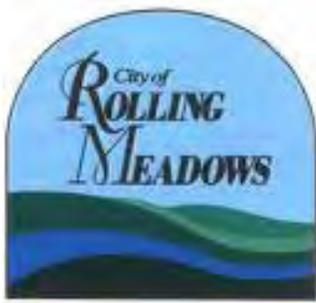


Market Analysis Downtown Rolling Meadows

Prepared for the City of Rolling Meadows

June 30, 2010



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GROUP
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A REAL ESTATE AND DEVELOPMENT COMPANY

TABLE OF CONTENTS

I. INTRODUCTION AND SUMMARY OF CONCLUSIONS..... 1

II. EXISTING CONDITIONS IN DOWNTOWN ROLLING MEADOWS 5

III. SURVEY RESULTS..... 13

IV. RETAIL MARKET ANALYSIS 17

V. RETAIL RECOMMENDATIONS 30

VI. RESIDENTIAL MARKET ANALYSIS 34

VII. RESIDENTIAL RECOMMENDATIONS 46

ADDENDA

Downtown Rolling Meadows Commercial Inventory

Survey Results

Major Shopping Centers within Three Miles of Rolling Meadows

Big Box Retailers and Grocery Stores within Rolling Meadows Market Area

Grocery Prospects for Rolling Meadows Plaza

I. INTRODUCTION AND SUMMARY OF CONCLUSIONS

Background to the Assignment

Goodman Williams Group was retained by the City of Rolling Meadows to conduct a market study of its Downtown, which extends along Kirchoff Road roughly from Owl Lane on the west to Oriole Lane on the east. Specifically, the consultants were asked to make recommendations on the redevelopment of two key underutilized properties:

- The 11-acre site at the Southeast corner of Kirchoff Road and Meadow Drive. (The Rolling Meadows Plaza site formerly anchored by Dominick's).
- The 1-acre property located at the southeast corner of Kirchoff Road and Owl Drive. (The remaining Riverwalk parcel)

Methodology

To understand the potential of these two properties, the consultants completed the following tasks as part of broader commercial and residential market studies:

- Interviewed key downtown property owners and representatives of the real estate industry to learn of plans for their properties and ideas for the Downtown.
- Completed a brief survey of residents living in Downtown Rolling Meadows, asking about their shopping habits and preferences.
- Categorized the existing retail, service, and institutional uses in Downtown Rolling Meadows that were inventoried by City staff.
- Analyzed demographic, household, and economic trends to gain an understanding of the competitive position of Downtown Rolling Meadows.
- Inventoried retail, residential, and commercial development in Rolling Meadows and nearby Northwest Suburban communities that are comparable to, or competitive with, Rolling Meadows.
- Briefed members of the Rolling Meadows Economic Development Commission.

Summary of Commercial Findings and Recommendations

Downtown Rolling Meadows is the geographic and civic heart of the community, with City Hall, the Post Office, and the Library located on, or just off, Kirchoff Road. Kimball Hill Park is located just north of Kirchoff and a number of civic/entertainment events are held to bring people to the Downtown. Downtown, however, is no longer the commercial center of Rolling Meadows. Most of the remaining retail and commercial uses along Kirchoff are located in the 130,436-square-foot **Rolling Meadows Shopping Center**, which is anchored by Jewel/Osco.

To the extent that the City desires to expand the Downtown commercial base and attract additional retail development, efforts should focus on the redevelopment of **Rolling Meadows Plaza** located at the southeast corner of Kirchoff Road and Meadow Drive. The Plaza contains over 132,000 square feet of retail space, nearly all of which is vacant. The largest space is the former Dominick's grocery (72,000 square feet), which closed in 2004. Previous efforts to redevelop the Plaza with a mix of retail and residential space were not successful.

The likelihood of being able to attract an anchor tenant to utilize the entire former Dominick's space is slim, given the regional pull of Woodfield Mall and other nearby retail centers. The former Dominick's space could be subdivided and leased to a smaller anchor in the 20 – 45,000 square foot range. Potential retailers might be found in one of the following categories:

- Ethnic/Independent Grocers
- Hardware/Home Improvement/Building Materials
- Lawn and Garden/Furniture
- Fitness/Health
- Institutional

Under this scenario, if all or part of the building could be leased to a “junior box” anchor tenant, additional smaller retailers, restaurants, and service businesses would likely follow. The repositioned neighborhood center could include a total of 40,000 to 75,000 square feet of commercial space. As part of the redevelopment, the eastern end of the existing center could be demolished, freeing up acreage for future residential development.

If a junior anchor cannot be secured for the center, the potential for additional commercial space at this location is more limited. This more conservative scenario envisions retail development along Kirchoff Road similar in scale to the Kirchoff Road Market. It is estimated that approximately 20,000 to 30,000 square feet of commercial space could be supported, and the rear portion of the center could be redeveloped for residential uses.

Restaurants can be an important component of the redeveloped Downtown. An analysis of the expenditure potential of Rolling Meadows households suggests support for a number of independent eating and drinking establishments. Complementing the restaurant and retail tenants would be personal and professional service businesses.

Summary of Residential Findings and Recommendations

Despite the recent downturn in the housing market, Downtown Rolling Meadows remains an attractive location for additional residential development. Appropriate residential development could target a variety of market segments, including:

- Independent Seniors
- Downsizing empty nesters
- Younger working households

Townhouses or lower-density residential development would be appropriate on sites abutting side streets and the nearby single-family neighborhoods. Higher-density buildings would be more appropriate along Kirchoff Road.

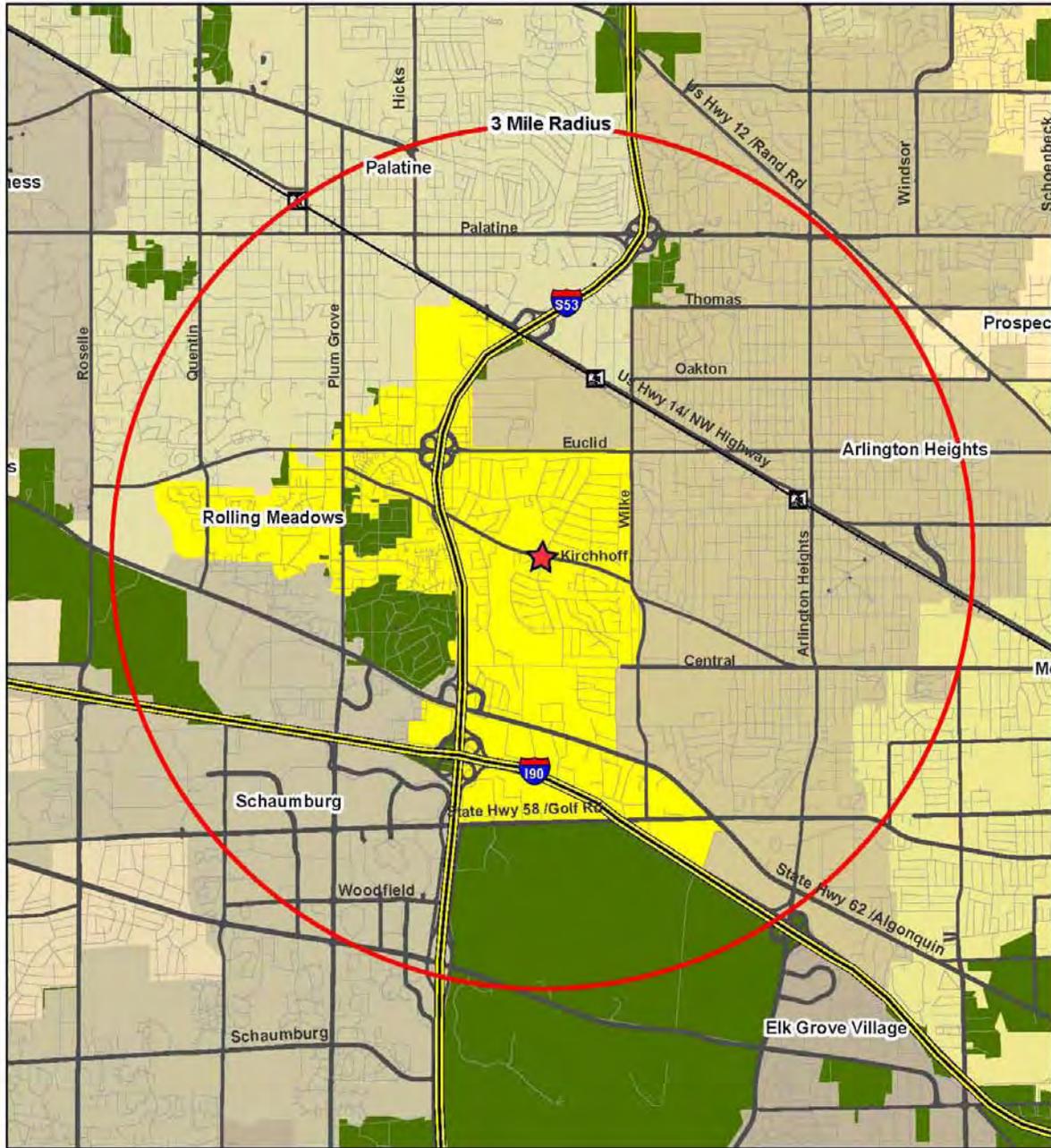
The Remaining Riverwalk Parcel along Kirchoff at the western end of the Downtown should be considered for future residential, rather than retail development. Wellington Partners, which completed the first three buildings, was unable to develop this forth parcel, which is now owned by the City of Rolling Meadows. In 2009, Affordable Housing Continuum proposed to build an affordable rental property with 40 apartments for adults aged 55 and older. This proposal, which was not positively received by the Economic Development Commission, included a small amount of ground floor commercial space.

To maximize the price offered for the land, The City of Rolling Meadows should consider issuing a Request for Proposals (RFPs) for the property, setting up a competitive environment for interested developers. The RFP need not specify the exact nature of the housing that could be built on this parcel.

Future residential development is also recommended on the back portion of the 11-acre **Rolling Meadows Plaza** site. The size and nature of any residential development will be dependent on the success of the commercial redevelopment, which is the priority for this site. Planning for future residential development can wait until commercial development is underway, at which time the for-sale residential market will likely have improved.

Our research and analysis is contained in the remaining sections of this report.

Rolling Meadows Location Map



0 0.375 0.75 1.5 2.25 3 Miles
1:60,000

Prepared by: Goodman Williams Group
Using ArcGIS 9.3

II. EXISTING CONDITIONS IN DOWNTOWN ROLLING MEADOWS

Background on Rolling Meadows

Rolling Meadows is located in Cook County, approximately 30 northwest of Downtown Chicago and eight miles northwest of O'Hare International Airport. The City enjoys excellent regional transportation connections via Interstate 90 (Jane Addams Memorial Tollway) and Route 53. Kirchoff Road is the first exit off Route 53 north of its intersection with I-90.

The City is a mature community with an estimated population of 24,405. Incorporated in 1955, most of the community is developed with modest single-family homes that were built by Kimball Hill beginning in the 1950s. The City also has numerous multifamily housing developments, including some newer condominium developments located along Kirchoff Road. The City has a significant employment base, with a number of corporate office buildings located along the I-90 Corridor. Additional office and retail development is located along the major commercial arteries that traverse Rolling Meadows, including Golf, Algonquin, and Plum Grove Roads.

Located geographically in the center of the community, Kirchoff Road had been the commercial center of Rolling Meadows. Retail anchors included Crawford's Department Store, Sears Hardware Store, and both Dominick's Finer Foods and Jewel/Osco. During the past several decades, the development of new community and regional-scale retail centers along the major arterials on the outskirts of Rolling Meadows and in neighboring communities eroded the position of those retailers on Kirchoff. In particular, Woodfield Mall in Schaumburg, the Wal-Mart and Meijer discount department stores, and numerous grocery store anchored community-scale shopping centers have pulled commercial activity away from Downtown Rolling Meadows.

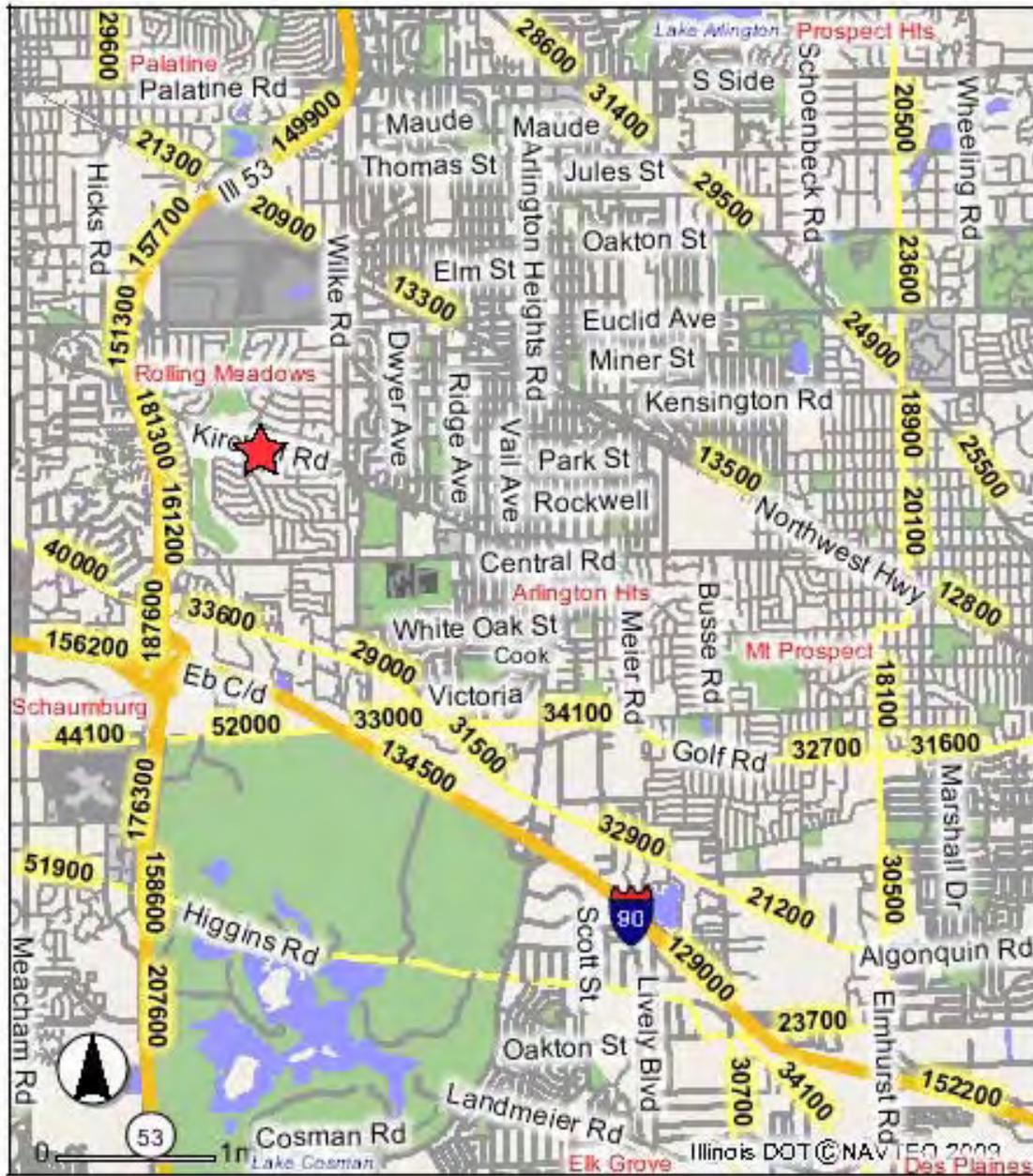
Traffic Counts

According to the Illinois Department of Transportation, the average daily traffic count on Kirchoff Road east of Route 53 is 12,900 vehicles. As shown on the following map, the traffic counts on the major commercial arteries are significantly higher, including:

- 33,000 vehicles on Golf Road west of Algonquin;
- 29,000 vehicles on Algonquin north Golf;
- 20,900 vehicles on Northwest Highway west of Wilke;
- 24,900 vehicles on Rand Road west of Arlington Heights Road.

As a general rule, most national retailers seek locations with average daily traffic counts in excess of 20,000 vehicles.

Average Daily Traffic Counts



Source: Illinois Department of Transportation

Demographic Characteristics

The following table presents 2009 estimates and 2000 Census figures for selected demographic characteristics for the City of the Rolling Meadows. Most of the demographic changes over the past decade have been relatively minor. The population in Rolling Meadows is estimated to be 24,405, a slight decrease from the 2000 Census figure. The median age has risen to 36.8, above the average for the metropolitan area (35.1 years). The median household income has risen to \$74,118.

Rolling Meadows Demographic Profile

Summary	<u>2000</u>		<u>2009</u>	
Population	24,604		24,405	
Households	8,923		8,832	
Families	6,173		5,951	
Average Household Size	2.72		2.73	
Owner Occupied Housing Units	6,780		6,666	
Renter Occupied Housing Units	2,143		2,166	
Median Age	34.4		36.8	
Median Household Income	\$59,464		\$74,118	

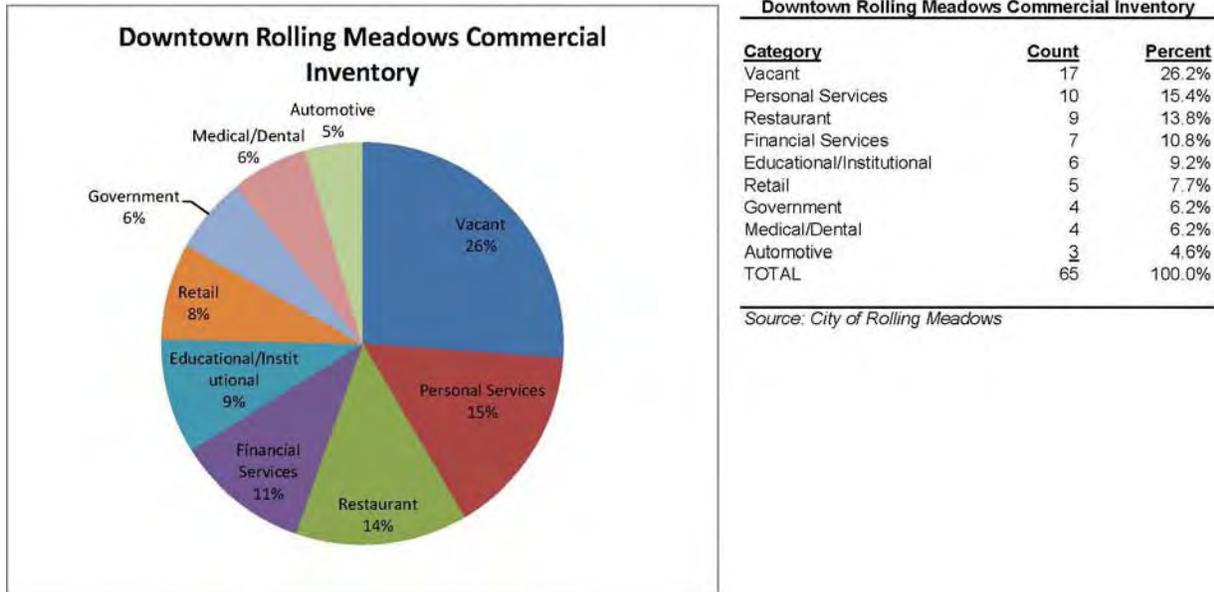
Race and Ethnicity	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
White Alone	20,256	82.3%	19,038	78.0%
Black Alone	696	2.8%	763	3.1%
Asian Alone	1,627	6.6%	2,053	8.4%
Other Race Alone	1,537	6.2%	1,945	8.0%
Two or More Races	488	2.0%	607	2.5%
Hispanic Origin (Any Race)	4,725	19.2%	5,799	23.8%

Source: ESRI forecasts for 2009; U.S. Bureau of the Census for 2000.

Perhaps the most significant demographic trend in Rolling Meadows is the continuing increase in the diversity of its residents. Hispanic residents now comprise 23.8% of the population and Asian residents 8.4%. These trends represent opportunities for grocers, restaurants, and other retailers to diversify their offerings.

Existing Businesses

The City of Rolling Meadows provided an inventory of the 65 businesses and institutions currently located in the Downtown. This inventory was then grouped into categories to assess the mix and potential opportunities. The pie chart and accompanying table below present this information. The full inventory is presented in the Addenda to this report.



Source: City of Rolling Meadows and Goodman Williams Group, February 2010.

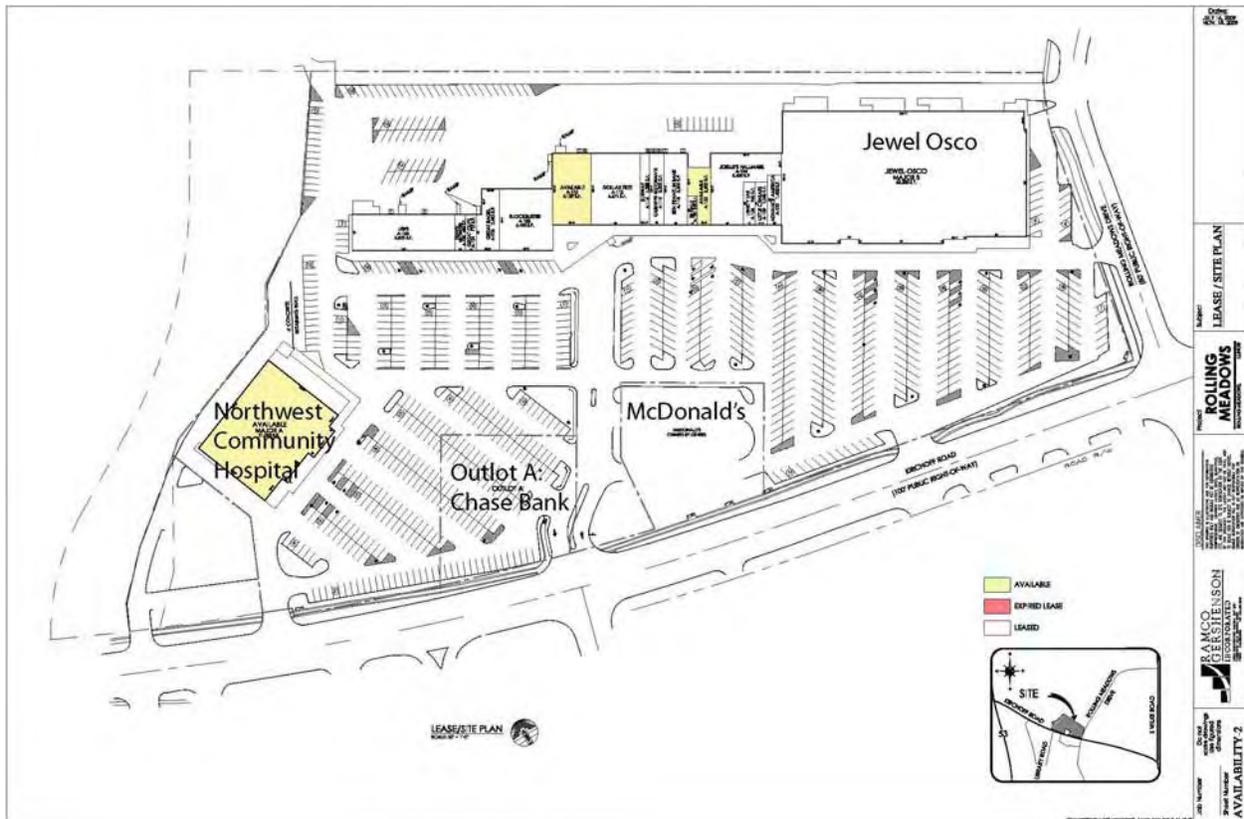
The following observations can be made about the current commercial mix on Kirchoff:

- Downtown Rolling Meadows has only five retail stores, including: Jewel/Osco, Epcos Paint, Dollar Tree, Hallmark, and AA-EE Shoes.
- Almost all of the nine existing restaurants located on Kirchoff are fast food establishments.
- Personal service businesses and financial institutions are well represented in this inventory.
- A total of 17 storefronts stand vacant, most of which are located in the Plaza shopping center.

Rolling Meadows Shopping Center

Anchored by Jewel/Osco, the Rolling Meadows Shopping Center is the commercial heart of Downtown Rolling Meadows. The 130,000-square-foot community shopping center was purchased in 2008 by Ramco/Gershenson. The new owners are currently investing \$4 million to upgrade to the property, which is 93% leased. Jewel/Osco is also remodeling their store and adding a drive-through pharmacy. One out lot is occupied by McDonald's, and Chase Bank is negotiating to build a new drive-through facility on another out lot.

In a recent transaction, Northwest Community Hospital leased the former Sears Hardware space in the center, which has been vacant for nearly five years. Physical Medicine and Rehabilitation services will be consolidated into approximately half of the 21,000-square-foot space, and other hospital services will be consolidated into the other half. While this is not a retail use, the facility will be a significant employer and will attract patients and their families who might patronize downtown restaurants and stores.



Anchors in Downtown Rolling Meadows

With the exception of Rolling Meadows Shopping Center, Downtown Rolling Meadows offers limited commercial activity. Nonetheless, area residents continue to come to Kirchoff, drawn by public facilities, educational and religious institutions, and recreational amenities. As a new vision for enhancing Downtown Rolling Meadows takes shape, these assets can become even more significant buildings blocks. Some of the key anchors are described below.

Public Facilities

Located to the north of the Rolling Meadows Shopping Center, **Kimball Hill Park** is a 25 acre-park with ball fields, recreational facilities, and a pond. Walking paths allow access to the backside of the Rolling Meadows Shopping Center, as well as directly to Kirchoff Road. Additional visual and physical connections between the park and Kirchoff Road would allow businesses, restaurants in particular, to take greater advantage of visitors to the park. Further collaboration should be sought with the Park District to enhance recreational opportunities and connections to Downtown businesses and services.

Three major government facilities also serve to anchor the downtown. **Rolling Meadows City Hall** occupies a prominent location at 3600 Kirchoff Road on the northwest intersection of Kirchoff and Owl Lane. The **Rolling Meadows Post Office** is a tenant in Rolling Meadows Shopping Center, between what will be the Northwest Community Hospital offices and Kimball Hill Park. **The Rolling Meadows Library** is located at 3110 Martin Lane and can be accessed from Kirchoff via Library Road.

Institutional Uses

Educational and religious institutions also draw people to Kirchoff Road. The K-6th grade **Kimball Hill School** is located at 2905 Meadow Drive, north of the Rolling Meadows Shopping Center and east of Kimball Hill Park. **Carl Sandburg Jr. High School** is located south of the Downtown behind the Rolling Meadows Plaza site. The school is accessed via Martin Lane off Meadow Drive. **The Community Church of Rolling Meadows** is located on the northeast corner of Kirchoff Road and Meadow Drive, and **The Meadows Baptist Church** is located east of Rolling Meadows Plaza on the south side of Kirchoff Road.

Events

Several notable recreational and entertainment events are held downtown. Cruise Nights attracts car enthusiasts to the parking lot of Rolling Meadows Plaza every Friday night from May through October. Cornfest Arts & Crafts Fair will be held Saturday, August 7, 2010 at the Community Church of Rolling Meadows, and is expected to have 2,000 attendees. Terry Moran Family Day & Softball Tournament is an annual event that celebrates community member Terry Moran. The proceeds from this event benefit the Juvenile Diabetes Foundation Greater Chicago Chapter.

Increasing the number of promotional, recreational, and civic events held along Kirchoff Road and using those occasions to promote area restaurants, food vendors, and other retailers would help Downtown Rolling Meadows to reach its potential as a destination in the heart of the community.

Downtown Residential Development

Multifamily developments are an important component of Downtown Rolling Meadows, providing a base of shoppers and patrons for businesses located along Kirchoff. The following four developments with a total of 424 units, are located in the Downtown. Traveling from west to east, they include:

Riverwalk. Wellington Partners completed the first three phases of Riverwalk Condominiums from 2005 – 2008. The buildings, which contain a total of 124 residential units, are located at 3400, 3401, and 3501 Wellington, south of Kirchoff Road. The first building includes 12,676 sq. ft. of ground floor retail space. Development on the fourth parcel was planned to be a mirror of the first building, but remains undeveloped.



Park Meadows. The oldest of the downtown residential condominium developments, Park Meadows was completed in 1980. The 56 residential units have addresses at 3305, 3315, 3325, 3335, 3345, and 3355 Kirchoff Road.



Kirchoff Meadows. Built in 1991, Kirchoff Meadows Condominiums is a downtown residential development with addresses at 3255, 3265, and 3275 Kirchoff Road. The three buildings have a total of 117 residential units.



Kimball Square. Built in 2000, Kimball Square is a residential development with 4 buildings at 3100, 3115, 3125, and 3135 Town Square Drive. This development has a total of 127 residential units. The development is located on the south side of Kirchoff Road across from the Rolling Meadows Shopping Center.



Opportunity Sites

The following aerial map from the City of Rolling Meadows highlights four sites which are considered the key downtown opportunity sites.



Site 1 is the fourth phase of Riverwalk Condominiums. Wellington Partners was unable to complete this final phase, and the City now owns the 1+-acre parcel.

Site 2 is situated at the intersection of Kirchoff Road and Meadow Drive on the south west corner. This 2+ acres site is partially City-owned and developed with automotive repair businesses, a fire station, and a gas station. Kirchoff and Meadow is a signalized intersection.

Site 3 is Rolling Meadows Plaza, the now-vacant community shopping center which until 2004 was anchored by a Dominick's grocery store. The site has an out lot on the northwest corner of the site, which is occupied by Taco Bell.

Site 4 is Rolling Meadows Shopping Center, which is undergoing a \$4 million renovation.

Sites 1 and 3 are the focus of the redevelopment recommendations discussed in this report.

III. SURVEY RESULTS

To solicit input on shopping habits and preferences for additional development along Kirchoff, a brief survey was designed and distributed to residents of the major downtown condominium developments. A total of 60 completed surveys were received. This chapter summarizes the responses for each question in order. Tabulated results are contained in the Addenda to this report.

(1) What is your address?

Of the 56 responses to this question, 36 respondents (64%) answered that they resided in the Kimball Square development, 17 (30%) resided in the Riverwalk development and 4 (7%) reside in Park Meadows.

(2) How long have you lived at your current address?

Responses to this question were grouped into the following categories: those that had lived in their current location less than one year; 1-5 years; 6-10 years; and more than 10 years. Two respondents have lived in their current homes for less than a year. The majority, 26 (43%) have resided in their current address for 1-5 years, 20 (33%) for 6-10 years, and 12 (20%) for more than 10 years.

(3) Where did you live previously?

This question provided four responses: the Northwest suburbs; Rolling Meadows; elsewhere in the Chicagoland area; and out of town. The most frequent response, 32 (53%), was the Northwest suburbs. Fifteen (25%) said they moved from within Rolling Meadows, 10 (17%) from elsewhere in the region, and 3 (5%) relocated from out of town.

(4) Other than the Jewel/Osco on Kirchoff Road, what grocery store do you shop at most frequently?

Question 4 sought to identify the grocery store preferences for Downtown residents. Of the 57 responses to this question, 20 (35%) say they shop at Meijer in Rolling Meadows, and 9 (16%) use the ALDI in Schaumburg and Arlington Heights. Valli Produce in Arlington Heights received 6 responses (11%). Garden Fresh, Dominick's, Trader Joe's, and Walmart each received 4 (7%) responses. Costco in Schaumburg was named twice, while Jewel/Osco and Walgreens in Arlington Heights were each named once. These responses show the range of grocery options as well as the preference of Downtown residents for value-oriented stores.

(5) What pharmacy do you shop at most frequently?

Jewel/Osco in downtown Rolling Meadows was named most frequently with 26 responses (46%). Walgreens had 21 (37%) responses, 20 of which named the Walgreen's in Arlington Heights and 1 specified Palatine. CVS and Walmart in Rolling Meadows both received 3 (5%) responses. Costco, Harris Pharmacy, Meijer, Sam's Club and Target each received 1 response.

(6) What are the names of your three favorite sit-down restaurants?

This question was open-ended and requested three responses from each survey respondent. A total of 162 restaurants were named. Sam's of Arlington Heights received the largest number of responses with 18, while many restaurants were named once. The restaurants cited include both national chains like Applebee's, as well as local, independently owned favorites.

Arlington Heights was the most common destination with 68 (42%) of the total number of responses. In addition to Sam's, the most frequently named restaurants in Arlington Heights were: Wellington, Jameson's Char House, Applebee's, Palm Court, Toscana, Dunton House, Peggy Kinnanes, and California Pizza Kitchen. Thirteen other restaurants in Arlington Heights were named once.

Rolling Meadows had the next largest number of responses with 39 (24%). Specific restaurants named were:

- Red Apple (10)
- Gus's Diner (9)
- Chili's (3)
- Absolutely Chinese (2),

Fifteen other restaurants in Rolling Meadows were named once.

Schaumburg had 24 (15%) restaurant responses. Olive Garden (6) was the most frequently mentioned, followed by Red Lobster (4), and Maggiano's (2). 13 other responses for individual restaurants within Schaumburg were included in the overall total.

Palatine had 10 (6%) responses. Included were Baker's Square, Café 14, and Palatine Inn, which each had two responses, as well as four other restaurants which received one response each.

The remaining restaurant responses were in the communities of Mount Prospect (3), Elk Grove Village (3), Hoffman Estates (2), West Dundee (1), Chicago (3) and other miscellaneous communities (9).

(7) What are the names of the three Downtown Rolling Meadows businesses you frequent the most?

This open-ended question also elicited multiple responses. Jewel/Osco was the most frequently cited business, being named 49 (27%) times out of a total of 179 responses. The Dollar Store ranked second with 28 (16%) mentions, followed by the Hallmark Card Shop at 19 (11%) and the Post Office at 15 (9%). The other businesses with more than 5 responses include Dunkin Donuts (7), Fratellos (6), Great Clips (6), Harris Bank (6) and Great American Bagel (5).

(8) What kinds of additional businesses would you like to see in Downtown Rolling Meadows?

This question encouraged the respondent to select a number of categories of businesses that they would like to see in the downtown. Out of 151 responses, the most common response was Restaurants (34%), followed by Food Stores (26%) and Apparel or Accessories with (20%). The remaining categories in order were Furniture and Home Furnishing, Garden Supply, and Card or Gift Shops. Entertainment had 12 responses which included Movie Theaters, Bars, theatres, and teenager-themed venues.

(8.a) Other businesses: (please describe as many as you wish.)

Respondents were provided space to describe other businesses. Some of the responses mirrored the categories mentioned above while some provided additional insights. The top responses were Hardware Store (16), Restaurant (9), Bakery (6), Coffee Shop (5), Food Stores (4), Department stores, Doctor's Offices, Dog Park, and Ice Cream Shop.

(9) What do you like most about living in Downtown Rolling Meadows?

Questions 9 and 10 were open-ended questions which allowed space for the respondents to describe aspects of the community which they like most and least. These open-ended responses were then grouped into broader categories in order to analyze them.

Respondents like Downtown Rolling Meadows' proximity and access to a variety of commercial and recreational amenities. They also liked its location and access to other parts of the region. Other positive comments included the public services, walkability, recreation opportunities, convenience of living downtown, and the sense of community.

(10) What do you like least about living in Downtown Rolling Meadows?

This question received 72 unique responses which were grouped into broader categories. The most frequently mentioned response was a dislike of the vacancies and the limited number and variety of businesses. Others disliked the noise and cited a need for additional beautification measures. Traffic, limited transit options, nuisances, and high taxes were also mentioned.

(11) Other than additional stores and restaurants, are there any other additions or improvements you would like to see in Downtown Rolling Meadows?

This open-ended question offered a final means for survey respondents to voice additional suggestions. Those who responded wanted additional beautification measures and more park space. A number cited the need for more businesses and public services. Seven respondents cited the desire for more housing choices and services for seniors.

(12) What is your age?

Respondents to the survey were disproportionately seniors, with 74% falling into the 65+ age category. The 55-64 age group had 5 (8%) of respondents, 35-54 had 6 (10%) and under 34 had 5 (8%) of respondents.

(13) Are you: Male? Female?

39 (65%) respondents to the survey were female, 15 (25%) male and 6 (10%) were completed by couples.

Conclusions

While not capturing the views of all Rolling Meadows residents, this survey provides some useful insights into the shopping habits and ideas for improving the Downtown from residents living there. Respondents would seemingly welcome additional commercial opportunities along Kirchoff, more beautification efforts, and increased city services. The ideas emanating from this survey will be melded with the market analyses that follow to develop specific recommendations for the remaining Riverwalk parcel and Rolling Meadows Plaza.

IV. RETAIL MARKET ANALYSIS

Competitive Retail Alignment

The potential for additional retail in Downtown Rolling Meadows must be viewed within the context of other shopping districts in Rolling Meadows and nearby northwest suburbs. According to CB Richard Ellis' MarketView Chicago Retail First Quarter 2010 report, the Northwest Suburban market contains a total of 15.9 million square feet of retail space. As of the first quarter 2010, the vacancy rate in this submarket had risen to 13.3%, more than a point above the total for the entire Chicago region. This high vacancy reflects conditions brought on by the national recession, which has caused many retailers to curtail their expansion plans and others to close stores. Construction of new centers has slowed to a trickle, given the limited number of anchors and the difficulty securing financing.

Within three miles of Downtown Rolling Meadows are several major retail concentrations that provide competition for stores in Downtown Rolling Meadows. The following map illustrates their locations and they are described in the paragraphs below. Included in the Addenda to this report are two tables with information on the major shopping centers and big box retailers located within a three-mile radius of Downtown Rolling Meadows.

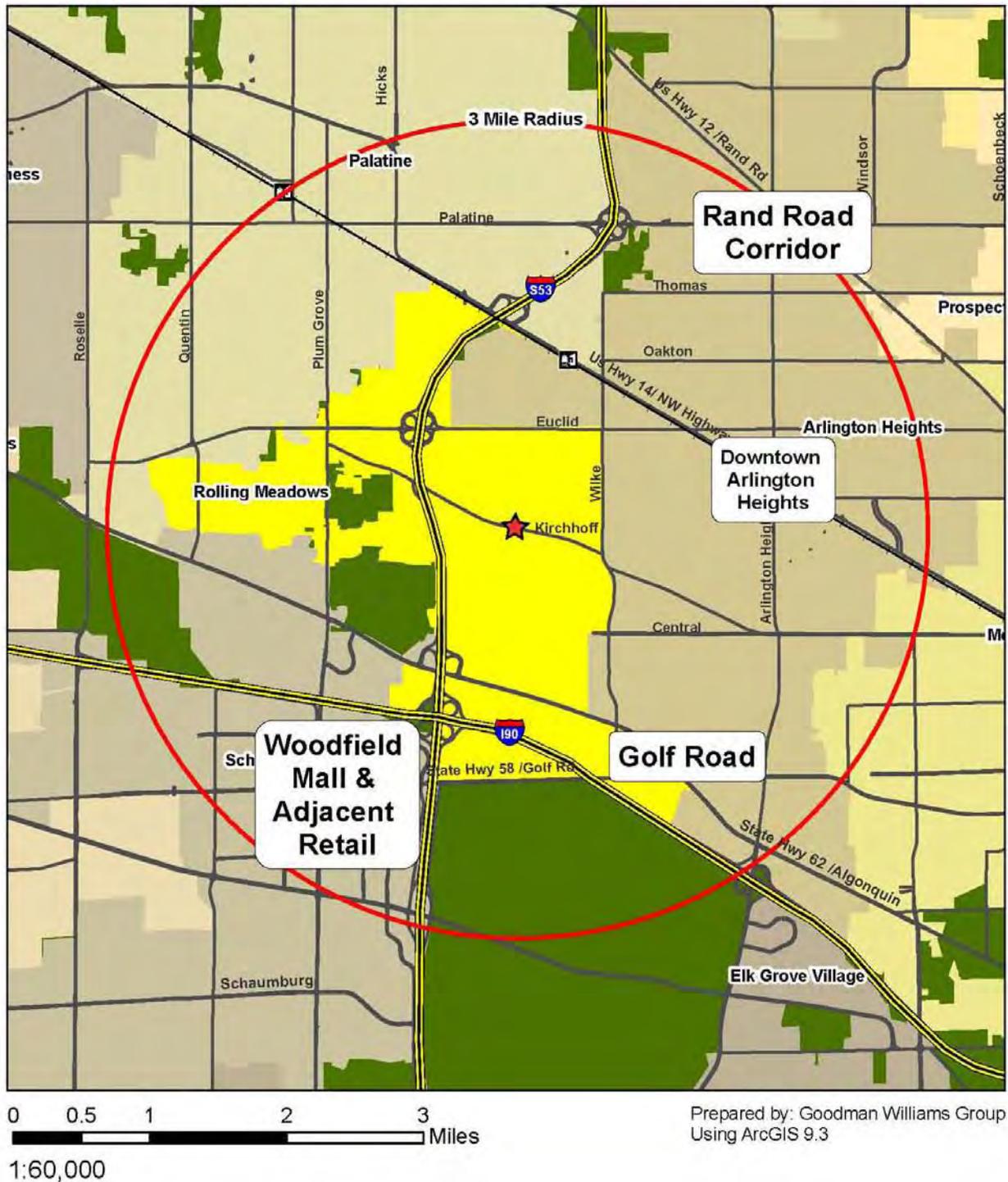
Woodfield Mall and Adjacent Retail

Woodfield Mall, the largest regional mall in the Chicago area with 2.2 million square feet of leasable space, is located at the southwest quadrant of the intersection of I-290 and the Jane Addams Tollway (I-90) in Schaumburg. Together with adjacent shopping centers Woodfield Green, Streets of Woodfield, and Woodfield Commons, as well as free-standing big box retailers like IKEA, there are more than 4.2 million square feet of space in this area, attracting shoppers from throughout the Northwest suburbs.

Owned by Taubman Centers, Inc., Woodfield Mall is anchored by Nordstrom, Macy's, JCPenny and Sears. The mall has more than 250 tenants, including Abercrombie & Fitch, American Apparel, A/X Armani Exchange, Banana Republic, Coach, Express, Godiva Chocolatier, Lord & Taylor, Oakley, Puma, Sephora, Victoria's Secret and Yankee Candle. National chain restaurants located at Woodfield include The Cheesecake Factory, P.F. Chang's, Rainforest Café and Ruby Tuesday.

Streets of Woodfield is anchored by Carson Pirie Scott, Dick's Sporting Goods, AMC Loews Theaters, and Gameworks. Additional tenants on out lots include Whole Foods, Crate & Barrel, Shaw's Crab House, Big Bowl and Maggiano's. The 458,000-square foot IKEA store is north of Woodfield Green, and its distinctive blue and yellow exterior is visible from I-90.

Rolling Meadows Competitive Retail Alignment Map



Golf Road (IL Route 58)

Golf Road is a major east-west commercial artery that traverses the northwest suburbs. Several major shopping centers are located at the intersection of Golf Road and Algonquin Road (Rt. 62) at the border of Rolling Meadows and Arlington Heights.

- Meadows Crossings Shopping Center in Rolling Meadows is anchored by Walmart and has out lots with Staples, Old Country Buffet, and Potbelly Sandwich Works. A Sam's Club had been located in the southern portion of the development until the store closed in early January 2010.
- Meijer occupies a stand-alone site south of Golf Road and west of Algonquin Road in Rolling Meadows.
- Surrey Ridge Shopping Center is located on the east side of Algonquin Road in Arlington Heights. It has 100,000 square feet and is anchored by Lowe's.

Less than a mile to the east, Golf Road intersects Arlington Heights Road in the community of Arlington Heights. The following retail is located at this intersection:

- A Jewel/Osco is located at the northwest corner.
- International Plaza Shopping Center is at the northeast corner. This center has 162,000 square feet and is anchored by XSport Fitness, Eileen Fisher Outlet, and Heavenly Piano. Free-standing Valli Produce and ALDI grocery stores are east of the center.
- Arlington Towne Square, with 90,806 square feet, is on the southwest corner.
- A Walgreen's pharmacy and other smaller stores are on the southeast corner.

Rand Road Corridor (IL Route 12)

Rand Road is another major commercial corridor in the northwest suburbs. A number of grocery-anchored community centers have been developed at the intersection of Rand Road, Palatine Road, and Arlington Heights Road in Arlington Heights, approximately three miles northwest of Downtown Rolling Meadows.

- The Town and Country Mall Shopping Center has 329,849 square feet and is anchored by Dick's Sporting Goods, Ashley Furniture, Marshalls, and Dominick's.
- Northpoint Shopping Center has 276,917 square feet and is anchored by Jewel/Osco and Office Depot.

- Southpoint Shopping Center has 240,000 square feet and is anchored by Furniture Direct and Garden Fresh.
- Arlington Plaza Shopping Center has 300,000 square feet and is anchored by Burlington Coat Factory, Value City Furniture and Harlem Furniture.

Downtown Arlington Heights

Downtown Arlington Heights is centered around a Metra commuter rail station at the intersection of Northwest Highway (US 14) and Arlington Heights Road. Major redevelopment of the downtown began in the mid-1980s, and it now boasts numerous multifamily residential buildings, a performing arts center, and more than 500,000 square feet of commercial space. According to a recent survey, approximately 21% of that total space was occupied by retail uses, 18% by restaurants, 25% by service businesses, and 16% by office uses.

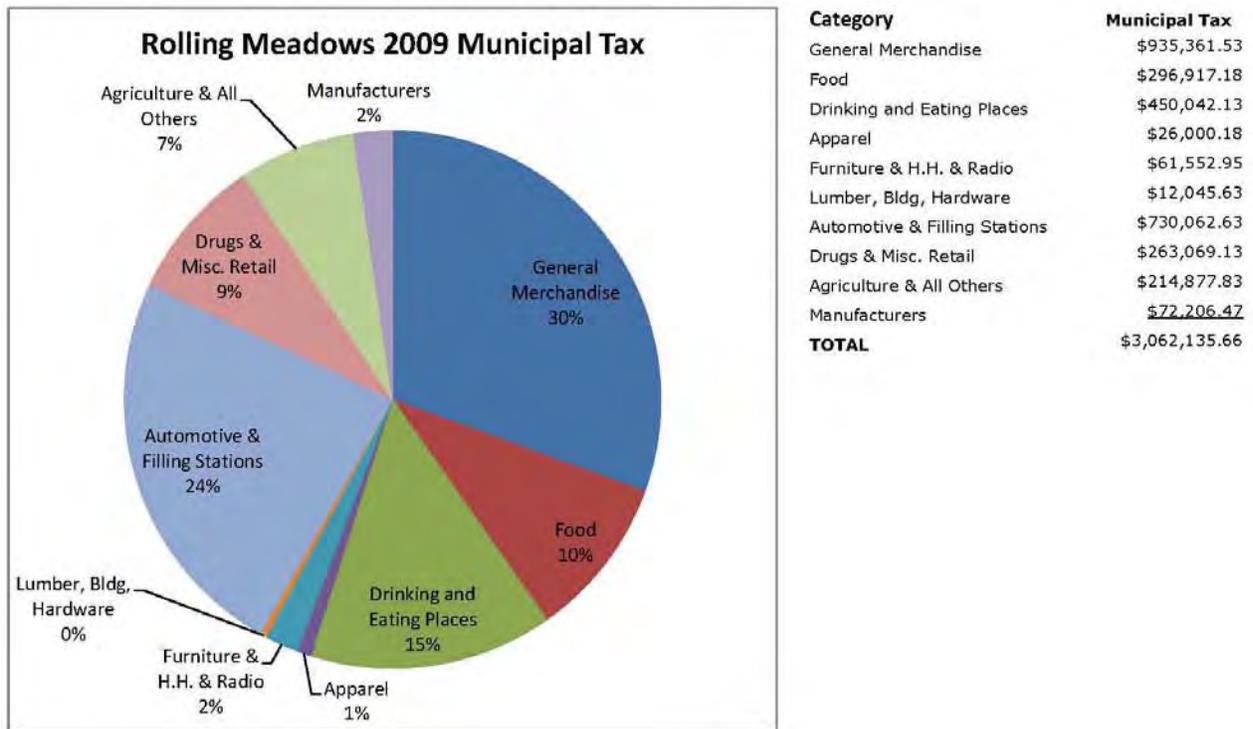
Based on the survey responses, restaurants in Downtown Arlington Heights are clearly attracting residents of Downtown Rolling Meadows.

Retail Sales Tax Trends.

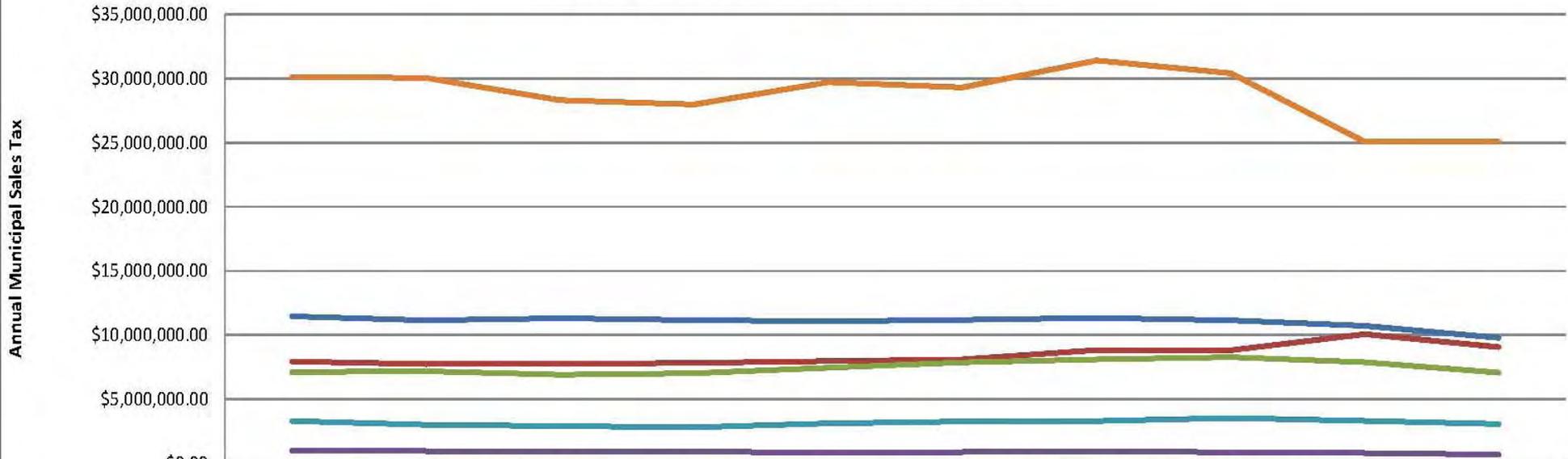
The table on the following page presents retail sales tax trends for Rolling Meadows and five nearby communities for the years 2000 – 2009 as reported by the State of Illinois. With such an extensive concentration of retail, Schaumburg receives the most sales tax revenue of these communities. That total, however, has been significantly impacted by the recession, with revenues falling 20% from more than \$31 million in 2006 to \$25 million in 2009. Arlington Heights receives the next highest amount of retail sales tax, which has fallen from more than \$11 million in 2006 to less than \$10 million in 2009.

Rolling Meadows received retail sales tax of just over \$3 million in 2009. That total has decreased only 7% from 2006; however, the loss of sales tax revenue from the closing of Sam’s Club will show up next year. Interestingly, the closing of the Dominick’s store on Kirchoff in 2004 did not result in a significant drop in tax revenue, suggesting that many of Dominick’s patrons switched to other grocery stores located within Rolling Meadows.

The pie chart below shows the breakout of 2009 retail sales tax by category for Rolling Meadows. General Merchandise, which generated 30% of retail sales tax revenue, includes the discount department stores Meijer and Walmart.



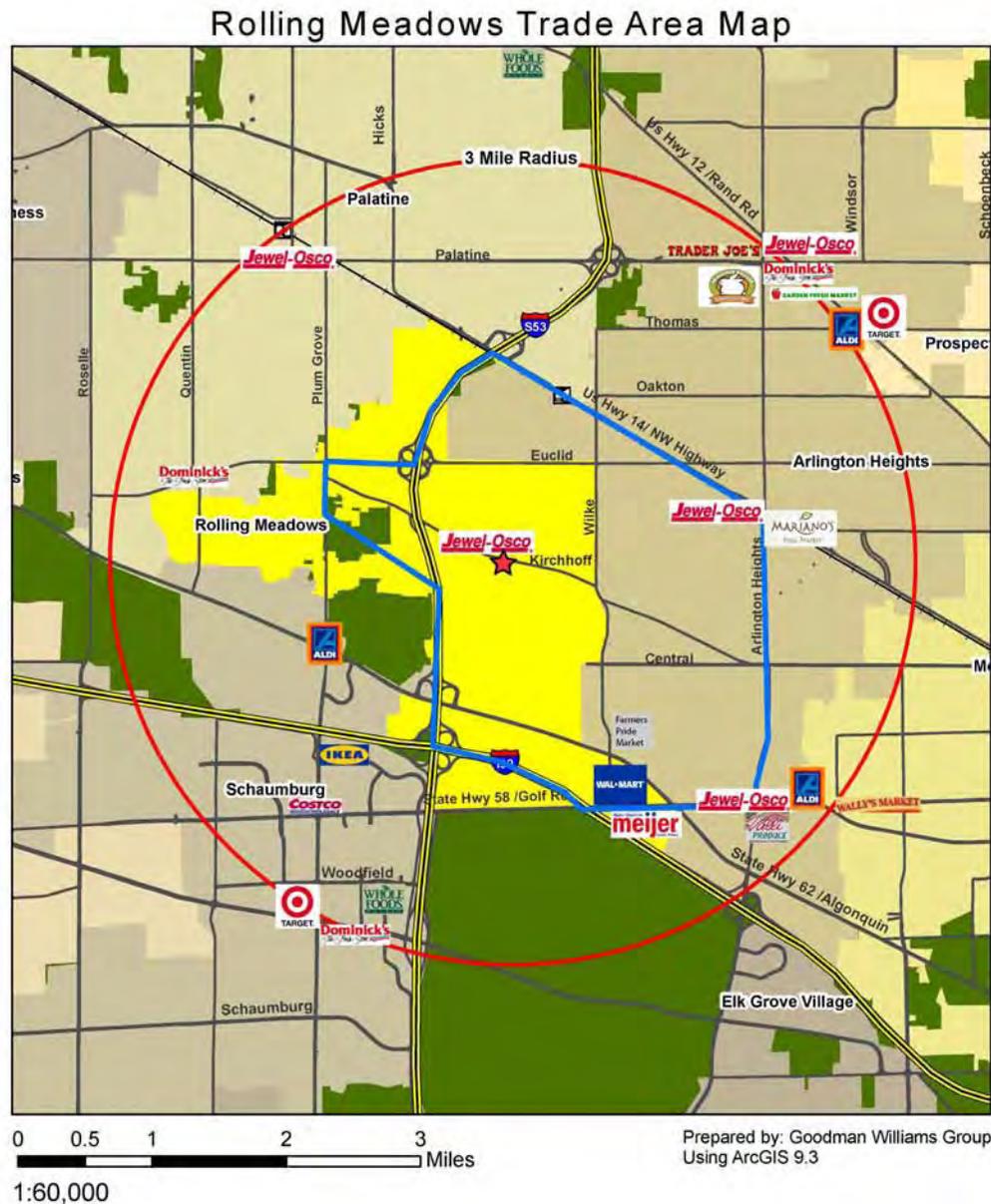
Retail Sales Tax Trends 2000-2009



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
— Arlington Heights	\$11,457,166.51	\$11,146,864.53	\$11,307,315.91	\$11,162,841.13	\$11,077,524.43	\$11,176,818.16	\$11,334,621.83	\$11,141,846.60	\$10,714,345.25	\$9,776,134.62
— Mount Prospect	\$7,936,673.83	\$7,729,084.89	\$7,748,144.37	\$7,831,276.19	\$7,964,168.75	\$8,101,017.04	\$8,824,102.79	\$8,811,400.39	\$10,066,919.32	\$9,055,194.39
— Prospect Heights	\$7,122,590.27	\$7,182,133.94	\$6,911,864.75	\$7,020,457.66	\$7,447,132.60	\$7,861,973.88	\$8,100,870.99	\$8,271,033.54	\$7,881,002.72	\$7,070,404.78
— Palatine	\$984,106.71	\$955,965.32	\$935,193.02	\$909,143.54	\$832,201.18	\$876,421.53	\$912,330.67	\$867,552.75	\$805,550.97	\$678,267.58
— Rolling Meadows	\$3,291,167.19	\$3,008,468.71	\$2,907,309.76	\$2,803,346.08	\$3,109,540.11	\$3,262,292.27	\$3,298,095.20	\$3,529,897.53	\$3,310,362.10	\$3,062,135.66
— Schaumburg	\$30,130,095.97	\$30,030,158.12	\$28,306,129.60	\$27,972,287.77	\$29,707,533.44	\$29,294,280.16	\$31,393,335.04	\$30,398,353.43	\$25,055,219.01	\$25,055,219.01

Trade Area Leakage Analysis

A primary trade area is typically defined as the area that accounts for approximately 70% of the sales at a store or a center. The primary trade area for Downtown Rolling Meadows includes portions of Rolling Meadows and Arlington Heights, as outlined in blue on the following map. This trade area takes into account the competitive retail alignment, major roadways, and established shopping patterns of area households. It is roughly bounded on the north by Northwest Highway, to the east by Arlington Heights Road, to the South by I-90 and to the west by I-53 (with a bump-out to Plum Grove).



One indicator of the potential for additional retail development in Downtown Rolling Meadows is to determine the expenditure potential of households within this primary trade area and compare it to estimates of actual sales. If certain categories are “leaking” sales to other shopping districts, it may represent an opportunity for additional stores in the trade area. Conversely, if sales exceed the expenditure potential from within the trade area, the stores in this category are attracting dollars from a larger area. This would indicate a more competitive environment that might discourage some retailers from moving to the area.

More than 13,000 households live in this primary trade area, with the potential to spend more than \$422.4 million at retail stores and restaurants. ESRI estimates that establishments within the trade area have sales of only \$387.6 million, indicating a “gap” or opportunity of \$34.8 million. It is not reasonable to assume, however, that all of those dollars could be captured by stores located in Downtown Rolling Meadows. Certain categories of retailers would chose locations along more visible, highly trafficked commercial arteries or near the regional mall adjacent to familiar retailers.

Taking these factors into account, below are comments on several of the retail categories that might represent opportunities for Downtown Rolling Meadows.

Food and Beverage Stores

This trade area is well-served by full-service grocery stores and discount department stores that sell groceries. In addition to the Jewel/Osco that anchors Rolling Meadows Shopping Center, the following stores are located in the primary trade area:

- Walmart at 1460 Golf Road in Rolling Meadows
- Meijer at 1301 Meijer Road in Rolling Meadows
- Jewel/Osco at 122 N. Vail Avenue in Arlington Heights
- Farmers Pride Market at 1414 W. Algonquin Road in Arlington Heights
- Jewel/Osco at 1860 S. Arlington Heights Road in Arlington Heights

Store sales in this category are estimated to exceed expenditure potential by more than \$20 million. Yet independent ethnic and specialty grocers is a growing retail sector, and certain retailers in this category might be interested in a location on Kirchoff, particularly if they could open a store in a cost-effective manner. The potential exists for such a tenant to anchor the redevelopment of Rolling Meadows Plaza.

Rolling Meadows Trade Area Gap Analysis

Summary Demographics			
2009 Population		33,439	
2009 Households		13,078	
2009 Median Disposable Income		\$54,713	
2009 Per Capita Income		\$34,241	

Industry Summary	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap (Demand - Supply)
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$422,441,773	\$387,608,361	\$34,833,412
Total Retail Trade (NAICS 44-45)	\$358,633,647	\$305,312,792	\$53,320,855
Total Food & Drink (NAICS 722)	\$63,808,126	\$82,295,569	-\$18,487,443

Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Motor Vehicle & Parts Dealers (NAICS 441)	\$87,194,244	\$21,118,678	\$66,075,566
Automobile Dealers (NAICS 4411)	\$76,904,329	\$15,458,982	\$61,445,347
Other Motor Vehicle Dealers (NAICS 4412)	\$5,296,513	\$246,147	\$5,050,366
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$4,993,402	\$5,413,549	-\$420,147
Furniture & Home Furnishings Stores (NAICS 442)	\$12,803,404	\$10,296,468	\$2,506,936
Furniture Stores (NAICS 4421)	\$7,456,061	\$1,001,025	\$6,455,036
Home Furnishings Stores (NAICS 4422)	\$5,347,343	\$9,295,443	-\$3,948,100
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$10,373,417	\$26,153,331	-\$15,779,914
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$15,987,634	\$18,584,541	-\$2,596,907
Building Material and Supplies Dealers (NAICS 4441)	\$15,174,135	\$18,074,984	-\$2,900,849
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$813,499	\$509,557	\$303,942
Food & Beverage Stores (NAICS 445)	\$67,140,614	\$87,345,753	-\$20,205,139
Grocery Stores (NAICS 4451)	\$59,860,438	\$82,361,857	-\$22,501,419
Specialty Food Stores (NAICS 4452)	\$2,673,933	\$358,154	\$2,315,779
Beer, Wine, and Liquor Stores (NAICS 4453)	\$4,606,243	\$4,625,742	-\$19,499
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$14,394,213	\$13,594,648	\$799,565
Gasoline Stations (NAICS 447/NAICS 4471)	\$50,493,870	\$40,500,353	\$9,993,517
Clothing and Clothing Accessories Stores (NAICS 448)	\$17,964,071	\$10,258,194	\$7,705,877
Clothing Stores (NAICS 4481)	\$13,707,241	\$4,841,669	\$8,865,572
Shoe Stores (NAICS 4482)	\$2,055,808	\$2,390,839	-\$335,031
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$2,201,022	\$3,025,686	-\$824,664
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$5,194,212	\$4,791,952	\$402,260
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$2,902,689	\$2,857,681	\$45,008
Book, Periodical, and Music Stores (NAICS 4512)	\$2,291,523	\$1,934,271	\$357,252
General Merchandise Stores (NAICS 452)	\$51,742,026	\$47,087,673	\$4,654,353
Department Stores Excluding Leased Depts. (NAICS 4521)	\$22,217,151	\$37,343,090	-\$15,125,939
Other General Merchandise Stores (NAICS 4529)	\$29,524,875	\$9,744,583	\$19,780,292
Miscellaneous Store Retailers (NAICS 453)	\$6,426,727	\$6,247,150	\$179,577
Florists (NAICS 4531)	\$815,975	\$256,852	\$559,123
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$880,001	\$3,368,079	-\$2,488,078
Used Merchandise Stores (NAICS 4533)	\$488,434	\$839,313	-\$350,879
Other Miscellaneous Store Retailers (NAICS 4539)	\$4,242,317	\$1,782,906	\$2,459,411

Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Nonstore Retailers (NAICS 454)	\$18,919,215	\$19,334,051	-\$414,836
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$11,880,735	\$366,250	\$11,514,485
Vending Machine Operators (NAICS 4542)	\$2,336,336	\$11,328,394	-\$8,992,058
Direct Selling Establishments (NAICS 4543)	\$4,702,144	\$7,639,407	-\$2,937,263
Food Services & Drinking Places (NAICS 722)	\$63,808,126	\$82,295,569	-\$18,487,443
Full-Service Restaurants (NAICS 7221)	\$29,585,963	\$37,221,030	-\$7,635,067
Limited-Service Eating Places (NAICS 7222)	\$24,414,708	\$38,433,112	-\$14,018,404
Special Food Services (NAICS 7223)	\$6,685,687	\$6,641,427	\$44,260
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$3,121,768	\$0	\$3,121,768

Source: ESRI and *infoUSA*®.

Building Materials/Garden Equipment

With memories of the Sears Hardware store that closed in 2005, survey respondents indicated their interest in a new hardware store in Downtown Rolling Meadows. While Lowe's and smaller hardware stores already have a presence in this market, there is perhaps opportunity for an independent hardware store or a retailer selling Lawn and Garden supplies.

Furniture Stores

While several Furniture and Home Furnishing stores serve this trade area, the analysis indicates a gap of approximately \$6.4 million. Stores seeking a lower cost venue might be attracted to a Kirchoff location, as might smaller independent retailers selling home décor items.

Clothing and Clothing Accessories

The analysis shows leakage of \$7.7 million in this category. National and regional clothing retailers, however, are going to prefer in locations at Woodfield or adjacent to other national tenants in prominent shopping centers. A Downtown Rolling Meadows location may be able to attract some independent apparel and accessory merchants in smaller, less expensive space.

Pharmacies

While the Health and Personal Care category is showing a small amount of leakage, a major national pharmacy is unlikely to join the Osco on Kirchoff Road. Walgreen's and CVS, the two major pharmacy chains in this market, both have facilities nearby.

Restaurants

Restaurants represent an important opportunity category for Downtown Rolling Meadows. While the primary trade area shows an abundance of restaurants, a closer-in trade area, represented by a one-mile radius from Kirchoff and Meadow Drive, shows an under-served market.

The analysis below shows that within the smaller 1-mile trade area, an estimated \$8.6 million in food and beverage expenditures are leaking to other locations. If we assume average sales of \$300 per square foot for restaurants and \$400 for a bar, this analysis indicates support for four eating and drinking establishments occupying a total of 10,000 square feet.

POTENTIAL RESTAURANT OPPORTUNITIES IN DOWNTOWN ROLLING MEADOWS

<u>Trade Area</u>	<u>1-Mile</u>	<u>Primary Trade Area</u>	
Population	12,295	33,439	
Households	4,524	13,078	
Food Services & Drinking Places (NAICS 722)	\$21,066,657	\$63,808,126	
Per Household	\$4,657	\$4,879	
Estimated Sales (Supply)	\$12,401,667	\$82,295,569	
Demand Less Supply (leakage)	\$8,664,990	(\$18,487,443)	

<u>Type of Restaurant</u>	<u>Square Feet</u>	<u>Sales per SF (\$)</u>	<u>Potential Sales (\$)</u>
Independent café / sandwich shop	2,000	\$300	\$600,000
Independent ethnic	2,000	\$300	\$600,000
Bar and grill	3,000	\$400	\$1,200,000
Suburban Family Restaurant	<u>3,000</u>	\$300	<u>\$900,000</u>
Totals	10,000		\$3,300,000

Percent of Trade Area Expenditure Potential	5.2%
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Sources: ESRI Business Analyst, the Restaurant Location Guidebook by John C. Melaniphy, and Goodman Williams Group.

Currently, nine restaurants are open on Kirchoff, all but two of which offer fast food fare:

- Taco Bell
- Little Caesar's Pizza
- McDonalds
- Subway
- Great American Bagel
- Dunkin Donuts & Baskin Robbins
- Fratello's
- Senor Taco
- Guiseppe Ristorante

A broader array of independent cafes, ethnic restaurants, family-style sit-down restaurants, and bars along Kirchoff would offer more choices to downtown residents and those coming downtown to shop, visit City Hall or the library, pick up kids after school, or go to a doctor's appointment. As is evident in Downtown Arlington Heights, food and beverage establishments have become an increasingly important component in many suburban downtowns.

V. RETAIL RECOMMENDATIONS

The vacant structures at Rolling Meadows Plaza represent the best opportunity to attract new retail tenants to the Downtown. The site's location kitty-corner from Rolling Meadows Shopping Center is a well-established retail location. To the extent that a portion of the existing structures can be redeveloped, cost savings could be realized. Additional financial incentives could be provided if the Tax Increment Finance (TIF) designation of the site is extended. (Kane, McKenna and Associates has been retained separately by the City of Rolling Meadows to evaluate the potential for extending the TIF.)

Redevelopment with an Anchor Tenant

The existing 72,000 square foot former Dominick's store could be subdivided and leased to a smaller anchor that could occupy between 20,000 and 45,000 square feet. As discussed, potential retailers might be in one of the following categories:

- Ethnic/Independent Grocers. An initial list of prospects is included in the Addenda to this report.
- Hardware/Home Improvement/Building Materials
- Lawn and Garden/Furniture
- Fitness/Health
- Institutional

Under this scenario, if all or part of the building could be leased to a "junior box" anchor tenant, additional smaller retailers, restaurants, and service businesses would likely follow. The repositioned neighborhood center could include up to 75,000 square feet of commercial space.

As part of this redevelopment scenario, the eastern end of the existing 132,000-square-foot center, which is partially located behind Kirchoff Road Market, could be demolished, freeing up acreage for future residential development. In addition, a retail out lot could be added to the west of Kirchoff Road Market.

The aerial on the following page provides an idea of how this redevelopment might be configured. On the top picture, approximately 45,000 square feet of the former Dominick's store is outlined in red, with additional retail extending to the west and a new out lot also outlined in red.



Redevelopment without an Anchor Tenant

If a junior anchor for the center cannot be secured, the potential for additional commercial space at this location is more limited. This more conservative scenario envisions retail development along Kirchoff Road similar in scale to the Kirchoff Road Market. It is estimated that approximately 20,000 to 30,000 square feet of commercial space could be supported, and the rear portion of the center could be redeveloped for residential uses.



Neighborhood Shopping Center Tenant Mix

The International Council of Shopping Centers (ICSC) provides the following definition of a neighborhood center:

“A neighborhood center provides for the sale of convenience goods (foods, drugs, and sundries) and personal services (laundry and dry cleaning, barbering, shoe repairing, etc.) for day-to-day living needs of the immediate neighborhood. It is built around a supermarket as the principal tenant and typically contains a gross leasable area of about 60,000 square feet. In practice, it may range in size from 30,000 to 100,000 square feet.”

Data compiled from 212 neighborhood centers across the country shows the following list of tenants ranked by frequency. Other than the supermarket, pharmacy, and dollar store, tenants typically occupy between 1,000 and 3,000 square feet. It is also important to note that of these 20 categories of tenants, only 12 would pay retail sales tax.

Tenants in U.S. Neighborhood Shopping Centers

<u>Tenant Classification</u>	<u>Retail Sales Tax?</u>	<u>Frequency Ranking</u>	<u>Median GLA (SF)</u>
Supermarket	Yes	1	44,094
Medical and Dental		2	1,924
Unisex hair		3	1,222
Nail Salon		4	1,200
Pizza	Yes	5	1,462
Restaurant with liquor	Yes	6	3,212
Dry Cleaner		7	1,500
Sandwich Shop	Yes	8	1,400
Chinese Fast Food	Yes	9	1,400
Women's Hair Salon		10	1,371
Bank		11	2,840
Dollar Store/novelties	Yes	12	8,000
Restaurant without liquor	Yes	13	2,400
Drugstore/pharmacy	Yes	14	12,544
Video/CD/DVD Rentals	Yes	15	4,000
Telephone Store/telecom store	Yes	16	1,750
Liquor/wine	Yes	17	3,196
Coffee/tea	Yes	18	1,600
Insurance		19	1,080
Mailing/Packaging		20	1,400

Source: ULI, International Council of Shopping Centers, Dollars & Cents 2008

Implementation Steps

As of the writing of this report, the vacant space in Rolling Meadows Plaza is not being marketed in any meaningful way. Once Dominick's lease expired, the partnership that owns the center stopped collecting rent and paying property taxes. Existing smaller tenants moved out. The non-recourse loan on the property is in default, and Wells Fargo (formerly Wachovia) has recently initiated foreclosure proceedings. No one is in a position at the present time to negotiate with future tenants.

In order to "re-activate" and redevelop the center, the roles and interests of all stakeholders, including the City of Rolling Meadows, need to be clarified and the following actions taken.

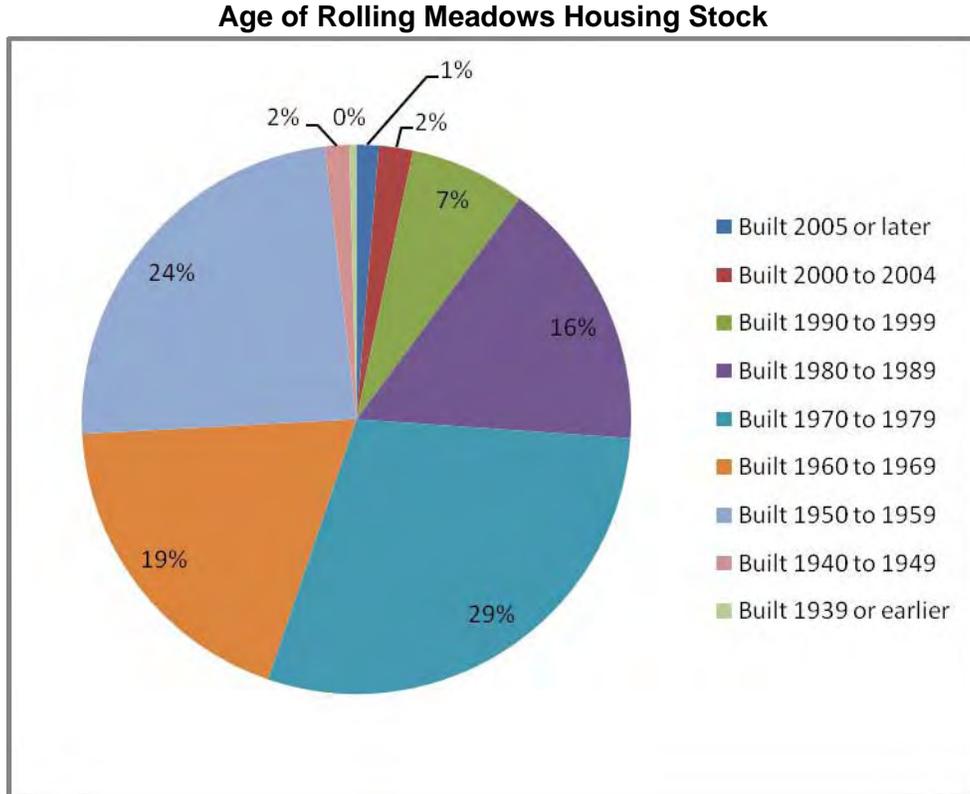
- Convene a meeting with all stakeholders to define roles and achieve consensus on a strategy for moving forward.
- Develop a common vision for the Plaza. This market study can form the basis of an updated subarea plan that illustrates how the property can be redeveloped.
- Help create a unified and effective marketing campaign for the property. With appropriate marketing materials, the property can then be showcased at ICSC and other industry events.
- Consider retaining the services of a real estate professional to help the City and ownership market the property to prospective anchors and other retailers.
- Develop appropriate economic development tools and financial incentives. Offering attractive terms to prospective tenants will be critical to the redevelopment of the Plaza. Kane, McKenna has been retained to help determine the appropriate tools.

Once the retail potential for this property has been determined, more definitive plans can be made for a residential component on the rear and east sides of this 11-acre site.

VI. RESIDENTIAL MARKET ANALYSIS

Housing Characteristics

Development of production housing in Rolling Meadows commenced shortly before the Village incorporated in 1955, as Kimball Hill met the pent-up demand for suburban housing. Nearly one-quarter of the current housing stock was built in the 1950s. Another 19% of the housing stock was completed in the 1960s, and 29% of housing units were built in the 1970s. By the 1990s, few residential sites remained and development activity tapered off. Today, opportunities for new housing in Rolling Meadows are found in redevelopment and infill sites rather than in new subdivisions on greenfield sites.



Source: US Census Bureau

A high percentage of Rolling Meadows households are homeowners, many of them living in the single-family homes built by Kimball Hill and other developers. The community also has a significant share of renter households. Three 1970s vintage apartment complexes provide about half of the rental housing in Rolling Meadows, and no significant rental housing been built in more recent decades.

Rolling Meadows Housing Characteristics

	Census 2000		2009	
	Number	Percent	Number	Percent
Total Housing Units	9,151	100.0%	9,382	100.0%
Occupied	8,923	97.5%	8,832	94.1%
Owner	6,780	74.1%	6,666	71.1%
Renter	2,143	23.4%	2,166	23.1%
Vacant	228	2.5%	550	5.9%

Source: ESRI Business Analyst

As would be expected, the majority of housing units in Rolling Meadows are in detached, single-family homes. Other types of housing, including townhomes and small and large multifamily buildings, are also represented.

Units in Structure

	Units	Percent
Total housing units	9,719	100.0%
1-unit, detached	5,302	54.6%
1-unit, attached	821	8.4%
2 units	21	0.2%
3 or 4 units	321	3.3%
5 to 9 units	687	7.1%
10 to 19 units	829	8.5%
20 or more units	1,738	17.9%

Source: US Census Bureau

Home Sales in Rolling Meadows and Nearby Communities

Data on homes sold by Realtors in Rolling Meadows and five nearby communities is presented on the following two pages. The first page includes only detached single family homes. While the volume of sales has begun to stabilize after falling precipitously during the recent recession, prices have not yet begun to rebound.

Prices for homes in Rolling Meadows trend lower than those in surrounding communities. The median sales price for a single-family detached home in Rolling Meadows in 2009 was \$219,000, while the median price in five nearby communities ranged from \$277,000 in Schaumburg to \$340,000 in Arlington Heights.

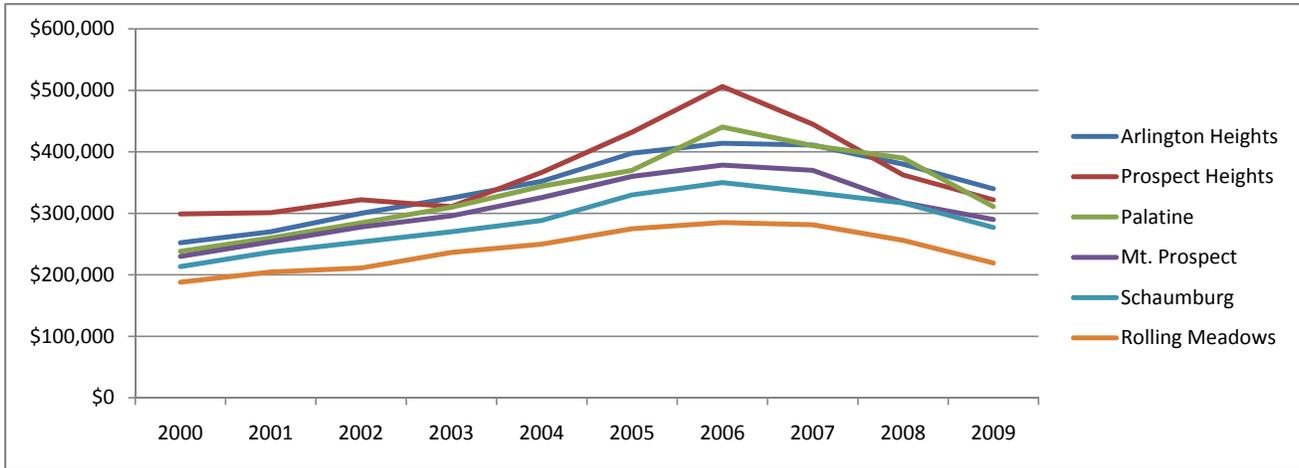
Similarly, attached housing in Rolling Meadows (townhouses and condominiums) is more affordable in all but one of the communities included in this analysis. In 2009, the median price for an attached unit in Rolling Meadows was \$119,000. Only Prospect Heights had a lower median sale price of \$85,000. The highest median sale price among the six communities in this survey was \$162,250 in Schaumburg.

As indicated by this MLS data, 2010 has not yet brought a turnaround in the housing market in the Northwest suburbs. A full recovery will be dependent on job growth that will fill the office buildings and light industrial facilities along the I-90 corridor.

Single Family Detached Median Prices

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Arlington Heights	\$252,225	\$270,000	\$300,000	\$325,000	\$352,000	\$398,000	\$414,000	\$411,000	\$380,000	\$340,000
Prospect Heights	\$299,000	\$301,000	\$322,000	\$311,000	\$366,500	\$432,000	\$506,250	\$444,950	\$362,500	\$322,000
Palatine	\$238,350	\$260,000	\$284,500	\$310,000	\$344,000	\$370,000	\$440,260	\$410,000	\$390,000	\$311,000
Mt. Prospect	\$229,900	\$253,750	\$277,750	\$296,000	\$325,750	\$360,000	\$378,500	\$370,000	\$317,500	\$290,000
Schaumburg	\$213,500	\$236,900	\$253,500	\$270,000	\$288,500	\$330,000	\$350,000	\$334,000	\$317,000	\$277,000
Rolling Meadows	\$188,000	\$204,500	\$211,000	\$236,500	\$250,000	\$275,000	\$285,000	\$281,500	\$256,000	\$219,000

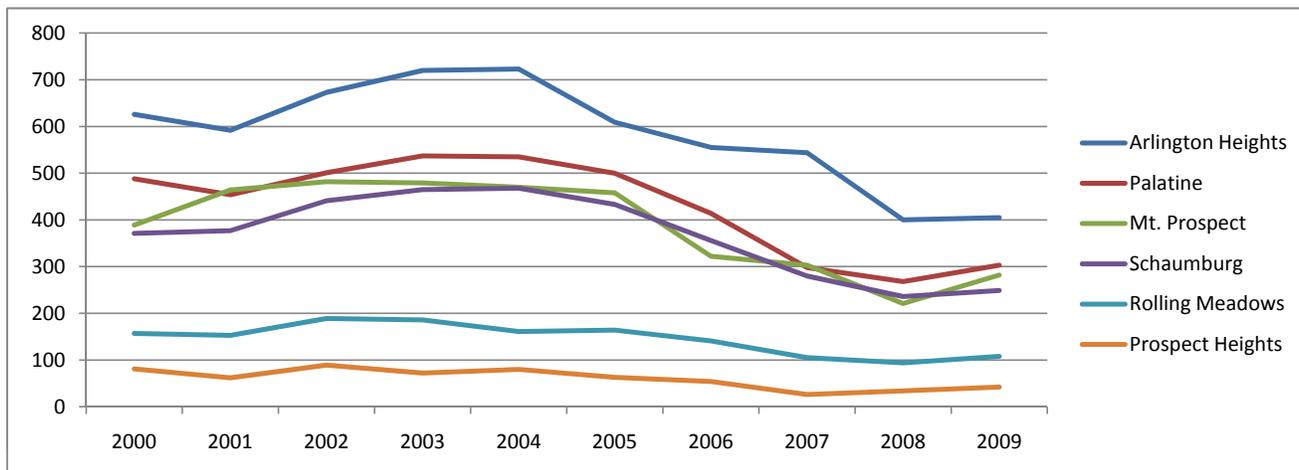
Source: Midwest Real Estate Data



Sales of Single Family Detached Homes

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Arlington Heights	626	592	673	720	723	609	555	544	400	405
Palatine	488	454	501	537	535	500	414	298	268	303
Mt. Prospect	389	464	482	479	470	458	322	303	221	282
Schaumburg	371	377	441	465	468	433	356	280	236	249
Rolling Meadows	157	153	189	186	161	164	141	105	94	108
Prospect Heights	81	62	89	72	80	63	54	26	34	42

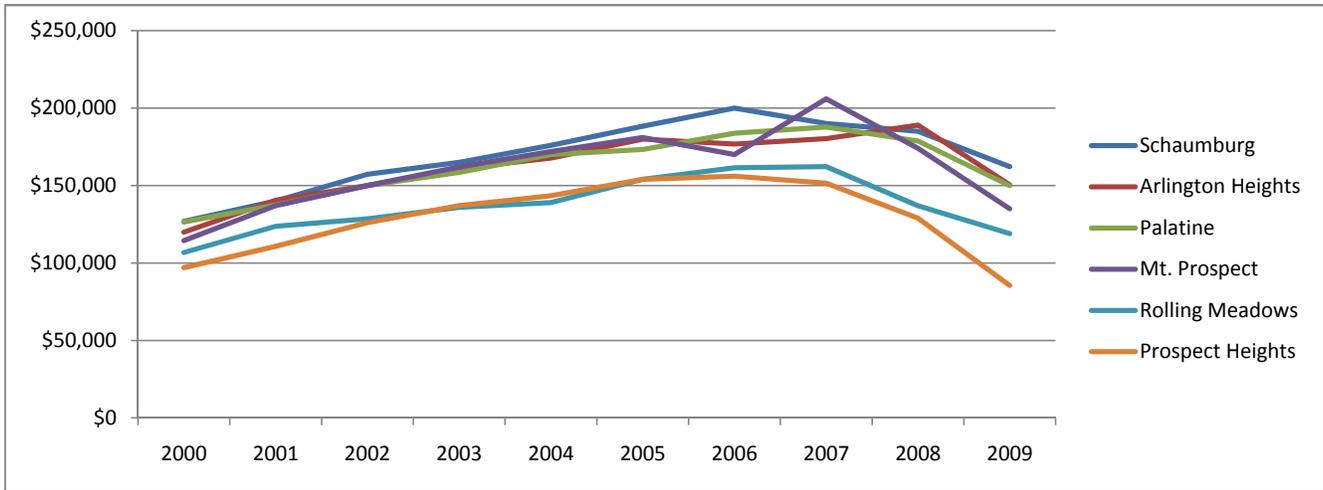
Source: Midwest Real Estate Data



Single Family Attached Median Prices

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Schaumburg	\$126,900	\$140,000	\$157,250	\$165,000	\$176,000	\$188,250	\$200,000	\$190,000	\$185,000	\$162,250
Arlington Heights	\$119,900	\$140,500	\$150,000	\$161,000	\$167,743	\$180,000	\$176,750	\$180,250	\$189,000	\$150,500
Palatine	\$126,500	\$137,500	\$150,000	\$158,500	\$170,000	\$173,250	\$183,750	\$187,750	\$178,700	\$149,900
Mt. Prospect	\$114,500	\$137,000	\$150,000	\$162,000	\$172,000	\$181,000	\$170,000	\$206,000	\$174,000	\$135,000
Rolling Meadows	\$106,750	\$123,700	\$128,500	\$135,950	\$139,000	\$154,000	\$161,450	\$162,250	\$136,900	\$119,000
Prospect Heights	\$96,950	\$110,750	\$126,000	\$137,000	\$143,400	\$154,000	\$156,000	\$151,500	\$128,900	\$85,500

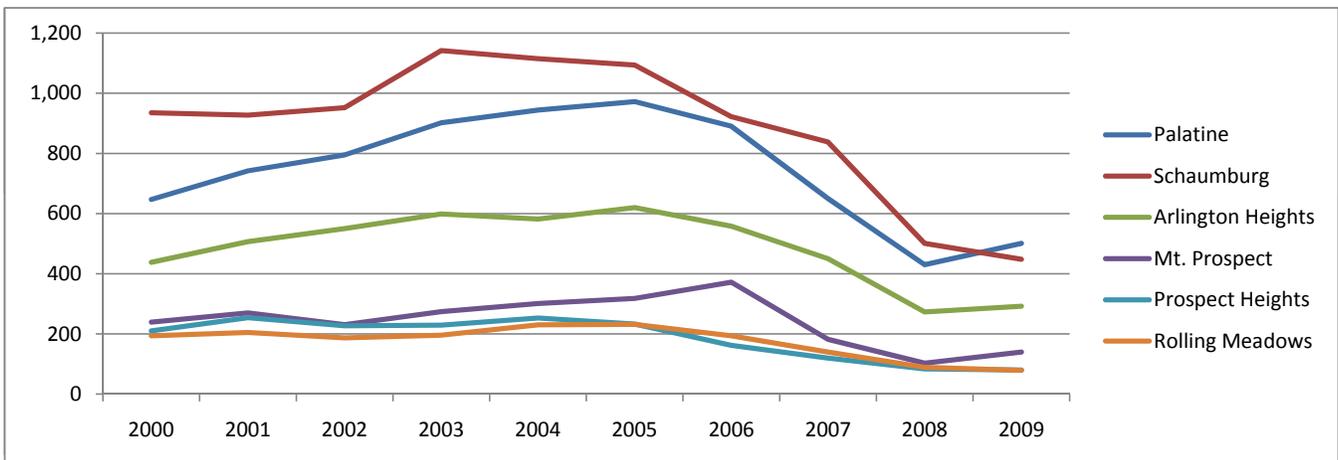
Source: Midwest Real Estate Data



Sales of Single Family Attached Homes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Palatine	647	742	795	902	944	972	890	650	430	501
Schaumburg	935	927	952	1,142	1,115	1,094	922	838	501	448
Arlington Heights	438	507	550	599	582	620	558	450	273	292
Mt. Prospect	239	270	231	274	301	318	372	182	103	140
Prospect Heights	210	254	227	229	253	233	162	120	84	80
Rolling Meadows	194	205	187	196	230	232	194	140	89	79

Source: Midwest Real Estate Data



More detailed information on the Rolling Meadows housing market is presented on the following pages, which include closing prices for the years 2006 to 2009 presented by price category.

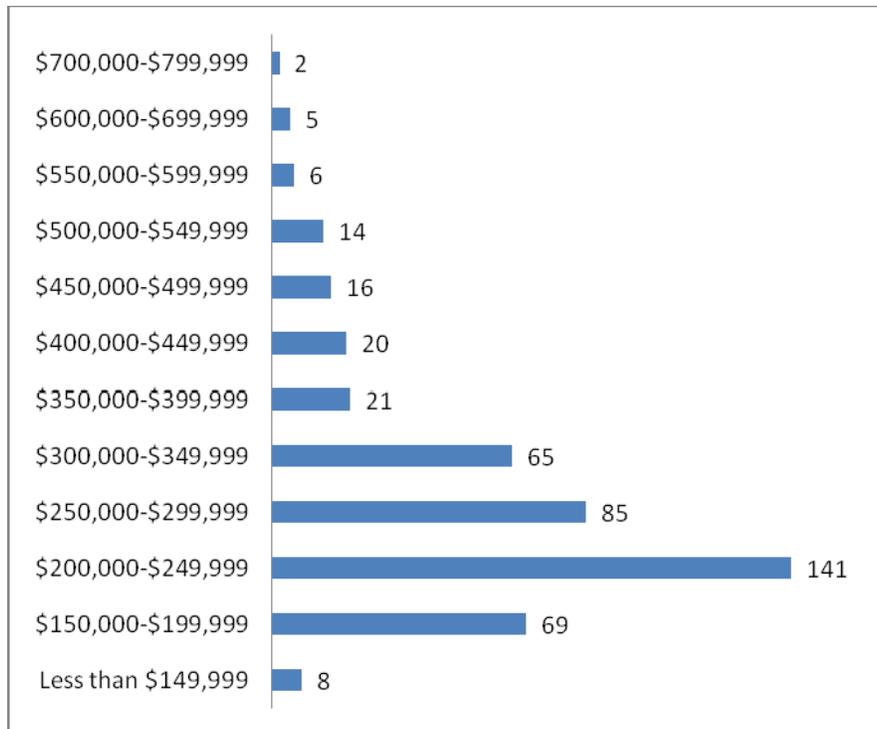
For the detached single-family homes, the graph clearly shows the dominance of the \$200,000-\$249,999 price category. Over the four-year period, 31% of the 452 detached single family homes sold were in that price range.

Over four years, a total of 502 units in condominiums, townhouses, and other types of attached housing were sold. Of the total, 45% were sold for prices under \$150,000, and 29% were sold for prices in the range of \$150,000 to \$199,999. New construction housing in Downtown Rolling Meadows can be expected to command a price premium over existing condominiums and townhomes in the community. The pricing, however, will be constrained by the availability of older units at prices in some cases well below \$200,000.

Rolling Meadows Detached Single-Family Sales 2006-2009

Sold Price Range	Number of Sales				
	2006	2007	2008	2009	TOTAL
\$700,000-\$799,999	1	1	0	0	2
\$600,000-\$699,999	3	1	0	1	5
\$550,000-\$599,999	4	0	2	0	6
\$500,000-\$549,999	4	4	3	3	14
\$450,000-\$499,999	6	5	2	3	16
\$400,000-\$449,999	4	4	3	9	20
\$350,000-\$399,999	6	9	6	0	21
\$300,000-\$349,999	18	22	18	7	65
\$250,000-\$299,999	20	39	15	11	85
\$200,000-\$249,999	57	19	33	32	141
\$150,000-\$199,999	22	1	12	34	69
Less than \$149,999	0	0	0	8	8

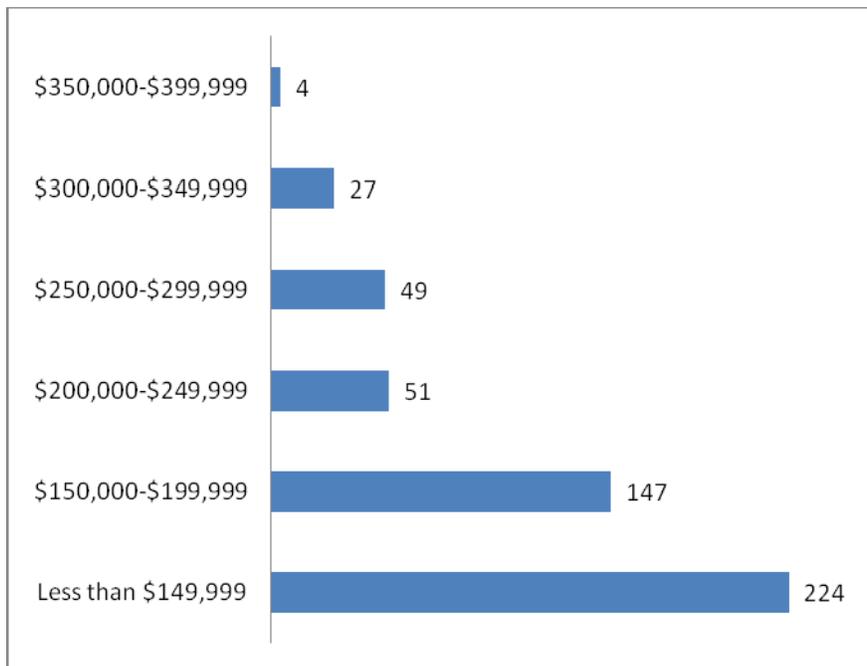
Source: connectMLS.com



Rolling Meadows Attached Single-Family Sales 2006-2009

Sold Price Range	Number of Sales				TOTAL
	2006	2007	2008	2009	
\$350,000-\$399,999	1	3	0	0	4
\$300,000-\$349,999	13	11	2	1	27
\$250,000-\$299,999	17	19	5	8	49
\$200,000-\$249,999	21	12	10	8	51
\$150,000-\$199,999	69	48	19	11	147
Less than \$149,999	73	47	53	51	224

Source: connectMLS.com



Downtown Condominiums

As described in a previous section, four condominium projects have been developed in downtown Rolling Meadows over the last 30 years. While they have been well received by the market, the most recent project was caught in the current housing market downturn. The third phase of Riverwalk sold slowly, and the fourth and final phase of Riverwalk was never built. That parcel is now one of the opportunity sites under consideration in this study.

The City of Rolling Meadows reports that 12% of the downtown units are being rented. The 51 rented units include 28 offered by investor owners at Kirchoff Meadows and 20 unsold units that are being rented by the developer of Riverwalk.

Rolling Meadows Downtown Condominiums			
Complex Name	Buildings	Total Units	Year Built
Park Meadows	6	56	1980
Kirchoff Meadows	3	117	1991
Kimball Square	4	127	2000
Riverwalk	3	124	2005-2008
Total	16	424	

Source: City of Rolling Meadows

Downtown Residents

The retail preference survey of downtown residents reveals some characteristics of the people who have chosen to live downtown and sheds light on future sources of demand.

Previous Residence. Over half of the survey respondents (53%) had previously lived in the Northwest suburbs, and another 25% were from Rolling Meadows. Of the non-locals, 17% were from elsewhere in the region, and 5% came from out of town.

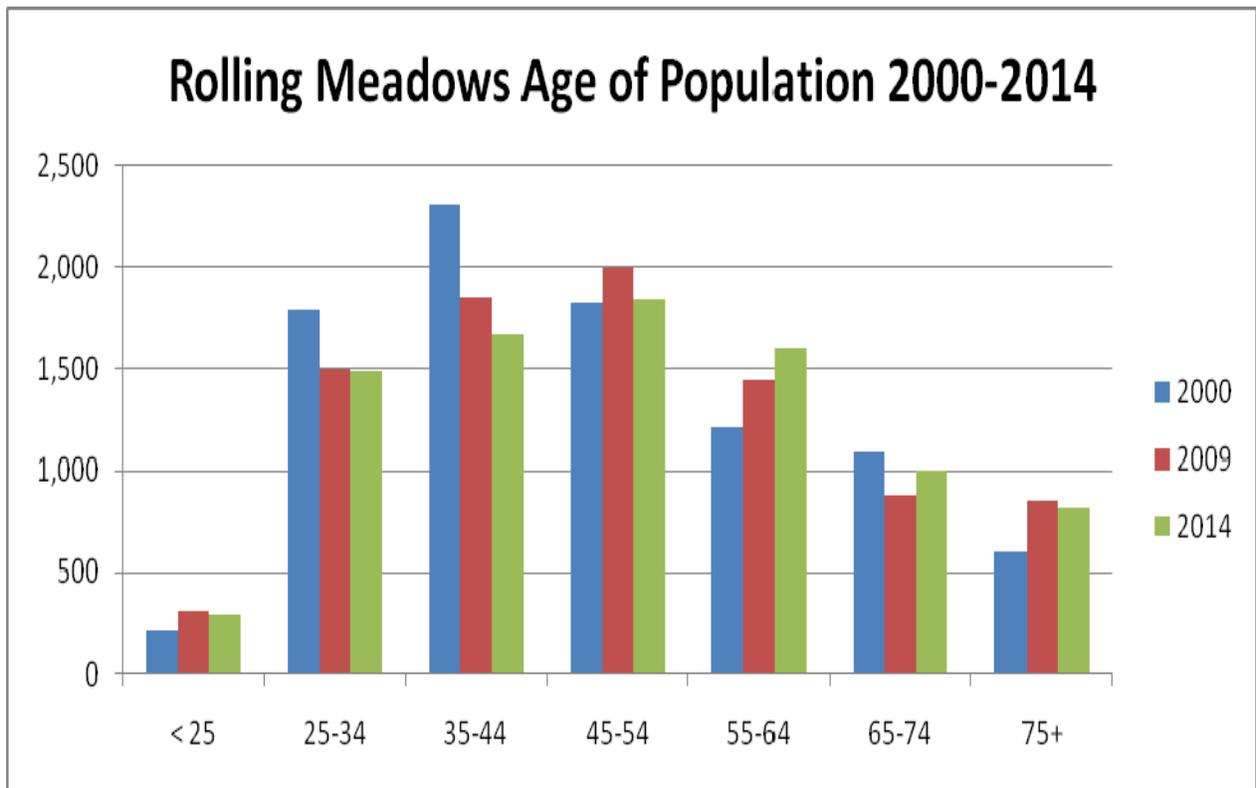
Age. 74% of respondents were 65 or older and another 8% were age 55-65. 10% were age 35-54, and 8% were under age 35. The survey results may not accurately reflect the age of Downtown residents. It is possible that the results are somewhat skewed because retired people are more likely to take the time to respond to a survey. Also, the survey reports current ages, not the age at which people moved to downtown Rolling Meadows.

The survey findings support the conclusion that the strongest demand for additional downtown housing is most likely to come from seniors and empty nesters, with younger working households a secondary source of demand.

Age and Income

The graphic below shows changes in the age profile of Rolling Meadows residents in 2000, 2009, and 2014. Population age 25 – 44, a cohort that is most likely to be starting and raising families, was predominant 10 years ago. The current (2009) population is older, with 35 – 54 the predominant age cohort.

The growing significance of the older age groups that include persons 55 to 74 is evident from the graphs in the bars showing forecasts of the population in 2014.



Source: U.S. Census for 2000, ESRI Business Analyst for estimates and projections.

The table below presents estimates of Rolling Meadows households by age and income for 2009. While the community is economically diverse, 25% of all households are in the \$75,000 to \$100,000 income category. It is likely that a household income of at least \$50,000 would be necessary to afford ownership housing.

2009 Households by Income and Age of Householder

	Age < 25	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age 65-74	Age 75+
Population	24,405						
Households	8,832						
Household Income Base	307	1,501	1,851	1,996	1,450	877	852
<\$15,000	25	26	53	30	21	29	124
\$15,000 - \$24,999	7	78	55	41	32	107	92
\$25,000 - \$34,999	46	91	81	56	68	101	124
\$35,000 - \$49,999	75	245	240	174	201	161	93
\$50,000 - \$74,999	83	430	464	389	382	135	109
\$75,000 - \$99,999	35	445	574	602	229	181	175
\$100,000 - \$149,999	19	133	231	413	307	61	57
\$150,000 - \$199,999	8	29	64	169	160	43	65
\$200,000 - \$249,999	9	17	58	72	30	42	13
\$250,000 - \$499,999	0	6	26	39	17	13	0
\$500,000 +	0	1	5	11	3	4	0
Median Household Income	\$50,085	\$65,508	\$75,819	\$85,005	\$76,699	\$55,713	\$48,547
Average Household Income	\$61,067	\$72,593	\$85,601	\$103,341	\$94,599	\$78,281	\$62,721

Source: ESRI Business Analyst

Senior Housing

Independent seniors in Rolling Meadows reside in a variety of settings, including single family homes where they have raised their families, condominiums, and apartments. For those choosing to live in age-restricted buildings, there are a variety of housing types, the most common of which are described below.

- Age-restricted rental apartments for independent seniors provide housing and limited services without long-term contracts or entrance fees. Incoming seniors are typically younger individuals and couples, possibly in their 60s, who are likely to be driving and otherwise living independently. The monthly rents reflect a premium over other types of rental buildings, but do not include services such as meals.
- Congregate living provides housing, meals, 24-hour staff, transportation, and services such as housekeeping. Entrants are usually older, typically in their mid-70s, but do not need assistance with daily living tasks. Tamarack in Palatine is one of the local examples of a congregate facility.
- Continuing Care Retirement Communities (CCRCs) provide independent living (usually with congregate services), assisted living, and nursing care on one campus. Local examples include Luther Village, Clare Oaks/Church Creek, and The Moorings/Presbyterian Homes in Arlington Heights

Assisted living provides housing for seniors who are no longer able to live independently. A local example of an assisted living facility in Rolling Meadows is Plum Creek. Special care facilities for seniors with dementia may also be part of an assisted-living facility or CCRC.

Given the size of the site and surrounding land uses, the most appropriate type of senior housing for Riverwalk parcel would be rental housing for independent seniors. This type of residential product is typically offered by smaller developers rather than the large companies such as Marriott and Brookdale that develop congregate housing and CCRC's.

Straight rental housing for independent seniors may include some percentage of affordable units, allowing the developer to apply for low income housing tax credits from the Illinois Housing Development Authority (IHDA).

These analyses of demographic trends and the residential market in Rolling Meadows are the basis for the recommendations for additional residential development in the Downtown, as described in the next chapter.

V. RESIDENTIAL RECOMMENDATIONS

Two of the four Downtown Rolling Meadows opportunity sites discussed in this report are suitable for residential development:

- The approximately one-acre site intended to be the fourth phase of Riverwalk is now owned by the City. Despite the frontage along Kirchoff Road, commercial vacancies in the adjacent mixed-use building suggest that the best use of the site would be for a single-use residential development.
- A redeveloped Rolling Meadows Plaza could include residential development that would take advantage of proximity to a desirable residential neighborhood and ball fields/open space.

As shown in the following table, three product types are recommended for consideration: rental housing for independent seniors, condominiums, and townhomes.

Rolling Meadows Residential Market Opportunities

Opportunity	Building Type	Potential Demand Segments	
		Description	Demographics *
Rental housing for independent seniors	Elevator building with 40-50 units	Households age 65 -74, both those able to afford market rents and those eligible for affordable housing.	877 households age 65-74, with increase projected for 2014
Condominiums	Midrise building with 20-40 units	Younger first-time buyers working in Northwest Suburbs	875 households age 25-34 with incomes from \$50,000 - \$100,000
		Empty nesters	1,450 households age 55-64 w/ median income of \$76,699.
Townhouses	2-3 story attached units	Younger first-time buyers working in Northwest Suburbs	1,008 households age 25-34 with incomes from \$50,000 - \$150,000

* Rolling Meadows households in 2009 according to ESRI

Source: Goodman Williams Group

Riverwalk Phase IV

In July 2009, Affordable Housing Continuum presented the City of Rolling Meadows with a preliminary concept and plan to develop the final phase of the Wellington P.U.D., the remaining Riverwalk Parcel. Their unsolicited proposal was for an affordable, age restricted rental building with 50 units. The proposal included 4,000 square feet of ground floor retail and office space in a three-story building. This proposal was not positively received by the Economic Development Commission.

The City is committed to obtaining the highest price possible for this parcel, while promoting the type of development that is consistent with their Downtown Plan. In order to establish a fair and competitive process for disposition of this property, we recommend that the City issue a Request for Proposal (RFP) for residential development. The following issues should be considered:

- This RFP need not specify whether the development be age-restricted; rental or for-sale; or include ground floor commercial space. Given the current state of the housing market and available financing, the development horizon for condominium development is likely to be longer than for rental.
- The RFP should include bulk, height, and any other restrictions that would materially affect the proposal.
- Since this site is located in a TIF district which is not due to expire until 2025, basic financial information about the TIF should be included in the RFP.
- The City should consider putting in a minimum bid for the land.

Rolling Meadows Plaza

As discussed previously, attracting commercial tenants and redeveloping Rolling Meadows Plaza as a neighborhood shopping center should be the City's most immediate Downtown development priority. Once plans for the commercial frontage are clear, plans for ancillary residential development on the back of the parcel should be pursued. It is likely that the housing market will have significantly recovered by this time, and for-sale condominium and/or-townhouse development will be more attractive to both prospective developers and buyers.

Marketing Downtown Rolling Meadows

The redevelopment of Rolling Meadows Plaza could provide the catalyst for marketing the whole of Downtown Rolling Meadows, with the goal of bringing more people to eat, shop, live, and recreate at destinations along Kirchoff Road. Downtown stakeholders should organize and undertake the following:

- Design printed marketing materials that can be used to help attract tenants to the vacant retail spaces.
- Design an electronic information source filled with reasons to shop, dine, and attend events in Downtown Rolling Meadows. This information should be linked to the City's web site.
- Organize more promotional events that interest a variety of market segments, including families with children, seniors, car enthusiasts, etc.
- Coordinate activities with the other public- and private sector entities, including the Park District, the Library, the Rolling Meadows Chamber of Commerce, and Northwest Community Hospital, among others.

Pedestrian Connections and Enhanced Streetscapes

The Rolling Meadows Comprehensive Plan, prepared by the Lakota Group in 2006, includes recommendations for the Downtown Sub-Area. The stated goal for the Downtown is to create “a more inviting, pedestrian-oriented Downtown that includes increased commercial and residential uses and a stronger connection to Kimball Hill Park.” The Plan discusses and illustrates the following specific ideas:

- Improved pedestrian connections, particularly to the park and along the creek.
- New gateways to the downtown
- Additional outdoor dining locations
- Enhanced streetscapes

These improvements will contribute to a new sense of identity and vitality in Downtown Rolling Meadows, re-establishing its role as the heart of the community.

Addenda

- Downtown Rolling Meadows Commercial Inventory
- Survey Results
- Major Shopping Centers within Three Miles of Rolling Meadows
- Big Box Retailers and Grocery Stores within Rolling Meadows Market Area
- Grocery Prospects for Rolling Meadows Plaza

Downtown Rolling Meadows Commercial Inventory

Number	Street	Business Name	Sq. Footage	Location*	Description	Category
3007	Kirchoff	Express Auto	5001-10,000		Auto Repair Shop	Automotive
3001	Kirchoff	Ray's Auto	2501-5000		Auto Repair Shop	Automotive
3005	Kirchoff	Marathon	-		Gas Station	Automotive
3201	Meadow	Trinity Lutheran Church			Church	Educational/Institutional
2720	Kirchoff	Community Church of Rolling Meadows			Church	Educational/Institutional
2401	Kirchoff	Meadows Baptist Church			Church	Educational/Institutional
2600	Martin Lane	Carl Sandburg Jr High School			School	Educational/Institutional
2905	Meadow	Kimball Hill School			School	Educational/Institutional
3802	Wilke	Clearbrook			Institutional	Educational/Institutional
2641	Kirchoff	Bank One\JP Morgan Chase Bank	0-2501	KRM	Bank	Financial Services
3148	Kirchoff	Ben Franklin Bank	3300	RMSC	Bank	Financial Services
3225	Kirchoff	Harris Bank	5001-10000		Bank	Financial Services
3340	Kirchoff	Currency Exchange	0-2500		Currency Exchange	Financial Services
3112	Kirchoff	Liberty Income Tax	960	RMSC	Financial Agency	Financial Services
3409	Kirchoff	State Farm Insurance	2500	WELL	Financial Agency	Financial Services
3100	Kirchoff	Advance American Cash Advance	1400	RMSC	Loan Agency	Financial Services
3266	Kirchoff	Post Office	6825	RMSC	Postal Office	Government
3600	Kirchoff	City Hall			City Hall	Government
3110	Martin Lane	Library			Library	Government
2455	Plum Grove	Fire Department			Fire Department	Government
3469	Kirchoff	Riverwalk Dental	0-2500	WELL	Dental Office	Medical/Dental
3487	Kirchoff	Vision Source Eye Care	2000	WELL	Eye Care Store	Medical/Dental
3300	Kirchoff	NW Community Hospital(Proposed)	10000	RMSC	Physical Rehab Center	Medical/Dental
2633	Kirchoff	Loving Care Animal Clinic	1800	KRM	Veterinarian Clinic	Medical/Dental
2647	Kirchoff	Gabi Hair Design	0-10,000	KRM	Beauty Salon	Personal Services
2649	Kirchoff	Nails Design	0-2500	KRM	Beauty Salon	Personal Services
3252	Kirchoff	Great Clips	719	RMSC	Beauty Salon	Personal Services
3334	Kirchoff	SuperCuts	0-10000		Beauty Salon	Personal Services
3421	Kirchoff	Jemma Marie's Salon	0-2500	WELL	Beauty Salon	Personal Services
2631	Kirchoff	A Classic Cleaners	1,200	KRM	Dry Cleaning	Personal Services
3475	Kirchoff	Linda Cleaners	0-2501	WELL	Dry Cleaning	Personal Services
3130	Kirchoff	BB Nails	560	RMSC	Nail Salon	Personal Services
3451	Kirchoff	Rolling Meadows Shoe Repair	0-2500	WELL	Shoe & Leather Repair	Personal Services
3256	Kirchoff	Travel Network	686	RMSC	Travel Agency	Personal Services
3245	Kirchoff	AMF Rolling Meadows Lanes	0-2501		Bowling Alley	Recreation

Survey of Downtown Rolling Meadows Residents

What is your Address?

<u>Development</u>	<u>Number</u>	<u>Percent</u>
Kimball Square	36	64.3%
Riverwalk	17	30.4%
Park Meadows	4	7.1%
Kirchoff Meadows	0	0.0%
Total	56	

How long have you lived at your current address?

<u>Years</u>	<u>Number</u>	<u>Percent</u>
1-5	26	43.3%
6-10	20	33.3%
Over 10	12	20.0%
Under 1	2	3.3%
Total	60	

Where did you live previously?

<u>Previous Residence</u>	<u>Number</u>	<u>Percent</u>
NW Suburbs	32	53.3%
Rolling Meadows	15	25.0%
Elsewhere in Chicagoland Area	10	16.7%
Out of Town	3	5.0%
Total	60	

Other than Jewel/Osco on Kirchoff Road, what grocery store do you shop at most frequently?

<u>Grocery Store</u>	<u>Number</u>	<u>Percent</u>	
Meijers	20	35.1%	Rolling Meadows
Aldi	9	15.8%	Schaumburg (7), Arlington Heights (1), Unlisted (1)
Valli's	6	10.5%	Arlington Heights
Dominick's	4	7.0%	Palatine (3), Unlisted (1)
Garden Fresh	4	7.0%	Arlington Heights (3), Mount Prospect (1)
Trader Joe's	4	7.0%	Arlington Heights
Walmart	4	7.0%	Rolling Meadows
Costco	2	3.5%	Schaumburg
Jewel Osco	1	1.8%	Arlington Heights
None	2	3.5%	-
Walgreens	1	1.8%	Arlington Heights
Total	57		

What pharmacy do you shop at most frequently?

<u>Pharmacy</u>	<u>Number</u>	<u>Percent</u>	
Jewel Osco	26	45.6%	Rolling Meadows
Walgreens	21	36.8%	Arlington Heights (20), Palatine (1)
CVS	3	5.3%	Rolling Meadows
Walmart	3	5.3%	Rolling Meadows
Multiple	2	3.5%	-
Costco	1	1.8%	Schaumburg
Harris Pharmacy	1	1.8%	Arlington Heights
Meijers	1	1.8%	Rolling Meadows
Sam's Club	1	1.8%	Closed
Target	<u>1</u>	1.8%	Schaumburg
Total	57		

What are the names of your three favorite sit-down restaurants?

<u>Restaurant</u>	<u>Number</u>	<u>Percent</u>	
Sam's of Arlington	18	11.1%	Arlington Heights
Red Apple	10	6.2%	Rolling Meadows
Gus' Diner	9	5.6%	Rolling Meadows
Wellington	7	4.3%	Arlington Heights
Jameson's Char House	6	3.7%	Arlington Heights (3), Mount Prospect (3)
Olive Garden	6	3.7%	Schaumburg
Applebee's	5	3.1%	Arlington Heights
Palm Court	5	3.1%	Arlington Heights
Toscana	4	2.5%	Arlington Heights
Red Lobster	4	2.5%	Schaumburg (3), West Dundee (1)
Dunton House	3	1.9%	Arlington Heights
Javier's	3	1.9%	Arlington Heights
Peggy Kinnanes	3	1.9%	Arlington Heights
Sweet Baby Ray's	3	1.9%	Elk Grove Village
Chili's	3	1.9%	Rolling Meadows
California Pizza Kitchen	2	1.2%	Arlington Heights
Grand Station	2	1.2%	Arlington heights
Baker's Square	2	1.2%	Palatine
Café 14	2	1.2%	Palatine
Palatine Inn	2	1.2%	Palatine
Absolutely Chinese	2	1.2%	Rolling Meadows
Maggiano's	2	1.2%	Schaumburg
Macaroni Grill	2	1.2%	Hoffman Estates
Other Rolling Meadows	15	9.3%	
Other Arlington Heights	13	8.0%	
Other Schaumburg	13	8.0%	
Other Misc.	9	5.6%	
Other Palatine	4	2.5%	
Other Chicago	<u>3</u>	1.9%	
Total	162		

What are the names of the three Downtown Rolling Meadows businesses you frequent the most?

<u>Most Frequented Business</u>	<u>Number</u>	<u>Percent</u>
Jewel Osco	49	27.4%
Dollar Store	28	15.6%
Hallmark Card Shop	19	10.6%
Post Office	15	8.4%
Dunkin Donuts	7	3.9%
Fratellos	6	3.4%
Great Clips	6	3.4%
Harris Bank	6	3.4%
Great American Bagel	5	2.8%
Chase Bank	4	2.2%
McDonalds	5	2.8%
Subway	4	2.2%
Jemma Maries' Salon	3	1.7%
Ray's Auto Repair	4	2.2%
Gas Station	2	1.1%
Meijers	2	1.1%
Nails by Design	2	1.1%
AA-EE Shoes	1	0.6%
Blockbusters	1	0.6%
Library	1	0.6%
Linda's Cleaners	1	0.6%
Little Ceasers	1	0.6%
Megleo's School of Dance	1	0.6%
Mexican Food Place on Algonquin (El Bello Mar)	1	0.6%
Shoe Repair	1	0.6%
Shoe Store	1	0.6%
Supercuts	1	0.6%
Travel Network	1	0.6%
Turtle Wax	<u>1</u>	0.6%
TOTAL	179	

**What kinds of additional businesses would you like to see in Downtown Rolling Meadows?
(Check all that apply.)**

<u>Business Type</u>	<u>Number</u>	<u>Percent</u>
Restaurants	52	34.4%
Food Stores	39	25.8%
Card or Gift Shops	7	4.6%
Apparel or Accessories	30	19.9%
Furniture or home furnishings	12	7.9%
Garden supply	<u>11</u>	7.3%
Total	151	

Other Businesses? (Please describe as many as you wish.)

<u>Business Type Desired</u>	<u>Number</u>	<u>Percent</u>
Hardware	16	24.2%
Restaurant	9	14.5%
Bakery	6	9.7%
Coffee Shop	5	8.1%
Food Stores	4	6.5%
Department Store	2	3.2%
Doctor's Office	2	3.2%
Dog Park	2	3.2%
Ice Cream	2	3.2%
Other	<u>17</u>	24.2%
TOTAL	62	

Businesses Desired by Name

7-11
Browns or Popeye
Caputo
Caribou Coffee
Crawfords
Hobby Lobby
Kmart
Kuhn's German Deli
Michaels (2)
Olive Garden
Panera
Steinmart
Target (2)
Trader Joe's (3)
Valli's
Walgreens/CVS
White Hen
Whole Foods

What do you like most about living in Downtown Rolling Meadows?

<u>Like Most Categories</u>	<u>Number</u>	<u>Percent</u>
Proximity and Access	43	33.6%
Walkability, Recreational Opportunities	18	14.1%
Convenience	18	14.1%
Public Services and Amenities	19	14.8%
Sense of Community	16	12.5%
Other	<u>14</u>	10.9%
TOTAL	128	

What do you like least about living in Downtown Rolling Meadows?

<u>Like Least Categories</u>	<u>Number</u>	<u>Percent</u>
Vacancies	18	25.0%
Lack of Establishments and Variety	13	18.1%
Noise	9	12.5%
Need for Beautification	7	9.7%
Traffic and Transit	6	8.3%
Not a Real Downtown	4	5.6%
Nuisances	3	4.2%
Taxes	3	4.2%
Other	<u>9</u>	12.5%
TOTAL	72	

Other than additional stores and restaurants, are there any additions or improvements you would like to see in Downtown Rolling Meadows?

<u>Additional Amenities</u>	<u>Number</u>	<u>Percent</u>
Beautification and Parkspace	15	22.7%
Businesses	12	18.2%
Development	12	18.2%
Restaurants	8	12.1%
Public Services and Amenities	7	10.6%
Housing/Senior Services	4	6.1%
Traffic and Transit	4	6.1%
Other	<u>4</u>	6.1%
Total	66	

What is your age?

<u>Age</u>	<u>Number</u>	<u>Percent</u>
65+	44	73.3%
55-64	5	8.3%
35-54	6	10.0%
Under 34	<u>5</u>	8.3%
Total	60	

Are you?

<u>Gender</u>	<u>Number</u>	<u>Percent</u>
Female	39	65.0%
Male	15	25.0%
Couple	<u>6</u>	10.0%
Total	60	

Source: City of Rolling Meadows, Goodman Williams Group

Major Shopping Centers within 3 Miles of Rolling Meadows

<u>Name</u>	<u>Address</u>	<u>City</u>	<u>Anchors</u>	<u>Stores</u>	<u>Distance*</u>	<u>Year Open</u>	<u>GLA</u>
Woodfield Mall	Woodfield Dr	Schaumburg	Sears, Macy's, JCPenney, Nordstrom, Lord & Taylor	240	2.4	1971	2,224,000
Woodfield Village Green	Meacham & Golf Rd	Schaumburg	Costco, Vacant, Filene's Basement, Marshalls	32	2.18	1993	674,647
Streets of Woodfield	Woodfield, Higgins, Martingale	Schaumburg	Dick's Sporting Goods, Carson Pirie Scott, AMC Loews Theatre, Whole Foods, Crate & Barrel	25	2.72	1991	630,355
Town & Country Center	Palatine, Rand & Arlington Heights Rd	Arlington Heights	Dick's Sporting Goods, Ashley Furniture, Dominick's, Marshalls	18	2.9	1981	329,849
Arlington Plaza	Arlington Heights & Rand Rds.	Arlington Heights	Burlington Coat Factory, Value City Furniture, Harlem Furniture	20	3.16	1970	300,000
Northpoint Shopping Center	Rand, Palatine & Arlington Heights Rd	Arlington Heights	Jewel-Osco, Office Depot, Shoe Carnival	33	3.12	1965	276,917
Southpoint Shopping Center	Rand & Palatine Rds.	Arlington Heights	Furniture Direct, Garden Fresh	29	3.13	1989	234,882
Surrey Ridge Shopping Center	Algonquin & Golf Rd	Arlington Heights	Lowe's	7	2	1970	100,000
Meadows Crossing Shopping Center	Algonquin & Golf Rd	Rolling Meadows	Walmart	56	1.91	1985	240,000
Woodfield Commons	Golf Rd & National Pkwy	Schaumburg	Toys 'R' Us, REI, Harlem Furniture	18	2.63	1973	207,452

* Miles from Kirchoff Rd & Meadow Drive

Source: ESRI Business Analyst, Directory of Major Malls, Inc., Goodman Williams Group

Big Box Retailers & Grocery Stores within Rolling Meadows Market Area

<u>Business</u>	<u>Address</u>	<u>City</u>	<u>Distance*</u>
Walmart	1460 Golf Rd	Rolling Meadows	1.9
IKEA	1800 E McConnor Parkway	Schaumburg	1.7
Target	1235 E Higgins Rd	Woodfield	3.1
Target	1700 E Rand Rd	Arlington Heights	3.3
Dominick's	325 Palatine Rd	Arlington Heights	2.9
Dominick's	720 W Euclid	Palatine	2.4
Dominick's	1293 E Higgins Rd	Schaumburg	3.1
Jewel/Osco	3000 Kirchoff Rd	Rolling Meadows	0.2
Jewel/Osco	122 Vail St	Arlington Heights	1.7
Jewel/Osco	1860 S Arlington Heights Rd	Arlington Heights	2.6
Jewel/Osco	45 S Plum Grove Rd	Palatine	2.6
Jewel/Osco	440 E Rand Rd	Arlington Heights	2.9
ALDI	1412 Algonquin Rd	Schaumburg	1.6
ALDI	550 E Golf Rd	Arlington Heights	2.8
ALDI	1432 E Rand Rd	Prospect Heights	3.1
Trader Joe's	17 W Rand Rd	Arlington Heights	3
Whole Foods	750 N Martingale Rd	Schaumburg	2.5
Meijer	1301 Meijer Drive	Rolling Meadows	2.1
Costco	1375 N Meacham Rd	Schaumburg	2

*Distance from Kirchoff Rd & Meadow Dr

Source: Goodman Williams Group

Grocery Prospects for Rolling Meadows Plaza

<u>Name</u>	<u>Size (Sq. Ft.)</u>	<u>Number of Stores</u>	<u>Closest Store</u>
Butera Markets	30 - 45,000	10	727 W Golf Road, Des Plaines
Caputo's Fresh Market	28 - 42,500	6	166 E. Lake Street, Addison
Carniceria Jimenez	20 - 35,000	9	550 W. Dundee Rd., Wheeling
Cermak Produce	35 - 40,000	7	4234 N. Kedzie, Chicago
County Market	50 - 60,000	35	2550 Arthur Street Gary, IN
Euro Fresh Market	25,000	2	130 W. Northwest Hwy, Palatine
Fair Share Supermarkets	25 - 30,000	2	6226 W Roosevelt Road, Oak Park
Fairplay Finer Foods	39 - 55,000	7	8631 W. 95th, Hickory Hills
Family Foods	45,000	1	2 S. 501 Route 59, Warrenville
Food 4Less	55 - 65,000	12	901 Meacham Rd, Elk Grove Village
Freshline Food Market	30,000	1	5355 West 95th Street Oak Lawn
Garden Fresh Market	35 - 55,000	8	600 East Rand Rd., Arlington Heights
H Mart	55 - 90,000	34	810 Civic Center Drive, Niles
Joe Caputa & Sons	30,000	3	2070 N. Rand Road, Palatine
La Chiquita	15 - 25,000	6	4926 W. Cermak, Cicero
Michael's	45,000	5	7241 Lemont Rd., Downers Grove
Moo & Oink	30 - 40,000	4	4848 W. Madison, Chicago
Pete's Produce	40 - 45,000	8	2526 West Cermak Road, Chicago
Produce World Market	20 - 32,000	2	8325 West Lawrence, Norridge
Save-A-Lot	18,000	10	5555 W North Ave., Chicago
Shop N Save Market	35 - 42,500	5	830 W Golf Rd., Schaumburg
Strack & Van Til Market	40 - 50,000	14	2627 N. Elston Ave., Chicago
Super Low Foods	25 - 30,000	3	3720 Rose Street, Schiller Park
Super Màs Market	45,000	1	1424 West 47th Street, Chicago
Tony's Finer Foods	35 - 70,000	6	4137 N. Elston Ave., Chicago
Ultra Foods	55,000	13	7580 Barrington Rd, Hanover Park
Valli Produce	20 - 50,000	4	400 E. Golf Road, Arlington Heights

Source: Mallon and Associates