

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda


_____ Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
 X Recommendations of Boards, Commissions & Committees (Green)
_____ Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: David A. Hulseberg, Village Manager

DATE: July 29, 2011 (B of T) Date: August 18, 2010

TITLE: Village Wide Economic Development Strategy and Action Plan

SUBMITTED BY: Department of Community Development 

BACKGROUND/POLICY IMPLICATIONS:

The Economic and Community Development Committee through the Department of Community Development transmits for your consideration a resolution adopting the Village Wide Economic Development Strategy and Action Plan.

The ECDC recommended unanimous support of this Plan.

Please place this item on the August 18, 2011 Board of Trustees agenda.

Fiscal Impact/Funding Source:

Review (as necessary):

Village Attorney X _____ Date _____
Finance Director X _____ Date _____
Village Manager X _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



MEMORANDUM

TO: David A. Hulseberg, Village Manager

FROM: William J. Heniff, AICP, Director of Community Development *WJH*

DATE: August 18, 2011

SUBJECT: **Village Wide Economic Development Plan**

As part of the Village's strategic planning session and overall goals for the Community Development Department, the Village Board identified economic development as a key goal for FY2011. Specifically, the Village Board identified the following:

"Continue to expand economic development strategies to attract, maintain or expand businesses opportunities within the community, to include creating innovative solutions to fill commercial vacancies and innovative solutions to vacant lot development."

Through FY2011, the Economic and Community Development Committee (ECDC) completed a comprehensive discussion process and review of both the economic development activities that have been undertaken and the efforts that should be explored in the future. Through this effort, staff introduced the draft work plan for the Village Wide Economic Development Strategy and Action Plan ("the Plan"). Specifically, staff discussed the following components of the Plan:

1. Develop Goals
2. Prepare an assessment of our current and past economic development tools
3. Identify development strategies
4. Identify priorities and develop a timeline for completion.

The Plan components were presented to the ECDC for their input, discussion and action as outlined below:

November 3, 2010	Staff introduced the Plan to the Committee who tabled it to the following meeting
December 1, 2010	Staff re-introduced the Plan to the Committee who directed staff to proceed with the project as outlined in the work plan
February 16, 2011	Staff presented the first draft of Sections 1 and 2, which was supported by the Committee and directed staff to proceed with the remaining sections

- April 6, 2011 Staff presented the first draft of the Implementation Section of the Plan, which was supported by the Committee with some minor changes and directed staff to proceed.
- July 6, 2011 Staff introduced the final draft of the Plan. The Committee unanimously recommended that it be forwarded to the Board of Trustees for approval.

The final draft document is now being transmitted to the Village Board for its consideration and approval. Per the ECDC direction, the document is intended to be broadly applied, allowing for flexibility due to changing market conditions. The ECDC also noted that many of the outreach efforts previously completed or are available through the Village and other local sources should be promoted to a greater extent. To this end, it is written in a format that allows the final document to be used as both a planning document and a marketing tool.

The document contains discussion regarding the various commercial corridors in the community and the tools available to facilitate activity. Also included within the report are four key locations that may be ripe for development or redevelopment activities and identifies the tools the Village could possibly use to facilitate new activity. Lastly, the report includes specific goals and timelines for implementation.

RECOMMENDATION

The Economic and Community Development Committee recommends that the Village Board of Trustees adopt a Resolution approving the Village Wide Economic and Development Plan, attached as Exhibit A.

RESOLUTION
R _____ 12

**A RESOLUTION ADOPTING
THE VILLAGE WIDE ECONOMIC DEVELOPMENT
STRATEGY AND ACTION PLAN**

WHEREAS, the Village of Lombard as part of its strategic planning session and overall goals identified economic development as a key goal; and

WHEREAS, as a result of that directive, the Village Wide Economic Development Strategy and Action Plan (‘the Plan”), attached hereto as Exhibit A, was formulated; and

WHEREAS, the Economic and Community Development Committee completed a comprehensive discussion process and review of the economic development activities undertaken and the efforts that should be explored in the future as outlined in the Plan and unanimously recommended their support; and

WHEREAS, the Corporate Authorities deem it to be in the best interest of the Village of Lombard to use the Village Wide Economic Development Strategy and Action Plan as a planning document and marketing tool.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, as follows:

SECTION 1: That the Board of Trustees of the Village of Lombard does hereby adopt the Village Wide Economic Development Strategy and Action Plan.

Adopted this ____ day of _____, 2011.

Ayes: _____

Nays: _____

Absent: _____

Approved this _____ day of _____, 2011.

William J. Mueller
Village President

ATTEST:

Brigitte O'Brien
Village Clerk



Village-wide Economic Development Strategy and Action Plan



Department of Community Development
July 2011 DRAFT

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Background

This plan was developed by the Economic and Community Development Committee and Department of Community Development, which are tasked with encouraging and guiding development and redevelopment within the community. In 2010, the Village Board identified economic development as a key goal for the upcoming year. Specifically, the Village Board stated the following goal:

“Continue to expand economic development strategies to attract, maintain or expand businesses opportunities within the community, to include creating innovative solutions to fill commercial vacancies and innovative solutions to vacant lot development.”

The intent of this plan is to identify specific actions, priorities, and programs to enable the Village of Lombard to achieve its economic development goals by building upon the Village’s economic assets and identifying new opportunities. These activities will increase employment, facilitate the robust growth and expansion of businesses, improve the quality of life of all residents, enlarge the tax base, further promote and develop the downtown, and position the Village as an attractive place to live and work.

Plan Goals & Objectives

Goal 1

Retain, expand, & attract commercial & industrial businesses.

The Village will build upon the existing business visitation program, promote awareness of the Lombard businesses, and develop ways to attract new businesses to the community by meeting the following objectives:

Economic Development Goals

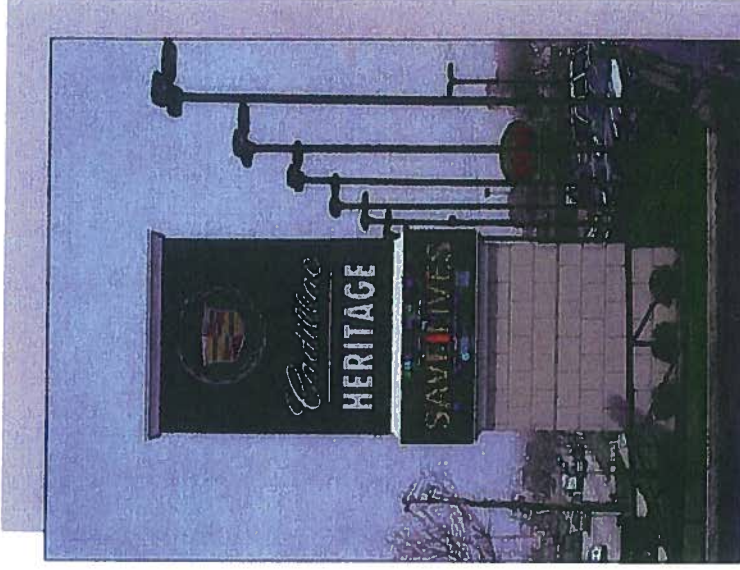
- 1. Retain, expand & attract commercial & industrial businesses.**
- 2. Promote general economic development & business growth.**
- 3. Increase municipal revenue sources & identify incentives for specific development opportunities.**
- 4. Encourage redevelopment along key commercial corridors.**

1. **Raise awareness of local businesses.** Continue to partner with the Lombard Area Chamber of Commerce and Lombard Town Centre on marketing strategies to both consumers and businesses. Develop a comprehensive business database to be shared with residents (for awareness purposes) and businesses (to promote business-to-business transactions within the community).
2. **Retain existing businesses.** Continue the business visitation program by visiting at least 24 businesses per year (including follow-up visits). Be responsive to issues and concerns raised by local businesses.
3. **Welcome new businesses.** Create a “Welcome to Lombard” new business program with an introduction letter, local business and Village information, etc.
4. **Attract new businesses.** Continue to develop relationships with key business representatives that may choose Lombard as their location.
5. **Consider incentives for large businesses.** Explore all available incentives for large commercial businesses that have a significant impact on the Lombard economy, with an emphasis on BIDs and TIF that preserve sales tax revenue.
6. **New business follow-up.** Once business located within the community, follow up and seek input about their experiences working with the Village.
7. **Market flexibility.** Recognizing that economic changes occur over time and between sectors, any economic plan must be flexible to address changing conditions and unique market considerations.

Goal 2

Promote general economic development & business growth.

The Village will promote Lombard’s business-friendly environment by meeting the following objectives:



Community Development Department staff conducted one-on-one visits with more than 20 businesses in 2010, including Heritage Cadillac (above).

1. **Enhance the image of Lombard support businesses and business growth.** Work proactively to identify businesses seeking expansion and promote Lombard's willingness to help them expedite their development and approval processes via a "Business Friendly Lombard" campaign.
2. **Provide clear and consistent rules and regulations.** Engage other departments and approval entities early in the permit process. Proactively work with businesses educating them about common code enforcement issues.
3. **Promote environmental sustainability.** Work with the Public Works Department and the Environmental Concerns Committee to educate local businesses about environmentally friendly options.
4. **Keep businesses informed.** Keep website up to date with economic development-related information. Provide web based questionnaires to businesses to solicit suggestions, concerns and input. Lastly, explore creating a Constant Contact list for businesses to share new information as it becomes available.



Bricks Wood Fired Pizza (above) opened in Downtown Lombard in 2005. Word-of-mouth and favorable reviews helped drive the need for their new, expanded space a few doors down the block. This relocation, assisted by a \$20,000 Downtown Retail Business Grant, allowed them to increase their dine-in area from eight to 45 seats.

Goal 3

Increase municipal revenue sources & identify incentives for specific development opportunities.

The Village will establish specific and attainable goals for increasing sales tax revenue by meeting the following objectives:

1. **Identify key development parcels that have the opportunity to contribute most to the Lombard economy.** The following sites, explained in greater detail in the Development Strategies section of the plan, could provide immediate impact to Lombard's economy and increase sales tax generation:

- Dania/Tire Connection, 513-523 W. Roosevelt Road
 - Yorktown Office Center, 621-651 E. Butterfield Road
 - Northeast corner of Rohlwing Road and North Avenue
2. *Seek available federal, state and county grants to assist with Lombard economic development efforts.* Continue to work closely with the State of Illinois Department of Commerce and Economic Opportunity and DuPage County's "Choose DuPage" for business assistance programs and leads.
3. *Establish an "explore all options" approach to businesses retention.* When learning that a business is interested in relocating, expanding, or possibly leaving, have a clear plan and response approach.

Goal 4

Encourage redevelopment along key commercial corridors.

The Village will build upon past actions associated with major commercial corridors and subareas by meeting the following objectives:

1. *Promote unified development where applicable.* Although past studies cover this issue, this should be encouraged wherever possible.
2. *Develop themes for the identified shopping districts.* Identify themes or niches that might be best for each corridor (restaurants, niche retail stores, recreation, etc.). Unified signage and promotional banners should be encouraged to identify each distinct district.
3. *Promote façade enhancements.* Encourage private property owners to reinvest in their assets.



Village Plaza Shopping Center (above), located at 701-743 E. Roosevelt Road, completed its façade renovation in 2011.

The shopping center at 275-299 W. Roosevelt Road (below) completed an extensive façade renovation in 2008, updating the appearance of the building and adding new major tenants (Hobby Lobby and Harbor Freight Tools).



Market Overview & Assessment

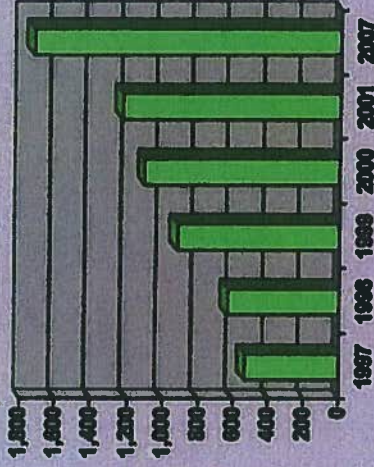
Market Overview

The Village of Lombard is a dynamic, progressive community located 20 miles west of Chicago's loop in the heart of DuPage County midway between Lake Michigan and the Fox River Valley. With a population of nearly 45,000 residents and growing, the community encompasses 10.5 square miles and is a residential community with a thriving commercial base. The Village is bounded on the west by I-355 and on the south by I-88 which provide easy access to and from Lombard. Neighboring communities include Addison, Villa Park, Downers Grove, and Glen Ellyn. The Village is also served by the Metra UP-West commuter line, which has a depot in the center of the community.

Lombard's rich history and sense of community provide a solid backdrop for today's bustling, modern Village. A central location within the Chicago region, direct access to two interstate highways, and available land and facilities provide for a strong economic base for the Village. The I-88 East-West Research and Development Corridor and Lombard's 22nd Street along the Village's southern border are home to modern office buildings and corporate clients. Eleven office and industrial parks offer quality office, warehouse and light assembly space options. In addition, a large industrial park located on the Village's northern boundary has easy access to I-294 and I-355.

With nearly 19,000 housing units, Lombard offers a diversity of housing choices with a wide variety of styles in every price range, from historic Victorians to affordable condominiums to brand new luxury homes. Lombard's excellent public and private schools rank highly among Illinois schools and produce top students. A variety of recreational opportunities offered by the Lombard Park District's 17 parks and facilities, two golf courses, and two regional recreational trails round out Lombard's attractive qualities as a place to live.

Hotel Growth – Room Count, 1997-present



New Restaurants, 2005-2010

Bricks Wood Fired Pizza
Culver's Eddie's
Gyros Old Town Pizza
Desj Grill Starbucks
Club Paradis
Rock Bottom Brewery
Il Posto
Crepe Café
The Capital Grille
Halsted Street
Deli Subway
El Mesquite
Epiri Dedicatessen
Los Burritos
Tapatitos
Papa John's
Sahara
Chaitm Jumper
Sabri McDonald's
Brandy's
Gyros Harry Carey's
Asian Star
Holy Mackerell
Main Street Café
China Kitchen
Poolside Dogs
RA Sushi
Las Monarcas
Sweet Tomatoes
Mama Thai
Riley's
American Café
Brio
Tuscan Grille
Lucky Strike
Flat Top Grill
Taco Bell
D.O.C. Wine
Bar Geno
Angelo's Pizza
Miller's Ale House
Señor Jalapeño
Roundheads
Pizza Charley's
Grilled Subs
Yogen
Fruz
Mike's Hot Dogs
Buffalo Wild Wings
Mirch
Masala Little
Caesars
Capone's Café
101 The Patio
Burger King
Café D Khan
Le France
Café & Crepes
Noodles
Pho U Jersey
Mike's Subs
Thai Sawadee
Tropical Smoothie Café
No Way Jose
Taqueria Tom & Eddie's
Apollo Grill
Penn Station
East Coast Subs
Tom's Grill
Burrito Parrilla
Mexicana
Pepper & Salt Restaurant
Rancho Viejo

Commercial Corridors

North Avenue

North Avenue’s main retail intersection is at Columbine Avenue and Rohlwing Road (IL-53), which is home to Lombard Landings (formerly known as Northgate Plaza). This 332,428-sq. ft. shopping center is seeking major tenants for its high-visibility location. Another retail node is located at North Ave and Grace Street, which recently saw construction of a CVS pharmacy and retail strip center, the Overlook on North.

Westmore-Meyers Road

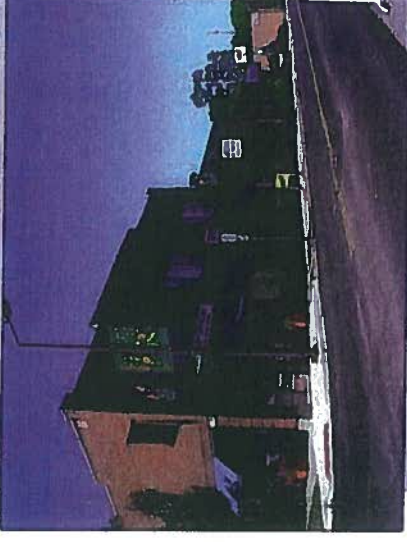
Westmore-Meyers Road, with 13,500 vehicle trips per day, is home to two distinct commercial districts. Eastgate is a 10-acre multi-tenant shopping center with an assortment of retailers, service businesses, and fast food restaurants. It is also a state service destination for the western suburbs with both an Illinois Secretary of State facility and an Illinois Employment & Training Center.

Downtown Area

Downtown Lombard is the largest of the neighborhood commercial areas, with a 26-acre central business district surrounding the Lombard Metra station. The downtown’s historic streetscape is visited by 16,000 vehicles and 1,200 train commuters every day. Lombard Town Centre, a not-for-profit organization, is a Village-funded group that is dedicated to working with downtown businesses and property owners.

Roosevelt Road

Roosevelt Road is the Village’s main east-west artery, connecting with I-355 and carrying nearly 50,000 vehicles per day. The corridor contains 1.7 million square feet of retail and service businesses and several major shopping centers including High Point Centre (anchored by Ultra Foods, Office Depot, and Babies R Us) and Lombard Pines (anchored by Jewel Osco and Enchanted Castle). Several major redevelopments are enhancing the area in accordance with the Village’s Roosevelt Road Corridor Plan.



Westmore-Meyers Road has two distinct commercial nodes, one of which is a historic business district (above) that was once part of the former town of Westmore.

Special events such as the weekly French Market (pictured below) bring people into Downtown Lombard on a regular basis, creating a sense of community along with business opportunities.

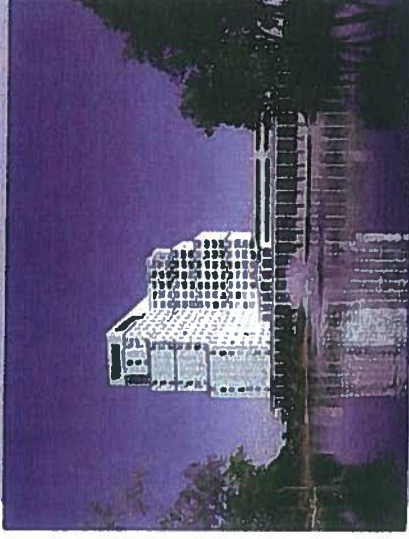


Yorktown/Butterfield Road

Butterfield Road is the Village's most prominent retail destination, home to Yorktown Center, Fountain Square of Lombard, and the Highlands of Lombard. Yorktown Center is of one of Chicago area's most renowned shopping centers, anchored by Von Maur, Carson Pirie Scott, JCPenney and Target with more than 180 stores and restaurants plus an 18-screen AMC movie theater. The Shops on Butterfield at Yorktown Center were completed in 2007, bringing more than 225,000 square feet of sophisticated retail, dining, and entertainment options to DuPage County in a stylish outdoor setting. Yorktown is also home to the Village-owned Westin Lombard hotel conference center, the premier hotel conference center in DuPage County. In addition to the Harry Caray's Italian steakhouse, the Westin has the first-ever Holy Mackerell! concept from the Harry Caray's restaurant group.

Fountain Square of Lombard served as the Village's first experiment with a large-scale mixed-use redevelopment, transforming a former seminary into an attractive gateway into the community with six restaurants, three retailers, a hotel, two condominium developments, and a senior living complex. It successfully reinvigorated the Butterfield Road corridor, bolstering its reputation as a regional destination for finer dining and shopping experiences and serving as a model of high-quality development that is reflected in subsequent projects such as the Highlands of Lombard, Shops on Butterfield, and Oak Brook Promenade.

The Highlands of Lombard is a mixed-use planned development that, only 10 years ago, was part of a tax-exempt cemetery with no perpetual care fund. Now, City View at the Highlands has 403 luxury apartments within a five-story building. The commercial portion of the site includes The Great Indoors and three retail strip centers with a Pier One Imports, Family Christian Book Stores, and several restaurants.



The Westin Lombard hotel conference center (above) is a 440,000-square foot, 18-story building with 500 hotel rooms and suites, 55,500 square feet of meeting space, and amenities commensurate with a full-service, convention-oriented five-star hotel.

The Highlands of Lombard development at Highland and Butterfield (below) has added 222,000 sq. ft. of retail space since 2001.



Neighborhood Commercial Areas

In addition to the three major retail corridors, Lombard has a number of smaller, neighborhood-oriented shopping centers throughout the Village. Each neighborhood shopping district has its own distinct feel reflecting the era in which it originally developed. East St. Charles Road between Grace Street and Westmore-Meyers Road is included within Lombard's newest TIF District. The area is characterized by small lots that abut either residential properties or the Great Western Trail.

Other areas include the St. Charles/Crescent node just west of the downtown. South Main Street is comprised of numerous office uses and several small retail centers. On the densely populated southwest edge of town at Finley Road and 22nd Street, a new Citgo gas station and car wash, retail/office center, and 7-Eleven store are passed by more than 22,000 vehicles every day.

Office & Industrial Parks

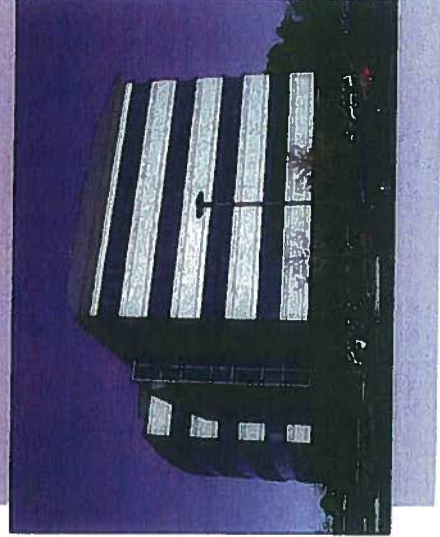
As part of its comprehensive plan, Lombard aims to expand and maintain a strong employment base within the community that enhances the Village's overall standard of living. Lombard is home to a variety of business, professional, medical, general tenant and corporate offices. Large scale corporate and general tenant office uses are located along portions of both 22nd Street and Butterfield Road. Although the vast majority of these areas are already developed, a few sites along 22nd Street are available for new office development. In the past decade, DuPage Medical Group has built two new facilities: a medical office building on Highland Avenue, and a surgical center on Technology Drive.

In addition to the main office corridors, the Village has a number of dedicated business parks that accommodate general office and distribution-type land uses. The Woodlake Corporate Center is located west of Illinois Route 53 in the west central portion of the Village and consists of office, office research, light assembly and distribution uses. Two additional business parks are located in the southern portion of the community along



Lombard Hobbies (above) completed a full façade renovation in 2007. The project was eligible for an Improvement and Renovation Grant due to its location with the St. Charles Road TIF 2 (West) District.

Heron Point (below) was completed in 2002 and features 98,604 sq. ft. of Class A office space as well as an on-site, 114-room Fairfield Inn & Suites hotel. Acosta and Staples are major tenants.



Village of Lombard Economic Development Plan – July 2011 DRAFT

Finley Road: Oak Creek Center is located along the west side of Finley Road north of 22nd Street, and York Brook Business Park is located along the east side of Finley Road south of 22nd Street.

The Village also has two traditional light industrial areas. The 250-acre North Avenue industrial park is Lombard’s largest industrial area. It is situated entirely north of North Avenue and has excellent access to the greater Chicago area, offering direct access to I-355 and a short five mile-drive to I-294. The smaller East St. Charles Road light industrial area is comprised of a diverse mix of successful local businesses including Owl Hardwood Lumber Company, Ace Coating Enterprises, and Matthies Landscaping. With a wide variety of available commercial locations, nearly any business can find a suitable home in Lombard.



Demar Direct is a direct mail production company with a 100,000 sq.-ft. facility in the North Avenue industrial park.

Chicago Soydairy, which specializes in vegan foodstuffs (including Dandies Vegan Marshmallows, below), has won numerous awards since moving to Lombard in 2005, including the Innovate Illinois Award and the Peta2Libby Award.



Economic Development Tools

Lombard has demonstrated a commitment to working with developers and property owners to come up with creative, innovative ways to assist developments that provide a significant benefit for the Village.

Tax Increment Financing (TIF)

The Village has three tax increment financing (TIF) districts in the downtown and along St. Charles Road. TIF is used in a variety of ways to encourage redevelopment, mainly through incentive agreements and grant programs. The Elmhurst Memorial Lombard Health Center was rebated all TIF increment generated by the project through 2011 and has resulted in a 50,000 sq. ft. medical office building/clinic providing 60 new jobs, a new downtown anchor, and emergency medical services. Oak View Estates, a residential project replacing a number of marginal commercial uses, provided for potential TIF reimbursement of up to \$400,000 to assist with site preparation, utility line burial, environmental cleanup, and stormwater detention. The Village’s four grant programs have approved over \$1,000,000 in grant funds for over 50 projects through the Improvement and Renovation Grant, Restaurant Forgivable Loan, Retail Business Grant, and Relocation Grant Programs.

Business Improvement Districts (BID)

In 2005, Lombard designated the first “blighted” business district in Northern Illinois at Yorktown Center to address its excessive vacancies and badly needed infrastructure improvements. The developer is reimbursed for eligible expenses only from funds generated by a one percent business district sales tax, up to \$32 million. The Village did not bond any debt for the project (which became The Shops on Butterfield), and benefits from \$1.5 million in new sales tax and property tax generated annually.

Grants

The Village of Lombard does not currently have any identified funding sources for general business grants (outside of designated TIF areas).

Economic Development Tools at a Glance

- **Tax Increment Financing**
- **Business Improvement Districts**
- **Grants**
- **Special Assessments/ Special Service Areas**
- **Revenue Sharing**
- **Industrial Revenue Bonds**

Special Assessments/Special Service Areas

Special assessments are special taxing districts that use the Village's good name and credit to finance private improvements. Developers may request that the Village issue bonds to pay for certain infrastructure improvements, and the Village is then reimbursed for those bonds via a tax lien on the property which is payable to the Village through property taxes over a designated time period (typically 20 to 30 years). This tool was used in the Fountain Square of Lombard development, where a \$4.3 million special assessment funded improvements to 22nd Street, Butterfield Road, Meyers Road, watermain, fire hydrant, & sanitary sewer installation, and burial and relocation of overhead lines.

Revenue Sharing (sales tax, property tax, utility tax and telecommunication tax)

In two instances, the Village has approved sales tax rebates where redevelopment has been financed partially through new sales taxes generated by that redevelopment. In 1994, Von Maur was rebated up to \$4 million over 10 years for their more than \$20 million investment into their Yorktown Center flagship store. More recently, Lombard Toyota received up to \$300,000 over three years for their expansion.

Industrial Revenue Bonds (IRB)

The Village issues industrial development bonds, wherein the Village receives one quarter of one percent of the total bond amount as issuance fee. Three recent examples include Tella Tool (\$2,430,000 bond issue), Elmhurst Memorial Lombard Health Center (\$6,482,000 bond issue), and the National University of Health Sciences (\$12,000,000 bond issue).



In 2001, Lombard Toyota (above) entered into a three-year sales tax rebate agreement with the Village to allow for an expansion. This expansion accommodated the addition of the Scion brand.

The Elmhurst Memorial Lombard Health Center (below) used the Village's bonding authority to finance a 50,000 sq. ft. medical office and clinic building in downtown Lombard.



Development Opportunities

Building upon the goals established as part of this plan, this section of the report is to strategically identify redevelopment sites that can provide the most immediate impact to the Lombard economy and increase municipal revenue. To achieve Goal #3 of this plan (p.4), three key opportunity sites have been identified for redevelopment that would have an immediate, positive impact on Lombard's economy and tax base. The following sites were selected as they represent important parcels within the Village's major commercial corridors:

- Dania – 10 acres at the southwest corner of Roosevelt and Finely Roads
- Yorktown Office – 9 acres south of Butterfield Road, east of Fairfield Avenue
- Northeast corner of Rohlwing Road (IL Rte 53) and North Avenue – 11.5 acres

The following analysis of each of the development opportunity sites includes:

- Property Background – Basic property information (PIN, size, existing land use, current zoning and comprehensive plan recommendation).
- Project type and square footage – Identify the type of preferred use(s) (retail, office, industrial) and the overall projected square footage of a development based on industry standards.
- Economic impact – The economic impact for each development opportunity site will focus on development scenarios that can generate the greatest amount of revenue to the Village of Lombard. This includes sales tax data, property tax, discretionary spending, and other impacts.
- Recommended economic development tools – What type of incentive will be needed to facilitate the development (TIF, BID, Special Assessment, etc).



The Dania site (top), North Avenue and IL Rte 53 (middle), and Yorktown Office Center (bottom) are three large but underutilized sites that could be dramatically redeveloped to the Village's economic advantage.

Development Opportunity Site #1:

Dania, 513-523 W. Roosevelt Road & 1210 & 1280 S. Finley Road

Background

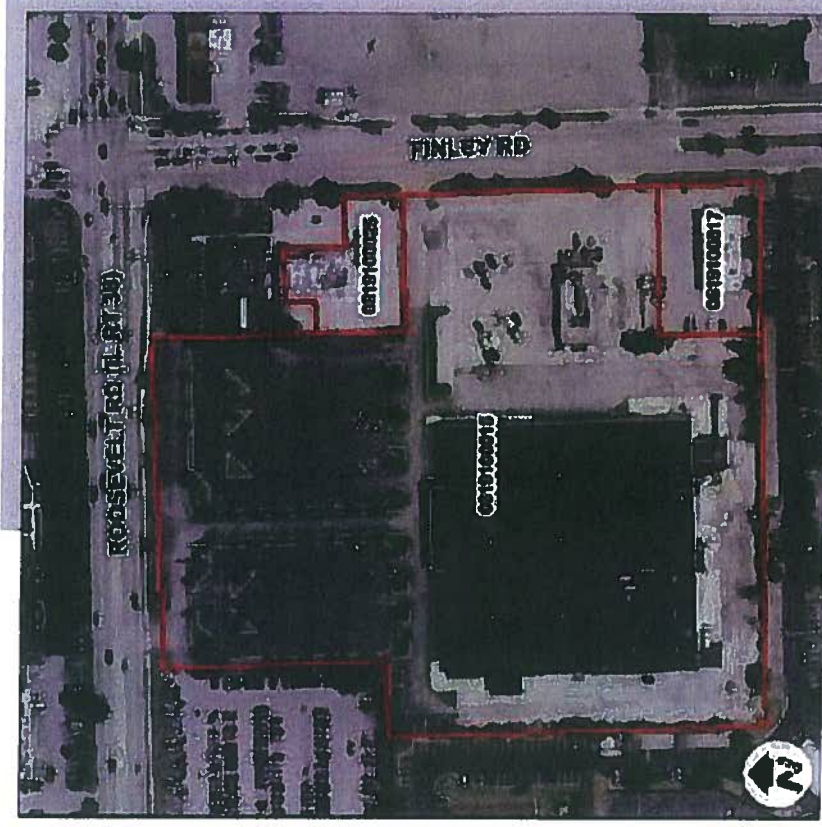
The 107,215-sq. ft. Dania Furniture building was constructed in 1972. In 1993, the Village reviewed a proposal for two outlet buildings on the 513-523 W. Roosevelt site. At that time, staff noted that a conditional use would be required for multiple buildings on a lot, cross-access should be maintained to adjacent commercial properties, and the outlots would reduce the on-site parking to such a degree that it would limit future use of the Dania building. Based on discussions with Village Staff, Dania has indicated that their existing space is too large for them and they are considering other locations within Lombard, thus creating an opportunity.

Project Type

Redevelopment of this site is envisioned as a mid- to big-box type retail development, up to 130,000 sq. ft. The building may be able to be reused as part of the redevelopment. At a minimum, the site should develop in a unified manner consistent with the 2007 Roosevelt Road Corridor Plan.

Economic Impact

A retail tenant with annual sales of \$30M would generate \$600,000 in annual sales tax for the Village (1% local sales tax and 1% non-home rule sales tax), for a total of \$18M in sales tax over 30 years. Property tax impact to the Village would be positive but minimal, amounting to roughly \$4,585 per year (using the Village's 2009 tax rate and assuming a building assessment of \$20.78/sq. ft.). Staff has identified several grocery or home improvement tenants that could be interested in the site, any of which would



Site Data:

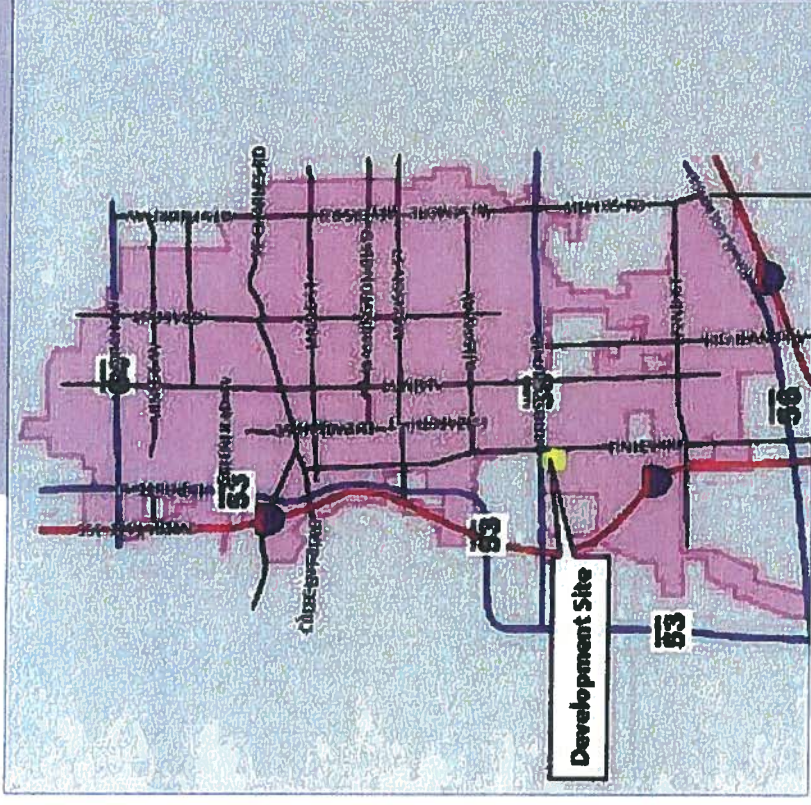
Total acreage: 11.06
Number of parcels: 3
Number of owners: 3
Frontage: 431 feet (Roosevelt), 528 feet (Finley)
Zoning: B4A, Roosevelt Road Corridor District
Comprehensive Plan Recommendation: Community Commercial land uses

generate similar gross sales (\$230/square foot). It is important to note that a grocery use will contribute less non-home rule sales tax since that tax may not be imposed on food that is to be consumed off premises, medical items, or cars.

Recommended Economic Development Tools

A BID would likely generate the most revenue for this type of project. A retail tenant with annual sales of \$30M could generate up to \$9M in BID sales tax over 30 years. As with the non-home rule sales tax, BID sales tax may not be imposed on food that is to be consumed off premises, medical items, or cars. Therefore, a grocery use on this site would generate less BID sales tax than other types of retailers.

Although this location could also be eligible for TIF, the current assessed property values are relatively high (\$2.9 million in 2010). These property values would significantly constrain the amount of TIF increment available for development costs.



Development Opportunity Site #2:

Yorktown Office Center, 601-621 E. Butterfield Road

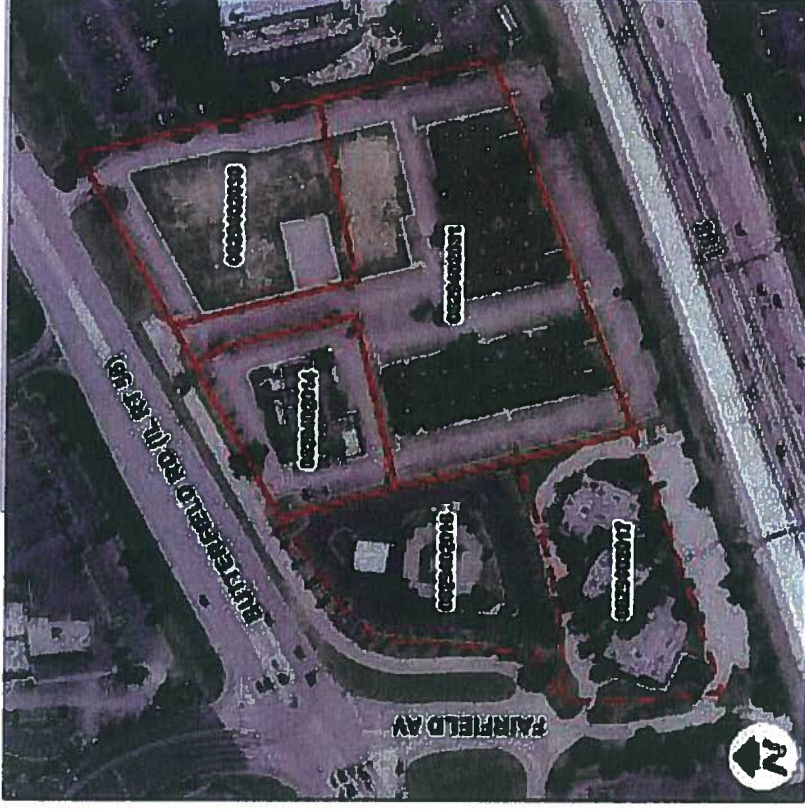
Background

The northwest parcel was developed in 1980 and is currently occupied by a 7,800-sq. ft. TGI Friday's restaurant. The office buildings on the south parcel were constructed in 1978 and have 45,300 sq. ft. of office space. Three similar office buildings were demolished in 2006 in anticipation of future redevelopment. In 2007, a 6,607-sq. ft. restaurant (White Chocolate Grill) was approved for the northeast parcel but was never constructed.

The office buildings immediately to the west are not part of the Yorktown Office Center Planned Development, but they could be incorporated into a larger-scale redevelopment through shared parking or new construction.

Project Type

Redevelopment of this site is envisioned as either office, with secondary retail or medical uses (consistent with the Comprehensive Plan) or all retail. Any redevelopment of this site, regardless of use, will need to make improvements to the existing ingress and egress. The existing property owner has submitted conceptual plans showing an office development with a total square footage in excess of 250,000 square feet. It is likely that any office development on this site will need a variation for building height. The property owner has indicated that several medical office users have expressed interest in the site. The property owner has also expressed an interest in developing the site as retail. Should this occur, the site should be able to accommodate approximately 80,000-100,000 square feet of retail. Staff has spoken with a number of national appliance and electronic stores and department stores that are interested in the site.



Site Data:

Total acreage: 7.51 (11.47)
Number of parcels: 3 (5)
Number of owners: 1 (3)
Frontage: 670 feet (Butterfield)
Zoning: O, Office District
Comprehensive Plan Recommendation:
Office land uses

Economic Impact

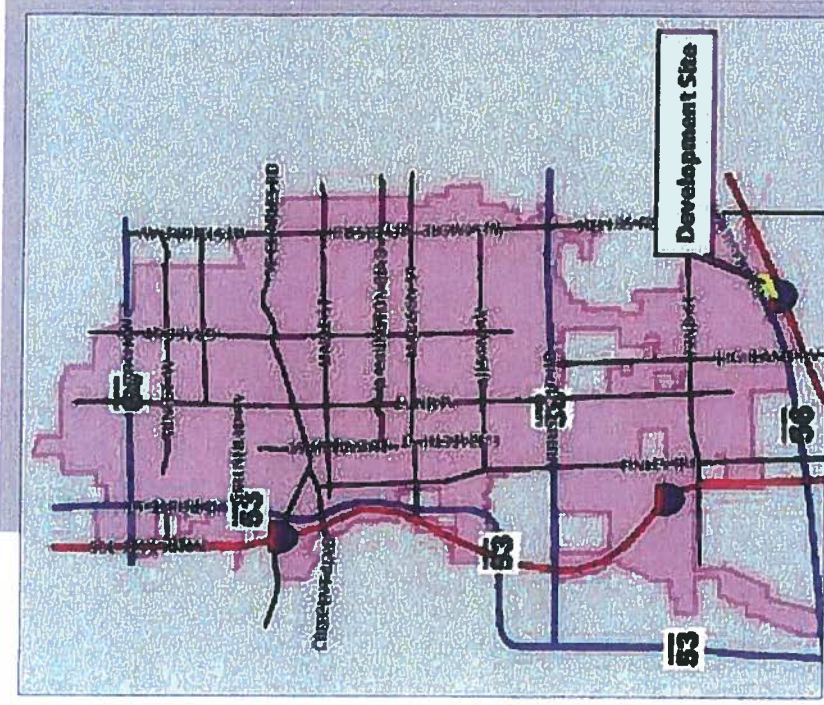
Should the site be developed with 250,000 square feet of professional office space, up to 850 employees could be located here. While there is no direct sales tax implication because the use is office in nature, discretionary spending by 850 office workers could generate up to \$27M in gross sales to the local economy along with supporting an additional 1,400 jobs in the area.

As noted, the site could accommodate up to 80,000-100,000 square feet of new retail. Depending on the uses, mix of retail tenants with gross sales of \$25M would generate \$500,000 in annual sales tax for the Village (1% local sales tax and 1% non-home rule sales tax), for a total of \$15M in sales tax over 30 years. Staff has identified several appliance/electronic stores and department stores as the target tenants. Both these uses together could generate gross sales in excess of \$25M annually.

Recommended Economic Development Tools

A BID would likely generate the most revenue for this type of project. A retail tenant with annual sales of \$30M could generate up to \$9M in BID sales tax over 30 years. As with the non-home rule sales tax, BID sales tax may not be imposed on food for human consumption that is to be consumed off premises, medical items or cars. Therefore, a grocery use on this site may generate less BID sales tax.

Staff has also completed a TIF projection analysis for both office and retail uses. Because the current assessed property values are relatively high, increment for retail uses could generate up \$1M (NPV) over the life of the TIF. Office uses could generate about \$2M (NPV) over the life of the TIF.



Development Opportunity Site #3:

North Avenue & IL Route 53/Rohlwing Road, 448 W. North Avenue & 1005-1055 N. Rohlwing Road

Background

This area is comprised of single-family homes and commercial/industrial properties that were annexed by the Village in 2003. The 4.3-acre parcel fronting on North Avenue was most recently occupied by an RV sales business. At this location the Comprehensive Plan recommends Community Commercial land uses in general and states that offices and hotels should be encouraged (such as the adjacent Comfort Suites that opened in 2000). Redevelopment should occur on a planned, coordinated basis and integrate the existing commercial uses. In 2006, the Village was presented with a development concept for multi-family housing on the eastern half of the site (similar to the City View at the Highlands apartments), with the properties fronting on Rohlwing being kept as-is or reserved for future development. At that time, the Plan Commission was not supportive of amending the Comprehensive Plan to allow for high density residential uses due to the sites restricted access and the close proximity of the adjacent industrial uses.

Project Type

Given the surrounding industrial development and availability of nearby leasable commercial space, this site may not be a first-choice location for retail businesses. However, office uses and mixed-use developments that are compatible with the adjacent light industrial uses could seek to take advantage of the site's location on two state routes with close proximity to I-355. Any redevelopment project on this site should incorporate shared access points onto both Route 53 and North Avenue.



Site Data:

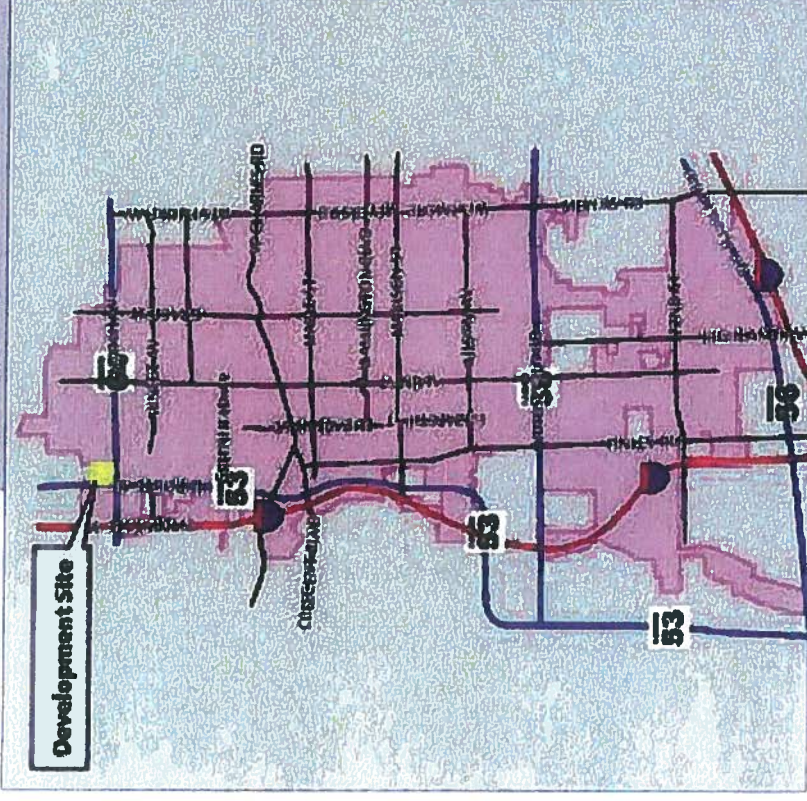
Total acreage: 11.82
Number of parcels: 8
Number of owners: 7
Frontage: 338 feet (North), 685 feet (IL Route 53/Rohlwing)
Zoning: R1, Estate Residential District
Comprehensive Plan Recommendation: Community Commercial land uses

Economic Impact

Any redevelopment activity on this site will likely increase property values, resulting in increased property tax revenue. Retail uses will directly generate sales tax, while office, industrial, and residential uses will generate additional sales tax revenue through increased revenues at nearby Lombard restaurants and retail establishments.

Recommended Economic Development Tools

Given the underutilization of properties within this site (the total assessed value of which is only \$976,250), TIF could generate substantial revenue to fund a redevelopment project. Preliminary studies have shown that these properties would qualify for TIF. In addition to TIF, a retail business may be eligible for a BID. However, BID should only be considered if the predominant use on the site is retail in nature.



Action Timeline

The goals set forth in this plan will be accomplished through the following action items, which will be completed by the time and responsible parties as listed.

<p>Goal 1 Retain, expand, & attract commercial & industrial businesses.</p>	<p>Task/Objective</p>	<p>Timing</p>	<p>Responsibility</p>	<p>Notes</p>
	<p>Develop a comprehensive business database to be shared with residents (for awareness purposes) and businesses (to promote business-to-business transactions within the community).</p>	<p>December 2011</p>	<p>Community Development Department</p>	<p>The database should be shared with businesses during staff visits.</p>
	<p>Continue the business visitation program by visiting at least 24 businesses per year (including follow-up visits).</p>	<p>Annually</p>	<p>Community Development Department</p>	<p>Annual reports to the Economic and Community Development Committee shall be provided.</p>
	<p>Develop a "Welcome to Lombard" program for new businesses.</p>	<p>October 2011</p>	<p>Community Development and Village President</p>	<p>Program should include an introduction letter, business database, Village information and promotional efforts.</p>
	<p>Create and maintain a comprehensive database of prospective businesses that may be seeking to locate into Lombard.</p>	<p>Database created by October 2011 with ongoing updates</p>	<p>Community Development Department</p>	<p>Quarterly reports to the Economic and Community Development Committee shall be provided.</p>
	<p>Create a new business follow-up policy and develop a schedule for regular follow-ups.</p>	<p>September 2011</p>	<p>Community Development and other departments as warranted</p>	<p>Issues identified by businesses should be addressed all applicable Village Departments.</p>
	<p>Continue to represent the Village of Lombard at local trade shows and events. Create a database of contacts obtained.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	

Goal 2	Task/Objective	Timing	Responsibility	Notes
<p>Promote general economic development & business growth.</p>	<p>As part of the Business Visitation program, identify businesses seeking expansion and promote Lombard's willingness to help them expedite their development and approval processes. Add a tracking system to the Business Visitation database highlighting those businesses considering growth and prepare a schedule for follow up discussions.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	
	<p>Continually update the Business Resource Handbook and incorporate a Code Enforcement section educating businesses about common code enforcement issues.</p>	<p>1st update September 2011 w/ subsequent updates as needed</p>	<p>Community Development Department</p>	
	<p>Develop a business-oriented "Green Building Handbook" to educate local businesses about environmentally friendly options.</p>	<p>January 2012</p>	<p>Community Development & Public Works Departments</p>	<p>This could either be a separate document or an addendum to the existing "Green Building Handbook."</p>
	<p>Revise and consolidate the Community Development Department's economic development information on the Village website.</p>	<p>November 2011</p>	<p>Community Development Department</p>	<p>This will include census data, development information, building & zoning information, success stories, and downtown information. It will also include web-based questionnaires to solicit suggestions, concerns and input.</p>
	<p>Develop a Constant Contact list for businesses to share new information as it becomes available.</p>	<p>March 2012</p>	<p>Community Development Department</p>	

Goal 3	Task/Objective	Timing	Responsibility	Notes
<p>Increase municipal revenue sources & identify incentives for specific developments opportunities.</p>	<p>Promote the redevelopment of the Yorktown Office Center Site, to include encouraging and assisting the property owner to begin preliminary due diligence on TIF and BID designation.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	
	<p>Continue to work with Dania Furniture on the redevelopment of their parcel, ensuring that any relocation of Dania is within the corporate limits of the Village of Lombard.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	<p>Redevelopment of the site should be consistent with the Village's Roosevelt Road Corridor Plan and should be retail in nature. All opportunities for a big-box retail user should be considered as a top priority.</p>
	<p>Promote the unified redevelopment of the properties located at the northeast corner of Rohlwing Road and North Avenue.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	<p>Development should be consistent with the Village's Comprehensive Plan. Light industrial uses shall also be considered as an appropriate use as outlined in this plan.</p>
	<p>Continue to work and partner with the State of Illinois Department of Commerce and Economic Opportunity and DuPage County's "Choose DuPage" for business assistance programs and leads.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	<p>Reports to the Economic and Community Development Committee shall be provided.</p>
	<p>Develop site specific marketing materials for the three development opportunity sites.</p>	<p>January 2012</p>	<p>Community Development Department</p>	<p>This information should only be made available when the Village is working with a prospective developer seeking a use that is consistent with this plan.</p>

<p>Goal 4 Encourage redevelopment along key commercial corridors.</p>	<p>Task/Objective</p>	<p>Timing</p>	<p>Responsibility</p>	<p>Notes</p>
	<p>Promote unified development and discourage piecemeal redevelopment.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	
	<p>Establish bi-annual meeting with property owners and brokers within the Village's retail corridors and work with them proactively.</p>	<p>April 2012</p>	<p>Community Development Department</p>	<p>Meetings should focus on redevelopment opportunities and property improvements (façade enhancements, parking, access and landscaping).</p>
	<p>Continue to implement the findings of the Downtown Revitalization Project Guidebook and Roosevelt Road Corridor Plan.</p>	<p>Ongoing</p>	<p>Community Development Department</p>	

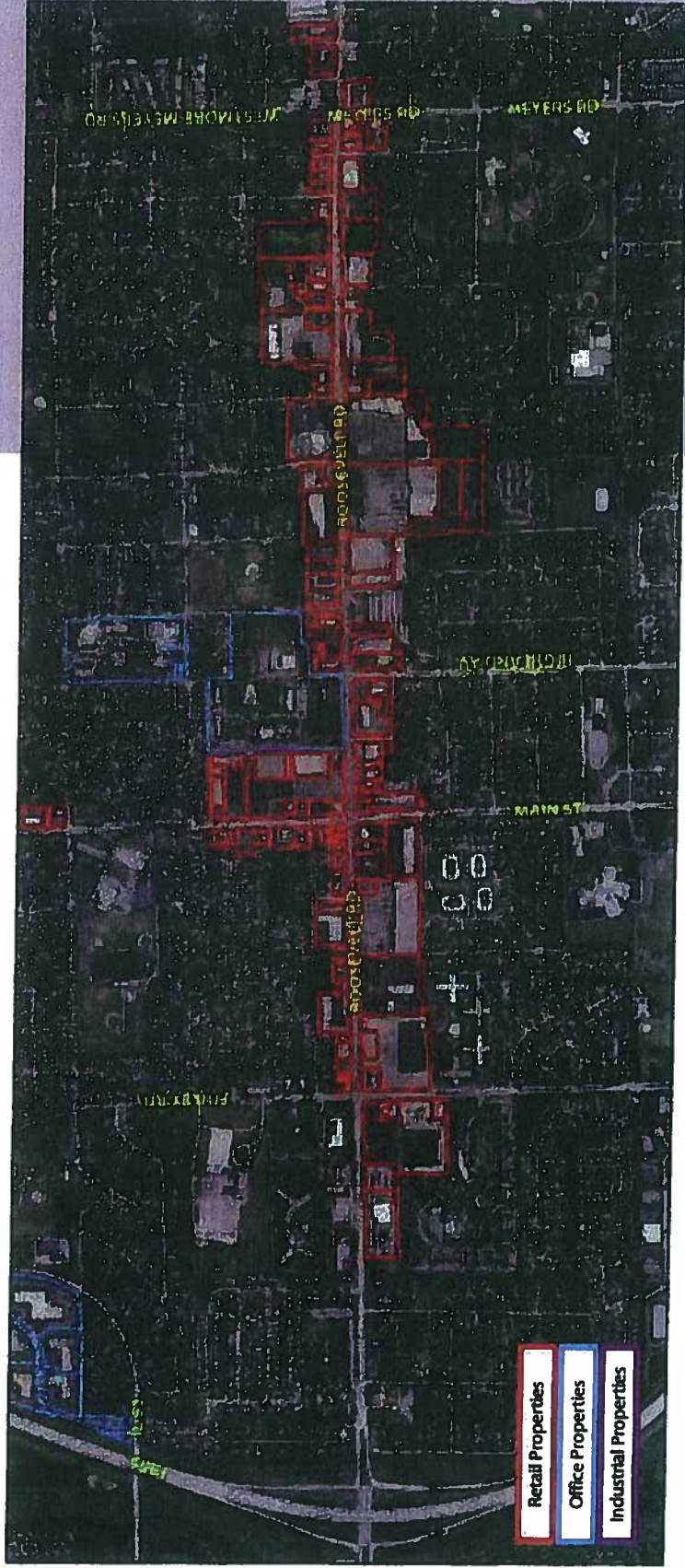
Appendix A: Roosevelt Road Corridor Summary Sheet

The Roosevelt Road Corridor is retail-focused, with several shopping centers including High Pointe Center and Lombard Pines. Major tenants include Lombard Toyota, Heritage Cadillac, Jewel Osco, Ultra Foods, Babies R Us, Pep Boys, The Tile Shop, Century Tile, Dania, Knart, and Hobby Lobby. In 2005, the Village conducted a corridor study along Roosevelt Road that led to the creation of a new zoning district (B4A). This report identified potential right-of-way improvements and pedestrian accommodations. In addition, the report suggested ways to provide additional open space, landscaping, stormwater detention, and buffering without negatively impacting the corridor's commercial potential.

Demographics	1-mile	3-mile	5-mile
Population	11,147	101,908	266,574
Households	4,376	38,584	99,566
Avg Household Income	\$ 88,662	\$ 99,423	\$ 102,732

Traffic Counts:

- Roosevelt – 44,900 vehicles/day
- Highland – 18,100 vehicles/day
- Main – 15,400 vehicles/day
- Meyers – 19,200 vehicles/day
- IL. Rte 53 – 12,100 vehicles/day



Appendix B : North Avenue Corridor Summary Sheet

North Avenue has the Village’s largest industrial center, a 250-acre industrial park on the Village’s northern border. There are also two retail clusters: one at Grace Street and one at IL Route 53.

The construction of Heron Point in 2002 added major office uses to the corridor. There are currently a number of available development sites within the industrial park and retail areas.

Demographics	1-mile	3-mile	5-mile
Population	5,826	102,301	293,006
Households	2,067	37,178	110,199
Avg Household Income	\$ 78,901	\$ 80,322	\$ 89,330

Traffic Counts:

North – 46,300 vehicles/day
 IL Rte 53 – 21,700 vehicles/day
 I-355 – 117,800 vehicles/day



Appendix C: Butterfield Road/22nd Street Corridor Summary Sheet

The Butterfield Road/22nd Street Corridor is a major regional employment and shopping destination. Retail activities are anchored by three shopping centers. Large, multi-story office buildings are clustered on Butterfield Road and 22nd Street, creating a high daytime population for the corridor's many restaurants. This area is also home to two business parks focused on office and light industrial uses: Oak Creek Center and York Brook Business Park. This area experienced a development boom in the late 1990s-2000s, with the construction of Fountain Square and Highlands of Lombard. Yorktown Center added The Shops on Butterfield and numerous outbuildings, assisted by a Business Improvement District.

Demographics	1-mile	3-mile	5-mile
Population	7,194	86,002	265,933
Households	3,301	34,473	105,542
Avg Household Income	\$ 86,016	\$ 97,494	\$ 103,562

Traffic Counts:

Butterfield – 47,200 vehicles/day
 Meyers – 19,200 vehicles/day
 Highland – 18,100 vehicles/day
 Finley – 22,400 vehicles/day
 I-88 – 130,600 vehicles/day



Appendix D: Downtown/St. Charles Road Area Summary Sheet

Central Lombard is home to numerous neighborhood commercial districts, including the historic central business district centered around Main Street and St. Charles Road. The Village’s three TIF districts are in this area, with the Downtown TIF (Elizabeth-Garfield), St. Charles Road TIF 1 West (Garfield-Grace), and St. Charles Road TIF 2 East (Grace- Westmore). In 2011, the Village completed a Comprehensive Plan update for the Downtown TIF and St. Charles Road TIF 1 West districts. Additional commercial areas can be found on South Main Street and Westmore-Meyers Road.

Demographics	5 min drive	10 min drive
Population	45,637	245,768
Households	16,869	88,812
Avg Household Income \$	90,546	\$ 92,618

Traffic Counts:

St. Charles – 14,200 vehicles/day
 Main – 15,400 vehicles/day
 Westmore-Meyers – 11,100 vehicles/day
 Lombard Metra station – 1,281 commuters/day

