

City of Urbana, Illinois Downtown Market Study

Final Report



BUSINESS DISTRICTS, INC.

MARCH 2011



Acknowledgements

The following made invaluable contributions to the development of this interim Downtown Market Study report. The final Study document will be one component of the City of Urbana's ongoing update of the 2002 Downtown Strategic Plan. Urbana residents and other downtown stakeholder representatives provided comments, considerations, and background during the study interviews and throughout the consumer survey process. The consultants also wish to thank the City of Urbana staff for their assistance in the completion of the Downtown Market Study work.

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Executive Summary

The City of Urbana retained Business Districts, Inc. (BDI) in June 2010 to conduct a Downtown Market Study to guide the City as it seeks to enhance the vitality of Urbana's downtown. BDI is an Evanston, Illinois based consulting firm specializing in market analysis, competitive positioning, strategy development, and historic preservation work for traditional downtowns, commercial corridors, and neighborhood business districts throughout the Midwest. This downtown Urbana study examines existing businesses and assesses markets and potential commercial opportunities within Urbana's two downtown Tax Increment Financing (TIF) districts, encompassing all of the area traditionally considered Urbana's downtown.



To complete this downtown market study, BDI's tasks were conducted in four project phases: project initiation and information assembly, market analysis, market strategy development, and final documentation. This final report encompasses the work completed in all the project's four phases. The first two phases were also documented in an interim report completed in November 2010. This final report includes the market data and consumer survey information analyzed during this study's first two phases (and in the interim report). It also incorporates additional analysis of downtown's current market share, considers market-based activities in three communities similar to Urbana, and formulates short- and long-term market strategies to improve the downtown economy. These strategies identify and prioritize those immediate efforts and activities which can capitalize on improving sales in existing businesses, recruiting new tenants to existing properties, and focusing on those downtown uses that can succeed economically in downtown Urbana. This final document also includes an examination of four potential

redevelopment sites, as identified by City staff. Two potential redevelopment scenarios are identified for each site. These redevelopment scenarios reflect downtown Urbana's key opportunities.

As part of this market assessment process, the City of Urbana also requested a study of the downtown hotel market. The Former Historic Lincoln Hotel in downtown Urbana has been an important community institution since opening in 1923. The hotel closed for the second time in 2009 and was recently purchased by a new owner-operator. This hotel study, being conducted by Patek Hospitality Consultants, Inc. (PHC), will assist City officials and the hotel's new ownership in understanding the area's hotel market, including its supply and demand attributes, and the feasibility of a boutique or other hotel concept operating in downtown Urbana. This portion of the overall market study is documented in a separate report prepared and submitted by PHC.

This final report examines downtown Urbana's current market and how that market can become the basis for growing the downtown economy. Key to downtown Urbana's future will be a sustainable economy including businesses of all types that can be profitable in downtown locations. BDI's work, throughout the study process, has focused on three areas to enable future success: emphasizing those unique market issues and options specific to Urbana's downtown, identifying those kinds of businesses representing attraction opportunities, and considering future redevelopment options at identified sites within the study area.

Overall, this Downtown Market Study represents one component of the City of Urbana's collective vision for a downtown that is vital and reflects the community's desire for a wide variety of downtown uses. Downtown Urbana has and will continue to have many opportunities. As a regional competitor, downtown Urbana has multiple competitive advantages, including its strong groups of food businesses and destination businesses. Urbana's residents, as described in the survey, have a strong identification with their downtown. As the City begins implementation of this study, downtown's sustained success can be achieved through ongoing actions that enhance and increase commercial activity. Many residents in any community often have great nostalgia for downtown's past appeal, assuming that same appeal would represent actual or future success. The key is recognizing downtown's traditional, broader functions, as both a commercial center and the heart of the community. These functions have changed over time and continue to evolve. The reality is that downtown's mix of uses (what products or services are sold, how, to whom, and at what locations) has transformed significantly over time and will continue to change in response to local markets. For downtown Urbana, focusing on the future vision for downtown and what will succeed commercially will ultimately ensure ever-increasing vitality.

Project Introduction and Process

Project Introduction

In July 2010, the City of Urbana engaged Business Districts, Inc. (BDI) to conduct a Downtown Market Study as part of the City's ongoing process to update the 2002 Downtown Strategic Plan. BDI is an Evanston, Illinois based consulting firm with expertise in market analysis, economic development, and historic preservation. A 21-member Steering Committee, representing City departments and multiple local constituencies, is guiding this project. The City's collective downtown vision is to develop and cultivate a vibrant mixed-use environment that is both economically and physically sustainable.

The goal of this Downtown Market Study is to identify potentially successful, market supported uses for downtown Urbana that can be strategically implemented by the private sector and the City over the next 5-10 years. The redevelopment of key sites throughout the study area is intended to support these uses. Opportunities for retail, residential, and office uses are part of this overall assessment. In achieving the Study goal, the City of Urbana has the opportunity to completely re-think local perceptions about downtown Urbana and its markets. By examining downtown in a new way, the City and downtown stakeholders can focus on those qualities and amenities that differentiate downtown Urbana and how these same characteristics can translate into a unique, lively, and commercially competitive district.

All downtowns have two attributes that occasionally conflict—downtowns reflect the history, needs, and aspirations of their community, and they function as centers of commercial activity for businesses of all types seeking profits. This issue was described in virtually every downtown stakeholder interview for this Market Study. Specific to downtown Urbana, this issue was particularly notable in conversations about the Former Historic Lincoln Hotel and Lincoln Square. In addition to their inclusion in the National Register of Historic Places, these two buildings are sentimental favorites, or 'landmarks,' among Urbana's citizens. Both buildings, constructed for specific purposes in the past, have certain limitations for future use. The market viability and potentially large costs associated with the rehabilitation of the hotel building and the overall utility of the Lincoln Square space for potential tenants without incentives are simply two of the most notable issues raised by stakeholders.

Downtown's physical form may be its greatest challenge. The study area, consisting of downtown's two TIFs, is large and includes a wide range of business types, formats, and uses. Connectivity between the historic, pedestrian-oriented core, the auto-oriented uses, and the hotel/mall area is disjointed. However, each area appears to be functioning. Re-tenanting and strategic redevelopment can work to strengthen each of these areas, and as an ultimate result, the entire study area. Some stakeholders expressed concerns about the potential costs versus the

resulting benefits of certain planned improvements, including the proposed Boneyard project. Physical changes can work to improve links among these areas with the recognition that what kinds of businesses can be successful may be very different in each area. Hitchcock Design Group (HDG) assessed specific urban design-related issues as part of the City's overall downtown planning process. During this study process, BDI coordinated with HDG (a frequent BDI study partner) regarding those market realities with downtown design implications. In conjunction with City staff and BDI, HDG assisted with and provided the concept designs for the Site Assessment section of this report.

Key to downtown Urbana's future success is that Urbana's citizens are vested in their downtown. They want it to be successful, and they attend local festivals and the Saturday market and patronize downtown businesses. However, each individual's vision for the future of downtown may not be commercially viable. Downtown Urbana has improved over time. The business mix includes key traffic generators and multiple destination businesses. Important for the future is how to help downtown Urbana become more successful, or to 'ramp it up,' according to one interviewee.

Downtown Urbana has many strengths—strong markets, nearby major employers, unique architecture, successful destination businesses, pedestrian and auto-oriented areas for prospective businesses requiring each type of location. In addition to vested citizens, City staff and officials are committed to downtown and to increasing its vitality. The City has acquired certain parcels in and near the downtown core to enable future redevelopment. Incentives are available to support new and existing business development objectives.

Ultimately, recruitment and redevelopment will require a pragmatic and balanced strategy that encourages private sector investment and recognizes the limitations of municipal financial assistance. This strategy can also accommodate the affinity that Urbana's residents have for their downtown. Most important, the resulting uses have to work.

This final report is comprised of the following nine (9) sections. These sections include:

- **Downtown's Retail Market:** Describes the national, or broader, retail market, and analyzes demographic and other data about downtown Urbana's markets for retail and restaurant uses. Current market implications for downtown Urbana are also noted.
- **Downtown's Residential and Office Market:** Describes the broader market issues for the residential and office markets and considers downtown Urbana's market conditions and characteristics within that context. The market implications for downtown Urbana are also considered.
- **Consumer Survey Results:** Provides detailed information about the responses to each question from the online Consumer Survey. Key observations about the results for each response are noted.
- **Downtown's Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis:** Examines downtown Urbana's key attributes to identify those items that can enable Study implementation.

- Downtown Retail and Restaurant Market Share and Leakage Analysis: Applies sales tax data, sales estimates for downtown businesses, and spending power data to initially understand downtown Urbana's market share for certain retail categories.
- Business Opportunity Profiles: Applies downtown's market information, Consumer Survey data, and the Market Share Analysis to identify sales potential for individual operations for each category, and suggests market share goals and business retention and recruitment targets specific to downtown Urbana.
- Comparison Communities Assessment: Compares three (3) communities with similar market and/or demographic characteristics to Urbana, and considers each community's downtown programming, structure, business mix, and municipal and institutional relationships. This comparison identifies best practices for their applicability to downtown Urbana.
- Site Development Assessment: Examines the market issues, potential uses, and site economics for four (4) selected redevelopment sites within the study area. Two redevelopment concepts were developed for each of the four (4) sites. These four (4) sites include: the site at the southwest corner of Vine and University Avenue; the former Jolly Roger site and the surrounding parking lots, excluding the Black Dog; the former Denny's location and certain surrounding properties; and the Goodyear site, the City-owned block north of City Hall.
- Strategic Action Plan: Provides a series of objectives, given market study results, with supporting short- and long-term tasks to improve the downtown economy.

The three appendices to this final report include:

- Interview Summary: Summarizes key points from BDI's stakeholder interviews during Phases 1 and 2 of this Market Study. These interviews were conducted with downtown Urbana business owners and property owners and local developers to gauge local and regional perceptions of downtown Urbana's market appeal.
- Market Share Analysis: Provides City staff with the Market Share data on each business using the City's data on downtown business sizes. This file has been submitted separately to City staff for their annual use, as described in the Strategic Action Plans.
- Site Development Concepts: Illustrates the development concepts for four selected sites described below in their larger and final format.

Project Process

During the first of the project's four phases, relevant project information was assembled to serve as the basis for future analysis and refinement. Previous market data, certain supplemental data, and economic development and planning reports were provided to BDI and PHC for review. BDI also reviewed background information about recently proposed developments and potential redevelopment sites throughout the study area. Much of this data was obtained during the initial project kick-off session in late July 2010. Additional data was obtained, as needed, throughout each project phases.

BDI conducted a series of interviews with downtown stakeholders, including the Urbana Business Association (UBA), local developers, commercial real estate brokers, retailers, restaurateurs, and downtown property owners. These interviews were conducted by phone and in person in July and August 2010. The purpose of these interviews was to discuss current market conditions and trends. Concurrently, PHC conducted a series of interviews with stakeholder representatives from Urbana's local hospitality industry.

BDI then reviewed relevant demographic data from the Experian database, including radii and drive times, for downtown Urbana's potential target markets. This data included population, income, education, and spending potential for these markets. On the recommendation of City staff, certain census tracts to the east and south of downtown Urbana were analyzed to identify Urbana's resident versus student population.

- The City of Urbana
- ½-Mile Pedestrian Market
- 3-Mile Standard Developer Market
- 5-Minute Drive Time Convenience Market
- 20-minute Drive Time Destination Market
- Select Census Tracts within the City of Urbana
- Champaign-Urbana Metropolitan Statistical Area (MSA)

The final activity within the first phase was a Consumer Survey. After obtaining agreement with City staff on survey contents, this computer-based survey was distributed by the City through multiple City electronic web pages and list serves, the Urbana Business Association's (UBA's) weekly newsletter and merchant communications, the Champaign County Chamber of Commerce and Convention and Visitors Bureau, local businesses, and through University of Illinois contacts. The survey began on August 17, 2010 and concluded on October 13, 2010, after 505 survey responses were received. The survey reliability, or confidence level, is 99% with a margin of error +/- 5%. Fundamentally, these survey results identify what respondents think, and not why they think the way they do. The responses also identified non-Urbana stores and restaurants where respondents had made purchases and where they dined recently. These responses will offer leads on businesses likely to be good and complementary additions to downtown Urbana.

While the survey was in process, work began on the second project phase in September 2010. An overall community retail leakage and market share assessment was developed. This leakage assessment compared sales in downtown Urbana businesses to the spending power of Urbana residents to estimate the City's market share capture. Market shares for the 5-minute drive time, 20-minute drive time, and the Champaign-Urbana MSA were also calculated. Using spending potential obtained from the demographic data, Urbana's market share by Illinois Department

of Revenue sales tax category was also estimated. This analysis will ultimately indicate opportunities for improved retail performance among existing businesses and for enhanced business attraction.

The initial market opportunities were then reviewed with City staff and the Steering Committee on October 25, 2010. The interim report, described earlier and including the data evaluated during the first two project phases, was submitted in November 2010. After completing the staff review and interim report, the market share analysis and related strategic framework developed during the project's third phase was presented at a public meeting and City Council session, both held on January 24, 2011. An analysis of potential uses for four (4) redevelopment sites, identified with City staff in July 2010, was also prepared during the third phase. These potential redevelopment sites are:

- Southwest corner of Vine Street and University Avenue
- The former Jolly Roger site and the surrounding parking lots, excluding the Black Dog parcel
- The former Denny's location and various surrounding properties
- The City-owned block north of City Hall



While considering the downtown options available at these sites, BDI also developed a series of opportunity profiles for potentially successful downtown uses. These profiles, in addition to the refined market share information, serve as the basis for the strategic action plan specific to downtown Urbana. The Market Share information has been provided to City staff for ongoing use as a tool to understand downtown business performance. The final phase, or Phase 4, of this Downtown Market Study was the compilation and refinement of all study documentation.

PHC's market study for the former Historic Lincoln Hotel followed a similar project process and timeline. PHC participated in the initial project kick-off, interviewing local hotel demand generators, local tourism and economic development officials, major employers, and competitors. Also, during this first project phase, PHC conducted a hotel location analysis and area review to determine market viability. PHC's Phase 2 project work included a supply and demand analysis and identified any recommended facilities and potential market position for a rehabilitated Historic Lincoln Hotel. PHC's work concluded with the preparation of the final hotel market study during the final two phases of the Downtown Market Study.

Downtown's Retail Market

Broader Retail Market Trends

Since the advent of the recession in 2008, much has been written about the retail sector and what the lasting effects of the recession will be. Virtually all industry sources project ongoing retail sales increases for 2010, but the recovery remains slow. Also, the bases for increased sales comparison are the weak sales levels of 2008-9. Retail sales have increased by 3.1% through July 2010 when compared with July 2009 according to the National Retail Federation. National retailers reported sales declines during the first two quarters in 2010, though many exceeded overall profitability expectations by reducing expenses. Retailers of all types continue to find ways of reducing costs and promoting less expensive items to their customers. By year-end 2010, the retail sector was beginning to see initial signs of increasing consumer confidence translate into slightly improved sales.



The economic recession has had some interesting successes. Downtowns and independently owned businesses have generally fared better than shopping malls and strip centers and retail chains. Given that many downtown districts have fewer major retailers among their business mix, the store closings and financial constraints experienced by national and regional retail chains have had less impact on downtowns. According to the National Main Street Center's 2010 Reinvestment Statistics, most downtown businesses (nearly 64%) had equal or slightly improved sales in 2009. Some of the reasons cited in support of this statistic include the closer relationships between these businesses and their customer bases, their ongoing experience operating in more challenging locations, and consumer commitment to supporting their local communities in difficult times. Grocers, and within the real estate market, grocery-anchored shopping centers have also benefitted. Frugal consumers are eating fewer restaurant meals and buying more groceries. Grocer-anchored shopping centers continue to be reliable real estate performers and one of the few real estate investments capable of attracting investment capital.

While the lasting changes to the retail sector are difficult to predict, an emphasis on choosing successful retail locations based upon known, or existing, market fundamentals versus speculation seems to be re-emerging. Successful retail locations and retail development are based upon several key concepts—some of which were ignored prior to the recession. Fundamentally, all retail development is tenant driven. Whether in a downtown district or for a proposed shopping center, the

tenancies determine how a built space is designed, configured, and used. For example, the best retail and restaurant concepts achieve strong financial results through the tightly controlled execution of a well-crafted store design format. This format often requires a building specifically designed to meet the retailer or restaurant's needs. Therefore, prospective tenants and property owners can benefit from store or restaurant development designed to sell to consumers.

Anchor businesses remain important. In recent years, the whole idea of what constitutes an anchor or an anchor business has changed. Lifestyle centers use a cluster of well-known smaller stores to fulfill the anchor function. In downtown districts, the anchors can be grocers, large retailers of any type, a major destination business, or a strong cluster of complementary businesses, attracting consumers to their businesses and to nearby tenants.

The population, size, and spending power of local trade areas must also support the potential for retail success. Area residents are typically the backbone of any community's commercial areas, but some centers and traditional shopping districts have the opportunity to capitalize on 'bonus markets.' One example of a 'bonus market' would be nearby employees. Local employees represent one type of market (a daytime population) that can convert a marginal commercial area into a successful one. The significance of a large employment base is its importance to nearby food and beverage businesses. These businesses then have additional opportunities to increase both revenues and profits through the lunch trade, catering, or after work gatherings.

Individual retailers often require certain unique, or specific, location attributes related to the above development concepts and supporting their business model. Key for major retailers are strong co-tenancies and strong shopping center management. Unique, or complementary, retail attractions at the same location are typically one factor in evaluating co-tenancies for local retailers. Many large format retailers require visibility on an auto-oriented corridor; generally meaning high traffic counts (usually 20,000+ ADTs) with adequate signage. Population density, pedestrian traffic, and transit traffic can be other factors in discerning any location's potential visibility. Access is also critical. Customers must easily understand the traffic pattern and the presence of signalized intersections. Certain retailers and restaurants seek locations in areas with certain incomes, ethnicities, or education levels.

Formats for retailers and restaurants of all sizes evolve constantly to respond to market changes, consumer tastes, and consumer desire for multiple ways to shop or dine. This evolution is currently being tempered by the need to be strategic in selecting new locations. Retailers are opening fewer stores and are opening those stores in known markets. A trend toward smaller stores among major retailers continues as retailers examine their real estate strategies and expense reductions. Whole Foods Market, Ann Taylor, and Levi's are prominent examples of retailer changes to smaller store sizes. Changing retail sales channels, such as consistent increases in Internet sales, have an impact on both store size, site selection, and design. Some restaurants, particularly those in the quick casual category, have either slightly increased their store footprints or modified their store format to adapt to a greater variety of locations. Chipotle Mexican Grill may be the best-known example, using its 'A

Model' smaller stores to increase its overall restaurant numbers. What remains constant is that successful retailers and restaurants of all sizes operate to be profitable, or to make sufficient money to sustain and expand the business and to financially support the owners, and they are routinely examining their store or restaurant sizes to extract greater efficiencies.

Local Market Conditions

Any examination of Urbana's local market must initially acknowledge two key issues: the impact of the University of Illinois student population on local demographics and spending power, and Urbana's role within a larger geography that functions as one market. In addition, Urbana and its neighbor, Champaign, have distinct market attributes among both residents and visitors to this larger geography. Certain attributes may reflect urban legend more than market facts. Important for downtown Urbana is its potential to increase its visibility within this one larger market and to increase retail and commercial activity by recognizing its market strengths within that larger market.

Downtown Urbana's demographics are shown below in Table 1. In addition to data about the City of Urbana, the markets shown include a traditional pedestrian .5-mile market. The 3-mile and 5-minute markets are shown for two reasons. Traditionally, both geographies are the markets used by the retail development community to represent the market potential of any particular shopping locale, corridor, or center. The 5-minute market also represents the convenience drive-time market. Finally, a 20-minute destination drive time is included. It should also be noted that this data incorporates population data from Urbana's 2008 Special Census.

Table 1: Demographics by Market

| | Urbana | 0.5 Mile | 3 Miles | 5 Minutes | 20 Minutes | Champaign-Urbana Metro |
|--|---------------|--------------|---------------|---------------|-----------------|------------------------|
| Population | 40,757 | 4,435 | 87,823 | 26,084 | 145,817 | 226,403 |
| Average Household Size | 2.50 | 1.99 | 2.53 | 2.23 | 2.43 | 2.23 |
| Population Density | 3,896.57 | 5,647.44 | 3,106.11 | 5,620.62 | 924.89 | 117.67 |
| Total Population Median Age | 26.41 | 26.69 | 25.38 | 24.88 | 27.98 | 30.19 |
| Average Household (HH) Income | \$50,361 | \$34,854 | \$45,105 | \$35,204 | \$59,374 | \$61,468 |
| Median Household (HH) Income | \$31,043 | \$22,353 | \$27,634 | \$20,962 | \$39,972 | \$44,957 |
| #HHs w/ Incomes \$75,000+ | 3,111 | 299 | 6,014 | 1,416 | 15,661 | 25,371 |
| %HHs w/ Incomes \$75,000+ | 19.08% | 13.41% | 17.30% | 12.11% | 26.07% | 27.45% |
| Total Employees | 22,523 | 7,509 | 65,900 | 20,071 | 93,870 | 117,666 |
| Jobs Per Household | 1.38 | 3.37 | 1.90 | 1.72 | 1.56 | 1.27 |
| Stability (% In Current Residence 5+ Years) | 25.40% | 16.39% | 23.24% | 16.87% | 28.47% | 31.81% |
| % Owner Occupied Units | 35.91% | 22.58% | 34.31% | 24.86% | 45.94% | 54.11% |
| Total Retail Expenditure | \$301,285,182 | \$33,427,681 | \$600,643,185 | \$174,247,365 | \$1,237,063,806 | \$1,955,090,895 |
| Eating and Drinking | \$28,653,654 | \$3,129,014 | \$56,930,418 | \$16,374,294 | \$118,866,464 | \$106,056,658 |
| Grocery Stores | \$81,216,351 | \$9,021,620 | \$161,942,809 | \$47,048,179 | \$333,520,820 | \$526,849,563 |
| Pharmacy and Drug Stores | \$17,691,324 | \$1,934,959 | \$35,152,853 | \$10,121,370 | \$73,115,433 | \$115,636,300 |

Demographic data © 2010 by Experian/Applied Geographic Solutions.

The income level for each of these geographies varies significantly in dollars and in the difference between the median and average income figures. In addition to the student affect, all of downtown’s market geographies reflect a wide range of diverse income levels. Despite this range, nearly 20% of the City of Urbana’s households have incomes exceeding \$75,000. Population density, or the number of people per square mile, is also an important and desirable market factor, despite its decline by the 20-minute drive time.

The 3-mile market and the 5-minute drive markets are both generally strong. Both populations exceed the 25,000 typically desired by national retailers. Both indicate strong employment bases, well in excess of 10,000 employees. Most important, the retail potential, or spending power, for Urbana is nearly \$300,000,000. The only challenging characteristics within the above table are the median age and household size. The age is young, and the household size appears small, reflecting again the affect of local student populations. In addition to age, diversity is a significant characteristic of Urbana and its markets, as noted below in Table 2.

Table 2: Race and Ethnicity

| | Urbana | .5 Mile | 3 Mile | 5 Minutes | 20 Minutes | Champaign-Urbana Metro |
|----------------------------------|--------|---------|--------|-----------|------------|------------------------|
| % Asian Population | 16.48% | 13.07% | 13.12% | 18.36% | 10.84% | 7.62% |
| % Black Population | 14.16% | 10.42% | 14.38% | 13.54% | 13.41% | 10.14% |
| % Hispanic Population | 5.05% | 5.38% | 6.01% | 5.72% | 5.02% | 3.91% |
| % Multirace Population | 2.43% | 2.62% | 2.32% | 2.48% | 2.22% | 1.92% |
| % Non Hispanic Population | 94.95% | 94.62% | 93.99% | 94.28% | 94.98% | 96.09% |
| % Other Race Population | 1.68% | 1.79% | 2.03% | 1.93% | 1.65% | 1.23% |
| % White Population | 65.13% | 72.00% | 68.02% | 63.57% | 71.76% | 78.98% |

Demographic data © 2010 by Experian/Applied Geographic Solutions.

To better understand Urbana’s non-student, existing resident market, demographics for three Urbana census tracts east of the University of Illinois boundaries were considered. (See Table 3 below.) Several key differences are notable. First, the median age is significantly older—34.33 years versus 26.41 for the City of Urbana. Incomes, both average and median, are 20-30% higher than for Urbana as a whole and for the key downtown market geographies described above. In addition, just over 25% of the households within these census tracts have annual incomes exceeding \$75,000 versus 19% for Urbana. Again, spending power is strong at \$210,000,000.

Table 3: Census Tracts

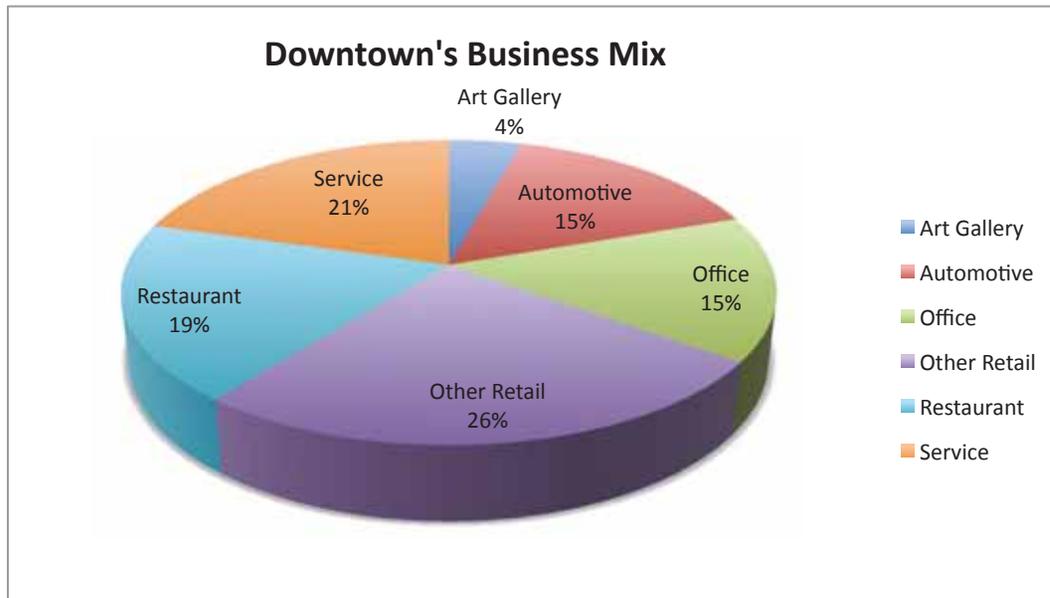
| Census Tracts (3) | |
|--|---------------|
| Population | 20,592 |
| Average Household Size | 2.07 |
| Population Density | 1,046.62 |
| Total Population Median Age | 34.33 |
| Average Household Income | \$63,695 |
| Median Household Income | \$42,040 |
| #HHs w/ Incomes \$75,000+ | 2,433 |
| %HHs w/ Incomes \$75,000+ | 25.12% |
| Total Employees | 4,692 |
| Jobs Per Household | 0.48 |
| Stability (% In Current Residence 5+ Years) | 35.18% |
| % Owner Occupied Units | 51.45% |
| Total Retail Expenditure | \$209,681,701 |
| Eating and Drinking | \$20,101,264 |
| Grocery Stores | \$56,427,756 |
| Pharmacy and Drug Stores | \$9,525,619 |

Demographic data © 2010 by Experian/Applied Geographic Solutions.

While the downtown markets exhibit overall strength, the average daily traffic (ADTs) counts for the core are relatively low on most streets. (See Illustration 1 below.) As expected, the counts on both University Avenue and Vine Street/Cunningham Avenue are much higher. (See Illustration 1.) The prevalence of auto-oriented uses in those two corridors reflects these high traffic volumes. Supplementing downtown ADTs, the average daily transit ridership represents an additional 900 in boardings and 817 in alightings. (Source: Champaign-Urbana Metropolitan Transit District for period from September 2009 through August 2010.) These transit figures are for the Lincoln Square stop, downtown’s major transit stop. Downtown Urbana also benefits from multiple, traditional downtown traffic generators. City Hall, the Urbana Free Library, downtown programming (including Urbana’s nationally recognized farmer’s market, Market at the Square), the county offices and courts, the federal courts, and nearby medical centers bring area residents and visitors to the downtown district. Downtown’s bicycle and pedestrian access complement traffic and transit volumes.

Downtown’s current mix of ground floor uses includes the following:

Illustration 2: Downtown Ground Floor Business Mix



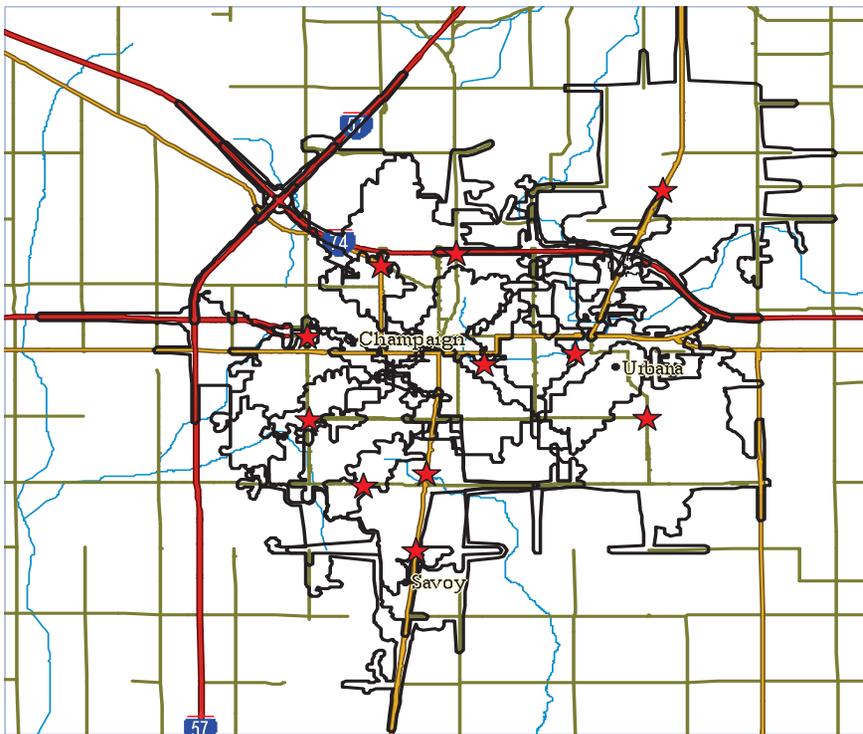
Source: City of Urbana, UBA, and BDI.

These mix percentages are calculated using the number of businesses (units) by sector from data provided by the City and by UBA. Service and office uses are predominant. Most of these uses reflect downtown Urbana’s role as a legal center. Downtown Urbana’s retailers and restaurants represent 45% of the uses. Food purveyors represent a key component of the mix’s retail segment. Downtown Urbana has five grocers serving varied customer needs, including Schnuck’s, Save-A-Lot, Common Ground Food Co-op, Strawberry Fields, and an ethnic (Asian) grocer. In addition, there is a group of strong destination retailers, including the Corkscrew, Mirabelle Bakery, art mart, and Heel to Toe and its related

stores. Automotive uses represent 15%, and all are located on the auto-oriented retail corridors--University Avenue and Vine Street/Cunningham Avenue.

Downtown's competitive environment reflects its situation as one of multiple retail options within the Champaign-Urbana area. These areas, as included in the project's consumer survey, include MarketPlace, Old Farm, Downtown Urbana, Downtown Champaign, CampusTown, North Prospect Avenue, Savoy, North Cunningham Avenue, the area near the Krannert Center, and Urbana's two Philo Road centers. Five-minute drive times for downtown Urbana and each area retail cluster are shown in the map below:

Illustration 3: Retail Options in Urbana Area



Source: Demographic data © 2010 by Experian/Applied Geographic Solutions.

While these various drive times indicate duplicated markets, the assortment of goods and services, relative convenience, and retail environment available at each retail cluster varies significantly. Despite apparent duplication, downtown Urbana and its businesses can contribute to the area's diverse retail offering. This diversity within the area retail offering informs downtown's strategic position, as detailed in the study action plans.

Downtown rents are also competitive. Stakeholder interviews and a review of asking rents for downtown's retail space on LoopNet and Co-Star indicate asking base rents in the \$12-16 Per Square Foot (PSF) range. Additional lease expenses, specifically tenant payments for real estate taxes, utilities, and common area charges, vary based upon the negotiated lease terms. It should also be noted that several of downtown Urbana's key destination businesses own their buildings. One interesting observation is that asking retail rents in newer developments on the study area's periphery have significant variations. One development on North Cunningham Avenue just outside the study area has significantly lower asking rents, \$5.50 PSF on a triple net basis, meaning the tenant also pays taxes, utilities, and common-area charges. It should be noted that this \$5.50 PSF is very low, regardless of the local market and current economic issues. The new retail space on University Avenue just west of Lincoln Avenue has asking rents of \$20 PSF on a net basis and providing a build-out allowance for prospective tenants. Though the build-out allowance may affect the ultimate negotiated lease rate, the \$20 PSF asking rent is 25-50% higher than rents in downtown's core.

Implications for Downtown Urbana

Downtown Urbana has a strong market and is part of a larger, equally strong regional market for retail and restaurant development. The downtown district is home to multiple unique businesses, both retailers and restaurants, which understand how to sell to local customers, how to attract customers from other areas in central Illinois, and how to be financially successful in a downtown business environment.

From a leasing perspective, ground floor lease rates and standard lease pass-through expenses, such as real estate taxes, are viewed as reasonable. The fundamental issue for downtown Urbana's future will be how to best build upon this existing market strength through strategic re-tenanting and market driven site redevelopment.

Downtown's Residential and Office Markets

Residential Market

Broader Market Trends

The residential real estate market nationally remains stressed and uncertain as a result of the 2008 real estate market implosion. Home prices continue to decline, and days on market for listed homes continue to increase. New construction is evident only in projects or developments near completion. Depending upon the local market, the absorption of current inventories of existing homes could take years, even a decade or more. How housing prices evolve nationally will be crucial in determining if the housing market is able to stabilize without additional support from the federal government. From the investment perspective, mortgage loan requirements have tightened for the purchasers of all property types, and the secondary market for residential mortgage products remains stalled. Longer term, the previous national goal of increasing home ownership may have shifted permanently. Future financing for home purchases and housing development will both likely be subject to more stringent lending standards.



Housing prices, which have been at the center of the financial crisis, have been declining consistently on a monthly basis since 2007. However, since March 2010, this decline appears to have been arrested with moderate property price increases across cities in the U.S. This is in part due to the increased sales activity induced by the government tax credit, which has now expired. Indeed the increase in prices in July was the lowest since March, indicating a slowdown in buying activity. Concerns of mounting foreclosures and high unemployment levels continue to plague the housing market.

According to the September 2010 Housing Price Forecast for Illinois and the Chicago MSA (Source: Illinois Association of Realtors and REAL at University of Illinois), the current housing market throughout Illinois has been dramatically affected by the expiration of the Federal Home Buyer Tax Credit and by diminished consumer confidence in the economy. Critical for housing is that the lack of consumer confidence is most significant among households with incomes exceeding \$75,000. After strong sales in the summer months, sales have declined by more than 20%

throughout Illinois from levels in August 2009. These sales declines are expected to moderate in the remaining months of 2010. Median prices continue to decline with a projected drop of 6-9% for Illinois, excluding the Chicago market. Median home prices in Illinois are expected to be \$140,706 in 2010 versus \$154,900 in 2009.

As of August 2010, nearly one in 10 of Illinois home mortgage loans were 30 days or more past due, according to the Mortgage Banker Association. The percentage of home loans in foreclosure in Illinois rose to 6.02 percent in the second quarter, up from 5.85 percent in the first quarter of 2010. Illinois ranked sixth among the states in the percentage of foreclosures initiated during the second quarter and 14th in the nation for its percentage of loan delinquencies.

Some sources for limited optimism exist. Some urban housing markets nationally have experienced their first moderate price increases since 2007-2008. (Source: Prospects Daily, World Bank) Like grocer-anchored centers within the retail real estate sector, the residential real estate market sector with consistent secondary market activity is multi-family residential rental properties, given its stable cash flows. The demand for senior housing is expected to grow now that the results of the national health care reform legislation are known. Investors have also been accumulating capital for the senior housing market throughout 2009 and into this year. (Source: IRR-Viewpoint 2010)

Local Market Conditions

Urbana's housing permit activity has slowed significantly in 2010, reflecting the depressed housing market, and when compared with previous years. To date in 2010, only 28 residential building permits had been issued by the City of Urbana—all for new single-family homes. From 2005-2009, the City of Urbana issued building permits for 1,498 new dwelling units of all types, including 389 for single-family homes and 1,109 for duplexes and multi-unit dwellings. This resulted in a five-year increase in Urbana's dwelling units, net of demotions, of 1,392.

The median home price (typically a single family home) in Urbana in June 2010 was \$127,244, an estimated 4.5% decline in sale price since June 2009 and down from 2008's median of \$141,800. According to RealtyTrac, there are an estimated 921 homes for sale in Urbana. None of these homes are newly constructed, and 168 are in some stage of foreclosure. RealtyTrac also indicates that foreclosure activity in Champaign County is declining. Urbana's foreclosure activity is also declining, following an April 2010 high. Countywide, homes sold in foreclosure are selling at 37.5% below their peak valuation. Overall, the market is in the early stages of stabilizing, and Urbana's level of foreclosure activity remains average when compared with housing markets statewide.

Multi-unit dwellings will remain a key housing factor in Urbana, given the student population. Only one small multi-unit property in Urbana is listed for sale on LoopNet. The overall vacancy rate for multi-unit dwellings in Urbana is estimated at 7% versus 7.88% for the Champaign-Urbana MSA. In addition to rental units, residents in group quarters, such as dormitories or nursing homes, is estimated at 5,763, or 14.2% of Urbana's population, according to the U. S. Census and city-data.com.

Implications for Downtown Urbana

Interest remains among the regional development community in the potential for new multi-unit development in Urbana's downtown. This development would likely be rental units, as most developers note that Urbana's reasonable housing prices limit the opportunity for condominium development. This development activity will depend upon a strengthening investment market for multi-unit rental properties.

The local multi-unit development cost structure is viewed as reasonable, but a higher-end quality product is now required in area downtowns. Current construction costs for multi-unit development is about \$120 PSF for a market-rate higher density development. The rental rate for a higher end product would be in the \$1.50-\$2.00 PSF; recently constructed student housing units rent in the \$1.25-\$2.00 PSF range. The challenge for downtown Urbana will be the additional costs PSF associated with infill development, assuming other issues, such as parking requirements, could be negotiated.

Office Market

Broader Market Trends

Throughout the U. S., the office market was languishing in many markets before the economic downturn began in 2007-2008. Office space inventories remain unchanged in most markets due to the lack of new office construction. The small increases in job creation to date in 2010 indicate that some office markets may not achieve a balance in supply and demand for five or more years.

Compounding previous vacancies and negative absorption of lease space, some office markets have continued to suffer due to local unemployment increases. Other office markets have been less affected. The impact of the recession and unemployment on office lease space has primarily been a function of the diversity of that market's office tenant mix. Those markets lacking tenant concentrations in certain industries affected by the recession, such as financial services, or dependant upon one major employer-tenant are functioning better. This includes those markets with diverse tenancies in certain economic sectors, such as healthcare and education.

From the investment perspective, the more challenged markets described above now include ‘zombie’ buildings. These buildings were typically refinanced at the height of the real estate market in 2005-7. The property values have since declined to the point that the amount owed on the property exceeds its value. In addition, with reduced rental rates in those same markets, the potential rental income streams do not substantially increase the value of the property (or financially justify owner investment in tenant acquisition). These buildings will likely remain vacant and under financial stress until values stabilize.

Local Market Conditions

As noted above, job growth is the most important factor for office space absorption and for potential expansion. The Champaign-Urbana area has experienced negative job growth (4.27%) in 2010, as have all other Illinois metropolitan areas and Illinois as a whole. However, the Champaign-Urbana area continues to have a substantially lower unemployment rate than Illinois—8.6% versus 10.3%. (Source: U. S. Bureau of Labor Statistics) According to the Illinois Department of Employment Security, area job growth is projected at 22.86% over the next decade.

Based upon square footages provided by the City identified by downtown use, downtown Urbana has an estimated 1,035,000 Square Feet (SF) in office uses, or about 26% of the 3,995,000 total SF identified. Office uses in Lincoln Square currently represent an estimated 179,000 SF. Assuming a 15% vacancy rate, about 906,000 SF is occupied. While this 15% figure may seem low compared with vacancy percentages noted nationally, much of the downtown square footage is occupied by the county and federal court system, city offices, legal-related entities, and other stable office uses. Assuming 200 SF per office worker, the occupied 906,000 SF equates to an estimated 4,535 employees in the downtown core.

Healthcare and legal-related uses are predominant in downtown Urbana’s occupied space. While some technology-oriented office tenants remain in Urbana, the Research Park located in Champaign has successfully recruited downtown Urbana-based technology firms in recent years.

Office space for lease in or near the study area indicates asking rents in the \$13-16.50 PSF on a triple net basis. Office/flex space near downtown has asking rents of about \$7.00 PSF. These ranges are the same for listings on Co-Star and LoopNet. As expected, the largest amount of space available is the 30,400 SF listed for County Plaza.

Implications for Downtown Urbana

Employment growth prospects over the long-term for Urbana are strong, despite current negative employment growth in the Champaign-Urbana area. Urbana's current employment base is dominated by the broader economy's more stable sectors—education and healthcare. The challenge for downtown property owners and for the City is to diversify downtown office tenants and to aggressively retain existing tenants in a strategic way.

Consumer Survey Results

To determine those businesses, potential marketing, and logical market positioning, a survey instrument was developed in conjunction with City of Urbana staff. This web-based survey was pretested, and question and clarification changes were made between July 22, 2010 and August 13, 2010. On August 17, 2010, distribution of the survey link began. City officials, Urbana Business Association (UBA), the Champaign County Chamber of Commerce and Convention and Visitors Bureau, and selected faculty, staff, and students at the University of Illinois circulated the link. Responses were accepted through October 15, 2010. This survey summary documents the 502 completed responses to the web-based survey.

Methodology

To determine whether the response rate is representative, the table below compares the age of survey respondents to the population of Urbana as a whole. (This chart also appears with the Question 17 results.)

Table 4: Survey Age

| Age | Adult Population | Survey Response |
|----------|------------------|-----------------|
| 25 to 34 | 37.8% | 20.5% |
| 35 to 44 | 16.7% | 20.5% |
| 45 to 54 | 15.7% | 22.0% |
| 55 to 64 | 12.5% | 21.7% |
| 65 to 74 | 7.9% | 5.3% |
| 75+ | 9.4% | 3.6% |
| | | |
| 20-24 | 20.4% | 6.4% |

Source: Demographic data@2010 by Experian/Applied Geographic Solutions

With Urbana's 16,302 households, the survey sample of 505 respondents is 99% accurate within a range of + or – 5%. Urbana's student population, shown within the 20-24 age category noted above, represents 20.4% of the general population. While a smaller percentage, students are represented among respondents. The survey responses in the three 35-64 age groupings are over represented. The overrepresentation in the 35-55 groupings are important, given these age groupings spend more.

The information that follows documents this survey's full response and any response variations in two subgroups. (Note that N=the number of respondents in each sub-group.)

- Residents (N=352)
- Drivers (N=337). This group comprises those respondents who indicated that they drive to downtown Urbana in Question 17 (Mode of Access to downtown Urbana) that asks how respondents travel to downtown Urbana.

As the following results describe, there are many similarities and few differences in how both groups respond to the survey questions.

In calculating percentages of respondent satisfaction or inclination to spend, "I don't know" responses were removed from totals before rankings were created. Making this adjustment removed potential misinterpretation that results when an unusually high "I don't know" response reduces the favorable response percentage compared to other items with a lower "I don't know" response.

This report section is organized by survey question. For each question, a table detailing all question responses is provided. Additional figures analyzing those responses are included. Based upon the survey analysis, there are observations about the results, and where appropriate, recommendations suggesting ways to improve the sales and profitability of downtown businesses or to address business development in downtown Urbana. The results of Question 19 (Respondent Willingness to Participate and Comment on Shopping and Dining in downtown Urbana) include personal contact information for question respondents and have been provided to City staff under separate cover.

Question 1: In an average month, how many times do you eat out in these commercial areas?

This question details the respondents dining frequency for downtown Urbana and other major commercial districts in the Urbana-Champaign area. The responses for the full sample are noted below. The full sample percentages of those respondents that “Never Eat Out” in a particular commercial district are noted (See Figure 1.). The rankings for those frequently a particular area “At Least Weekly” are highlighted in the subsequent Figure 2.

Table 5: Full Sample

| Answer Options | Never | 3 or fewer times | Weekly | A few times per week | Daily | Response Count |
|---------------------------|-------|------------------|--------|--------------------------|-------|----------------|
| Downtown Urbana | 80 | 253 | 117 | 39 | 6 | 495 |
| CampusTown | 197 | 219 | 45 | 22 | 8 | 491 |
| Downtown Champaign | 135 | 267 | 65 | 20 | 3 | 490 |
| MarketPlace Malls | 378 | 104 | 4 | 3 | 0 | 489 |
| North Cunningham Avenue | 294 | 164 | 25 | 8 | 1 | 492 |
| Windsor and Duncan | 332 | 142 | 10 | 3 | 0 | 487 |
| North Prospect Avenue | 260 | 192 | 31 | 4 | 1 | 488 |
| Philo Road/The Pines | 275 | 177 | 31 | 10 | 1 | 494 |
| University Avenue | 282 | 182 | 23 | 3 | 0 | 490 |
| Area near Krannert Center | 283 | 169 | 29 | 9 | 2 | 492 |
| South Neil Street/Savoy | 281 | 175 | 17 | 5 | 0 | 478 |
| Other (please specify) | | | | | | 24 |
| | | | | <i>answered question</i> | | 501 |
| | | | | <i>skipped question</i> | | 1 |

Figure 1: Eating out frequency by location

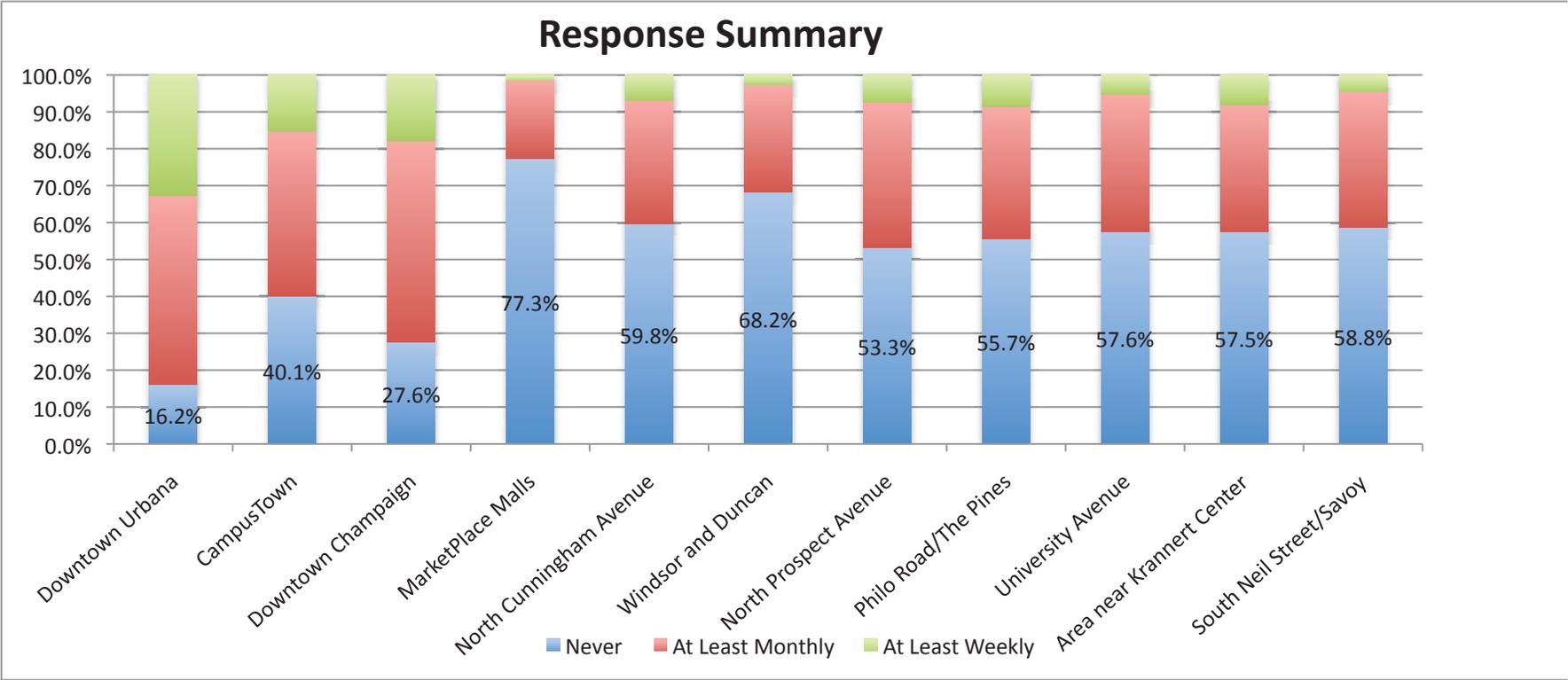
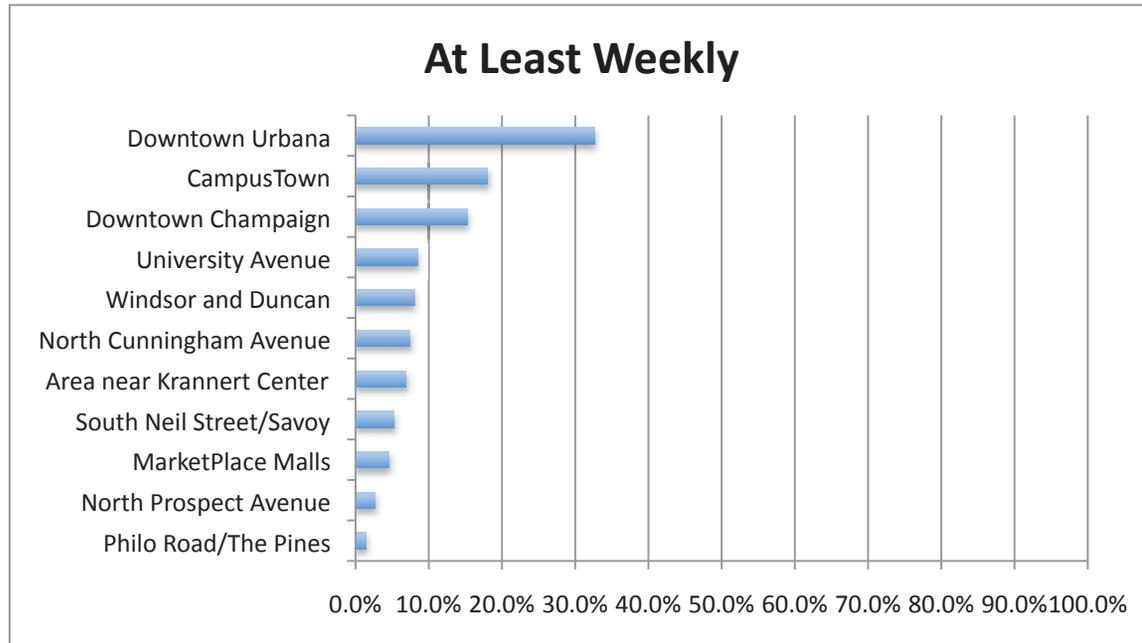


Figure 2: Eating out At Least Weekly



Observations:

- Respondents are eating out in all locations, including downtown Urbana.
- Resident affinity is strong for downtown Urbana.
- Opportunity to build upon strong offering to increase frequency and to emphasize differentiation from downtown Champaign and other dining clusters.

Question 2: In an average month, how many times do you make a purchase in these commercial areas?

This question details the respondents shopping frequency for downtown Urbana and same area commercial districts listed in Question 1.

Table 6: Full Sample

| Answer Options | Never | 3 or fewer times | Weekly | A few times per week | Daily | Response Count |
|---------------------------------|-------|------------------|--------|--------------------------|-------|----------------|
| Downtown Urbana | 121 | 178 | 108 | 74 | 10 | 491 |
| CampusTown | 307 | 140 | 28 | 12 | 2 | 489 |
| Downtown Champaign | 244 | 200 | 34 | 6 | 4 | 488 |
| MarketPlace Malls | 160 | 302 | 24 | 4 | 1 | 491 |
| North Cunningham Avenue | 334 | 131 | 16 | 4 | 1 | 486 |
| Old Farm (Kirby and Mattis) | 361 | 116 | 10 | 3 | 0 | 490 |
| Philo Road/The Pines | 276 | 122 | 57 | 31 | 7 | 493 |
| North Prospect Avenue | 86 | 307 | 81 | 15 | 0 | 489 |
| South Neil Street/Savoy | 274 | 169 | 35 | 5 | 1 | 484 |
| Area near Krannert Center | 376 | 96 | 7 | 2 | 2 | 483 |
| City at the Crossing, Champaign | 409 | 63 | 6 | 5 | 1 | 484 |
| Wal-Mart/High Cross (130) | 259 | 151 | 47 | 23 | 1 | 481 |
| Other (please specify) | | | | | | 26 |
| | | | | <i>answered question</i> | | 500 |
| | | | | <i>skipped question</i> | | 2 |

Figure 3: Full Sample

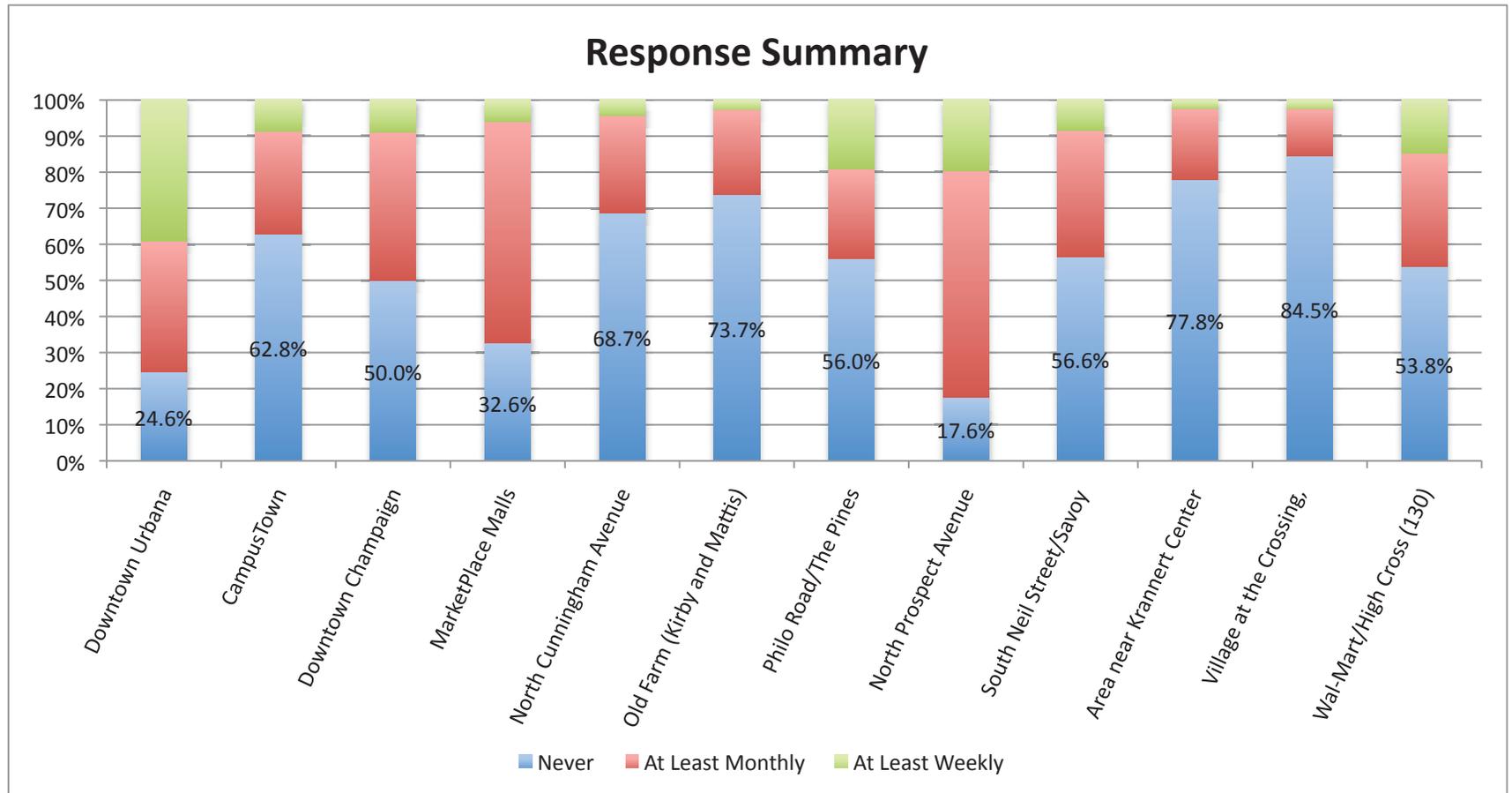
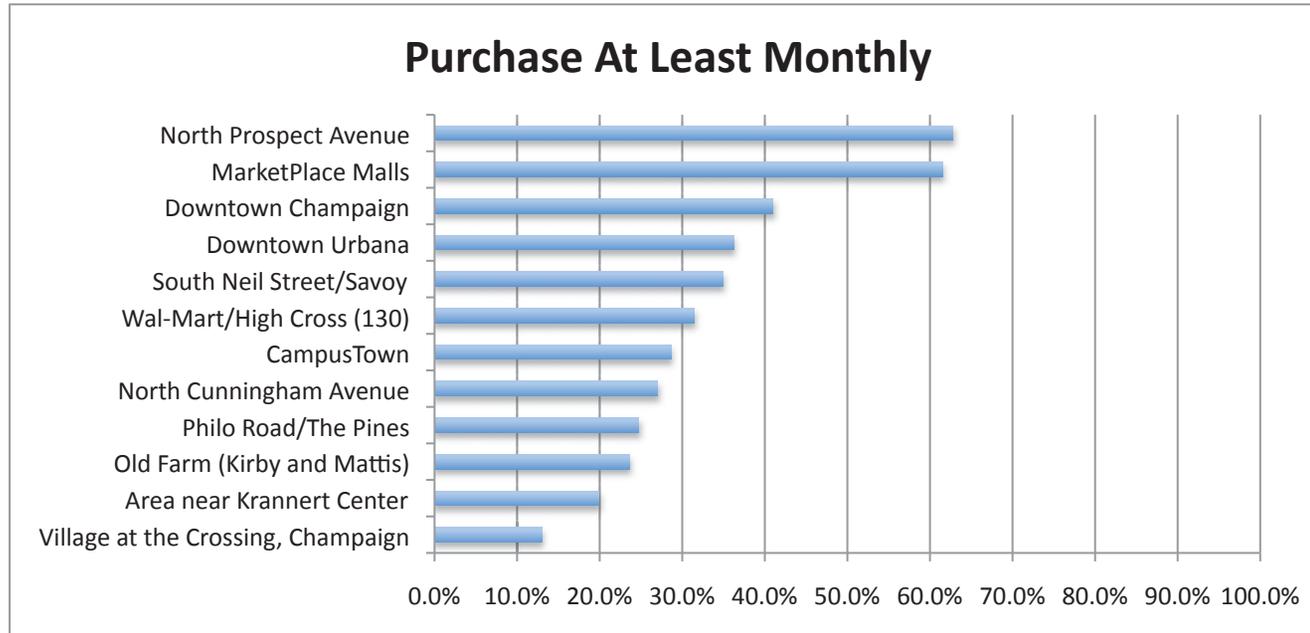


Figure 4: Shops At Least Weekly



Observations:

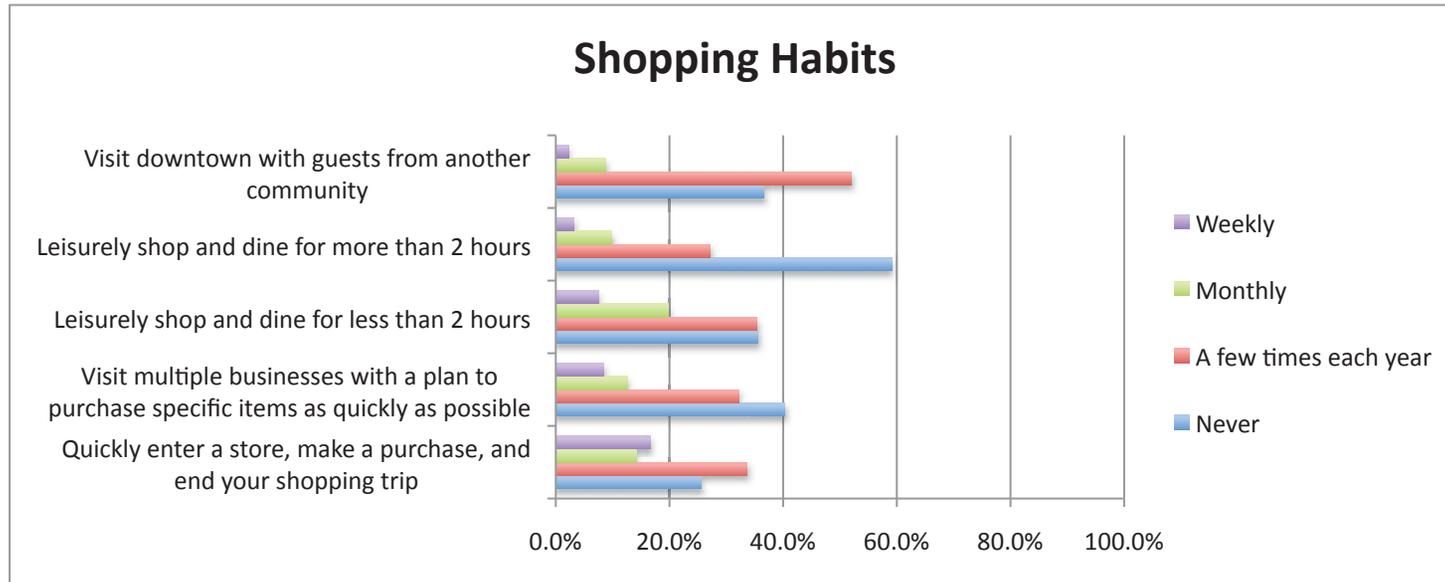
- Meijer on Philo Road is also a frequent destination as noted in “Other” comments.
- Study area's grocers are key to visit frequency in downtown Urbana.
- North Prospect Avenue in Champaign and MarketPlace serve multiple local shopping needs, given weekly numbers.
- High season for Market at the Square may have increased downtown Urbana frequency responses.

Question 3: When shopping in Urbana, how often do you:

Table 7: Full Sample

| Answer Options | Never | A few times each year | Monthly | Weekly | A few times each week | Daily | Response Count |
|---|--------------|------------------------------|----------------|---------------|------------------------------|--------------|-----------------------|
| Quickly enter a store, make a purchase, and end your shopping trip | 123 | 162 | 68 | 80 | 42 | 6 | 481 |
| Visit multiple businesses with a plan to purchase specific items as quickly as possible | 192 | 154 | 60 | 40 | 27 | 4 | 477 |
| Leisurely shop and dine for less than 2 hours | 171 | 170 | 95 | 36 | 7 | 1 | 480 |
| Leisurely shop and dine for more than 2 hours | 278 | 128 | 46 | 15 | 3 | 0 | 470 |
| Visit downtown with guests from another community | 176 | 250 | 42 | 11 | 2 | 0 | 481 |
| <i>answered question</i> | | | | | | | 491 |
| <i>skipped question</i> | | | | | | | 11 |

Figure 5: Shopping Habits



Observations:

- There are few trips with multiple stops.
- Opportunity exists to increase numbers for visits to multiple downtown businesses.

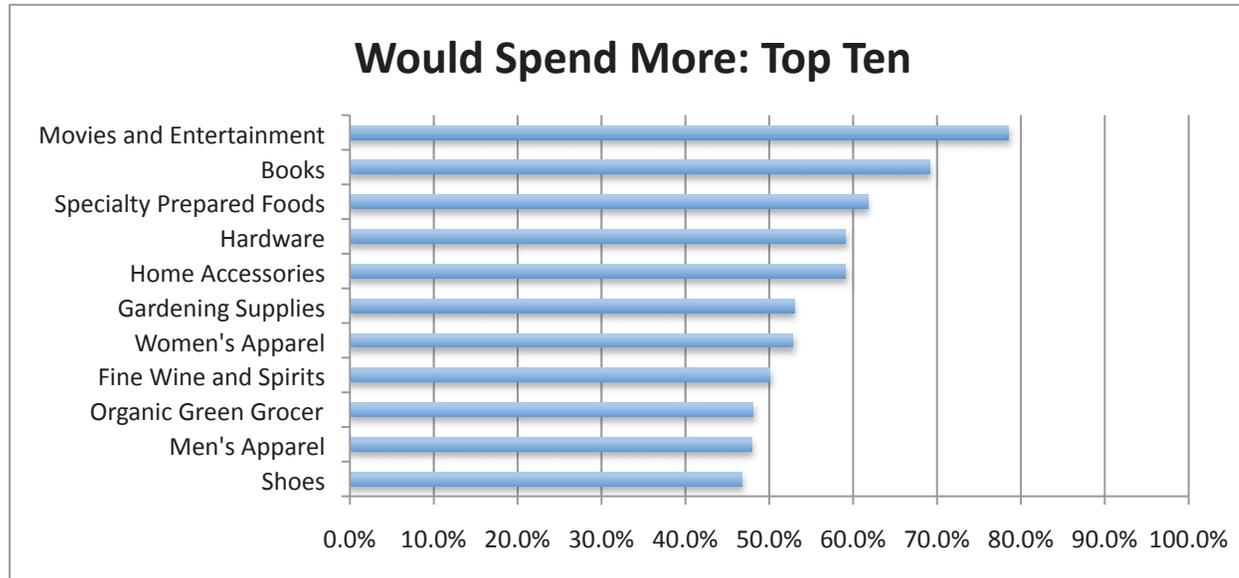
Question 4: How would the addition of these stores and restaurants affect the amount that you spend in downtown Urbana?

This question includes a list of business types where respondents indicate how they would spend, given such a store, in downtown Urbana. This question provides information on the most desirable categories of new tenants. The analysis examines the categories where respondents indicated that they would spend a little more or a lot more if that business category were added to downtown Urbana. It also provides insight on retention of existing tenants. The graph below sorts the response from the most to least likely to attract greater spending. It should be noted that the business list was random for each respondent while the survey was ongoing, so the list order would not impact the results.

Table 8: Full Sample

| Answer Options | I would spend a lot more | I would spend a little more | No change | I do not know | Response Count |
|--------------------------|--------------------------|-----------------------------|-----------|---------------|----------------|
| Specialty Prepared Foods | 88 | 201 | 158 | 21 | 468 |
| Organic Green Grocer | 97 | 133 | 235 | 14 | 479 |
| Art Gallery | 20 | 107 | 322 | 19 | 468 |
| Home Accessories | 71 | 212 | 174 | 22 | 479 |
| Furniture | 35 | 152 | 265 | 25 | 477 |
| Shoes | 45 | 178 | 238 | 16 | 477 |
| Pharmacy | 52 | 141 | 266 | 16 | 475 |
| Fine Jewelry | 13 | 63 | 374 | 17 | 467 |
| Women's Apparel | 66 | 188 | 214 | 13 | 481 |
| Men's Apparel | 41 | 188 | 230 | 19 | 478 |
| Children's Apparel | 30 | 76 | 343 | 17 | 466 |
| Health Food | 58 | 116 | 283 | 16 | 473 |
| Pet Supplies | 49 | 135 | 279 | 12 | 475 |
| Art/Craft Supplies | 65 | 139 | 245 | 18 | 467 |
| Greeting Cards/Gifts | 37 | 157 | 265 | 13 | 472 |
| Hardware | 86 | 200 | 182 | 16 | 484 |
| Make-up/Cosmetics | 25 | 79 | 346 | 18 | 468 |
| Books | 141 | 190 | 134 | 14 | 479 |
| Gardening Supplies | 69 | 180 | 212 | 9 | 470 |
| Florist | 16 | 94 | 338 | 17 | 465 |
| Sporting Goods | 37 | 147 | 274 | 12 | 470 |
| Fine Wine & Spirits | 75 | 162 | 221 | 15 | 473 |
| Movies/Entertainment | 174 | 207 | 92 | 12 | 485 |
| Auto Parts/Service | 12 | 70 | 368 | 19 | 469 |
| Other (please specify) | | | | | 69 |
| <i>answered question</i> | | | | | 495 |
| <i>skipped question</i> | | | | | 7 |

Figure 6: Would Spend More



Observations:

- Office supplies and office support were noted multiple times in comments.
- The entertainment category presents programming and recruitment opportunities.
- Key new categories include specialty foods and home accessories.
- Two categories noted, hardware and books, are challenging recruitment targets, based upon barriers to entry and industry change, respectively.
- Broad recruitment and retention opportunities apply within each category.

Question 5: In the last month, what have you purchased elsewhere that you wish you could have bought in downtown Urbana?

This question provides information that will be useful in encouraging existing and potential businesses to tailor their offering to the items most desired by survey respondents. There were nearly 700 individual responses that will be categorized and detailed in the complete data file provided to City staff.

Table 9: Purchases Made

| Desired Product Additions | | | |
|---------------------------|------------------------------------|----|--|
| # | Purchase | # | Purchase |
| 83 | Hardware and Home Improvement | 15 | Gifts and Cards |
| 66 | Books, CDs, and DVDs | 14 | Arts and Crafts |
| 58 | Specialty and Ethnic Food Products | 13 | Housewares |
| 47 | Apparel--General | 12 | Children's Apparel |
| 34 | Dining or Restaurant Requests | 11 | Sundries |
| 29 | Office and School Supplies | 10 | Household Items (Cleaning Supplies, Storage, etc.) |
| 27 | Women's Apparel | 9 | Sporting Goods |
| 27 | Men's Apparel | 9 | Services |
| 25 | Garden and Outdoor Supplies | 8 | Wine, Beer, and Spirits |
| 23 | Pet Food and Supplies | 8 | Spa and Skincare |
| 21 | Electronics and Computer-Related | 7 | Jewelry |
| 21 | Groceries (Discount or Affordable) | 5 | Infant and Toddler |
| 20 | Shoes | 3 | Auto-Related |
| 19 | Home Accessories | 2 | Antiques/Vintage |
| 17 | Furniture and Appliances | 2 | Retailer or Store Requests |

Question 6: Please provide the name of the store where you made that purchase.

This question provides a list of potential recruitment targets. Table 6 lists those stores noted most often by survey respondents. Most significantly, online shopping was key. The second table is a complete list of the other stores listed by respondents. Although most of the stores noted are in the Urbana-Champaign region, the name and city for the few out of state stores identified by respondents are included.

Table 10: Most Responses

| Most Responses Retailer | # Responses |
|--------------------------------|-------------|
| Online/Amazon | 47 |
| Barnes & Noble/Border's | 46 |
| Lowe's | 32 |
| Menards | 31 |
| Target | 29 |
| Office Depot/Staples | 26 |
| Kohl's | 23 |
| Macy's | 17 |
| Wal-Mart | 17 |
| Bergner's | 14 |
| Do It Best Hardware, Champaign | 14 |
| Meijer | 14 |
| Home Depot | 13 |
| Best Buy | 11 |
| Pet Smart/Pet Supply Plus | 11 |
| Trader Joe's | 11 |

Table 11: Remaining Stores Listed

| Requested Stores | | | | |
|---------------------------------|--------------------------------|-------------------------|---------------------------------|---------------------------|
| 10,000 Villages | Consignment shop in Champaign | Great Harvest (Neil St) | Mike and Molly's | Sephora |
| Ace Hardware | Corkscrew | Hallmark Marketplace | Milo's | Sherwin Williams |
| Ann Taylor | Cost Plus | Hancock fabrics | Mirabelle's | Sidney Dairy Barn |
| Ann Taylor Loft | County Market | Hancock Fabrics | Natural Gourmet | Stein Mart |
| Apple Store | Cupcakes on Walnut | Helzberg Diamonds | New Art Theater | Strawberry Fields |
| Aroma | CV Lloyd | Hobbico | New Pioneer Coop, Iowa City, IA | Sun Singer Wine & Spirits |
| art coop | CVS | Hobby Lobby | Nordstrom | Sweet Indulgence |
| AT&T Store | Dick's Sporting Goods | Home Goods | Old Navy | T.J.Maxx |
| Babyland | Do It Best Hardware, Champaign | IGA | Old Time Meat & Deli | Talbots |
| Banana Republic | Dollar General | IKEA | Paradiso | Tepper |
| Bed Bath & Beyond | DSW | Illini Media Center | Payless | The Body Shop |
| Berean | Eddie Bauer | Image Eclipse | Performance Bike | The Co-op |
| Blockbuster | Esquire | J C Penney | Piccadilly, Champaign | This Is It Furniture |
| Bodi Bronze | Exile on Main St. | J Jill | Pier One | Tire Barn, Champaign |
| Body N Sole | Express | Jackman's, St. Louis | Piglet | TJ Maxx |
| Bombay | F-S | jennifer north | Praireland Feed | Toys R Us |
| Brown's Appliance | Family Dollar | Jillians | Prairie Gardens | Trainor Glass |
| Carrie's | Family Video | Joseph Banks | Premier | Tri-Color Locksmith |
| Champaign Appliance | Famous Footwear | Joseph Kuhn | QUILL | True Value, Urbana |
| Champaign Cycle | Farm & Fleet | K-Mart | QVC | Urban Outfitters |
| Champaign Historic North Market | Fed Ex Kinko's | kane & co. | Record Swap, Champaign | Velde, Peoria |
| Champaign Surplus | Finish Line | Karen's Kloset | Red Herring | Victoria's Secret |
| Checkered Moon | Flora Gems, Decatur | Koret, Tuscola | Relax the Back | Vilardos |

| | | | | |
|--------------------------|---------------------------------------|------------------------------------|--------------------|---------------------------------------|
| Cheese and Crackers | Forever 21 | Kyhns | Roberts Jewelry | Vogue, Chicago |
| Chico's | Friar Tuck's, Savoy | Lands End | Rogards | Von Maur, Bloomington and Decatur |
| Christian Book Store | Furniture Lounge, St. Joseph | Lands' End Outlet, Chicago suburbs | Sailfin, Champaign | Walgreen's |
| Christopher & Banks | Gap | Lens Crafter | Saks Fifth Avenue | Walnut Street Tea Company |
| Cocomero | Georgetown Health Foods, Indianapolis | Marshall Home Store | Salvation Army | Whole Foods Market |
| Coldwater Creek | Golden Harbor | Marshalls | Sam's Club | Why Not Shop, Old Town Alexandria, VA |
| Columbia Street Roasters | Goodwill Industries | Maurice's, Champaign | Schnuck's | Woody Allen |
| Common Ground | Gordmans | MC Sports | Sears | World Harvest |
| | | Michael's | | |

Question 7: In the average week, how much would you estimate that your household spends on meals away from home (full service restaurants, take-out, drive-thru, etc.)?

This question quantifies the amount that could be spent by respondents on various dining options in downtown Urbana. For comparison purposes, the similar spending data is provided for the Residents sub-group.

Table 12: Full Sample

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Less than \$25 | 17.9% | 85 |
| \$25 to \$49.99 | 31.9% | 151 |
| \$50 to \$74.99 | 24.9% | 118 |
| \$75 to \$99.99 | 12.2% | 58 |
| \$100 to \$199.99 | 11.0% | 52 |
| Over \$200 | 2.1% | 10 |
| <i>answered question</i> | | 474 |
| <i>skipped question</i> | | 28 |

Figure 7: Full Sample

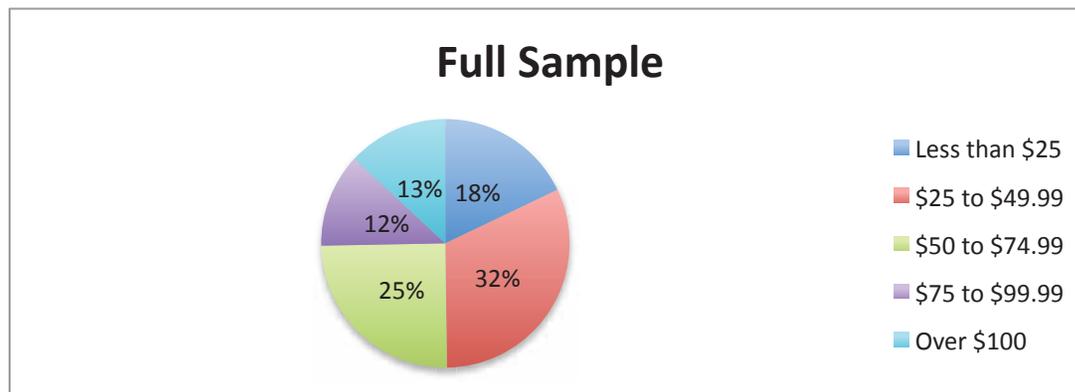
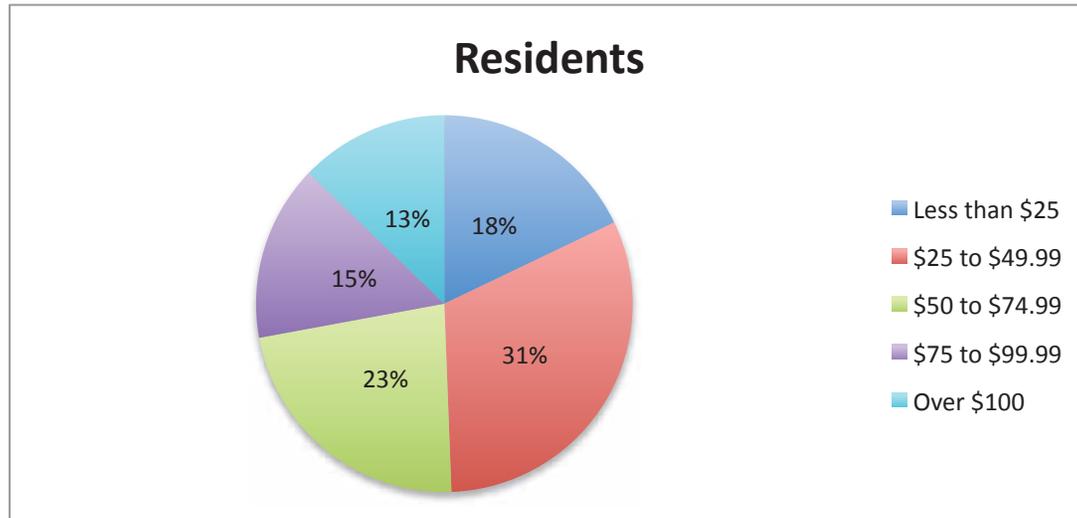


Figure 8: Residents



Observations:

- Residents were more likely to indicate a willingness to spend more in the \$75 range with identical percentages in the Over \$100 categories.
- The national economy remains a factor in dining out decisions.
- The willingness to spend more by restaurant type (see Question 8) somewhat contradicts the amounts willing to be spent on dining.
- This indicates a value orientation among residents and the full sample.

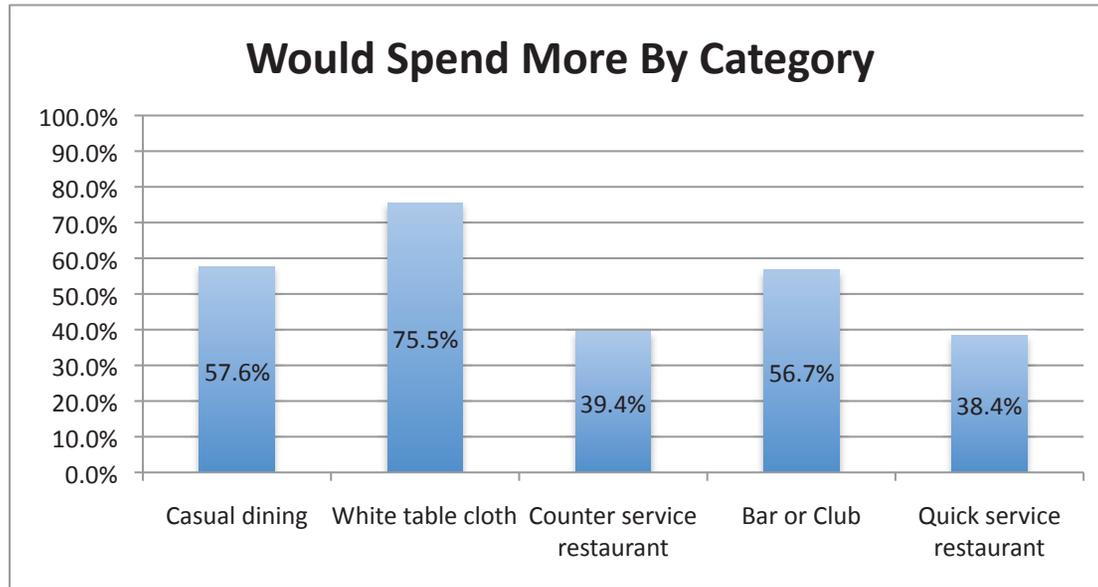
Question 8: How would the addition of these restaurants affect the amount you spend in downtown Urbana?

This question provides information on the most desirable new restaurant categories.

Table 13: Restaurant Categories

| Answer Options | I would spend a lot more | I would spend a little more | No change | I do not know | Response Count |
|---|---------------------------------|------------------------------------|------------------|--------------------------|-----------------------|
| White table cloth restaurant (Leisurely dining, gourmet food, prices matching full service level) | 54 | 204 | 190 | 20 | 468 |
| Casual dining (Family oriented menu with full service) | 110 | 232 | 111 | 15 | 468 |
| Bar or Club (Limited food options with a focus on entertainment or sports) | 55 | 122 | 272 | 14 | 463 |
| Counter service restaurant (Order at counter and employee brings food to the table or for carryout) | 69 | 185 | 194 | 16 | 464 |
| Quick service restaurant (Order and receive food at counter, drive thru service) | 37 | 133 | 273 | 17 | 460 |
| | | | | <i>answered question</i> | 473 |
| | | | | <i>skipped question</i> | 29 |

Figure 9: Restaurant Category Preferences



Observations:

- Casual dining is an opportunity for current restaurants.
- The interest in casual dining fits with interview comments that downtown Urbana is comfortable and a 'come as you are' place.
- The willingness to spend across all categories indicates an interest in additional restaurants and entertainment.
- The interest in white tablecloth restaurants does not reflect the value oriented spending noted in Question 7.

Question 9: In the past month, what non-downtown Urbana restaurants did you patronize that you believe would be good additions to downtown Urbana?

This question provides tenant suggestions for multiple dining formats. The restaurants listed most often by respondents are in Table 10. In addition to their restaurant suggestions, many respondents suggested restaurant types and formats and those are provided also in Table 11. Table 12 is a complete list of all restaurants patronized and listed by survey respondents.

Table 14: Most Responses

| Most Responses | |
|----------------|-------------------|
| # Responses | Restaurant |
| 30 | Panera |
| 19 | Bombay Grill |
| 19 | Chipotle |
| 19 | Jupiter Pizza |
| 18 | Escobar |
| 17 | Radio Maria |
| 16 | Café Kopi |
| 14 | Fiesta Café |
| 13 | Café Luna |
| 12 | Bacaro |
| 12 | Biaggi's |
| 12 | KoFusion |
| 9 | Blind Pig Brewery |
| 9 | Farren's |

Table 15: Restaurant Suggestions

| Types of Restaurants | |
|-----------------------------|---------------------|
| Asian | Italian |
| Café/Coffee Shop | Korean |
| Cajun | Mediterranean |
| Chinese | Mexican |
| Chinese-Upscale | Mexican-Fine Dining |
| Deli | Microbrewery |
| Diner | Noodle Shop |
| Ethiopian | Pizza |
| Ethnic Variety | Pizza-Chicago Style |
| Farm to Table/Local/Organic | Sports Bar |
| Fast Food | Sports Bar |
| Gourmet Deli | Steak House |
| Greek | Sushi |
| Hot Sandwich Shop | Thai |
| Ice cream | Vegetarian |
| Indian | Wine Bar |

Table 16: Restaurants Listed

| Suggested Restaurants | | | | |
|---------------------------------|---|----------------------|-----------------------------------|------------------------------------|
| Amanos | Chili's | Green Jade | Minneeci's | Ryan's |
| Antonios | China Buffet | Guadalajara | Monical's Pizza | s'Nice Vegetarian, Brooklyn, NY |
| Apple Dumpling | Churritos South of the Border Burritos | Guido's | Murphy's Pub | Saigon to Bangkok, Savoy |
| Applebee's | Coco Mero | Haagen Dazs Cafe | Niros | Sammy's Woodfired Pizza |
| Ar Ri Rang | Corner Bakery | Hardees | Noodles and Company | Sandella's |
| Aroma | Cowboy Monkey | Holy Land | O'Charleys | Sea Boat |
| Atlanta Bread Co. | Cozy's Custard | Home Town Buffet | Old Chicago | Seven Saints |
| Au Bon Pain | Crane Alley | Houlihan's | Old Orchard Pizza | Siam Terrace |
| Avanti's | Creperie | Istanbul's | Olive Garden | Sonic |
| B-Won | Culver's | Italian Bistro | One World Cafe, Peoria IL | Starbucks |
| Baker's Square | Cupcakes on Walnut | J T Walkers, Mahomet | Original House of Pancakes | Steak and Shake |
| Bally Doyles | Custard Cup | Jamba Juice | Outback | Subway |
| Bandanas BBQ | Dave & Busters | Jarlings | P.F. Chang's, Indianapolis, IN | Sun Singer, Champaign |
| Basmati | Dos Reales | Jillians | Panda Express | Sushi Kame |
| Bertucci's, Washington D.C. | Einstein Bros. Bagels | Jim Gould's | Papa Del's | Taco Bell |
| Betty's Pies, Two Harbors MN | El Charro | Jimmy John's | Papa John's | Taco Loco |
| Billiards | El Toro | Joe's Crab Shack | Pekara | Texas Roadhouse |
| Billy Barooz | Espresso Royale | Kamakura | Peking Garden | TGI Fridays |

| | | | | |
|-----------------------------------|----------------|-------------------------------|--------------------------|------------------------------|
| Blind Pig Brewery | Esquire | Kennedy's | Penn Station | The Bread Company on Goodwin |
| Bob Evans | Famous Dave's | La Bambas | Perkins | Timpone's |
| Boltini's | Farren's | La Fiesta | Philo Tavern | Uncle Jack's |
| Boston Market | Fazoli's | La Salsa | Popeye Chicken | Urbana Gardens |
| Buca di Beppo | First Wok | Lai Lai | Portillo's | City Inn |
| Buffalo Wild Wings | Flat Top Grill | Le Peep | Potbelly's | Wendy's |
| Buttitta's | Fresh Choice | Lone Star | Q'doba | Wings |
| BW3 | Fuddruckers | Louie's BBQ/Catering | Rainbow Garden | Woori Jib |
| Cactus Grill | Garcia's Pizza | Macaroni Grill, Ann Arbor, MI | Red Lobster | Xinh Xinh Cafe |
| Cafe Paradiso | Ginger Asian | Manzella's Italian Patio | Red Robin | Yaching's, Louisville, KY |
| California Pizza Kitchen, Chicago | Golden Harbor | Mas Amigos | Ribeye Steak House | Yellow Fin |
| Carmen's | Gordman's | McCallister's Deli | Rosati's | Za's |
| Cheddars | Goulds | McDonalds | Round Barn Pancake House | Zelma's |
| Chevy's | Great Impasta | Merry Ann's Diner | Ruby Tuesday | Zorba's |

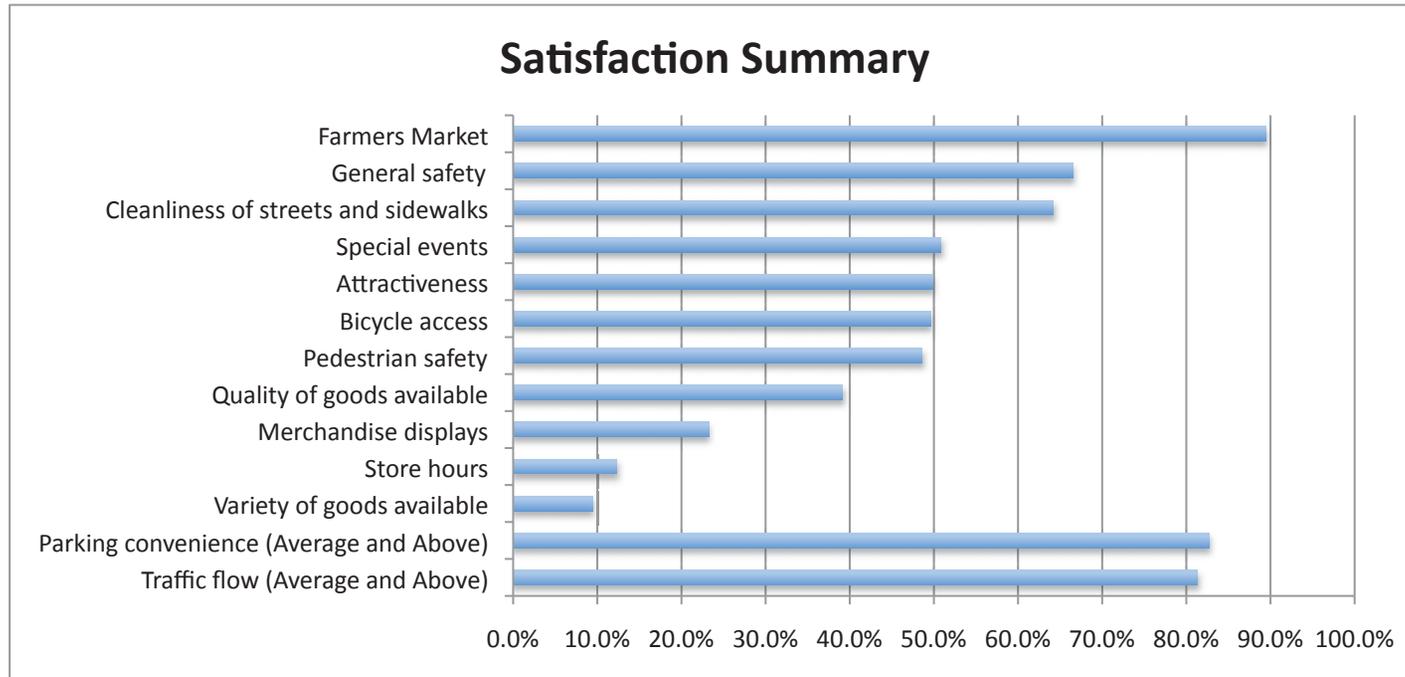
Question 10: Rate your overall satisfaction with these factors as they apply to downtown Urbana:

This question provides general guidance on elements of the general downtown Urbana experience. The summary table and accompanying graph compare the ratings of “Excellent” and “Above Average” for each factor.

Table 17: Full Sample

| Answer Options | Excellent | Above Average | Average | Below Average | Awful | I Don't Know | Response Count |
|--------------------------------------|-----------|---------------|---------|---------------|-------|--------------|----------------|
| Attractiveness | 50 | 180 | 184 | 40 | 4 | 3 | 461 |
| Cleanliness of streets and sidewalks | 66 | 233 | 151 | 9 | 2 | 5 | 466 |
| Merchandise displays | 24 | 83 | 222 | 82 | 14 | 35 | 460 |
| Special events | 62 | 173 | 155 | 37 | 5 | 30 | 462 |
| Quality of goods available | 37 | 145 | 164 | 82 | 15 | 22 | 465 |
| Variety of goods available | 5 | 39 | 107 | 221 | 78 | 14 | 464 |
| Parking convenience | 64 | 146 | 174 | 49 | 12 | 19 | 464 |
| Traffic flow | 29 | 86 | 259 | 55 | 16 | 15 | 460 |
| General safety | 123 | 187 | 131 | 7 | 2 | 16 | 466 |
| Bicycle access | 48 | 138 | 135 | 44 | 10 | 85 | 460 |
| Pedestrian safety | 68 | 157 | 199 | 26 | 3 | 10 | 463 |
| Store hours | 16 | 41 | 241 | 98 | 26 | 42 | 464 |
| Farmers Market | 315 | 104 | 32 | 1 | 1 | 15 | 468 |
| <i>answered question</i> | | | | | | | 469 |
| <i>skipped question</i> | | | | | | | 33 |

Figure 10: Satisfaction



Observations:

- The parking and traffic flow comparisons include the average ratings. The municipal cost for more parking and enhanced traffic flow is not necessary to compete with other shopping options.
- Highest survey ratings ever on municipal controlled issues--physical, safety, and attractiveness.
- Bicycle access had a significant number of "I don't know" responses, reflecting the need to continue ongoing education and outreach.

- Merchant-related responses present opportunity for outreach and education.
- As expected from project interviews, Market at the Square was viewed as an important strength for downtown Urbana.

Question 11: When is it convenient for you to shop?

This question seeks to clarify the optimal operating hours for downtown Urbana merchants.

Table 18: Full Sample

| Answer Options | Response Percent | Response Count |
|---------------------------|------------------|----------------|
| Daytime (10AM - 5PM) | 45.3% | 213 |
| Early Evening (5PM - 7PM) | 74.0% | 348 |
| Late Evening (After 7PM) | 45.7% | 215 |
| Saturday | 86.0% | 404 |
| Sunday | 70.4% | 331 |
| <i>answered question</i> | | 470 |
| <i>skipped question</i> | | 32 |

Figure 11: Preferred Shopping Times



Observations:

- Stores with early evening (5-7 PM), Saturday, and Sunday hours are most convenient for survey respondents.
- Interviews and survey comments indicated that being open posted hours is critical for downtown businesses.
- The high ratings for Market on the Square (Farmer's Market) in other questions, combined with the predominance of Saturday shopping, indicate opportunities for greater merchant involvement.

Questions 12-17: Respondent Detail

Questions 12 through 17 were used to create the two subgroups and describe the characteristics of the survey respondents.

Question 12: How long have you lived in Urbana?

Table 19: Question 12 Responses

| Answer Options | Response Percent | Response Count |
|-------------------------|--------------------------|----------------|
| I do not live in Urbana | 25.6% | 121 |
| Less than 1 year | 2.3% | 11 |
| 1 to 5 years | 16.3% | 77 |
| 5 to 10 years | 9.1% | 43 |
| 10 or more years | 46.6% | 220 |
| | answered question | 472 |
| | skipped question | 30 |

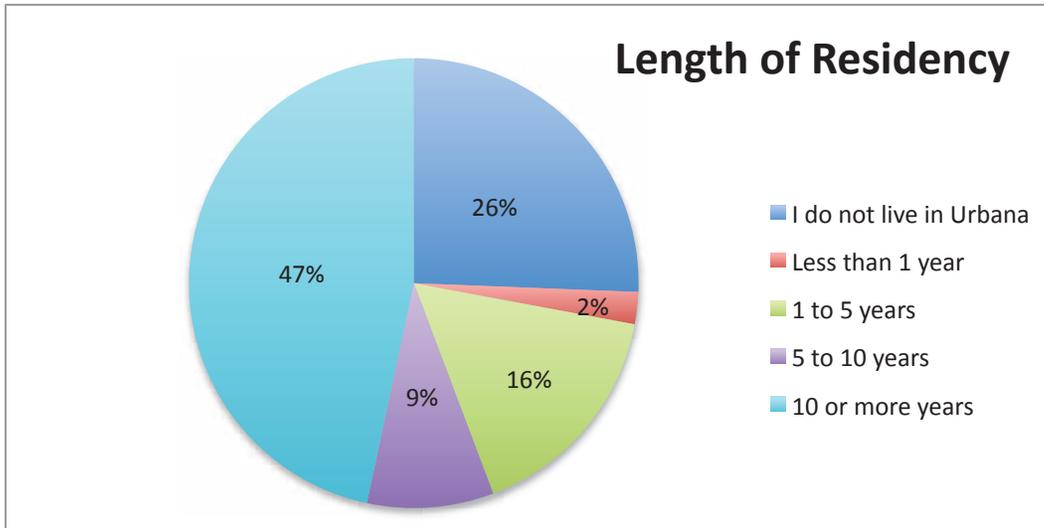


Figure 12: Length of Residency

Question 13: What is your zip code?

Table 20: Zip Codes

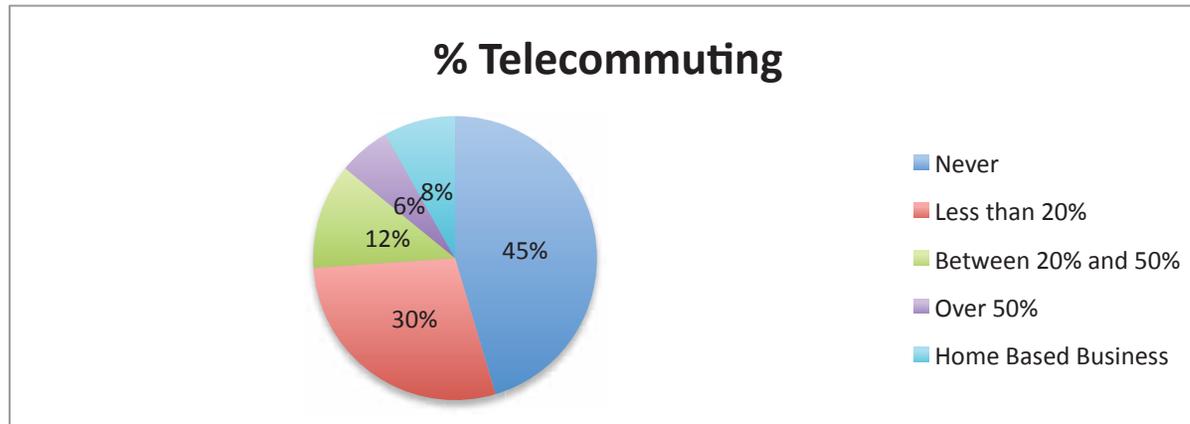
| Zip Codes | | |
|--------------------------|------------|---------------------|
| Answered Question | 465 | |
| 61801 | 275 | Urbana |
| 61802 | 68 | Urbana |
| | 343 | Total Urbana |

Question 14: If you are employed, how frequently do you work from home rather than from your office?

Table 21: Full Sample

| Answer Options | Response Percent | Response Count |
|-------------------------------------|------------------|----------------|
| Never | 45.4% | 193 |
| Less than 20% of my work week | 28.5% | 121 |
| Between 20% and 50% of my work week | 12.0% | 51 |
| Over 50% of my work week | 5.9% | 25 |
| I have a home based business | 8.2% | 35 |
| <i>answered question</i> | | 425 |
| <i>skipped question</i> | | 77 |

Figure 13: Telecommuting

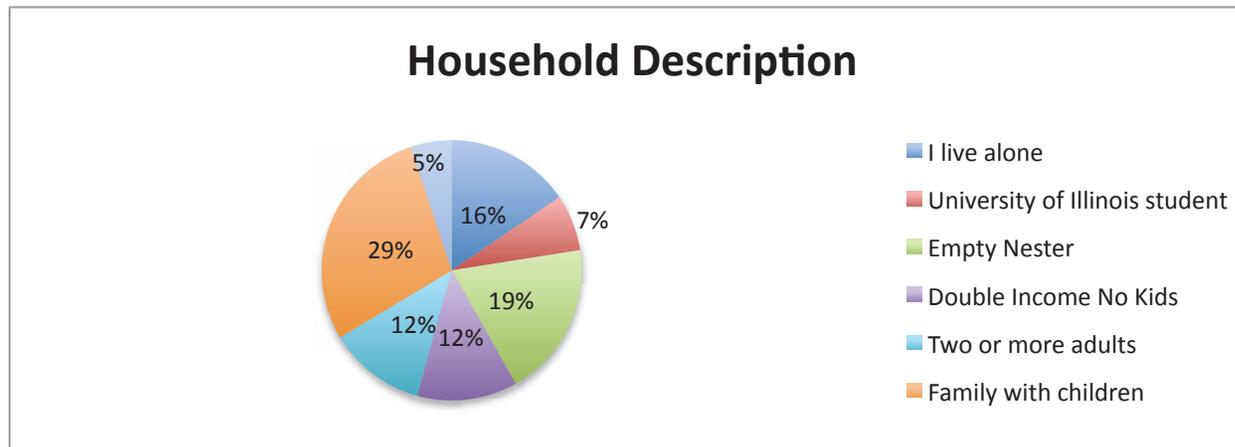


Question 15: Choose the answer that best describes your household.

Table 22: Full Sample

| Answer Options | Response Percent | Response Count |
|--|------------------|----------------|
| I live alone | 15.5% | 73 |
| I am a student at the University of Illinois | 7.0% | 33 |
| We are the type of two person family commonly called "Empty Nester" | 19.3% | 91 |
| We are the type of two person family commonly called "DINKS" (Double Income No Kids) | 12.5% | 59 |
| We are a household composed of two or more adults | 12.1% | 57 |
| We are a family with pre-school or school aged children living in the home | 28.5% | 134 |
| Other | 5.1% | 24 |
| <i>answered question</i> | | 471 |
| <i>skipped question</i> | | 31 |

Figure 14: Households By Percentage

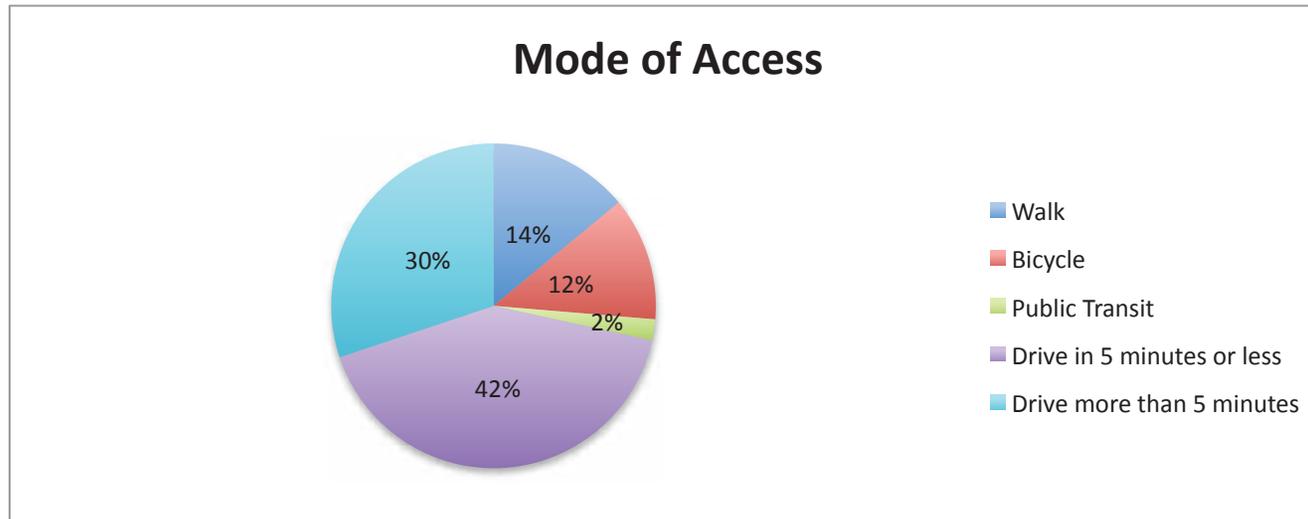


Question 16: Please choose the category that best describes how you usually travel to downtown Urbana to shop and dine.

Table 23: Full Sample

| Answer Options | Response Percent | Response Count |
|--|------------------|----------------|
| I walk | 14.0% | 66 |
| I bicycle | 12.3% | 58 |
| I take public transit | 2.1% | 10 |
| I drive in 5 minutes or less | 41.4% | 195 |
| I drive but it takes more than 5-minutes | 30.1% | 142 |
| <i>answered question</i> | | 471 |
| <i>skipped question</i> | | 31 |

Figure 15: Mode of Access



Question 17: Please choose the category that matches your age.

Table 24: Full Sample

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Under 20 | 0.2% | 1 |
| 20 to 24 | 6.2% | 29 |
| 25 to 34 | 20.5% | 96 |
| 35 to 44 | 20.5% | 96 |
| 45 to 54 | 22.0% | 103 |
| 55 to 64 | 21.7% | 102 |
| 65 to 74 | 5.3% | 25 |
| 75 or older | 3.6% | 17 |
| answered question | | 469 |
| skipped question | | 33 |

Table 4: Survey Age

| Age | Adult Population | Survey Response |
|----------|------------------|-----------------|
| 25 to 34 | 37.8% | 20.5% |
| 35 to 44 | 16.7% | 20.5% |
| 45 to 54 | 15.7% | 22.0% |
| 55 to 64 | 12.5% | 21.7% |
| 65 to 74 | 7.9% | 5.3% |
| 75+ | 9.4% | 3.6% |
| 20-24 | 20.4% | 6.4% |

Respondent Observations:

- Urbana residents comprise the greatest sample sub-group.
- There were not significant differences in spending between the full sample and two sub-groups, though drivers spent slightly more overall.
- Adult households comprise most of the full sample.
- With few respondents working from home for any part of the week, a supplemental daytime population does not exist.
- The mode of access is a primarily a 5-minute drive time implying a need to continue to improve access and access via other modes of travel.

Question 18: Any Comments?

| Question | Comments |
|----------|---|
| 18 | |
| 1 | Still pissed that The Office is gone. Wish there were things to do other than look at art in Urbana. |
| 2 | You didn't list before 10 am as a shopping option. 8-9am is some of my best time. We equally walk, bike and drive to downtown. A suggestion: close Main or Broadway and move the farmer's market there. |
| 3 | I'd probably buy more from the downtown shops while strolling through there. would love for development around 5 points and by Wal-Mart before downtown Urbana. downtown is great and Lincoln square I starting to become like was it once was |
| 4 | Need a trader Joes would bring in lots of traffic to area and fit in with other businesses well |
| 5 | There is getting to be a fabulous diversity of shops but their hours are problematic continually for me. |
| 6 | The store hours in Lincoln City are awful. All the businesses should have the same hours. In the mall and out the stores should be open until 8 M-F. |
| 7 | We totally need late night shopping - after 10 PM, late night/24 hour dining (open past midnight) and an art/indie movie theatre. |
| 8 | I would like to see a casual cafe and a movie theater in downtown Urbana. Lincoln Square has a lot of potential, too |
| 9 | more public art projects and make Lincoln Square into a showcase for public art |
| 10 | The harassment of the parking meter maids is unbearable!!!!!!! my clients have a problem with them. |
| 11 | I associate downtown Urbana with luxury goods. I have little income for that, so I rarely go. |
| 12 | having the hotel back would be an asset. I would like to be able to have friends stay in downtown Urbana, where they can walk to get a drink, etc. |
| 13 | I really like the feel of downtown and hope it prospers. However, it would be nice to see something positive happen at Lincoln Square. |
| 14 | I marked no change a lot because I already have a favorite store of that type in Urbana and I would shop there |
| 15 | We would like to see more local, organic foods throughout the community. We appreciate Common Grounds, Strawberry Fields and the organics in Meijer's. |
| 16 | We'd love a farmers market another day during the week!!!! |
| 17 | Would appreciate a coffee shop/ book store. |
| 18 | |

19 Don't take any answer to mean that I support more national chains. We need more locally owned businesses.
20 Retirees don't need much.
I think that the worst thing about downtown Urbana is that it is 4 lanes through the business district, like a highway. Does
21 NOT encourage people to slow down and enjoy our downtown!
I've heard Urbana is thinking of adding a bike lane to Main St. That would make it almost impossible to park near the
22 stores & hop in quickly. Why not use the alley to the north of Main for bikes instead?
23 I wish the Lincoln Square of the 60's-70's could be revived. The stores were wonderful.
24 Bring SunSinger to downtown Urbana.....PLEEEEEEEEEEEEEEEEEEEZ!!!!!! :)
25 Really want the old Jumer's hotel renovated and / or rebuilt as a new hotel. We need a beautiful hotel in Urbana!!
I suggest you learn from communities that are vital and thriving and infuse some of what is to be learned into developing
Urbana. Stop wasting tax dollars on developing outside Urbana, become creative within the City, and fill all those empty
26 stores. No more Big Box Stores; no more unneeded roads-maintain the current ones.
27 Two Words. Period. T-R-A-D-E-R J-O-E-S!!!!
28 survey too long; negative vibe abt. shopping in Urbana--too expensive--don't know what's there
29 Drawing more people to downtown will require changes with substance, not just symbolism.
30 Parking is awful, selection of good is so low cannot really shop here
It is frustrating to go downtown to eat in the evening and not be able to go to the shops. They are open when people are
31 working, not when people have leisure time.
Urbana is doing a great job for a town this size - towns like South Bend Indiana and Muncie Indiana are much worse. Don't
32 try to bring in things which will not last
I would love to spend more time in downtown Urbana on the weekends but there's just nothing to do there. A variety of
interesting artsy shops with gifts, postcards, clothes, CDs, funky import and household goods, Japanese toys, that are OPEN
on FRIDAY and SAT evenings to 10 pm would be BLISS! In other words, what can be done to make downtown Urbana more
33 like Chic-area Wicker Park or Bucktown?!

Delighted you're doing this survey. I hope you take the more creative suggestions seriously! There's a lot of money in
Urbana that goes elsewhere, and a lot of untapped brainpower that could be used to make a MUCH more exciting &
inviting town. Technical comment: please make your next survey "secure" ("http" should have an "s" at the end), especially
34 if you ask for contact information.

We need to come into this century - There seems to be this aura in Urbana tending to go the other way - we need to grow
aggressively as Champaign does - seems like we drag our leg most of the time when it comes to development. If we don't
35 grow economically the town won't survive in this day and age.

36 live in Mahomet, work in Urbana.
37 have a trader joe downtown Urbana!!!!!!please!!!!!!

The "public art" I've seen in the Philo Road district is horribly ugly, and a shocking waste of tax payer money. I find it especially offensive given the state of the economy. The one on Colorado looks as if it's part of the CVS, and the one on Florida appears to be the Hamburgler--you should have placed it in front of the McDonald's. If you want to drive more business out of the downtown Urbana area, then I encourage you to put some of that public art there. Also, the public art in Meadowbrook blights what would otherwise be an area of outstanding natural beauty? Are people really so desperate for visual stimulation that they can't just enjoy nature without enormous gee-gaws and rusty, derelict, industrial waste?

38
39 I hope there is some thought put into the bike plan and not just ramrodding it in due to city counsels personal agenda.
40 we do not need more restaurants in Urbana

I feel the prices for many goods sold downtown, apart from food and drink, are prohibitively high for my household budget. I would love to support local businesses more, but I simply cannot afford or don't need many of the items offered at downtown specialty shops. I am a no-frills parent on a tight budget, and while I dislike shopping at discount warehouses and superstores, I have no other option. I at least shop at superstores based in Urbana to help our sales tax revenue, but frankly, Urbana's downtown does not help itself by only housing specialty galleries and gourmet shops that cater to a small fraction of the city's population who have much higher income than the majority of residents.

41
42 A park! Downtown needs a park/public space integrated into it. Also, the level of vehicle traffic down main is terrible.
43 Very off putting for walking and biking.

43 more retail, more outside dining and drinking, fewer lawyer offices and the like would be nice

You have systematically omitted the post office when listing types of businesses that currently exist downtown. A whole crowd of bikers and pedestrians who live in Urbana rely on that PO instead of exurban ones targeted at people with cars. A PO is a far more vital link in a the fabric of a community than any number of bars or yuppy shopping

44
45 keep downtown post office
46 More Diversity needed: fast food ethnic, affordable convenience

Don't worry about parking. Also, Urban Renewal ruined Urbana. Bulldoze the county building on the NE corner of Broadway and Main, and the Busey Bank building. Ugly pieces of shit.

47
48 We need more bars and more music *first*. Then the restaurants will come. Then the rest will come as folks come anyway.
48 Don't *start* with the galleries.

As a member of the Public Arts Commission, I'd really like to see the city staff be more supportive of our efforts to bring art to Downtown Urbana.

49

Downtown Urbana needs to become a cool little enclave of funky shops, coffee shops, and restaurants. There are too many professional offices taking up storefronts, and I've heard the rents are very high, which limits small businesses. I'd love to see Urbana be a center of locally owned, REASONABLY PRICED stores featuring home goods, gifts, vintage items, cool craft supplies, and so on. More stores like Beads and Botanicals and Furniture Lounge, which sadly closed, thereby reducing downtown Urbana's cool factor exponentially. Also, stores need to stay open later. Make downtown Urbana a place where hipsters can spend the evening--have dinner and THEN go shopping, not vice versa. Be nice to have more performance space that isn't also a bar, where you could go hear regional and reasonably priced touring acts of all genres. Do more events at the Civic Center--international fairs, music performances, dance troupes, etc. Make downtown Urbana a DESTINATION, not just something you drive through to get to Champaign. If it weren't for Strawberry Fields, Priceless, and Schnucks, I might not spend any money in downtown Urbana. Great library, however.

50 downtown Urbana has way too many law offices taking up first floor spaces; needs to replace them with various retail businesses and restaurants

51 I think that any dining of actual character would improve. Could be up-scale. Could be a diner. Why not bring Xinh-Xinh over? The point is - it can't suck. Also, Urbana types need to support it. All your fancy people go to Sunnycrest and Kennedy's.

52 the family -type options are very limited.

53 I volunteer for B2P in the IMC and really think that PO is an asset (I do a lot of mailing) and it is very convenient to bring my items when I volunteer, however they cut the hours there and I don't get to mail on Saturday anymore :(I use the Urbana PO located in the IMC more than my own in Champaign! The new Urbana PO is too far to drive!

54 Recently displaced from C-U. But filled out as if it were a couple months ago and I was still a master's student

56 I live right on Green St in Champaign, so the only reason I would go to downtown Urbana would be for something that is not available there. A Sephora and a health foods store would be a reason for me to go to Urbana

57 there are few places to shop downtown, the art galleries are very nice, as is Art Mart but that's about it

58 good luck!

59 We are a household with 2 adults and a toddler. LOVE Courier!! Was sad to see The Morning Cup go..

60 "Stores" is the wrong initial focus. First Urbana needs "third places": social spaces like bars and coffee shops that draw people in to hang out and socialize. Then restaurants to feed the people that are already there. And THEN stores to sell them other stuff. Also: Lincoln square has failed. Find other space for Art Mart, the coop, and Great Impasta, and tear it down.

61 the question about frequency of restaurant use specifies per month but no place to indicate 2 times in 3 month period, so my only choice was Never.

62

63 Get a Trader Joe's or Fresh Market to town!

64 No family option of 2 adults with infant?
no place to eat in downtown...no parking...or rates too high....Champaign is growing downtown..learn a lesson...outside dining!!!

65 I like shopping and spending leisure time in Urbana for many reasons. What Urbana has is usually good quality with a local touch. I go to Champaign only if I cannot get it in Urbana and I suspect many people in Champaign are similar about shopping near their homes. The residents from the smaller towns surrounding C-U are the ones we need to attract to our shopping areas because they do not have competing stores/restaurants/services. Also, I run into friends from Monticello and Mahomet who come into town on Saturdays for the Farmers Market.

66 Urbana is a very nice place to live.

67 I have been thrilled to see Common Ground, Crane Alley, Siam Terrace, V. Picasso, Black Dog, The Wooden Hangar, Fleurish, and the art galleries open in Downtown Urbana. I am glad that Strawberry Fields and Heel to Toe have been there for so long. I hope other venues like these will set up downtown or expand so there can be more variety.

68 Downtown Urbana has a lot to offer but it seems that a lot of people don't know the variety that is available. More advertising/marketing would benefit all of the businesses in downtown Urbana. Events such as the CU Folk & Roots Festival can be a huge draw in terms of bringing people into downtown Urbana. I encourage the City to work more closely with these special events to promote downtown Urbana.

69 I think Downtown Urbana actually has some of the best places to eat in the C-U area. The downtown is quieter so it attracts a different crowd than downtown Champaign in my opinion.

70 It seems you have not considered the businesses on the perimeter of downtown. Vine, Philo Rd, University corridor. There are businesses I use that you seem to not consider relevant to survey. Seems that will skew your results

71 Good survey. One big issue is variety of items that are offered cheaply in Target, Wal-Mart, etc -- hard to duplicate here. I drive to downtown Urbana but more often walk. I buy in Urbana when possible and there are more options than there used to be!!

72 Let's make little "Mayberry" a "happening" place with quaint shops and nice food places. I think it has improved a great deal and hope to see it continue to grow.

73 Having to pay for parking also keeps me away from downtown Urbana during the day.

74 Downtown Urbana could use a total re-vamping to make it more attractive!!

76 An improvement in the quality and diversity of dining/drinking establishments in downtown Urbana would be great for the area.

77 For Q10: Store Hours, I chose "Awful" primarily because the art and craft galleries on Main Street never seem to be open when it would make sense (right after work or early evening). The other businesses we go to daily and weekly have very suitable hours (Siam Terrace, Strawberry Fields, Priceless Books, Mirabelle's, Crane Alley, the Post Office, Art Mart).

78 downtown Urbana is a very nice community but I feel like it's not living up to its potential. Besides a few restaurants and the post office, there's little reason for me to go there.

79 Main Street is great

80 Downtown Urbana needs more dining options (fast casual and a breakfast place would be nice), improvement in appearance of the north part of downtown (near University Avenue), more density (residential above more storefronts), more outdoor seating and public gathering spaces. I'd like to see an interesting fountain in said public gathering space. Also, I'd like to see someone buy the former Jumer's hotel and restore it to its former glory.

Downtown Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

In studying downtown's market, understanding the area's key strengths, weaknesses, opportunities, and threats, or SWOT, begins to translate downtown's market implications into a stronger business environment. These SWOT factors reflect downtown's current situation, and in most instances, will remain as current downtown businesses expand, new businesses are recruited, and any new in-fill development occurs. These SWOT factors, as described below, apply to downtown's mix of uses. This analysis emphasizes those elements that form the basis for value statements to assist in business growth and recruitment.

Strengths

Strengths are assets that will likely continue and remain important to attracting successful tenancies to downtown Urbana.

- **Downtown's established retail businesses and restaurants** represent the ideal "co-tenants" for other unique businesses with operating experience in downtown districts. Through clustering and affinity, these businesses can share customers who make special trips to find distinctive merchandise or dining options.
- Related to the above point, downtown Urbana's business mix includes **strong destination retailers**, drawing customers from Bloomington-Normal, Peoria, Decatur, Springfield, and Danville.
- Urbana's government and citizens have made a **strong commitment to downtown's success**. The City has made important improvements to local infrastructure and has been instrumental in facilitating downtown development and redevelopment opportunities. Tax Increment Financing (TIF) continues to be used to enable downtown redevelopment. Local officials recognize the need to enhance downtown's current successes with an additional focus on local and regional recruitment efforts. Strategically pursuing both will serve the Urbana community and attract consumers and investors to downtown Urbana. The City of Urbana is also committed to downtown's future success through the ongoing **Downtown Plan update** process.
- Urbana's **vintage buildings** reinforce the community's image as both a unique place and a unique commercial environment. Downtown has interesting architecture, reflecting downtown's growth and development over time.
- Urbana's **population with strong spending power** offers a customer base, or market, that can permit prospective businesses locating in downtown to succeed.
- Buildings in downtown Urbana offer **available and affordable lease space** for current and prospective retail, restaurant, office, and service tenants.

- **Urbana’s special events and marketing programs**, produced by the City, the Urbana Business Association, and other local institutions, increase local and regional awareness of downtown Urbana’s opportunities for residents, visitors, and potential new businesses. Downtown’s **Market at the Square** serves the Urbana-Champaign region and is recognized nationally as a strong farmers market.
- **Urbana’s broader reputation**, as the home of the University of Illinois and important civic institutions, such as the Urbana Free Library, is that of a progressive community with engaged citizens.
- **Major employers**--Carle Medical Center, local governments, federal and state courts, among others—remain located in and near Urbana’s downtown.
- Downtown Urbana’s two major thoroughfares provide **access and visibility for businesses located on Vine Street and on University Avenue**, providing two important retail site attributes for name and larger format tenants.
- The Urbana community actively promotes **biking and walking** to its commercial districts, including downtown, to increase overall traffic, access, and visibility.

Weaknesses

Weaknesses are characteristics that can constrain downtown success. They will most likely remain and be ‘worked around.’

- Downtown Urbana is **physically large** with multiple clusters; each including varied downtown uses and serving diverse users and customers.
- Downtown’s core includes significant numbers of service businesses and professional practices located in ground floor spaces. While important to downtown’s overall mix of uses, these **ground floor offices** inhibit circulation among the core’s retail and restaurant uses.

Opportunities

Opportunities form the basis for recruitment and retention by capitalizing on positive trends and unique local market characteristics. Typically, opportunities can become strengths, if properly developed.

- Downtown Urbana represents **a unique and ‘comfortable’ experience** among the overall regional retail offering, presenting an opportunity to shape a strong and recognizable market position within this broader regional market.
- Downtown Urbana’s **current businesses can expand their stores or supplement their product or service offerings**, based upon the results of this Downtown Market Study. These successes can be publicized to potential and existing downtown customers.
- Urbana’s business community and organizations can **foster increased cooperation among downtown’s businesses**. Such cooperation will enable downtown Urbana’s diverse businesses to work together (individually or in groups) on mutually beneficial programs, such as marketing and advertising. A critical future component will be identifying new and different kinds of partnerships among downtown businesses that will foster mutual financial success.
- Urbana should continue its work to enable **redevelopment** of key downtown in-fill sites. This redevelopment creates space built to serve the operating needs of a specific tenant, or specific types of tenants. Having committed tenants in advance of development will be key.
- The City of Urbana, in conjunction with its many partners, can initiate new and additional programs and incentives designed to **improve the sustainability and profitability of existing businesses**, enhancing the chances that those businesses will succeed and bring increased vitality to Urbana’s downtown.
- Working in tandem, the City, engaged downtown property owners, and Urbana’s real estate community can work together to market available lease space to prospective tenants in all use categories. This **joint marketing to prospective tenants** can improve ongoing communication, identify and support strong tenancies in business appropriate locations, and mitigate past issues associated with tenant ‘cannibalization.’
- In recruiting **economically sustainable businesses**, the City of Urbana and its many partners can focus on identifying successful business operators in the categories described in this Study. These experienced business owners will understand that revenues and profits must be sufficient to support both reinvestment in the business and a meaningful return, or income, to the business owners.
- Recent **downtown residential development** indicates that a market exists for multi-family housing serving graduate and professional students and adult professionals working in the region preferring downtown Urbana’s amenities and environment.

Threats

Threats are market conditions that currently undermine the success of downtown’s business and property owners. If not addressed, these market conditions can limit the City’s ability to capitalize on its many opportunities.

- Regional '**cannibalization**' of **office tenants** impedes the ability of downtown's property owners to be profitable and to retain tenants and increase Urbana's (and downtown's) employment base over the long-term.
- As with most established downtowns and commercial corridors, Urbana's **downtown properties have multiple owners**. Most owners understand that their building operating decisions, including tenanting, have a significant impact on the success of downtown's businesses.
- As new development is proposed, **signed commitments from commercial tenants** should be critical in the evaluation of any proposal and the consideration of any incentives. The strength and terms of lender financing commitments, based upon these tenancies, should also be part of the proposal evaluation. Vacant ground floor lease space in a completed new development diminishes market confidence in the location, particularly in and near downtown districts.
- Urbana must be **strategic in considering the regional competitive market**. Urbana, its neighboring communities and their commercial districts are all part of one larger market, regardless of the tenants and uses. Monitoring the competition and changes in each commercial area will help the downtown business community focus on downtown's opportunities while responding quickly to market changes.
- Some downtown Urbana business owners are **operating short of best practices**. This undermines downtown's overall image, inhibits customer visits and the visibility of downtown's retailers and restaurants, and limits potential sales for all businesses. Downtown Urbana's businesses cannot just 'get by.' Overall improvements to downtown's mix, clusters, and vitality will require the commitment of astute business operators focused on both profitability and ongoing reinvestment in their businesses.
- In addition to having downtown businesses that are economically viable, downtown tenants, regardless of use, must reflect **market-driven opportunities**. Often, community residents will express a desire for a particular business or type of business at a particular location. Unless that business's customers and markets match that location and that community, the chances for operating success are minimal.

Downtown Retail and Restaurant Market Share and Leakage Analysis

Introduction

Within this Study's interim report, a preliminary market share and leakage analysis was provided. This final version examines downtown's current mix of uses and evaluates the markets shares for downtown's major business categories and for categories of businesses identified in the survey results.

Downtown Urbana's existing conditions are indicative of what is working downtown and where opportunities may exist among the overall mix of uses. Combined with the market share analysis, the current performance of various categories of downtown businesses helps formulate ways to improve downtown's retail performance by increasing sales in existing businesses and attracting new businesses. Beyond retail uses, these existing conditions, combined with Urbana's local markets (detailed earlier in the interim report), establish the context for those strategies needed to improve downtown's redevelopment opportunities.

The market share analysis compares estimated sales in downtown Urbana businesses to the spending power of downtown Urbana's markets to estimate the market share capture rates for key Urbana markets. Calculating market share, or the portion of the total available sales won by an individual business or a group of similar businesses, reveals how much potential there is to grow downtown's businesses by capturing more of the available sales. Understanding market share by category reveals the relative competitiveness of downtown's offering within any business category and allows a comparison of offerings in different business categories. Retail sales leakage is as an economic calculation, indicating that the total sales within any retail trade area are less than they could be based on that geography's population and income. A leakage calculation estimates potential opportunities for local retailers to capture additional local retail dollars, but it does not estimate what is actually being captured or indicate whether the leakage category represents an opportunity. This market share analysis serves as the basis for downtown's Business Opportunity Profiles, provided in the following section.

Existing Conditions

In developing the market share analysis, understanding downtown’s current mix of uses is key to future retention and recruitment strategies. Downtown Urbana has historically been a mixed-use commercial center including prominent civic and office uses. A summary of current downtown uses by square footage is shown in Table 4 below:

Table 25: Downtown Uses by Building Square Footage (SF)

| | Total SF | Retail/Consumer | Office | Residential | Estimated Vacancy Rate | Sales Tax Generating |
|-----------------------------|-----------|-----------------|---------|-------------|------------------------|----------------------|
| Lincoln Square | 286,286 | 74,600 | 170,000 | 0 | 14.56% | 59,500 |
| Remaining Study Area | 1,763,647 | 715,412 | 641,726 | 155,833 | 14.21% | 484,879 |
| Total | 2,049,932 | 790,012 | 811,726 | 155,833 | | 544,379 |

Source: City of Urbana, Lincoln Square Mall, BDI

This summary, based upon data provided by the City of Urbana and by Lincoln Square’s management for this Study, includes square footages for those buildings located within the study area and excludes all downtown parking lots, religious uses, and any known vacancies. It should be noted that the vacancy rates shown above generally reflects what was heard from Urbana’s real estate community. These overall vacancy rates reflect both the national data described in the sector-related sections of this report and projected 2011 national retail and office vacancy rates of 13% and 16-16.5%, respectively. (Source: National Association of Realtors) Overall, an estimated 26.6% of downtown’s total building square footage is sales tax generating, most located along Vine Street and University Avenue. The sales tax generating square footage at Lincoln Square is estimated at 20.8% and reflects its recent transition to office uses. The sales tax generating square footage for the remainder of downtown is 27.5%.

Residents typically associate their downtown with those uses that cater to consumer needs. While newer retail development formats and changes in consumer behaviors have altered what constitutes successful downtown consumer uses over time, downtowns remain a local priority because of their power to either enhance or impair a community’s image in the regional market. Important for downtown Urbana is the number of businesses within certain retail categories providing essentials, such as groceries. The presence of these businesses, plus downtown’s destination retailers and restaurants, represent a competitive advantage as Urbana seeks to increase downtown’s commercial activity through business expansion and redevelopment.

The predominance of office uses in the study area is notable but not surprising. Maintaining downtown's employment base and ensuring that downtown's tenants will remain is an important aspect of future actions. The small amount of estimated residential square footage, currently about 156,000 SF, reflects the market opportunity (described earlier) for quality infill development in suitable locations throughout the downtown study area.

Methodology

To estimate downtown Urbana's sales by business category, the following analysis applies the ground floor square footage for each retail use, as described in the City's downtown building data, and applied the Urban Land Institute's (ULI's) median retail sales per square foot for the actual or most appropriate business category (as published in ULI's *Dollars and Cents of Shopping Centers 2008*).

The calculation of market share is straightforward. For example, if a community's sales of children's apparel are \$860,000 and the residents in that community spend a total of \$2,000,000 on children's apparel; then, the market share is $\$860,000/\$2,000,000$, or 43%. The sales projections described above were compared with Urbana's spending power in those categories to calculate downtown specific capture rates. Correctly determining community and store sales and category spending power are key to creating an accurate understanding of market share and developing strategies for improving capture rates within those shopping categories.

Logical Markets

For the purposes of analyzing market share, three populations were identified:

- Affiliated Market: Residents of Urbana who are proud of their community and seek to support businesses located in Urbana.
- Convenience Market: The population living within 5-minutes who can easily travel to downtown Urbana for their everyday needs.
- Destination Market: The population living within 20 minutes who could be attracted to Urbana for goods or dining experiences not available elsewhere in the area.

Due to the close connection with surrounding neighborhoods and the desire of downtown businesses to connect with pedestrians and cyclists, the .5-mile pedestrian market is also shown below. This pedestrian market, though small, is readily accessible to downtown businesses and its demographic character contributes to downtown's image. The 5-minute drive time market is downtown's most indicative market, given the fluid

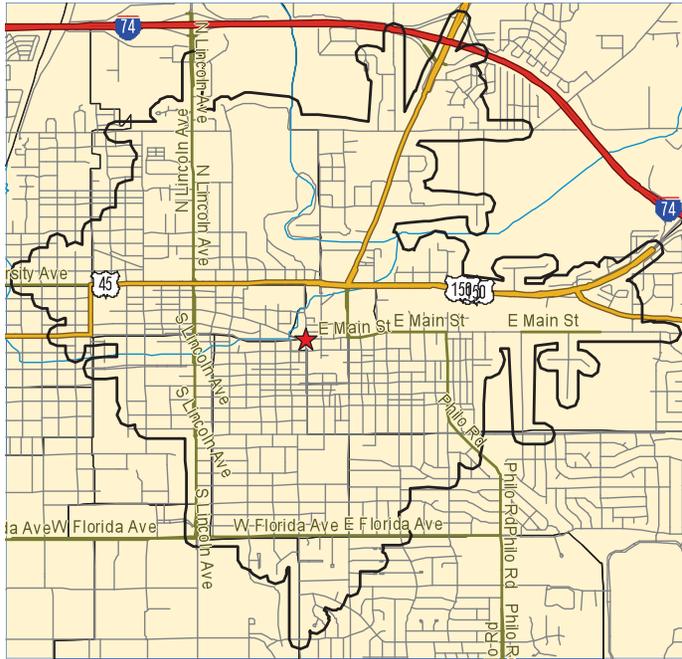
nature of Urbana’s regional market and the numbers of grocers and other convenience businesses located in the study area. This same 5-minute drive time market typically represents the market for a 10-minute bicycle ride. For reference purposes, these markets are shown below in Table 26. Maps of the 5-minute and 20-minute drive times follow as Illustrations 4 and 5.

Table 26: Reference Demographics

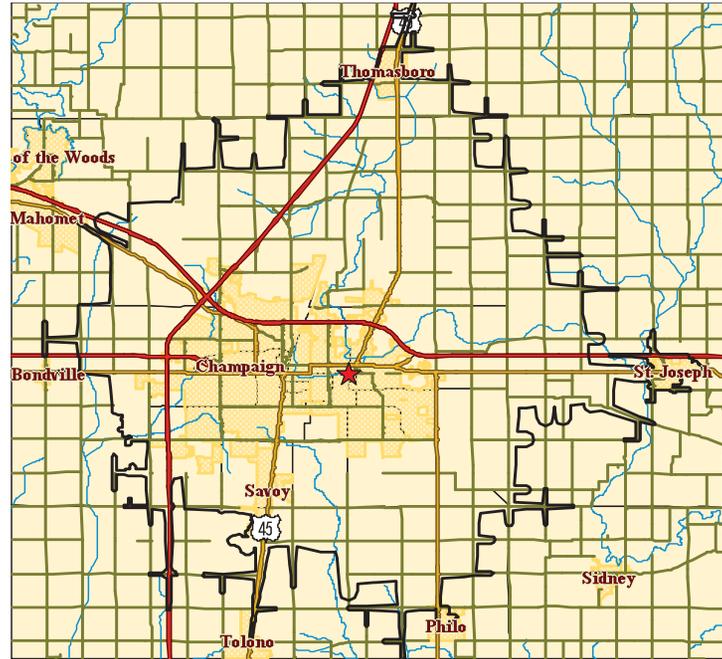
| | Urbana | 0.5 Mile | 5 Minutes | 20 Minutes | Champaign-Urbana Metro |
|---------------------------------|---------------|--------------|---------------|-----------------|------------------------|
| Population | 40,757 | 4,435 | 26,084 | 145,817 | 226,403 |
| Average Household Size | 2.50 | 1.99 | 2.23 | 2.43 | 2.23 |
| Average Household Income | \$50,361 | \$34,854 | \$35,204 | \$59,374 | \$61,468 |
| Median Household Income | \$31,043 | \$22,353 | \$20,962 | \$39,972 | \$44,957 |
| Total Employees | 22,523 | 7,509 | 20,071 | 93,870 | 117,666 |
| Jobs Per Household | 1.38 | 3.37 | 1.72 | 1.56 | 1.27 |
| Total Retail Expenditure | \$301,285,182 | \$33,427,681 | \$174,247,365 | \$1,237,063,806 | \$1,955,090,895 |
| Eating and Drinking | \$28,653,654 | \$3,129,014 | \$16,374,294 | \$118,866,464 | \$106,056,658 |
| Grocery Stores | \$81,216,351 | \$9,021,620 | \$47,048,179 | \$333,520,820 | \$526,849,563 |
| Pharmacy and Drug Stores | \$17,691,324 | \$1,934,959 | \$10,121,370 | \$73,115,433 | \$115,636,300 |

Demographic data © 2010 by Experian/Applied Geographic Solutions.

Illustrations 4 and 5: 5-Minute and 20-Minute Drive Times



Source: Demographic data © 2010 by Experian/Applied Geographic Solutions.



Available Spending Power

The sales available to any business are limited by the category-related purchasing power for residents living in each market. This can sometimes be modified by purchasing power from a nearby attraction or employment center. The following table uses data from the Experian database to report the spending power for selected categories by those markets that may be served by downtown Urbana businesses.

Table 27: Select Spending Power, or Retail Sales Potential, By Category

| | Urbana | 0.5 Miles | 3 Miles | 5 Minutes | 20 Minutes | Champaign-Urbana Metro |
|---|--------------|-------------|---------------|--------------|---------------|------------------------|
| Book Stores | \$4,579,927 | \$524,095 | \$9,201,693 | \$2,726,232 | \$18,469,735 | \$29,117,165 |
| Camera and Photography Stores | \$908,084 | \$99,559 | \$1,808,187 | \$518,187 | \$3,766,670 | \$6,007,226 |
| Full Service Restaurants | \$13,782,208 | \$1,504,600 | \$27,378,150 | \$7,874,334 | \$57,179,442 | \$90,463,626 |
| Furniture Stores | \$6,462,541 | \$669,600 | \$12,701,661 | \$3,532,785 | \$27,576,273 | \$43,839,636 |
| Grocery Stores | \$81,216,351 | \$9,021,620 | \$161,942,809 | \$47,048,179 | \$333,520,820 | \$526,849,563 |
| Hardware Stores | \$2,790,246 | \$300,364 | \$5,520,081 | \$1,572,091 | \$11,647,202 | \$18,417,074 |
| Limited Service Restaurants | \$13,580,872 | \$1,483,854 | \$26,997,696 | \$7,760,937 | \$56,329,362 | \$89,257,282 |
| Liquor Stores | \$2,297,589 | \$251,794 | \$4,560,570 | \$1,316,357 | \$9,550,356 | \$15,024,980 |
| Nursery and Garden Stores | \$1,900,008 | \$204,754 | \$3,765,664 | \$1,070,622 | \$7,959,295 | \$12,629,619 |
| Home Oriented Stores | \$2,046,870 | \$220,411 | \$4,044,689 | \$1,150,966 | \$8,571,082 | \$13,543,163 |
| Other Retail | \$1,904,151 | \$203,506 | \$3,765,541 | \$1,062,373 | \$8,043,166 | \$12,777,884 |
| Pet and Pet Supply Stores | \$860,397 | \$95,865 | \$1,717,891 | \$497,431 | \$3,535,911 | \$5,617,073 |
| Pharmacy and Drug Stores | \$17,691,324 | \$1,934,959 | \$35,152,853 | \$10,121,370 | \$73,115,433 | \$115,636,300 |
| Special Food Services and Catering | \$2,285,065 | \$249,613 | \$4,540,730 | \$1,305,254 | \$9,472,159 | \$15,006,839 |

Demographic data © 2010 by Experian/Applied Geographic Solutions.

The Experian data relies on its credit division to project total spending by anonymously consolidating purchasing information for residents of specific geographic areas and for areas with similar demographics to estimate any population’s spending power. Those purchases can be made in many communities as residents make selections based upon satisfaction with products and services as offered by varied businesses.

Market Share Analysis by Business Category

Six (6) business categories, based upon levels of sales and downtown business numbers were analyzed to consider downtown’s market share. These categories are displayed in Table XX below.

Table 28: Downtown Market Share Analysis By Categories of Goods and Services

| | Estimated Downtown Sales | Urbana Spending Power | Capture Rate | 5-Minute Spending Power | Capture Rate | 20-Minute Spending Power | Capture Rate |
|--|--------------------------------|--------------------------|--------------|----------------------------|--------------|-----------------------------|-----------------|
| Grocery | \$55,909,132 | \$81,216,351 | 68.84% | \$47,048,179 | 118.83% | \$333,520,820 | 16.76% |
| Eating and Drinking | \$10,264,312 | \$28,653,654 | 35.82% | \$16,374,294 | 62.69% | \$118,866,464 | 8.64% |
| Gallery | \$3,245,625 | \$167,930 | 1932.72% | \$94,360 | 3439.62% | \$700,890 | 463.07% |
| Automotive and Accessories | \$11,421,947 | \$7,377,839 | 154.81% | \$4,253,838 | 268.51% | \$30,264,790 | 37.74% |
| Hair and Nail Salons | \$1,200,633 | \$1,431,850 | 83.85% | \$824,714 | 145.58% | \$5,893,547 | 20.37% |
| Apparel and Accessories (Men and Women) | \$1,972,685 | \$6,339,252 | 31.12% | \$3,685,575 | 53.52% | \$25,947,355 | 7.60% |
| Total Retail Sales | \$123,798,289 | \$444,261,556 | 27.87% | \$253,046,948 | 48.92% | \$1,844,270,249 | 6.71% |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008, Demographic data © 2010 by Experian/Applied Geographic Solutions, BDI.

As noted in the Methodology section above, estimating the capture rate, or market share, is a straightforward calculation. The City of Urbana provided the tenant name, square footage, and footprint for each downtown building. (Management at Lincoln Square Mall provided the same detail for their retail and service tenants.) The business type for each retail tenant was then confirmed. The median sales per square foot by business type were obtained from Urban Land Institute's (ULI's) *Dollars and Cents of Shopping Centers 2008*. Multiplying these median sales figures by the square footage yielded annual sales estimates for each business. Finally, total sales estimates for each business category were calculated, including the six categories shown above. The median sales per square foot figure was selected, given that Urbana is neither a high cost nor a low cost retail market.

Overall, downtown's key categories represent both successes and opportunities. Downtown is now capturing significant dollars for art purchases from the destination drive time and beyond. While automotive businesses may not be a future target, the success of this business category indicates that consumers patronize those auto-oriented businesses located on downtown's periphery. Hair and nail salons again may not be an active recruitment category, but downtown's existing salons are capturing a significant market share. Overall capture rates for groceries are impressive and reflect downtown's multiple strong grocers, both chain and independent, and their attraction power. Food and beverage operators, either new or existing, have an apparent opportunity to increase their overall local market share from Urbana and readily accessible drive-time markets. Adult apparel (including shoes) indicates that this downtown business cluster may provide an interesting, or unique, option

for consumers within the Urbana-Champaign region's multiple retail locales. Finally, two potential business categories identified by this study's survey respondents as categories where respondents 'would spend more' are not listed in Table 7 (Home Accessories and Specialty Foods). Downtown sales could not be estimated for these two categories because minimal sales exist in these two categories within the current business mix. The spending power for both categories appears in Table 6. Other typical downtown specialty retail categories, such as gifts, lack a critical mass of stores within the study area.

Market Share Summary for Downtown Urbana

Downtown has several truly successful business categories capturing large market shares. These categories represent opportunities for increased business development, either by retention, line extension, or new recruitment, which builds upon downtown's successful businesses and uses. Overall, downtown Urbana is part of a highly competitive regional environment for all uses. From a retail and restaurant perspective, these types of downtown markets can be challenging, forcing businesses to adopt best operating practices, or fail. For downtown residents and office tenants, downtown competes differently. Maintaining downtown's unique environment and character enhances its overall image as a great location with amenities for residents, employees, and visitors. Those strategies and activities that can help Urbana achieve its goal for a vibrant, mixed-use downtown are described in detail in the Business Opportunity Profiles and Strategic Action Plans.

Downtown Retail Business Opportunity Profiles

If downtown Urbana is to become the successful district envisioned by the community and increase business market shares, it must add sales in existing businesses, attract additional shopping and dining businesses, and grow its employee and resident populations. This section defines and sets specific market share goals for downtown's retail and restaurant uses and identifies a business development and recruitment strategy for each category.

Methodology

Using the categories established in the Market Share Analysis, the Business Opportunity Profile sets standards by business category and details the current performance of downtown Urbana businesses. With that information, it is possible to calculate market share by business type as well as category. This analysis identifies business opportunity profiles that consider specific business development policies and potential recruitment targets likely to improve commercial activity in downtown Urbana. Because multiple opportunities for future downtown development have been identified, there is a special emphasis on those types of tenants that could affect new development in the shorter-term (subject to current development market constraints).

In over twenty years working with downtowns, BDI has observed that the most vital community commercial areas command a significant share of spending power because local residents identify with those areas. This level of affinity can be particularly strong in more engaged communities, like Urbana. Residents want to "shop local," while also engaging in those typical consumer shopping behaviors described in the survey results. For ease of comparing downtown Urbana to the markets and contemplating strategies, the strength of resident identification can be measured by these classifications:

- **Regional Draw:** A 150% or greater market share indicating that this category draws from a larger geography than the local community.
- **Community Serving:** A 75% to 149% market share that includes the 100% level, illustrating balance between sales and spending power. The range recognizes that the match will be perceived before the balance occurs and continue as regional shoppers begin to access the category.
- **Competitive Alternative:** A 25% to 74% market share that recognizes that there is a strong regional attraction nearby, but that the downtown district can be a choice because it is convenient and/or unique.

- Minor Alternative: Less than a 25% market share occurs when the overall category is declining, or there is a weak location or fit between the use and aspects of the location, like parking or inventory storage.

Downtown Urbana’s position as one of multiple shopping and dining destinations within a larger geography and its cluster of convenience businesses (specifically downtown’s grocers) justifies the examination of opportunities presented by both Urbana’s resident market and downtown’s 5 minute drive time market. Two key challenges have also been considered in developing the following profiles: 1) the inability to have compatible, adjacent businesses that support multiple stops and impulse purchases; and 2) the need for a critical mass of choices to allow for comparison shopping.

In addition to establishing goals for those business categories listed in this section and in the Market Share Analysis, opportunity profiles are presented for those business categories from the survey results not included or with minimal representation in downtown’s current business mix.

Existing Conditions

Table 29 assigns market share classifications to the business categories presented in the Market Share Analysis.

Table 29: Market Share Classifications

| | Estimated Downtown Sales | Urbana Spending Power | Urbana Market Share | Urbana Market Share Classification | 5-Minute Spending Power | 5-Minute Market Share | 5-Minute Market Share Classification |
|--|--------------------------|-----------------------|---------------------|------------------------------------|-------------------------|-----------------------|--------------------------------------|
| Grocery | \$55,909,132 | \$81,216,351 | 68.84% | Competitive Alternative | \$47,048,179 | 118.83% | Regional Draw |
| Eating and Drinking | \$10,264,312 | \$28,653,654 | 35.82% | Competitive Alternative | \$16,374,294 | 75.17% | Community Serving |
| Gallery | \$3,245,625 | \$167,930 | 1932.72% | Regional Draw | \$94,360 | 3439.62% | Regional Draw |
| Automotive and Accessories | \$11,421,947 | \$7,377,839 | 154.81% | Regional Draw | \$4,253,838 | 268.51% | Regional Draw |
| Hair and Nail Salons | \$1,200,633 | \$1,431,850 | 83.85% | Community Serving | \$824,714 | 145.58% | Community Serving |
| Apparel and Accessories (Men and Women) | \$1,925,987 | \$6,339,252 | 30.38% | Competitive Alternative | \$3,685,575 | 52.26% | Competitive Alternative |
| Total Retail Sales | \$123,798,289 | \$444,261,556 | 27.87% | Competitive Alternative | \$253,046,948 | 48.92% | Competitive Alternative |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008, Demographic data © 2010 by Experian/Applied Geographic Solutions, BDI.

The market share classifications for Downtown Urbana and the 5-minute drive time reflect the survey results. Shoppers, particularly Urbana residents, are coming downtown but are not making multiple purchases with multiple stops. Groceries, or food, are bringing shoppers to downtown Urbana for essentials. Market share categories, such as galleries and automotive, bring visitors with a specific interest or purpose, and downtown is successfully capturing those consumers. Downtown’s destination businesses provide a similar function. Increasing the quality of downtown’s business offering and increasing the number of visits to those businesses will increase sales in new and existing businesses, growing the overall sales level. This joint opportunity assumes that the Urbana businesses could tap into the larger regional market, the 20-minute drive time market, as well as encouraging residents to shop local. The Market Share Analysis (See Table 28.) indicates that downtown is capturing 6.69% of the overall spending power (\$1.8 billion) within the 20-minute geography. For example, increasing that market share by 1% would represent an additional \$18,000,000 in downtown sales.

For many vintage downtowns, dining (Eating and Drinking above) has been an instrumental component of their economic resurgence, but only a few vintage downtowns have become major regional dining draws. Examples include downtown Evanston, downtown Naperville, and downtown Champaign. Trends suggest that dining will remain an important opportunity for downtowns. For Urbana, dining could grow from a Competitive Alternative to Community Serving with the dining cluster supporting downtown Urbana’s position as a ‘comfortable’ place.

Table 30: Market Share Goals

| | Estimated Downtown Sales | Urbana Spending Power | Desired Downtown Sales | Desired Market Share | Desired Market Share Classification |
|--|--------------------------|-----------------------|------------------------|----------------------|-------------------------------------|
| Grocery | \$55,909,132 | \$81,216,351 | \$81,216,351 | 100.00% | Community Serving |
| Eating and Drinking | \$10,264,312 | \$28,653,654 | \$21,490,241 | 75.00% | Community Serving |
| Gallery | \$3,245,625 | \$167,930 | \$3,245,625 | 1932.72% | Regional Draw |
| Automotive and Accessories | \$11,421,947 | \$7,377,839 | \$11,421,947 | 154.81% | Regional Draw |
| Hair and Nail Salons | \$1,200,633 | \$1,431,850 | \$1,200,633 | 83.85% | Community Serving |
| Apparel and Accessories (Men and Women) | \$1,925,987 | \$6,339,252 | \$4,754,439 | 75.00% | Community Serving |
| Total Retail Sales | \$123,303,762 | \$444,261,556 | \$155,491,545 | 35.00% | Competitive Alternative |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008, Demographic data © 2010 by Experian/Applied Geographic Solutions, BDI.

With desired Total Retail Sales for downtown increasing by over \$35 million, it will be necessary for existing businesses to increase their sales per square foot and for new businesses to join downtown Urbana’s offering. Typically, an overall classification of ‘community serving’ would be consistent with downtown Urbana’s survey results showing weekly visits for essentials and convenience goods. Estimated sales for the business opportunity profiles that follow illustrate a recruitment and retention strategy to increase downtown’s market share of the Urbana’s spending power from nearly 28% to 35%. This level of increase will begin create a greater sense that downtown Urbana is becoming a ‘community serving’ retail area, along with its role as an employment center, and reinforce the affinity of Urbana’s residents.

Retail Business Opportunity Summary

Table 31 below summarizes the changes by business category below. These changes include both sales and potential square footage required for those sales.

Table 31: Business Opportunity Profile Summary

| Business Category | Estimated Downtown Sales | Desired Downtown Sales | New Sales | # Existing Businesses | Recruitment Target | # Businesses | Target Sales/SF | SF for Desired Sales | SF Needed | Desired Market Share Classification |
|--|--------------------------|------------------------|--------------|-----------------------|--------------------|--------------|-----------------|----------------------|-----------|-------------------------------------|
| Grocery | \$55,909,132 | \$81,216,351 | \$25,307,219 | 5 | 0 | 5 | \$475 | 170,982 | 42,647 | Community Serving |
| Eating and Drinking | \$10,264,312 | \$21,490,241 | \$11,225,929 | 20 | 7 | 27 | \$200 | 107,451 | 38,684 | Community Serving |
| Gallery | \$3,245,625 | \$3,245,625 | \$0 | 6 | 0 | 6 | \$125 | 0 | 0 | Regional Draw |
| Automotive and Accessories | \$11,421,947 | \$11,421,947 | \$0 | 13 | 0 | 13 | \$175 | 0 | 0 | Regional Draw |
| Hair and Nail Salons | \$1,200,633 | \$1,200,633 | \$0 | 4 | 0 | 4 | \$150 | 0 | 0 | Community Serving |
| Apparel and Accessories (Men and Women) | \$1,925,987 | \$4,754,439 | \$2,828,452 | 5 | 4 | 9 | \$175 | 27,168 | 14,904 | Community Serving |
| Total Business Categories | \$82,767,636 | \$122,129,236 | \$39,361,600 | 52 | 11 | 63 | | 305,601 | 96,235 | Competitive Alternative |
| Existing Vacancies | | | | | | | | | 36,195 | |
| Net SF Needed | | | | | | | | | 60,040 | |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008, Demographic data © 2010 by Experian/Applied Geographic Solutions, BDI.

This opportunity profile for downtown's major business categories suggests that total sales could increase by over \$39 million within the specific business categories noted. An estimated \$25 million of these new sales represents potential expansion in the grocery category. This growth in sales and size will likely occur through the expansion of the existing businesses within this category. Most important, it recommends adding little additional lease space after applying the existing SF for known downtown vacancies. These calculations again emphasize the importance of sales increases and identifying potential expansion needs of downtown's existing businesses. It also stresses the importance of encouraging compatible, adjacent businesses to allow multiple consumer stops and to develop a critical mass of retail business alternatives. This will also allow downtown to build upon its existing strong sales categories.

Any new businesses added to the mix must be economically sustainable and understand how to operate in a downtown environment. Existing businesses that have been successful in downtown Urbana have the opportunity to expand in sales and in square footage. Specific Opportunity Profiles for the above categories follow and include an approach to the Home Accessories and Specialty Foods categories. The Action Plans in the subsequent section identify downtown's value statements, address the strategies indicated by the Business Opportunity Profiles, and focus on strengthening downtown's retail attributes, in addition to addressing downtown Urbana's office and residential opportunities.

Downtown Grocery Business Opportunity Profile

Current Offering

Table 32: Grocery Business Current Offering

| Business | Size (SF) | ULI Category | ULI Median Sales PSF | Estimated Sales |
|--------------------------|-----------|-----------------|----------------------|-----------------|
| Schnuck's | 62,105 | Grocer-Regional | \$517.90 | |
| Strawberry Fields | 9,031 | Grocer-Organic | \$192.61 | |
| Asian Food Market | 24,010 | Grocer-Ethnic | \$192.61 | |
| Save-A-Lot | 33,189 | Grocer-National | \$478.60 | |
| Common Ground | 7,000 | Grocer | \$213.81 | |
| Total Grocery | 135,335 | | | \$55,909,132 |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008.

Goal: Increase sales to 100% of Urbana’s spending power for grocery sales.

- Estimated sales of \$56 million grows to \$81.2 million
- Existing SF grows by 44,000 SF to accommodate business retention and expansion by all grocers in downtown Urbana
- Sales PSF goal for the overall category is \$475

Retention/Recruitment Strategy

- Support and retain downtown’s existing grocery cluster
- Facilitate any future expansion plans
- Identify potential specialty food businesses that complement the existing grocery category

Opportunity Impact

- Potential for additional City revenue of \$250,000 with increase in sales

Downtown Eating and Drinking Opportunity Profile

Current Offering

Table 33: Eating and Drinking Current Offering

| Business | Size (SF) | ULI Category | ULI Median Sales PSF | Estimated Sales |
|---------------------------|-----------|---------------------------|----------------------|-----------------|
| Great Impasta | 2,300 | Restaurant with Liquor | \$270.26 | |
| Piato | 1,200 | Restaurant | \$142.22 | |
| Tang Dynasty | 3,700 | Restaurant | \$173.42 | |
| Red Star | 2,301 | Bar | \$142.22 | |
| Rose Bowl | 2,969 | Pub and Bands | \$142.22 | |
| Iron Post | 2,148 | Bar/Restaurant | \$142.22 | |
| Siam Terrace | 4,414 | Restaurant | \$142.22 | |
| Courier Café | 4,927 | Restaurant | \$142.22 | |
| Bunnys Tavern | 2,330 | Bar/Restaurant | \$142.22 | |
| Black Dog | 3,553 | Restaurant with Liquor | \$270.26 | |
| Silvercreek | 5,334 | Restaurant with Liquor | \$270.26 | |
| Windy City Express | 2,876 | Restaurant-Hot Dog | \$234.32 | |
| Lil'Porgys | 1,050 | Restaurant BBQ | \$142.22 | |
| Crane Alley | 5,514 | Bar/Restaurant | \$142.22 | |
| La Gourmandise | 6,323 | Restaurant | \$142.22 | |
| Papa Murphy's | 1,400 | Other Fast Food/Carry Out | \$246.32 | |
| Xihn Xihn Café | 1,400 | Restaurant | \$142.22 | |
| Golden Wok | 1,400 | Restaurant | \$142.22 | |
| Quiznos | 1,600 | Sandwich Shop | \$290.00 | |
| Total Restaurant | 56,739 | | | \$10,264,312 |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008.

Goal: Increase to a ‘community serving’ food and beverage cluster by capturing 75% of Urbana’s spending power.

- Estimated sales of \$10.2 million grows to \$21.4 million
- Sales PSF for the overall eating and drinking category increase to minimum of \$200 PSF
- Category square footage increases by 39,000 SF

Retention/Recruitment Strategy

- Meet typical downtown benchmark of capturing most of the community’s spending within the overall category
- Continue to build upon existing cluster by encouraging downtown’s strong operators to consider new formats
- Improve performance of existing eating and drinking businesses
 - Need sales of \$800,000+ per business, given restaurant cost structure and sustainability factors
- Consider ethnic formats and formats complementing downtown Urbana’s existing casual mix
- Prospective Businesses/Business Types
 - One World Café, Peoria
 - Emack & Bolio’s, Normal and Peoria Heights (Franchise)

Opportunity Impact

- Potential for additional sales tax revenue of \$168,000 with increased sales

Downtown Gallery Business Opportunity Profile

Current Offering

Table 34: Gallery Current Offering

| Business | Size (SF) | ULI Category | ULI Median Sales PSF | Estimated Sales |
|----------------------------------|-----------|--------------|----------------------|-----------------|
| Heartland Gallery | 1,665 | Art Gallery | \$125.00 | \$208,125 |
| Cinema Gallery | 10,000 | Art Gallery | \$125.00 | \$1,250,000 |
| International Galleries | 3,000 | Art Gallery | \$125.00 | \$375,000 |
| Art Coop | 6,700 | Art Gallery | \$125.00 | \$837,500 |
| Shared Space Artist Co-op | 2,700 | Art Gallery | \$125.00 | \$337,500 |
| Wind, Water, and Light | 1,900 | Art Gallery | \$125.00 | \$237,500 |
| Total Gallery | 25,965 | | | \$3,245,625 |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008.

Goal: Maintain current sales level

- \$3.2 million

Retention/Recruitment Strategy

- Encourage joint efforts among gallery owners and among gallery owners and other downtown businesses
- Encourage best operating practices in evaluating applicants for existing City gallery incentives
- Evaluate opportunity for working artist shared space (Example is incubator-like Galleria in Andersonville neighborhood, Chicago, Water Street in Batavia, IL or Austin, TX)

Opportunity Impact

- Dependant upon gallery sales and offerings

Downtown Automotive and Accessories Business Opportunity Profile

Current Offering

Table 35: Automotive Current Offering

| Business | Size (SF) | ULI Category | ULI Median Sales PSF | Estimated Sales |
|-----------------------------------|-----------|--------------|----------------------|-----------------|
| Freedom Oil | 1,709 | Automotive | \$172.90 | |
| Vine Street Motors | 1,321 | Automotive | \$172.90 | |
| Urbana Tire | 6,878 | Automotive | \$172.90 | |
| Illini Oil Change | 1,259 | Automotive | \$172.90 | |
| Dynotune | 1,274 | Automotive | \$172.90 | |
| Long's Garage | 10,379 | Automotive | \$172.90 | |
| Main Street Auto | 1,148 | Automotive | \$172.90 | |
| Advance Auto Parts | 20,017 | Automotive | \$172.90 | |
| Express Car Care | 5,026 | Automotive | \$172.90 | |
| Autozone | 11,642 | Automotive | \$172.90 | |
| Kirby's Tire & Service | 3,816 | Automotive | \$172.90 | |
| Red Mufflers | 1,592 | Automotive | \$172.90 | |
| Total Automotive | 66,061 | | | \$11,421,947 |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008.

Goal: Maintain current sales level

- \$11.4 million

Retention/Recruitment Strategy

- Encourage improvements in appearance to locations on University Avenue and on Vine Street

Opportunity Impact

- Dependant upon sales of products and service

Downtown Hair and Nail Salons Business Opportunity Profile

Current Offering

Table 36: Hair and Nail Salons Current Offering

| Business | Size (SF) | ULI Category | ULI Median Sales PSF | Estimated Sales |
|------------------------------|-----------|-------------------|----------------------|-----------------|
| Body Therapy Shop | 1,800 | Massage and Spa | \$187.00 | |
| Pretty Nails | 1,000 | Nail Salon | \$137.48 | |
| H2O Salon | 2,920 | Hair Salon | \$138.30 | |
| Bead & Botanicals | 2,038 | Bath & Body/Beads | \$158.35 | |
| Total Hair and Nail | 7,758 | | | \$1,200,633 |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008.

Goal: Maintain current sales level

- \$1.2 million

Retention/Recruitment Strategy

- Encourage succession from owner to employee
- Encourage product sales in addition to services
- Maintain a list of potential salon owners based upon inquiries to the City and/or its economic partners

Opportunity Impact

- Dependant upon product sales

Downtown Apparel and Shoes (Men’s and Women’s) Business Opportunity Profile

Current Offering

Table 37: Apparel and Shoes Current Offering

| Business | Size (SF) | ULI Category | ULI Median Sales PSF | Estimated Sales |
|--------------------------------|-----------|------------------------|----------------------|-----------------|
| Transitions | 2,300 | Discount Mixed Apparel | \$231.00 | |
| Wooden Hanger | 2,196 | Women's Apparel | \$220.81 | |
| New Balance | 4,238 | Shoes-Specialty | \$117.12 | |
| Heel to Toe | 1,765 | Shoes-Specialty | \$117.12 | |
| Birkenstock | 1,765 | Shoes-Specialty | \$117.12 | |
| Total Apparel and Shoes | 12,264 | | | \$1,925,987 |

Sources: City of Urbana, ULI's Dollars and Cents of Shopping Centers 2008.

Goal: Increase to ‘community serving’ Apparel and Shoes cluster for adult consumers

- Estimated sales of \$1.9 million grows to \$4.7 million
- Existing SF grows to accommodate business expansion in downtown Urbana
- Sales PSF for the entire category is \$175-\$200

Retention/Recruitment Strategy

- A ‘shopping good’ requiring consumer comparison, so similar businesses with proximate locations are key
- Need sales of \$350,000+ per business
- Prospective Businesses/Business Types
 - Clothes Encounters, Monticello
 - The Brass Horn Clothing, Decatur

Opportunity Impact

- Potential for additional City revenue of \$42,000 per year with increased sales

Additional Downtown Business Opportunity Profiles: Home Accessories

Home Accessories: As noted earlier, this business category was among the highest rated categories of goods recently purchased according to downtown Urbana's consumer survey respondents.

Goal: Work with downtown Urbana's business community to identify potential recruitment targets within this category

- ULI's median sales PSF for this entire category is \$206.12

Retention/Recruitment Strategy

- Survey results suggest Pier 1, IKEA, or HomeGoods price points
- Priority to current owners of businesses in this category interested in opening new locations or new concepts
- Ongoing recruitment to ensure critical mass of home accessories businesses in proximate locations
- Need sales of \$350,000+ per business
- Prospective Businesses/Business Types
 - The Garlic Press, Normal
 - Kramer's Drapery and Fabric Outlet, Bloomington

Opportunity Impact

- Potential for additional City revenue depending upon business category development

Additional Downtown Business Opportunity Profiles: Specialty Foods

Specialty Foods: As noted earlier, this business category was among the highest rated categories of goods recently purchased according to downtown Urbana’s consumer survey respondents. Downtown Urbana currently has one business, Mirabelle Baker, representative of potential types of specialty food businesses.

Goal: Work with downtown Urbana’s food community to identify potential candidates to complement their businesses

- ULI’s median sales PSF for this specific business category is \$192.61
- Existing SF grows to accommodate business expansion in downtown Urbana

Retention/Recruitment Strategy

- Priority to current owners of businesses in this category interested in opening new locations or new concepts
- Work with existing downtown businesses, such as artmart, selling specialty foods to expand their product lines.
- Market at the Square vendors seeking storefronts
- Need sales of \$350,000+ per business
- Prospective Businesses/Business Types
 - World Gourmet Foods, Bloomington
 - Penzey’s Spices, multiple locations

Opportunity Impact

- Potential for additional City revenue depending upon business category development

Comparison Communities

At the request of City officials, BDI identified and examined three communities with similar characteristics to those of the City of Urbana. The purpose of this examination was to identify best practices in programming and downtown economic development strategies to supplement the Action Plan recommendations within this study. Each of the three communities, like Urbana, is part of a smaller metropolitan area and is the smaller of two predominant cities within that same metropolitan area. These selected communities also include a major university, serving as either that institution's home or sharing that institution's facilities with its larger, neighboring community. None of these communities are located in major metropolitan areas.

The three communities identified are as follows. The first community listed represents the smaller of the two neighboring communities.

- Cedar Falls, IA/Waterloo, IA: Home to University of Northern Iowa (UNI) with 14,000 students in all programs
- Bryan, TX/College Station, TX: Home to Texas A&M University (TAMU) with 48,000 students in all programs
- West Lafayette, IN/Lafayette, IN: Home to Purdue University (PU) with 40,000 students in all programs

The market characteristics for all communities were evaluated initially. Additional market research, including interviews with downtown or Chamber directors, was conducted on the three Urbana comparison communities—Cedar Falls, Bryan, and West Lafayette. Specific emphasis was placed on identifying unique programming and activities to assist City officials as they begin to implement the recommendations from this study.

Market Characteristics

Table 38 below compares the key demographic characteristics of the each pair of communities.

Table 38: Comparison Community Demographics

| | University of Illinois | | Purdue University West | | University of Northern Iowa | | Texas A&M University College | |
|---------------------------------------|------------------------|---------------|------------------------|---------------|-----------------------------|---------------|------------------------------|---------------|
| | Urbana | Champaign | Lafayette, IN | Lafayette, IN | Cedar Falls, IA | Waterloo, IA | Bryan, TX | Station, TX |
| Population | 40,675 | 71,134 | 29,452 | 59,567 | 38,458 | 67,541 | 68,787 | 86,607 |
| Households (HHs) | 16,232 | 29,212 | 11,428 | 25,201 | 14,132 | 28,149 | 25,085 | 31,233 |
| Average HH Size | 2.04 | 2.12 | 2.25 | 2.34 | 2.41 | 2.35 | 2.65 | 2.41 |
| Group Quarters Population | 7,538 | 9,325 | 674 | 3,725 | 4,332 | 1,475 | 2,359 | 11,411 |
| Population Density | 3,888.68 | 4,200.55 | 5,301.44 | 2,967.77 | 1,327.33 | 1,080.78 | 1,576.37 | 2,148.32 |
| Population Median Age | 26.41 | 26.77 | 24.59 | 31.85 | 29.29 | 36.12 | 28.75 | 24.74 |
| % Bachelor's Degree or Greater | 57.58% | 48.85% | 66.13% | 26.25% | 40.47% | 21.88% | 27.90% | 55.13% |
| Average Household Income | \$50,432 | \$55,593 | \$51,787 | \$50,536 | \$63,314 | \$52,605 | \$53,321 | \$56,224 |
| Median Household Income | \$30,998 | \$36,574 | \$26,798 | \$39,241 | \$50,645 | \$39,700 | \$39,412 | \$36,020 |
| %HHs w/ Incomes \$75,000+ | 19.09% | 23.53% | 24.63% | 19.50% | 29.20% | 19.31% | 19.96% | 26.89% |
| Total Employees | 22,527 | 53,886 | 25,724 | 42,076 | 21,029 | 51,915 | 33,463 | 31,709 |
| Total Retail Expenditure | \$300,205,434 | \$575,638,294 | \$215,100,828 | \$473,350,273 | \$307,504,849 | \$540,756,262 | \$486,063,677 | \$615,940,830 |
| Race and Ethnicity | | | | | | | | |
| White | 65.10% | 71.40% | 89.10% | 80.80% | 93.30% | 80.00% | 62.40% | 77.30% |
| Black | 14.10% | 15.20% | 4.20% | 3.10% | 2.20% | 13.90% | 17.20% | 6.10% |
| Asian | 16.50% | 9.10% | 3.30% | 14.20% | 2.00% | 1.00% | 2.40% | 8.40% |
| Other | 1.90% | 2.00% | 2.60% | 0.90% | 1.10% | 2.60% | 15.40% | 5.70% |
| Multirace | 2.40% | 2.20% | 0.90% | 1.00% | 1.50% | 2.50% | 2.60% | 2.60% |
| Hispanic | 5.10% | 5.90% | 12.50% | 4.90% | 1.70% | 4.10% | 34.40% | 12.90% |
| Non-Hispanic | 95.00% | 94.10% | 87.50% | 95.10% | 98.30% | 95.90% | 65.60% | 87.10% |

Demographic data © 2010 by Experian/Applied Geographic Solutions.

Despite differences in size, each of these communities has remarkably similar income characteristics. They also have strong employment bases, reflecting major employment in education and healthcare. Cedar Falls, with the smallest university, and its companion city, Waterloo, benefit from other significant regional employers, including John Deere, Tyson, and GMAC. West Lafayette and Lafayette also have a more diverse employment base, with Subaru as a prominent example. Each community's numbers and percentages of households with incomes over \$75,000 indicate significant populations with disposable income, in addition to the obvious spending power of students. Cedar Falls and College Station have large percentages of both high incomes and students. Like Urbana, those communities with most of their major university's operations have the highest educational levels. These same communities also have larger populations living in group quarters, typically dormitories. Also, the student populations ensure greater population density, lower median ages, and smaller households. With the exception of Cedar Falls, each of these communities also exhibits some diversity, reflecting their market positions within regional economic centers.

Cedar Falls/Waterloo, IA

Cedar Falls and Waterloo share a joint boundary and are both located on the Cedar River in north central Iowa. Waterloo is the county seat and the larger of the two communities. Waterloo has always been perceived as a more 'blue collar' community, given the presence of John Deere's primary tractor production facility, versus Cedar Falls' position as a university town. Overall, these two communities and the surrounding smaller towns comprise what is considered the commercial hub of northeast Iowa. UNI is located solely in Cedar Falls. UNI is the third largest state university and was Iowa's original state teacher's college. Education remains one of UNI's top academic programs, in addition to accounting and music. The UNI student population is evenly split between on- and off-campus residents.

As in Urbana, Cedar Falls is a bike friendly community. Transit is used, primarily by students, to access downtown Cedar Falls via a bus system linking UNI and nearby residential neighborhoods to downtown. Their University Avenue, the City's high traffic corridor, includes a shopping mall, major format retailers and restaurants, 'Big Box' stores, and an industrial park. In Waterloo, Crossroads Boulevard serves a similar retail function.

Cedar Falls' downtown is about 2.5 miles from campus. Downtown's business mix is predominantly services and restaurant, or food and beverage, operations. The current mix percentages by use are: 21% retail; 33% food and beverage; and 46% services and professional offices. Within the service category are two major downtown employers, a marketing firm and a tech firm. These two businesses had their start within the downtown area. Downtown also includes a historic, independent hotel. Cedar Falls' downtown is characterized as a '20-hour downtown.' It is identified as an Iowa state cultural district and regionally recognized as an arts and entertainment district. Though several downtown bars cater to students, the overall food and beverage mix is diverse; including multiple restaurant formats ranging from sandwich shops to a destination Italian restaurant. Entertainment venues are part of this mix, again catering to all age groups.

Waterloo's downtown has evolved differently. Much of Waterloo's downtown architecture is 5-9 stories versus 3 stories in Cedar Falls. As a county seat, downtown Waterloo was historically an office or business center, and downtown's ground floor businesses catered to the daytime population. Within the last decade, downtown restaurants have opened, expanding from one restaurant to the current twelve. This food and beverage cluster now anchors a strong downtown dining and entertainment cluster. Retail remains a small component of downtown's overall business mix, and recruitment remains challenging, given a lack of critical retailer numbers in any category. The current recruitment strategy emphasizes identifying convenience retailers suitable to downtown's lease space that can serve the needs of downtown's residents and daytime population.

Both communities have experienced downtown residential development during the last decade. In downtown Cedar Falls, residential development has been on a smaller scale, consisting of upper story apartment development in downtown historic buildings and smaller in-fill residential rental developments. Downtown Waterloo has experienced residential development (all rentals) along their riverfront. Like Champaign and Urbana, Waterloo and Cedar Falls have applied vastly different strategies in their approaches to their downtown work. Waterloo has undertaken much larger projects in support of their minor league hockey and baseball teams. Though both apply the Main Street Approach, Cedar Falls has experienced greater revitalization success because of their regional appeal to multiple markets. Waterloo, as the larger, more economically and racially diverse city, has also had to simultaneously address loss of its industrial employment base and work to revitalize downtown. Waterloo's downtown rents vary considerably but are generally about \$10 PSF for tenant-ready lease space. Their vacancy rates by types of space are in the 15-20% range.

From a business development perspective, Cedar Falls continues to experience a 'precious' vacancy situation, meaning few vacancies exist. The downtown, home to 157 businesses, has one vacant storefront. Overall, the Main Street organization has two primary recruitment goals: to increase the retail percentage within the overall business mix, and to continue to supplement those business categories that are working. The lack of available lease space presents their biggest recruitment challenge. The Main Street organization was working with regional grocer, Hy-Vee, to identify a potential location for a smaller format grocery. Without impending vacancies, a suitable site simply didn't exist. Downtown commercial rents are typically \$9-\$13 PSF, most on a Triple Net basis.

Within recent years, there has been increased cooperation among all of the economic development entities and commercial areas within the Cedar Valley region. Downtown programming for and by both communities is structured to appeal to the region. The two cities continue to have separate Convention and Visitors Bureaus, a joint Chamber with offices in both communities, and as noted, each town is a Main Street Iowa community (Waterloo is categorized as an Urban program; Cedar Falls as a City program). The downtown Cedar Falls program is partially funded by a SSMID, Iowa's equivalent of a Special Service Area or Business Improvement District.

College Station/Bryan, TX

Bryan, TX and its companion city, College Station, are located about 1.5 hours by car from Austin and two hours from Houston. In a 2006 Money Magazine ranking, College Station was identified as the most educated community in Texas and as the 11th most educated in the U. S. Overall, these two communities exhibit many similarities and differences with Urbana and Champaign. Both downtowns (Bryan and College Station) benefit from strong transit connections via the area's bus system and have an established priority on bike friendliness. Both downtowns and their unique attributes are also actively promoted by their regional CVB.

The railroad history of the two communities has dictated the evolution of each downtown. Functionally, College Station's downtown really developed around the train station to serve the needs of TAMU students. At that time, the university was an all-male military college. This station area, located on Texas Avenue, continues its traditional commercial role as student serving. College Station's growth, as a community, occurred in the 1950s and 1960s. Consequently, retail and commercial development consisted of shopping centers and low-rise commercial buildings along major highways. Most of the major retail nodes serving the region (Brazos Valley) are located in College Station. These include the Post Oak Mall and multiple nearby auto-oriented and 'big box' retail locales with mostly national retailers and restaurants as tenants. Residential development followed a similar suburban, auto-oriented model.

Downtown Bryan serves as the area's traditional historic downtown for the region and is located about 8 miles from the TAMU campus. Downtown is home to a year-round regionally known Farmers Market and cooperatively operates two satellite season markets in College Station with funding from the state's 'Go Texan' marketing program. The City has invested significantly in downtown infrastructure, specifically streetscape, utilities, and fiber optics.

Bryan's ground floor business mix is similar to Urbana's with locally owned restaurants, boutiques geared to women shoppers, and arts-related businesses. There are 17 restaurants, 16 of which are locally owned, representing multiple cuisines and price points. Together, they represent downtown's biggest draw. Downtown Bryan hopes to recruit additional retailers to supplement its current woman-oriented business mix. Downtown is also home to two destination retailers with significant Internet sales. One sells cowboy hats and the other, saddles. The hats business, Hats Texas, conducts regionally popular tours that demonstrate how hats are produced.

The arts and artisan component of the mix has grown organically over time. One of downtown's three galleries represents about 100 regional artists. The existing galleries also have relationships with downtown's restaurants to routinely display artworks. This arts component has been fostered by an ongoing relationship with the TAMU and nearby Glenn College's arts departments. To continue to grow this arts component, Bryan and the downtown organization are considering whether to initiate an arts incubator with their local college partners, based upon existing incubator models in Houston and Austin.

Downtown Bryan conducts significant outreach to students to let them know about downtown. (According to Bryan officials, there are some at TAMU who discourage students visits to downtown Bryan; it's not perceived as pristine.) The word of mouth generated by the TAMU arts students, combined with outreach, has increased student attendance at their First Friday event. While students are welcome, event and promotional programming in downtown Bryan is geared to the local community. The quality of their recruitment efforts and programming also is intended to position downtown Bryan as destination worthy, or worthy of an add-on visit while in the area. With TAMU and the George H. W. Bush Presidential Library nearby, this strategy is intended to capture a small percentage of regional visitors with multiple interesting activities and quality ground floor businesses.

Office development, particularly in downtown's upper stories, is also part of ongoing recruitment efforts by the City and the downtown organization. Several tech companies have located on the upper floors, most with connections to TAMU. Downtown also has lease space occupied by the off-site data servers for major corporations located in Dallas and Houston. The City also recently signed a master lease with a local tech firm, affiliated with TAMU, for vacant office space in a City-owned building. This firm, AdventivGX, will then sub-lease available space to local tech companies. The sub-leases will begin with six (6) months of free rent and include a three (3) year step-up to market rate rents. In addition to the sub-lease arrangement, the City and downtown organization recently worked with downtown's commercial property owners to schedule and promote an open house for downtown's available commercial lease space. The open house was held on a weekday afternoon. Regional brokers and any prospective tenants were greeted in a vacant storefront and provided with a walking map to each property. Property owners provided listing sheets for their spaces and were available. Attendance was projected to be 15, and 35 actually attended. Finally, the City provides permit waivers of smaller fees for businesses of all types locating downtown.

West Lafayette/Lafayette, IN

In addition to PU, West Lafayette and Lafayette also serve as the home of Harrison College and Ivy Tech's regional campus. Both cities and their downtowns border the Wabash River. The two downtowns and the adjoining student commercial area are regionally treated and actively promoted as one geography with three different identities. This effort is entitled "Ready, Set, Go Downtown."

The focus in the West Lafayette and Lafayette area is regional cooperation on economic issues. Economic development and cooperative ventures with PU represent the work of the Greater Lafayette Development Council. Downtown management, through the Downtown Development Council, is a function of Greater Lafayette Commerce, the Chamber. The regional CVB promotes 'Two Great Cities, One Great University.'

Downtown's three geographies are based upon existing commercial districts with distinctive character. All are located along the Wabash River. Chauncey Village links the PU campus with the riverfront and serves the students. Its business mix is primarily bars, coffee shops, fast food outlets, and quick casual restaurants. Most are national or regional chains. The Wabash Riverfront spans the river in both towns. This locale includes the highest traffic segment of River Road, linking the two communities. This area includes government and financial institutions, the Amtrak station, and a large number of restaurants. Some are format; most are independently operated. The third district, Arts & Market, is located to the east of the Riverfront district. This area includes multiple shops and restaurants, virtually all independently owned. The shops sell an eclectic mix of goods; lamps and accessories, dance apparel and shoes, jewelry, and yarns are included. This third district is also part of a National Register and local historic district.

Most of the downtown programming is similar to that offered in downtown Urbana. There is a large regional Farmer's Market with multiple arts events. One of their more unusual events, given the presence of historic churches in and near downtown (including one of the ten oldest synagogues in the U. S.), is a Religious Arts Festival. During this festival, multiple religious denominations host lectures and musical events. Programming is often directed to the multiple strong neighborhoods organizations located in both cities.

Implications for Urbana

The following programs described above present opportunities for downtown Urbana. Specific suggestions for downtown Urbana have been incorporated into the Action Plans within this report. These programs include:

- Identify and work with downtown property owners to organize a bi-annual open house for downtown lease space and promote it regionally to brokers, major employers and known businesses with potential space requirements.
- Examine the potential for a Master Lease arrangement in downtown Urbana to make downtown office space available to tech companies affiliated with University of Illinois departments. As part of this effort, reviewing existing opportunities with University of Illinois departments to understand unique 'spin-off' projects that could be fostered in downtown Urbana.
- Work with the local artisan community and downtown property owners to consider and financially evaluate any opportunity for an artisan incubator, given the needs of local artisans without a physical location.
- In tandem with downtown owners, UBA, and the CVB, begin to position downtown Urbana as the downtown for the region and distinguish it from other commercial locales.
- Consider, as an initial and supplemental recruitment priority, identifying regional businesses interested in a downtown location that supplement and complement downtown's offering. Downtown's many successful business owners can be the initial source for names of successful operators.

Site Development Assessment

Site Development Context

In the first phase of the downtown Urbana Market Study the consultant team completed the following key activities:

- A full market analysis of the downtown and the competitive market place it operates in within the region.
- A survey of Urbana residents to learn more about shopping/purchase habits and opportunities to enhance downtown customer expenditures.
- Full reconnaissance of the downtown with an emphasis on sites, which have the potential for development or redevelopment.
- Multiple interviews with key downtown stakeholders to learn more about downtown opportunities and downtown economics.
- A preliminary market analysis of the potential of the Historic Lincoln Hotel.

In addition to using the information developed in these activities to develop an overall market plan for the downtown, the information is to be utilized in developing site development concepts for the four key downtown sites, which have been identified, by the consultant team and the City of Urbana. The key information developed from the market analysis, survey, reconnaissance and stakeholder interviews including the following:

- Overall the downtown market is strong and opportunities exist for strategic infill development and re-tenanting.
- While the economy has impacted every business district, in Urbana the presence of the government and medical center power centers in the downtown produces a relatively stable office market with potential for growth.
- While the equity market for condominiums for the future reflects the weak national market and there may be some limited opportunities for properly priced townhomes, it appears there are much better opportunities for continued market rate apartment growth.
- Land prices and rental rates appear to be reasonable and do not appear to represent a hurdle to development potential.
- Survey results indicated the following:
 - ✓ There is a consumer affinity for the downtown, which supports future opportunity.
 - ✓ Food and beverage visits are popular and more are requested.
 - ✓ Overall downtown customers do not make multiple stops when visiting the downtown and they would like to make more if there were more places to go.

- ✓ Over 50% of downtown survey customers identified eight specific categories where they would spend more money if the offerings were created or improved.
- ✓ The grocery stores represent a strong anchor for the downtown.
- Stakeholder interviews including key property owners indicated a strong interest in development and re-tenanting within pragmatic market opportunities and they viewed the various programs developed by the City as supportive to date.

Utilizing these key findings, the consultant team (including the Hitchcock Design Group) developed market based design/tenant plans for the four sites identified and confirmed by the City of Urbana. These four sites are the following:

- The Denny's block on the west side of Race Street at Water Street.
- The block north of the Urbana City Hall which is bounded by Elm, Main, Green and Urbana, which is residential, municipal parking and also includes the Goodyear building.
- The southwest corner of Vine Street and University Avenue referred to as the Grumish site that includes the addition of other property to the south and southwest of the Grumish site.
- The site at the northwest corner of Broadway and Water Street, which is referred to as the Timpone site.

The planning for these sites incorporates traditional parking ratios for both the residential and commercial/retail uses however the parking planning for sites also recognizes the proximate public parking available in the downtown. The planning also incorporates the required building/land ratios that retail/commercial developers require in their site planning. Utilizing these requirements, the following nine site plans were developed.

Site economic estimates are also provided for each of the nine (9) concepts and are intended only as an indication of a potential project scenario. The site estimates generally reflect current market conditions. The estimates for each concept represent a 'back of the envelope' calculation, applying regional construction and land costs and assuming an 8% capitalization, or cap, rate. Applying these basic assumptions, site concept redevelopment would result in the lease rates shown for each concept. It should be noted that each is considered an optimistic scenario.

Four Identified Sites

DENNY'S BLOCK

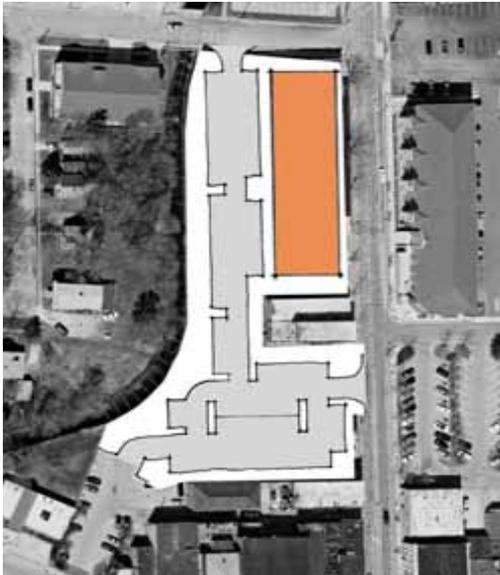


Illustration 6: Denny's Block Concept One

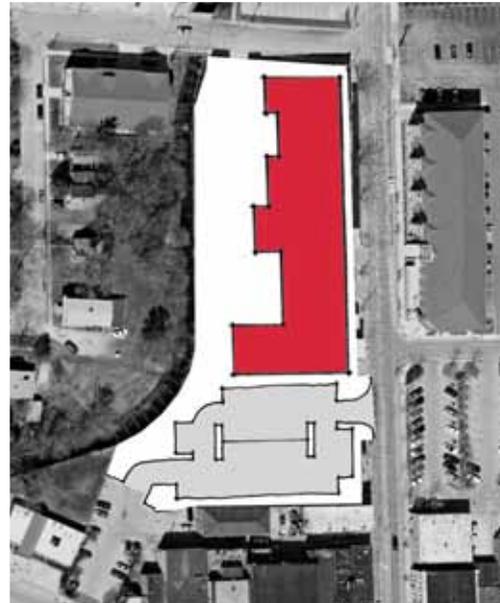


Illustration 7: Denny's Block Concept Two

Table 39: Denny's Block Concept One Site Economic Estimates

| Use | Acreage | Units | Floors | Parking Spaces | Investment | Annual Income | Rent SF | Monthly Rent |
|----------------------------------|---------|-------|--------|----------------|-------------|---------------|---------|--------------|
| Apartments | 2.2 | 33 | 3 | 57 | \$5,297,197 | \$423,776 | \$1.19 | \$35,315 |
| City Cost Estimate: | | | | | | | | |
| Public Parking (Own Land) | 0.67 | | | 57 | \$440,325 | | | |

Table 40: Denny’s Block Concept Two Site Economic Estimates

| Use | Acreage | Building SF | Parking Spaces | Investment | Annual Income | Rent SF | Monthly Rent |
|----------------------------------|---------|-------------|----------------|-------------|---------------|---------|--------------|
| Commercial | 2.2 | 27,200 | | \$5,015,665 | \$401,253 | \$14.75 | \$33,438 |
| City Cost | | | | | | | |
| Public Parking (Own Land) | 0.67 | | 57 | \$440,325 | | | |

The two concept plans for the Denny’s block begin with the principle that Race Street is not a high traffic count corridor and therefore commercial/retail business will only be successful at this site if is highly attractive and destination oriented. Accordingly, this site appears to be a good location for the market rate apartment potential, which has been identified. Finally, any development in this area will want to take advantage of the municipal parking to the east.

Concept One proposes 33 apartment units with dedicated parking for the apartments of 50 spaces. The site plan also includes the addition of 56 municipal parking spaces, which are intended to serve the parking needs of the area as well as some of the apartments through cross access. The municipal parking lot to the east provides further parking flexibility for the area. The existing 4,750 square foot existing Cosmetology building remains and the additional parking added to the site should benefit the parking needs of the building.

Concept Two is very reliant on utilizing the Boneyard as the “destination point” which will bring customers to the area absent the traffic counts on Race. It is logical to assume that food and beverage tenants would be primary in order to take advantage of the outdoor dining opportunities along the Boneyard. A few other retail uses may wish to take advantage of the proposed natural setting. The addition of 57 parking spaces on the site to complement the municipal parking to the east will adequately service the parking needs in the area. As the site allows for both height and depth development options there is adequate flexibility to address developer requirements and the ability to take advantage of the Boneyard amenity.

Given the environmental issues on the Denny’s site which have been identified, it is clear that significant municipal involvement will be required in order achieve development economics which allow for successful development. Also, to the extent that Concept Two is pursued which is very reliant on the Boneyard improvements, additional municipal investment will be required in order to make the site viable. Both of these municipal investments are in addition to the cost of adding the public parking to the site.

GOODYEAR SITE



Illustration 8: Goodyear Concept One

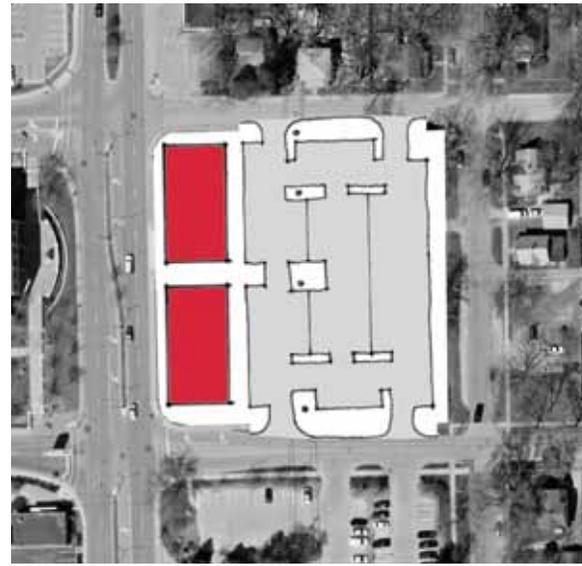


Illustration 9: Goodyear Concept Two

Table 41: Goodyear Concept One Site Economic Estimates

| Use | Units | Building SF | Sales Price | Value | Parking Spaces | Investment | Annual Income | Rent PSF |
|--------------------------|-------|-------------|--------------|----------------|----------------|-------------|---------------|----------|
| Townhouses | 10 | | \$130,000.00 | \$1,300,000.00 | | | | |
| Commercial/Retail | | 12,000 | | | 48 | \$2,500,576 | \$200,046 | \$16.67 |

Table 42: Goodyear Concept Two Site Economic Estimates

| Use | Acreage | Building SF | Parking Spaces | Investment | Annual Income | Rent SF | Monthly Rent |
|--------------------------|---------|-------------|----------------|-------------|---------------|---------|--------------|
| Commercial/Retail | 1.75 | 39,600 | 121 | \$8,487,664 | \$679,013 | \$17.15 | \$56,584 |

The two concept plans for the block north of City Hall begin with the following principles: 1) to the east of the block is a primarily residential neighborhood which must be respected and additional residential uses are possible; 2) the traffic counts on Vine are outstanding and some commercial uses are appropriate; 3) the residential environment surrounding the site suggests that this may be one of the few opportunities for a limited number of appropriately priced townhomes; and 4) grade changes on the site will require creative land use options.

Concept One proposes this site as the potentially rare opportunity to add an equity residential product on a limited basis (townhomes), which is consistent with the surrounding neighborhood. Twenty rear loaded parking spaces are anticipated to support the 10 townhomes. A relatively conservative development approach for the corridor along Vine suggests 12,000 square feet of retail with 48 supporting parking spaces. There may be a need for a supporting wall to separate the grade changes from the west to the east.

Concept Two is much more aggressive in adding 39,600 square feet of commercial space on Vine to take advantage of the traffic counts. Two three-story buildings are contemplated. The parking lot to the east of the buildings which contains 121 parking spaces should be very well landscaped in order to create an attractive buffer between the buildings on Vine and the residential buildings on the east side of Urbana Avenue.

GRUMISH SITE

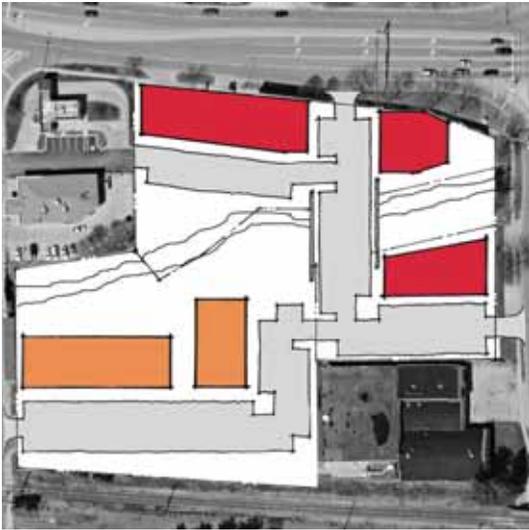


Illustration 10: Grumish Concept One (Expanded Site)



Illustration 11: Grumish Concept Two



Illustration 12: Grumish Concept Three

Table 43: Grumish Concept One Site Economic Estimates

| Use | Acreage | Units | Floors | Building SF | Parking Spaces | Investment | Annual Income | Rent PSF | Monthly Rent |
|--------------------------|---------|-------|--------|-------------|----------------|-------------|---------------|----------|--------------|
| Apartments | 1.75 | 48 | 3 | 43,200 | 84 | \$7,735,374 | \$618,830 | \$1.19 | \$51,569 |
| Commercial/Retail | 2.30 | | 1 | 24,800 | 100 | \$5,297,415 | \$423,793 | \$17.09 | \$35,316 |

Table 44: Grumish Concept Two Site Economic Estimates

| Use | Acreage | Building SF | Parking Spaces | Investment | Annual Income | Rent PSF | Monthly Rent |
|--------------------------|---------|-------------|----------------|-------------|---------------|----------|--------------|
| Commercial/Retail | 2.3 | 23,400 | 83 | \$4,957,364 | \$396,589 | \$16.95 | \$33,049 |

Table 45: Grumish Concept Three Site Economic Estimates

| Use | Acreage | Building SF | Parking Spaces | Investment | Annual Income | Rent PSF | Monthly Rent |
|--------------------------|---------|-------------|----------------|-------------|---------------|----------|--------------|
| Commercial/Retail | 2.3 | 17,800 | 69 | \$3,948,162 | \$315,853 | \$17.74 | \$26,321 |

The three concepts for the Grumish Site assume the following: 1) this may be the most valuable commercial site as it is on the “100%” corner of University Avenue and Vine Street, and therefore, maximizing commercial space is a primary goal; 2) the motel site to the south of the Grumish site will also need to be acquired to maximize the potential commercial value of this site; 3) one of the three concepts suggests acquiring even more land to the southwest of the Grumish site farther away from the traffic counts of University Avenue and Vine Street and therefore apartments are suggested; and 4) the relationship of the Boneyard to the configuration of the site allows for the Boneyard to be an amenity.

Concept One is the most aggressive of the three and it requires land acquisition directly to the south (the motel) as well as land to the southwest, which is largely vacant land, or poor and/or unused buildings. Along University Avenue and Vine Street, 24,800 square feet of commercial/retail space in three buildings is planned with parking for 100 cars to support these uses. To the southwest, where there is underutilized property, which could be assembled, 48 apartment units in two three-story buildings are planned with 84 supportive ground level parking spaces. This area of the plan, which is farther away from University Avenue and Vine Street, is only suitable for apartment use not commercial/retail. The Boneyard has been incorporated as an amenity that supports the commercial/retail space and the residential space. Parking is designed to be interconnected between both the commercial and residential uses.

Concept Two is smaller as it does not anticipate purchasing the land southwest of the Grumish site but it does anticipate the purchase of the motel site in order to make maximum use of the commercial potential of this intersection. The commercial/retail space is planned at 23,400 square feet of commercial space with 83 supportive ground level parking spaces. The Boneyard is maintained as an amenity and continues in a culvert at the corner of University Avenue and Vine Street creating an attractive vista into the commercial space.

Concept Three allows for the most attractive use of the Boneyard. Three buildings contain 17,800 square feet of commercial space and 69 parking spaces. Since the parking is placed in the back of the buildings, the full presence of the Boneyard at the corner of University Avenue and Vine Street creates a very attractive vista into the commercial use and an equally attractive gateway into the downtown.

TIMPONE SITE

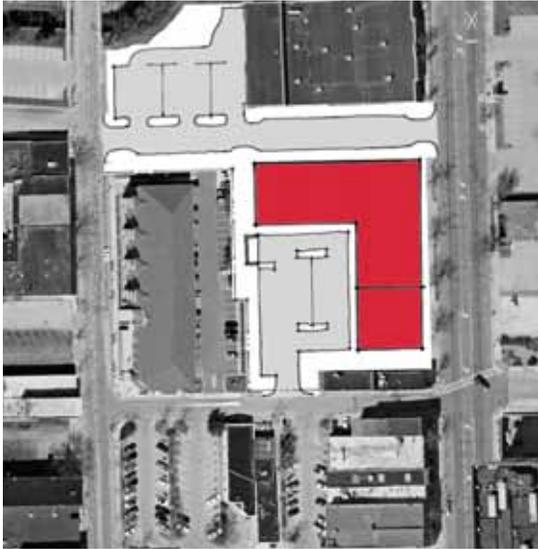


Illustration 13: Timpone Concept One

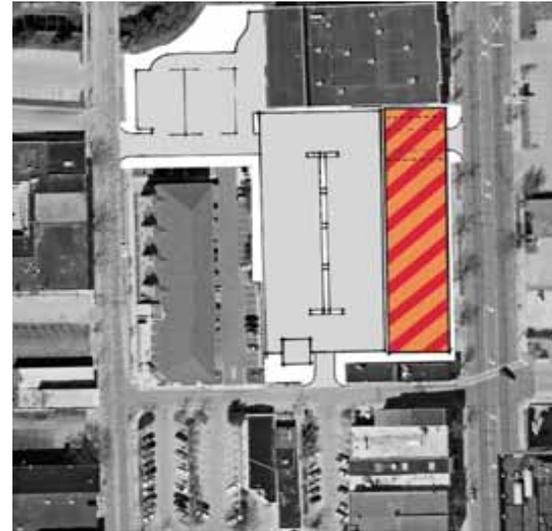


Illustration 14: Timpone Concept Two

Table 46: Timpone Concept One Site Economic Estimates

| Use | Acreage | Building SF | Parking Spaces | Investment | Annual Income | Rent PSF |
|--------------------------|---------|-------------|----------------|--------------|---------------|----------|
| Commercial/Retail | 1.8 | 77,000 | 34 | \$15,058,500 | \$1,204,680 | \$15.65 |

Table 47: Timpone Concept Two Site Economic Estimates

| Use | Acreege | Floors | SF | Units | Parking Spaces | Investment | Annual Income | Commercial Rent SF | Apartment Rent PSF |
|--|---------|--------|---------|-------|----------------|--------------|---------------|--------------------|--------------------|
| Mixed Use Project | 1.8 | | | | | \$14,976,830 | \$1,198,146 | \$16.88 | \$1.41 |
| Apartments | | 2 | | 38 | 57 | | | | |
| Commercial/Retail | | 2 | 34,000 | | | | | | |
| City Cost | | | | | | | | | |
| Parking Garage (Public Portion) | | 4 | 113,750 | | 268 | \$6,864,938 | | | |

The two concepts for the Timpone site assume the following: 1) a successful commercial site on Race Street would most probably be dependent upon it being a destination business (i.e. a restaurant or very unique business) and/or a business which could take advantage of the proposed redevelopment at the proximate Denny’s site; 2) the current parking lot to the north of the existing apartments will require reconfiguration as part of the site development and the proposed Boneyard enhancements; 3) the success of the Black Dog suggests a possible “restaurant row” on this site taking advantage of the traffic on Broadway; and, 4) the City may or may not determine that additional public parking is required in this area as the current public parking will be absorbed by the needs of the proposed new uses.

Concept One suggests a singular 77,000 square foot four story building. Pending the market in the future, multiple family residential could be considered for the third and fourth floor. The building height is to be coordinated with the height of the building at the northwest corner of Broadway and Water. Griggs Street is extended all the way to Broadway in order to create more commercial frontage. As only 34 parking spaces are planned on site, the development of the site would be almost totally dependent upon other proximate public parking in the area.

Concept Two suggests mixed uses on the site and the addition of a public parking deck. Accordingly, at some point in the future, if the City determines that more public parking is needed in the area the 268 car parking deck would service the public parking needs, the parking needs of the 34,000 square feet of commercial space in the building and the 57 dedicated parking spaces for the 38 apartments in the building. If needed, the addition of a public parking deck to the site would significantly add to the City’s cost (\$6.9 million) as part of the development of the site. Some of this cost (\$1.4 million) would be offset by the charge to the developer for the 57 covered residential parking spaces in the parking deck. However, the deck would allow for greater development density on the site while providing the benefit of public parking.

These proposed plans reflect the information generated by the consultant team and the land planning which the Hitchcock Design Group has done. Further planning will be dependent on the goals and objectives of the primary land owners; in some cases the ability to assemble

additional land; as available, the ability to provide additional City financial support; decisions relative to investments in the Boneyard; the need for public parking; and, ultimately, the positive response of the marketplace.

Strategic Action Plans

The Action Plans that follow detail the steps necessary to capitalize on the opportunities identified in this Downtown Urbana Market Study. As part of this study, identifying approaches to improve downtown's environment and economics for each use was critical. The process of achieving the enhanced mixed-use downtown, described in the vision for downtown Urbana, needs to occur strategically and methodically for each downtown use. Similarities and differences exist among each set of steps, but the work must be ongoing and comprehensive. Overall, success will come with continuous work that addresses business and development fundamentals by City officials, business and property owners, and downtown's economic stakeholders.

Downtown Value Platform

Downtown's markets and opportunities suggest the following statements, or Value Platform, for the attraction and expansion of downtown's retail, office, and residential uses.

1. Downtown Urbana's business community has the opportunity to build upon downtown's current strong businesses, including its destination businesses, to increase downtown's overall sales and market share.
2. Downtown Urbana's property owners have the opportunity to achieve above market rate returns through working with current tenants and by strategic reinvestment in their properties.
3. Urbana's private and public sectors can work together to enable success by attracting ground floor tenants with strong operating histories.
4. Downtown's office building owners can examine innovative options for tenant recruitment and retention.
5. Vintage spaces and newer spaces in a variety of sizes offer space suitable for multiple types of specialty retail or restaurant businesses.
6. Urbana's nearby population supports businesses of all types.
7. City government's commitment to downtown Urbana stabilizes investment in the downtown district and complements the role of the private sector in downtown development.

Retail Development Action Plan

In considering the overall retail development potential for Urbana, two components of downtown’s business mix will serve as the basis for improving the mix and the activity among downtown’s ground floor businesses. Downtown Urbana has a strong cluster of auto-oriented major retailers on its high traffic corridors that attract shoppers on a frequent basis, and the downtown core includes a number of very successful, independent retailers and restaurants that attract 20-40% of their customer base from outside the Urbana-Champaign area. From a retail and restaurant perspective, Urbana has the opportunity to grow and strengthen both sets of business types through retention, recruitment, and redevelopment. As Urbana works to improve downtown’s retail mix, understanding the future expansion plans of downtown’s strongest businesses in all categories will be key. Recruitment targets for vintage space will need to be identified and systematically recruited in partnership with downtown property owners. Market-supported redevelopment, with committed tenants, will enhance the overall mix.

| Task | Cost |
|---|-----------------------|
| <i>Objective: Strengthen property management, ownership, and re-investment</i> | |
| <ol style="list-style-type: none"> 1. Become a resource in making Urbana properties more profitable <ol style="list-style-type: none"> a. Meet individually with owners to share study results and identify owner plans for their property b. Develop a prospective tenant list for property owners as part of monitoring vacancies c. Work with downtown’s property owners to improve tenant sales, to reduce turnover, and to support reinvestment d. Work with property owners to recruit established businesses with location needs specific to downtown Urbana e. Monitor property listings, tenant performance, and asking rents | Property Owners/Staff |
| <ol style="list-style-type: none"> 2. Undertake outreach to Urbana’s real estate community and regional retail brokers <ol style="list-style-type: none"> a. Identify successful, independent brokers aiding area property owners with independent tenant recruitment b. Identify retailers seeking locations in downtown Urbana c. Meet biannually to learn about market conditions and review tenant requirements | \$500 |

| Task | Cost |
|--|--|
| 3. Work with downtown’s stakeholders to develop new programs and refine existing programs to improve retail and restaurant tenant sales performance | Business Owners/Staff/Program Costs |
| Objective: Improve sales and profitability of existing businesses | |
| 1. Provide training on best operating practices in conjunction with UBA and other local business resources <ol style="list-style-type: none"> a. Accounting b. Merchandising c. Advertising d. Hiring e. Interior display f. Best operating practices (such as hours) | \$600 Shared |
| 2. Support additional merchant co-marketing efforts, in partnership with UBA and other Urbana entities, to supplement existing UBA and other community marketing and special events <ol style="list-style-type: none"> a. Encourage ‘ad hoc’ efforts by similar or complementary businesses to advertize and publicize their businesses to consumers and to periodically promote products and services sold by other downtown businesses b. Meet with business owners twice per year to identify joint marketing opportunities, potential programming to support sales growth, and potential expansion plans c. Work with UBA and other partners to continually identify new approaches to promoting downtown businesses and to assist with above efforts | Business Owners/UBA and Other Partners/Staff |
| 3. Broaden communications about Urbana businesses to City residents <ol style="list-style-type: none"> a. Include information about successfully recruited businesses in City communications. b. Seek placements for recruitment information through the City’s public information efforts c. Include information about business openings in all publications d. Develop information in tandem with UBA and other partners to promote downtown through electronic/social media | City PIO/ Staff Time/Partner Organizations |

| Task | Cost |
|--|-----------------------|
| Objective: Recruit businesses to enhance mix and to improve competitive position | |
| <ol style="list-style-type: none"> 1. Create screened list of potential Urbana tenants based upon survey results <ol style="list-style-type: none"> a. Spend four hours per month calling businesses identified by consumer survey, or recommended by downtown businesses b. Identify potential tenant location requirements c. Create customized recruitment data for targeted tenants d. Host one-on-one visits for potential tenants e. Contact screened tenant prospects bi-monthly to communicate vacancies | Staff/Property Owners |
| <ol style="list-style-type: none"> 2. Monitor mix changes <ol style="list-style-type: none"> a. Update business list as businesses turnover b. Estimate mix percentages and sales growth semi-annually c. Continue to improve Market Share database quality by seeking additional information on sales and square footage | Staff Time |
| <ol style="list-style-type: none"> 3. Encourage Urbana’s key business owners to identify future expansion plans to enable retention | Staff/Business Owners |
| <ol style="list-style-type: none"> 4. Identify regional recruitment targets and track regional competition <ol style="list-style-type: none"> a. Visit regional retail venues during peak selling times b. Identify regional peer communities with strong downtowns and destination businesses with strong operating experience c. Ask downtown business owners to identify potential recruitment targets based upon their regional market knowledge d. Invite good businesses in regional peer communities to consider another store in Urbana e. Call tenant prospects as part of screened list | Staff/Business Owners |
| Objective: Continue strategic build-to-suit development, as broader economy improves | |
| <ol style="list-style-type: none"> 1. Encourage upper story offices and/or residential development | Staff Time |
| <ol style="list-style-type: none"> 2. Encourage uses and businesses that can financially succeed in downtown Urbana’s environment | Staff Time |

| Task | Cost |
|--|------------|
| 3. Continue to identify existing spaces and sites suitable for business success | Staff Time |
| 4. Work with developers to ensure strong and committed tenants, as appropriate, for each project | Staff Time |
| 5. Work to create complementary activity in evaluating potential development | Staff Time |

Residential Market Development Plan

New residential development, particularly apartments, was identified throughout this study as an opportunity for downtown Urbana. The product typically identified consisted of rental units geared to area young professionals or to graduate students—both seeking the amenities available in downtown Urbana. These types of units would be leased at higher price points than recently developed student apartments in both Urbana and Champaign. In addition to a stronger economy, the key for increased development of residential uses will be suitable sites and the development of unit numbers that can be absorbed by the regional market.

| Task | Cost |
|--|-------------------------|
| Objective: Strengthen property management and redevelopment potential | |
| 1. Continue routine meetings with property owners to identify objectives for their properties | Staff/Property Owners |
| 2. Identify any emerging site assembly opportunities | Staff Time |
| 3. Examine current residential rental development process for potential improvements to ensure process regularity in evaluating future proposals | Staff Time |
| Objective: Maintain ongoing relationships with the regional multi-unit developer community. | |
| 1. Meet with developers to discuss priority sites and potential process improvements | Staff/Developers |
| 2. Identify residential developers with specific areas of expertise, such as rehabilitation of vintage buildings | Staff Time |
| 3. Identify any perceived issues associated with priority sites with independent developers and work to mitigate | Staff/Developer Comment |
| 4. Discuss the regional financing market and related trends | Staff Time |
| 5. Monitor the residential development market and trends | Staff Time |
| Objective: Focus on proposal success factors after broader economy improves | |
| 1. Encourage upper story offices and/or residential development via mixed-use development | Staff Time |
| 2. Consider independent proposal review using outside expertise | Staff Time |

| | | |
|----|---|------------|
| 3. | Work with developers to ensure design quality | Staff Time |
| 4. | Work to create complementary activity in evaluating all potential development proposals | Staff Time |

Office Market Development Plan

In enhancing downtown’s office environment, retention of office tenants and assisting with their growth will be important in ensuring ongoing sustainability. Downtown Urbana has lost smaller entrepreneurial tenants to other locations within the region. These tenants typically seek downtown amenities and employ those types of workers desirable to a community like Urbana. (Downtown Urbana’s accessibility by transit and by bike is another potential worker benefit.) Their workers also are potential downtown renters. Identifying strategies to retain these tenants will be important to diversifying downtown’s office uses. Also, specific strategies and policy decisions are needed to guide location decisions for major tenants.

| Task | Cost |
|--|--------------------------------------|
| <i>Objective: Strengthen office property management, ownership, and re-investment</i> | |
| 1. Continue routine meetings with property owners to identify objectives for their properties | Staff/Property Owners |
| 2. Identify lease expirations for key downtown tenants as part of those discussions | Staff/Property Owners |
| 3. Develop a reminder system for meeting with key tenants and owners beginning two years in advance of expirations | Staff Time |
| 4. Develop a strategy for downtown office tenant retention in tandem with downtown’s office property owners and managers | Staff/Property Owners/Office Brokers |
| 5. Formulate any policies or regulations, as appropriate | Staff Time |
| 6. Consider bi-annual lease space open house for prospective office tenants and brokers | Staff/Property Owners/Office Brokers |
| 7. Evaluate innovative partnerships for tenant recruitment, such as Master Lease agreements. | Staff/Property Owners |

| | |
|---|-----------------------|
| Objective: Understand expansion plans for major employers in and near downtown Urbana | |
| 1. Meet with major nearby employers to discuss their expansion plans and institutional master plans | Staff Time |
| 2. Identify potential opportunities in existing buildings with minimal impact on downtown vacancies | Staff Time |
| 3. Consider industry specific trends for development and lease space | Staff Time |
| 4. Identify potential partnerships between employers, downtown property owners, and possibly, the City in new development and rehabilitations of suitable downtown properties | Staff/Partners |
| Objective: Consider office development opportunities, as development economics improve | |
| 1. Encourage upper story office uses via mixed-use development | Staff/Property Owners |
| 2. Ensure that new office development includes committed office tenants. (If a current downtown tenant, understand the plans for existing lease space.) | Staff Time |

Appendices

In addition to the following Interview Summary, these Appendices include a separate file with the Market Share Analysis. Staff, given their knowledge of downtown's business growth, can update this file routinely.

Interview Summary

Project interviews were conducted in July and August 2010. The following summary describes the major issues, opportunities, and common themes identified during the interview process.

Downtown Urbana: General Perceptions

- Downtown Urbana is perceived as having multiple opportunities for success
- Office tenants have been cannibalized in both Champaign and Urbana
- Downtown Urbana is stable and 'looks good,' but things are moving very slowly
- Multiple modes of access make downtown an easy destination
- The City of Urbana's decisions are too subject to political whims, inhibiting downtown's potential for sustained economic success
- City staff is thought to be skilled and helpful

Downtown Businesses and Uses

- Interesting group of successful destination retailers located downtown, and 70- 80% of their revenues are from Urbana and Champaign residents
- Well-capitalized, good operators with a niche could succeed downtown
- Galleries have not done well; the area residents are not heavy art buyers. Is this art market a successful destination market?
- Downtown Urbana needs more restaurants with different concepts from those in downtown Champaign
- Retail base is lacking, and what is in downtown needs to be more compelling

Downtown Redevelopment and Development

- Market-rate residential rental properties represent a key opportunity
- Higher price points for rentals are possible in Urbana
- Boneyard project is a political decision; the project does not make sense financially
- Certain property owners are completely unrealistic about the value of their properties

- The future for Lincoln Mall includes uses other than retail, and it represents a long-term redevelopment site
- The Denny's site is not perceived as a redevelopment priority, given environmental concerns; other more visible sites represent better options for success
- New condominium development is challenging, given reasonable single-family home prices

Infrastructure and Public Improvements

- Signage regulation can sometimes inhibit visibility
- Parking supply is not generally perceived as a problem, and sustained education about parking locations is needed

Regulatory

- City has become more business friendly
- Regulatory enforcement by multiple departments is often viewed as inconsistent

Incentives

- The City of Urbana has put together strong incentive programs, now and in the past
- The gallery incentive has been awarded to non-galleries; the program should be modified to reflect what's really happening
- Gallery incentives have helped some tenants, but 1/3 won't survive
- Some grant recipients maintain inconsistent business hours

Downtown Programming

- Programming is good, but more emphasis is needed on uniqueness of downtown Urbana
- Farmer's Market is a major downtown asset
- More creativity and cooperation among individual merchants is needed, particularly those that are complementary
- Businesses want to identify ways to increase their visibility at or benefit from the Farmer's Market
- Downtown Urbana needs more positive public relations

Former Historic Lincoln Hotel and Lincoln Square

- Hotel was in ‘bad hands’ for so long with much deferred maintenance and will need the right buyer
- The hotel could work with some combination of hotel and residential
- To be successful as a rehabilitated hotel, it would need to meet modern meeting planner requirements
- Certain destination retailers and office tenants are successful at the mall
- The mall will never again be a shopping destination; retailing and shopping center development have moved beyond Lincoln Square
- Hotel property is a better residential opportunity versus hotel project
- Hotel was a destination facility that generated a small but consistent amount of business for downtown businesses
- Using Tax Increment Financing (TIF) to enable hotel redevelopment would be acceptable to the community if those TIF funds represent a reasonable portion of the overall project value.

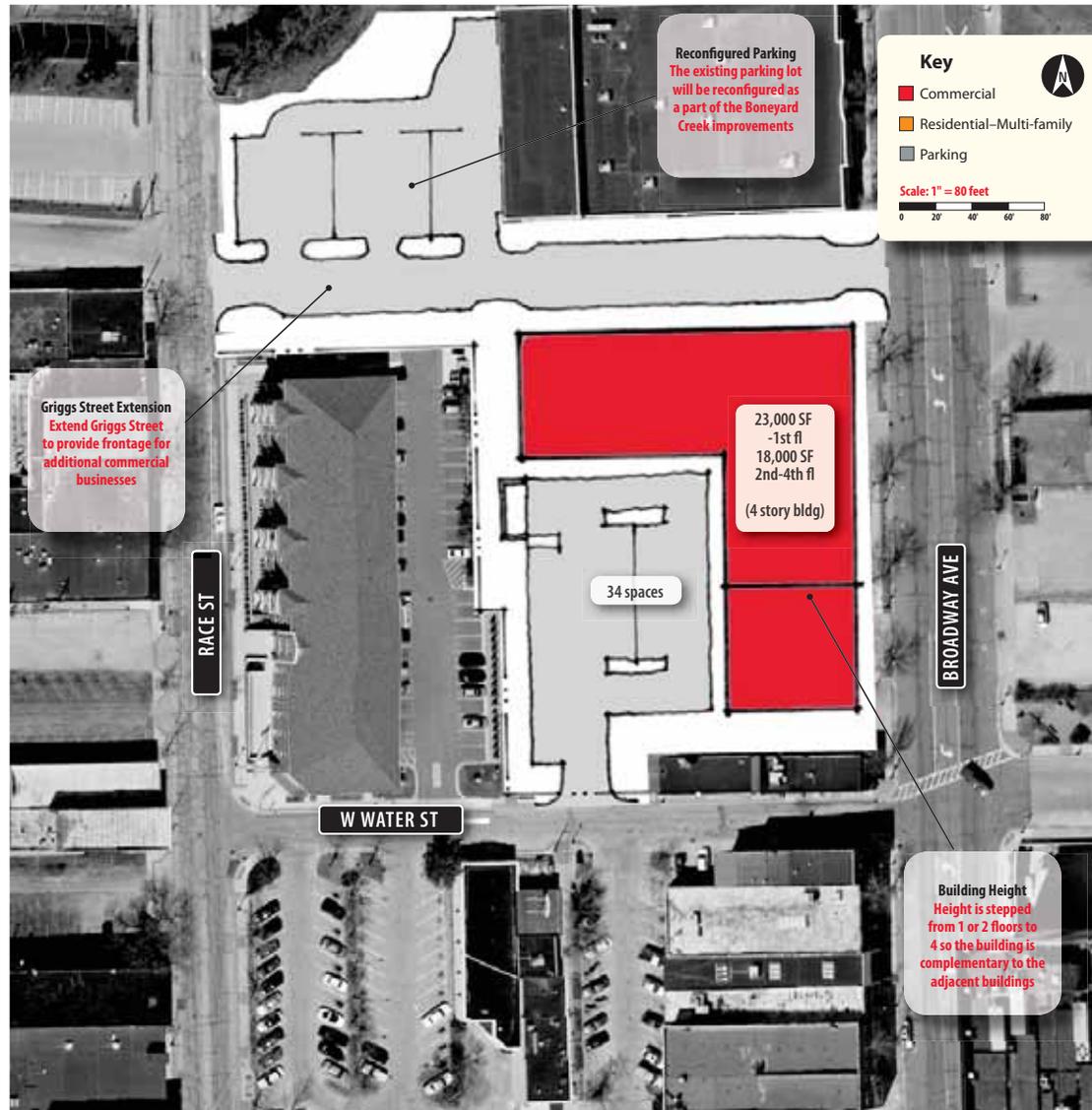
Broader Market Factors

- Few differences in Champaign and Urbana consumer markets
- Both cities and surrounding areas function as one fluid market
- Central Illinois is a stable market—employment should remain stable; foreclosures are not a significant issue; housing values are down about 10%, depending on location

Site Development Concepts

These illustrations represent the final nine (9) redevelopment concept drawings for the four (4) identified sites. These four sites include:

- Southwest corner of Vine Street and University Avenue
- The former Jolly Roger site and the surrounding parking lots, excluding the Black Dog parcel
- The former Denny's location and various surrounding properties
- The City-owned block north of City Hall



| Land Use Table | | | |
|----------------|-------------|------------------|----------|
| | Square Feet | Parking Provided | Ratio |
| Residential | 0 units | 0 | 0 |
| Commercial | 77,000 | 34 | 0.4/1000 |
| Site Area | 1.8 AC | | |

General Notes:

This concept extends Griggs Street through to Broadway Avenue. This allows for additional street frontage for commercial businesses. The stepped back height blends with the existing building on the northwest corner of Broadway and Water Streets. Multi-family residential is also an option on floors 2-4.

Timpone Site - Concept 1

Prepared by: Hitchcock Design Group
 Prepared for: City of Urbana
 March 8, 2011



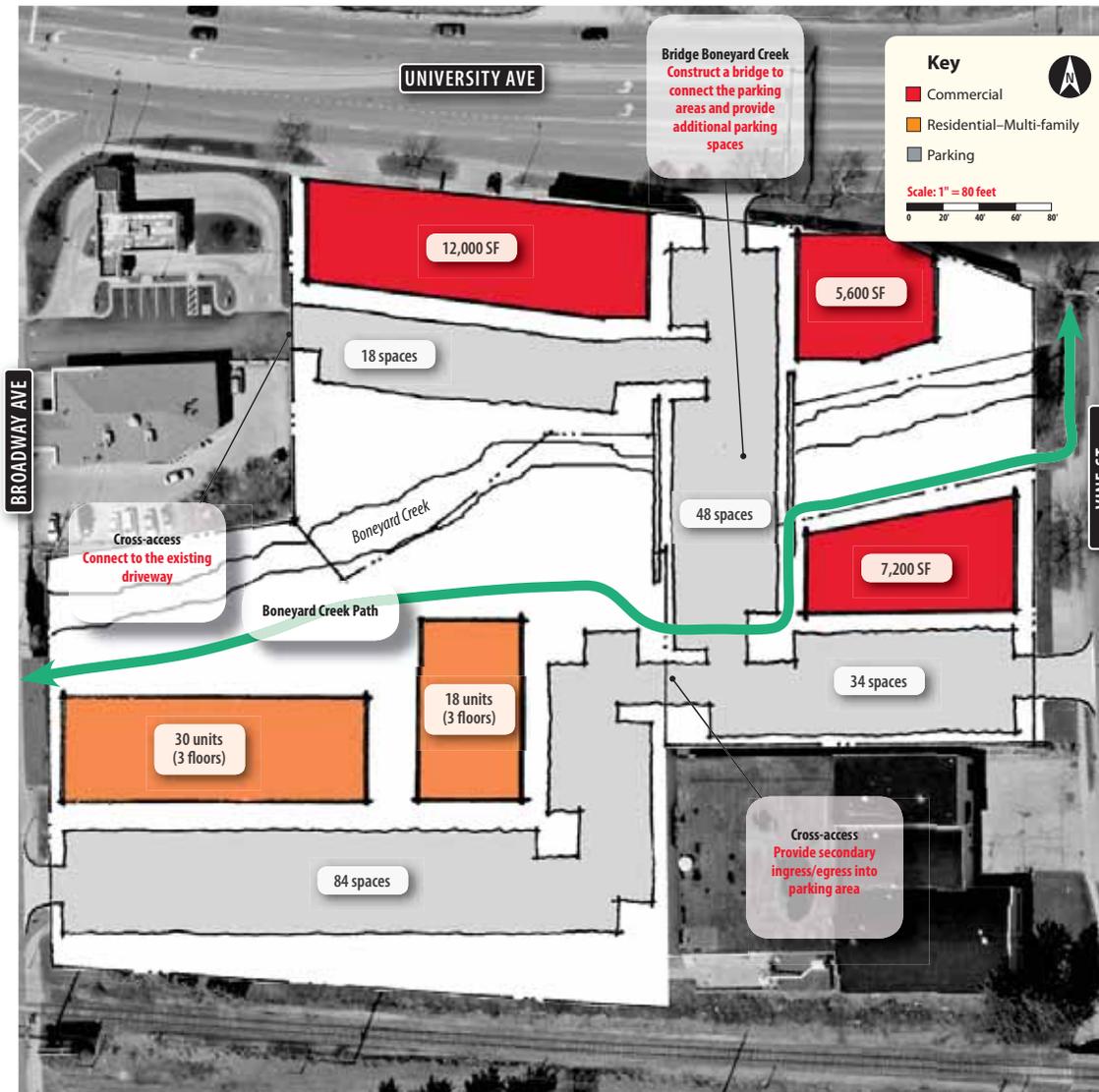
| Land Use Table | | | |
|-------------------------|-------------|------------------|----------|
| | Square Feet | Parking Provided | Ratio |
| Apartments | 38 units | 57 reserved | 1.5/1000 |
| Commercial | 34,000 | 0 | 0/1000 |
| Public Parking (Garage) | | 268 | |
| Site Area | 1.8 AC | | |

General Notes:

This concept provides a new public parking deck to add to the existing public parking supply in the downtown. The commercial and residential development would utilize parking in the deck to fulfill their needs.

Timpone Site - Concept 2

Prepared by: Hitchcock Design Group
 Prepared for: City of Urbana
 March 8, 2011



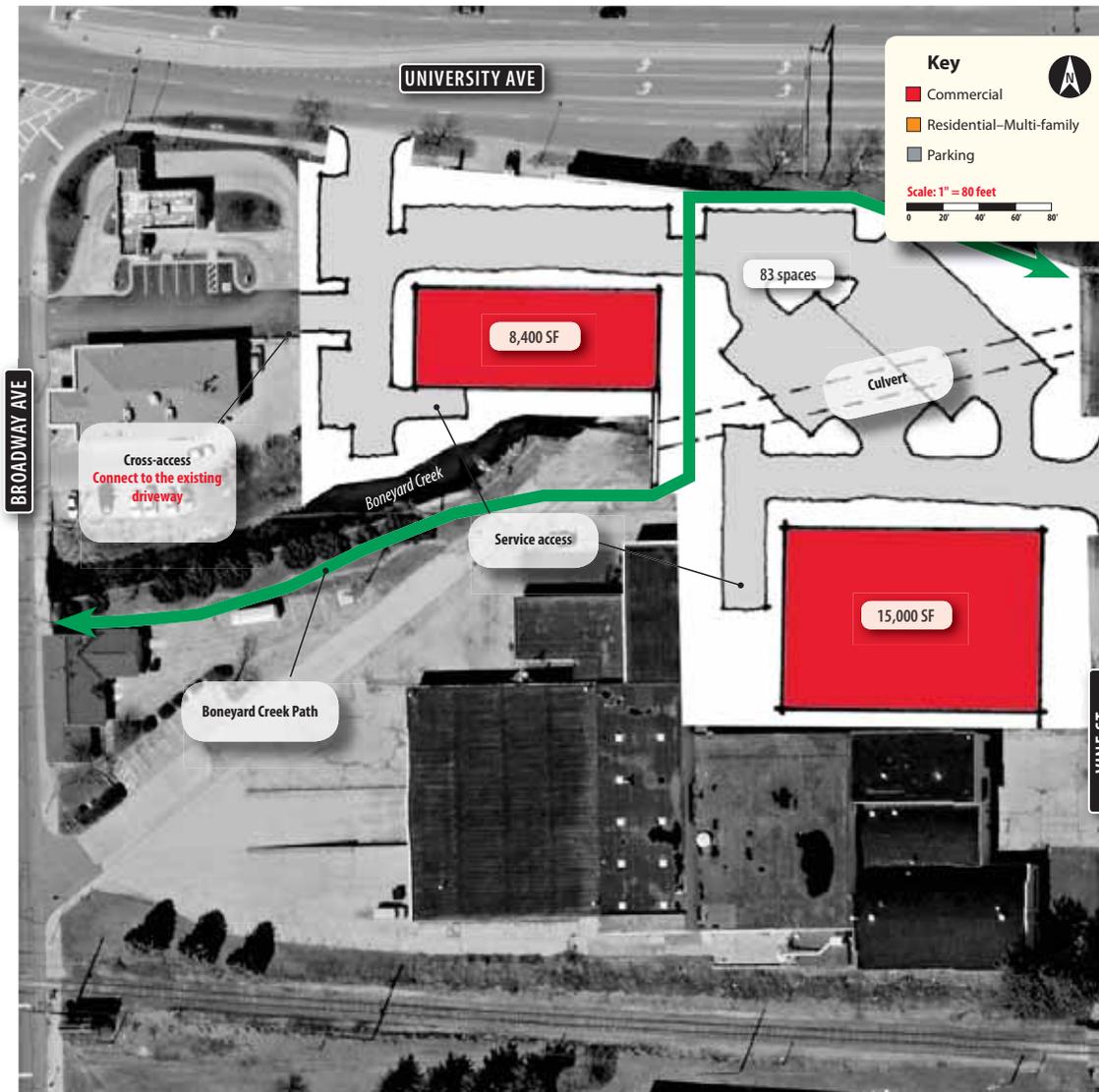
| Land Use Table | Square Feet | Parking Provided | Ratio |
|----------------|------------------|----------------------|-------------|
| Apartments | 48 units | 84 | 1.75 / unit |
| Commercial | 24,800 | 100 | 4/1000 |
| Site Area | 2.3 AC (Grumish) | 1.75 AC (Apartments) | |

General Notes:

This concept utilizes the Boneyard Creek improvements as an amenity for the commercial uses on the east side of the site and for potential apartments on the west side of the site to utilize the currently vacant land and remove unused buildings.

Grumish Site - Concept 1

Prepared by: Hitchcock Design Group
Prepared for: City of Urbana
March 8, 2011

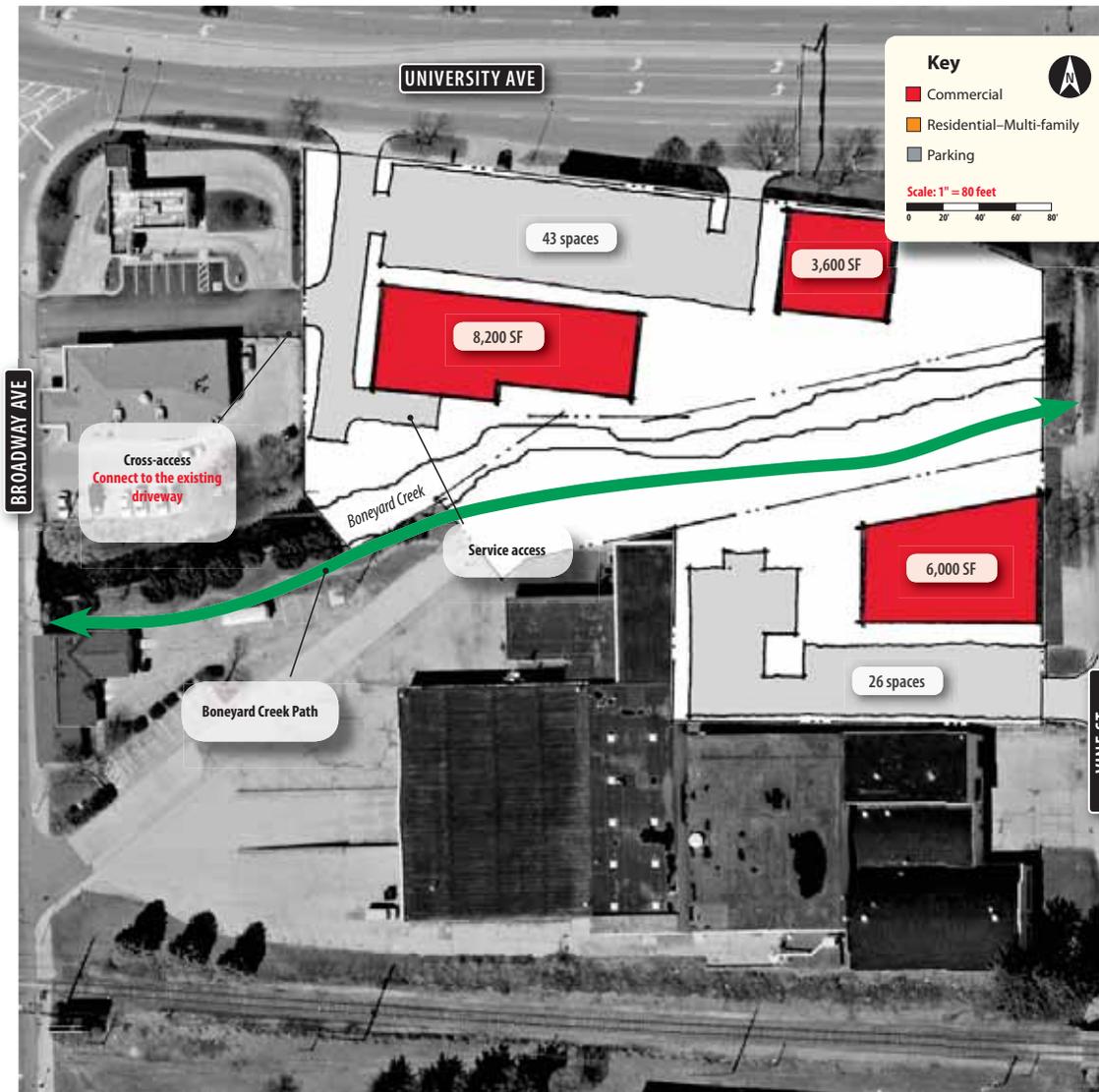


| Land Use Table | | | |
|----------------|-------------|------------------|----------|
| | Square Feet | Parking Provided | Ratio |
| Residential | 0 units | 0 | 0/1000 |
| Commercial | 23,400 | 83 | 3.6/1000 |
| Site Area | 2.3 AC | | |

General Notes:
 This concept creates drive-to commercial sites along University Ave and Vine St.

Grumish Site - Concept 2

Prepared by: Hitchcock Design Group
 Prepared for: City of Urbana
 March 8, 2011

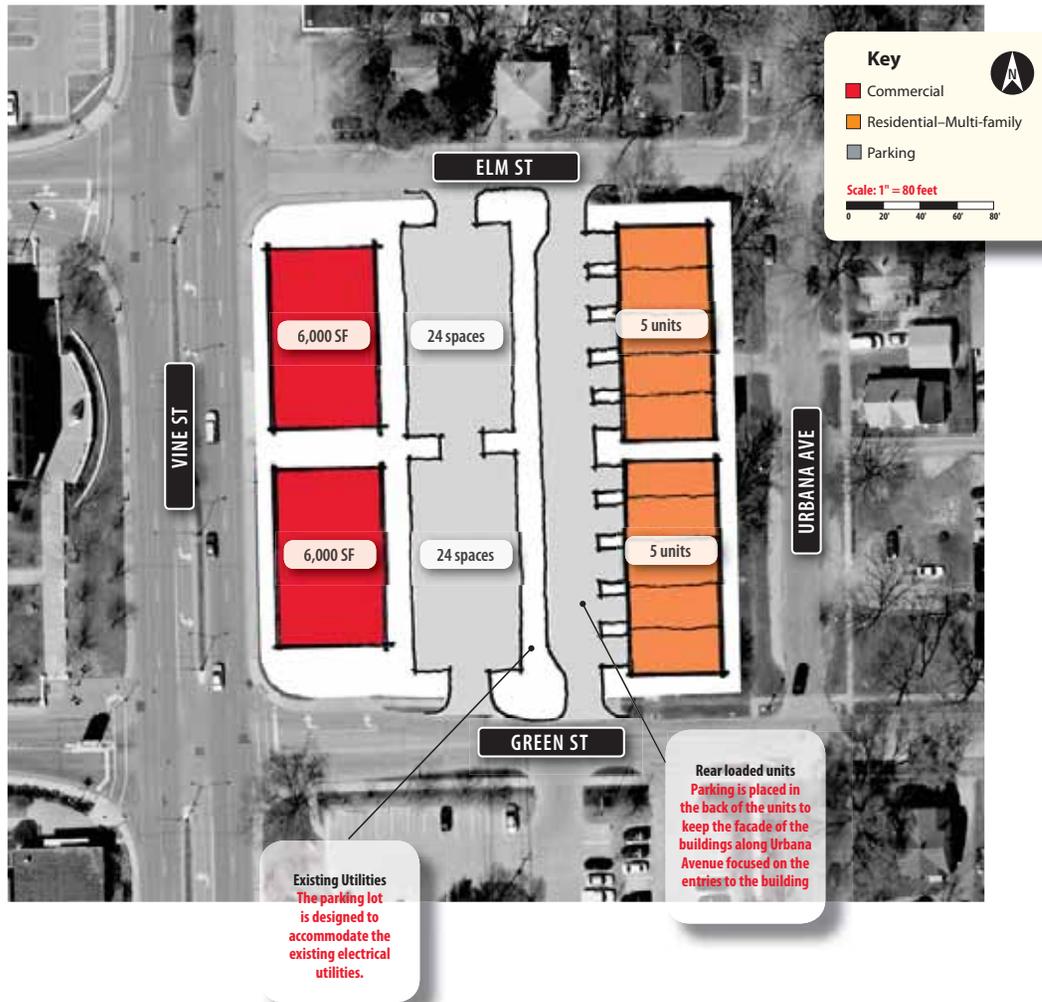


| Land Use Table | Square Feet | Parking Provided | Ratio |
|----------------|-------------|------------------|----------|
| Residential | 0 units | 0 | 0/1000 |
| Commercial | 17,800 | 69 | 3.8/1000 |
| Site Area | 2.3 AC | | |

General Notes:
 This concept creates drive-to commercial sites along University Ave and Vine St.

Grumish Site - Concept 3

Prepared by: Hitchcock Design Group
 Prepared for: City of Urbana
 March 8, 2011



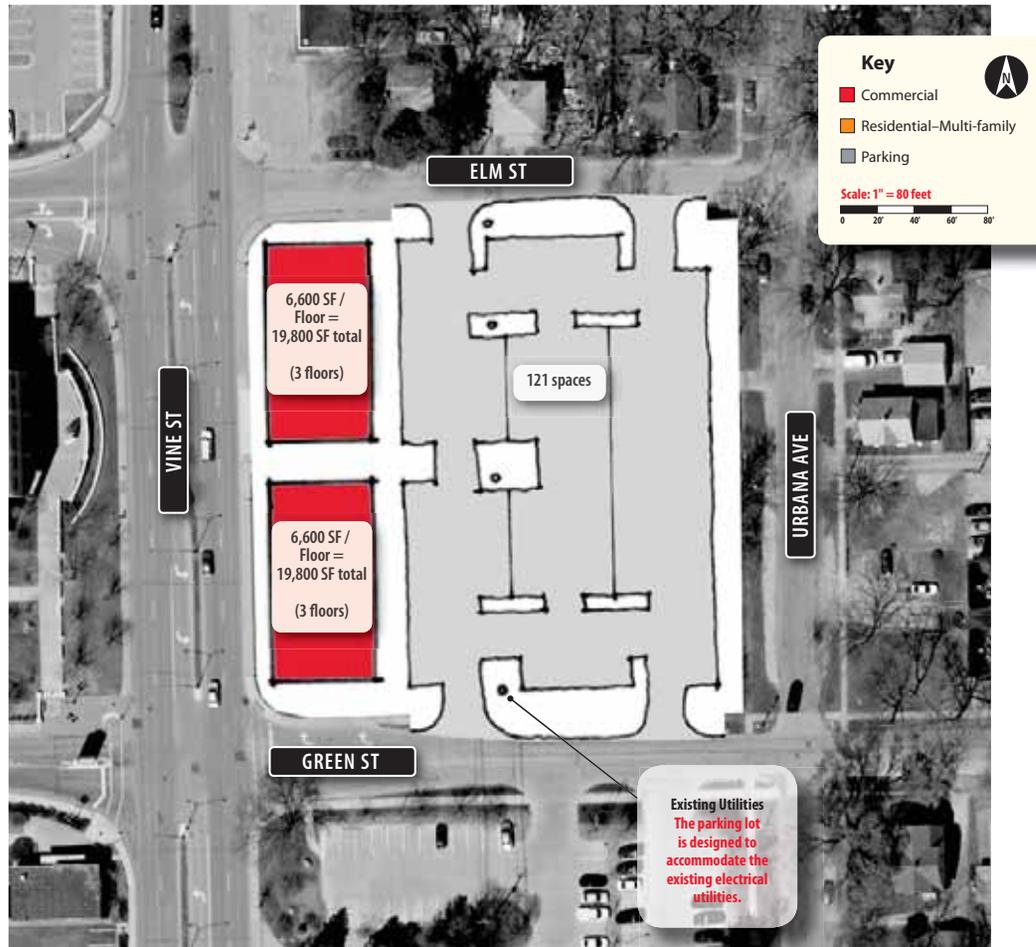
| Land Use Table | | | |
|----------------|-------------|------------------|--------|
| | Square Feet | Parking Provided | Ratio |
| Multi-family | 10 units | 20 | 2/unit |
| Commercial | 12,000 | 48 | 4/1000 |
| Site Area | 1.75 AC | | |

General Notes:

This concept may require a wall between the uses to make up for the grade change west to east across the site.

Goodyear Site - Concept 1

Prepared by: Hitchcock Design Group
Prepared for: City of Urbana
March 8, 2011

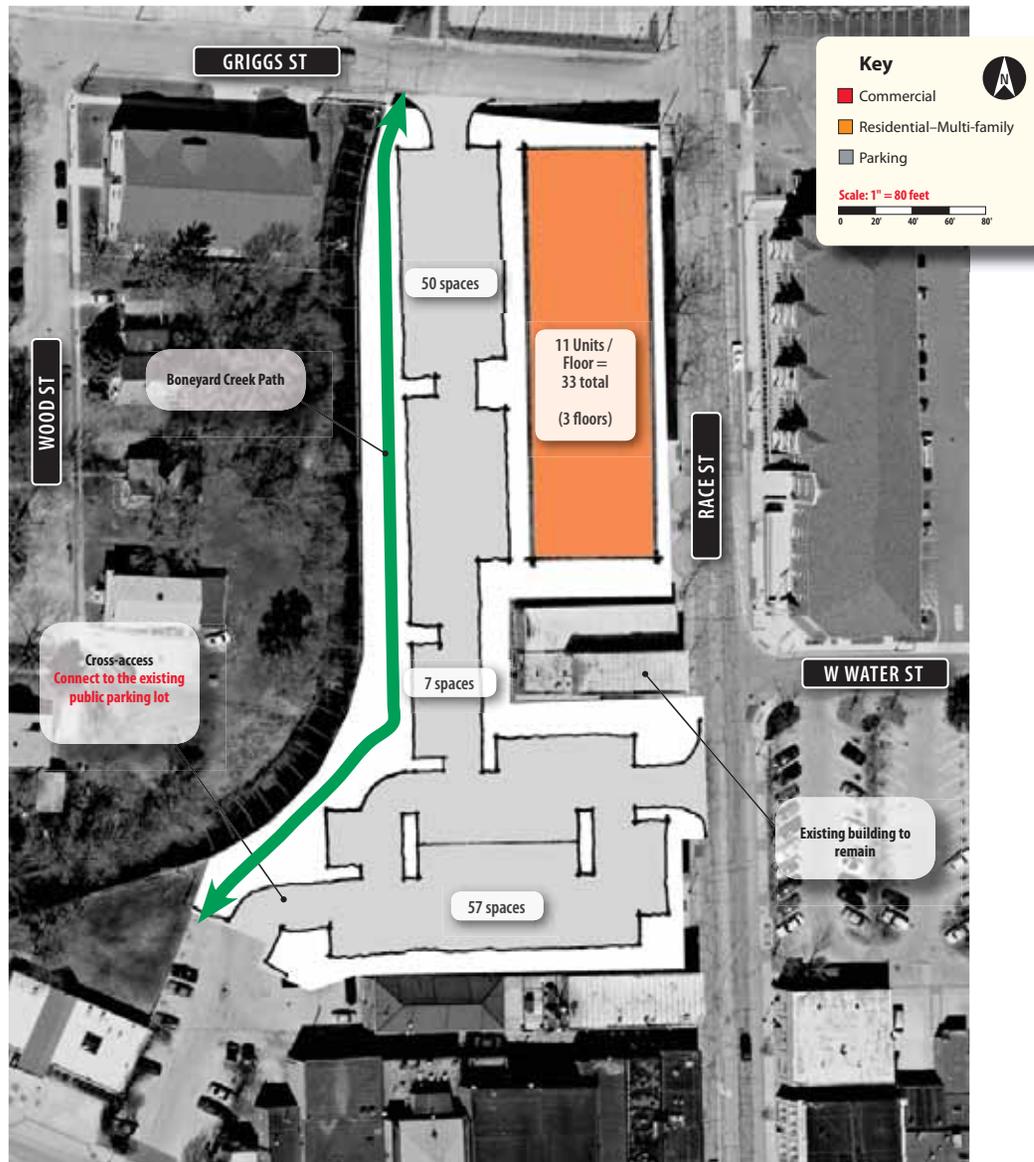


| Land Use Table | | | |
|----------------|-------------|------------------|--------|
| | Square Feet | Parking Provided | Ratio |
| Apartments | | | |
| Commercial | 39,600 | 121 | 3/1000 |
| Site Area | 1.75 AC | | |

General Notes:

This concept expands the parking area to Urbana Avenue to allow for taller buildings, adding additional commercial square footage.

Goodyear Site - Concept 2



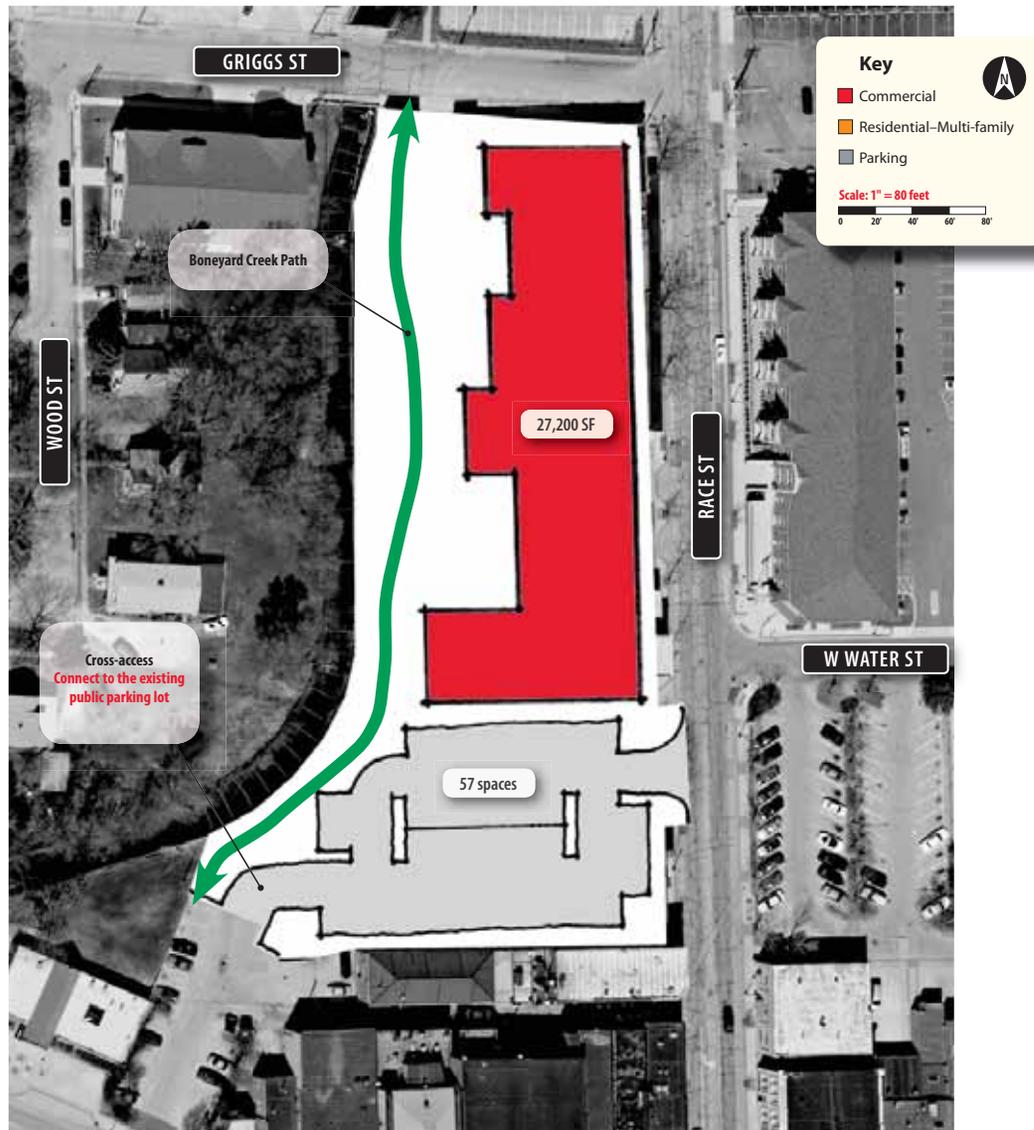
| Land Use Table | Square Feet | Parking Provided | Ratio |
|--------------------------|--------------|------------------|----------|
| Apartments | 33 units | 50 | 1.5/unit |
| Commercial | 4750 (exist) | 7 | 1.5/1000 |
| Public Parking (surface) | | 57 | |
| Site Area | 2.2 AC | | |

General Notes:

This concept creates a public parking lot on the south side end of the site and connects with the public lot directly west of the site. The existing Cosmetology school could take advantage of the new public parking. The apartments have dedicated parking with cross access between lots.

Denny's Site - Concept 1

Prepared by: Hitchcock Design Group
 Prepared for: City of Urbana
 March 8, 2011



| Land Use Table | | | |
|-----------------------|-------------|------------------|--------|
| | Square Feet | Parking Provided | Ratio |
| Residential | 0 units | 0 | 0/1000 |
| Commercial | 27,200 | Adj. Public pkg | 0/1000 |
| Public Parking | | 57 | |
| Site Area | 2.2 AC | | |

General Notes:

This concept relies on adjacent public parking to supplement the lack of on-site parking. It also focuses attention on the Boneyard and provides opportunities for the businesses to create outdoor spaces that take advantage of the creek improvements. Height and depth of the building can vary.

Denny's Site - Concept 2

Prepared by: Hitchcock Design Group
 Prepared for: City of Urbana
 March 8, 2011