



## **HOW DID THAT STORE GET THERE?**

Have you ever wondered, “How did that store get there?” This guide provides information that covers the “how’s” and “why’s” businesses locate in a community and the Village’s role in business attraction. This guide will focus on the economic development efforts of the Village and factors that a business considers before locating in a community. The Village’s role in shaping development is to make sure that proposed businesses fit within specified zoning districts, meet building requirements, have adequate accommodations for parking and transportation, and meet other requirements that will make them a good neighbor and part of the community.

## **Site Location Factors**

There are many factors a business considers when choosing a location, including, demographics of a community, site accessibility, visibility, and area traffic. Demographics provide an understanding of the potential customer (for example, do they have income to support the price point of the goods sold). Does the area have a sufficiently trained workforce to hire employees from? Factors relating to accessibility, visibility, and traffic include the ability of delivery trucks to access the location, the ease in which customers can travel to the business, and other accommodations related to conducting business.

### **Demographics**

When a business is considering locating in a community, they conduct extensive research on the market area before making a final decision. They will obtain demographic information on household income, daytime population and consumer spending patterns. Depending on the business and target market, the business will look for minimum income levels and age groups. The goal is to understand where potential customers live, work and shop before making a location decision.

For example, say that a retail store called “Traveling Jim’s” knows that their consumer’s average family income is \$100,000 a year and that they attract most customers from roads that have over 40,000 average daily trips per day. If a particular location does not meet these criteria, the site will not be evaluated for further consideration.

### **Trade Market Area**

Businesses want to offer a product in an area where there is demand by the consumer at a certain price that the consumer is willing to spend for the product. Some of the questions considered are:

- How far away is the nearest competitor or franchisee?
- In the trade area, is there consumer demand or are there already too many similar products offered?
- Will locating a store in this area hurt existing store sales?

### **Accessibility, Visibility and Traffic**

Businesses want to be located where there are many shoppers, but only if that shopper meets the definition of their target market –which differs wildly amongst different businesses. For example, small retail stores may benefit from the customer traffic of nearby larger stores. Generally, businesses examine:

- How many people walk or drive past the location.
- Is the area served by public transportation?

- Can customers and delivery trucks easily get in and out of the parking lot?
- Is there adequate parking?

When considering visibility, businesses look at the location from the customer's viewpoint. Can the store be seen from the main flow of traffic? Will their sign be easily seen? In many cases, greater visibility reduces the need for advertising. A specialty retail store located six miles out of town in a free-standing building requires more marketing than a store located in a shopping center.

As you can see, there are several factors a business weighs before deciding whether to locate in a community or market area. Many factors are beyond the Village's control. What the Village can control is a better understanding of market demands for retailers and promoting locations that best fit their market criteria.

### **Signage, Zoning and Planning**

Before a business signs a lease or purchases property it is important to understand the municipal rules, policies and procedures related to the store location. Businesses will contact the local municipality and community development staff to determine if their business is permitted in a particular location and what the signage, landscaping and parking regulations may apply. Businesses also inquire about local requirements that may affect business operations such as utility requirements, infrastructure requirements and availability, future road improvements and surrounding uses.

### **Location Costs**

Businesses that rent existing commercial space will need to evaluate expenses beyond paying for utilities and inventory costs. Besides base rent, they must consider other financial considerations including the following:

- Who pays for lawn care, building maintenance, utilities and security?
- Who pays for the upkeep and repair of the heating/air units?
- If the location is remote, how much additional marketing is required for customers to find the location?
- Does a business need to make any repairs, paint or remodel a location to fit their needs (typically always yes!)?
- Will the business be responsible for property taxes or does the property owner take care of this?
- What are the costs for licenses, registration and permitting?

## **What Does the Village Do?**

### **Marketing**

To attract new businesses, the Village has established a marketing program that includes:

1. An Economic Development page on the Village's website, which provides such information as commercial grant opportunities and an interactive map listing current development projects going on in the community.
2. Online publications, such as the annual Economic Development Report, Shop Woodridge Action Plan and Business Resource Guide.
3. An Available Sites map that provides useful information about available retail, warehouse, office and vacant parcels. A potential business can see a picture of the building/location, get the available square footage and obtain contact information to inquire more about the site.
4. Contributing content and available space to regional economic development agencies such as Choose DuPage.

With this marketing program, the Village offers businesses information about the Village's demographics, traffic, zoning requirements, and more. This marketing effort helps meet the needs of businesses that are seeking information.

### **Development Process**

The Community Development Department reviews and approves commercial construction plans through a building permit to ensure compliance with all building codes (building, mechanical, electrical, plumbing, fire, energy), and design requirements established by the Zoning Ordinance. Every project is different - a business may be looking to locate in an existing space or construct a new building. Most businesses are also required to submit an application for a business license. This process ensures that the business is appropriate for the location considered.

### **Small Commercial Projects**

A project may just involve a new sign and minor improvements to an existing tenant space. This process involves the submittal of a building permit that is reviewed by staff. As long as the plans do not need revisions, a small commercial project may receive the permission to start their work in as little as 3 weeks. Plans that include plumbing alterations take longer, as they are reviewed by an outside contracted agency.

### **Large Projects**

For those projects that involve constructing a new building and related site improvements (i.e. a parking lot and landscaping), representatives of the potential business may be required to

submit zoning applications to the Community Development Department and have their plans reviewed by the Woodridge Plan Commission with final approval by the Village Board. The Plan Commission serves as an advisory commission to the Village Board of Trustees and one of their primary functions is to review development proposals to ensure compliance with the Village's zoning ordinance, subdivision regulations and the Woodridge Comprehensive Plan.

Some applications require a public hearing, which includes notification of property owners within 500 feet, a sign on the property and notice in the newspaper. The typical Village zoning review process can take 2-6 months to complete between application submittal and Village Board consideration. The building permit process can also take several months to complete. Many people are involved in the development review process including other agencies to ensure quality development in the community. It is what residents expect and what has proven successful for Woodridge businesses.

### **Code Amendments**

Village officials proactively review the Village Code to make sure that local ordinances balance the community's goals for high quality development with business needs. In late 2013, the Village Board approved an amendment to the sign code in response to concerns raised by local businesses. The Village worked with businesses to provide additional flexibility for signage without compromising the integrity of these regulations and community aesthetics.

### **Business Visits**

Another important component to the Village's economic development efforts is annual meetings with local businesses or "business retention visits." These meetings provide the Village with the opportunity to better understand the needs of local businesses and how the Village might play a future role in helping businesses expand within the community. This effort helps build relationships, which is an important consideration with a business deciding in the future whether to relocate or stay within the community.

On an annual basis the Mayor and Village staff conduct the Village's Business Walk. The Village visits every tenant in a chosen shopping center. This economic development effort assists the Village in connecting with local businesses, gather their experience in conducting business in Woodridge, and learn how the Village can work to help support their needs.

### **Business Visit Outcomes**

Visits between Village staff and businesses provide companies with a local contact that can help address questions or future needs. After the business visit, Village staff will provide follow up to any issues or questions that arise during the meeting.

Following visits, the Village remains in contact with the business, providing assistance when needed. In past business visits, the Village was able to:

- Offer suitable sites and or buildings in the Village for their expansion needs
- Assist the business with navigating commercial zoning, taxes and other government processes
- Establish contacts with other governmental agencies (i.e. state level financial assistance)
- Understand and leverage a wide variety of programs that may be at their disposal from county, state and private means (i.e. business counseling, financial resources, workforce)
- Facilitate mutually beneficial, collaborative partnerships with other area businesses

Sometimes business closures or relocations are out of the Village's control, such as the Dominick's closure (i.e. it was an ownership decision to close all Illinois stores) or the closing of Sam's Club. However, the Village's commitment to local business success through retention visits benefits the community by helping to maintain a locally strong economy and an employment base for Woodridge residents.

### **Economic Development Annual Report**

In 2014, the Village produced the first annual Economic Development Report to highlight accomplishments, changes to the development environment, and challenges from the previous year. The Economic Development Snapshot in the document provides an overview of new businesses that chose Woodridge as a new home and touches on the exact tasks and efforts the Village has accomplished to make Woodridge a better business environment. The report will be helpful to track benchmarks to assist the Village Board and the community in establishing strategic goals for future years.

The report can be viewed on the Economic Development page of the Village website.