Village of Grayslake
Retail Market Development Plan

October 2009

Contents

Executive Summary

In April 2009, the Village of Grayslake retained BDI to provide a Retail Market Development Plan to guide the Village as it seeks to support tenant recruitment. This project focused on the existing businesses and markets for Downtown Grayslake and three of the Village's existing retail centers, located at Illinois Routes 83 and 120, U.S. Route 45 and Illinois Route 120, and U.S. Route 45 and Washington Street. Unlike a previous Village study examining future potential for a regionally significant retail center at the Lake County Fairgrounds, this study focused on immediate efforts to capitalize on improving sales in existing businesses and recruiting new tenants to existing centers. The assignment consisted of completing the following five project elements.

- Assembling retail attraction data for Downtown Grayslake and the three additional retail areas with particular attention to demographic characteristics important to targeted recruitment efforts;
- Surveying Grayslake residents and customers of Grayslake businesses to determine their current shopping and dining behaviors and potential to increase local spending based on adding desired business categories;
- Identifying the current sales potential within markets available to Grayslake's existing businesses to establish market opportunities for future business recruitment;
- Examining peer communities to identify possible recruitment candidates and potential programming;
- Developing an information framework with useful tools to assist the Village in conducting and sustaining ongoing retail recruitment.

These tasks were divided among three project phases. Relevant project information was assembled in the first project phase. This included a review of previous data and economic development and planning reports provided to BDI by Village staff. In addition, BDI reviewed information about pending retail developments throughout the Village. Subsequent to this information review, BDI conducted a series of interviews with local developers, commercial real estate brokers, retailers, restaurateurs, and property owners. These interviews were conducted by phone and in person by BDI staff in May and June, 2009. The purpose of these interviews was to discuss current market conditions and trends. BDI also reviewed relevant demographic data from the Experian database, including radii and drive-times, for downtown Grayslake and the three additional centers. This data includes population, income, education, and spending potential for these markets:

- The Village of Grayslake;
- 5-Minute Drive Time Convenience Market;
- 20-Minute Drive Time Destination Market;

Concluding the first phase was a Customer Survey. After obtaining agreement from Village staff on the contents of the survey instrument, this computer-based survey was distributed through the Grayslake Farmers Market email list, Grayslake's Community Notification System, and local merchant email lists. In addition, survey links were available on both the Chamber of Commerce and Village websites. The Village also sent post card notification to all of Grayslake's households. The survey concluded on August 1, 2009, after 1,121 survey responses were received. The survey reliability or confidence level is 99% with a margin of error +/- 4%. Fundamentally, these survey results identify what respondents think, not why they think the way they do. The responses also identified non-Grayslake stores and restaurants where respondents had made purchases and where they dined recently. That list offers leads on businesses likely to be good additions to commercial developments throughout Grayslake.

While the survey was in process, the second project phase began. The overall community retail leakage and market share assessment was conducted first. This leakage assessment compared sales in all Grayslake businesses to the spending power of Grayslake residents to estimate the Village market share capture. With Village information about the square footages occupied by Grayslake's downtown businesses, the analysis was able to take a more detailed look at market share captured by Downtown Grayslake. To estimate downtown sales, square footages for each business were multiplied by ULI's *Dollars and Sense of Shopping Centers 2008* median sales for that type of business. Medians were selected because interviewed Downtown Grayslake business owners reported that medians were a reasonable estimate of their sales per square foot. Using spending potentials researched during the first project phase, Downtown Grayslake market share by category was estimated. This analysis pointed out opportunities for improved retail performance and enhanced business attraction.

Five peer communities in the Chicago area were evaluated during this same phase. These peer communities included Antioch, Geneva, Lake Zurich, Libertyville, and Woodstock. After initially considering 11 communities, the final five communities were selected in the May project meeting. This peer portion of the Grayslake study process had three objectives: to examine communities with similar characteristics and compare them with Grayslake; to assess the current retail character, lease rates, and business mix in those communities; and to identify potential business recruitment targets. Preliminary survey, peer community, and leakage and market share results were presented in a July 2, 2009 project meeting.

After the survey was completed, tabulated, and analyzed, the survey results and the initial Plan market goals were presented at an August 12, 2009 project meeting. The analysis considered the full survey sample and six survey sub-groups, each exceeding 260 respondents:

- Never Dine Downtown
- Never Shop Downtown
- New Residents: < 5 years
- Long-term Residents: > 10 years
- Daytime Shoppers
- Families with Children

Key observations and detail about the survey results are included in the Survey section of this report. In addition to revealing data for business recruitment and expansion, the survey revealed households with remarkably similar traits.

At the same August meeting, BDI presented market share data revised in response to comments from the July meeting. Using this updated market share information, market share goals were developed for each of five business categories, and recruitment strategies were developed for each business category. Downtown's overall issues and opportunities were also discussed with staff at this session.

Throughout the Plan process, BDI's work emphasized the unique market issues facing Grayslake's downtown and identified the businesses representing recruitment opportunities. Those businesses desired by survey respondents, identified in the peer communities, and recommended in the business profiles would also be welcomed and likely succeed in Grayslake's other commercial centers.

Project findings are highlighted in this Executive Summary. This report's other sections compile the results of the Consumer Survey; Market Share Analysis; Peer Community Review; Strengths, Weaknesses, Opportunities and Threats, (SWOT) , Analysis; and the Recruitment Value Platform that will serve as the base for an Action Plan.

Project Highlights

To learn more detailed information on project methodology and additional documentation for the highlights of the Retail Market Development Plan reported below, consult the identified page of the full report noted in parenthesis after each item.

Survey

- The subgroups were remarkably similar in their responses to most survey questions
- Only 10% of respondents reported dining weekly in Downtown while over 30% of respondents dine weekly elsewhere in Grayslake and over 20% dine weekly in Gurnee(10)
- Libertyville's Downtown is only a minor attraction for respondents with 47.5% reporting never dining there, 44.1% reporting at most monthly visits and 8.5% reporting weekly visits (11)
- Respondents recommended 314 Restaurants and 215 stores as recruitment targets (15 &18)
    - Most requested Restaurant was Panera
    - Most requested Store was Target
- 66% of employed respondents work at home at least part of the week, dramatically increasing the daytime population (30)
- Stores that are open weekdays and Saturdays have access to 94% of the market (16)
- With only 9% visiting Downtown Grayslake weekly while over 20% shop on line weekly and 18.2% are traveling to Mundelein's new development at Routes 60/83, the residents of Grayslake clearly have not embraced the shops of Downtown Grayslake (12)
- 87.8 % of respondents indicated that they would spend more in Downtown Grayslake, if casual dining restaurants were added (15)
- New residents have the lowest utilization of existing Downtown restaurants suggesting that there is a need for additional marketing (15)
- Nearly 70% of respondents reported they "Would Spend More" if Downtown added specialty prepared foods or a green grocer (18)
- Over 80% of respondents believed that parking and traffic flow in Downtown Grayslake were average to excellent (28)
- Cleanliness of Streets and Sidewalks and General Safety were the most highly rated attributes of Downtown, while "Store Hours" and the "Variety of Goods Available" were the lowest rated attributes (28)

Market Share Analysis

- Grayslake's retail stores not only deliver service to community residents, they support the village revenue base through municipal sales tax. At a minimum, communities seek to collect at least as much sales tax as their residents pay, a 100% market share capture rate. The table that follows analyzes Grayslake's capture rate by category (38)

	Village 2008 Sales	Village Residents' 2008 Spending Power	Village 2008 Market Share
Grocery	$43,049,080	$39,964,937	107.7%
Drinking & Eating Places	$25,219,382	$27,792,791	90.7%
Apparel	$334,299	$10,988,516	3.0%
Total	$222,274,663	$245,827,574	90.4%
Source: Illinois Department of Revenue, Demographic data © 2008 by Experian/Applied Geographic Solutions, BDI.			

- Grayslake needs to attract another $23.6 million in sales to achieve 100% capture of its resident's sales tax. (Sales Potential: $245,827,574- Sales: $222,274,663 = $23,552,911) (38)
- A challenge facing Grayslake as it seeks to increase its retail sales tax revenue is the very competitive surrounding market. As this table shows, the combined market share capture rate for Grayslake and its neighboring communities is approximately 200% indicating that the area competes so successfully that it draws from a larger region than these communities. Gurnee Mills and the Six Flags Amusement complex are the fuel for that regional appeal. In addition to the regional draw, there are unincorporated areas that add spending power to the region but whose residents are not included in any community's total spending. (38)

	Grayslake	Gurnee	Libertyville	Round Lake Beach	Combined
Grocery	109.6%	122.7%	119.8%	170.2%	127.8%
Drinking & Eating Places	90.7%	283.2%	125.3%	154.0%	172.6%
Apparel	0.0%	667.2%	35.2%	24.5%	223.7%
Total	90.4%	320.4%	180.5%	147.6%	199.5%
Illinois Department of Revenue, Demographic data © 2008 by Experian/Applied Geographic Solutions, BDI.					

- It should also be noted that many factors outside of each community's control, like the presence of roads carrying heavy traffic, a history of development that creates valuable co-tenancies and the availability of land suitable for development impact each community's ability to attract commercial development. (39)
- Although communities seek at a minimum to obtain 100% of the sales tax revenue paid by their residents, as Gurnee results demonstrate, communities able to capitalize on high traffic volume and the power of strong co-tenancies often greatly exceed that goal. Grayslake has an

opportunity, not analyzed as part of this study, to capitalize on transportation and site advantages at its Lake County Fairgrounds site. Ultimately development possible at the Fairgrounds has the potential to greatly exceed the basic goal of receiving at least as much sales tax revenue as Grayslake residents pay. (39)

- Interviews associated with this project revealed that sales per square foot in many Grayslake businesses, especially Downtown, lag regional benchmarks. Increasing sales in existing businesses is an immediate opportunity to make progress toward 100% sales tax capture because it generates more sales without a high investment in new development or extensive remodeling. (39)
- 16% of Downtown Grayslake ground floor space is vacant and 42% is occupied by non-sales tax producing businesses.(42)
- Although the consensus of business owners interviewed for this project was that Urban Land Institute's national sales per square foot medians most accurately estimated Downtown sales, it should be noted that in general Chicago metropolitan area shopping districts need to perform at a higher level to meet the higher expenses of a metropolitan area location.
- As suggested by interviewed Downtown business owners, Business square footages provided by the Village were multiplied by national medians for sales per square foot, to estimate Downtown Grayslake businesses' existing sales. The column, "Grayslake Resident's Spending Power" by category combined the more detailed Experian data into the Illinois Department of Revenue categories. Market share is the sales expressed as a percentage of the spending power. Those market shares identified the current competitive classification for each category. (43)

	Estimated Downtown Grayslake Sales	Grayslake's Residents Estimated Spending Power	Downtown Grayslake Market Share	Market Share Competitive Classification
Food	$3,400,250	$39,964,937	8.5%	Minor Alternative
Restaurant	$6,917,780	$27,792,791	24.9%	Competitive Alternative
Home Oriented	$6,376,293	$20,793,920	30.7%	Competitive Alternative
Apparel	$522,234	$10,988,516	4.8%	Minor Alternative
Hair & Nail Care	$1,477,204	$1,474,965	100.2%	Community Serving
Total	$17,216,557	$99,540,164	17.3%	Minor Alternative

Source: llinois Department of Revenue, Demographic data © 2008 by Experian/Applied Geographic Solutions, BDI.

- This table summarizes the recommended recruitment strategy for Downtown Grayslake(54)

Business Category	Desired Sales (million)	New Sales (million)	Businesses Needed	Existing Businesses	Recruitment Target	Sales/SF Target	SF for Desired Sales	SF Needed	Market Share Competitive Classification Goal
Food Goal	$10.0	$6.6	7	1	6	$400	24,978	17,978	Competitive Alternative
Restaurant Goal	$14.0	$7.0	14	9	5	$500	27,793	8,603	Competitive Alternative
Home Goal	$10.4	$4.0	21	12	9	$250	41,588	10,320	Competitive Alternative
Apparel Goal	$2.7	$2.2	5	1	4	$250	10,989	9,189	Minor Alternative
Hair & Nail Goal	$1.5	$1.5	5	5	0	$200	7,500	0	Community Serving
Total	$38.6	$20	47	23	24		112,847	46,089	Competitive Alternative

Peer Communities: Antioch, Geneva, Lake Zurich, Libertyville, and Woodstock

- Vacancies were evident in each of the peer downtowns. (48)
- All peer downtowns had the traditional mix of downtown uses that included service businesses, unique retailers, food and beverage businesses, and local government offices and community institutions.(48)
- Asking lease rates in Grayslake (Downtown: $7 to $10, Other areas:$6.40 t0 $25) are generally comparable or lower than asking rates in the peer communities. (52)
- There was a wide range of triple net asking ground floor rents. In downtown Geneva and Libertyville, the two communities generally considered most successful, the rents range from $14-$28 per square foot (PSF) in Geneva and $8-$24 PSF in Libertyville. (53)
- All of the peer communities likely present future recruitment opportunities for Grayslake.
  - 40 Restaurants were documented recruitment target
  - 47 stores were documented recruitment targets

SWOT Analysis

The analysis of Downtown Grayslake's Strengths, Weaknesses, Opportunities, and Threats suggests these statements comprising the Recruitment Value Platform, should be used to attract new Downtown Grayslake businesses: (67)

1. Downtown Grayslake offers a well sized commercial cluster where new businesses share customers with other community serving businesses.
2. Downtown Grayslake property and business owners have the opportunity to achieve above market returns on investment by meeting national norms for sales per square foot.
3. Downtown Grayslake's nearby population supports businesses of all types.
4. Strong government support stabilizes investment in Downtown Grayslake stores and restaurants
5. Downtown Grayslake's customers experience the pleasure of a very walkable shopping district.

Summary

Although the Retail Business Development Plan captures a statistical snapshot of Grayslake's existing condition and market, that information is a benchmark, not the project goal. That benchmark will allow Grayslake to measure growth as Downtown businesses seek to improve their sales per square foot to the same level as other Chicago metropolitan area shopping districts where businesses routinely exceed national medians by capitalizing on high spending power markets. These benchmarks will also measure Grayslake's other commercial centers as they seek to enhance their status as convenience shopping centers serving Grayslake residents. The tools established through this project and detailed in the report that follows are designed to be updated by the staff and to be a competitive advantage as the Village supports property owner's efforts to improve tenant performance and recruit new tenants.

Survey

In an effort to determine what businesses, events, promotional materials, and policies would attract new tenants and a larger share of resident's time and dollars to Grayslake's commercial areas, Village staff asked BDI to develop a survey instrument to poll Grayslake residents and shoppers. The web-based survey was pretested, and question-clarifying adjustments were made between June 1, 2009 and June 10, 2009. On June 15, 2009 the Survey link was placed on the Village website and it was announced in the Village newsletter, the Village notification system, the Farmer's Market email list, and Chamber website. In July, the Village of Grayslake sent postcards to all households encouraging residents to respond to the survey. Responses were accepted through August 1, 2009. This report documents the 1,121 responses to the web-based survey.

Methodology

To determine whether the response sample is representative, the table below compares the age of survey respondents to the population of Grayslake as a whole.

Table 1: Survey Sample

Age	Adult Population	Survey Response
Under 25	8.2%	0.3%
Age 25 - 34	25.8%	15.6%
Age 35 - 44	28.3%	31.7%
Age 45 - 54	21.5%	30.6%
Age 55 - 64	12.7%	15.4%
Age 65 - 74	5.9%	5.2%
Age 75 +	4.7%	0.9%

Demographic data © 2008 by Experian/Applied Geographic Solutions

With approximately 7,700 households in Grayslake, a sample of 1,121 is 99% accurate within a range of + or – 4%. Although the respondents slightly overrepresent the 45 to 54 age group, that is a high-spending cohort that is critical to the success of Grayslake's commercial areas. With 1,121 responses, it will be possible to isolate the underrepresented cohorts if a potential tenant is interested in learning more about respondents answers to specific questions. Consequently, this sample can be used to understand the community's impressions of Grayslake's commercial districts and aspirations for Grayslake's Central Business District.

The information that follows documents the full response and the response variation in these six subgroups. (Note that N = the number of respondents in each group.)

- Never Dine Downtown (N=382)
- Never Shop Downtown (N=407)
- New Residents: < 5 years (N=268)
- Long-term Residents: > 10 years (N=469)
- Daytime Shoppers (N=473)
- Families with Children (N=464)

As the results that follow show, there were many similarities and only a few differences in the groups' responses to the survey questions.

In calculating percentages of respondent's satisfaction or inclination to spend, "I don't know" responses were removed from the totals before rankings were created. Making this adjustment removed potential misinterpretation that results when an unusually high "I don't know" response reduces the favorable response percentage compared to other items with a lower "I don't know response."

Based on the survey analysis, there are observations about the results and, where appropriate, recommendations suggesting ways to improve the sales and profitability of downtown businesses. The appendix details the responses to open ended questions and provides comparison to surveys completed in other communities.

Question 1: In an average month, how many times do you dine in these commercial areas?

This question details the respondents dining frequency for Downtown Grayslake, other Grayslake commercial districts, and alternative commercial districts. The responses were used to create the subgroups, “Never Dines Downtown” to see how responses from that group differ from the survey as a whole. The subgroup response analysis compares the percent of respondents who reported visiting each area, never, at least once per week, and at least once per month.

Table 2: In an average month, how many times do you dine in these commercial areas?

Answer Options	Never	3 or fewer times	Weekly	A few times per week	Daily	Response Count
Downtown Grayslake	382	588	89	28	4	1,091
Other Grayslake	126	607	231	82	5	1,051
Downtown Libertyville	496	460	77	10	1	1,044
Gurnee/Grand Avenue	265	622	158	37	3	1,085
Round Lake Beach/Rollins Road	412	483	110	34	3	1,042
Other (please specify)						112
					answered question	**1,116**
					skipped question	**5**

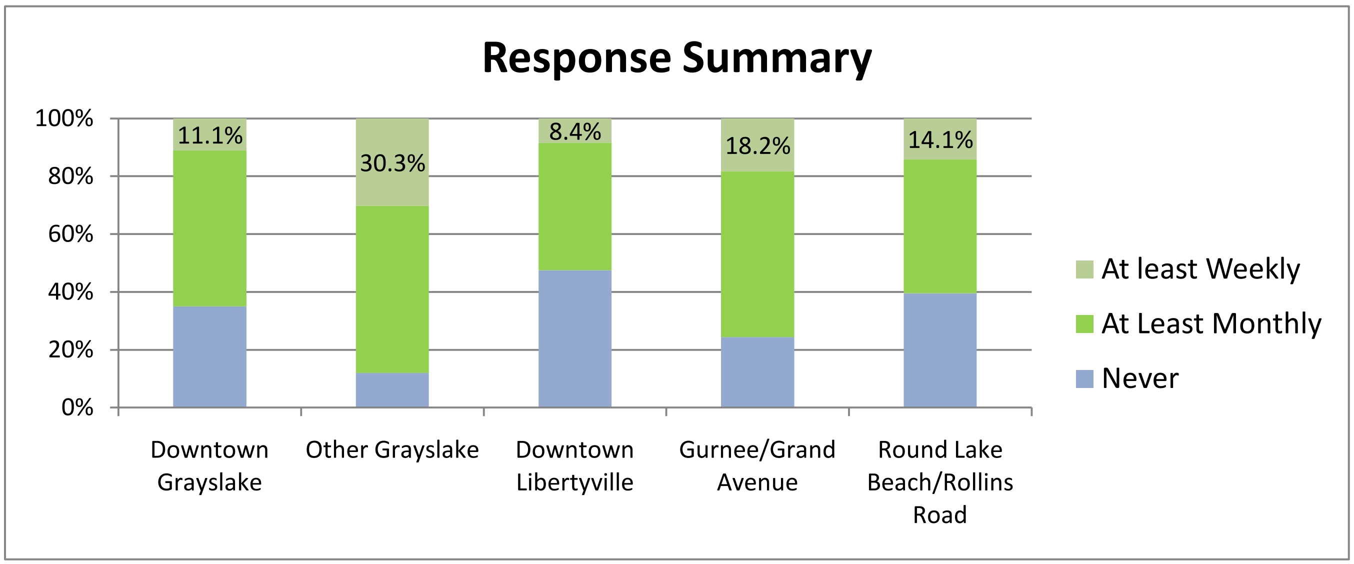

Figure 1 Dining Frequency by location

Observations

- The restaurants of downtown Grayslake are attracting less frequent visits than other locations;
- With over 30% of respondents dining weekly elsewhere in Grayslake, it seems reasonable to set similar usage as a goal for downtown;
- Meeting that challenging goal requires existing businesses to focus marketing on increased visit frequency;
- Overall marketing needs to encourage substitution of Grayslake locations for Gurnee and Round Lake Beach locations rather than other Grayslake locations;
- New residents have the lowest utilization of existing Downtown restaurants suggesting that there is a need for additional marketing.

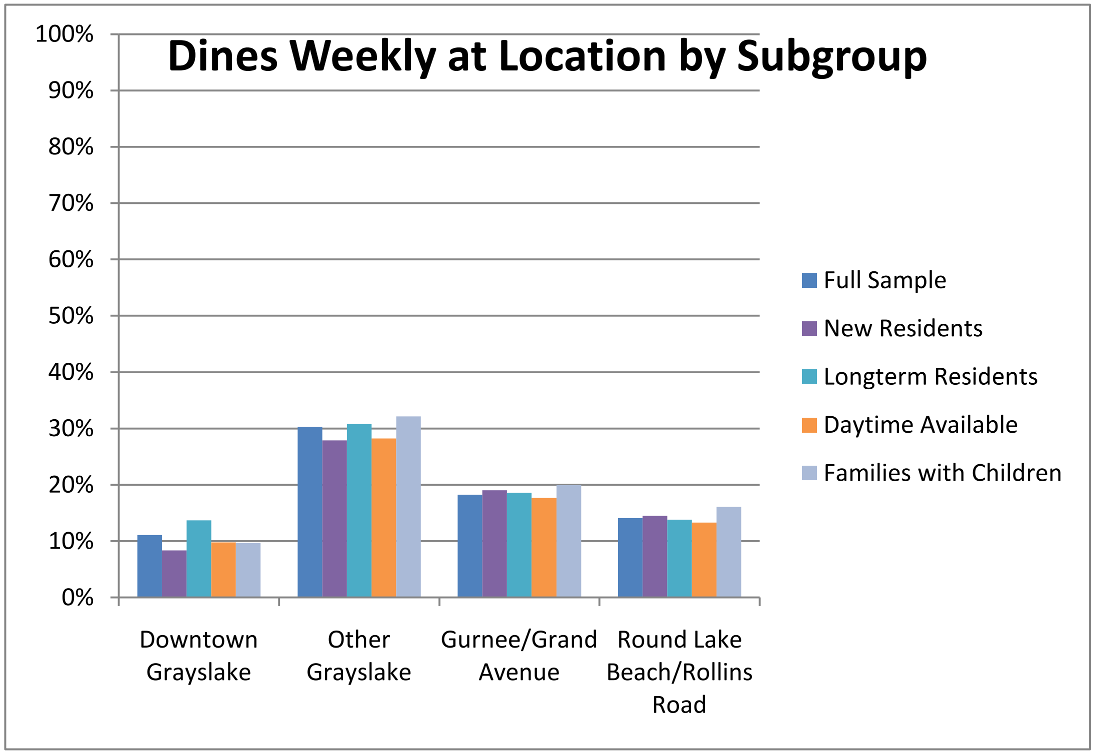

Figure 2: Dining Summary Graphic

Question 2: In an average month, how many times do you make a purchase in these commercial areas?

This question details the respondents shopping frequency for Downtown Grayslake, other Grayslake commercial districts, and alternative commercial districts. The responses were used to create the subgroup "Never Shops Downtown."

Table 3: In an average month, how many times do you make a purchase in these commercial areas?

Answer Options	Never	3 or fewer times	Weekly	A few times per week	Daily	Response Count
Downtown Grayslake	407	576	78	20	4	1,085
Grayslake's Jewel	84	309	464	231	16	1,104
Grayslake's Piggly Wiggly	413	396	206	71	6	1,092
Downtown Libertyville	754	295	23	7	1	1,080
Gurnee Mills	351	669	56	12	2	1,090
Other Gurnee/ Grand Avenue	209	691	151	26	2	1,079
Round Lake Beach/ Rollins	296	528	204	59	6	1,093
Mundelein's Route 60/83	441	443	163	33	1	1,081
Hawthorn Center	339	676	58	11	1	1,085
The Internet	165	675	146	67	9	1,062
Other (please specify)						61
					answered question	**1,116**
					skipped question	**5**

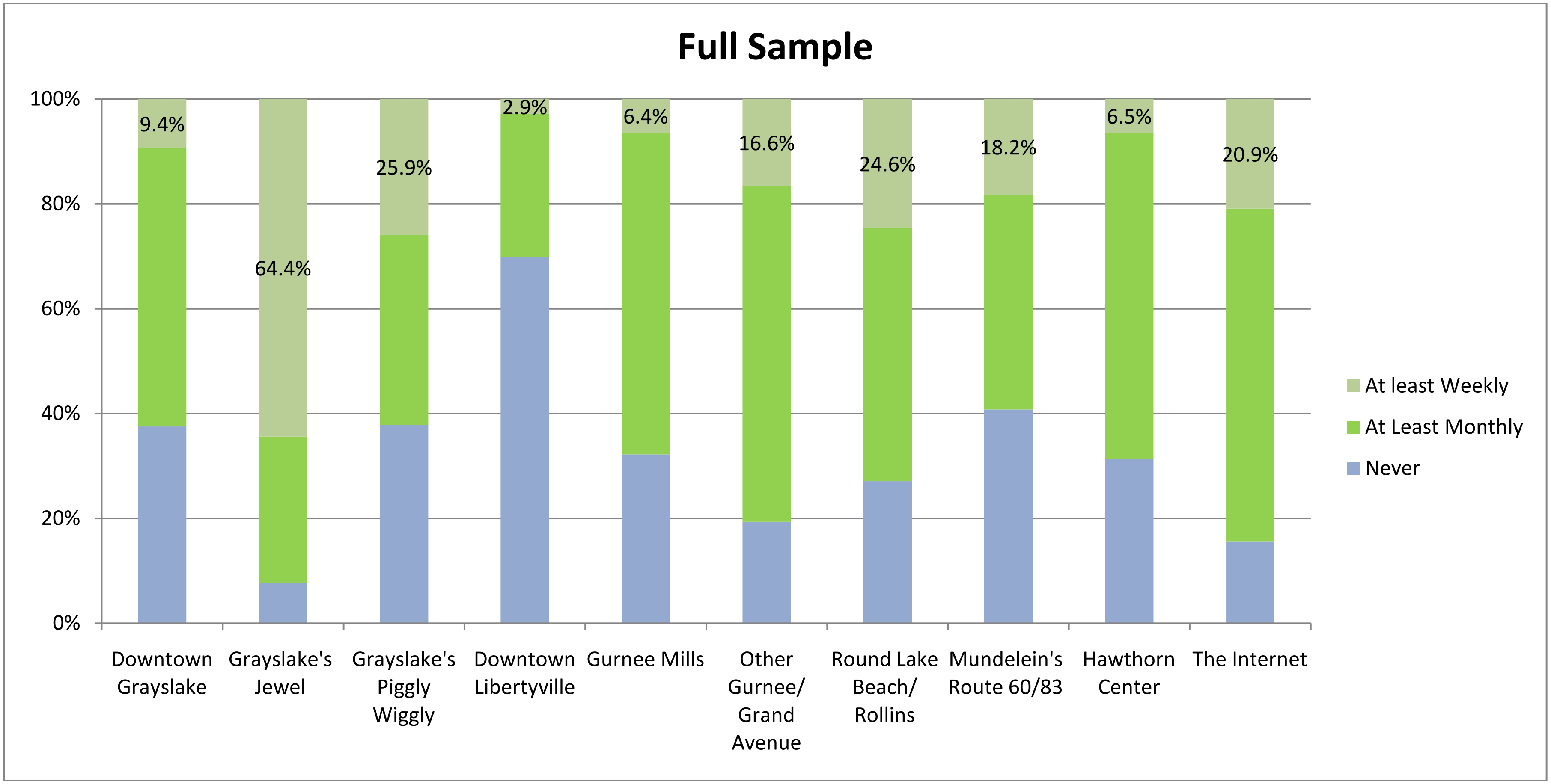

Figure 3: Shopping Summary Graphic 1

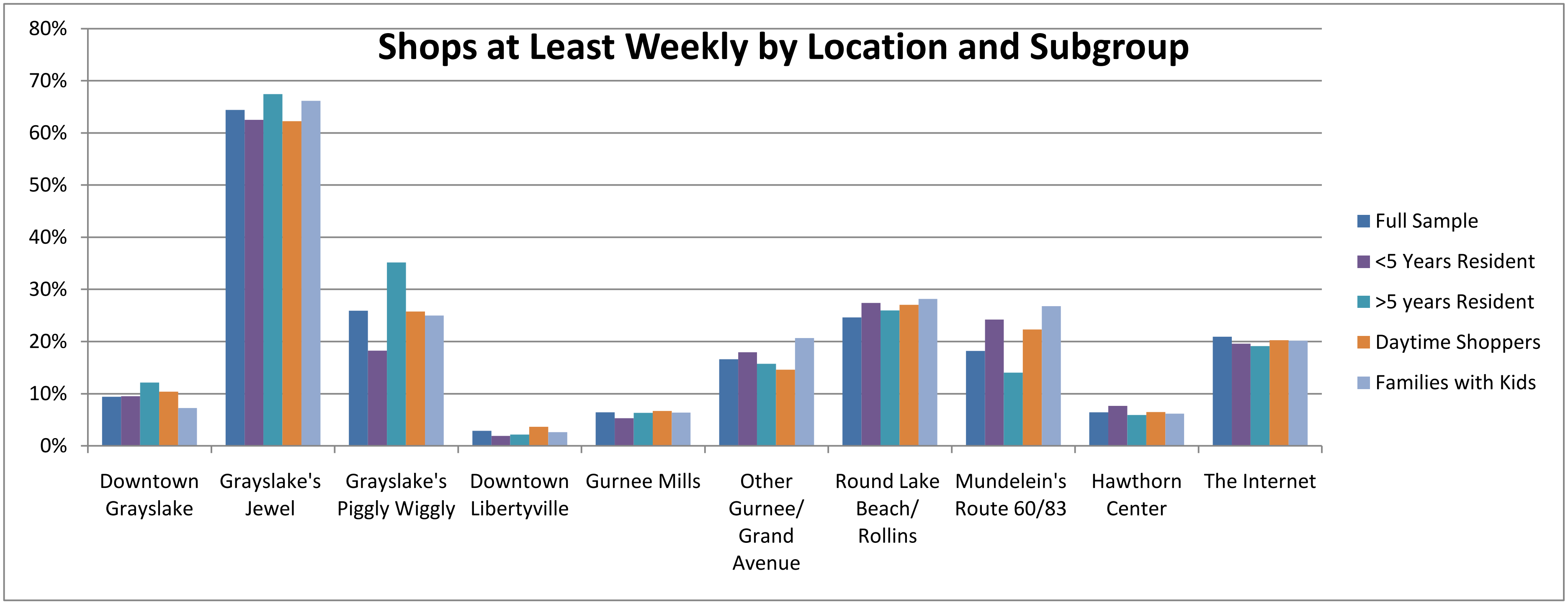

Figure 4: shopping Summary Graphic 2

Observations

- Clearly the residents of Grayslake have not embraced the shops of Downtown Grayslake;
- Libertyville's Downtown is only a minor attraction for respondents with 47.5% reporting never dining there, 44.1% reporting at most monthly visits and 8.5% reporting weekly visits.
- Grocery shopping is the most common form of weekly shopping so locations with grocery stores have higher utilization rates;
- Jewel is dominating the grocery shopping;
- The Internet is an important alternative;
- Longer term residents are less likely to utilize newer competitors like Mundelein's Route 83 development.

Question 7: In an average week, how much would you estimate that your household spends on meals away from home (full-service restaurants, take-out, drive-through, etc.)?

This question quantifies the amount that could be spent by respondents on various dining options in Downtown Grayslake.

Table 4: In an average week, how much would you estimate that your household spends on meals away from home?

Answer Options	Response Percent	Response Count
Less than $25	16.2%	165
$25 to $49.99	33.0%	337
$50 to $74.99	21.5%	220
$75 to $99.99	14.6%	149
$100 to $199.99	12.2%	125
Over $200	2.4%	25
	answered question	**1,021**
	skipped question	**100**

Observations

- The national economy has impacted the respondents' answer to this question.
- This question's results challenge the goal of weekly dining visits because the price points at the desired restaurants probably exceed weekly spending.

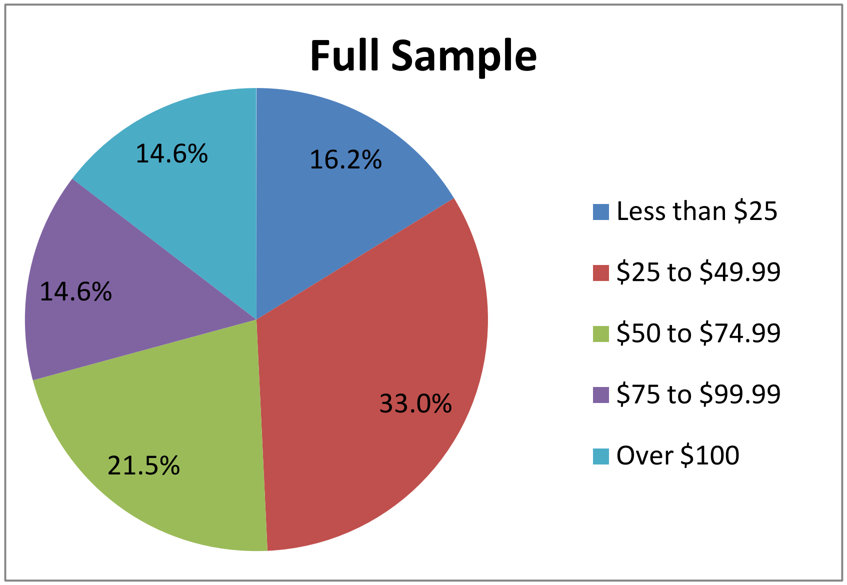

Figure 5: Restaurant Total Spending Graphic

Question 8: How would the addition of these restaurants affect the amount you spend in Downtown Grayslake?

This question provides information on the most desirable new restaurant categories.

Table 5: How would the addition of these restaurants affect the amount you spend in Downtown Grayslake?

Answer Options	I would spend a lot more	I would spend a little more	No change	I do not know	Response Count
White table cloth	277	407	305	25	1,014
Casual dining	450	432	122	14	1,018
Bar or Club	192	303	471	35	1,001
Counter service	185	385	394	40	1,004
Quick service	160	300	505	34	999
				answered question	**1,025**
				skipped question	**96**

Observations

- Current restaurants can benefit from promoting casual dining.
- Because there are price point disconnects with typical spending and top categories and many specific businesses recommended by the respondents are counter service, care should be used in adhering too closely to the category ranking when responding to interested tenants.
- The relatively high inclination to spend more across all categories shows a desire to add more restaurants in general that should be noted not only by owners of Downtown building but also the owners of other Grayslake commercial areas.

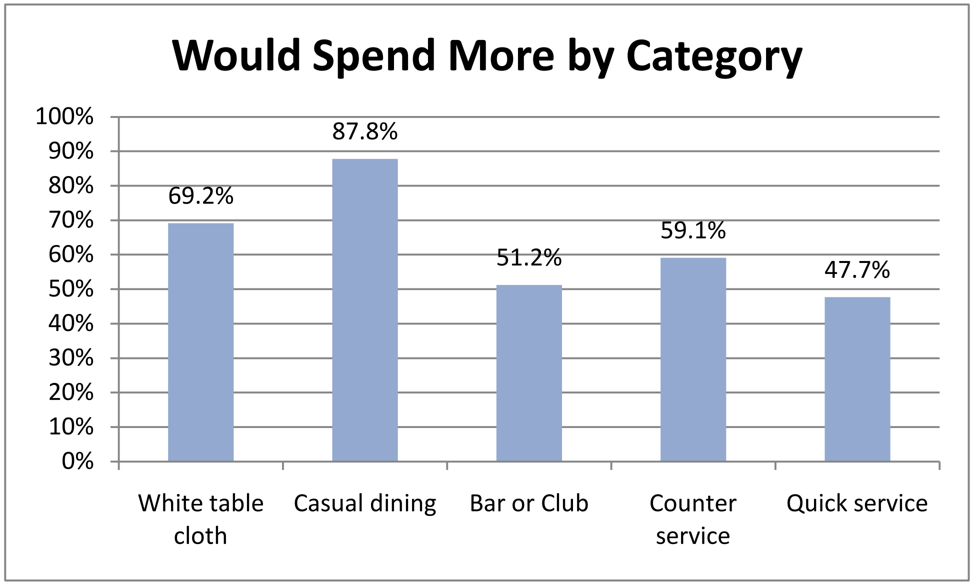

Figure 6: Spending by Restaurant Type Summary Graphic

Question 11: When is it most convenient for you to shop?

This question seeks to clarify the optimal operating hours for Downtown Grayslake Businesses

Table 6: When is it convenient for you to shop? (Check all that apply)

Answer Options	Response Percent	Response Count
Daytime	46.5%	473
Evening	77.9%	792
Saturday	82.4%	838
Sunday	68.7%	699
	answered question	**1,017**
	skipped question	**104**

Figure 7: Shopping Time Choices Summary Graphic

Observations

- Stores with evening, and Sunday hours like those in Grayslake's non-downtown commercial areas are most convenient to survey respondents
- Downtown stores that primarily are open weekdays and Saturdays have accesses to 94% of the market
- Optimal Downtown store hours may be weekdays 11 to 7 because the farmer's market was well liked by over 70% of the population despite evening hours ending at 7 PM. The later start would prevent additional cost associated with evening hours.
- Although not directly queried with this question, interviews conducted for this project confirmed that it is most important to be open posted hours.

Question 3: When shopping in Downtown Grayslake, how often do you:

This question seeks to understand how respondent current utilize the businesses in Downtown Grayslake. The results help policy makers determine parking policies and recognize the need to promote multi-stop visits as a way to improve store and restaurant sales and profitability.

Table 7: When shopping in Downtown Grayslake, how often do you:

Answer Options	Never	A few times each year	Monthly	Weekly	A few times each week	Daily	Response Count
Quickly enter a store, make a purchase, and end your shopping trip	351	457	136	68	27	4	1,043
Visit multiple businesses with a plan to purchase specific items as quickly as possible	536	346	95	33	12	4	1,026
Leisurely shop and dine for less than 2 hours	475	406	110	23	10	2	1,026
Leisurely shop and dine for more than 2 hours	743	207	51	9	7	2	1,019
Visit with guests from another community	597	347	57	14	4	1	1,020
						answered question	**1,057**
						skipped question	**64**

Observations

- Because so few respondents visit Downtown Grayslake frequently, answers to this question cluster around "never;"
- A two hour limit on most parking spaces seems reasonable;
- Creating multiple stop trips is an opportunity.

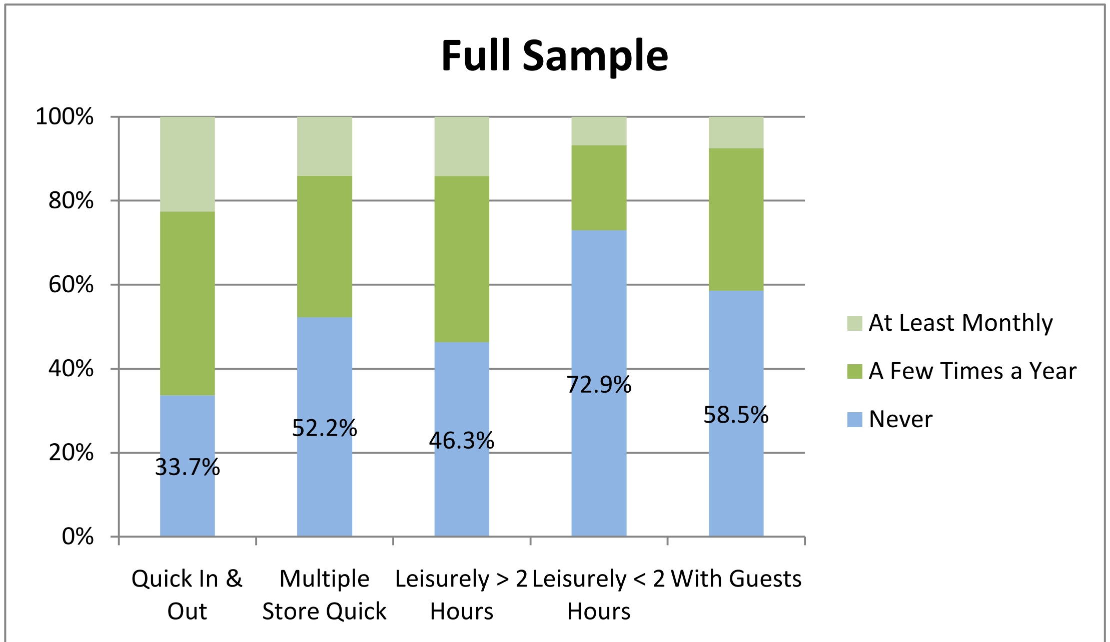

Figure 8: Shopping Behavior Summary Graphic

Question 4: How would the addition of these stores and services affect the amount that you spend in Downtown Grayslake?

This question provides information on the most desirable new tenants. The analysis examines the categories where respondents indicated that they would spend a little more or a lot more if that business category were added to Downtown Grayslake. Although the graph below sorts the response from the most to least likely to attract spending, during the survey responses were randomized so the order would not impact the results.

Table 8: How would the addition of these stores and services affect the amount that you spend in Downtown Grayslake?

Answer Options	I would spend a lot more	I would spend a little more	No change	I do not know	Response Count
Organic Green Grocer	324	303	367	41	1,035
Specialty Prepared foods	217	462	310	51	1,040
Health Food	211	364	424	44	1,043
Women's Apparel	209	395	379	53	1,036
Fine Wine & Spirits	191	384	422	38	1,035
Hardware	159	413	412	45	1,029
Home Accessories	157	450	380	46	1,033
Craft Supplies	142	345	497	44	1,028
Greeting Cards/Gifts	136	480	388	30	1,034
Gardening Supplies	132	407	449	39	1,027
Children's Apparel	127	250	597	54	1,028
Pet Supplies	127	308	562	31	1,028
Sporting Goods	127	394	453	49	1,023
Men's Apparel	108	359	502	57	1,026
Make-up/Cosmetics	95	248	635	46	1,024
Video Game Store	60	181	727	50	1,018
Costume Jewelry	58	193	723	50	1,024
Furniture	55	238	656	71	1,020
Art Gallery	51	232	673	64	1,020
Florist	46	254	673	52	1,025
Fast Print/Photocopy	42	224	701	52	1,019
Fine Jewelry	41	161	772	53	1,027
Other (please specify)					135
				answered question	**1,064**
				skipped question	**57**

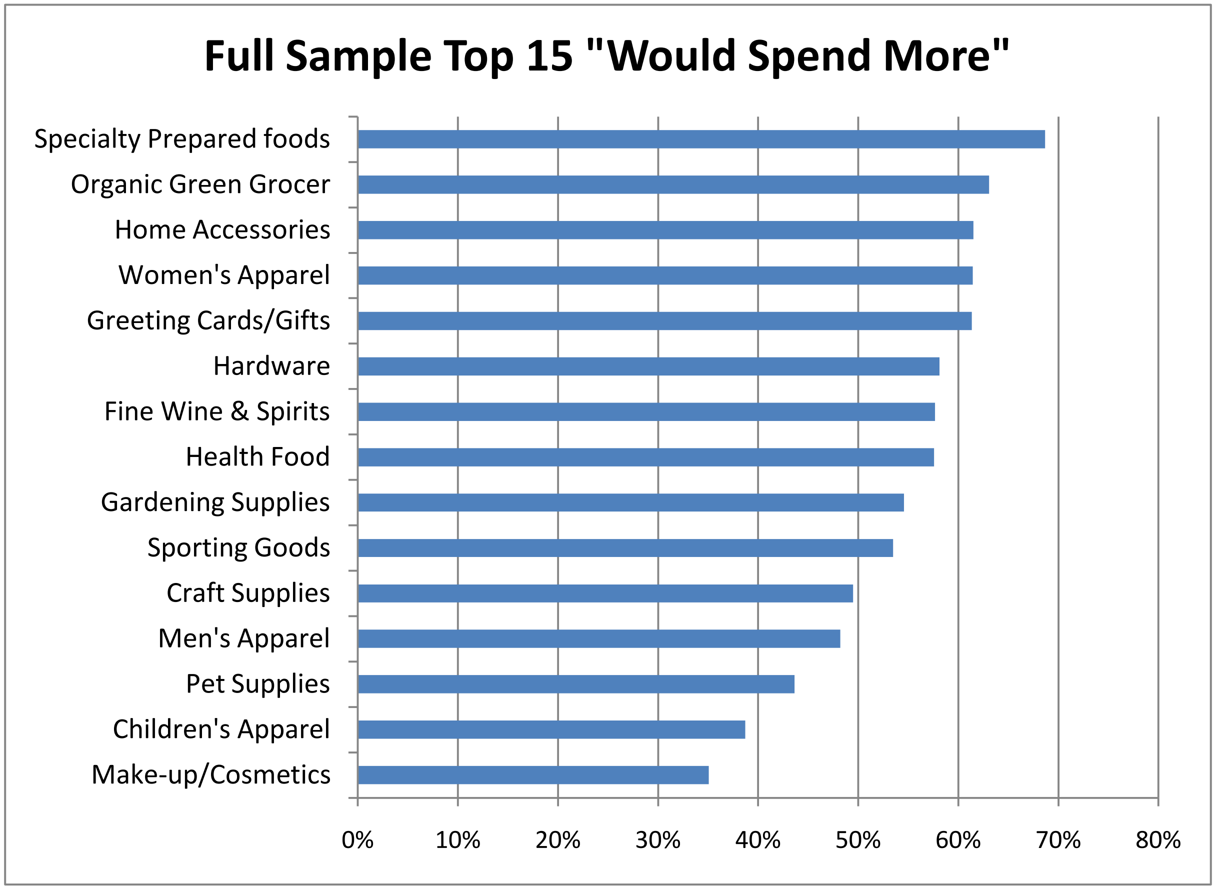

Figure 9: Spending by Store Summary Graphic

Observations

- The best immediate response to this information is for existing stores to improve sales by stocking the requested items;
- With consistent favorites across all subgroups there is strong request for specialty prepared foods and a green grocer;
- Although this question did not consider prices the follow-up questions seeking information on current shopping behavior show an emphasis on price points that often are not possible for the businesses operating at the lower volumes common to the smaller spaces available in Downtown Grayslake; however other Grayslake commercial areas could find tenants able to offer a better match of desired price and desired product.

Question 5: In the last month, what have you purchased that you wish you could have bought in Downtown Grayslake?

This question provides information that will be useful in encouraging existing and potential businesses to tailor their offering to the items most desired by survey respondents. There were 1,600 responses that are categorized and detailed in the appendix.

Table 9: Desired Product Additions

#	Purchase	#	Purchase
137	Dining or Restaurants Requests	**23**	Retail or Store Requests
111	Apparel or Clothing (General)	**22**	Outdoor Recreation
104	Women's Apparel	**22**	Household Items (Cleaning Supplies, Storage Items, etc.)
83	Books, CDs, and DVDs	**21**	Cosmetics
65	Groceries	**21**	Bakery and Sweets
64	Children's Apparel	**19**	Gourmet Food Products
63	Specialty and Prepared Foods	**17**	Jewelry
60	Organic Grocery	**16**	Home Improvement Materials
58	Home Furnishings and Accessories	**16**	Office and School Supplies
52	Shoes	**16**	Toys and Games
49	Gifts	**15**	Green Groceries and Produce
48	Garden and Outdoor Home	**15**	Video Games
46	Wine, Beer, and Spirits	**14**	Infant and Toddler
45	Pet Food and Supplies	**13**	Kitchenware
44	Hardware and Tools	**13**	Services (Florists, Hair Care, Travel, etc.)
42	Cards and Gift Wrap	**12**	Art and Antiques
39	Crafts, Fabrics, and Hobbies	**12**	Camera and Photography Items
35	Food	**12**	Specialty Bath and Body
35	Sporting Goods	**11**	Movies and Entertainment
33	Electronics and Computer-Related	**8**	Bulk Foods
28	Health Food	**8**	Vitamins
26	Sundries and Convenience Goods	**7**	Art Supplies
25	Men's Apparel		

Question 6: Please provide the name and location of the store where you made that purchase.

This question provides a list of recruitment targets. Table 10 lists those stores noted most often by survey respondents. Table 11 is a complete list of the other stores listed by respondents. Although most of the stores noted are in the Chicago area, the few out of state stores were noted.

Table 10: Current Shopping Choices

Responses	Stores
77	Target
76	Trader Joe's
58	Kohls
45	Walmart
40	Borders
39	Jewel-Osco
36	Whole Foods
33	PetSmart
29	Home Depot
29	Macy's
28	Best-Buy
25	Ace Hardware
24	Hallmark Store
23	Sunset
11	Barnes and Noble Bookstore

Table 11: Requested Stores

Stores Listed				
A T & T Store	Catherine's	Fresh Market	Loving Creations, Petersburg, IL	REI
Abercrombie	Central Camera, Chicago	FYE	Lowe's	Ritz Camera
Advanced Auto	Century Tile	Game Stop	Mail Order	Robert Vance Ltd
Aerial Company	Cheshire Cat	Gap	Marshall's	Rudolfs
Aeropostale	Chico's	Garden Fresh Market	MC Sports	Runner's Edge, Libertyville
Aldi's	Children's Place	George Garnier Cyclery, Libertyville	Menards	Sally Beauty Supply
Amazon.com	Christopher & Banks	Glass with Class (Online)	Michael's	Sam's Club
American Eagle	CJ Banks	GNC	Mundelein Fish Market	Sam's Wine & Spirits
Ann Taylor	Claire's	Gold Eagle Liquors	Murphy's Health Foods, Libertyville	Sears
Anthropologie	Clark's Shoes	Golf Galaxy	Murray's Auto	Sephora
Antioch Liquors	Coldwater Creek	Goodwill Store, Kenosha, WI	Naturalizer	Serendipity
Apple Store	Columbia	Gurnee Antique Mall	Neiman Marcus	Smith & Hawken
Archiver's	Community Supported Agriculture (CSA)	Gymboree	New Balance, Highland Park	Snicklefritz
Armanetti's, Mundelein	Confectionary Store	Hannah Anderson (Online)	Nike Outlet, Gurnee Mills	Someone's in the Kitchen, Libertyville
Ashley Furniture	Corner Health, Mundelein	Harlem Furniture	Nine West	Southport Grocery, Chicago
Avenue	Cost Plus World Market	Hazel gift boutique, Chicago	Nix	Spa Space
B & H Photo and Video (Online)	Costco	Helix	Nordstrom	Specialty Children's Clothing Stores
Babies R Us	Craig's List (Online)	Higher Gear, Highland Park	Office Depot	Specialty Toy Store
Banana Republic	Crate & Barrel	Hobby Lobby	Office Max	Speedway
barenecessities.com	Crewcuts	Home Economist, Skokie	Old Navy	Sport Clips, Round Lake
Baron Paints	CVS	Home Goods	Olive Tap, Long Grove	Sportmart
Bass Pro Shop	Dance N' Tees	IKEA	Outpost Milwaukee, WI	Sports 11

Stores Listed				
Bath & Body Works	de-cor-rum	Internet	Painted Penguin	Sports Authority
Bed Bath & Beyond	Deb Bets, Lincolnshire	J. Crew	Paper Store, Northbrook	Spotted Crocodile,
Big Lots	Deerfield's Bakery	J. Jill	Parkview Gourmet, Libertyville	Staples
Binny's Beverage Depot	Dick's Sporting Goods	JC Penney's	Pasquesi Gardens, Lake Bluff	Steinmart
Birkenstock Store	Divino's	JJ Blinckers, Antioch	Payless Shoes	Strasburg Children
Blaine's Farm & Fleet	Dollar General	JoAnn Fabrics	Peapod	Stride Rite
bobbiebrown.com	Dominick's	Jos. A. Bank	Peg Robinsons, Lake Bluff	Talbots
Brilliant Sky, Deer Park	DSW Shoes	Justice for Girls, Gurnee	Pep Boys	Tenfold, Andersonville in Chicago
Brooks Brothers	Earthly Goods, Gurnee	K-Mart	Pericone Nursery, Volo	Tenuta's, Kenosha, WI
Burlington Coat Factory	Eddie Bauer	L. L. Bean	Pet Supplies "Plus"	Territory Ahead (Online)
Butera	Elizabeth	Lake Forest Bootery	Pet's General, Libertyville	The Book Stall, Winnetka
Cabi	Emily Lacey, Lake Forest	Land's End	Petco	The Boot Corral, Gurnee Mills
Candy Store, Gurnee Mills	Etsy.com	Lane Bryant	Petland, RoundLlake	The Finish Line
Caputo & Sons Grocery	Express	Lane Bryant Outlet, Gurnee Mills	Pier 1	Tina's
Car Spa, Libertyville	Family Video	Lazy Boy	Piggly Wiggly	TJ Maxx
Card & Party Factory Outlet	Famous Footwear	Leiders	Play It Again Sports	Uncle Dan's
Carson's	Fannie May	Lewis Market	Polson's Natural Foods, Antioch	Walgreen's
Carters/Oshgosh	Farmer's Market, Grayslake	Lindsey's	Pottery Barn	White House/Black Market
Castle Garden	Flower Girls Dresses for Less	Long Grove	Present Moment, Libertyville	Williams-Sonoma
Casual Garden	Foodstuffs	Lori's Shoes, Highland Park	Radio Shack	Wine Knows
Casual Male XL	Forest Bootery, Bannockburn	Lovin Oven, Round Lake	Regal Cinemas	Woodman's Grocery

Question 9: In the past month, what non-Downtown Grayslake restaurants did you patronize that you believe would be good additions to Downtown Grayslake?

This question provides tenant suggestions for multiple dining formats. The restaurants listed most often by respondents are in Table 12. In addition to their restaurant suggestions, many respondents suggested restaurant types and formats and those are also provided in Table 12. Table 13 is a complete list of all restaurants patronized and listed by survey respondents.

Table 12: Current Restaurant Choices

#	Restaurant
85	Panera
68	The Firkin, Libertyville
64	Chili's
63	Micky Finn's, Libertyville
55	Chipotle!
54	Applebee's
54	Olive Garden, Maggianos
49	Portillo's
32	Potbelly's
32	Wildberrys
30	Noodles (& Co.; and more)
29	Buffalo Wild Wings, KFC, Popeye's, Brown's Chicken
26	TGI Fridays
25	Egg Harbor
24	Jimmy's Charhouse
22	Cheesecake Factory
21	Fridays
21	Outback Steakhouse
19	Chinese/Sushi

Types of Restaurants	
Armenian	Independents
Bagel Store/Deli	Indian
Bakery/Café	Irish Pub/Gastropub
BBQ	Italian
Breakfast	Kid-oriented Casual Dining
Burger Joint	Mediteranean/Middle Eastern
Chicago style Hot Dogs	Mexican
Coffee Shop	Microbrewery
Ethnic Variety	Pizza
Family Restaurant	Polish
Fast Food	Sandwich Shop
Fine Dining	Seafood
Fondue	Steakhouse
French	Tapas/Spanish
French-type Bakery	Thai
German/ German Beer Hall	Vegetarian
Greek	Vietnamese
Ice Cream Shop	

Table 13: Requested Restaurants

Restaurants Listed				
5 Guys Burgers and Fries	Crab Shack	IHOP	Max & Erma's	Rotini
545 North Bar & Grill,	Cracker Barrel	In-Laws	Max's, Highland Park	Royal Cantonese, Vernon Hills
A & W	Crandalls	Ina's, Chicago	McCarthy's, Vernon Hills	Rosatti's
Alterra Coffee, Milwaukee,	Crossroads, Ivanhoe	Infini-tea	McCormick & Schmicks	Royal Thai
Armands Pizzaria & Eatery	Cubanitas, Milwaukee	Intimo	McDonald's	Ruby Tuesday's
Asian Bowl	Cubby Bear, Lincolnshire	IRAE 60, Vernon Hills	Mike's Subs	Rudy's Mexican Grill
Asian Buffet, Fox Lake	Culver's	J Bistro, Fox Llake	Mimi's Cafe	Sake Zake
Aunt V	D'Agostino's Pizza	J. Alexander, Northbrook	Miramar, Highwood	Saluto's
Austin's Libertyville	D&J Bistro, Lake Zurich	Jak's Tap, Chicago	Moe's Mexican Grill, Gurnee	Sammie's
Back Yard Steakpit	Dave's Barbeque	Jamba Juice	Monkey Dish	Shaw's Crab House
Baja Fresh	David's Bistro, Antioch	Jason's Deli, Vernon Hills	Montgomery Inn BBQ, Cincinnati, OH	Silk Mandarin
Baker's Square	Del Rio, Highland Park	Jersey Mike's	Morelli's	Silo Pizza, Lake Bluff
Bakes, Wildwood	Denny's	Jesse Oaks	Moretti's	Slotts' Hots, Libertyville
Barnellis Pasta (Portillo's)	Double G's, Long Grove	Jimenos	Morgans, Libertyville	Starbucks
Basil Thai Restaurant, Vernon Hills	Dover's Straits	Jimmy D's	Morton's Steak House	Steak N Shake
BD's Mongolian BBQ	Dunhills, McHenry	Jimmy John's	Mrs. V's, Round Lake Beach	Stefani Restaurants
Bento Cafe	Dunkin' Donuts	JJ Twigs, Wauconda	Nikko's, Mundelein	Steven's Steakhouse
Berts Deli	Einstein's Bagel	Joe's Crab	Nirvana, Vernon Hills	Stoney River Legendary Steakhouse
Biaggis, Deer Park	El Famous Burrito	John Hawkes Pub	O'Charley's	Subway
Big Bowl (Lettuce Entertain You)	El Puerto, Fox Lake	Johnny Ds Diner	Oberweiss Dairy	Sushi Gushi Toyo
Big Jack's	El Sol, Morton Grove	Johnny Rockets	Olando's, Round Lake Heights	Sushi Thai, Libertyville
Bills Pizza	Elements, Antioch	Kaiser's, Mundelein	On The Border	Sweet Tomatoes
Bills Pub North	Elephant and Castle	Karma, Mundelein	Opa!, Vernon Hills	Tacos El Norte, Gurnee
Bin 36	Elephant Bar	Kathy's	Oregano's, Hawthorn Woods	Tang's Chinese
Birch River Grill, Arlington Heights	Eli's Pancake House	Kawa's, Grayslake	Orlando's, McHenry	Tavern in the Town, Libertyville
Blackthorne Grill, Lake Villa	Ellys	Keller's, Genoa City, WI	P. F. Chang's	Tea Lula Teahouse

Restaurants Listed				
Blind Faith Vegetarian Café, Evanston	Emils	Kerry Piper (Irish pub/restaurant)	Paisano's, Richmond	Ted's Montana Grill,
Bob Chinn's	Emma's Pizza, Cambridge, MA (upscale pizza)	King's Wharf, Marriott Lincolnshire	Lake House Restaurant	Texas De Brasil
Bombay City	Empty Bottle, Chicago	Kosta's, Palatine	Lake House, Lake Villa	Texas Roadhouse
Bonefish Grill	Ethiopian Diamond, Chicago	La Bamba	Lakeside Restaurant, Wauconda	The Winery
Boston Blackies	Famous Dave's BBQ	La Tasca, Arlington Heights	Panda Express	The Wooden Chair, Stevens Point, WI
Boston Market	Ferentino's	Kaiser's, Mundelein	Papa John's Pizza	The Yard House, Glenview
Bravo	Fireside, McHenry	Karma, Mundelein	Pappadeux	Timothy O'Tooles, Gurnee
Bridie McKennas, Highwood	Flatlanders	Kathy's	Park Street Cafe, Mundelein	Tina's Cafe, Gurnee
Brothers Ribs	Flemings Steak	Kawa's, Grayslake	Peggy Kinanes, Arlington Heights	Tramonto's, Wheeling
Buca di Beppo	Fogcutter	Keller's, Genoa City, WI	Pequod's Pizza	Trattoria Pomigliano, Libertyville
Burger King	Francesca's/Mia Francesca (Francesca's Group and Affiliates)	Kerry Piper (Irish pub/restaurant)	Picnic Basket, Libertyville	Tre Kroner, Chicago
Caboose, Mundelein	Franks For The Memories	King's Wharf, Marriott Lincolnshire	Pita Inn	Triangle
Cafe Book (Coffee House)	Fratello's	Kosta's, Palatine	Pizza Hut	Tsukasa of Tokyo in Vernon Hills
Cafe Lucci	Froggy's, Highwood	La Bamba	Pizza Italia	Tuscany (Stefani Group)
Cafe Pyrenees, Libertyville	Fudruckers	La Tasca, Arlington Heights	Pizza Ranch, Sioux Center, IA	Twisted Cow (Ice Cream)
Calamari's, Fontana, WI	Fuego, Arlington Heights	Las Palmas (Y Lunch Group)	Plum Garden, McHenry	Uno's
California Pizza Kitchen	Gabriel's, Highland Park	Las Palmos, Lake Villa	Pompei	Vernons, Glencoe
Caribou Coffee	Gale Street Inn, Mundelein and Chicago	Le Vichyssois, Lakemoor	Pub on the Hill, Stevens Point, WI	Viccinos, Glenview and Libertyville
Carlos', Highland Park	Ginos East Pizza	Lettuce Entertain You Restaurants	Q'doba	Walker Bros. Pancake House, Highland Park and Lincolnshire

Restaurants Listed				
Casa Bonita, Libertyville	Giordano's	Liberty	Quaker Steak & Lube	Wendy's
Casey's Deli, Round Lake Beach	Go Roma	Lindy's, Wauconda	Rainforest Cafe	Whole Foods Food Court
Chammps	Golden Corral	Lino's, Libertyville	Ram Bar	Wholly Frijoles, Lincolnwood
Chevy's Mexican Restaurant	Grande Jakes	Lomei's	Rancho Grande, Libertyville	Wildfire (Lettuce Entertain You)
Chiang Jiang (Chinese Buffet)	Gridley's, Long Grove	Lone Star	Rancho Nuevo	Winberie's, Buffalo Grove
Chick-Fil-A	Gurneez Diner	Long Branch, Carbondale	Red Lobster	Yen Yen (Chinese)
China Buffet	Hackney's	Long John Silver's	Red Robin	
Cici's Pizza	Harbour Club	Longhorn Steak House	Red Star Tavern, Deerfield (Restaurants America Group)	
Claim Jumper, Northbrook	Hayashi	Lou Malnati's	Reflections, Lake Villa	
Cold Stone Creamery	Heartland Café, Chicago	Lovely Thai	Rhapsody Cafe, Gurnee	
Colony House	Hillary's Ribs	Lukes	Rhapsody, Chicago	
Connie's Pizza	Home Run Inn Pizza	Lula's Café, Chicago	Ristorante Bottaio (Oliverii Group), Libertyville	
Convito Café	Hong Kong Chop Suey	Lulu's, Evanston	Robek's	
Corner Bakery	Hooters	Macaroni Grill	Rock Bottom Brewery	
Cosi	Hot Tamales	Main Street Smokehouse, Libertyville	Roly Poly	
Country Dog	Houlihan's	Mambo Italiano, Mundelein	Rose Angelis, Chicago	
Cousins Subs	I Am Siam, Wheeling	Max & Benny's, Northbrook	Rosebud, Highland Park and Chicago (Rosebud Group)	

Question 10: Rate your overall satisfaction with these factors as they apply to the Downtown Grayslake:

This question provides general guidance on elements of the general Downtown Grayslake experience. The summary table and accompanying graph compare the ratings of “Excellent” and “Very Good” for each factor.

Table 14: Rate your overall satisfaction with these factors as they apply to the Downtown Grayslake:

Answer Options	Excellent	Above Average	Average	Below Average	Awful	I Don't Know	Response Count
Farmer's Market	296	333	221	34	8	109	1001
Cleanliness of streets and sidewalks	272	498	215	9	2	7	1003
General safety	270	415	264	13	2	36	1000
Pedestrian safety	228	388	314	38	7	28	1003
Bicycle access	142	266	300	88	16	189	1001
Friendliness of employees	141	340	340	22	6	152	1001
Attractiveness	138	333	362	125	26	14	998
Parking convenience	113	292	409	129	39	17	999
Traffic flow	90	277	468	97	45	19	996
Knowledge of employees	73	192	394	31	3	300	993
Quality of goods available	43	175	440	199	50	87	994
Merchandise displays	39	159	500	172	27	97	994
Store hours	32	92	518	182	30	144	998
Variety of goods available	15	45	256	483	155	45	999
						answered question	**1008**
						skipped question	**113**

Table 15: Satisfaction Ranking

Summary Table	At least Above Average
Cleanliness of streets and sidewalks	77.3%
General safety	71.1%
Farmer's Market	70.5%
Pedestrian safety	63.2%
Friendliness of employees	56.7%
Bicycle access	50.2%
Attractiveness	47.9%
Parking convenience	82.9%
Knowledge of employees	38.2%
Traffic flow	85.5%
Quality of goods available	24.0%
Merchandise displays	22.1%
Store hours	14.5%
Variety of goods available	6.3%

Note: Purple Bars also include ratings of "Average."

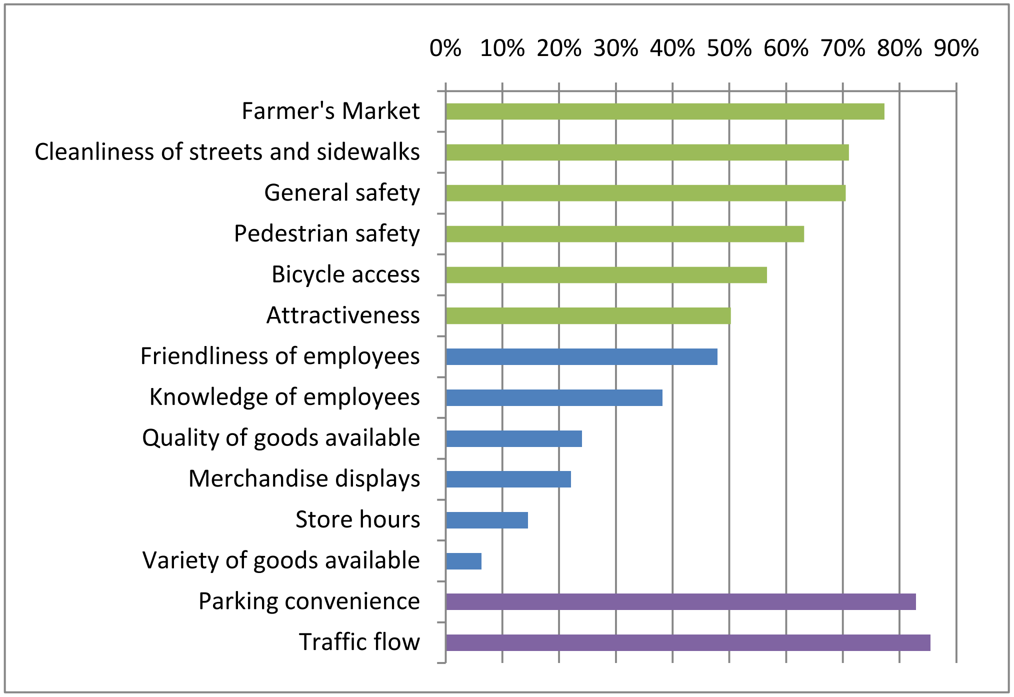

Figure 10: Satisfaction Summary Graphic

Observations

- The high ratings associated with government controlled aspects of Downtown (green bars) confirm the success of Village investment.
- The relatively low store ratings (blue bars) may explain the low Downtown utilization rates revealed in Question 2.
- The parking and traffic flow comparison includes average ratings because average suggest adequate competition with other shopping options with incurring the high cost of rising above average, destruction of buildings for lots or structured parking and the loss of parking to enhance traffic flow.
- Using the e-mail addresses provided in response to question 18, it would be possible to create a focus group of people who rated bicycle access below average or awful and learn more about their specific concerns.

Sample Characteristics

Questions 12 through 16 were used to create the subgroups.

Table 16: Q 12. How long have you lived in Grayslake?

Q 12. How long have you lived in Grayslake?		
Answer Options	**Response Percent**	**Response Count**
I do not live in Grayslake	2.5%	25
Less than 1 year	1.8%	18
1 to 5 years	24.7%	250
5 to 10 years	24.9%	252
10 or more years	46.3%	469
	answered question	**1,014**
	skipped question	**107**

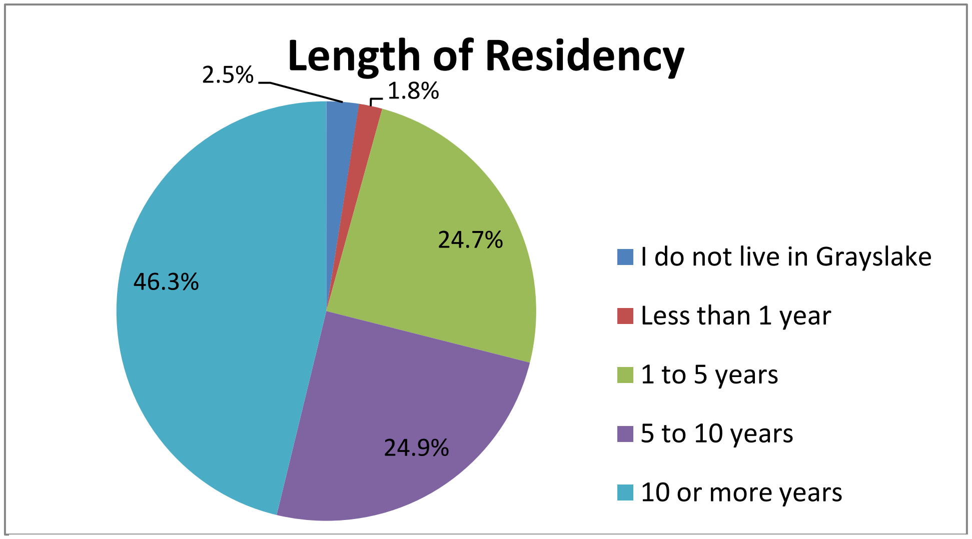

Figure 11: Residency Summary Graphic

Table 17: Q 14. If you are employed, please tell us how frequently you work from home?

Q 14. If you are employed, please tell us how frequently you work from home?		
Answer Options	**Response Percent**	**Response Count**
Never	44.0%	386
Less than 20%	31.3%	275
Between 20% and 50%	8.5%	75
Over 50%	8.0%	70
Home Based Business	8.2%	72
	answered question	**878**
	skipped question	**243**

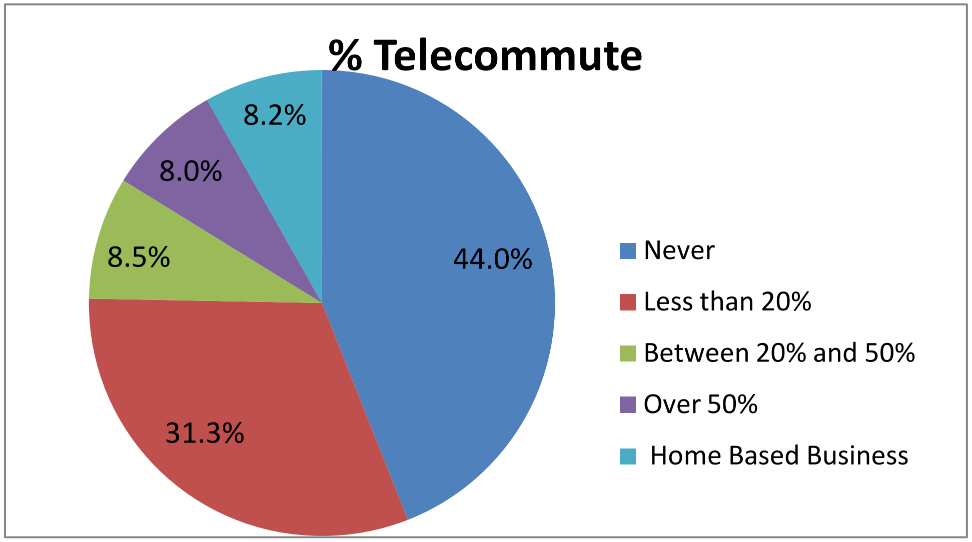

Figure 12: Telecommute Summary Graphic

Table 18: Choose the answer that best describes your household.

Choose the answer that best describes your household.		
Answer Options	**Response Percent**	**Response Count**
I live alone	10.6%	107
Empty Nester	14.0%	142
Double Income No KidS	11.6%	118
Two or More Adults	13.8%	140
Family with Children	45.8%	464
Other	4.2%	43
	answered question	**1,014**
	skipped question	**107**

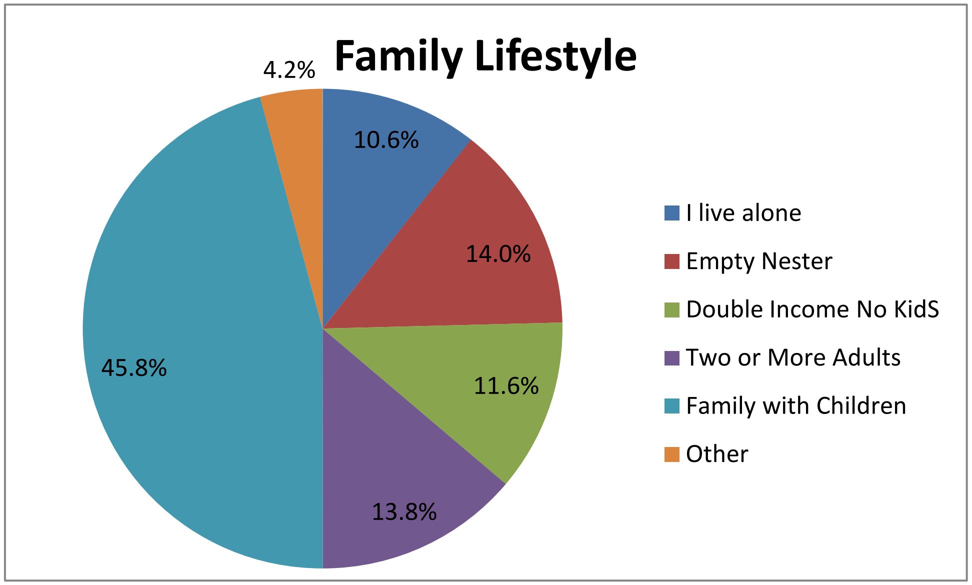

Figure 13: Family Lifestyle Summary Graphic

Table 19: Please choose the category that best describes how you usually travel to Downtown Grayslake to shop and dine.

Please choose the category that best describes how you usually travel to Downtown Grayslake to shop and dine.		
Answer Options	**Response Percent**	**Response Count**
I walk	10.7%	108
I bicycle	4.2%	42
Drive in 5 minutes or less	72.0%	727
Drive more than 5-minutes	13.2%	133
	answered question	**1,010**
	skipped question	**111**

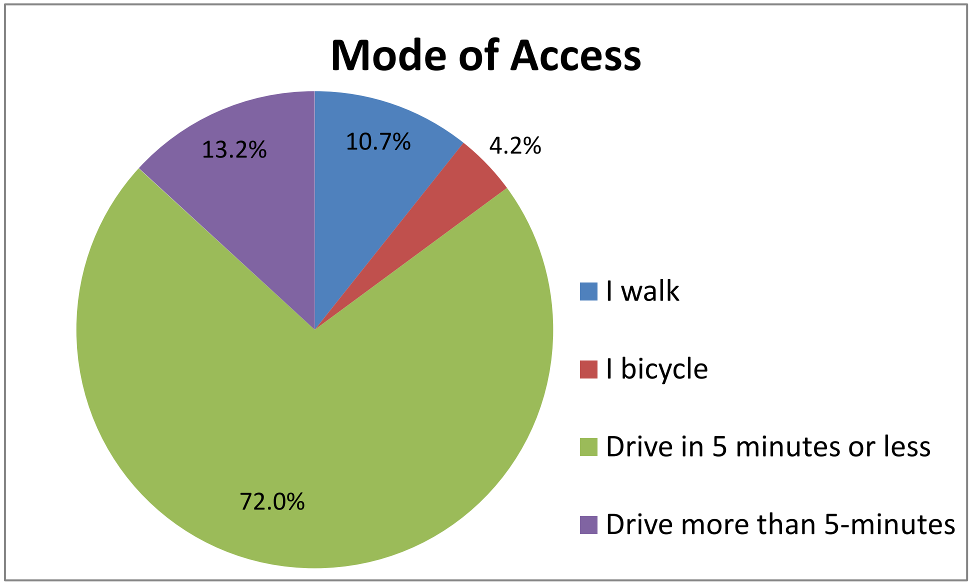

Figure 14: Mode of Access Summary Access

Table 20: Please choose the category that matches your age.

Please choose the category that matches your age.		
Answer Options	**Response Percent**	**Response Count**
Under 20	0.2%	2
20 to 24	0.3%	3
25 to 34	16.0%	162
35 to 44	31.8%	322
45 to 54	30.4%	308
55 to 64	15.4%	156
65 to 74	5.1%	52
75 or older	0.9%	9
	answered question	**1,014**
	skipped question	**107**

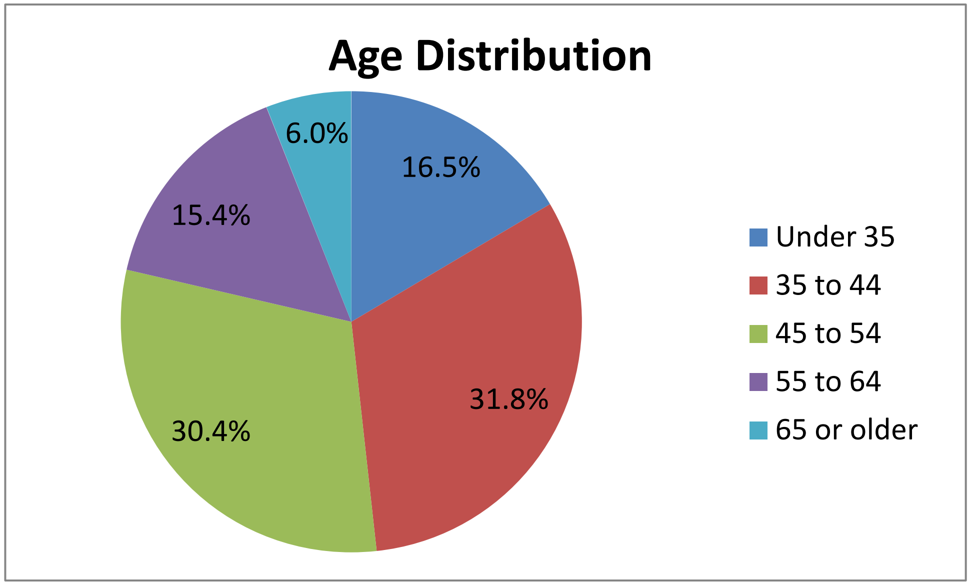

Figure 15: Age Distribution Summary Graphic

Respondent Observations

- With over half of the respondents working from home some of the week, there is a greater opportunity for daytime business than traditional employment suggests;
- Families with children dominate the sample;
- The predominate mode of access is a 5-minute drive time implying a need to accommodate cars or improve access via other modes of travel.

Retention and Recruitment Implications for Grayslake

Although the survey used Downtown Grayslake to focus respondents' thinking, the businesses desired by survey respondents and the shopping behaviors revealed are important considerations for owners of all Grayslake Commercial areas. Any business sought for Downtown would also be welcomed and likely succeed in Grayslake's other commercial centers. It is also important to note that this survey reported what respondents are thinking, not why they are thinking that way, nor should responses be interpreted as direction to action. For example, the relatively high indication that respondents would spend more if a hardware store were brought to Downtown can be addressed by encouraging an existing store like Dollar General to advertise or expand its hardware selection or by a program to encourage quick connection between the nearby ACE and Downtown. The importance of this survey is its ability to benchmark aspects of resident's behavior and satisfaction. By instituting a follow-up program, improvements from action taken as a result of this survey can be documented.

Market Share Analysis

Introduction

Calculating Market Share, the portion of the total available sales won by an individual business or a group of similar businesses reveals how much potential there is to grow the business(es) by capturing more of the available sales. Understanding market share by category reveals the relative competitiveness of a community's offering in a business category and allows comparison of offerings in different business categories. For a shopping district, the market share is the total sales of all businesses divided by a logical market's total spending.

Methodology

The calculation of market share is straight forward. If a community's children's apparel sales are $860,000 and the people in the community spend a total of $2,000,000 on children's apparel, then the market share is $860,000/$2,000,000 or 43%. Correctly determining community and store sales and category spending power are key to creating an accurate understanding and developing a strategy for market share capture.

Sales by Community, Store, and Store Category

For Illinois communities, the Illinois Department of Revenue provides community-wide sales data when it collects sales taxes and returns 1% of those taxes to the community. Grayslake's 2008 total retail sales were $222,274,663. (100 X Village Annual Sales Tax Revenue: $2,222,746.63) The state reports sales taxes by these ten categories:

Table 21: Sales Estimates as derived from sales tax revenue

		2008 Sales Tax Revenue	2008 Sales Estimate
	Total	$2,222,746.63	$222,274,663
1	General Merchandise		$334,299
2	Food	$430,490.80	$43,049,080
3	Drinking and Eating Places	$252,193.82	$25,219,382
4	Apparel		$334,299
5	Furniture & H.H. & Radio	$23,373.20	$2,337,320
6	Lumber, Bldg, Hardware	$136,661.28	$13,666,128
7	Automotive & Filling Stations	$604,013.65	$60,401,365
8	Drugs & Misc. Retail	$487,514.02	$48,751,402
9	Agriculture & All Others	$252,788.72	$25,278,872
10	Manufacturers	$29,025.16	$2,902,516

Illinois Department of Revenue, Demographic data © 2008 by Experian/Applied Geographic Solutions.

Illinois recognizes that sales data is proprietary, confidential information so it does not report totals for categories containing less than four businesses. In Grayslake's 2008 report, there were not enough general merchandise or apparel stores to allow a category revenue report; however, the difference between the reported categories and the total was $6,685.98. The sales of $668,598 were split between those categories to create 2008 estimated sales by category.

Because individual store sales are confidential and owners are unlikely to share precise information, store sales must be estimated using the best available data. That data is compiled biannually by the Urban Land Institute to facilitate mall owners and mall stores and restaurants comparing their results to national standards. That compilation is possible because mall store rents are calculated as percentage of sales and consequently, each business reports sales to the mall owner. The mall owners remove identification other than whether the reporting business is a national chain, regional chain, or independent business and forward their data to Urban Land Institute who compiled sales, rent and expense information to create *Dollars & Cents of Shopping Centers 2008*. For multi-owner shopping districts, like Grayslake's Downtown, where sales are not reported, ULI's publication offers the best available data. For this project, BDI used the median national sales per square foot multiplied by each Downtown business' square footage to create estimates for business sales. Table 22 reveals a sample of the categories and the national benchmarks.

Table 22: Standards for Sales and Rent per Square Foot

Tenant Category	Sample Size	GLA in Square Feet	Sales per Square Foot		Total Rent per Square Foot	
		Median	Top Ten Percent	Median	Top Ten Percent	Median
Bakery	39	712	$868.99	$527.68	$34.15	$20.65
Books	49	15,446	$330.74	$238.71	$23.80	$14.77
Cards and Gifts	60	4,000	$258.75	$151.70	$23.28	$14.00
Coffee & Tea	67	1,451	$1,462.00	$511.00	$61.48	$39.03
Decorative Accessories	13	2,000	$440.68	$206.12	$42.14	$27.62
Dollar Store/Novelties	83	8,048	$203.84	$141.44	$14.50	$9.04
Ice Cream Parlor	51	1,133	$514.00	$334.00	$62.95	$32.30
Jewelry	120	1,410	$1,713.11	$627.84	$112.40	$46.90
Liquor/Wine	50	3,074	$686.66	$396.27	$30.02	$16.11
Restaurant With Liquor	269	5,146	$668.00	$370.00	$36.29	$19.81
Restaurant Without Liquor	107	3,671	$536.00	$289.00	$37.12	$20.08
Women's Specialty	121	3,445	$693.47	$316.76	$49.52	$22.96

During project interviews knowledgeable business and property owners were asked to comment on whether the top 30% or median sales per square foot generated more accurate estimates for Downtown Grayslake. Although the consensus was that the median was the most accurate, it should be noted that in general Chicago metropolitan area shopping districts need to perform at a higher level to meet the higher expenses of a metropolitan area location. Appendix 1 lists sales standards for over 80 businesses and Appendix 2 assumes that downtown Grayslake businesses achieve their category's median sales per square foot to estimate sales by business.

Total Available Sales

The sales available to any business are limited by the category purchasing power of residents living in its logical market plus additional purchasing power associated with unusual circumstances like nearby attractions or a concentration of employment. Table 23 uses the Experion national database to report the purchasing power by selected categories for markets that logically might be served by Grayslake businesses.

Table 23: Purchasing Power by Market

	Affiliated Market: Grayslake	Convenience Market: 5 Minutes Drive Time	Destination Market: 20 Minutes Drive Time
Eating and Drinking Total	$27,792,791	$21,811,057	$422,507,193
Drinking Places	$1,043,215	$818,877	$16,037,065
Limited Service Restaurants	$12,312,193	$9,662,135	$186,947,619
Full Service Restaurants	$12,372,048	$9,709,247	$188,153,431
Special Food Services and Catering	$2,065,335	$1,620,798	$31,369,078
Food	$39,964,937	$31,438,273	$610,020,129
Grocery Stores	$36,397,794	$28,634,251	$555,370,462
Convenience Stores	$1,628,037	$1,280,660	$24,865,557
Liquor Stores	$1,778,261	$1,396,423	$27,369,201
Other Specialty Food	$160,845	$126,939	$2,414,909
Gift and Souvenir Stores	$507,770	$398,623	$7,722,982
Jewelry Stores	$1,357,580	$1,066,211	$20,893,743
Women's Clothing Stores	$2,403,249	$1,887,971	$36,894,549
Book Stores	$1,557,228	$1,221,898	$23,738,818
Total Annual Retail Sales Potential	$245,827,574	$193,016,907	$3,729,512,331
Demographic data © 2008 by Experian/Applied Geographic Solutions.			

The Experion data service relies on its credit division to project total spending by anonymously consolidating information on the purchases made by residents of the area and areas with similar demographic characteristics to estimate a population's purchasing power. Those purchases are made in many communities as residents choose where to buy the goods and services that they need based on their satisfaction with the goods and services offered by different stores. Appendix 3 reports spending potential for over 70 types of stores, restaurants and services.

Other Considerations

There are varying levels of detail in the categories used by the Illinois Department of Revenue, Experion, and Urban Land Institute (ULI). ULI offers the most detail and the Illinois Department of Revenue offers the least. In the analysis that follows, BDI consolidated more detailed data into the Illinois Department of Revenue and Experion categories to create comparable data.

Community-Wide Market Share Analysis

The performance of Grayslake's retail stores not only delivers service to community residents, it supports the village revenue base through municipal sales tax. At a minimum, communities seek to collect at least as much sales tax as their residents pay, a 100% market share capture rate. Table 24 using Illinois Department of Revenue sales tax data reveals that Grayslake needs to attract another $23.6 million in sales to achieve that goal. (Sales Potential: $245,827,574-Sales: $222,274,663 = $23,552,911)

Table 24: Community-Wide Market Shares

	Village 2008 Sales	Village 2008 Sales Potential	Village 2008 Market Share
Grocery	$43,049,080	$39,964,937	107.7%
Drinking & Eating Places	$25,219,382	$27,792,791	90.7%
Apparel	$334,299	$10,988,516	3.0%
Total	$222,274,663	$245,827,574	90.4%
Illinois Department of Revenue, Demographic data © 2008 by Experian/Applied Geographic Solutions, BDI.			

A challenge facing Grayslake as it seeks to increase its retail sales tax revenue is the very competitive surrounding market. As Table 25 reports, the combined market share capture rate for Grayslake and its neighboring communities is approximately 200% indicating that the area is drawing from a larger region. Gurnee Mills and the Six Flags Amusement complex are the fuel for that regional appeal.

Table 25: Comparison Community Market Shares/Capture Rates

	Grayslake	Gurnee	Libertyville	Round Lake Beach	Combined
Grocery	109.6%	122.7%	119.8%	170.2%	127.8%
Drinking & Eating Places	90.7%	283.2%	125.3%	154.0%	172.6%
Apparel	0.0%	667.2%	35.2%	24.5%	223.7%
Total	90.4%	320.4%	180.5%	147.6%	199.5%
Illinois Department of Revenue, Demographic data © 2008 by Experian/Applied Geographic Solutions, BDI.					

In addition to the regional draw, there are unincorporated areas that add spending power to the region but whose residents are not included in any community's total spending. It should also be noted that many factors outside of each community's control, like the presence of roads carrying heavy traffic, a history of development that creates valuable co-tenancies and the availability of land suitable for development impact each community's ability to attract commercial development.

Retention and Recruitment Implications for Grayslake

Although communities seek at a minimum to obtain 100% of the sales tax revenue paid by their residents, as the results for Gurnee in Table 25 demonstrate, communities able to capitalize on strong transportation and co-tenancies often greatly exceed that goal. Grayslake has an opportunity, not analyzed as part of this study, to capitalize on transportation and site advantages at it Lake County Fairgrounds site. As noted, Grayslake needs to increase sales by over $23 million to meet the basic goal of receiving at least as much sales tax revenue as its residents pay. Although ultimately a development possibility at the Fairgrounds has the potential to greatly exceed that 100% capture goal, increasing sales in existing businesses is an immediate opportunity to achieving 100% sales tax capture because it generates more sales without a high investment in new development or extensive remodeling. As mentioned previously, interviews associated with this project revealed that sales per square foot in many Grayslake businesses, especially Downtown, lag regional benchmarks. Consequently, tactics to improve store and restaurant operations and marketing efforts are key elements of an action plan expected to result of higher sales per square foot. The business opportunities section also identifies tenant recruitment targets most likely to attract new sales to Grayslake's existing centers.

Convenience and Destination Markets

The convenience and destination markets look beyond political boundaries to consider the time customers expect to drive for different types of products. For example, suburban residents expect to purchase groceries within a quick 5-minute drive of home but will drive a longer distance to buy items like apparel and furniture. Using Downtown as a center point, these convenience and destination market shares were calculated.

Table 26: Village Convenience and Destination Market Shares by Category

	Actual Village Sales	5 Minutes Drive Time 2008 Sales Potential	Convenience Market Share	20 Minutes Drive Time 2008 Sales Potential	Destination Market Share
Food	$43,049,080	$31,438,273	136.9%	$610,020,129	7.1%
Drinking & Eating Places	$25,219,382	$21,811,057	115.6%	$422,507,193	6.0%
Apparel	$334,299	$8,635,154	3.9%	$168,049,091	0.2%
Furniture	$2,337,320	$5,176,144	45.2%	$100,088,503	2.3%
Total	$222,274,663	$193,016,907	115.2%	$3,729,512,331	6.0%
Illinois Department of Revenue, Demographic data © 2008 by Experian/Applied Geographic Solutions, BDI.					

The geography of these markets is illustrated by these maps:

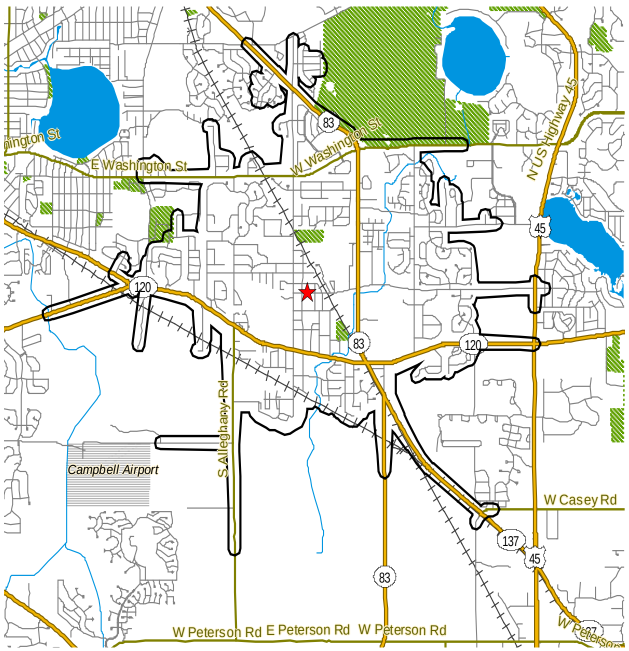

Figure 16: Five-Minute Drive Time

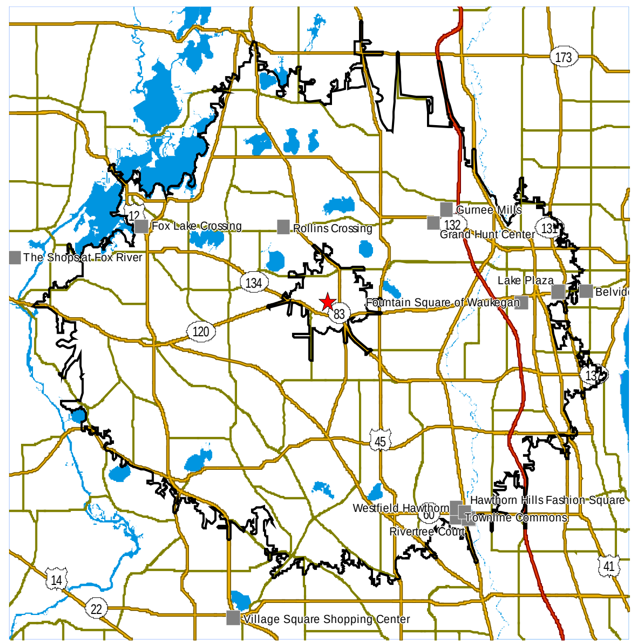

Figure 17: 20-Minute Drive Time

Implications for Grayslake

Market shares/capture rates over 100% for convenience goods like Food (Grocery Stores) shows that Grayslake's commercial areas are doing a good job of satisfying the everyday needs of its residents. The lower market share/capture rate for shopping goods like Apparel and Furniture illustrate a weakness in unique specialty businesses typically found in downtowns or specialty shopping centers. With the Fairgrounds development opportunity not studied in this report covering specialty shopping centers, this study was focused on the need for a more aggressive recruitment strategy targeting Downtown Grayslake.

Downtown Market Share Analysis

The analysis that follows first divides the businesses in Downtown Grayslake into categories. It then sets standards for each category and documents the current performance of the downtown commercial cluster. With that information it is possible to calculate market share by category. The analysis concludes with a business opportunity profile that identifies ways to improve downtown's performance by increasing sales in existing businesses and attracting new businesses.

In 20 years working with downtowns, BDI has concluded that the appropriate base for a downtown's market share calculation is the associated community's spending power because residents' must use and feel an affiliation with their successful downtown for it to be the community place that satisfies residents. Satisfaction only occurs when residents select Downtown as a place to frequently visit and spend money. For the purposes of comparing downtown to the market, the strength of the affiliation can be measured by these classifications:

- Regional Draw: a 150% or greater market share indicating that this category draws from a larger geography than the local community.
- Community Serving: a 75% to 149% market share that includes the 100% level illustrating balance between sales and spending power. The range recognizes that the match will be perceived before the balance occurs and continue as regional shoppers begin to access the category.
- Competitive Alternative: a 25% to 74% market share that recognizes that there is a strong regional attraction nearby but that the studied district can be a choice because it is convenient and/or unique.
- Minor Alternative: less than a 25% market share occurs when the overall category is declining or there is a weak location or fit between the use and aspects of the location like parking or inventory storage.

Although it is included to make a complete statement about the market share opportunities, only a few communities' vintage downtowns ever become regional draws. Both Downtown Evanston and Downtown Naperville are regional draws for dining. Trends suggest that dining is an important opportunity for Downtowns and that becoming a regional draw it a realistic goal in that category as overall utilization improves.

Existing Conditions

Although Downtown Grayslake is only one of the commercial markets contributing to retail sales in Grayslake, it is an important priority because, like all downtowns, it has the power to enhance or impair Grayslake's image in the regional market. Once a rural crossroads and the primary shopping destination in Grayslake, newer developments have replaced Downtown Grayslake as the place for essentials like groceries and hardware. Although the downtown contains over 160,000 square feet of space, as Table 27 and the associate graph reveal, only a minority of that space is dedicated to sales tax producing businesses.

Table 27: Downtown Grayslake Space Utilization

Use	Square Feet
Sales Tax Producing	66,655
Non-Sales Tax Producing	67,320
Vacant	26,400
Total	160,375

Source: Village of Grayslake, May 26, 2009

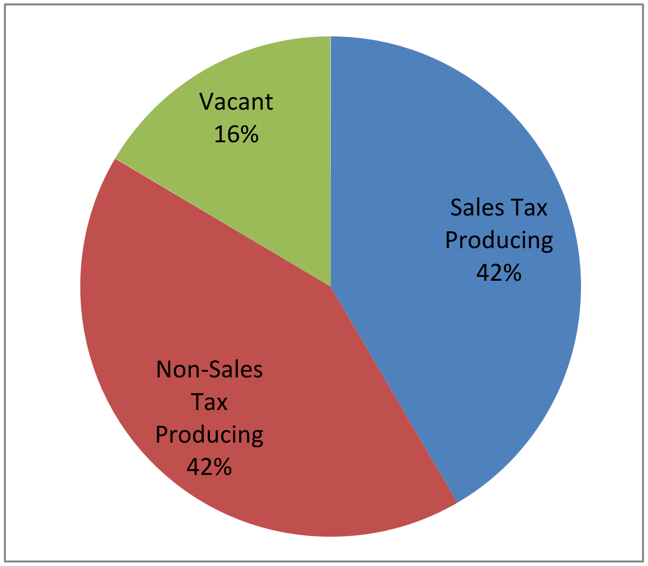

Figure 18: Downtown Space Utilization

Using business square footages provided by the Village and national median for sales per square foot, Table 28 below estimates Downtown Grayslake businesses' existing sales. Spending power by category combined the more detailed Experian data into the Illinois Department of Revenue categories. Market share is the sales expressed as a percentage of the spending power. Those market shares identified the current competitive classification for each category.

Table 28: Downtown Grayslake Sales by Category

	Estimated Downtown Sales	Grayslake's Estimated Spending Power	Downtown Grayslake Market Share	Market Share Competitive Classification
Hair & Nail Care	$1,477,204	$1,474,965	100.2%	Community Serving
Food	$3,400,250	$39,964,937	8.5%	Minor Alternative
Restaurant	$6,917,780	$27,792,791	24.9%	Competitive Alternative
Home Oriented	$6,376,293	$20,793,920	30.7%	Competitive Alternative
Apparel	$522,234	$10,988,516	4.8%	Minor Alternative
Total	$17,216,557	$99,540,164	17.3%	Minor Alternative

Source: Village of Grayslake; ULI Dollars & Cents of Shopping Centers 2008; **Demographic data © 2008 by Experian/Applied Geographic Solutions, BDI.**

The classification of Downtown Grayslake as a "Minor Alternative" is consistent with survey results that show weekly Downtown dining and shopping ranking behind other Grayslake, Gurnee, and Round Lake competition. Table 29 illustrates the available regional spending and the small share currently captured by Downtown Grayslake:

Table 29: Destination Market Share

	Estimated Sales	20-minute Drive Time Spending Power	Destination Market Share
Hair & Nail Care	$1,477,204	$22,377,074	6.6%
Food	$3,400,250	$610,020,129	0.6%
Restaurant	$6,917,780	$422,507,193	1.6%
Home Oriented	$6,376,293	$314,804,770	2.0%
Apparel	$522,234	$168,049,091	0.3%
Total	$17,216,557	$1,515,381,183	1.1%

The business opportunity profiles and the peer communities analysis that follow illustrate a recruitment strategy that moves the downtown as a whole into the "competitive alternative" classification. That opportunity assumes that the businesses of downtown would tap into the larger regional market as well as encouraging residents to shop local.

Market Share Summary

As a community Grayslake competes in a very hotly contested retail environment. Yet it is also an environment with significant spending power to be captured by the strongest businesses. Although very competitive markets like Grayslake's are challenging, they also force businesses to adopt best practices or fail. Focusing on a recruitment strategy ensures that there are ready replacements when store openings occur. The peer analysis and business opportunity profiles that follow guide the development of a strategy for managing the mix of Downtown businesses to improve resident utilization and create an environment where businesses have every opportunity to succeed.

Grayslake Peer Communities

As part of the Grayslake Retail Market Development Plan, five peer communities were identified for assessment. The focus of these assessments was each community's downtown district. These peer communities include Antioch, Geneva, Lake Zurich, Libertyville, and Woodstock. The following describes the peer community examination process and results.

Methodology

In identifying the five peer communities, demographic data for 11 communities was assembled and reviewed with Village staff. Community demographics, existing retail clusters, their history, and their locations, and business recruitment potential were the basis determining the peer communities for Grayslake. The focus for Grayslake's peer community analysis was an understanding of those retail market attributes and businesses that could prove successful in Grayslake's downtown.

Once the communities were determined, the geographical center of each downtown was used as a center point. The center points are:

- Antioch (Main Street and Lake Street)
- Geneva (Illinois Route 38 and Second Street)
- Lake Zurich (Main Street and Old Rand Road)
- Libertyville (Milwaukee Avenue and Cook Street)
- Woodstock (Woodstock Square)

Using these downtown center points, demographic data for a pedestrian market (.5 miles) and a convenience drive time market (5 minutes) were reviewed and compared with the same markets for downtown Grayslake. After considering the demographics of each peer district, each downtown district was visited to assess retail character and business mix. Observations about each peer downtown were noted, as were the multiple common attributes among them.

Research was then conducted on ground floor retail properties for lease in each of the five peer downtowns. Properties available for lease on LoopNet and Co-Star were reviewed. The square footage, asking lease rate, property type, and any specific lease requirements were noted for each property. This research was conducted in June 2009 and presented to Village staff in July 2009. Grayslake properties for lease were also reviewed as part of this process.

Finally, the peer downtowns and their leasing issues were considered within the context of the regional retail market. This final step was the development of potential programming and plan implementation opportunities for the Village and downtown's stakeholders, including the Grayslake Chamber of Commerce.

Peer Community Characteristics

The key demographic attributes for Grayslake and the five peer communities are shown below (Table 30).

Table 30: Peer Community Demographics

	Grayslake	Antioch	Geneva	Lake Zurich	Libertyville	Woodstock
Population	22,990	11,793	26,001	19,647	23,412	24,181
Average Household Size	2.99	2.87	2.99	3.26	2.90	2.72
Median Age	32.93	36.36	36.21	36.78	41.27	33.82
Bachelor's Degree	32.37%	18.95%	34.31%	31.22%	33.46%	18.61%
Graduate/Professional School Degree	18.47%	9.95%	19.51%	16.22%	26.38%	8.50%
Median HH Income	$91,586	$69,230	$98,370	$109,559	$117,691	$61,380
Households w/ Incomes $75,000+	4,879	1,887	5,490	4,201	5,522	3,245
Total Employees	9,495	3,569	15,345	10,784	15,460	12,764
Total Retail Expenditure	$209,272,403	$103,791,774	$265,197,784	$209,617,738	$301,995,524	$196,706,797

Demographic data © 2008 by Experian/Applied Geographic Solutions.

With the exception of Antioch, each of the peer communities is similar in population and employment. Incomes vary more from Woodstock's low of $61,320 to Libertyville's high of nearly $118,000. Woodstock and Antioch's lower incomes can be attributed to their more rural character and their educational levels. All of the communities have adequate spending power to support retail development. Grayslake has the lowest median age, indicating greater spending potential associated with household formation. The lower age also suggests that Grayslake households will likely increase in income and spending power, as the current economic difficulties subside.

Each of the communities displays similar demographics within their typical pedestrian markets, or .5 mile market from the downtown center point, as noted below in Table 31.

Table 31: 5 Mile Pedestrian Market in Peer Downtowns

	Grayslake	Antioch	Geneva	Lake Zurich	Libertyville	Woodstock
Population	1,912	2,728	1,951	1,646	3,800	4,213
Average Household Size	2.43	2.37	2.23	2.55	2.2	2.5
Median Age	36.65	37.66	39.40	36.65	41.13	32.97
% Bachelor's Degree	26.59%	18.69%	33.86%	24.28%	29.17%	22.19%
% Graduate/Professional School Degree	18.92%	9.96%	17.77%	10.21%	24.90%	9.07%
Median HH Income	$74,915	$59,402	$76,947	$76,302	$94,154	$55,972
# Households w/ Incomes $75,000+	392	481	444	328	1,018	554
Total Employees	1,837	1,232	4,994	1,575	2,168	4,138
Total Retail Expenditure	$19,267,720	$27,852,925	$23,521,696	$18,753,072	$60,229,970	$36,034,277

Demographic data © 2008 by Experian/Applied Geographic Solutions.

While income and educational levels are satisfactory in each of these pedestrian markets, all markets lack sufficient population and employee numbers to either attract or support significant retail or restaurant clusters. All must draw customers from a much larger geography than their immediate neighborhood. The median ages generally resemble the overall municipal population in four of the communities but skews older in Grayslake and Geneva. In Grayslake, this median age of 36.65 with .5 miles of downtown contrasts with the median age of 32.93 for the entire community.

The 5-minute drive times for the peer downtowns are shown in Table 18. With the exception of Geneva, the 5-minute markets are below the retail market population size of 25,000 generally thought to support convenience retailing. Lake Zurich, Libertyville, and Woodstock support food and beverage with employment exceeding 10,000 within their 5-minute markets. Both population and employment indicate that each of these peer downtowns must include destination retailers to attract shoppers from a larger geography. Grayslake's 5-minute market, with its lower population and employment base, will also necessitate that destination retail development.

Table 32: 5-Minute Drive Time Market in Peer Downtowns

	DT Grayslake	DT Antioch	DT Geneva	DT Lake Zurich	DT Libertyville	DT Woodstock
Population	17,707	15,153	25,617	18,044	19,790	17,946
Average Household Size	3.02	2.8	2.72	3.17	2.78	2.67
Median Age	33.09	36.91	37.26	37.2	41.38	34.02
Bachelor's Degree	31.23%	18.11%	29.36%	30.31%	32.66%	19.83%
Graduate/Professional School Degree	18.41%	9.15%	17.37%	15.51%	26.64%	8.01%
Median HH Income	$89,281	$70,482	$85,587	$106,416	$110,185	$60,077
Households w/ Incomes $75,000+	3,577	2,510	5,218	3,856	4,677	2,392
Total Employees	7,193	4,625	15,893	12,539	15,895	11,813
Total Retail Expenditure	$157,133,822	$135,869,835	$254,443,892	$198,405,710	$261,632,335	$143,703,131

Demographic data © 2008 by Experian/Applied Geographic Solutions.

Peer Community Observations

In identifying and considering each of Grayslake's five peer communities, five common attributes were identified. These common attributes are followed by specific observations about each peer community and its downtown.

- These established, historic communities all had recent residential and commercial growth. All of these peer communities have multiple high traffic corridors that have experienced significant new retail development, including the construction of new shopping centers of all types and the addition of large format, national retailers. Though downtown Geneva and Libertyville are located on major state highways, major retail development has occurred on their other major arterials where land or redevelopment sites were and are available and suitable for larger scale, new development.
- Commuter rail does not appear to significantly impact retail development in these communities. With the exception of Lake Zurich, each of the peer downtowns has a Metra station in or near its downtown district and commuter service remains an important amenity. Metra studies indicate that the businesses proximate to a commuter rail station have increased sales of 5-10%, resulting from station activity. These sales increases can be considered a 'bonus market,' increasing the operating margins of those nearby businesses. In the two communities with the most weekday boardings and alightings, Geneva and Libertyville, the stations are somewhat removed from the downtown core. Consequently, the economic impact of Metra riders would likely be within the range noted.
- Vacancies were evident in each of the peer downtowns. As expected, vacancies and marginal tenancies, or ground floor businesses with a wide range of poor operating practices, were observed in all of the downtowns. All of these downtowns also had sites available for in-fill development in or near the center. As in Grayslake, each community will need to be pro-active in working with the local real estate community to identify and recruit suitable tenants.
- Traditional business mix. Each of these downtowns, like downtown Grayslake, has a traditional mix of downtown uses. Service businesses, specializing in personal care, and professional practices serve the needs of both residents and visitors. Unique retailers and food and beverage businesses attract customers from a wider geography. Local government offices and community institutions are part of the mix in all of the communities.
- Wide range of asking ground floor rents. Detail about each peer downtown's real estate data is provided below in the real estate section. Even in both downtown Geneva and Libertyville, the two communities generally considered downtown success stories, the rents range from $14-$28 per square foot (PSF) in Geneva and $8-$24 PSF in Libertyville. These are asking rent ranges for triple net leases.

Despite these strong similarities, some differences exist among the downtowns. Some represent a different approach to their market or image; others represent physical and appearance challenges. Geneva and Woodstock use historic preservation to differentiate themselves. Both have destination appeal. Geneva has established itself as a strong tourism destination, primarily for day visitors, within the Chicago region. Woodstock has become a cultural destination, given year round performances and festivals at the Woodstock Opera House.

Antioch, Woodstock, Geneva, and Libertyville have downtown food and beverage businesses offerings with diverse price points and types of service. These selections or clusters of restaurants appeal to an audience beyond the communities' 5-minute drive time markets. These clusters also provide important exposure to the rest of the downtown businesses.

Libertyville and Geneva have experienced recent denser, downtown residential development. While these newer residential developments reflect market confidence in these communities, the business mix in both communities developed before the new housing. Woodstock and Grayslake have also had residential development near their downtowns, indicating market confidence in these downtowns.

Formal downtown management programs, or organizations, vary significantly among the communities. Geneva has an active Chamber of Commerce, but most downtown-specific issues and programming are managed by the City of Geneva. Main Street Libertyville has had many past successes in revitalizing the Milwaukee Avenue corridor but has been hampered by funding issues in the last five years. The local, or area, Chamber of Commerce organizes downtown activities and produces downtown marketing materials in Lake Zurich and Antioch. Woodstock has a new Main Street organization, but most past downtown programming has been either City or Chamber sponsored. Like Grayslake, Woodstock's Farmers Market is operated by an independent organization. The Grayslake Chamber has also developed a complete special events calendar and a business advertising program.

Observations: Antioch

Though located on a major highway, traffic counts on Route 83 decline significantly through downtown north of Route 173. Antioch's downtown has a restaurant cluster, which includes additional locations for established area restaurant operators. The downtown also has many unique retailers, with strong two-sided retail evident on both Main Street and Lake Street. This two-sided retail location pattern throughout downtown enhances pedestrian circulation and connectivity throughout the district, and adds retailer visibility. The retail mix includes a home accessories cluster. Multiple traffic generators, such as Village Hall, are also located in or near downtown.

While vacancies were less evident than in other peer downtowns, Antioch has the most noticeable appearance issues. Some buildings suffer from deferred maintenance, and sustained basic maintenance, such as sidewalk cleaning, appeared lacking. The hidden, enclosed shopping mall at the downtown's south end faces obvious code-related issues, despite appearing fully tenanted. Antioch provides ample parking behind much of its street facing retail. These parking lots and the rear facades of those buildings adjoining the parking lots could benefit from additional landscapes and rear façade improvements.

Antioch's Metra station is located three long blocks east of the downtown core. After commuter rail service was initiated in the late 1990s, new retail lease space was built near the Antioch station. Only one retail tenant is currently evident; medical offices occupy the remaining space.

Observations: Geneva

Among the peer communities, Geneva has the fewest vacancies and the most diverse and interesting retailers. Geneva's critical mass of upscale retailers with strong merchandising skills attracts regional destination shopping. (Annual visitor traffic is estimated at 300,000, according to the City.) Downtown's businesses have evolved over time to serve residents, visitors, and employees.

In addition to strong retail, Geneva has a significant food and beverage offering as part of the overall business mix. These food and beverage operations range from high-end destination restaurants to carryout food businesses. Most are interspersed throughout the Route 38 corridor. In addition, downtown Geneva is the location for multiple institutions. Local government, both City and County, maintains offices in and near downtown.

Geneva has also taken advantage of its location on the Fox River. While different in character, the transition between the commercial areas on either side of the river is effective. Uses on the east side are more office oriented, including some homes converted to office use, are some food and beverage businesses. On the river's west side, the Herrington Inn, a boutique hotel facing the Fox River, begins the transition to downtown's retail concentration. The hotel also serves as a downtown anchor and reinforces Geneva's regional destination character.

Observations: Lake Zurich

Of the peer downtowns, Lake Zurich appears the quietest, and has the least traffic. Circulation and downtown's configuration are challenging since the Route 22 bypass was constructed. Few retailers and restaurants are located in the downtown area. The most notable businesses are professional practices, such as dentists and physicians, and a minor wedding-related business cluster. The key anchors are the hardware store and garden center located near the Old Rand Road/Route 22 intersection. New residential development under construction in downtown Lake Zurich has stalled as a result of the economic downturn.

Observations: Libertyville

Libertyville's downtown revitalization work has been ongoing for over twenty years. Much of downtown's unique retail is located north of Cook. The overall mix includes a large food and beverage offering, including established restaurants, such as Mickey Finn's and Firkin, and new restaurants, such as Casa Bonito, a second location for a Waukegan restaurant. While the mix includes primarily independent retailers, some name, or national outlets are located on Milwaukee Avenue. Caribou Coffee and Starbucks are examples. The movie theater and the township library are additional attractions.

Libertyville's first downtown parking deck is currently under construction north of Village Hall as part of some larger, mixed use development, facing Milwaukee Avenue (on the west side). The deck location complements the rear façade improvements that have been completed over the last decade by downtown's property owners. Traffic on Milwaukee Avenue somewhat inhibits pedestrian circulation. However, parking located behind the Milwaukee Avenue businesses, combined with well-maintained walkways to the street and rear entrances, generally mitigates some access issues.

Observations: Woodstock

Like Grayslake's downtown, the Woodstock Square is hidden and located away from its high traffic corridors. New gateways and signage were designed and installed in 2006-2007. Of all of the peer communities, Woodstock has the best wayfinding signage of any of the peer communities.

While Woodstock's Square and the surrounding blocks include some destination retailers, the strongest component of the business mix is its restaurants. Most offer casual dining, some with counter service. Starbucks is the one name tenant located on the Square. Because Woodstock is a county seat, professional practices are another key mix component. Though retailers are less in number, they include some well-established locals like Lloyd's Paint & Paper, Knuth's Office Outfitters, and Swiss Maid Bakery. In addition, Woodstock's retail tenants include a home accessories business cluster.

Observations: Grayslake

Grayslake's downtown is located off of major traffic patterns, like Woodstock and Lake Zurich's downtowns. As with all of the peer communities, downtown Grayslake is pedestrian friendly. Special events, scheduled throughout the year, increase downtown's visibility. The Village has made substantial infrastructure investments throughout the downtown district, including the Village Hall building.

Downtown's mix currently includes strong existing businesses, such as The Vine, and regional draws, such as Dog 'N Suds. The downtown business mix also includes some ground floor businesses that could increase revenues by improving their operations. Grayslake, as the peer communities have done, has the opportunity to expand and diversify downtown's food and beverage offering.

Peer Community Real Estate Characteristics

Asking rents in the peer downtowns varied significantly. Overall, Woodstock and Antioch had the lowest downtown asking rents, and Geneva and Libertyville had the highest asking rents. Lake Zurich's rents were difficult to discern, given that all asking rents in or near downtown were listed as negotiable. The published asking rent for the one retail listing closest to downtown, but located on a high traffic corridor, was $15 PSF on a triple net basis. The likelihood is that Lake Zurich's current rents are less than those asked in Antioch or Woodstock, given the level of commercial activity and traffic there.

Asking rents on the Woodstock Square and surrounding blocks were generally in the $8-13 PSF range on a modified gross basis. One asking rent on the Square was $13.71 PSF on a triple net basis. This is significantly less than asking rates at a Jewel anchored retail center located on Route 47. The range at this center was $24-28 PSF on a triple net basis. Other Route 47 asking rents were in a similar range.

Antioch's downtown asking rents were all quoted on a modified gross rent basis within a tight range, $8-10 PSF. Within the downtown area, available lease space at the Antioch Shopping Plaza, the Piggly Wiggly anchored center, was listed at $8 PSF on a triple net basis. In comparison, asking rents for proposed new retail space at the Antioch Crossings Center (on Route 173 across from Super Wal-Mart) were $20 PSF, triple net. This was described as 'pre-construction pricing.'

Libertyville's asking rents in the downtown core on Milwaukee Avenue were fairly consistent, generally in the $22-24 PSF range on a triple net basis. Add-ons were generally quoted as $3.50 PSF. Also on Milwaukee Avenue, asking rents south of Cook Street ranged from $8-20 PSF on a triple net basis. Geneva's downtown asking rents were comparable to those on Randall Road. Within the core area near Route 38 and Third Street, asking rents were $14-28 PSF (triple net). There were significant variations based upon the size of the space available. Available retail spaces of over 1,500 SF were at the high end of the range. Restaurant spaces had asking rents in excess of $25 PSF.

Asking rents in downtown Grayslake were also reviewed as part of this peer analysis process. Asking rents for new and proposed downtown developments were $18 PSF triple net. Asking rents varied significantly in other areas of Grayslake, ranging from $6.40-25 PSF, generally on a triple net basis. Newer retail space was typically $15 PSF or more. Downtown Grayslake rents quoted for vintage space during interviews for this project were in the $7-10 PSF range on a triple net basis.

Implications for Grayslake

Insights gleaned from examining these communities include:

- Asking lease rates in Downtown Grayslake are generally comparable or lower than those in the peer communities. Rents are not an obstacle for future retail development, given the presence of strong retailers and restaurants in each of the peer communities. As described in the Action Plans, the key emphasis in retail recruitment for Grayslake will be identifying and recruiting businesses with strong operating histories that can succeed in the appropriate location. This will ensure that future tenants are performing at the operating level necessary to ensure reinvestment in Grayslake's downtown buildings and retail centers.
- All of the peer communities likely present future recruitment opportunities for Grayslake. In addition to the retailers and restaurants obtained in the survey results, businesses from the peer communities have been identified as potential recruitment targets for Grayslake. (The complete list is included with the Business Opportunity Profiles.) As the Retail Development Plan is implemented, part of the Village staff's current outreach to property owners and area retail brokers will include discussions about their existing contacts with target businesses and how to prioritize recruitment activities with those businesses.
- Future implementation work with Grayslake's developers, commercial/retail brokers, and property owners should promote strong tenancies in all of Grayslake's retail areas. In addition to economically viable new businesses, this includes strong co-tenancies and a functional anchor business in the downtown and at Grayslake's other centers. Though the business types may vary by location, owner knowledge and experience are again important. Build-to-suit development by experienced developers with committed ground floor commercial tenants should be another element of this implementation work.
- Given the study's survey results and the respondents' interest in food-related businesses, initial implementation plans can begin with these related business types.

Addressing these implications directly will permit the Village to strategically approach the kinds of businesses that can succeed in Grayslake, provide additional shopping and dining options for Grayslake's residents, attract consumers from outside of the community, and continue to strengthen the Village's reputation as a good place for businesses to locate. Most important, this kind of focus will improve local perceptions about the community's retail and dining opportunities, particularly in the downtown, and over time, will increase Grayslake residents' affinity with their community.

Downtown Business Opportunity Profiles

If Downtown Grayslake is to become the shopping district envisioned by community residents and achieve the recommended category market shares, it must improve the sales in existing businesses and attract additional shopping and dining venues. Table 33 summarizes the needed changes:

Table 33: Downtown Business Opportunity Profile Summaries

Business Category	Desired Sales (million)	New Sales (million)	# Businesses	Existing Businesses	Recruitment Target	Sales/SF Target	SF for Desired Sales	SF Needed	Market Share Competitive Classification Goal
Food Goal	$10.0	$6.6	7	1	6	$400	24,978	17,978	Competitive Alternative
Restaurant Goal	$14.0	$7.0	14	9	5	$500	27,793	8,603	Competitive Alternative
Home Goal	$10.4	$4.0	21	12	9	$250	41,588	10,320	Competitive Alternative
Apparel Goal	$2.7	$2.2	5	1	4	$250	10,989	9,189	Minor Alternative
Hair & Nail Goal	$1.5	$1.5	5	5	0	$200	7,500	0	Community Serving
Total	$38.6	$20	47	23	24		112,847	46,089	Competitive Alternative
						Vacant SF		26,400	
						15% Office SF		10,098	
						New SF		9,591	

It is important to note that although this overall opportunity profile suggests that sales more than double in Downtown Grayslake, it recommends adding less than 50% more space. This calculation result stresses the importance of increasing sales in existing businesses. It also illustrates how important it is for Downtown Grayslake to have compatible adjacent businesses that encourage multiple stop shopping that increases impulse sales. There also must be a critical mass of business choices to attract comparison shopping behavior that increases spending. The Action Plan that follows the Downtown Business Opportunity Profiles focuses on strengthening multiple stops and shopping behaviors related to each business category.

Downtown Food Business Opportunity Profile

Current Offering

Table 34: Food Business Current Offering

Business	Approximate Size (Sq. Ft.)	ULI Category	$/SF	Estimated Sales
Convenience Store	7,000	Supermarket	$485.75	$3,400,250
Source: Village of Grayslake, May 26, 2009; *ULI Dollars & Cents of Shopping Centers 2008*				

Goal: Increase to minimum competitive alternative

- Sales of $3.4 million grows to $10 million by adding $6.6 million
- 7,000 SF grows to 25,000 SF by adding 18,000 SF
- Sales of $400 per SF for entire category

Recruitment Strategy

- Could be "indoor farmer's market"
- Need sales of $1 million+ per business given lower margins
- Prospective Businesses
  - Polson's Natural Foods, Antioch
  - Tenuta's, Kenosha
  - Earthly Goods, Gurnee
  - Murphy's Natural Foods, Libertyville
  - Lovin Oven, Round Lake Beach

Sales Tax Impact

- Potential for additional Village revenue of $66,000 per year

Downtown Restaurant Business Opportunity Profile

Current Offering

Table 35: Restaurant Business Current Offering

Business	Approximate Size (Sq. Ft.)	ULI Category	$/SF	Estimated Sales
Somethin's Brewin'	1,770	Coffee & Tea	$511.00	
Tastee Freeze	1,000	Ice Cream Parlor	$334.00	
Abel's Restaurant	2,450	Restaurant With Liquor	$370.00	
Charlie's	2,230	Restaurant With Liquor	$370.00	
Last Chance	3,850	Restaurant With Liquor	$370.00	
The Vine	3,000	Restaurant With Liquor	$370.00	
Fred's Diner	1,520	Restaurant Without Liquor	$289.00	
Restaurant;	1,830	Restaurant Without Liquor	$289.00	
Whitney Restaurant	1,540	Restaurant Without Liquor	$289.00	
Subtotal	19,190			$6,917,780

Source: Village of Grayslake, May 26, 2009; *ULI Dollars & Cents of Shopping Centers 2008*

Goal: Increase to typical competitive alternative (50%)

- $7 million doubles to $14 million
- 19,000 SF grows to 28,000 SF by adding 9,000 SF
- Sales for the entire category increasing to $500 per SF

Recruitment Strategy

- Improve performance of existing businesses
  - Need sales of $800,000 to $1 million+ per business due to restaurant sustainability factors
- Prospective Businesses
  - Firkin, Libertyville, or Firkin-like
  - Oliverii Group--Libertyville, Northbrook, Antioch, Northfield
  - Wildberry, Libertyville, or any of the 'Egg' restaurants
  - Austin's Saloon, Libertyville, or O'Leary's, Woodstock

Sales Tax Impact

- Potential for additional Village revenue of $70,000 per year

Downtown Home Oriented Business Opportunity Profile

Current Offering

Table 36: Hone Oriented Business Current Offering

Business	Approximate Size (Sq. Ft.)	ULI Category	$/SF	Estimated Sales
2 Bead, Knot 2 Bead	2,093	Arts and Crafts	$132.58	
Frame Shop	1,500	Arts and Crafts	$132.58	
Beyond the Looking Glass	1,825	Decorative Accessories	$206.12	
Cottage House	3,700	Decorative Accessories	$206.12	
Duffy's Attic	1,175	Decorative Accessories	$206.12	
Decorum,	2,200	Decorative Accessories	$206.12	
House	800	Interior Decorator	$206.12	
Dollar General	6,875	Dollar Store/Novelties	$141.44	
Hobby World	4,830	Toys	$194.92	
This Old Book	2,500	Used Book Store	$238.71	
Florist	2,000	Flowers/Plant Store	$264.55	
Game Store	1,770	Game Store	$486.32	
Subtotal	31,268			$6,376,293

Source: Village of Grayslake, May 26, 2009; *ULI Dollars & Cents of Shopping Centers 2008*

Goal: Increase to typical competitive alternative (50%)

- $6.4 million increases to $10.4 million by adding $6 million
- 31,300 SF grows to 41,600 SF by adding 10,300 SF
- sales for the entire category increasing to $200 per SF

Recruitment Strategy

- Improve performance of existing businesses
  - Need sales of $400,000+ per business
  - With consignment inventory, sales would be lower
- Prospective Businesses
  - Although not targets, survey suggests Pier 1, IKEA and Home Goods indicate price points
  - Stephanie’s Specialties, Lake Zurich
  - Home Elements, Woodstock
  - About Home, Geneva

Sales Tax Impact

- Potential for additional Village revenue of $60,000 per year

Downtown Apparel Business Opportunity Profile

Current Offering

Table 37: Apparel Business Current Offering

Business	Approximate Size (Sq. Ft.)	ULI Category	$/SF	Estimated Sales
Audrey's Children's Clothing	1,800	Children's Apparel	$290.13	$522,234

Source: Village of Grayslake, May 26, 2009; *ULI Dollars & Cents of Shopping Centers 2008*

Goal: Increase to minimum competitive alternative

- $6.4 million grows to $10.4 million by adding $4 million
- 1,800 SF grows to 11,000 SF by adding 9,200 SF
- Sales at $250 per SF

Recruitment Strategy

- A "shopping good" so similar businesses are key
- Need sales of $400,000+ per business
- Prospective Businesses
  - Uncle Dan's, Highland Park nearest store (4 stores)
  - Dance 'N Tees, Libertyville nearest store (4 stores)
  - Deb-Betts, Lincolnshire
  - Lori's Shoes, Highland Park (multiple individual shoe stores listed)

Sales Tax Impact

- Potential for additional Village revenue of $40,000 per year

Downtown Hair & Nail Salon Business Opportunity Profile

Current Offering

Table 38: Hair & Nail Salon Business Current Offering

Business	Approximate Size (Sq. Ft.)	ULI Category	$/SF	Estimated Sales
Barber Shop	1,600	Men's Barber	$179.97	$287,952
Nail Salon	1,047	Nail Salon	$158.34	$165,729
Crew Cuts	800	Barber	$179.97	$143,976
A Matter of Style	2,450	Women's Hair Salon	$222.67	$545,542
Beauty Salon,	1,500	Women's Hair Salon	$222.67	$334,005
Subtotal	7,397			$1,477,204

Source: Village of Grayslake, May 26, 2009; *ULI Dollars & Cents of Shopping Centers 2008*

Goal: Maintain current sales level

- $1.5 million

Recruitment Strategy

- Encourage succession from owner to employee
- Encourage product sales in addition to services
- Keep list of interested owners

Sales Tax Impact

- Entirely dependent on product sales

Downtown SWOT Analysis

In formulating a Retail Market Development Plan for Grayslake's Downtown, it is important to understand the area's key strengths, weaknesses, opportunities and threats, or "SWOT." These factors contributed to Downtown's current situation. These same factors will remain, as new businesses are recruited, and any new development occurs. This analysis highlights those elements forming the basis for value statements to assist in recruiting businesses to Downtown Grayslake.

Strengths

Strengths are assets that will most likely continue and remain a key building block for attracting successful businesses to Downtown Grayslake.

- ***Established businesses*** provide the ideal "co-tenants" for other unique businesses with operating experience in Downtown locations. By clustering, these businesses can share customers who make a special trip to find unusual merchandise or dining options;
- Grayslake's government has made a ***strong commitment to Downtown.*** Village Hall remains located Downtown, and the Village has invested in important improvements to Downtown's infrastructure. Village officials recognize that Downtown is important to establishing a sense of community, given Grayslake's recent population growth, and as a central place for the entire community;
- Downtown's location , without intrusive traffic, fits the ***image of a special place*** that can be a source of pride and appeal to all Grayslake residents;
- Grayslake's ***population with strong spending power***, within a five-minute drive time, offers a customer base that will permit prospective Downtown businesses to succeed;
- Buildings in Downtown Grayslake have ***available and affordable lease space*** for current and prospective Downtown tenants;
- The complete program of ***special events, including the Farmers Market and Chamber of Commerce events,*** is important to Grayslake's Downtown. These events increase regional awareness of Grayslake's Downtown and help Grayslake's citizens connect with Grayslake's Downtown;
- The ***size of Downtown Grayslake*** enables easy pedestrian access and circulation and can encourage customers to cross shop, ultimately, increasing sales throughout the district.

Weaknesses

Weaknesses are characteristics that can limit business success but which will most likely remain and must be "worked around."

- Downtown's ***low visibility from high traffic corridors*** complicates the ability of Downtown business owners to reach and be seen by large numbers of potential customers from Grayslake and nearby communities;
- As with most traditional downtowns, Downtown Grayslake's ***properties have multiple owners.*** This complicates and raises costs of business mix management, marketing and maintenance when compared to single owner shopping centers.
- Downtown Grayslake's ***low daytime population*** inhibits the ability of certain businesses, particularly restaurants, to generate revenues during daytime hours and to increase overall Downtown activity.

Opportunities

These opportunities form the basis for the Retail Market Development Plan by capitalizing on positive trends or local attributes that can become strengths if properly developed.

- In working with the private sector, the Village and its Downtown stakeholders have the opportunity to develop ***private sector leadership***, working with key businesses, property owners, and the Chamber;
- Grayslake should foster ***ad hoc Downtown business programming***. This type of programming can enable like businesses or business clusters to develop advertising and marketing efforts that work to their mutual benefit and supplement current Chamber work, but does not necessitate long-term commitment and numerous meetings;
- Related to ad hoc programming, Downtown ***business owner meetings*** held-2-3 times annually can assist the business community in recognizing unique programming opportunities;
- The Village should continue its work to enable ***build-to-suit development*** on key Downtown sites. This type of development includes lease space that is built to serve the operating needs of a specific tenant or types of tenants. Key will be a committed tenant in advance of development;
- Grayslake should undertake programming designed to ***improve the sustainability and profitability of existing businesses*** to enhance the chances that those businesses will succeed and bring stability to Downtown's business mix;
- Working in tandem, the Village, Downtown property owners, and Grayslake's retail brokers can work together to market available lease space to prospective tenants. J***oint marketing to prospective tenants*** can improve communication and strengthen Downtown tenancies over time;
- Downtown's ***current businesses can expand, or supplement their product lines*** based upon the results of this Plan. These additional products can be publicized to new and existing customers;
- Downtown's greatest opportunity may be ***building affinity among Grayslake's residents***. Downtown Grayslake can become that central place that all residents recognize as uniquely theirs.

Threats

Threats are market conditions that currently undermine the success of Downtown's property and business owners. If not addressed, these conditions will limit the Village's ability to take capitalize on the many opportunities.

- Downtown Grayslake's building stock is generally older and traditional. These ***buildings are generating low incomes*** and low returns to current ownership. Aligning Village, property owner, and business tenant objectives to emphasize Downtown's success can improve the economics of property and business ownership;
- Downtown property owners' relatively low ***current building value limits potential tenant's willingness to make build-out investmenst.*** The necessary build-out costs for essentials like a restaurant kitchen can exceed building value making it impossible to secure financing;
- When some ***business owners are operating short of best practices***, it undermines the overall image of Downtown Grayslake and can weaken sales at all businesses. Downtown's businesses cannot simply 'get by.' Downtown's operating challenges and the very competitive regional conditions require astute business operators focused on profitability and ongoing reinvestment in their businesses.

Business Attraction Value Platform

This business retention and recruitment focused SWOT analysis suggests these value platform statements should be used to recruit new Downtown Grayslake businesses:

1. Downtown Grayslake offers the opportunity to open a store in a well sized commercial cluster and share customers with other community serving businesses.
2. Downtown Grayslake property and business owners have the opportunity to achieve above market returns on investment by meeting national norms for sales per square foot.
3. Downtown Grayslake’s nearby population supports businesses of all types.
4. Strong government support stabilizes investment in Downtown Grayslake stores and restaurants
5. Downtown Grayslake’s customers experience the pleasure of a very walkable shopping district.

Retail Center SWOT Analysis

The non-downtown retail areas face unique 'SWOT' issues. As noted previously, the Village's EDC completed a detailed SWOT analysis applicable to these commercial areas. The themes noted in that SWOT are highlighted below and addressed in this retail retention and recruitment focused Action Plan.

Strengths

Strengths are assets that will most likely continue and remain a key building block for attracting successful businesses to Grayslake's high traffic retail centers.

- Grayslake's ***high traffic counts on its major arteries*** will ensure ongoing interest in Grayslake's retail locations, once the current economic difficulties subside;
- Each center is readily ***accessible to nearby office and commercial development.*** This employment base provides an additional customer source. This includes the developing medical business sector;
- Grayslake's ***population with strong incomes and spending power***, within a five-minute drive time from all centers, offers a customer base that will permit businesses at key intersections to succeed;
- The ***Village has significant experience*** in balancing retail and residential development requirements and community needs;
- In addition to its strength as a growing commercial locale, Grayslake has ***strong local organizations and institutions*** that provide additional amenities in deciding on a Grayslake location;
- Locations in Grayslake centers are ***affordable*** for national, regional, and local retail tenants.
- Grayslake has ***multiple sites*** suitable for all sizes of development, or redevelopment.

Weaknesses

Weaknesses are characteristics that can limit business success but which will most likely remain and must be "worked around."

- The same high traffic corridors that support retail development can become congested. Relieving ***traffic congestion*** without diminishing the commercial viability of certain sites in the Village will require balancing many choices;
- ***Property taxes and other costs of doing business*** will remain a factor in regional retail location decisions. Understanding and comparing retailer opportunities will enable strong decisions;
- ***Landowners of larger parcels*** will remain either unrealistic about property values, or disinterested, or both. This will change only when these owners face a change in circumstances.

Opportunities

These opportunities form the basis for the Retail Market Development Plan by capitalizing on positive trends or local attributes that can become strengths if properly developed.

- In working on development issues, the Village, working with its many stakeholders, has the opportunity to improve the ***current development process***;
- As part of assessing the development process, the Village and its stakeholders have the opportunity to consider the kinds of ***incentives that make sense for Grayslake***;
- Grayslake has ***multiple major development sites*** available. The preparation completed for certain developments improves Grayslake's position in addressing future projects;
- ***Planned Illinois Department of Transportation (IDOT) projects***, including the Route 120 project, can help alleviate traffic congestion and improve access and visibility for future retail;
- In working to improve Downtown and it's other retail areas, Grayslake can ***improve the image of the community*** to citizens, businesses, and investors.

Threats

Threats are market conditions that currently undermine the success of Downtown's property and business owners. If not addressed, these conditions will limit the Village's ability to capitalize on the many opportunities.

- In reviewing the EDC SWOT, most weaknesses listed describe issues associated with Grayslake's ***current development approval process*** for all types of projects, including retail. Not every stakeholder, whether Village officials, citizens, or the business community, can be satisfied with every project decision. Not all development is bad, and many projects can provide multiple benefits for Grayslake citizens. From the developer perspective, developers need a regular and understandable approval process, given that time is money. Current concerns about the process may require a process review or an alternate approach;
- Some Grayslake retail ***centers lack anchor tenants***. Without an anchor, or a 'draw,' for customers, these centers will experience decline in the types of tenancies attracted and increased vacancies. These issues can also affect the viability of neighboring centers;
- Indications are that the current economy will support fewer retail development projects and the projects that are proposed will be subject to greater scrutiny by lenders in the future. Understanding the nature of Grayslake's ***future competitive environment*** and considering broader community needs, both fiscal and quality of life, will be crucial.

Value Platform

The analysis of Downtown Grayslake's Strengths, Weaknesses, Opportunities, and Threats suggests these statements, the Recruitment Value Platform, should be used to attract new Downtown Grayslake businesses:

1. Downtown Grayslake offers a well sized commercial cluster where new businesses share customers with other community serving businesses.
2. Downtown Grayslake property and business owners have the opportunity to achieve above market returns on investment by meeting national norms for sales per square foot.
3. Downtown Grayslake's nearby population supports businesses of all types.
4. Strong government support stabilizes investment in Downtown Grayslake stores and restaurants
5. Downtown Grayslake's customers experience the pleasure of a very walkable shopping district.

Additional Sections to be added in Final Report:
Action Plan
Recruitment Materials for 10 specific target businesses
Appendix