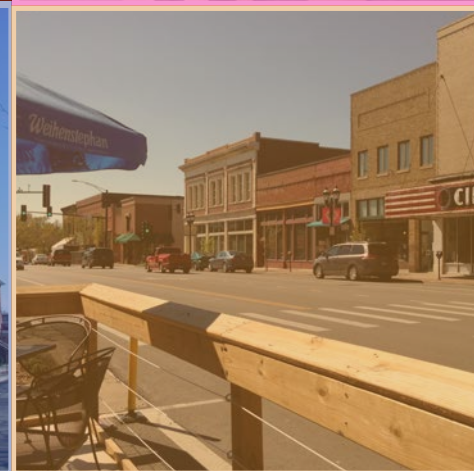


Downtown Urbana TIF Districts Retrospective



City of Urbana
Community Development
Department
Economic Development
Division

Elizabeth Tyler
Brandon Boys
Elizabeth Horwitz

June 9th, 2016

Contents

3

Executive Summary

- 4 TIF Overview
- 4 Downtown TIF Districts
- 5 Document Summary

6

Completed Projects

- 7 Major Projects
- 13 Assistance Programs
- 14 Major Public Projects
- 16 Activation & Marketing

18

Future Projects

22

TIF Goals

29

Economic Benefits

33

Conclusion

34

Appendix

44

Attachments

EXECUTIVE SUMMARY

*an overview of TIF Districts One
and Two activities and impacts*



TIF Overview

Tax Increment Financing (TIF) is a financing mechanism that is available to Illinois municipalities to encourage local economic development. TIF relies upon the increased assessed values and incremental taxes generated by new development occurring within the Redevelopment Project Area (Area) to pay the costs of redevelopment and TIF-eligible projects. Such projects can include demolition of blighted structures, environmental remediation, beautification, new infrastructure, and incentive programs. TIF is used to facilitate the development of blighted, unproductive areas that may be devoid of economic development potential without the “jump-start” that can occur with TIF funded improvements.

TIF relies only upon increases in the assessed valuation in the Area as a funding mechanism, holding the existing tax base whole during the life of the TIF. As such, TIF allows for the reinvestment of any increases in incremental tax revenues back into the Area for a period of time, 23 years (or up to 35 years if amended). During this time, other local taxing districts continue to receive tax revenues based upon the assessed value of each taxable parcel within the Redevelopment Project Area at the time the TIF District was adopted.

The assessed valuation of the Area at the time TIF is established is termed the “base year” assessment. Incremental tax revenues generated from the increased assessed valuation above the “base year” assessment are placed in a TIF Fund and must be spent in conformance with the Redevelopment Plan and the State TIF Act. The tax rate paid by an individual taxpayer on a parcel is no different whether the parcel is in or out of the Redevelopment Project Area. It is the allocation of incremental taxes between the TIF District and the other local taxing districts that is altered upon adoption of TIF. The City serves as the fiduciary of the TIF fund in accordance with the State TIF Act.

Urbana Downtown TIF Districts

The City of Urbana created the City’s first Tax Increment Finance District, TIF District One, in 1980. Urbana was the second city in Illinois to issue TIF bonds, and the first to utilize advance refund financing. Additionally, Urbana was the first Illinois City to finish all Phase I revitalization projects called for in the TIF Plan¹.

When TIF District One was created, the Downtown required extensive

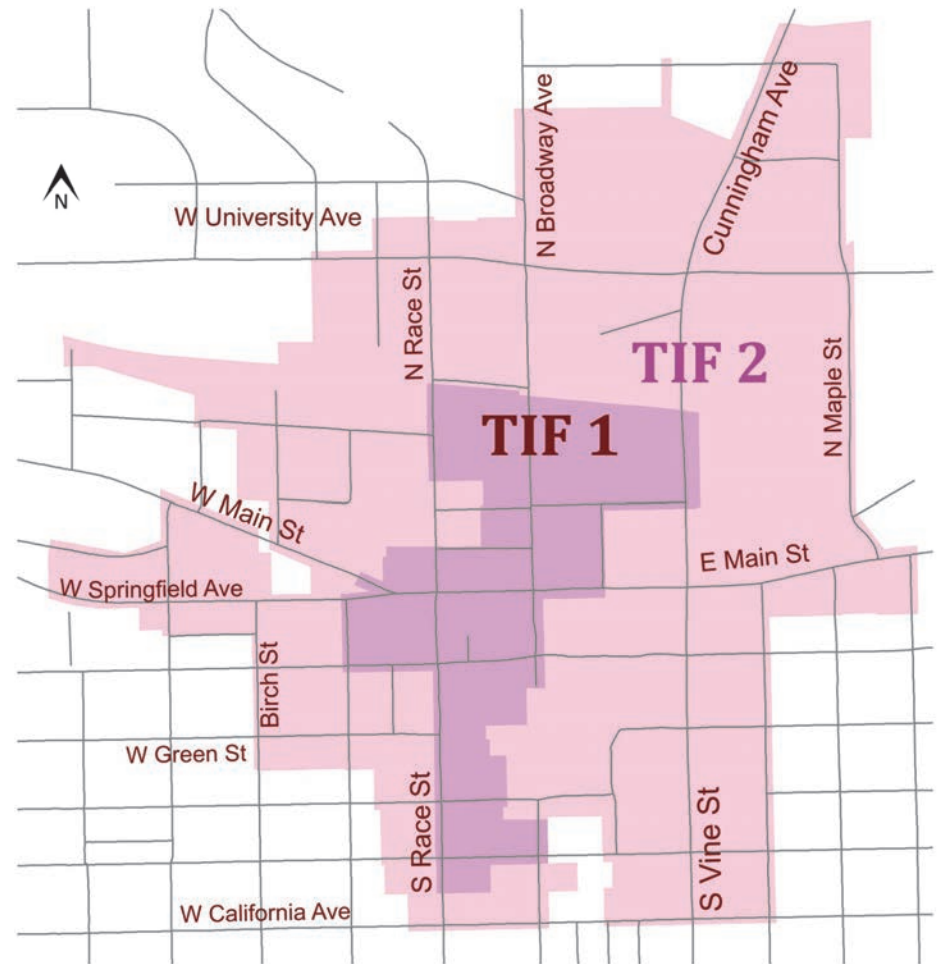


Figure 1: Map of TIF Districts One and Two

reinvestment. The area was in a state of decline; the Lincoln Square mall had lost tenants, Main Street’s historic buildings were deteriorating, and significant new private construction was not occurring. The City created TIF One to help leverage gains in incremental taxes from planned developments that were already underway in order to help support future development and redevelopment projects in the Downtown. Specifically, the City aimed to enable the Jumers hotel and conference center expansion, a project that required

1 Tax Increment Financing District Status Report Spring 1985

substantial public funding, and also planned to build a Downtown parking garage to accommodate new demand from Downtown uses as well as the hotel expansion.

TIF District Two was created in 1984, to facilitate private development including the Urbana Crossing and Five Points redevelopments in the greater Downtown area. TIF District One contained the primary Downtown core, and TIF District Two contained both the primary core and auto dependent businesses at the periphery of the Downtown. Both TIF Districts contained primarily older buildings, along with some prime redevelopment sites.

The City had multiple objectives in creating TIF Districts One and Two. Broadly, the City aimed to reduce blight, increase the tax base, and stop the spread of blight. Within these broad objectives, the City had many more targeted goals, discussed later in this report. From 1980 through the present, the two TIF Districts have seen many successes as well as some challenges in achieving the initial broad objectives and specific goals.

Activities completed in the two TIF Districts have enabled many new construction and redevelopment projects in Downtown Urbana that would not have occurred otherwise. TIF Funds were used to directly assist developers and businesses with renovations and development; to market the TIF Districts through activation including Public Art, Market at the Square, and special events; to create development opportunities through land acquisition, demolition, and environmental remediation; to attract and support development through the upgrading of public infrastructure; and to attract businesses through marketing, location assistance, placemaking, and business retention. All of these activities have contributed to commercial revitalization, attracting visitors and development, and transforming the area into what we recognize today as Downtown Urbana.

Document Summary

The improvements completed with TIF assistance significantly strengthened the tax base of the City. Analysis indicates projects that received TIF funding assistance had higher average EAV growth than projects not receiving funds. Despite the many improvements, there is still work to be done in portions of the greater downtown. The following report presents an overview of projects completed with assistance of TIF funds, analysis of the status of the two TIF Districts in achieving goals set forth in the planning documents, and a list of future challenges facing these areas.

86+

**New Construction and
Redevelopment Development
Projects completed with TIF
assistance**

100+

**Renovations completed with TIF
assistance**

70+

**Open businesses that received TIF
assistance**

TIF COMPLETED PROJECTS

projects receiving TIF funding

TIF Districts One and Two accomplished numerous projects that would not have occurred but for public funding assistance. The following section provides an overview of the programs the City used to promote development, and the results they achieved.



Major Developments

Commercial Developments

- 1. Gateway Shoppes
- 2. Five Points Commerce Center
- 3. Urbana Crossing (Schnucks Market)
- 4. [co][lab] and Cafeteria & Co
- 5. Sipyard
- 6. Jumers Hotel Conference Center and Landmark Hotel
- 7. Lincoln Square Village
- 8. Patel Law Offices
- 9. Omnicare Labs
- 10. 129 N Race
- 11. Broadway Market
- 12. Silvercreek Redevelopment Site
- 13. County Plaza

Residential Developments

- 14. Stratford Apartments
- 15. Stephens Building
- 16. Halberstadt

Redevelopment Sites

- 17. Block North Site
- 18. Denny's Dry Cleaner
- 19. North Crane Alley
- 20. Broadway and Illinois Parking



Figure 2: Map of TIF Districts One and Two Redevelopment Agreements and Site Consolidation



Five Points Commerce Center
New Construction

The area known as “Five Points,” located at the northeast and northwest corners of University Avenue and Cunningham Avenue historically contained declining motels, restaurants, and auto related businesses and a mobile home park. Due to the prime location and the blighted conditions on the site, the City desired to transform the area into a modern retail center. TIF funding was used to help support demolition and to promote construction of the Walgreens and Five Points Commerce Center.



Gateway Shoppes
New Construction

In 2005, the City entered into a Redevelopment Agreement with Five Points Realty, LLC for the redevelopment of the property at the northwest corner of Cunningham and University Avenues, now known as the Gateway Shoppes. With the assistance of TIF Districts Two and Four, the City relocated the auto-sales business to create a large auto mall at I-74 and Cunningham Avenue (currently Napleton’s). During the first phase of the project, the developer constructed a 15,000 square foot shopping center, now fully occupied, and facilitated the development of three out-lots now occupied by Jimmy John’s/Pancheros, the University of Illinois Community Credit Union, and Wendy’s. The shell of the new 15,000 square feet retail building is constructed, and is partially tenanted. Additional construction is expected to

occur in 2016 on the property’s remaining outlet.



Urbana Crossing / Schnucks Market
New Construction

The northeast corner of Main and Vine Street was previously a blighted area of random homes and older industrial uses. The City entered into an agreement with Schnucks Markets in 1996. The agreement resulted in the development of a new construction grocery facility and retail shopping center. The grocery facility has been continually operated by Schnucks markets, and many thriving businesses have filled the open spaces within the retail shopping strip, and Starbucks and Advance Auto Parts filled the outlots.



[co][lab] / Cafeteria & Co
Renovation

Starting in 2012, Cake Design Development LLC entered into agreements with the City to renovate 206 and 208 W Main Street, two long-vacant historic Main Street buildings. The renovations resulted in the addition of Cafeteria & Co, and [co][lab]. Both businesses operate on a shared space model, allowing lower overhead costs for tenants through cost sharing. The second floor of 208 West Main Street was also renovated for creative tenant office use. The projects have enabled multiple small entrepreneurs to open and expand local businesses in Urbana. The projects have also added to the downtown’s growing identity as a hot-spot for entrepreneurship. Currently, the buildings a variety of tenants including Personify Inc., Flying Machine Coffee, and Pizza M.



Sipyard

Demolition & Re-purposing

In 2014, the City entered into a redevelopment agreement with Cake Design Development LLC. for the redevelopment of 204 W Main St. The property had been vacant and was in a deteriorated state. Due to extensive structural degradation, the building required demolition. The developer constructed a new facade, weatherized exterior surfaces, and added a drainage system and exterior lighting, in order to re-purpose the area into an open-air market and beer garden. The outdoor beer garden has added additional activation to the core downtown and attracted a younger demographic to the Downtown.



Jumer's / Urbana Landmark Hotel

Expansion & Renovation

Originally built in 1923, The Historic Lincoln Hotel was built to attract and accommodate visitors to downtown Urbana. An addition to the building to include a conference center was a primary goal of TIF One, and in 1986 the City entered into an agreement with Jumer's Castle Lodge for expansion and improvements to the building. Funding from the agreement facilitated a 60 room expansion.

The City also provided extensive public and private parking to facilitate the Jumer's Conference Center expansion, conveying the parking lot located on the west side of the Jumer's Hotel, providing spaces in Lot 24, and constructing the Downtown Parking Deck.

The hotel was purchased in 2010,

and the City finalized an agreement with Xiao Jin "XJ" Yuan for the continued renovation of the hotel. Mr. Yuan's investments resulted in structural and mechanical improvements and substantial renovation. In 2014-15 Mr. Yuan repaid the majority of his TIF loan for the property and listed the property for sale.



Lincoln Square Village Reconstruction

In 2004, Urbana entered into an agreement with The New Lincoln Square, LLC for the redevelopment of Lincoln Square Mall, one of the first city-center indoor malls built in the US, into Lincoln Square Village, a mixed use concept combining office and retail uses. The developer completed an office component of the mixed use concept for Lincoln Square now housing Health Alliance and Carle Human Resources. The Common Ground Food Co-Op now serves as an anchor for the rebuilt portion

of the Mall. The City continues to assist Lincoln Square through the provision of TIF Redevelopment Incentive Program reimbursements and business grants to assist new businesses locating within the mall.



Patel Law Office New Construction

In 2009, with assistance from the City, Baku Patel, a partner at the law firm of Doyle, Lehman & Patel, constructed a new professional office building for their firm at 108 W University Ave. The property was formerly a vacant a gas station. The project was completed in FY2010-11.



Omnicare Labs
New Construction /
Renovation

In 2008, the City executed a redevelopment agreement with Omnicare Labs, a company producing prosthetics, for a new \$300,000, addition and remodeling of the former Michelle's Bridal building located at the intersection of Vine and Illinois Street. Michelle's Bridal built a new, expanded facility along Interstate 74 with assistance from TIF District Four financing.



129 N Race
Renovation

The City of Urbana entered into a redevelopment agreement with 129 North Race LLC to redevelop the former Concept Cosmetology building into retail and office space. Project construction began in 2016 for a cafe tenant

401 N Broadway, overlooking the new Boneyard Creek park. The project is expected to result in an indoor market modeled after Union Market in Washington, DC. Broadway Market will utilize the Boneyard Creek improvements by opening up the eastern face of the building to overlook the Boneyard and encouraging pedestrian access through the area. The project will also result in upgrades to the interior, exterior improvements, and programming space for multiple retail, restaurant, or small business office spaces. A portion of the building will be demolished to make room for additional parking and improved access. The project has been designed as an incubator space, enabling cross communication between startup businesses and farmers market vendors contributing to a culture of entrepreneurship in Downtown.

development agreement with Allen Strong for the site at 359 N Race St, across from Silvercreek restaurant. The agreement provided support for the demolition and clearance of the former Helmick's Lumber site and the planned construction of a banquet facility. Demolition of the lumber site was accomplished, but redevelopment of the site has not yet been completed as originally envisioned. In 2011, the City allowed the loan on the agreement to transfer to improvements at the Silvercreek Restaurant. These improvements were completed in 2016 with the opening of a deck overlooking the Boneyard. Staff is now working with the owner to market the old Helmick's site for redevelopment, and improvement in the future.



Broadway Market
Renovation / Demolition

The City executed an agreement with Broadway Market LLC in 2015 for the property located at



Silvercreek Site
Demolition / Renovation

In 2003, the City executed a



County Plaza
Renovation

In 2008 the City provided assistance for major upgrades to this major office building in order to help market the property to new

tenants. Work included remodeling, tenant fit-outs, and parking deck improvements. In 2004 Choices, Inc. relocated at the building and it is now largely occupied.

RESIDENTIAL PROJECTS



Stratford Apartments
New Construction

In 2004 the City executed an agreement with Racing Waters LLC for properties located at the formerly vacant 206 and 208 N Race Street. The City assisted through providing direct financial assistance, and through purchasing and demolishing the former Stratford Coop Apartment building, as well as vacating an alley located on the property. The project resulted in the four-story Stratford Apartments building with 41 units and approximately 4,000 square feet of commercial space, now occupied by Masijta Grill. Stratford Apartments have remained at full capacity since opening in 2005, and began to address a lack of housing choice in Downtown Urbana.



Stephens Building
Reconstruction

In July 2014, the City executed an agreement with Stephens Building LLC for the renovation of 218 W Main Street. The historic Stephens Building had stood vacant and largely unmaintained since 2003. The proposed project will result in four luxury apartments on the second floor and “vanilla box” improvements to the first floor to prepare for one or two commercial retail tenants. As of 2016, construction on the project has begun and Stephens Building LLC is actively looking for first floor tenants.



Halberstadt House
Renovation

In 2010, the City assisted with renovation to a historic home located at 104 N. Central Avenue, commonly known as the Halberstadt House. The City purchased the nearby site of 310 W. Main Street, and converted the site into public parking. As a result of these improvements, Norman and Carolyn Baxley purchased the Halberstadt House from Canaan Baptist Church and lovingly renovated the landmark property into a successful rooming house for international students.



Block North

Through the use of TIF funds, the City prepared the 200 S Vine block for redevelopment. This process included parcel assembly through the purchase of buildings, demolition of existing structures, and using TIF incentive programs to relocate the Goodyear tire store to its current location on Cunningham Avenue. As a result of this process, in 2016, the City received multiple proposals for development of the entire block.



Denny's Dry Cleaner

In 2007, TIF funding enabled the City to conduct clean up activities at the former Denny's Dry Cleaner site. Extensive demolition and

remediation work was required to stabilize the property and halt further contamination. The site is now used for Courier Cafe parking and garden space.



North Crane Alley

During several decades of operation, the Jolly Roger was a successful family restaurant, and a downtown destination. When the restaurant closed for good in 2007, the vacant building became an eyesore in the heart of downtown. In 2016, new property owner Bob Venable received TIF funds through the Redevelopment Incentive Program to assist with demolition of the building. The site is currently part of a prime redevelopment site known as "North Crane Alley", and the City is working with Mr. Venable to recruit redevelopment opportunities.



Broadway Illinois Parking Lot

In 2009, the City approved an agreement for the purchase of two lots at the corner of Broadway Avenue and Illinois Street for use as additional downtown and Farmer's Market parking and to use as future redevelopment sites.

DEVELOPMENT INCENTIVE PROGRAMS

The City encouraged both the major private development projects listed above and smaller projects through administering various incentive programs. The following section provides an overview of these programs.

Redevelopment Agreements

The Redevelopment Agreement Program provides incentives for new buildings, large scale redevelopments, and projects that promised exceptional economic and community outcomes. Agreements were considered on a case-by-case basis and each was approved by the City Council. To date, there have been 13 sites promoted by Redevelopment Agreements in TIF Districts One and Two. Redevelopment Agreements assisted with major redevelopment projects that have significantly contributed to the current identity of Downtown Urbana, including the Five Points Retail Centers, Stratford Apartments, and the Jumers Addition and parking Deck.

Facade Loans & Redevelopment Incentive Programs

During the earlier years of the TIF Districts, The City administered a Facade Loan Program beginning in 1984 and extending until 2006. The program provided funding to businesses to complete facade and other improvements.

Beginning in 2006, the Facade Loan Program was restructured as a Redevelopment Incentive Program providing financial incentives in the form of reimbursements for a broader level of permanent building and site improvements by Urbana business or property owners. The program has a point system to target desired businesses and to reward attributes such as historic preservation, energy savings, and promotion of the arts and culture. Under the current program priority businesses (retail, restaurants and bars, hotels and conference centers, and creative industries) are able to receive up to \$25,000, and other eligible businesses (professional and personal services) are eligible to receive up to \$10,000 upon submittal of proof of payment for eligible expenses. Eligibility of expenses is defined by the State Statute governing TIF Districts. A full list of Facade Loans and Redevelopment Incentive Programs can be found in Appendix A.

Gallery District & New Business Grants

The Gallery District Incentive Program worked to promote art galleries as a niche market within Downtown Urbana from 2006 to 2012. The program served the 2002 Downtown Strategic Plan's "Niche Market Initiative" by catalyzing private investment within a targeted area. The program provided subsidies for a business's rent for up to 12 months along with start-up grants for tenant improvements.

The City added the New Business Grant program in 2009. The purpose of the New Business Incentive Program was to attract more retail, restaurant and entertainment businesses to Urbana's downtown. Participants received rent subsidies, and start up grants for tenant improvements. This program was also discontinued in 2012 as the economy improved.

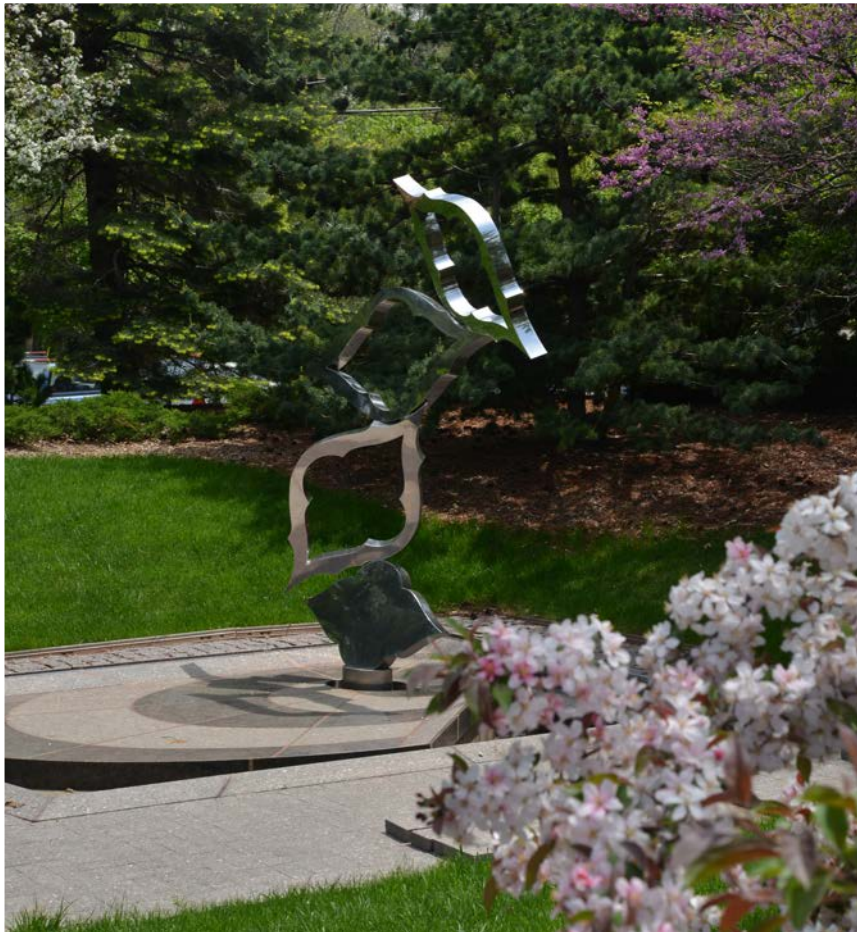
Many downtown businesses received these incentives during a time of slow economic growth when the City was seeking to fill vacancies in the downtown. A full list of businesses receiving Art Gallery or New Business grants can be found in Appendix B. In total, \$230,785 was provided to 26 Downtown businesses, seven of these businesses remain open in 2016.

Business Development & Opening Grants

The City began administering TIF business development and opening grants in 2012 as a replacement for the rent incentives administered under the predecessor programs. The program provided small grants of \$1,000 to \$2,000 to businesses after they completed business counseling and a ribbon cutting. Business Counseling was provided through the Small Business Development Center (SBDC) or SCORE. New, expanding, or struggling businesses are eligible to receive grants. Greater incentives are provided for restaurant, retail, and creative industry businesses. Compared with the prior programs, this program reduced grant levels, limited re-entry into the program, and made incentives accessible to more businesses. This program continues today. So far, over 50 new businesses have benefited from this program, and 75 percent (38) remain open. A full listing of businesses receiving Development and Opening Grants can be found in Appendix C.

Major Public Projects

Public Infrastructure improvements have had a tremendous impact on attracting and retaining development in Downtown Urbana, and help to tie the Downtown together as an attractive place in which to invest and to do business. The following section presents major public infrastructure projects completed with the assistance of TIF funding. A full listing of public projects completed can be found in Appendix D.



Downtown Parking Deck

Provision of additional off-street parking was a primary goal in the implementation of the Downtown TIF districts. The City accomplished this goal with the construction of a parking deck in the center of Downtown on Main Street. The parking deck helped to accommodate the additional parking demand generated from the expanded Jumers Hotel and other areas. The deck includes room for expansion on the upper levels, and was built to accommodate conversion to retail use on the ground floor. The City has completed necessary upgrades to the parking since its construction.



Boneyard Creek Improvement Area

In 2008, the City completed the

Boneyard Creek Master Plan to work towards the City's goal of improving the creek to create an amenity to the greater Downtown. There are five planned segments of the Boneyard Creek Master Plan, and in FY 2015 the City completed Segment Three. This project involved the development of a public park above the restored Boneyard and includes the reconstruction of the Race Street Bridge. Also completed as part of the project was the reconstruction of Race Street and Broadway Avenue, streetscape improvements, an outdoor amphitheater, a walkway along the water, and additional seating on bridges above. Completion of this segment has resulted in additional development proposals in the area.



Bike Facilities

Extensive bike facility improvements throughout the Downtown to help improve access have been made. Bike lanes and sharrows to Main Street, Elm Street, and Broadway Avenue. Bike parking was added in the parking garage and downtown, and additional bike parking has been

added for the market and around Lincoln Square Mall.



County Courthouse Improvements

The County Court undertook a major expansion to the Courthouse in 2010. The TIF Districts assisted in the relocation and site preparation efforts for this major undertaking as well as to improvements to the County courthouse clock renovation and Courthouse Plaza areas.



Curbanas

In 2014 the City piloted the Curbanas program to add additional outdoor seating to the Downtown as temporary installations. The

Curbanas were installed again in 2015, and became a permanent summer program in 2016. The Curbanas have helped to further activate downtown by attracting additional visitors and businesses.



Phillips Recreation Center

A major goal in creating the Downtown TIF Districts was to create an interior recreation space for the community. The TIF assisted with a demolition of an existing older school to build the Phillips Recreation Center.



Public Art Sculptures

Public Art has helped to activate the downtown through the addition of sculptures. Seven sculptures were

added to the Downtown. A full map of the downtown sculptures can be found in Appendix E.



Streetscape Improvements

Over the years, TIF has helped to complete major streetscaping throughout the greater Downtown, involving widening and brick banding of sidewalks, installation of decorative street lighting, and placement of beautifully landscaping and seating areas. The City completed streetscape improvements to Main Street, Water Street, Broadway Avenue, Vine Street, Elm Street, Illinois Avenue and Race Street. Medians with native plantings to Illinois Avenue, Vine Street, and Race Street were also added.

The City added street furniture including the benches, banners and lighting to Main, Broadway, Race, Water, and Vine Streets.



Plazas & Mini-Parks (Iron Post and Broadway and market)

With the assistance of TIF Funding the City has completed or improved three mini-park green areas; the Art in the Park project at the southwest corner of Vine and Green Streets at the City building, the seating area at the corner of Race and Elm Streets, and the mini-park at the corner of Water and Race Streets. Work at these locations have included adding planters, art sculptures, and seating. The three mini-parks provide much needed public gathering space to Downtown Urbana. Upgrades to the mini-park at Water and Race Streets are planned for 2016.

Activation & Marketing

Through the years, Urbana has worked hard to market the Downtown to potential businesses and developers. Additionally, attracting residents and visitors to the Downtown area is integral to building a customer base for future and current development. The TIF has helped to promote and activate business activity in the Downtown TIF Districts, with contributions to a number of projects.



Public Art

In 2008, the Urbana Arts Commission established the Urbana Public Arts Program. Since its establishment, the Urbana Public Arts Program has helped to activate downtown through sculptures, events, and festivals. Currently, the program is responsible for seven sculptures (including two in Art in the Park), and for Murals on Glass in the Downtown. Additional funds have been provided by sponsorship, donations, grants, and income-generating activities.

Festivals & Events

The TIF Districts have helped to support a number of festivals that attract people to the Downtown, and promote local expenditures and business support. Funded festivals have included Sweetcorn Festival; Pygmalion Festival; Folk & Roots Festival; Urbana Uncorked; Blues, Brews, and BBQ; and the International Beer and Chili Cook Off event. In 2015 the City began organizing monthly Food Truck Rallies during the summer to increase visitorship to the Downtown during work hours.

Market At the Square

As one of the State's largest Farmers Markets, Market at the Square draws thousands of visitors to the Downtown annually. It is a major economic driver and provides an entrepreneurial venue for many start up cottage and

food grower industries in the area. TIF funding helped to acquire property for additional Market parking, assisted in the construction of market seating areas, and helps to support special programming at the Market.

Urbana Business Association

The Urbana Business Association works to promote the City of Urbana to residents, visitors, and businesses. The Business Association organizes festivals and events, and assist businesses through networking and learning opportunities. Funding to Urbana Business Association has assisted with additional business promotion including the Downtown banners, Uncorked Wine Festival, Middle and Holiday Markets, and Restaurant Week. In addition to business promotion, UBA assists local businesses through business networking, marketing, and through promotion of entrepreneurship. The work of the organization has been crucial to the activation and continued health of the TIF Districts.

Business Visits

Each year, the City completes dozens of business retention visits, often in association with the Champaign County Economic Development Corporation. These visits assist the City in responding to the needs of current businesses as well as to assist businesses with expansion plans.

Location Assistance

The City maintains an online database of available business locations within the TIF Districts. Additionally, the City has provided direct assistance to qualifying businesses who wish to locate in the area. This assistance has helped place many businesses within the downtown.

Business Outreach

The City completed a Downtown market study in 2010 to help determine types of businesses to target for business attraction efforts. In addition, Staff regularly conducts outreach efforts to regional and national businesses to locate in Urbana including emails, surveys, and quarterly Business and Development Luncheons.

Marketing Materials

Throughout the life of the two TIF Districts, the City has designed and produced a variety of materials including websites, maps, and web and print advertisements to promote the TIF and Downtown businesses to potential businesses, developers, and visitors.

FUTURE PROJECTS

Although the City accomplished many projects within TIF Districts One and Two, additional projects remain to fully redevelop the Downtown.



Future Project Sites

Despite the numerous completed projects in TIF Districts One and Two, many projects remain to be completed. The following section presents an overview of the status of projects identified in the Two TIF plans and subsequent amendments, which have not yet been undertaken and which remain incomplete.

Commercial and Industrial Developments

- 1. Block North Site
- 2. Urbana Landmark Hotel
- 3. North Crane Alley Site
- 4. Lincoln Square Village
- 5. Leal Park Area Site
- 6. County Plaza Site
- 7. Blockbuster Site Redevelopment
- 8. Northwest Corner of Race & Green
- 9. Northwest Corner of Ceder & Green
- 10. School District Administration Building
- 11. Jail Site

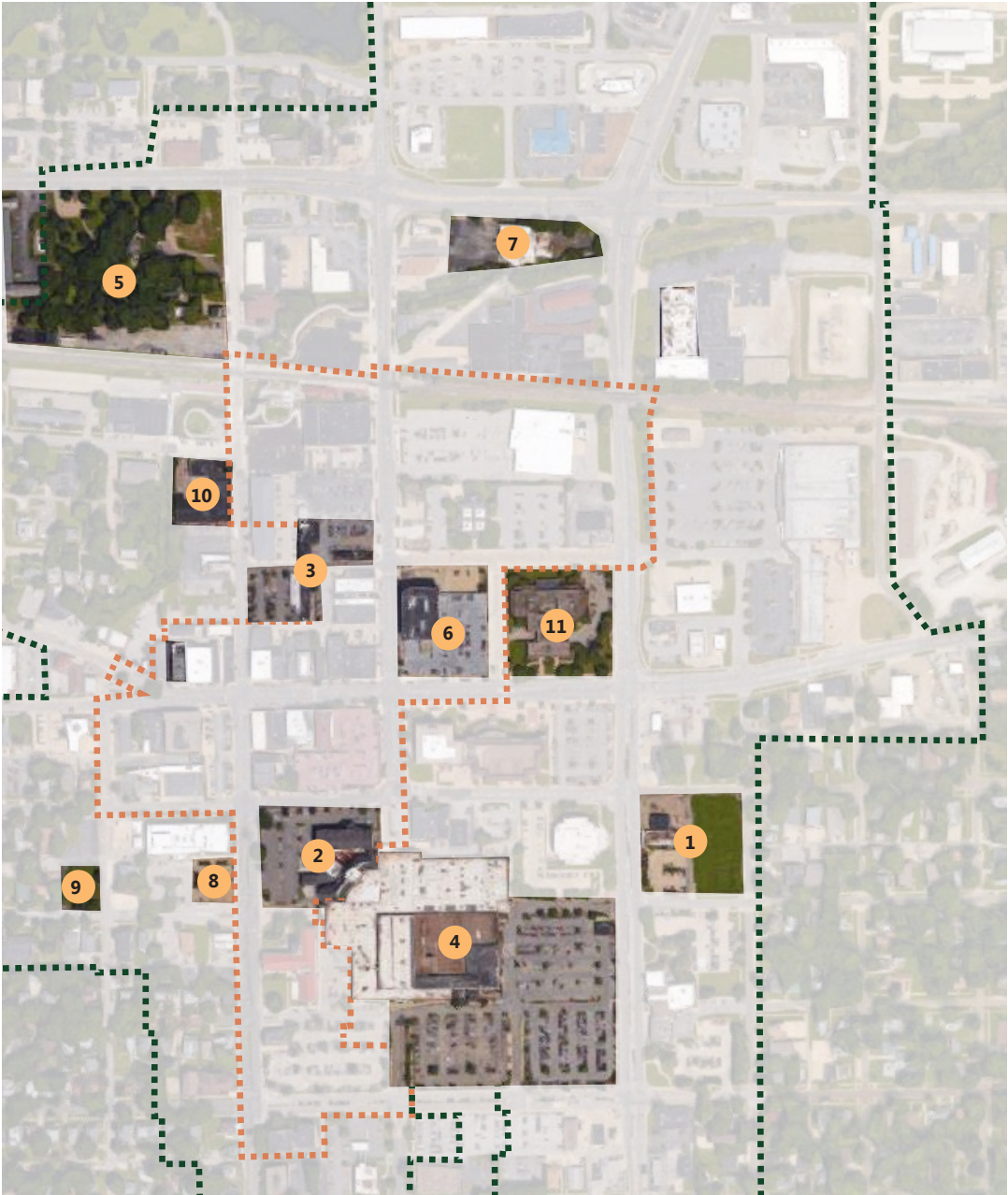


Figure 3: Map of TIF Districts One and Two Future Projects



Block North Site

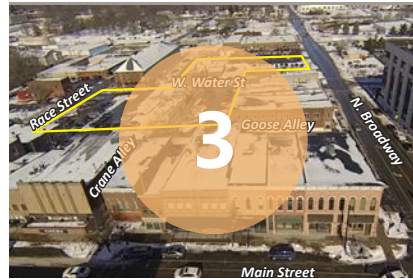
The City assembled the entire 200 S Vine Street block for the purpose of promoting a major mixed-use redevelopment. The City released a Request for Proposals (RFP) to developers in March of 2015, and the City chose TWG Development Group to develop a mixed-use market rate apartment building on the site. Construction is expected to start in 2017.



Urbana Landmark Hotel Redevelopment

The City executed a Redevelopment agreement with Xiao Jin Yuan in 2010 for the rehabilitation, reconstruction, and repair of the former Historic Lincoln Hotel property. While the owner made

significant progress on the renovation, the property requires substantial additional work to reach its full potential. The property is currently being offered for sale, and developers have expressed interest in completing major renovation to the site.



North Crane Alley Site

The North Crane Alley site presents an opportunity for redevelopment due to its prime downtown location and proximity to the new improved Boneyard Creek. The City of Urbana issued a Request For Proposals (RFP) for the North Crane Alley site in early 2015 in cooperation with property owner Robert Venable. Also, with the assistance of TIF District funding, the property owner demolished the former Jolly Roger building, in 2015. The City and property owner are in the process of recruiting developers to redevelop the site.



Lincoln Square Village

The current property owner has completed multiple improvements including tenant build-outs, and facility repairs, however, additional work remains to be completed to the facility to help it to reach its full potential and to refill all vacancies.



Leal Park Area Site

The Leal Park Area Site includes the former Helmick's Lumber site, and the corner properties at University and Race. While Leal Park itself would remain as is, a possible future mixed-use project could compliment and enhance this sometimes overlooked amenity. The City assisted the current property owner with completion of a demolition and site clearing of

the former Helmick's lumber yard. The site is currently vacant and used as overflow parking for the Silvercreek restaurant.



County Plaza Site

The TIF District One plan called for the development of an additional building on the County Plaza site. However, the Property owner investigated the cost of completing this work, and found it financially unfeasible. Future changes in market demand could make additional development at this site a possibility.



Blockbuster Site Redevelopment

Due to its prime location at the southwest corner of University Avenue and Vine Street, featuring

high traffic counts and proximity to the Downtown and Cunningham Avenue, the former Blockbuster site and the former Gill site to the South presents opportunities for development.



Northwest Corner of Race & Green

Following demolition of the Auler Building, this vacant plot of land, the northwest corner of Race Street and Green Street presents a development opportunity, possibly as part of the Urbana Library Campus.



Northwest Corner of Cedar & Green

Currently vacant, the site located at the Northwest Corner of Cedar and Green Streets offers an opportunity

for new construction development.



School District Administration Building

The School District has potential plans of vacating their Administrative Building located at the southwest corner of Griggs Street and Broadway Avenue. The current School District Administration building is located in a prime location, and vacation of the building will open up possibilities for a for a new mixed-use development project.



Jail Site

The County has potential plans of vacating the current Jail on Main Street. This vacation of the property would open up development potential of the site.



Downtown Transit Facility

CUMTD has plans to create a downtown transit facility. CUMTD hopes to achieve an off-street transfer facility with additional amenities, such as upper-story residential and commercial and / or institutional uses. The City entered into an Intergovernmental Agreement with CUMTD in 2014 to cooperate on a process to generate proposals. Although different downtown locations have been considered, final plans have not yet been completed.



Boneyard Creek Master Plan Segments in the Downtown TIF Districts

The Boneyard Creek Master Plan contained four segments for

implementation of the Boneyard Creek Improvement Project. The City completed Segment Three (Griggs Street to Broadway Avenue), however, the additional three Segments have not yet been completed.

Future Redevelopments

A number of public infrastructure projects were identified in the TIF Plan documents and remain to be completed, including a pathway along Boneyard Creek, improvements to Goose Alley West, and additional roadway improvements. Other potential future projects include additional structured parking, additional further streetscaping, and wayfinding amenities enhancements.

TIF GOALS

analysis of TIF goals & achievements



TIF GOALS

The City created the Downtown TIF Districts to achieve a comprehensive set of goals, aimed at improving the Downtown area. Since the creation of the Downtown TIF Districts, the goals for the Downtown have been supplemented with a number of additional plans promoting redevelopment and revitalization of the Downtown.

Current and previous Plan documents guiding policy and planning decisions in downtown Urbana include the following:

- Capital Improvement Plans (Annual)
- 1978 Boneyard Creek Master Plan (1978)
- Comprehensive Plan (1982)
- Downtown to Campus Plan (1990)
- Historic Preservation Plan (1998)
- Downtown Strategic Plan (2002)
- Champaign County Greenways Plan (2004)
- Tax Increment Finance District #1 Plan (1980) & Plan Amendment (2004)
- Tax Increment Finance District #2 Plan (1986) & Plan Amendment (2005)
- Urbana 2005 Comprehensive Plan (2005)
- Urbana Bicycle Master Plan (2008)
- Boneyard Creek Master Plan (2008)
- Cunningham Avenue Beautification Plan (2008)
- Downtown Urbana Parking Study (2008)
- University Avenue Corridor Plan (2010)
- Downtown Market Study (2011)
- Urbana Downtown Plan (2012)
- Climate Action Plan (2015)

Other plans and documents set guidelines or regulations that impact the downtown, such as the Mixed Office Residential District Development Guidelines (for portions of Green and Elm Streets), the Champaign County Facilities Plan, the Urbana Zoning Ordinance, and the Urbana Subdivision and Land Development Ordinance.

The 2002 Downtown Strategic Plan envisioned a number of ways to move the downtown forward which were encapsulated as initiatives entitled Downtown Leadership, Image, Center of Urbana, Downtown Neighborhood, Niche Market, and Lincoln Square. The 2002 Plan identified a number of specific projects several of which have been completed. Similarly, the TIF Plan Amendments identified key project locations throughout the downtown. The 2012 Downtown Plan updated

projects to be completed in Downtown Urbana.

Attachments A through D display the TIF goals and objectives as included in the TIF One Plan, TIF Two Plan, and their respective extensions. The following section presents paraphrased versions of the TIF One and TIF Two goals, and analyses of the success that the City has had in achieving these goals to date.

Preserve and rehabilitate existing buildings

TIF funding assisted in the preservation of 37 of the remaining 42 buildings built prior to 1973 in TIF One (88%) as displayed in Figure 5. These buildings include all of the buildings targeted for preservation in the TIF One Plan. Preserved building projects included the Historic Lincoln Hotel along with numerous buildings along Main Street, including the Cinema Gallery; Main Street Plaza; [co][lab]; A Plus VIP Lounge; the Stephens Building; Crane Alley Building; and the Dancing Dog Restaurant. TIF funding also assisted with the preservation of buildings in TIF Two, including the Lincoln Square Mall, 129 N Race Street, 303 W Griggs, and the Station Theater.

Develop residential, commercial, and industrial buildings.

TIF funds assisted in the development of a number of major new residential and commercial buildings in the downtown, including the Stratford Apartments, the Jumer's hotel expansion, the Patel Building, the Omnicare labs, Gateway Shoppes and outlots, Urbana Crossing (Schnucks), and the 5 Points / Walgreens Developments.

Complete Planned Redevelopment Projects

The TIF Plans anticipated a number of specific redevelopment projects to be completed including the nine following master planned projects (the location of these projects can be seen in Figure 4):

- A 15,000 - 25,000 square foot banking facility with parking (Figure 4: 1).
- A 40,000-50,000 square foot office/banking building (Figure 4: 2).
- A downtown parking garage (Figure 4: 3).
- A 60-70 room expansion of the Jumer's Hotel (Figure 4: 4).
- Elderly housing (Figure 4: 5).
- A new grocery store (Figure 4: 6).
- A office/retail space (Figure 4: 7).
- Preservation of existing buildings (Figure 4: 8,9).

All of the private development projects identified in the TIF District One Plan were completed



During the TIF One lifespan, all of the above noted downtown projects were completed.

The 2004 TIF One Amendment contained the following six additional projects:

- Historic Lincoln Redevelopment
- County Market Redevelopment
- County Plaza II New Development
- Stratford Site New Development
- Timpone’s Plaza New Development
- Existing Building Rehabs

While the City was able to complete many of the planned projects identified in the 2004 Plan Amendment, some remain to be completed. The City entered into a redevelopment agreement for the Historic Lincoln Hotel property, but additional improvements to the space are still needed. Improvements to the County Plaza development were completed with TIF Redevelopment assistance. But, an expansion to the building has not been deemed feasible at that time. Development of a new apartment building was completed at the Stratford Apartment site, and at Timpone’s Plaza on Broadway.

TIF Two identified market opportunities as they existed in 1986, and aimed to incentivize development based on these opportunities. The market opportunities can be found in Attachment C. The plan broadly identified types of development to target and locations to place this development.

Figure 4: Map of TIF District One Planned Projects

Figure 6: A Complete List of TIF Assisted Major Renovation Projects (Current Use)

- Main Street Plaza Office Building
- [co][lab] Co-working Space
- Cafeteria & Co Pizza and Coffee Shop
- Cinema Gallery Fine Arts Gallery
- Mirabelle Fine Pastries
- Dancing Dog Vegan Restaurant
- Heel to Toe Shoe Store
- H2O Salon and Spa
- A Plus VIP Lounge Night Club
- Stephens Building Mixed-use Buildings (under construction)
- Urbana Landmark Hotel
- Best of Africa Grocery Store
- Sylvia's Irish Inn Bed and Breakfast
- Weaver, Kearns, Bergstrom, Attorneys at Law
- Frederick & Hagle Attorneys at Law
- Bunny's Tavern
- Halberstadt House, Rooming House
- Station Theater, Live Art Theater
- Beads and Botanicals, Boutique
- Common Ground Food Co-op / Lincoln Square Village, Mixed Use Complex
- Broadway Market (Proposed)
- Sitara Indian Restaurant
- Crane Alley Bar and Restaurant

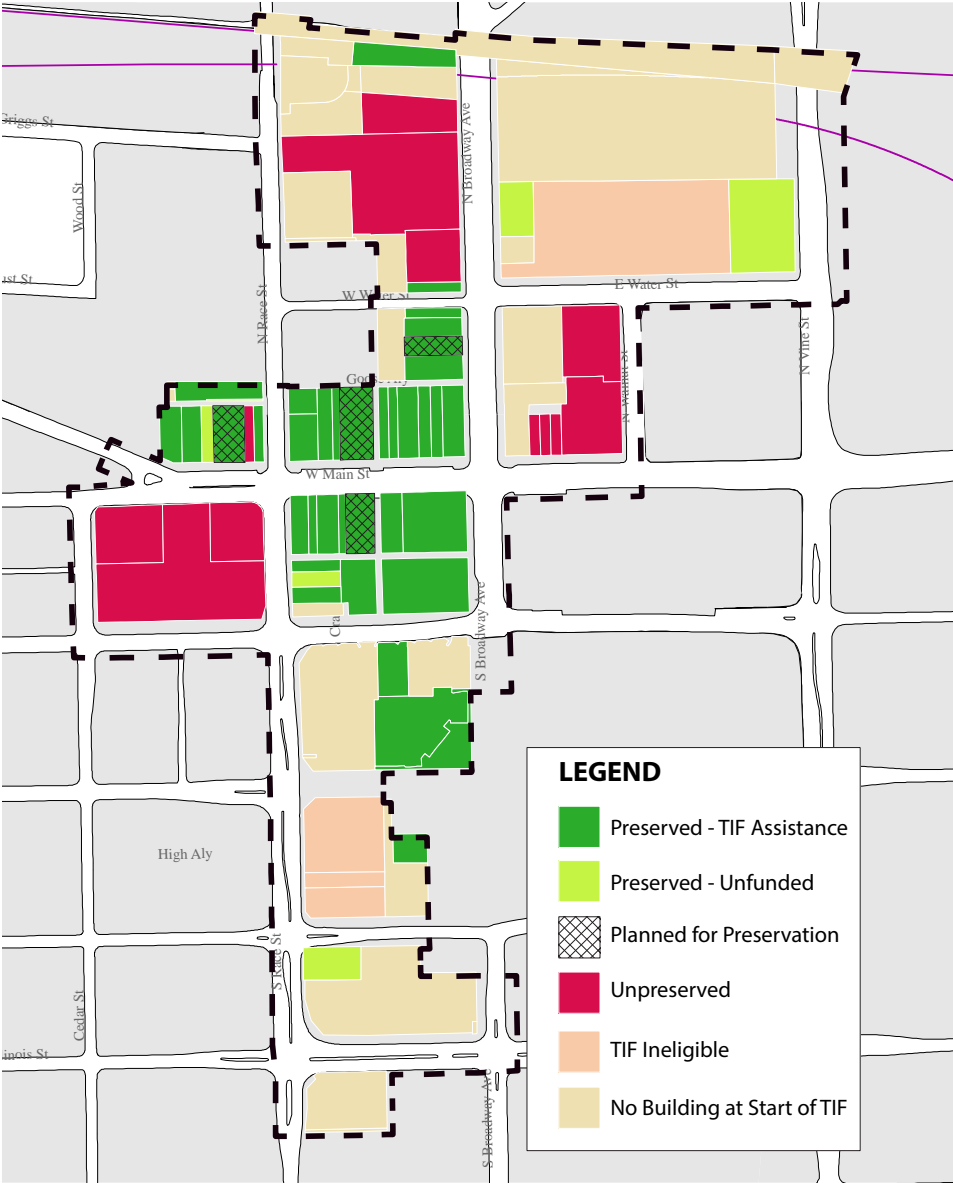


Figure 5: Map of TIF District One Preserved Buildings (Preserved buildings defined as buildings maintained from prior to 1973)

The 2005 TIF Two Amendment Plan included the following list of potential redevelopment projects:

- Lincoln Square Redevelopment
- Five-Points East Redevelopment
- Five-Points West Redevelopment
- Historic Lincoln Redevelopment
- Race/University Corner Redevelopment
- Flatiron Main/ Springfield New Development
- Gill Site Redevelopment
- Green/Race Street Redevelopment
- Weaver Green/Cedar New Development
- County Plaza Improvement / Redevelopment
- Main/Vine SE Redevelopment
- Main/Vine NE Redevelopment
- Strong Banquet Center
- Existing Building Rehabs

The City has seen significant progress in completing the potential private development projects thus far. Lincoln Square Village completed major improvements including roofing repairs, flooring improvements, door replacements, and tenant build-outs. Shopping Centers at both Five-Points East and West were completed, and are at near capacity with tenants. Development has not yet been completed at the southwest corner of Race and University, Flatiron Main/Springfield site, northwest corner of Green and Race, northwest corner of Green and Cedar, southeast corner of Main and Vine, and the Leal park area sites.

Facilitate the development of a mix of service, office, and retail

Historically, Urbana’s core downtown base has been governmental services, including City and County offices and the Courthouse, and related development such as law offices. City residents and leadership saw diversity of the downtown as a key to the sustained success of the City. Use of TIF Funds has been integral in facilitating a variety of uses other than professional offices including retail and food and beverage uses.

Figure 7 displays the percentage of parcels in TIF districts One and Two that have received direct assistance through TIF funding compared to parcels not having received funding, categorized by current use. Of properties currently containing a building, 79% of properties in TIF District One have been financially assisted and 15% on built parcels in TIF District Two have been financially assisted.

For both TIF Districts, the City did not incentivize as strongly the markets that have historically performed well. Only 39 percent of professional and personal service projects were funded in TIF One. In TIF Two, auto, professional service, and residential remained largely un-incentivized.

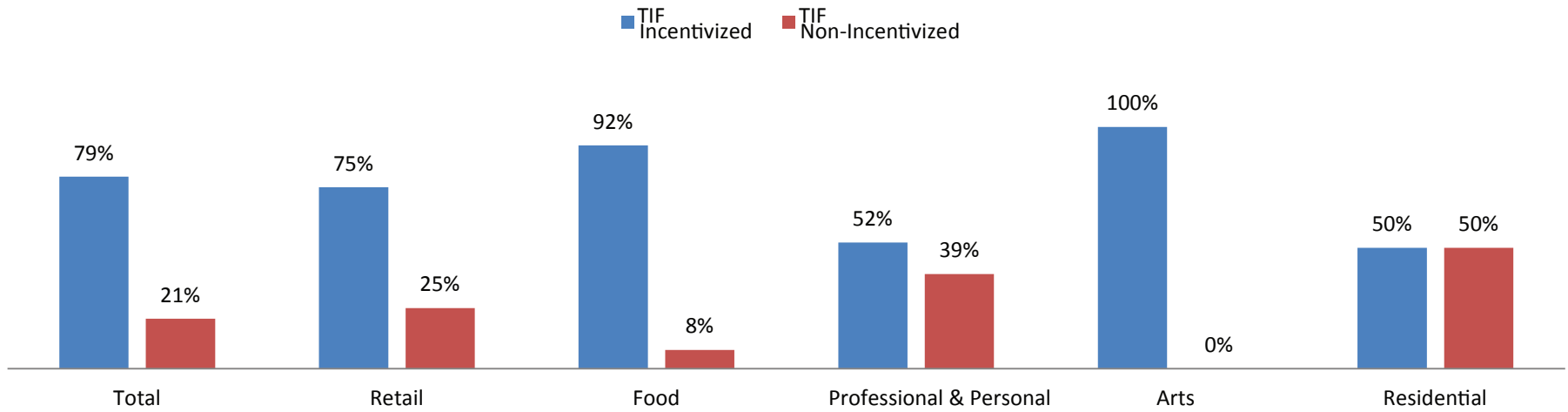
For both TIF districts, a significantly larger percentage of the retail and food projects were incentivized than non-incentivized. The data indicates that TIF has been integral in developing a more balanced mix of service, office, and retail businesses in the Downtown than would have occurred without the TIF programs and incentives.

Improve infrastructure, facilities, and multi-modal pathways.

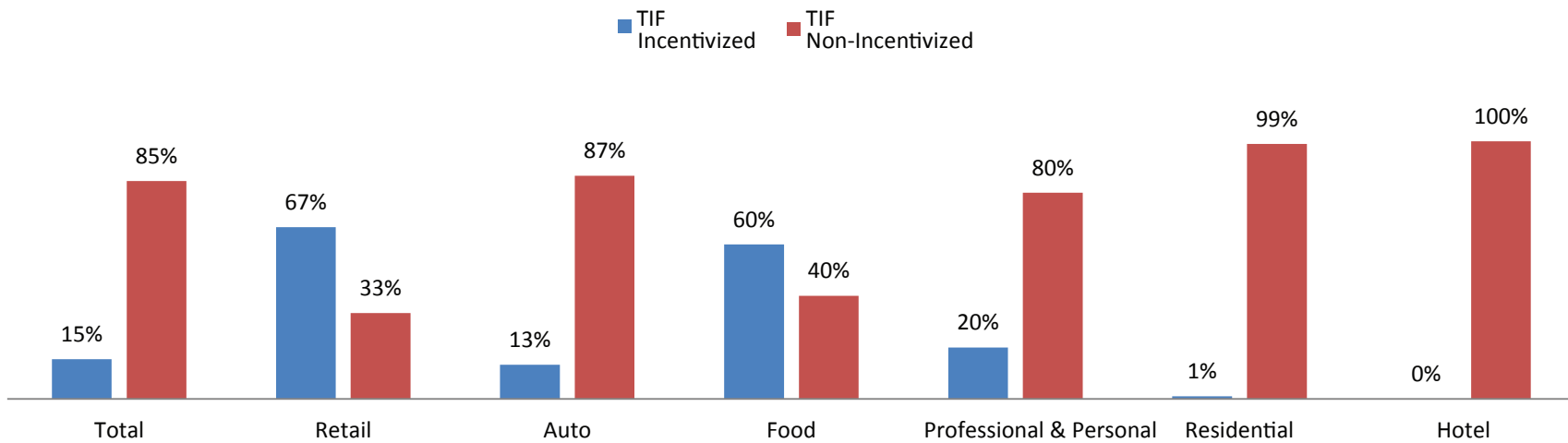
The City completed many infrastructure, facility, and multi-modal pathway improvements within the TIF Districts. Major improvements included streetscape including brick banded sidewalks, improved lighting, planters, benches, bike lanes, bike parking, the construction of the downtown parking deck and the Boneyard Creek Improvements. These improvements are now integral to the identity and vibrancy of Downtown Urbana. For a full list of completed public facility projects, view the public projects section of the report.

While professional and legal offices with historically strong markets demand were able to complete projects without direct assistance, financial incentives were necessary to facilitate new construction development in highly desirable, but historically weak markets including retail, restaurants, and housing.

Percentages of Properties Receiving Incentives in TIF One by Use Type*



Percentages of Properties Receiving Incentives in TIF Two by Use Type*



* Includes all parcels currently containing a building

Figure 7: Percent of buildings receiving incentives

Reduce and stop the spread of blight.

When TIF Districts One and Two were created, the downtown contained many blighting factors (see Appendixes A through D) including:

- Buildings built prior to 1940
- Dilapidated buildings
- Deteriorating buildings
- Buildings below code
- Inadequate utilities
- Excessive land coverage
- High vacancy
- Depreciation of maintenance
- Bad layout of buildings
- Multiple owners of buildings.

When TIF One was amended in 2004, some additional blighting deficiencies were identified. These factors included:

- Age and obsolescence of structures on Main Street, Broadway, and Race.
- High vacancy on second floor along Main Street.
- County Market (now Save-a-lot) building deterioration. Lack of lighting and streetscape on Broadway and Density, limiting factors of the train tracks, and low density.
- Poor layout of the County Plaza block with excessive land coverage.

Multiple projects were completed in the two TIF Districts that have somewhat reduced these blighting factors. TIF funds assisted with building rehabilitations and interior work at numerous locations, including Lincoln Square Village, Landmark Hotel, [co][lab] (206 W Main St), Main Street Plaza (123 W Main St), and the Best of Africa (303 W Griggs St) property. A full listing of completed projects decreasing blight in the downtown can be viewed in the TIF Completed Projects section of the report.

Demolition projects resulting in new businesses or redevelopment sites were also completed with assistance from the TIF. These projects include the former Denny's dry cleaning site, the current SIPYARD location, the former Helmick's lumber site, the former Jolly Roger Site, the Five Points Development, the Gateway Shoppes, Urbana Crossing and the current 200 Vine Block site. More information on these projects can be viewed in the TIF Completed Projects section of the report.

TIF funds also helped to increase occupancy on the second story of Main Street, including spaces for Pixo, Applied Pavement Technology, and Capoeira Angola.

The 2005 TIF District Two Plan amendment also contained updated blighting factors and deficiencies including the following (a full listing of the amended TIF District Two Plan blighting factors can be seen in Attachment H):

- Boneyard Creek deterioration
- Lack of access and connections, especially to Leal Park and Griggs Street
- Age, obsolescence, deterioration, and dilapidation of structures, including the Five Points site, Lincoln Square Mall, and other buildings
- Infrastructure deficiencies
- Incompatible uses, especially at the Lessaris site

The City was able to address the majority of blighting factors described in the amended TIF District Two plan. Through the Boneyard Creek Improvement Project and the Five Points northeast and northwest projects, the City had the greatest impact on decreasing blight. The Boneyard Creek project improved access, decreased deterioration, and added public infrastructure, including improvements to the Race Street Bridge. Prior to the construction of the Five Points properties, the City worked with the property owner at the Lessaris site to relocate mobile homes that had fallen into disrepair. The Five Points development reduced the blighting factors present at that site.

Through leveraging private development and completing public infrastructure improvements, the City was able to dramatically decrease blighting factors in the Downtown, and to slow the spread of further blight.

Enhance the tax base of the City and other taxing districts

Equalized Assessed Value (EAV) is an adjusted market rate property value used by taxing bodies to enable an equalized property tax. EAV in Illinois is found by calculating one third of the market value. EAV provides a metric to evaluate whether the tax base of the City and other taxing districts was enhanced, as when EAV rises taxing bodies collect greater taxes. Overall, EAV increased in both TIF Districts One and Two, and analysis indicates that public funding from the TIF Districts directly enhanced the tax base. A full exploration of (EAV) performance in TIF Districts One and Two can be found in the following Economic Indicators section of this report.

ECONOMIC BENEFITS



Among the major goals of creating the two Downtown TIF Districts were to enhance the tax base and overall economic vitality of Urbana. The Downtown TIF Districts also assisted to create development and employment opportunities, which generated Property, Food and Beverage, and Sales Tax revenues.

OCCUPANCY

Public Infrastructure projects and financial assistance helped to attract additional businesses to the Downtown. Multiple projects were completed that have decreased the vacancy rates in the Downtown, occupying and reactivating buildings that had previously been vacant or underutilized. Examples include 206 W Main Street ([co][lab]), 204 W Main Street (Sipyard), 208 W Main Street (Cafeteria and Co), the County Plaza and Lincoln Square Village renovations, 108 W Griggs Street (Best of Africa Grocery Store), 202 N Race Street (Masijta Grill), and Main Street Plaza (Lacy's BBQ, CU Adventures in Time and Space, Action Jackson Comics). An additional three projects at 401 W Broadway Avenue, 219 N Race Street, and 218 W Main Street are under construction. As of 2016, currently, few vacant properties remain in the Downtown, with the majority being open second story or units within multi-unit buildings.

EMPLOYMENT

The variety of financial assistance programs have enabled businesses of all sizes to locate and to expand in Urbana. Redevelopment Agreements and Redevelopment Incentives have assisted with build-outs and retrofits to enable large businesses and organizations to open in Urbana. The smaller \$1,000 to \$2,000 grants, and the [co][lab] co-working space, have given small entrepreneurs and start-ups new opportunities to open and to thrive. This growth of organizations and businesses has attracted yet more businesses to open Downtown, bringing additional restaurants and other business services workers. Data collected from business visits found that assisted new businesses and organizations added over 500 new jobs to the Downtown since 2003, of these 500 new jobs, recent surveys with businesses assisted in 2015 found a total of 92 jobs added in the last year alone. These figures represent only a portion of the jobs created for assisted businesses, and the actual figure for jobs created in the TIF Districts is likely much larger.

SALES TAX AND FOOD AND BEVERAGE TAX REVENUE

As discussed in the Goals section of this report, the Downtown TIF Districts

TIF District One EAV Growth

\$4,873,500

TIF District Two EAV Growth

\$11,435,430

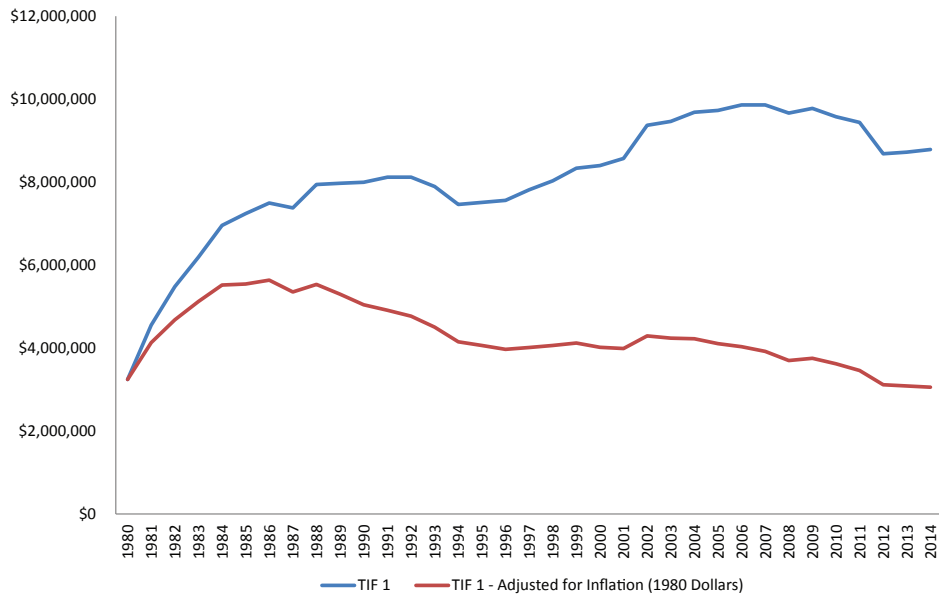
increased the diversity of businesses in the Downtown. Specifically, additional retail, food and beverage, and multi-family units were added. The increase in food and beverage and retail businesses provided direct revenue through sales and food and beverage tax revenue. The increase in multi-family, businesses, and organizations increased patrons to these businesses, generating additional tax revenue.

SQUARE FOOTAGE ADDED & EQUALIZED ASSESSED VALUE

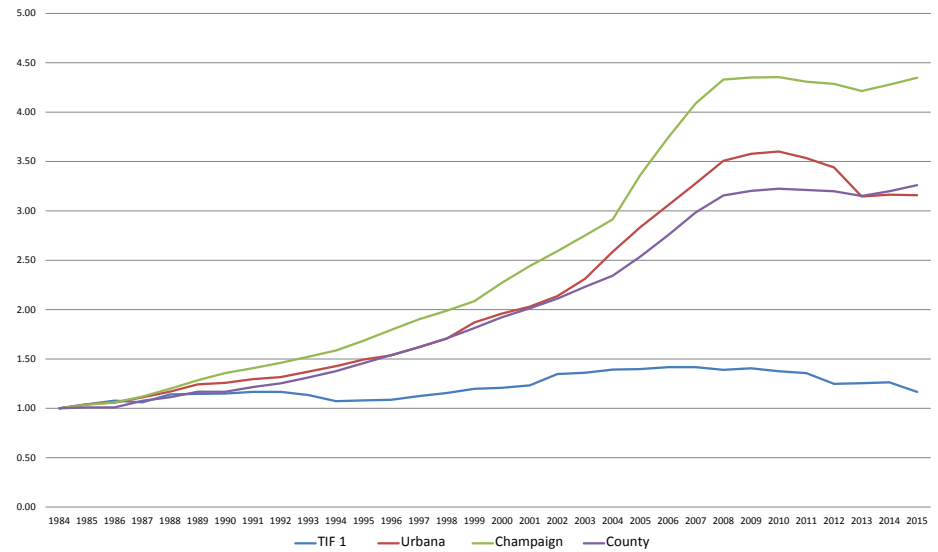
A measure that can be looked at to evaluate the impact of a TIF is to measure any increases in EAV and in square footage that occur as a result of the TIF. These two indicators correlate as additional square footage added will result in increased EAV. Although data is incomplete, over 121,754 square feet in new space has been added since 1999, this number is in addition to re-activated or reoccupied space The Downtown TIF Districts have had a positive effect on property values in the Downtown as a whole. Prior to the Downtown TIF Districts' creation, EAV in the Districts had been declining for at least five years. EAV in both TIF District One and TIF District Two increased significantly during the TIF Districts' lifespans. In total TIF District One had an overall growth of \$4,873,500, and TIF District Two had a growth of \$11,435,430. TIF Two EAV growth exceeded inflation, where TIF one was just able to keep pace.

TIF One EAV grew steadily in its initial years, due to major new construction projects including County Plaza, County Market (now Save-A-Lot), Busey Bank, and the Jumer's Hotel and Convention Center. EAV growth slowed from 1984 through 1992, decreased in 1993 - 1994, increased again from 1995 through 2009, and decreased from 2009 to 2015 during the recession.

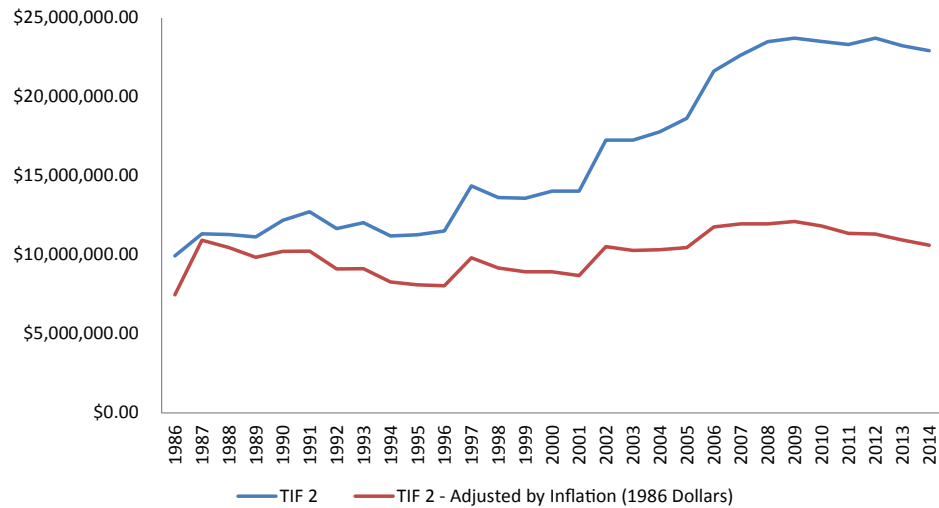
TIF 1 EAV 1980-2015



TIF One EAV Performance 1984 - 2015 Indexed to 1984 EAV Value



TIF 2 EAV 1986-2015



TIF Two EAV Performance 1986 - 2014 Indexed to 1986 EAV Value

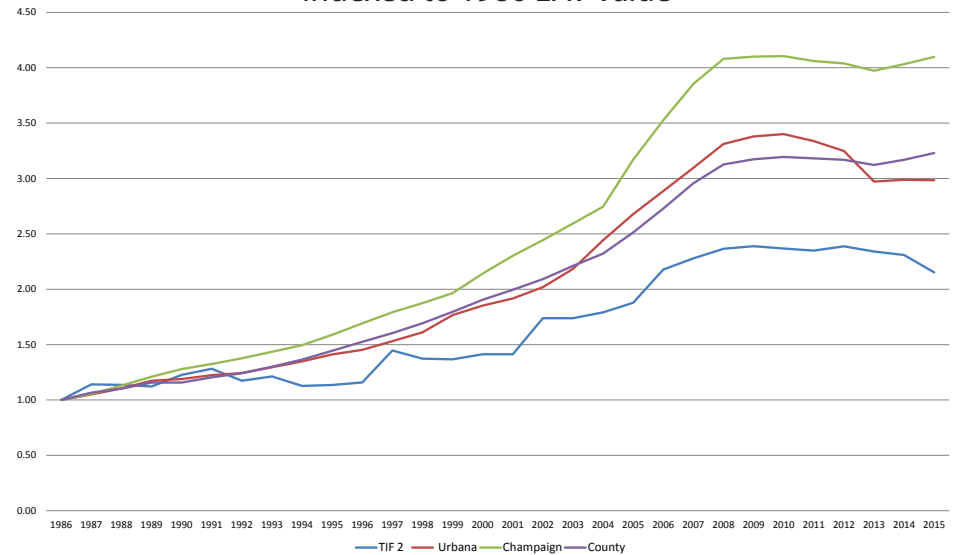


Figure 8: Yearly EAV in TIF Districts One and Two

TIF District Two EAV increased for most years of the TIF, with the strongest EAV growth occurring between 1997 and 2008. After the recession of 2008 EAV growth decreased, and declined starting in 2014.

As defined by the Bureau of Labor Statistics (BLS), the Consumer Price Indexes (CPI) calculates changes in prices paid by urban consumers based on a representative basket of goods and services¹. Inflation is calculated from the CPI, and reflects the amount one dollar can buy in a year compared to another. To calculate for inflation, inflation rates were used based on the value in 1980 for TIF District One, and 1986 for TIF District Two. When adjusting for inflation, TIF District One EAV showed a smaller decrease of \$184,396, and TIF District One EAV increased by \$3,149,795. The decline in the adjusted EAV in TIF District One is likely due to the loss of value at Lincoln Square Village, which was valued much higher when the TIF was established.

To compare EAV performance of TIF Districts One and Two with the Cities of Urbana and Champaign, as well as Champaign County, as a whole annual EAV values were indexed to the 1984 figure by dividing the annual EAV figures by the 1984 value. The Urbana and Champaign cities, and Champaign County data have both TIF and Enterprise Zone exemptions removed. Due to lack of electronic record keeping, County EAV data is only available beginning in 1984.

Both TIF Districts One and Two performed below both the cities and Champaign County with EAV growth. This difference was primarily caused by the high concentration of older buildings located within the two Downtown TIF Districts.

EAV Change Influencers

TIF One boundaries encompass the central downtown area, which is characterized by compact urban development. Upon enactment, TIF District One contained predominantly historical buildings and a limited number of development sites. Of the limited identified development sites available, four had private developments planned that would not require City funding assistance (Busey Bank, County Plaza, County Market, and the Timpone Building), one had private development planned requiring City assistance (Jumer's), and one had a public infrastructure project planned (City parking garage). The City included all of these planned projects into the TIF District One Boundary to facilitate the Jumer's expansion along with future development. As the initial planned projects were completed, EAV in TIF District One increased

¹ Bureau of Labor Statistics, www.bls.gov/cpi/

Over 92 jobs were created in 2015, and over 500 since 2003 with TIF assistance

rapidly, as displayed in Figure 8. Although the Jumer's Hotel and Convention center addition had an initial positive impact on EAV growth, the Hotel declined in recent years, which has had a negative impact on the District's EAV.

Remaining new development sites, which included surface parking lots, contained challenges that dissuaded development. Costs associated with infill development are higher due to difficult parcel configurations; site remediation including environmental and utility relocation; demolition of existing buildings; and higher land costs than comparable "greenfields". These factors and existing uses that would need to be relocated commonly hinder larger development projects from occurring, in historic downtowns, including Urbana.

Preserving historic properties in downtown TIF District One has been a consistent priority for the City and its residents. Upon the completion of the large development projects, few development site opportunities remained. The City shifted priorities to focus on preserving and renovating the numerous historic buildings, primarily utilizing renovation incentive programs rather than reconstruction. Many successful renovations were completed and while they preserved historic buildings and halted further deterioration, the very nature of these redevelopment projects limit their EAV growth potential.

In addition to historic building redevelopment projects, the later years of TIF District One focused on clearing away land constraints to create future development opportunities. Although the city successfully preserved many historic buildings, many other buildings required demolition due to extensive deterioration. For example, the City helped local business owner Bob Venable demolish the Jolly Roger and developer Matt Cho demolish 204 W Main St and convert the area into an outdoor beer garden. The City also completed major environmental remediation work at the former Denny's Dry Cleaner site. Despite the likelihood of these projects leading to future EAV growth, only minimal EAV growth has been realized at these locations thus far.

TIF District Two

Surrounding TIF District One, TIF District Two contains a varying land use pattern. In areas closer to the boundary of TIF District One, the District contains a compact urban core similar to TIF District One. Towards the outer areas, TIF District Two contains auto-oriented businesses. The Downtown core areas encounter the same challenges to EAV growth as in TIF District One, discussed in detail above. These older buildings include the historic Lincoln Square Village, which greatly influences EAV in TIF District Two. National consumer preferences have led to many malls becoming obsolete. While the transformation of the Lincoln Square Mall into the Lincoln Square Village has resulted in numerous improvements, and helped to maintain occupancies, the overall EAV of the building has actually declined since the TIF was established.

The outer areas within TIF District Two present greater opportunities for new development, although many development hindrances exist in these areas as well, such as required demolition of dilapidated or obsolete buildings; and environmental contamination. The City has successfully used TIF funding to alleviate these challenges in the early years of the TIF, resulting in larger redevelopment sites that are now poised for redevelopment.

With the assistance of City funding developers completed major new construction development projects in TIF District two. These projects included Urbana Crossing (the Schnucks shopping center), Five Points Commerce Center, Gateway Shoppes, and the Stratford Apartments. These projects have helped to significantly increase EAV in TIF District Two.

CONCLUSION

Urbana's Downtown TIF Districts, have accomplished a significant number of major projects and goals. The TIF districts enabled many private investment and public infrastructure projects to proceed that would not have occurred without TIF funding. Numerous Downtown public space improvements helped to activate the Downtown area attracting businesses, developers, residents, and visitors, to an increasingly vibrant Downtown. There has been strong

progress on the original goals as well as many subsequent public goals of the Plans including preserving historic downtown buildings, adding and enhancing commercial and residential buildings, decreasing and stopping the spread of blight, and increasing economic activity. Despite the great progress of the TIF Districts, additional work is necessary to enable future private investment and occupancies to occur. With the remainder of TIF Two, and a planned Central Redevelopment Area TIF, the City will be able to continue its work towards achieving the goals for the downtown as identified by the community in the Downtown Redevelopment Plan and other policy statements.

Appendix

- A. Projects Receiving Redevelopment Incentives and/or Facade Loans
- B. Projects receiving Art or New Business Grants
- C. Projects receiving opening or development grants
- D. Public Infrastructure projects as identified in TIF Plans
- E. Map of Downtown art sculptures

Appendix A: Projects Receiving Facade and Redevelopment Loans

| PROJECT | LOCATION | INCENTIVE | YEAR |
|------------------------------------|-----------------------|-----------|-----------|
| Cinema Gallery | 120 W. Main St | \$17,858 | 2006-2007 |
| Dancing Dog | 126 W. Main St | \$12,373 | 2014 |
| Mirabelle Fine Pastries | 124 W. Main St | \$2,625 | 2011 |
| Baroque Chocolates | 124 W. Main St | \$5,001 | 1995 |
| 121-126 Goose Alley | 121-126 Goose Alley | \$5,209 | 2011 |
| Cinema Coffee House | 120 W. Main St | \$4,001 | 1995 |
| Cookies By Design | 510 N. Cunningham Ave | \$4,580 | 2008 |
| Po Boys | 202 E. University Ave | \$27,480 | 2011-2012 |
| Rainbow Garden | 202 E. University Ave | \$41,220 | 2011 |
| Skinni Girl Yogurt | 202 E. University Ave | \$27,481 | 2011 |
| The Morning Cup and More | 202 N. Race St | \$27,841 | 2009 |
| U of I Credit Union | 206 E. University Ave | \$15,480 | 2011 |
| Masijta Grill | 202 N Race St | \$25,000 | 2014 |
| Best of Africa | 208 W. Griggs St | \$9,353 | 2016 |
| Applied Pavement Technology | 115 W. Main St | \$9,725 | 2015 |
| V. Picasso | 214 W. Main St | \$27,480 | 2009 |
| A Plus VIP Lounge | 214 W. Main St | \$25,000 | 2015 |
| H2O Salon & Spa | 109 N. Broadway Ave | \$1,002 | 2010 |
| Bunny's Tavern | 119 W. Water St | \$18,315 | 1991-2008 |
| Sylvia's Irish Inn | 312 W. Green St | \$11,621 | 2011 |
| Sherwin Williams | 203 N. Vine St | \$25,000 | 2016 |
| Corkscrew | 203 N. Vine St | \$27,481 | 2010 |
| BBA Auto Sales | 610 N. Cunningham | \$6,118 | 2009 |
| Lessaris Brothers | 510 N. Cunningham | \$11,304 | 2011 |
| Station Theater | 223 N. Broadway Ave | \$19,830 | 2007 |
| IMC | 202 S. Broadway Ave | TBD | 2016 |
| Parasol Records | 303 W. Griggs St | TBD | 2016 |
| Carter's Furniture | 410 N. Vine St | \$35,221 | 2003 |
| American Legion | 107 N Broadway Ave | \$7,740 | 2004 |

| PROJECT | LOCATION | INCENTIVE | YEAR |
|---|---------------------|--------------------|-------------|
| Halberstadt House | 104 N Central Ave | \$27,480 | 2014 |
| Iron Post | 120 S. Race St | \$5,160 | 2003 |
| Beavers Enterprises | 218 W. Main St | \$3,225 | 2004 |
| 115 W Main | 115. W Main St | \$12,457 | 2006 |
| SzeChuang Chinese | Data not Available | \$13,740 | 2003 |
| Heel to Toe | 106 W. Main St | \$5,001 | 1995 |
| Courier Cafe | 111 N Race St | \$2,505 | 2001 |
| Novak & Jones Law Offices | 128/130 W. Main St | \$10,003 | 1995 |
| Johnson, Frank, Frederick, & Walsh | 127/129 W. Main St | \$10,003 | 1995 |
| Piccadilly Beverage Shops | 306 W. Main St | \$2,475 | 1995 |
| Webster and Associates | 104 W. University | \$5,001 | 1995 |
| Michelle's Bridal Shoppe | 502 S. Vine St | \$5,001 | 1997 |
| Shelby Toyota-Mazda | 104 E. University | Data not Available | 1998 |
| Phebus & Winkelmann | 136 W. Main St | \$5,010 | 2001 |
| Allied Title | 220 W. Main St | \$2,880 | 1989 |
| B&C Development | 407 E. Main St | \$4,989 | 1993 |
| Brash Flower Shop | 126 W. Main St | \$4,924 | 1989 |
| Bridal Fashions by Swank | 302 W. Elm | \$2,478 | 1984 |
| Dyno-Tune, Inc | 104 S. Vine St | \$3,190 | 1986-1993 |
| Finfrock Enterprises, Inc. | 103 N. Race St | \$2,786 | 1985 |
| Gatsche | 206 W. Main St | \$2,786 | 1985 |
| Glen Frazier and Associates | 122 S. Race St | \$264 | 1986 |
| Home Sweet Homes, Inc. | 400 E. Main St | Data not Available | 1988 |
| Huey's | 105 E. University | \$9,848 | 1989 |
| Isaksen Matzdorf Glerum - Architects | 114 W. Main St | \$1,870 | 1989-1992 |
| Kirby's Firestone of Urbana, Inc. | 303 W. Main St | \$2,707 | 1988 |
| Long's Garage | 503 E. Main St | \$2,707 | 1985 |
| M & W Properties | 119-125 W. Main St. | \$2,694 | 1984 |
| Marro | 212 W. Green | \$2,488 | 1985 |

| PROJECT | LOCATION | INCENTIVE | YEAR |
|--|---------------------|------------------|--------------------|
| Mongolian Palace Restaurant | 115 W. Main St. | \$4,945 | 1992 |
| S&R Engineering | 129 N. Race St. | \$1,800 | 1987 |
| Silver Creek Restaurant | 402 N. Race St. | \$4,924 | 1989 |
| State of Illinois Office Building | 508 S. Race St. | \$4,924 | 1989 |
| TBK Partnership | 120-122 S. Race St. | \$3,751 | 1994 |
| TEMJ | 120-122 S. Race St | \$3,385 | 1989 |
| The Embassy Tavern | 114 S. Race St | \$923 | 1988 |
| The Office | 214 W. Main St | \$4,924 | 1989 |
| Tod & John's Ltd | 201 N Broadway | \$2,733 | 1985 |
| Whittaker's Jewelry Inc. | 133 W. Main St | \$622 | 1993 |
| Star Uniforms | 400 N. Broadway Ave | \$6,000 | 2006 |
| The Studio | Data Not Available | \$41,221 | Data Not Available |
| Broadway and Green | Lincoln Square | \$1,846 | 1989 |
| Lox, Stock & Bagel | Lincoln Square | \$2,462 | 1989 |
| Urbana Card Shop | Lincoln Square | \$9,913 | 1989-1992 |
| Record Service | Lincoln Square | \$2,591 | 1989 |
| The Spaghetti Shop | Lincoln Square | \$4,945 | 1991 |
| The Mole Hole | Lincoln Square | \$5,001 | 1994 |
| Port Galvestons Grill | Lincoln Square | \$3,126 | 1995 |
| Athletic Fitters | Lincoln Square | \$5,001 | 1995 |
| Common Ground | Lincoln Square | \$68,701 | 2008-2012 |
| Lincoln Square | Lincoln Square | \$38,701 | 2008-2012 |
| Courage Connections | Lincoln Square | \$3,963 | 2014 |
| 88 Broadway Piano Bar | Lincoln Square | \$18,000 | 2008 |
| Valvoline Express Care | 212 N. Vine St | \$5,160 | 2003 |
| TOTAL | | \$854,573 | 83 Renovations |

Appendix B: List of Businesses Receiving Art Grants & New Business Grants (2006 - 2012)

| BUSINESS | INCENTIVE | CURRENT STATUS | YEARS |
|-----------------------------------|------------------|--------------------------------|-----------|
| 14 Brushes Gallery | \$5,500 | Closed | 2007-2008 |
| 4 Season Garage Sale | \$7,000 | Closed | 2009-2010 |
| A Pink Poppy Balloons and Flowers | \$7,000 | Closed | 2010-2011 |
| Amara Yoga & Arts | \$14,200 | Open | 2009-2012 |
| Art Coop | \$9,200 | Open | 2010 |
| Beads N Botanicals | \$7,000 | Open | 2009 |
| Black Rock Pizza Co | \$7,000 | Closed | 2012 |
| Calico Jewelry | \$3,835 | Open | 2008 |
| Courage Connections | \$10,450 | Open | 2008-2009 |
| CU Studio Share | \$8,000 | Closed | 2011-2012 |
| Das Café | \$3,000 | Closed | 2011 |
| Ella's Consignment Shop | \$7,000 | Closed | 2010-2011 |
| Fleurish | \$7,000 | Relocated | 2008-2009 |
| Furniture Lounge | \$7,000 | Relocated | 2008-2009 |
| Heartland Gallery | \$20,200 | Relocated | 2006-2011 |
| International Galleries | \$16,800 | Open | 2008-2012 |
| La Gourmandise | \$6,000 | Closed | 2009-2010 |
| Madeline's Gallery | \$5,500 | Closed | 2008-2009 |
| Mayan Palace Salon and Spa | \$7,000 | Closed | 2011-2012 |
| Mirror Image Hair Studio | \$3,000 | Relocated | 2012 |
| Primelight Studio | \$9,200 | Relocated | 2011-2012 |
| Red Star Liquors | \$7,000 | Closed | 2009-2010 |
| Shared Space | \$22,000 | Closed | 2010-2011 |
| Urbana Acupuncture | \$7,000 | Open | 2011-2012 |
| Urbana Museum of Photography | \$6,500 | Relocated | 2012 |
| Wind, Water & Light | \$15,200 | Closed | 2010-2012 |
| Wooden Hanger | \$9,200 | Closed | 2009 |
| TOTAL | \$237,785 | 26% Remain Open in 2016 | |

Appendix C: List of Businesses Receiving Business Development & Opening Grants (2013 - 2016)

| BUSINESS | INCENTIVE | YEAR | STATUS | BUSINESS | INCENTIVE | YEAR | STATUS |
|--|-----------|------|-----------|------------------------------------|------------------|------|-----------------|
| A Plus VIP Lounge | \$5,000 | 2014 | Open | Langacker Law | \$1,000 | 2013 | Open |
| ACTIF LLC | \$2,000 | 2016 | Open | Lumen | \$3,000 | 2015 | Open |
| Action Jackson Comics | \$3,000 | 2015 | Open | Matthew Farrell Creative | \$3,000 | 2015 | Open |
| Adjacency | \$3,000 | 2014 | Open | MedServ Equipment Corp | \$3,000 | 2015 | Open |
| Black Rock Pizza Company | \$3,000 | 2013 | Closed | Nathaniel Alexander Design | \$2,000 | 2015 | Open |
| Bohemia | \$3,000 | 2013 | Open | NORDEN | \$3,000 | 2013 | Open |
| C2E | \$1,000 | 2014 | Closed | Oriental World | \$1,000 | 2014 | Closed |
| Capoeira Angola Center IL | \$3,000 | 2015 | Open | Pandamonium Doughnuts | \$1,000 | 2014 | Open |
| Carter's Furniture | \$2,000 | 2014 | Open | Personify | \$3,000 | 2013 | Open |
| Catedral Consulting | \$3,000 | 2013 | Open | Pizza-M | \$3,000 | 2013 | Open |
| Champaign Cycle in Urbana | \$3,000 | 2014 | Closed | Priceless Books | \$2,000 | 2014 | Open |
| Colorable | \$3,000 | 2014 | Closed | SCOBAR | \$2,000 | 2016 | Open |
| Courage Connections | \$3,000 | 2014 | Open | See You CD & Vinyl | \$3,000 | 2015 | Open |
| Creative Health | \$3,000 | 2014 | Relocated | Single Stereo | \$3,000 | 2015 | Open |
| Digital Equality Initiative Foundation | \$3,000 | 2014 | Relocated | SIPYARD | \$3,000 | 2015 | Open |
| DITCHSTOCK | \$3,000 | 2014 | Open | Sitara Indian Restaurant & Lounge | \$3,000 | 2013 | Open |
| Dr. G's Brain Works | \$3,000 | 2013 | Open | The Best of Africa Food Store | \$3,000 | 2015 | Open |
| Eclectic | \$2,000 | 2013 | Closed | The Cherry Tree LLC | \$2,000 | 2016 | Open |
| El Oasis | \$3,000 | 2013 | Open | The Dancing Dog Eatery and Juicery | \$3,000 | 2014 | Open |
| Ellie Pinz Studio | \$3,000 | 2015 | Open | The Urbana Butcher Shop | \$3,000 | 2013 | Closed |
| Error Records | \$3,000 | 2014 | Sold | Urbana Land Arts | \$3,000 | 2013 | Closed |
| Farm League Skateshop | \$3,000 | 2014 | Open | TOTAL | \$138,000 | | 75% Open |
| Flyght Bar and Lounge | \$3,000 | 2015 | Open | | | | |
| Flying Machine Coffee | \$3,000 | 2013 | Open | | | | |
| HandsOn | \$3,000 | 2013 | Relocated | | | | |
| JumpStart | \$3,000 | 2015 | Relocated | | | | |
| Ai Tunes | \$2,000 | 2015 | Open | | | | |
| Kofman Technologies | \$1,000 | 2015 | Open | | | | |
| Lacey's Place | \$2,000 | 2015 | Open | | | | |
| Lacy's BBQ | \$5,000 | 2014 | Open | | | | |

Appendix 4: List of Public Projects as Identified in the TIF District Plans

PROJECTS AS IDENTIFIED IN 1980 TIF DISTRICT ONE PLAN

| | |
|--|--|
| Construction of parking facility | Complete |
| Street improvements along Cedar, Elm, Main, and Race Streets | Complete |
| Main Street streetscape improvements | Complete |
| Elm Street streetscape improvements | Complete |
| Recycling Drop-Off Center improvements | The City relocated the Recycling Drop-Off Center |

PROJECTS AS IDENTIFIED IN 2004 TIF DISTRICT ONE PLAN AMENDMENT

| | |
|---|--|
| Replacement of Water St from Broadway Ave to Vine St and Walnut St from Water St to Main St | Incomplete |
| Race and Illinois Street - Street Lighting | Complete |
| Sidewalk/curb bump-out and/or mini-park on 200 block of W. Main | Complete |
| Plaza/mini-park on S. Broadway at north entrance of Lincoln Square | Completed the landscaping but no mini park completed |
| New landscaping and improvement of bus waiting area | Complete |
| Broadway Avenue - Streetscape | Complete |
| Water/Walnut Sidewalk | Complete |
| Block North - Land acquisition | Complete |

PROJECTS AS IDENTIFIED IN 1986 TIF 2 PLAN

| | |
|---|------------|
| Griggs St. - Lot 25 | Complete |
| Griggs St. -SRO | Complete |
| Griggs St. - Street Improvements | Complete |
| Helmick's Lumber Yard Clean Up | Complete |
| Leal Park - University / Race Mixed Use Project | Incomplete |
| Courtesy Bridge on Broadway Improvements | Complete |
| Boneyard Cleanup on Broadway | Complete |
| Broadway - Courtesy Vacation | Complete |
| Broadway Streetscape | Complete |
| Five Points Auto Dealer Expansion | Complete |
| Five Points Frontage Road Vacation | Complete |
| Land Consolidation for Five Points (Lessaris) | Complete |

| | |
|---|------------|
| Yen Ching Redevelopment at Five Points | Complete |
| Maple Ave Improvements | Incomplete |
| Maple and Vine Commercial Redevelopment | Complete |
| Government Expansion at Main and Vine | Complete |
| Main and Urbana Streetscape | Complete |
| Main and Urbana Commercial Redevelopment | Incomplete |
| Urbana Avenue Improvements | Incomplete |
| Lincoln Square Satellite Building Demolition | Complete |
| Lincoln Square Streetscape | Complete |
| Lincoln Square Commercial Attraction | Complete |
| Race Street Streetscape | Complete |
| Race Street Mixed-Office Residential | Incomplete |
| Boneyard - Thornburn | Complete |
| Boneyard - Springfield Ave Improvement | Complete |
| Boneyard - Creekscape | Complete |

PROJECTS AS IDENTIFIED IN 2005 TIF 2 AMENDMENT

| | |
|---|------------|
| Reconstruct bridge at North Race Street | Completed |
| Roadway and path improvements to Maple Street | Incomplete |
| Add traffic signals to intersection of Cunningham Avenue and Crystal Lake Drive | Incomplete |
| Roadway improvements to Urbana Avenue from Main to California Avenue | Incomplete |
| Expand surface parking in the downtown | Complete |
| Sidewalk and curb bump out and/or mini-park on 200 block of W Main | Complete |
| Create pathway from Carle to Downtown | Incomplete |
| Add art feature to the southwest corner of the intersection of Main Street and Vine Street | Incomplete |
| Improve streetscape lighting | Complete |
| Streetscape improvements to Broadway Avenue | Complete |
| Streetscape improvements to Green Street | Incomplete |
| Pathway to Boneyard from Central Downtown | Incomplete |

ADDITIONAL PROJECTS

| | |
|---|----------|
| Pave the Art in the Park area (outside the City Building) with brick | Complete |
|---|----------|

Environmental remediation for the Allman Auto Property (Springfield and Main)

Partly complete (Phase I)

Environmental remediation for Denny's Cleaners (115-119 N Race)

Complete

Acquire land at Broadway Ave and Illinois Street

Complete

Pump work and mechanicals for the Vine Street Underpass

Complete

Appendix 5: Map of Sculptures in Downtown Urbana



Attachments

- A. 1980 TIF One Plan Goals and Blighting Factors
- B. 2004 Amended TIF One Plan Goals and Blighting Factors
- C. 1986 TIF Two Plan Goals and Blighting Factors
- D. 2005 Amended TIF Two Plan Goals and Blighting Factors
- E. TIF Historic EAV Data

Attachment A. 1980 TIF One
Plan Goals and Blighting
Factors

Attachment B. 2004 Amended
TIF One Plan Goals and
Blighting Factors

Attachment C. 1986 TIF Two
Plan Goals and Blighting
Factors

Attachment D. 2005 Amended
TIF Two Plan Goals and
Blighting Factors

Attachment E. TIF Historic EAV Data