TECHNICAL ASSISTANCE PANEL REPORT

Redevelopment of Retail Sites in Fairview Heights

FAIRVIEW HEIGHTS, ILLINOIS

SPONSORED BY:
THE CITY OF FAIRVIEW HEIGHTS, ILLINOIS

May 8, 2018

ULI Urban Land Institute St. Louis

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ULI's mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI St. Louis carries out the ULI mission locally by sharing best practices, building consensus, and advancing solutions through educational programs and community outreach initiatives.

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The objective of ULI St. Louis' Technical Assistance Panel (TAP) program is to provide expert, multidisciplinary, and objective advice on land use and real estate issues facing public agencies and nonprofit organizations in the region. Drawing from its extensive membership base, ULI St. Louis conducts one-day panels offering objective and responsible advice to local decision-makers on a wide variety of land use and real estate issues, ranging from site-specific projects to public policy questions. The TAP program is intentionally flexible to provide a customized approach to specific land use and real estate issues. Learn more at http://stlouis.uli.org/uli-in-action/taps.

Ann Althoff

Chair, ULI St. Louis
Project Executive, Clayco

Amy Hamilton

Chair, Technical Assistance Panels
City Manager, Richmond Heights, MO

John Langa

Co-Chair, Technical Assistance Panels
Vice President, Economic Development,
Bi-State Development

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ULI St. Louis Panel & Project Staff

PANEL CHAIR

Amy Hamilton
City Manager
City of Richmond Heights, MO

PANELISTS

Angie Eslinger
Senior Associate
Lawrence Group

Liza Farr
Associate Project Manager, Economic Development
Bi-State Development

Robert Lewis, FAICP, CEcD
Senior Consultant - Urban Planning & Economic Development

Brian Pratt
Vice President – Development
Green Street Development Group, LLC

Adam Stroud
Project Manager
PGAV

REPORT AUTHOR

Kelly Annis
Branch Communications
St. Louis, MO

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Executive Summary

The City of Fairview Heights, Illinois, founded in 1969, positions itself as the "Retail Hub of Southern Illinois." A city formed at the crossroads of a US interstate and prominent state highway, Fairview Heights has enjoyed years of prosperity largely built on the foundation of its considerable sales tax revenue. As the City looks to the future, and to the changing nature of retail enterprises, it is taking a hard look at its mix of commercial uses, its future plans for developable real estate, and it plans to stay relevant, attractive, and competitive in the face of a changing retail economy.

With an eye toward the future, the City turned to the Urban Land Institute–St. Louis Technical Assistance Panel (TAP) services for assistance in re-envisioning Fairview Heights Plaza, a struggling retail center at the northwest corner of the intersection of US Interstate 64 and Illinois Route 159, labeled by the TAP Panel as Study Area 1. Just north of Study Area 1 lies 72 acres of undeveloped land, which the City also wished to explore as an area for future development. This 72-acre parcel will be referred to in the following

Aerial map showing the redevelopment area, Study Area 1, at the northwest corner of Interstate 64 and Illinois Road 159.

Aerial map of Study Area 2, the greenfield site directly north of Study Area 1.

pages as Study Area 2. Specifically, the City asked the Panel to address the following three questions:

1. What are the future redevelopment opportunities for the site(s), particularly in consideration of the growth patterns and changing demographics both east and west along the I-64 corridor?
2. What types of development opportunities exist to diversify and strengthen the local economy?
3. What steps need to be taken, and by which parties, to position the property as strongly as possible?

In answering these questions, the Panel also addressed the following key goals throughout their recommendations:

- Provide the City with new revenue without levying additional personal taxes,
- Support the quality of life improvements already in place or in planning for both locals and visitors,
- Protect existing retail around the study area and particularly at St. Clair Square, located within walking distance of the site,
- Promote additional hotel stays in the immediate area during the winter months when hotels are not benefiting from Cardinals baseball tourism,

- Stabilize and potentially add to the existing food and beverage revenue sources, and
- Launch placemaking and experiential retail at the site, thereby providing shoppers and visitors with something additional to do, complimenting the existing uses.

The Panel's recommendations, explained in detail in the following pages, sets forth the following for the City's consideration.

Study Area 1

The Fairview Heights Plaza property, while struggling as a retail center today, holds considerable potential that should be explored in order to bring new life to this section of the City and draw new visitors to the region. The existing buildings are in good shape, the access to the Interstate is attractive, parking is plentiful, and, although the land is undermined and has not been stablized, subsidence issues have not been detected. By working on placemaking at the site, building in a mix of uses that compliment and don't compete with existing retail, adding pedestrian/bike access, and introducing green space back into the environment, the site could be built into something that could attract visitors from across the City and broader region.

The Panel also recommends the formation of a Business District to assist with reviving Fairview Heights Plaza. A Business District structure will provide the area with the opportunity to raise funds that can be used to pay for key improvements to the site. With those improvements underway, the current property owners may take a more active interest in the site and partner with the City in the redevelopment of the parcels or marketing of the parcels to a new development partner who can share in the vision and help bring the plan to life.

Study Area 2

Table development at this site for now. The site has significant infrastructure needs that must be met before development can take place, including mine subsidence and installation of sewer service and tie-in to a municipal system. Through a review of previous development proposals for the site, the Panel has also determined that the property owner is currently unmotivated to sell. These combined issues make the property a difficult development subject at present. The City is advised to interface with owner to understand what use he would entertain BEFORE any further considerations in promoting this as a priority development site.

Background & Scope

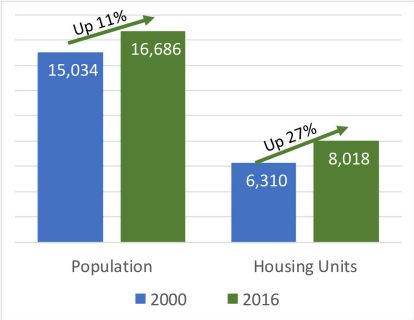
For decades, the City of Fairview Heights, Illinois, has enjoyed success as a major retail destination, drawing visitors from across the region to shop at St. Clair Square, its successful regional mall, and surrounding retail centers. The City's proximity to downtown St. Louis also makes it an easy option for those wishing to lodge nearby when visiting the St. Louis metropolitan area for Cardinals baseball, Fair St. Louis, or other significant metropolitan cultural or sporting events. While the City might simply continue to ride this wave of success, visionary City leadership understands the City needs to take a forward-thinking approach to the future development of Fairview Heights and prepare to meet the changing commercial landscape.

With a clear and strong economic development mindset, the City requested this Technical Assistance Panel (TAP) study a struggling retail center, explore a greenfield site, and potentially build a model for how they address similar development/redevelopment prospects in other areas of the City. The City asked the Panel to address the following three questions:

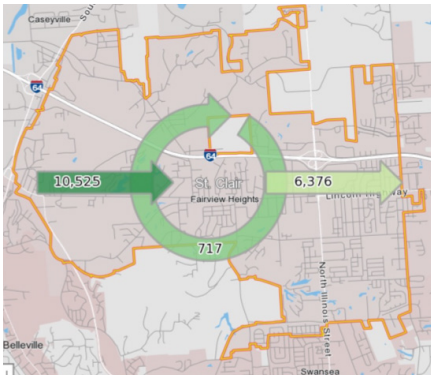
1. What are the future redevelopment opportunities for the site(s), particularly in consideration of the growth patterns and changing demographics both east and west along the I-64 corridor?
2. What types of development opportunities exist to diversify and strengthen the local economy?
3. What steps need to be taken, and by which parties, to position the property as strongly as possible?

The ULI St. Louis TAP, comprised of professionals with the expertise needed to answer the above questions, set out to explore the sites, understand the commercial and financial environment, and apply their professional and market knowledge to help guide the City in its actions to address development and redevelopment at the sites in question.

Environmental Scan



Fairview Heights Population & Housing Changes, 2000 to 2016.



Fairview Heights Employment Commuting, 2015.

As a community, the City of Fairview Heights is in a strong position economically and provides a compelling development partner. The City's budget, typically around $30 million per year, is healthy and demonstrates keen fiscal management. The City's budget however, which relies heavily on its sales-tax revenue, is also devoid of common taxing mechanisms for residents such as property taxes or utility taxes.

The City's approach to fiscal management and focus on the quality of life for its residents makes the City an attractive place to live as evidenced by strong housing growth. This quality of life focus can also be seen it the construction of the City's new $20 million recreation center on Bunkham Road.

Other attributes of note include a residental population of 17,000 that grows to 55,000 (influx of workers, shoppers, and diners) during the day, a MetroLink light rail station four miles west of the primary retail hub, and the fact that Fairview Heights is a net employment center, effectively employing more people than those residing in the City.

It's worth noting there is little senior housing available today in Fairview Heights. This may signal an opportunity for future development.

The TAP was asked to address two adjacent yet separate parcels of property at the northwest corner of the intersection of US Interstate 64 and Illinois Route 159.

FAIRVIEW HEIGHTS PLAZA – STUDY AREA 1

Key Assets

Situated alongside Interstate 64, Fairview Heights Plaza enjoys a number of key attributes which make it prime for development. The interstate and Illinois Route 159 route proximity provides strong auto access to the site and the opportunity for visibility to/from both thoroughfares.

As it stands today, the site still benefits from its initial development improvements, including numerous parking stalls and utility installation.

The site was originally designed to accommodate a multitude of shoppers and has an abundance of parking already in place. This abundance – or overabundance – of parking also provides the site with the potential for converting the unused parking areas into revenue-generating buildings. The existence of utilities already on-site also positions the site well and reduces or eliminates the need for major utility improvements.

After speaking with the leasing agent and conducting a brief tour of the site, including the interior of one of the junior box buildings, the Panel determined that the existing structures are in generally good condition and would make compelling redevelopment prospects.

This part of Southern Illinois was once home to significant undermining operations. The legacy of those mining operations is land that is often in need of stabilization prior to any development occurring, thereby preventing further settling of soil that can crack a foundation or, in extreme instances, result in a building collapse. In Study Area 1, it has been determined that, while the site was undermined at one time and has not been fully stabilized, the ground remains fairly stable.

Challenges

While the site sits close to the interstate, it also sits just slightly below grade. This below-grade position relative to the interstate lessens building visibility for those passing by in an automobile. The interstate also creates a psychological barrier for shoppers in the area. The shopping centers south of the interstate enjoy heavy traffic through and around the various shopping plazas, yet the physical barrier created by the interstate results in a psychological barrier, discouraging some from crossing the interstate to access more shopping north of the interstate.

For those who do venture north of the core shopping district, the trip is often singular as there is very little there today in the way of shopping, dining, or entertainment. This missing draw further reinforces the dividing line created by the interstate.

The existing infrastructure in Study Area 1, while noted earlier as an asset, can also prove to be a challenge. The current sea of parking spaces, largely empty of cars, does nothing to help draw shoppers. The largely empty lot makes the Plaza look abandoned. This abundance of parking also demonstrates the auto-centric nature of the Plaza's original design with little thought given to pedestrian or bicycling traffic and nearly non-existent sidewalks and crosswalks.

Another previously-mentioned asset, the to-date stability of the land, may also prove to be a challenge. Without proper stabilization measures at some point, the property owner(s) and tenants cannot be sure that future settling of the soil will not occur.

There is an overabundance of parking at the site, little of which is used.

The vacant buildings are in decent shape and could be redeveloped.

From the south side of the interstate, Fairview Heights Plaza is not visible.

The 72 acre development site (Study Area 2) remains untouched and unimproved to-date.

STUDY AREA 2

Key Assets

Just north of Study Area 1, the 72 acres that comprise Study Area 2 appear to be an attractive development target. The large tract of land is quite close to the interstate and is boarded on the eastern edge by Illinois Route 159. At present, there is little to no traffic congestion on the north side of the interstate. Additionally, the greenfield nature of the site, complete with wooded areas and a small lake might make for an attractive residential and/or senior living site.

Challenges

There are several key challenges in Study Area 2 that, when combined, create a scenario where it does not make sense for the City to spend valuable resources prioritizing development at the site today.

1. The property has been undermined and has experienced subsidence. Some stabilization has been performed, yet the stabilization work that remains is estimated to cost approximately $2 million.

2. There is currently no infrastructure in place and connecting to sewer infrastructure to the west will require at least one lift station and associated tap-in fees.

3. Finally, several development proposals have been submitted to the property owner over the years – all have failed. The property owner, not local to this community or region, does not appear to be motivated to sell, nor does the property owner appear motivated to pursue development of this parcel..

It should also be noted that the development directly east of Study Area 2, The Fountains, is not yet fully built-out. Until that development nears completion or has secured users for the sites within the development, it may not make sense to launch a new competing development in these slow market conditions.

DEVELOPMENT TOOLS & RETAIL

Tools

The City has in place several development tools which should serve it well as it pursues the redevelopment of Fairview Heights Plaza and other future developments:

- The existing TIF districts in the City can be leveraged to assist with further development and signal that the City is a sophisticated user of economic development tools and is a willing partner.

- In addition to the TIF districts, portions of the City have also received Enterprise Zone designation, which provides various tax incentives and other benefits to stimulate economic activity and neighborhood revitalization.

- Under state law, the City has the option to form a Business District in order to impose up to a one-percent business district tax on sales in a defined area to assist withe development/redevelopment within that area.
- The City is in the process of putting in place a Planned Unit Development (PUD) zoning category for developments targeting three acres or more. This update to the City's zoning and development code can assist the City in adjusting zoning ordinances to meet the needs of specific developments.
- Additional financing assistance is likewise available through the Property Assessed Clean Energy (PACE) program, which can help with financing new construction or improvements using energy-efficient materials.

It is also important to note the work the City is undertaking regarding streetscape improvements in high traffic sections of the City. These public investments clearly improve the quality of life in Fairview Heights but also demonstrate the City's willingness to make investments to support existing development and spur additional growth.

Retail

As the "Retail Hub of Southern Illinois," Fairview Heights is home to St. Clair Square, a very successful regional mall. The businesses surrounding the mall, primarily chain restaurants and small, junior, and big box retail, appear generally healthy. The prime storefronts in Fairview Heights are highly sought-after, yet, according to City officials, there are a few storefronts that have persistent issues and continue to languish.

The mall and surrounding shopping centers are very auto-centric. Visitors drive to the shopping areas and drive between shopping centers. While shoppers may walk from one store to the store adjacent, few shoppers can be seen walking or biking between centers. The volume of traffic, the width of IL 159 and the imposing interchange at Interstate 64 do nothing to encourage multi-modal traffic. At a time when buying habits are shifting to more experiential retail, improving these pedestrian connections will become more important.

POTENTIAL USES – STAKEHOLDER SUGGESTIONS

During the TAP workday, the Panel interviewed a host of stakeholders, including elected officials, property owners and managers, leasing agents, business representatives, tenants, real estate developers, development consultants, planners and architects, transit professionals, real estate brokers, educators, and construction professionals. Through these discussions, the Panel learned more about the site and the surrounding community. The Panel

Stakeholders mentioned a variety of uses they would like to see at the site, including unique, experiential lodging and dining/entertainment and a sports facility.

also asked stakeholders what they might like to see at a redeveloped Fairview Heights Plaza.

Stakeholders noted that they might like to see a variety of services at the site such as educational facilities providing continuing and/or higher education, a church, an expo center, wedding venue, or other community gathering venue. Others noted that they would like see uses at the site that were more experiential nature, something akin to Great Wolf Lodge, Hofbrauhaus, Top Golf, or a venue for sports tourism for hosting basketball or volleyball tournaments. Many noted their preference for a mix of uses at the site and provided such as those found in other mixed-use developments such as: The Boulevard in Richmond Heights, MO; Austin Landing in Dayton, OH; The District in Round Rock, TX; and the West Farm Development in Omaha, NE.

THE STATE OF THE CITY & STUDY AREA – KEY POINTS OF CONSIDERATION

The City

As the City contemplates this redevelopment opportunity and other development opportunities on the horizon, it is worth noting the following key points:

- Sales tax revenue is declining. While the decline is not dramatic at present, the City may wish to support uses that provide other revenue sources that are on the increase such as the food and beverage tax.
- Attracting more residents to the City results in more state income taxes shared back to the municipal government from the State of Illinois.
- In considering new uses in developing or redeveloping property, the City may wish to encourage more office uses. At present, the office market is rather flat, but office tenants tend to turn over less often than retail tenants, resulting in a more stable development for the City, a more reliable income stream for investors, and more shoppers supporting local retail.
- New uses should also work to support and add to the enviable quality of life that the City has worked so hard to cultivate.

The Study Area

Within the study areas specifically, the Panel had the following points to share:

- Retail may play a role in the new uses at the site, yet traditional retail should be discouraged. The City's retail is established elsewhere and any uses at this site, so close to St. Clair Square, should not compete with existing retailers.

The District, a mixed-use development planned for Round Rock, Texas. Image courtesy of the City of Round Rock.

The West Farm Development, a mixed-use development planned for Omaha, Nebraska. Image courtesy of SB Architects.

- The site needs more green space, an intentional focus on walkability, and a sense of place. Placemaking is key to this site.
- While out of the City's control, the Plaza properties need to come out of receivership and organize under different leadership.
- In searching for potential development partners, the City would be wise to limit its search to local or regional developers who have a clearer understanding of Fairview Heights' market and potential.
- Lastly, the current buildings are worth reusing and may not/do not require that a developer raze the buildings on the site. The reuse of the buildings, done creatively, can provide savings to the developer and make a contemplated development more financially attractive.

Recommendations

Through the Panel's deliberations of the development and redevelopment opportunities present in both study areas, the Panel's ultimate recommendation to the City is to focus its economic development efforts in Study Area 1. By focusing on this development-ready site, initiating site improvements, and envisioning a new life for Fairview Heights Plaza, development at Study Area 2 may be catalyzed.

> *"Develop a framework that the City could use in transitioning from an over-retailed city into something more diverse and sustainable."*
>
> – TAP Panelist

STUDY AREA 1

Study Area 1 holds considerable promise with regard to redevelopment and, with the improvements noted below, could begin to transform this section of the City.

Placemaking:

Combining elements of the built environment in a compelling way that attracts people.[1]

Redevelopment Strategies – Placemaking

Study Area 1 would benefit greatly from some placemaking to help define the area, welcome visitors, and attract new interest in the site. These placemaking activities should be driven by the City and supported initially by City funding. This demonstrated commitment and public investment will help drive further development at the site.

Improvements which will help create a sense of place at the site include a number of pedestrian-based improvements such as installing dedicated, signalized, and timed pedestrian crossings at the intersection with IL 159 and installing sidewalks throughout the site.

Assuming the City updates its zoning and development codes to include Planned Unit Development (PUD) zoning, it could use the PUD to redesign parking for the site. The PUD designation provides development flexibility in

[1] Hardy, Juanita. "Growing Value through Creative Placemaking." Urban Land, October 11, 2016.

sites three acres or larger, and, with this tool in hand, the City can determine that the parking requirements for the site need to be adjusted (likely down) to better meet the land usage goals and vision for new development.

Care should also be taken to help visitors understand when they have arrived in Fairview Heights. Current City signage is insufficient at the exits from the interstate, and visitors do not experience a sense of arrival. The City is encouraged to amend or revise its Sign Code to support the development of wayfinding and branding signage for the area. Branding the retail destination would greatly improve the arrival experience once exiting the interstate, and conversations with the Illinois Department of Transportation on this topic should continue. (Similar conversations with the Missouri Department of Transportation were met with resistance for a number of years, yet more recently, the state transportation agency has taken a more cooperative approach. The same may happen in Illinois with some persistence.) Should branding be explored at this interchange, it would also be worth exploring how the same branding could be pulled north and south along IL 159 and throughout the rest of the City.

These initial improvement investments may be funded by the City and/or a developer, but, again, by taking the lead with the improvements, the City is demonstrating its commitment to the future success of the site.

As one Panelist stated, pedestrians are innnovating when it comes to accessing the shopping center on foot.

Current access points, noted by the arrows, need greater attention for use by pedstrians and bicyclists.

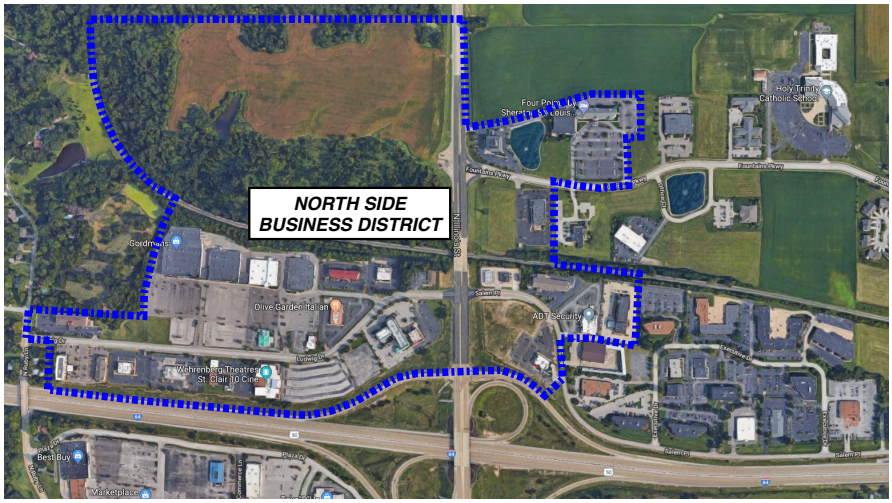
Access

Tucked into the northwest corner of the intersection of an interstate and state road, the site has surprisingly limited access. With just two options for automobile entry and exit – at the intersection with IL 159 to the east and west at Ruby Lane – the site does not benefit from much through-traffic, and no attention has been paid to-date to pedestrian and bicycle traffic anywhere on the site. Signage and wayfinding, as noted in the above section, is encouraged here and requisite changes to the City's Sign Code may be in order.

The roadway that passes over the interstate is generous and wide for autos. Some of the space that is currently dedicated to a shoulder could be easily converted into a protected bicycle/pedestrian facility. This protected lane could also extend to and connect with east side of IL 159 and The Fountains development north and east of the site.

Given the high degree of interest in shopping south of the interstate, the City might also consider establishing a shuttle service that would more easily connect visitors and shoppers south of the interstate with the businesses and destinations north. Funding for a service of this nature could be managed through a Business Improvement District and Tax Increment Financing District as detailed on page 16.

Lastly, as it relates to additional, non-vehicular access to the site, the rail line running along the northern edge of the site holds promise. Though not



The proposed Business District footprint, noted by the blue-dashed line, encompasses Study Area 1, Study Area 2, The Fountains, and a small section of businesses east of IL 159.

currently planned, the line, if vacated, would make a highly attractive bicycle/pedestrian trail that could connect to other parts of the city and region and bring additional visitors to the site. If the rail line were eventually vacated, the connection point across the interstate becomes critical.

Business District Model

When contemplating the proposed improvements to Study Area 1, the City is encouraged look to the formation of a Business District under the enabling laws of the State of Illinois as a potential foundation on which to build redevelopment plans. The Business District, with the City serving as the governing partner, would provide the legal structure for a development partnership within its boundaries, the taxes collected could finance infrastructure improvements, signage, placemaking and marketing within the District, and the District could market the site collectively for further development.

The Panel sketched draft boundaries for a potential Business District, including Study Area 1, Study Area 2, The Fountains development, and a limited number of businesses (hotels and restaurants) directly east of Study Area 1 and across IL 159. These businesses would need to agree to participate in and approve the formation of the District, and all would benefit from the District's improvements.

Business District Formation & Financial Tools

As a governing entity for the area, the Business District will require the formation of governing body, a business plan, and operating budget. As stated earlier, the City could serve as the governing body, yet it may also be beneficial to form an Advisory Committee to assist with operations. Such a committee could unify the voice of the business owners, provide guidance on District governance, and go to City Council jointly for approvals.

The Business District will also include a development agreement among all members, which addresses the financing mechanisms and mix of uses within the District. The businesses would agree to the additional tax (e.g. 1%) on sales and hotel stays within the District and, in turn, the tax revenue generated would be managed by the District and used to fund improvements therein. Although the Panel did not perform a conditions test, it is estimated that taxes from the Business District could generate roughly $200,000 annually. This new revenue could be used to fund infrastructure improvements such as new sidewalks, pedestrian lighting, and landscaping improvements along Ludwig Drive, provide financial support for marketing the site and its businesses to visitors and users, and cover costs relating to the administration of the District.

Any property tax-based incentive will come through the TIF that is already in place in the area. In the instance of new construction in the District, the existing TIF would generate new revenue for the Business District.

In addition to the TIF overlay, the Business District also benefits from its situation within a designated Enterprise Zone. The Enterprise Zone provides sales tax exemptions on the purchase of building materials for new construction and renovations. There are also state programs for "gap financing" and job-creating infrastructure improvements that would apply to work within the contemplated Business District.

Finally, the formation of a Business District and the improvements contemplated above, including streetscape improvements, new construction, and the renovation of space, would also lend support to the much-needed multi-modal pedestrian improvements throughout the District and in Study Area 1 in particular.

> *"The site could be a demonstration of how the City could be (re)developed going forward."*
>
> – TAP Panelist

STUDY AREA 2

Table Development for Now

The Panel felt strongly that the City should table all development efforts at this site for the time being. Through the lack of response or movement on previous development proposals for the site, the owner has demonstrated that he is not motivated to sell the property – or not motivated enough to more actively engage with potential development. The site also lacks basic and significant infrastructure improvements, including electrical service, roads, or sewer service. This last item, given the hefty tap-in fees required to bring sewer service to the site, will require a significant investment by the owner before

development can begin. The site also remains unstablized following years of undermining. While some work has been performed to stabilize the site, the remaining stabilization improvements may yet total $2 million according to the engineering information provided by the site's real estate broker.

The initial development expenses relating to sewer and subsidence are not insurmountable, yet, when combined with an unmotivated owner, the Panel believes that the City should not spend considerable resources to pursue development at this time. The City is instead encouraged to interface with owner going forward to understand what use the owner might entertain before the City takes any further action on marketing or evaluating the site.

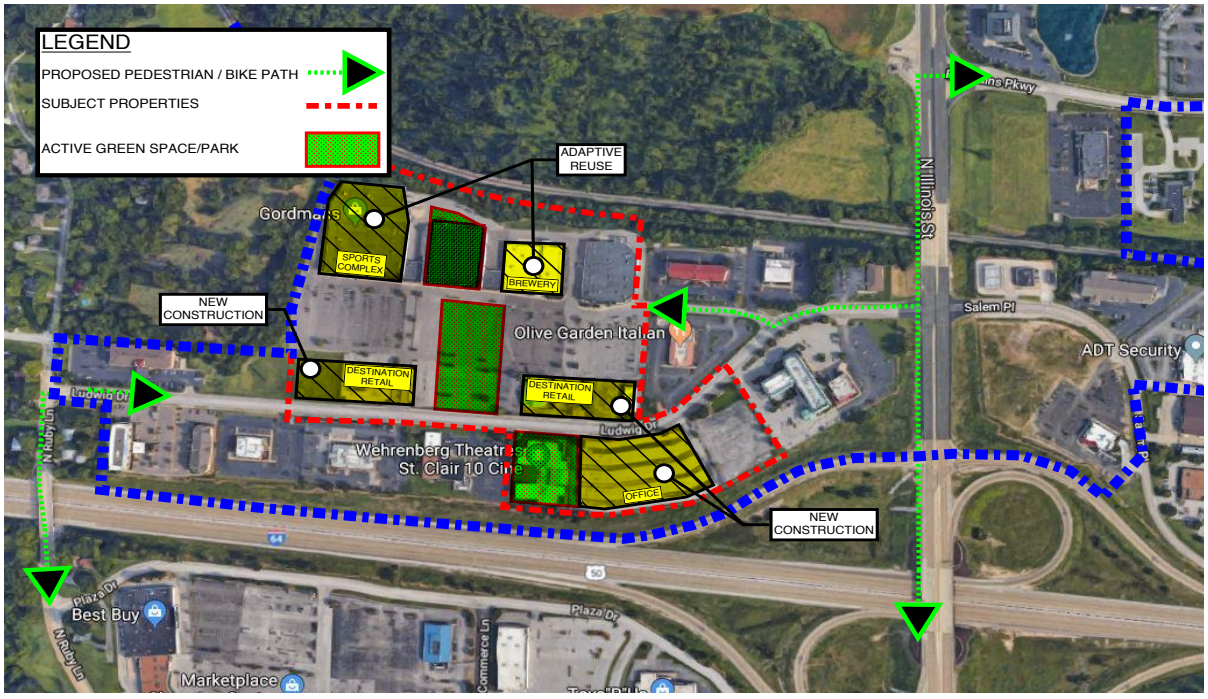
It is worth noting, however, that the previously considered mixed-use plans, as outlined in the Panel's Briefing Book, appear reasonable. Yet again, without a defined market need, it doesn't make sense to spend resources marketing the property now.

As the City develops its vision for Study Area 1 and as improvements begin to take shape, that may catalyze development interest in the broader area north of Interstate 64 and help inform conversations with owner regarding any new development.

Sample (re)Design

Addressing the development potential of Study Area 1, the Panel was encouraged by the opportunities existing at the site and drafted a sample plan for how the site might be better configured to meet the needs of new users more in line with today's commercial mixed-use environment, the stakeholders' wishes for the site, and the City's goals of enhancing the quality of life of its residents.

Along the northern edge of the site sit four junior box buildings. While one building currently houses a successful personal fitness business, another houses a struggling retail operation and the other two sit vacant. The Panel recommends reusing two of those latter three buildings and razing the third (in the middle), making way for much-needed green space for use by visitors to the area, office workers in the immediate vicinity, or as a green lawn or patio for remaining two buildings. The two remaining buildings on either side of the new green space would maintain their existing footprints yet be reconfigured or re-oriented to open up to or face the green lawn. The visibility of these buildings from the interstate and from IL 159 could also be greatly improved with some rather simple, and more vertical, facade improvements.



A sample redesign posed by the Panel notes access points, potential uses in redeveloped buildings and space – buildings and existing parking – that could be converted to green areas.

To help define the new building and green space configuration, a small interior lane could be inserted in front of the reused junior-box buildings, essentially creating a small street near the current front doors of the buildings. Additional access points for pedestrians and bicyclists, noted by the green-dashed lines in the sketch, would help draw visitors from the surrounding area into the redeveloped site.

The new green space between the buildings could be activated in a number of ways that could support the area businesses and draw more visitors to the site. Activities and games, such as lawn games, farmers' markets, community events, and concerts would enliven the space and provide the community with a welcoming entertainment and gathering space.

As mentioned previously, the Panel strongly encourages the City to consider alternative uses at the site – uses that compliment and do not compete with the surrounding, successful retail establishments. Based on information gathered during the stakeholder interviews and through a cursory scan of the surrounding communities, sample uses for reused buildings could include:

- A craft brewer, which would provide a family-friendly destination that could make great use of and open to the new adjacent green space.
- An indoor sports tourism or tournament facility that could host regional tournaments for volleyball or basketball. (It's also worth noting that a business like this would not require as much visibility from the interstate as traditional retail. As one Panelist stated, "tournament participants are plugging the address into their phones before they leave their home." This type of use would also support the economic activity of neighboring hotels and restaurants.)
- A specialty entertainment venue.
- Office/call center use.

The Panel also recommends the City consider adding additional green space between the junior-box buildings and Ludwig Lane and in the area to the east of the current theater site. The addition of the green space will provide a more welcoming environment for visitors and employees and break up the sea of concrete that sits on the site today.

Additional businesses might be attracted to the area, wishing to locate near the new uses in the junior box buildings. The outlots, holding empty parking spaces today, might make great locations for unique destination retail – either retail not currently found in the City or new restaurants.

Finally, it may be possible to attract an office user to the site and place these users in a new office building in the southeast corner of the study area. As stated earlier, the office market is somewhat flat, but Fairview Heights might benefit from additional office options as it works to bring more businesses to the City.

Conclusion

Fairview Heights is in an enviable position. The City has a stable budget, a thriving retail district, and astute and visionary leadership. It has demonstrated significant political will to address challenges that may be on the horizon and take the steps necessary today to help insure that the City can meet challenges in the future.

Building on this foundation, the Panel recommends a development strategy for the study areas that continue this thoughtful and careful approach. The City is encouraged to focus on Study Area 1 and allow work there to inform and catalyze development at Study Area 2.

The focus on Study Area 1 should include:

- Improving pedestrian and bicyclist access to and through the site,
- Placemaking actions to improve the experience within the site and to brand it and the larger entrance to the City, and
- The formation of a Business District that encompasses both study areas, The Fountains, and certain businesses east of IL 159, which would help fund improvements to the site.

The actions above, relying heavily at first on public will and investment, will greatly improve the experience at the site today and signal current and potential owners and development partners that the City is a willing and capable partner in development. Once the Business District is in place, funding for additional improvements in the District can more easily be managed by District revenues.

Where should the City begin?

Now that the City has an idea of what might be required to spur development/ redevelopment at Fairview Heights Plaza, it should set out a general plan for the site and identify the tools needed to facilitate development. In this situation, as in many redevelopment scenarios, the public sector is encouraged to take the lead, investing some initial funds to demonstrate the will for substantial improvements and an interest in working with a development partner. In this

instance, the economics of buying the three junior-box buildings and tearing one down for the green space may not pencil out for a developer. However, with the knowledge of a plan from the City for how these parcels fit into the larger vision and provide value for the development, it may be more appealing to a developer willing to work with the City to leverage that vision.

Following the recommendations set forth by the Panel, the City should find that it is in a position where it has met the goals set forth for this study:

- The proposed recommendations create new revenue without levying additional personal taxes.
- The uses contemplated support quality of life improvements for both locals and weekend visitors.
- The uses protect the existing retail found within the surrounding shopping centers and at St. Clair Square.
- The sports tourism proposal will help promote additional hotel stays in winter months when the hotels are not enjoying the crowds drawn by Cardinals' baseball.
- The contemplated design and mix of uses will help stabilize and perhaps even add to the City's food/beverage revenue sources.
- Finally, the recommendations launch some initial and much-needed placemaking in the area, bringing experiential retail to Fairview Heights and giving shoppers something to do when they seek a break from shopping or providing visitors with another option of entertainment once the Cardinals' wrap up a series.

With these recommendations in hand, Fairview Heights is encouraged to set forth a general improvement plan for the study area. With that in mind, it should also send its very capable Economic Development Director out into the market to begin discussions of a Business District with existing business owners in the contemplated Business District footprint. Lastly, the City is encouraged to begin planning the improvements to the site which will enhance the experience therein and signal its clear intention of serving as a willing development partner.

> *"The vision that we can do things differently starts right here, in this room."*
>
> – Hon. Mark Kupsky
> Mayor of Fairview Heights

Panelists Biographies

TAP Panelists (from left to right): Angie Eslinger, Adam Stroud, Bob Lewis, Liza Farr, Brian Pratt, Amy Hamilton

Amy Hamilton, TAP Chair

City of Richmond Heights, MO

Amy Hamilton was appointed city manager of Richmond Heights, MO in 2004. Before then, Amy was Richmond Heights' assistant city manager from 2000 to 2004. Before coming to Richmond Heights, Mrs. Hamilton worked for the City of Collinsville, IL as the Assistant to the Director of Administration. She earned her Master's degree in Public Administration from Southern Illinois University Edwardsville in 1999 after attaining her Bachelors degree from SIUE.

Richmond Heights, Missouri celebrated its centennial incorporation anniversary in 2013 with a population of 8,600. Richmond Heights is a Council-Manager Missouri Charter City, offering high-quality, professional municipal police, fire, public works, general construction inspection, code enforcement, and recreational services. With a total budget of $32 million, 128 full-time employees, and 28 FTE part time employees.

Mrs. Hamilton is a member of the International City/County Management Association, Past-President of the Missouri City/County Management Association, Past-President of the St. Louis Area City/County Management Association, Past-President and current Board member of St. Louis Area Insurance Trust. She is also a Board member of the Missouri Economic Development Financing Assoc., Technical Assistance Program Co-Chair for the Urban Land Institute-St. Louis,

member of Commercial Real Estate Women ("CREW")-St. Louis Chapter, and ex-officio Board member of the Maplewood-Richmond Heights Chamber of Commerce.

Angie Eslinger

Lawrence Group

Angie Eslinger is a licensed architect at Lawrence Group and specializes in senior living and multifamily housing. She has more than 16 years of experience and started her career in Colorado, designing religious facilities. She relocated to St. Louis, joining Lawrence Group in 2005, and has developed an expertise in multiple forms of housing. Angie exhibits strong skills in detailing, project management and leadership and has led teams on projects ranging from $5M to $30M total construction cost. She is well-versed in wood construction and highly experienced with building codes, fair housing and licensing regulations related to all levels of senior living care. Angie resides in Edwardsville, Illinois and is a native of Macomb.

Liza Farr

Bi-State Development

Liza joined Bi-State Development in August 2016 as the dedicated Transit-Oriented Development project manager. Liza grew up in Lawrence, Kansas but comes to St. Louis from California, where she graduated from Claremont McKenna College with a degree in Environment, Economics, and Politics. She previously worked in the San Francisco/Silicon Valley region on environmental permitting, transit-oriented development, and bike/pedestrian planning. Liza also led the effort to bring bike share to St. Louis, and continues to do engagement work, and guidance for other municipalities looking to do the same.

Robert Lewis, FAICP, CEcD

Senior Consultant - Urban Planning & Economic Development

Bob is both an urban planner and regional economist. His passion is evaluating the economic feasibility of development projects within the context of the city planning process. Bob also conducts economic development strategic plans, housing strategic plans, economic and fiscal impact studies, attitudinal surveys to support market-based development, and gap financing analysis using public incentives.

A native of Glencoe, Illinois, in the Chicago area, Bob holds a master's degree in city and regional planning from Southern Illinois University at Edwardsville (1976) and a bachelor's degree in business economics from Miami University in Oxford, Ohio (1973). He is a certified economic developer (CEcD) within the International Economic Development Council (IEDC) and is also a member of the American Institute of Certified Planners (AICP) of the American Planning Association (APA).

Brian Pratt

Green Street Development Group, LLC.

As Executive Vice President of Real Estate Operations, Brian Pratt leads Green Street's development practice beginning with pre-development activity through tenant occupancy. He serves as lead executive on projects by coordinating multi-disciplinary teams including design, construction, finance, entitlements and investor outreach. He also directs Green Street's internal operations. He comes from a background in senior roles within the Credit and Incentives practices at Deloitte and KPMG, where he built his career negotiating discretionary tax incentives and applying traditional tax credit programs across multiple businesses and industries. His national experience in corporate site selection and incentives helps Brian make a positive influence in the program management of clients' incentive and tax credit programs. Before narrowing his focus at Deloitte, Brian spent more than six years as a senior manager, then director at Peckham, Guyton, Albers and Viets Urban Consulting practice. There, he worked to analyze and evaluate numerous real estate development and business investment projects for 150 organizations at the municipal, county and state organizations. This built an extensive knowledge of how to develop and execute private-public financing to complete projects.

Adam Stroud

PGAV Planners LLC

Before coming to PGAV Planners, Adam spent several years working in municipal government as an economic developer. He has hands on experience at the local government level with economic development incentives, business retention and expansion, and engagement with the public. Adam's time in municipal economic development involved working with nonprofits, commercial retail developers, industrial developers, railroads, real estate professionals, and elected officials. Adam also works with GIS software and field equipment such as Arcpad, ArcGIS Online, Arcgis for Desktop, and various GPS-related field tools.

Urban Land Institute

St. Louis

ULI St. Louis
4240 Duncan Avenue, 2nd Floor
St. Louis, Missouri 63110
Phone: (314) 833-9977
www.stlouis.uli.org