



AGENDA

Geneva Economic Development Commission
Thursday, November 14, 2013, 8:00 AM
City Hall Council Chambers, 109 James Street

- I. CALL TO ORDER**
- II. AMENDMENTS TO THE AGENDA**
- III. APPROVAL OF MINUTES – August 8, 2013 meeting**
- IV. NEW BUSINESS**
 - i. Presentation by Sue Murray of Waubensee Community College on the new CNC Laboratory at the College
 - ii. Status Update on East Side Tax Increment Finance District Policy Discussion by Council
 - iii. Business Open Houses – Propose to host a series of open houses as part of the City’s ongoing Retention Program, purpose of meetings to discuss available business resources as identified in the City’s Business Resource Guide (for example WCC SBDC, IL DCEO, Library, Chamber, etc.).
- V. OLD BUSINESS**
 - i. **Major Project Update**
 - i. Status Update on East Side Tax Increment Finance District
 - ii. Status update on proposed Downtown Business District
 - ii. **Data**
 - i. Vacancy statistics
 - ii. Business Activity
 - iii. Sales Tax statistics
- VI. UPCOMING MEETINGS / DATES / PROJECTS / REMINDERS**
 - i. Upcoming EDC Meetings:
 - i. Additional meetings regarding Business District Plan
 - ii. February, 13, 2014
 - iii. May 8, 2014
 - iv. August 14, 2014
- VII. ADJOURN**



DRAFT MINUTES

Geneva Economic Development Commission
Thursday, August 8, 2013, 8:00 AM
City Hall Council Chambers, 109 James Street

Present: Chairman Robert Mann and Commissioners Thomas Burgess, Cathy Charhut, David Gemellaro, Brian Kay, Scott Lebin, Patrick Neary, David Quillen, Paul Ruby, Staff present: Economic Development Director Ellen Divita, Business Development Specialist Paul Evans, Economic Development Intern Neal Reeves.

- I. CALL TO ORDER** – The meeting was called to order at 8:03 AM by Chairman Mann.
- II. AMENDMENTS TO THE AGENDA** – There were none.
- III. APPROVAL OF MINUTES** – Motion was made by Lebin, seconded by Commissioner Quillen to approve the minutes of the May 9, 2013 meeting. The minutes were approved unanimously.

IV. NEW BUSINESS

Introduction of EDC Commissioner Charhut.

Chairman Mann welcomed and introduced Cathy Charhut as a new EDC Commissioner. Comm. Charhut is an Asset Manager at Mid-America Asset Management, Inc. and the Property Manager at Geneva Commons. She has been with the Center since its opening in 2003. The property has never been below 90% occupied which is significant given recent economic trends. The property is currently at 92% occupancy. The Center is under contract for sale with an August 2013 scheduled; tenants have been notified.

Economic Development Development's Annual Presentation to the City Council

Director Divita will make the Annual Presentation to the Council on Monday, September 16, 2013. She will discuss with Council how the Department addresses inquiries for business development. For example, when a prospective business owner comes in seeking space for a 1500 s.f. retail store we identify the zoning classifications in which the business can operate and provide a list of available sites, the Business Resource Guide which identifies City contacts and required permits, Planning documents the business can use in creating a business plan (Community Profile and demographics), and we offer liaison assistance. The Department's available sites database is key in answering these inquiries and property owners are urged to update their listings with the City.

When someone contacts the City regarding redevelopment opportunities they usually ask "What does the City want there" and if incentives are available. To answer that, staff looks first at zoning, then the Comprehensive Land Use Plan and other related plans such as the Downtown Master Plan and Southeast Master Plan. The latter are policy documents approved by the City Council and as adopted City Plans are the basis of the answers provided to a potential business/developer.

DRAFT MINUTES (cont.)

The Commission asked how important incentives are in business location decisions and what the protocol is to review requests. Director Divita stated the Department has been conducting research to formulate a draft Economic Incentive policy for Council consideration. Director Divita showed the Commission a list of incentives the City has provided. She pointed out that early sales tax assistance decisions were uniform with .25% of new incremental sales tax rebated to the big box retailer for 5-7 years; these were on Randall Road and helped open up new tax base for the City. The last few assistance packages varied widely based upon the project. It was noted that many of the retailers are no longer in existence; she stated that if the goal was to build tax base and build sales tax, that goal was still accomplished because the stores are still filled (albeit with a different retailer). When answering requests she refers to past precedent and Council policies.

The City Administrator takes the lead on incentive negotiation. When a request is made, she asks for the request in writing and consults with the City Administrator. The Mayor is consulted and then the Aldermen. Geneva has relied on “pay as you go” incentives – the project generates its own increment before any payment is made. Several Commissioners commented they believe Tax Increment Finance is a good development finance tool. Director Divita told the Commission that CMAP, the Chicago Metro Area Planning agency had released a report on use of incentives across the region and that she would send information to the Commission.

OLD BUSINESS

Mayor’s Annual Industrial Breakfast – The Mayor’s Annual Breakfast was held in June and Commissioners Gemellaro and Ruby attended. Business reports were positive with news of investment and new hiring. Two years ago attendees reported staff reductions, last year the report was of hiring; this year the report was of investment in new equipment, expansion and hiring. City Department Heads also reported on infrastructure and projects the employers would be interested in including road projects and phosphorous limits at the treatment plant. Finding skilled labor force is still a concern. Representatives from Waubensee Community College will present on expansion of the CNC lab at the next meeting.

Major Project Update

Temporary Outdoor Sales Ordinance Update. The Temporary Outdoor Sales ordinance review and update was discussed. The Commission urged staff to get the ordinance updated as there is concern in the business community. The complexity of the issue was outlined – regulations are found in three sections of the code: regulation of use of the public right of way, zoning ordinance (where on a property business activity can occur), and the business regulation section of the code which limits itinerant and transient merchants. Competition and equity was discussed. Regulations must take into account activity on private property and public property, food related businesses and non-food, and activity during Festivals and during non-Festival time. It was noted that our civic organizations now report that their proceeds during Swedish Days are one third of what they would earn 7-8 years ago.

East Side Tax Increment Finance District. Director Divita updated the Commission on the finances of the District. Phase Two engineering is now underway and a pro-rata portion of the project will be funded by TIF proceeds. City staff met with Old Second Bank who now own 611 E. State. The District generates about \$300,000 a year right now.

Director Divita also summarized the Riverside TIF, which was closed in 2005, showing the land use prior and at the end of the District. The District base EAV was \$1.6Mil and had increased to almost \$20Mil at time of close out.

DRAFT MINUTES (cont.)

Business District Eligibility Report Increment Finance District. Director Divita updated the Commission on the project. Ehlers has concluded eligibility for a District and qualifications for potential sales tax overlay. The Commission would like to play a role in building consensus on projects that would be included in a Business District Redevelopment Plan. Staff will present the Ehlers determination to the Council with a recommendation to move to the next phase, developing a plan.

The Commission agreed they would hold an extra meeting to discuss the project, and that any meetings should be on the 1st or 4th Thursdays of the month.

- V. Motion by Commissioner Lebin, seconded by Commissioner Kay, the meeting adjourned at 9:14.

Respectfully submitted,

Ellen Divita

DRAFT



PACKET NARRATIVE

Geneva Economic Development Commission
Thursday, November 14, 2013, 8:00 AM
City Hall Council Chambers, 109 James Street

NEW BUSINESS

Presentation by Waubensee Community College. Sue Murray, Dean of Business and Career Technologies, will be attending and presenting on the INAM grant project and their corresponding new manufacturing programming. As grant director she will directly supervise the related programs in manufacturing.

Business Open House. As part of the ongoing outreach element of the City's Business Retention program, a series of open houses is contemplated to bring in folks representing resources such as small business counseling, State programming, labor force training, etc. Would the Commission like to serve as "Host" for these meetings? What suggestions does the Commission have on agenda and structuring the Open Houses?

OLD BUSINESS

Status Update on East Side Tax Increment Finance District – Two buildings in the District are now bank controlled – 611 E. State and 705-707 East State. The latter is up for sale via an on-line auction the first week of November; at time of this writing the last bid was \$540,000.

Bollinger Lach, an Engineer consulting firm, is finishing "Phase Two" Engineering work for the entire length of State from the River to Glen Garry; the project would include insertion of a continuous center lane and streetscape elements. Reviewing all parcels they have reduced the amount of needed easements.

The Annual TIF Report was uploaded/submitted to the State. The Joint Review Board will be Friday, December 6, 2013. Information on the district, including the annual reports, is found online at: <http://www.geneva.il.us/index.aspx?NID=162>.

Temporary Outdoor Sales Update:

At the April 29, 2013 meeting the City Council asked the Community Development Department to review the Municipal Code relating to Temporary Outdoor sales in the B3 District. There is a provision for temporary outdoor sales in all districts but the B3 Districts and requests for same have grown. Downtown property and business owners were invited to a meeting July 17, 2013 at City Hall. The link to a video of that meeting and an on-line survey is: <http://www.geneva.il.us/index.aspx?nid=108> There was consensus at the July 17, 2013 meeting that some outdoor sales should be allowed; "how much is too much" appeared to be the question at hand. Twelve surveys were completed and do substantially mirror the input at the meeting, with some additional observations – not enough display space during

November, 2013

festivals, dislike of competition for local restaurants during festivals, and concern over “pop-up” stores. Dick Untch will be bringing the subject back to the Committee of the Whole in the next quarter.

Downtown Business District Eligibility Report –

History

The City Council during its October 31, 2011 COW meeting discussed re-establishment of the about-to-expire downtown statutory Business District which had been established in 1993 but which did not and does not reflect amendments to the enabling statute which were enacted by the state legislature in 2005. The 2005 amendments, unlike the original statute, now permit municipalities to adopt a limited optional sales or hotel tax in order to fund improvements to their Business Districts. The Council referred the question to the City Economic Development Commission (EDC).

At their February 9, 2012 meeting, the EDC recommended the City move forward to evaluate re-establishment of a Downtown Business District, as well as consider all economic development tools available to assist in downtown development and redevelopment including but not limited to the sales tax allowed by the 2005 amendments. This recommendation to evaluate re-establishment of the Business District in line with the 2005 statutory amendments was presented to and approved by Council at its Feb 27, 2012, COW meeting.

Applying a Kane County Small Cities Grant to the purpose, the City engaged Ehlers & Associates to study the issues pursuant to a two phase contract: Phase I (\$9,500) was an inquiry directed primarily to whether or not the downtown commercial area that had been encompassed the original Business District, with or without additional areas met statutory requirements for creation of a Business District. Ehlers answered the question affirmatively and prepared a map showing the qualifying areas. In September, 2013, the Council authorized Ehlers to proceed with Phase II. Phase II (\$12,300) contemplated preparation of a Business District Plan including within it a plan for soliciting community input on projects that might be considered worthy of support by the proposed Business District. Phase II has just recently gotten underway. Critical to completion of the Plan is the identification and description of one or more projects to be addressed in the context of a Business District program. These projects would address deficiencies in the District which can hold it back and stifle investment and business growth.

The EDC agenda for November 14 is directed to discuss three items relevant to Phase II – boundaries, district needs, and the public process to educate and collect opinion on a proposed district.

Statute (attached)

A copy of the State Statute will be available for commissioners at the meeting. If you'd like to review in advance, it is found on-line at: <http://www.ilga.gov/legislation/ilcs/ilcs.asp>, Choose Chapter 65 / Municipalities, choose “5” and scroll down to 74.3.

The chapter is titled: (65 ILCS 5/Art. 11 Div. 74.3 heading), DIVISION 74.3. BUSINESS DISTRICT, DEVELOPMENT AND REDEVELOPMENT.

If taxing revenues are sought from within the District, the state statute requires review as to whether the district is considered to hold “blight” as defined:

"Blighted area" means an area that is a blighted area which, by reason of the predominance of defective, non-existent, or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of

November, 2013

those factors, retards the provision of housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals, or welfare.

Ehlers Scope I Report (attached)

Because of uncertainty over use of this economic development tool, the contract with Ehlers and Associates was broken into two stages – Phase One (determining eligibility), and Phase Two (writing a Redevelopment Plan/ identifying community consensus on district deficiencies and needs, and potential adoption).

As detailed in the attached memorandum (Phase One work), **Ehlers determined that per State Statute, the central area of the City (map included) does qualify via four of the five state prescribed standards.** The memorandum also outlines the powers afforded to a municipality by State Statute within a Business District and the public process to establish a Business District.

An area may be deemed “Eligible” by a home rule or non-home rule municipality as a Business District if it meets at least one, or any combination, of the following factors:

- Predominance of defective, non-existent or inadequate street layout; Unsanitary or unsafe conditions. *Ehlers identified 30% of the properties in the study area.*
- Deterioration of site improvements; *found to a lesser degree of qualification* with some long term vacancies.
- Improper subdivision or obsolete platting. Ehlers identified *over 85% of the parcels in the study area.*
- Existence of conditions that endanger life or property by fire or other causes. Ehlers *identified 30% of the properties* in the study area.
- The study area qualifies in *2 of the 3 factors related to equalized assessed value.*

The Geneva Fire Department is concerned over a main qualifying factor in district eligibility - currently, over one-third (1/3) of the properties in the Study Area lack automatic fire suppression systems in existing buildings where they would be required if they were to be constructed under today's fire code. As they have not changed in either use or size they may continue to go without these critical systems (per current code). To be clear, these properties comply with the existing fire code as the city of Geneva has not enacted a retroactive requirement for detection or suppression systems. However, a fire which goes undetected for a period of time can cause significant damage and jeopardize the ability of the business to survive.

Fire can spread through very small opening and concealed spaces to reach other parts of a building and neighboring buildings and can cause partial to total destruction of property. Damage from fire can be permanent and irreparable. Historic and culturally significant buildings such as many of those within the Study Area, are particularly vulnerable to say nothing of the loss in tax revenue to local taxing bodies. A case in point is the State Bank of Geneva. More than a year after suffering a fire in their main building the staff continues to operate from a mobile trailer and a former restaurant and the structure remains vacant.

Past Fires include Coryell's Tri-City Radio Shop (Foxfire Restaurant), the apartments above the Little Owl, the Fox Valley Restaurant (former Travelino Restaurant), and the Kaiser Dime Store – which was demolished after an unsupported wall remaining from the fire fell in to the then Geneva Meat Market (now Sandra Webster), as well as the mixed used building next to The Little Traveler at South and 3rd. In 1953 the City lost almost an entire block with a fire that consumed the First National Bank, Barber Shop, Ace Hardware, and Averill Electric.

November, 2013

Over the last 30 + years the fire department has worked diligently with commercial property owners to install fire detection and/or suppression systems. This has been done through the existing amended fire code as the existing properties have evolved in their use or size. The City of Geneva's building and fire codes require installation of sprinklers because of their proven life safety capabilities and to minimize fire damage to buildings and their contents. A building addition, or change of use, could require the installation of sprinklers on additional properties. Geneva Fire Code requires the installation of automatic fire sprinkler systems in buildings which either exceed 3,000 square feet in total floor area or contain a combination of commercial and residential occupancies. The fire sprinkler requirement could be required in the case of future building additions which increase the total floor area over 3,000 square feet, or if a portion of an existing structure is converted to residential.

City Utility budgets include regularly scheduled maintenance, and as budgets allow, upgrades to the water, sewer, and electric systems. Age and sizing of these systems can add costs to downtown redevelopment projects. Water connections may be required to deliver fire sprinkler connections to some buildings, and electric connections may be required for some buildings if business tenants wish to install additional equipment and generally use more machinery. Individual Buildings upgrades that would allow additional electric use including machinery and equipment, average \$30,000 - \$40,000 per building.

Addressing Deficiencies in the Business District (partial list below) – A Business District Redevelopment Plan will include projects that address the deficiencies of the district, some of which have already been identified in existing City Planning Studies, Capital Improvement Plan (CIP), strategic goals, or staff recommendations like fire suppression and utility system planning. Attached is a list of these, but note, the list is not all inclusive. *Any item that addresses the state defined characteristics that qualify the geographic area as a district, may be funded by a business district.*

Note, if the City chooses to use an additional sales tax within the district, all funds derived must be spent within the district; the city council would identify projects during the annual budget process and capital improvement plan. These revenues are restricted, and controlled by the City Council. *Also included* in the attached list are some items requested by the business community at merchant and/or property owner meetings. Projects cannot be equipment, therefore projects related to festival planning, security cameras, and public art are not on the list. Additional projects can be identified during a public process to discuss the potential district.

The EDC is an advisory committee to the council and in original review of the district concept, the EDC requested ability to help identify consensus for adoption of a district. The adoption process to create a Business District is prescribed by state statute. Each community creates their own process to ascertain public input – this could include stakeholder meetings, focus groups, survey on priorities, public meeting, review of a written plan, public meeting, and public hearing before adoption would occur.

The item is on the EDC agenda today to discuss three items:

- 1) Review the boundaries of eligible properties (as found in attached Ehlers Memo)
- 2) Discuss District needs and potential projects to assist the District in business retention and recruitment – either projects already identified in existing City planning documents, or new projects
 - a. Review list found below
 - b. Consider additional projects
- 3) Develop a public process to discuss creation of a Business District. In your packet (page 12) is the State required steps for district creation. The additional Geneva public process portion could include:

November, 2013

- a. Stakeholder interviews and Focus Groups
 - i. Merchants
 - ii. Downtown Businesses
- b. Survey - Suggest the EDC ask respondents to rank the project categories:
 - i. Business Assistance such as grants and low interest loans, signage, lighting, upgrade of building mechanicals
 - ii. Building Owner Assistance for Building improvements such as fire sprinkler, access, new Facades, Building Lighting
 - iii. Building Surface Parking
 - iv. Building Parking Decks
 - v. Street Scape
 - vi. Creating Civic Space – Plazas, Pavillions,
 - vii. Creating Connection to the River via bridges, open space purchase, and River Walk or Boat launches
 - viii. Bike Path connections, signage and trail improvements
 - ix. Utility improvements (water/sewer/electric) which will increase capacity in individual buildings
- c. Public meetings outside the formal Public Hearing

**Downtown Geneva needs -
As found in adopted City Plans/ identified in public meetings**

City Planning Doc, Policy, Goal identifying project						General description of project	Est. Cost Range	Complex (i.e., City Road vs. State Road)	Identified by Biz Community
Strat Plan	Comp Plan	DM Plan	Bike Plan	CIP	Goals				
Business and Property Owner Assistance									
x		x		x	x	Purchase and redevelop property for parking lots/decks in the Downtown	H	H	x
						Public restrooms in the downtown (\$150,000-\$350,000 to purchase plus annual maintenance)	M	M	x
		x			x	Restore the Sign and Awning grant program (discontinued in 1998, had been \$5,000/year annually)	L	L	x
		x				Fund Façade Improvement Program (discontinued in 1998, had been \$15,000/year annually)	L	L	x
x					x	Fund business recruitment/incentive program - Provide \$5,000 grant for start-up costs to targeted businesses with a desired customer base who locate in the downtown (i.e. entertainment, apparel, furniture, sporting goods, niche retail) (\$10,000 - \$20,000 / year?)	L	L	x
	x				x	Private Property Building improvements / Rehab – add Fire Detection or Suppression Systems (Life Safety building improvements) (\$350,000 +)	M	M	x
	x				x	Private Property Building improvements / Rehab –electrical upgrades	M	M	x

					x	Building accent lighting (\$20,000 per building)	L	L	x
						Create Hamilton Street Artist District Plan (Cultural Arts Commission thoughts)		H	x
	x				x	Purchase property for redevelopment/ Demolish unsafe and obsolete buildings to assist redevelopment	H	H	
Create Civic Gathering Space for Festivals and the Community									
		x				Year-round Farmers Market pavilion with dual purpose (used for entertainment or parking) (\$100,000 – 500,000 + property cost)	H	M	
		x				Prepare a detailed plan and construct “festival activated” ROW improvements (Third St. and Part of James/Campbell) – Woonerf (\$3Mil – River St/Batavia)	H	H	
	x	x			x	Provide matching funds for the development of a Cultural Arts Center in the Downtown	H	H	
Parking									
		x				State St.- add Diagonal Parking from 4 th – 7 th (requires streetscape & lighting, road reconstruction) IDOT has said they will require a Phase I Eng study.	H - \$1M -2M	H	
						Add (Perpendicular/Diagonal) parking where possible – for ex. 5 th between James and State or Campbell between 3 rd and 4 th . (look at 4 th St., 5 th St., 6 th St., James St., 2 nd St., etc., ~\$100k/block)	\$100k/block	L	
		x				Feasibility studies for future parking facilities – surface and structures	M	M	
	x	x				Build 4 possible locations for parking decks: Metra Station, behind courthouse, NWC of River and James, and SWC of River and Hamilton <ul style="list-style-type: none"> • Parking Deck @ PD lot (~\$10 M+) • Parking Deck at Courthouse (~\$10 M+) • Parking Deck at Hamilton Lot (~\$10 M+) 	H \$10M /each	H	
Pedestrian Improvements									
		x				Pedestrian crossing enhancements at State St. and 4 th St. (\$25k-50k)	\$25-50k	H	
		x				Pedestrian crossing enhancements and State St. and River Ln.) (\$25k-50k)	\$25-50k	H	
		x				Pedestrian / Bikeway Bridge at Stevens St. (north of dam)	\$2M	H	
						Pedestrian crossing enhancements along 3rd St. (James St., Fulton or South) (\$25k-50k/intersection)	\$25-50k	L	
Bicycle Paths and BikeWay									
		x	x			Bike lane striping on 7 th St. for both northbound and southbound bicyclists	\$10k	M	
		x	x			Bike route signs along portions of Peyton, James, Franklin, 2 nd , 3 rd , 4 th , River and 7 th Some with specific destination information (TBD)	<\$10k	L	
		x	x			Completion of the multi-use bike trail along the abandoned C & N.W. railroad right-of-way between Stevens and W. State to connect St. Charles/Batavia systems	\$500k	H	
		x				Bike Storage lockers @ Metra Station (\$1-4k/2 bikes)	L	L	
x	x	x	x		x	Provide Bike Path Trailhead amenities	L	L	
Access to the River									

	x					Provide enhancements to land along the Fox River to draw more people (also noted in 2003 Comp Plan)		H	
		x				East River shoreline Bridge to Island Park (\$1- 1.5 Mil?)	H	H	
		x				Open Space and new entry to Island Park (city owned PW storage site) along with Island Park Parking lot and Fox River Trail Trailhead	H	H	
Traffic Improvements									
		x				7 th St. north leg to Peyton (\$2 M)	\$2M	H	
		x				Traffic study and/or Intersection design study/improvements – James and Third	<\$10k	M	
Streetscape									
		x				Hamilton streetscape	\$1M	H	x
	x	x				Wayfinding Sign system/ Welcome Signs / signage plan for parking (\$50k design, \$125k fabricate/install)	\$175	M	
		x				Gateway Features - Design and construct Traffic Circle round-about at 3rd St. and Route 31	\$1M -2M	H	
	x					East State St. Reconstruction and Beautification	\$16 M	H	
		x				Streetscape W. State St. from 7 th – Anderson	\$1M -2M	H	
Utilities									
					x	Improvement to Water Distribution System (main size or fire pumps)		M	
					x	Water/Sewer: <ul style="list-style-type: none"> • Water main upsizings (several of the mains are 4” or 6”) ~\$100k/block • Possible watermain extensions into alleys for fire protection? • Sewer linings or replacement (\$25k-100k/block) 		M	
					x	Electric, for example: <ul style="list-style-type: none"> • Transformer upgrades • Line upgrades • Individual building upgrades that would allow additional electric use including machinery and equipment. (Can avg \$30,000-40,000 / bldg.) 	M	M	x

The following action steps are required by the State of Illinois Business District Act to enact the Business District:

- **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.

Vacancy statistics

Industrial Occupancy Report - As of November 5, 2013

3,489,530 sf of Industrial/Warehouse buildings

3,353,644 sf occupied (96.1%)

135,886 sf vacant and available (3.9%), down from 4.6% in August 2013

All Industrial Vacancies

82,400 sf at 2080 Gary Lane (former RIM Logistics)

11,000 sf at 427 N Kirk Rd

18,000 sf (whole building) at 2630 Kaneville

12,386 sf at 321 Stevens

3,600 sf at 413-415 Stevens

4,500 sf at Dearborn Court

4,000 sf at 100-120 Glengarry/1161 & 1171 Commerce

The biggest change was the 20,650 sf property at 429 N. Kirk selling to an end user (FONA). Fox River Distilling leased 3000 sf at 204 Dearborn and Havlicek Builders expanded into an additional 3000 sf at 321 Stevens. The owner of Harmonic Vision moved to Wisconsin and Pure Gardener is no longer maintaining their warehouse at 321 Stevens, opening up 3,600 sf there. The overall industrial vacancy is still dominated by the loss of RIM Logistics moving out of 2080 Gary Lane (60.6% of total industrial vacancy).

Randall Road Retail as of November 5, 2013.

1,478,158 sf total Retail

1,394,732 sf occupied (94.4%)

83,426 sf vacant (5.6%), up from 5.5% in July 2013

Geneva Commons accounts for 26.2% of the vacancy in the corridor (40% in July). The Commons is a smaller % of the total due to the loss elsewhere in the corridor (Thomasville Furniture at 14,041 sf) and some new leases at the Commons - *The Commons is currently 95% occupied*. With new ownership of the Commons Center, there is movement and expansion of existing tenants. Victoria Secret and Forever 21 are expanding into larger spaces with PINK taking over the former Victoria Secret space. On the downside, Anthropology leaves in January 2014 and New York & Company will close in June 2014.

The Shoppes at Geneva Commons had 5,678 sf available in July and leased those three spaces to European Wax, U Break I Fix and Wireless That's It. Pepper Valley Center has 8,176 sf available and the former Pluss Appliance Center has 6,157 sf available. Other large vacancies are the Shops at Randall Square with 4,400 sf available. A final lease is under negotiation for the 4,996 sf former Applebee's, though it may be a relocation for an existing Geneva business.

Downtown Retail Occupancy as of November 5, 2013.

805,610 sf total Retail

724,426 sf occupied (89.9%)

81,184 sf vacant (10.1%), down from 11.5% in July 2013

The 10.1% vacancy rate represents 11,597 sf being leased since July of 2013 (both the November and July calculation include the Mill Race which accounts for 18.5% of the retail vacancy total for the Downtown). An offer to purchase the Mill Race has been accepted and the buyer is in the due diligence period. Dorn Marketing purchased 34 N. Bennett (former America's Treasures) with that business moving into the former Erday's (taking 5,800 sf off the market). FireHouse Pizza taking the former Aurelio's location and the expansion of existing uses at Ace Hardware Plaza reduced their vacancy by 1,198 sf. Dodson Place decreased their vacancy by 2,300 sf as they signed Kilwin's Chocolate and Ice Cream, Pure Barre (Fitness Studio), and Tai's Beauty Lounge.

10 W. State has been considered retail in these vacancy reports as it is first floor space; 2,335 sf of first floor space has been filled by office tenants previously in the Geneva State Bank Building.

November, 2013

Large Vacancies

16,494– Dodson Place
15,000 – Mill Race Inn
8,200 – Former Soukups (715 E State)
7,140 - 7 W. State St
6,921 – Former Fashion Walk Shops
5,053 – Ace Plaza
4,864 – 22 N. Third St (Harrison)
3,800 – 11 N. Fifth (Inglenuok)
3,350 – 123 W. State St

Downtown Office Occupancy as of November 5, 2013.

590,006 sf total Office

459,803 sf occupied (77.9%)

130,203 sf vacant (22.1%), down from 23.2% in July 2013

There were some small gains in downtown office leasing but overall little market activity. The good news was that Dodson Place reduced its vacancy by 4,306 sf by executing leases with Chervon North America and Victory Sales. Several office buildings are now bank controlled including 705 E. State Street and 611 E. State Street. Three downtown buildings comprise about 30% of the vacant office space.

Large Vacancies

17,445– Dodson Place
17,405 – US Bank
14,071 – Geneva on the Dam
6,645 – 705 E State St
5,876 – 200 S. Fourth St
4,746 – 113 E. State St
4,554 – 28 S. Fifth St
4,009 - 230 E. State St
3,889 – 15 S. Seventh St
3,634 – 28 N. First St
3,450 - 321 James St

Business Activity

BusinessName	Address	District	BusinessType
Closed Businesses			
Super Cleaners	645 W State	C	Service
Harmonic Vision	413 Stevens	C	Service
Jobella	310 Campbell 2nd Floor	CT	Retail
EcoShield Pest Control	204 Dearborn #103	E	Service
US Bank (east)	1009 E State	E	Service
Dynamic Tanning	1871-E S Randall #D & #E	W	Service
Wright Orthodontics	2075 Blackberry #B	W	Medical
Thomasville Furniture	1431 S Randall	W	Retail

New Businesses / Coming Soon			
OM Sweet OM	321 W James Ste.105	C	Medical
Agrilogic Insurance Service	716 W State #E	C	Service
McGleam Studios / Photo Retouch/Repair Service	227 S 3rd #105	C	Service
Tai's Beauty Lounge, Inc.	507 S 3rd #H	CT	Service
Pure Barre	500 S 3rd #123	CT	Service
Firehouse Pizza	17 N 4th	CT	Restaurant
Kilwin's	407 S 3rd #186	CT	Retail
Prairie Path Wood Renewal	204 Dearborn #103	E	Service
Geneva Acupuncture	500 Lark #B	W	Medical
Menchie's Frozen Yogurt	1064 Commons #5	w	Restaurant
Quest Diagnostics II	2631 Williamsburg #206	W	Medical
The Hearing Lab	1416 S Randall #B	W	Medical

Relocated within Geneva			
Goehl Financial Services	399 Williamsburg #399	C	Service
America's Treasures Antiques Furniture & Gifts	10 N 3rd	CT	Retail
Art Box / Bielfeldt Gallery	407 S 3rd #100	CT	Retail
Net Works Consulting Resources	204 W State #A	E	Service
West Physical Therapy	1797 W State #B	W	Medical
Massage Envy	116 Commons #1030	W	Service

City of Geneva Sales History

Category	2005	2006	2007	2008	2009	2010	2011	2012
General Merchandise	\$14,753,215	\$14,550,829	\$15,551,850	\$ 12,769,060	\$12,759,826	\$13,650,672	\$13,184,967	\$13,404,505
Food	\$35,402,749	\$39,713,876	\$40,008,511	\$ 41,495,698	\$39,236,112	\$43,838,923	\$45,003,331	\$46,892,593
Drinking /Eating Places	\$69,307,180	\$75,066,098	\$78,282,169	\$ 75,349,512	\$72,904,879	\$76,762,555	\$78,242,542	\$83,648,067
Apparel	\$69,007,894	\$71,467,647	\$71,440,504	\$ 67,655,853	\$60,515,785	\$64,159,813	\$66,190,721	\$69,836,890
Furniture & H.H. & Radio	\$105,781,447	\$101,760,477	\$95,539,311	\$ 76,385,428	\$60,848,114	\$66,974,643	\$68,527,132	\$68,134,935
Lumber, Bldg, Hardware	\$44,606,835	\$42,737,157	\$41,194,988	\$ 36,099,296	\$32,505,469	\$29,619,452,	\$26,313,392	\$27,856,058
Auto & Filling Stations	\$14,503,463	\$15,094,651	\$13,096,175	\$ 9,452,756	\$9,004,783	\$9,647,361	\$9,210,797	\$11,078,869
Drugs & Misc. Retail	\$126,347,247	\$127,920,576	\$125,069,421	\$ 115,457,719	\$109,892,062	\$114,009,824	\$124,723,621	\$130,198,496
Agriculture & All Others	\$31,937,287	\$33,518,126	\$31,229,359	\$ 34,430,972	\$27,624,339	\$28,123,749	\$22,468,310	\$24,224,477
Manufacturers	\$7,563,853	\$7,479,139	\$5,863,021	\$ 5,230,119	\$7,633,476	\$9,028,452	\$8,388,045	\$9,836,323
Total:	\$519,211,170	\$529,308,576	\$517,275,309	\$ 474,326,413	\$432,924,845	\$455,215,444	\$462,252,858	\$485,111,213
% over last year	105%	102%	98%	92%	91%	105%	102%	105%

Source: "Kind of Business" report from State of Illinois Department of Revenue

City of Geneva
Second Quarter Sales Tax Trends

Categories	2008	2009	2010	2011	2012	2013
	\$ 31,784.02	\$ 28,313.21	\$ 30,348.71	\$ 30,574.42	\$ 30,259.85	\$ 20,029.13
General Merchandise				30,574.42		
Food	104,757.17	97,340.39	109,094.52	112,175.40	117,422.39	98,848.46
Drinking and Eating Places	200,162.30	179,640.86	188,671.25	202,455.46	211,639.85	225,023.61
Apparel	179,191.07	146,638.67	156,835.04	160,323.98	164,644.10	175,598.39
Furniture & H.H. & Radio	178,404.87	130,820.32	137,314.95	144,459.35	153,214.96	158,546.17
Lumber, Bldg, Hardware	108,492.79	104,860.52	99,703.90	84,037.46	89,389.31	107,567.57
Automotive & Filling Stations	24,078.45	25,150.29	26,861.36	24,447.55	25,532.89	27,453.36
Drugs & Misc. Retail	293,560.01	270,560.91	272,647.08	277,887.98	313,831.11	331,684.98
Agriculture & All Others	89,742.34	72,870.45	81,313.05	78,427.36	64,080.46	61,424.50
Manufacturers	9,115.81	18,959.63	23,393.58	20,696.02	27,984.21	23,887.16
Total	1,219,288.83	1,075,155.25	1,126,183.44	1,135,484.98	1,197,999.13	1,230,063.33

*Source: IDOR, KOB Report

Businesses with increased sales Sept 2012-Aug 2013 over same period one year prior

<u>SIC</u>	<u>Category</u>	<u>Downtown</u>		<u>Non-Downtown</u>	
			<u># Biz</u>		<u># Biz</u>
5812/5813	Restaurants & Drinking Places	72.7%	32/44	60.0%	30/50
5719/5712	Miscellaneous Home Furnishings & Furniture Stores	85.7%	6/7	65.4%	17/26
5944	Jewelry	71.4%	5/7	100.0%	4/4
5651	Wearing Apparel	55.0%	11/20	63.2%	12/19
	Total for City	63.11%	127/203	67.15%	462/688

Source: IDOR