

# ECONOMIC DEVELOPMENT



Prepared for:  
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# EXPERIENCE

- ▶ 35 Years Experience
- ▶ Mall of America
- ▶ Navy Pier
- ▶ Wrigley Field
- ▶ Easton Town Center
- ▶ Rock N' Roll Hall of Fame
- ▶ Motorola Campus
- ▶ Bay Shore Town Center
- ▶ Hawthorn Center
- ▶ Wheeling Town Center







# GOLF MILL WATER FEATURES

PROPOSED RENDERING OF PAVILION



OKW ARCHITECTS  
600 W. Jackson, Suite 250  
Chicago, IL 60661



GOLF MILL MIXED USE

239 N. Milwaukee Ave, Niles, IL  
January 26, 2022 Project #: 20012



# GOLF MILL MIXED USE

PROPOSED RENDERING OF CENTRAL PLAZA



OKW ARCHITECTS  
600 W. Jackson, Suite 250  
Chicago, IL 60661



GOLF MILL MIXED USE

239 N. Milwaukee Ave, Niles, IL  
January 26, 2022 Project #: 20012



# DEMOLITION – REDEFINE NILES





# Economic Development

- ▶ As some of you know, I like Fishing
- ▶ Economic Development is like Fishing



# Business Attraction

- ▶ I enjoy musky, walleye, and northern pike fishing in Lake of the Woods, Ontario, Canada
- ▶ I go out and use live bait or a lure to attract fish and set the hook
- ▶ I like attracting new businesses to Niles
- ▶ The experience is like catching a trophy fish when you land a large business
- ▶ Niles is a great community to attract new businesses
- ▶ There are so many exciting economic development projects on the horizon that will be historic for the Village



# Business Attraction

- ▶ Niles is a \$1.7 Billion Retail Market
- ▶ 22,000 Employees in the Village
- ▶ Home to over 2,800 Manufacturing Employees
- ▶ 5,400 Retail Trade Employees
- ▶ Over 4.5 million SF of Retail Space
- ▶ 2 million SF of Industrial Space & Business Parks
- ▶ Golf Mill Most Complex Development in Years
- ▶ Golf Mill Town Center Will Create a Renaissance



# Golf Mill Redevelopment

- ▶ The Golf Mill Mall redevelopment envision new retail and restaurant space, public gathering areas, water features, attractive landscaping, a pedestrian promenade, Golf Mill Park, a new water mill, over 300 residential units, medical office space, hotel, and a total mixed-use environment.
- ▶ New retailers, restaurants, professional services, and automobile uses are already locating around the Golf Mill in anticipation of the renaissance
- ▶ We plan to stimulate job growth and investment with new businesses at Golf Mill and in the Milwaukee Avenue corridor



# Economic Tool Box

- ▶ The Village Has 5 TIF Districts
- ▶ Utilized Select Sales Tax Incentive Agreements
- ▶ Cook County Class 6b, Class 7a, and Class 7b
- ▶ These Tools Assist Redevelopment Efforts
- ▶ Eliminate Commercial Blight and Recycle Vacant and Underutilized Properties.
- ▶ Niles Facade & Streetscape Improvement/Beautification Program
- ▶ Niles - Grow Your Home – Abate Permit Fees
- ▶ Small Business Recovery Loan Program



# Most Important Initiatives

- ▶ Advance Business Development Efforts
  - ▶ Village Board Leadership
  - ▶ Qualified Village Staff
  - ▶ Seasoned Legal Counsel
  - ▶ Defined and Certain Approval Process
  - ▶ Experienced Plan Commission
  - ▶ Established Incentive Programs
  - ▶ Informative Village Web Site
  - ▶ Strong Chamber of Commerce
  - ▶ Marketing Materials

# Economic Development

- ▶ Must Be Centerpiece of Village Strategy
- ▶ Business Attraction
- ▶ Business Retention
- ▶ Marketing
- ▶ TIF Administration
- ▶ Grant Administration
- ▶ Infrastructure
- ▶ Economic Development Strategy
- ▶ Comprehensive Plan
- ▶ Retail Market Strategy
- ▶ Pro Business Board, Police, Fire, & Public Works



# BUSINESS ATTRACTION

- ▶ Fresh Water – Water Availability for Business
- ▶ Pro Business Village Board
- ▶ Educated Labor Force
- ▶ Favorable Tax Structure
- ▶ Transportation, Utility, Fiber Optic Infrastructure
- ▶ Accessibility - Public Transportation – Rail Service
- ▶ Airports
- ▶ Housing at Various Price Points
- ▶ Business Incentive Programs
- ▶ Civic, Cultural, Historical & Recreational Amenities

# BUSINESS RETENTION

- ▶ Promote Chamber of Commerce
- ▶ Chamber of Commerce Fosters Strong Business Climate
- ▶ Business Retention Visits
- ▶ Business Retention Survey
- ▶ Regular Retention Visits and Call
- ▶ Meetings with Village Leadership
- ▶ State of the Village and After Hours Events



# MARKETING

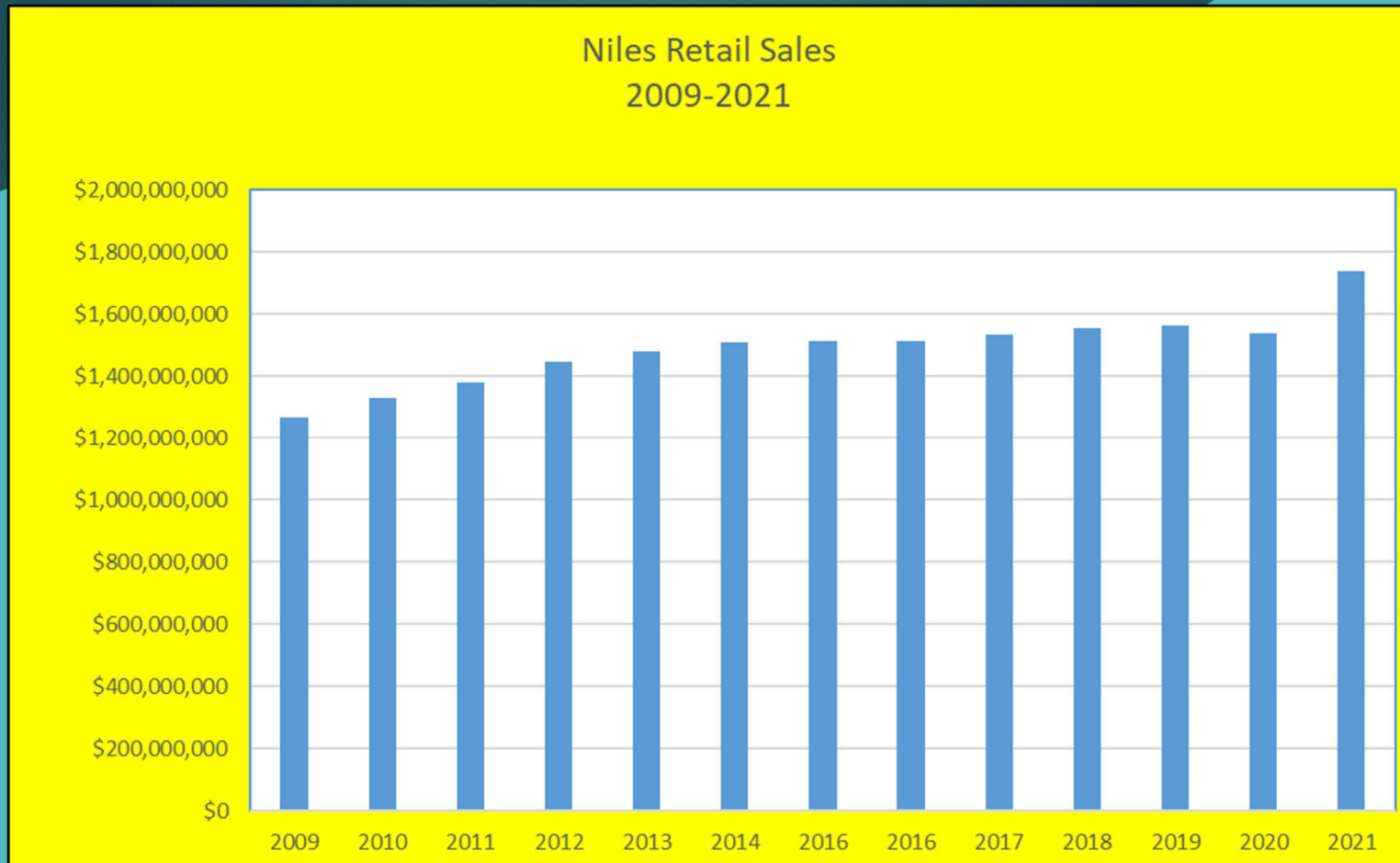
- ▶ Business Facilities Magazine – Site Selection
- ▶ Shopping Center Business – Heartland RE Business
- ▶ Radio Advertising – New Radio 780
- ▶ Crain's Chicago Business
- ▶ Department of Commerce & Economic Opportunity (DCEO)
- ▶ Resident Attraction Campaign – Radio - Billboards
- ▶ ICSC – Innovative Commerce Serving Communities
- ▶ AIRE – Association of Industrial Real Estate Brokers
- ▶ International Council of Restaurant Brokers

# Build Your Local Market

- ▶ Marketing Materials – Brochures, Videos, Testimonials, Ribbon Cutting Coverage
- ▶ Village Gateway Signage – Banners, Streetscape
- ▶ Social Media Facebook, Twitter, LinkedIn
- ▶ Village Website – Village Newsletter
- ▶ Press Releases – Newspapers - Trade Journals
- ▶ Actively Engage Brokers - Brokers Open House
- ▶ Business of the Year Awards
- ▶ Green Business Awards
- ▶ Chamber of Commerce - Volunteer Recognition



# Grow the Sales Tax Base



# Retail Sales By Retail Category

Retail Category	2021	2020	2019	2018	2017
General Merchandise	\$239,790,630	\$234,581,453	\$260,690,044	\$269,119,349	\$259,100,537
Food	\$216,536,169	\$227,287,515	\$206,371,387	\$203,327,017	\$214,265,835
Drinking and Eating Places	\$116,924,747	\$91,318,210	\$103,308,419	\$98,450,221	\$94,154,092
Apparel	\$29,708,484	\$19,049,768	\$33,486,075	\$37,001,861	\$37,015,172
Furniture & H.H. & Radio	\$24,217,468	\$15,417,599	\$15,647,939	\$17,786,351	\$25,690,843
Lumber, Bldg, Hardware	\$131,431,292	\$117,828,179	\$109,410,721	\$104,026,595	\$103,244,893
Automotive & Filling Stations	\$429,325,928	\$362,182,908	\$374,268,918	\$355,743,562	\$347,844,503
Drugs & Misc. Retail	\$356,720,086	\$288,786,919	\$295,971,193	\$309,966,658	\$297,079,659
Agriculture & All Others	\$180,611,082	\$175,805,340	\$160,223,430	\$151,752,211	\$146,802,129
Manufacturers	\$12,916,567	\$5,193,282	\$6,179,933	\$8,722,598	\$8,954,066
Totals	\$1,738,182,453	\$1,537,451,173	\$1,565,558,059	\$1,555,896,423	\$1,534,151,729



# Retail Recruitment



# DEMOGRAPHIC RESOURCES

- ▶ Exodus of Residents Out of Illinois
- ▶ Elected Officials Need to Reduce Tax Burden
- ▶ Attract Businesses and Enhance Job Creation
- ▶ Grow the Population in Illinois
- ▶ The Chicago Metro Area lost more than 91,000 persons between July 2020 and July 2021
- ▶ Illinois Population declined by more than 113,776 person since July 2020
- ▶ Between 2010 and 2020, Illinois was One of Only Three States to Lose Population During the Decade.
- ▶ The Population in the City of Chicago increased
- ▶ New Multi- Family Residential Development



# DEMOGRAPHIC SEGMENTS

- US Population Growth Has Been Slowing for years
- Low Birth Rates and Decreasing Net International Migration
- Mortality Rates Rising Due to Older Age Structure and Covid-19
- The 73 million baby boomers in the U.S – Retirement Age
- The 75.4 million millennials continue to delay major life commitments (i.e. marriage, homes, automobiles, and children)
- 62 million Gen-X are less well-off than their parents and have not realized strong real income growth or asset price inflation

# RETAIL DEVELOPMENT MID-AMERICA



▶ 2020	596,400 square feet
▶ 2019	785,400 square feet
▶ 2018	870,600 square feet
▶ 2017	1.0 million square feet
▶ 2016	1.5 million square feet
▶ 2015	2.0 million square feet
▶ 2014	2.6 million square feet
▶ 2013	2.0 million square feet
▶ 2012	1.1 million square feet
▶ 2011	1.0 million square feet
▶ 2010	1.0 million square feet
▶ 2009	3.0 million square feet
▶ 2008	3.7 million square feet
▶ 2007	8.7 million square feet

# VACANCY RATES & RENTAL RATES

- ▶ Vacancy Rate at 11.5 percent in the Fourth Quarter 2021 - CBRE
- ▶ Vacancy 11.2 Percent First Quarter 2019
- ▶ 12.1 Percent during the peak in 2010
- ▶ Toy R US, Carson's, Sears, Sports Authority, Sam's Club, Art Van Furniture
- ▶ 275 Vacant Anchor Stores – 16 million sf – 2020 - CBRE
- ▶ 235 Vacant Anchor stores – 12.0 million sf – 2018
- ▶ 218 Vacant Anchor stores – 10.8 million sf – 2017
- ▶ 165 Vacant Anchor stores – 8.2 million sf - 2016
- ▶ 227 Vacant Anchor stores in 10 million sf - 2008
- ▶ Net asking rents rose to \$18.64 psf from \$18.54 psf a year earlier



# EXPANDING GROCERS

- ▶ Amazon Fresh Grocery Stores – Naperville (2), Schaumburg, Bloomingdale, Oak Lawn, Norridge, Morton Grove, Westmont
- ▶ Planned - Lincolnwood, Buffalo Grove and others
- ▶ Amazon Go, Foxtrot,
- ▶ Pete's Produce – Willowbrook, Wheaton, Glen Ellyn, Matteson, Lemont, New Lenox, Oak Park, Oak Lawn, Tinley Park, and Orland Park.
- ▶ Tony's Finer Foods – Round Lake Beach and Burbank Open – Joliet, Chicago, Schaumburg
- ▶ Woodman's – Buffalo Grove, Lakemoor, Stratford Square
- ▶ Dom's Kitchen and Market – Bob Mariano – First Unit Lincoln Park and Division and Wells former Plum Market
- ▶ Whole Foods –Near North Chicago

# EXPANDING GROCERS

- ▶ Jewel – Huntley and Woodlawn
- ▶ Costco – Plainfield, Naperville, Rockford – Open
- ▶ Fresh Farms – Northbrook? Vernon Hills?
- ▶ Aldi - Six Corners in Chicago, Golf Mill, and others.
- ▶ Patel Brothers – Naperville and Niles
- ▶ Park to Shop – Asian Grocer – Naperville
- ▶ Wild Fork – Vernon Hills
- ▶ Lidl, Tesco, Earth Fare, Hy-Vee, Schnuck's

# EXPANDING RETAILERS

- ▶ At Home Furniture
- ▶ Aldi Food Stores
- ▶ Binny's Beverage Depot
- ▶ Big R
- ▶ dd's Discounts
- ▶ Dom's Kitchen & Market
- ▶ Dress Barn
- ▶ Foreman Mills
- ▶ Hobby Lobby
- ▶ Kohl's
- ▶ Marshalls
- ▶ Ollie's Bargain Outlet
- ▶ PetSmart
- ▶ Pete's Fresh Market
- ▶ Target
- ▶ Tony's Finer Foods
- ▶ US Cellular
- ▶ Woodman's
- ▶ Advance Auto Parts
- ▶ Amazon Fresh Grocery
- ▶ Big Lots
- ▶ Crate & Barrell Outlet
- ▶ Dick's Sporting Goods
- ▶ Dollar General
- ▶ Floor & Decor
- ▶ Harbor Freight Tools
- ▶ Foxtrot
- ▶ Menards
- ▶ Michael's
- ▶ Petco
- ▶ Pete's Fresh Market
- ▶ Ross Dress for Less
- ▶ TJ Maxx
- ▶ Trader Joe's
- ▶ Verizon
- ▶ Walmart
- ▶ Apple
- ▶ Burlington
- ▶ Bob's Furniture
- ▶ Costco
- ▶ Dick's Going Gone
- ▶ Dollar Tree
- ▶ Fresh Farms
- ▶ Homegoods
- ▶ Jewel
- ▶ Meijer
- ▶ Nordstrom Rack
- ▶ Party City
- ▶ Popshelf (Dollar General)
- ▶ Tile Shop
- ▶ Total Wine & More
- ▶ Ulta Beauty
- ▶ Whole Foods
- ▶ Yardbird



# EXPANDING RESTAURANTS

- ▶ A & W Restaurant
- ▶ Buona Beef
- ▶ Chick Fil-A
- ▶ Capital Grille
- ▶ Dave's Hot Chicken
- ▶ Dunkin Donuts
- ▶ Lazy Dog
- ▶ May's Lounge
- ▶ Perry's Steakhouse
- ▶ Portillo's
- ▶ Red Robin
- ▶ Stella's Cafe
- ▶ Texas Roadhouse
- ▶ Urban Plate
- ▶ Andy's Frozen Custard
- ▶ Beef Shack
- ▶ Culvers
- ▶ Cooper's Hawk
- ▶ Do-Rite Donuts
- ▶ Guzman Y Gomez
- ▶ Meat & Potato
- ▶ Miller's Ale House
- ▶ Panda Express
- ▶ Potbelly
- ▶ Shake Shack
- ▶ Starbuck's
- ▶ Uncle Julio's
- ▶ Wahlburgers
- ▶ Burger King
- ▶ Big Chicken
- ▶ Chipotle
- ▶ Cityworks Eatery & Pour House
- ▶ District Brew Yards
- ▶ Joe's Donut
- ▶ Morretti's
- ▶ Nando's Peri Peri Chicken
- ▶ Panera Bread
- ▶ Raising Cane's
- ▶ Shelby's
- ▶ Teriyaki Madness
- ▶ Which Wich
- ▶ Wendy's

# DEPARTMENT STORE CLOSURES

- ▶ Woodfield Mall – Lord & Taylor and Sears - Premark
- ▶ Northbrook Court – Lord & Taylor, Macy's Razed
- ▶ Hawthorn Center – Carson's and Sears
- ▶ Old Orchard – Lord & Taylor, Sak's Fifth Avenue
- ▶ Oak Brook – Sears, Lord & Taylor, Sak's Fifth Avenue
- ▶ Louis Joliet – Carson's and Sears
- ▶ Fox Valley – Carson's and Sears
- ▶ Edens Plaza – Wayfair taking Carson's
- ▶ Spring Hill Mall – Carson's, JC Penney, Macy's
- ▶ Randhurst – Carson's – New Homegoods
- ▶ Stratford Square – JC Penney, Carson's, Macy's (Woodman's), and Sears
- ▶ Chicago Ridge – Carson's (Dick's) and Sears
- ▶ Water Tower Place – Macy's and Lord & Taylor

# NATIONAL RETAIL FEDERATION

- ▶ Retail Sales Forecast to Rise at a Strong Rate at Between 6% and 8% in 2022
- ▶ Elevated Gas Prices
- ▶ Rising Food Prices and Inflation Driving Growth
- ▶ Higher Sales Forecast than Pre-Pandemic
- ▶ Higher than Pre-Pandemic 10-Year 3.7 % Growth Rate
- ▶ \$4.86 Trillion to \$4.95 Trillion in 2022
- ▶ 14% Annual Growth Rate in 2021
- ▶ The Highest Annual Growth Rate in 20 Years
- ▶ Projected GDP of 3.5 %



# INDUSTRIAL DEVELOPMENT

- ▶ Understand Development Metrics
- ▶ Warehouse, Distribution, Logistics, & Cold Storage
- ▶ In 2021 - 66 million sf of Net Leases – Chicago MSA
- ▶ Nearly 45 million sf - Net Absorption-Chicago MSA
- ▶ 30.9 Million sf of New Industrial Construction 2021
- ▶ 18 Million sf of Spec Space Under Construction
- ▶ Vacancy Rate of only 5.4 %
- ▶ Supply Chain Bottlenecks Will Create More Demand for Last Mile Space
- ▶ Unprecedented Industrial Development

# CONCLUSIONS – 2022

- ▶ Winners - Value-focused mass retailers supercenters, warehouse clubs, off-price stores and outlet centers
- ▶ High End Retailers experienced rising sales
- ▶ Retailers to selectively increase new store openings
- ▶ Store Sizes Will Shrink Further
- ▶ New Construction - Supermarkets, Fulfillment Centers, and Mall Redevelopment
- ▶ Limited Large-Scale Retail Development
- ▶ Mixed-use Will Dominate Mall Redevelopment
- ▶ Many Malls Will Add Residential, Hotel, Medical Office, and Entertainment to Their Land Use Mix

# CONCLUSIONS - 2022

- ▶ Industrial Development to Continue
- ▶ Office Vacancy Rates over 27%
- ▶ Limited Office Development
- ▶ Office Foreclosures and Bankruptcies
- ▶ Mall Foreclosures and Bankruptcies
- ▶ Multi- Family Residential Development Continues
- ▶ Retail Development Will Focus on Redevelopment
- ▶ E-Commerce Slowing



# CONCLUSIONS 2022

- ▶ Supply Chain Disruptions
- ▶ Empty Shelves
- ▶ Elevated Gas Prices
- ▶ Labor Shortages
- ▶ Investment in More Robots
- ▶ Higher Employee Turnover
- ▶ Restructured Supply Chains
- ▶ Ability to Raise Prices
- ▶ Higher Operating Margins

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