

**Village of Algonquin
Economic Development Commission
Special Meeting
September 20, 2012
7:00 p.m.**

Agenda Item 1: Roll Call/Establish Quorum

PRESENT: Members: Chairperson Jerry Pinderski, Steve Karaba, Linda Laipert, and Rich Galati. Staff: Katie Parkhurst and Russ Farnum. Absent: Dave Ward, Kurt Moders and Tom McCabe. Others: Gary Rothbart and Steve Brunner.

Agenda Item 2: Approve Minutes from the May 10, 2012 meeting

Chairperson Pinderski entertained a motion on the minutes from the May 10, 2012 meeting. Mr. Karaba made a motion to approve the minutes from the May 10, 2012 meeting and Ms. Laipert seconded. A voice vote noted all ayes, motion passed.

Agenda Item 3: Gary Rothbart, Rothbart Construction Realty

Chair Pinderski welcomed Mr. Gary Rothbart as our guest speaker to discuss the industrial market. Mr. Rothbart is the President and co-owner of Rothbart Construction Realty. He and his brother, Mike, have been in business for over 35 years. They specialize in the 5,000-10,000 square foot flex office/warehouse space for tenants. They were the first builder in the Algonquin Corporate Campus, purchasing three lots and constructing the first building. Initial success was great and they were ready to start construction on the second building and then economic conditions changed. The first building is fully leased; however, there have been no inquiries for space, so the second building is still on hold.

Mr. Rothbart explained the economy is what is hurting the growth of the Corporate Campus. Landlords are concerned about keeping tenants and/or filling up vacant spaces. Rent rates have decreased 20-30%, which means developers cannot afford to construct new buildings now. Tenants are only looking for the best rent deals now; location is not as important a factor.

Mr. Rothbart feels Algonquin is in the best position to be in as the economy comes back because we have fully improved lots ready to go. The key will be to have a quick review process so buildings can start construction immediately, as most companies do not give much lead time before they need to move.

The EDC and Mr. Rothbart continued in a discussion format discussing the current industrial market. How much product is out there? The amount is decreasing as no new buildings are being constructed currently; however, there are tenants that are going out of business or moving, so that changes the amount of available space. The big question is will the rents increase enough in the future to sustain new construction. Brokers are getting more commission on gross lease deals so they encourage tenants to move around. More jobs are needed to spur the economy forward. How is the Village of Algonquin compared to other communities? Algonquin is very responsive to developers. Need to have a quick review time to seal deals in the future though.

The EDC thanked Mr. Rothbart for his candid comments and time this evening.

Agenda Item 4: Business Visitations

Mrs. Parkhurst reviewed the business visitations that staff/EDC conducted since the last meeting (The Gourmet Kernel, The Powder Room, and Algonquin Antiques and Uniques). The EDC is encouraged to attend the visits when it works with their schedules.

Agenda Item 5: Business Awards

Mrs. Parkhurst asked the EDC for any ideas for nominations for the annual business awards. Ms. Laipert suggested the building at the corner of East Algonquin Road and Highland Avenue; the new owner has really improved the exterior of the building.

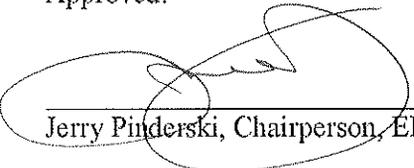
Agenda Item 6: Other Business

The EDC is encouraged to attend the joint commission meeting on October 11 to hear about the Downtown Study and to provide comments.

Agenda Item 7: Adjournment

There was no further business to discuss; the meeting was adjourned at 8:10 p.m.

Approved:



Jerry Pinderski, Chairperson, EDC