



MINUTES OF AN OFFICIAL MEETING:

Regular Meeting: *Economic Development Committee*

Date and Time: *Monday, February 7, 2022 at 4:30 pm*

Location: *City Hall, 2000 N. Calhoun Rd., Council Chambers*

Members Present: *Alderman Bob Reddin, Glen Allgaier, Michelle Bougie*

Members Excused: *Brian Shecterle, Open Seat*

Others Present: *Todd Willis-Economic Development Coordinator, Nancy Justman-President Visit Brookfield*

1. Roll Call

Alderman Reddin noted a quorum present and called the Economic Development Committee to order at 4:33 pm.

2. Announcements

- a. Next regularly scheduled meeting is March 7, 2022 at 5:00 pm.

3. Minutes of the January 17, 2022 Economic Development Committee Meeting

Motion by or Member Michelle Bougie, second by Member Glen Allgaier to approve the minutes of the January 17, 2022 Economic Development Committee meeting. Motion carried 3-0 unanimously.

4. Old Business

- a. Report on Brookfield vacancy and absorption rates for industrial, office, and retail markets for 4th Quarter 2021.

Mr. Willis asked the Committee if they had any follow-up questions related to the report from the previous meeting based on time restraints of other items. *None*

- b. Review of Market Predictions for 2022 from COSTAR

Mr. Willis asked the Committee if they had any follow-up questions related to the report from the previous meeting based on time restraints of other items. *None*

5. New Business

- a. Report from the Convention and Visitors Bureau

1. 2021 Yearly Update on Convention & Visitors Bureau

Mrs. Justman explained that the report is broken into 2 sections: Visit Brookfield and Brookfield Conference Center. Even though Visit Brookfield represents the whole City of Brookfield, there is a special relationship that also exists with the conference center.

Nancy gave a historical analysis of: number of events held in Brookfield, postponed events, and canceled events from 2018 through 2021. The influence of the Brookfield Conference Center has increased the number of total events held in Brookfield from 118 in 2018 to 301 in 2021. Mrs. Justman mentioned that the booking window for events is still very small for event planning. Mrs. Justman discussed the Visit Brookfield website, social media pages, and ad campaign related metrics (i.e. site visits, bounce backs, etc...).

- b. Report on vacancy and absorption rates for industrial, office, and retail markets for January 2022.

Mr. Willis went over the vacancy and absorption report for the office, retail, and industrial markets for January 2022. *(Staff Report Supplied)* Mr. Willis supplied the Economic Development Committee with neighboring communities metrics related to availability in industrial, office, and retail markets.

- c. Report of the Economic Development Coordinator

- 1. Review & Update of 2020 Economic Development Work Plan 2022

Mr. Willis reviewed the 2020 Economic Development Work Plan accomplishments since the last update in 2020. Based on the completed 2020 Work Plan goals, he updated the 2022 Work Plan with measurable goals that should be achieved in the 2 years. Mr. Willis recommended that the Economic Development Committee approve the updated 2022 Economic Development Work Plan to be placed on the City website.

Motion by Member Glen Allgaier, second by Member Michelle Bougie to approve the 2022 Economic Development Work Plan. Motion carried 3-0 unanimously.

6. Adjournment

Motion by Member Glen Allgaier, second by Member Michelle Bougie to adjourn the meeting at 5:12 pm. Motion carried 3-0 unanimously.

Respectfully Submitted: March 3, 2022

Todd Willis

Community Development – Economic Development coordinator

Industrial

January 2022 – Industrial properties in the City dropped off a bit with a month-to-month loss of 14,700 SF. The loss in SF includes a 6,000 SF space that is to be vacated in the Gateway West Park on the City’s Northwest area along Capitol Dr. in September 2022. Staff will reach out to the tenant of the space to see if their relocation plans can be accommodated within the City. When comparing the vacant space from January 2022 to January 2021, the City has a positive net absorption of 128,320 SF. Even with the increase of available industrial space, the City is still outperforming the national and local averages with a 1% vacancy rate.

Office

January 2022 – January saw a positive net absorption of 23,960 SF in the City’s office market. The bulk of space absorbed was an 18,021 SF user at the Irgen’s Golf Parkway office building. A space at 16650 W Bluemound Rd. is included in the month’s negative absorption, but will not officially be vacated until the end of 2022. Staff will reach out to the tenant to see if their relocation efforts can be met within the City. When comparing the vacant space from January 2022 to January 2021, the City has a negative net absorption of 102,158 SF. Based on previously reported market predictions and a positive gain for January, staff believes over the next 12 months the City’s office market should continue to move closer to its historical pre-pandemic office vacancy rate (5 yr. avg. 14-16%). Currently the City office market has a 20% vacancy rate, the City would need to absorb 239,177 SF or avg. 20,000 SF absorption per month to reach average historical pre-pandemic levels.

Retail

January 2022 – January saw a continued trend of net negative absorption for the City’s retail market. Without a net loss of 15k SF due to Warren Barnett Furniture’s decision to move, the City would have had a positive gain in retail with the future social club locating in the former Ground Round space (Moorland Rd.). Cc’s elbow room was a net 0 gain for the City as it opened in the former Sabella’s space (Village Area). When comparing the vacant space from January 2022 to January 2021, the City has a negative net absorption of 315,253 SF. A majority of the vacant retail space (217,471 or 69%) is the former Boston store location. With the property recently sold to Irgen’s in December, any redevelopment or leasing of the space would dramatically improve the City’s overall availability and vacancy rate.