

# Downtown Opportunities and Challenges

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Presented to

North Central Illinois Council of Governments  
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*Outreach, Engagement, and Regional Development*

**NCICG**  
North Central Illinois Council of Governments

# Presentation Overview

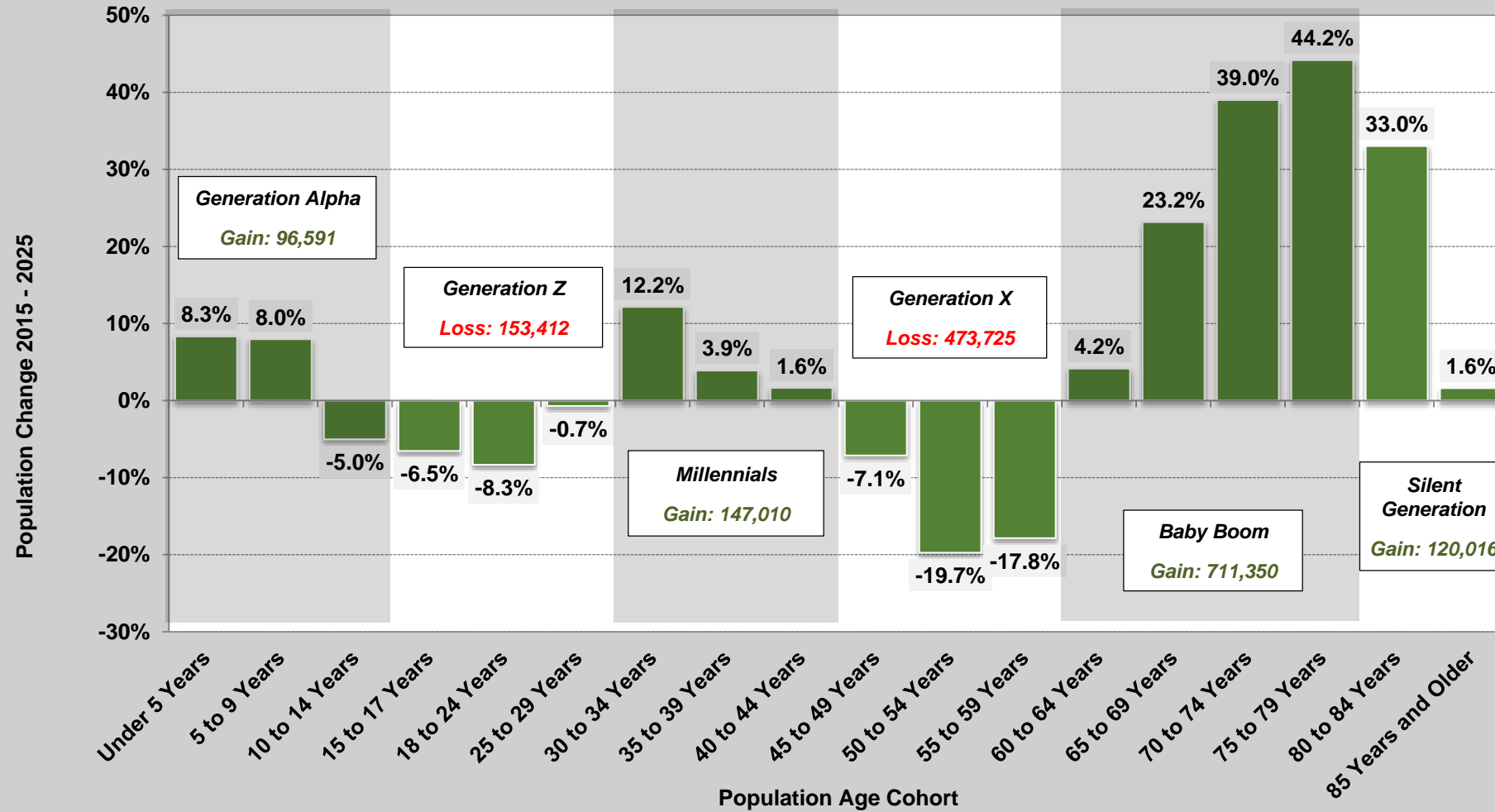
## Downtowns are changing quickly.....

- IML/CGS survey of downtown conditions
- Issues currently being discussed
- Strategies and financing approaches
- Needs for technical assistance
- Growing Communities Initiative
- Participants' share ideas



# Projected Population Changes by Age Group

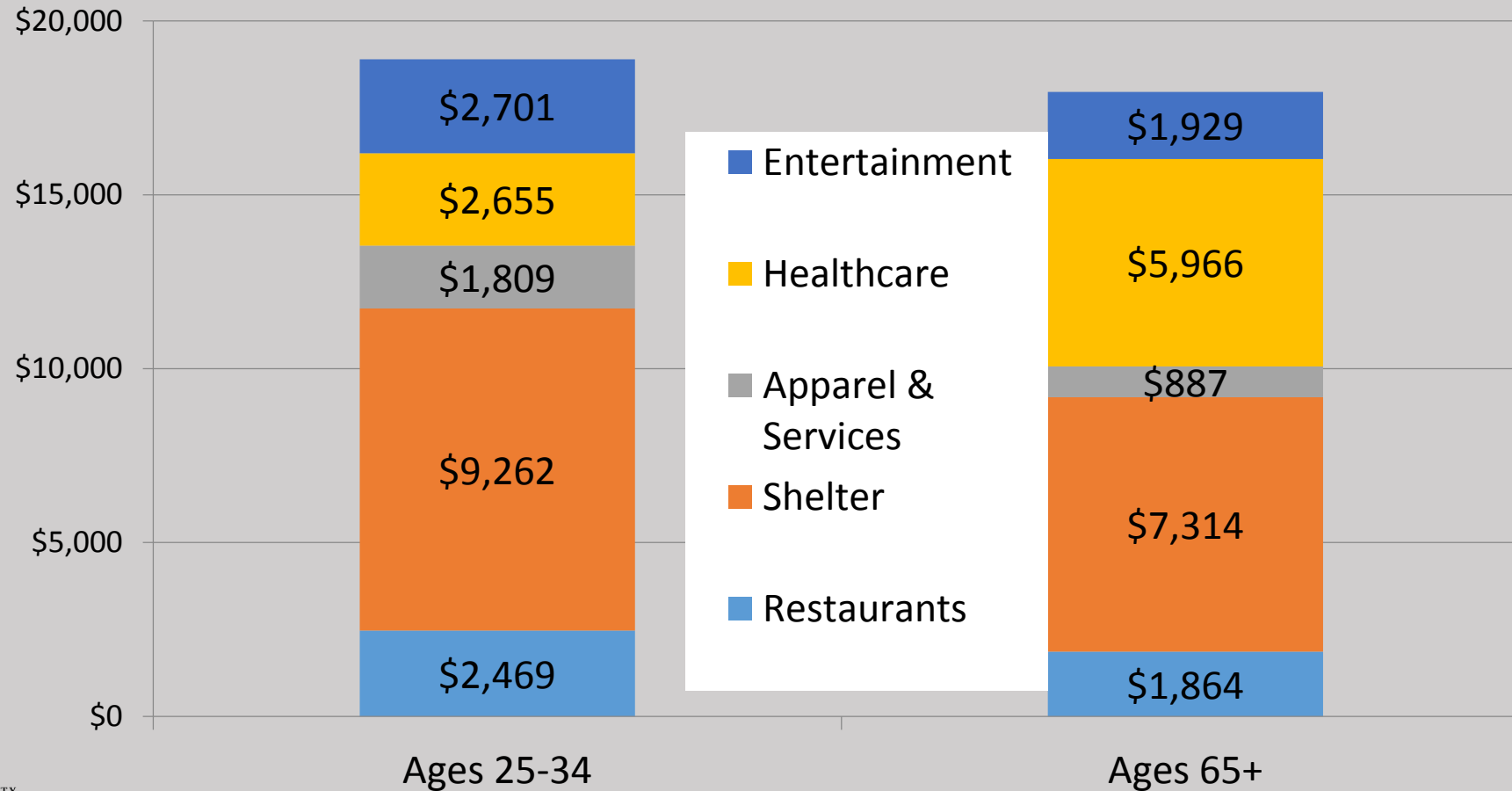
Non-Metropolitan Counties, Midwestern States\*, 2015-2025



\*Midwest region includes Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Ohio and Wisconsin.  
 Source: Woods and Poole Economics, Inc., 2015.

# Average Consumer Spending By Age And Purpose

## Midwest 2013-2014



# Changing Conditions of Downtowns

(136 Responses)

- Housing prices have not regained pre-recession but active 55.9%
- City economy has largely recovered 48.5
- Significant retail growth on outskirts 18.9
- Major increases in housing construction 16.9
- Service jobs have increased in relative importance 21.3
- Significant loss (10% or >) in manufacturing jobs 14.7
- Fewer local jobs or pay less 21.3



# How Important is Downtown in?

Weighted Ave of 135 Mayors' Responses: 1=not; 5=very important

	Weighted	Very Imp
• Creating sense of <b>community/positive image</b>	3.84	91.8
• Attracting new businesses	3.56	78.2
• Retaining current businesses	3.49	75.2
• Attracting/retaining existing employers	3.42	72.5
• Attracting visitors	3.40	71.9
• Attracting & retaining residents	3.34	69.2
• Attracting & retaining employees	3.06	55.7



# Current Conditions in Downtown

(135 Responses)

- Traditional downtown as center of activity 64.4%
- Streetscape/public spaces improved significantly 43.0
- Stable CBD & < 10 % vacancies in commercial buildings 40.0
- One or > significant white elephants & no interest 39.3
- More than 10% commercial vacancies 34.0
- New space available or developed for commercial 29.6
- Many retail buildings converted to other uses 24.4
- Retail functions in downtown largely gone 23.7

# Issues in Downtown Discussions

(100 responses)

Yes

Impact of noncommercial uses on main commercial street	62.0%
Tattoo parlors, gun shops, disc tobacco, churches/non trad.	51.0
Issues of increasing density vs maintaining DT character	29.0
Relaxing downtown parking restrictions to encourage development	22.0
Encourage/discourage franchise businesses in downtown	14.0





# Actions Taken to Stabilize or Revitalize Downtown

(126 Responses)

- Following an action plan for DT improvements 81.7%
- Offer financial incentives to attract businesses 78.0
- Hold regular schedule of events for DT activities 67.8
- Has facade improvement program 66.1
- Includes budget for DT in corporate fund 36.3
- Has a separate budget set aside for DT enhancement 34.2
- Buy businesses to resell or lease to businesses 33.3
- Has downtown business incubator program 9.7
- Local development strategy does **not** include downtown 9.7

# Future Issues Facing Downtown Growth

(116 responses)

	Very Imp.	Weighted Ave.
Residents shopping on Internet	40.7%	2.29
Slow population growth-city or region	35.7	2.12
Major store closing	34.2	2.09
Loss of major employer(s)	29.3	2.07
Expansion of retail/discount stores in other cities	22.9	1.94
Residents commuting to other cities to work	23.2	1.93
Retiring business owners	25.0	1.92
Inadequate transportation/parking	17.8	1.79
Retail-Service businesses moved to other areas	18.4	1.77
More retired residents with less incomes	12.0	1.76
People uncomfortable living or spending time downtown	14.8	1.57
Concerns about crime in downtown	12.7	1.52



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# Financing Sources for Downtown Activities\*

(121 responses)

• Tax Increment Finance Funds	69.4%
• Municipal general property taxes	57.9
• Sales taxes	47.9
• Hotel/Motel taxes	33.1
• State grants	31.4
• Funds raised by local organizations	29.8
• Federal grants	28.1
• Special Service Area Tax	13.2
• Special assessments	5.0
• Dedicated user fees	2.5

\*Percent reported using this revenue source





## Plans for Next Five Years\* (115 responses)

- Physical improvements-functionality & attractiveness 84.3%
- Attract out of town visitors—branding, marketing 75.7
- Explore new purposes & uses for downtown 70.4
- Establish arts orientation—crafts, theaters, galleries 40.9
- Refocus as residential/entertainment area 40.0
- Encourage new trends e.g., co-working, live/work 34.8
- Help owners find new uses —office, services, food, entertainment 33.9
- Improve internet capacity 18.3
- Locate public buildings etc. in downtown area 17.4

\*Percent reporting planned uses



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# Technical Assistance Needed

(104 responses)

	No. Rep.	Weighted Ave.
• Recruitment plan for new businesses	103	2.56
• Market analysis for downtown	98	2.56
• Training in best practices for downtowns	99	2.47
• Branding and Marketing	102	2.45
• Planning revitalization efforts	97	2.44
• Online access to downtown development tools	100	2.43
• Downtown visioning and community input	100	2.36
• Training in downtown improvement techniques	97	2.33
• Survey of bus. performance & conditions	99	2.19
• Surveys—visitors, customers, etc.	98	2.17
• Website development for businesses	95	2.00
• Housing Inventory and Needs	96	1.94



# Adequacy of Zoning Code

(120 responses)

	% yes
Traditional zoning works well	40.8
Traditional will be modified for flexibility & to encourage development	28.8
Zoning code will be substantially modified for development	17.5
Current code difficult to work with but no planned changes	5.8

New ways of doing business and changing lifestyle preferences have created many opportunities and challenges for Illinois communities. The Growing Communities Initiative simplifies the route to community growth by providing the tools you need - all in one place. With no annual fees to participate and select services at fixed costs or free of charge, all communities can benefit.



## HOW CAN GCI HELP?

GCI offers communities access to data, innovative practices, continuing education, and expertise at an affordable cost, enabling them to evaluate and act on economic opportunities. A selection of fixed price and free services are listed below.



### PROFESSIONAL DEVELOPMENT

Webinars, workshops, and presentations at events across the state.



### COMMUNITY DATA PACKAGES

Data sets answer questions developers, business owners, municipal officials, and grant making agencies often ask.



### SURVEYS

Select from survey templates on various topics. CGS staff will manage the survey and tabulate results.



### RESEARCH ON DEMAND

Request research by CGS staff on specific issues including internet searches, professional contacts, or other avenues.



### GRANT-FUNDED PROJECTS

Coordinate grant applications addressing issues and potential projects of interest to one or more communities.



### NEWSLETTER

Information on innovative approaches to growing communities, grants and funding opportunities, best practices, tools, and articles  
**NO COST SERVICE**



### ONLINE TOOLBOX

An expanded version of the current online toolbox located on our website.  
**NO COST SERVICE**

# SPECIALIZED SERVICES

GCI also offers services designed specifically for your community. Request a quote for these services and get help tailored to meet your community's unique needs and goals.



## SITE VISITS

On-site advisory visits to discuss current conditions, proposed projects and general strategies for growth.



## SPECIAL SURVEYS

Surveys on specialized topics beyond the set cost templates.



## INTERNS

Identifying NIU students interested in internships in or near their home communities.



## ON-SITE EXPERTISE

Attendance at business, municipal, and public meetings to explain data, surveys, and other research in support of local initiatives.



## PLANNING & COMMUNITY INPUT

Guidance in visioning, strategic planning, implementation approaches, focus groups, and meeting facilitation.



## HOUSING DATABASES & MARKET ANALYSES

Construct a detailed local housing data set, market analyses and strategy development.



## RETAIL MARKET ANALYSES

Evaluate supply, demand, and competitive position for specific projects, broad development types, or targeted buildings/sites.



## BUSINESS DEVELOPMENT

Identify target businesses and prepare information addressing questions posed by potential business owners and investors.



## BROADBAND & SMART CITIES

Evaluate options for developing technology assets that often go hand in hand with economic growth.



## RECREATION, ARTS & HERITAGE PLANNING

Evaluate potential economic growth from outdoor recreation resources and arts/heritage assets.

LET'S DO THIS.

# WHAT'S NEXT?

### TELL US WHAT YOU NEED

What services would you like to see for your community? Are you working on a project and need additional support? Let us know! We're here to help.

### STAY IN THE LOOP

Would you like to keep up to date with what's coming next? Send us an email to subscribe to our newsletter.

Email us at [mevanz@niu.edu](mailto:mevanz@niu.edu) or [nwalzer@niu.edu](mailto:nwalzer@niu.edu).



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# 10 Things You Need To Know

1. Your local economic strengths and weaknesses
2. Your community's place in the broader regional economy
3. Your community's economic development vision and goals
4. Your community's strategy to attain its goals
5. Connections between economic development and other city policies
6. Your regulatory environment
7. Your local economic development stakeholders and partners
8. The needs of your local business community
9. Your community's economic development message
10. Your economic development staff

Source: National League of Cities



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# For More Information

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