gaming as an economic development tool and economic stimulus.

Video gaming could provide economic stimulus: It could be an additional revenue source for the City, and because there are conditions in place with respect to what a business can do with their portion of the revenue (such as either expand the business, refresh/remodel/upgrade the interior, or add additional employees), it could realistically help keep some businesses open.

Mr. Krumstok pointed out that 25% of the fees that are collected from gaming, including the annual license renewal fee, must be allocated to the Department of Human Services for treatment of compulsive gambling addiction programs and resources, and this is true whether or not a business that applies receives a license or not.

Mr. Krumstok indicated that with all the parameters in place governing which businesses are qualified for a video gaming license, there are only a few businesses in Rolling Meadows that do qualify. For example, the establishment must have a liquor license and must not be located within 1,000 feet of another gaming establishment, school, or place of worship. Once a license is granted, the Gaming Association makes site visits—announced and unannounced—to ensure compliance.

Acting Chairman D'Astice made a motion that the Economic Development Committee should forward the matter of permitting video gaming in Rolling Meadows to the City Council for additional considered as a revenue generating tool as well as an economic stimulus tool. Member Sokolowski seconded the motion. With no further discussion, a vote was taken and all are in favor.

Business Advocate Highlight

Ms. Corner provided an update on her activities.

At her site visit to Noodles & Company which experienced a small kitchen fire, Ms. Corner was told by the manager that Staff at Rolling Meadows provided the highest level of customer service of any community they have worked with: from the Fire Department's response to Community Development's inspections and follow up to Ms. Corner's visit.

Ms. Corner presented the first official edition of the BUSINESS MESSENGER to the Economic Development Committee. The first issue highlights Suburban Accents, one of our local businesses and was mailed to 1,150 local businesses, home occupations and property managers. This will be a quarterly production.

Ms. Corner also informed the Economic Development Committee that the Rolling Meadows Comprehensive Plan will be updated—the last Plan was done in 2006. An RFP will be sent to consultants in the Chicago area and she expects to present the consultants' information to the City Council in May. Public input and meetings with the Planning & Zoning Commission will all be sources of feedback for the Comprehensive plan, and it is hoped that by the end of 2018 we will have an updated Plan.

Restaurant Incentive Discussion

Mr. Krumstok and Ms. Corner presented a revised Full Service Restaurant Incentive Plan and application for the Economic Development Committee members' consideration. Included with the revised Plan was the requirement that businesses seeking the incentive provide a copy of their Marketing Plan, Business Plan and 3-year sales projections.

Staff suggested that this item also be discussed at the March meeting when more members are in attendance.

Acting Chairman D'Astice stated he does feel the City should not require the 3-year sales projections. Member Anderson indicated that the sales projections would be a good indicator that a business has considered their marketing strategy.

Mr. Krumstok clarified that the requested information is not intended to be a burden to the business and that when a business applies for a loan this information, including the 3-year sales projections, is currently required by their bank.

Ms. Gallagher stated that sometimes a potential business owner does not consider some aspects of going into business. By requiring sales projections, they will have to think about aspects they might not otherwise consider. Member McNaney agreed and stated that the requested information will get a business owner thinking about how he/she is going to be proactive and keep their business operational.

Mr. Krumstok suggested changing the wording on the application to reflect that the sales projections would be “suggested” instead of “required.”

Clarification was provided regarding what a Business Plan and what a Marketing Plan really consists of for a business. A Business Plan is a cash-flow plan, and a Marketing Plan provides information about how the business is going to be marketed, advertised.

Member Anderson asked if there was a potential legal issue with how the City determines if an applicant qualifies for the program. Mr. Krumstok referred the Committee Members back to the Rental and Purchase Incentive details. Additionally, the City’s attorney will draft the ordinance which will provide additional clarification.

At the conclusion of the discussion, Mr. Krumstok stated he will make revisions to the Restaurant Incentive Plan—including reducing the sales projection request from three years to two—and present it at the next Economic Development Committee meeting for consideration.

Business & Community Showcase

An update on the Business & Community Showcase was provided by Ms. Corner.

Postcard invitations will be mailed to businesses and evites will also be sent soon. Hours for the April 28 Showcase are 10 a.m. to 3 p.m. with the hours of 10 to 11 a.m. specifically for business-to-business networking. Participating business will pay \$40 for a 6-foot draped table, receive a keepsake gift from the City, and have their names included in a Showcase Guide. For full participation in the event, \$30 will be refunded after the event. Rolling Meadows Community Events Foundation volunteers will assist in setup and take down.

Member McNaney suggested putting a registration deadline date on the invitation in order to ensure a more accurate participant count.

City Lot Across from City Hall (Kirchoff Road & Owl Drive)

This item will be discussed at the next meeting of the Economic Development Committee.

Items of Interest in the City

March 3, 2018-Taste the Town from 6 to 9 pm at the Rolling Meadows Community Center. Live music by David Paige, 50/50 split raffle, beer and wine cash bar. \$15 per person-no registration required.

March 10, 2018- The Rotary Club’s 17th Annual St. Patrick’s Day Dinner & Auction from 6 to 10 pm at the Rolling Meadows Community Center. Irish/American dinner, Irish music and dancers, open bar, auction and raffles. Advance purchase: \$30. After March 2: \$35.

Chamber of Commerce Update

March 1, 2018-13th Annual Taking Care of Business Luncheon from 11:30 am to 1:30 pm. Keynote speaker, Mayor Len Prejna, will provide current community and economic development updates. \$30 Members/\$50 Non-Members.

Issues Not on the Agenda

None.

Public Comment

None.

Adjournment

Acting Chairman D'Astice requested a motion to adjourn the meeting which was made by Member Sokolowski, seconded by Member Anderson, and unanimously approved by the Membership.

The meeting was adjourned at 7:21 p.m. The next scheduled meeting of the Economic Development Committee will take place March 6, 2018.

Respectfully submitted by Deb Austerlade.

Minutes approved on: 3-6-18

Glenn A. Adams

Chairman, Economic Development Committee, Glenn Adams