



Approved
**MINUTES OF A MEETING OF THE VILLAGE OF NORTHBROOK
ECONOMIC STRATEGY COMMISSION (ESC)
VILLAGE HALL, TERRACE ROOM
SEPTEMBER 27, 2023**

ESC Members Present: Chairperson Marci Carl, Matt Cassidy, Adam Firsel, Katie McKillip-Von Feldt, Michael Nortman, Rob Weil

ESC Members Absent: James Karagianis, Patrick Keefe

ESC Staff Present: Jonathan Mendel – Director Development and Planning Services

Public Present: Mary Ann Chambers

Call to Order & Introductions:

Director Mendel called the meeting to order at 5:30 p.m. Roll was called. A quorum was present.

Review of Minutes:

On a motion made by Member Norton and seconded by Member McKillip-Von Feldt, the August 23, 2023 minutes were approved as presented.

Public Comment-Hear from the Audience-None

Community Report:

Director Mendel reported on the following: 1) The vacant parcel on Meadow Road, known as the Pop-up Patch is on the retail market; 2) No news on the Green Acres property.

Economic Strategy Commission Topics Review:

Director Mendel reported on analytics from CoStar (September 25, 2023) for the Northbrook area Office Market retail space. Information includes a 16.9% vacancy rate, \$24.50 market rent per sq. ft., 0-1% market rent growth, and \$27.00 asking rent per sq. ft. Membership discussed the glut of vacant office space, a negative amount of absorption. Asking rent numbers are often skewed. There is no new office space under construction.

Membership agreed that the premier Northbrook office space is in the Skokie corridor. The "Skokie Divide" is seen as the division line for the North Shore. These are mostly "A" grade buildings and the most desirable in our area. Member Norton stated that a good building with amenities will lease but Class B and C buildings will struggle. Membership feels it is important to bolster the general value of coming to the Village.

A discussion took place on the largest employers in the Village who own or lease office space. Membership feels outreach is needed to make sure they stay happy.

Membership agreed that the amount of square footage of office market space needs to be reduced. Discussion took place on a strategy for redevelopment and change of use.

Member Firsel stated that smaller professional or service firms will get back in the office taking 2,000-3,000 sq. ft. spaces. Large corporate is using a hybrid model taking smaller square footage. Remote work from home is here to stay. A downtown trend for office is happening. Corporations are calling their people to come back in. Younger people are drawn to downtown Chicago.

Member Carl stated that older buildings need to be torn down and redeveloped as they are undesirable and hard to rent. Member Norton suggested flushing these buildings out and looking for a better use for the land. He stated that sometimes interesting ideas and opportunities are found.

Membership discussed the fact that commercial property taxes are significantly higher in Cook County.

Membership had consensus that the Village should continue to pursue the Heitman property. Another opportunity the Village might consider is the bank building at 1200 Shermer, asking price \$1.25 million. Membership feels this could be a mixed use high density project. Member Cassidy is interested in the Village's view regarding leveraging.

Membership highlighted Naperville Development Partnership (NDP), an economic development agency in Naperville that handles public relations for the community. It consists of business representatives, elected officials, and city staff. Membership stated that it really works well and attracts development.

Old Business:

- a) Invitation for a Village Trustee to attend a future ESC meeting. Director Mendel will follow up with Manager Pavliceck on the letter sent to the Board. The Commission is looking for a project to focus on and a direction to take from the Board. Commissioners have not received any feedback and are feeling that their talents are not being utilized.
- b) The Zoning Code update review of the Municipal Code now includes specific function 248:5.
- c) A template was delivered to the Board on economic trends for Northbrook.

New Business:

The next ESC meeting will take place on October 25, 2023 at 5:30 p.m. in the Village Hall Terrace Room. Director Mendel stated that there may or may not be November and December meetings due to the upcoming holidays. Membership had consensus that after next month's meeting there would be a better understanding if to hold the next meetings.

Adjourn

A motion was made by Member Cassidy and seconded by Member Norton to adjourn the Economic Strategy Commission meeting at 6:30 p.m. The motion passed by voice vote.

Respectfully submitted,

Sue Anetsberger