



CITY OF
URBANA

2015 Business & Development

Year in Review



FORWARD

2015 was a highly productive year for business and development in the City of Urbana. The addition of several new businesses in both renovated and new spaces, outdoor seating and recreational areas, festivals, and infrastructure improvements helped to bring vibrant activity to our commercial areas and brought in new visitors to eat, shop, and play in Urbana. Several new locally-owned and minority-owned businesses were welcomed, including Lacy's Kansas City style BBQ, the Best of Africa Food Store, and a reopened Strawberry Fields natural foods store, reactivating vacant properties and adding exciting new choices for consumers. New businesses like the SIPYARD beer garden and Urbana Boulders climbing gym found creative methods to re-use challenging properties. Innovative technologies continued to grow in Urbana, including software companies, game creators, and experiential venues. Private developers made significant investments in Urbana in the form of new construction and major renovations of existing buildings, with commercial and multi-family new construction at the highest level since 2007. Both local and national developers are investing in these developments.

The City of Urbana was a key force in helping to make many of these positive changes possible. The City's Tax Increment Finance Districts assisted new and expanding businesses through business development and opening grants, the redevelopment incentive program, and redevelopment agreements. As a way of further encouraging start-up businesses, the City also recently modified its regulations pertaining to home-based businesses. Significant public improvement projects included completion of the Boneyard Creek improvements between Race and Broadway into an outstanding creekway park and the continued use of temporary outdoor seating areas, called "Curbanas" added to downtown Urbana's vibrant character. A major rebuild of Green Street as part of the MCORE project also commenced design in 2015.

Work completed in 2015 has helped to lay the groundwork for major new developments in 2016. The creation and certification of an extensive new Enterprise Zone will help to catalyze additional commercial and industrial development, as well as spur the development of new single-family-residential construction in our developing neighborhoods. Other major projects expected to be brought forward in 2016 include completion of the Stephen's Building, 129 North Race Street, and 401 North Broadway commercial renovations, the construction of a major mixed-use project at 200 South Vine, and continued work on redevelopment of the Jolly Roger/North Crane Alley and Hanford Inn sites.

Urbana should be very proud of its business and development accomplishments in 2015 and excited about the future as we continue to improve and expand our local economy.

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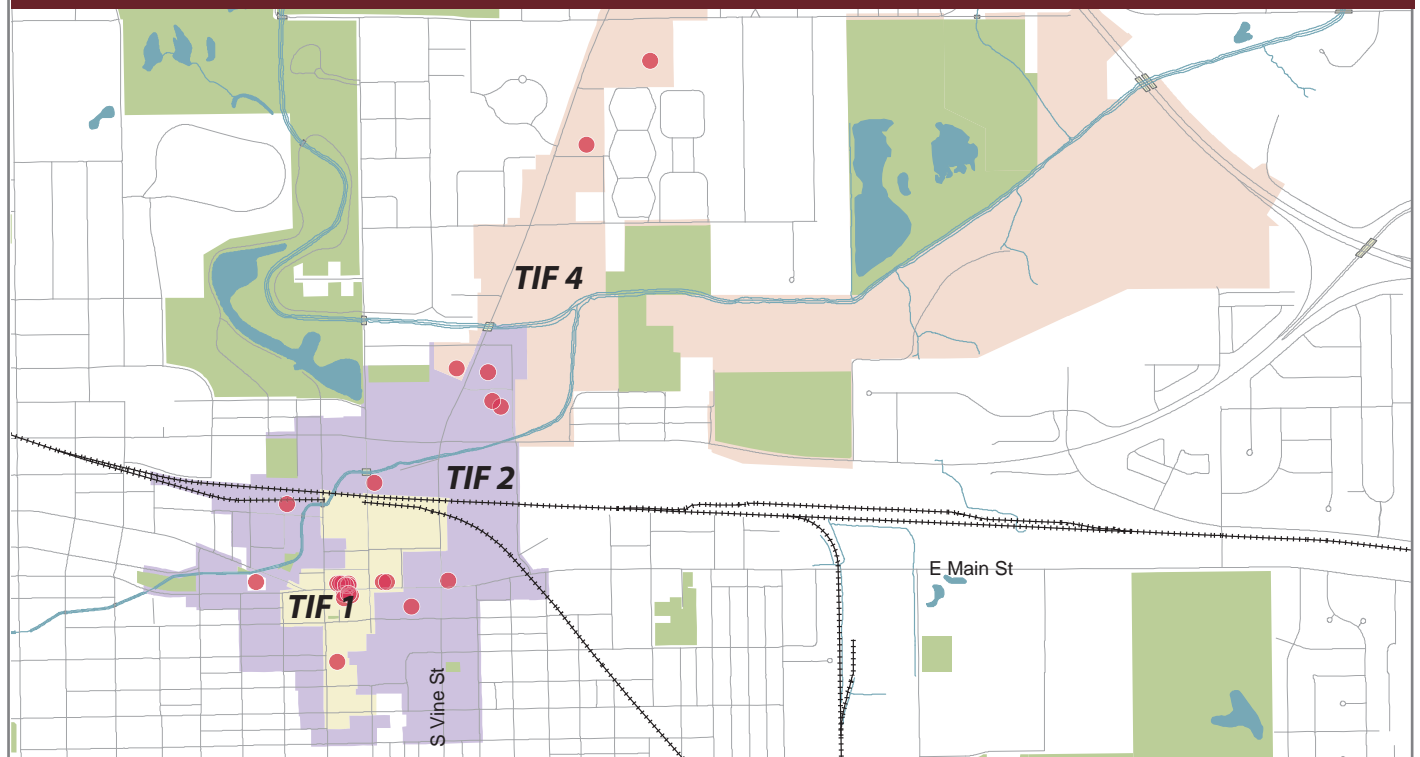
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NEW BUSINESSES

In 2015, a total of twenty-seven new businesses opened in Urbana. With the assistance of its Tax Increment Financing (TIF) districts, the downtown achieved high levels of growth. Nineteen new businesses opened downtown, including five new tenants to the [co][lab] co-working space. Businesses opened and expanded to fill long-term underutilized vacant properties along W Main Street including 123, 204, and three additional second-floor spaces. These activities indicate a higher level of occupancy in the downtown than seen for many years.

Locally and minority owned businesses flourished in 2015, including three businesses opened by recent U of I graduates. New businesses such as the Best of Africa Grocery store, Lacy's BBQ, A-Plus VIP Karaoke Lounge, Dancing Dog, and the reopened Strawberry Fields grocery store reflected the diversity in Urbana.

NEW BUSINESS LOCATIONS



“Downtown Urbana has really been on an upward swing, and I feel very grateful to be in a spot that has so much potential to be tapped,”

Owner of See You CD and Vinyl Jessi Grubbs in News-Gazette Sunday, 10/04/2015 It's Your Business: New Spin for record store



NEW BUSINESS NAME	DESCRIPTION	LOCATION	MONTH OPENED
Nathaniel Alexander	<i>Architecture</i>	204 W Main	December
Athletico	<i>Physical rehab</i>	114 N Vine	December
Ruby's	<i>Gaming Hall</i>	510 N Cunningham	December
My Office Plus!	<i>Office Services</i>	510 N Cunningham	December
Flyght Bar & Lounge	<i>Bar & Restaurant</i>	142 Lincoln Square	November
H-F Beauty Supply	<i>Beauty Retail</i>	1108 N Cunningham	November
Urbana Boulders	<i>Rock Climbing Gym</i>	1502 N Cunningham	October
IVEY Auto	<i>Auto Repair & Parts</i>	605 N Cunningham	October
Capoeira Angola Center	<i>Performing Arts</i>	122 W Main	October
See You CD & Vinyl	<i>Record Store</i>	123 W Main	October
CU Adventures in Time & Space	<i>Escape Room</i>	123 W Main	October
SIPYARD	<i>Bar</i>	204 W Main	October
Lumen Events	<i>Special Event Company</i>	111 Goose Alley	September
Single Stereo	<i>Graphic Design</i>	111 Goose Alley	September
CU Karate-Do	<i>Karate Dojo</i>	301 S Race	August
Strawberry Fields	<i>Grocery</i>	306 W Springfield	July
MedServ	<i>Medical Equipment</i>	400 N Broadway	July
Breathe in Spa	<i>Spa</i>	2860 Philo	July
Matthew Farrel Creative	<i>Graphic Design</i>	205 W Main	June
Lacy's BBQ	<i>Restaurant</i>	115 W Main	June
The Best of Africa Food Store	<i>Grocery</i>	208 W Griggs	May
Illinois American Water	<i>Utility Company</i>	1406 Cardinal Court	May
Ellie Pinz Studio	<i>Art Studio</i>	204 W Main	April
Jumpstart	<i>Entrepreneurial Training</i>	204 W Main	April
Urbana True Tire	<i>Auto</i>	608 N Cunningham	March
Action Jackson Comics	<i>Comic Retail</i>	123 W Main	March
Metro PCS	<i>Cell Phone</i>	1511 E Washington	February

DEVELOPMENT

Stephen's Building

In July 2014, the City executed an agreement with Stephens Building LLC for the renovation of 218 W Main Street. Mr. Norman Baxley and Mr. David Borchers acquired the property in May 2013. The Building had stood vacant and largely unmaintained since 2003.

The proposed project would result in four luxury apartments on the second floor and "vanilla box" improvements to the first floor to prepare for one or two commercial retail tenants. Construction on the project has begun and Stephens Building LLC is actively looking for first floor tenants.



204 W Main

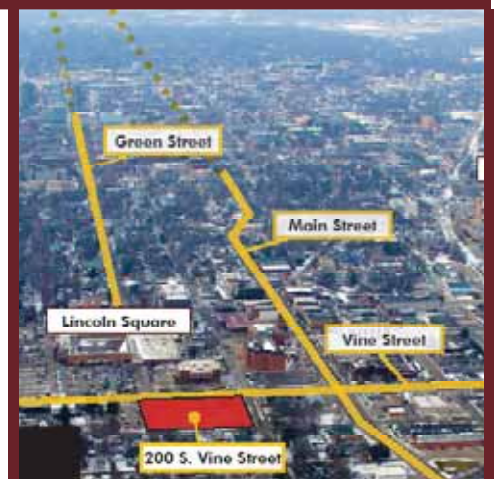
In January 2015, the City approved a revised agreement with Cake Design Development LLC for 204 W Main St. The building had not been fully occupied for over 20 years, and was in an advanced state of deterioration due to water damage.

Cake Design Development completed Phases I and II of the project resulting in the establishment of a seasonal beer garden (SIPYARD), and market stalls for additional vendors. There remains potential for the future implementation of Phase III which would result in the construction of additional structures connecting the market to the adjoining buildings.

200 S. Vine

Working with real estate broker CBRE, the City of Urbana issued a request for proposals for the development of 200 S Vine in March 2015, resulting in a number of project proposals. In November TWG Development, LLC of Indianapolis was chosen to develop the site.

The TWG planned project would add ground floor retail and over 150 new apartments to the Downtown, bringing additional residents to live, eat, and shop in Urbana.



Development continued to increase in Urbana in 2015. Progress was made on City issued request for proposals at 200 S Vine and North Crane Alley. Redevelopment agreements assisted with the completion of the redevelopment project located at 204 W Main, and the initial construction of the Stephen's Building Project. TIF Redevelopment Reimbursements assisted with the renovations of 208 W Griggs and 123 W Main. An additional 15 project renovations, demolitions, and expansions were completed.



North Crane Alley

The City is actively working to develop the redevelopment site located at North Crane Alley. The site contains parcels owned by the City as well as by Bunny's Tavern Owner Bob Venable. Re-development and demolition of the site began in December, 2015. Developers have expressed interest in the site and the City continues to work with Bob Venable to identify a final developer for the public / private site.



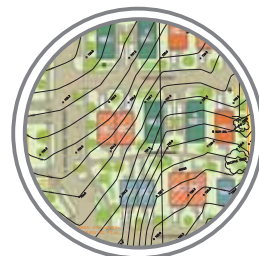
Campus Circle

The Bainbridge Cos. developed Campus Circle Urbana at 1010 W University Ave. The building has a project cost of over \$25MM and resulted in 524 beds and 181 new units aimed at students. The buildings also contains large amounts of amenity space including fitness, study rooms, and gaming facilities.



401 N Broadway

The City executed an agreement with Broadway Market LLC in August of 2015 for the long-underutilized building at 401 N Broadway. The project will result in an indoor market and will open up the eastern face of the building to overlook the improved Boneyard and encourage pedestrian access through the area. The project has been designed as an incubator space, enabling cross communication between startup businesses and farmers market vendors contributing to a culture of entrepreneurship in Downtown Urbana.



Highland Green

Brinshore Development of Northern was chosen as the developer for this site in 2012, and in 2015 received Low Income Tax Credits from the State. The proposed project will include nine new single family and duplex units for veterans and 24 new units of workforce housing. The project is a partnership between Brinshore, the City, Homestead Inc, and the Housing Authority of Champaign County.



Hanford Inn

In November 2014, the City of Urbana executed an agreement with Kelly Dillard of Dig It of Champaign, Inc. to acquire, demolish, and redevelop the site of 2408 N Cunningham Avenue. The site encompasses the former Hanford Inn, hotel. Mr. Dillard completed the demolition and is working towards development of the property.



129 N Race

Chenxi Yu, Dustin Kelly and Matt Cho of 129 North Race LLC are planning a redevelopment project at 129 North Race Street involving renovation of the former Concept Cosmetology building into retail and office space. 129 North Race LLC purchased the property in June 2014 and executed a Redevelopment Agreement with the developer in February 2015.



901 Western Ave

Construction is nearly completed on a major student housing apartment building located at the intersection of Lincoln Avenue and Western Avenue. The project will result in 84 new units aimed at students. The project is being developed by Next 2 Campus LLC.



Main Street Plaza

Owner Mike Hosier completed extensive renovations of Main Street Plaza to accommodate new restaurant space in the previously vacant property. The redevelopment resulted in reduced energy use, facade and awning improvements, and additional second story office space. The addition of three new businesses brought the building to fully occupied. The building now contains some of Urbana's hippest businesses; Lacy's BBQ, See You CD and Vinyl, Action Jackson Comics, CU Adventures in time and Space, West Main Dental, and Farm League Skate Shop.



108 W Griggs

Mike Hosier, building owner for 108 W Griggs St, completed extensive renovations of the building, and the Best of Africa Food Store opened in May. In addition, the City has been approached by a local business owner desiring to open a new brewery on the east side of the building. The project would result in the addition of windows along the East side of the building to overlook the new Boneyard Creek improvements. Zoning permits have been granted for the brewery project.

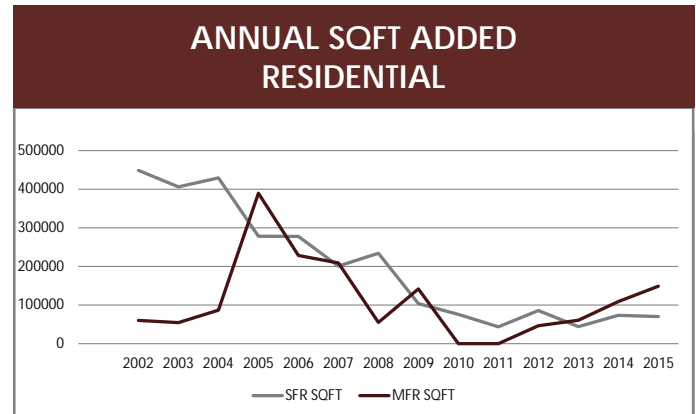
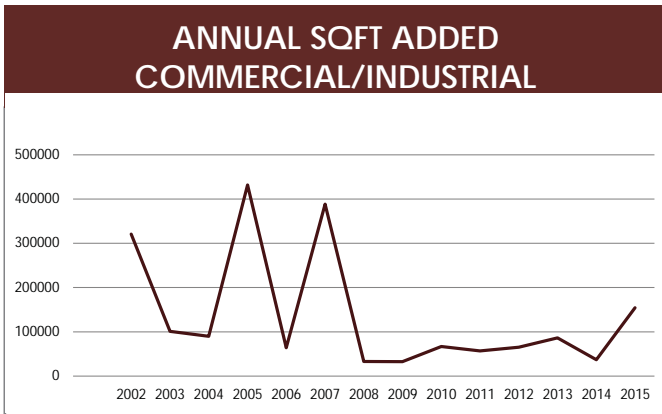


Urbana Boulders

Urbana Boulders, located at 1502 N Cunningham Ave, completed construction on a project to convert an auto shop to a bouldering rock climbing wall. Urbana Boulders raised an impressive \$40,000 through crowd-funding, and after only three months in business already have plans to expand.

New Commercial / Industrial & Residential square footage continued to recover, with 2015 seeing the highest values since 2007.

City of Urbana Building Permit Data



COMPLETED DEVELOPMENT PROJECTS

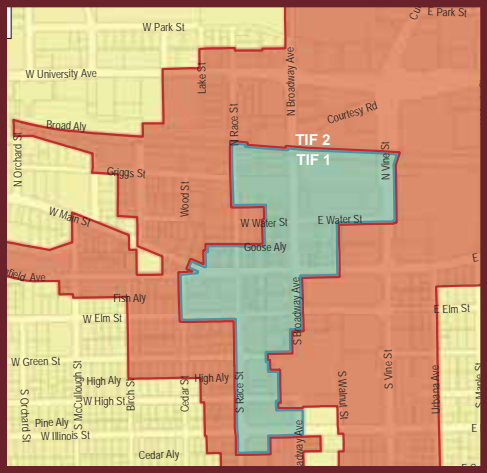
PROJECT BUSINESS NAME	DESCRIPTION	LOCATION
Rehab & Renovation		
Perkins Restaurant	<i>Restaurant</i>	1214 W University
Heel-To-Toe	<i>Footwear retail</i>	108 ½ W Main
St. Patricks Church	<i>Church</i>	708 W Main
Silvercreek Restaurant Deck	<i>Restaurant</i>	402 N Race
AirUrbana	<i>Outdoor Market</i>	204 W Main
Illinois American Water	<i>Utility Company</i>	1406 N Cardinal Ct
Expansion		
Heel-To-Toe Innovative Bracing	<i>Footwear</i>	108 ½ W Main
A-Plus VIP Lounge Karaoke	<i>Bar</i>	214 W Main
Amara Yoga & Arts	<i>Yoga & Art Studio</i>	156 Lincoln Square
Community Center for the Arts	<i>Music Education</i>	202 W Main
Hendrick House Kitchen	<i>Campus Residential</i>	801 W Killarney
Demolition		
Jolly Roger	<i>Vacant</i>	118 Water
Hanford Inn	<i>Vacant</i>	2408 N Cunningham
Auler Building	<i>Vacant</i>	202 W Green
Urbana Townhomes	<i>Vacant</i>	Lierman Avenue

CITY INITIATIVES

Enterprise Zone

In January, 2015 The City submitted an application to the State of Illinois for a new Urbana Enterprise Zone. The process included extensive collaboration with the County, School District, Park District, Mass Transit District (MTD), and Parkland College to provide tax abatements for new construction.

The State certified the Urbana Enterprise Zone on December 17th. The zone will offer property tax abatements and sales tax exemptions to eligible new construction within the zone boundaries. The new zone includes an extended area, and also added incentives for residential construction.



TIF Districts

The TIF districts continued to catalyze development in downtown Urbana and along Cunningham Avenue. Redevelopment incentives aided the rehabilitation of buildings, and promoted new businesses. TIF funds went towards promotion and activation of Urbana including supporting Urbana Business Association (UBA) and the public arts.

After the expiration of TIF Three in 2014, TIF Three surplus funds were distributed to all taxing bodies in 2015. The TIF Joint Review Board meeting was held on December 2nd with members of the Urbana School District, Urbana Park District, and MTD represented.

Boneyard Creek

The City completed Phase 3 of the 5-year Boneyard Creek plan, and the infrastructure improvement has already stimulated growth in the area. Silvercreek Bar and Restaurant constructed a new outdoor deck overlooking the creek. Additionally, two new developments have been proposed along the Boneyard. The City is currently working on naming the park, improving wayfinding signage, and adding programming.





Blight Reduction Program

Through partnership with Habitat for Humanity of Champaign County, the City worked to acquire and demolish vacant and blighted residential properties throughout the City's targeted areas. Cleared properties were retained by Habitat for redevelopment into affordable single-family housing. The program was funded through \$525,000 in competitive grant funds awarded by the Illinois Housing Development Authority. Since the program began in June of 2015, this partnership has resulted in the demolition and clearance of three blighted properties in the City and the expenditure of about \$80,000 in grant funding.



Downtown Design District

In 2015, City staff created a foundation for the Downtown Design Overlay District. The 2012 Downtown Urbana Plan called for design guidelines to promote urban-style infill in context with Urbana's walkable, historic core. Staff researched best practices and potential implementation options and undertook a comprehensive inventory of the built form and architecture of Downtown Urbana's core. Work on the District will be completed in 2016.



Subdivision Ordinance

The City made progress towards overhauling the Subdivision and Land Development Code, to be considered for adoption in 2016. Staff made changes to make the Code understandable and easier to administer, including the placement of technical standards into a new Manual of Practice. Additionally the ordinance will promote decreasing impacts of development on the environment, add requirements for street lighting and trees, and emphasize connectivity for vehicles, bicycles and pedestrians.



Business Outreach

The City outreached with members of the development community to assist new businesses and incentivize development. Business & Development Luncheons were held on local energy efficient development, regulatory updates, the MCore project, and available commercial properties. To help fill vacant properties, the City met with property owners to help spread the word and connect with realtors. The City continued to assist businesses looking to locate or expand in Urbana to identify properties. In 2015, the City updated goals and methods for business visits. City Staff continued to meet with new, struggling, and expanding businesses on an ongoing basis for purposes of business retention and expansion. Additionally, the City completed Business Surveys to identify areas of improvement.



Updated Regulations

The City changed its regulations to allow new types of emerging businesses. Council approved an ordinance to provide Class MB-1 and MB-2 liquor licenses for microbreweries, with \$500 and \$50 fees respectively. Additionally, the City made changes to the Zoning Code to accommodate new medical marijuana and gaming businesses, and to better encourage home-based businesses.



Public Space Activation

In 2015, the City worked to add vibrancy to public spaces and attract both residents and shoppers to stay, eat and shop in Urbana. Two Curbana temporary outdoor seating areas were installed for the second year downtown along Main Street. Market at the Square continued to draw customers and browsers. Public Arts added new public artworks to the City, including window murals.

The City led and supported numerous events throughout the year. Also, new Food Truck Rallies were held attracting lunch time customers. The City helped fund festivals including the Sweet Corn Festival, Boneyard Arts Festival, Folk and Roots Festival, and Pygmalion Festival. With support from the City, UBA held additional festivals including the Uncorked Wine Festival, Holiday Markets, and Restaurant Week.

