



**REGULAR MEETING
ECONOMIC DEVELOPMENT COMMITTEE
Wednesday, May 1, 2019
9:00 am
Burr Ridge Village Hall – Board Room**

The mission of the Economic Development Committee (EDC) is to grow a stronger business climate by being an active partner with businesses, investors, and residents. The EDC shall strengthen economic development in the Village by developing business retention, expansion, and attraction programs; the creation and implementation of economic development plans and policies; being business ambassadors to the community; coordinating with other governments on projects; and submitting an annual Economic Development Position Report to the Village Board at the beginning of the fiscal year.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. ELECTION OF INTERIM COMMITTEE CHAIR**
- 4. APPROVAL OF MINUTES OF APRIL 3, 2019 MEETING**
- 5. CONSIDERATION OF DECLARATION OF ECONOMIC DEVELOPMENT WEEK**
- 6. DISCUSSION OF CHRISTKINDLMARKET RECRUITMENT**
- 7. CONSIDERATION OF DUPAGE COUNTY HOTEL TAX LEGISLATIVE EFFORT; CONTINUED FROM APRIL 3, 2019**
- 8. OTHER CONSIDERATIONS**
- 9. VILLAGE-WIDE DEVELOPMENT UPDATE**
- 10. PUBLIC COMMENT**
- 11. ADJOURNMENT**

MINUTES
ECONOMIC DEVELOPMENT COMMITTEE MEETING
April 3, 2019

CALL TO ORDER: Mr. Walter called the meeting to order at 9:00 a.m.

ROLL CALL: **Present:** Trustee Tony Schiappa, Trustee Zach Mottl, Paul Stettin, Debra Hamilton, Sam Odeh, and Victor Hernandez

Absent: Kirsten Jepsen and Bhagwan Sharma

Also Present: Village Administrator Doug Pollock; Communications and Public Relations Coordinator Janet Kowal; Assistant to the Village Administrator Evan Walter; Management Analyst Andrez Beltran; Hampton Inn General Manager Mark Stangle; DuPage Convention and Visitor's Bureau Executive Director Beth Marchetti; and Westmont Chamber of Commerce Executive Director Larry Forssberg

ELECTION OF CHAIR: A **MOTION** was made by Mr. Stettin to appoint Trustee Schiappa as the Committee Chair for the meeting. The motion was **SECONDED** by Ms. Hamilton and approved by a vote of 5-0. Trustee Schiappa abstained.

MINUTES: A **MOTION** was made by Trustee Mottl to approve the Minutes from the February 20, 2019 meeting. The motion was **SECONDED** by Mr. Hernandez and approved by a vote of 2-0. Mr. Odeh, Mr. Stettin, Mr. Hernandez, and Ms. Hamilton abstained.

INTRODUCTION OF NEW COMMITTEE MEMBERS

The members of the Committee and staff introduced themselves and discussed their backgrounds. Trustee Schiappa provided a brief overview of the purpose of the Committee as well as how meetings would be handled.

REVIEW OF COMMITTEE SCHEDULE, PROCEDURES, FOIA, AND OMA

Mr. Walter provided a review of the Committee's schedule, procedures, the Freedom of Information Act (FOIA) and the Open Meetings Act (OMA). Mr. Walter asked the members to refer any questions to staff, who would then communicate them to the rest of the Committee in an appropriate fashion.

CONSIDERATION AND APPROVAL OF FY 2019-20 MARKETING PROGRAM

Akeem Anderson, a principal at Kivvit Marketing in Chicago, provided a presentation of the proposed marketing plan that Kivvit had designed for the Village of Burr Ridge. Mr. Anderson said that the goals of the program would be to reach the Village's core customer, and would use various methods to reach them.

Mr. Stettin asked Mr. Anderson about the principles of geotargeting in marketing. Mr. Anderson said that technology had evolved in such a way as to be able to pinpoint a potential customer based on the types of businesses they searched for, visited, and otherwise may match the profile of the Village's hotel and restaurant offerings, and would use this data to provide a better recommendation.

Beth Marchetti, DuPage Convention and Visitor's Bureau, asked if Kivvit planned to host a booking portal on the marketing website, or if bookings would be handled by the properties themselves. Mr. Anderson said that such a question was unanswered at this time. Mr. Walter

recommended to the Committee that bookings be handled by the properties directly so as to allow them to provide more accurate metrics. The Committee concurred with this suggestion.

Further discussion took place regarding details of the proposed plan.

A **MOTION** was made by Trustee Mottl and **SECONDED** by Mr. Hernandez to approve the proposed Village hotel/motel marketing program presented by Kivvit. The motion was approved by a vote of 6-0.

CONSIDERATION OF DUPAGE COUNTY HOTEL TAX LEGISLATIVE EFFORT

Beth Marchetti, DCVB, provided a presentation to the Committee regarding a legislative effort to amend a State law disallowing non-home rule counties from levying a hotel/motel tax. The ultimate purpose of the effort was to provide additional funding for DCVB, which traditionally relies solely on state grants and local funding for its revenue sources, and is comparatively underfunded when compared to its local and regional peer CVB's. Ms. Marchetti said that County Board Chairman Dan Cronin supported the concept and would use the revenue solely to promote tourism and economic development within DuPage County. Larry Forssberg, Village of Westmont, said that as chairman of DCVB, he could not recall a more pressing and important issue regarding the future of DCVB. Mr. Walter stated for the record that while he is the Village's Board representative for DCVB, he has not participated in the effort to this point because the Village of Burr Ridge had not taken a position on the effort and could not spend Village time working for the success of the effort until such direction was given.

Mr. Odeh said that while he supported the concept of the tax, DuPage County did not have a vibrant nightlife which would allow for an increase in overnight tourism. It was his suggestion that the County invest more into activities and nightlife to harness its potential new source of revenue.

Mark Stangle, general manager of the Burr Ridge Hampton Inn, said that his hotel supported the concept of a tax up to 2 percent, but wanted to see additional work done to show its value, as well as more detail and explanation as to how the revenue would be expended.

After further discussion, the Committee agreed to table the discussion to its May 1, 2019 meeting.

VILLAGE-WIDE DEVELOPMENT UPDATE

Mr. Walter said that McDonald's had broken ground on its new facility at 9101 Kingery Highway, and that they hoped to be open by late June 2019. Mr. Walter also conveyed that the Village Board had approved the sales tax rebate agreement with Oremus Materials, which is projected to bring in over \$1 million in new net sales tax revenue to the Village over the next five years.

PUBLIC COMMENT

No public comment was given.

ADJOURNMENT

There being no further business, a **MOTION** was made by Ms. Hamilton to adjourn the meeting, **SECONDED** by Mr. Stettin and **approved** by a vote of 6-0. The meeting was adjourned at 11:08 a.m.

Respectfully submitted,

Evan Walter
Assistant to the Village Administrator

PROCLAMATION
ECONOMIC DEVELOPMENT WEEK
MAY 6 – MAY 11, 2019

WHEREAS, economic development promotes economic well-being and quality of life for Burr Ridge by creating, retaining, and expanding jobs that facilitate growth, enhance wealth, and provide a stable tax base; and

WHEREAS, economic development stimulates and incubate entrepreneurship in order to help establish the next generation of new businesses, which is the hallmark of the American economy; and

WHEREAS, economic development, in partnership with industries, educators, and other key allies cultivate and nurture entrepreneurship that helps secure the next generation of new businesses, foster an effective business climate and meet the increasingly critical need for a skilled and competitive workforce; and

WHEREAS, The Village of Burr Ridge has benefitted from investments in economic development over the last year with projects such as Burr Ridge Senior Living Facility, McDonalds, Oremus Materials, and others, as well as adding over 20 Businesses in the Village; and

WHEREAS, the Village of Burr Ridge continues looking forward to more success in the coming year with projects currently being studied and under development; and

WHEREAS, the Village of Burr Ridge commends the its staff for their hard work and dedication in promoting economic development projects and sustaining economic development activities in the Village.

NOW, THEREFORE, the Village of Burr Ridge, Cook and DuPage Counties, Illinois, does hereby proclaim Monday, May 6, through Saturday, May 11, 2019, as National Economic Development Week in the Village of Burr Ridge.

IN WITNESS WHEREOF, I have set my hand this 13th day of May, 2019.

Acting Village President

ATTEST:

Village Clerk



VILLAGE OF BURR RIDGE
MEMORANDUM

TO: Economic Development Committee (EDC)

FROM: Evan Walter, Assistant Village Administrator

DATE: April 24, 2019

RE: **DuPage County Hotel Tax Legislative Effort**

At the April 3, 2019 EDC meeting, DuPage Convention and Visitor's Bureau (DCVB) Executive Director Beth Marchetti provided a presentation regarding a legislative effort to enact a county-wide hotel tax in DuPage County for the purposes of providing additional revenue for DCVB. The EDC tabled discussion on the matter to its May 1, 2019 meeting. Staff has kept the initial memo's language intact as read below.

In 2018, the Village became a member of the DuPage Convention and Visitor's Bureau (DCVB), the official destination marketing organization for DuPage County, in an effort to better support the hotel, restaurant, and shopping properties within the community. While some of the Village is located in Cook County, DCVB represents all properties within the Village. DCVB works to provide economic development assistance to its member communities by booking tourism, meeting, and convention opportunities at the 110 hotel properties with more than 16,000 hotel rooms within the County. DuPage County is the largest hotel market in the State behind Cook County, and DCVB states that its primary peer competitors include St. Louis, Indianapolis, Grand Rapids, and Columbus, while its local competitors include Rosemont, Chicago, and Rockford. Staff is very satisfied with the efforts of DCVB, and our partnership has resulted in several large pieces of business being won for different hotel properties in the Village.

During a recent strategic planning process, DCVB was found to be underfunded in comparison to its peer and local competitors. DCVB's current annual budget is \$2.9 million; by contrast, Chicago and Rosemont directly benefit from a State-approved Airport Departure Tax (ADT), which brings in approximately \$6 million annually and represents but a portion of their total budgets. Similarly, Grand Rapids (\$5 million), Indianapolis (\$8 million), and St. Louis (\$12 million) all have significant advantages in terms of available resources. Approximately 90 percent of DCVB's \$2.9 million budget is constituted from three sources: cooperative advertising (\$612,000), local membership fees (\$625,000), and State financing (\$1,430,000). State financing primarily exists in the form of the Local Tourism and Convention Bureau (LTCB) grant funded through the Department of Commerce and Economic Opportunity (DCEO). In context, DuPage County hotels generated approximately \$16 million in direct hotel/motel revenue for the State, but only \$1 million in grant funding was returned to DCVB in the form of LTCB grants due to a cap in the State grant model. Additionally, DCVB has found that the State's grant disbursement schedule has been unpredictable or delayed in regards to its fiscal calendar (July 1-June 30). In one such instance, the Bureau did not receive its State grant funding until January-about six months late. In

summary, DCVB is unable to properly compete with both its peer and local competitors due to its limited budget, despite having a comparative amount of hotel properties and rooms.

In an effort to achieve a more equitable funding structure and contend with its local and peer competitors, DCVB has started the DuPage Tourism Coalition for Tourism, led by members of its Board of Directors and DCVB staff. The purpose of the Coalition is to lobby the State of Illinois to allow authorization for DuPage County to impose a hotel/motel tax on all hotels in the county as a method to raise additional revenue for tourism and economic development purposes. As a non-home rule county, DuPage County is not currently permitted to levy a hotel/motel tax. According to initial analyses, each 1% increase in the hotel/motel check-out rate would generate approximately \$3.5 million in gross revenue, generated almost exclusively by non-residents of the county. To be clear, the legislation before the State would permit DuPage County to level a hotel/motel tax, with the County then being required to approve the levy of the tax. At this time, DCVB estimates that this would bring in approximately \$2.5 million in additional revenue for their organization, with Choose DuPage receiving approximately \$750,000 of the \$3.5 million and the remaining portion delegated to DuPage County for administrative purposes. An additional \$2.5 million for DCVB would allow for a significant increase in its ability to provide bid fees for large-scale events, support a larger marketing budget, as well as independently fund the newly-formed DuPage Sports Commission, of which Mr. Walter is a Board member. The DuPage Sports Commission would in turn directly work to support the efforts of the Village's sports facility development and thus become a benefit to the Village.

Staff requests EDC consideration of the following questions:

- Does the EDC support the concept of the State permitting DuPage County to levy a tax on hotels within the county for the purpose of funding additional tourism and economic development efforts?
 - This tax would apply only to the properties in Burr Ridge in DuPage County, which would include the Hampton Inn, Crowne Plaza, Springhill Suites, and Extended Stay America, accounting for 471 of the 655 total rooms in Burr Ridge (72%). While represented by DCVB, the Marriott would not be affected by this tax increase, as it is located in Cook County.
- Depending on the EDC's position, should the EDC recommend that the Board consider approving a resolution which reflects the EDC's position to support or oppose the measure?
- If the EDC is in support of the concept, does the EDC wish to recommend that staff spend time (and likely a small amount of financial resources to cover travel costs) supporting for this endeavor? This may include travel to meet with stakeholders within DuPage County, members of the Illinois General Assembly, etc.
 - Mr. Walter is a member of both the DCVB Board of Directors as well as a member of the DuPage Sports Commission Advisory Board, and has been approached by DCVB to volunteer time to lobby in support of this effort. Mr. Walter has stated that he will do so only if the Village officially supports the endeavor.



VILLAGE OF BURR RIDGE

MEMORANDUM

TO: Economic Development Committee (EDC)

FROM: Evan Walter, Assistant Village Administrator

DATE: April 24, 2019

RE: Christkindlmarket Recruitment

Christkindlmarket is an annual, month-long, outdoor holiday market running approximately from Thanksgiving to Christmas Eve in the Chicagoland region, and is organized and produced by German American Events (GAE), a subsidiary of the German American Chamber of Commerce of the Midwest. Since its inception in 1996, it has grown to become one of the largest winter and holiday attractions in the Chicago area while providing a significant economic impact to the locations which it is located. While historically located at Daley Plaza in downtown Chicago, the organization has recently branched out to establish other suburban locations for their attraction, including the Oak Brook Center, The Park at Wrigley Field, the Milwaukee Art Museum, and Naper Settlement in Naperville. On April 12, 2019, the Naperville Heritage Society announced that its local Christkindlmarket location would not be returning for the 2019 holiday season, with Christkindlmarket announcing that they would immediately begin a search for a new suburban market location to replace Naper Settlement.

Upon receiving this report, staff contacted Christkindlmarket and the owners of the Village Center to determine if Burr Ridge would be an appropriate location for a new suburban site. Both the organizers of Christkindlmarket and Village Center ownership felt that there was mutual interest in exploring this possibility, with a meeting of all parties scheduled to occur at the Village Center on April 29. Christkindlmarket claims the following statistics from its Naper Settlement location, which was active for three years from 2016-18:

- 21 days of operation
- 245,000 visitors to Naper Settlement in this time period, up from 5,000 visitors
- 78% of visitors continued their visit to Naperville by shopping or dining at other in-town locations
- \$7.2 million total economic impact
- 1.7 million marketing impressions (paid for by Christkindlmarket)

Additional information regarding the requirements of preferred locations is available in the packet. They include:

- > 15,000 square feet of event space, preferably on cement or other hard surface
- Direct electrical and water access
- Flatbed/trailer location
- Liquor sales and event sponsor approval

Staff is requesting feedback and direction from the EDC as to the viability of this concept. If the concept is viewed favorably and the EDC desires that the Village work towards securing Christkindlmarket within the Village, staff requests that the EDC make a formal motion to continue their efforts. The EDC may also wish to recommend that the Board consider sending a letter to Christkindlmarket advising GAE of the Village's support of this endeavor; letters from a local municipality often provide for a non-binding but helpful method for a party to advise of its support for a development concept and would help to show the Village's seriousness in this effort if it were desired.

Staff will provide additional information regarding this concept that is gleaned from the April 29 meeting at the EDC meeting on May 1. Not all information regarding this effort was available to be provided prior to the packet being distributed.



Event Concept: The Christkindlmarket



The Christkindlmarket



Project Overview

The Christkindlmarket Chicago is seeking a partner location for future growth of the Christkindlmarket brand!

The Christkindlmarket is:

- A daily, month long, outdoor, family-friendly holiday market that runs approximately from Thanksgiving to Christmas Eve.
- A world class attraction that draws over 1.7 million visitors to Chicago with a history of 23 years.
- The #1 winter tourist attraction in Chicago.
- The winner of the 2017 Distinguished Service Award from the Chicago Loop Alliance.
- Recognized by Travel & Leisure Magazine, USA Today, TripAdvisor, and 10Best as one of the best holiday markets in the World.
- Recognized by CTM Media Group, One Travel, Culture Trip, Curbed, and Chicago Magazine as one of the best holiday markets in the United States.
- A fun festive outdoor cultural event promoting German holiday traditions.
- A proven enhancement to the community.
- A driver for visitor traffic and economic impact of the local communities.
- Excited about expanding this event to new locations.

In this document we will cover the following information:

- About us: German American Events, LLC
- About the Christkindlmarket Chicago, Naperville, and Milwaukee: Economic Impact
- The Christkindlmarket specifics:
 - Location Requirements
 - Services Provided
 - Site layout and Booths
 - Vendor Selection
 - Next Steps



About Us

German American Events, LLC



Christkindlmarket Team 2017

German American Events (GAE, LLC), a subsidiary of the German American Chamber of Commerce of the Midwest, is a non-profit organization that has produced the Christkindlmarket Chicago since its inception in 1996. Our team consists of the top specialists in the planning and operation of large scale, outdoor, family-oriented winter events, with over **23 years of proven experience** and unrivaled expertise. GAE, LLC emphasizes atmosphere, tradition, and visitor engagement while ensuring our events are safe, efficient and fun for the whole family.

As the **largest traditional holiday market outside of Europe**, the Christkindlmarket Chicago continues to expand to meet its ever growing popularity with new markets in Naperville in 2016, The Park at Wrigley in 2017, and Milwaukee in 2018!

GAE, LLC looks forward to partnering with a new location to bring this exciting event, with its proven traffic and economic impact to your area in 2019!

For more information about the markets or
To see market photos, please visit
www.christkindlmarket.com

“The Christkindlmarket’s history and popularity will continue to add to the prestige of the City of Naperville, making it the state’s premier suburban holiday destination. Hosting the market here helps add an influx of visitors to our area during the holiday season and gives the Naperville community and our local businesses and partners a chance to shine even brighter.”

- Steve Chirico, Mayor of Naperville, IL



About the Christkindlmarket Chicago and Naperville

Economic Impact

The Christkindlmarket has a proven reputation of success and provides significant economic impact to communities surrounding this event.

Christkindlmarket Chicago

- 39 days of operation in 2018
- Attracts approximately 1.7 million visitors annually
- Contributes an estimated 720,000 additional visitors to downtown Chicago
- Market visitors' primary reason for traveling to Chicago is to attend the Christkindlmarket
- 51% of visitors are between 18 and 44 years old
- 44% of visitors used local public transportation to get to the Christkindlmarket

Christkindlmarket Naperville

- 21 days of operation in 2018
- Holiday visitors to Naper Settlement grew from 5,000 to 245,000 with the addition of the Christkindlmarket
- 84 % of visitors came to Naperville specifically to visit the Christkindlmarket Naperville
- 78% of visitors continued their visit by shopping and dining at other locations in downtown Naperville
- 66% of vendors were from the local area

Both Locations:



Over 113,00 followers on social media



Visitors **spent an average of \$46** on food, beverages, and retail items.



Transit advertisements on CTA, Pace, and Metra received over **1.7 million impressions** in November and December

* Stats are based on 2017/18 Survey results



About the Christkindlmarket Milwaukee

Successful First Year

The Christkindlmarket successfully expanded to a new state in 2018.

Christkindlmarket Milwaukee



- Longest-running Christkindlmarket with 45 days of holiday fun
- Total of 450,000 visitors
- Facebook followers grew from 0 to 11,544 throughout the season
- 22 different entertainment groups
- 25 international & local vendors
- 77% of visitors Downtown Milwaukee because of the Christkindlmarket



Traditional and digital outdoor advertising in the Milwaukee area received over 3.7 million impressions.



Visitors spent an average of \$44 on food, beverages, and retail items.



* Stats are based on 2018 Survey results



The Christkindlmarket Specifics

Location Requirements

GAE, LLC is searching for a location that meets some of our preferred event location requirements and is interested in becoming the next premier holiday event destination.

Requirements:

- Event Space: ~15K Square Feet minimum
 - Smaller space may be considered on a case by case basis
 - Preferably cement or stone
- Electrical Needs: ~2K Amps of power available on site for use by market
- Water Access: Preferred access to potable water on site
- Site access for Flatbed/trailer loading/unloading for set-up/ tear-down
- Approval to sell liquor and food on site (Appropriate permits will be obtained by GAE or contractor)
- Approval to have event sponsors

Preferred locations will have access to additional services, such as:

- Garbage and Recycling cans
- Gray Water/ Sewage access
- Waste/ Recycling Removal
- Use of on site restrooms for visitors
- Access to catering kitchen for food vendors to use for cleaning and preparations (all cooking done in booth)
- 24hr security on site for duration of event, setup, and tear down
- Barricades around market
- Use of on-site furniture options
- Custodial services on site
- Support of marketing and promotional efforts
- Support of permitting acquisition



The Christkindlmarket Specifics

Provided by GAE, LLC

GAE, LLC is a one-stop shop for all market needs, with a thorough pre-event planning phase, promotion, production and run of market and post-event teardown and analysis. Our responsibilities include:

Pre-event Planning

- Site layout design
 - Traditional German-Style vendor booths, with festively decorated atmosphere
- Scheduling & Logistics
- Permit acquisition
- Equipment coordination
- Design of Annual Christkindlmarket Mug
 - Traditional souvenir mug and Gluhwein (hot spiced wine) to be sold through event by GAE or GAE-approved vendor

Promotion

- Targeted Marketing and Public relations campaign
 - Using national and international success of brand to draw tourists from around the Midwest and beyond
 - Advertising, social media, event website & targeted email blasts
 - Printed promotional materials, community & event promotion

Production and Run of Market

- Vendor management, acquisition and communication
 - Emphasis on German vendors and culture, while also reaching US and local vendors
- On-site operations and management
 - Leveraging 23 years of successful event management experience
- Event & Entertainment scheduling
- Visitor, vendor and community data collection

Post Event Tear-Down

- Scheduling & logistics



The Christkindlmarket

Site layout and Booths

The hallmark of the Christkindlmarket is the festive holiday atmosphere created by our signature traditional wooden vendor booths. Site design and crowd flow analysis can be determined by GAE, LLC to design the perfect layout and optimize visitor/vendor space to create a harmonious market feel that fits perfectly into the available location. Our production partners have worked with the Christkindlmarket team for 23 years to assure all aspects of market design, construction and tear down go smoothly, quickly and efficiently.

Our team can create site map plans that will work for the space available without diminishing the feel, fun or economic impact of the Christkindlmarket. Market layouts may include the incorporation of walk-in shopping cabins, festival tents/structures and increased vendor or entertainment space.



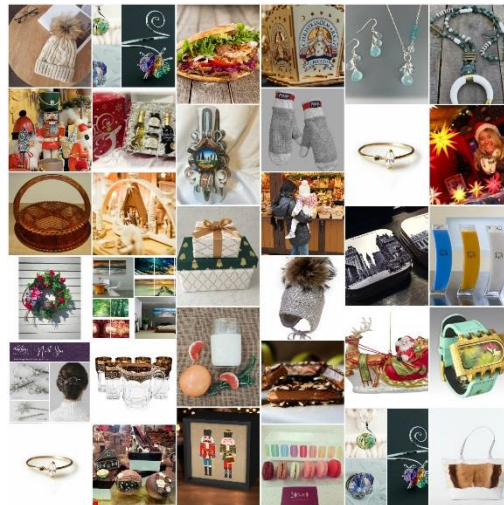


The Christkindlmarket

Vendor Selection

German American Events will maintain the traditional holiday feel of the Christkindlmarket and feature high-end, unique, one-of-a-kind, international, national and local products that are not available in stores. They will offer a wide variety of products including, but not limited to:

- German Traditional foods
- Ornaments/Holiday Décor
- Clothing
- Artisanal Cheeses
- Jewelry
- Hand-made Soaps and Candles
- Wooden Toys
- Imported German Beers
- Glühwein (hot spiced wine)
- Roasted Nuts
- Pottery
- Wood Carvings
- Chocolate/Toffee/Pastries
- Art
- Hot Chocolate/Hot Cider
- Etched Glass



* Sample vendor products possible for Christkindlmarket



The Christkindlmarket



Thank you!