



AGENDA

Geneva Economic Development Commission
Thursday, March 13, 2104, 8:00 AM
City Hall Council Chambers, 109 James Street

- I. CALL TO ORDER**
- II. AMENDMENTS TO THE AGENDA**
- III. APPROVAL OF MINUTES** – February 13, 2014
- IV. OLD BUSINESS**
 - i. Public Process for consideration of Downtown Business District**
 - i. Review of Draft Survey
 - ii. Timeline for distribution of survey
 - iii. Identify additional public meetings for the Commission and the Public
- V. UPCOMING MEETINGS / DATES / PROJECTS / REMINDERS**
 - i. Upcoming EDC Meetings:**
 - Additional Commission meetings regarding Business District Plan: TBD.
 - EDC - May 8, 2014
 - EDC - August 14, 2014
 - EDC - November 13, 2014
 - ii. Public Meeting to discuss the District. Potential dates:**
April 1, 2, 3, 24, 29 and 30.
- VI. ADJOURN**



DRAFT MINUTES

Geneva Economic Development Commission
Thursday, February 13, 2014, 8:00 AM
City Hall Council Chambers, 109 James Street

Present: Chairman Robert Mann and Commissioners Cathy Charhut, Brian Kay, Patrick Neary, David Quillen, Paul Ruby, Thomas Burgess. Also present: City Administrator Mary McKittrick, Economic Development Director Ellen Divita, Business Development Specialist Paul Evans, Economic Development Intern Neal Reeves, Public Works Director Dan Dinges, Fire Chief Steve Olson, Gary Kecskes of WCC, business owner and resident Christine Kiefer, Todd Latham, School District #304, Robert Skurland and Doug Berggren of East Dundee. Absent: Commissioner Scott Lebin.

I. CALL TO ORDER – The meeting was called to order at 8:03 AM by Chairman Mann.

I. AMENDMENTS TO THE AGENDA – There were none.

II. APPROVAL OF MINUTES – Motion was made by Commissioner Quillen, seconded by Commissioner Kay to approve the minutes of the November 14, 2013 meeting. The minutes were approved unanimously.

III. NEW BUSINESS

Waubonsee Community College presentation.

Gary Kecskes of Waubonsee Community College presented on “The Hidden Waubonsee,” the non-credit side of programming. Over 300 offerings occur every year, including courses, presentations, and seminars. There are 3 major divisions: Adult Education (ESL, GED, Literacy, etc.), Continuing Education (lifestyle and leisure classes, and lifelong learning), and Workforce Development (customized and group training). The latter includes an ability to help businesses with needs assessment, gap analysis, skills assessment, and work in progress assessments. The college can train on one of the 4 campuses, or on-site of the business. The College can help attract business, retain business, and spur entrepreneurial development. Adaptability is the new stability. Nationwide only 51% of EDC’s have a relationship with their Small Community College (per a California Study).

Status Update on East Side Tax Increment Finance – Seven responses have been received to the City’s “Request for Qualifications” and they are under review. The area being studied is north, east, and south of the former Mill Race Inn. Final boundaries, if a district is to be created, may or may not include all of the houses in the study area.

VII. OLD BUSINESS

Public Process component of Downtown Business District investigation. Chairman Mann welcomed East Dundee Village Administrator Robert Skurlich and East Dundee Economic

Development Coordinator Douglas Berggren, thanking them for coming to share their community's experience with Business Districts. East Dundee has used Business Districts and TIF Districts extensively with 95% of all retailers in one district or another. Their original Business District was created in expectation of losing their Walmart; they wished to collect additional sales tax to have a base to use in recruiting replacement companies. At that time Walmart was losing \$650,000 a year. Since implementing the business district and increasing the sales tax rate, Walmart has not yet left East Dundee and sales have increased. They reported Walmart has made a profit (\$37,000 the next year, \$500,000 after that, then \$1,000,000 and \$1,500,000 last year). They will however lose the Walmart to a neighboring town. East Dundee noted that even with the increased sales tax rate, the business has grown. Every commercial property in East Dundee is in a TIF and or Business District they use revenues from both to assist in recruitment and expansion. They chose this route rather than a Food and Beverage tax which was used in Freeport, Mr. Skurlich's previous community.

Asked if there was resistance to the additional sales tax, they said relatively little. They have been careful in boundaries and sensitive to competition – originally not all gas stations would have been in a business district but now are; one is in its own district and the revenues were used to fund \$900,000 of work required by IDOT which was required to open the new station. Their main intent in creating the District has been to recruit more retailers but they also use the additional sales tax to fund their economic development administrative costs. They have used the funds to bring an auto dealer and to expand GATT Guns and to renovate the former Summit School. The Council approves all Business District expenditures through annual budget or redevelopment agreements, but they do use the fund a façade program which is approved administratively. East Dundee voted in Home Rule.

The Commission turned their attention to the draft survey which will be sent to identify community thoughts on creation of the business district and use of a sales tax increment to fund projects in the district. They were comfortable with the document but suggested that it be modified as a hybrid with the last reviewed in November – i.e. to include broader general topics, using these actual projects as examples. For example "Traffic and Parking" with more angle parking on State Street as an example.

Regarding projects: The Commission did not vote to set criteria by which proposed projects would be evaluated. However, several Commissioners expressed the view that each project should be substantially beneficial to all businesses that would be required to collect any sales tax levied in connection with the Downtown Business District plan.

The next meeting will be March 13, 2014 and a revised copy of the survey will be reviewed.

- IV.** Motion by Commissioner Quillen, seconded by Commissioner Burgess, the meeting adjourned at 9:14.

Respectfully submitted,

Ellen Divita



PACKET NARRATIVE

Geneva Economic Development Commission
Thursday, March 13, 2014, 8:00 AM
City Hall Council Chambers, 109 James Street

OLD BUSINESS

Consideration of Downtown Business District

At the February 13, 2014 meeting the Commission discussed a draft survey which will gather and assess public opinion from the business and property owners in regards an additional sales tax to fund pre-designated business improvement projects limited to the downtown Business District. The first draft included a list of specific projects and asked respondents to indicate whether a sales tax should be used for each project or type of project listed and then to rank their affirmative choices.

The Commission asked for the survey to be redrafted using broader categories and including the projects as ‘examples.’ The categories identified at the November 2013 meeting have thus been intertwined with the projects identified for the February 2014 meeting. The new draft survey is in the packet.

The survey will be the first step in a public process to discuss creation of a Business District. Additional steps could include stakeholder interviews and focus groups with merchants and downtown property owners, as well as the additional public meetings (beyond the formal Public Hearing prescribed by State Statute to adopt a District).

The steps in creating a district are:

- **Prepare Business District Plan document according to the Illinois Business District Act.** The Business District Plan will include the following:
 - Documentation that the Business District meets the “blighted area” criteria;
 - A specific description of the Business District and map;
 - A general description of each project proposed to be undertaken within the Business District including a description of the approximate location of each project and a description of any developer, user, or tenant of any property to be located or improved within the proposed business district;
 - The name of the proposed Business District;
 - The estimated Business District project costs;
 - Anticipated sources of funds to pay Business District project costs;
 - Anticipated type and terms of any obligation to be issued; and
 - The rate of any Business District taxes to be imposed, if any, and the period of time for which the tax(es) shall be imposed.

- **Prepare a Legal Description describing the proposed boundaries of the Business District** (to meet the requirement for a specific description of the Business District outlined above).
- **Hold a Public Hearing.** This includes providing appropriate notice of the public hearing in accordance with the Act.
- **Within 90 days of the final adjournment of the public hearing, adopt by ordinance(s) the business district plan and designation of the business district.** In particular, any ordinance adopted which approves a business district plan shall contain findings that the business district on the whole has not been subject to growth and development through investment by private enterprises and would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district plan.
- **Assuming the City makes a finding that the Business District is a “blighted area,” consider adopting ordinance(s) to enact a Business District sales tax and/or a hotel/motel tax.** Business District sales and hotel/motel taxes collected are deposited in a special Business District Tax Allocation Fund for the purposes of paying business district project costs and obligations.
- **File the ordinance enacting a Business District sales tax and all additional required information by:**
 - October 1 for administration and enforcement of the tax beginning the following January; or
 - April 1 for administration and enforcement of the tax beginning the following July 1.



2nd SURVEY DRAFT

March 14, 2014

The City of Geneva is evaluating a proposal to create a special business district as contemplated by the State of Illinois 'Business District Act' in aid of its effort to maintain the downtown's position as a regional destination. Creation of such a district would facilitate funding of special projects located therein using special sales tax revenues created within the district. The special sales tax revenues would be restricted; expenditures from any fund created pursuant to the Business District Act may be used only to fund projects implemented within the Business District, and any such projects first must be adopted as part of a comprehensive Business District Redevelopment Plan which must be adopted by the City Council. Expenditures must be approved by the City Council through the annual budget review, or via a Redevelopment Agreement.

The City Economic Development Commission is seeking to identify and assess the extent of community support for any such projects. To that end, therefore, the EDC is conducting a survey of opinion by stakeholders and other interested members of the community.

Alternative revenue sources for the City are derived from property tax, either through creation of a tax increment finance district, or a special service area. Conversely, a special sales tax as allowed by the Business District Act, is derived largely from Geneva visitors. A 2006 study showed 70% of visitors to downtown Geneva live outside of the community.

If the City Council elects to levy a special sales tax allowed by the Business District Act, it (the Council) will correspond the duration of the levy and rate to the scope of the projects which the tax will fund. The rate would be either quarter of one percent, one half of one percent, three quarters of one percent or one full percent.

The Economic Development Commission has reviewed a list of potential downtown projects and identified the following seven (7) categories of projects as having capacity to help the downtown, with high probability of providing positive and significant benefit to businesses within the District which will be required to charge the special tax on non-exempt sales.

Please rank the following seven categories of suggested projects in order of importance (1 to 7 with 1 being the highest). Also, please note "yes," or "no" if you think this type of project should be funded by a Business District sales tax.

Building Parking Decks and/or Surface Parking

Ranking ____ Yes ____ No ____

For example, additional Diagonal Parking on West State Street between 4th and 6th Street, or new public parking lot(s). *Potential locations are not yet determined, but could include 3rd/Hamilton, Southeast corner of IL Route 25 and 38 to serve Island Park and surrounding commercial, east of the Police Station at River/State; near the Train Station; or at the Courthouse.*

Street Scope

Ranking ____ Yes ____ No ____

For example, enhancement of the pedestrian crosswalks on West State Street/River and West State Street/4th Street, or way-finding signage to direct visitors to parking and attractions.

Creating Civic Space – Plazas/Pavilions, Bathrooms

Ranking ____ Yes ____ No ____

For example, construction of a multi-use public pavilion that could serve as a shelter for farmers markets, live music, social gatherings, and be used as parking the remainder of the time. This could include public bathrooms as an amenity. Or bathrooms could be built freestanding.

Expanding Arts/Entertainment

Ranking ____ Yes ____ No ____

For example, new construction or existing building renovation for a theater or cultural arts facility

Utility improvements (water/sewer/electric) which will increase capacity in individual buildings or the system

Ranking ____ Yes ____ No ____

For example, upgrades to the electric system which would allow additional connections during Festivals, or in conjunction with assistance to redevelop significant downtown vacant properties.

Business Assistance Programs

Ranking ____ Yes ____ No ____

For example, grants and/or low interest loans for new signs, building façade work, interior or exterior lighting, or upgrade of building mechanicals.

Building Owner Assistance Programs

Ranking ____ Yes ____ No ____

For example, grants and/or low interest loans for building improvements such as fire sprinklers, staircase and access improvements, new facades, basement access stairs, or building lighting.

Many communities have implemented a Business District with an additional sales tax as a means to fund a specific project. For example, Mount Prospect created a Business District for Randhurst Mall. East Dundee created a Business District to help with a projected redevelopment of the Walmart site at IL 25 and 68 and has assisted redevelopment of multiple surrounding properties.

Is there any one project (listed above, or otherwise) that stands out for you as holding a compelling benefit to downtown Geneva’s shopping district? If so, would you please describe that project?

Please submit your survey by April 21, 2014.

Thank you for your input. Progress on this project can be found on the City’s website at www.geneva.il.us. If you have questions, or would like to make additional comments, please contact:

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2nd SURVEY DRAFT