


MEMORANDUM

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

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

DATE: June 2, 2010

SUBJECT: **Downtown Retail Business Grant; 212-216 E. St. Charles Road**

The Community Development Department has received an application for the Downtown Retail Business Grant Program (BRBG) for Wiggles-n-Wags at 212-216 E. St. Charles Road, located in the St. Charles Road TIF 1 West.

BUSINESS BACKGROUND

Wiggles-n-Wags has been in operation at 216 E. St. Charles Road since August 2007 in a 2,854 square foot tenant space. In March of 2008, the business owner submitted for a building permit to expand their operations into the adjacent tenant space at 212 E. St. Charles Road. Attached as Exhibit "A" are the permit plans showing the expansion into the additional 677 square foot space. Based on their application for a Certificate of Occupancy/Zoning Certificate (attached as Exhibit "B"), the applicant indicated that the expansion was necessary to accommodate their dog training business, additional office space, storage and small retail. Improvements were completed and the applicant occupied the additional space in January of 2009.

GRANT REQUEST

The business owner is now seeking a DRBG for some additional renovations to only the 212 E St Charles Road space. Renovations to the space will include refinishing the concrete floor, interior painting & staining, and new tenant signage on both the existing wall sign cabinet and freestanding sign. No signage drawings have been submitted for the proposed wall sign or freestanding sign panels. It should be noted that the Sign Ordinance prohibits more than 1 wall sign per frontage for an individual business. Although the applicant is leasing both tenant spaces separately, Wiggles-n-Wags still functions as 1 business as shown by the photo in Figure 1. Therefore the additional wall sign is not permitted.



Figure 1

The following is a breakdown of their proposed costs:

Work to be done	Cost	Comments
Refinishing concrete floor	\$4,662.00	
Painting and staining	\$2,100	
Moving furniture & preparation for floor	\$800	
Clean and prep	\$400	
Sign face for pole sign	\$308	
Wall sign	\$243	This is not an eligible expense since the sign is not permitted by the Sign Ordinance.
Sub total	\$8513.00	
Contractor Fee to Red Brick Property Management (10%)	\$851.30	It should be noted that the property owner is also part owner of Red Brick Property Management
Total	\$9,364.30	

Since the program is a 50% matching grant for eligible expenditures, the total eligible costs they could receive is up to \$4,560.65 (does not include the \$243 sign) from the Downtown Retail Business Grant program. Because the request is under \$10,000, it would not require approval from the Board of Trustees. If the application is approved, Wiggles-n-Wags will need to provide all necessary paid invoices, receipts, and waivers of lien from all contractors prior to any reimbursement.

PROGRAM ELIGIBILITY

Service Businesses with a Substantial Retail Component

Wiggles-n-Wags is considered a service business. The DRBG Program Policy states that service businesses with a substantial retail component, as defined by having 25 percent of their gross income or gross floor area dedicated to retail sales activity, are potentially eligible for the Program. Service businesses with less than 25 of their gross income or gross floor area dedicated to retail sales activity are ineligible for the Program.

Gross Floor Area

According to the submitted building plans the retail space occupies a 39-foot by 12-foot area, or roughly 13 percent of the total floor area of the business (468 of 3,531 square

feet). Including the 198-square foot inventory room as retail space would bring the total retail area to 19 percent (666 square feet) of the total.

Gross Income

The business plan projects retail sales of \$150 per day or \$36,000 per year. The business owner has provided documentation indicating that their total gross revenue for 2009 was \$75,893.60 before any expenses. Total gross revenues for all operations would be \$111,893.60, with retail sales accounting for 32%.

SUMMARY OF FINDINGS

The purpose of the DRBG program is to increase the economic viability of Downtown Lombard by attracting targeted retail businesses and assisting existing businesses. The grant monies are to be spent on expenditures associated with helping the start-up of new businesses or the expansion of existing businesses. Although Wiggles-n-Wags may have retail sales exceeding the minimum 25%, staff finds that the existing business is not expanding their operations and therefore not eligible for the grants. Section 13, paragraph L, of the program policy states:

“Once a Certificate of Occupancy has been issued for a business, the business is no longer eligible to apply to the Retail Business Grant Program unless the application is for an expansion meeting the Program criteria.”

The Certificate of Occupancy/Zoning Certificate was issued for their move into the new space at 212 E St Charles over 15 months ago. Although new improvements are taking place, there is no expansion of floor area. As shown in the photo identified as Figure 2, the retail area already exists.



Figure 2

Furthermore, Section 5, paragraph B, of the program policy states:

“For service businesses with substantial retail components that were previously in operation, sales data shall accompany the application.”

According to the applicant’s profit and loss statement, total retail sales for 2009 accounted for 2% of gross revenue. **It should be noted that staff does not know when the applicant began selling the retail items in 2009.**

Staff also finds that the proposed improvements are not directly associated with the retail operations and are deemed “general maintenance” improvements. Representatives for the applicant have indicated that the 667 square foot tenant space at 212 E St Charles will now be solely dedicated to retail as a separate business from the dog training. Staff does not concur with this representation. As the previous photos have shown, the spaces function as 1 large tenant space with the retail component representing 19% of the overall space.

RECOMMENDATION

Staff finds that the business does not meet the minimum eligibility requirements and recommends that the Economic and Community Development Committee deny the request for a Downtown Retail Business Grant for the property located at 212-216 E St Charles Road.

V I L L A G E O F L O M B A R D

APPLICATION FOR A CERTIFICATE OF OCCUPANCY / ZONING CERTIFICATE

A completed application is required prior to the issuance of a Certificate of Occupancy / Zoning Certificate. At least 48 hours is required to review all applications prior to the setup of any related inspections. An application fee is required at the time of issuance. **Note: Only fully completed applications will be accepted for processing. (Please Print or Type)**

ADDRESS OF BUSINESS: No. 212 Dir. E Street ST. CHARLES RD Suite/Unit: _____

NAME OF BUSINESS: WIGGLES-N-WAGS DOG TRAINING, INC

CONTACT PERSON'S NAME: SUSAN EASTWOOD PHONE NO.: 630-832-3001

Contact Person's Address: 131 E. MONROE ST. VILLAPARK, IL. 60181

PROPERTY OWNER: TRIARC DEVELOPMENT PHONE NO.: 630-827-3400

Property Owner's Address: 564 S. CHARLOTTE, LOMBARD

TYPE OF BUSINESS:
(Please check all applicable types)

- Light Manufacturing
- Office
- Restaurant
- Retail
- Service
- Warehouse / Storage
- Other _____

Total Square Footage of Tenant Space: _____

Maximum Number of Employees on Premises: 2

Are you a Not-For-Profit Organization? Y N

Please provide a *detailed* description of the *proposed* business activities that will take place at the above address:
DOG TRAINING, OFFICE, STORAGE, SMALL RETAIL

Please provide a name and *detailed* description of the *previous* business activities that took place at the above address:
TROY PATRICK-HAIR SALON

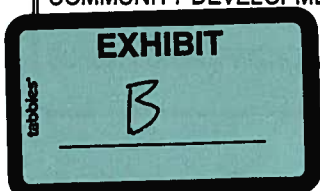
Are there any site or building alterations necessary or anticipated that would require a building permit to be obtained by either the landlord or tenant prior to occupancy? Y N

APPLICANT'S (TENANT'S) SIGNATURE: [Signature] DATE: 3/25/08

PROPERTY OWNER'S SIGNATURE: [Signature] DATE: 3/25/08

(OVER)

---Office Use Only---	
NAICS Code: _____	Fire Inspection date: <u>9/5/08</u>
P.I.N.: <u>06 08 133 003</u> USE: <u>Animal learning center /</u> Zoning: <u>B2(P)C</u> ^{mt}	
Parking Requirements for Previous use: <u>4/1000</u> <u>Pet Services</u>	Parking Requirement for Proposed use: <u>4/1000</u>
COMMUNITY DEVELOPMENT APPROVAL <u>[Signature]</u> DATE: <u>3/31/08</u>	
ANIMAL SERVICES APPROVAL <u>[Signature]</u> DATE: <u>11/25/08</u>	
last updated 2/08 h:\cd\worduser\planner\jennifer\coapp.doc	



**DOWNTOWN RETAIL BUSINESS GRANT PROGRAM
APPLICATION**

1. A. Building Address: 212 E. St. Charles Rd.
B. Property Identification Number: 60-08-133-003

2. A. Business Owners Name: Susan Eastwood
B. Business Owners Address: 131 E. Monroe St.
VILLA PARK, IL 60181
C. Business Owners Phone (daytime): (630) 832-3001
D. Business Owners Email: agilsuze@sbcglobal.net

3. A. Property Owners Name: Stefano Durdic
B. Property Owners Address: 5104 S. Charlotte
Lombard, IL 60140
C. Property Owners Phone (daytime): (630) 841-1942

3. Lease Terms: 3 year - Starting June 2010 - June 2013

4. Description of Business (use additional paper if necessary):
WnW offers a variety of services to dog owners
which include obedience and training classes.
WnW will offer a wide variety of
training supplies, dog treats, leashes, collars,
and toys.

5. Proposed Improvements associated with the project (use additional paper if necessary):
 - Refinish floor (stained concrete)
 - Signage (Road sign & sign on awning)
 - Painting on the inside

6. Plans/Drawings prepared by:

A. Name: Jamie Kashin & Mike Carnahan

B. Address: 204 St. Charles Rd.
Lombard, IL 60148

C. Phone (day time): 630.613.9058 (Jamie) 630.588.9500

D. Estimated Cost of the project: \$ 9364.30

(Mike)

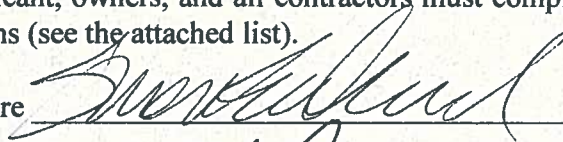
7. Statement of Understanding.

A. The applicant (undersigned) agrees to comply with the guidelines and procedures of the Downtown Retail Business Grant Program and the specific design recommendations of the Director of Community Development.

B. The applicant must submit detailed cost documentation, copies of building permits, and all contractors waivers of lien upon completion of work.

C. The applicant, owners, and all contractors must comply with all federal and local regulations (see the attached list).

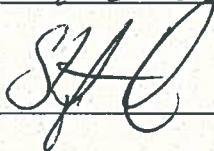
Business Owner Signature



(Date)

5/19/10

Property Owner Signature



(Date)

5/19/10

Return application to:

Village of Lombard
Community Development Department
255 E. Wilson Ave., Lombard, IL 60148
630-620-5746

Business Plan for:

Wiggles n Wags



OWNER

Business name: Wiggles-n-Wags Dog Training Inc.
Business owner: Susan Eastwood
Address: 212 E. St. Charles Road
Lombard, Illinois 60148
Telephone: (630) 832-3001
Fax:
E-mail: aqilsuze@sbcglobal.net

General company description:

Mission statement:

Wiggles-n-Wags is a safe and positive environment for dogs, as well as a place for owners to learn and use positive training techniques to form a better relationship with their Best Friend. Our goal is to offer a variety of options for training to fit in your family's lifestyle, whether it is group classes, private in-home, or in-facility training.

Form of ownership:

S Corporation

Company history:

Susan Eastwood got her start in the dog training industry 7 years ago. Five years ago, she formed an S Corporation, Wiggles n Wags. Susan moved into 216 E. St. Charles Road 3 years ago where she began her in-facility dog training.

Most important strengths and core competencies:

WnW offers an extensive list of services to dog owners, which includes dog training, puppy training, agility training, competitive obedience, and rally obedience, pet manners classes, clicker training classes, tricks classes, private dog training, puppy socialization, in-home training, CGC training & CGC testing, group dog training classes, kennel training, day training, board and train, and SportsDog Foundation. They also offer customized behavior modification programs for all dog behavior problems including house training, house soiling, dog aggression, human aggression, nuisance barking, children & dogs, destructiveness, chewing, digging, jumping on people, multi-dog households, leash pulling, separation anxiety, shyness, socialization, door bolting, running away, hyperactive dogs, dog fighting, biting, growling, anxiety and just about everything else.

WnW will offer a wide variety of training supplies, premium dog treats, leashes, collars, clickers, toys, other pet related products. Product brands include Premier, Gentle Leader, EasyWalk, Martingake, Fido Finery, ComfortFlex, ZiwiPeak Treats, Salmon Paws, Stella and Chewey's, Zukes Treats, Plato Treats, PureBites, Solid Gold Treats, and Paws to Remember.

Competitive advantages:

WnW's current competitive advantages include using only certified trainers, offering beginner to competition level classes, and breeding a positive and nurturing training environment.

Wiggles n Wags potential growth may include the addition and expansion of their retail element. This retail element will have obvious advantages due to its customer base already frequenting the building. In addition, the training supplies, treats, and toys sold will also be used during classes. The customers will have a chance to see their effectiveness before they purchase them, and to use the same supplies at home as in class. Dog owners will be given the ability to choose treats and dog supplies that suit their dogs' size, age, activity level, health, taste, and chewing style.

Market research and analysis:

Definition of customers and market:

Dog owners who are looking to participate in various areas of dog training, which range from basic training all the way to high-level competition training.

Dog owners who are looking for a quality, local, and convenient place to purchase pet products.

Market size and trends:

The pet industry is one of the largest growing industries in the world, which is set to continue in growth.

- 62% of U.S. households own a pet
- There are 45.6 million U.S. households that own a dog
- Total pet industry expenditures for 2009 were \$45.5 billion and estimated at \$47.7 billion in 2010
- 2010 estimated sales within the US market
 1. Food - \$18.28 billion
 2. Supplies - \$11.01 billion
 3. Pet services - \$3.45 billion
- 2009 actual sales within the US market

1. Food - \$17.56 billion
2. Supplies - \$10.41 billion
3. Pet services - \$3.36 billion

(All statistics obtained from the 2009-2010 National Pet Owners Survey)

Competition:

Competition WnW faces include dog training facilities in Roselle, Glenview, and Bartlett. In addition, there are dog supplies and treats sold at large retail outlets such as Wal-Mart, Target, and big box grocery stores.

Estimated market shares and sales:

Marketing plan:

A major part of the marketing plan will be bringing WnW's current customer base, which includes hundreds of regular customers, face-to-face with the retail dog products. In addition, plans include building a strong online presence and incorporating new signage on the front of the building that will be visible and inviting to all traffic traveling East and West on St. Charles Road.

Marketing strategy:

To create a well-built, aesthetically pleasing in-store presence of training supplies, toys, and treats. Furthermore, additional signage in front of WnW will increase the storefront's visibility and complement its current appearance.

Pricing:

Pricing of all products will be based on paying close attention to customer decision-making processes, logistics, and location dynamics. By using a cost-plus method, products will be priced using their base cost plus roughly a 50% overhead mark-up.

Design and development plans:

***Please refer to the separate report submitted for all detailed plans and costs.**

Management team:**Key management personnel:**

Susan Eastwood – owner – sole employee

General contractor instructors:

Julie Dorsey-Oskerka

Cindy Masterson

Financial plan:

Projected retail sales per day is estimated at \$150, while the projected profit from retail sales is estimated at \$75 per day.

Est. retail sales per day	Est. profit per day	Est. retail sales per month	Est. profit per month	Est. retail sales per year	Est. profit per year
\$150	\$75	\$3,000	\$1,500	\$36,000	\$18,000

- copies
- photos
- when did they occupy?

May 24, 2010

Chris Stilling
Assistant Director
Re: WnW Retail Grant

Dear Chris,

Per your request for more information regarding Wiggles-n-Wags retail grant application I have prepared this letter. My goal is to satisfy the claims that we are eligible for the grant and that the approval of the grant will benefit the retail component of Wiggles-n-Wags.

Wiggles-n-Wags is an existing dog training business located in the TIF 1 West district. They plan to expand their business by adding a substantial retail component. Currently the business occupies two separate units in a strip mall, 212 E St. Charles Rd and 216 E St. Charles Rd. The business holds two separate leases, one for each address. While the units are conjoined, Wiggles-n-Wags plans to dedicate the main use of 212 as retail space.

In 212 Wiggles-n-Wags plans to sell a variety leashes, collars, gentle leaders, harnesses, clickers, toys, games, treats, cages, and more. These products come in a variety of colors, styles, flavors, and sizes. There will be enough variety to meet the needs of all breeds. Many of these products are unique; specialty items that are not offered at all stores selling pet supplies. For example, they will carry some exotic brands of treats, and up to seven different styles of collars.

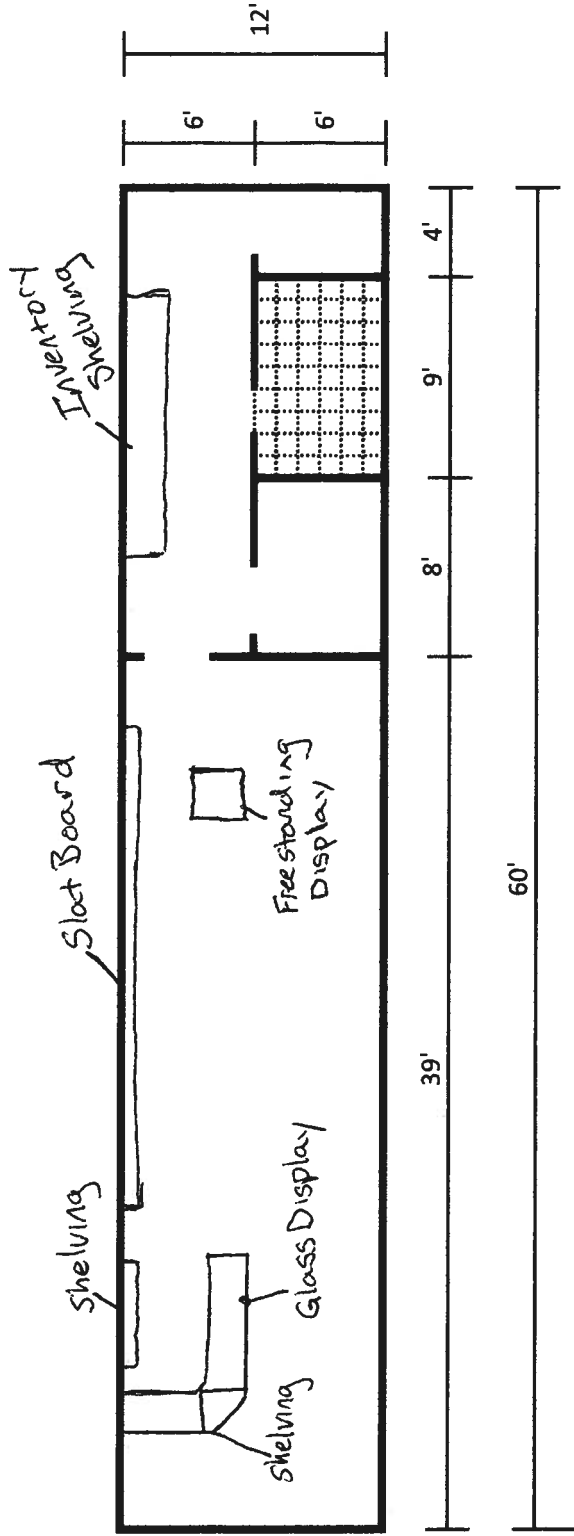
An approval of the application would greatly improve the building and the retail component of Wiggles-n-Wags. Currently the space has a floor in disrepair, unfinished walls, and no signage. By completing the work spelled out in the application, the space will be appealing and worthy of customers time and money. By adding signs both on the awning and at the street, customers will be drawn in to a convenient, quality place to purchase their pet supplies. The store is on a street with a lot of traffic, vehicle and pedestrian, and down the road from a veterinarian. This adds to the pool of potential customers who would see these signs.

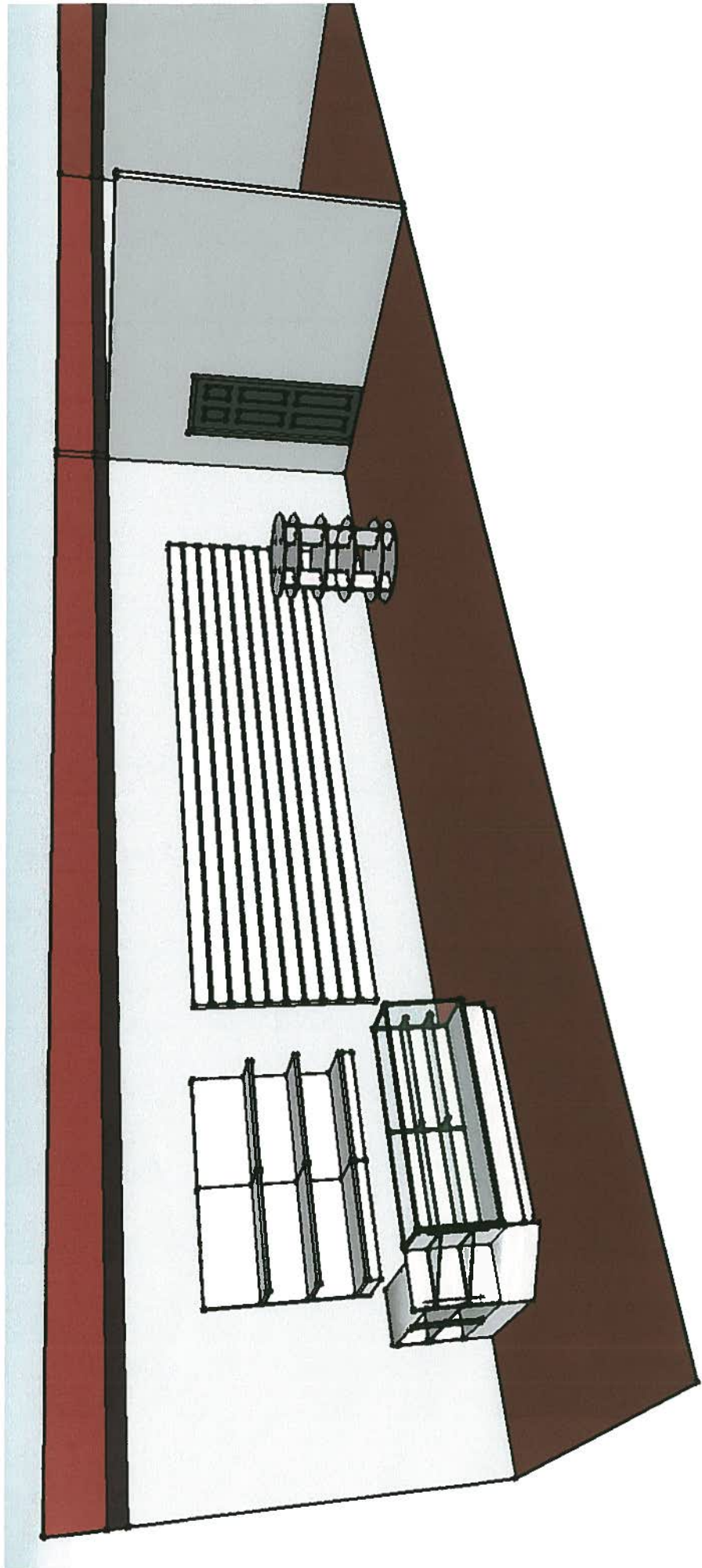
With an investment by the business owner, cooperation and funding from the Village, and a properly executed plan we feel that Wiggles-n-Wags can successfully grow its business by adding a substantial retail component. This will benefit all parties involved at a time when businesses are closing and vacancies are on the rise.

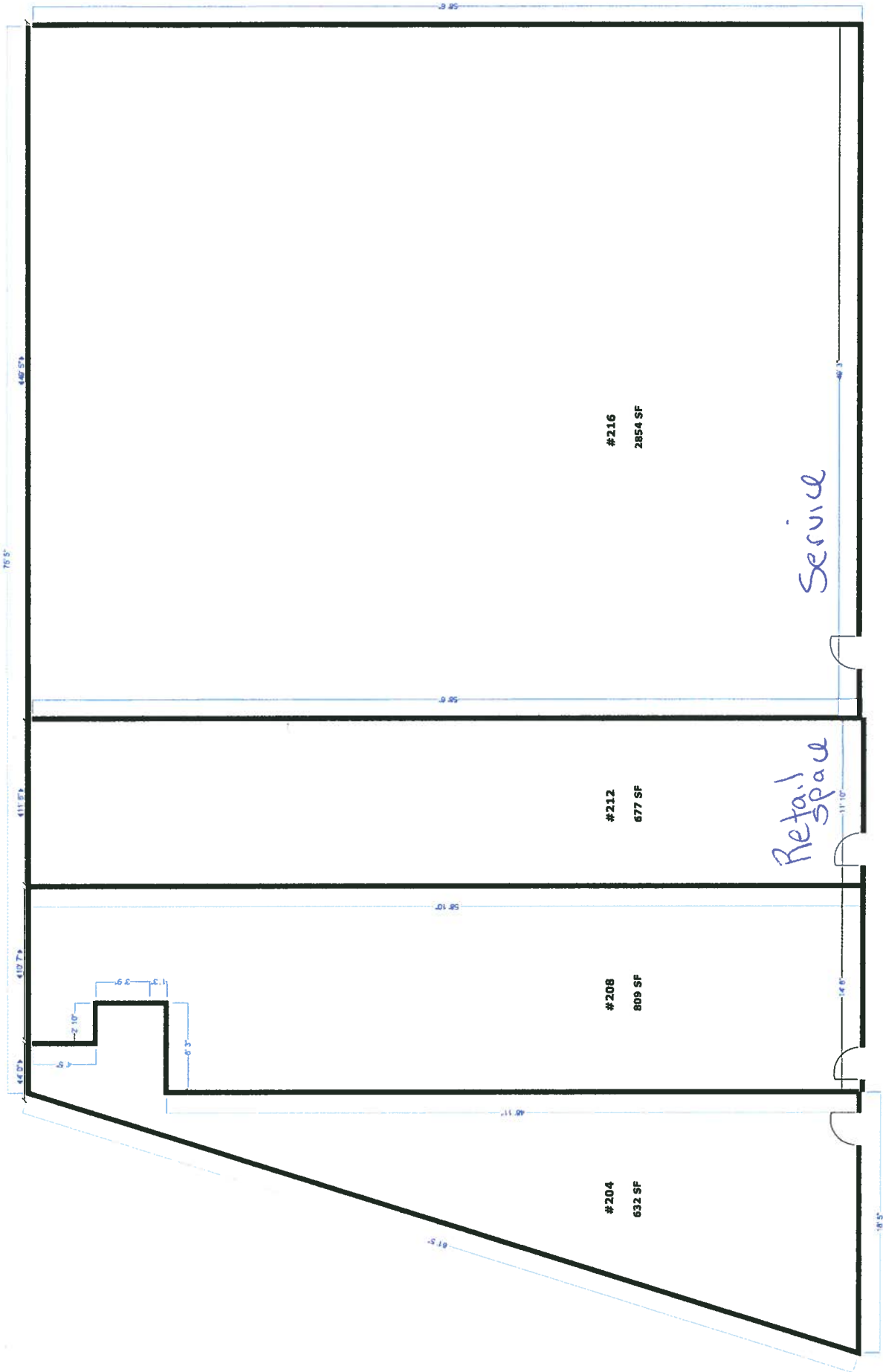
Thank you for your consideration,

Michael Carnahan
RedBrick Property Management

212 E. St. Charles Road







FLOOR CONDITIONS REPORT

During the inspection, the following floor conditions were observed:

1. There is an existing, peeling coating that will have to be removed.

FLOOR PREPARATION SPECIFICATIONS

Customer is requested to provide the entire floor cleared, dry, broom-swept, and with adequate lighting; also, to protect any equipment and/or product not removed from the work area, while providing a minimum surface/air temperature of 60°F. A temporary interior staging area is required adjacent to the project site for storage and mixing of product.

The entire floor will be prepared by the mechanical, virtually dust-free and odorless shot-blasting method, using IFR, INC owned Wheelabrator Frye Blastrac equipment.

The concrete floor edges will be prepared by virtually dust-free hand grinding with diamond wheel floor hand grinders.

Any minor repairs and cracks will be filled to level with the surrounding floor surface by mechanically preparing, removing all debris, priming and filling to level with an Epoxy mortar.

Any expansion joints in the concrete floor surfaces will be filled to within 1/16th inch of grade with the surrounding floor surface by mechanically preparing, removing all debris, priming and filling with our flexible elastomeric compound. Must honor joints.

FLOOR COATING SPECIFICATIONS

Following the above preparation, two coats of the desired color stain will be applied giving you a light and dark faux finish look.

This is followed by one coat of 100% solids epoxy which will complete this flooring system.

NOTE: Blast marks, grinding marks and old patches in the concrete may possibly silhouette and be visible in this system, resulting in a distress look.

PRICING AND SCHEDULING

IFR, INC. will complete the above specifications in a workmanlike manner, including all material, labor, supervision, equipment, freight, insurance and taxes, on an area of approximately 666 square feet, for between \$4,329.60, & \$4,662.00, based on between \$6.50 & \$7.00 per square foot.

NOTE: Final pricing will depend upon what necessary repairs are needed after cleaning is completed.

This quotation is based upon our completion of the above project in a single continuous phase, during straight time weekday hours. Any additional phases will necessitate additional charges. Should it be necessary to perform this work during premium time weekend hours, this will necessitate an additional charge.

Any deviation from the above specifications will necessitate additional charges. The terms and conditions in this quotation/contract supersede all previous agreements, either verbal or in writing.

Terms

Terms: 1/3rd down payment at start of project; balance upon completion.
For your convenience, we do accept all major credit cards.

PRODUCT AND INSTALLATION GUARANTEE

The application of our materials, in accordance with the specifications listed in this quotation, is covered by a conditional **three-year** labor and material guarantee against loss of adhesion due to normal usage. This does not include conditions caused by hydrostatic pressure due to the lack of a sub-slab moisture barrier, excessive abuse of the floor surface (i.e., dragging of pallets, impact from metal objects, thermal shock or swivel steel wheels, etc.). Nor does this obligation extend to floor problems beyond our control (i.e., acts of God, structural inadequacies, etc.). **IFR, INC.** does not assume or accept the liability for any slips, falls, or accidents on the floors as installed. The floor system must be maintained in accordance with **IFR INC.**'s Floor Maintenance Instructions for this guarantee to remain in effect.

NOTE: Floor must stay dry for a minimum of 48 hours after application of our floor system.

COLOR SELECTION: Color will be the same as used in previous installation—SW7594 Carriage Door (We will match as close as possible.)

ACCEPTED: _____ **DATE:** _____
RedBrick Property Management
Re: 212 East St. Charles Rd., Lombard, IL

Spectrum Installations
 233 E. Prairie Ave.
 Lombard, IL 60148
 630.916.1541

Proposal

DATE	ESTIMATE #
5/18/2010	129

BILL TO
Red Brick Property Management Lombard, IL

SHIP TO
Install

DESCRIPTION	Quantity	Each	Total
Sign faces - approximately 6' 2" x 15" for pole	2	154.00	308.00
Wall sign - approximately 6' 1" x 2'	1	243.00	243.00
Wiggles & Wags INCLUDES LETTERING AND INSTALLATION			
Total			551.00
Email: ggodenius@comcast.net Fax: 630.916.8256			

PROPOSAL

RedBrick Property Management

204 E. St Charles Rd
Lombard, IL 60148
630-588-9500

DATE: May 19, 2010
PROPOSAL: # 145
FOR: General Contracting/
Construction Management
To: Wiggles-n-Wags
212 E. St. Charles Rd
Lombard, IL 60148

DESCRIPTION	AMOUNT
RedBrick proposes to perform as general contractor and construction manager for the	
buildout of 212 E. St. Charles Road. Duties will include procurement of all proposals,	
aid in approval of proposals, scheduling and oversight of contractors, inspections of	
finished work. We propose to accomplish this for a cost equal to 10% of the total	
buildout cost.	
<i>Estimate of Project</i>	\$8,513.00
<i>RedBrick Fee (10%)</i>	851.30
TOTAL	\$9,364.30

