



# Economic Development Department Recruitment Program

Annual Presentation to City Council

August 18, 2014

## Department Mission and Operation

... shall serve the community by attracting appropriate commercial, office/research and light industrial developments to the City.

Further, the Department shall serve the community by creating and fostering successful programs to retain and bolster existing business and promote Geneva as a destination.

## Tax Base and Job Creation – *a balance of Economic Development Activities*

- Retail Recruitment
  - ✓ Revenue, image
- Office Recruitment
  - ✓ Daytime population to shop/eat
- Industrial and R&D companies
  - ✓ Daytime population to shop/eat
  - ✓ Ancillary support businesses
- Start-Ups
  - ✓ Entrepreneur Support & Assistance
  - ✓ SBDC partnership
- Tourism Promotion

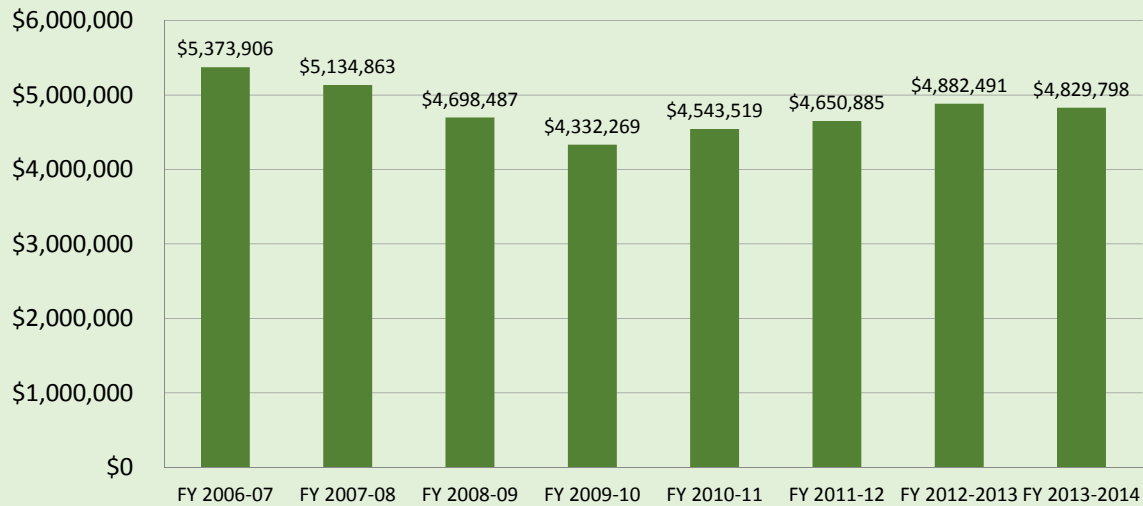


### Equalized Assessed Valuation of the City

Year	Total EAV	Residential	% of Total	Commercial	% of Total	Industrial	% of Total
2004	\$817,084,769	\$605,939,214	74.16%	\$168,373,357	19.66%	\$42,113,703	4.92%
2005	\$890,733,642	\$661,578,136	74.27%	\$186,047,227	20.89%	\$42,353,056	4.75%
2006	\$969,359,519	\$721,523,877	74.43%	\$173,074,481	17.85%	\$74,059,268	7.64%
2007	\$1,040,306,238	\$770,542,588	74.07%	\$184,860,961	17.77%	\$84,141,638	8.09%
2008	\$1,093,654,917	\$811,651,726	74.21%	\$192,712,237	17.62%	\$88,469,555	8.09%
2009	\$1,083,608,190	\$809,352,036	74.69%	\$221,392,825	20.43%	\$52,037,302	4.80%
2010	\$1,037,333,904	\$778,329,312	75.03%	\$209,350,259	20.18%	\$48,648,943	4.69%
2011	\$971,800,251	\$737,753,764	75.92%	\$187,145,172	19.26%	\$45,898,853	4.72%
2012	\$937,275,763	\$702,448,048	74.95%	\$188,145,172	19.26%	\$45,099,838	4.81%
2013	\$897,304,587	\$667,035,145	74.34%	\$180,377,219	20.10%	\$46,200,397	5.15%



## City of Geneva Sales Tax Revenues 2006-2013

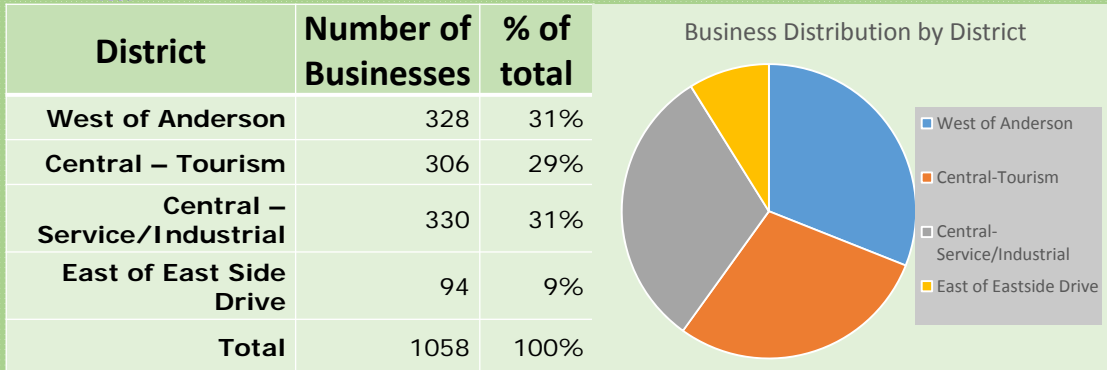


## Sales Tax Losses

- Down \$52,693 from FY 12-13 to FY 13-14
- Some large losses: Dominick's, Citgo at Crissey, Thomasville, Applebees at about \$180,000 a year.
- Initial data – the sale isn't transferring elsewhere in town.
  - Increased sales at existing grocers and gas stations are less than 20% of what we lost.
  - Appears a majority have seen sales increase in past year, though data is on a time lag.



## Business Distribution



## Recruitment Program

- **Online Sites Database**
- **Information to help businesses make decision:**
  - Geneva Community Profile
  - Demographics
  - Traffic count maps
  - Business Resource Guide
  - Site Maps and Aerials
- **Prospects:**
  - Commercial lead services, follow business news, realtor relationships, cold calls
- **Maintain knowledge of business assistance programs:**
  - SBDC, State of Illinois incentive programs, Work force development programs, and assistance from SCORE, VIA, Chamber, others



## Recruitment Policy

- **No Poaching**
- **Seek differentiation**
- **Encourage existing businesses to add product lines & services first**
- **Downtown entertainment**

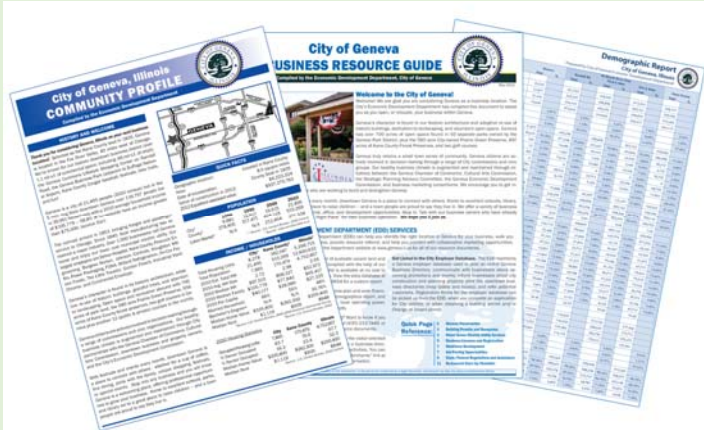


## Retail Recruitment Activities

- **On-line Marketing**
- **ICSC**
- **AIRE**
- **Local Realtor Networking**
- **Property Owner connections**
- **Cold calls**
- **Referrals to Property Owners**



# Recruitment Materials



**City of Geneva Economic Development Department**  
**Downtown Retail 1,000 - 3,000**

ID	Building Address	Owner	Building Sq. Ft.	Available Sq. Ft.	Lease	Contact Person
1715 3rd St	1715 3rd St	City of Geneva	2000	1300	Lease	Sharon Hinkle 630-232-2668
	<b>Suitable For:</b> Retail, Office					
						<b>Zoning:</b> D2
						<b>Comments:</b> Corner of Historic District, 2 months lease with signed lease, currently used as a beauty shop.
220 S 9th St	220 S 9th St	Downbeat	8271	42	Lease	Neil Johnson 630-232-4950 neiljohnson@geneva.com
	<b>Suitable For:</b> Retail					
						<b>Zoning:</b> D1
						<b>Comments:</b> First floor retail space with multiple rooms at the Northeast Corner of Franklin and Third Street in the heart of the historic Third Street Shopping District. Access from Geneva's Courthouse and the Farmers Market. Comments include new fabric retail shop, a bakery and retail salon. Basement storage available.
18 S Illinois Ave	18 S Illinois Ave	Downbeat	2400	2400	Lease	John Kaplan 630-232-3650
	<b>Suitable For:</b> Retail, Office					
						<b>Zoning:</b> D2
						<b>Comments:</b> Great 100% office building, strip air con, one block south of 9th St.
121 S 3rd St	121 S 3rd St	Downbeat	2400	1300	Lease	Doug Summers 630-232-7950 dsummers@genevacommercial.com
	<b>Suitable For:</b> Office					
						<b>Zoning:</b> D1
						<b>Comments:</b> Unique office/retail space in near of Historic Third Street District building, signage available on Third Street, high end traffic.
378 Franklin St	378 Franklin St	Downbeat	2640	800	Lease	Neil Johnson 630-232-4950 neiljohnson@geneva.com
	<b>Suitable For:</b> Retail, Office					
						<b>Zoning:</b> D1
						<b>Comments:</b> First floor retail/office space in Third Street Shopping District. Open floor plan with brick & tile entrance. Progress includes basement development. Potential to add second floor space. Brickly salon, hairdresser & equipment store for available. Address for high speed internet, 2 B&B to blocks, new HVAC, near Geneva's Courthouse.

For more information, contact Paul Coates, Business Development Specialist, (630) 247-0994, pcoates@geneva.com or Shari Davis, Economic Development Director, (630) 232-7950, sdavis@geneva.com  
 Tuesday, July 15, 2013 12:47 PM. This e-mail is intended for use as reference only. Its data is subject to change without notice. Page 1 of 2



Look at Geneva through the eyes of a Retailer, Developer, and Investor

What forms *their* "First Impressions?"



## Look at Geneva through the eyes of a Retailer, Developer, and Investor

- **Community Appearance and “feel”**
  - *vacant buildings & code enforcement*
  - *building facades and signage*
- **Infrastructure**
  - *pavement & streetscape*
  - *visitor amenities*
- **Retail co-tenancy**



## Look at Geneva through the eyes of a Retailer, Developer, and Investor

### Available Sites

- size/cost/location?

### Site Amenities

- visibility & accessibility
- population density & growth
- safety and security
- adequate parking
- adequate signage
- operational convenience



## Number of spaces by size range

(August 2014)

Sq. Ft	Downtown Retail	Randall Retail	Downtown Office	All Industrial
< 1,100 sf	1	6	57	6
1,101 – 3,000	13	18	26	5
3,001 – 5,000	11	4	6	1
5,001 – 10,000	0	5	1	0
10,001 +	0	1	0	2



## Downtown Retail

*Anderson to East Side Drive*

### Downtown Retail Occupancy as of August 1, 2014.

805,610 sf total Retail

740,977 sf occupied (92%)

67,650 sf vacant (8%)

This is down from 11.2% in May 2014, and was as high as 15% right after the Merra Lee-Fashion Walk stores closed in 1Q12





## Randall Road Retail

### Randall Road Retail as August 1, 2014.

1,462,848 sf total Retail

1,328,033 sf occupied (90.8%)

134,815 sf vacant (9.2%), down from 9.9% in May 2014.

- Randall Road Market vacancy decreased by 10,039 sf since May of 2014.
- Former Dominick's (75,000 sf) accounts for 55% of Randall Road corridor vacancy



## Downtown Office

*Anderson to East Side Drive*

### Downtown Office Occupancy as of August 1, 2014.

590,006 sf total Office

439,465 sf occupied (74.5%)

151,541 sf vacant (25.5%), up from 22.5% in May 2014

#### Recent sales:

- 113 E State – bought by Covenant Retirement – use TBD
- Former US Bank Building sold today for Catalyst Co-working
- Former Mill Race sold, use TBD
- Former Cetron sold with housing proposed



## Industrial Vacancy

### Industrial Occupancy Report - As of August 1, 2014

3,489,530 sf of Industrial/Warehouse buildings

54,120 sf vacant and available (1.5%)

*was 3.8% in May 2014 before 82,400 sf 2080 Gary Lane was leased.*

### 12 Industrial Vacancies

- 18,000 sf and 7,000 s.f on Kaneville
- 5 units totaling 14,290 sf at 321 Stevens
- 5,440 sf at 427 N Kirk Rd
- 1,500 sf at Dearborn Court
- 2 units totaling 3,000 sf at 100-120 Glengarry/1161 Commerce
- 1,000 sf at 608 North

## Look at Geneva through the eyes of a Retailer, Developer, and Investor

- What is our Trade area?
  - ✓ Primary
  - ✓ Secondary
- Our Demographics
- Retail Leakage



## Demographics

Geographic Area	Population	# of HH	Med. HH Income
City of Geneva	21,495	8,078	\$93,385
Geneva Township	26,552	10,210	\$93,914
Batavia Township	35,221	12,892	\$91,356
Blackberry Township	15,090	4,988	\$118,886
St. Charles Township	50,854	19,043	\$87,336
Kane County	515,269	182,047	\$68,674

Source: US Census Bureau 2010



## Retail Gap Analysis

*Who's missing?*

Retail Market Place Profile (5 mile radius from Fargo and Randall Road)

<u>Business Type</u>	<u>Retail Gap*</u>	<u>Leakage Factor</u>
Auto Parts, Accessories & Tire Stores	\$10,019,630	31.7
Department Stores	\$2,578,613	1.6
Gasoline Stations	\$112,703,742	36.0
Shoe Stores	\$3,300,105	27.6
Other Motor Vehicle Dealers	\$10,019,867	26.5

\*Estimated Demand - Supply  
Source: ESRI April 2013



## Retail Gap Analysis

### Food Services & Drinking Places

<u>Business Type</u>	<u>Retail Gap*</u>	<u>Leakage Factor</u>
<b>(1 mile radius from Fargo and Randall Road)</b>		
Full Service Restaurant	-\$90,229	-0.8
Limited-Service Eating Places	-\$8,443,485	-38.8
Special Food Services	\$97,250	8.7
Drinking Places – Alcoholic Beverages	\$384,839	60.8
<b>(5 mile radius from Fargo and Randall Road)</b>		
Full Service Restaurant	-\$20,396,848	-9.5
Limited-Service Eating Places	\$7,922,114	3.7
Special Food Services	-\$1,850,596	-8.3
Drinking Places – Alcoholic Beverages	\$4,368,347	34.4

\*Estimated Demand - Supply  
Source: ESRI April 2013



## Retail Gap Analysis

### Building Materials and Garden Supply

<u>Business Type</u>	<u>Retail Gap*</u>	<u>Leakage Factor</u>
<b>Retail Market Place Profile (1 mile radius from Fargo and Randall Road)</b>		
Bldg Materials, Garden Equip, & Garden	-\$3,064,012	-27.6
Bldg Material & Supplies	-\$3,750,138	-36.6
Lawn & Garden Equip & Supply	\$686,127	78.8
<b>Retail Market Place Profile (5 mile radius from Fargo and Randall Road)</b>		
Bldg Materials, Garden Equip, & Garden	-\$6,206,206	-4.5
Bldg Material & Supplies	\$1,695,909	1.6
Lawn & Garden Equip & Supply	-\$7,902,115	-23.6

\*Estimated Demand - Supply  
Source: ESRI April 2013



## Retail Gap Analysis

### *What do we have surplus in?*

#### Retail Market Place Profile (5 mile radius from Fargo and Randall Road)

<u>Business Type</u>	<u>Retail Gap</u>	<u>Leakage Factor</u>
Clothing Stores	-\$11,105,065	-21.4
Furniture Stores	-\$10,694,301	-10.6
Food & Beverage Stores	-\$1,452,229	-0.3
Health & Personal Care	-23,083,270	-19.2
Sporting Goods, Hobby, Book & Music	-\$11,105,065	-21.4

\*Estimated Demand - Supply  
Source: ESRI April 2013



## Individual Considerations

### Small Grocery Store Requirements:

1. 35,000 - 40,000 s.f.
2. 200' linear footage on Major Highway desired
3. 175 parking spaces with at least 40-50 surface level
4. Number of other stores about to open
5. # of households, age and income
6. Retailer has a full plate and we're the outer urban ring – easier hanging fruit out there.
7. Everyone under the sun is already here: Trader Joes, Fresh Market, Meijer, Target, Jewel, Caputo's, Butera, Eagle, Blue Goose



## Individual Considerations

### Gas Station Requirements

1. 2-4 acres
2. Commercial fueling lane for box trucks with diesel and other
3. Would like to sell alcohol, but not a deal breaker
4. Must have Convenient Store
5. Seek ADT of 15,000.
6. Like idea of Fabyan and Kirk
7. Needs to be signalized
8. Will consider midblock but rare



## Individual Considerations

### Movie Theater

1. 45,000 s.f. building + parking
2. 500,000 people within 10 mile radius
3. Greater than 3 miles from the nearest theater



## Vacancy History

Market	Land Use	Total Bldg Space	4/23/13	8/6/13	11/5/13	1/31/14	4/30/14	8/1/14
Downtown	OFF	590,006	23.0%	23.2%	22.1%	24.5%	22.5%	25.5%
Downtown	RET	805,610	10.2%	11.5%	10.1%	10%	11.2%	8.4%
Industrial	IND	3,489,530	4.7%	4.6%	3.9%	2.6%	3.8%	1.6%
Randall Retail	RET	1,462,848	4.9%	5.5%	5.6%	5.1%	9.9%	9.2%