



MEMORANDUM

TO: William “Bill” Ware, Chairperson
Economic and Community Development Committee

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

DATE: April 6, 2011

SUBJECT: Downtown Retail Business Grant; 14 W. St. Charles Road

BACKGROUND

Staff has recently received a request for a Downtown Retail Business Grant (DRBG) for a home improvement store to be known as Cabinet Depot located 14 W. St. Charles Road. It is important to note that the work associated with the eligible improvements, excluding signage, has already been completed. The applicant did submit the application prior to the issuance of the building permit. Furthermore, a complete application had been received prior to the issuance of the Certificate of Occupancy/Zoning Certificate. The applicant and property owner were informed that they are proceeding at their own risk as the grant request needed to go through the required process. It should also be noted that this grant request is being reviewed in accordance with the old requirements since the application was made prior to the effective date of the new program.

GRANT REQUEST

Cabinet Depot is considered a home improvement store and is a permitted use within the B5 Zoning District. The business will operate as a showroom where several display kitchens will be located within the space highlighting their products. According to the information submitted by the business owner, they will only be selling cabinets at this location. Cabinets are manufactured in China and delivered to the customer’s home for installation or sometimes picked up by the customer at the business. Renovations to the tenant space include work on the existing electrical and HVAC systems as well as several new walls partitioning off display areas.

The submitted cost estimates include \$23,475 in potentially eligible build-out, signage, and rent expenditures. The applicant is eligible to receive up to \$11,737.50 from the Downtown Retail Business Grant program. According to the business plan submitted by the applicant, they anticipate gross revenues of \$432,000 in the first year of business. However, as the business did not previously exist at another location, this figure is an estimate only.

Staff is supportive of this request as the establishment of a home improvement store at this location could generate significant sales tax and will occupy an unfilled market niche within the downtown.

ACTION REQUESTED

Staff requests that the Economic and Community Development Committee recommend to the Village Board approval of the request approving a DRBG grant disbursement for Cabinet Depot in the amount of up to \$11,737.50.