



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES
Planning and Economic Development Division

m e m o r a n d u m

TO: Bruce Walden, Chief Administrative Officer

FROM: John G. Regetz, Manager, Economic Development Division

DATE: July 23, 2004

SUBJECT: Report on Economic Conditions in the Sunnycrest/Philo Road Business District

Introduction

This report is intended to review the current economic conditions of the Sunnycrest/Philo Road Business District. The neighborhood has experienced the closure of several large retailers in the past two years. The closing of Kmart, Jerry's IGA, and previously, the Jewel Store, has caused concern within the community, City Council and staff. To determine what action could be taken to address this issue, a review of current neighborhood economic conditions and subsequent study is warranted. This report should provide the initial information base for upcoming study and Council policy decisions.

Much background information is currently available from the Comprehensive Plan process, specifically the Existing Conditions Report, Focus Groups, Neighborhood Open Houses and Workshops and Resident Survey. The Public Works' Capital Improvements Construction Plan and Extra Territorial Jurisdiction Area Plan (ETJA) also provide infrastructure development information.

The Sunnycrest/Philo Road Business District is centered on the 1700 to 2000 blocks of south Philo Road and is generally circumscribed by Florida Avenue to the north, Mumford Drive to the south, Cottage Grove Avenue to the west, and Sunnycrest 1 and 2 Apartments to the east. The area contains a mixture of neighborhood commercial business ranging from financial, insurance, and real estate services, to retail, restaurants and convenience stores. The Sunnycrest/Philo Road Business District is anchored in the Southeast Urbana Business District as exhibited in the attached map from the "2002 Comprehensive Plan Update – Existing Conditions Report". The surrounding neighborhoods contain moderate to upscale single-family housing and multi-family housing, as well as commercial uses.

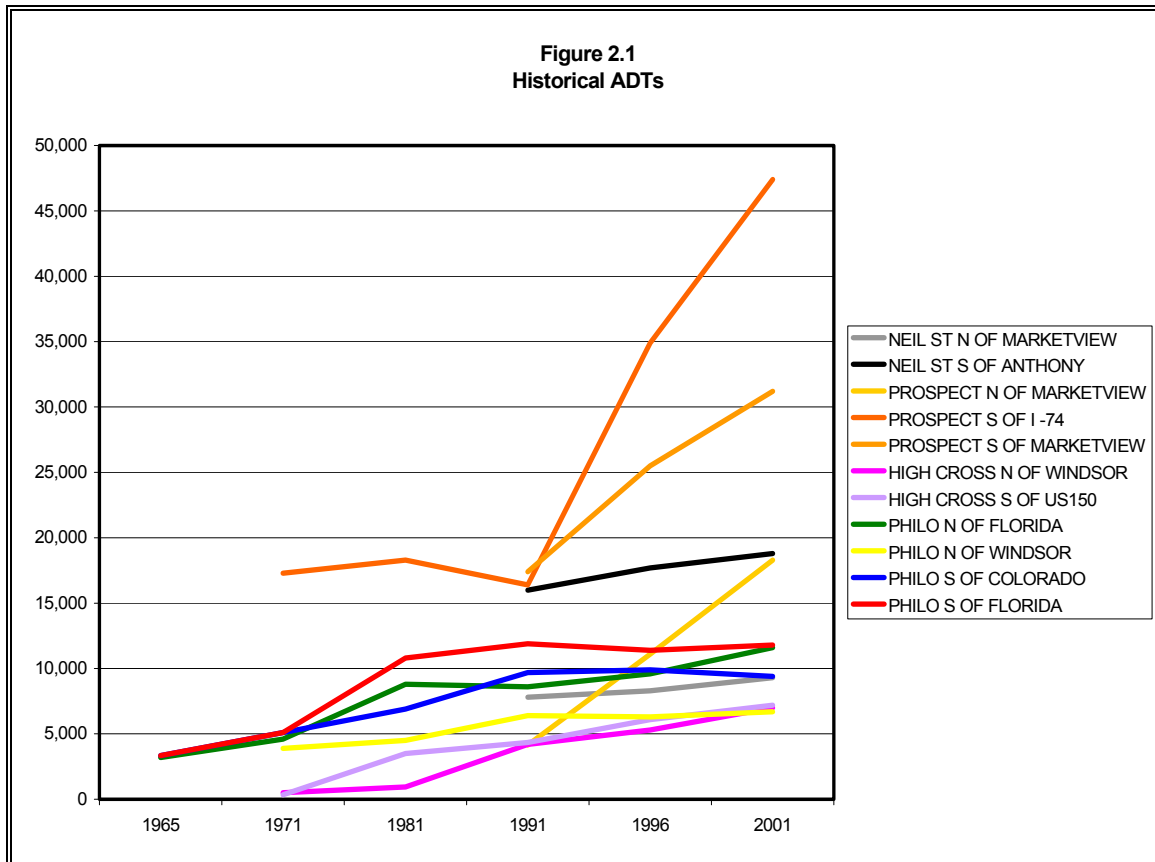
History

The Sunnycrest/Philo Road Business District served as a regional retail district in the 1960s, 1970s, and 1980s. Stores, such as IGA and Walgreen's, were anchors in the Sunnycrest Mall. Other prominent retailers, such as Kmart and Kroger, were also former residents of the area. These retailers accessed their markets via Illinois Route 130, which ran on Philo Road until 1991, when it was relocated east to High Cross Road. High Cross Road/Route 130 now serves as the major north-south arterial, connecting to the major east-west arterial, Windsor Road. Philo Road is now a minor arterial conveying neighborhood traffic to and from Windsor and High Cross Roads. The 1993 ETJA summarizes the anticipated impact of the highway system. "The connection of Windsor Road will have significant impact on southeast Urbana. This connection is now complete from Illinois Route 130 to U.S. Route 45 and beyond to southwest Champaign. Southeast Urbana has long been planned as a target for residential growth. Without the connection of Windsor Road, this area had been isolated from Route 45, the University of Illinois and southwest Champaign. The extension of Windsor opens a significant corridor for development in southeast Urbana," P. 22. Average Daily Traffic (ADT) counts increased more rapidly on High Cross Road/Route 130 after 1991. See Table 2.1 and Figure 2.1.

TABLE 2.1 SELECTED AVERAGE DAILY TRAFFIC [ADT] COUNTS						
Street	1965	1971	1981	1991	1996	2001
PHILO N OF FLORIDA	3200	4600	8800	8600	9600	11600
PHILO S OF FLORIDA	3350	5100	10800	11900	11400	11800
PHILO S OF COLORADO	3350	5100	6900	9700	9900	9400
PHILO N OF WINDSOR	NA	3900	4500	6400	6300	6700
HIGH CROSS S OF US150	NA	350	3500	4350	6100	7200
HIGH CROSS N OF WINDSOR	NA	500	950	4200	5300	7000
PROSPECT S OF I-74	NA	17300	18300	16400	34900	47400
PROSPECT N OF MARKETVIEW	NA	NA	NA	4150	11100	18300
PROSPECT S OF MARKETVIEW	NA	NA	NA	17400	25500	31200
NEIL S OF ANTHONY	NA	NA	NA	16000	17700	18800
NEIL ST N OF MARKETVIEW	NA	NA	NA	7800	8300	9300

Source: CUUATS

At this same time, Prospect and Neil Streets north of I-74 opened and saw significant growth in ADT counts. The routes served the developing "big box" mass merchandising area that became the current regional retail center. Also, ADT increases were seen on south Neil Street. It is interesting to note that Philo Road traffic counts remained relatively level after 1991.



Strong shifts in the national retail market continued throughout this timeframe. Mass merchandisers became “big boxes”, and then became super and mega centers. With the super-sizing of retail chains, specified store designs and interstate freeway access to achieve higher levels of customer convenience became standard facility criteria. This is locally evidenced by relocation decisions made by the Best Buy and Menards Corporations. Smaller scale retail business likewise focused on accessed-based real estate performance standards. Even in the Sunnycrest/Philo Road Business District stores moved into larger spaces to accommodate a broader selection of merchandise, or ceased operations, and other retailers took their space. IGA moved to the former Kroger’s building from Sunnycrest Mall, Busey Bank moved to that vacated space, Kennedy’s restaurant moved to the Stone Creek development, Jewel/Osco moved into the former Eisner’s building, and Osco built a new store on a former restaurant site when Jewel closed.

Some established major retailers did not adapt to the changing performance-based retail market. For example, Kmart Corporation could not keep pace with the increasingly competitive retail market, and soon fell behind competitors, such as Wal-Mart and Target. The retailer saw declining market shares in spite of its later efforts to super-size and discount its merchandising approach. In March of 2002, the discount icon announced the closure of 284 stores and in July 2003, the Kmart at 1710 Philo Road was closed. See Table 2.2.

Finally, in June of 2004, the Kmart Supercenter at the intersection of North Prospect and Bloomington Road announced its closure as part of a deal in which Kmart Corporation sold 24 retail locations to Home Depot. Additional retail locations are expected to be liquidated in the near future.

August 2001	BlueLight Always initiated in effort to compete with Wal-Mart. Prices reduced on thousands of items.
August 22, 2001	Second quarter loss of \$95 million reported.
October 20, 2001	Kmart announces nearly 1,300 stores could be converted to Supercenters.
November 27, 2001	Third quarter loss of \$224 million reported.
January 3, 2002	Kmart shares down nearly 14 percent to a 30 year low on investor bail out.
January 22, 2002	Kmart files for Chapter 11 bankruptcy protection.
March 8, 2002	Kmart announces 284 store closures, resulting in the firing of 22,000 workers.
January 14, 2003	Kmart announces 323 impending store closures, including the store at 1710 South Philo Road.
June 17, 2004	Kmart announces impending closure of North Prospect store.

Source: Detroit News

Current Uses

The commercial buildings in the Sunnycrest/Philo Road Business District serve a variety of neighborhood business purposes as seen in the attached Business District Map. The most prominent uses are drug & discount centers, grocers, video stores, convenience stores, gas stations, hardware, fitness centers, professional offices, personal grooming, and finance, insurance and real estate services. A more comprehensive usage is listed in the attached Sunnycrest/Philo Road Commercial Area Business Inventory. New businesses such as the Grapevine Boutique and Razzle Dazzle represent target niche markets that may hold potential and are described in the attached news release. Based upon the space inventory, there is a 34% vacancy rate for the area and 89% of that vacancy is due to four buildings that include, two mass merchandisers, a grocery store and an institutional building.

The current zoning for most of Sunnycrest is a mixture of B-1 and B-3 General Business. The current Comprehensive Plan designation for the Sunnycrest commercial area is “Commercial”. Staff is in the process of completing an update to the current 1982 Comprehensive Plan. Within the draft update the Comprehensive Plan Steering Committee has recognized the Sunnycrest Area is appropriate for “Community Business Uses”. Their category describes business development that would serve the community but not quite on a regional scale. Draft future land use maps for the Comprehensive Plan Update also describe a possibility for a mix of residential uses as a possible redevelopment scenario in parts of Sunnycrest. (See attached map).

The current use profile of southeast Urbana indicates neighborhood commercial employment of property. Those goods and services that lend themselves to convenience, necessity or niche markets that serve residential neighborhoods are established there. Some entrepreneurs have

examined the area with intentions of opening new and unique businesses that serve the surrounding neighborhoods. Efforts to assist owners of vacant buildings continue and are illustrated in the attached Southeast Urbana marketing profile.

Development Patterns

The service area of the Sunnycrest/Philo Road Business District includes the fastest growing neighborhoods in Urbana. Southeast Urbana has experienced significant housing and commercial growth and is poised for additional development. Additional office, housing and retail development along the South Philo and Windsor Road corridors will increase the area’s commercial potential, as well as provide some competition to the Sunnycrest/Philo Road Business District.

Current demographics show a population growth trend of 6.11% in the immediate area. Households have increased 6.61% in the same period, demonstrating the impact of housing development in the area. An average household income of \$30,136 is the present economic base to support a neighborhood commercial district. Table 4.1 provides more demographic data.

Table 4.1 Demographics			
Description	1 mi.	3 mi.	5 mi.
2001 Total Employees	2,686	31,010	51,004
2001 Total Establishments	248	2,302	4,408
2001 Population	11,711	63,924	106,199
2001 Households	5,504	24,411	42,871
1990-2003 Population Change	690	152	3,635
1990-2003 Population Change %	6.11%	0.24%	3.53%
Household Growth 90-01	341	2,331	4,016
Household Growth 90-01%	6.61%	10.56%	10.33%
2001 Median HH Income	\$30,136	\$23,418	\$27,937
2001 Per Capita Income	\$22,398	\$20,709	\$23,211
% Housing Units Occupied	95.59%	93.95%	93.25%
% Housing Units Vacant	4.41%	6.05%	6.75%
Owner Occupied	53.58%	37.02%	46.75%
Renter Occupied	46.42%	62.98%	53.25%
Average Age	37.84	29.96	32.41
Median Age	38.68	24.14	28.71

Source: Loopnet

Recent notable annexations include Stone Creek development at Windsor Road and Route 130 with 431 acres, East Gate at South Philo and Windsor Roads with 109 acres, Beringer Commons at Route 150 and 130 with 110 acres of land, and most recently, the Golladay Tract with 31 acres of land on the south side of Colorado Avenue just east of Philo Road.

Housing developments in southeast Urbana have grown at increasing rates and are anticipated to continue. The attached Development Trends Map illustrates housing growth and potential areas for new development.

Market Study

To help determine the types of land uses that are most likely to succeed in the Sunnycrest/Philo Road Business District, a study of the market will be conducted. This study will consist of surveys in addition to the review of demographic and development trend data presented in this report. Surveys will be conducted with commercial developers, preferably with housing experience, in order to determine what development types will benefit from current development trends. Another survey will be conducted with members of the Southeast Urbana Neighborhood Business Group to identify desired land uses complimentary to existing businesses in the Sunnycrest/Philo Road Business District. A Web survey will be posted and promoted for the public's input regarding redevelopment goals for the area. Special effort will be made to garner the input of neighborhoods served by the Sunnycrest/Philo Business District.

Surveys have been conducted in Urbana as part of the Comprehensive Plan Update. Written resident comments from its Neighborhood Workshops (2001), Neighborhood Open Houses (2003) and Focus Groups (2003) are attached and provide background information as to the desire of the community regarding redevelopment in the Sunnycrest/Philo Road Business District.

Infrastructure

The Sunnycrest/Philo Road Business District is the locus of intersections for various infrastructures. As a minor arterial, Philo Road accommodates traffic from the feeder streets Colorado Avenue, Florida Avenue and Mumford Drive within the business district. This currently generates average daily traffic counts of 9,900 south of Florida Avenue and 9,400 south of Colorado Avenue. (See attached marketing profile).

Improvements to these streets, which will impact the Sunnycrest/Philo Road Business District, are planned and are under construction. The extension of Colorado Avenue and bike path to Stone Creek Boulevard will occur in 2004. Reconstruction of Philo Road from Colorado to Mumford is scheduled for construction in 2006. This \$1.2 million project will widen Philo Road to three lanes and install new curb and gutter and construct the south half of Colorado Avenue east of Philo Road. Florida Avenue bike paths are scheduled for extension in 2006 and 2007. The attached ten-year construction map illustrates scheduled infrastructure improvements. These road extensions will link the Sunnycrest/Philo Road Business District directly to some of the fastest growing residential developments in the region.

Bike paths are established in the neighborhood, including a path on Philo Road that extends to Windsor Road and the system at Meadowbrook Park.

The Champaign-Urbana MTD services the Sunnycrest/Philo Road Business District seven days a week. Several schedules serve the area, making stops approximately every 15 to 30 minutes from approximately 6:30 a.m. to 11:45 p.m.

Existing Assistance Programs:

Several programs are available to assist businesses in the Business District. The Sunnycrest Area Redevelopment Incentive Program is designated to provide loans and grants to businesses that locate in vacant buildings or provide micro-loans for existing retailers who wish to expand or remodel. Businesses must have retail sales as their primary activity and be in the program area, which is the same as the Sunnycrest/Philo Business District. Details are included in the attached guidelines.

Development agreements in the Sunnycrest Business Development District can be negotiated for projects that provide desired services to the community. These agreements can contain obligations for the developer and the City to realize proposed projects.

Development Finance Programs from the Champaign County Regional Planning Commission can assist businesses to start-up or expand. Funds are available at below market rates, or lower credit requirements and are available for equipment, fixtures, building improvements and working capital. Program descriptions are attached.

Conclusions/Recommendations

This review is the initial phase in the study of economic and land use issues in the Sunnycrest/Philo Road Business District. Further research, including upcoming surveys will provide guidance on issues regarding zoning, marketing efforts, infrastructure investments and other development policies. Study results will also provide information to generate desired redevelopment concepts and scenarios, which can be shared with developers to encourage project generation.

This review of economic data reveals important trends in the Sunnycrest/Philo Road Business District. The area's real estate has been actively traded between existing businesses and new ventures. The business district has evolved into a neighborhood commercial center providing basic and convenience goods and services to local residents. Population in the service area has increased and helped keep several retailers in business.

The Sunnycrest/Philo Road Business District has some of the region's fastest growing residential neighborhoods in its service area. Scheduled infrastructure improvements will provide improved access to these developing neighborhoods. These conditions may present opportunities for the Sunnycrest/Philo Road Business District to stabilize, reduce vacancies and provide goods and services to surrounding neighborhoods.

More study is needed to determine the most feasible types of redevelopment in the Sunnycrest/Philo Road Business District, or changed uses. Completed and analyzed survey information will help identify consumer and development markets. Other issues will need to be considered including:

What types of goods and service are desired in Sunnycrest/Philo Road Business District's market?

What will be needed to stabilize existing businesses and establish new ones?

Some assistance is available, are any other programs needed to assist identified businesses sectors and entrepreneurs?

What practices can be instituted by SE Urbana Neighborhood Business Group do to make the area and current businesses more attractive?

What redevelopment should be done with sites that no longer have commercial viability?

What impact will development along Route 130 have on the Sunnycrest/Philo Business District and how should redevelopment be adjusted.

Attachments

A - Neighborhood Map

B - Sunnycrest/Philo Business District Map

C - Building Inventory Table

D - New Business News Release

E - Zoning Map

F – Draft Comprehensive Plan Update Future Land Use Map

G - Southeast Urbana Marketing Profile

H - Development Trends Map (not available electronically)

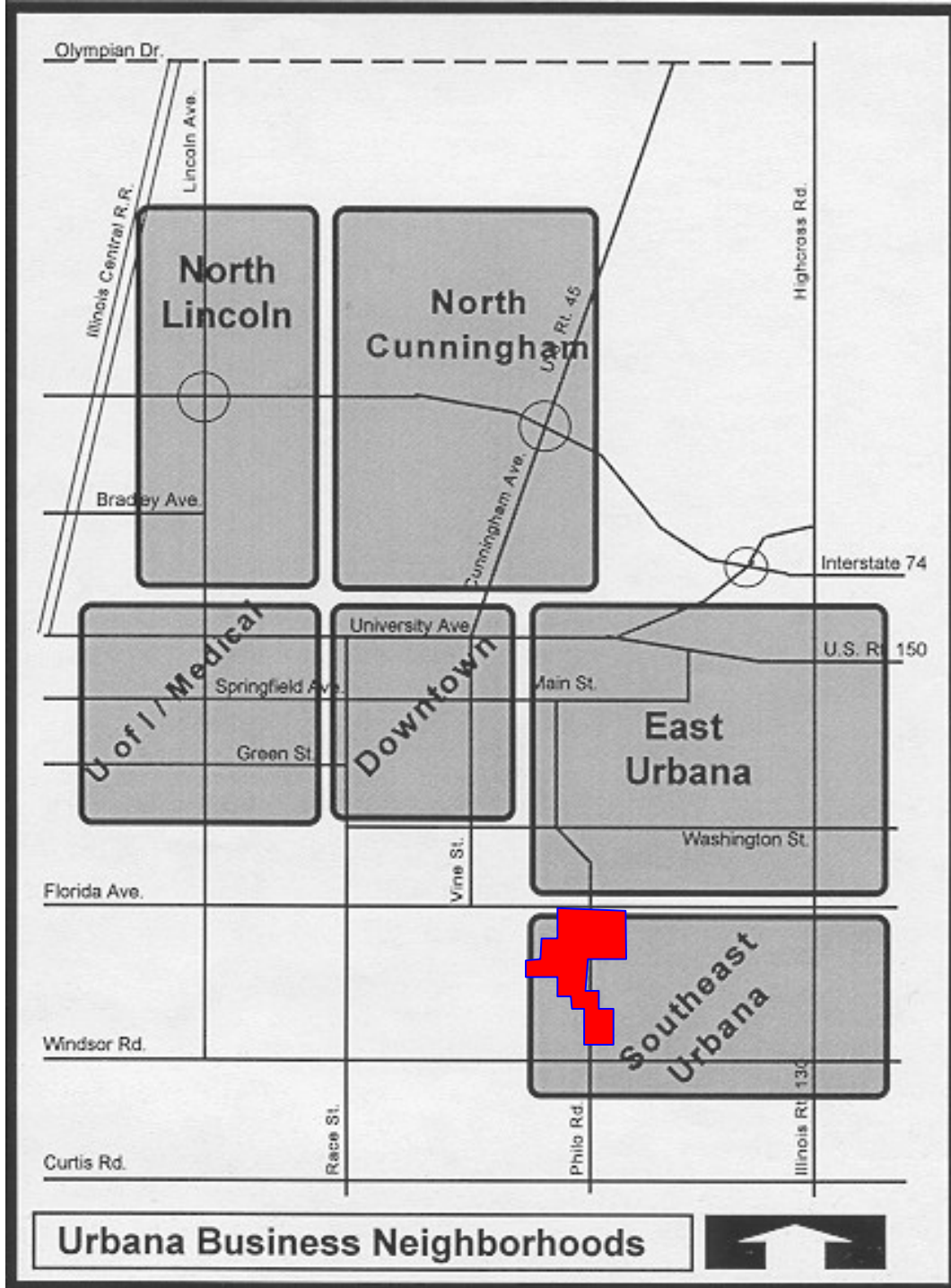
I - Written Survey Responses

J - Ten-Year Construction Map

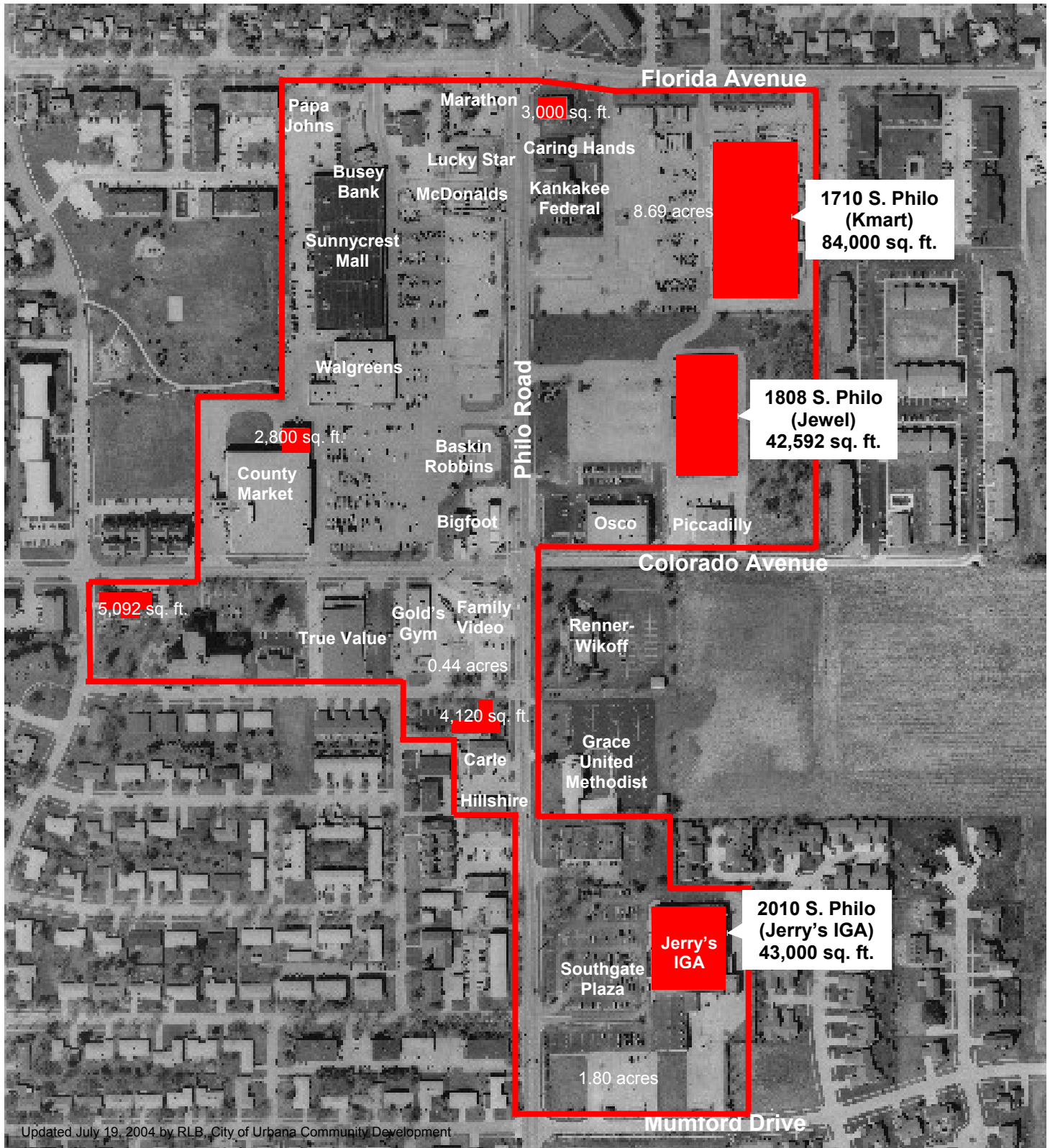
K - Urbana Sunnycrest Area Redevelopment Incentive Program Guidelines and Map



L - CCRPC Finance Program Brochure (Not available electronically)

Neighborhood Business Map - 2001



SUNNYCREST/PHILO ROAD AREA



-  Available Building
-  Area Boundary

SUNNYCREST/PHILO ROAD
BUSINESS DISTRICT



ATTACHMENT C

Sunnycrest/Philo Road Commercial Area Business Inventory

Current as of July 2004

Address	Business Name/Former Use	Sq. Ft.	Type	Use
1101 E. Colorado Ave.	(Kinder Care)	5,092	Pr/S	Vacant
1209 E. Colorado Ave.	Sunnycrest Dental Clinic	~5,000	Pr	Dental
1303 E. Colorado Ave.	True Value Hardware	18,000	R	Retail/Hardware
1305 E. Colorado Ave.	Gold's Gym	~10,000	Rec	Recreation/Gym
1307 E. Florida Ave.	Papa John's Pizza	~3,000	F	Pizza
1311 E. Florida Ave.	Bradley Street Daycare Center	part of	S	Day Care
1315 E. Florida Ave.	Curves for Women	1717 S.		
1317 E. Florida Ave. #27	PACE Inc.	Philo		
1405 E. Florida Ave.	Majestic Day Spa			
1405 E. Florida Ave.	Mystic Tan	3,000	S	Tanning
1405 E. Florida Ave.	State Farm Ins. (Bob Bone)		Pr	Insurance
1405 E. Florida Ave.	Way To Go Travel Agency		Pr	Travel
1508 E. Colorado Ave.	Piccadilly's	~7,000	R	Retail/Liquor
1701 S. Philo Rd.	(Marathon)	1,000	A	Auto/Gas
1702 S. Philo Rd.	(Payless Shoe Source)	3,000	R	Vacant
1703 S. Philo Rd.	Lucky Star Chinese	3,000	F	Restaurant/Chinese
1704 S. Philo Rd.	Caring Hands Animal Hospital	3,000	Pr	Veterinarian
1705 S. Philo Rd.	McDonald's	4,000	F	Restaurant/Fast Food
1708 S. Philo Rd.	Centrue Bank	3,000	Pr	Financial/Bank
1710 S. Philo Rd.	(Kmart)	84,180	R	Vacant
1717 S. Philo Rd.	(Sunnycrest Mall Bldg.)		Pr/R	Retail/Office/Services
1717 S. Philo Rd.	American General Finance		Pr	Financial
1717 S. Philo Rd.	ASPCA Animal Poison Control Center		O	Organization
1717 S. Philo Rd.	Busey Sunnycrest Banking Center		Pr	Financial/Bank
1717 S. Philo Rd.	Country Companies Insurance		Pr	Insurance
1717 S. Philo Rd.	Dollar Mart		R	Retail/General
1717 S. Philo Rd.	Follmer Law Offices		Pr	Legal
1717 S. Philo Rd.	Gigglepop.com		T	Technology
1717 S. Philo Rd.	Illinois Department of Revenue		G	Government/Office
1717 S. Philo Rd.	Margarita's Mexican Restaurant	72,000	F	Restaurant/Mexican
1717 S. Philo Rd.	Paul E. Lewis & Associates		Pr	Legal
1717 S. Philo Rd.	Sunnycrest Barber & Styling		Pr	Barber
1717 S. Philo Rd.	Sunnycrest Mall Office Center		Pr	Property Management
1717 S. Philo Rd.	The Pre-Loved Furniture Shop		R	Retail/Furniture
1717 S. Philo Rd.	Tom Berns, State Representative		G	Government/Office
1717 S. Philo Rd.	U S Postal Service		G	Postal
1717 S. Philo Rd. #12	Edward Jones Investments		Pr	Financial/Investment
1717 S. Philo Rd. #17B	Grapevine Boutique		R	Retail/Apparel
1717 S. Philo Rd. #26	Razzle Dazzle		R	Retail/Gifts
1717 S. Philo Rd. #28	Lisa's Hair Design		S	Beauty/Hair Salon
1805 S. Philo Rd.	First Wok	1,500	F	Restaurant/Chinese
1808 S. Philo Rd.	(Jewel)	42,592	R	Vacant
1809 S. Philo Rd.	Mikhail's Shoe & Luggage Repair	1,500	S	Shoe & Luggage Repair
1809 S. Philo Rd.	Packages to Go Inc.	1,500	R	Retail/Boxes/Packaging
1809 S. Philo Rd.	Personal Touch Dry Cleaning	1,500	S	Dry Cleaning
1809 S. Philo Rd.	Walgreen Drug Store	12,000	R	Retail/Drug Store
1809 S. Philo Rd.	Wireless Mike's	2,000	M	Communications

Current as of July 2004

Address	Business Name/Former Use	Sq. Ft.	Type	Use
1813 S. Philo Rd.	Baskin Robbins	1,000	F	Ice Cream
1815 A S. Philo Rd.	(County Market Strip)	1,400	R	Vacant
1815 B S. Philo Rd.	(County Market Strip)	1,400	R	Vacant
1815 S. Philo Rd.	Charley's Sunnycrest Salon	1,400	S	Beauty/Hair Salon
1818 S. Philo Rd.	Osco Drug	15,000	R	Retail/Pharmacy
1819 S. Philo Rd.	Bank Illinois	1,000	Pr	Financial/Bank
1819 S. Philo Rd.	County Market	60,000	R	Retail/Grocery
1821 S. Philo Rd.	Mac's Amoco	2,000	A	Auto/Gas
1901 S. Philo Rd.	Family Video	7,000	E	Video Rental
2001 S. Philo Rd.	(Sunnycrest Prof. Center)	4,120	Pr	Vacant
2003 S. Philo Rd.	Carle Southeast Urbana Clinic	2,500	Med	Medical
2005 S. Philo Rd.	5 Star Travel & Tour Inc.	1,000	Pr	Travel
2005 S. Philo Rd.	Hillshire Realty	1,500	Pr	Real Estate
2006 S. Philo Rd.	(Urbana Nursing Home)	12,950	Pr	Vacant
2010 S. Philo Rd.	(Jerry's IGA)	43,667	R	Retail/Grocery
2012 S. Philo Rd.	Dollar General Store	6,300	R	Retail/General
2018 S. Philo Rd.	HairTastics	1,400	S	Beauty/Hair Salon
2020 S. Philo Rd.	Noraian D.D.S., Gerstein D.D.S.	1,750	Pr	Dental/Periodontist
2022 S. Philo Rd.	Pro Nails	1,050	S	Beauty/Nails
2024 S. Philo Rd.	Denny's Cleaners	1,400	S	Dry Cleaning

* (Business Names in parentheses are former uses, structures are currently vacant)

Total Occupied Space: ~375,000 sq. ft.

Total Vacant Space: ~204,000 sq. ft.

Total Commercial Space: ~579,000 sq. ft.

% Vacant: 35.2%

ATTACHMENT D

Three Women Open Three New Retail Stores At Sunnycrest

Recently, there has been a resurgence of retail at Sunnycrest Mall, thanks to three women opening up three new businesses to add to the variety already found in the commercial center located at Philo Road and Florida Avenue.

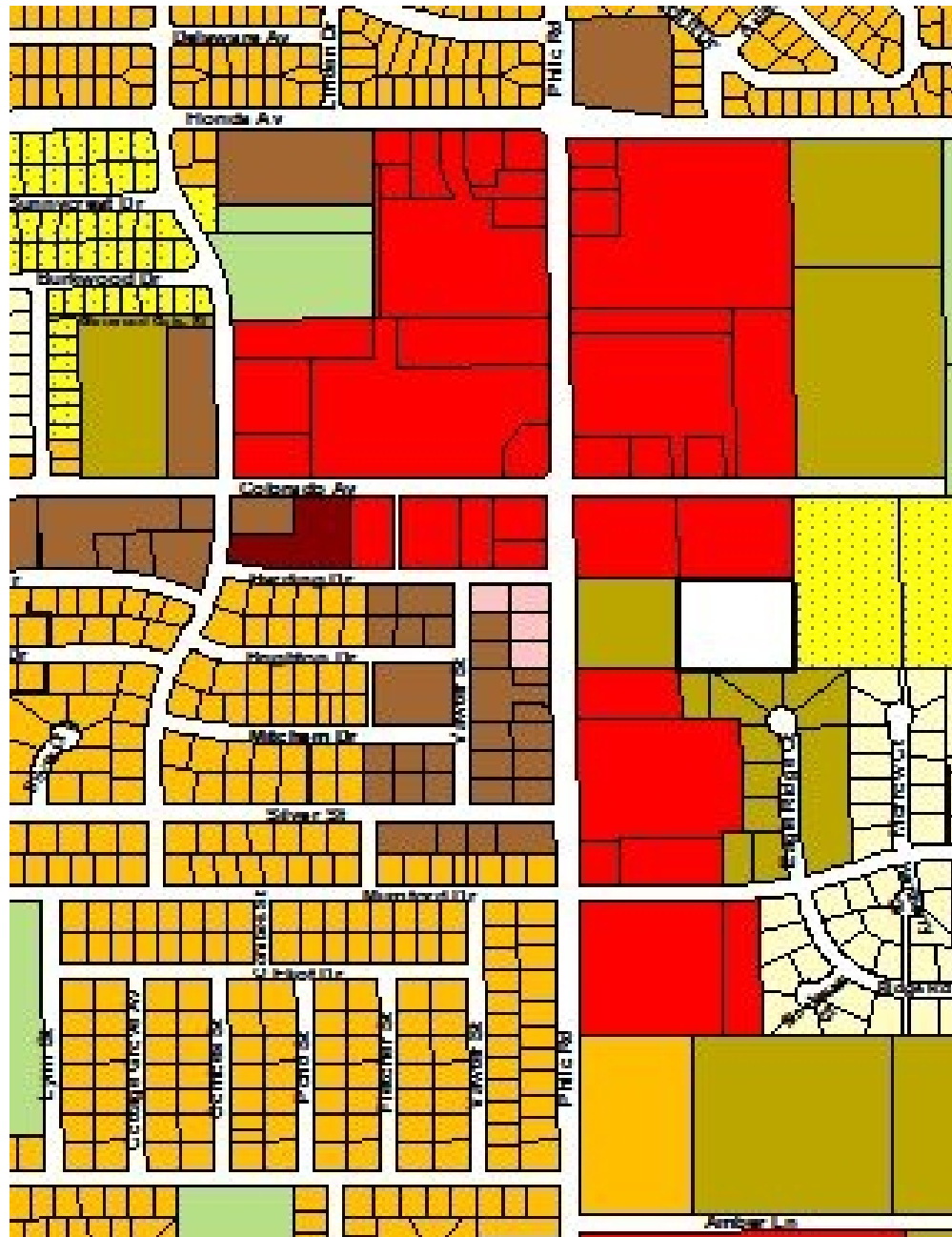
On September 1, Carol Davis-Hargest opened a new store called Grapevine Boutique, devoted to providing beautiful fashions for voluptuous women. It includes mostly formal apparel with some casuals and accessories mostly for women between the sizes of 10 and 34. The store is also staffed by Rachel Blanding, and is located at Suite 17-B in Sunnycrest Mall, 1717 S. Philo Rd., right near Margarita's Restaurant. They are open from 10-6 on Monday through Friday and 10-3 on Saturday's, and can be reached at 384-9042 or 384-9052.

Almost right next door is another new store, this one specializing in buying and selling slightly used furniture. It is called The Pre-Loved Furniture Shop and should be open by the time you read this. Owner Marilyn Milner said that her store will target students and other individuals looking for furniture in great condition at a wide variety of prices. People that otherwise might spend days looking through garage sales or other second-hand stores to find furniture in only unknown condition, will be able to find better quality items all in one place. She also stated that if people have furniture that is in very good condition, she will pay for it and either accept it at her store, or will pick it up. The Pre-Loved Furniture Shop is located in Suite 15 at Sunnycrest Mall, right near Grapevine Boutique, and can be reached at 344-7744.

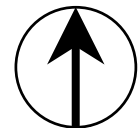
A third new store opened just recently moved to Sunnycrest Mall from a former location on Springfield Ave. in Champaign. Razzle Dazzle, run by owner Lisa Clark, specializes in all sorts of unique gifts, collectibles, candles, kitchen items, baby gifts, and balloon delivery. Her beautiful store is the perfect place to shop when looking for anything unique for a special occasion or "just because". Her stock is changing all the time, and there is currently a sale on certain items. You can learn more about what Lisa's store has to offer by checking out her website, www.myrazzledazzle.com, visiting the store yourself at Suite 26, Sunnycrest Mall (near Dollar Mart), or calling 255-9310.

If you haven't been there in a while, these three new businesses provide a good reason to stop over at Sunnycrest Mall again. Lisa, Marilyn, and Carol are certainly enjoying their new location, saying that Sunnycrest is "it's own little community". The quality of their new stores is a great asset to an already thriving Sunnycrest, so be sure to stop and shop and see what these three woman with a vision have to offer.

ATTACHMENT E

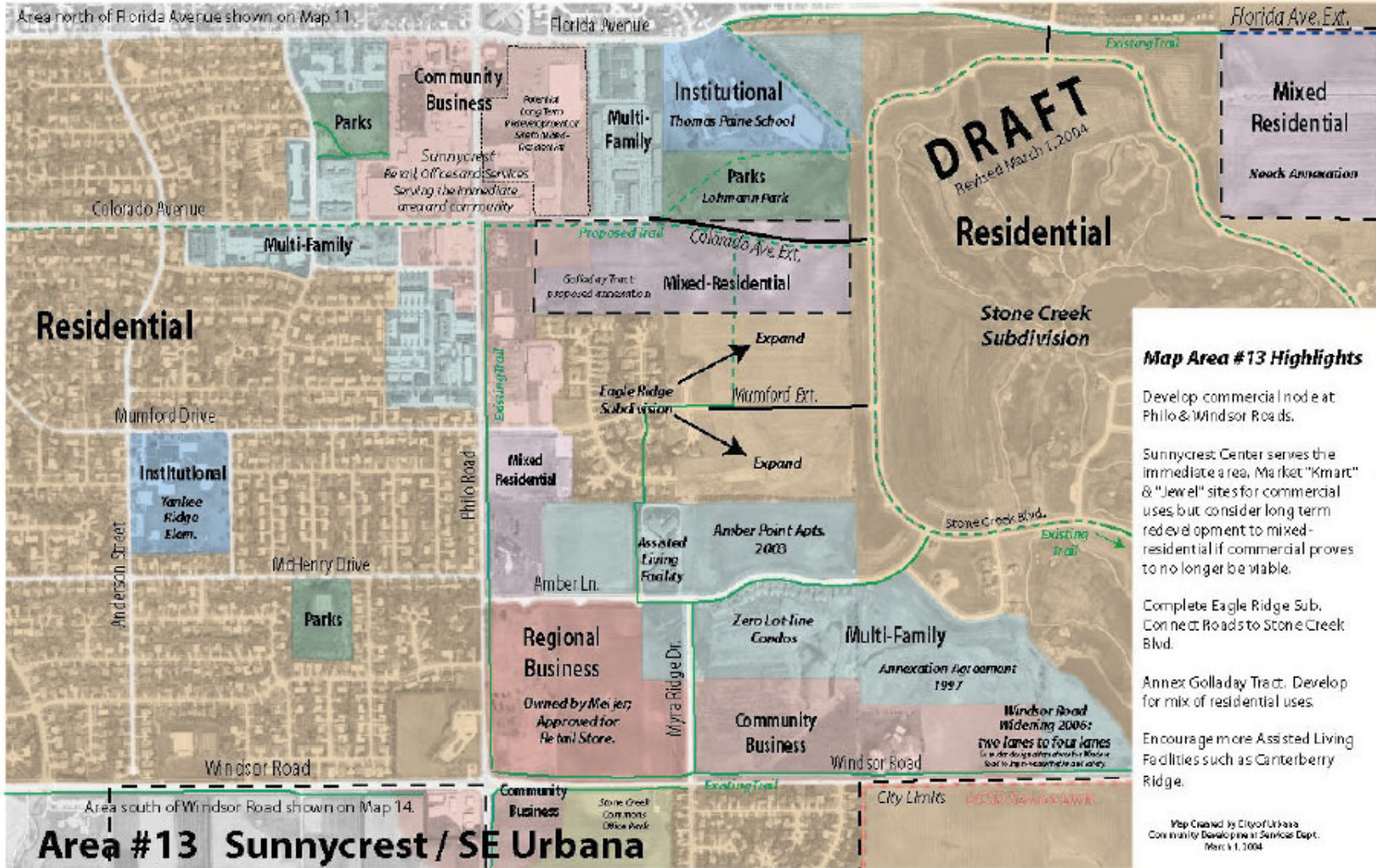


SUNNYCREST/PHILO ZONING

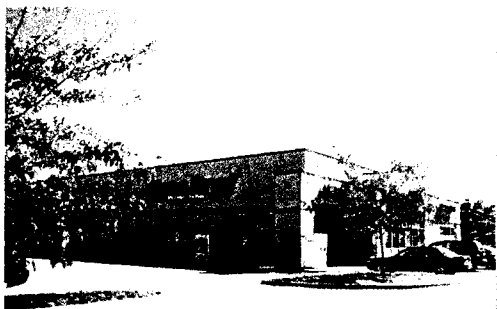


- | | | |
|---|---|---|
| AG Agriculture | IN Industrial | R5 Medium High Density Multiple Family Residential |
| B1 Neighborhood Business | MIC Medical Institutional Campus | R6 High Density Multiple Family Residential |
| B2 Neighborhood Business - Arterial | MOR Mixed Office Residential | R6B High Density Multiple Family Residential - Restricted |
| B3 General Business | R1 Single - Family Residential | R7 University Residential |
| B3U General Business - University | R2 Single Family Residential | Business Development and Redevelopment (BDR) |
| B4 Central Business | R3 Single and Two- Family Residential | BYC/BDR common boundary |
| B4E Central Business - Expansion | R4 Medium Density Multiple Family Residential | Boneyard Creek District (BYC) |
| CRE Conservation- Recreation- Education | | Corporate limits |

ATTACHMENT F Draft Comprehensive Plan Update Future Land Use Map



SOUTHEAST URBANA



Area Description:

Southeast Urbana serves an integral role in serving the retail needs of the surrounding community. Everything from banks, hardware stores, and travel agencies to boutiques, grocery stores, and dry-cleaners exist here, in what is one of Urbana's most prominent retail areas. All of these businesses have benefited from tremendous residential growth nearby over the past couple years. Almost 200 single-family and over 100 apartment units have been built nearby in the past year alone. There are still opportunities for development and redevelopment to take advantage of this ongoing growth.

Major Roads: Florida Ave., Philo Rd., Colorado Ave., Windsor Rd.

Sample Area Businesses: County Market, Walgreens, Osco Drug, Jerry's IGA, McDonald's, Kankakee Federal Savings, Busey Bank, True Value, Gold's Gym

Incentives: Sunnycrest Area Redevelopment Incentive Program

DEMOGRAPHICS

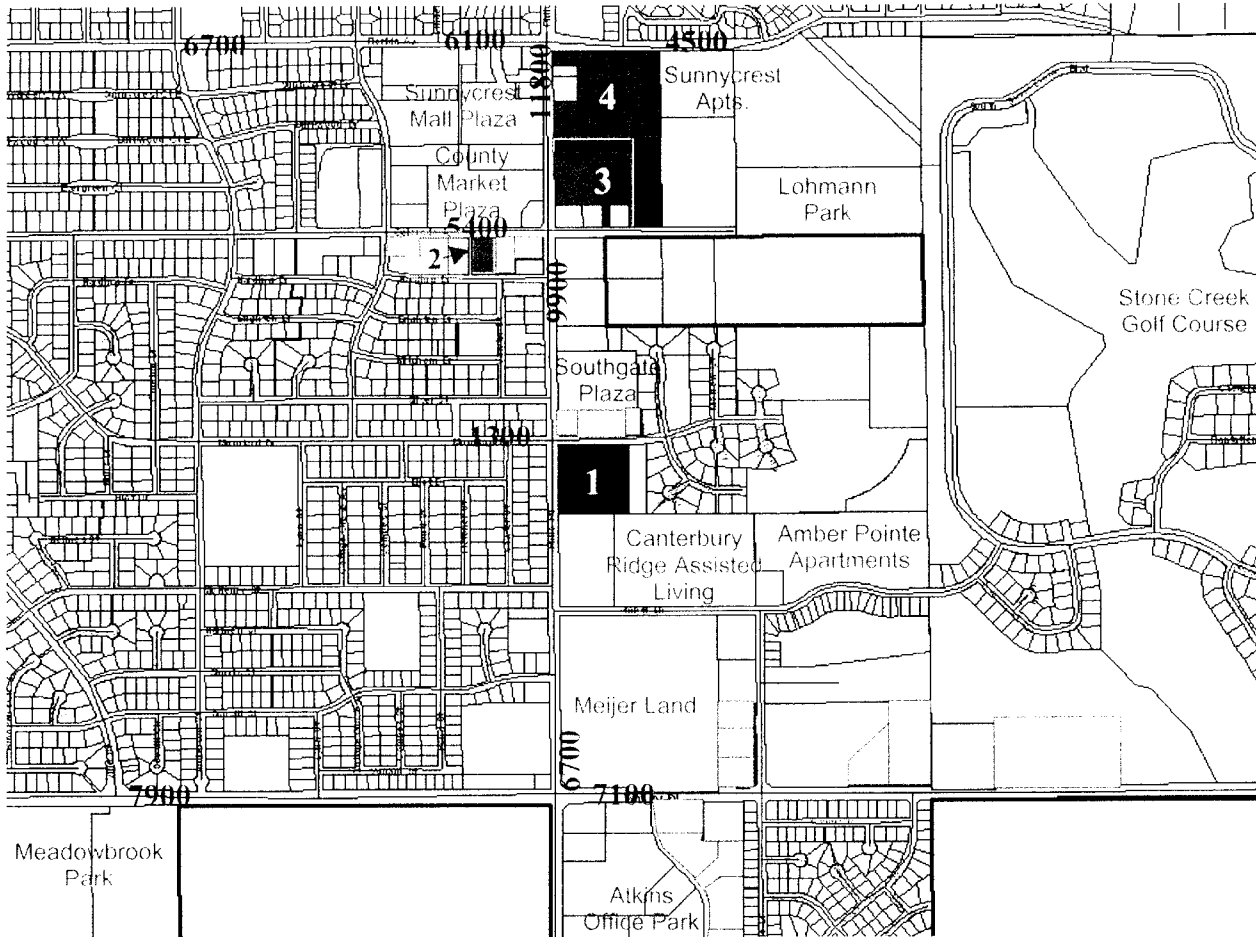
	1 Mile	3 Miles	5 Miles
Total Employees	2,319	29,891	51,095
Total Establishments	192	2,206	4,413
Population	11,350	63,230	106,289
Households	5,281	24,144	42,903
% Pop Growth 90-01	4.41	0.61	2.55
Median HH Income	\$31,381	\$23,535	\$27,975
Per Capita Income	\$23,657	\$20,937	\$23,215





*Based on 2001 Data

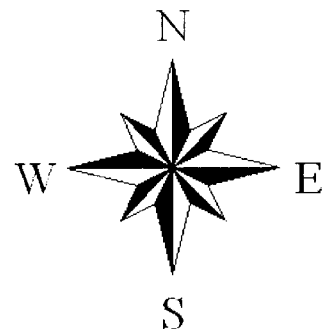
AVAILABLE BUILDINGS & SITES

#	LOCATION	DIMENSIONS	CONTACT	PHONE #	ZONE	PRICE
1	SE Corner Philo & Mumford (Land)	5.53 Acres	David Barr	(217)356-1873	B3	call
2	1815 A & B S. Philo Rd. (Retail)	2,800 sq. ft.	Chuck Smith	(217)352-7712	B3	\$2,800/mo
3	1808 S. Philo Rd. (Large Retail)	42,592 sq. ft.	Bob Venable	(217)398-8600	B3	\$1.5M or \$4/ft
4	1710 S. Philo Rd. (Large Retail)	84,000 sq. ft.	David Barr	(217)356-1873	B3	call

SOUTHEAST URBANA



-  City Boundary
-  Available Buildings
-  Available Sites
-  Streets
- ADT** Average Daily Traffic



ATTACHMENT I

**SUNNYCREST/PHILO COMMENTS
PREVIOUS SURVEYS FROM COMPREHENSIVE PLAN
UPDATE NEIGHBORHOOD WORKSHOPS -2001**

Neighborhood Workshops

Need More Businesses – 168 Responses

Perhaps the most frequent response to the question of Urbana’s weakness was the need for more businesses in the community. Many people indicated that there are too few shopping opportunities in Urbana and that they are forced to travel to other areas to shop. Although there is a desire for more commercial development, many people wanted to limit urban sprawl and focus on the redevelopment of downtown. It was also noted that there needs to be more small scale neighborhood business opportunities in close proximity to where people live. Participants in all workshops made the correlation between the need for more retail sales tax to help offset high taxes.

Strengths – South Urbana	Responses
Availability of commercial areas (S. Philo Rd) but no large mall area or big-name retailers	5

Weaknesses – Historic East Urbana & Fairlawn Park	Responses
Loss of central businesses and lack of development and redevelopment in Sunnycrest Mall and Lincoln Square. Development has been haphazard and not made easily accessible from residential neighborhoods (examples: not enough nearby grocery, hardware stores, or restaurants)	8

Improvements – All of Urbana	Responses
Recruitment and establishment of sustainable commercial development	14
a. Revival of downtown and its corridors	
b. Specific areas for development include: Lincoln Square, Sunnycrest, Campus to Downtown and Downtown to Crystal Lake	

Weaknesses – South Urbana	Responses
Lack of new development or redevelopment that results in high taxes – need for more economic diversity, and development of areas, including Sunnycrest Mall, Lincoln Square, and the Downtown before new development. Suggestions for development: more retail along Philo Rd, movie theatre, and more diverse shopping opportunities	19

Poor maintenance of apartment buildings and housing, partly a result of absentee landlords. Suggestions: develop more single-family homes or apartments geared toward families, too much high-density development, need for a better integration of housing types. Dissatisfaction with apartments on Cottage Grove across from Sunnycrest Mall and apartments west of County Market	12
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Poor planning that has resulted in indistinguishable housing and business development lines, inconsistent building quality, haphazard commercial development, signs that are too big and/or tall, inadequate parking for apartments, and poor zoning of Sunnycrest Mall 9

Need for more landscaping and bike and pedestrian paths that would encourage less automobile traffic that is often too fast. Suggestions: a better crossing at Philo Rd, more recreation programs, decrease amount of paved land that is not relieved by landscaping of some sort. 5

Weaknesses – All of Urbana

Responses

Too much emphasis on development and not maintenance and redevelopment of existing structures – need to redevelop and eliminate vacancies in Lincoln Square, the Downtown, along Cunningham, and Sunnycrest to increase the City’s tax base. Then Urbana can focus on new, planned development and decrease the perception that the City is anti-business. Suggestions include: a movie theatre, light industry, development along I-74 and east of Urbana, toward St. Joseph, upscale clothing stores, and avoidance of developing businesses like Meijer on farmland 50

Poor planning and enforcement and poor government relations with the residents on issues of zoning and development. Includes: poor zoning along Philo, lack of representative from every subdivision on steering committee, political weaknesses, and a lack of children and senior recreation facilities 15

Weaknesses – All of Urbana

Responses

Lack of development/redevelopment in the downtown, on Philo Rd, and in Lincoln Square, resulting in high property taxes – not enough restaurants and family entertainment areas, hardware, jewelry, clothing, and craft stores and the loss of businesses like Motorola 41

Opportunities – All of Urbana

Responses

Opportunities for business development and redevelopment along main roads particularly along the Rte. 45/Cunningham commercial corridor, in the downtown. Opportunities for residential development in the south and southeast (examples given: Philo, Sidney, Tolono, and Savoy), as well as in the far north, south, and east sections of town (examples given: Oak, Cottonwood, & Windsor) 19

Opportunities – South Urbana

Responses

Commercial development and redevelopment of Lincoln Square, Sunnycrest, High Cross Rd west near TK Wendl’s, and along Rte 150. Suggestions for 27

development: coffee shop within walking distance, new office area, land U of I is willing to sell, large retailer (Meijer, SuperK), bookstore, development at corner of Race and Windsor, convenient store on Washington St. near administration building, high-tech industry, no malls, and beautification and redevelopment of Philo Rd.

Improvements – South Urbana

Responses

Maintenance of roads and infrastructure and safety issues – Suggestions: Street-paving and improvements on George Huff, Burlison, Colorado, and Boudreau Streets, slow down traffic on Philo and Windsor to let pedestrians cross, consider traffic flow to reduce number of through streets, maintain sewers and storm drains, widen streets, and a stop sign at Florida and Vine 16

Commercial development and redevelopment of Lincoln Square and Sunnycrest Mall - Suggestions: more upscale shops and services, future development on Curtis Rd to ease traffic flow on Windsor, develop Meijer tract for commercial/entertainment use, a movie theater, and health center 14

Make periphery more attractive to encourage people to visit the city- Suggestion: golf course, improve Windsor & Sunnycrest streetscape 3

Housing – avoid becoming a “gated” community and instead unite residential communities, particularly old with new, offer variety in development, avoid expansion of high density housing south of Colorado and east of Philo Rd, work on slowing degradation of existing homes and apartments (Eagle Ridge and Stone Creek) 9

More and better services – better garbage, leaf, and trash collection, and better city services (plowing, street sweeping) particularly in South Urbana 5

Vision Statements – North Urbana

The City of Urbana needs to concentrate on developing the inner city of Urbana and striving to bring in new businesses to occupy the vacant building and the ones that are going to be vacant – like the old Jewel/ Osco store on Philo Rd. that will be vacant when the school moves out and the County Market building when they vacate.

Development:

What are the major development concerns facing Urbana?

1. Redevelop existing businesses – Sunnycrest, Downtown – Lincoln Ave., Cunningham Ave – Lincoln Square

Other General Notes:

- Development in North Urbana, Lincoln Avenue, Downtown, Cunningham, Lincoln Square, Sunnycrest
- State Street area good density and community feeling -- South Urbana lacks that

Focus Groups

How can we acquire green space in our existing built-up areas? There can be newly created open space areas in existing developments on lots much larger than they need to be, i.e. K-mart parking lot, Sunnycrest lot. Recent zoning amendments allow for a reduction in parking on large commercial parcels. Putting new green space in existing developments may be cost-prohibitive in many cases.

Business retention and expansion is just as critical as attracting new businesses to the city. Long range planning and infrastructure improvements need to be planned for existing commercial and industrial areas such as the Sunnycrest commercial area and the North Lincoln Avenue industrial area.

Neighborhood Open Houses

Also Sunnycrest area needs a Meijer or K Mart etc to service Urbana and keep revenue in Urbana. Let's be honest we pay the taxes and Champaign reaps the revenue because of the Uni. of Ill. and their shopping areas – look what the mall did for some towns. N. Cunningham and Philo Rd are just as good locations.

S. Urbana should have K mart or Meijer or some store that could service the 3 senior housing buildings we have. We in Sunnycrest area housing have been here an average of 35-45 yrs. Mostly Middle or elderly and this area needs to be safe. My suggestion to accomplish this is to distribute Section 8 (not Srs.) thru out the city equally by restricting every area to a limited Sec 8 residents. Ask police and fire depts. and you will realize a once safe area is no longer safe. Hazelwood Mo. Passed an ordinance as to limit each section of the city to Sec 8 and this solved their problem. I am also concerned about Sunnycrest Colorado area becoming littered with trash, papers, shopping carts everywhere! Not a pretty picture for the top class University of Ill to show our visitors.

There should be taxes, etc., encouragement for the redevelopment of existing business area which have been abandoned – e.g. K Mart, Jewel complex – stop taking over farmland. (Do not give large financial breaks to Walmart and the like.)

There is sprawl along arterial highways while downtown, Lincoln Square, have many vacant storefronts! Need new tenants in former K-Mart and Jewel/Osco in Sunnycrest. Need supermarket NE part of town.

There is sprawl along arterial highways while downtown, Lincoln Square, have many vacant storefronts! Need new tenants in former K-Mart and Jewel/Osco in Sunnycrest. Need supermarket NE part of town.

Promote more business to locate in existing vacant buildings and preserve farmland. Urbana needs business, but promote the business to move into current shopping areas, Sunnycrest (empty K-Mart and Jewel). Leave North Urbana alone, the country setting keeps noise down. That is the reason I moved out there, to get away from the city noise. Improvement needs to be made first of all on the City Council. Urbana needs a change there first, to promote new business in the town.

More needs to be done to revive Sunnycrest Mall so that it can once again serve the needs of the people in the area. There's a large non-car-dependent population that needs to be able to meet most of its needs close by. The infrastructure around Philo and Florida continues to deteriorate, and Wal Mart will not help that.

Having shopping far from people's houses means more time in the car and less time for family. More neighborhood stores!!!

Need to revitalize Sunnycrest; not rush to cut up green fields off of High Cross.

1) Parks need to meet the needs of the people. I live within a 10-minute walk of three parks (a good thing), but only enjoy one of them (the small one behind Sunnycrest Mall). Not everybody plays football. 2) Don't let all the fertile black soil be paved over for more low-density housing and to make room for big box stores.

Area of Sunnycrest Mall/K-Mart locations are not significantly being redeveloped and I'm afraid will be drained by bigger commercial developments such as Wal Mart and possibly Meijer.

I understand the "big box" realities; but the City should do whatever it can to redevelop Sunnycrest, Lincoln Square, and Downtown before greenfield sites.

The main commercial area I object to is the NE corner t the intersection of 150 and 130. This is too close to Beringer Commons. We need Commercial development in Urbana but develop areas like Lincoln Sq. – downtown – and Sunnycrest before expanding in urban sprawl.

More effort to develop downtown and Sunnycrest.

We need a general store such as the old K-Mart near Sunnycrest. P.S. I'm willing to pay higher taxes to avoid disturbing the peace and quiet.

There is a huge amount of "sprawl" east with little attention to remodel/vamping degraded housing along Sunnycrest shopping areas and addressing the lack of viable businesses. The building of mulit-family/single-family houses in pomology decreases park atmosphere and the butting up of residential with Meadowbrook's natural areas is in direct contrast of uses.

The business at Sunnycrest is in need of an (ineligible). Neither Wal-Mart nor Meijer will do it. My prime concern is the future of Orchard Downs. It needs planning but not commercial plans. It is a great green belt for housing, and walking, trees. It needs a very careful plan. Big U needs careful watching.

Utilize Sunnycrest. Why can't we have a Meijers in Urbana. I can't even buy a decent spool of thread in Urbana.

Sunnycrest is a failure. It should largely be converted to grass park. Also, Philo Rd. is a tacky, ugly disgrace. This is because rental buildings were permitted to encroach on the residential neighborhood.

Need more definite proposal for use of Sunnycrest. Orchard Downs update – positive.

The business areas in Sunnycrest that are closed should be replaced w/ business we need – not more video stores. Such businesses would include photo-copying services, general merchandise, expansion of the existing hardware store. However, these stores must have a competitive edge by providing merchandise and services not given in No. Prospect area of Champaign.

Section 8 is becoming a challenge. County Market carts, trash, etc. invading Sunnycrest neighborhood. Apts., subsidized etc., becoming disproportionate focus on some mid-range housing with tenants that have ownership pride.

Sunnycrest needs commercial help!

Land use designations for commercial will not get us the redevelopment we want at Sunnycrest. We need a TIF and other incentives.

Our neighborhood is very well balanced, except for the ills of Sunnycrest. The commercial zoning around University Avenue seems proper, no need to spread south.

More space dedicated to Meadowbrook Park. Less focus on commercial development outside of the "Sunnycrest" strip/area.

Commercial development at 150 and High Cross Rd. is not desirable. Keep in Sunnycrest area.

Commercial development should be in the Sunnycrest strip or along Rt. 150. Not at Orchard Downs area or on South Philo Road

There should be no commercial development in the Orchard Downs area. 2) Existing commercial space in Sunnycrest should be redeveloped before other areas are developed.

The areas that have been developed should be improved without making new areas. Lincoln Square/Downtown Urbana and Sunnycrest must get some style, class and more support.

Commercial development of E. Urbana needs to be encouraged. The vacant properties – old K-Mart, old Jewel – on Philo need to be filled. The proposed Wal Mart at 150 and 130 would be good. Tax dollars from Urbana are going to Champaign and Savoy. They need to stay at home!

Apartments have been built on Colorado (E of Philo) north of Colorado by County Market, that do not add to the notion of family oriented. The number of police arrests for violent crimes in this neighborhood has increased markedly in the last 2-3 years. I would be interested to see the actual studies.

A great benefit to the YR area is its close proximity to the IGA, Osco, Walgreens, TrueValue, Video stores on Philo. I can't imagine not being within walking distance of those stores.

Too many businesses are vacant. We need more stores to purchase items we need. The closing of K-Mart and many small businesses affects the quality of life.

Provided that the “new” housing is not additional sprawl, but redevelopment of areas W. of Philo, north of Colorado, etc.

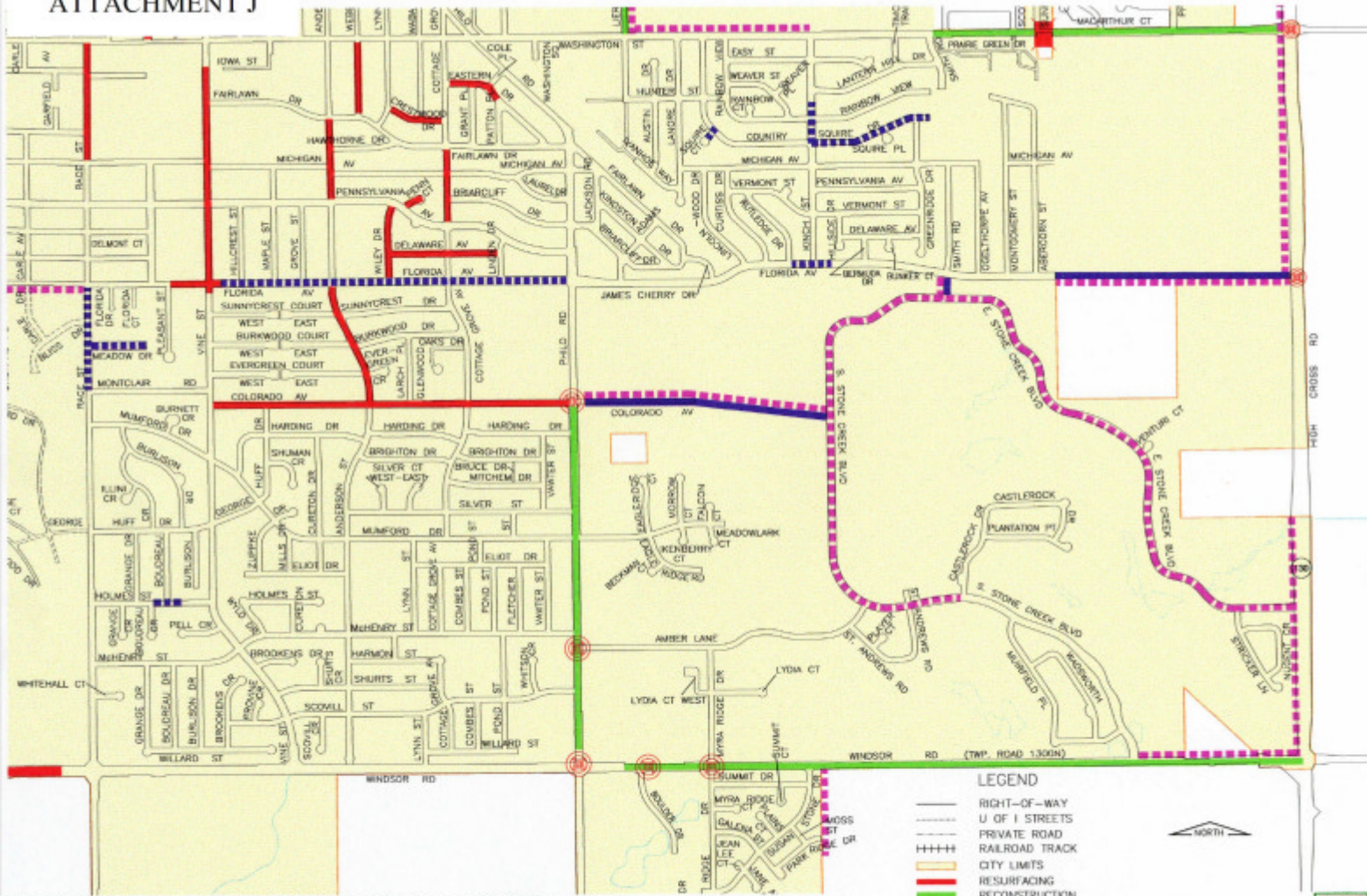
The housing opportunities should be single- and 2- family residential. High traffic areas – i.e. shopping – should be kept on the Philo Road, Windsor Road, and Colorado Ave.

Development of Curtis Rd. to 4-lane for new E-W access to Savoy/Walmart area. Where are stoplights/signs going to handle increased traffic on Philo Rd.?

Don't let Meijer in at the corner of Philo and Windsor I'd rather see an expansion of a neighborhood shopping center like what is going in by Cherry Hills in Champaign. It would be nice to see some clothing retailers like a Kohls. There's a serious shortage of restaurants.

You don't give me the opportunity in question 4 to voice my correct peeve. Philo is getting busier all the time, East of Philo is getting isolated. Eagle Ridge has no adjacent parks. To leave Eagle Ridge (Mumford to Philo) often means taking your life into your hands. For kids to walk, crossing Philo is dangerous.

ATTACHMENT J



PROJECTED 10-YEAR MAJOR STREET RESURFACING, CONSTRUCTION, RECONSTRUCTION, TRAFFIC SIGNALS, BIKE PATHS, AND BRIDGES




DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES
Economic Development Division

Urbana Sunnycrest Area Redevelopment Incentive Program Guidelines

The Urbana Sunnycrest Area Redevelopment Incentive Program is designed to provide a loan/grant incentive for businesses that locate into currently vacant buildings or provide micro loans for existing retail business's wishing to expand or remodel within the area shown on the attached map. The business must have retail sales as its primary use.

Following is a summary of the criteria and guidelines of the program:

- An eligible business located within the defined area can apply for a low interest loan subsidy from the City of Urbana to rehabilitate its building, landscaping, signage, and site, or remodel enclosed commercial mall space. The program is not designed for new building construction.
- The loan/grant incentive program is designed for the reuse of an existing vacant building or a subdivision or remodeling for tenants of a vacant building within the subject area.
- The **Micro Loan** subsidy amount can range from \$3,000 up to \$10,000, or equivalent to the interest amount on a loan at a 5.5% rate. Only **existing retail** businesses are eligible.
- The **Loan/Grant** subsidy amount can range from \$7,000 to \$60,000, or equivalent to the interest amount on such loan at 5.5%. Only **vacant properties with retail re-use** are eligible. Up to 5% of the loan amount will be paid as a grant to the eligible loan applicant upon issuance of a certificate of occupancy.
- The City of Urbana will pay the loan subsidy to the participating lending institution that is underwriting the financial agreement of the applying business by agreement.
- Retail uses must have at least 75% of their floor space devoted to sales/display to qualify, as determined through review by City staff.
- The subsidy must be used for the business improvements, and cannot be used for working capital, property acquisition, or refinancing of an existing debt.
- Applicants must be the owner of record, mortgagor, contract purchaser, or long-term lessee and must receive approval of their application by the City of Urbana and the participating lending institution.
- The lender establishes all underwriting criterion.
- An applicant shall receive no more than one (1) City subsidized amount in a 5-year period.
- The subsidy amount shall not exceed the interest amount on \$120,000 at a 5.5% fixed rate per project (in the case of multiple tenants), as determined by City staff.
- Approval is based on funding availability, compliance with the above guidelines, and overall compliance with the economic development policies of the City of Urbana. Eligibility determinations are made by City of Urbana economic development staff based upon these factors.

For further information, contact:

Kathy Larson
Economic Development Specialist
City of Urbana
Community Development Services Department
400 South Vine Street
Urbana, IL 61801
(217) 384-2319
kalarson@city.urbana.il.us

PROGRAMS

Business Loan Programs

Community Development Assistance Program (CDAP)

Uses: Working Capital
Machinery & Equipment
Land and Building.

Rate: 6% with a 1% loan
origination fee.

Structure: 20% of project cost up to
maximum of 50%.

Amount: Minimum - \$15,000
Maximum - \$750,000

Term: Usually 5—10 years contingent
upon collateral and use of
CDAP funds invested.

Employment: One full-time equivalent job
for every \$15,000 of CDAP
funds invested.

Collateral: Senior position preferred on
identifiable assets.

Location: Within Champaign County
with some restrictions.

Community Services Block Grant (CSBG)

Uses: Working Capital
Machinery & Equipment
Land and Building.

Rate: 5% with 1% loan origination
fee.

Structure: 20% of project cost up to
maximum of 50%.

Amount: Minimum - \$20,000
Maximum - \$150,000

Term: Usually 5—10 years contingent
upon collateral and use of
CSBG funds invested.

Employment: One full-time equivalent job
for every \$20,000 of CSBG
funds invested.

Collateral: Senior position preferred on
identifiable assets.

Location: Within Champaign County.

BUSINESS LOAN PROGRAMS

Background

The Champaign County Regional Planning Commission (RPC) is a central resource for a variety of innovative federal, state and local business loan programs. These programs are designed to stimulate the growth, expansion and retention of businesses within Champaign County. The RPC's economic development programs offer borrowers lower interest rates, long-term fixed rate financing, lower down payment requirements, and enhanced private lender risk. RPC staff are available to analyze and structure the most attractive financing proposal based upon business needs, employment opportunities created, and the level of private sector participation. The Commission is a well established participant in the commercial lending field having closed on over 150 loans with a total volume of over \$12 million.

Eligibility Criteria

A business applicant must demonstrate job creation or retention as a result of the proposed economic development to be eligible for RPC loan programs. A high level of private sector financial participation is also required. Each of the loan programs is designed for sound business financing. Programs are available for start-up businesses, led by strong entrepreneurs, when matched with a reasonably secure collateral position, significant bank participation, or a high level of owner's equity. Expanding firms should have a solid track record of past accomplishments and

commercial lender participation. Some well-capitalized firms may be able to match the RPC's low interest rate loan exclusively with owner's equity. These loan programs may not be used to refinance existing debt and are not available for marginal businesses with limited debt capacity except in very extreme circumstances.

Credit Criteria

Since these programs are for healthy and expanding businesses, the credit criteria require that the business demonstrate adequate cash flow from operations for debt service and sufficient collateral to secure the loan. The principals of the business normally will be required to personally guarantee the loan.

Application Procedure

Interested applicants should work jointly with a private sector lender and RPC staff. This effort will ensure that the business client receives the optimal financing package utilizing current economic development resources.

The written project request should include the following:

1. Business plan including company history and structure.
2. Three years historical financial statements and tax returns.
3. Three years sales and cash flow projections.
4. Schedule of collateral.
5. Explanation of the financing need.

6. Terms and conditions of conventional bank loan and any other financing arrangements.
7. Sources and uses of funds statement.
8. Job creation commitment.
9. Any other pertinent information.

Each applicant will be charged a one percent origination fee.

Approval Process

Approval of requests will be based on two broad criteria:

1. The external need for the project including commercial feasibility, job creation potential, local economic impact, and
2. The risk associated with the project including the current financial position, rate of return, available collateral, soundness of projections and community development impact.

Champaign County Regional Planning Commission

1776 E. Washington St.
P.O. Box 17760
Urbana, IL 61803-7760

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