L I I X O F URBÁNA

DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

memorandum

TO: Bruce K. Walden, Chief Administrative Officer

FROM: Elizabeth H. Tyler, Community Development Director

DATE: April 3, 2006

SUBJECT: Downtown Strategic Plan Status Report – Spring 2006

This update covers the City's progress in completing action plan steps of the Downtown Strategic Plan (the Plan), adopted on February 4, 2002, in the recent past up to the present. The Plan outlined a series of action steps and projects to undertake in order to address the challenge of attracting increased numbers of users of the downtown through the creation of markets that can attract people and the creation of a place that people want to come to. This update is laid out in such a manner as to address what has been done in the area recently to meet the goals of the initiatives set forth in the Plan. A description of the initiatives from the Plan is attached to this report.

The City, businesses, and residents will continue to make progress in improving the Downtown business district in accordance with the actions and goals laid out in the Plan. It is important to keep in mind, however, that much of what is in the downtown plan is contingent upon private investment decisions. So far, the City and Council have done much to improve the climate to encourage such private investment through marketing, public improvement efforts, use of TIF funds, and other incentives, but it is essential that property owners, stakeholders, and investors continue to move forward in order to accomplish many of the future goals of the Plan.

Initiative:

Downtown Leadership Initiative

- The City will hold a Downtown Urbana Neighborhood Business Meeting at the Civic Center in mid-April. This will be an expansion of the City's existing Neighborhood Business outreach program with the purpose of informing area businesses of City projects that may affect them and of allowing those businesses to discuss issues that may be of importance to them and for which the City might be of assistance.
- One of the recent Council goals passed regards the creation of a Downtown Commission to be appointed by the Mayor and staffed by a City staff member.

Downtown Image Initiative

• Stratford Residences streetscape was completed, as well as streetscape on Griggs Street adjacent to Adult Education.

- A screening fence was erected at Elm/Race mini-park.
- The City installed new benches and trash cans and is in the process of acquiring new planters to complement the new streetscape.
- The City has completed screening for Save-a-Lot within the past few months.
- The new Urbana Free Library plaza and sculpture were completed in the past year, and a grand re-opening was held.
- The City is coordinating with adjacent property owners on cleanup of Goose Alley. (behind Office/Siam Terrace/Courier), which will represent a major aesthetic improvement.
- The City will be conducting pavement patching of Water Street this Spring and Summer.
- Lot 25 was extended to the West to provide additional parking and to make up for loss of parking due to Stratford Residences development.
- Engineering is currently studying possible locations for a Carle to Downtown multi-use pathway adjacent to the railroad. A Request for Proposals will follow the study.
- The City assisted with needed repairs of the bridge linking the parking deck to a major Main Street building, allowing continued safe access for tenants, clients, and visitors.
- The City is working with adjacent property owners on Main Street to plan for a sidewalk bump-out on the north side of Main Street near Springfield that will provide additional room for outdoor seating for The Office, Siam Terrace, and others.
- Staff is reviewing responses to an RFQ (Request for Qualifications) for a design and engineering plan for improvement of the Boneyard in Downtown. The City received responses from 8 different firms and is in the process of narrowing those down to 3 or 4 candidates to interview.
- Five Points Commerce Center is substantially complete and signage for the center has been approved. It is now being marketed and leased to potential tenants.
- Potential ideas for City Building identification signs are being reviewed
- Staff and UBA continue to coordinate and manage a downtown banner program.
- H2O Salon held a ribbon cutting and grand opening for their new salon located on Broadway Avenue.
- American Legion made substantial interior and exterior improvements to their building at Broadway and Goose Alley, utilizing a TIF Redevelopment Incentive Program loan/grant.
- Omni Prosthetics and Orthotics is making a significant investment in the former Michelle's Bridal building with help from the City as part of a TIF agreement.
- Star Uniforms is undergoing a complete remodel of a building they purchased on North Broadway, also taking advantage of the TIF loan/grant program incentive.
- The City is assisting the owner of 119-123 W. Main Street building (former Daisy's Diner) with interior and exterior remodeling of the building through the loan/grant program. Owner intends to open a café/coffee shop in the former Daisy's Diner location.

Center of Urbana Initiative

- The City is working with a group of downtown entrepreneurs to accommodate a Summertime Friday and Saturday night music fest in the heart of downtown at the Municipal Parking Deck.
- Market at the Square continues to expand and yet another big season is expected to draw hundreds to downtown every weekend this summer.

- The UBA managed a successful season of the indoor market at Lincoln Square Village in November and December.
- The Boneyard Arts Festival is scheduled to take place on April 21 and 22 and will include many exhibits in downtown Urbana.

Downtown Neighborhood Initiative

- Based upon the success of Stratford Residences, the City is actively encouraging other proposals that include mixed-use residential development in and near downtown.
- Staff has met with property owners considering upper story conversions to residential condos
- Lincoln Square Village is planning a residential phase as part of its project which is still in the planning stages.

Niche Market Initiative

- New Wi-Fi nodes have been installed thus far on various buildings and light poles in nine locations downtown as part of the Downtown Wireless Network. The goal is for free wireless internet access throughout downtown to become a unique special amenity that will encourage people to visit, shop, work, study, and relax in downtown Urbana.
- The C-U Independent Media Center has spent time and money on transforming the Urbana Post Office building into an arts and media center that includes gallery, performance, art studio, and radio broadcast space.

Lincoln Square Initiative

- Lincoln Square Village continues to make improvements. In the past few months it has added two new food court tenants, two office tenants, opened a new corridor, created a new lower level courtyard, and added a new southeast entrance and new signage.
- The City recently met with Lincoln Square owner to discuss future improvements and a marketing plan.
- Upcoming improvements include food court renovations, east side commercial space improvements, opening of a spa across from Cardinal Fitness, and Milo's expansion.

Future Goals

- Broadway Streetscape completion
- Five Points West/Gateway Shoppes Redevelopment
- North Race Street capital improvement
- Strong Banquet Center completion
- Schnucks corner outlot development
- West downtown parking expansion
- Downtown entryway features
- Main/Springfield plaza/bumpout
- Timpone Plaza development
- Retention/attraction of businesses
- Encourage building rehabs to fill vacancies
- New mixed-use development on vacant/underused sites

Summary of Initiatives from Urbana Downtown Strategic Plan

Summary of Initiatives Excerpt from Urbana Downtown Strategic Plan (pg. 20):

The Initiatives

- 1. *The Downtown Leadership Initiative* strategies designed to implement this plan and manage the development of downtown
- 2. *The Downtown Image Initiative* strategies to improve the visual quality and aesthetics of downtown, and to better organize its development pattern
- 3. The Center Of Urbana Initiative strategies for maintaining downtown as the center of town
- 4. *The Downtown Neighborhood Initiative* strategies to increase the amount of downtown housing
- 5. *The Niche Market Initiative* strategies developed to give downtown a particular market orientation and attract uses related to it.
- 6. *The Lincoln Square Initiative* strategies to better integrate Lincoln Square into the core of downtown.

Description of Initiatives from Urbana Downtown Strategic Plan:

1. The Downtown Leadership Initiative

Establishing strong downtown leadership is crucial to the success of this plan and the future of downtown. The tendency for downtown redevelopment typically is to hold the City responsible. The City is a major stakeholder and has often taken the laboring oar in seeking ways to encourage private investment. A strong downtown is in the interest of the whole community. Local government should play a key role in encouraging downtown investment; assuring the proper delivery of services and entering into public-private partnerships to enable redevelopment to move ahead. But government should not be the leader. Downtown leadership should be the role and responsibility of all of those who are invested in the area—property owners, tenants and government.

2. The Downtown Image Initiative

The image of downtown is critical to its market success. Downtowns that offer a sense of "place" – an atmosphere of pedestrian scale, visual interest, market opportunity and activity – tend to be the most successful, and demonstrate longevity as they create their own identity. Given the location and nature of downtown today, a series of actions are needed to inform people of its presence, build upon its traditional character, and firmly develop a perception of downtown Urbana as a distinct and special place.

3. The Center of Urbana Initiative

Downtown Urbana still retains some hold on the public mind. As long as the downtown continues to be viewed as the locus of community events – parades, meetings, community fairs, dedications, etc. – then downtown will be viewed as the City center. This role attracts people downtown and provides a marketing opportunity. But even this opportunity can be lost or wasted if not pursued. Attention must be given to the continued location of community destinations and community events downtown. The policy must be: If there is an Urbana public facility or activity that attracts people, put it downtown.

ATTACHMENT 1

4. The Downtown Neighborhood Initiative

In communities where the downtown is the economic center, there is often little opportunity or desire to establish it as a residential neighborhood, since the competition for land by non-residential uses tends to price residential development to the edges. In such downtowns, economic support for the non-residential components is region wide, and residential uses are viewed as augmenting other uses creating what is today termed a "twenty-four hour environment." Downtown Urbana is not the economic center of the region. Indeed, at present, it is the weakest of the competing centers within the region. Thus, it is important for downtown to create a character that will help to establish its market niche, and one element of that character is to present itself as a pedestrian-scaled, mixed-use environment.

5. The Niche Market Initiative

Downtown Urbana needs a function. It needs a marketable image. No longer the economic heart of the community, its continued viability depends, in large part, upon establishing a distinctive character. While it can play many roles – host to local government, neighborhood, and spiritual center of the city – it needs a larger, regionally valued role if it is to compete beyond it present ability. Considered opinion, and the realities of the marketplace, indicate that many of the key regional roles have been taken by other area centers. North Prospect Avenue dominates the regional retail market, the University dominates the entertainment market, and South Neil Street appears dominant in the hotel market. At present, there is no dominant restaurant area. They are found within downtown Champaign, as well as downtown Urbana, and at other scattered locations.

The interests and realities of owners and operators of real estate in Downtown Urbana, the characteristics of development in the downtown, and the general interests of Urbana citizens, as they have made known at planning meetings indicates that, in addition to its present function as employment center, convenience retail area, and a locus of government and associated services, the most viable future for downtown lies in housing, food and entertainment. As evidenced in a host of small downtowns, this is a reasonable direction. Areas such as downtown Urbana, which have a pedestrian environment, reflect an older, often historic character, and offer viable buildings with relatively small floor plates that are attractive locations for restaurants, bars, specialty shops and the like.

6. The Lincoln Square Initiative

There is nothing more important to the success of downtown than the success of Lincoln Square. The largest property downtown, and a centerpiece of downtown's retail activity, integration of the mall into the fabric of downtown, and enhancement of it as a retail attraction, is critical if the vision of this plan is to be attained.