



MEMORANDUM

**TO:** David A. Huliseberg, AICP, ICMA-CM, Village Manager

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

**DATE:** June 19, 2008

**SUBJECT:** Downtown Retail Business Grant; 112 W. St. Charles Road - Yeager Fotografix

The attached correspondence was received by staff as a supplement to Yeager Fotografix's Downtown Retail Business Grant Program application, which is on the Village Board agenda for consideration at its June 19, 2008 meeting.

This correspondence is a follow up to the discussion at the last Economic and Community Development Committee (E CDC) meeting and is intended to provide additional information regarding the business's retail components. The correspondence is intended to highlight the retail activities and programs that have occurred or would occur within the tenant space that is associated with their business operations. In their addendum, they represent that their service activities (i.e., taking pictures) are traditionally completed off-site, but the on-site activities are intended to reflect the gallery and framing components associated with their business.



## Addendum to Application for Retail Grant Program.

In response to the June 4<sup>th</sup> meeting of the EDC we wish to clarify some points that were not clear in our application for the retail grant.

To begin with our application is not clear in the amount of space that is dedicated to retail products. Please note that only 5% of all income generated by our services is performed in our gallery studio. Ninety five percent of all photography service is performed outside of 112 W St. Charles Rd.

The gallery studio is primarily used for the following purposes:

- A showcase for art for sale that may be purchased and taken away or special ordered.
- Custom framing display
- Cash and carry table frames, note cards and posters.
- A showcase for samples of printed books that are custom made for clients
- Consultation space to arrange for the purchase of high quality prints, art, books, announcements and framing.

Another point that is not highlighted is the amount of space that is utilized by our clients to view and purchase products.

- Art Gallery - Approximately 30% of the gallery studio is dedicated to the display of decorative art for sale. The current show on display is large framed floral photography primarily from Lillacia Park. Customers may purchase the prints on display, smaller copies that are in our inventory or custom order other sizes. The next show will be of travel photography of Paris, Italy, England and Chicago. The prices of the pieces on display are \$20 to \$645 and higher. We are currently in negotiations with an internationally recognized colored pencil artist who we will most likely be showing and selling in August. The average price of the pieces will be \$2200 and printed copies will be available for approximately \$60.
- Custom Framing – Another 20% of the gallery is dedicated to the display of custom framing materials. The average custom frame is \$238. We have 420 samples of frames and 600 mat samples. These include samples of hand wrapped silk mats and hand carved frames unavailable to our competitors in the area.
- Cash and carry table frames. We currently have approximately 10% of our space dedicated to the display of high quality wood frames packaged for retail. Finally, we have another 30% of our space dedicated to the display of large prints and photo albums that show our clients the options they have for the purchase of custom products. Our albums are made in Italy and range from \$1100 to \$3800. The prints are high quality lab prints ranging from \$9 to \$450. Canvas wrap art ranges from \$125 to \$745. Max images range from \$575 to \$1875. All are on display in the second gallery.



These spaces represent 80% of the space. The balance includes bathrooms, kitchen, area and office space. The studio shooting space works double time with the kitchen, office and framing area.

Finally, during the EDC meeting I found the reference to us as primarily as a service industry confusing because, as my partner Biff Yeager says "We sell pictures". The service side of what we do is nothing without the product or retail side. Many of our service competitors work out of their home studios because retail space is not required for most of our services to be performed. We have retail space because we wanted to expand the retail side of what we do. A large portion of our decision to move to 112 W saint Charles Rd was the desire to have the space to expand our custom framing, be able to display more custom products, expand our cash and carry products and create a gallery where residents could purchase original art for their homes.

Again, we wish to thank the village of Lombard for their dedication to downtown through the many improvements that have been made, the support of Lombard Towne Center, the grant programs and your consideration of our application for the retail grant.

Most Sincerely,

Christine Yeager  
President  
Yeager FotoGrafix  
112 W Saint Charles Rd.  
Lombard, IL 60148  
630.889.9500





MEMORANDUM

TO: Dana Moreau, Chairperson  
Economic and Community Development Committee  
FROM: William J. Heniff, AICP, Acting Director of Community Development *WJH*  
DATE: June 3, 2008

SUBJECT: Downtown Retail Business Grant; 112 W. St. Charles Road

The Community Development Department has received an application for the Downtown Retail Business Grant Program for Yeager FotoGrafix at 112 W. St. Charles Road.

GRANT REQUEST

In July 2007, Yeager FotoGrafix moved into its current tenant space at 112 W. St. Charles Road and undertook a significant renovation of the space (formerly occupied by The Mahogany Forest). Yeager FotoGrafix has a lease through June 2013, meeting the minimum three-year lease required by the program.

As a photography studio, Yeager FotoGrafix is a service business and does not meet the criteria for a retail establishment (defined in the Zoning Ordinance as "any establishment wherein the primary occupation is the sale or rental of merchandise for use or consumption by the immediate purchaser"). However, the applicant believes that the business could be considered as an art shop/gallery, which is listed as a targeted retail category in the Downtown Retail Business Grant Program Policy (October, 2005). Photographs are displayed in the windows and exhibited throughout the storefront.

The submitted invoices and receipts include \$42,208.60 in eligible build-out expenditures. If the Economic and Community Development Committee is willing to consider Yeager FotoGrafix as a retail establishment, the applicant would be eligible to receive up to \$20,000 from the Downtown Retail Business Grant program. Because the request is over \$10,000, it will require approval from the Board of Trustees. If the application is approved, Yeager FotoGrafix will need to provide all necessary paid invoices, receipts, and waivers of lien from all contractors prior to any reimbursement.

ACTION REQUESTED

Does the EDCDC wish to approve the application request approving a grant disbursement for Yeager FotoGrafix in the amount of up to \$20,000?





In regards to the targeted retail businesses. Yeager Fotografix is a photography studio. This business is primarily a service business, however, we hope that you will consider us under the art shops/gallery category. We feel that we are unusual in the service category in that we attract passerbys with our display of photography and our gallery exhibits of non-contracted images including our exhibits of Veterans titled Project Remember and our current gallery show of floral photography from Lillacia Park.

In regards to the advance application please consider the following. In June of 2007 we became aware of the availability of 112 - 116 W. St. Charles rd and contacted the owner, Arado Realty immediately, within 36 hours we had signed a five year lease. Due to the unbelievable good will of Tim Arado, construction began immediately and we moved in July 1, 2007. We did not apply for the grant at that time for two major reasons. First, we wished to not burden the village with the grant if we could make it on our own. Secondly, the time constraint did not allow for the preparation of documentations.

Please allow me to address some inconsistencies with the normal grant process.

Attached you will find an application for this grant as well as supporting documentation.

It is with great gratitude to the Village of Lombard that I write you today. As a seven year resident and a three year downtown business owner, I appreciate the efforts that the village has made in promoting and supporting our downtown. It is my hope that together we can save one special part of the downtown, Yeager Fotografix, through a downtown retail business grant.

To Whom It May Concern:

Village of Lombard  
 Community Development Department  
 255 E Wilson Ave.,  
 Lombard, IL 60148

May 20, 2008

*Yeager Fotografix*



For these reasons we ask that you consider accepting our application and supporting documents and then grant us the moneys that will allow us to serve our community and thrive as a business within the downtown. If you are unable, we ask that those who read this support us by visiting our gallery and if you like what you see allow us to capture your family. We will continue to do business and hope the village understands that we would only be moving to our home studio to be able to continue our success.

Creating a unique and vibrant downtown - One of our main goals is to create for the consumer a beautiful and unique heirloom quality image that will last. Each of our clients is different and special and we strive to create an experience that is also unique and beautiful. The environment in which they meet with us, the backdrop of Lillacia Park, local vintage brick buildings and train station for our portraits all create something very special that promotes Lombard as a one of kind place that will be remembered through the images for generations.

Attracting shoppers and new businesses - Since moving into our new space, we have received numerous compliments on our space including the Villages property improvement awards which we are very thankful for. Mary Ann Goldenstein of the Westin describes our space to her clients as "a downtown studio in the suburbs" and has shown her support through referrals. During the Christmas season we not only received patronage from residents, but also residents of Elmhurst and Glen Ellyn who travel through Lombard. All were attracted by our storefront and eager to be a part of our clientele. Our marketing efforts are regional and national and many young couples and families who do not live in the area travel to meet with us. Almost all dine in the immediate area before or after these appointments and at least one couple bought their first home in Lombard because they were impressed with the downtown.

Yeager Fotografix had great encouragement from our community through a very strong patronage during the summer, fall and holiday season of 2007. Since that time however we have been seeing an unusually low amount of business that we can only attribute to the actual or perceived turn in the economy. To maintain a presence in the downtown is, at this time, potentially devastating to our business. We have examined other solutions and all have failed and now we are asking for you to consider making exceptions to the normal process in an effort to stay and thrive in downtown Lombard. We do not expect a bail out from our village and understand that much forethought went into the drafting of the explanation and guidelines of the grant. We are asking for this exception because we believe that our presence achieves the spirit of the grant in many ways.

yeager fotografix



Christine Yeager  
Yeager Fotografix  
112 W Saint Charles Road,  
Lombard, IL 60148  
630.889.9500  
www.yeagerfotografix.com



Most Sincerely,

Thank you for your time in this matter, we ask that you respond in the quickest manner as our situation requires fast actions if we are to continue our business.

yeager fotografix





**DOWNTOWN RETAIL BUSINESS GRANT PROGRAM  
APPLICATION**

- 1. A. Building Address: 112 -116 W Saint Charles Road, Lombard, IL 60148  
B. Property Identification Number: 0607204028

2. A. Business Owners Name: Christine and Alton "Biff" Yeager

B. Business Owners Address: 337 S Finley Rd., Lombard, IL 60148

C. Business Owners Phone (daytime): 630.889.9500 or 773.710.0995

3. A. Property Owners Name: Arado Realty, LLC Timothy Arado

B. Property Owners Address: 5765 N Lincoln Ave., Suite 20, Chicago, IL 60659-4730

C. Property Owners Phone: 773.456.4140

3. A. Lease Term: July 1, 2007 to June 30, 2013

4. Description of Business: Yeager FotoGrafix is a photography studio that specializes in wedding, portrait and commercial photography. Other services and products offered are book making, printing, custom and out of the box frames, scanning and retouching and design services. The studio features a gallery of non commissioned art, framing services, viewing and consultation areas, playroom and offices. Yeager FotoGrafix was formed in 1999 and has been in downtown Lombard since July 1, 2005.

5. Proposed Improvements associated with the project: Previous to a month before taking possession, 112 - 116 W Saint Charles Rd was used as a wood working studio. The majority of the expenses incurred were to revitalize walls, roofing and air conditioning and heating elements allowing the space to be used as a gallery/studio. Due to the nature of the industrial purpose, heating and air conditioning units would not maintain proper temperatures for clientele. Walls had not been maintained and leaks in the ceiling were repaired to provide the quality required for clientele to visit. A simple, clean look was achieved through refurbishing walls and resrooms. Simple shelving display items on.

Village of Lombard  
Community Development Department  
255 E Wilson Ave, Lombard, IL 60148  
630.620.5746

Return Application to:

Business Owners Signature \_\_\_\_\_ Date 5/21/08

Property Owners Signature \_\_\_\_\_ Date 5/21/08

6. No plans were made since the improvements were to existing walls.
7. Statement of Understanding.
  - a. The applicant (undersigned) agrees to comply with the guidelines and procedures of the Downtown Retail Grant Program and the specific design recommendations of the Director of Community Development.
  - b. The applicant must submit detailed cost documentation, copied 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 attached list).



Yeager Fotografix

Retail Grant Application  
Business Plan

A. Description of Yeager Fotografix

1. Yeager Fotografix is a photography studio specializing in wedding, portrait and commercial photography. It is headed by Alton "Biff" Yeager who is a 24 veteran of professional photography.
2. The personal photography industry began in the middle of the 19<sup>th</sup> century and the commercial industry gained popularity in the early 20<sup>th</sup> century. Most recently, with the advent of digital imaging the commercial and personal photography industries have had an upheaval. Many "film only" studios have closed and art directors have been shooting the commercial images and doctoring imperfections with software. This has led to the reduction in professional photographers qualified to photograph products and clients correctly. Only studios who have embraced digital are thriving.

B. Features and Advantages of our services and products

1. Our foremost advantage over our competition is the creativity and technical skills of Biff Yeager. A 24 year veteran, he is the main attraction. Another reason our clients are drawn and satisfied is our cutting edge products including professionally printed and hand printed prints, Italian made books, canvas wrap and wax works images and digital images for heirloom purposes. We also treat our clients to beverages while visiting and show their image proofs on a large screen high definition monitor making the experience luxurious and special.
2. Our prices for products and services are average for independently owned studios. The family and wedding photography industries have wildly fluctuating rates. Weddings range from \$999 to \$20,000. Portrait sittings range from free to \$10,000. It is well known among professional wedding photographers that in many cases under pricing your products will lead to less sales due to a lack of confidence in a low cost service. Our competitive advantages are the experience of Biff Yeager, the storefront, our products and our personalities.
3. In DuPage County there are app. 236,000 families with an average income of \$95,000, a market share of 1/100 of a percent of those families would be 250 portraits a year. Fifty nine portraits were shot in 2007. Forty Nine or 83% of those were after the opening of the studio 7/1/07. It was estimated that 11,362 couples would spend 33-66k on their weddings and 9,090 couples will spend \$2285 and \$4570 on photography. We booked 69 weddings in 2006, 45 weddings in 2007 and 10 year to date. Our goal is 40 weddings.
4. Our potential is great, as the market share and past performance shows. We can only look to the economy as a reason in the downturn in numbers as we are unaware of any negative

Yeager Fotografix

reputation. Please note that we have also tried to slow growth through the raising of prices and that the numbers in 2006 were due to an under priced product to create market share.

C. Market Research and Analysis

1. Our clients - Our Portrait client is usually female, 30-65, upper middle class. She is a working professional, stay at home mother or retired with a college education. Usually has a sense of local pride, an appreciation for artisan items. Younger clients usually lived in the city of Chicago and moved to the area to raise children. Our wedding clients are 25-35 living in the metropolitan area and sometimes outside this region. They are middle, upper middle and higher class with professions such as teacher, police, lawyer, corporate sales or artisans. Our clients almost always have a college degree and have a sense of fun and yet love high quality. Our corporate clients include insurance companies, medical professionals, realtors, charities, publications and manufacturers. They are located throughout the country and usually have sales of at least 5 million. High quality straight forward technological superior shots are required and fast digital medium is appreciated by YFG clients.
  2. The market for these areas are all very large. The key is the economy as we provide a luxury product. Ironically, corporate sales increase during an economic downturn and our corporate sales are up 200% over last year at this time.
  3. In the communities of Elmhurst, Villa Park, Lombard, Carol Stream, Glen Ellyn, Wheaton, Naperville, Downers Groves and Oak Brook there are 26 photography studios, 42% gross 100 to 250k and 38% gross 250k and above. In Dupage county there are 236,252 families with an average income of \$95,600. The average median age is 28. We are looking for a mere 1/100<sup>th</sup> of a percent of the market share.
- D. Estimated Market Share and sales
1. As mentioned in the previous entry there is plenty of market and we need a very small share. Approximately 1/100 of the market is more than we could handle and do not wish to be the biggest, just the best for the money.
  2. The very best portrait and wedding photographers do not advertise they create relationships and service clients so that their referrals are their business. We have begun creating these relationships with not only our clients but local wedding vendors such as the Westin, Seven Bridges Golf Club, Venutis and Arrowhead Golf Club. We will continue to take part in Lombard Towne Centre Events and throw events such as the Baby Expo which occurred last month as a way to meet potential clients.
  3. Our pricing is average for independently owned photographers and low for award winning photography. Our clients often comment on how they brag about the value to friends.





Yeager Fotografix

- 4. Since professional photography can be considered a luxury item and we rely on repeat business from relaxed and happy clients our sales are very relaxed and encouraging.
- 5. As mentioned we will be advertising a very minimal amount but will focus our marketing on web based excellence, event driven awareness and a continued involvement with local organizations.

E. Design and Development Plans

- 1. We have achieved 85% of our design goals including a clean modern look to the studio with high tech state of the art presentation and a clean and pleasing gallery of beautiful images. We would like to add larger and more striking images as time goes on and we look forward to keeping the display of new images so that residents and clients have something new and exciting to view.
- 2. The extent of the rehabilitation of the space, signage and display furniture and shelving has come to \$46,545.

F. Operations Plan

- 1. Yeager Fotografix is located in historic downtown Lombard on a state highway known as St. Charles Rd. Computers can see our large display windows while at the Lombard stop.
- 2. We have a 2400 square foot studio which features gallery space, kitchen, custom framing display, shooting studio, playroom, dressing room and play room for clients children. Previously a manufacturing space, the improvements made were to replace walls and floors, cosmetic updates to bathrooms, replace air conditioners and furnaces, new lighting throughout, remove paint from windows, paint walls and add shelving for display. Also included were custom lettering on windows and rear door, rewiring for computer network and telephones and furniture for display area.
- 3. Our strategy was to get the best quality work done as quickly as possible so as to take advantage of the space as quickly as possible. We wanted a dramatic effect and went with an aqua color that catches attention and also shows off the art.
- 4. While we did have employees, we have reduced staff to just the principals. We may consider hiring again in the future if sales increase and the proper candidate is available.

G. Management Team

- 1. Biff Yeager is an 11 time winner of the Wedding and Portrait Professional International Accolades of Excellence Award. He has served as Head of Digital Photography for the second largest marketing firm in the world and advised Nikon on their first digital cameras. Yeager has also acted as the LOPPS official photographer, Maxim Magazine's Event Photographer official and the official photographer of the Olympic Committees rally and the recent reopening of the Blackstone Hotel. His work has been published internationally and he has professionally photographed President Jimmy Carter, Barack Obama, Paul McCartney and

Yeager Fotografix

many, many other famous politicians, business leaders, entertainers and celebrities. Christine Yeager holds a BA in Communication Theory and Business Administration. She has held positions as Business Analyst, Office Manager and Sales Manager. She is involved with Lombard Towne Centre, AAUW and the Lombard Historical Society and

H. Overall Scheduling

- 1. We were able to complete the bulk of the improvements by 7/15/07 and have been open ever since.

I. Critical Risks and Problems

- 1. Our industry has many price points. Some clients will not consider a photographer is too low as it gives the assumption that they are not as good as a higher priced photographer. There is a current trend that says that many people are waiting until next year to get married because of rising costs and the uncertainty due to the elections. They will eventually get married, we just expect the remainder of the year to be low. It was reported that the average wedding went from \$28,732 to \$28,704. Leading us to believe that the industry averages are not effected just the numbers.
- 3. Due to the varied experiences of the two principles the businesses largest operating expense, salaries, can be, and have been, slashed by 40% helping us. With a miniscule advertising need, we need only worry about utilities, equipment and events which are currently all under control.
- 4. We are expecting low sales due to the economy and believe that to change toward the end of the year and definitely after the inauguration. One special not is that our balance of commercial vs personal services and products has helped us a great deal with this. Our commercial sales is up 200% over last year.
- 5. Our business is primarily custom orders and inventory is not a concern.
- 6. We have had a difficulty obtaining credit and have countered that through frugality and custom order products.
- 7. Our sales goals are for business that may be serviced by the principles alone and therefore we do not rely on trained labor.

Yeager Fotografix looks to be a leader in not only quality of products and profitability but as source of pride for the community and their clientele.

**Yeager FotoGrafix  
Retail Grant Application  
Expenditures Break down**

Date of Receipt	Item	Description	Payee	Amount
06/29/07	Bathroom/lighting	fixtures	The Home Depot	\$ 723.30
06/29/07	lighting	track lighting	The Home Depot	\$ 47.12
06/30/07	lighting	track lighting	The Home Depot	\$ 258.00
07/11/07	Large screen display	large screen display and cords	Microcenter	\$ 1,264.05
07/05/07	furniture	viewing room stools	Hobo	\$ 107.23
07/20/07	supplies for display table		The Home Depot	\$ 34.18
06/30/07	display items and furniture		IKEA	\$ 84.03
07/18/07	lighting		Menards	\$ 21.45
07/10/07	lumber for display furniture		Menards	\$ 275.84
06/05/07	locks		M&M Lock and Safe	\$ 284.41
06/13/07	bathroom updating		D Greasers	\$ 1,135.00
07/03/07	bathroom updating		D Greasers	\$ 1,185.00
06/08/07	Air conditioning upgrade		CGC Mechanical	\$ 450.00
06/08/07	Air conditioning upgrade		CGC Mechanical	\$ 4,400.00
07/10/07	Air conditioning upgrade		CGC Mechanical	\$ 1,710.80
07/11/07	misc supplies			\$ 1,876.00
07/30/07	Roofing repairs, lighting and misc		NK General	\$ 6,280.00
07/01/07	Wall repair and paint		George*	\$ 23,000.00
07/15/07	Floor refinishing		Angelo Muto*	\$ 2,800.00
07/23/07	Vinyl lettering		Signs Now	\$ 609.50
				<b>\$ 46,545.91</b>

\* service provider has refused to issue invoice - cancelled checks attached





112

yeager fotografix

yeager

yeager fotografix

Yeager  
an Photographer  
wedding event portrait photography

portrait photography

wedding event

wedding event portrait photography

wedding event portrait photography

197