

CITY OF FAIRVIEW HEIGHTS

Assessment and Market Analysis

Working Draft



April 2019



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This 'Assessment and Market Analysis' is the first deliverable (product) in the process of developing an economic development strategy for the City. It represents the end of the first phase of the planning process. This report focuses on:

- Assessment, benchmarking, and evaluation
- Market and industry cluster analysis

This report is a *working draft* and will be updated and edited, as needed, prior to inclusion in the draft and final economic development strategy.

Data included in this report is from a variety of sources. The latest available and frequency of data varies by source.

Future deliverables include:

- Draft Economic Development Strategy (Fall 2019)
- Final Economic Development Strategy (Late 2019)

Updates during the planning process are available at:
www.cofh.com

Acknowledgments



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Chapter:
Neighborhood Economic Nodes

Chapter:
Recommendation and Best Practices

Chapter:
Implementation

Future Chapters

Future chapters to be part of draft and final economic development strategy in Fall 2019.

Introduction

The City of Fairview Heights is the retail and economic hub for Southwestern Illinois. While the economy of Fairview Heights is still strong, national and regional trends in retail and economic development point to the need for Fairview Heights to think strategically about future economic development. The development of an economic development strategy will position the City on its path toward a resilient economy by creating a vision around which the City with its public, private and institutional partners can coalesce efforts to drive investment and growth for the community.

While the future can never be completely predicted, communities can better position themselves to manage change and leverage their strengths. To create a resilient economy, Fairview Heights needs all its component elements - from agencies to chain stores to local small businesses to industries to neighborhoods to residents - to effectively work together.

SCHEDULE

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Economic and Market Analysis

- Project kickoff
- Stakeholder and focus group meetings
- Assessment, benchmarking & evaluation
- Market & industry cluster analysis
- **Community Open House #1**

Deliverable: Assessment and Market Analysis

January - April 2019

2

Draft Economic Development

- Neighborhood economic nodes (place-based growth strategy)
- Draft recommendations & best practices
- Follow-up stakeholder meetings
- **Community Open House #2**

Deliverable: Draft Economic Development Strategy

May - October 2019

3

Final Economic Development

- Refinement of recommendations and best practices
- Implementation strategies and metrics
- Adoption of plan

Deliverable: Final Economic Development Strategy

October - December

INFORMATIONAL OPEN HOUSE - APRIL 24

A community-wide informational open house was held on Wednesday, April 24, 2019 at the Fairview Heights Library Lower Level. The purpose of the informational open house was to provide residents and businesses in Fairview Heights an opportunity to stay informed about the development of the Economic Development Strategy.

Attendees at the open house viewed highlights of the Assessment Report, background information, a schedule for the planning process, and initial SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis. Attendees also provided feedback on the SWOT. Comments from attendees regarding additional SWOT items included:

- [Existing] traffic congestion.
- No land for additional housing.
- [Need] another access point from I-64 into City.
- Need to upgrade or replace some existing housing.
- Need large employers.





PART 1

SWOT Analysis

SWOT (Strengths, Weaknesses, Opportunities, and Threats) is a way to begin to organize initial analysis regarding Fairview Heights. Information gathered from demographic research, interviews with the local business community, feedback from economic development professionals and the Fairview Heights economic development commission along with dialogue with City staff help form a profile of Fairview Heights that reveals the strengths, weaknesses, opportunities and threats that bear on its potential for economic growth. Typically, strengths and weakness emerge from an internal analysis while opportunities and threats are external.

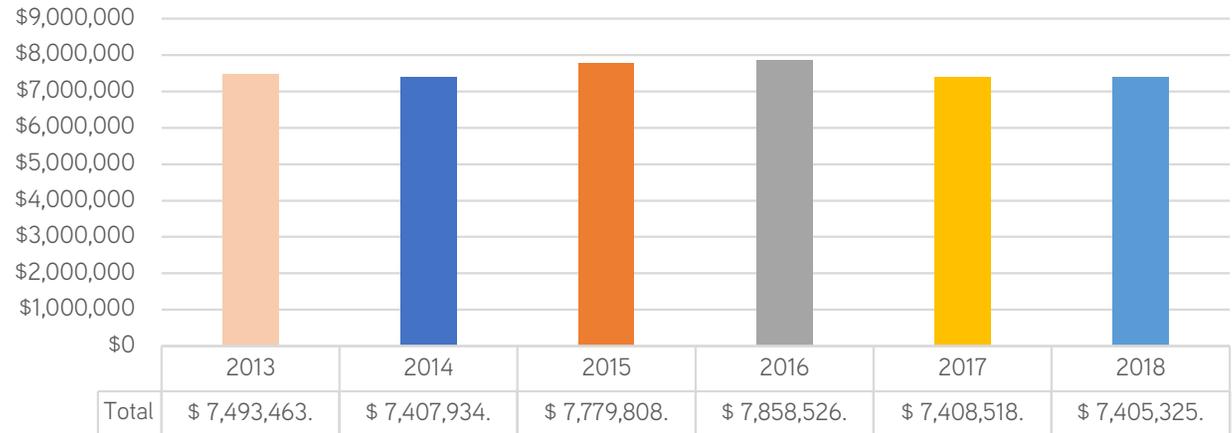
It is important to note that opportunities at this stage in the planning process are still evolving. As the draft and final economic development strategy develops, these opportunities will be fleshed out in greater detail.

Strengths

- Southern Illinois retail center
- Stable population
- I-64 Access / Location
- MetroLink Station
- Proximity to Scott Air Force Base
- No municipal levy of real property tax
- Active chamber
- Economic Development staff
- Willingness to tap into economic development tools to promote growth

SOUTHERN ILLINOIS RETAIL CENTER

Fairview Heights remains a regional, destination retail center that draws consumers from across Southern Illinois and into Kentucky. While sales tax revenues indicate that sales have ebbed and flowed over the last five years, with more recent diminution, the changes are nominal indicating that Fairview Heights retailers are demonstrating a relatively strong performance in a challenged retail environment. Moreover, as a measure of general mall health, St. Clair Square remains at the top of owner CBL's tier II malls based on per square foot sales. Historically in the top tier of mall performance, management anticipates that with planned new tenants and expanding tenant footprints St. Clair will return to a top-performing mall.



Sales Tax Collection in Fairview Heights by Year

CBL Properties – Tier 2 Malls (Sales ≥ \$300 to ≤ \$375 per square foot)

Rank	Mall Name	Location	Total Mall GLA	Mall Sales PSF	% GLA Leased
1	Imperial Valley Mall	El Centro, CA	213,318	\$374	91%
2	St. Clair Square	Fairview Heights, IL	291,743	\$372	95%
3	Asheville Mall	Asheville, NC	265,440	\$371	91%
4	West Towne Mall	Madison, WI	281,684	\$368	92%
5	Parkway Place	Huntsville, AL	278,624	\$366	93%
6	Valley View Mall	Roanoke, VA	336,683	\$361	100%
7	Parkdale Mall	Beaumont, TX	318,641	\$360	87%
8	Layton Hills Mall	Layton, UT	212,710	\$358	98%
9	Old Hickory Mall	Jackson, TN	161,839	\$356	76%
10	Post Oak Mall	College Station, TX	300,580	\$355	89%
11	Pearland Town Center	Pearland, TX	306,186	\$347	93%
12	Mayfaire Town Center	Wilmington, NC	337,958	\$346	93%
13	Governor's Square	Clarksville, TN	242,681	\$343	90%
14	Greenbrier Mall	Chesapeake, VA	269,795	\$342	90%
15	Harford Mall	Bel Air, MD	181,383	\$342	93%
16	Turtle Creek Mall	Hattiesburg, MS	192,184	\$341	90%

Rank	Mall Name	Location	Total Mall GLA	Mall Sales PSF	% GLA Leased
17	Volusia Mall	Daytona Beach, FL	239,059	\$341	91%
18	WestGate Mall	Spartanburg, SC	241,018	\$339	82%
19	York Galleria	York, PA	225,854	\$339	86%
20	South County Center	Saint Louis, MO	316,250	\$338	85%
21	EastGate Mall	Cincinnati, OH	256,947	\$330	87%
22	East Towne Mall	Madison, WI	211,959	\$329	91%
23	Frontier Mall	Cheyenne, WY	199,151	\$327	93%
24	Northpark Mall	Joplin, MO	274,702	\$324	86%
25	Park Plaza	Little Rock, AR	206,791	\$319	95%
26	Westmoreland Mall	Greensburg, PA	313,442	\$313	91%
27	Dakota Square Mall	Minot, ND	183,638	\$312	93%
28	Southaven Towne Center	Southaven, MS	184,427	\$308	85%
29	Kirkwood Mall	Bismarck, ND	211,578	\$306	94%
30	Laurel Park Place	Livonia, MI	198,067	\$306	95%
31	Northgate Mall	Chattanooga, TN	187,150	\$304	86%
32	The Outlet Shoppes at Laredo	Laredo, TX	315,375	NA	77%

Mall Sales / Retail Sales Analysis

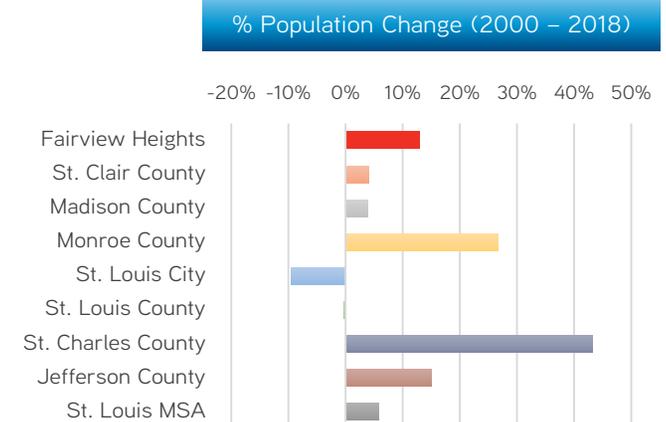
STABLE POPULATION

A key indicator of the economic health of a community is a stable residential population, demonstrating that the community offers residents a safe and stable environment, services and a good quality of life such that they are willing to remain invested in the community. A stable population also is suggestive of low unemployment and stable income among residents. Such communities are attractive locations for businesses to locate and invest.

Demographic trends indicate that Fairview Heights has a stable and relatively affluent population. The population in Fairview Heights experienced growth between 2000 and 2018, with gains from 2000-2010 and a leveling off or slight reductions in population in more recent years. Additionally, median household income in Fairview Heights is well above the median family income in St. Clair County; in comparison to counties within the metro St. Louis area, only Monroe County has a higher median household income than Fairview Heights.

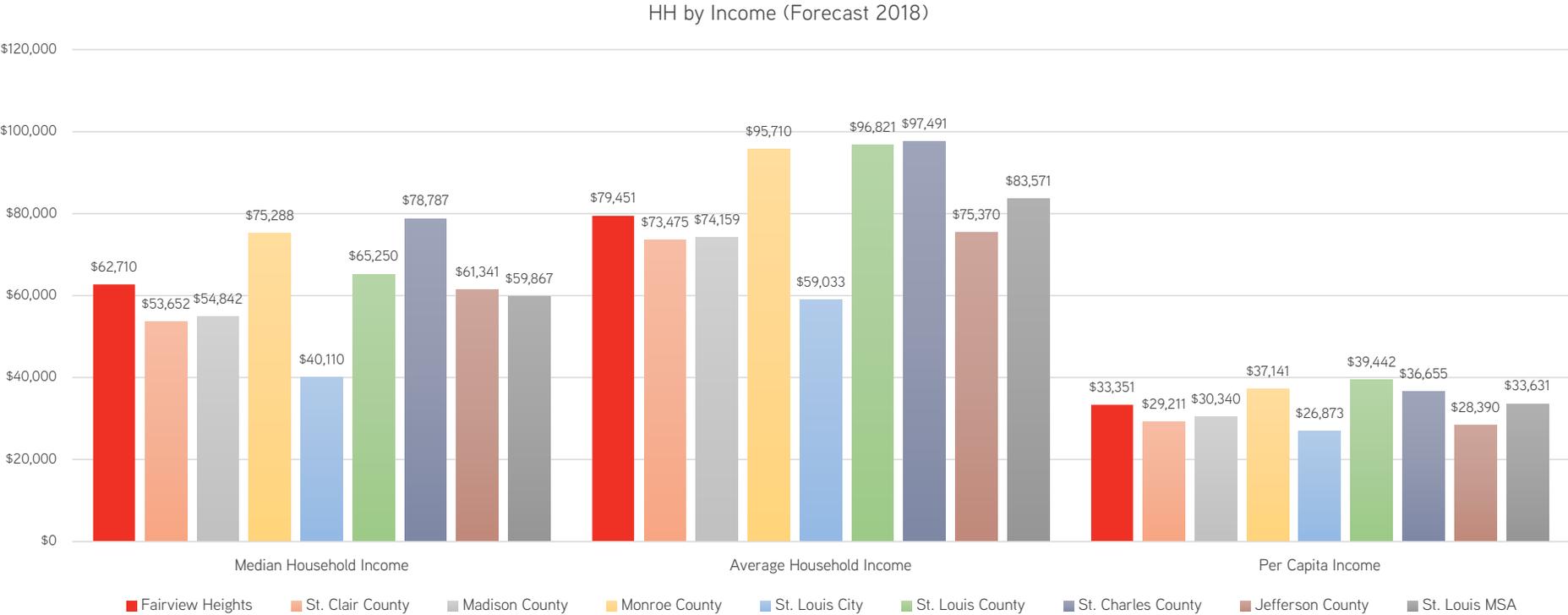
% Population Change (2000 – 2018)	
City	Population Change
Fairview Heights	12.91%
O'Fallon, IL	38.12%
Collinsville	1.14%
Shiloh	73.65%
Belleville	2.12%
Swansea	34.44%
Edwardsville	17.17%
Granite City	-7.50%

% Population Change (2000 – 2018)	
Region	Population Change
Fairview Heights	12.91%
St. Clair County	4.04%
Madison County	3.94%
Monroe County	26.64%
St. Louis City	-9.45%
St. Louis County	-0.34%
St. Charles County	43.19%
Jefferson County	14.90%
St. Louis Region	5.84%



Population Change in Fairview Heights (2008 - 2018)

STABLE POPULATION (cont.)

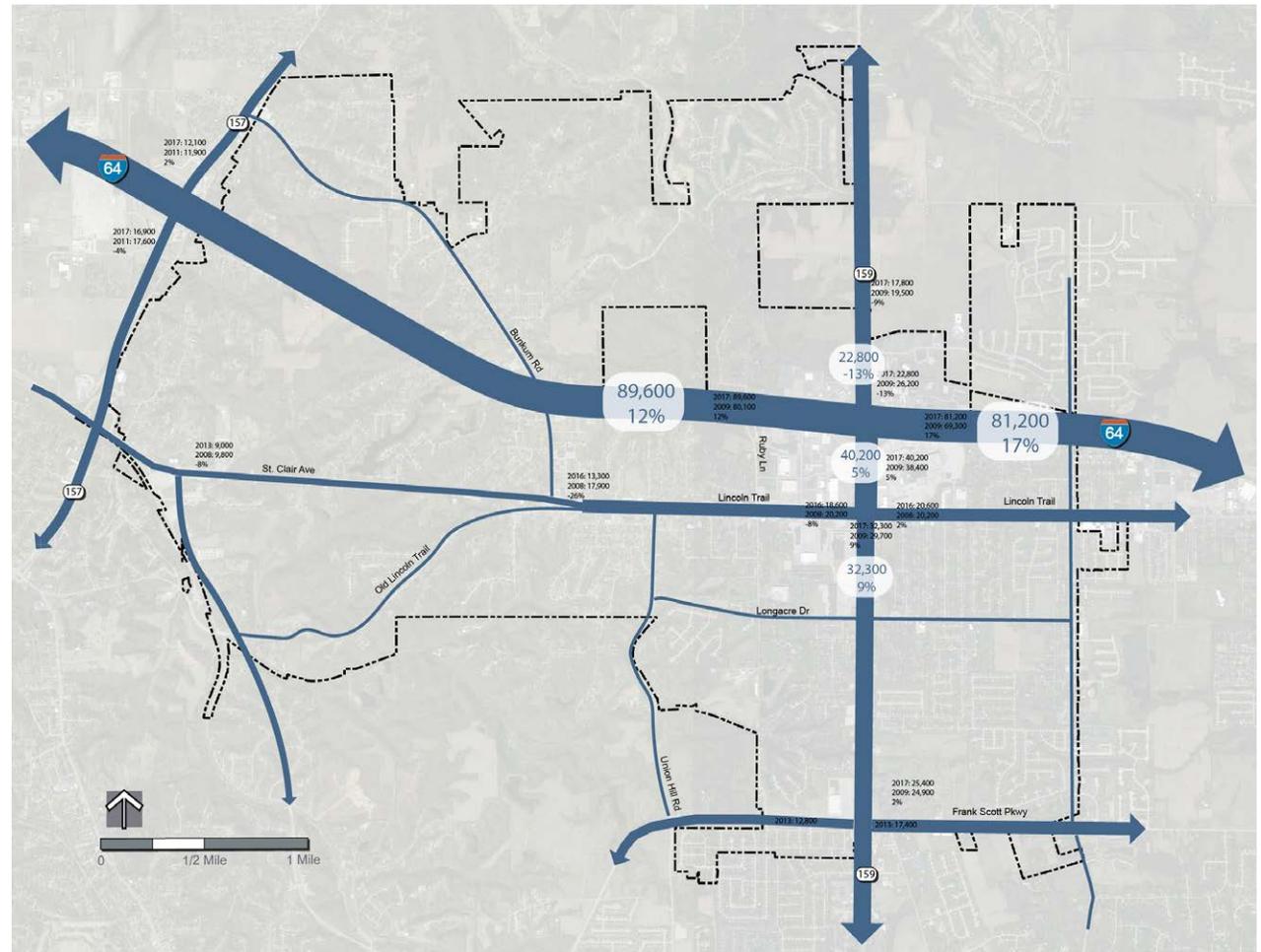


Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Household Income - Regional Comparison to Fairview Heights

I-64 ACCESS / LOCATION

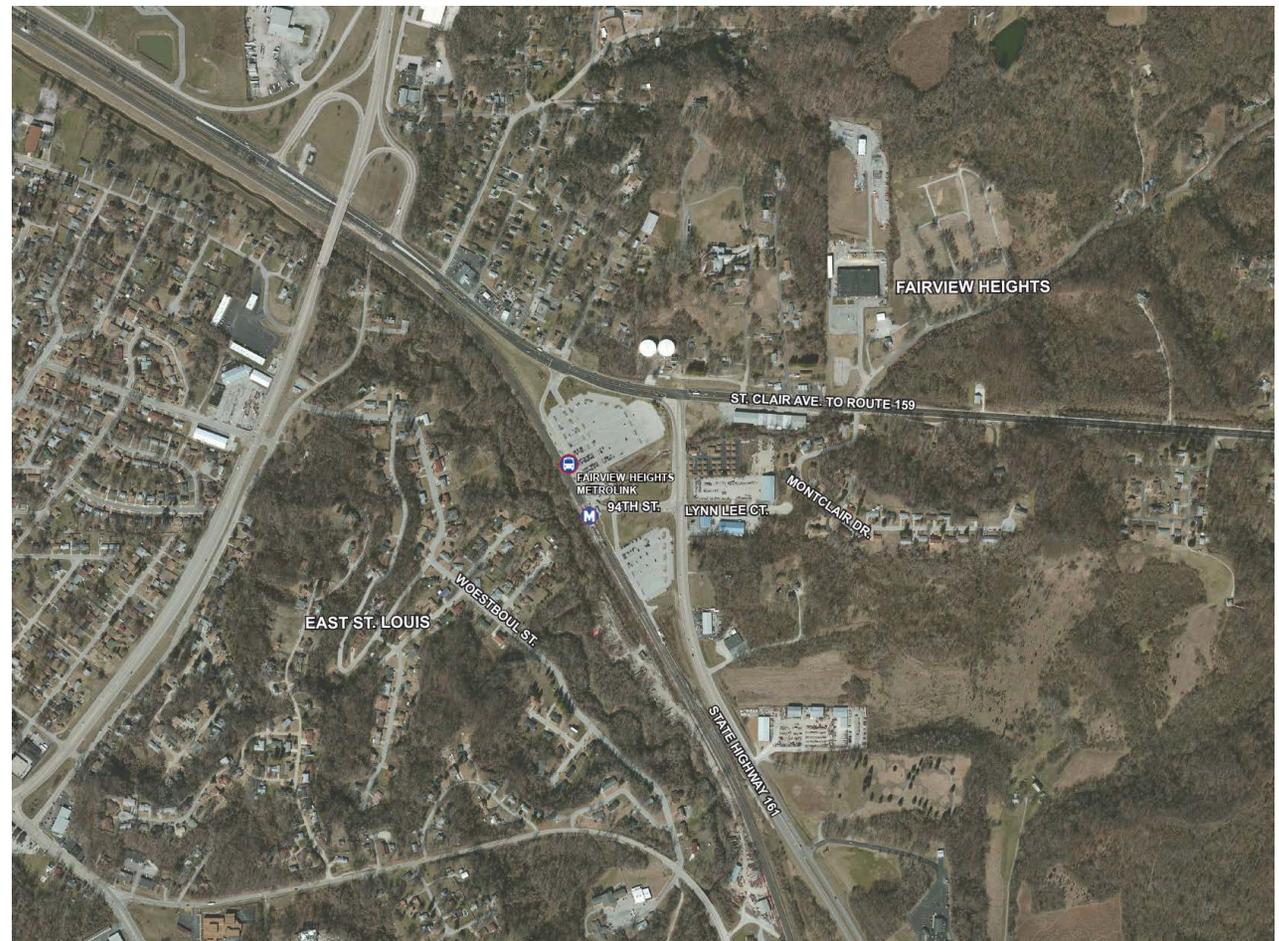
Highway access and good transportation infrastructure are key site selection criteria for businesses considering locating in a community. Highway access can translate into saved time and money and may be critical for attracting both customers and employees. Fairview Heights' location on I-64 provides excellent accessibility to the metro region and beyond. With excellent visibility to drivers and the exit at IL-159, the properties immediately along the highway are particularly attractive to retailers. Significantly, traffic counts on I-64 and IL-159 south of the interstate have increased, indicating additional exposure for the community. That being said, access management will be necessary to ensure that congestion does not become a deterrent to economic activity and future investment.



Average Daily Traffic Counts - Fairview Heights

METROLINK STATION

The Metrolink light rail station in Fairview Heights enhances regional access to the city and connects residents with regional employment, educational and other opportunities. Ease of access to and from Fairview Heights has the potential to benefit local employers who need to tap into the region's labor force and can create opportunity for residential and retail development.



Aerial Map - Existing Fairview Heights MetroLink Station

OTHER STRENGTHS

- Proximity to Scott Air Force Base and significant civilian business base supporting military operations.
- No municipal levy of real property tax.
- Active chamber of commerce engaged in supporting local businesses and their growth.
- Collaborative, experienced economic development team.
- Willingness of Fairview Height to tap into economic development tools to promote growth.

Weaknesses / Threats

- Dependence on retail
 - Age of St. Clair Square and overall retail
 - Over-reliance on sales tax
- Competitive Impact of Neighboring Communities
- Changing demographics
 - Aging population
 - Increased wealth in neighboring communities
- School District Challenges
 - Multiple districts
 - Lack of high school (identity and community cohesion)
- Housing challenges
 - Aging housing
 - Unfinished housing developments
 - Lack of variety in housing stock
- Development constraints
 - Lack of control over utility costs (especially sewer)
 - Lack of developable land
 - Mining subsidence
- Lack of image / No sense of place
- Illinois business climate (perception and realities)
- Organizational capacity

DEPENDENCE ON RETAIL

Generally, communities seek to have a diverse economic base to help ensure resiliency: set-backs or slowdowns in certain industries have less impact on the economy because other sectors remain vibrant. Fairview Heights' economy is highly dependent on the retail sector, which in recent years, has struggled to adjust to changes in consumer spending and

preferences and which remains subject to additional contraction or right-sizing. Further, with retail as a significant element of Fairview Heights' business base, the municipal budget is highly dependent on sales tax revenues. With 62% of its budget derived from sales tax, any significant decline in retail sales could undermine municipal operations and services.

% of Total Companies

25%

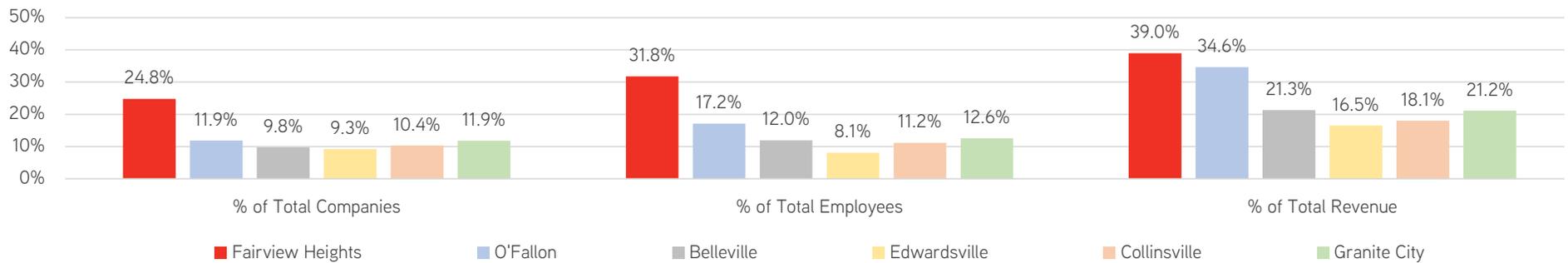
% of Total Employees

32%

% of Total Revenue

39%

Dependence on Retail Trade



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Dependence on Retail - MetroEast Comparison with Fairview Heights

DEPENDENCE ON RETAIL (cont.)

Fairview Heights

Retail % of
Total Building SF



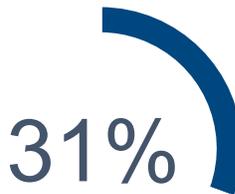
O'Fallon

Retail % of
Total Building SF



Belleville

Retail % of
Total Building SF



Edwardsville

Retail % of
Total Building SF

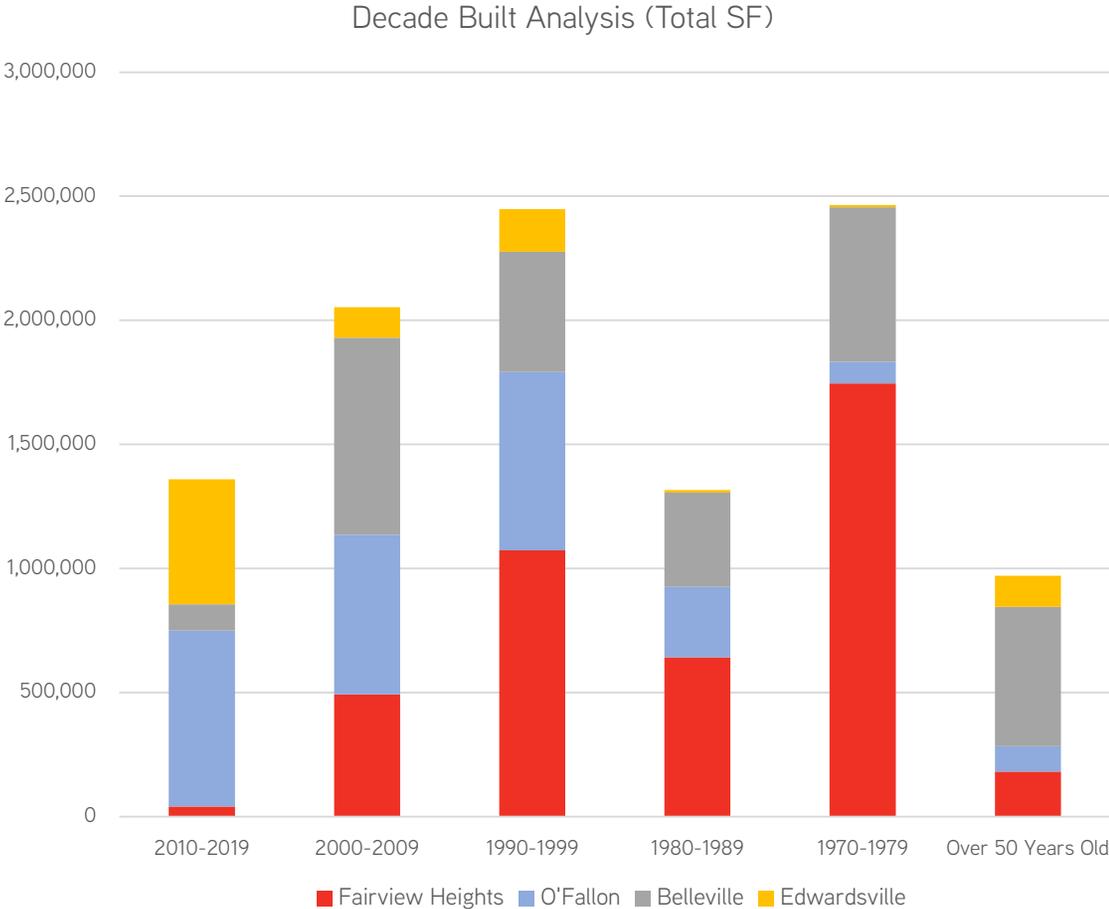


Dependence on Retail - MetroEast Comparison with Fairview Heights

DEPENDENCE ON RETAIL (cont.)

Aging Retail Stock

Sixty-three percent of Fairview Heights' building square footage is dedicated to retail. With the vast majority of these buildings constructed pre-2000 and a significant percent, including St. Clair Square mall, constructed in the 1970s, the retail building stock is dated and lacks appeal which reduces competitiveness. Many of these aging retail centers are also challenged by vacancies and outdated design that is not in line with current consumer expectations and preferences.



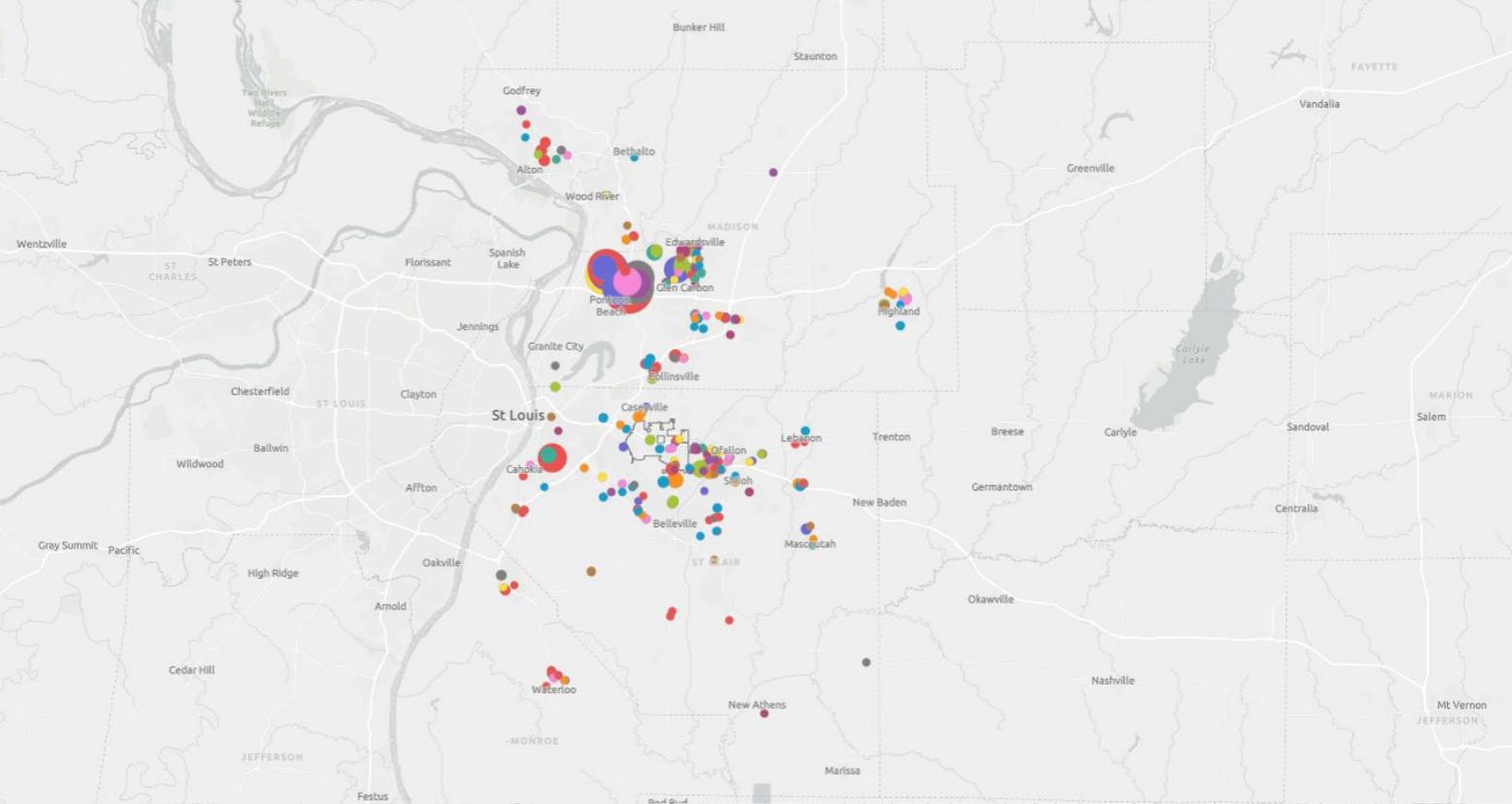
Retail Inventory - Decade Built. MetroEast Comparison

COMPETITIVE IMPACT OF NEIGHBORING COMMUNITIES

Neighboring communities, most notably O’Fallon and Shiloh, have methodically sought development in their communities. While they once may have trailed Fairview Heights, newer development, expanded residential development and population growth along with additional developable

land have enhanced the attractiveness of these communities and given them a competitive edge when it comes to attracting new businesses and residents.

Metro East – Commercial Development since 2008: ALL BUILDINGS



Year Built

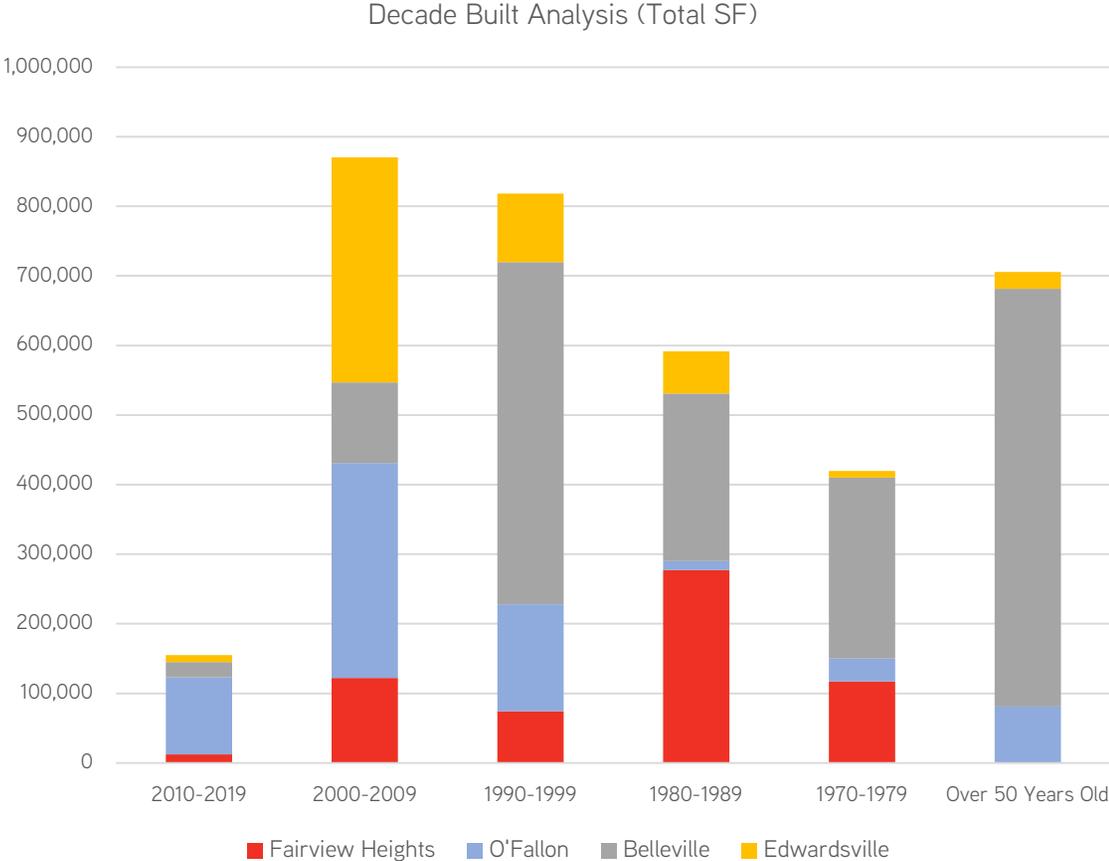
- 2008
- 2009
- 2010
- 2011
- 2012
- 2013
- 2014
- 2015
- 2016
- 2017
- 2018
- 2019
- 2020

Rentable Building Area (Building SF)

- > 1,000,000
- 800,000
- 500,000
- 300,000
- < 444

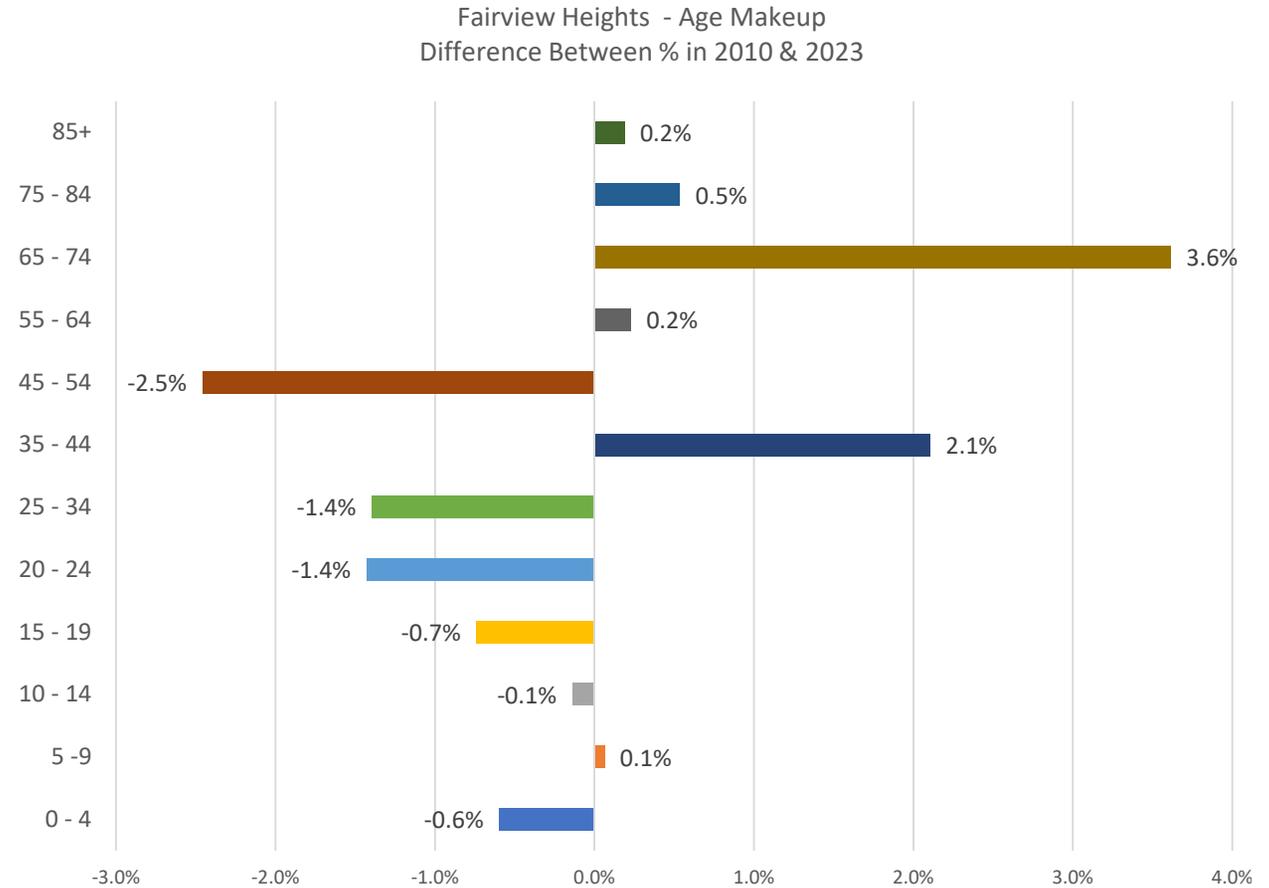
COMPETITIVE IMPACT OF NEIGHBORING COMMUNITIES (cont.)

Neighboring communities, such as Edwardsville and O’Fallon have seen significant growth in new office construction in the last two decades. The biggest decade for office growth in Fairview Heights was in the 1980s.



Office Inventory - Decade Built. MetroEast Comparison

While Fairview Heights is a stable and affluent community, its population is aging. With an older population comes fixed incomes with less purchasing and investment capacity. In contrast neighboring communities that have experienced population growth and expansion in their business base are showing an upward trend in terms of household income.

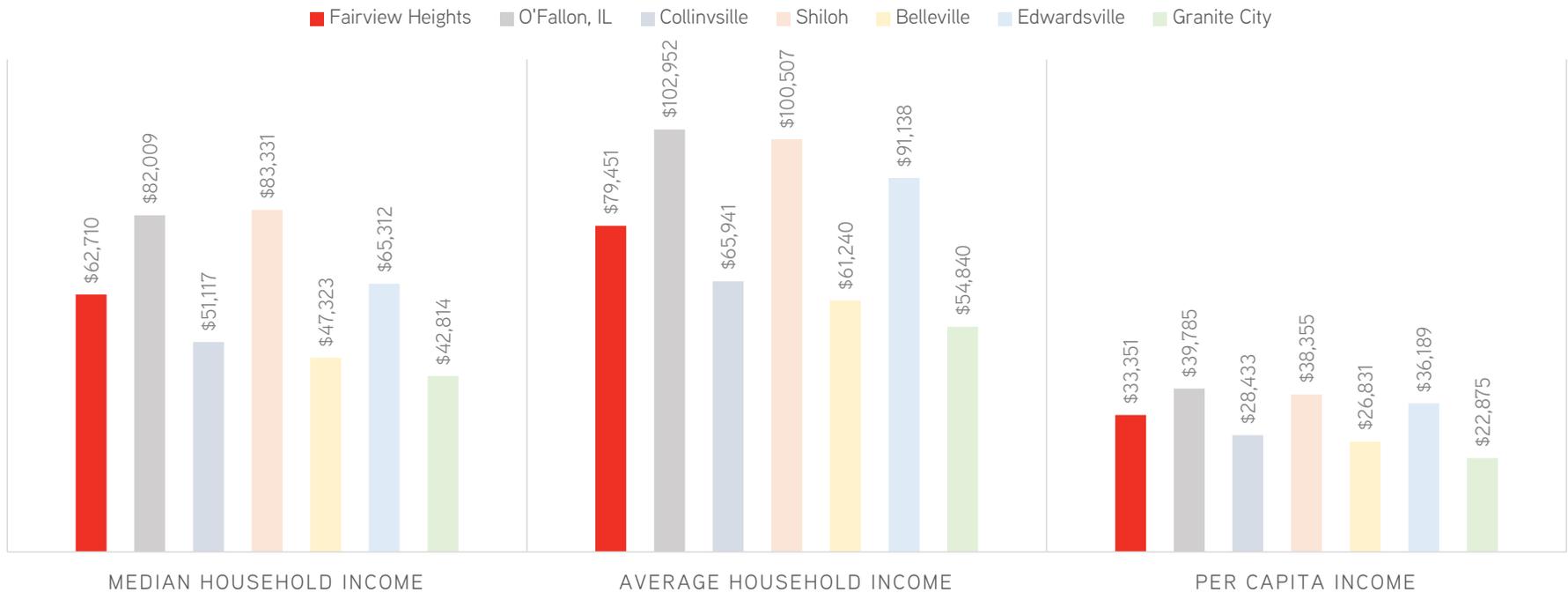


Fairview Heights - Expected Change
in Age Makeup (2010 - 2023)

CHANGING DEMOGRAPHICS (cont.)

While Fairview Heights enjoys household incomes comparable to or above average compared to the larger region, immediate neighboring communities have experienced population growth and expansion in their business base and are showing an upward trend in terms of household income.

HH BY INCOME (FORECAST 2018)

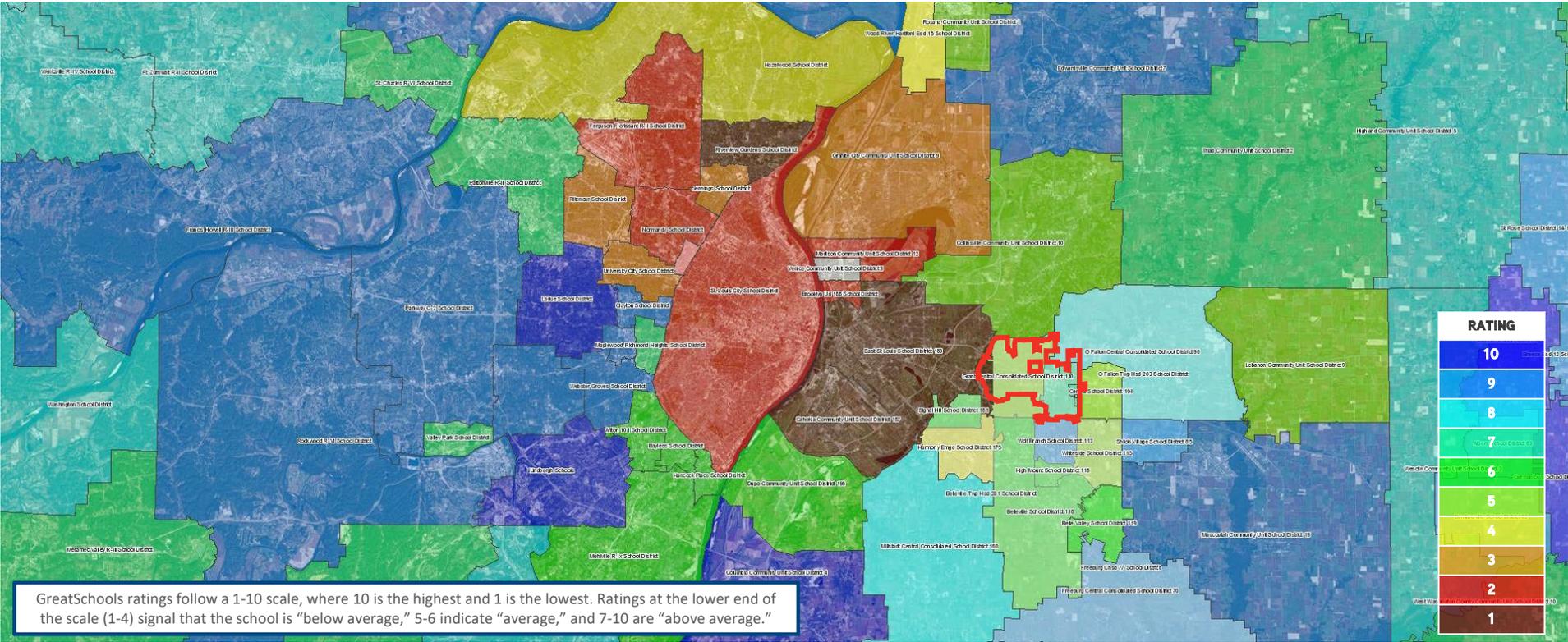


Household Income - MetroEast Comparison to Fairview Heights

SCHOOL DISTRICT CHALLENGES

People often choose where they live based on the school district in which a home is located. Fairview Heights is served by multiple school districts of varying quality, which affects the community’s ability to attract new, younger families that would create a broader consumer base for local retail shops and services. Additionally, for

many small towns, the local high school serves as an opportunity to connect residents through sports and other school events, which provide residents with a sense of identity and community. Fairview Heights lacks the unifying presence of a central high school that serves its families and young people.

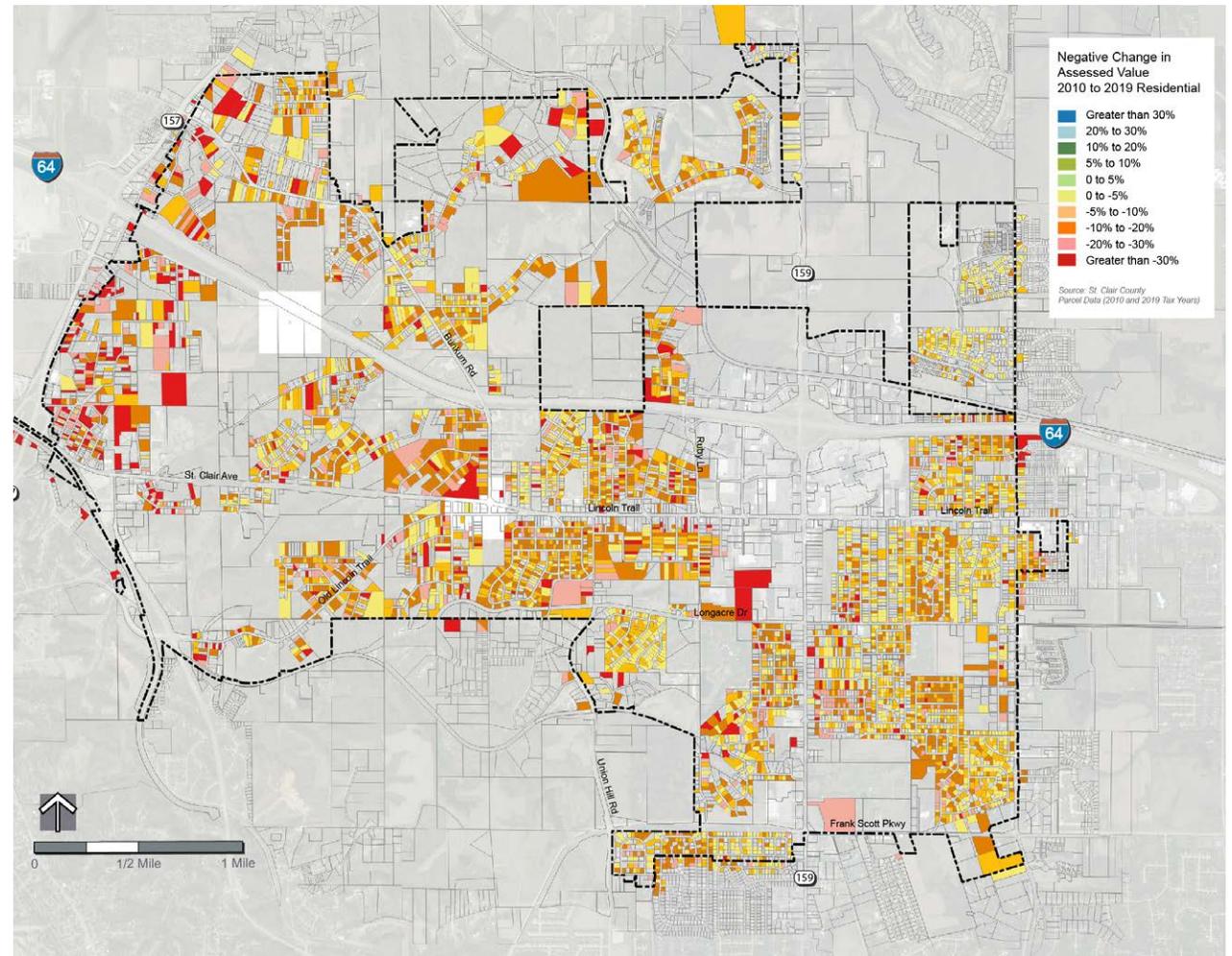


School District Ratings

HOUSING CHALLENGES

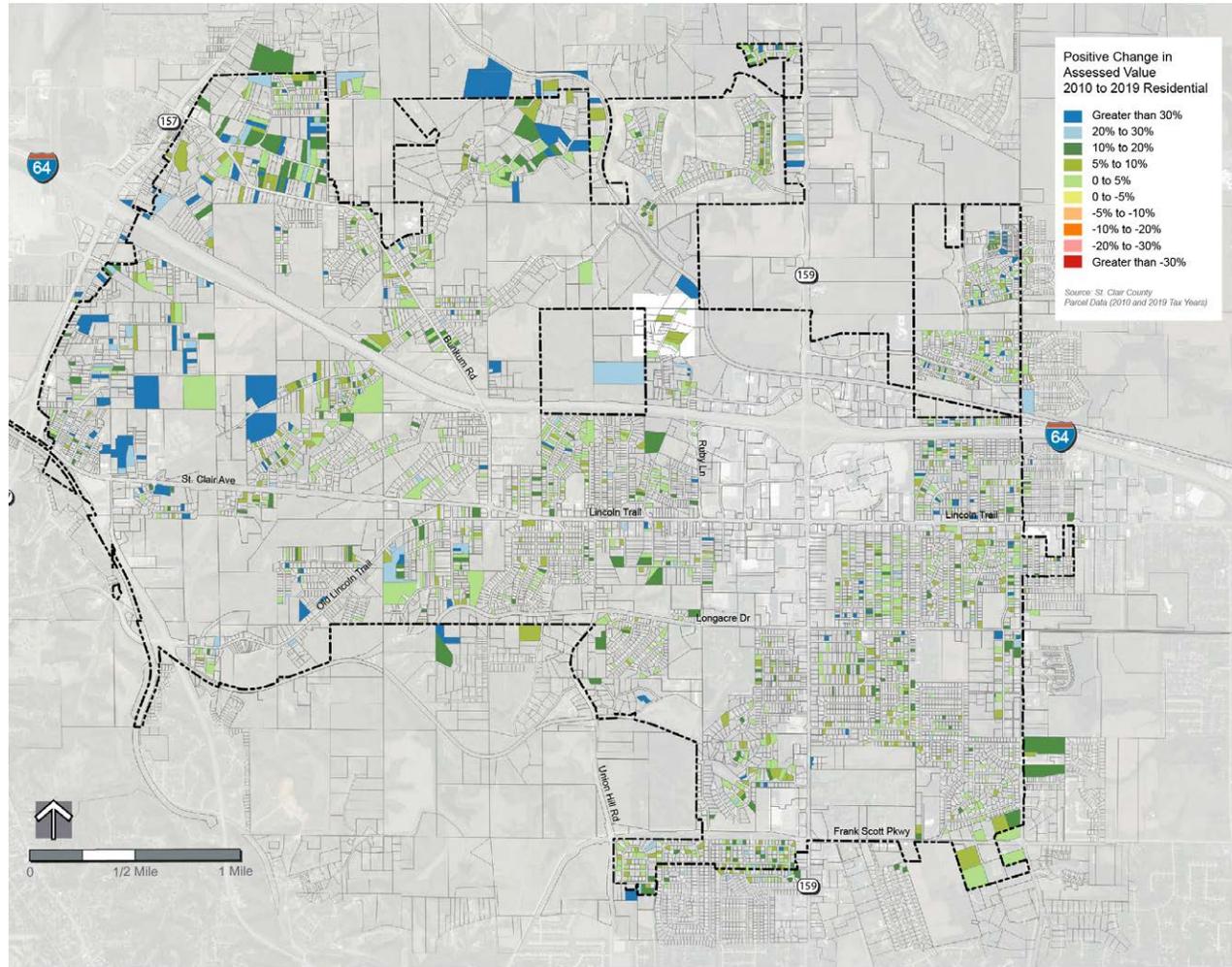
Unfinished housing development in Fairview Heights undermines its image as a thriving community, which is needed to attract new residents and additional investment. Further, aging housing stock and a lack of variety in housing options limits the pool of potential residents who might seek out Fairview Heights and thereby stymies growth.

The map on this page shows negative changes in assessed residential values from 2010 to 2019. Large areas of residential decreased in assessed value. While part of the reason for decreased valuation stems from inflated housing prices as part of the housing bubble in the late 2000s, part of the reason may be attributed to aging housing stock.



Negative Change in Assessed Residential Values (2010 - 2019)

The map on this page shows positive changes in assessed residential values from 2010 to 2019. While some areas of residential increased in assessed value, more areas decreased in value over the same period.



Positive Change in Assessed Residential Values (2010 - 2019)

OTHER WEAKNESSES / THREATS

- Public infrastructure that is car-centric and visually unappealing
- Slow growth in commercial office development that hinders economic diversity and reduces consumer base for local retail and food service establishments
- Limited land within municipal boundaries available for new development
- Potential developable land complicated by mine subsidence issues that may limit buildability and/or increase development costs
- Lack of community image and sense of place
- Continued bankruptcies and store closures by national chains that negatively impact City's retail base regardless of local outlet's performance
- Inadequate or failed re-investment/ redevelopment of St. Clair Square Mall could erode retail base further
- Lack of control over utility construction and high fees that undermine and retard new development
- Perceptions of challenging Illinois business climate that deter development and business investment

Opportunities

- I-64 Growth Corridor (Potential spillover effects of energy, growth & investment in neighboring communities, including O'Fallon's new hospitals and sports-focused tourism)
- Maintain position as retail hub of Southern Illinois
 - Active efforts by St. Clair Square Mall management to backfill Sears
 - Evolving retail trends
- SAFB Spillover
 - Contracting firms
 - Embracing veterans
- Potential for development north of I-64
- Reinvestment in local conference center and hotel operations

- Redevelopment
 - Priority sites / districts
- Collaboration
 - Regional effort to promote entrepreneurship (incubator)
 - Regional economic development leads
 - I-255 Sports Corridor
- Creating a Welcoming Front Door
- Continued Focus on Quality of Life
- Next Generation of Housing
- State budget (proposed transportation funding increase)
- Strengthen and expand chamber initiatives

Opportunities listed should be considered as a starting point for a deeper dive as the plan progresses into the draft and final development of an economic development strategy. The opportunities will evolve as the economic strategy is finalized. The following are key thoughts related to opportunities.

■ **I-64 Growth Corridor**

With significant new investment in neighboring communities, Fairview Heights may be able to take advantage of potential spillover effects of this growth. Fairview Heights may capitalize upon these new investments and activities (including O’Fallon’s new hospital and medical services and sports-focused tourism) independently or in collaboration with its neighbors.

■ **Scott Air Force Base**

Building a stronger connection and relationship with Scott Air Force Base represents an opportunity to connect to opportunities to grow and diversify civilian contractor businesses within Fairview Heights. At the same time, connecting with the base and the significant local military population can serve to expand the customer base for the City’s retail businesses and services.

■ **Reinvesting in Retail**

Supporting active efforts by St. Clair Square Mall management to backfill Sears creates an opportunity to inject new vitality into the mall and diversify its offerings, thereby attracting and re-attracting consumers. While the mall’s performance in terms of sales per square foot is anticipated to improve, it lags far behind some of the more successful malls on the Missouri side. The “Apple effect” suggests that a strong retailer with significant drawing power, like an Apple store, has the potential to dramatically increase sales overall and should be advocated and supported by Fairview Heights. Further, new investment in and performance of local retail outlets suggest opportunities to continue to strengthen Fairview Heights’ retail base (including through place-making and infrastructure enhancements) in order to retain its role as the retail hub of Southern Illinois.

■ **Collaboration**

Collaboration on a number of fronts may offer Fairview Heights the opportunity to strengthen and diversify its economy. These opportunities include active engagement in the regional effort to promote entrepreneurship (incubator collaboration) which will help attract local small businesses to the City and support their

growth. Additionally, participating in broader regional efforts to develop sports tourism along the I-255 Corridor may enhance City tourism and increase its visitor base. Finally, exploring additional partnerships and collaboration with the chamber, economic development organizations and universities may enable Fairview Heights to leverage broader economic development initiatives that will grow its economy.

Other opportunities include:

- Reinvestment currently under way in conference center and lodging facilities may increase opportunities to attract more business and leisure travelers.
- Existing retail vacancies can provide sites that might be redeveloped and/or repositioned for alternative uses.
- Proposed increases to the state transportation may offer opportunities to enhance access and reduce congestion.

Market & Industry Cluster Analysis

INDUSTRY CLASSIFICATIONS & CLUSTERS

For communities, industry clusters serve as a measure of economic activity and provide insight into the types of businesses that may attract similar companies, resulting in new jobs and creating wealth. An industry cluster may generally be defined as a group or network of businesses and related organizations and institutions in a particular industry that are located near each other and derive a productive advantage from their proximity. Clusters often indicate areas for growth in the local economy; the presence of successful businesses may serve to reassure other prospective firms that they can be successful locating in a community.

While there are different ways to determine whether an industry cluster exists in a region or community, a common methodology is to examine the number of employees in a particular industry in a given geography. An industry cluster exists if the concentration of employees exceeds the national average for the sector – called the location quotient. The number of total companies and/or the total revenue they generate annually also provide insight into a cluster analysis.

In addition to providing insight into areas of economic strength and growth, an industry cluster analysis for a particular community or region can help shape business attraction, expansion and retention policies, reveal industries that may have similar workforce

needs, help prioritize groups of firms that have growth potential and help improve a community's identity and marketing.

Key Industries by Sector

Industry cluster analyses are often derived from data collected through the North American Industry Classification System (NAICS), the standard used by the federal government for classifying businesses in order to collect and analyze statistical information on the US economy. NAICS establishes broad categories of industries and then further refines them into subclassifications. The US Bureau of Labor Statistics has further aggregated NAICS sectors into groups called Supersectors, which represent combined employment data for the NAICS sector groupings. These NAICS categories provide a framework for beginning to define the clusters in a community.

Fairview Heights Supersectors

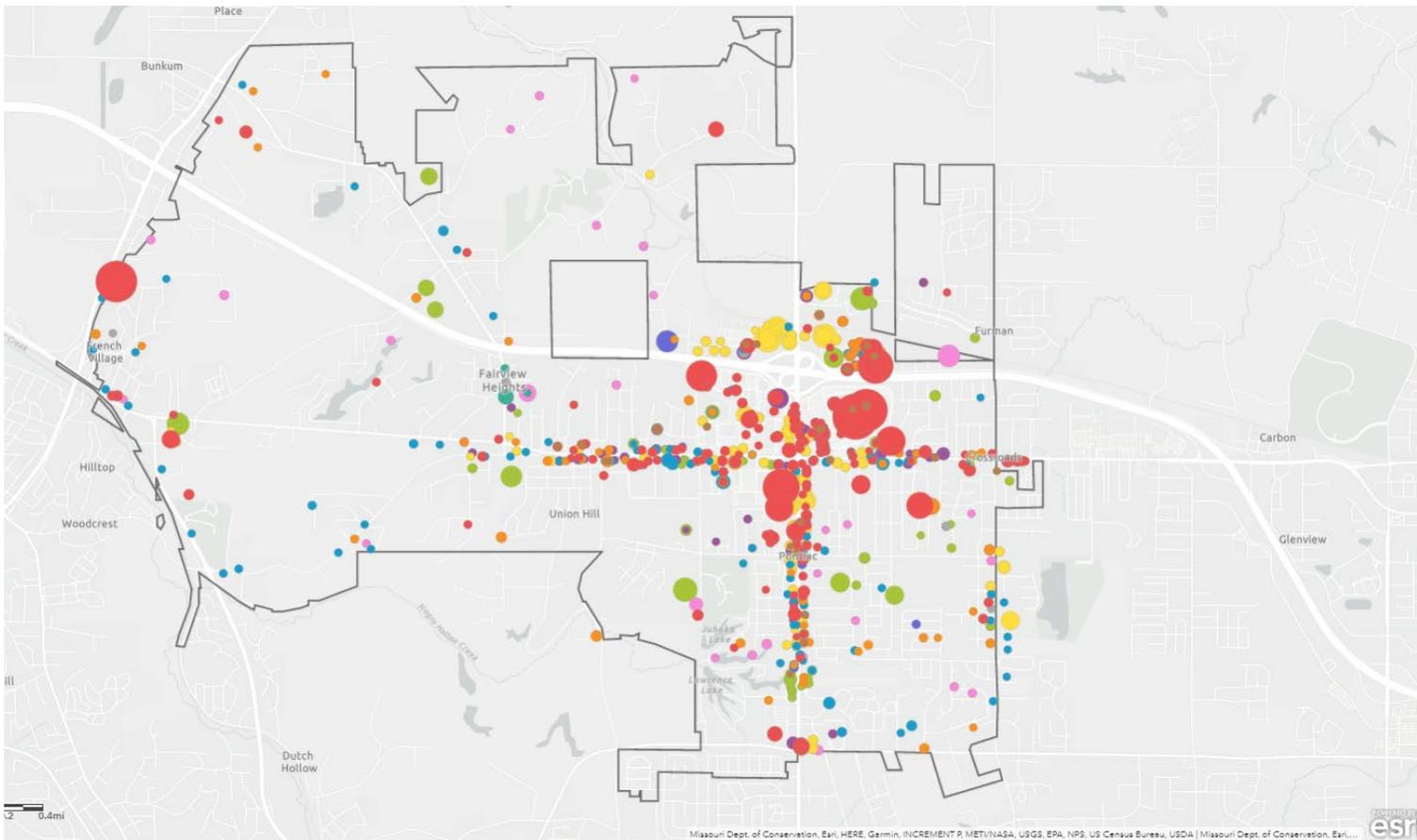
Based on percent of total employment, top NAICS Supersectors for Fairview Heights include:

- Trade, Transportation and Utilities (combined Wholesale Trade, Retail Trade, Transportation and Warehousing and Utilities sectors)
- Leisure and Hospitality (combined Arts, Entertainment and Recreation and Accommodations and Food Services sectors)
- Other Services (Other services, except Public Administration)
- Education & Health Services (combined Educational Service and Health Care and Social Assistance Services)

In addition to employment, the Trade Transportation and Utilities Supersector represents the largest number of companies in Fairview Heights and is the greatest revenue producer in the community. While Leisure and Hospitality lags behind other Supersectors in terms of number of companies, it is the second largest employer and generates the second highest revenues in the community.

Fairview Heights						
NAICS Supersector	# of Companies	% of Total Companies	# of Employees	% of Total Employees	Total Revenue	% of Total Revenue
Trade, Transportation, & Utilities	281	28.7%	4,497	35.6%	\$874,833,434	48.5%
Other Services	140	14.3%	1,024	8.1%	\$79,114,750	4.4%
Education & Health Services	121	12.3%	1,824	14.4%	\$159,265,185	8.8%
Financial Activities	121	12.3%	810	6.4%	\$164,137,326	9.1%
Professional & Business Services	108	11.0%	1,090	8.6%	\$150,665,467	8.4%
Leisure & Hospitality	100	10.2%	2,518	19.9%	\$240,407,927	13.3%
Construction	44	4.5%	421	3.3%	\$89,758,394	5.0%
Unclassified	24	2.4%	5	0.0%	\$442,600	0.0%
Government	18	1.8%	255	2.0%	-	-
Manufacturing	13	1.3%	118	0.9%	\$29,112,458	1.6%
Information	6	0.6%	63	0.5%	\$14,103,891	0.8%
Natural Resources & Mining	4	0.4%	15	0.1%	\$1,605,753	0.1%
TOTAL	980		12,640		\$1.8B	

NAICS Supersectors in Fairview Heights



MAP KEY

NAICS Supersector

- Trade, Transportation, & Utilities
- Other Services
- Education & Health Services
- Financial Activities
- Professional & Business Services
- Leisure & Hospitality
- Construction
- Unclassified
- Government
- Manufacturing
- Other

Revenue/Year

- > 41,626,530
- 30,000,000
- 20,000,000
- 10,000,000
- < 0

Source: DataVu (Database USA) - 2017 - 2017

Fairview Heights - NAICS Supersectors (By Revenue/Yr)

INDUSTRY CLUSTERS

While Supersectors represent significant employers for Fairview Heights, greater sector specificity will assist in identifying the community's strengths. The Location Quotient (LQ) is a tool used to analyze local economic strengths and weaknesses and provides a measure to evaluate concentrations in light of national averages. The national average concentration is set at 1.0. Anything in excess of this figure may be considered an industry cluster. It is also important to note that there may be instances where an industry that employs significant numbers does not constitute an industry cluster. For example, while health care may represent a significant employer in a given community, the concentration may not be sufficient to rise to the level of an industry cluster, i.e., the concentration is not above the average national concentration (LQ of 1.0).

Fairview Heights Industry Clusters

Breaking down the Supersectors to more specific industries and considering them in light of their LQ reveals that in Fairview Heights, primary industry clusters include the following:

- Retail Trade – LQ: 3.12, notwithstanding a nine percent contraction in total employment
- Accommodation and Food Services – LQ: 2.38
- Arts, Entertainment and Recreation – LQ: 2.25¹

Potential Emerging and Declining Sectors

While there are industry clusters that clearly emerge as strengths for Fairview Heights, there are other industry concentrations that bear discussion given their potential for growing the local economy, notwithstanding a lower than average LQ. It is notable that while Education and Health Care Services are considered a Supersector for Fairview Heights, primarily as a result of higher levels of employment in the Health Care and Social Assistance sector, the LQ for this sector is half the national average. That being said, it is possible that Health Care and Social Assistance may be a growth area for the community, particularly given the proximity of the new hospital in O'Fallon. Similarly, the Professional and Business Service Supersector (combined Professional, Scientific, and Technical Service, Management of Companies and Enterprises and Administrative and Support and Waste Management and Remediation Services sectors) does not emerge as a top Supersector for Fairview Heights, but the Administrative and Support and Waste Management and Remediation Services sector within this Supersector has experienced 29% growth in Fairview Heights since 2013, suggesting that it may be an area of potential expansion.

While there are sectors that do not emerge as an industry cluster based on their LQ, but may have potential because of increasing employment numbers, there are also sectors that show a nominally higher than average

LQ but may not be strong candidates for future growth. For example, Other Services demonstrates a slightly higher than national average LQ. This industry sector is comprised of local services like automotive and household goods repair, dry cleaning and religious, social, civic and business associations that have a local focus rather than the potential for broader economic growth. In addition, while Financial Activities (combined Finance and Insurance and Real Estate and Retail and Leasing sectors) is not a Supersector, Fairview Heights does have a slightly above average concentration in the Finance and Insurance sector. That being said, the sector has experienced a 39% decrease in employment in the City since 2013.

(1) The Arts, Entertainment and Recreation LQ of 2.25 comes from EMSI, a national provider of labor and economic statistics. EMSI uses government data and proprietary processes to formulate its data. An initial review of the underlying data for Fairview Heights suggests that the LQ of 2.25 may be overly optimistic. Additional review and research will be needed to clarify the data related to Arts, Entertainment and Recreation.

Home-based Businesses

Although economic development typically focuses on growing and retaining well-established companies, how Americans work is evolving, characterized by growth in self-employment and home-based businesses. As a result, understanding the needs of home-based businesses and how best to support them is an increasing focus for economic development. While the NAICS code analysis may capture some of these firms, these emerging businesses with localized impact represent a distinct opportunity to help grow wealth and jobs for residents.

In Fairview Heights, construction-related home-based businesses are the largest segment of home-based businesses in the community representing over one-third of home-based firms. Additionally, over 40% of home-based business workers are employed by construction firms, and construction firms generate over 50% of home-based business revenues in the City.

The extent of construction home-based businesses in Fairview Heights is mirrored at the Metro-East region level. In the eight county Metro-East area, construction home-based businesses emerge as the largest segment in terms of total number of companies, number of employees and total revenues.

Industry Supersector (NAICS Codes) Analysis

Supersector	Total Companies	% of Total Companies	Total Employees	% of Total Employees	Total Revenue	% of Total Revenue
Construction	16	36.36%	79	43.17%	\$16,048,675	52.41%
Other Services	8	18.18%	34	18.58%	\$3,350,482	10.94%
Trade, Transportation, & Utilities	8	18.18%	27	14.75%	\$4,790,703	15.64%
Professional & Business Services	7	15.91%	26	14.21%	\$4,503,898	14.71%
Leisure & Hospitality	2	4.55%	2	1.09%	\$177,040	0.58%
Education & Health Services	1	2.27%	5	2.73%	\$442,600	1.45%
Manufacturing	1	2.27%	9	4.92%	\$1,155,186	3.77%
Natural Resources & Mining	1	2.27%	1	0.55%	\$154,025	0.50%
TOTAL	44		183		\$30,622,609	

Home Based Business Analysis - Fairview Heights

REGIONAL CLUSTERS

Especially as a small community, it is important not to view Fairview Heights' economy in isolation. Surrounding communities and the larger region may have industry clusters that present Fairview Heights with opportunities for economic growth. With cluster analysis frequently considering industries on a regional basis, Fairview Heights should consider how it may leverage clusters that are strengths for the larger community.

Within St. Clair County among the larger employment sectors, the following industry sectors emerge as strengths:

- Federal Government, Civilian – LQ: 3.78
- General Medical and Surgical Hospital – LQ: 1.49

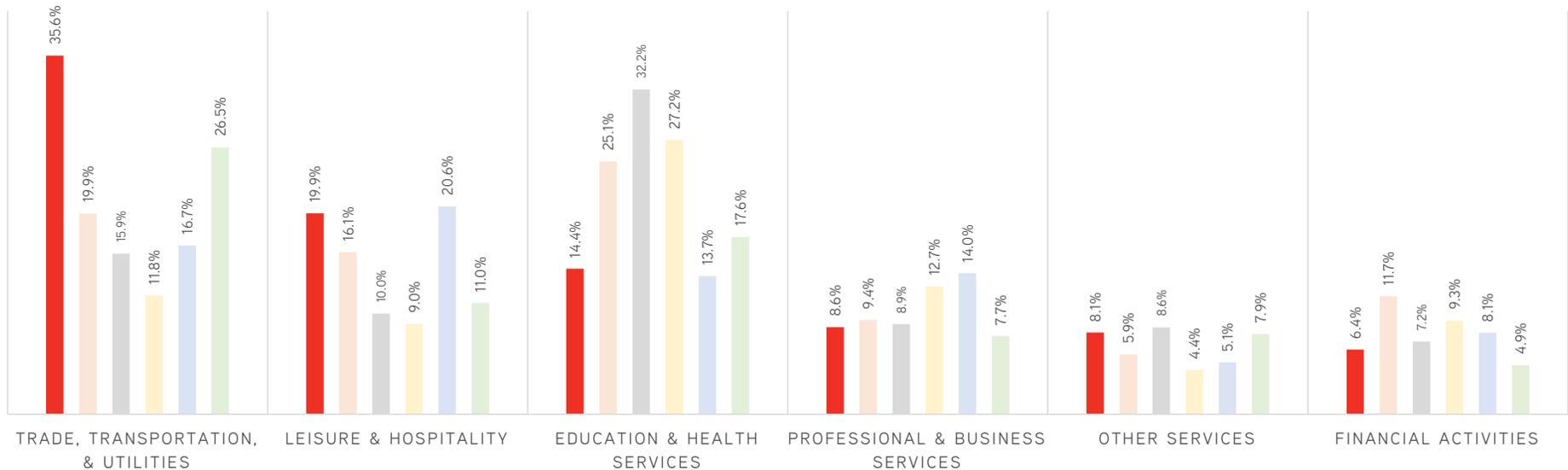
Other growing sectors include Offices of Physicians (LQ: .97 with 9% growth 2015-2016, most recent data); Home Health Care Services (LQ: .98 with 80% growth); and

Computer System Design Services (LQ:1.3, with 14% growth). There is also meaningful growth in Warehousing and Storage (a challenge for Fairview Heights due to lack of developable land); and Restaurants (Full and Limited Service) among others. While Federal Government, Military has an exceptionally high LQ at 3.87, decision-making regarding growth is largely driven by federal policy, requiring regional influence to capture.

Top NAICS Industries per City – Supersectors *(by % of Total Employees In the City)*

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES

■ Fairview Heights ■ O'Fallon ■ Belleville ■ Edwardsville ■ Collinsville ■ Granite City



CONSUMER DEMAND PROFILES

Top industry concentrations in Fairview Heights are consumer-centric – the purchasing preferences and capacity of the consumer market help drive growth or decline in the retail, hospitality and recreation sectors. Understanding demand can help shape the growth strategy for these sectors; an examination of consumer spending habits and consumer profiles provides insight into the types of businesses that are most likely to align with the community's market. As a regional retail center for Southern Illinois, the city's retail, services and entertainment base draws from a broad multi-county geography, including the eight county Metro East area, comprised of St. Clair, Madison, Monroe, Jersey, Clinton, Bond, Calhoun and Macoupin. Metro East is considered part of the St. Louis Metropolitan Statistical Area.

In terms of population, the Metro East is larger than the combined population of the balance of 26 counties in the Southern Illinois region. Further, St. Clair and Madison counties represent the vast majority of the population in the Metro East. For purposes of this analysis, St. Clair, Madison and Monroe County residents serve as a good foundation for developing an understanding of the likely demand profile in Fairview Heights.

Regional Consumer Profiles

While there is diversity in the Metro East area in terms of consumer profiles, based on the Tapestry reports, the largest consumer segment in the Metro East falls within the GenXurban category. This group is comprised largely of middle-aged married couples with fewer children at home and a mortgage but includes retirees and individuals moving toward retirement. Tapestry's GenXurban profile characteristics include the following:

- About a fifth are 65 or older; about a fourth of households have retirement income
- Own older single-family homes in urban areas, with 1 or 2 vehicles
- Live and work in the same county, creating shorter commute times
- Invest wisely, well-insured, comfortable banking online or in person
- News junkies (read a daily newspaper, watch news on TV, and go online for news)
- Enjoy reading, renting movies, playing board games and cards, doing crossword puzzles, going to museums and rock concerts, dining out, and walking for exercise

While the GenXurban segment consists of five more detailed demographic profiles, overall it is a traditional, generally conservative segment in terms of saving and spending. The GenXurban demographic is budget aware and careful purchasers, even those who are on the more affluent end of the profile spectrum. Household spending ranges from just below the national

average (e.g. Rustbelt Traditions, the largest profile in GenXurban in Metro East) to just above the national average (e.g. Comfortable Empty Nesters, the next largest segment). Rustbelt Traditions, the largest profile in the GenXurban segment in the Metro East, are a large market of hardworking but stable consumers who are family oriented and have modest incomes but relatively high net worth.

Overall GenXurban consumers are home focused, investing in remodeling and DIY projects along with gardening. A significant portion of this segment is also physically active, working out (including at home) and enjoying golf and skiing. When compared to other household budget categories in light of the national average, entertainment and recreation expenditures are typically slightly higher for most GenXurban demographic segments.

Cozy Country Living is the second largest segment in the Metro East and is the largest segment in the nation. Cozy Country Living are largely empty nesters in rural settings.

Tapestry's key characteristics of this segment are as follows:

- Homeowners with pets, residing in single-family dwellings in rural areas; almost 30% have 3 or more vehicles and, therefore, auto loans
- Politically conservative and believe in the importance of buying American

- Own domestic trucks, motorcycles, and ATVs/UTVs
- Prefer to eat at home, shop at discount retail stores (especially Walmart), bank in person, and spend little time online
- Own every tool and piece of equipment imaginable to maintain their homes, vehicles, vegetable gardens, and lawns
- Listen to country music, watch auto racing on TV, and play the lottery; enjoy outdoor activities, such as fishing, hunting, camping, boating, and even bird watching.

Within the Metro East, the largest demographic profile within Cozy Country is Green Acres. While conservative and cautious with spending, they value quality and durability and their household expenditures are virtually all above the national average.

Like their GenXurban counterparts, the Cozy

Country Living segment spends on DIY and home and garden projects. They are also focused on exercise, including working out at home on a variety of exercise equipment, and playing a range of sports. Like GenXurban, this group also tends to spend a somewhat greater proportion of their household budget on entertainment and recreation, based on the average for other expenditures. For example, Green Acres household expenditures for entertainment and recreation ranks at 132 compared to the national average. In contrast, housing comes in at 111, food at 112 and health care at 124 relative to the national average.

On the younger end of the Cozy Country group, the Hometown segment is also a significant population in the Metro East. These consumers are often young singles or married couples with limited income and lower than average expenditures on household budget items. This

segment is also more racially diverse than the other segments in Metro East. Characteristics of the Homestyle segment include the following:

- Close knit urban communities of young singles (many with children)
- Owners of old, single-family houses, or renters in smaller multi-unit buildings
- Religion is the cornerstone of many of these communities
- Visit discount stores and clip coupons, frequently play the lottery at convenience stores
- Canned, packaged and frozen foods help to make ends meet
- Purchase used vehicles to get them to and from nearby jobs

These are cost conscious consumers, many just starting out, who shop at discount stores, warehouse clubs and low cost retailers.

Top Ten Tapestry Segments *(by % of Households)*

Fairview Heights		O'Fallon, IL		Belleville		Edwardsville		Collinsville		Granite City		Swansea	
Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%
In Style (5B)	25.2%	Old and Newcomers (8F)	18.7%	Rustbelt Traditions (5D)	21.8%	In Style (5B)	32.5%	Rustbelt Traditions (5D)	22.1%	Traditional Living (12B)	32.0%	Exurbanites (1E)	32.2%
Parks and Rec (5C)	12.6%	Soccer Moms (4A)	15.2%	Traditional Living (12B)	14.3%	Old and Newcomers (8F)	17.6%	Old and Newcomers (8F)	21.3%	Midlife Constants (5E)	18.6%	Rustbelt Traditions (5D)	13.8%
Midlife Constants (5E)	11.5%	Professional Pride (1B)	14.3%	Old and Newcomers (8F)	14.1%	Boomburbs (1C)	11.7%	Bright Young Professionals (8C)	13.0%	Hardscrabble Road (8G)	15.6%	Golden Years (9B)	12.6%
Comfortable Empty Nesters (5A)	8.5%	Comfortable Empty Nesters (5A)	12.1%	Set to Impress (11D)	12.3%	Midlife Constants (5E)	9.0%	Midlife Constants (5E)	10.1%	Heartland Communities (6F)	12.6%	Old and Newcomers (8F)	10.1%
Green Acres (6A)	8.4%	In Style (5B)	8.3%	Midlife Constants (5E)	8.5%	Emerald City (8B)	7.5%	Traditional Living (12B)	9.5%	Rustbelt Traditions (5D)	7.1%	Savvy Suburbanites (1D)	9.5%
Rustbelt Traditions (5D)	7.1%	Rustbelt Traditions (5D)	8.1%	Bright Young Professionals (8C)	4.6%	Dorms to Diplomas (14C)	7.0%	Parks and Rec (5C)	7.8%	Parks and Rec (5C)	5.7%	Soccer Moms (4A)	8.0%
Boomburbs (1C)	6.1%	Middleburg (4C)	7.6%	Middleburg (4C)	4.5%	Savvy Suburbanites (1D)	6.6%	Front Porches (8E)	5.7%	Small Town Simplicity (12C)	4.1%	Set to Impress (11D)	7.0%
Young and Restless (11B)	5.3%	Boomburbs (1C)	7.3%	The Great Outdoors (6C)	3.5%	Set to Impress (11D)	3.7%	Comfortable Empty Nesters (5A)	4.9%	Comfortable Empty Nesters (5A)	2.7%	Comfortable Empty Nesters (5A)	6.8%
Small Town Simplicity (12C)	4.6%	Bright Young Professionals (8C)	6.0%	Savvy Suburbanites (1D)	2.7%	College Towns (14B)	2.7%	Set to Impress (11D)	2.3%	Front Porches (8E)	1.7%	In Style (5B)	0.0%
Southern Satellites (10A)	4.3%	Heartland Communities (6F)	2.4%	Up and Coming Families (7A)	2.1%	Rustbelt Traditions (5D)	1.8%	Metro Fusion (11C)	1.6%	-	-	-	-

Local Consumer Profiles

As in the Metro East region, the GenXurban segment is the dominant profile for Fairview Heights residents. With just over one-quarter of residents falling in the In Style profile, it emerges as the largest of the five profiles for City residents. The In Style profile is one of the more affluent profiles with low unemployment, higher incomes, substantial net worth and above national average household spending in all categories. Typically, with no children at home, they are connected and knowledgeable about technology, eat organic foods and actively support arts and culture but pay attention to price.



LifeMode Group: GenXurban

In Style

Households: 2,764,500

Average Household Size: 2.35

Median Age: 42.0

Median Household Income: \$73,000

WHO ARE WE?

In Style denizens embrace an urbane lifestyle that includes support of the arts, travel, and extensive reading. They are connected and make full use of the advantages of mobile devices. Professional couples or single households without children, they have the time to focus on their homes and their interests. The population is slightly older and already planning for their retirement.

OUR NEIGHBORHOOD

- City dwellers of large metropolitan areas.
- Married couples, primarily with no children (Index 112) or single households (Index 109); average household size at 2.35.
- Home ownership average at 68% (Index 108); nearly half, 47%, mortgaged (Index 114).
- Primarily single-family homes, in older neighborhoods (built before 1980), with a mix of town homes (Index 132) and smaller (5–19 units) apartment buildings (Index 110).
- Median home value at \$243,900.
- Vacant housing units at 8.6%.



CLUSTER ANALYSIS

Analysis: Retail Sector

The retail sector worldwide is evolving. Technology has dramatically changed and continues to change the way in which consumers shop. While on-line shopping has clearly impacted brick and mortar stores, and there is a general recognition in the industry that there is an excess of per capita retail space in the US, retailers are evolving their approach to better integrate the on-line and in-person consumer experience. Part of this equation is making purchasing easier and more convenient across multiple channels (digital and real life). Additionally, experiential retail is also a key trend that is attracting consumers to physical locations, and while national chains and big box stores continue to struggle, discount and off-price retailers continue to appeal to cost conscious consumers. Thus, while brick and mortar locations have suffered, physical outlets remain an important part of the retail equation.

Retail clearly emerges as the largest industry cluster in Fairview Heights, notwithstanding some contraction in the last five years. With an LQ of 3.12 (national average is 1.00), the retail sector is a strength of the community. This sector represents 3,894 jobs in Fairview Heights, which is 32% of the jobs in the City. In 2018, there were almost 250 retail establishments located in Fairview Heights (or 25% of the City's companies), which generated over \$700M in revenues within the City. By way of comparison, O'Fallon has fewer retail firms generating over \$1B in revenues. While O'Fallon has a much larger population, the discrepancy suggests that Fairview Heights' retail market is either under-performing or that the mix of retail in Fairview Heights results in purchases of lower value (e.g, a car will produce greater sales tax than a blouse; discount stores may generate lower sales tax revenues than traditional retailers etc.).

While oftentimes the value of an industry cluster within a particular community includes the employment opportunities it offers residents, the retail industry in Fairview Heights appears to be an exception. With an overall highly educated, affluent population, it is not surprising that the retail sector (with average earnings per worker of only \$25,801) does not appear to be a source of employment for Fairview Heights residents. According to the City's comprehensive plan, the vast majority of jobs in Fairview Heights and thus retail jobs are filled by workers from other communities, with over a quarter commuting 50 miles or more to work.

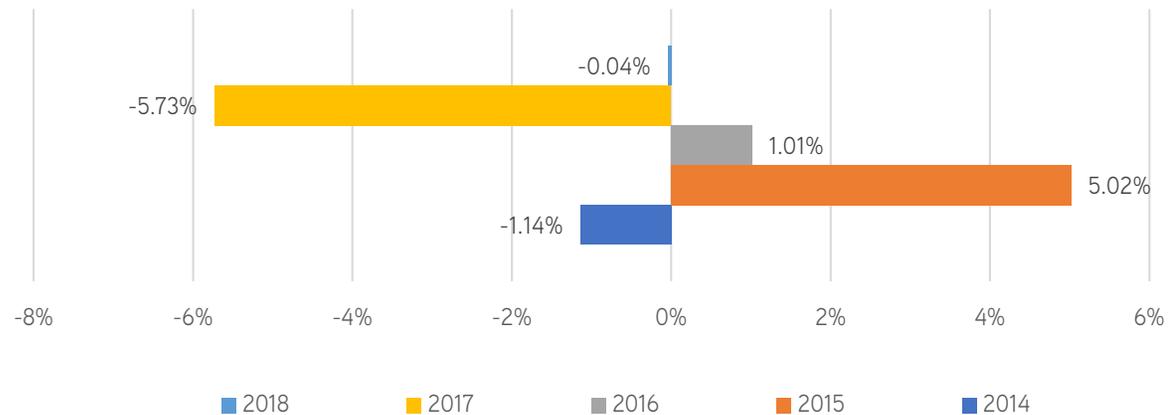
Retail Challenges

While retail remains a strength in Fairview Heights, it has experienced some challenges. While many of the national chains in Fairview Heights have been among the highest performing, economic challenges overall have resulted in the closure of significant retail outlets, most recently Sears, Toys-R-Us and Babies-R-Us. The City has been active in working with the retail community, and time and attention have resulted in backfilling some of these vacancies, including with a new Aldi's grocery store.

One of the core retail assets in Fairview Heights is St. Clair Square Mall. With the loss of Sears and other outlets, St. Clair's performance has declined from one of its owner's top performing malls, to a mid-level mall, based on sales per square foot and an occupancy rate of 85%. It is noteworthy, however, that the expansion of Forever 21 and the opening of H&M with significant footprints will bring the mall's occupancy rate to the mid-nineties. Additionally, there are active efforts to backfill the former Sears store. These proactive measures are important for ensuring St. Clair Square's continued viability and may improve the mall's performance on a sales per square foot basis.

In light of these changes, it is not surprising that the City's sales tax revenues have been uneven over the last five years, dipping and then resurging and then in the last year dipping again. These changes may be attributable to store closures and/or new stores that generate lower taxes, either due to performance, mix or value pricing.

Regardless, Fairview Heights is significantly reliant on sales tax: combined sales tax and home rule sales tax represents 62% of the municipality's revenues (2017-2018 budget). As a point of comparison, although a larger city and with a lower sales tax rate, O'Fallon's represents approximately 42% of the city budget.



Sales Tax Collection by Year - Percent Changed

Retail Opportunities

Based on the consumer spending profile for the Metro East, retail outlets that focus on home improvement (including furnishings, housewares etc.), remodeling and gardening are more likely to respond to the interests and spending habits of residents in the Metro East and in Fairview Heights itself. Because fitness and outdoor activity is part of the lifestyle of much of the population, businesses that address these needs may also be good candidates for Fairview Heights.

Overall, discount retailers and warehouse clubs may be particularly appealing in this market given the fact that price and value are important across all of the largest demographic segments in the Metro East.

The Void Analysis suggest that potential candidates might include outlets such Fleet Farm, Bob's Discount Furniture, Ollie's Bargain Outlet and Sierra.

In terms of locally focused outlets, Fairview Heights is overall a fairly affluent community that may appreciate locally-owned specialty stores that offer quality goods.

Analysis: Accommodations & Food Services Sector

The tourism, leisure and hospitality industries are significant growth industries throughout the country that can serve as an economic engine for smaller communities. The Tourism sector refers to the provision of transportation, accommodations, recreation, food and related services for leisure as well as business travelers. Fueled by a robust national economy and a population that is becoming increasingly more mobile, there are potential opportunities to attract retail, recreation and leisure tourists.

In 2018, this industry sector represented 2.9% of the nation's Gross Domestic Product, with spending totaling over \$117 Billion. The top leisure travel activities for U.S. domestic travelers are: 1) visiting relatives; 2) shopping; 3) visiting friends; 4) fine dining; and 5) rural sightseeing. In 2018 tourism in Illinois reached record growth with visitors spending over \$39 Million, a 3 percent increase from 2016. St. Clair County has also benefited from tourism, ranking as the 5th top county in the State of Illinois for domestic travel, with traveler expenditures at over \$467 Million.

Given the amount of spending in this sector, the leisure and hospitality industries are considered to be very competitive. There are constantly new hotel developments that compete with older facilities that do not offer the same amenities, services and locations.

This is further impacted by individual brand preferences based on loyalty reward programs offered by most national hotel chains and the impact of the use of technology by travelers to make their travel accommodation decisions. The introduction of substitute overnight accommodations such as Bed and Breakfast and AirBnB vacation rental facilities have created even more competition within this industry.

Accommodations and food service are an industry cluster within the Leisure and Hospitality Supersector. This cluster generally includes hotels (overnight lodging) and restaurants (fast food and full service). This is the second largest industry cluster and source of employment in Fairview Heights with a Location Quotient (LQ) of 2.38. It is particularly important to Fairview Heights due to their levy of a Hotel/Motel Tax (7% from room stays) and a Food/Beverage Tax (2% from sales). In 2018, this cluster accounted for 2,513 jobs or 20.4% of all jobs in Fairview Heights; this represented a 347 job (16%) increase over the number of jobs in the City in 2013. Businesses within the Leisure and Hospitality Supersector generated over \$240 Million in revenue in Fairview Heights and represented 13.3% of the City's total revenue.

The communities surrounding Fairview Heights are also benefiting from this industry cluster. In 2018, this industry cluster generated \$281 Million in revenue in the City of O'Fallon, which

represented 8.3% of its total revenue. There are 100 companies in Fairview Heights (10.7% of the total companies) that employed 3,107 people which was 16.1% of employment in the City. The cities of Belleville and Collinsville had significantly more revenue generated from the leisure and hospitality cluster. Belleville generated \$404 Million (5.9%) and Collinsville \$453 Million (19.2%). In Belleville, 4,725 people were employed in this cluster and the employment in Collinsville was 3,081 people.

All of these communities have a significant number of restaurants: Fairview Heights (66); O'Fallon (78); Belleville (150) and Collinsville (72). Hotels are not as well represented in the top twenty (20) industries by NAICS codes in Belleville or Collinsville. Neither community has any hotels in this cohort. However, Fairview Heights has eleven (11) hotels and O'Fallon has nineteen (19) hotels in the top 20.

This data would suggest that Fairview Heights given its reputation as a retail shopping destination could capitalize on this industry cluster. The City already benefits from visitors attending sporting events and games in the City of St. Louis. With the number of hotels and restaurants in the City, it is positioned to take advantage of travelers visiting or going through the community. Focusing on working with the hotel and restaurant proprietors to encourage them to continuously make improvements and investments in their facilities to remain competitive and marketing shopping opportunities could result in an increase in visitors to the City as well as growth of revenues from these activities. One of the key variables that could differentiate these establishments is the quality and level of service and overall experience that

visitors have when patronizing these facilities. Given the number of jobs affiliated with these industries, it could have a net positive impact on City revenues.

Analysis: Arts, Entertainment & Recreation

Fairview Heights also has a high concentration of business operations in the Arts, Entertainment and Recreation industry sector. An LQ of 2.25¹ indicates that it is a strong sector for the community. Operations comprising this sector include traditional performance business (theaters, dance companies musical groups and other performing arts companies); spectator sports, including teams; parks and conservation areas; businesses that promote arts, sport and similar kinds of events, museums and historical sites; amusement parks and arcades; gaming facilities; and recreational facilities including golf courses and country clubs, bowling and fitness and rec centers.

Fairview Heights has a strong retail base and the opportunities associated with destination shopping along with growing activity in the sports tourism sector suggest that the City may be able to expand its base in arts, entertainment and recreation. Such facilities may provide visitors who come to the community for shopping with a broader range of activities during their stay as well as increase expenditures in the community. Fairview Heights also has the potential to build on and compliment the momentum of O'Fallon's significant commitment to recreational facilities and attracting tournaments.

On a more local level, based on the demographic profiles in the Metro East and in

Fairview Heights specifically, it appears that business operations within this sector have the potential for additional growth as spending on recreation and entertainment are important for a significant share of local consumers.

Analysis: Professional & Business Services

Professional and business service providers are the primary office users in communities, large and small. Fairview Heights' proximity to the Interstate-64 corridor that connects the City of St. Louis and St. Louis County to the communities along I-64 in the Metro East, could provide an opportunity for the location of office users in Fairview Heights. In Fairview Heights, there is a concentration of office buildings north of I-64 and east of Illinois 159, visible and accessible from the Interstate, around the Fountain Business Park. This could be a potential opportunity to attract professional, scientific and technical companies that support the health care facilities located in and around O'Fallon and provide services to Scott Air Force Base.

The Professional and Business Service supersector is the fourth largest industry cluster in Fairview Heights, employing 1,090 people or 8.6% of the total employees in the community. There are 108 companies representing 11% of the total companies in the City, generating over \$150 Million in revenue or 8.4% of the total revenues. This Supersector includes two (2) industry clusters that would suggest an opportunity to capture businesses within this sector. The Professional, Scientific and Technical Services cluster (LQ .73) has shown a 13% increase in jobs from 2013 to

(1) See note on page 35 regarding the LQ of 2.25

2018, while the Administrative and Support and Waste Management and Remediation Services cluster (LQ .83) has shown a 29% growth in jobs during this time frame. Of note is the earnings of workers in the jobs within these clusters. Jobs in the Professional services sector earn, on average, \$90,202 annually and the Administrative and Support cluster jobs earn over \$39,000. These wages are significantly higher than jobs in the retail trade (\$25,801) and Accommodation (\$18,521) clusters. Workers in this industry cluster could be a market for new home purchases in Fairview Heights.

To attract these types of businesses to Fairview Heights, an understanding of the real estate trends related to the availability of office products to accommodate these users is of value. The quality and availability of office space can highlight areas of opportunity for expansion of white-collar office accommodations. Understanding the type of space, gross available area, class composition, median rent per square foot and the vacancy and absorption rates informs this analysis. Fairview Heights has 22 office buildings containing 603,219 square feet of leasable space. Most of the office inventory was constructed between 1970 and 1999, which would indicate aging office stock.

In contrast the surrounding communities of Belleville - 60 buildings with over 1.8 Million square feet of leasable space; O'Fallon - 40 buildings with over 700,000 sf; and Edwardsville - 34 buildings with almost 900,000 sf. have more properties available to accommodate office users. Additionally, all of these communities have significantly more properties constructed between 1990 and 2019, which would potentially make them

more attractive to this market given that newer buildings would be designed to accommodate the changes that have occurred in building amenities, layout and design.

This assumption could further be validated by looking at the vacancy rates of the existing properties. There are 116,942 square feet of vacant space in the City representing a 19.4% vacancy rate. This vacancy rate is significantly higher than the surrounding communities with O'Fallon at 17,492sf/2.5%; Swansea at 24,440sf/7.6%, Belleville at 131,290sf/7.1% and Edwardsville at 26,745sf/3%. The average asking rent in Fairview Heights is \$17.67 per square foot. This rate is greater than Edwardsville at \$17.46/sf, Swansea at \$14.62 and Belleville at \$12.61. O'Fallon was the only surrounding community with a higher asking rent rate of \$18.09.

Higher rents, older buildings and a limited inventory all create an environment that may work against the attraction of businesses in this sector. However, with the completion of the Fountain Place business park, the redevelopment/renovation of existing office buildings to make them attractive to the current market and the repurposing of underutilized commercial properties used for retail operations, Fairview Heights may be able to capture additional businesses in this industry cluster.

Analysis: Health Care & Social Assistance

The Health Care and Social Assistance sector includes operations such as ambulatory care (health care practitioners offices, e.g. doctors' offices), hospitals, nursing and residential care facilities and social services. While it is a significant employer in Fairview Heights with over 6% of local employees, the LQ for

this sector is .52, below the national average indicating it would not be considered a true cluster for the community. That being said, employment in this sector in Fairview Heights increased by 51% between 2013 and 2018. In terms of occupations, workers in the Health Care Practitioners and Technical category rose by 28% during this period and Health care support grew by 62%.

While health care is not an industry cluster for Fairview Heights at this point, this growth suggests that it may be an emerging sector for the community. With the new HSHS Hospital and its commitment to a new Cancer Treatment Center in O'Fallon, Fairview Heights may have the opportunity to build upon this activity in its own community.

Analysis: Home-based Businesses

With construction home-based businesses emerging as a local strength, support for these businesses represents an opportunity to support self-employment and wealth generation for residents. It also creates an opportunity to grow well-paying jobs for the larger community. The City has recognized this potential opportunity and is actively collaborating with local small business development support organizations and the Urban League to connect and help grow these firms, with an eye to promoting growth among minority-owned businesses. While these efforts appear to focus on commercial construction opportunities, with regional consumer preferences showing demand for home remodeling activities, albeit often with a DIY bent, consumer demand suggests an opportunity for growth in this local business base in the residential market as well.

Economic Development Ecosystem

PLANS

Communities must continually monitor local and regional economic trends and policies to stay informed of any decisions that may affect their economic viability and potential development opportunities. Additionally, being proactive in the identification of areas of the City that could benefit from planning can facilitate redevelopment activities.

Fairview Heights has commissioned a number of prior plans or studies that provide data and insight into the city's economy. Plans and policies developed by St. Clair County and the State of Illinois also have the potential to impact the economic development potential of Fairview Heights. The findings and recommendations of these reports provide important context and serve as a foundation for developing a strategy for the future.

Relevant plans and their findings are summarized as follows.

Comprehensive Plan – Fairview Heights

Comprehensive plans serve as long term, land use planning guides for communities and are intended to provide direction for at least a decade, and often much longer. Adopted in 2013, Fairview Heights' comprehensive plan includes a significant focus on the local economy. It captures a vision for the community in 2022 in which Fairview Heights continues to be a popular retail and dining destination, with aging commercial areas having been redeveloped with a new mix of lifestyle retail, mixed use and high-quality multi-family residential. While retail continues to be a key element of the economy, the vision for Fairview Heights includes a more diversified base of non-retail employers, which include government offices, medical facilities and a broader mix of light industrial and office operations. While not an economic development strategy, Fairview Heights' comprehensive plan provides an important perspective on the city's economic development strengths and challenges, its goals for the economy and opportunities for advancing those objectives through land use strategies and policy.

The comprehensive plan's demographic profile portrays a community with a growing population, increased affluence and smaller household size, indicating increased purchasing power. The plan also underscores the importance of Fairview Heights as a center for regional employment: approximately 10%

of St. Clair County's jobs were located at businesses in Fairview Heights. Local firms also provided one-third of the county's retail jobs and over 25% of its hospitality/food service positions. Industry clusters anticipated to grow in terms of employment opportunities included Accommodations & Food Service, Healthcare & Social Assistance and Educational Services.

The plan also recognizes Fairview Heights' position as a regional shopping destination, notwithstanding increased competition for retailers and hotels, especially from neighboring O'Fallon. It notes that continued vibrancy of this important sector requires re-investment to maintain the appearance and attractiveness of existing assets; redevelopment of properties that had experienced disinvestment and decline (e.g., the Lincoln Trail commercial corridor); and expansion/maintenance of adequate transportation facilities to support retail outlets. Further, it particularly notes the role of public incentives and financing in supporting redevelopment efforts and encourages the City's continued use of these tools to promote reinvestment.

Additionally, the comprehensive plan addresses office/business and light industrial uses and notes the importance of these classifications for leveraging a more diverse employment base; government and health care sectors are identified areas for growth. Expansion of utilities and other infrastructure (including telecommunications/broadband

infrastructure), was identified as critical for supporting new office and/or light industrial development. Significantly, other than existing development areas and the area surrounding the MetroLink station, the land use plan identifies opportunities outside Fairview Heights' boundaries for office and light industrial development, suggesting that meaningful growth in these sectors would require annexation.

Notably, the comprehensive plan addresses the implications of coal mine subsidence on development in Fairview Heights. Historic coal extraction undermining practices have created potentially unstable geotechnical conditions in areas throughout Southern Illinois, including significant portions of Fairview Heights. Construction on affected properties may require additional measures to ensure the stability of buildings and infrastructure. The risk and costs associated with mine subsidence complicate development of what might otherwise be highly desirable properties.

Urban Land Institute -Technical Assistance Panel (TAP) Report

In 2018, Fairview Heights enlisted the services of an Urban Land Institute- St. Louis Technical Assistance Panel (TAP) to assist the City in re-envisioning Fairview Heights Plaza (Plaza) and exploring the development potential of an adjoining undeveloped 72-acre parcel. The TAP panel also reviewed the factors motivating the City to undertake the TAP as part of the planning process.

Given the unique characteristics of each of the areas being studied the Panel made the decision to evaluate and address the project as two (2) distinct development opportunities. Study Area 1 consisted of the Fairview Heights Plaza, a struggling retail center located at the northwest corner of US Interstate 64 and Illinois Route 159. Study Area 2 was defined as the undeveloped 72-acres parcel north of Study Area 1.

The City asked the Panel to address three (3) questions regarding the sites:

1. The future redevelopment opportunities, taking into consideration growth patterns and changing demographics along the I-64 corridor;
2. The type of type of development opportunities that would diversify and strengthen the local economy; and
3. The steps needed to be taken to position the properties as strongly as possible and who should be responsible for each step.

Study Area 1 - The plan evaluated the market potential of the site by reviewing the condition of existing buildings, traffic patterns, availability of utilities, adequacy of parking and the potential impact of undermining at the site.

The TAP panelists made recommendations for 1) Placemaking; 2) Access Improvements; 3) Creation of a Business District; and 4) Business District Formation and Tools. The Panel felt that if their recommendations were implemented Fairview Heights Plaza had the potential to be revitalized and become a stronger asset within the community

Study Area 2 – The TAP panelists recommended that evaluation of the development potential of the site be tabled until several underlying constraints and issues complicating development of the property could be appropriately addressed. Specific issues that needed to be addressed included 1) subsistence issues; 2) lack of sewers service; and 3) an unmotivated seller.

State of Illinois – Economic Development Plan

The City of Fairview Heights is located in St. Clair County which is part of the Southwest Region of the State of Illinois. The Illinois economic development plan identifies the industry sectors of the state's economy that have exhibited the greatest opportunity for growth and investment based on the number of companies and jobs identified in each industry sector. These are typically the industry clusters where the State targets its investments and resources to encourage additional growth in these areas.

In 2018 the State identified its top investment sectors as: 1) Consumer Products; 2) Life Sciences; 3) Transportation and Logistics (Offices and Distribution Warehouses); 4) Business and Financial Services; 5) Food & Beverage; 6) Chemicals & Plastics; 7) Business Services; and 8) IT & Communications. The major employment occupations were – Management, business, science & arts (37.4%); Sales and Office Distribution (24.2%); Service Occupations (17.2%); Production, transportation, and material moving (14.1%) and Natural resources, construction, and maintenance (7.1%)

The largest industry cluster in Fairview Heights is retail trade, which in 2018 employed 3,894 people. The second largest sector was accommodation and food services with 2,166 employees. Given that retail trade is not viewed as a State identified industry cluster targeted for investment, limited resources would typically be available from the State to encourage growth in this industry sector.

Vision 2020 Southwestern Illinois Implementation Strategy/Southwest Illinois Economic Growth Action Plan

Completed in 2010, the Vision 2020 Southwestern Illinois Implementation Strategy provides an economic development strategy for the seven county Southwest Illinois region (Madison, St. Clair, Bond, Clinton Monroe, Randolph and Washington) and was prepared for the Madison-Bond and Mid-America Workforce Investment Boards by Southern Illinois University Edwardsville. The plan's strategies included greater coordination and collaboration on economic development efforts for and by Southwest Illinois and called for targeting allied health, energy, heavy industry, light industry and logistics and transportation industry clusters for growth in the region.

The Economic Development Leadership Team organized through the Leadership Council Southwestern Illinois and comprised of economic development, education and business leaders from the region undertook operationalizing Vision 2020 in 2013, which evolved into the Southwest Illinois Economic Growth Action Plan (SWIL Plan). The four planks that emerged as a focus for the SWIL Plan were 1) retain and expand existing industry with a focus on manufacturing; 2) grow transportation/distribution sector jobs, including through branding and marketing, conduct of a freight study to identify region's competitive advantages and the launch of the Regional Freight District; 3) foster entrepreneurship and innovation capabilities in SWIL; and 4) foster export growth and direct foreign investment.

Fairview Heights Station Area Plan (Metrolink)

The East West Gateway Council of Governments retained the services of Design Workshop to develop a Transit Oriented Development (TOD) plan for the Fairview Heights MetroLink Station. The plan was to be used by local leaders as a visioning document with tools that would enable the Fairview Heights MetroLink station to be developed according to (TOD) principles.

The Fairview Heights Station was selected for a detailed study because of 1) proximity to a large amount of vacant and underutilized land (approximately 52 acres plus 18 acres owned by Metro); 2) convenient location to Interstates 255 and 64, providing access to industrial and commercial employment centers; and 3) location at the intersection of State Highway 161 and St. Clair Avenues, which provided access to a number of surrounding communities.

The station area plan outlines the form-based networks for roads, parks and open space, bike and pedestrian connections and transit services that would facilitate implementation of TOD standards. The plan was designed to allow municipal comprehensive plans, zoning codes and ordinances to be revised and adopted to position the station area for development utilizing TOD principles, when development opportunities occurred. The plan also encouraged municipalities to pursue short-term steps such as establishing tax incentives to facilitate private sector investment and development, purchasing and assembling land around the station and investing in civic infrastructure.

While the plan identifies opportunities for short-term development, it is primarily a longer-term vision for the potential development of the station over a twenty plus year horizon.

St. Clair County - Comprehensive Plan 2011

The Comprehensive Plan is an update of the Land Use Plan prepared in 1991. The purpose of the plan is to establish a guidebook of land use, transportation, infrastructure and economic development policies that will influence public and private decision making in St. Clair County. The plan represents a vision of where County leadership and the general public would like to be in the future and outlines strategies to achieve the vision. It should be noted that the plan was developed with a 20-year forward look.

The plan recognizes the autonomy of incorporated areas and acknowledges their responsibility for developing municipal comprehensive plans and zoning and subdivision ordinances to regulate land use and development within municipal boundaries. The plan is designed to establish the framework for coordinated actions between St. Clair County, townships, municipalities, and other units of local government within the County, the State of Illinois and the Federal government.

The planning process included a technical evaluation of demographics, socio-economics of the population, existing land use and zoning, public utilities, natural resources and composite development constraints. The plan also provided recommendations and strategies for economic development and the provision of affordable housing. The plan also encouraged

municipalities to plan for development within the 1.5-mile Municipal Jurisdiction area defined by Illinois State Statute (65ILCS 5/11.12) giving municipalities authority to exercise subdivision and zoning jurisdiction by ordinance within unincorporated areas, which could allow for future growth.

The plan identified government, healthcare and retail as the top three sectors by share of St. Clair County employment. Two (2) of the three sectors have potential implications for Fairview Heights; 1) The City's proximity to Scott Air Force Base, the primary government employer, and 2) the level of retail activity located within the City. Both sectors should represent growth opportunities for the City if it positions itself to take advantage of the opportunity.

Identified in the plan are transportation improvements to address congestion and traffic flow at the intersection of Frank Scott Parkway with IL 159, Old Collinsville Rd and IL 161. The plan also details the availability of funding through the Metro-East Park and Recreation District (MEPRD) for the construction of a parks, greenway and trails system throughout St. Clair County. In St. Clair County, the County Parks Commission has awarded its 25% of the .1% county-wide sales tax in matching grants to local park districts for construction and improvements to park and recreation facilities.

The goal of the economic development strategy was to "ensure a sound, balanced, and diversified economy". It viewed the IL 159/I-64 triangle of Swansea, Fairview Heights and O'Fallon as a regional commercial area with opportunities for additional office uses. The presence of the MetroLink corridor was identified as having investment potential

for large-scale transit oriented/mixed use development associated with the light rail stations.

The plan identified a need to protect and manage areas throughout the County that were impacted by limiting natural conditions such as subsurface mining operations. Provision of adequate sewer services to facilitate development was also a key strategy of the plan.

To accommodate all income groups, families of various sizes, seniors and persons with special challenges, the plan included a strategy for the provision of a full range of housing types including affordable housing. The strategy encouraged higher density housing within walking distance of employment centers, shopping and other activities. One approach identified was the development of various forms of higher density housing that would be less land intensive and allow for the creation of more housing options.

LOCAL AND REGIONAL PARTNERS

In addition to the Economic Development Department of the City of Fairview Heights, economic development efforts within the city benefit from – or potentially could benefit from – the programming, resources, and assistance of numerous public and private entities that include Fairview Heights within their geographic scope. These organizations include the following.

The Metro-East Regional Chamber of Commerce

The City of Fairview Heights is a member of and a “platinum investor” in the Metro-East Regional Chamber of Commerce. With a mission to “promote, develop and facilitate a collaborative economic environment where the business communities in the metro-east region can grow and prosper,” the chamber works in partnership with the Village of Swansea and City of Fairview Heights to strengthen the economic growth of the region and serve its members through a broad range of promotional and business development activities.

St. Clair County Economic Development Department

The mission of the Department is to enhance the economic strength of St. Clair County through the creation of new jobs by the attraction and retention of business. Services for businesses include:

- Site and Building Selection
- Demographic data
- Financial incentives

The Department also coordinates with multiple partners on workforce development.

Leadership Council Southwestern Illinois

Structured as a not-for-profit, member-based economic development corporation in Southwestern Illinois, the Leadership Council Southwestern Illinois pursues a mission of uniting the Metro East Region for economic growth. The Council works as a coalition of 250 board members who are “leaders in business, industry, workforce, education, and government.”

As an advocate for economic development within Southwestern Illinois, the Leadership Council develops the regional economic development agenda and promotes strengthening public/private partnerships to facilitate job growth and business retention.

St. Louis Regional Economic Development Alliance

The St. Louis Regional Economic Development Alliance (aka “Alliance STL”), a new regional economic development organization for Greater St. Louis that is still in formation. The Alliance has been structured as a subsidiary of the St. Louis Regional Chamber with its own board and CEO, and a sole focus of regional business recruitment and expansion for the 15-county bi-state St. Louis metropolitan region.

In January of 2019, the media release announcing creation of Alliance STL noted that “business leaders from the St. Louis Regional Chamber, Civic Progress and the Regional Business Council ... have come together to launch a world-class private sector economic development effort that will attract and retain businesses, jobs and top talent for the St. Louis region.” Until fully established, Alliance STL is referring interested parties to receive site selection information from the Economic Development section of the St. Louis Regional Chamber’s website.

St. Louis Regional Chamber

On a broader scale, Fairview Heights also benefits from activities of the St. Louis Regional Chamber, which represents a 15-county area on both sides of the Mississippi within the St. Louis Metropolitan Area. In their own words, the St. Louis Regional Chamber asserts that is the community's "single source for information and professional economic development services relating to the 15-county bi-state metropolitan area." They further note that they "take a strident customer-focused approach to economic development and will help you and/or the business you represent explore all possible solutions throughout Greater St. Louis."

With roots dating back to 1836, the chamber's members today account for nearly 30% of the region's employment base. The Chamber's Entrepreneurship & Innovation Strategy includes support for entrepreneurs with the capital, infrastructure and networked relationships needed to create and scale new enterprises. One specific initiative, a collaboration with the St. Louis Economic Development Partnership, is called Accelerate St. Louis.

Urban League of Metropolitan St. Louis

With its St. Clair County Division headquartered in Fairview Heights, the Urban League of Metropolitan St. Louis serves low-income African Americans and others with resources and training to help them achieve economic empowerment. The Urban League operates three Business Training Centers at three sites across the bi-state area, including one in Fairview Heights, made possible by funding from Emerson, AT&T, Illinois Department of

Commerce & Economic Opportunity and the United Way.

The Urban League has been a key partner with the City of Fairview Heights in the efforts to launch a new entrepreneurial incubator that focuses on women, other minorities and older adults who want to start businesses.

Illinois South Tourism

Illinois South Tourism "covers more ground than any other Convention and Visitor's Bureau in the State of Illinois." The organization represents 23 counties stretching from Illinois' western border at the Mississippi River east of St. Louis to Illinois' eastern border, at the Wabash River west of Vincennes, IN. ILLINOISouth is a membership-based organization and serves as a marketing arm for the 23 counties. The organization specializes in the planning, design, placement, and reporting of marketing pieces on a regional, national, and international level.

Southwestern Illinois Metropolitan and Regional Planning Commission (SIMAPC)

Serving Bond, Clinton, Madison, Monroe, Randolph, St. Clair, and Washington Counties in Southwestern Illinois, SIMAPC "operates in the urban planning and consulting industry within the engineering, accounting, research and management services sector. Working cooperatively with counties, municipalities and other regional organizations comprising the district, SIMAPC assists in improving and enhancing the economic conditions in its area to provide a positive economic impact and improve the region's economic prosperity. SIMAPC collaborates with local, regional, state

and federal officials, in order to bring a regional perspective and a coordinated approach to the planning and development that occurs in this region."

Bi-State Development

Bi-State Development (BSD) is an agency established by interstate compact between Missouri and Illinois, the organization serves the City of St. Louis and seven adjacent counties, including St. Clair County. Within this geographic service area, BSD asserts that it is "dedicated to fostering economic development in the St. Louis region."

Known primarily as the operator of the region's primary transit system, BSD provides deep expertise in planning and implementation well beyond transit and has partnered with private and public organizations on hundreds of projects that have created thousands of jobs on both sides of the Mississippi River.

Small Business Development Center (SBDC) at SIUE

Southern Illinois University at Edwardsville (SIUE) operates two Small Business Development Centers and the International Trade Center to provide resources and information to Southwestern Illinois entrepreneurs, business owners, small business service providers, and the university community. The Small Business Development Center (SIUE SBDC) is supported by the U.S. Small Business Administration (SBA), Illinois Department of Commerce and Economic Opportunity, and SIUE School of Business, with assistance offered to individual entrepreneurs and companies located within the Metro East region.

The SIUE SBDC provides one-stop assistance to individuals by means of counseling, research, and advocacy for new ventures and existing small businesses.

East West Gateway Council of Governments

East-West Gateway Council of Governments (EWG) serves as a forum for cooperative problem-solving and the coordinated development of regional policy in a geographic area encompassing the City of St. Louis and seven surrounding counties, including St. Clair County. Originally charged with coordinating transportation funding for St. Louis regional projects, EWG has broadened its scope over the years to “bring together governmental officials, planning professionals, citizens, and private sector partners to develop regional and local plans for transportation, environmental quality, housing, emergency preparedness, and access to employment.”

St. Louis Regional Freightway

As a business enterprise of Bi-State Development, the St. Louis Regional Freightway is charged with coordinating the St. Louis area’s freight activity. Within that broad focus, the organization provides site selection and other assistance to manufacturing, logistics, and multimodal transportation companies and their service providers within the City of St. Louis and seven adjacent counties in Missouri and Illinois.

St. Clair County Transit District

The St. Clair County Transit District (SCCTD) was created in 1981 under the Illinois Mass Transit District Act. SCCTD provides and manages transportation services for the fifteen townships that make up the District.

Illinois Department of Commerce & Economic Opportunity

The Illinois Department of Commerce & Economic Opportunity sponsors the Mid-America Workforce Investment Board (MAWIB), which was created as a result of the federal Workforce Innovation and Opportunity Act (WIOA) of 2014. MAWIB is a collaboration of business, economic development, education, human resources, community and labor leaders seeking to improve Southwestern Illinois.

Accelerate St Louis

Accelerate St Louis has a mission “to accelerate the growth of St. Louis’ dynamic startup community by strengthening connectivity, securing new capital, and raising awareness of the innovation that is happening in the region.”

Municipal Economic Capacity & Tools

PROGRAMS

Fairview Heights' ability to foster economic development is affected by the economic policies, programs and tools available and deployed by the city. The availability of the human and supportive resources to operationalize these tools effectively and also represent the city and engage with the many constituencies who touch economic development influences the scope and impact of economic development efforts.

An assessment of Fairview Heights' key internal assets that advance economic development are addressed as follows.

Fairview Heights has proactively and judicially utilized the incentive tools authorized by the State of Illinois and St. Clair County to maintain its reputation as the retail hub of Southern Illinois. These tools have been primarily used to encourage and facilitate the development and redevelopment of commercial properties within the cities retail corridors; however, the city has utilized the tool for development of a residential community. Fairview Heights Business Assistance Programs include the establishment of TIF Districts, Business Districts, an Economic Incentive Agreement Program and an Enterprise Zone.

The Fairview Heights Business Assistance program was honored in 2018 by American Planning Association -St. Louis Metro Section, as a model program designed to attract new business development and growth, stimulate residential and industrial development and assist existing businesses.

Illinois TIF Districts

Tax increment financing ("TIF") is an economic development tool created by the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1c et seq. (the ACT). The Act allows tax revenues generated by increases in the equalized assessed value of properties to be used to offset eligible redevelopment project costs.

To be eligible for designation as a TIF district the area must be classified as either a "blighted area" or a "conservation area". Municipalities utilizing the statute must establish a Redevelopment Project Area and adopt a Redevelopment Plan for the area. Redevelopment plans must be consistent with the municipalities Comprehensive Plan.

To attract new investment, encourage redevelopment activities and growth in Fairview Heights, the City has utilized the ACT to stimulate private redevelopment and allow for public improvements to support redevelopment efforts. The city's use of the ACT has been consistent with the Illinois TIF Act, establishing redevelopment areas for a period of 23-years and allowing a portion of the increased revenues generated by the project to be utilized to cover eligible redevelopment cost. The City has created a program and policy that allows it to entertain any efforts deemed "serious" to create additional TIF districts. Consistent with the ACT the City of Fairview Heights Fairview

Heights has designated six (6) areas as TIF districts.

Illinois Business Districts

Authorized by the Illinois Business District Development and Redevelopment Law, 65 ILCS 5/11-74.3-1, et seq. (“the Business District Law”). A Business District is a special district that authorizes a municipality to undertake certain public improvements to be financed, through the issuance of notes or bonds that are retired by a levy of up to 1% of the gross receipts from sales within the geographic boundaries of the project area. The municipality may also reimburse developers, owners, investors, or other applicants for eligible Business District Project costs.

Consistent with the provision of the Business District Law, Fairview Heights has created a program and application process to utilize this tool to facilitate the redevelopment within the Shoppes at St. Clair Square TIF district

Illinois Enterprise Zone

The establishment of Enterprise Zones is authorized by the Illinois Enterprise Zone Act (20 ILCS 655/1 et seq) (the Zone Act). The Illinois Enterprise Zone program is designed to stimulate economic growth and neighborhood revitalization in economically depressed areas through state and local tax incentives, regulatory relief and improved governmental services. Tax exemptions are available to companies that make minimum investments that either create or retain a certain number of jobs.

Businesses locating or expanding in an Illinois

Enterprise Zone may be eligible for state and local tax incentives/exemptions. These may include: 1) exemptions on retailer’s occupation tax paid on building materials; 2) an investment tax credit of 0.5% on qualified property; 3) expanded sales tax exemptions on purchases of personal property used in the manufacturing process or in the operation of a pollution control facility; 4) an exemption on the state utility tax for electricity and natural gas; 5) an exemption on the Illinois Commerce Commission’s administrative charge and telecommunication excise tax. The State exemptions requires businesses to apply to and be certified by the Illinois Department of Commerce.

The Local Labor Market Area (LLMA) for the Fairview Heights Enterprise Zone was established as St. Clair County. The LLMA is contiguous, compact, comprised of entire census tracts and located entirely within the State of Illinois. Residents within the area can easily change jobs without having to relocate outside of its boundaries. This area was recommended by the Illinois Department of Employment Security.

The Zone Act allows each Zone to also offer local incentives to enhance business development projects. Fairview Heights has elected to offer the following incentives: 1) Sales tax abatement on building materials permanently affixed to the property; 2) state utility tax exemption on gas, electricity and Illinois Commerce Commission administrative charge; 3) State investment credit of 0.5% against the State income tax for investments; and, 4) a waiver of building permit fees for projects with total (re)development costs under \$500,000. The Fairview Heights Enterprise Zone complies with the Illinois rules and

regulations.

Each Zone established within the State of Illinois has a local Zone administrator who is responsible with compliance with the Zone Act. The St. Clair County Economic Development Department serves in this capacity.

Economic Incentive Agreement Program (Sales Tax Rebate)

The State of Illinois authorizes municipalities to enter in Economic Incentive Agreements, authorized by 65-ILCS-5/8-11-20. Utilizing this statute Fairview Heights has established a Sales Tax Rebate program to stimulate economic activity, as well as create and maintain jobs resulting from development or redevelopment of properties within the City.

The Sales Tax Rebate program allows a developer to undertake a project in the City and utilize a negotiated dollar amount rebate to assist in financing a portion of the total project cost. The negotiated dollar amount can be drawn from the City’s 2% Sales Tax, derived from the State 1% Occupational Tax and the 1% Home Rule Tax, that the City controls. Developers seeking to take advantage of this tool must meet certain criteria pursuant to 65 ILCS 5/8-11-20 which include: 1) the property is vacant; 2) the property is currently developed; 3) the project will create or retain jobs in the community; 4) the project will further development of adjacent areas; 5) the project would not be possible without the assistance; 6) the developer meets certain financial requirements; 7) the project will strengthen the commercial sector and enhance the tax base; and, 9) is in the best interest of the City. Fairview Heights has established an

application and review process that allows it to issue a Letter of Intent that is codified in a Development Agreement.

St. Clair County – Economic Development Department

The St. Clair County Economic Development Department focuses its activities and services in three (3) areas: 1) enterprise zone administration; 2) limited prospect handling; and, 3) special projects. The County discontinued its business loan programs in 2015, businesses seeking small business loans are directed to the Small Business Development Center managed by SIU-E and Justine Petersen.

The primary responsibility for traditional economic development activities (business attraction) for St. Clair County, has been managed by organizations such as the St. Louis Regional Chamber. The department primarily targets the transportation, logistics, warehousing, distribution and manufacturing industries. It does not target retail companies, this is considered a municipal function. However, the department serves as the Illinois representative for regional efforts to attract large corporate industries to the region, such as Amazon HQ2 and the River Bridge District in East St. Louis.

The Economic Development Department has primary responsibility for administering the Illinois Enterprise Zones located in St. Clair County which includes the Fairview Heights Zone.

State of Illinois

The State offers additional development tools and incentives to attract and retain businesses within the State. While the City of Fairview Heights has not utilized these tools, some of them may be useful for future development and job creation efforts. Select State administered programs include the following:

Economic Development for a Growing Economy Tax Credit Program (EDGE)

The EDGE program provides tax incentives to encourage companies to locate operations in Illinois when there is active consideration of a competing location in another State. EDGE tax credits are available to qualifying companies, equal to 50% of personal state income taxes withheld from the salaries of employees in newly created full-time jobs.

Advantage Illinois – Participation Loan Program (PLP)

The program offers loans through pre-approved Illinois financial institutions to accelerate investments and ease traditional credit underwriting standards for small businesses that may not qualify for traditional bank financing. PLP enables small businesses to obtain medium to long-term financing to help grow and expand their businesses. Loans are available to eligible small/middle market businesses; for-profit businesses, joint ventures, partnerships and sole proprietorships; and businesses with less than 750 employees worldwide.

This tool may be of value to Fairview Heights as the city contemplates the established of a

small business incubator.

Illinois New Markets Development Program (NMDP)

The NMDP provides supplemental funding for investment entities that participate in the Federal New Market Tax Credit (NMTC) program. The tax credits help to finance investments that create jobs and prosperity, by revitalizing low-income communities. Eligible applicants must be designated as Community Development Entities (CDEs), certified by the Federal NMTC program.

NMTC support small and developing businesses by making capital funds more easily accessible and makes communities more attractive to possible investors. State and federal tax credits are available to investors that make investments into approved funds, which make investments in eligible projects located in low income census tracts. Non-refundable tax credits for investments in CDEs are worth 39% of the equity investment made into a CDE over a seven (7) year credit allowance period.

Small Business Development Center

SIU- Edwardsville operates Small Business Development Centers (Centers) and the International Trade Center. The Centers provide resources and information to Southwestern Illinois entrepreneurs, business owners, small business service providers and the university community.

By assisting entrepreneurs and companies the Centers positively impact the region by strengthening the business community, creating

and retaining jobs, and encouraging new investment.

Existing TIF & Business Districts

Bunkum Road Redevelopment

Project Area - #1

The Bunkum Road TIF was approved by Fairview Heights in Dec. 2003 to facilitate the development of a 45-acre predominantly vacant area adjacent to Coventry Court and Camden Cove, bounded on the north by Bunkum Road. The TIF designation resulted in the construction of a single-family residential area known as the Summit Springs subdivision, which to date has not been completed. At designation the Equalized Assessed Valuation (EAV) of the area was approximately \$108,0000, with the estimated EAV at completion over \$6M.

Shoppes at St. Clair Redevelopment

Project Area - #2

The Shoppes at St. Clair TIF covers a 10.25-acre area which included the properties along the northeastern corner of the intersection of Illinois Routes 50 and 159. The TIF for the area was approved by Fairview Heights in 2005. In addition to the TIF, a Business District was created with the same boundary as the TIF area. All of the existing buildings on the site were demolished and replaced with a new retail center known as the Shoppes at St. Clair. The Equalized Assessed Valuation of the area was \$740,000 in 2004, after the redevelopment occurred the EAV for the area was estimated to be between \$3.8 – \$4.3 Million. The site currently houses an array of retailers including Chico's, J. Jill, Jared: The Galleria of Jewelry, Jos A Banks, Kirkland's Talbots, LOFTS, White House-Black Market and several restaurants.

Lincoln Trail Redevelopment

Project Area – #3

The 162-acre Lincoln Trail TIF area includes 160 properties southwest of the Interstate 64 and Illinois Route 159 interchange and properties that front a 1.5 mile stretch along Lincoln Trail between Anaghan Drive and Bunkum Road. Approved in 2007, to address the aging infrastructure and buildings, building obsolescence, vacancies and deterioration, the TIF designation was designed to encourage private investment in the Area that would eventually spread to adjoining areas. One of the key elements of the Lincoln Trail TIF is the façade improvement program. The benefits of the TIF have been utilized by several businesses in the area.

West TIF # 4 Redevelopment

Project Area – #4

The West TIF was approved in 2015 at the west edge of Fairview Heights encompassing 144-acres surrounding the Fairview Heights Metrolink Station. The area is bounded on the north by St. Clair Ave, on the west by Illinois Route 157, on the south by Lebanon Road, and on the east by Montclair Drive. The primary objective of the TIF was to induce and complement the investment of private capital within the area.

Request for Proposals (RFP)

To encourage private investment within the TIF area the city of Fairview Heights issued a Request for Proposals in 2015, for development of a mixed-use commercial/residential project at the southeast quadrant of St. Clair Ave and Illinois Route 161 and a thirty-eight acres business/industrial park on the east side of Illinois Route 161.

Ludwig Drive /North TIF Redevelopment

Project Area: #5

The Ludwig Drive TIF was approved in 2016 to encourage the redevelopment of Fairview Heights Plaza located north of Interstate 64 at State Route 169. The plan was to facilitate the redevelopment of a 27.5 acre commercial/retail area by redeveloping the existing structures and vacant properties, constructing site improvements and development of out-parcels. The focus of the TIF was the redevelopment of St. Clair Cinema 10 and backfilling of the former Sports Authority property.

State Route 159 North TIF: #6

Also established in 2016, State Route 159 North TIF is a 128-acre site located on the north edge of Fairview Heights. It is located on the west side of Illinois Route 159 and includes the Fairview Heights Plaza Shopping Center and a 72-acre vacant parcel north of the shopping Center. The initial goal of the designation was to facilitate the development of a destination center on the 72-acres north of the CSX railroad tracks.

STAFFING

The city of Fairview Heights maintains a full-time Economic Development Director on staff. In sum, the Economic Development Director is responsible for:

- Leading business and residential attraction efforts (working with developers, identifying and promoting developable properties, managing incentives and redevelopment agreements etc.);
- Interfacing with the local business community, including management at St. Clair Square, and supporting business retention;
- Representing the city at and on local and regional economic development organizations;
- Spearheading the city's marketing efforts; and
- Initiating a tourism program and spearheading projects that compliment city economic development initiatives.

In terms of additional economic development staff, the Economic Development Director is supported by an executive secretary, whose time is shared with the City Administrator.

In addition to the Economic Development Director, the City also employs a Director of Land Use and Development. With responsibility for implementation of the city's comprehensive plan and development code, including zoning, permitting and flood plain management, the Director of Land Use and Development's responsibilities bear upon economic development. The Land Use & Development Director is responsible for a staff of ten, which includes building inspectors, code enforcement and support staff. The two directors work closely together to ensure a coordinated development process.

Macro Economic Trends

National and regional economic trends and shifts in demographics, employment, technology and so on influence what happens in local economies. While Fairview Heights' economy has its own unique characteristics and not all broader trends are relevant to economic activity and development in the city, understanding these trends and how they influence or can be leveraged to the city's advantage are an important part of shaping a strategy for growth.

RETAIL MARKET SHIFTS

The technological changes that gave rise to online shopping have dramatically changed consumer spending habits. All generations from Baby Boomers (54-72) to Gen Z (18-21) are doing significant shopping online; a 2019 study of 3,000 consumers' spending habits found that at the high end only about a third of any generation reported buying items in a physical store, with less than 10% of Gen Z reporting shopping at a brick and mortar outlet.¹

Significantly, Gen Z are influencing their parents' and grandparents' shopping habits as well. That being said, US consumers are evenly divided 50/50 on whether they prefer online or in-store shopping. Indeed, the three top buying destinations are Amazon, branded e-commerce websites and physical stores.

As a result, while online commerce has hurt traditional models of retail shopping, brick and mortar remains an important part of the equation, and the most industry-aware retailers are evolving to meet consumers' needs.

Omni-Channel Retail

Omni-channel retail has emerged as a strategy for creating the broadest opportunity for capturing consumers' dollars. At its most basic level, omni-channel retailing means that a retail company sells both on-line and at physical locations. A key aspect of omni-channel retail, however, is seamlessly connecting the virtual and real-life shopping experience. It focuses on providing a consistent but unique purchasing experience at multiple purchaser connection points – brick and mortar, internet, mobile and social media. Increased digitalization of the shopping experience has resulted in a new generation of shoppers who will use multiple “channels” that address their expectations for convenience and availability.

Experiential Retail

As the emergence of omni-channel retail suggests, consumers are looking for a more engaging experience when they shop rather than simply shopping for a particular product. While the look and feel of a store is critical – and keeping things fresh, the shopping experience goes beyond design. Creating an interesting experience for consumers by combining activities that are unrelated to purchasing has emerged as important trend to engage consumers with brick and mortar outlets. Examples include make-up retailer Sephora, which has introduced in-store digital apps to test products and looks on an iPad, creating hubs featuring current beauty trends and tutorials and make-up lessons and workshops led by professionals; shoe retailer DSW, which has introduced in-store spas for manicures and pedicures in some stores; and JoAnn fabrics, which is introducing crafting classes, local artist events and Pinterest pop up project inspiration on touch screen kiosks.

Shrinking Big Box Stores & National Retailers

With the growth in online purchasing that provides convenience and competitive pricing, national big box retailers have struggled to adapt. Consumers no longer need to go to the store to see a broad array of products that are the hallmark of big box stores. As a result, in the last several years, big box retailers have been shuttering under-performing stores, which can number in the hundreds. While high performing stores of a national chain may remain as assets in individual communities, their future is dependent upon retailers' overall performance. For example, iconic brands such as Sears and Toys-R-U's have closed completely leaving significant holes in shopping centers and malls nationwide. Exceptions to this trend include value focused outlets, including discount stores like Wal-Mart and Target and off-price retailers like TJ Maxx and Ross.²

While many big box outlets have struggled to remain relevant, they are not alone. With 23.5 SF of retail space per person, the United States is well above per capita levels in other developed countries. The next highest are Canada with 16.8 SF per person and Australia with 11.2 SF per person.³ It is not surprising then that retail stores of all sizes, including national and regional brands, have been shrinking their footprint. In 2018, 5,524 retail stores closed, following the closure of 8,139 stores in 2017.⁴ Complicating the equation for malls is the frequency of "co-tenancy" clauses, which allow retailer tenants to renegotiate or leave if a particular anchor tenant exits.

Outparcel & Mixed-Use Development

The evolving retail landscape has given rise to changes in thinking about use, design and layout of malls and shopping centers. Historic parking requirements for retail centers were often over-stated with the result that older malls and shopping centers typically contain a sea of parking, usually between the street and the shopping center buildings. Particularly for locations that are experiencing vacancies, a large swath of unused parking only contributes to an image of decline. One development trend that addresses the aesthetics and increases density is outparcel development. Locating new shops on existing developments closer to the street with parking behind or in the center provides traffic calming and eliminates the visual of a sea of parking.

With roots in urban redevelopment, mixed-use strategies – combining residential, office and/or retail with a strong focus on placemaking – are emerging as a trend for addressing languishing suburban retail centers. Mixed-use development responds to people's desire for walkable neighborhoods that create a sense of place and community character through complementary uses and public gathering and greenspace. They are vibrant communities where people can live, work and play. The typically compact developments are more dense and create economic efficiencies through shared infrastructure and parking, resulting in reduced impacts on the environment. Additionally, mixed use developments are typically amenity rich with stores and services that are geared to local tastes rather than major chains. That being said, some traditional big box retailers are also down-sizing their traditional footprint to

fit in mixed-use development. Retail outlets typically include restaurants, entertainment and personal services (e.g. dry cleaners), with office and/or residential uses creating a built-in customer base helping to ensure long term viability.

Traditionally, economic development best practices endorse a diverse economy, i.e., one that includes a variety of industries or sectors. Ensuring that a community is not over-reliant on a single industry creates a more stable and resilient economy; downturns in a particular industry will not have the same effect on a community that has a diverse base of businesses.

While the principle of diversification is sound, recent consideration of economic development practices also underscore the importance for a community to identify and support specific types of firms and/or talent that are grounded in local strengths and that offer the community the ability to establish a unique position. By identifying a target industry, a community makes a commitment to either protecting an existing strength or increasing investments to grow an emerging industry. Targeting specific industries means investing in capacities that sustain the attractiveness of a community to both capital and workers and create growth that builds upon itself.

Balancing these two principles may be difficult; often the challenge for communities is ensuring

that they have selected focus areas that are differentiators and that focus more narrowly on a small number of clear strategic strengths rather than broadly supporting multiple industry sectors that represent a majority of the local economy.

(1) “The 2019 Omni-Channel Retail Report: Generational Consumer Shopping Behavior Comes Into Focus,” BigCommerce (<https://www.bigcommerce.com/blog/omni-channel-retail/#developing-your-omni-channel-strategy>),

(2) “The 2019 Omni-Channel Retail Report: Generational Consumer Shopping Behavior Comes Into Focus,” BigCommerce (<https://www.bigcommerce.com/blog/omni-channel-retail/#developing-your-omni-channel-strategy>),

(3) The retail apocalypse is still in its ‘early innings’ – and thousands more stores will close before it ends,” by Hayley Person, Business Insider Nordic (Oct. 3, 2018) (<https://nordic.businessinsider.com/retail-apocalypse-is-still-in-early-innings-cowen-says-2018-10>).

(4) “America has too many retail stores,” RetailWire (Feb. 14, 2019) (<https://www.retailwire.com/discussion/america-has-too-many-retail-stores/>).

DIVERSIFICATION VS. SPECIALIZATION

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EMPLOYMENT

Despite low unemployment rates and workforce shortages, there are some concerns that the economy may be slowing which will affect job seekers and employers and raise the potential for slower growth in the labor market. At least in the short run to address workforce needs, employers are looking at ways to attract and retain workers by focusing on employee engagement and training that positions employees to grow. Clear opportunities for development and growth are especially important for young workers. Given the priority of professional development, turnover, especially among younger workers, remains a challenge. Moreover, as the Baby Boomer generation's workforce participation wanes as they limit engagement or fully retire, shortages of experienced workers will affect availability of talent. At the same time, Gen Z is entering the workforce and by 2020 is expected to represent 36% of the global workforce. Employers will likely need to adapt to this generation's expectations.

For retailers, the increased need to focus on service and customer expectations suggests that a greater focus on customer interactions will be a priority. Investing in their workforce through employee training and development for employees that centers on connecting with consumers and offering meaningful shopping experience will be necessary to generate the loyalty required to remain competitive.

While retention strategies are part of the workplace equation, employers are increasingly getting comfortable with the "gig economy," relying on contractors as a means of reducing the costs of turnover and allowing them to easily adjust their workforce for project related work. While the flexibility of gig work may be appealing for both employer and employee, oftentimes gig work does not include health benefit coverage and requires the employee to maintain a diverse base of work opportunities, creating different challenges.

REAL ESTATE

Trends in the broader real estate market have a general bearing on local economies. Key trends in residential, commercial, industrial and hospitality are noted as follows.

Residential

- Housing production has slowed with prices trending upward as a result of labor, lumber and available land. An increase pool of homestock, however, is anticipated to slow growth in prices.
- Affordability is a continued challenge for first-time home buyers.
- Homeownership is anticipated to remain around 64%, which is consistent with historic trends.
- Multi-family construction has shown significant growth over the last several years, although it slowed somewhat in the last year and continues to expand in the St. Louis area.

Commercial

- The office market is strong with high occupancy rates and rising rental rates.
- Retail continues to be tight nationally despite increased consumer confidence in 2018.
- In St. Louis, the retail market continues to be healthy. Vacancy rates are expected to remain flat with net neutral absorption, although rental rates are expected to rise.
- Most active retail segments in St. Louis have been entertainment, restaurants, grocery stores and medical.
- New retail development in St. Louis is focused on mixed use and “retail-tainment” (e.g., Ballpark Village II, the Foundry and The District in Chesterfield).

Industrial

- Industrial property is experiencing alignment with needs for logistics and distribution requirements.
- In the St. Louis region, there has been record new construction and absorption and low vacancy rates since 2014. Illinois has experienced significant growth and is estimated to have three years of supply.

Hospitality

- The hospitality industry has experienced strong demand from business travel, trade and conference attendance along with tourism.
- Renovation of existing hotel properties is increasing order to meet higher consumer expectations and to remain competitive.
- Select service hotels (hotels without restaurants/banquet facilities) are leading in new construction because they address traveler needs at a good value. Design quality with amenities like fitness rooms, business centers, small meeting rooms are important offerings to make these select hotels appealing and competitive.

SENIOR LIVING AND GROWTH TRENDS

As has been widely reported the anticipated impact of Baby Boomers is becoming a reality with the initial group of the Baby Boomer generation turning 72 in 2018. The U.S. Census Bureau in 2014 estimated that the 65 plus population would almost double to 83.7 million and be more racially and ethnically diverse. It is anticipated that persons over 65 will make up over 20 percent of the U.S. population by the year 2030.

The sheer magnitude of the growth of older adults is expected to present a tremendous opportunity for investment in stand-alone independent living, assisted living and nursing environments. However, the economic disparity among the senior population will present some additional complicating factors for communities. While the wealthiest members of the senior population will be able to afford a wide array of housing options and services, most of this population will face a less positive outlook. This group will generally have insufficient assets and be unprepared for the cost of retirement and aging. The resulting societal impact will potentially be a strain on safety net resources and governmental funds that support the aging and elderly population.

Based on consumer research conducted by CLAconnect between 2014 and 2017, they found that 77-80% of the population surveyed planned to remain in their existing residences. This will require the development of services and support programs to allow seniors to live

in their homes for a longer period of time. These services will include elements such as transportation assistance, home health care, home delivery meal services and activities that will allow seniors to maintain social interactions while they remain in their homes.

Although aging in place, at home, is the preferred option for a majority of seniors, there will also be a demand for alternative senior living options. The demand for Independent living, assisted living, skilled nursing and memory care facilities will also increase as the senior population continues to age. Many communities are experiencing the development of senior “complexes” that are designed to accommodate the entire continuum of living needs as seniors age and experience increasing health related needs.

The aging of the population will have workforce implications as the demand for qualified workers to support the needs of a growing senior population increases. While most industries are experiencing shortages in the availability of qualified workers to replace the Baby Boomer generation, the senior living sector is anticipated to be more severely impacted. Recruitment and retention issues primarily impacted by pay levels, retirements and the number of individuals graduating from nursing schools will also present significant challenges for this sector.

Increases in the minimum wage, adoption of living wage thresholds and competition for qualified staff will continue to intensify pressure on wage rates, which are expected to outpace wage rate increases for employees in the senior service sector. Coupled with the propensity for younger workers to be constantly looking for their next employment opportunity, this dynamic can create disruptions in the provision of quality care. This younger workforce will probably be more ethnically diverse and will bring different expectations from their employers and work environment. They will probably expect more integrated technology to be used, and more flexibility in work hours to remain engaged in this sector.

The retirement of Baby Boomers will likely have an impact on the workforce in general. Organizational leadership and boards are dominated by this older population. Businesses should begin to develop strategies to attract, train and retain talented employees to be in a position to backfill management level positions as seniors elect to retire from the day-to-day workforce. A competitive compensation schedule and working environment will be key to this effort.

HEALTHCARE SERVICES

Healthcare has been at the forefront of public debate since the passage of Medicare and Medicaid in 1965. These debates were reignited with the passage of the Patient Protection and Affordable Care Act in 2010. All of the programs focus on the provision of health services to a broad segment of the population within the United States, the poor, elderly and uninsured.

Despite these efforts to improve the delivery of healthcare services, the health industry sector has historically lagged other industry sectors when it comes to modernization to improve the delivery and outcomes of healthcare services. The industry has been consistently negatively impacted by complicated and outdated billing systems, complicated regulatory barriers and a delivery model based on face-to-face interactions that are time consuming, costly and often unnecessary.

Recent studies of the healthcare system by Price Waterhouse Cooper/HRI (pwc), Navigant Consulting, Inc. and other research entities have identified emerging trends that the industry believes will change the healthcare industry. The industry trends are based on changes in other industry sectors designed to increase efficiencies, improve customer experience, foster transparency and encourage innovation. The industry believes that the long-term beneficiaries of these new models will be the individuals that depend on the industry to keep them well as long as possible or return them to wellness if they become sick. The availability of quality healthcare has a direct impact on the workforce and the ability of

businesses to produce and/or market their products. Both of these elements have a direct impact on the economy.

The trends most recognized are:

- Hospitals and health systems are acquiring physician practices and merging or acquiring other hospitals. Although these consolidations were promoted as ways to increase economies of scale, thus reducing healthcare cost there is some evidence that size does not correlate with profitability. It is suggested that this trend will continue; however, healthcare providers will focus on other benefits and value propositions.
- Private equity firms are acquiring specialty practices such as dermatology, ophthalmology and orthopedics, consolidating them to create a better business model. This trend is allowing healthcare providers to sell non-core assets so they can focus on their core competencies. This trend can be seen in the proliferation of Urgent Care facilities.
- Growth and expansion of Medicare Advantage programs to address the desire of baby boomers to the HMO-like programs that are not offered by traditional Medicare. These programs include gym memberships and/or reimbursements, coverage for dental and eye exams as well as capped out

of pocket cost. Participation in Medicare Advantage programs was estimated to be 20 million beneficiaries in 2018 and is expected to reach 40 million by 2025.

- The healthcare industry is looking to integrate the use of technology to monitor patient health and provide therapies through apps and other devices. Life science companies have been very active in the development of digital therapeutic and connected devices that will allow physicians to monitor patient administration of drugs, their adherence to prescribed programs to address health related issues without requiring them to visit a doctor's office. The new technology platforms being developed will augment or replace active drugs in the treatment of certain diseases by creating an integrated approach to healthcare services that can be responded to in real time.
- An unfortunate trend is the increase in health deserts. These are primarily rural areas that are experiencing the closure of the community's only hospital. A study conducted by Navigant shows that nearly one in four or 23% of rural hospitals are at risk of closing due to their lack of funding. This trend creates an opportunity to develop partnerships with urban based hospitals that integrate technology via telehealth systems in the provision of services.

Transportation

EXISTING TRANSPORTATION

Interstate

Interstate 64 (I-64) traverses the City in an east-west orientation and provides a direct connection to St. Louis. Within the City, I-64 is six lanes and carries approximately 89,600 vehicles per day.

Interstate 255 (I-255) is located less than two miles from the City limits. I-255 carries 54,600 vehicles per day and provides access to many Metro East communities as well as South St. Louis County.

Highways

Illinois State 159 (IL 159) runs north-south and serves as the primary commercial corridor within the City while providing regional connections to the neighboring cities of Collinsville and Belleville. IL 159 has a full interchange with I-64 and carries 40,200 vehicles per day immediately south of the interchange. This corridor is characterized by many traffic signals, which are particularly closely-spaced between Fountains Parkway and Longacre Drive.

IL 157 runs north-south just to the west of the City limits, while IL 161 serves the southwestern edge of the City. The other significant arterial roadways are both east-west routes. Lincoln Highway is commercialized and provides connections to IL 161, IL 159 and I-64 to the east of the City. Frank Scott

Parkway serves the southern end of the City and provides an additional retail hub at its intersection with IL 159.

MetroLink

The “Fairview Heights” MetroLink station is located near St. Clair Avenue between IL 157 and IL 159 on the western edge of the City. MetroLink is a 46-mile light rail system with a total of 38 stations, which includes 11 in Illinois. MetroLink connects to Scott Air Force Base to the east and a significant portion of metropolitan St. Louis to the west, including sports stadiums and St. Louis Lambert International Airport. The Fairview Heights station provides 853 park-and-ride-spaces as well as 45 long-term parking spaces.

Transit (Bus)

The MetroLink station has bus connections with three MetroBus routes (1,12,13) that provide connections from the station to other Illinois communities within the surrounding region. Route 12 also has several stops along Lincoln Trail, Ludwig Drive and Lincoln Highway. In addition, MetroBus Route 16 travels along IL 159 to provide service between Southwestern Illinois College, Belleville, Swansea, St. Clair Square and the Madison County Transit Center in Collinsville.

St. Clair County Transit District (SCCTD) also provides Redbird Express bus service between St. Clair Square and Busch Stadium for St.

Louis Cardinals baseball games. Similar event bus services are provided to the Muny theatre and Mid-America Airport.

Bike/Ped

The only dedicated shared-use bicycle/ pedestrian trail under development within the City of Fairview Heights is the Metro BikeLink Trail. The trail currently runs between the Shiloh/Scott MetroLink station and the Memorial Hospital station in Belleville. However, funding for the extension of the trail to the Fairview Heights MetroLink station is in place according to SCCTD.

There is also a recreational trail within Long Acre Park. The City’s 2013 Comprehensive Plan highlighted potential future connections known as the Moody Park Trail (City), Pleasant Ridge Park Trail (City) and Milburn School Trail (Metro East Park and Recreation District). The City’s sidewalk network is incomplete and fragmented, and not all neighborhoods are connected to schools, parks, shopping areas and other community destinations. The Comprehensive Plan highlighted the need for a sidewalk program to improve the sidewalk network and facilitate prioritized pedestrian travel.

PAST TRANSPORTATION PRIORITIES

The Comprehensive Plan recommended several priorities related to the City's transportation system.

Additional I-64 Interchange

In an effort to reduce congestion on IL 159 and improve access to areas west of the corridor, the City has pursued an additional and/or augmented access to I-64. The primary focus area for new interstate access has been in the vicinity of Ruby Lane or Union Hill Road. If a new interchange is secured, other upgrades to the local road system would be completed to improve access and mobility, particularly north and west of the existing IL 159 interchange.

North-South Connections

The City's road system lacks north-south connectivity, which places the majority of this travel on the IL 159 corridor. Old Collinsville Road provides a north-south connection on the far eastern edge of the City, but no other contiguous routes currently exist. The development of the Ruby Lane or Union Hill Road corridors was planned in conjunction with the pursuit of additional I-64 access.

East-West Connections North of I-64

While the more developed areas south of I-64 have several east-west routes, the road system to the north of I-64 is not built-out. In particular, there is a lack of roadways connecting Old Collinsville Road, IL 159, Bunkum Road and IL 157. The need for a complete road system will become more pressing as development occurs within the northern portion of the City. This need was also addressed in previous efforts to secure additional I-64 access.

KEY TRANSPORTATION ISSUES

Based on previous studies, initial stakeholder input as well as observations of existing conditions, several key transportation issues are prevalent for the City moving forward.

Capacity Constraints on IL 159

The combination of heavy commercial development and a lack of alternative north-south routes has created capacity constraints on IL 159. Congestion is significant during the weekday evening and weekend peak periods when shopping demands are heaviest, and conditions are particularly bad during the holiday shopping season. The congestion impacts the quality of life of residents and deters additional economic activity.

Access Management

A major contributing factor to the congestion on IL 159 (as well as Lincoln Highway) is a lack of access management. As access points have been permitted over the past several decades, closely-spaced traffic signals have been introduced, which creates constrained operations and traffic spillbacks that at times overlap adjacent intersections. In addition, unsignalized driveways are subject to lengthy delays and blockages during peak traffic times.

Access Management is the proactive management of vehicular access points to adjacent land parcels. It encompasses a set of techniques that state and local governments can use to control access, including:

- **Access Spacing:** increasing the distance between traffic signals improves the flow of traffic on major arterials, reduces congestion, and improves air quality for heavily traveled corridors.
- **Driveway Spacing:** Fewer driveways spaced further apart allows for more orderly merging of traffic and presents fewer challenges to drivers.
- **Safe Turning Lanes:** dedicated left- and right-turn, indirect left-turns and U-turns, and roundabouts keep through-traffic flowing. Roundabouts represent an opportunity to reduce an intersection with many conflict points or a severe crash history (T-bone crashes) to one that operates with fewer conflict points and less severe crashes (sideswipes) if they occur.
- **Median Treatments:** two-way left-turn lanes (TWLTL) and non-traversable, raised medians are examples of some of the most effective means to regulate access and reduce crashes.

- **Consolidated Access:** when adjacent parcels are required to share access and/or provide cross-access connections, fewer driveways are necessary with direct access to the highway.

Access Management provides an important means of maintaining mobility. Federal Highway Administration studies show that implementing access management results in increased roadway capacity, reduced crashes, and shortened travel time for motorists.

Workforce Transportation

One of the emerging challenges for the City is maintaining an appropriate workforce to serve the growing retail sector. The provision of affordable and reliable transportation for these workers is a primary concern and constraint to growth.

The most efficient means of accommodating the transportation needs of the workforce is a robust transit system. As previously noted, the City is served by MetroLink and several bus routes. However, the Comprehensive Plan highlighted the need to expand the availability of public transit through partnerships with Metro and SCCTD as well as improve transit infrastructure (such as bus shelters).

Another effective means to coordinate workforce transportation is to create one or more Transportation Management Associations (TMA). A TMA is an organized group that focuses on facilitating the movement of people and goods within an area.

TMAs allow businesses to pool their resources to support commuter transportation strategies and can act in an advocacy role with local government on behalf of its membership. TMAs provide a variety of services related to transportation demand management (TDM), usually focused on expanding knowledge of alternatives to commuting in a single-occupant vehicle. These efforts can help to not only reduce peak period traffic congestion, but also increase the availability of alternative transportation options, which could directly address the needs of the local workforce.

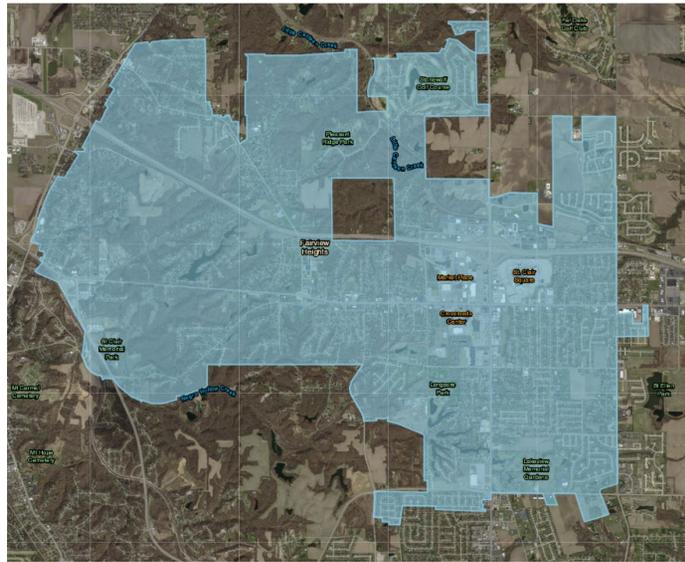


PART 2

Fairview Heights - Overview

Fairview Heights, IL	2010	2018	2023
POPULATION			
Population	17,081	16,975	16,746
Households	7,353	7,345	7,258
Families	4,664	4,646	4,563
Average Household Size	2.32	2.28	2.28
Median Age	39.4	40.4	41.5
TRENDS: 2018 – 2023 Annual Rate			
	Area	State	National
Population	-0.27%	0.10%	0.83%
Households	-0.24%	0.12%	0.79%
Families	-0.36%	0.01%	0.71%
Owner Households	0.13%	0.37%	1.16%
Median Household Income	1.26%	1.96%	2.50%
HOUSEHOLDS			
	2018	2023	
Median Household Income	\$62,710	\$66,763	
Average Household Income	\$79,451	\$88,274	
Per Capita Income	\$33,351	\$37,016	

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

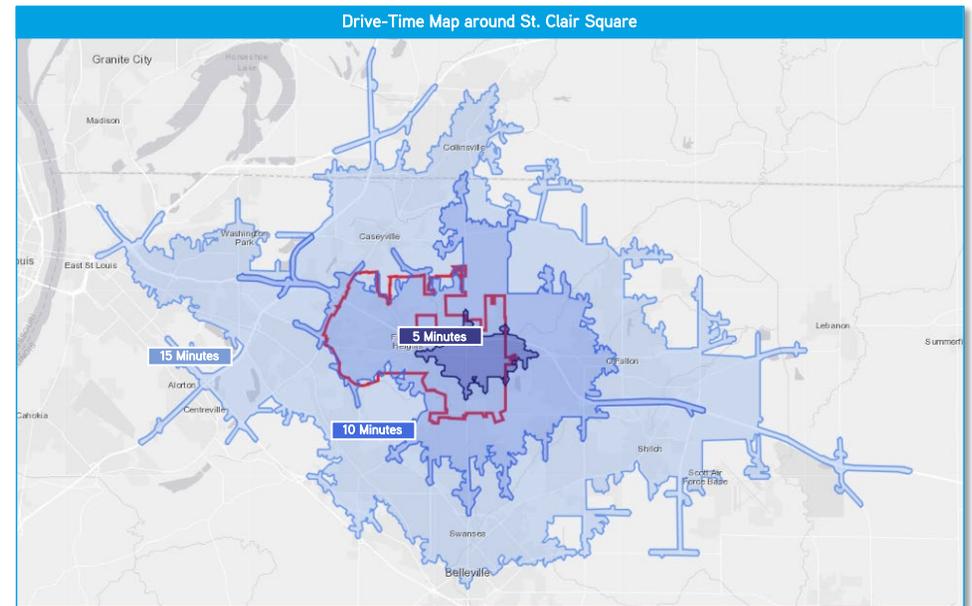


RACE AND ETHNICITY	2010	2018	2023
White Alone	66.7%	65.4%	64.1%
Black Alone	26.6%	26.8%	27.0%
American Indian Alone	0.3%	0.4%	0.4%
Asian Alone	2.7%	2.7%	2.9%
Pacific Islander Alone	0.0%	0.1%	0.1%
Some Other Race Alone	1.0%	1.6%	2.0%
Two or More Races	2.6%	3.1%	3.6%
Hispanic Origin (Any Race)	3.1%	4.3%	5.3%

Fairview Heights - Overview

Fairview Heights, IL		2018		2023	
Households by Income	Number	Percent	Number	Percent	Percent
< \$15,000	510	6.9%	486	6.7%	
\$15,000 - \$24,999	447	6.1%	392	5.4%	
\$25,000 - \$34,999	708	9.6%	641	8.8%	
\$35,000 - \$49,999	966	13.2%	909	12.5%	
\$50,000 - \$74,999	1,699	23.1%	1,596	22.0%	
\$75,000 - \$99,999	1,119	15.2%	1,111	15.3%	
\$100,000 - \$149,999	1,193	16.2%	1,274	17.6%	
\$150,000 - \$199,999	445	6.1%	514	7.1%	
\$200,000+	258	3.5%	336	4.6%	

Fairview Heights, IL		2010		2018		2023	
Population by Age	Number	Percent	Number	Percent	Number	Percent	Percent
0 - 4	987	5.8%	896	5.3%	868	5.2%	
5 - 9	933	5.5%	952	5.6%	925	5.5%	
10 - 14	1,018	6.0%	979	5.8%	975	5.8%	
15 - 19	1,038	6.1%	911	5.4%	894	5.3%	
20 - 24	1,074	6.3%	951	5.6%	814	4.9%	
25 - 34	2,529	14.8%	2,463	14.5%	2,246	13.4%	
35 - 44	2,211	12.9%	2,347	13.8%	2,520	15.0%	
45 - 54	2,639	15.4%	2,315	13.6%	2,176	13.0%	
55 - 64	2,193	12.8%	2,347	13.8%	2,188	13.1%	
65 - 74	1,228	7.2%	1,599	9.4%	1,809	10.8%	
75 - 84	904	5.3%	844	5.0%	976	5.8%	
85+	327	1.9%	371	2.2%	352	2.1%	



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Fairview Heights – Demographics Summary



Fairview Heights – Marketing Profile

KEY FACTS

16,975

Population



2.3

Average Household Size

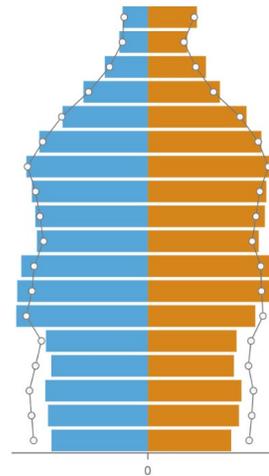
40.4

Median Age

\$62,710

Median Household Income

AGE PYRAMID



The largest group:
2018 Male Population
Age 25-29 (Esri)

The smallest group:
2018 Male Population
Age 85+ (Esri)

Dots show comparison to
St. Clair County

ANNUAL HOUSEHOLD SPENDING



\$2,034

Apparel & Services



\$160

Computers & Hardware



\$3,309

Eating Out



\$4,723

Groceries



\$5,545

Health Care

EDUCATION

8%

No High School Diploma



23%

High School Graduate



37%

Some College



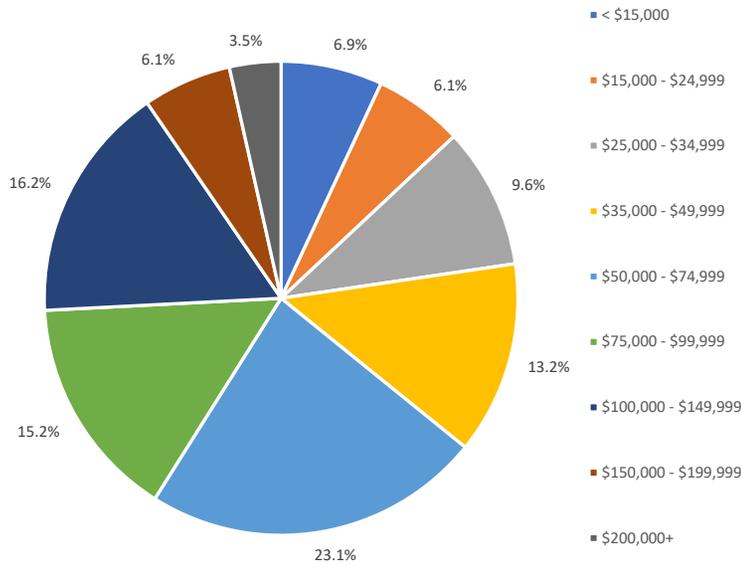
32%

Bachelor's/Grad/Prof Degree

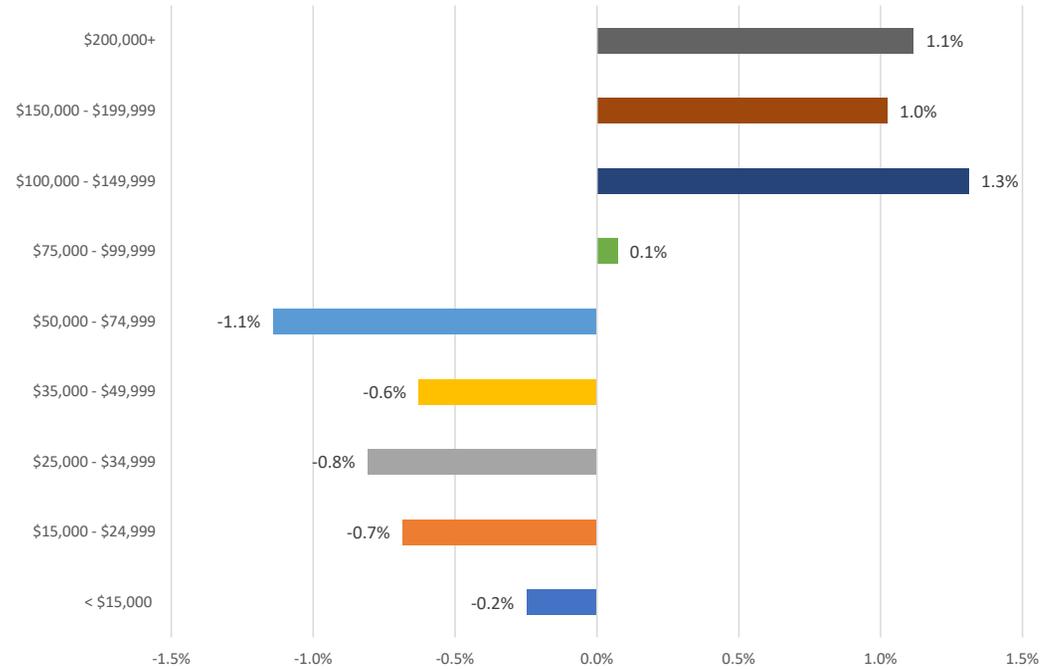
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Fairview Heights – Household Income

Fairview Heights - HH by Income (2018)



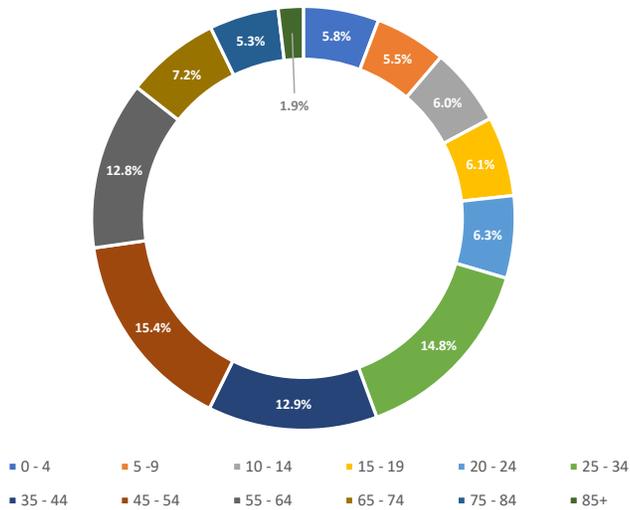
Fairview Heights - Change of HH Income Makeup between 2018 & 2023



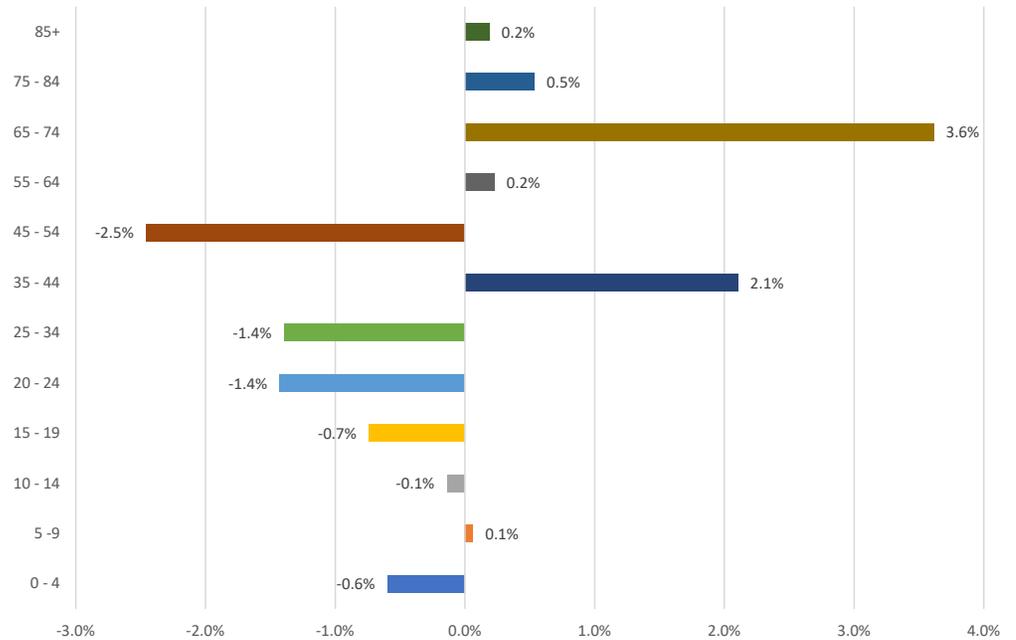
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Fairview Heights – Population by Age

Fairview Heights
Population by Age (2010)

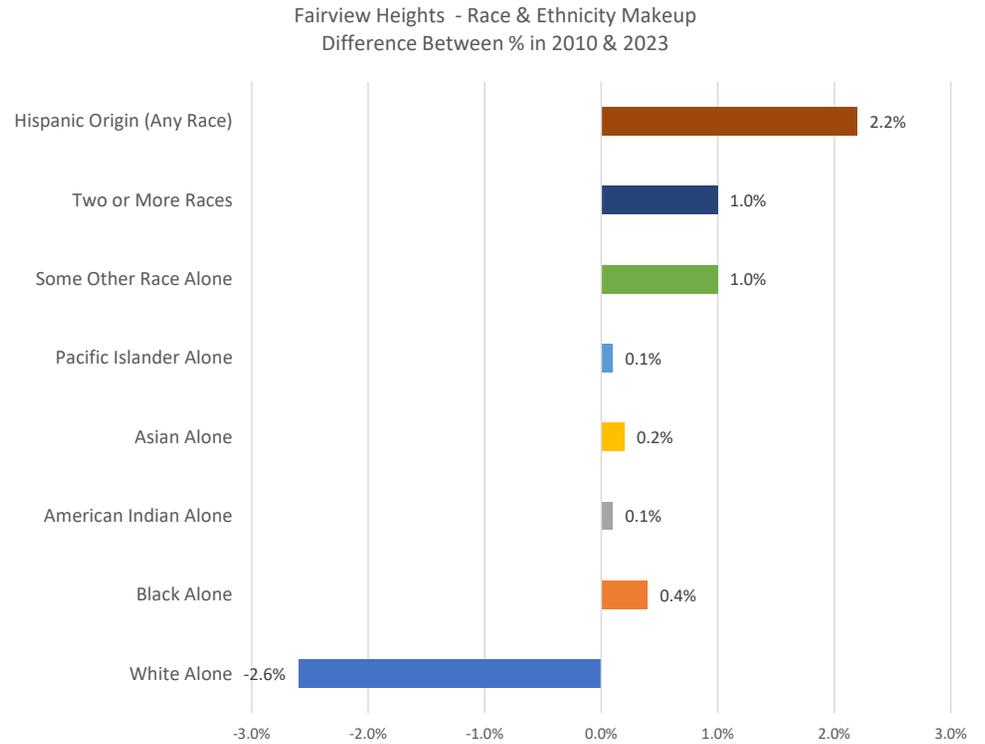
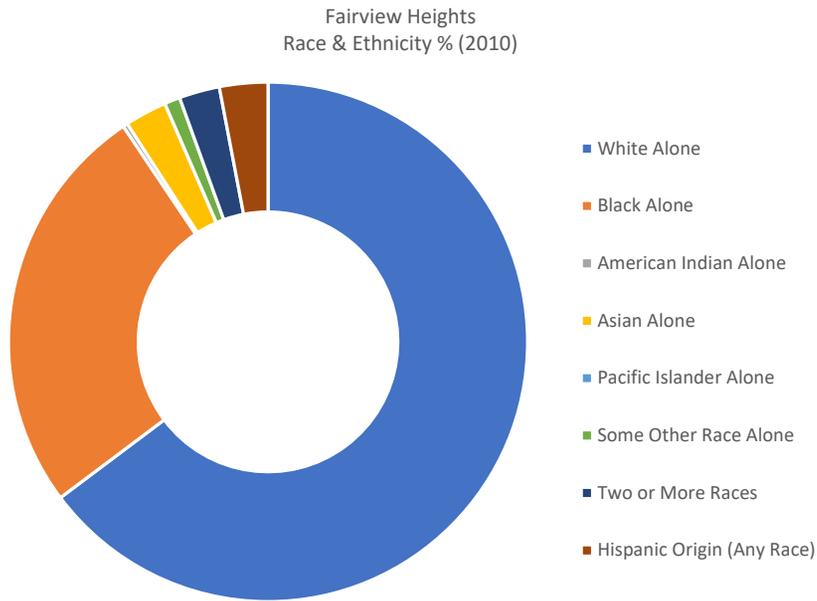


Fairview Heights - Age Makeup
Difference Between % in 2010 & 2023



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

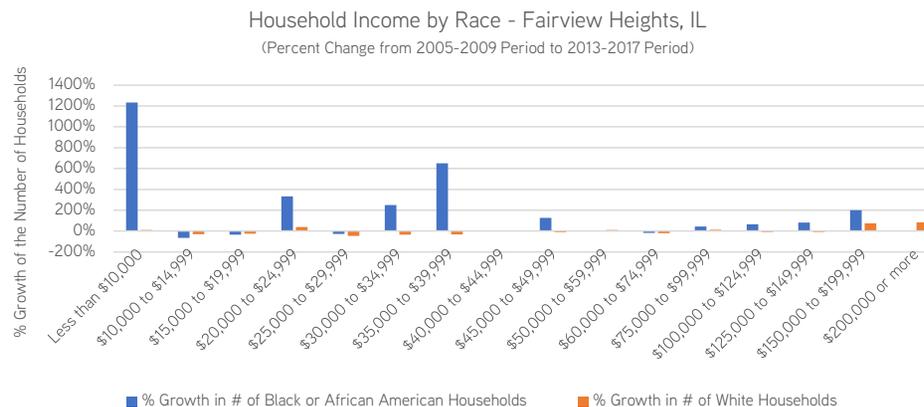
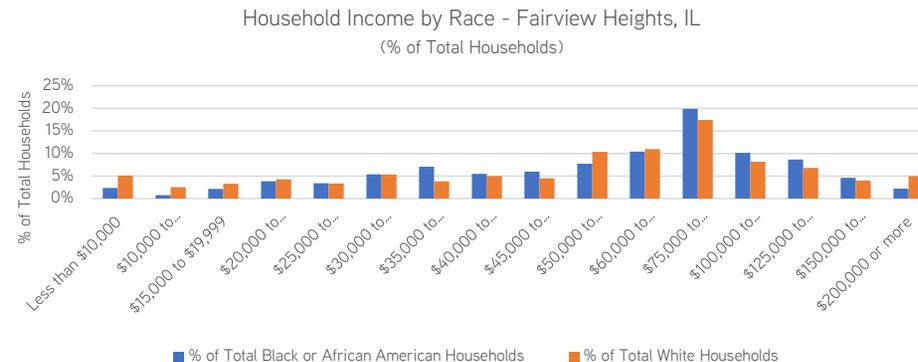
Fairview Heights – Race & Ethnicity



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Fairview Heights – Household Income by Race

HOUSEHOLD INCOME IN THE PAST 12 MONTHS (2013-2017)				
Range	# of Black or African American Households	% of total Black or African American Households	# of White Households	# of Total White Households
Total:	1,698	100.00%	4,947	100.00%
Less than \$10,000	40	2.36%	253	5.11%
\$10,000 to \$14,999	13	0.77%	125	2.53%
\$15,000 to \$19,999	36	2.12%	164	3.32%
\$20,000 to \$24,999	65	3.83%	211	4.27%
\$25,000 to \$29,999	58	3.42%	167	3.38%
\$30,000 to \$34,999	91	5.36%	262	5.30%
\$35,000 to \$39,999	120	7.07%	191	3.86%
\$40,000 to \$44,999	93	5.48%	248	5.01%
\$45,000 to \$49,999	102	6.01%	223	4.51%
\$50,000 to \$59,999	131	7.71%	514	10.39%
\$60,000 to \$74,999	177	10.42%	542	10.96%
\$75,000 to \$99,999	338	19.91%	862	17.42%
\$100,000 to \$124,999	172	10.13%	403	8.15%
\$125,000 to \$149,999	147	8.66%	337	6.81%
\$150,000 to \$199,999	78	4.59%	199	4.02%
\$200,000 or more	37	2.18%	246	4.97%



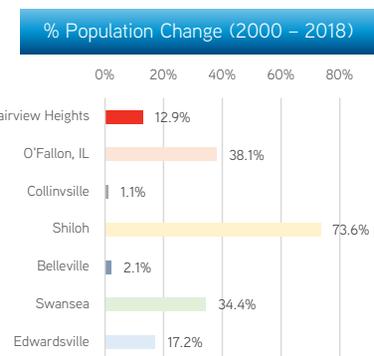
Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

Metro East City Comparison

2018 Forecast							
City	Population	Household	Families	Average Household Size	Owner Occupied Housing Units	Renter Occupied Housing Units	Median Age
Fairview Heights	16,975	7,345	4,646	2.28	5,019	2,326	40
O'Fallon, IL	30,261	11,436	8,070	2.64	7,693	3,743	39
Collinsville	24,988	10,745	6,558	2.32	6,776	3,969	39
Shiloh	13,272	4,996	4,996	2.65	3,335	1,661	37
Belleville	42,289	17,874	10,417	2.29	10,861	7,013	39
Swansea	14,222	5,711	3,712	2.42	4,150	1,561	44
Edwardsville	25,182	9,510	5,669	2.49	6,301	3,209	33
Granite City	28,952	11,911	7,460	2.41	8,019	3,892	40

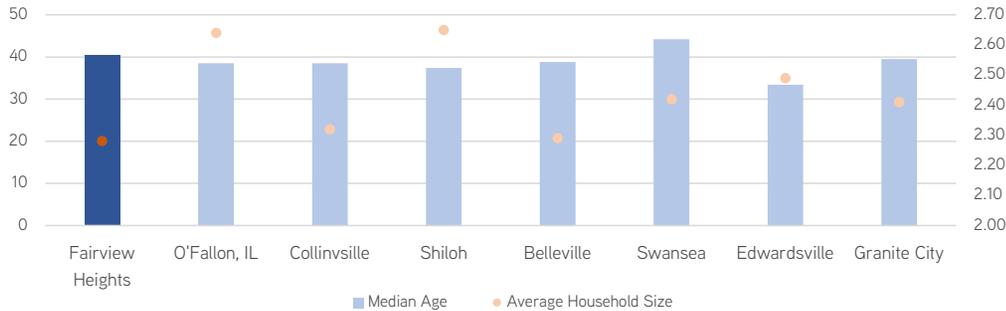
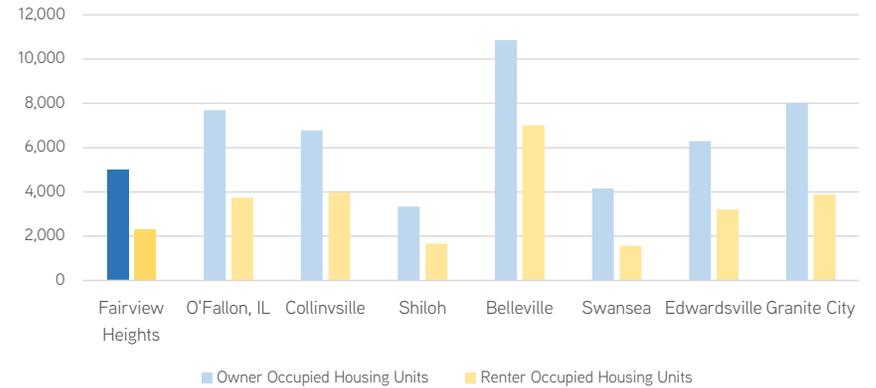
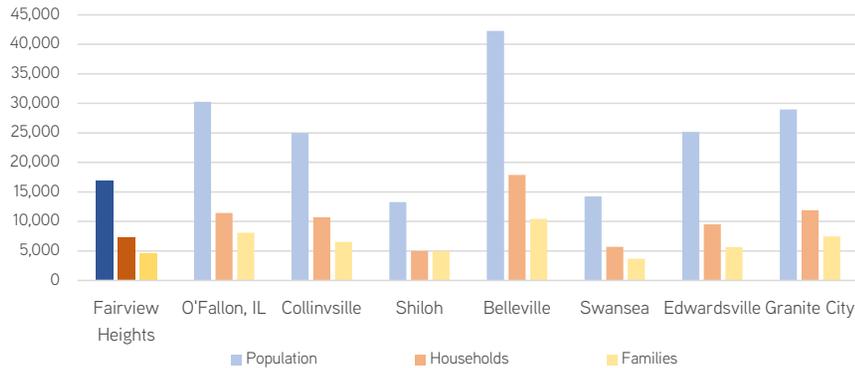
% Population Change (2000 – 2018)	
City	Population Change
Fairview Heights	12.91%
O'Fallon, IL	38.12%
Collinsville	1.14%
Shiloh	73.65%
Belleville	2.12%
Swansea	34.44%
Edwardsville	17.17%
Granite City	-7.50%

2023 Forecast							
City	Population	Household	Families	Average Household Size	Owner Occupied Housing Units	Renter Occupied Housing Units	Median Age
Fairview Heights	16,746	7,258	4,563	2.28	5,051	2,207	42
O'Fallon, IL	30,446	11,501	8,070	2.64	7,863	3,637	39
Collinsville	24,731	10,659	6,457	2.31	6,815	3,844	40
Shiloh	13,331	5,025	5,025	2.65	3,427	1,598	38
Belleville	41,439	17,515	10,133	2.29	10,843	6,672	40
Swansea	14,249	5,731	3,707	2.42	4,226	1,506	45
Edwardsville	25,553	9,667	5,714	2.49	6,454	3,214	35
Granite City	28,622	11,798	7,333	2.40	7,984	3,815	40



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

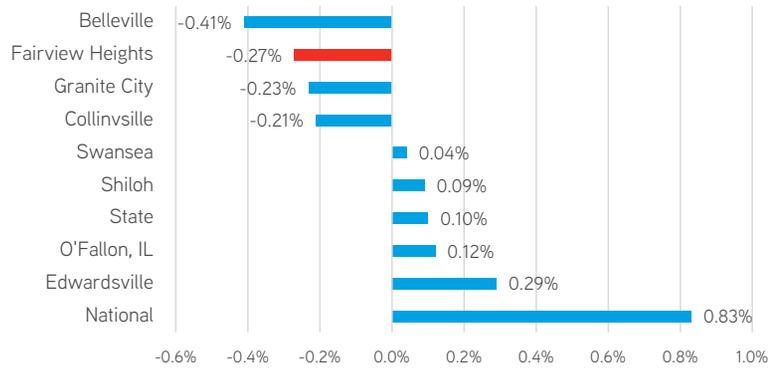
Metro East City Comparison – Population (2018)



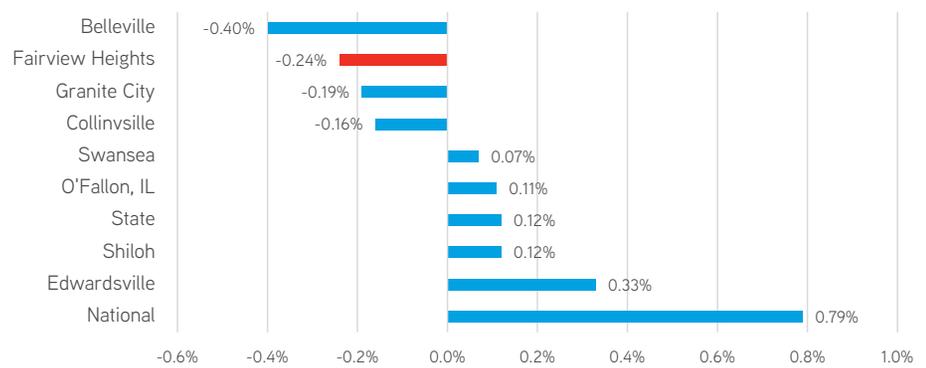
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Metro East City Comparison – Trends

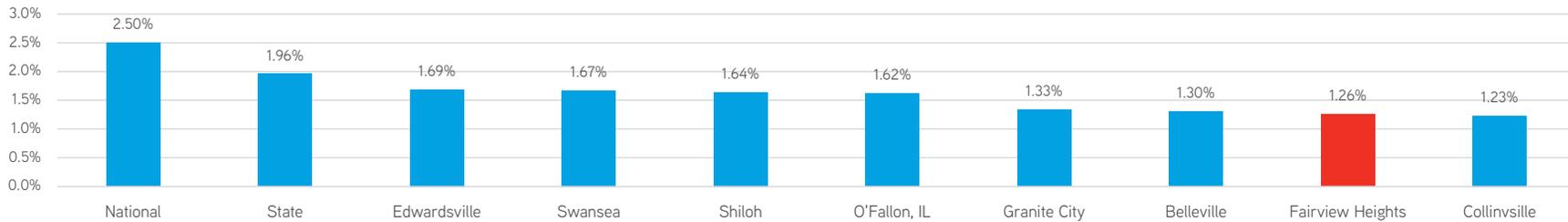
Population Trends: 2018 - 2023 Annual Rate



Household Trends: 2018 - 2023 Annual Rate



Median HH Income Trends: 2018 - 2023 Annual Rate

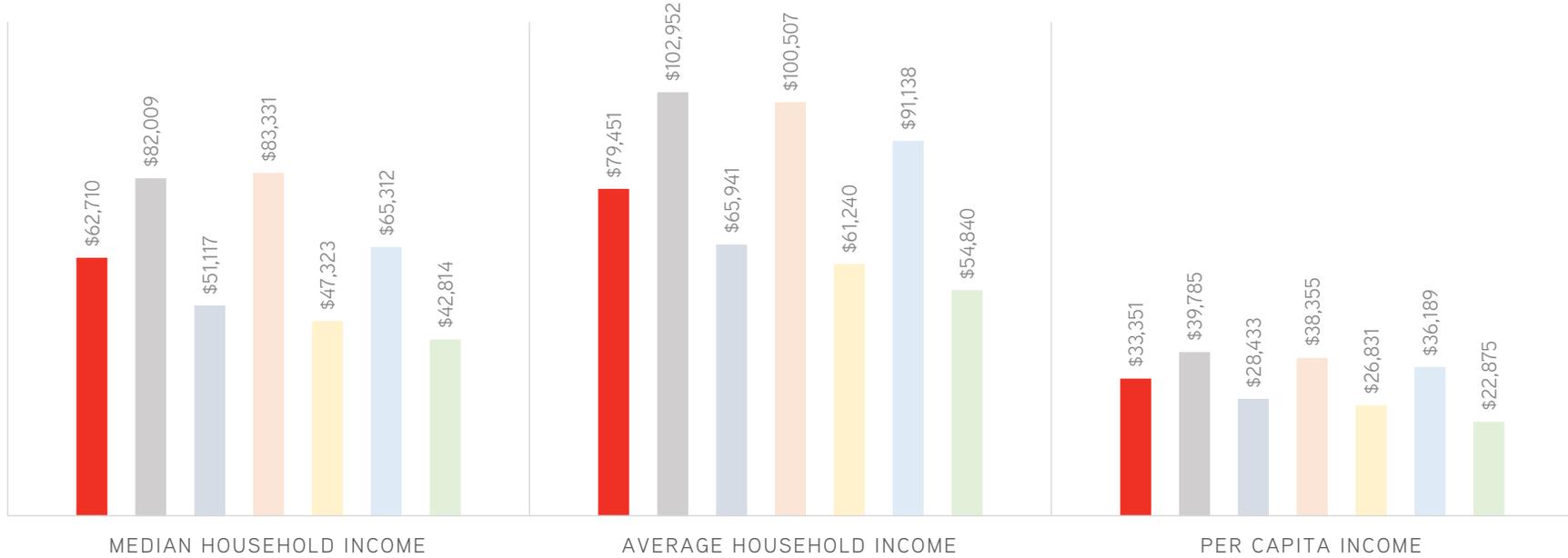


Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Metro East City Comparison – Household Income

HH BY INCOME (FORECAST 2018)

■ Fairview Heights ■ O'Fallon, IL ■ Collinsville ■ Shiloh ■ Belleville ■ Edwardsville ■ Granite City



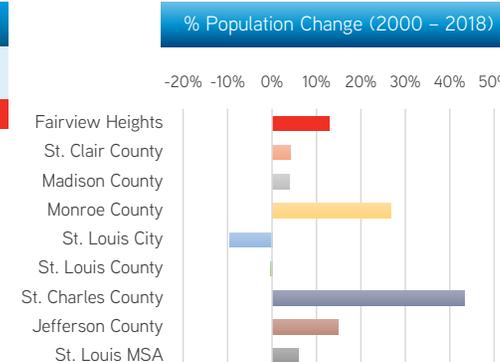
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

St. Louis Region Comparison

2018 Forecast							
Region	Population	Household	Families	Average Household Size	Owner Occupied Housing Units	Renter Occupied Housing Units	Median Age
Fairview Heights	16,975	7,345	4,646	2.28	5,019	2,326	40
St. Clair County	266,425	103,894	68,928	2.52	67,113	36,781	38
Madison County	269,152	108,540	71,011	2.44	76,520	32,020	40
Monroe County	34,976	13,441	9,899	2.58	11,178	2,263	42
St. Louis City	315,271	140,619	65,736	2.16	60,669	79,950	36
St. Louis County	1,012,817	408,504	263,005	2.43	276,750	131,754	41
St. Charles County	406,486	151,745	109,398	2.64	124,517	27,228	38
Jefferson County	227,610	85,194	62,088	2.65	66,291	18,903	39
St. Louis Region	2,859,358	1,136,663	737,637	2.47	777,136	359,527	39

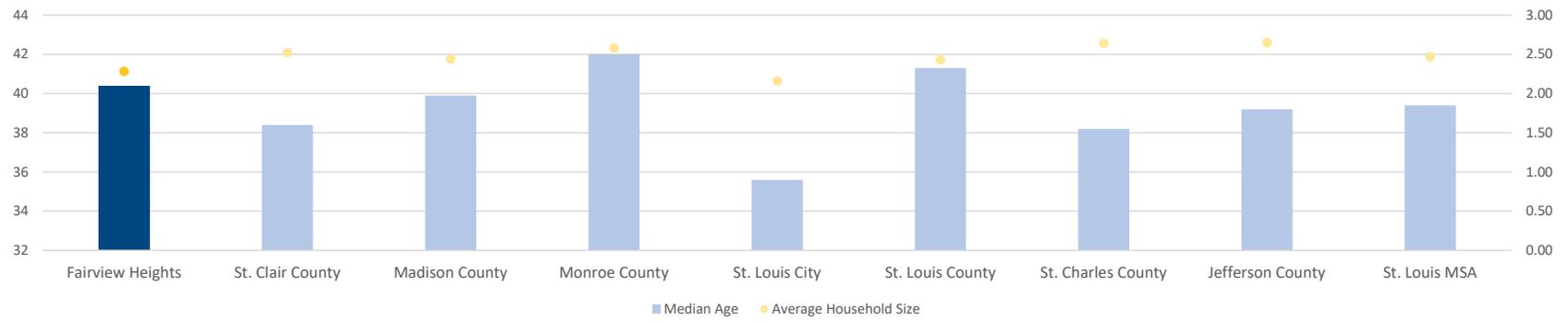
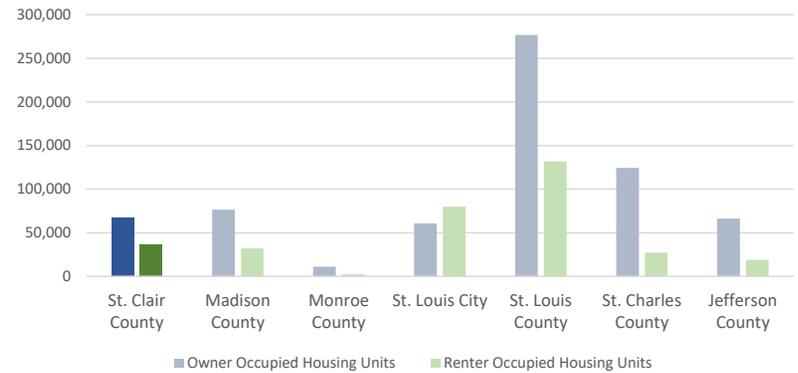
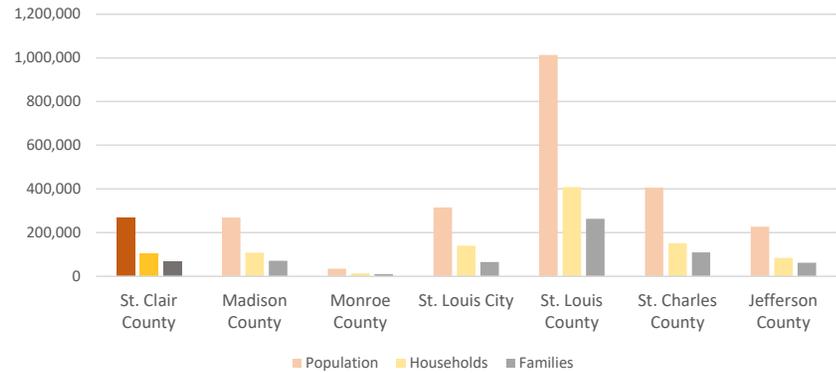
% Population Change (2000 – 2018)	
Region	Population Change
Fairview Heights	12.91%
St. Clair County	4.04%
Madison County	3.94%
Monroe County	26.64%
St. Louis City	-9.45%
St. Louis County	-0.34%
St. Charles County	43.19%
Jefferson County	14.90%
St. Louis Region	5.84%

2023 Forecast							
Region	Population	Household	Families	Average Household Size	Owner Occupied Housing Units	Renter Occupied Housing Units	Median Age
Fairview Heights	16,746	7,258	4,563	2.28	5,051	2,207	42
St. Clair County	262,803	102,601	67,678	2.52	67,527	35,074	39
Madison County	269,065	108,711	70,699	2.44	77,245	31,466	41
Monroe County	36,459	14,046	10,298	2.57	11,822	2,224	43
St. Louis City	309,515	138,093	64,111	2.16	58,952	79,141	36
St. Louis County	1,022,307	411,622	263,800	2.44	277,528	134,094	42
St. Charles County	439,463	164,256	117,992	2.64	135,405	28,851	39
Jefferson County	234,231	87,753	63,733	2.65	68,529	19,224	40
St. Louis Region	2,906,464	1,154,111	747,177	2.47	793,614	360,497	40



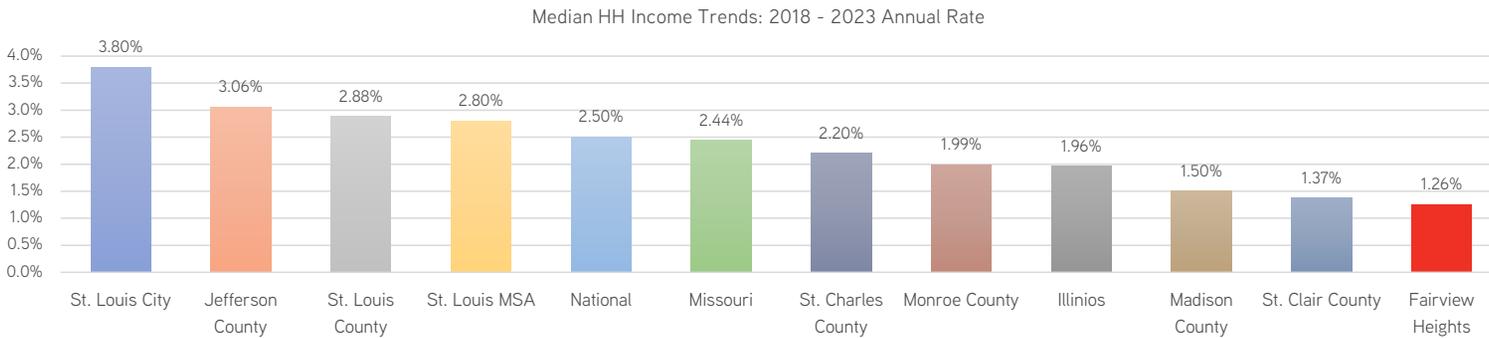
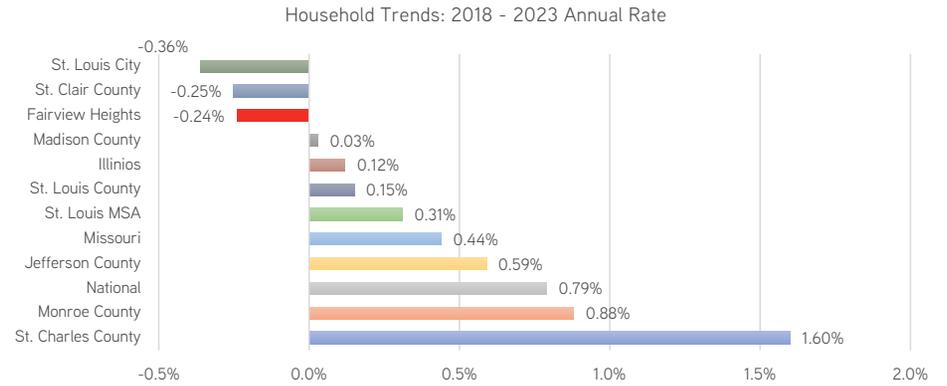
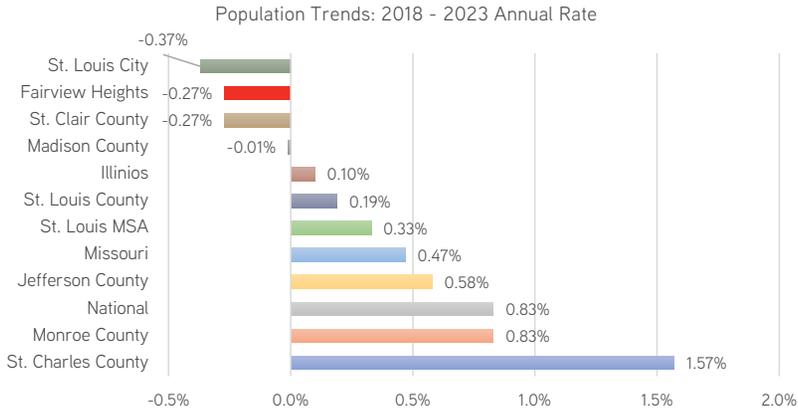
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

St. Louis Region Comparison – Population (2018)



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

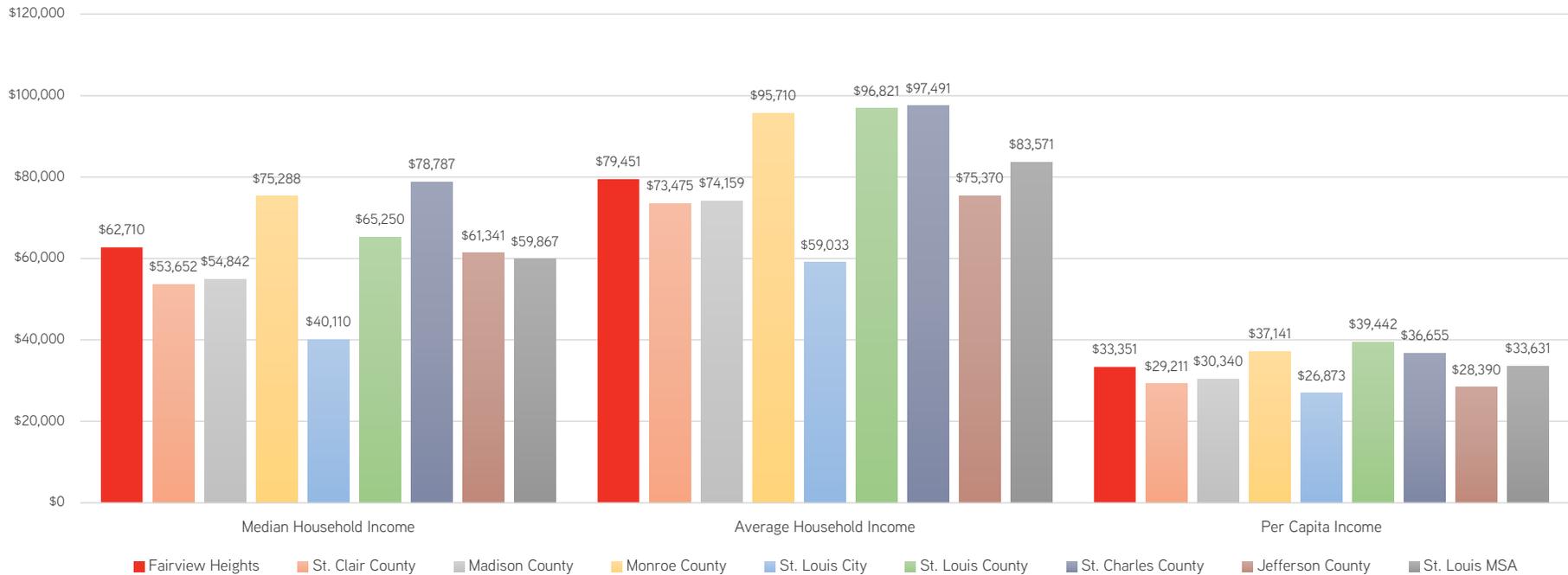
St. Louis Region Comparison – Trends



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

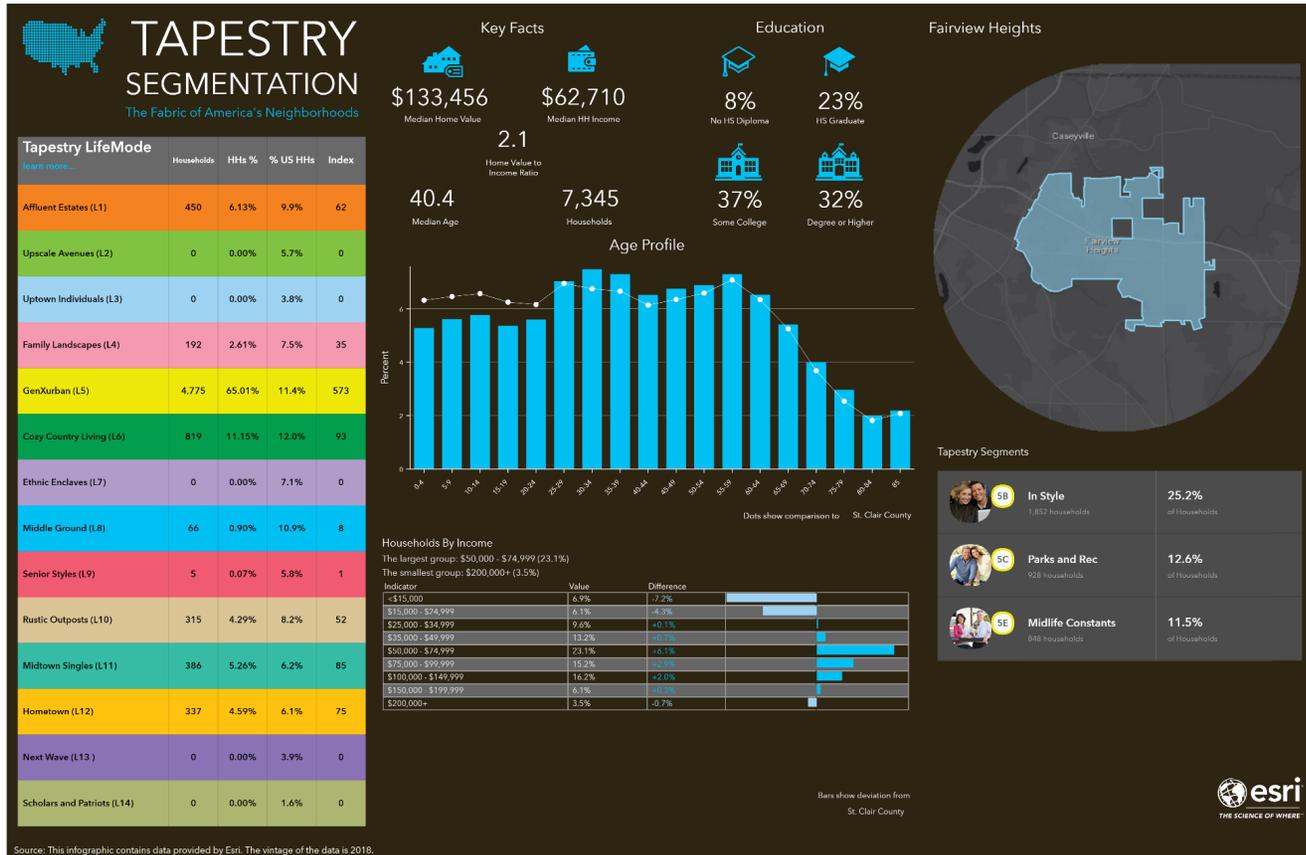
St. Louis Region Comparison – Household Income

HH by Income (Forecast 2018)



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023.

Tapestry Reports – Fairview Heights



Tapestry Reports – Metro East Comparison

Top Ten Tapestry Segments *(by % of Households)*

Fairview Heights		O'Fallon, IL		Belleville		Edwardsville		Collinsville		Granite City		Swansea	
Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%
In Style (5B)	25.2%	Old and Newcomers (8F)	18.7%	Rustbelt Traditions (5D)	21.8%	In Style (5B)	32.5%	Rustbelt Traditions (5D)	22.1%	Traditional Living (12B)	32.0%	Exurbanites (1E)	32.2%
Parks and Rec (5C)	12.6%	Soccer Moms (4A)	15.2%	Traditional Living (12B)	14.3%	Old and Newcomers (8F)	17.6%	Old and Newcomers (8F)	21.3%	Midlife Constants (5E)	18.6%	Rustbelt Traditions (5D)	13.8%
Midlife Constants (5E)	11.5%	Professional Pride (1B)	14.3%	Old and Newcomers (8F)	14.1%	Boomburbs (1C)	11.7%	Bright Young Professionals (8C)	13.0%	Hardscrabble Road (8G)	15.6%	Golden Years (9B)	12.6%
Comfortable Empty Nesters (5A)	8.5%	Comfortable Empty Nesters (5A)	12.1%	Set to Impress (11D)	12.3%	Midlife Constants (5E)	9.0%	Midlife Constants (5E)	10.1%	Heartland Communities (6F)	12.6%	Old and Newcomers (8F)	10.1%
Green Acres (6A)	8.4%	In Style (5B)	8.3%	Midlife Constants (5E)	8.5%	Emerald City (8B)	7.5%	Traditional Living (12B)	9.5%	Rustbelt Traditions (5D)	7.1%	Savvy Suburbanites (1D)	9.5%
Rustbelt Traditions (5D)	7.1%	Rustbelt Traditions (5D)	8.1%	Bright Young Professionals (8C)	4.6%	Dorms to Diplomas (14C)	7.0%	Parks and Rec (5C)	7.8%	Parks and Rec (5C)	5.7%	Soccer Moms (4A)	8.0%
Boomburbs (1C)	6.1%	Middleburg (4C)	7.6%	Middleburg (4C)	4.5%	Savvy Suburbanites (1D)	6.6%	Front Porches (8E)	5.7%	Small Town Simplicity (12C)	4.1%	Set to Impress (11D)	7.0%
Young and Restless (11B)	5.3%	Boomburbs (1C)	7.3%	The Great Outdoors (6C)	3.5%	Set to Impress (11D)	3.7%	Comfortable Empty Nesters (5A)	4.9%	Comfortable Empty Nesters (5A)	2.7%	Comfortable Empty Nesters (5A)	6.8%
Small Town Simplicity (12C)	4.6%	Bright Young Professionals (8C)	6.0%	Savvy Suburbanites (1D)	2.7%	College Towns (14B)	2.7%	Set to Impress (11D)	2.3%	Front Porches (8E)	1.7%	In Style (5B)	0.0%
Southern Satellites (10A)	4.3%	Heartland Communities (6F)	2.4%	Up and Coming Families (7A)	2.1%	Rustbelt Traditions (5D)	1.8%	Metro Fusion (11C)	1.6%	-	-	-	-

Source: U.S. Census Bureau, ESRI, Tapestry Segmentation

Tapestry Reports – Metro East Comparison

Top Ten Tapestry Segments (by % of Households)



Source: U.S. Census Bureau, ESRI, Tapestry Segmentation

Tapestry Reports – Regional Comparison

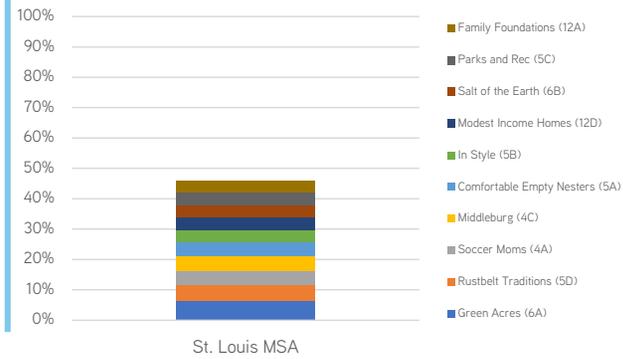
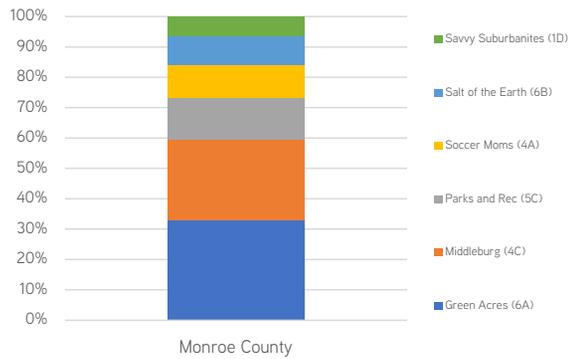
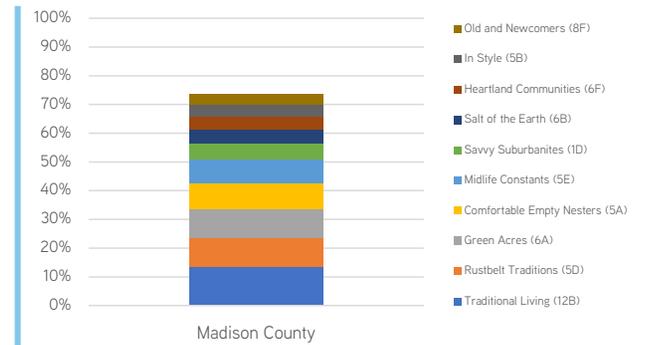
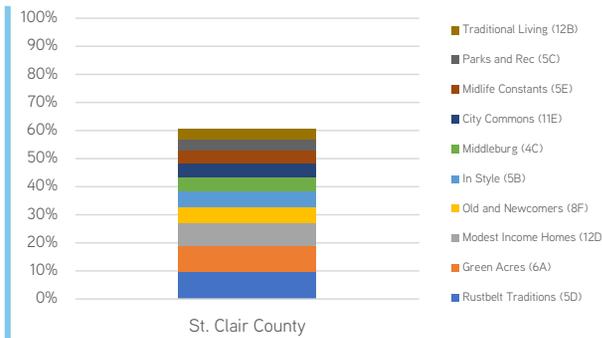
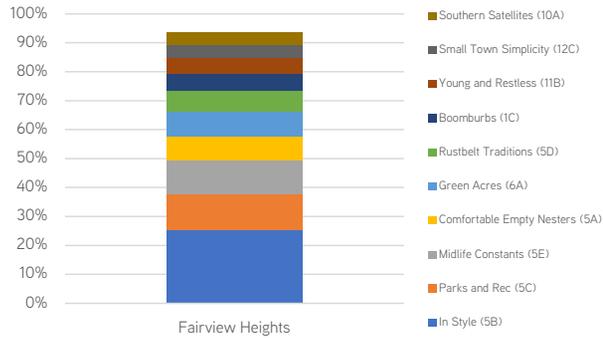
Top Ten Tapestry Segments *(by % of Households)*

Fairview Heights		St. Clair County		Madison County		Monroe County		St. Louis MSA	
Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%	Tapestry Segment	%
In Style (5B)	25.2%	Rustbelt Traditions (5D)	9.7%	Traditional Living (12B)	13.3%	Green Acres (6A)	33.0%	Green Acres (6A)	6.5%
Parks and Rec (5C)	12.6%	Green Acres (6A)	9.1%	Rustbelt Traditions (5D)	10.4%	Middleburg (4C)	26.5%	Rustbelt Traditions (5D)	5.0%
Midlife Constants (5E)	11.5%	Modest Income Homes (12D)	8.3%	Green Acres (6A)	9.9%	Parks and Rec (5C)	14.0%	Soccer Moms (4A)	4.9%
Comfortable Empty Nesters (5A)	8.5%	Old and Newcomers (8F)	5.7%	Comfortable Empty Nesters (5A)	9.1%	Soccer Moms (4A)	10.5%	Middleburg (4C)	4.9%
Green Acres (6A)	8.4%	In Style (5B)	5.6%	Midlife Constants (5E)	8.4%	Salt of the Earth (6B)	9.7%	Comfortable Empty Nesters (5A)	4.3%
Rustbelt Traditions (5D)	7.1%	Middleburg (4C)	5.0%	Savvy Suburbanites (1D)	5.4%	Savvy Suburbanites (1D)	6.3%	In Style (5B)	4.2%
Boomburbs (1C)	6.1%	City Commons (11E)	4.9%	Salt of the Earth (6B)	4.7%	Savvy Suburbanites (1D)	6.6%	Modest Income Homes (12D)	4.1%
Young and Restless (11B)	5.3%	Midlife Constants (5E)	4.6%	Heartland Communities (6F)	4.6%	Set to Impress (11D)	3.7%	Salt of the Earth (6B)	4.1%
Small Town Simplicity (12C)	4.6%	Parks and Rec (5C)	4.1%	In Style (5B)	4.2%	College Towns (14B)	2.7%	Parks and Rec (5C)	4.0%
Southern Satellites (10A)	4.3%	Traditional Living (12B)	3.8%	Old and Newcomers (8F)	3.8%	Rustbelt Traditions (5D)	1.8%	Family Foundations (12A)	3.8%

Source: U.S. Census Bureau, ESRI, Tapestry Segmentation

Tapestry Reports – Metro East Comparison

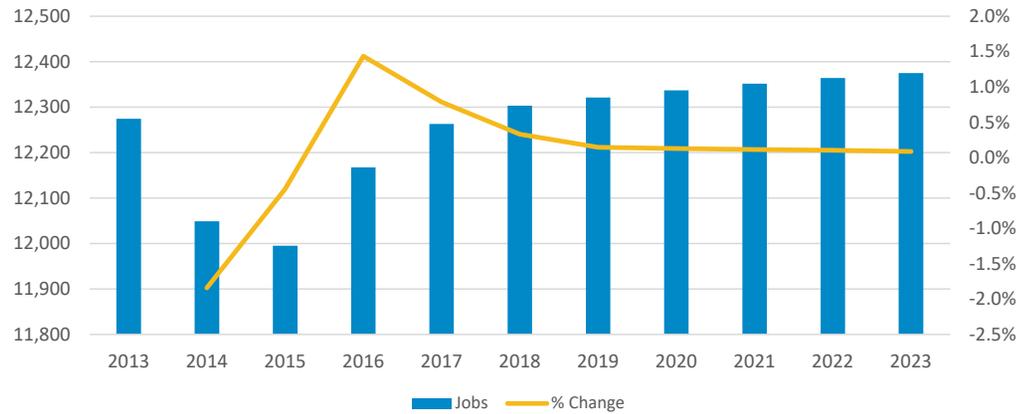
Top Ten Tapestry Segments (by % of Households)



Source: U.S. Census Bureau, ESRI, Tapestry Segmentation

Fairview Heights – Labor & Industry Analysis

Job Trends – Fairview Heights



- From 2013 to 2018, jobs increased by 0.2% in Fairview Heights, IL (in St. Clair county) (ZIP 62208) from 12,275 to 12,303.
- This change fell short of the national growth rate of 7.8% by 7.6%.

Source: EMSI Q1 2019 Data Set – Economy Overview, Fairview Heights, IL (62208)

Fairview Heights – Largest Industries

Industry	2013 Jobs	2018 Jobs	% of Total (2018)	Change in Jobs	% Change in Jobs	2018 LQ	2018 Earnings Per Worker	2018 GRP
Retail Trade	4,256	3,894	31.7%	(362)	(9%)	3.12	\$25,801	\$168,337,916.79
Accommodation and Food Services	2,166	2,513	20.4%	347	16%	2.38	\$18,521	\$76,058,379.20
Government	1,184	1,147	9.3%	(37)	(3%)	0.62	\$84,232	\$154,890,130.83
Health Care and Social Assistance	542	816	6.6%	274	51%	0.52	\$41,883	\$41,952,493.04
Other Services (except Public Administration)	719	673	5.5%	(46)	(6%)	1.15	\$24,946	\$29,051,442.66
Administrative and Support and Waste Management and Remediation Services	494	635	5.2%	141	29%	0.83	\$39,235	\$35,459,283.49
Professional, Scientific, and Technical Services	519	584	4.7%	65	13%	0.73	\$90,202	\$76,952,466.05
Finance and Insurance	849	516	4.2%	(333)	(39%)	1.04	\$58,210	\$71,003,987.17
Arts, Entertainment, and Recreation	500	480	3.9%	(20)	(4%)	2.25	\$32,494	\$47,462,508.00
Educational Services	270	257	2.1%	(13)	(5%)	0.81	\$35,391	\$10,193,066.36
Real Estate and Rental and Leasing	147	176	1.4%	29	20%	0.85	\$39,915	\$25,444,457.21
Construction	146	168	1.4%	22	15%	0.25	\$62,597	\$15,063,313.65
Information	173	161	1.3%	(12)	(7%)	0.71	\$48,313	\$47,816,554.55
Transportation and Warehousing	62	114	0.9%	52	84%	0.26	\$41,104	\$8,656,721.99
Wholesale Trade	133	103	0.8%	(30)	(23%)	0.23	\$48,777	\$13,015,927.46
Management of Companies and Enterprises	90	51	0.4%	(39)	(43%)	0.29	\$93,822	\$5,668,571.13
Manufacturing	20	11	0.1%	(9)	(45%)	0.01	\$42,892	\$843,777.80
TOTAL	12,270	12,299	1	29		TOTAL	\$828,334	\$827,870,997
Industry = NAICS Classification for Each Company North American Industry Classification System (NAICS)						AVERAGE	\$48,726	
						WEIGHTED AVERAGE	\$37,988	

Source: EMSI Q1 2019 Data Set – Economy Overview, Fairview Heights, IL (62208)

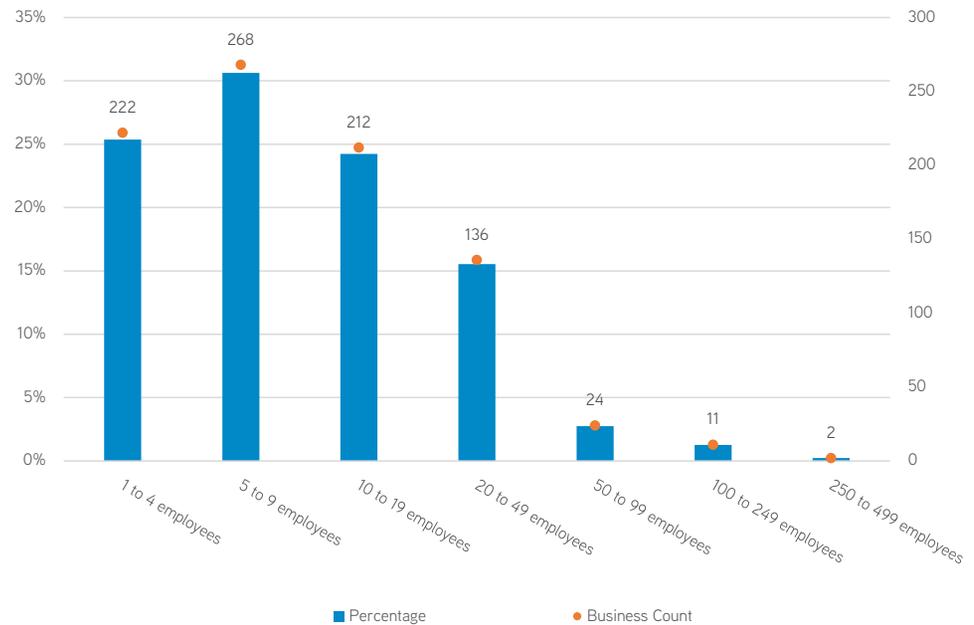
Notes:

1. The Arts, Entertainment and Recreation data comes from EMSI, a national provider of labor and economic statistics. EMSI uses government data and proprietary processes to formulate its data. An initial review of the underlying data for Fairview Heights suggests that the LQ of 2.25 may be overly optimistic. Additional review and research will be needed to clarify the data related to Arts, Entertainment and Recreation.

Fairview Heights – Largest Industries

Business Size

Size	Percentage	Business Count
1 to 4 employees	25.4%	222
5 to 9 employees	30.6%	268
10 to 19 employees	24.2%	212
20 to 49 employees	15.5%	136
50 to 99 employees	2.7%	24
100 to 249 employees	1.3%	11
250 to 499 employees	0.2%	2



Source: EMSI Q1 2019 Data Set – Economy Overview, Fairview Heights, IL (62208)

Fairview Heights – Largest Occupations

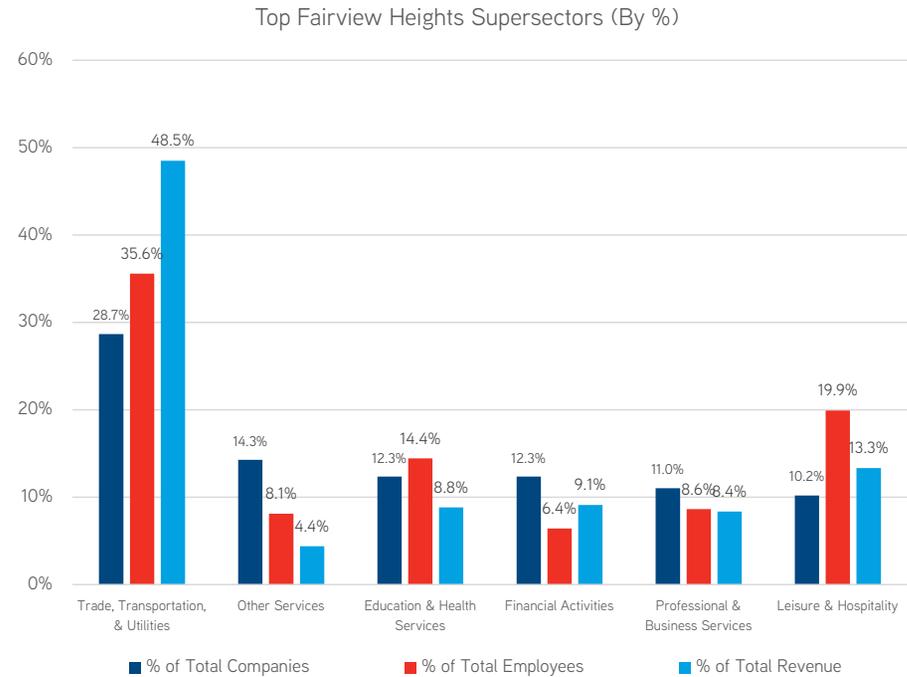
Occupation	2013 Jobs	2018 Jobs	% of Total Jobs	Change in Jobs	% Change in Jobs	2018 LQ	2017 Avg. Hourly Earnings
Sales and Related	3,095	2,756	22.4%	(339)	(11%)	2.25	\$14.02
Food Preparation and Serving Related	1,999	2,300	18.7%	301	15%	2.23	\$10.99
Office and Administrative Support	1,673	1,501	12.2%	(172)	(10%)	0.84	\$16.87
Management	691	736	6.0%	45	7%	1.07	\$43.78
Personal Care and Service	588	549	4.5%	(39)	(7%)	1.04	\$12.17
Healthcare Practitioners and Technical	379	486	4.0%	107	28%	0.71	\$32.84
Transportation and Material Moving	451	483	3.9%	32	7%	0.58	\$15.60
Installation, Maintenance, and Repair	489	478	3.9%	(11)	(2%)	0.99	\$20.57
Business and Financial Operations	465	397	3.2%	(68)	(15%)	0.62	\$34.96
Education, Training, and Library	398	396	3.2%	(2)	(1%)	0.57	\$22.00
Computer and Mathematical	369	377	3.1%	8	2%	1.06	\$41.72
Building and Grounds Cleaning and Maintenance	300	319	2.6%	19	6%	0.71	\$13.76
Healthcare Support	167	271	2.2%	104	62%	0.81	\$13.69
Production	252	267	2.2%	15	6%	0.37	\$16.76
Construction and Extraction	190	210	1.7%	20	11%	0.37	\$25.72
Arts, Design, Entertainment, Sports, and Media	164	183	1.5%	19	12%	0.80	\$21.16
Protective Service	158	151	1.2%	(7)	(4%)	0.55	\$25.22
Community and Social Service	105	113	0.9%	8	8%	0.56	\$21.29
Military-only	114	113	0.9%	(1)	(1%)	1.77	\$17.25
Architecture and Engineering	109	100	0.8%	(9)	(8%)	0.48	\$37.57
Legal	74	72	0.6%	(2)	(3%)	0.70	\$45.55
Life, Physical, and Social Science	38	40	0.3%	2	5%	0.39	\$32.50
TOTAL	12,268	12,295				TOTAL	\$535.97
						AVERAGE	\$24.36
						WEIGHTED AVERAGE	\$19.36

Occupation = SOC Classification for Each Occupation at the Company
Standard Occupational Classification (SOC)

Source: EMSI Q1 2019 Data Set – Economy Overview, Fairview Heights, IL (62208)

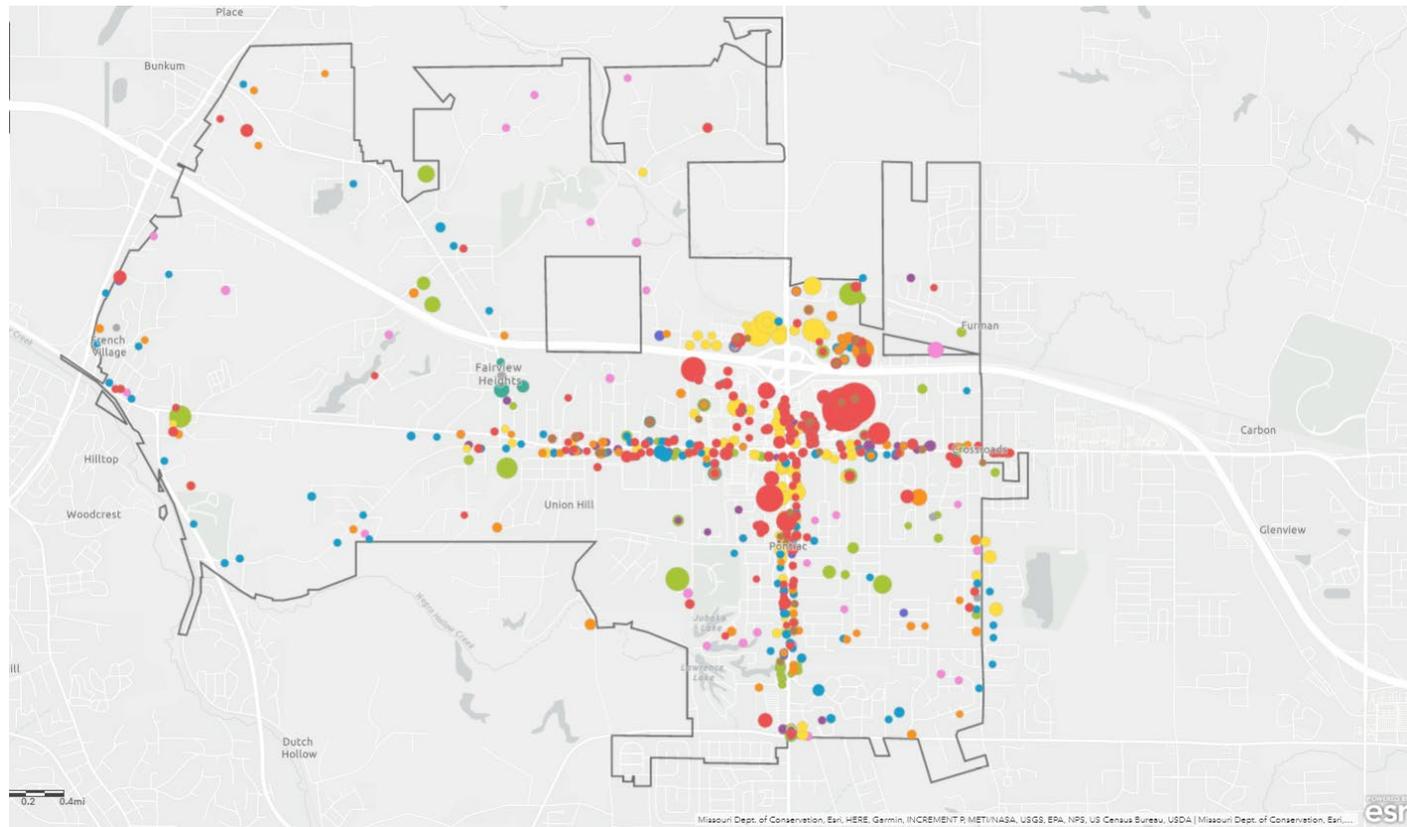
Fairview Heights – NAICS Supersectors

Fairview Heights						
NAICS Supersector	# of Companies	% of Total Companies	# of Employees	% of Total Employees	Total Revenue	% of Total Revenue
Trade, Transportation, & Utilities	281	28.7%	4,497	35.6%	\$874,833,434	48.5%
Other Services	140	14.3%	1,024	8.1%	\$79,114,750	4.4%
Education & Health Services	121	12.3%	1,824	14.4%	\$159,265,185	8.8%
Financial Activities	121	12.3%	810	6.4%	\$164,137,326	9.1%
Professional & Business Services	108	11.0%	1,090	8.6%	\$150,665,467	8.4%
Leisure & Hospitality	100	10.2%	2,518	19.9%	\$240,407,927	13.3%
Construction	44	4.5%	421	3.3%	\$89,758,394	5.0%
Unclassified	24	2.4%	5	0.0%	\$442,600	0.0%
Government	18	1.8%	255	2.0%	-	-
Manufacturing	13	1.3%	118	0.9%	\$29,112,458	1.6%
Information	6	0.6%	63	0.5%	\$14,103,891	0.8%
Natural Resources & Mining	4	0.4%	15	0.1%	\$1,605,753	0.1%
TOTAL	980		12,640		\$1.8B	



Source: DataVu (Database USA) - 2017 - 2017

Fairview Heights – NAICS Supersectors (By Employee Size)



MAP KEY

NAICS Supersector

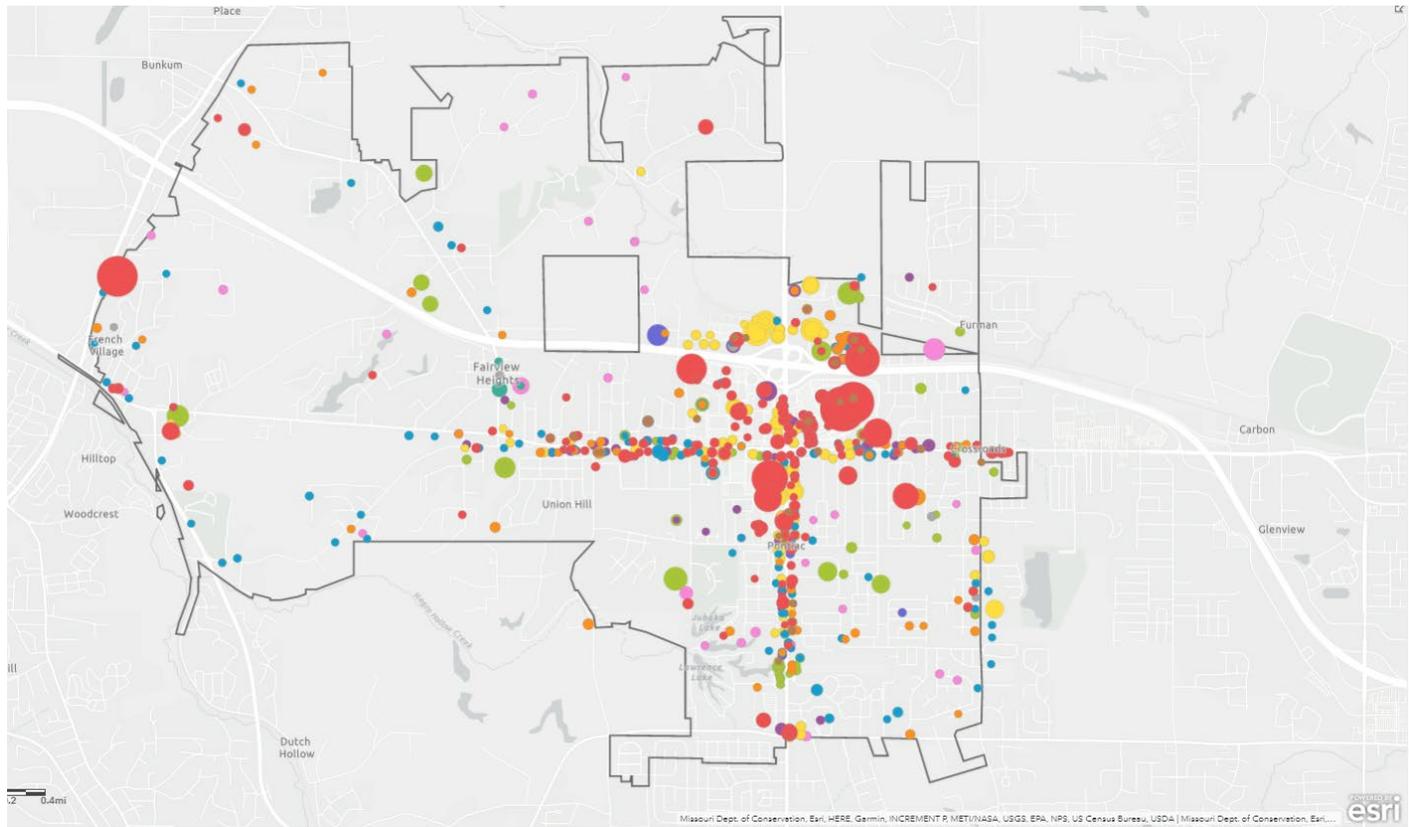
- Trade, Transportation, & Utilities
- Other Services
- Education & Health Services
- Financial Activities
- Professional & Business Services
- Leisure & Hospitality
- Construction
- Unclassified
- Government
- Manufacturing
- Other

Location Employee Size

- > 275
- 200
- 150
- 70
- < 0

Source: DataVu (Database USA) - 2017 - 2017

Fairview Heights – NAICS Supersectors (By Revenue/Yr)



MAP KEY

NAICS Supersector

- Trade, Transportation, & Utilities
- Other Services
- Education & Health Services
- Financial Activities
- Professional & Business Services
- Leisure & Hospitality
- Construction
- Unclassified
- Government
- Manufacturing
- Other

- Revenue/Year
- > 41,626,530
 - 30,000,000
 - 20,000,000
 - 10,000,000
 - < 0

Source: DataVu (Database USA) - 2017 - 2017

Metro East Comparison

Top NAICS Industries per City – Supersectors (by # of Companies)

Fairview Heights		O'Fallon, IL		Belleville*		Edwardsville		Collinsville		Granite City	
NAICS Supersector	#										
Trade, Transportation, & Utilities	281	Education & Health Services	314	Education & Health Services	974	Professional & Business Services	434	Professional & Business Services	221	Trade, Transportation, & Utilities	287
Other Services	140	Financial Activities	223	Professional & Business Services	676	Trade, Transportation, & Utilities	216	Trade, Transportation, & Utilities	186	Education & Health Services	255
Education & Health Services	121	Trade, Transportation, & Utilities	211	Trade, Transportation, & Utilities	510	Education & Health Services	206	Financial Activities	165	Other Services	211
Financial Activities	121	Professional & Business Services	171	Financial Activities	458	Financial Activities	201	Education & Health Services	148	Professional & Business Services	173
Professional & Business Services	108	Other Services	160	Other Services	439	Other Services	156	Other Services	142	Financial Activities	148
Leisure & Hospitality	100	Leisure & Hospitality	153	Leisure & Hospitality	249	Leisure & Hospitality	136	Construction	129	Leisure & Hospitality	129
Construction	44	Construction	83	Construction	246	Construction	128	Leisure & Hospitality	117	Construction	87
Unclassified	24	Unclassified	40	Manufacturing	75	Government	67	Government	27	Government	46
Government	18	Government	33	Unclassified	73	Unclassified	43	Unclassified	25	Manufacturing	41
Manufacturing	13	Manufacturing	17	Government	72	Manufacturing	21	Manufacturing	23	Unclassified	35
Information	6	Natural Resources & Mining	14	Information	42	Natural Resources & Mining	18	Information	15	Information	17
Natural Resources & Mining	4	Information	8	Natural Resources & Mining	33	Information	15	Natural Resources & Mining	7	Natural Resources & Mining	14

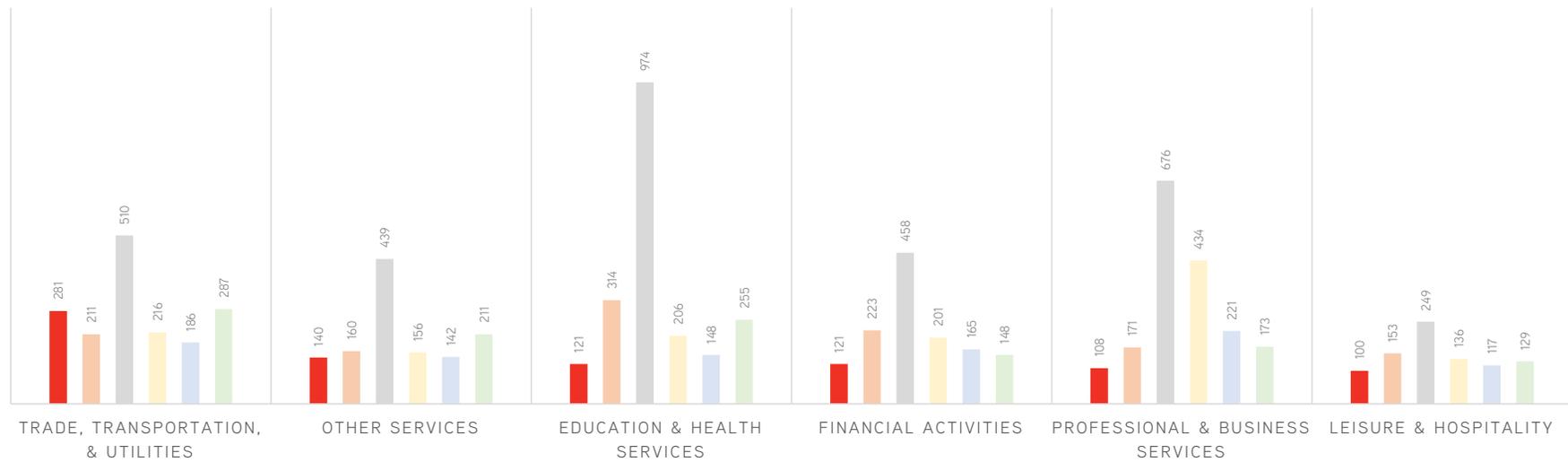
Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by # of Companies)*

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES

Fairview Heights O'Fallon Belleville Edwardsville Collinsville Granite City



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors (*% of Total Companies located within the City*)

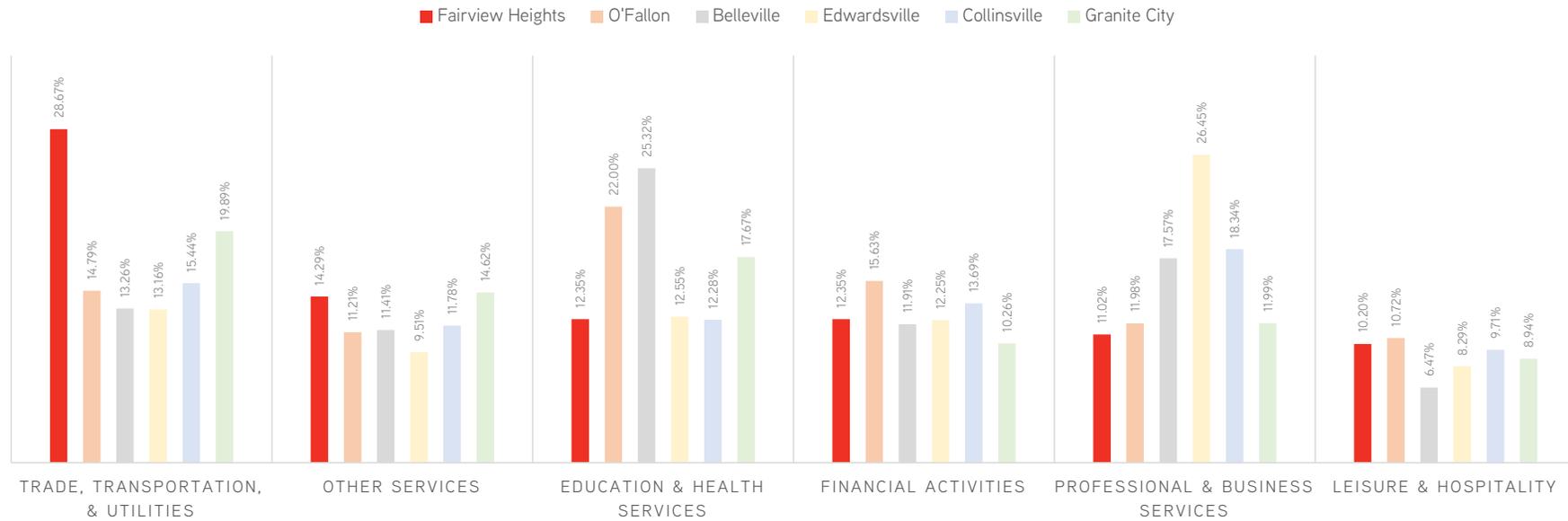
Fairview Heights		O'Fallon, IL		Belleville*		Edwardsville		Collinsville		Granite City	
NAICS Supersector	%										
Trade, Transportation, & Utilities	28.7%	Education & Health Services	22.0%	Education & Health Services	25.3%	Professional & Business Services	26.4%	Professional & Business Services	18.3%	Trade, Transportation, & Utilities	19.9%
Other Services	14.3%	Financial Activities	15.6%	Professional & Business Services	17.6%	Trade, Transportation, & Utilities	13.2%	Trade, Transportation, & Utilities	15.4%	Education & Health Services	17.7%
Education & Health Services	12.3%	Trade, Transportation, & Utilities	14.8%	Trade, Transportation, & Utilities	13.3%	Education & Health Services	12.6%	Financial Activities	13.7%	Other Services	14.6%
Financial Activities	12.3%	Professional & Business Services	12.0%	Financial Activities	11.9%	Financial Activities	12.2%	Education & Health Services	12.3%	Professional & Business Services	12.0%
Professional & Business Services	11.0%	Other Services	11.2%	Other Services	11.4%	Other Services	9.5%	Other Services	11.8%	Financial Activities	10.3%
Leisure & Hospitality	10.2%	Leisure & Hospitality	10.7%	Leisure & Hospitality	6.5%	Leisure & Hospitality	8.3%	Construction	10.7%	Leisure & Hospitality	8.9%
Construction	4.5%	Construction	5.8%	Construction	6.4%	Construction	7.8%	Leisure & Hospitality	9.7%	Construction	6.0%
Unclassified	2.4%	Unclassified	2.8%	Manufacturing	1.9%	Government	4.1%	Government	2.2%	Government	3.2%
Government	1.8%	Government	2.3%	Unclassified	1.9%	Unclassified	2.6%	Unclassified	2.1%	Manufacturing	2.8%
Manufacturing	1.3%	Manufacturing	1.2%	Government	1.9%	Manufacturing	1.3%	Manufacturing	1.9%	Unclassified	2.4%
Information	0.6%	Natural Resources & Mining	1.0%	Information	1.1%	Natural Resources & Mining	1.1%	Information	1.2%	Information	1.2%
Natural Resources & Mining	0.4%	Information	0.6%	Natural Resources & Mining	0.9%	Information	0.9%	Natural Resources & Mining	0.6%	Natural Resources & Mining	1.0%

Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors (% of Total Companies located within the City)

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES (AS % OF TOTAL COMPANIES)



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by # of Employees)*

Fairview Heights		O'Fallon, IL		Belleville		Edwardsville		Collinsville		Granite City	
NAICS Supersector	#	NAICS Supersector	#	NAICS Supersector	#	NAICS Supersector	#	NAICS Supersector	#	NAICS Supersector	#
Trade, Transportation, & Utilities	4,497	Education & Health Services	4,845	Education & Health Services	15,287	Education & Health Services	7,960	Leisure & Hospitality	3,081	Trade, Transportation, & Utilities	5,177
Leisure & Hospitality	2,518	Trade, Transportation, & Utilities	3,849	Trade, Transportation, & Utilities	7,559	Professional & Business Services	3,708	Trade, Transportation, & Utilities	2,503	Education & Health Services	3,437
Education & Health Services	1,824	Leisure & Hospitality	3,107	Leisure & Hospitality	4,725	Trade, Transportation, & Utilities	3,445	Professional & Business Services	2,090	Manufacturing	2,252
Professional & Business Services	1,090	Financial Activities	2,262	Professional & Business Services	4,236	Information	3,319	Education & Health Services	2,047	Leisure & Hospitality	2,160
Other Services	1,024	Professional & Business Services	1,809	Other Services	4,085	Financial Activities	2,711	Financial Activities	1,209	Other Services	1,553
Financial Activities	810	Other Services	1,145	Financial Activities	3,415	Leisure & Hospitality	2,619	Construction	1,190	Professional & Business Services	1,513
Construction	421	Construction	930	Construction	2,258	Government	1,859	Government	1,106	Government	1,195
Government	255	Government	735	Government	2,123	Construction	1,639	Other Services	766	Financial Activities	949
Manufacturing	118	Manufacturing	254	Manufacturing	2,120	Other Services	1,274	Information	557	Construction	822
Information	63	Natural Resources & Mining	223	Information	996	Manufacturing	420	Manufacturing	329	Natural Resources & Mining	257
Natural Resources & Mining	15	Information	167	Natural Resources & Mining	623	Natural Resources & Mining	265	Natural Resources & Mining	67	Information	233
Unclassified	5	Unclassified	7	Unclassified	17	Unclassified	12	Unclassified	2	Unclassified	2

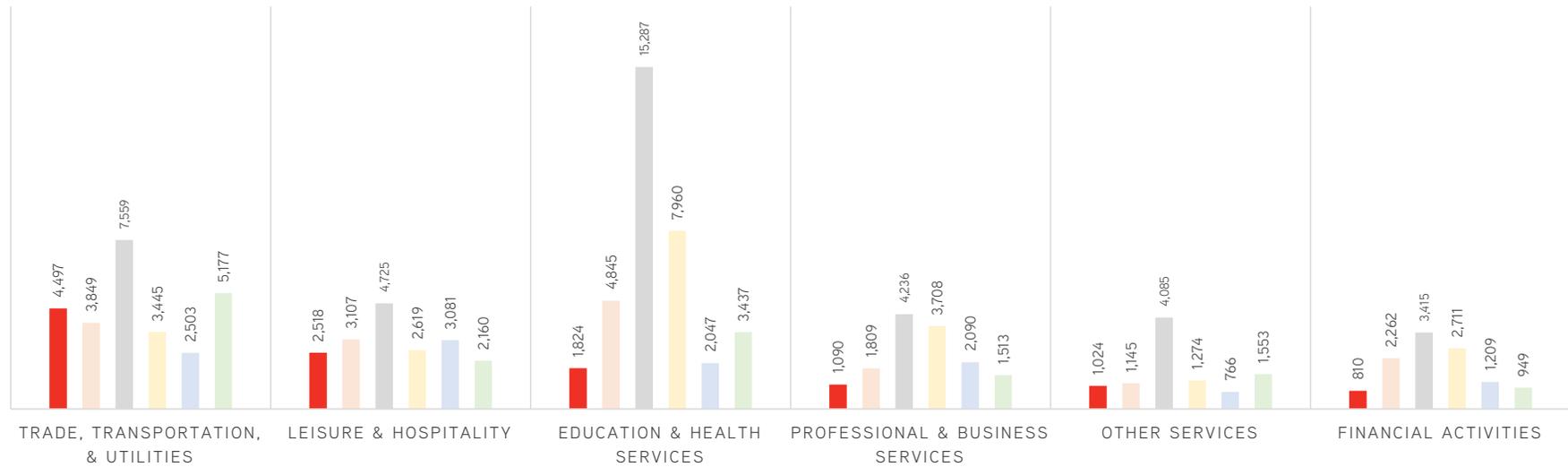
Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by # of Employees)*

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES

■ Fairview Heights ■ O'Fallon ■ Belleville ■ Edwardsville ■ Collinsville ■ Granite City



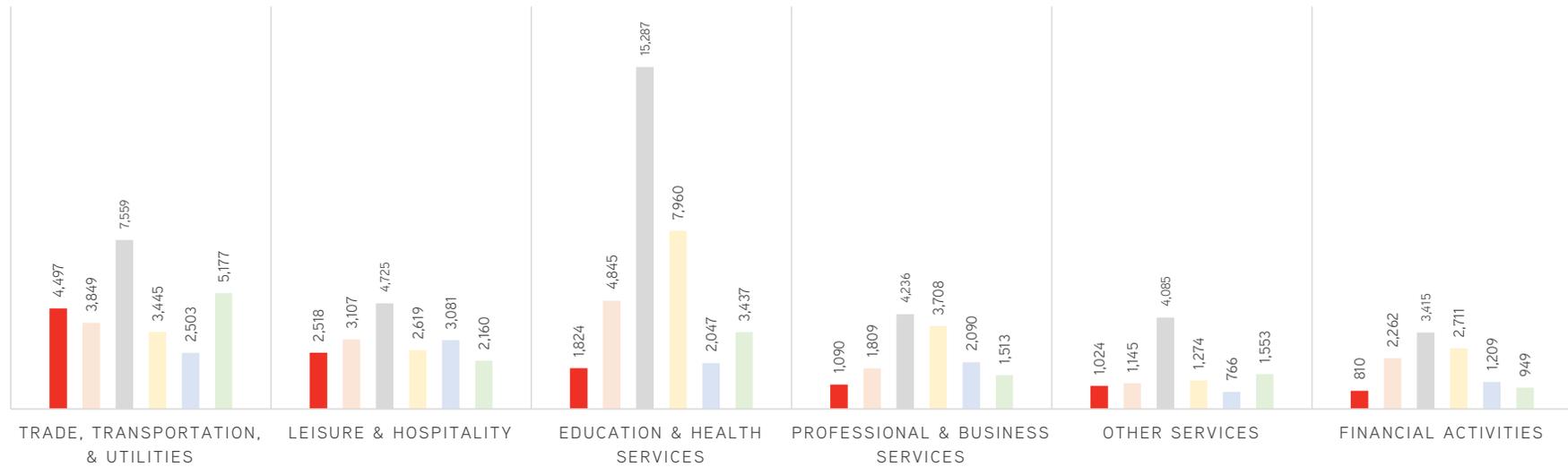
Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by # of Employees)*

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES

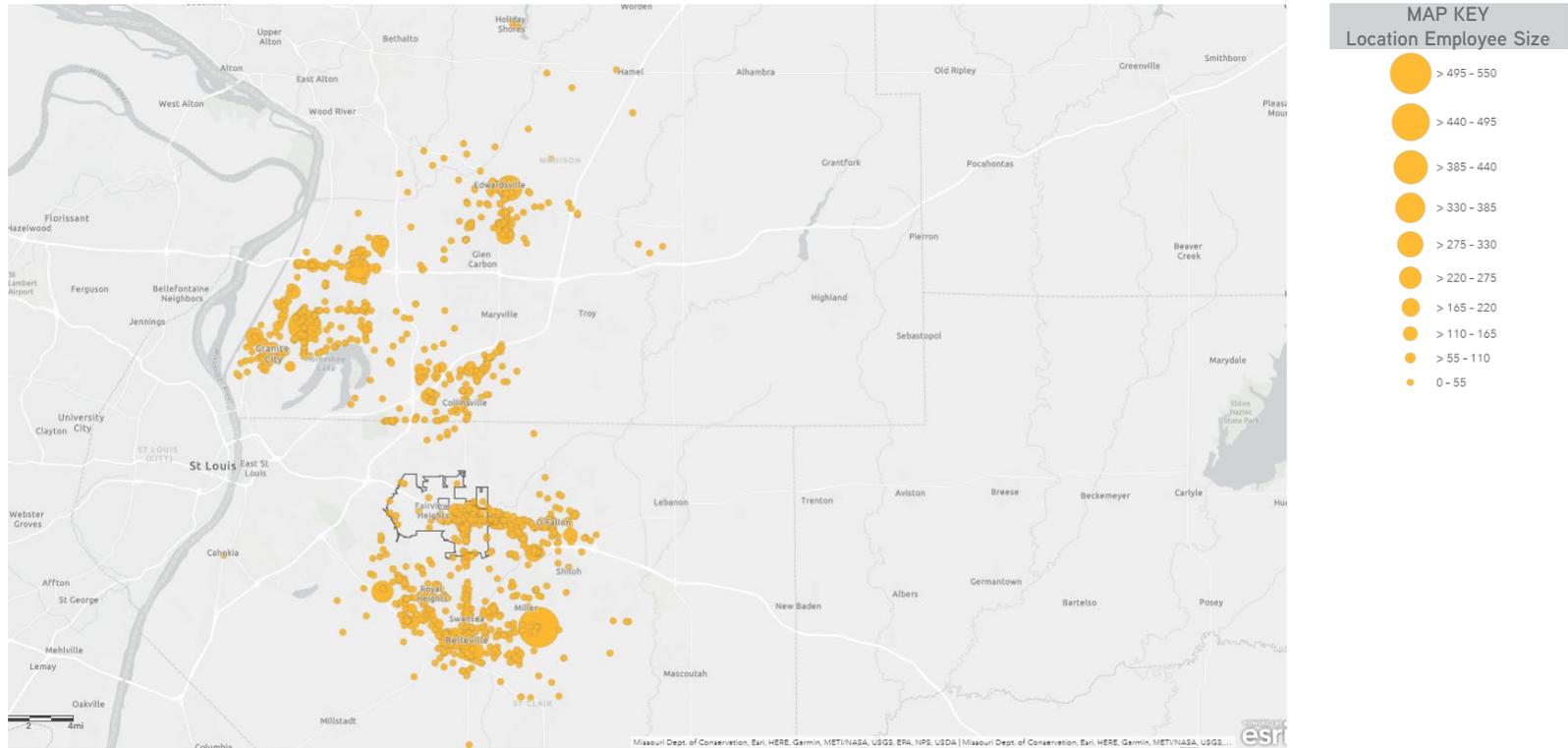
■ Fairview Heights ■ O'Fallon ■ Belleville ■ Edwardsville ■ Collinsville ■ Granite City



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison: Fairview Heights Top NAICS Supersectors

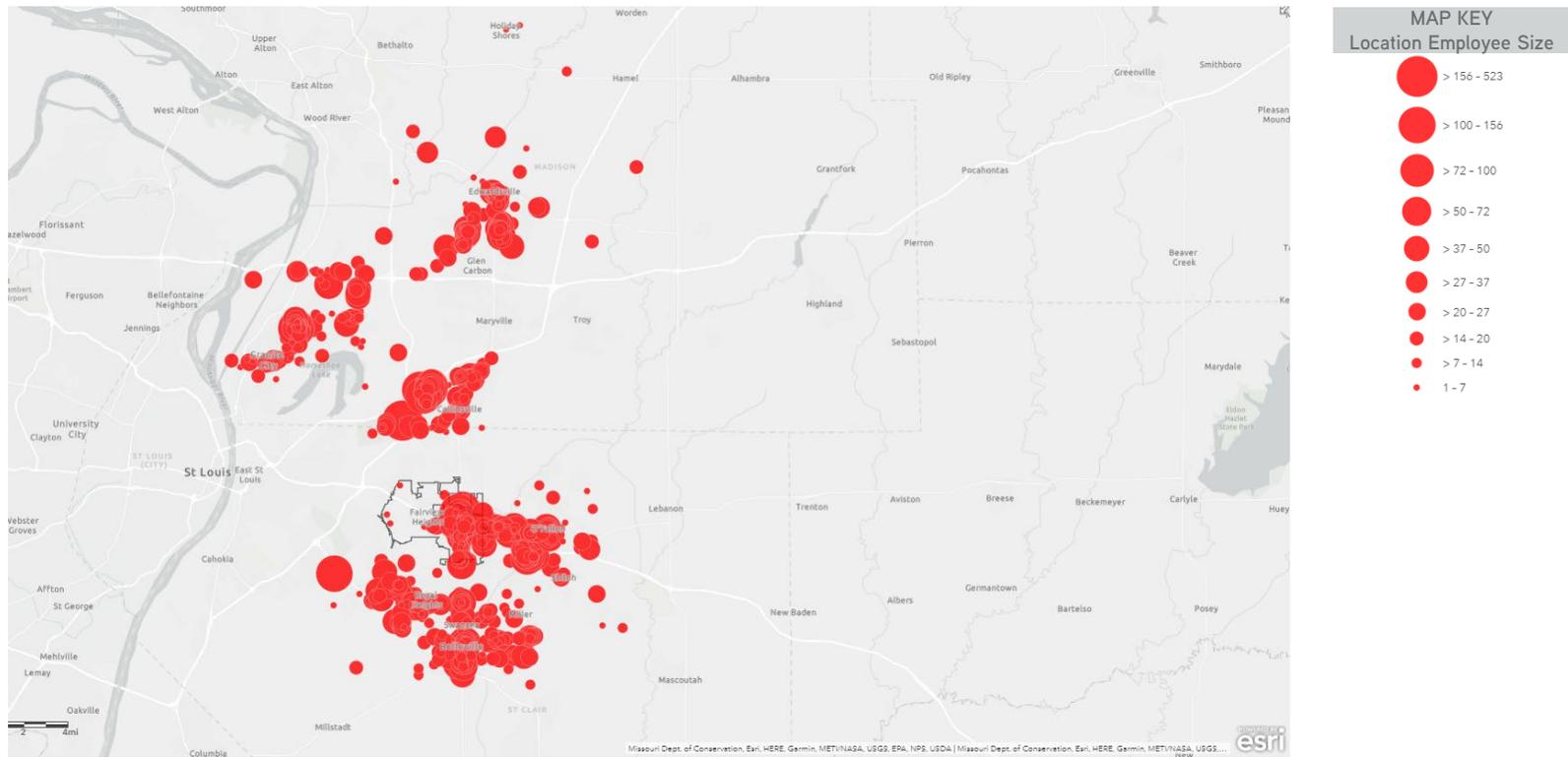
Trade, Transportation, & Utilities Supersector (by # of Employees)



Source: DataVu (Database USA) - 2017

Metro East Comparison: Fairview Heights Top NAICS Supersectors

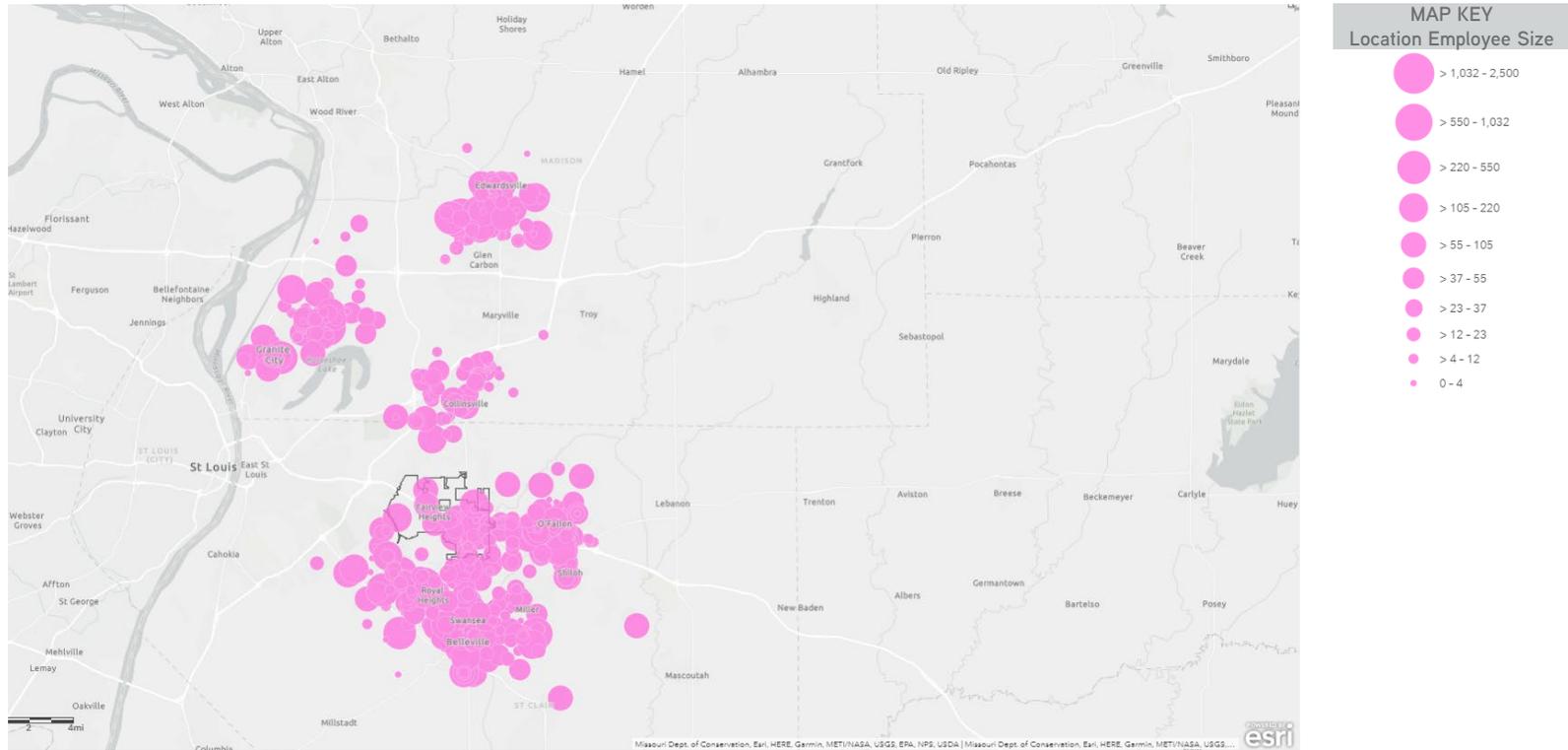
Leisure & Hospitality Supersector (by # of Employees)



Source: DataVu (Database USA) - 2017

Metro East Comparison: Fairview Heights Top NAICS Supersectors

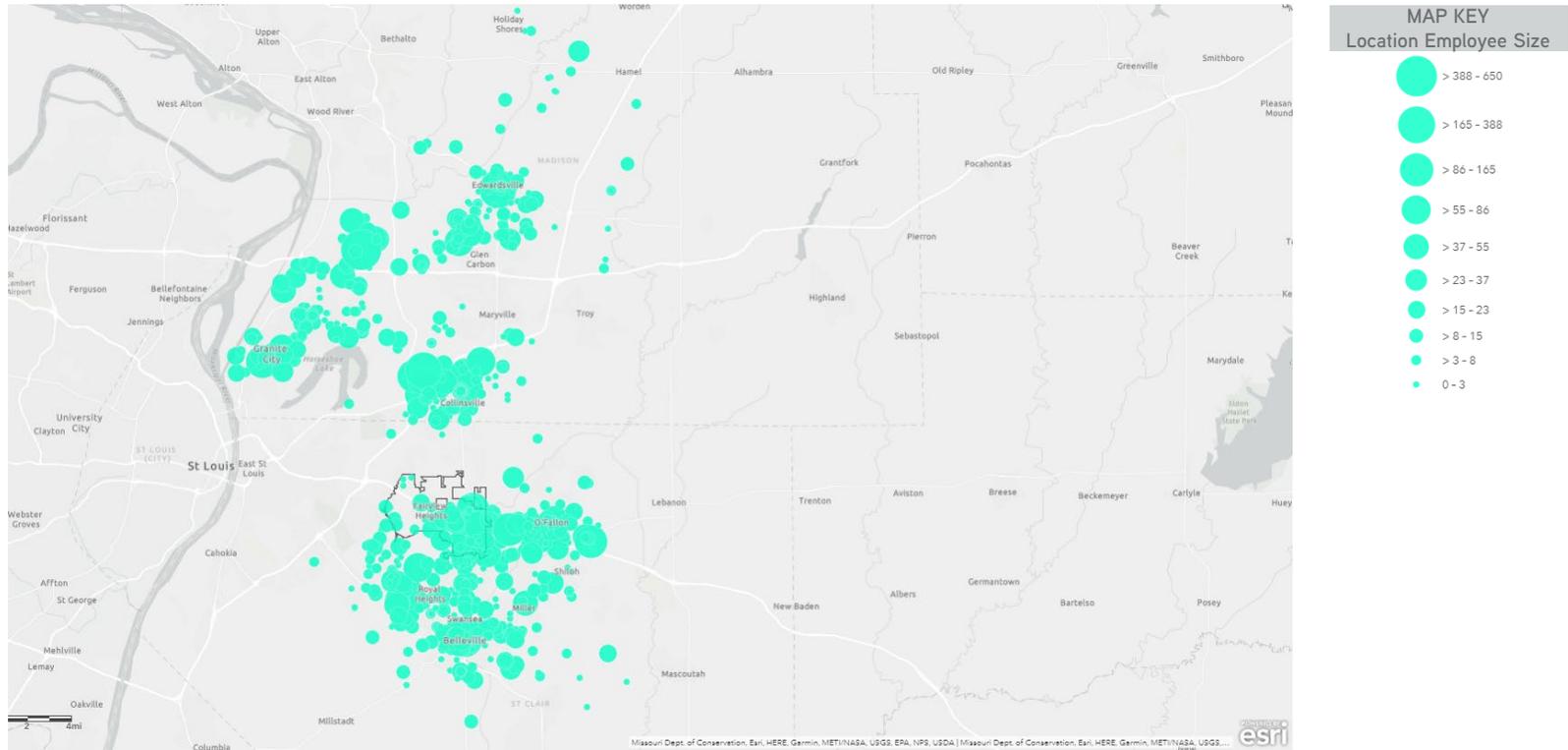
Education & Health Services (by # of Employees)



Source: DataVu (Database USA) - 2017

Metro East Comparison: Fairview Heights Top NAICS Supersectors

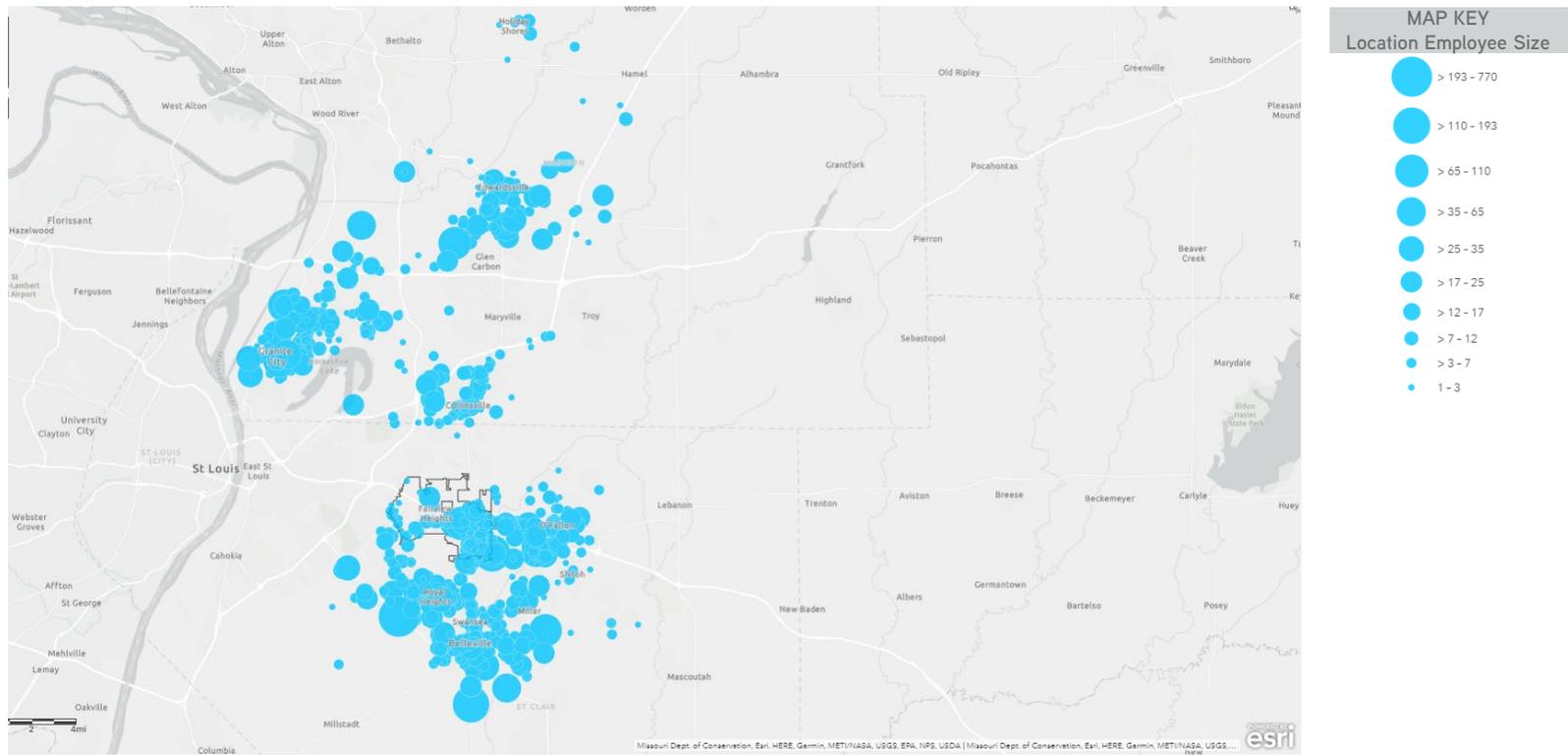
Professional & Business Services (by # of Employees)



Source: DataVu (Database USA) - 2017

Metro East Comparison: Fairview Heights Top NAICS Supersectors

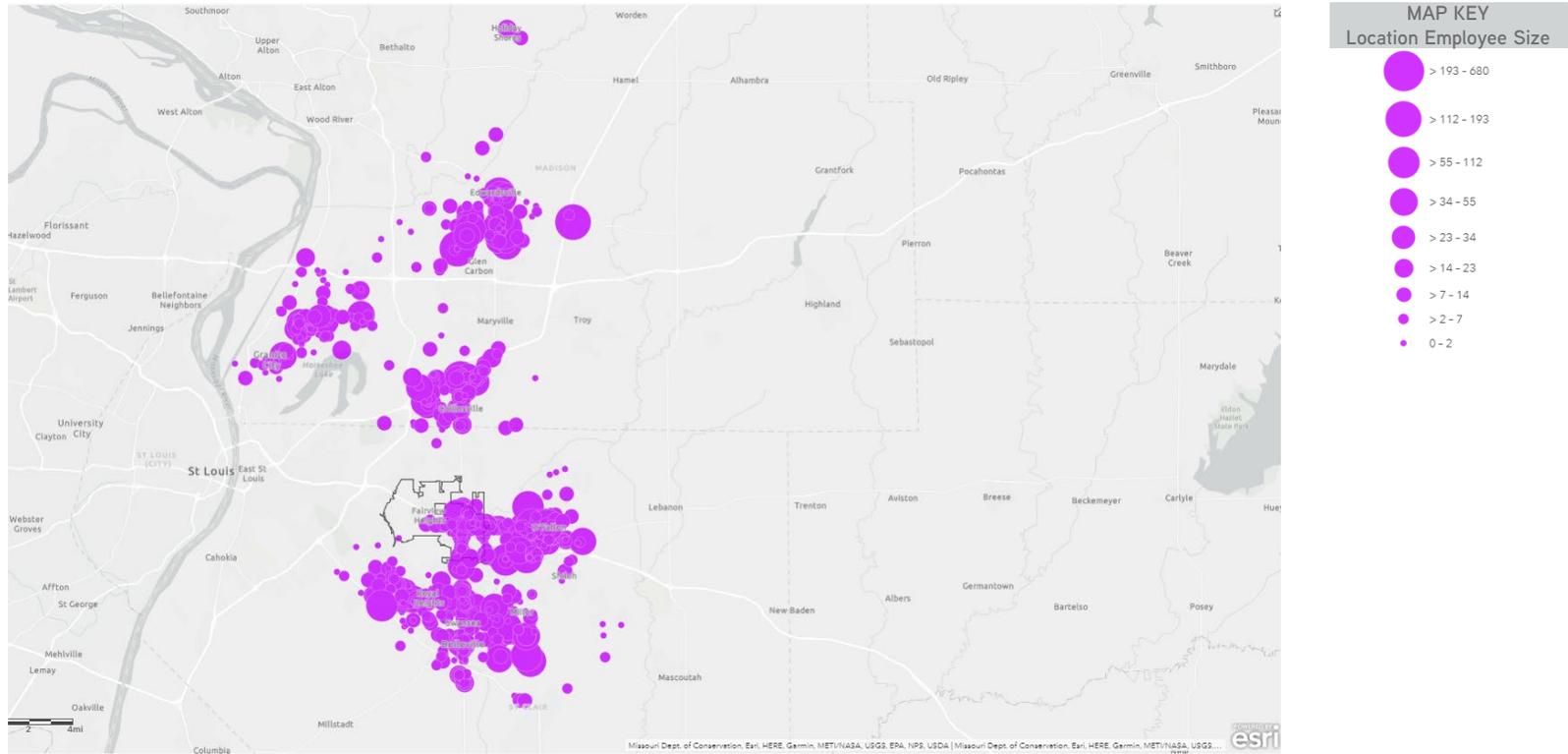
Other Services (by # of Employees)



Source: DataVu (Database USA) - 2017

Metro East Comparison: Fairview Heights Top NAICS Supersectors

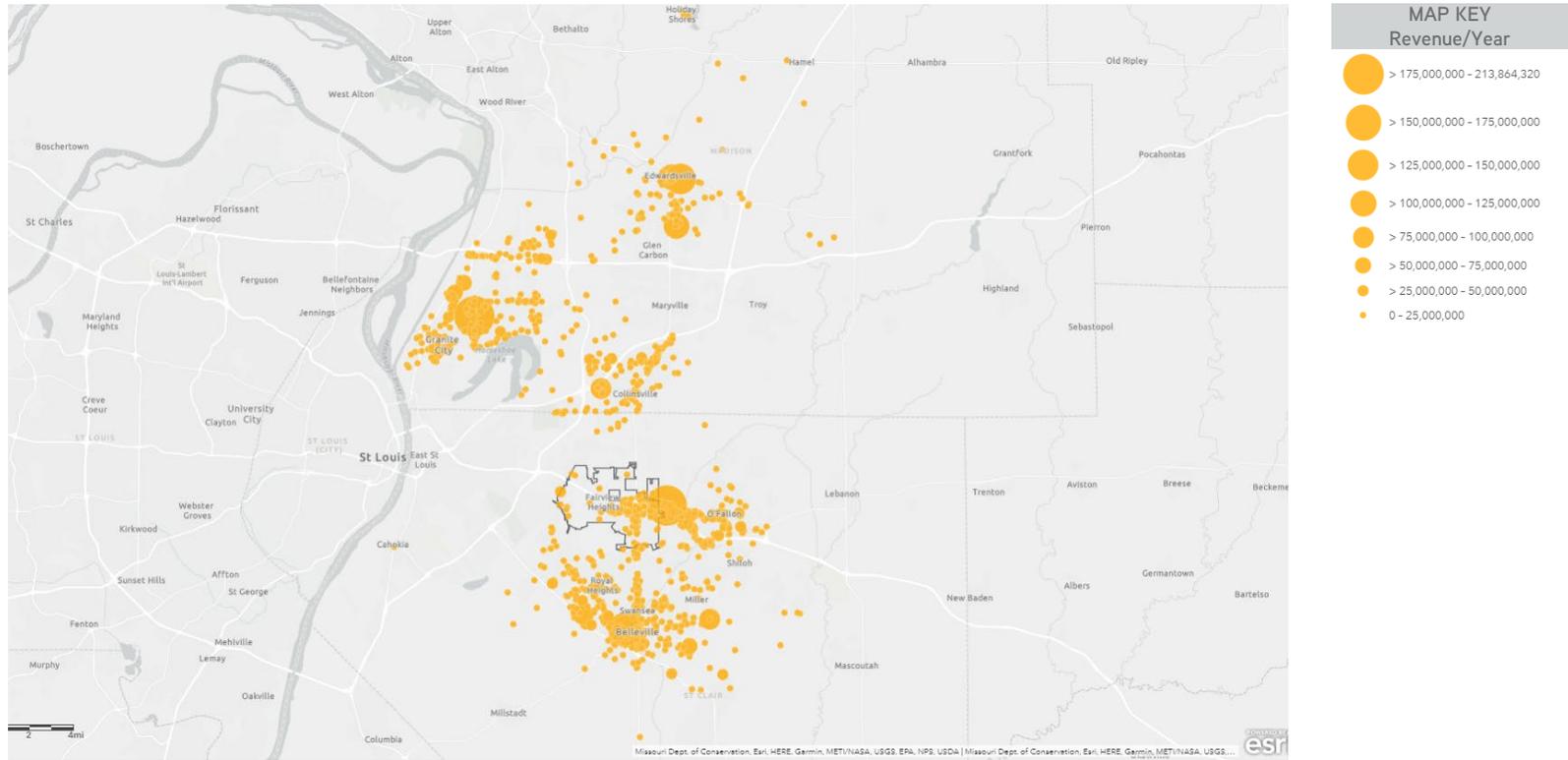
Financial Activities (by # of Employees)



Source: DataVu (Database USA) - 2017

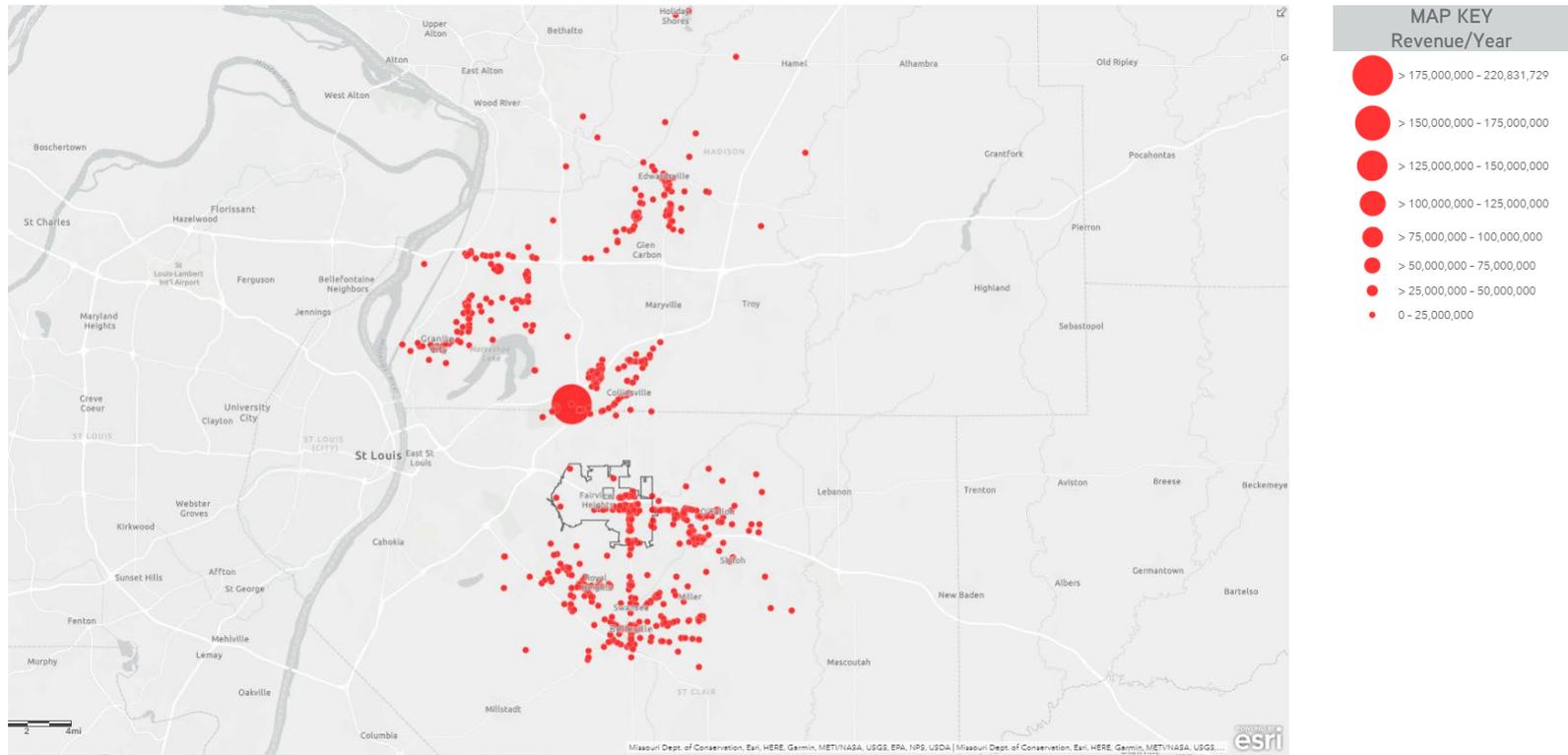
Metro East Comparison: Fairview Heights Top NAICS Supersectors

Trade, Transportation, & Utilities Supersector (by Revenue/Yr)



Metro East Comparison: Fairview Heights Top NAICS Supersectors

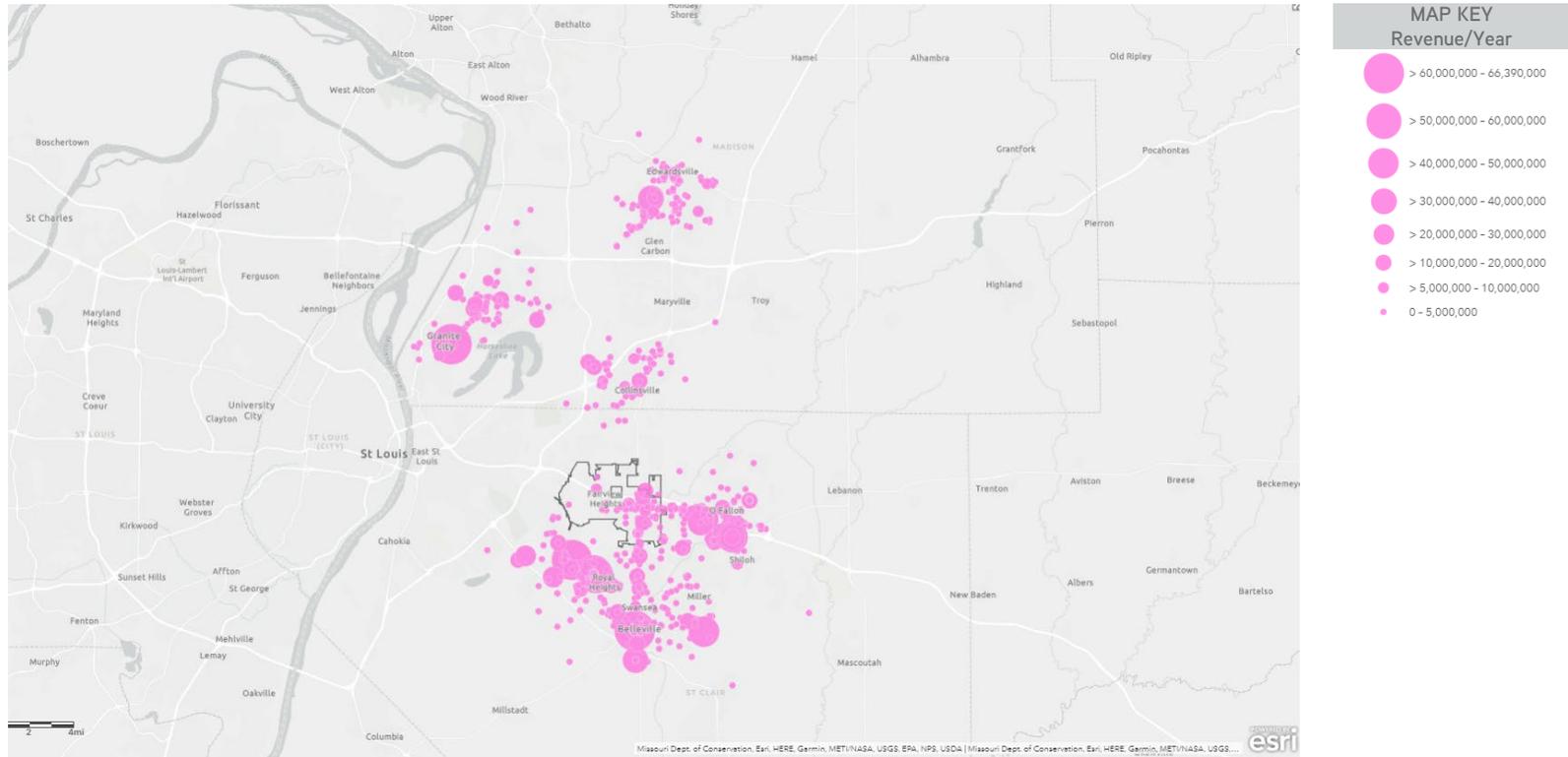
Leisure & Hospitality Supersector (by Revenue/Yr)



Source: DataVu (Database USA) - 2017

Metro East Comparison: Fairview Heights Top NAICS Supersectors

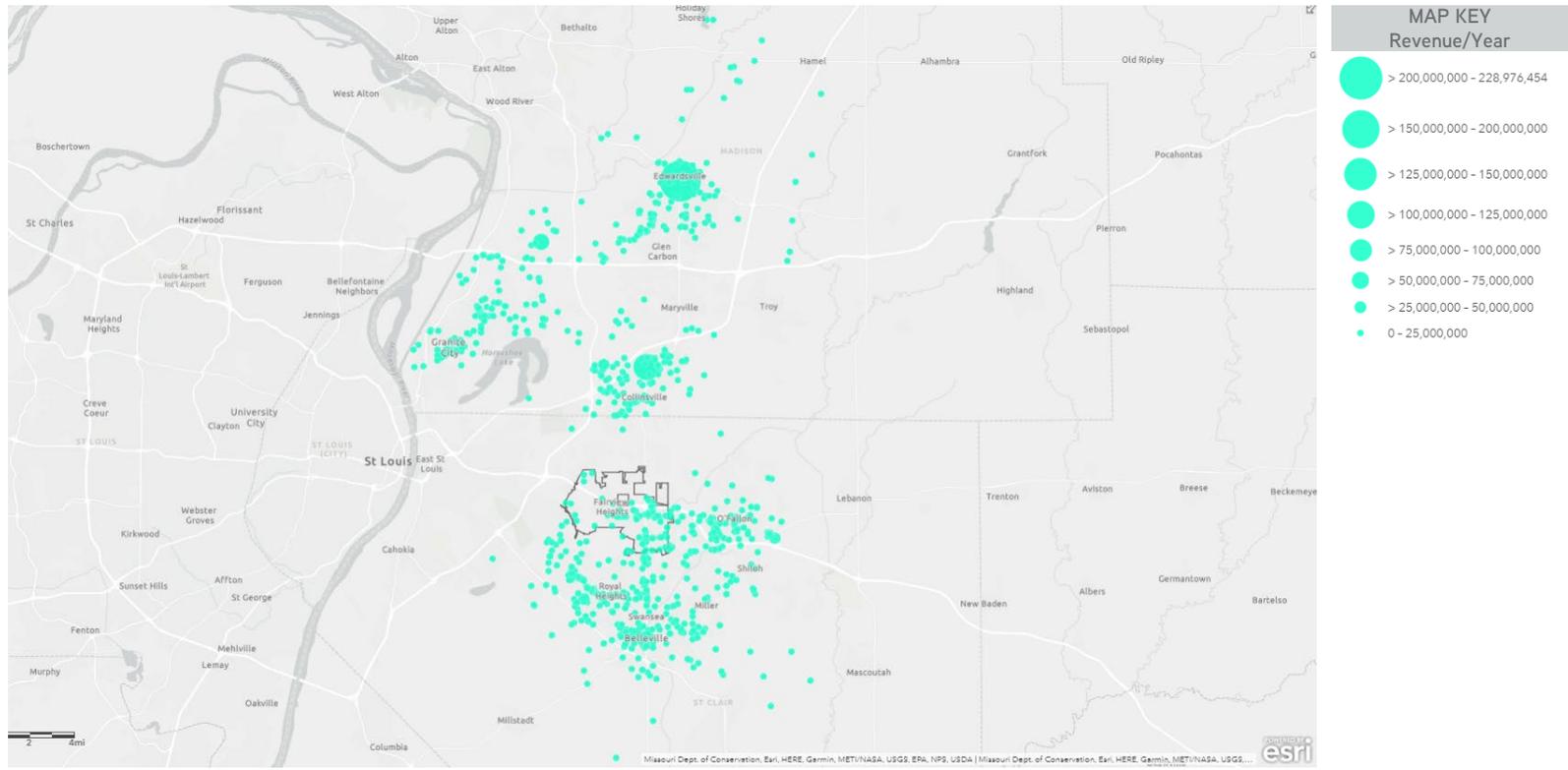
Education & Health Services *(by Revenue/Yr)*



Source: DataVu (Database USA) - 2017

Metro East Comparison: Fairview Heights Top NAICS Supersectors

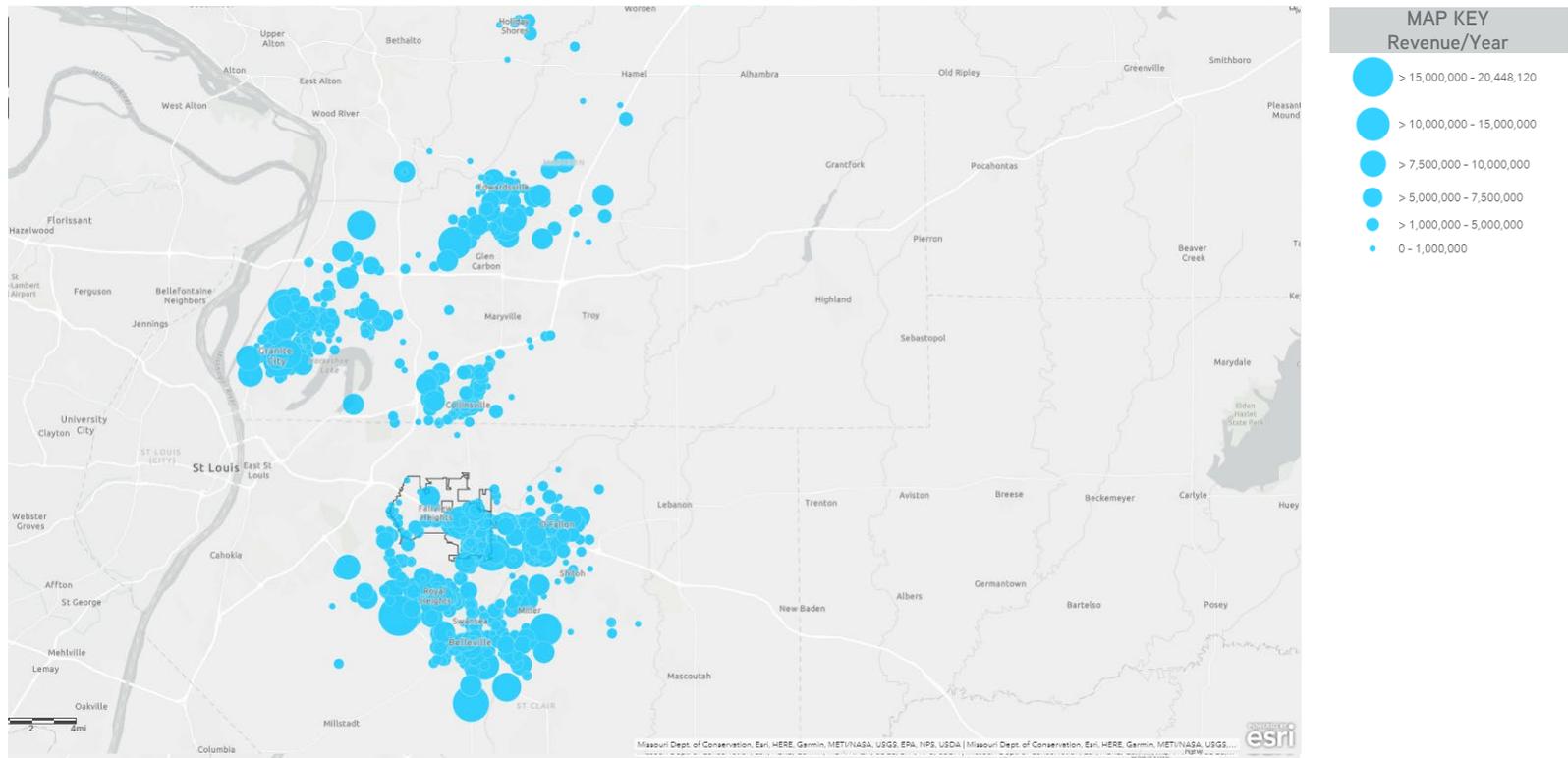
Professional & Business Services (by Revenue/Yr)



Source: DataVu (Database USA) - 2017

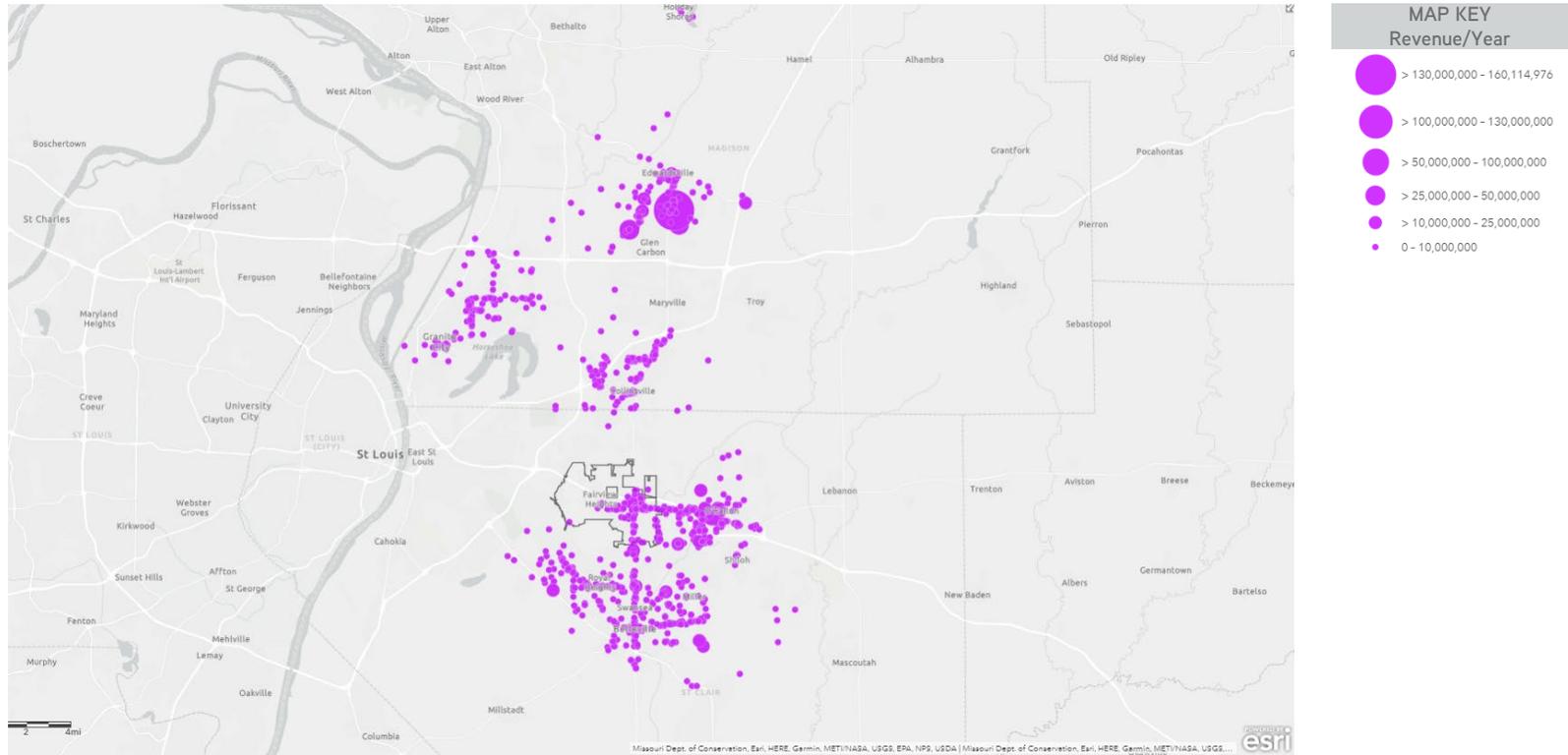
Metro East Comparison: Fairview Heights Top NAICS Supersectors

Other Services (by Revenue/Yr)



Metro East Comparison: Fairview Heights Top NAICS Supersectors

Financial Activities (by Revenue/Yr)



Source: DataVu (Database USA) - 2017

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by % of Total Employees In the City)*

Fairview Heights		O'Fallon, IL		Belleville		Edwardsville		Collinsville		Granite City	
NAICS Supersector	#										
Trade, Transportation, & Utilities	35.6%	Education & Health Services	25.1%	Education & Health Services	32.2%	Education & Health Services	27.2%	Leisure & Hospitality	20.6%	Trade, Transportation, & Utilities	26.5%
Leisure & Hospitality	19.9%	Trade, Transportation, & Utilities	19.9%	Trade, Transportation, & Utilities	15.9%	Professional & Business Services	12.7%	Trade, Transportation, & Utilities	16.7%	Education & Health Services	17.6%
Education & Health Services	14.4%	Leisure & Hospitality	16.1%	Leisure & Hospitality	10.0%	Trade, Transportation, & Utilities	11.8%	Professional & Business Services	14.0%	Manufacturing	11.5%
Professional & Business Services	8.6%	Financial Activities	11.7%	Professional & Business Services	8.9%	Information	11.4%	Education & Health Services	13.7%	Leisure & Hospitality	11.0%
Other Services	8.1%	Professional & Business Services	9.4%	Other Services	8.6%	Financial Activities	9.3%	Financial Activities	8.1%	Other Services	7.9%
Financial Activities	6.4%	Other Services	5.9%	Financial Activities	7.2%	Leisure & Hospitality	9.0%	Construction	8.0%	Professional & Business Services	7.7%
Construction	3.3%	Construction	4.8%	Construction	4.8%	Government	6.4%	Government	7.4%	Government	6.1%
Government	2.0%	Government	3.8%	Government	4.5%	Construction	5.6%	Other Services	5.1%	Financial Activities	4.9%
Manufacturing	0.9%	Manufacturing	1.3%	Manufacturing	4.5%	Other Services	4.4%	Information	3.7%	Construction	4.2%
Information	0.5%	Natural Resources & Mining	1.2%	Information	2.1%	Manufacturing	1.4%	Manufacturing	2.2%	Natural Resources & Mining	1.3%
Natural Resources & Mining	0.1%	Information	0.9%	Natural Resources & Mining	1.3%	Natural Resources & Mining	0.9%	Natural Resources & Mining	0.4%	Information	1.2%
Unclassified	0.0%										

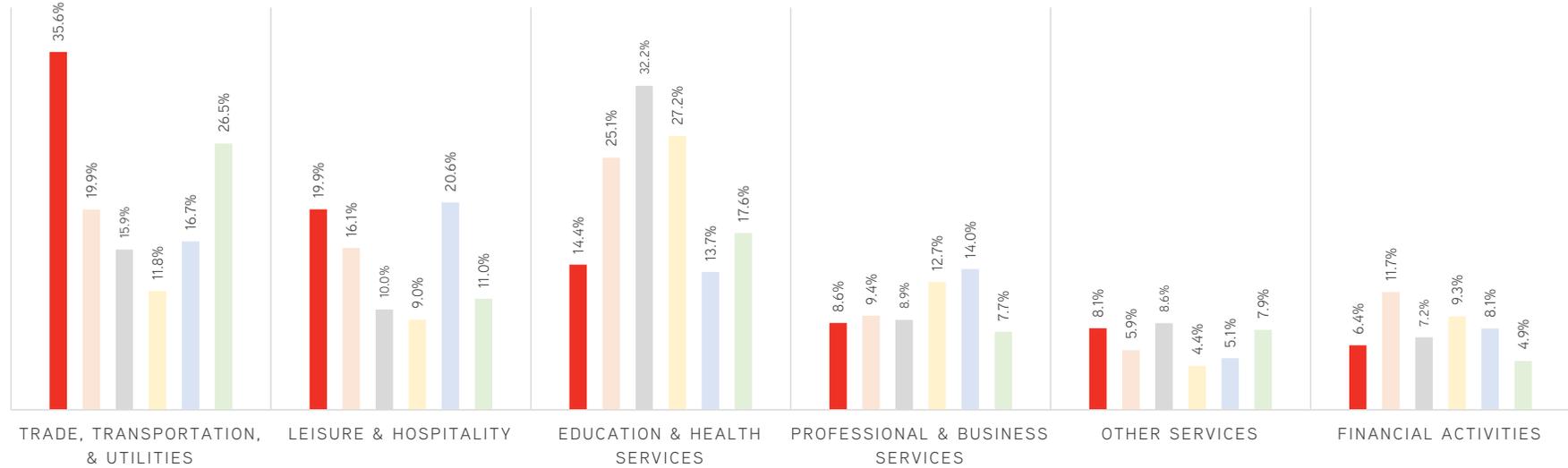
Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by % of Total Employees In the City)*

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES

Fairview Heights O'Fallon Belleville Edwardsville Collinsville Granite City



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by \$M of Revenue/Yr)*

Fairview Heights		O'Fallon, IL		Belleville		Edwardsville		Collinsville		Granite City	
NAICS Supersector	#	NAICS Supersector	#								
Trade, Transportation, & Utilities	\$875M	Trade, Transportation, & Utilities	\$1.3B	Trade, Transportation, & Utilities	\$2.1B	Trade, Transportation, & Utilities	\$1.0B	Trade, Transportation, & Utilities	\$712M	Trade, Transportation, & Utilities	\$1.5B
Leisure & Hospitality	\$240M	Financial Activities	\$503M	Education & Health Services	\$1.1B	Professional & Business Services	\$743M	Leisure & Hospitality	\$454M	Manufacturing	\$799M
Financial Activities	\$164M	Education & Health Services	\$486M	Financial Activities	\$754M	Financial Activities	\$598M	Professional & Business Services	\$354M	Education & Health Services	\$321M
Education & Health Services	\$159M	Professional & Business Services	\$309M	Manufacturing	\$725M	Construction	\$368M	Construction	\$234M	Professional & Business Services	\$246M
Professional & Business Services	\$151M	Leisure & Hospitality	\$281M	Professional & Business Services	\$658M	Leisure & Hospitality	\$229M	Financial Activities	\$223M	Leisure & Hospitality	\$216M
Construction	\$90M	Construction	\$230M	Construction	\$471M	Education & Health Services	\$194M	Education & Health Services	\$157M	Construction	\$176M
Other Services	\$79M	Other Services	\$78M	Leisure & Hospitality	\$405M	Manufacturing	\$133M	Manufacturing	\$102M	Financial Activities	\$144M
Manufacturing	\$29M	Natural Resources & Mining	\$67M	Information	\$214M	Natural Resources & Mining	\$76M	Information	\$57M	Other Services	\$86M
Information	\$14M	Manufacturing	\$40M	Other Services	\$195M	Other Services	\$63M	Other Services	\$49M	Natural Resources & Mining	\$70M
Natural Resources & Mining	\$1.6M	Information	\$38M	Natural Resources & Mining	\$152M	Information	\$42M	Natural Resources & Mining	\$23M	Information	\$47M
Unclassified	\$0.4M	Unclassified	\$0.6M	Unclassified	\$1.5M	Unclassified	\$1.1M	Unclassified	\$0.18M	Unclassified	\$0.18M

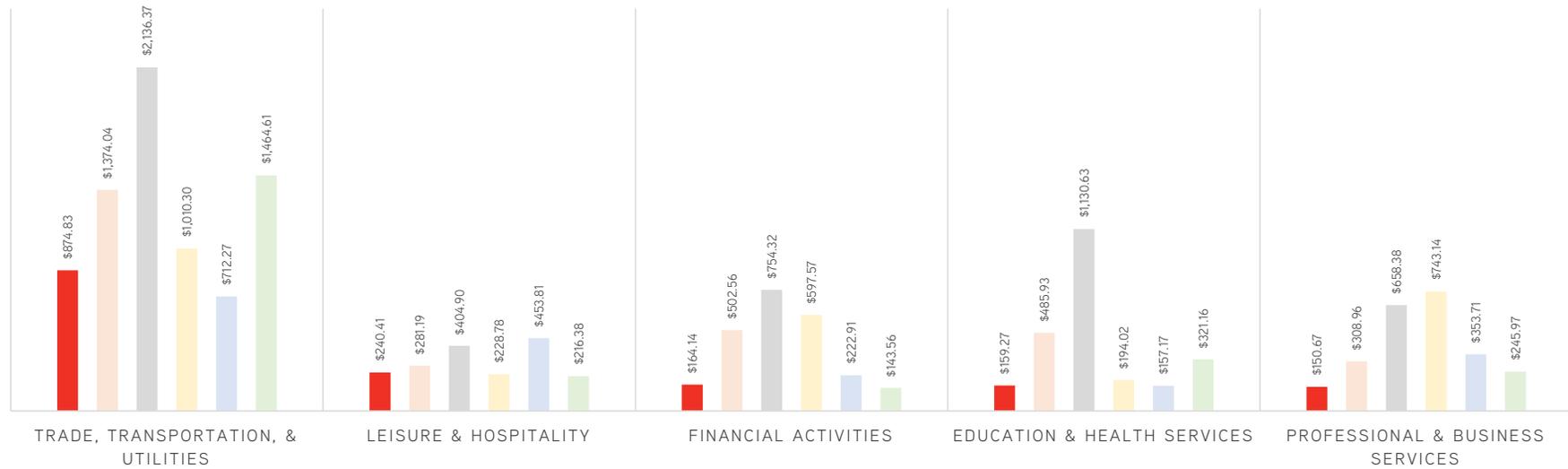
Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors (by \$M of Revenue/Yr)

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES

Fairview Heights O'Fallon Belleville Edwardsville Collinsville Granite City



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by % of Total Revenue/Yr for the City)*

Fairview Heights		O'Fallon, IL		Belleville		Edwardsville		Collinsville		Granite City	
NAICS Supersector	#										
Trade, Transportation, & Utilities	48.5%	Trade, Transportation, & Utilities	40.3%	Trade, Transportation, & Utilities	31.2%	Trade, Transportation, & Utilities	29.2%	Trade, Transportation, & Utilities	30.1%	Trade, Transportation, & Utilities	41.0%
Leisure & Hospitality	13.3%	Financial Activities	14.8%	Education & Health Services	16.5%	Professional & Business Services	21.5%	Leisure & Hospitality	19.2%	Manufacturing	22.4%
Financial Activities	9.1%	Education & Health Services	14.3%	Financial Activities	11.0%	Financial Activities	17.3%	Professional & Business Services	15.0%	Education & Health Services	9.0%
Education & Health Services	8.8%	Professional & Business Services	9.1%	Manufacturing	10.6%	Construction	10.7%	Construction	9.9%	Professional & Business Services	6.9%
Professional & Business Services	8.4%	Leisure & Hospitality	8.3%	Professional & Business Services	9.6%	Leisure & Hospitality	6.6%	Financial Activities	9.4%	Leisure & Hospitality	6.1%
Construction	5.0%	Construction	6.7%	Construction	6.9%	Education & Health Services	5.6%	Education & Health Services	6.6%	Construction	4.9%
Other Services	4.4%	Other Services	2.3%	Leisure & Hospitality	5.9%	Manufacturing	3.9%	Manufacturing	4.3%	Financial Activities	4.0%
Manufacturing	1.6%	Natural Resources & Mining	2.0%	Information	3.1%	Natural Resources & Mining	2.2%	Information	2.4%	Other Services	2.4%
Information	0.8%	Manufacturing	1.2%	Other Services	2.8%	Other Services	1.8%	Other Services	2.1%	Natural Resources & Mining	2.0%
Natural Resources & Mining	0.1%	Information	1.1%	Natural Resources & Mining	2.2%	Information	1.2%	Natural Resources & Mining	1.0%	Information	1.3%
Unclassified	0.0%										

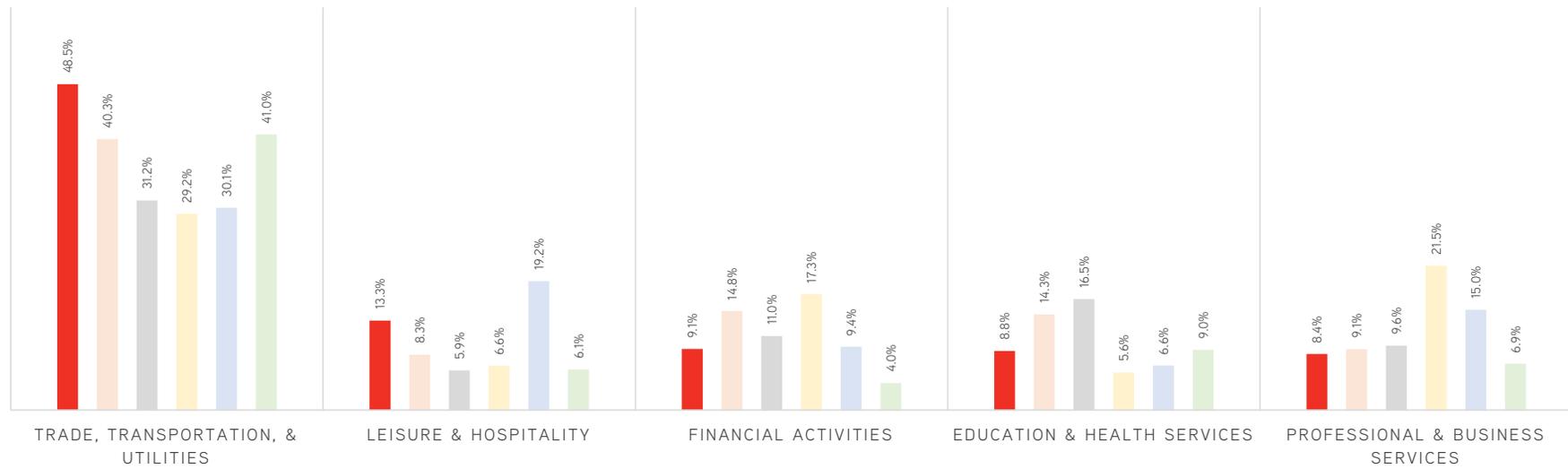
Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Top NAICS Industries per City – Supersectors *(by % of Total Revenue/Yr for the City)*

SUPERSECTOR ANALYSIS - TOP FAIRVIEW HEIGHTS INDUSTRIES

Fairview Heights O'Fallon Belleville Edwardsville Collinsville Granite City



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Deeper Look – Trade, Transportation & Utilities Supersector

Total Number of Companies						
Industry Cluster Sector	Fairview Heights	O'Fallon	Belleville	Edwardsville	Collinsville	Granite City
Trade, Transportation, & Utilities	243	170	377	152	125	171
Financial Activities	16	21	57	26	28	69
Education & Health Services	22	20	76	38	33	47

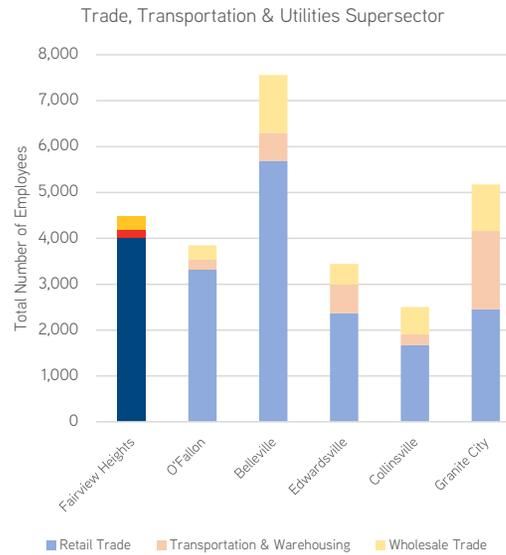
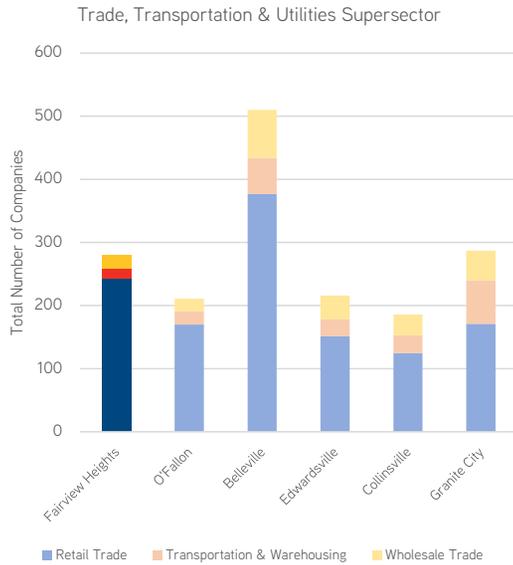
Total Number of Employees						
Industry Cluster Sector	Fairview Heights	O'Fallon	Belleville	Edwardsville	Collinsville	Granite City
Trade, Transportation, & Utilities	4,016	3,316	5,689	2,367	1,669	2,454
Financial Activities	182	216	600	625	241	1,706
Education & Health Services	299	317	1,270	453	593	1,017

Total Sum of Revenue (\$M)						
Industry Cluster Sector	Fairview Heights	O'Fallon	Belleville	Edwardsville	Collinsville	Granite City
Trade, Transportation, & Utilities	\$702.45	\$1,178.45	\$1,459.17	\$571.94	\$426.77	\$755.80
Financial Activities	\$18.26	\$30.49	\$83.76	\$217.29	\$29.22	\$221.78
Education & Health Services	\$154.12	\$165.10	\$593.44	\$221.06	\$256.28	\$487.03

Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Deeper Look – Trade, Transportation & Utilities Supersector



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Metro East Comparison

Fairview Heights – Dependence on Retail Trade

% of Total Companies



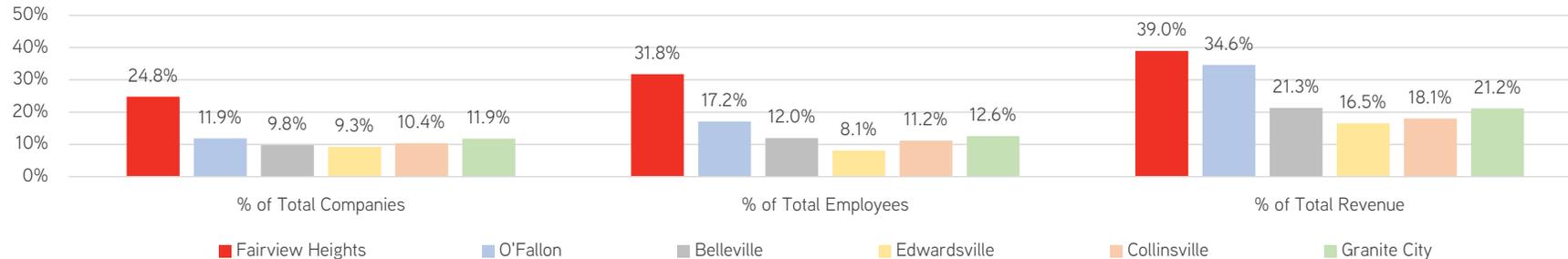
% of Total Employees



% of Total Revenue



Dependence on Retail Trade



Source: DataVu (Database USA) - 2017; *Belleville includes Swansea

Industry Diversity Snapshot

Top Five Industry Function Clusters – Percentage of Total Employment

St. Louis Region

St. Clair County

Madison County

Industry Cluster	2018 Jobs	% of Total Employment	% of Typical Metro
Non-Function Employment	779,235	52.9%	55.3%
Distributive Services	131,891	9.0%	8.2%
Healthcare	98,837	6.7%	5.0%
Finance, Insurance & Real Estate	85,386	5.8%	5.2%
Knowledge-Intensive Business Services	77,403	5.3%	6.1%

Industry Cluster	2018 Jobs	% of Total Employment	% of Typical Metro
Non-Function Employment	64,589	59.8%	55.0%
Distributive Services	9,026	8.4%	8.3%
Government	7,911	7.3%	3.2%
Healthcare	5,964	5.5%	5.0%
Knowledge-Intensive Business Services	5,805	5.4%	5.9%

Industry Cluster	2018 Jobs	% of Total Employment	% of Typical Metro
Non-Function Employment	61,125	55.4%	55.0%
Distributive Services	16,465	14.9%	8.3%
Capital-Intensive Manufacturing	7,265	6.6%	5.3%
Higher Education	5,792	5.2%	3.3%
Healthcare	5,209	4.7%	5.0%

Rank	Total Metro MSAs
44	382

Rank	Total Counties
366	3,142

Rank	Total Counties
600	3,142

Industry Diversity	98.7%
---------------------------	--------------

Industry Diversity	88.4%
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Industry Diversity	80.9%
---------------------------	--------------

Industry diversity is high for St. Louis, MO-IL. This means that employment is distributed more evenly between the 12 industry clusters compared to the typical Metro MSA.

Industry diversity is high for St. Clair. This means that employment is distributed more evenly between the 12 industry clusters compared to the typical county.

Industry diversity is high for Madison. This means that employment is distributed more evenly between the 12 industry clusters compared to the typical county.

A region with high diversity can signal economic stability and more easily withstand economic pressures, while a region with low diversity can signal economic instability.

A region with high diversity can signal economic stability and more easily withstand economic pressures, while a region with low diversity can signal economic instability.

A region with high diversity can signal economic stability and more easily withstand economic pressures, while a region with low diversity can signal economic instability.

Non-function industries or industries that often serve local populations, such as retail, trade, personal services, doctor's offices, local government, and construction, were excluded from the analysis of functions

Industry Diversity Clusters - Emsi's diversity cluster definitions and ranking methodology comes from C2ER (The Council for Community and Economic Research)

Source: EMSI Q1 2019 Data Set – Industry Diversity Snapshot

Regional Comparison – Labor Analysis

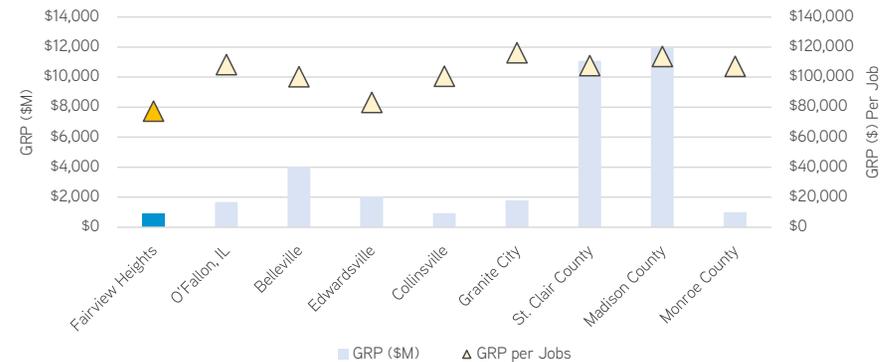
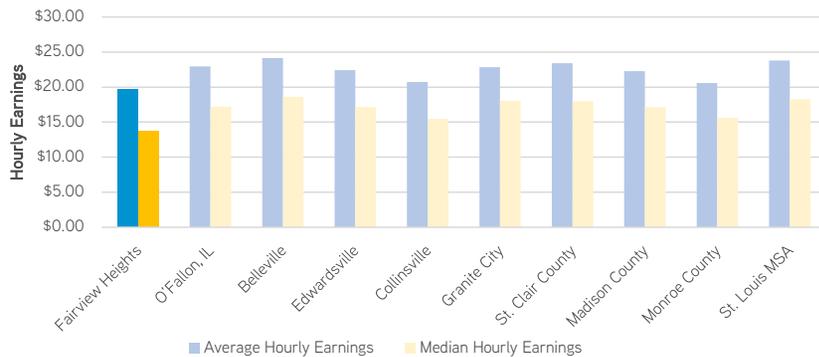
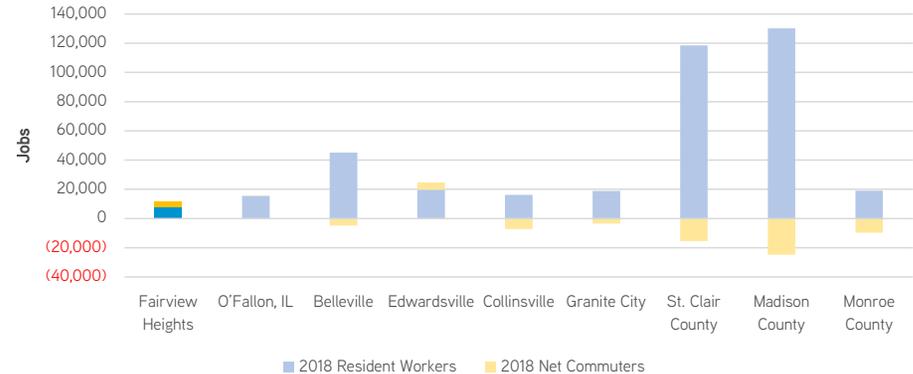
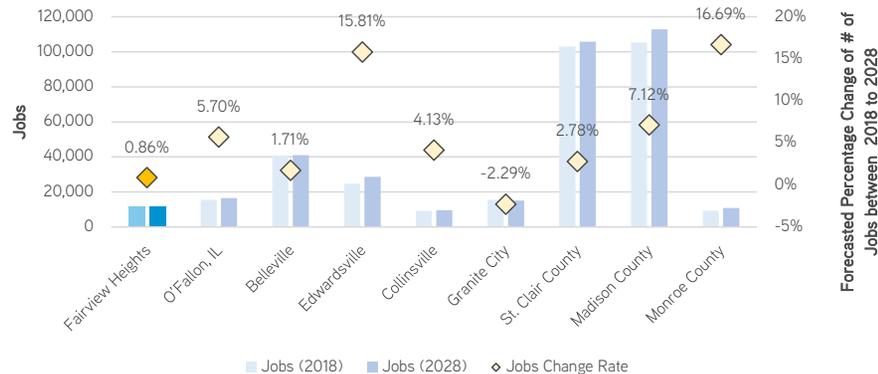
City/Region	Fairview Heights	O'Fallon, IL	Belleville*	Edwardsville	Collinsville	Granite City	St. Clair County	Madison County	Monroe County	St. Louis MSA
COL Index	98.3	98.3	98.3	99.0	99.0	99.0	98.3	99.0	107.6	98.1
Gross Regional Product (GRP)	\$905,578,607.20	\$1,679,754,316.31	\$4,046,063,897.88	\$2,048,844,612.44	\$924,558,294.57	\$1,794,353,974.50	\$11,088,728,344.10	\$11,977,596,274.10	\$995,892,148.06	\$170,011,433,040
GRP per Jobs	\$77,240	\$108,262	\$100,264	\$83,119	\$100,589	\$116,254	\$107,694	\$113,647	\$107,209	\$121,649
Workforce Overview										
Jobs (2018)	11,724	15,516	40,354	24,650	9,191	15,435	102,965	105,393	9,289	1,397,555
Jobs (2028)	11,825	16,400	41,045	28,548	9,571	15,081	105,829	112,902	10,840	1,473,412
Growth Rate	0.86%	5.70%	1.71%	15.81%	4.13%	-2.29%	2.78%	7.12%	16.69%	5.43%
Residents vs Commuters										
2018 Resident Workers	7,958	15,462	45,086	19,786	16,256	18,862	118,401	130,071	19,037	1,379,996
2018 Net Commuters	3,766	54	(4,732)	4,864	(7,065)	(3,427)	(15,436)	(24,678)	(9,748)	17,559
Hourly Earnings										
Average Hourly Earnings	\$19.59	\$22.97	\$24.14	\$22.43	\$20.75	\$22.83	\$23.42	\$22.29	\$20.58	\$23.79
Median Hourly Earnings	\$13.68	\$17.20	\$18.61	\$17.16	\$15.49	\$18.04	\$18.00	\$17.12	\$15.61	\$18.26

Term	Definition
COL Index	The Cost of Living Index (COLI) comes quarterly from Council for Community and Economic Research (C2ER) and provides a baseline for understanding how regional costs of living compare to the nation and to each other. The index is comprised of six major categories: grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services. For example, an index below 100 means the region has a lower cost of living, whereas above 100 means it is more expensive to live.
2018 Resident Workers	Resident workers defines people by occupation who live in a particular region as opposed to where people work. For instance, though ZIP code 85042 might have 50 software developers working in the region, there might only be 25 software developers who live there. This data is helpful in demonstrating workforce availability and helping companies locate the talent they need.
2018 Net Commuters	Net Commuters is the difference between the occupational residents in a region and the occupational employment in a region. For a region in which more workers live than there are jobs in the region, net commuting is negative (i.e. the net result is that workers commute out of the region for work). For a region in which there are more jobs than there are resident workers, net commuting is positive (i.e. the net result is that workers commute into the region for work).

Source: EMSI Q1 2019 Data Set – Economy Overview, Fairview Heights, IL (62208); *Belleville data includes Swansea

Regional Comparison – Labor Analysis

Metro East Workforce Overview

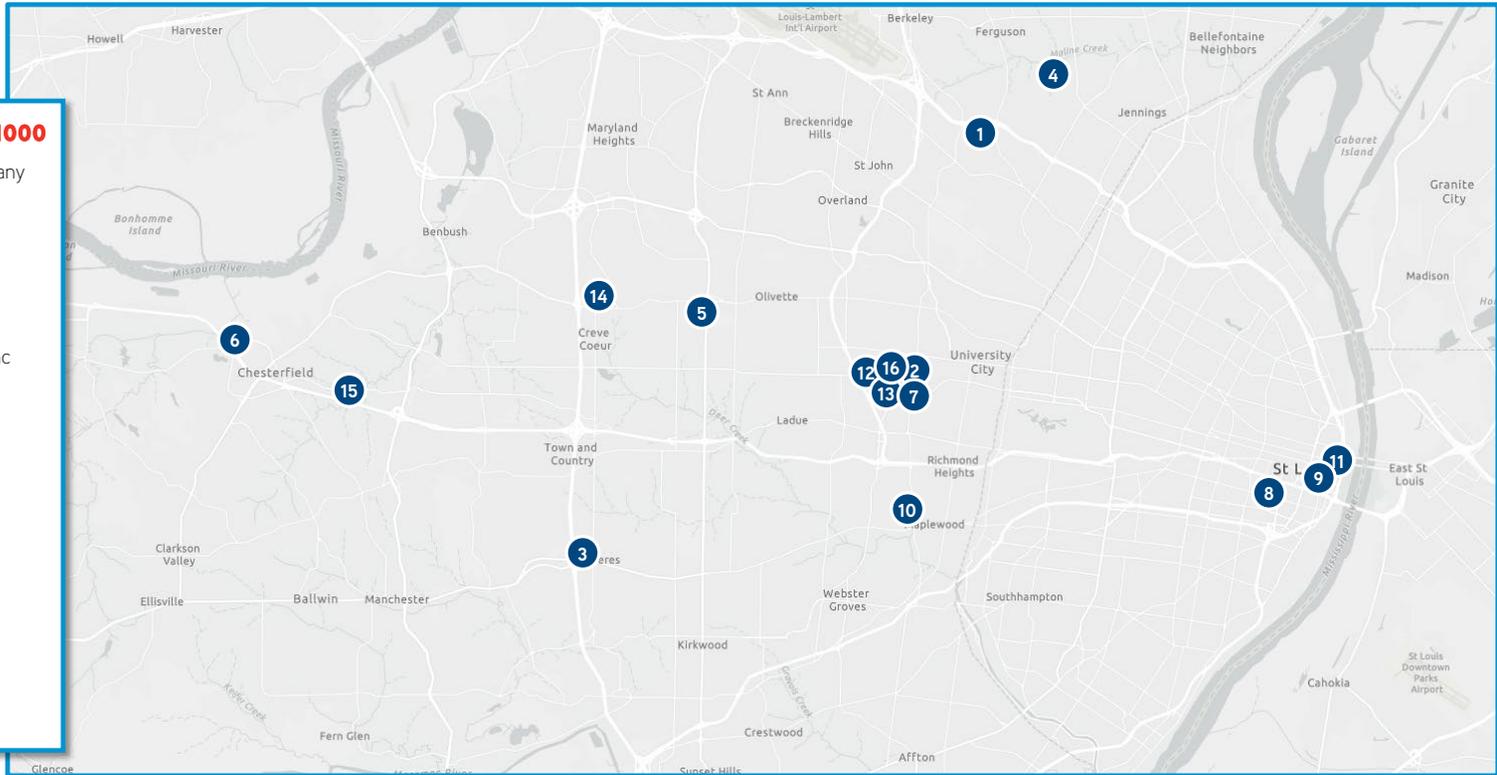


Source: EMSI Q1 2019 Data Set – Economy Overview, Fairview Heights, IL (62208); *Belleville data includes Swansea

Large Tier – Economic Drivers

Fortune 1000 – St. Louis Region Locations

- St. Louis Region – Fortune 1000**
1. Express Scripts Holding Company
 2. Centene Corporation
 3. Edward Jones
 4. Emerson Electric Company
 5. Monsanto Company
 6. Reinsurance Group-America Inc
 7. Olin Corporation
 8. Ameren Corporation
 9. Peabody Energy Corporation
 10. Post Holdings Inc
 11. Stifel Financial Corporation
 12. Brown Shoe Company
 13. Belden Inc
 14. Arch Coal Inc
 15. Energizer Holdings Inc
 16. Graybar Electric Co Inc



Source: DataVu (Database USA) - 2017

Large Tier – Economic Drivers

St. Louis Region – Headquarters Analytics

County Analysis

Region	Total Companies	% of Headquarters	Total Employees	% of Headquarters	Total Revenue	% of Headquarters
Saint Louis	222	63.43%	53,765	70.31%	\$302,124.75	88.76%
Saint Louis City	60	17.14%	16,491	21.57%	\$34,045.49	10.00%
Madison	25	7.14%	2,966	3.88%	\$1,610.71	0.47%
Saint Charles	15	4.29%	1,183	1.55%	\$1,262.89	0.37%
Jefferson	12	3.43%	879	1.15%	\$339.02	0.10%
Saint Clair	12	3.43%	994	1.30%	\$831.65	0.24%
Monroe	4	1.14%	191	0.25%	\$185.94	0.05%
TOTAL	350		76,469		\$340,400.44	TOTAL

ZERO Headquarters located in Fairview Heights

Source: DataVu (Database USA) - 2017

Industry Supersector (NAICS Codes) Analysis

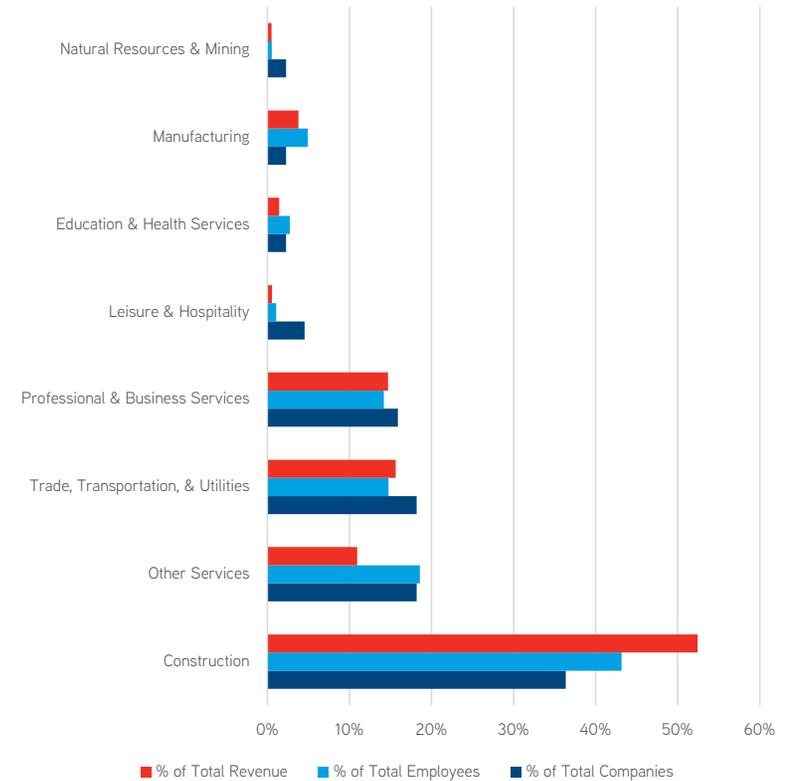
Supersector	Total Companies	% of Headquarters	Total Employees	% of Headquarters	Total Revenue	% of Headquarters
Trade, Transportation, & Utilities	114	32.57%	17,456	22.83%	\$52,366.14	15.38%
Professional & Business Services	104	29.71%	21,620	28.27%	\$82,182.28	24.14%
Manufacturing	35	10.00%	6,692	8.75%	\$23,251.18	6.83%
Construction	25	7.14%	5,787	7.57%	\$6,510.26	1.91%
Financial Activities	23	6.57%	5,781	7.56%	\$101,837.32	29.92%
Information	16	4.57%	1,598	2.09%	\$467.07	0.14%
Education & Health Services	15	4.29%	9,743	12.74%	\$54,135.31	15.90%
Other Services	9	2.57%	1,046	1.37%	\$131.31	0.04%
Leisure & Hospitality	6	1.71%	1,636	2.14%	\$3,776.50	1.11%
Natural Resources & Mining	3	0.86%	5,110	6.68%	\$15,743.07	4.62%
TOTAL	350		76,469		\$340,400.44	

Home Based Business – Fairview Heights

Home Based Business Analysis – Fairview Heights

Industry Supersector (NAICS Codes) Analysis

Supersector	Total Companies	% of Total Companies	Total Employees	% of Total Employees	Total Revenue	% of Total Revenue
Construction	16	36.36%	79	43.17%	\$16,048,675	52.41%
Other Services	8	18.18%	34	18.58%	\$3,350,482	10.94%
Trade, Transportation, & Utilities	8	18.18%	27	14.75%	\$4,790,703	15.64%
Professional & Business Services	7	15.91%	26	14.21%	\$4,503,898	14.71%
Leisure & Hospitality	2	4.55%	2	1.09%	\$177,040	0.58%
Education & Health Services	1	2.27%	5	2.73%	\$442,600	1.45%
Manufacturing	1	2.27%	9	4.92%	\$1,155,186	3.77%
Natural Resources & Mining	1	2.27%	1	0.55%	\$154,025	0.50%
TOTAL	44		183		\$30,622,609	



Source: DataVu (Database USA) - 2017

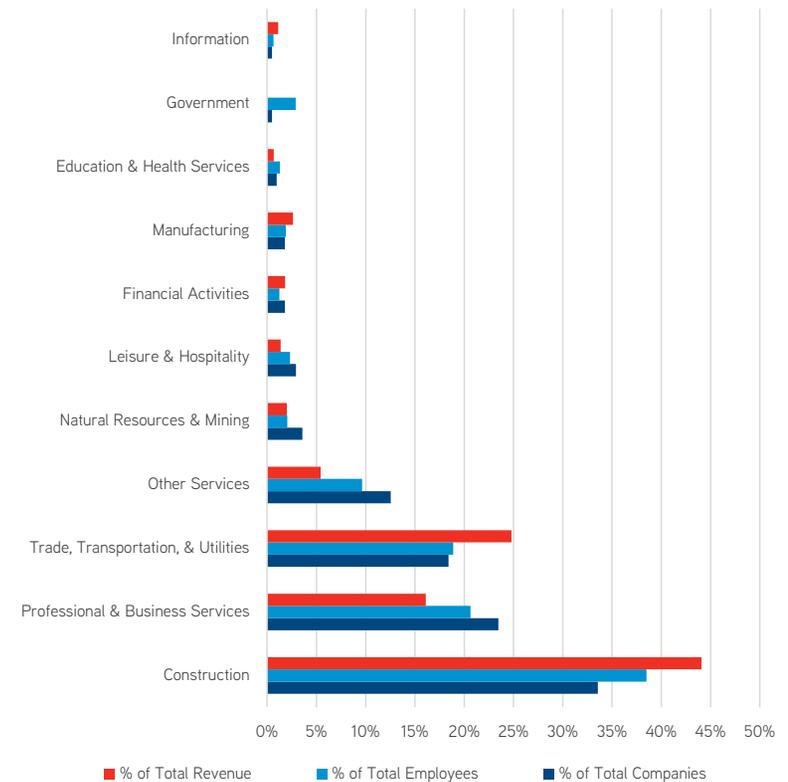
Home Based Business – Regional

Home Based Business Analysis – Metro East

Industry Supersector (NAICS Codes) Analysis

Supersector	Total Companies	% of Total Companies	Total Employees	% of Total Employees	Total Revenue	% of Total Revenue
Construction	206	33.55%	1076	38.50%	\$210,446,558	44.09%
Professional & Business Services	144	23.45%	577	20.64%	\$76,888,475	16.11%
Trade, Transportation, & Utilities	113	18.40%	528	18.89%	\$118,287,508	24.78%
Other Services	77	12.54%	269	9.62%	\$25,842,529	5.41%
Natural Resources & Mining	22	3.58%	57	2.04%	\$9,542,457	2.00%
Leisure & Hospitality	18	2.93%	65	2.33%	\$6,565,529	1.38%
Financial Activities	11	1.79%	35	1.25%	\$8,725,416	1.83%
Manufacturing	11	1.79%	53	1.90%	\$12,530,892	2.63%
Education & Health Services	6	0.98%	36	1.29%	\$3,186,720	0.67%
Government	3	0.49%	81	2.90%	\$0	0.00%
Information	3	0.49%	18	0.64%	\$5,311,200	1.11%
TOTAL	614		2,795		\$477,327,284	

Source: DataVu (Database USA) - 2017



BLS Data

Data Series	July 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018
Labor Force Data						
Civilian Labor Force (1)	1,500.3	1,465.7	1,468.9	1,473.2	1,464.2	(P) 1,466.4
Employment (1)	1,443.4	1,412.8	1,426.3	1,432.2	1,421.4	(P) 1,416.9
Unemployment (1)	56.9	52.8	42.7	41.0	42.8	(P) 49.5
Unemployment Rate (2)	3.8	3.6	2.9	2.8	2.9	(P) 3.4
Nonfarm Wage and Salary Employment						
Total Nonfarm (3)	1,383.7	1,386.9	1,394.2	1,401.1	1,402.9	(P) 1,404.2
12-month % change	1.0	0.8	0.8	0.7	0.7	(P) 1.5
Mining, Logging, and Construction (3)	67.0	66.1	66.4	67.0	63.8	(P) 64.4
12-month % change	-2.6	-4.1	-2.5	-1.0	-6.5	(P) -1.7
Manufacturing (3)	117.1	116.9	117.2	118.9	119.2	(P) 119.5
12-month % change	1.6	1.5	2.2	4.0	3.4	(P) 3.3
Trade, Transportation, and Utilities (3)	263.0	260.9	259.4	259.7	266.3	(P) 267.2
12-month % change	2.1	0.9	0.2	-0.6	0.8	(P) 0.9
Information (3)	28.0	27.8	27.7	27.5	27.6	(P) 27.6
12-month % change	-1.4	-2.1	-1.1	-1.1	-0.7	(P) -1.1
Financial Activities (3)	90.2	90.8	89.5	89.7	90.2	(P) 90.1
12-month % change	1.8	2.5	1.8	1.0	1.8	(P) 2.6
Professional and Business Services (3)	219.5	219.0	215.7	218.0	217.1	(P) 214.7
12-month % change	2.4	1.7	0.7	0.6	0.2	(P) 0.4
Education and Health Services (3)	257.6	256.4	259.8	263.2	262.6	(P) 262.8
12-month % change	3.1	2.6	3.3	3.3	2.3	(P) 3.2
Leisure and Hospitality (3)	157.6	156.6	151.8	149.4	148.3	(P) 149.4
12-month % change	0.1	-0.6	0.1	-1.0	0.6	(P) 2.4
Other Services (3)	53.2	53.6	52.9	53.1	52.9	(P) 53.3
12-month % change	0.6	1.7	2.5	1.9	1.3	(P) 1.7
Government (3)	130.5	138.8	153.8	154.6	154.9	(P) 155.2
12-month % change	-4.2	-1.1	-1.3	-1.3	-0.7	(P) -0.2

Source: U.S. Bureau of Labor Statistics; Data Extracted on March 7, 2019

Consumer Price Index: St. Louis, MO-IL

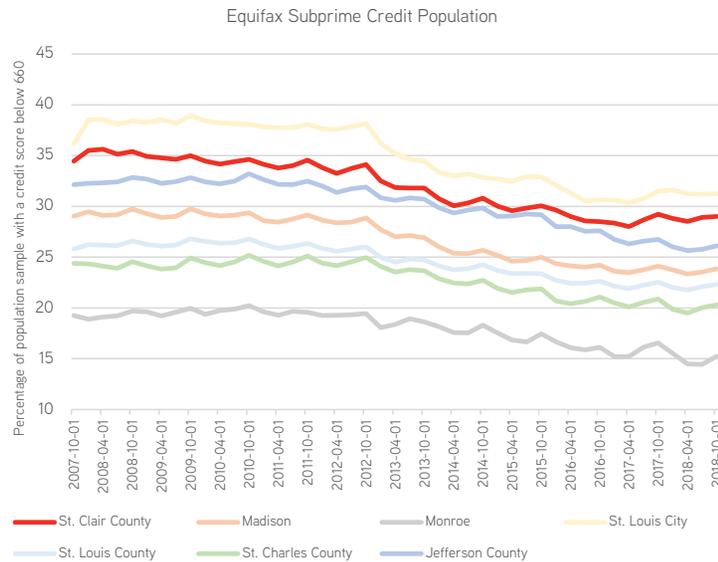
	Aug 2018	Oct 2018	Dec 2018
CPI-U, All items (4)	230.388	230.552	226.689
CPI-U, All items, 12-month % change (4)			0.6
CPI-W, All items (5)	229.253	228.508	224.304
CPI-W, All items, 12-month % change (5)			0.6

Footnotes

- (1) Number of persons, in thousands, not seasonally adjusted.
 - (2) In percent, not seasonally adjusted.
 - (3) Number of jobs, in thousands, not seasonally adjusted.
 - (4) All Urban Consumers, base: 1982-84=100, not seasonally adjusted.
 - (5) Urban Wage Earners and Clerical Workers, base: 1982-84=100, not seasonally adjusted.
- (P) Preliminary

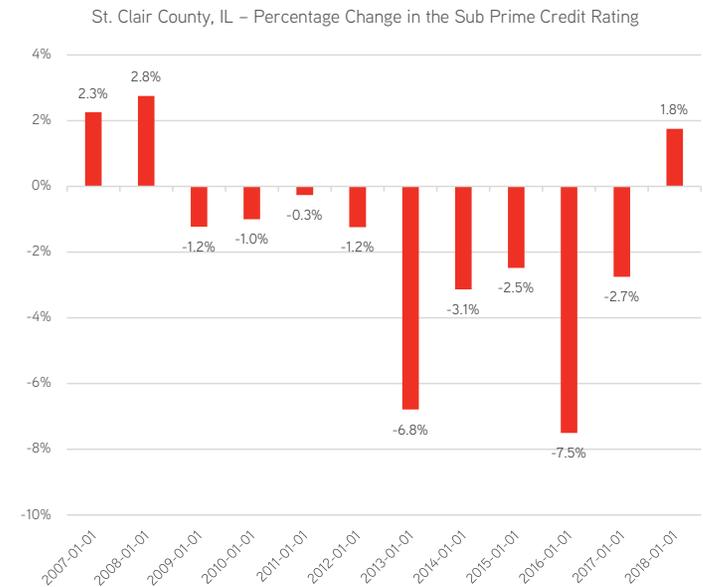
Federal Reserve

Sub Prime Credit Rating (Percentage of population sample with a credit score below 660)



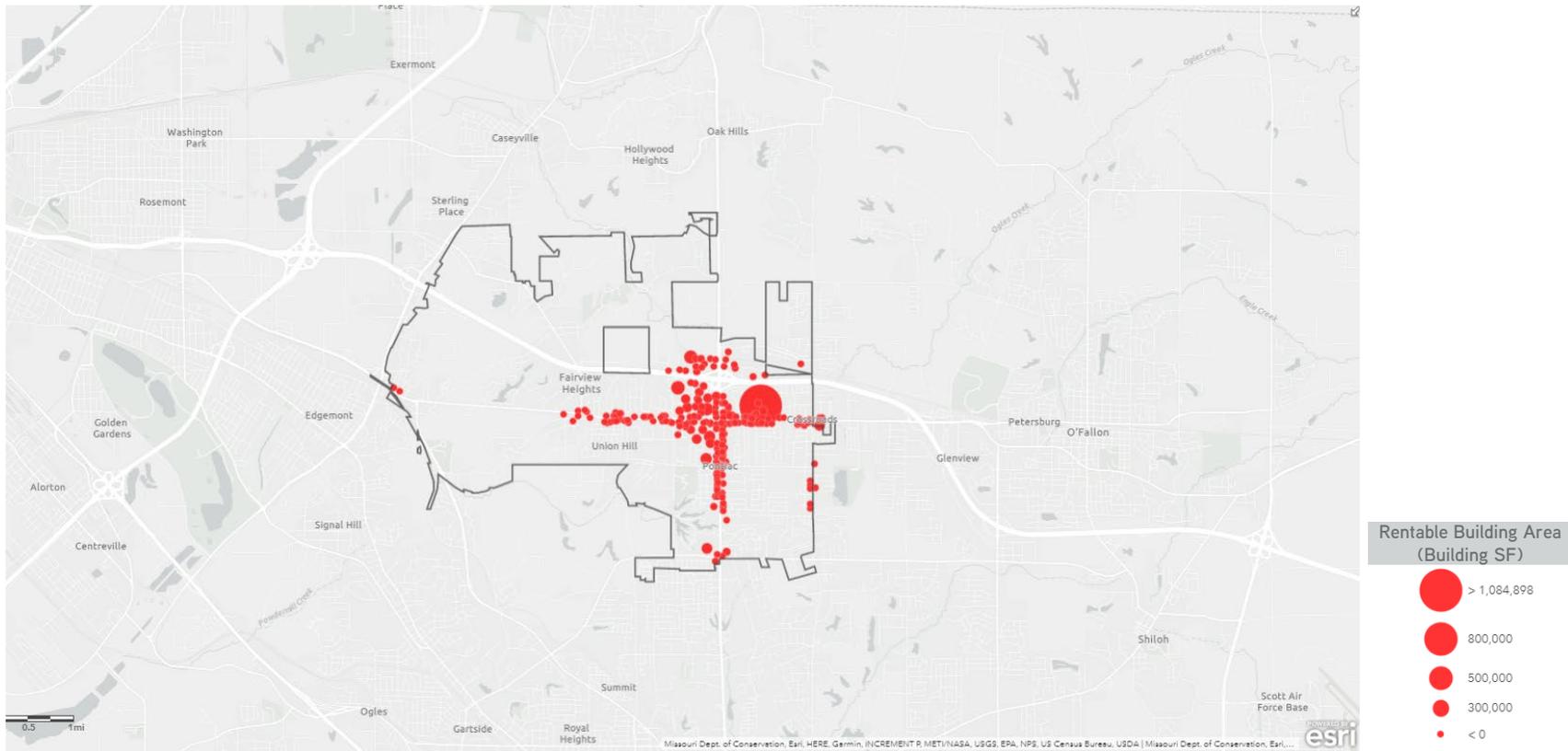
Date	Subprime Population	% Change
2007-10-01	34.47	2.3%
2008-10-01	35.42	2.8%
2009-10-01	34.99	-1.2%
2010-10-01	34.64	-1.0%
2011-10-01	34.55	-0.3%
2012-10-01	34.12	-1.2%
2013-10-01	31.80	-6.8%
2014-10-01	30.81	-3.1%
2016-10-01	28.50	-7.5%
2018-10-01	29.00	1.8%

ST. CLAIR COUNTY



Source: Federal Reserve Bank of New York/Equifax Consumer Credit Panel

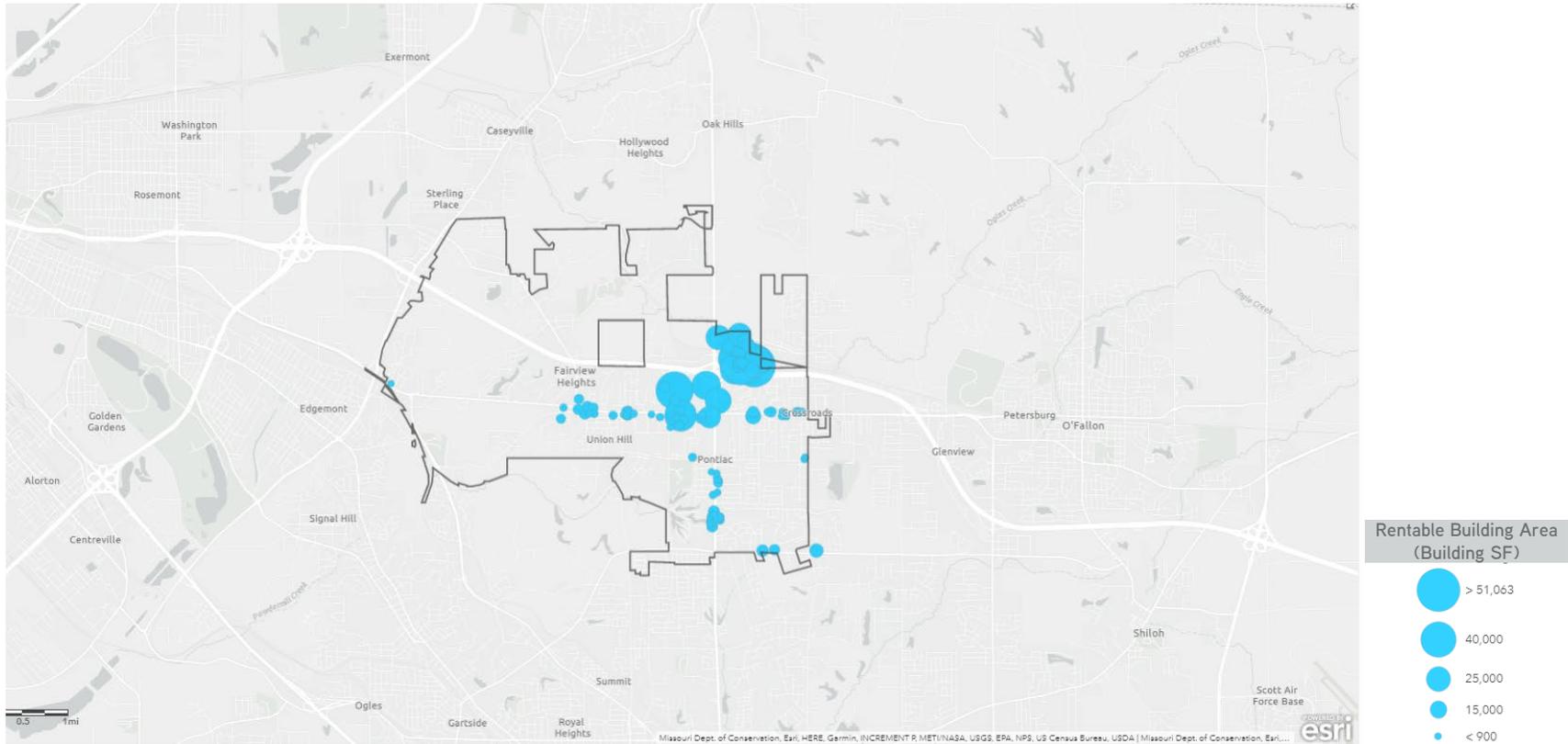
Inventory Makeup – Fairview Heights – Retail



Source: CoStar

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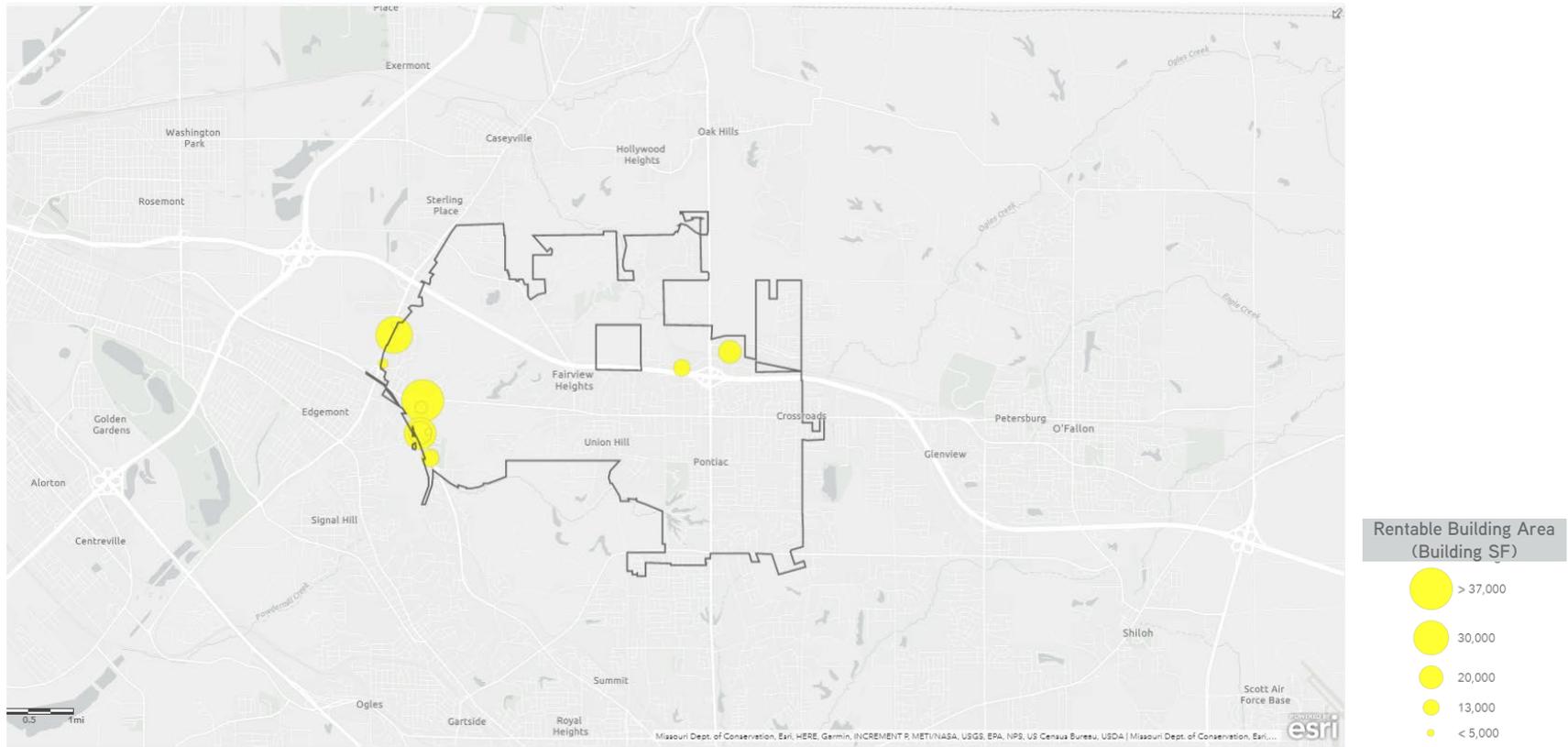
Inventory Makeup – Fairview Heights – Office



Source: CoStar

<https://drive.google.com/open?id=1Awb7pnE-vhADH1qdN6cFf2L5SoFuPaUn&usp=sharing>

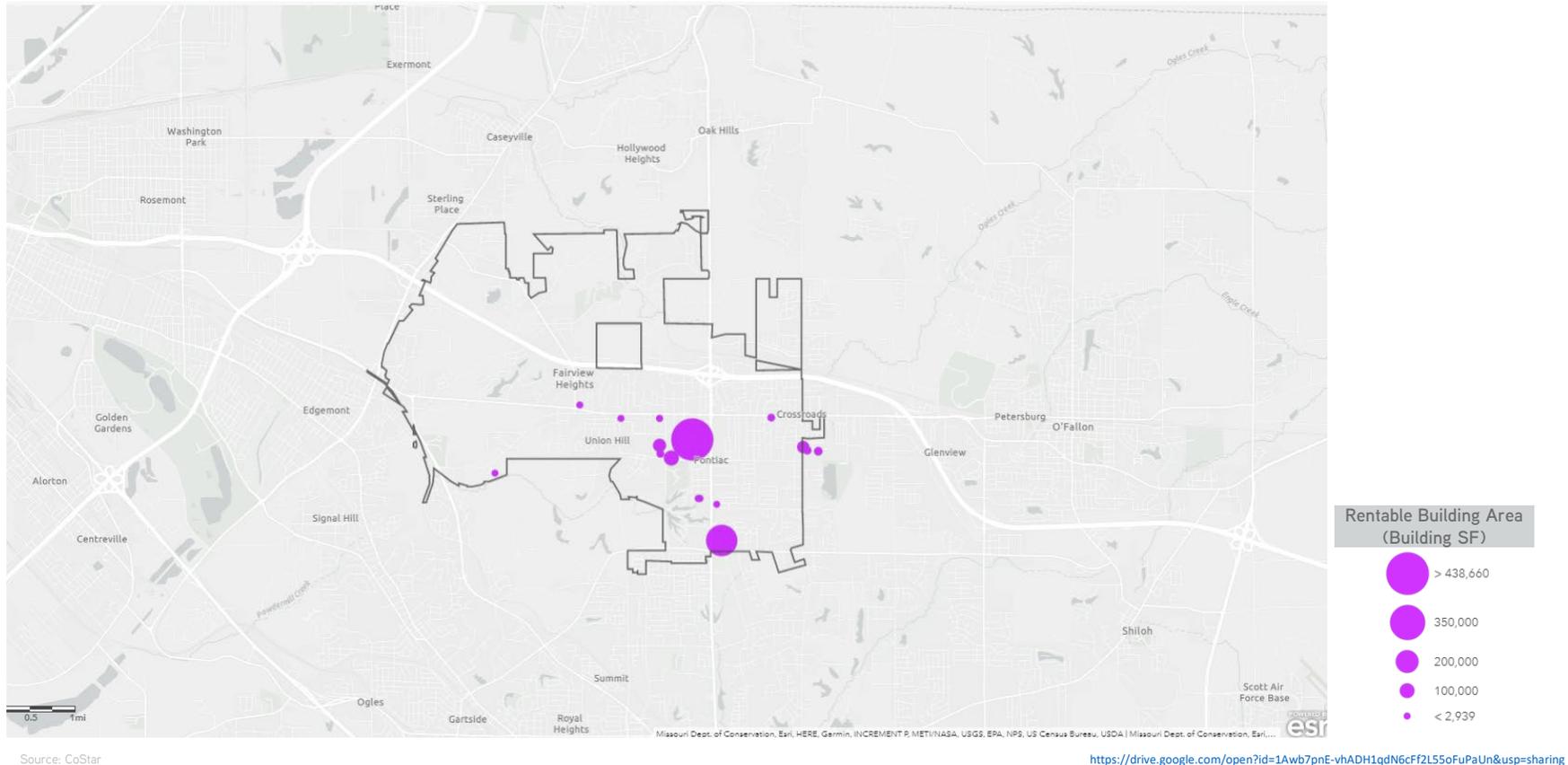
Inventory Makeup – Fairview Heights – Industrial



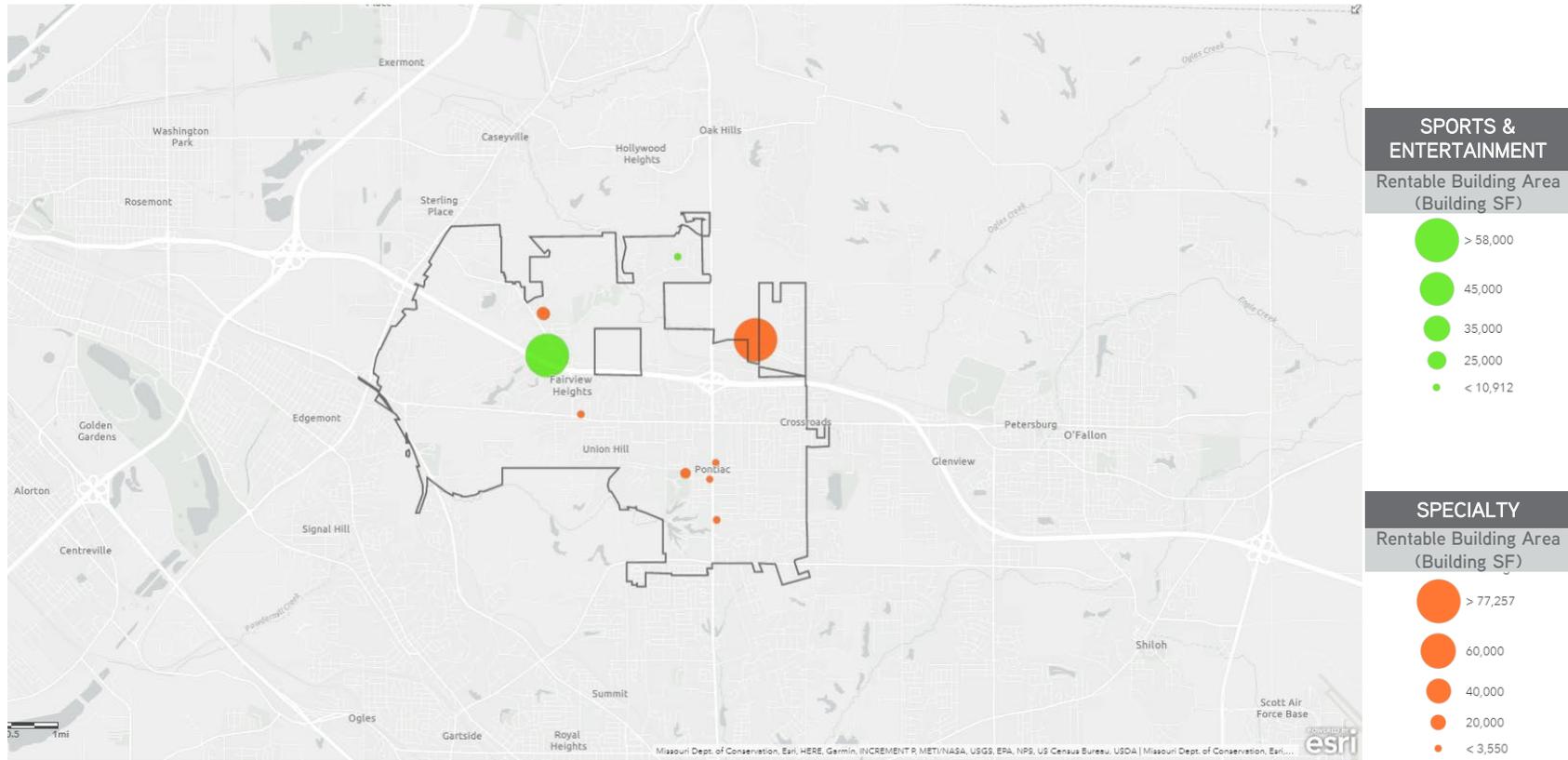
Source: CoStar

<https://drive.google.com/open?id=1Awb7pnE-vhADH1qdN6cf2LS5oFuPaUn&usp=sharing>

Inventory Makeup – Fairview Heights – Multi-Family



Inventory Makeup – Fairview Heights – Other



Source: CoStar

<https://drive.google.com/open?id=1Awb7pnE-vhADH1qdN6cf2L55oFuPaUn&usp=sharing>

Inventory Makeup – Fairview Heights

Inventory Analysis (Rentable Building SF)



General Property Type	# of Buildings	Total SF	% of Total SF
Retail	213	4,792,267	63.1%
Multi-Family	17	1,109,293	14.6%
Office	90	876,386	11.5%
Hospitality	8	427,487	5.6%
Industrial	11	192,654	2.5%
Specialty	8	132,515	1.7%
Sports & Entertainment	2	68,912	0.9%
TOTAL	349	7,599,514 SF	100%

Source: CoStar

Inventory Makeup – Fairview Heights*

Inventory Analysis (Land AC)



General Property Type	# of Sites	Total AC	% of Total AC
Land	96	1,135.8	53.7%
Retail	213	532.8	25.2%
Sports & Entertainment	2	218.3	10.3%
Office	90	96.9	4.6%
Multi-Family	17	49.7	2.3%
Specialty	8	33.9	1.6%
Industrial	11	32.0	1.5%
Hospitality	8	15.6	0.7%
TOTAL	445	2,115.1	100%

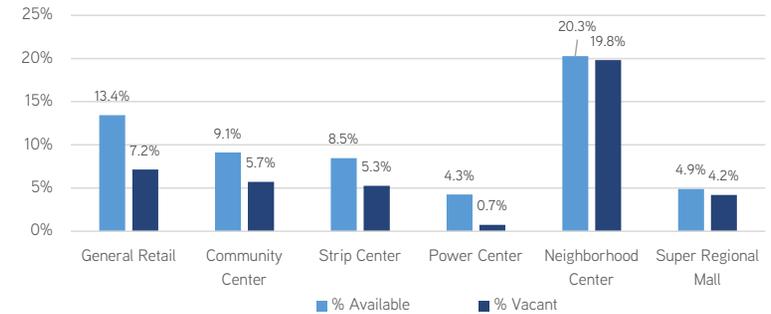
*Analysis based on “General Property Type” on CoStar and not on city zoning regulations

Source: CoStar

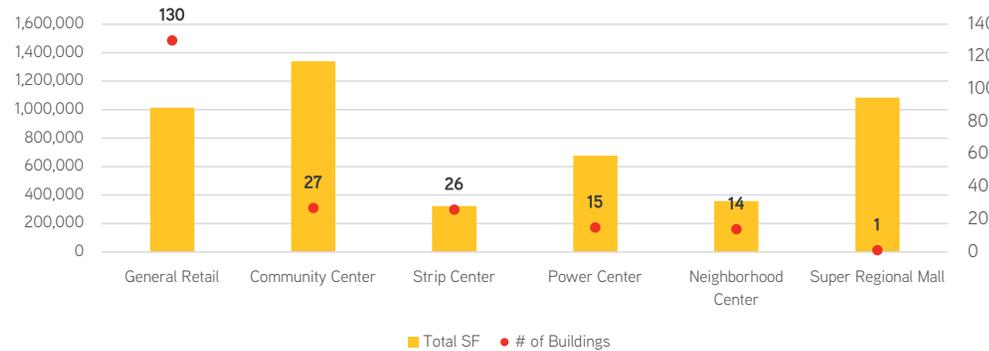
Inventory Makeup – Fairview Heights

Retail Spotlight

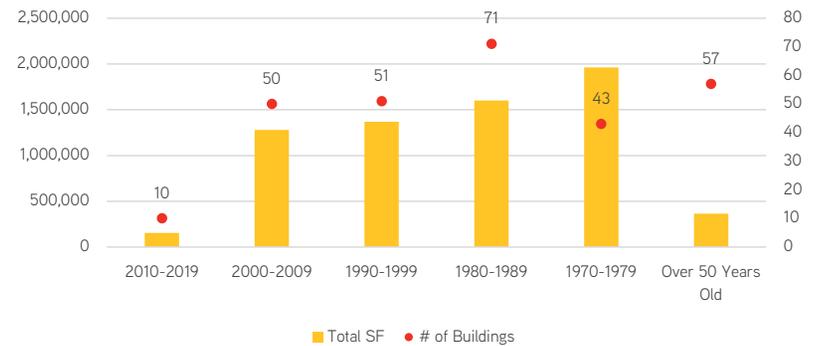
Retail Type	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant
General Retail	131	1,031,679	7,875	136,016	13.4%	72,418	7.2%
Community Center	26	1,319,702	50,758	122,089	9.1%	76,358	5.7%
Strip Center	26	322,479	12,403	27,300	8.5%	17,000	5.3%
Power Center	15	676,769	45,118	28,908	4.3%	5,000	0.7%
Neighborhood Center	14	356,740	25,481	72,329	20.3%	70,719	19.8%
Super Regional Mall	1	1,084,898	1,084,898	53,119	4.9%	45,559	4.2%
TOTAL	213	4,792,267	22,499	439,761	9.2%	287,054	6.0%



Fairview Heights - Retail Makeup by Property Type



Decade Built



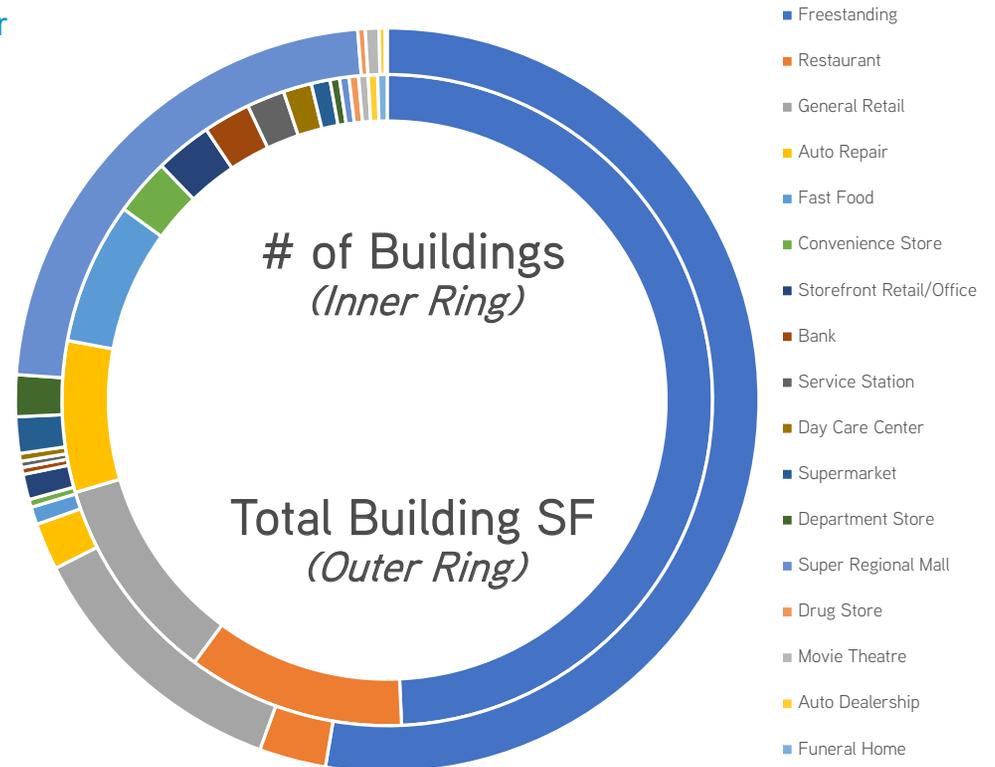
Source: CoStar

Inventory Makeup – Fairview Heights

Fairview Heights - Retail Makeup by Secondary Type

Retail Spotlight – “Secondary Type*” according to CoStar

Secondary Type	# of Buildings	Total SF	Average Size
Freestanding	105	2,523,688	24,035
Restaurant	23	139,217	6,053
General Retail	22	573,567	26,071
Auto Repair	16	98,051	6,128
Fast Food	15	36,723	2,448
Convenience Store	6	16,465	2,744
Storefront Retail/Office	6	52,828	8,805
Bank	5	14,298	2,860
Service Station	4	13,120	3,280
Day Care Center	3	16,296	5,432
Supermarket	2	75,730	37,865
Department Store	1	86,584	86,584
Super Regional Mall	1	1,084,898	1,084,898
Drug Store	1	15,610	15,610
Movie Theatre	1	28,354	28,354
Auto Dealership	1	12,608	12,608
Funeral Home	1	4,230	4,230
TOTAL	213	4,792,267	22,499



Source: CoStar - *Secondary Type definitions on next page

Inventory Makeup – Fairview Heights

Retail Spotlight – “Secondary Type*” Definitions according to CoStar

- Auto Dealership: New car dealership facilities (occasionally used car) with a substantial amount of building improvements that include some or all of the following: showroom, offices, parts department, repair/service facilities, and body shop.
- Auto Repair: Commercially zoned single and or multi-tenant buildings featuring service/ work bays for wide ranges of auto repair and auto care services.
- Bank: A building used as a bank building with a vault. Generally it has a drive-up and/or walk-up teller service or machines. Typically it may be a single-story building, but it may have mezzanine space or be multi-story.
- Bar: This property use includes all types of drinking/entertainment uses such as bars, cocktail lounges, taverns, and nightclub/dancing establishments. Bars may have limited kitchen facilities and food menu.
- Bowling Alley: An indoor facility for bowling, which may include a restaurant, nightclub, tavern, etc.
- Car Wash: Traditional full-service car wash facility that requires customer to get out of their car for attendants to vacuum, wash and dry the car. Usually includes variety of auto detailing services and may also have gas pumps, and oil change/quick service facilities.
- Convenience Store: Free-Standing or Stand-Alone buildings typically 1,500 to 3,000 sf. Example: 7-11, Quick Trip, Circle K. May also have a couple of gas pumps, however, the primary business/use is the store itself. This use also includes small market/grocery type stores (typically 3,000 to 7,500 sf) that are not large enough to be classified as supermarkets.
- Drive-In Movie: Large open areas that provide parking for vehicles in order to view large outdoor screens with sound boxes for each vehicle. Complex usually includes a snack bar area with restrooms.
- Day Care Center: AKA Pre School/Day Care Facility - Single or multi-tenant building that offers child day care and/or pre-school services. Usually includes a playground area, may be divided into classrooms and have kitchen facilities.
- Drug Store: Drug store buildings are usually located within a shopping center or along older commercial strips. They typically range in size from 12,000 to 20,000 sf.
- Fast Food: A restaurant building that provides drive-thru and/or walk-up window service and may also have sit-down dining. Example: McDonald's, Burger King, Taco Bell, KFC, Boston Market, etc.
- Funeral Home: A facility that contains wake reception rooms as well as embalming facilities for preparing corpses for burial, crematoria, facilities for sales of caskets and urns, and offices.
- Garden Center: Provides retail/wholesale nursery items such as plants, shrubs, trees, landscape material and gardening supplies. Improvements usually consist of wood frame enclosed buildings, open sided covered (patio type) buildings, greenhouses and may include areas for growing inventory.
- General Free Standing: AKA Stand Alone, typically, a single-tenant general purpose commercial-retail building that is free standing with open parking. Many retail buildings fall into this category, especially when they don't meet any of the more detailed descriptions. Fast food restaurants are a good example of freestanding retail, as are larger "big-box" structures such as Best Buy and Circuit City, as long as they are not part of a shopping center.
- Health Club: A facility built and designed as a gym, health club, or tennis club. Amenities vary and may include weight rooms, aerobics floor, sauna, steam room, Jacuzzi, pool, basketball court and tennis court.
- Movie Theatre: Indoor facility that may be a single or multi-screen complex.
- Parking Garage: A parking structure with multiple levels above or below ground. Usually pay parking, may even have some retail space on street front.
- Parking Lot: An open surface parking lot utilized solely for pay parking.
- Restaurant: A building that provides sit-down dining only. May vary in size and range from small local establishments to larger national restaurant chains. May include bar and/or nightclub or other associated uses.
- Service Station: This property type includes both full-service and self-service gas stations that have a small cashier "kiosk" building. Self-service gas stations may have a mini-mart, or a fast-food restaurant tenant, and may also include a drive-thru car wash.
- Storefront: A multi-story, multi-tenant building (in some cases it may be single-tenant or owner/user building) with a mix of retail, office or residential uses, usually retail on ground floor with offices or apartments above. Located along a commercial strip where building usually abuts adjacent buildings. This building fronts right on the street and has no parking or limited parking in the rear. These types of structures are generally located in downtown or older commercial areas.
- Storefront Retail/Office: A multi-story, multi-tenant building with a mix of retail and office uses, usually retail on ground floor and offices above. Located along a commercial strip where building usually abuts adjacent buildings, it fronts right on the street and has no parking or limited parking in the rear. These types of structures are generally located in downtown or older commercial areas.
- Storefront Retail/Residential: A multi-story, multi-tenant building with a mix of retail and residential uses, usually retail on ground floor, or in front, and residential above or in the rear. This building fronts right on the street and has no parking or limited parking in the rear. These types of structures are generally located in downtown or older commercial areas.
- Supermarket: Commonly referred to as supermarket, market, or grocery store. These buildings are often freestanding or stand-alone in design, and anchor neighborhood/community centers. Tenants range from smaller local, independent grocers to the regionally/nationally owned supermarket chains. Buildings usually have some truck loading capability in the rear (grade level, truck well, dock hi, etc).
- Truck Stop: This property is a service station for large trucks (tractor/trailers). Fuel pumps, islands, canopies are designed to handle these vehicles. May include restaurant, mini-mart, truck wash area, service bays, and restrooms with showers, motel, and/or rest stop area.
- Veterinarian Hospital/Kennel: Typically, an industrial zoned property used to board and care for animals. Can also be used for the breeding of animals, usually dogs or cats.
- “General Retail” – Covers the non-identified buildings and is a catch-all for miscellaneous retail buildings

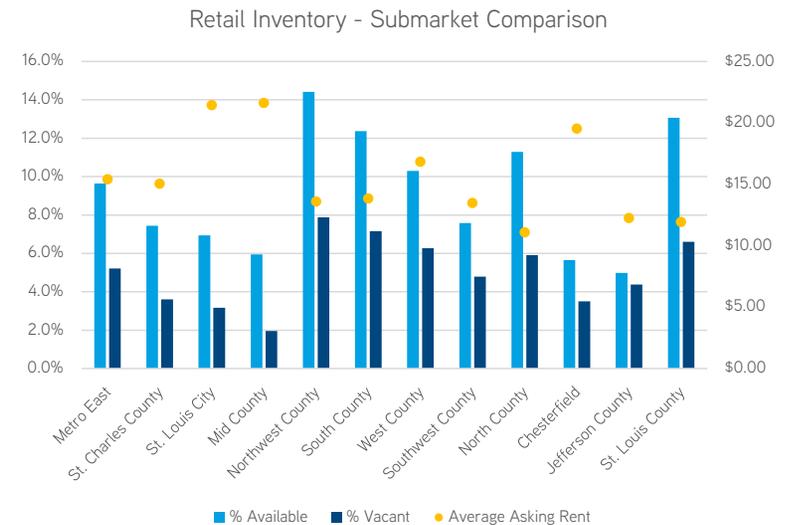
Source: CoStar

Retail Inventory – St. Louis Region

Submarket	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
Metro East	1,232	29,482,273	23,930	2,841,516	9.6%	1,536,652	5.2%	\$15.41
St. Charles County	836	21,228,329	25,434	1,579,730	7.4%	766,008	3.6%	\$15.05
St. Louis City	953	17,306,815	18,118	1,199,967	7.0%	547,574	3.2%	\$21.44
Mid County	575	16,725,158	29,087	995,895	6.0%	328,356	2.0%	\$21.63
Northwest County	489	12,936,847	26,456	1,864,426	14.4%	1,019,984	7.9%	\$13.60
South County	339	10,730,187	31,652	1,326,928	12.4%	767,787	7.2%	\$13.83
West County	342	10,125,313	29,606	1,042,649	10.3%	635,427	6.3%	\$16.84
Southwest County	332	8,879,691	26,746	673,180	7.6%	425,004	4.8%	\$13.47
North County	271	7,297,129	26,927	823,344	11.3%	431,552	5.9%	\$11.09
Chesterfield	154	6,997,015	45,435	395,456	5.7%	245,506	3.5%	\$19.53
Jefferson County	194	3,765,187	19,408	187,524	5.0%	164,919	4.4%	\$12.25
St. Louis County	50	1,010,713	20,214	131,993	13.1%	66,793	6.6%	\$11.93
TOTAL	5,767	146,484,657	25,401	13,062,608	8.9%	6,935,562	4.7%	\$15.51
Weighted Average								\$15.51

County	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
St. Louis	2,402	70,998,177	57,628	6,961,624	9.8%	3,703,980	5.2%	\$15.98
St. Charles	836	21,228,329	25,454	1,579,730	7.4%	766,008	3.6%	\$15.05
St. Louis City	952	17,302,317	18,175	1,199,967	6.9%	547,574	3.2%	\$21.44
St. Clair	588	15,017,480	26,117	1,610,152	10.7%	896,635	6.0%	\$13.91
Madison	582	13,424,316	27,453	1,205,273	9.0%	634,922	4.7%	\$17.03
Jefferson	345	7,473,561	22,046	479,771	6.4%	381,348	5.1%	\$12.71
Monroe	62	1,040,477	3,042	26,091	2.5%	5,095	0.5%	\$13.67
TOTAL	5,767	146,484,657	25,401	13,062,608	8.9%	6,935,562	4.7%	\$15.68
Weighted Average								\$16.09

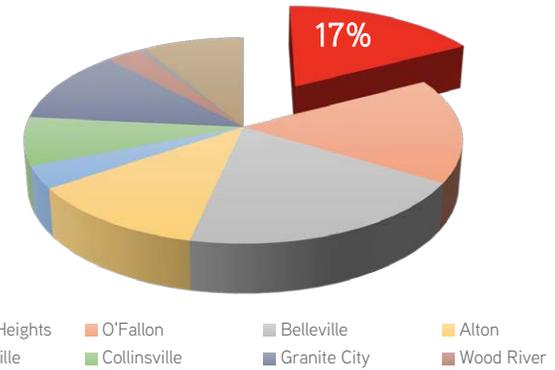
Source: CoStar



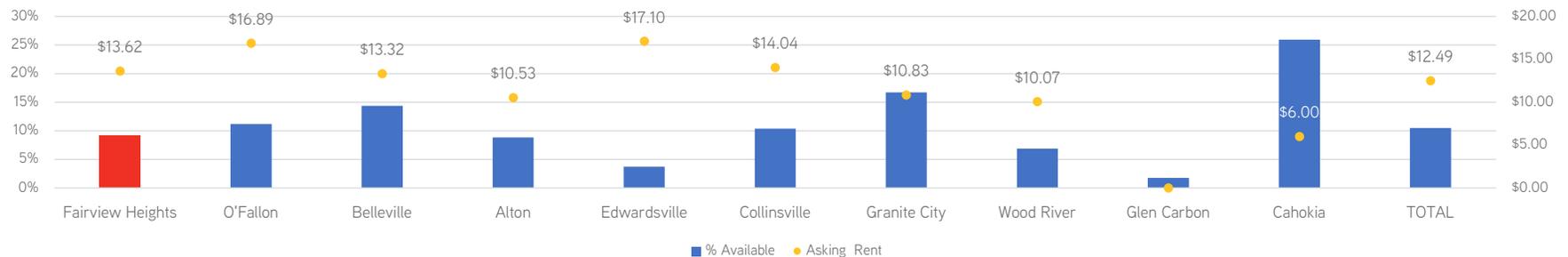
Retail Inventory – Metro East

Top 10 Cities	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
Fairview Heights	125	4,558,552	36,468	421,881	9.3%	281,354	6.2%	\$13.62
O'Fallon	124	3,619,519	29,190	405,173	11.2%	96,259	2.7%	\$16.89
Belleville	155	3,389,678	21,869	486,964	14.4%	303,688	9.0%	\$13.32
Alton	125	3,335,657	26,685	295,069	8.8%	74,317	2.2%	\$10.53
Edwardsville	97	2,348,941	24,216	87,189	3.7%	10,650	0.5%	\$17.10
Collinsville	82	1,788,561	21,812	185,543	10.4%	77,658	4.3%	\$14.04
Granite City	73	1,702,503	23,322	284,654	16.7%	203,519	12.0%	\$10.83
Wood River	45	1,012,880	22,508	69,887	6.9%	63,647	6.3%	\$10.07
Glen Carbon	30	852,079	28,403	15,000	1.8%	0	0.0%	NA
Cahokia	21	797,371	37,970	206,742	25.9%	180,090	22.6%	\$6.00
TOTAL	877	23,405,741	26,688	2,458,102	10.5%	1,291,182	5.5%	\$12.49
								Weighted Average \$12.74

Available SF in the Market



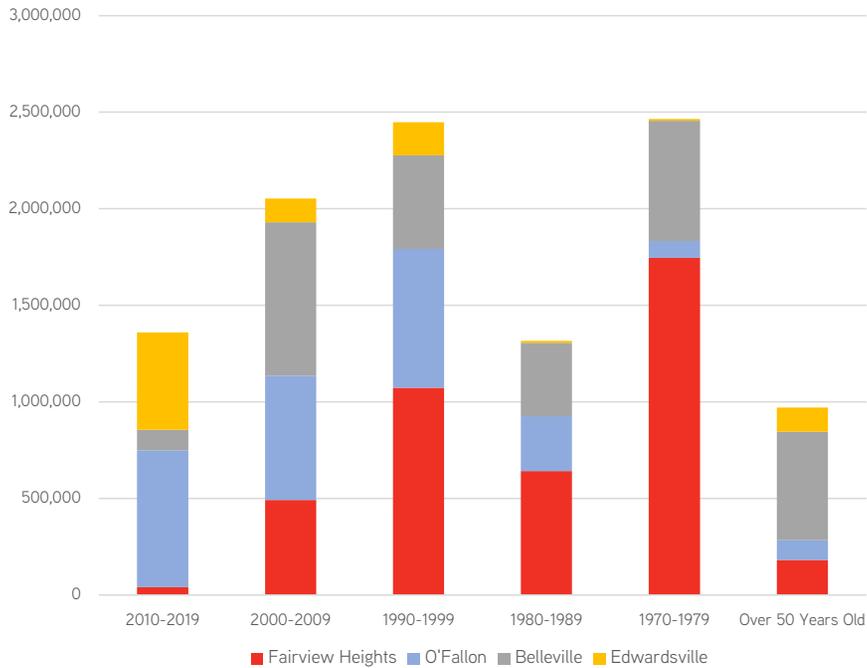
Availability Rate and Average Asking Rent



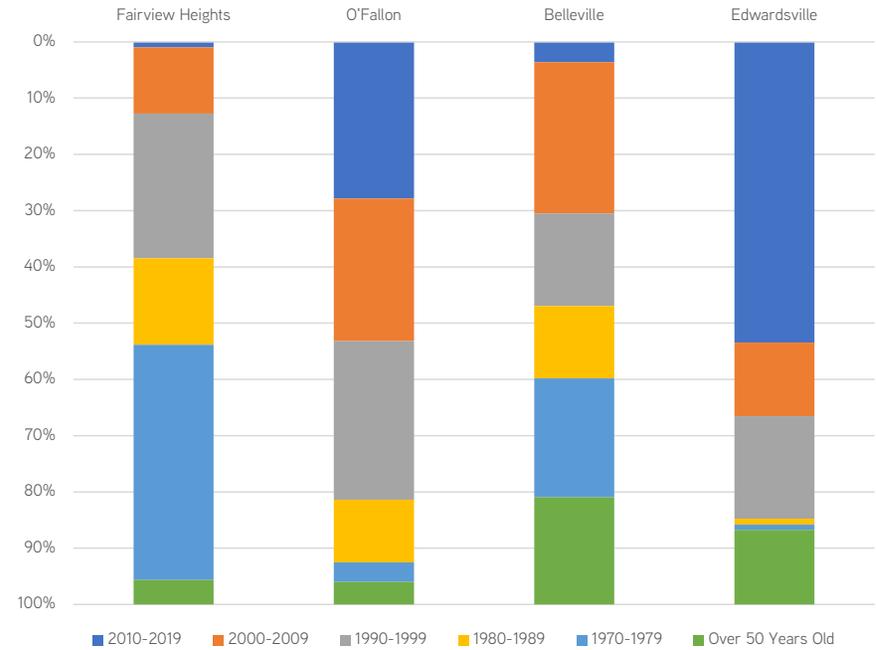
Source: CoStar

Retail Inventory – Comparison Illinois Cities

Decade Built Analysis (Total SF)



Decade Analysis – Inventory Makeup by City and Decade



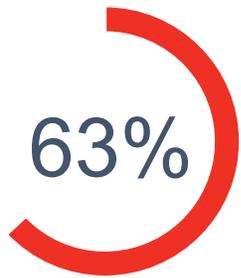
Source: CoStar

Retail Inventory – Comparison Illinois Cities

Dependence on Retail

Fairview Heights

Retail % of
Total Building SF



O'Fallon

Retail % of
Total Building SF



Belleville

Retail % of
Total Building SF



Edwardsville

Retail % of
Total Building SF

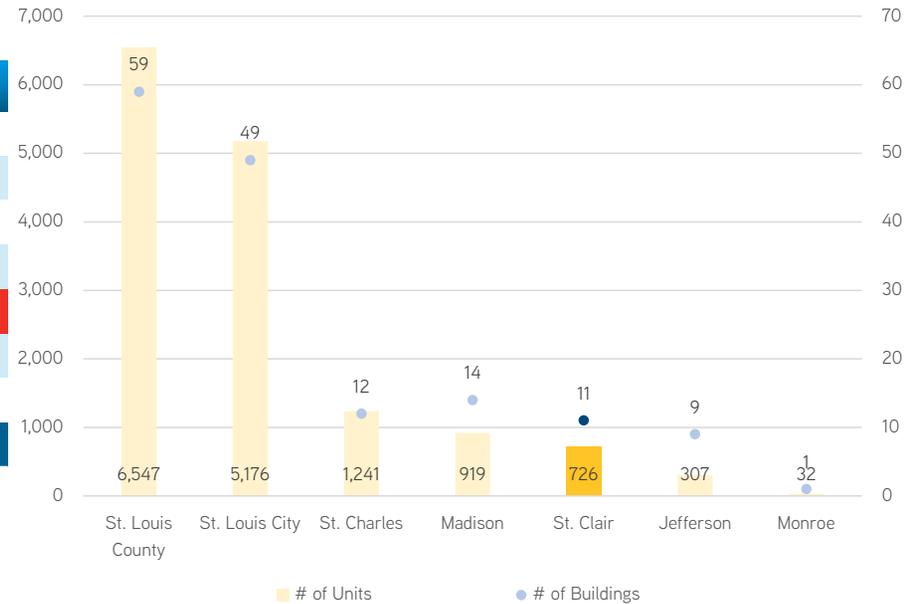


Source: CoStar (Buildings over 100 SF)

Senior Housing – Regional Analysis

Multi-Family: Senior Housing Only (CoStar)

County	# of Buildings	% of Market	Total Building SF	% of Market	# of Units	% of Market
St. Louis County	59	38.06%	5,788,275	43.46%	6,547	43.80%
St. Louis City	49	31.61%	4,611,428	34.63%	5,176	34.63%
St. Charles	12	7.74%	1,170,980	8.79%	1,241	8.30%
Madison	14	9.03%	798,488	6.00%	919	6.15%
St. Clair	11	7.10%	638,740	4.80%	726	4.86%
Jefferson	9	5.81%	280,881	2.11%	307	2.05%
Monroe	1	0.65%	29,055	0.22%	32	0.21%
TOTAL	155		13,317,847		14,948	



Only 2 Multi-Family/Senior Housing Facilities in Fairview Heights*

Source: CoStar

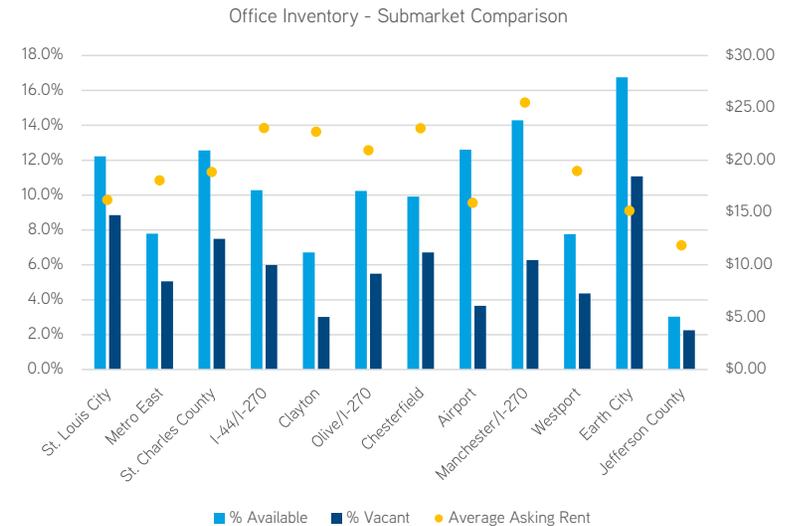
*According to CoStar secondary property type analysis

Office Inventory – St. Louis Region

Submarket	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
St. Louis City	503	43,597,153	86,674	5,325,753	12.2%	3,857,950	8.8%	\$16.22
Metro East	321	8,153,020	25,399	634,887	7.8%	412,408	5.1%	\$18.07
St. Charles County	247	7,604,704	30,788	954,767	12.6%	569,289	7.5%	\$18.88
I-44/I-270	223	8,692,888	38,982	893,604	10.3%	521,181	6.0%	\$23.07
Clayton	187	12,113,652	64,779	814,001	6.7%	365,924	3.0%	\$22.73
Olive/I-270	183	9,643,555	52,697	986,676	10.2%	529,685	5.5%	\$20.95
Chesterfield	139	8,634,160	62,116	856,329	9.9%	579,588	6.7%	\$23.06
Airport	117	8,014,651	68,501	1,009,567	12.6%	292,594	3.7%	\$15.92
Manchester/I-270	103	4,330,319	42,042	618,616	14.3%	271,569	6.3%	\$25.52
Westport	89	5,693,135	63,968	441,449	7.8%	248,305	4.4%	\$18.98
Earth City	81	5,874,419	72,524	984,078	16.8%	650,771	11.1%	\$15.17
Jefferson County	33	738,646	22,383	22,360	3.0%	16,655	2.3%	\$11.88
TOTAL	2,226	123,090,302	55,297	13,542,087	11.0%	8,315,919	6.8%	\$19.20
							Weighted Average	\$18.52

County	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
St. Louis	1,122	62,996,779	52,697	6,604,320	10.2%	3,459,617	5.5%	\$21.64
St. Louis City	503	43,597,153	62,116	5,325,753	9.9%	3,857,950	6.7%	\$16.22
St. Charles	247	7,604,704	38,982	954,767	10.3%	569,289	6.0%	\$18.88
St. Clair	173	4,459,272	64,779	480,822	6.7%	310,222	3.0%	\$19.53
Madison	139	3,400,191	25,399	128,140	7.8%	102,186	5.1%	\$14.99
Jefferson	33	738,646	86,674	22,360	12.2%	16,655	8.8%	\$11.88
Monroe	9	293,557	30,788	25,925	12.6%	0	7.5%	
TOTAL	2,226	123,090,302	55,297	13,542,087	11.0%	8,315,919	6.8%	\$17.19
							Weighted Average	\$19.12

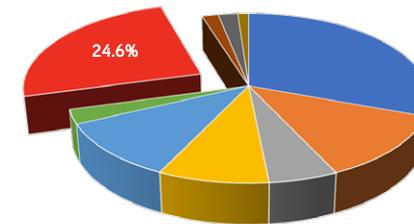
Source: CoStar



Office Inventory – Metro East Analysis

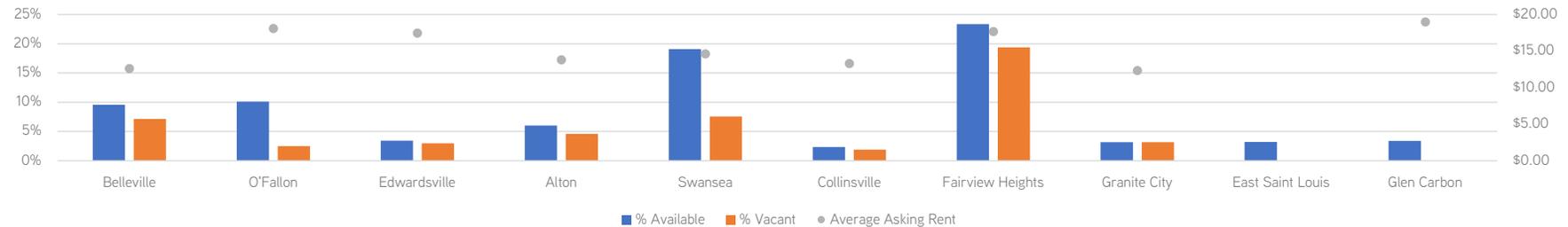
Top 10 Cities	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
Belleville	60	1,836,602	30,610	175,868	9.6%	131,290	7.1%	\$12.61
O'Fallon	40	700,188	17,505	70,709	10.1%	17,492	2.5%	\$18.09
Edwardsville	34	894,926	26,321	30,951	3.5%	26,745	3.0%	\$17.46
Alton	31	822,240	26,524	49,684	6.0%	37,884	4.6%	\$13.80
Swansea	23	323,520	14,066	61,768	19.1%	24,440	7.6%	\$14.62
Collinsville	22	664,329	30,197	15,626	2.4%	12,590	1.9%	\$13.30
Fairview Heights	22	603,219	27,419	140,859	23.4%	116,942	19.4%	\$17.67
Granite City	16	302,690	18,918	9,627	3.2%	9,627	3.2%	\$12.33
East Saint Louis	12	359,139	29,928	11,560	3.2%	0	0.0%	NA
Glen Carbon	11	187,653	17,059	6,416	3.4%	0	0.0%	\$19.00
TOTAL	271	6,694,506	24,703	573,068	8.6%	377,010	5.6%	\$15.43
							Weighted Average	\$14.94

Total SF Available in the Market



- Belleville
- O'Fallon
- Edwardsville
- Alton
- Swansea
- Collinsville
- Fairview Heights
- Granite City
- East Saint Louis
- Glen Carbon

Office Inventory - Metro East Top Cities Comparison

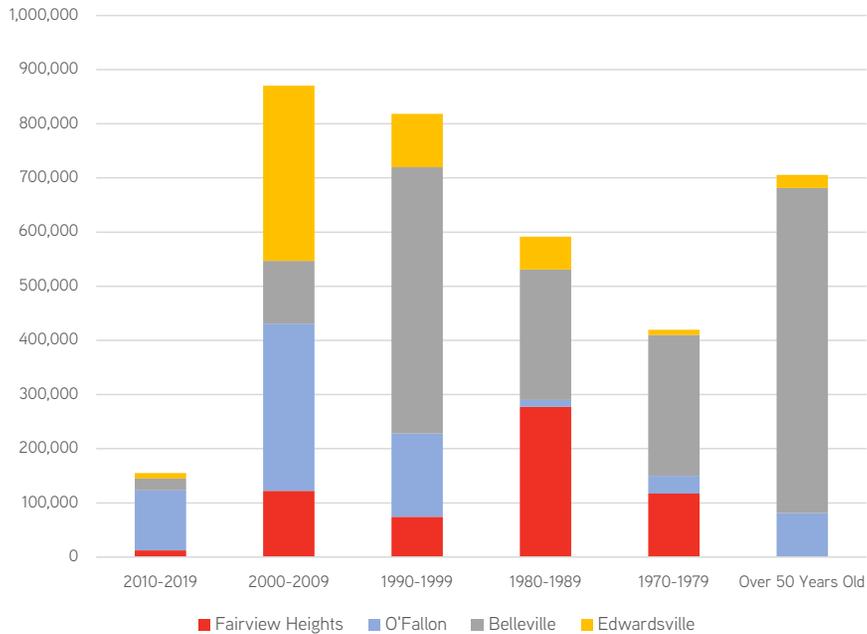


Source: CoStar

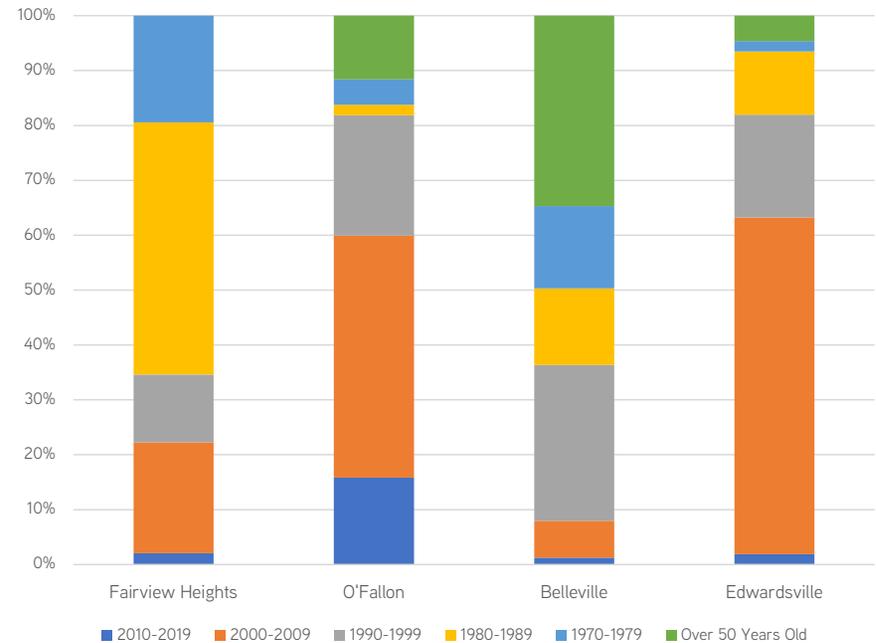
Office Inventory – Comparison Illinois Cities

Age Analysis

Decade Built Analysis (Total SF)



Decade Analysis - Inventory Makeup by City and Decade



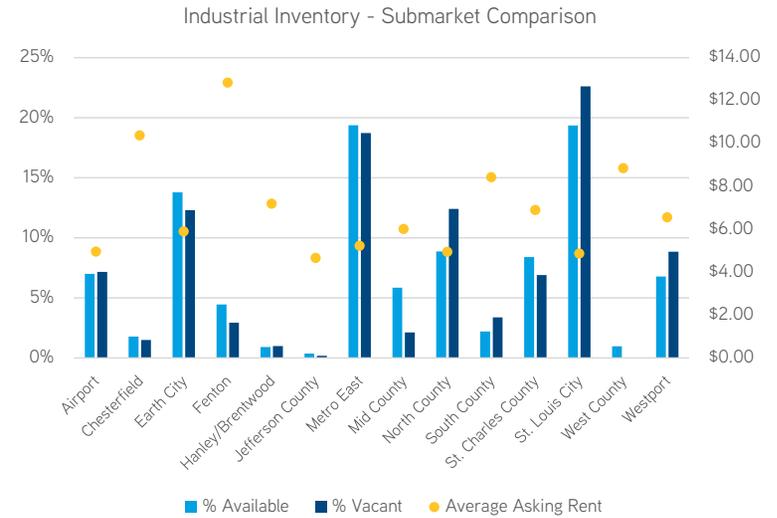
Source: CoStar

Industrial & Flex Inventory – St. Louis Region

Submarket Analysis

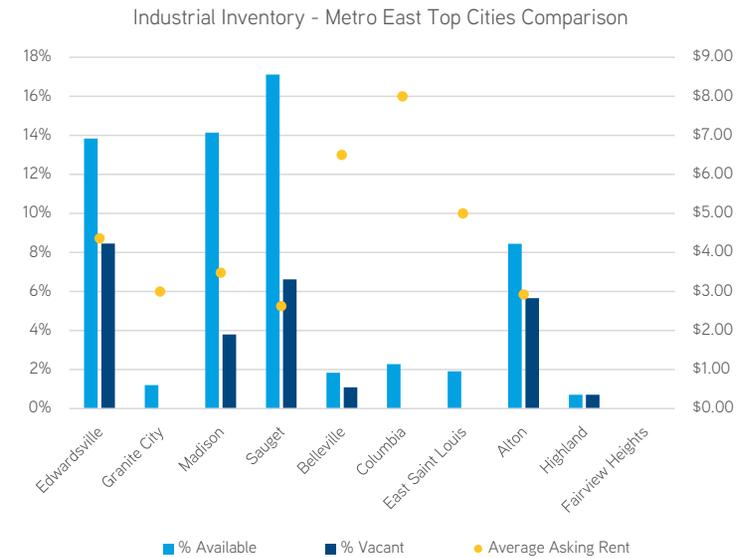
Submarket	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
Airport	215	20,473,304	95,225	1,579,261	7.0%	781,549	7.2%	\$4.96
Chesterfield	145	6,751,912	46,565	399,613	1.8%	163,424	1.5%	\$10.38
Earth City	265	22,907,550	86,444	3,111,976	13.8%	1,343,084	12.3%	\$5.90
Fenton	198	9,372,931	47,338	1,005,043	4.5%	319,404	2.9%	\$12.84
Hanley/Brentwood	177	5,705,214	32,233	205,620	0.9%	106,449	1.0%	\$7.19
Jefferson County	157	5,020,121	31,975	77,959	0.3%	19,285	0.2%	\$4.67
Metro East	492	46,630,394	94,777	4,373,111	19.4%	2,043,889	18.7%	\$5.23
Mid County	449	20,296,958	45,205	1,320,737	5.8%	231,804	2.1%	\$6.01
North County	98	8,942,423	91,249	2,002,297	8.9%	1,353,633	12.4%	\$4.95
South County	190	8,606,309	45,296	493,864	2.2%	368,132	3.4%	\$8.43
St. Charles County	548	32,017,570	58,426	1,894,926	8.4%	752,239	6.9%	\$6.90
St. Louis City	1,307	72,378,833	55,378	4,369,972	19.4%	2,466,745	22.6%	\$4.87
West County	107	4,563,300	42,648	217,555	1.0%	1,690	0.0%	\$8.85
Westport	365	15,271,305	41,839	1,527,806	6.8%	963,576	8.8%	\$6.56
TOTAL	4,713	278,938,124	59,185	22,579,740	100.0%	10,914,903	100.0%	\$6.98
							Weighted Average	\$6.04

Source: CoStar



Industrial Inventory – Metro East

Top 10 Cities	# of Buildings	Total SF	Average Size	Available SF	% Available	Vacant SF	% Vacant	Average Asking Rent
Edwardsville	42	16,111,855	383,616	2,230,692	13.85%	1,363,440	8.46%	\$4.36
Granite City	60	11,011,621	183,527	131,652	1.20%	0	0.00%	\$3.00
Madison	29	2,712,461	93,533	383,567	14.14%	103,155	3.80%	\$3.48
Sauget	17	1,926,145	113,303	329,724	17.12%	127,424	6.62%	\$2.63
Belleville	49	1,805,202	36,841	33,084	1.83%	19,584	1.08%	\$6.50
Columbia	11	1,590,611	144,601	36,250	2.28%	0	0.00%	\$8.00
East Saint Louis	24	1,267,805	52,825	24,180	1.91%	0	0.00%	\$5.00
Alton	23	1,229,657	53,463	103,857	8.45%	69,650	5.66%	\$2.93
Highland	29	1,156,795	39,889	8,234	0.71%	8,234	0.71%	NA
Fairview Heights	9	199,674	22,186	0	0.00%	0	0.00%	NA
TOTAL	293	39,011,826	133,146	3,281,240	8.41%	1,691,487	4.34%	\$4.49
							Weighted Average	\$4.04

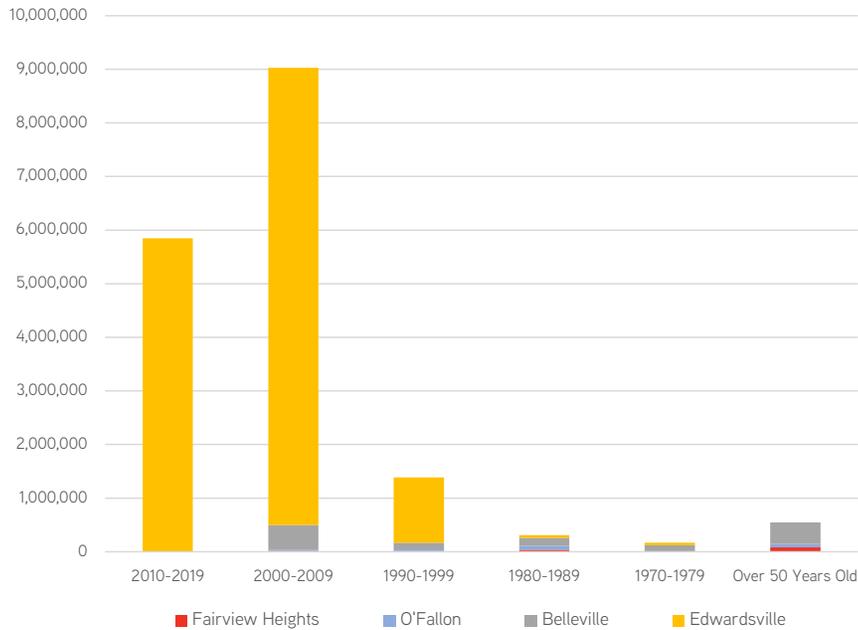


Source: CoStar

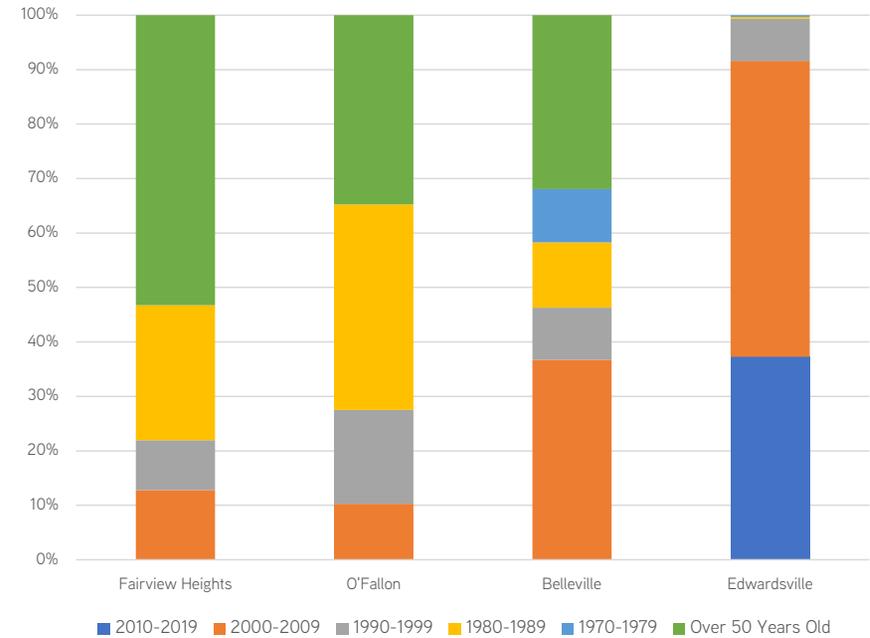
Industrial Inventory – Comparison Illinois Cities

Age Analysis

Decade Built Analysis (Total SF)



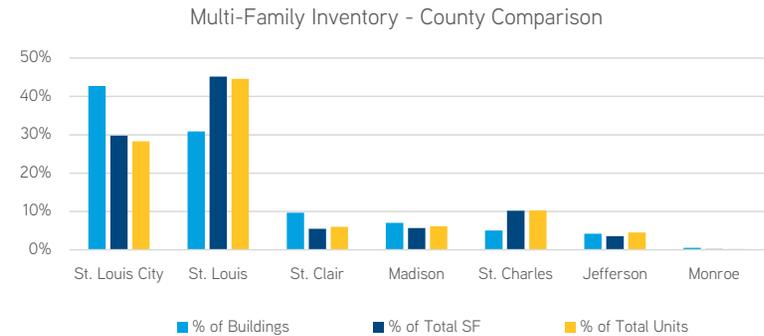
Decade Analysis - Inventory Makeup by City and Decade



Source: CoStar

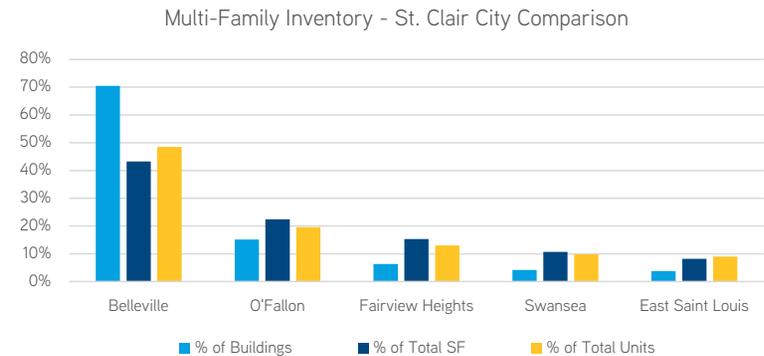
Multi-Family Inventory – St. Louis Region

County	# of Buildings	% of Buildings	Total SF	% of Total SF	Total # of Units	% of Total Units
St. Louis City	1,242	42.75%	50,745,974	29.78%	48,732	28.32%
St. Louis	897	30.88%	77,037,746	45.20%	76,806	44.63%
St. Clair	281	9.67%	9,283,730	5.45%	10,295	5.98%
Madison	204	7.02%	9,626,683	5.65%	10,560	6.14%
St. Charles	145	4.99%	17,357,839	10.19%	17,579	10.21%
Jefferson	122	4.20%	6,048,913	3.55%	7,776	4.52%
Monroe	14	0.48%	320,239	0.19%	346	0.20%
TOTAL	2,905		170,421,124		172,094	



St. Clair County – Top 5 Cities

County	# of Buildings	% of Buildings	Total SF	% of Total SF	Total # of Units	% of Total Units
Belleville	167	70.46%	3096261	43.22%	3475	48.53%
O'Fallon	36	15.19%	1610991	22.49%	1402	19.58%
Fairview Heights	15	6.33%	1100354	15.36%	935	13.06%
Swansea	10	4.22%	765121	10.68%	700	9.78%
East Saint Louis	9	3.80%	591078	8.25%	649	9.06%
TOTAL	237		7,163,805		7,161	

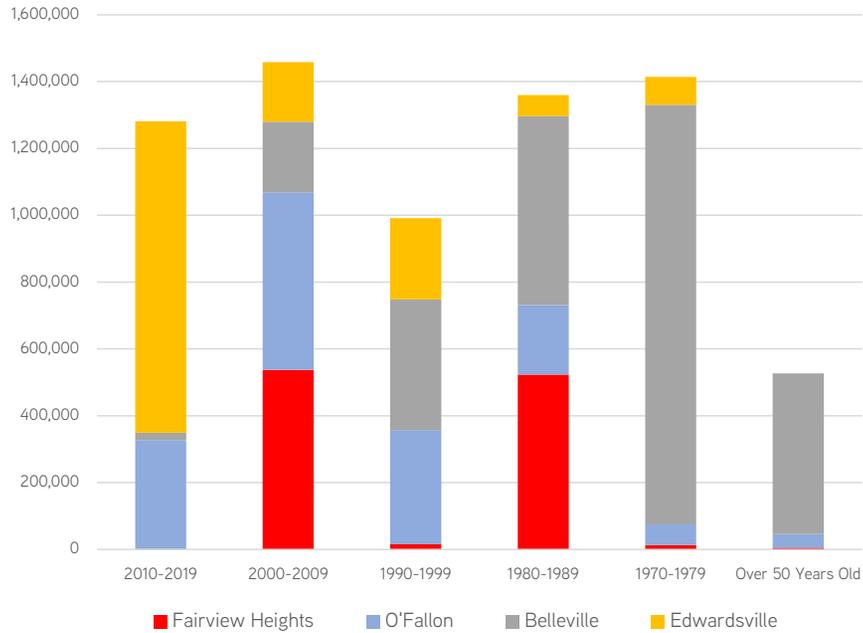


Source: CoStar

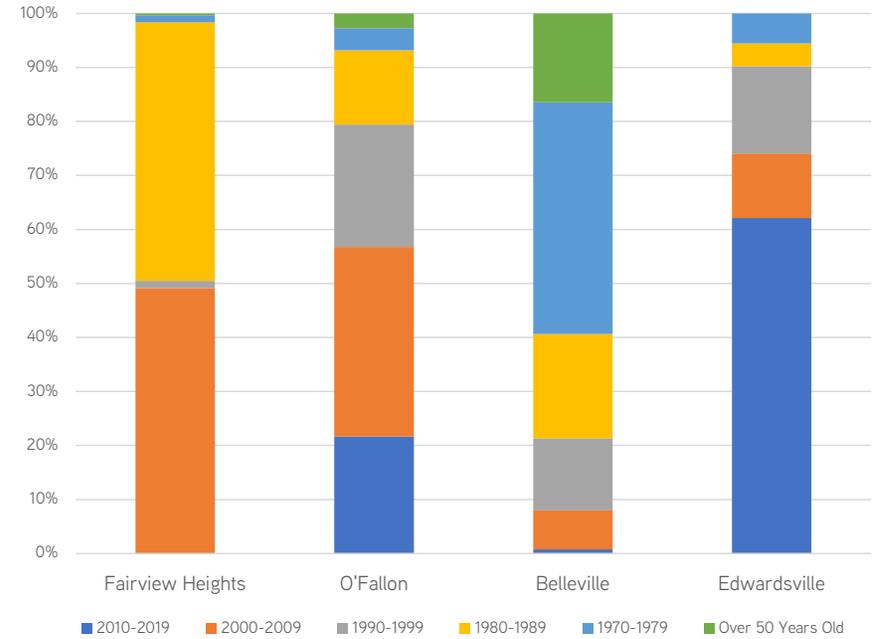
Multi-Family Inventory – Regional Analysis

Age Analysis

Decade Built Analysis (Total SF)



Decade Analysis - Inventory Makeup by City and Decade

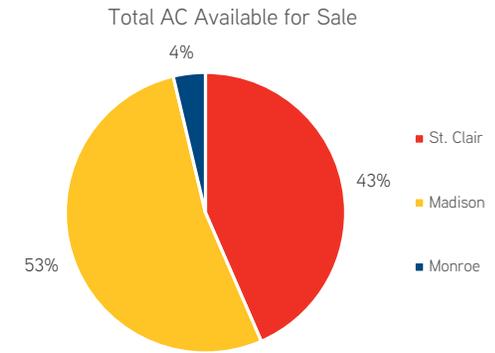


Source: CoStar

Current Land Availability

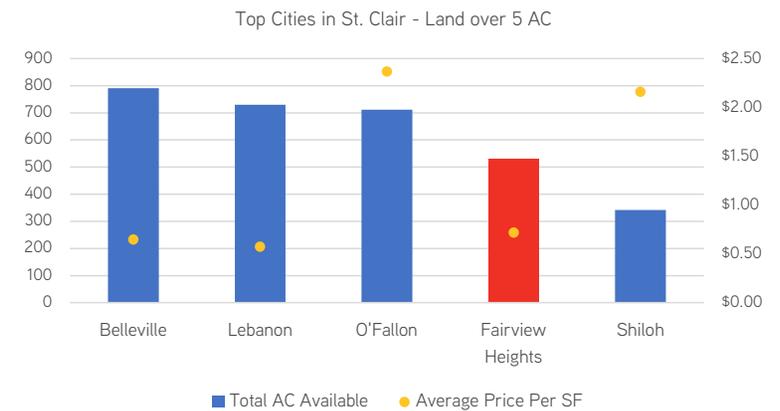
Land Available for Sale over 5 AC in the Metro East

County	# of Properties	Total AC	Average AC	Combined Sale Price	Average Sale Price	Average Price Per AC	Average Price Per SF
St. Clair	106	4473.8199	42.2	\$218,648,073	\$2,456,719.92	\$48,872.79	\$1.12
Madison	91	5436.1175	59.7	\$223,091,171	\$2,823,938.87	\$41,038.70	\$0.94
Monroe	8	380.63	47.6	\$11,702,782	\$1,671,826.00	\$30,745.82	\$0.71
TOTAL MARKET	205	10,291	149.5	\$453,442,026	\$2,591,097.29	\$44,063.85	\$1.01



Land Available for Sale over 5 AC in St. Clair (Top 5 Cities)

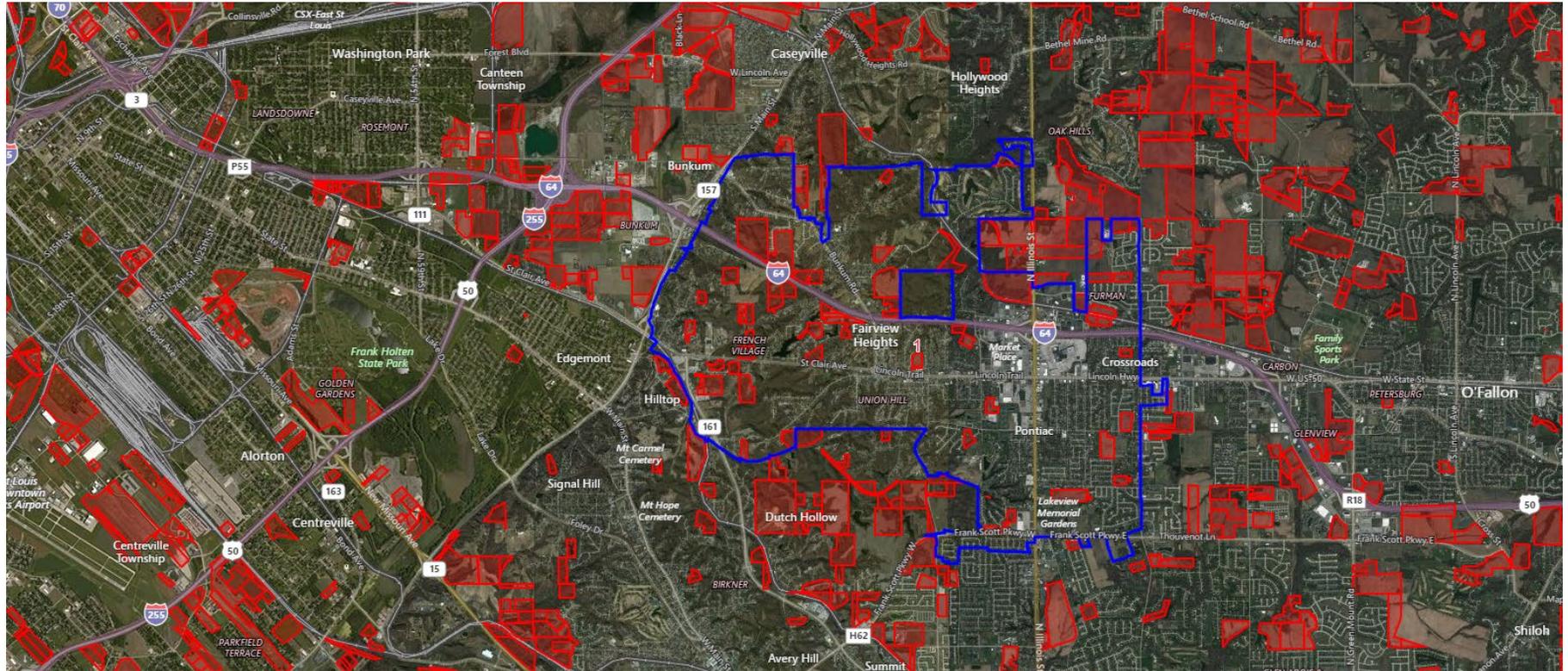
County	# of Properties	Total AC	Average AC	Combined Sale Price	Average Sale Price	Average Price Per AC	Average Price Per SF
Belleville	19	790.55	41.6	\$22,333,555	\$1,595,253.93	\$536,762.44	\$0.65
Lebanon	7	729.96	104.3	\$18,315,050	\$3,052,508.33	\$175,633.39	\$0.58
O'Fallon	19	711.75	37.5	\$73,451,732	\$3,865,880.63	\$1,960,776.83	\$2.37
Fairview Heights	11	529.16	48.1	\$16,565,460	\$1,505,950.91	\$344,357.21	\$0.72
Shiloh	9	341.6199	38.0	\$32,155,639	\$4,019,454.88	\$847,142.54	\$2.16
TOTAL MARKET	106	4473.8199	42.2	\$218,648,073	\$2,456,719.92	\$48,872.79	\$1.12



Source: CoStar

Land Analysis

Parcels over 5 AC (Standard Use listed as Vacant Land of any Subtype)



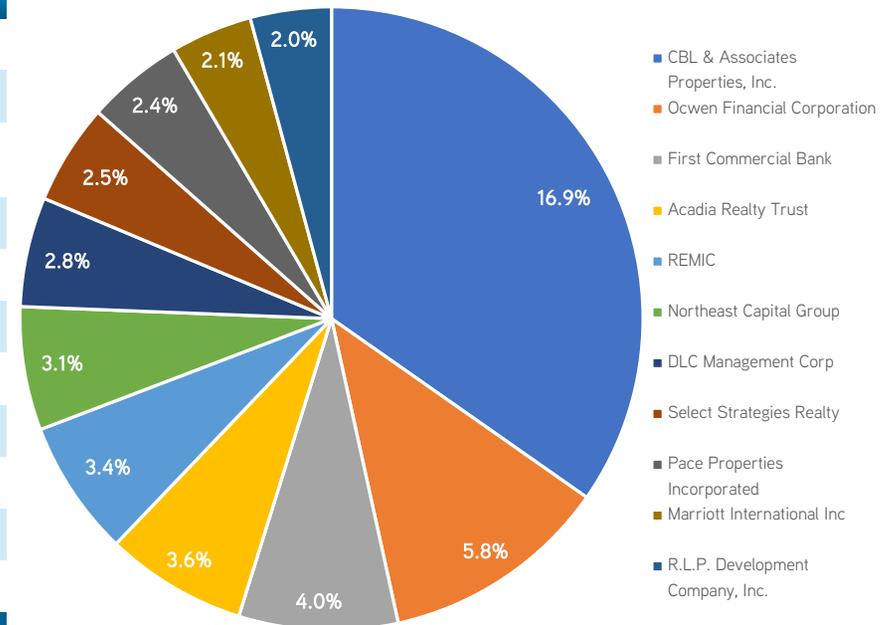
Source: LandVision

Major Owner Analysis – Fairview Heights

Top 10 Commercial Real Estate Owners (based on SF)

Company Name	Market Share	# of Buildings	Total Building SF	Main Building Description
CBL & Associates Properties, Inc.	16.9%	11	1,286,243	St. Clair Square / The Shoppes at St. Clair
OCWEN Financial Corporation	5.8%	1	438,660	Longacre Ponds (Multi-Family with 252 Units)
First Commercial Bank	4.0%	1	305,760	Winchester Place Apartments (Multi-Family with 312 Units)
Acadia Realty Trust	3.6%	7	272,060	Lincoln Place Centre
Real Estate Mortgage Investment Conduit (REMIC)*	3.4%	4	261,405	Fairview Heights Plaza
Northeast Capital Group	3.1%	5	237,382	Crossroads Center
DLC Management Corp	2.8%	1	210,500	Marketplace (Best Buy)
Select Strategies Realty	2.5%	4	193,217	Fairview Heights Centre
Pace Properties Incorporated	2.4%	3	186,028	Fairview Center
Marriott International Inc	2.1%	1	157,792	Four Points by Sheraton
R.L.P. Development Company, Inc.	2.0%	4	155,759	Fairview Plaza / Executive Plaza
TOTAL TOP OWNERS	48.8%	42	3,704,806	
TOTAL MARKET	100.0%	349	7,599,514	

Top Owner Market Share (by Building SF)



Source: CoStar; *City of Fairview Heights

Tenant / Occupier Analysis – Fairview Heights

CoStar Tenant Industry Analysis – SF Occupied

SIC Description	# of Companies	Total SF	% of Total SF	# of Employees	% of Total Employees
Retailers/Wholesalers	313	3,069,261	73.6%	6,531	69.7%
Personal Services	137	501,872	12.0%	1,021	10.9%
Unavailable	36	161,896	3.9%	0	0.0%
Government	19	126,378	3.0%	219	2.3%
Medical	56	80,457	1.9%	434	4.6%
Business Services	24	50,282	1.2%	144	1.5%
Financial Institutions	24	43,212	1.0%	187	2.0%
Agri/Mining/Utilities	23	30,964	0.7%	112	1.2%
Computers/Data Processing	7	22,179	0.5%	284	3.0%
Communications	12	17,214	0.4%	68	0.7%
Law Firms	13	16,776	0.4%	133	1.4%
Insurance	23	16,649	0.4%	61	0.7%
Engineers/Architects	7	15,001	0.4%	48	0.5%
Manufacturing	6	13,828	0.3%	48	0.5%
Real Estate	19	7,000	0.2%	78	0.8%

Source: CoStar

Top Companies Ranked by Total SF

Company Name	Total SF	# of Employees
Macy's	236,490	475
Dillard's	221,816	200
JCPenney	164,326	300
Four Points By Sheraton	138,856	65
Target	127,307	150
Lowe's	116,000	234
Kohl's	86,584	200
Weekends Only Furniture	84,998	60
Old Time Pottery	75,000	50
Burlington Stores	67,308	83

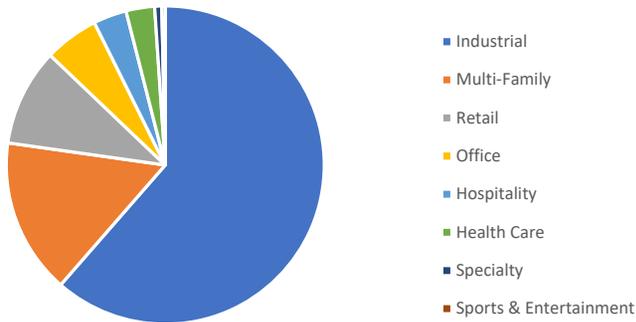
Top Companies Ranked by # of Employees

Company Name	Total SF	# of Employees
Macy's	236,490	475
JCPenney	164,326	300
Lowe's	116,000	234
Dillard's	221,816	200
Kohl's	86,584	200
CSRA LLC	NA	160
Red Lobster	9,840	155
Target	127,307	150
Olive Garden	7,800	130
Best Buy	47,210	125

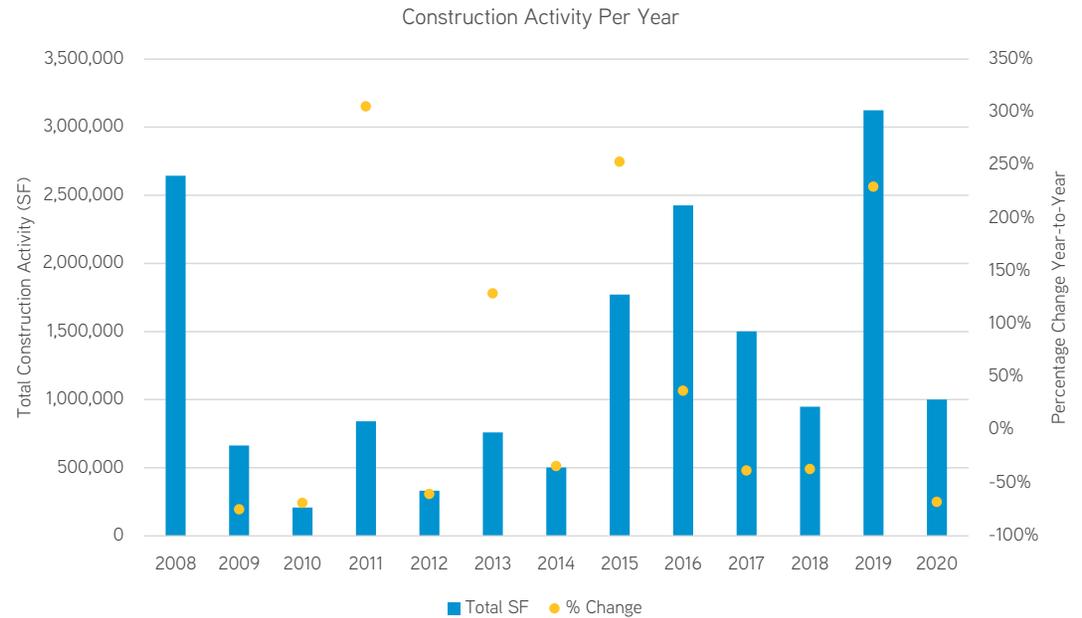
Construction & Development Activity

Metro East – Commercial Development since 2008

Property Type	Total # of Buildings	Total SF	Average Size	% of Total
Industrial	42	10,267,788	244,471	61.4%
Multi-Family	26	2,641,086	101,580	15.8%
Retail	110	1,653,224	15,029	9.9%
Office	66	923,023	13,985	5.5%
Hospitality	9	564,874	62,764	3.4%
Health Care	10	486,059	48,606	2.9%
Specialty	6	120,631	20,105	0.7%
Sports & Entertainment	1	58,000	58,000	0.3%
TOTAL	270	16,714,685	564,541	100.0%

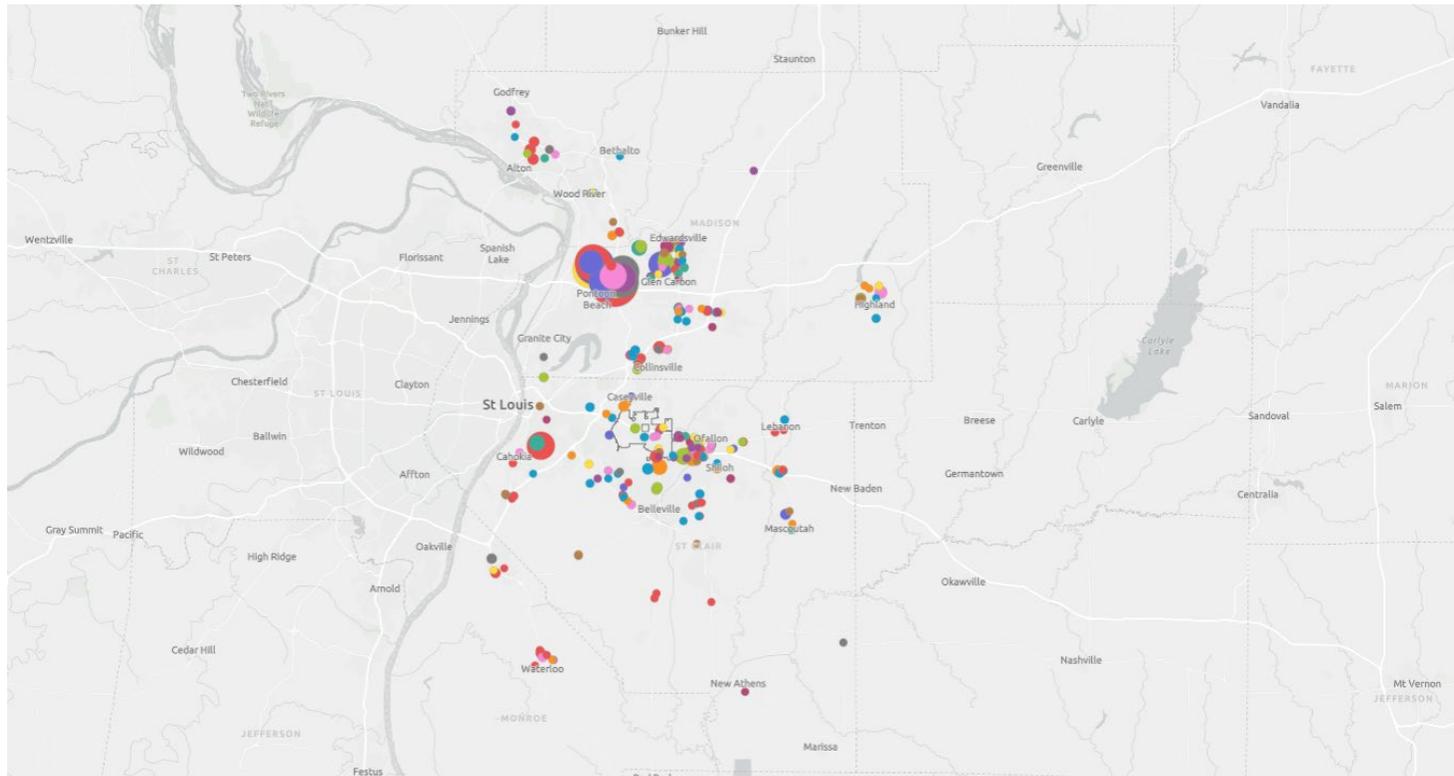


Source: CoStar



Construction & Development Activity

Metro East – Commercial Development since 2008: ALL BUILDINGS



Year Built

- 2008
- 2009
- 2010
- 2011
- 2012
- 2013
- 2014
- 2015
- 2016
- 2017
- 2018
- 2019
- 2020

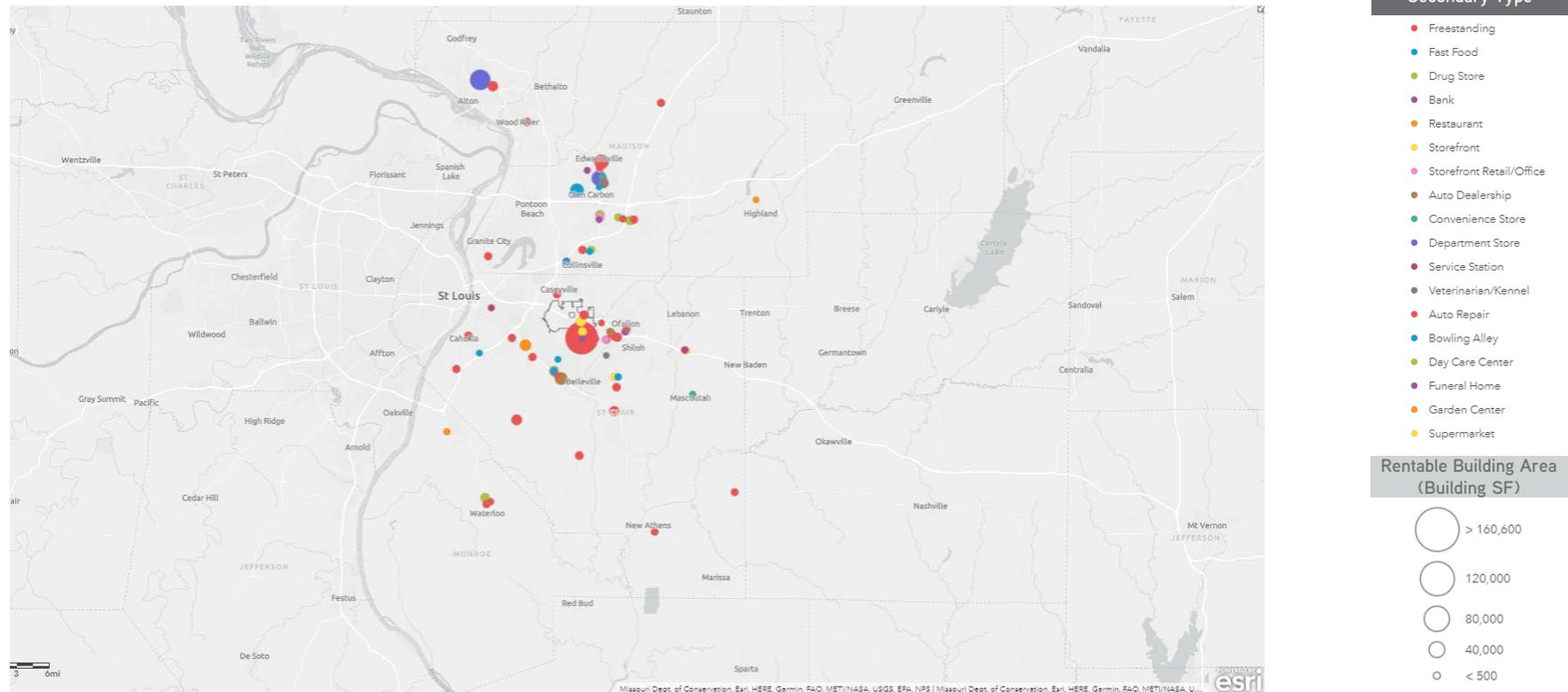
Rentable Building Area (Building SF)

- > 1,000,000
- 800,000
- 500,000
- 300,000
- < 444

Source: CoStar

Construction & Development Activity

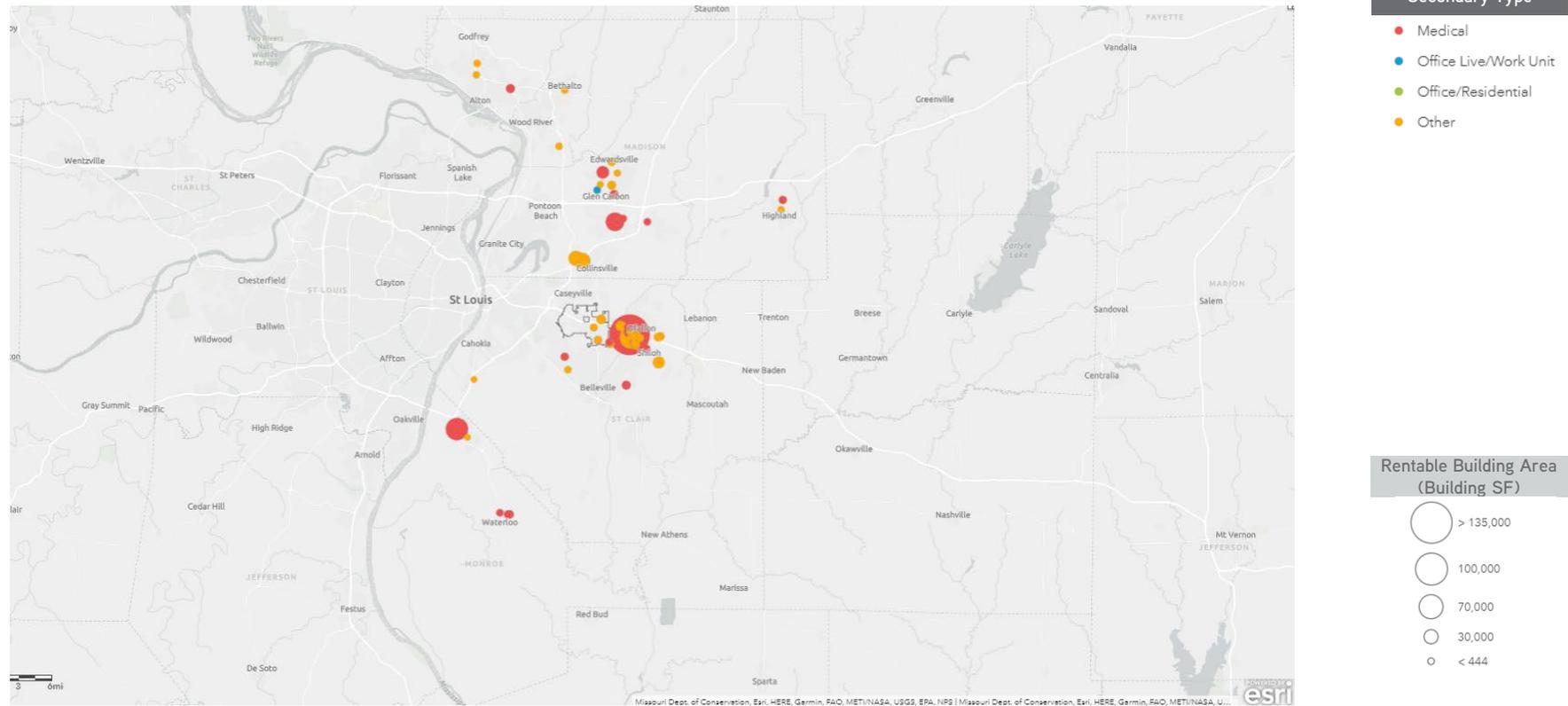
Metro East – Commercial Development since 2008: RETAIL



Source: CoStar

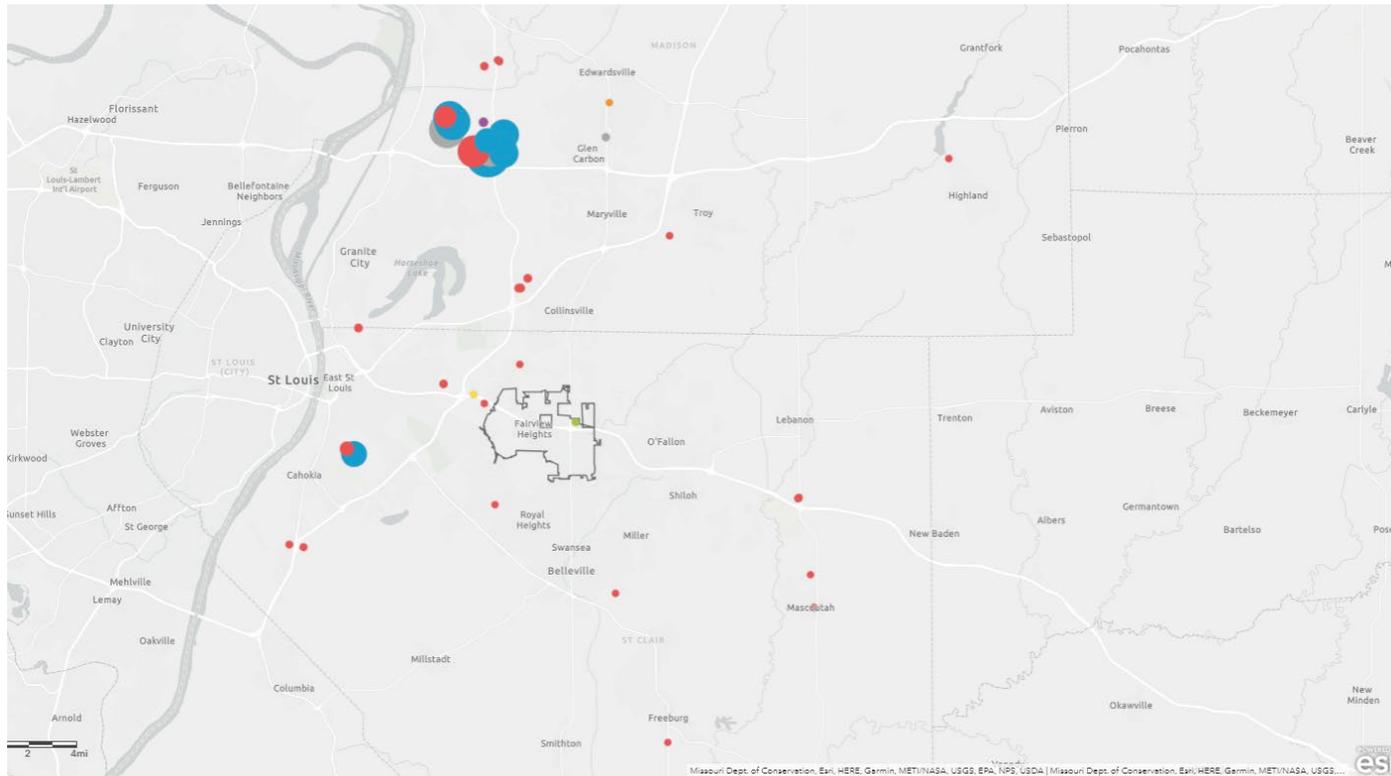
Construction & Development Activity

Metro East – Commercial Development since 2008: OFFICE



Construction & Development Activity

Metro East – Commercial Development since 2008: INDUSTRIAL



Secondary Type

- Warehouse
- Distribution
- Flex
- Manufacturing
- Service
- Showroom
- Other

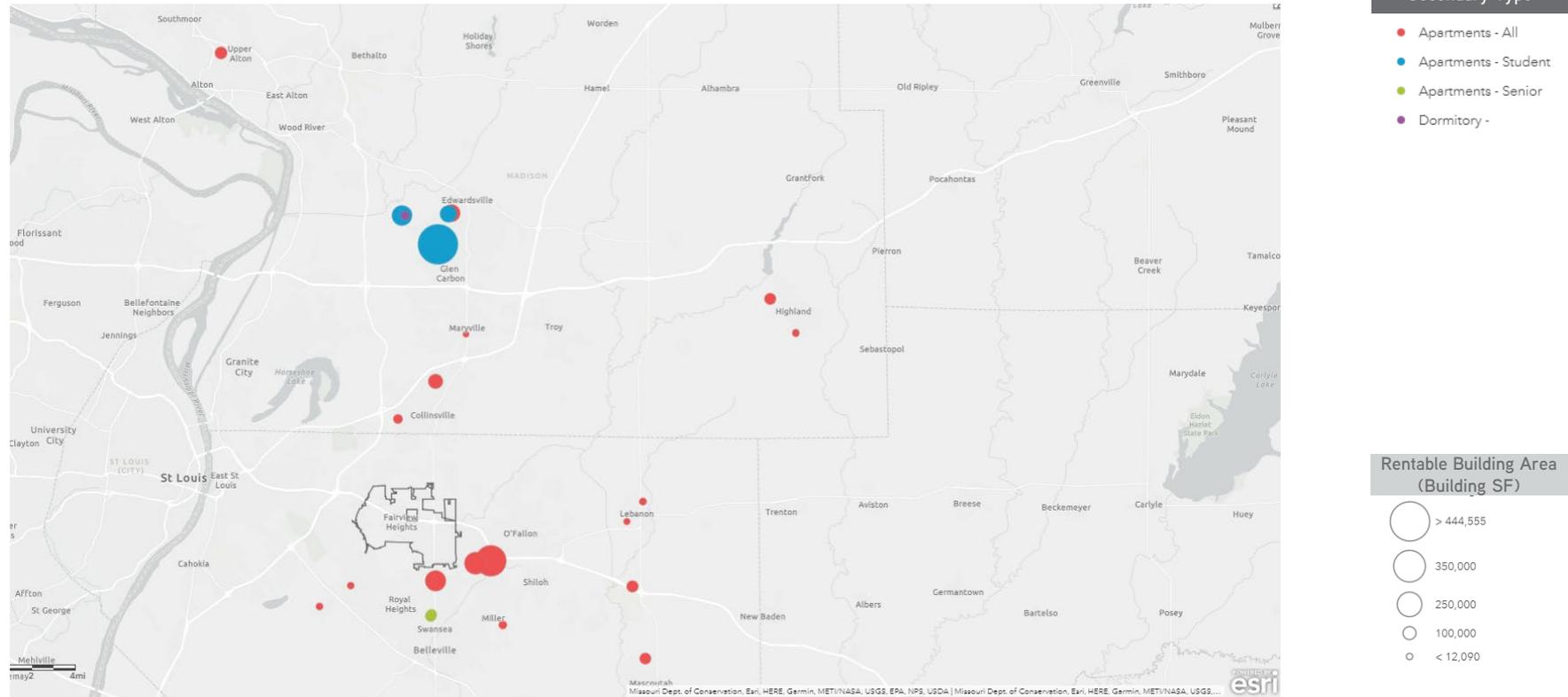
Rentable Building Area (Building SF)

- > 1,000,000
- 800,000
- 500,000
- 300,000
- < 3,400

Source: CoStar

Construction & Development Activity

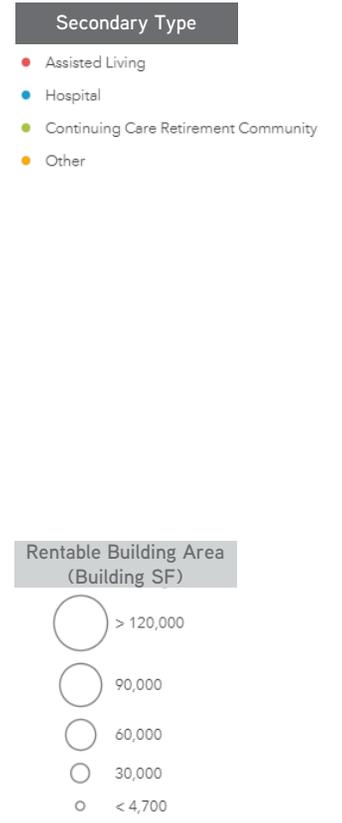
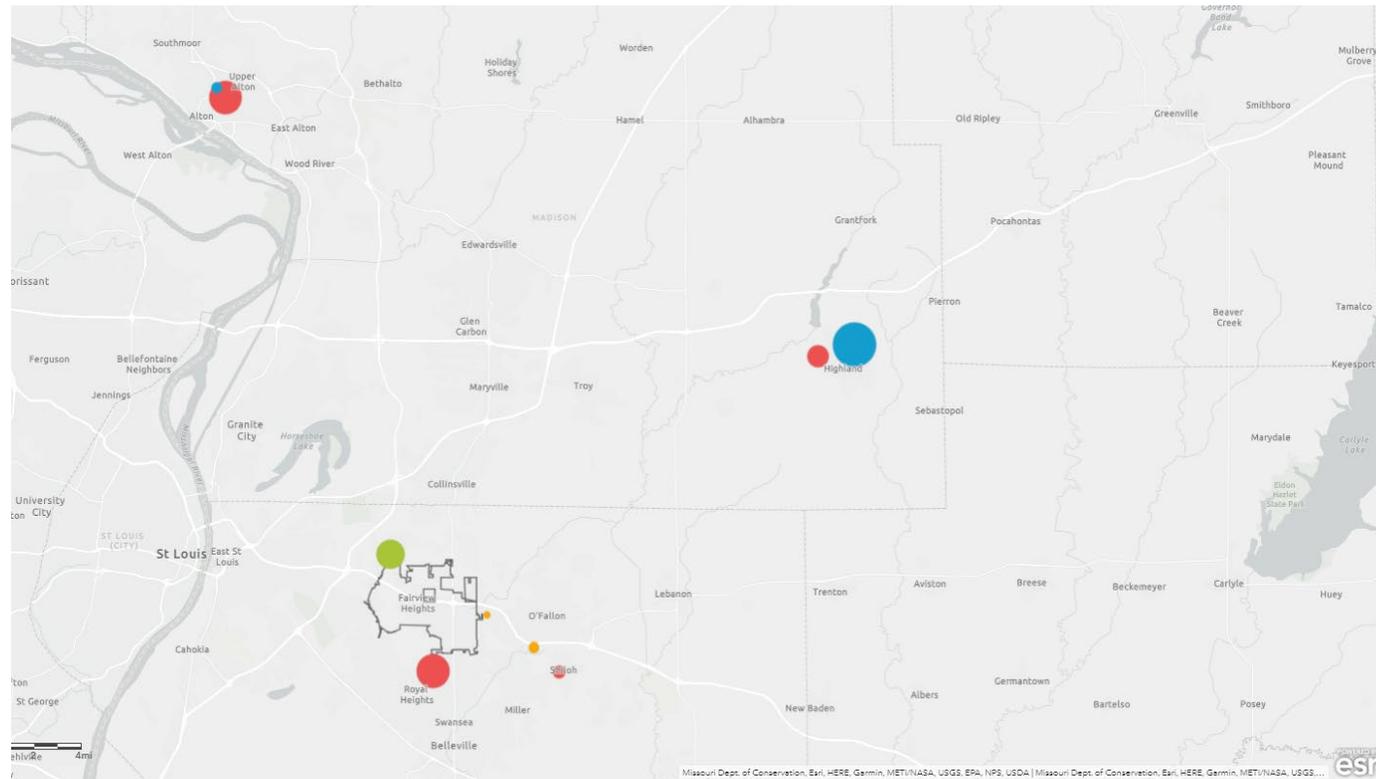
Metro East – Commercial Development since 2008: MULTI-FAMILY



Source: CoStar

Construction & Development Activity

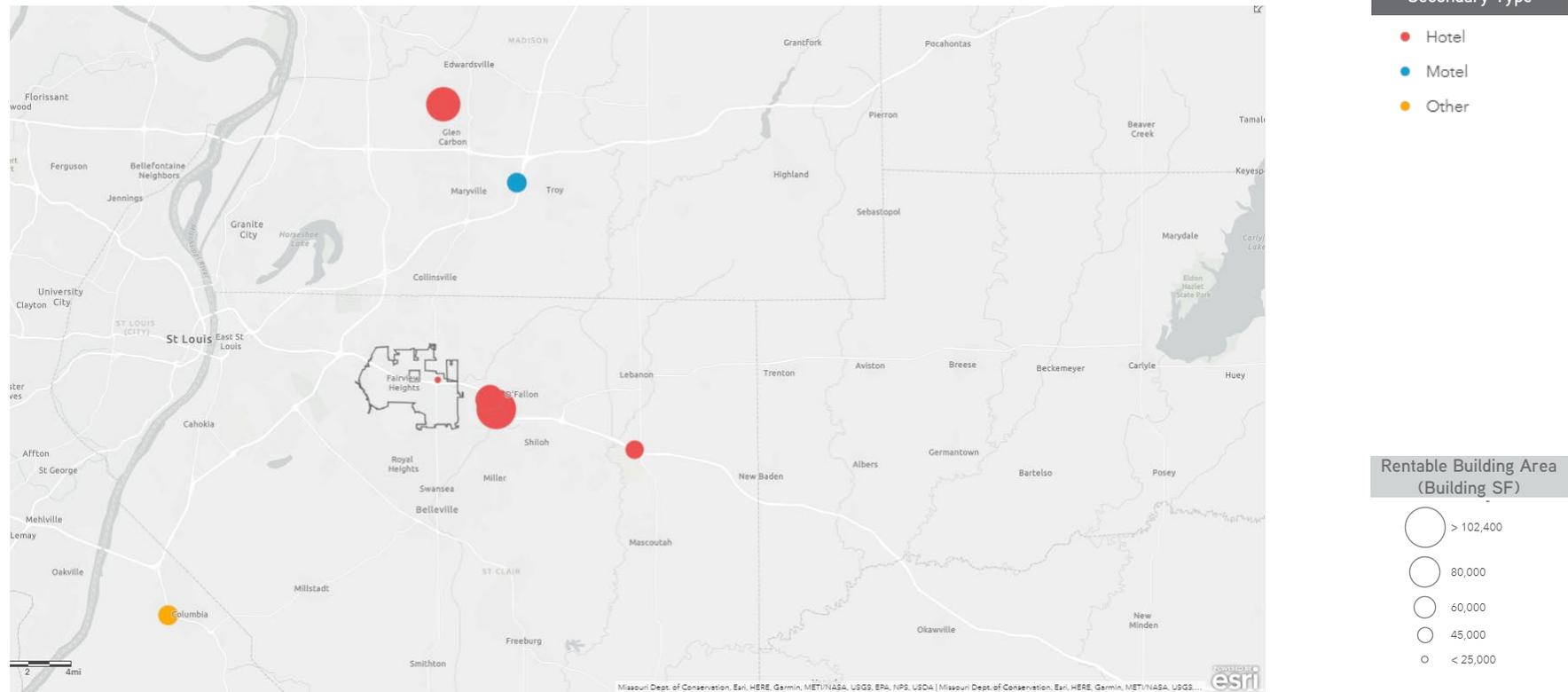
Metro East – Commercial Development since 2008: HEALTH CARE



Source: CoStar

Construction & Development Activity

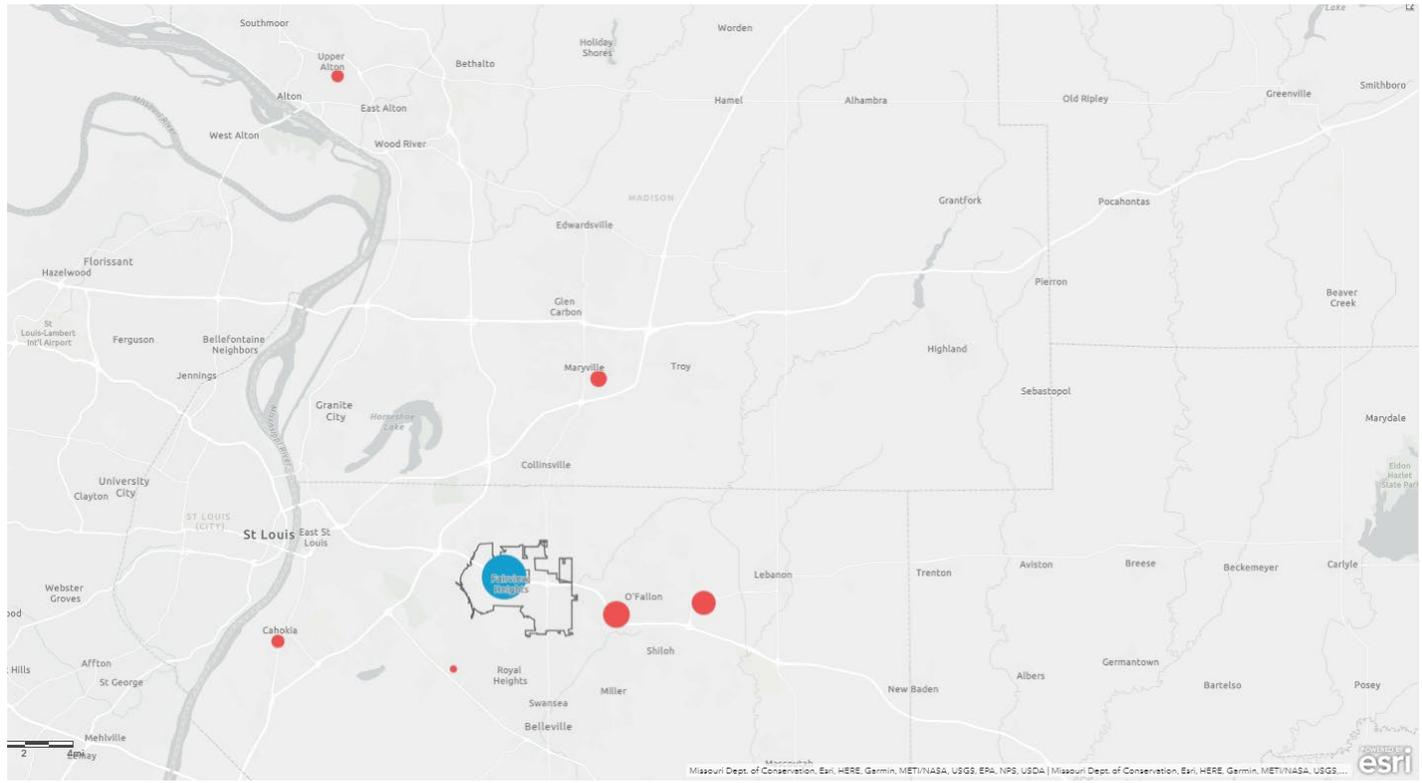
Metro East – Commercial Development since 2008: HOSPITALITY



Source: CoStar

Construction & Development Activity

Metro East – Commercial Development since 2008: SPECIALTY, SPORTS & ENTERTAINMENT



Source: CoStar

Fairview Heights – Space Availability Analysis

INVENTORY SF 2.7 M +0.6% Prior Period 2.7 M	UNDER CONSTRUCTION SF 0 -100.0% Prior Period 3.7 K	12 MO NET ABSORPTION SF (102 K) -435.5% Prior Period (19 K)	VACANCY RATE 15.2% +4.3% Prior Period 10.9%	MARKET RENT/SF \$15.87 +0.9% Prior Period \$15.73	MARKET SALE PRICE/SF \$125 -1.6% Prior Period \$127	MARKET CAP RATE 7.7% +0.2% Prior Period 7.5%
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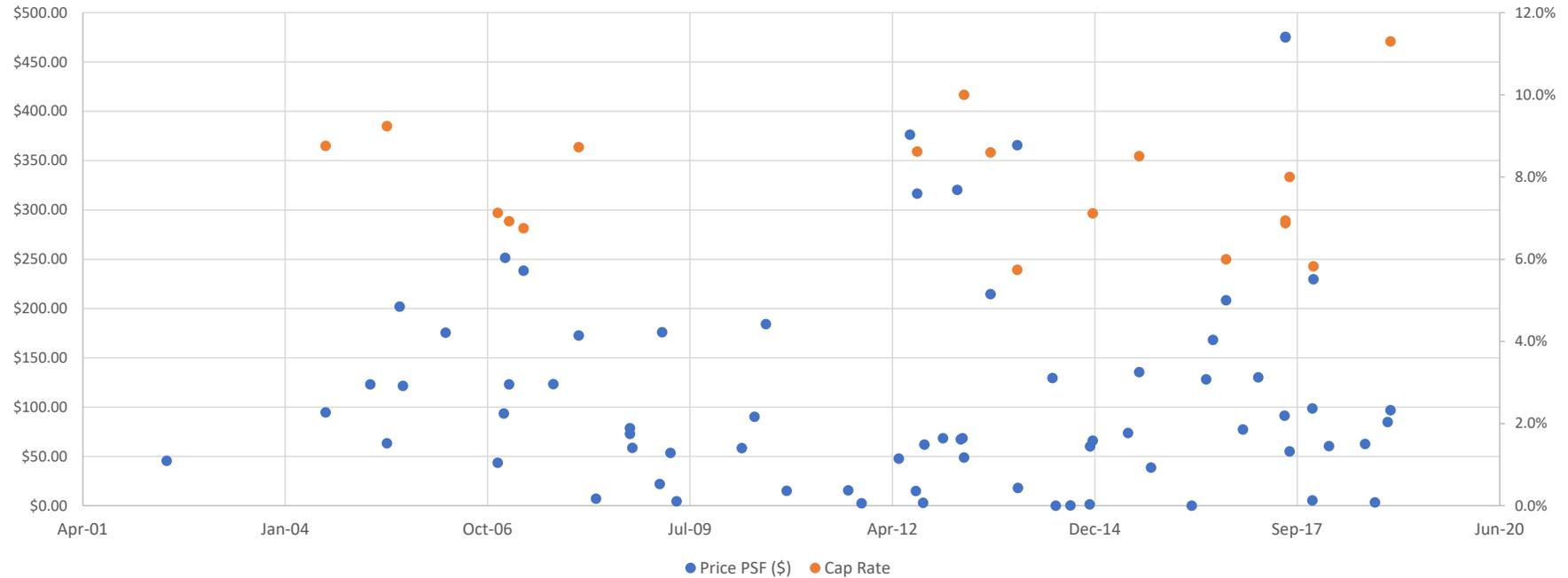
Availability		Inventory		Sales Past Year		Demand	
Vacant SF	411 K ↑	Existing Buildings	46 ↑	Asking Price Per SF	-	12 Mo Net Absorp % of Inventory	-3.8% ↓
Sublet SF	12.9 K ↓	Under Construction Avg SF	-	Sale to Asking Price Differential	-	12 Mo Leased SF	215 K ↑
Availability Rate	21.1% ↑	12 Mo Demolished SF	0 ↓	Sales Volume	\$4.1 M ↓	Months on Market	12.7 ↓
Available SF	569 K ↑	12 Mo Occupancy % at Delivery	75.2% ↑	Properties Sold	3 ↓	Months to Lease	38.4 ↑
Available Asking Rent/SF	\$14.72 ↑	12 Mo Construction Starts SF	12.3 K ↓	Months to Sale	-	Months Vacant	136.7 ↑
Occupancy Rate	84.8% ↓	12 Mo Delivered SF	15.7 K ↑	For Sale Listings	10 ↑	24 Mo Lease Renewal Rate	41.2%
Percent Leased Rate	85.3% ↓	12 Mo Avg Delivered SF	12.4 K ↓	Total For Sale SF	134 K ↑	Population Growth 5 Yrs	-1.2%

Source: CoStar

Transaction Tracking

Historic Price Per SF and Cap Rates

Fairview Heights - Historic Investment Sales



Per Real Capital Analytics – Transaction Definition

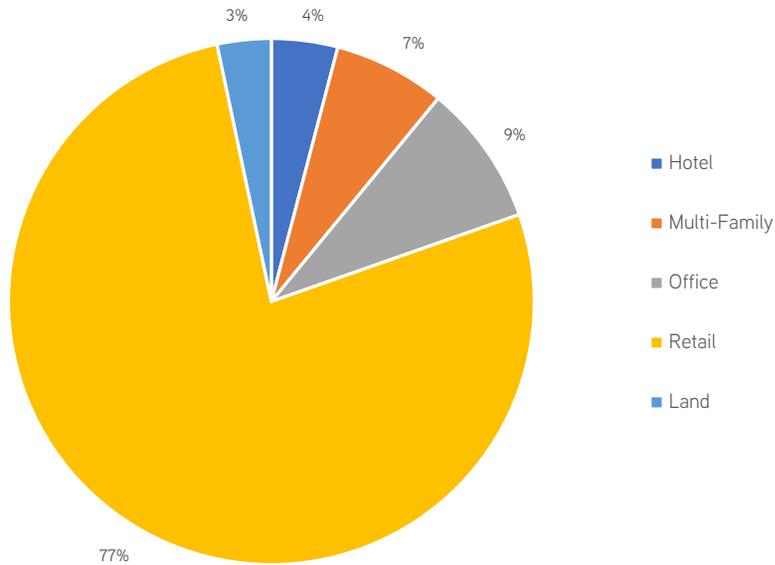
Records are maintained for transactions that represent the transfer of either a partial interest or full interest in a property or portfolio of properties. Transactions are assumed to be fee simple; leasehold, leased fee/land only and commercial condominium interests are noted, if known. Transactions include asset sales and entity-level transactions. Sales of partial interest transactions will receive sales volume credit valued at the pro-rated share.

Source: Real Capital Analytics

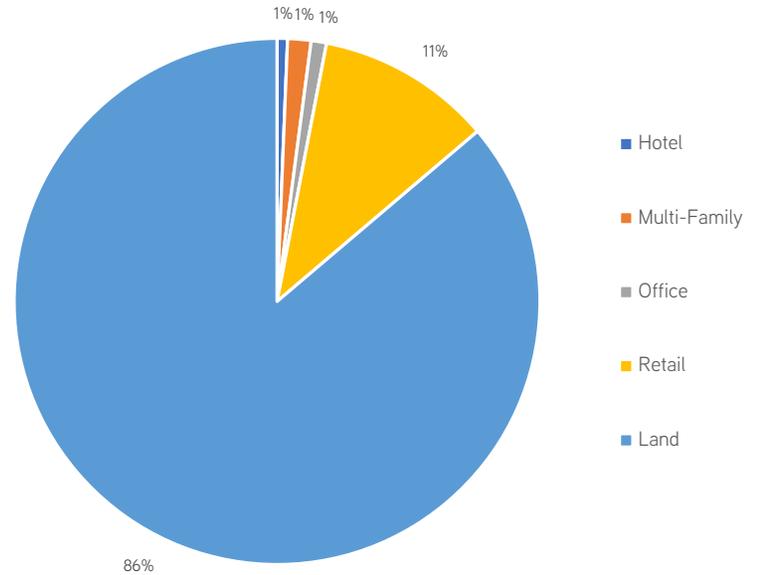
Transaction Tracking

Property Type Analysis

Investment Sales since 2009 by Property Type (Price \$)



Investment Sales since 2009 by Property Type (SF)



Per Real Capital Analytics – Transaction Definition

Records are maintained for transactions that represent the transfer of either a partial interest or full interest in a property or portfolio of properties. Transactions are assumed to be fee simple; leasehold, leased fee/land only and commercial condominium interests are noted, if known. Transactions include asset sales and entity-level transactions. Sales of partial interest transactions will receive sales volume credit valued at the pro-rated share.

Source: Real Capital Analytics

Retail VOID Study

Retailers NOT within 10-Minutes of Fairview Heights, IL *(per CreditnTell VOID Analysis)*

7-Eleven US	Anthropologie	Brookfield Properties	Down Town Locker Room	Gander Outdoors	Johnston & Murphy Outlet	Lucky Brand	Orangetheory Fitness	Rack Room Shoes	Soft Surroundings	Topgolf	West Marine
84 Lumber	Arhaus Furniture	buybuy BABY	Dry Goods	Gap	K&G	Lucky's Market	Oshkosh B'gosh	Regal Cinemas	Sola Salon Studios	Tractor Supply Co.	Whole Foods Market
Advance Auto Parts	Athleta	Cabela's	Dunham's Sports	GBT Realty	Kitchen Collection	Lululemon Athletica	P.F. Chang's China Bistro	REI (Recreational Equipment, Inc.)	Soma Intimates	Trader Joe's	Williams-Sonoma
AEO Factory Store	Banana Republic	California Pizza Kitchen	Ethan Allen	Glik's	Kroger	Madewell	Pearle Vision	Restoration Hardware	Staples	True Value Hardware	Worldpac
erie	BancorpSouth	Camping World	Factory Connection	Good Neighbor Pharmacy	LA Fitness	Maggiano's Little Italy	Peebles	Rural King	Stein Mart	Tuesday Morning	YMCA
Altar'd State	Barre3	Carter's	Farrell's eXtreme Bodyshaping	Goody's	Lady Foot Locker	Meijer	Pet Supplies Plus	Saks Fifth Avenue	Sur La Table	U.S. Cellular	
Amazing Lash Studio	Bass Pro Shops	Cato Fashions	Fastenal	Hibbett Sports	Lady Janes Haircuts for Men	Motherhood Maternity Outlet	PetSense	Saks Off 5th	TH Real Estate	uBreakiFix	
Amazon Retail Distribution Centers	Bob's Discount Furniture	Costco Wholesale US	FFO Home	Hopcat	Landmark Theaters	MW Tux	Pinot's Palette	Scheels	The Capital Grille	UMB Bank	
AMC Classic	Bonefish Grill	Crate & Barrel	Fidelity	Hy-Vee	LEGO Stores	Naturalizer US	Pottery Barn	Sephora	The Cheesecake Factory	Urban Edge	
AMC Dine-In	Bonobos	Curves	Fleming's Prime Steakhouse & Wine Bar	J.Crew	Life Time Fitness	Neiman Marcus	Pottery Barn Kids	Shake Shack	The Container Store	Urban Outfitters	
AMC Movie Theatres	Books-A-Million	Dave & Buster's	Footaction	J.Crew Outlet	LOFT Outlet	New York & Company	Prep Property Group	Shoe Sensation	The Tile Shop	Von Maur	
Ann Taylor	BRAVO!	Destination Maternity	Fred's	Janie and Jack	Logan's Roadhouse	Nordstrom	Pure Barre	Simply Mac	The Vitamin Shoppe	Warby Parker	
Ann Taylor Factory Stores	BRIO	Dickey's Barbecue Pit	Free People	Johnston & Murphy	Louis Vuitton	Nordstrom Rack	QuikTrip	Snap Fitness	Tilly's	West Elm	

Source: VOID Analysis is a product of F&D Reports & CreditIntell

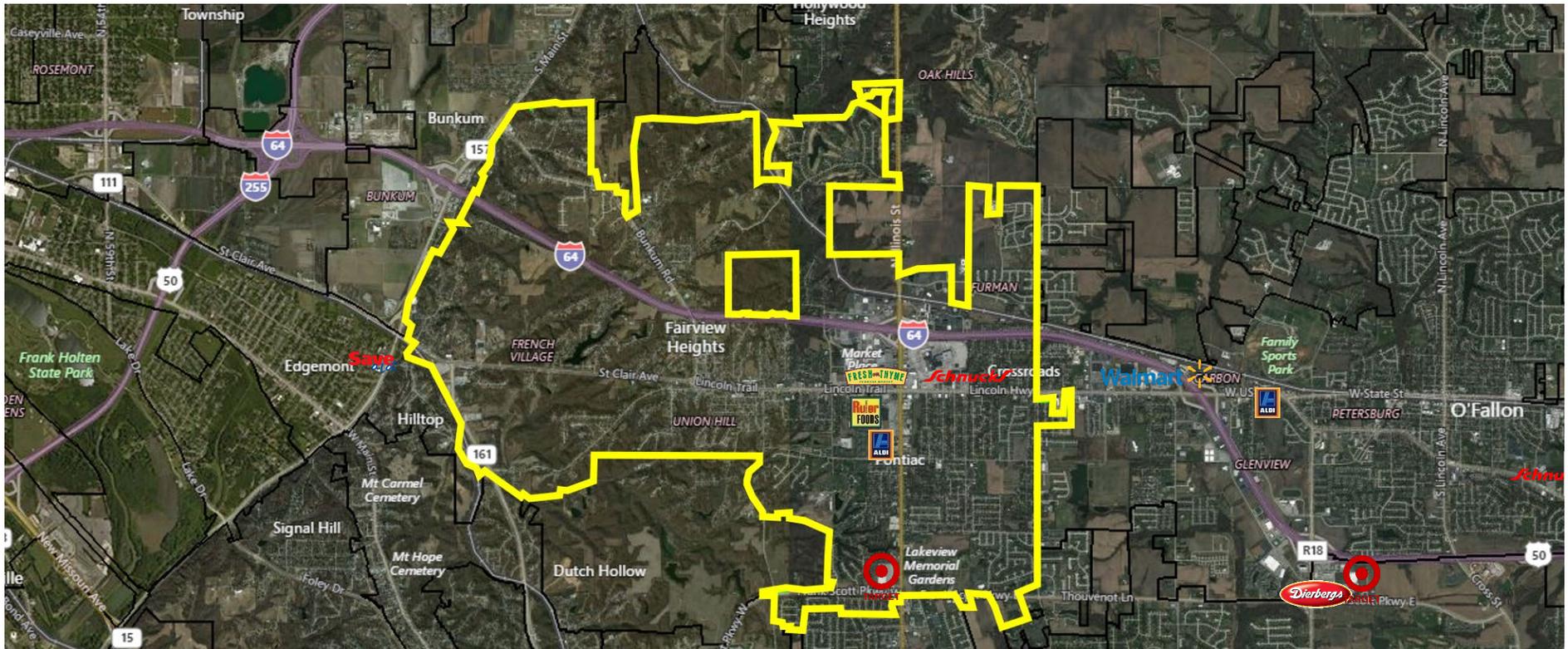
Commercial Real Estate Market Retail VOID Study

Retailers NOT within 10-Minutes of Fairview Heights, IL (per CreditnTell VOID Analysis)



Source: VOID Analysis is a product of F&D Reports & CreditIntell

Grocery Stores



Source: LandVision

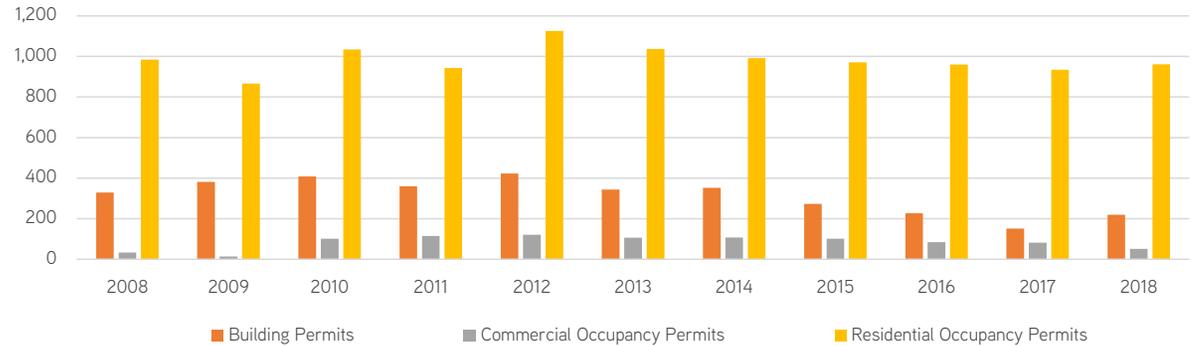
Residential Real Estate Market

Building Permits

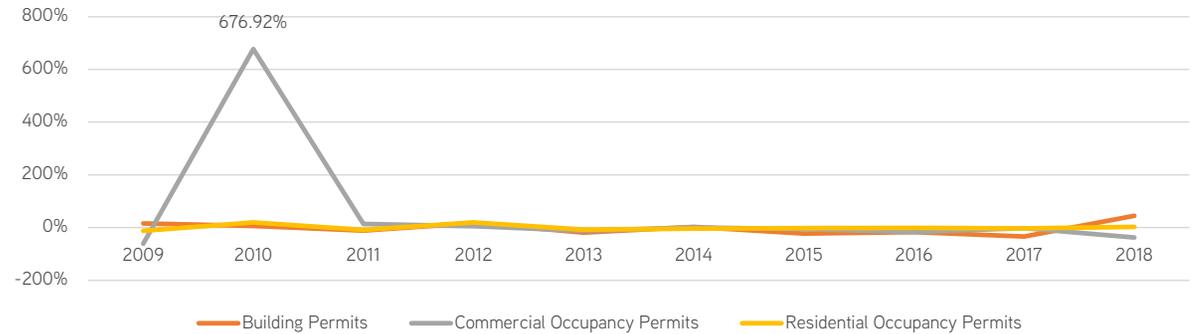
Year	# of Building Permits	Commercial Occupancy Permits	Residential Occupancy Permits
2008	329	33	984
2009	382	13	866
2010	408	101	1034
2011	360	115	943
2012	423	121	1126
2013	344	106	1037
2014	352	107	992
2015	273	101	971
2016	227	84	960
2017	151	82	935
2018	219	51	962

Spike from 2009 to 2010 is probably the result of a change in policy regarding the way kiosks and other vendors in the mall were required to obtain a separate permit

Fairview Heights – Permit Tracking



Percent Change Year-to-Year



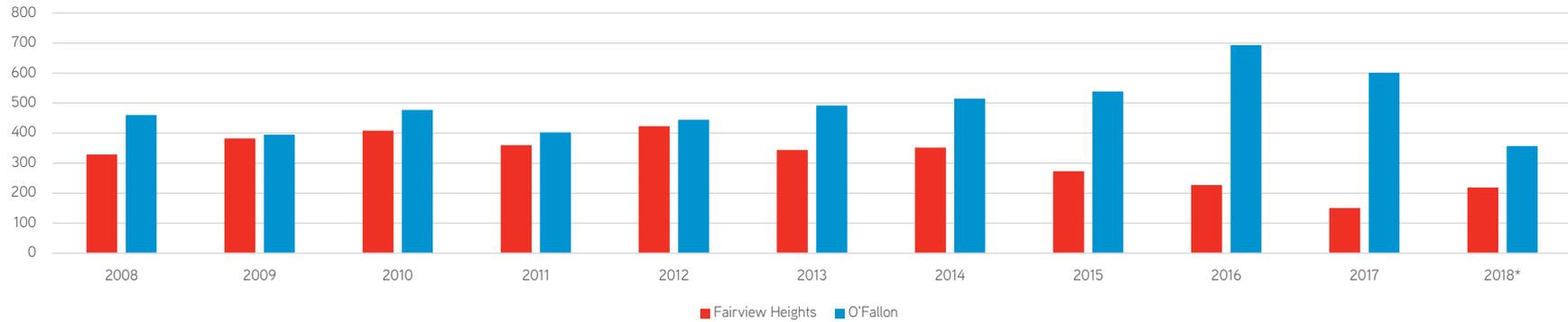
Source: City of Fairview Heights

Residential Real Estate Market

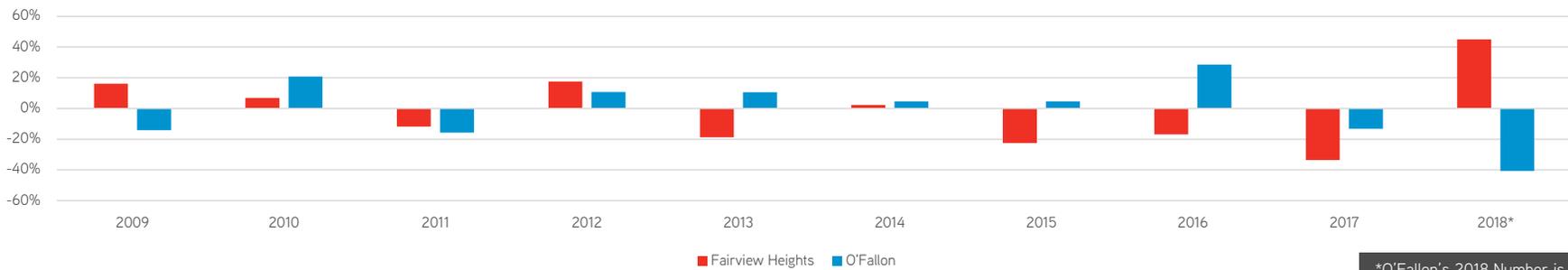
Building Permits

Fairview Heights compared to O'Fallon, IL

Building Permit Comparison



Year-over-Year Change



Source: City of Fairview Heights and Online City Records of O'Fallon

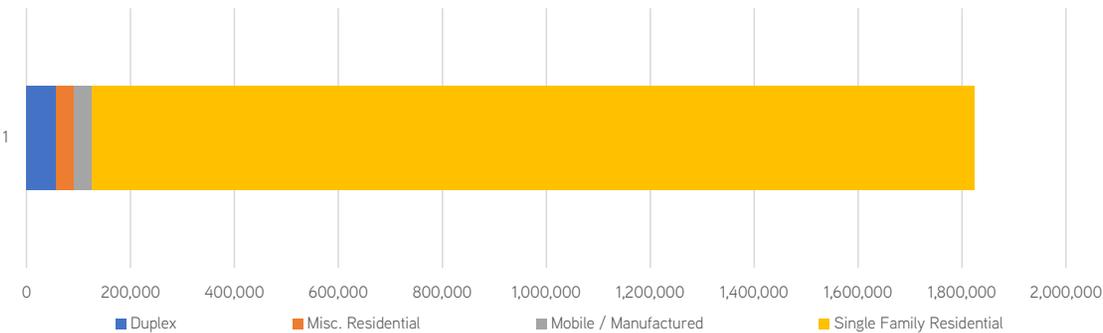
*O'Fallon's 2018 Number is only through June 30, 2018

Residential Building Trends

Fairview Heights Residential Buildings Built since 2000



All Residential Buildings Built since 2000 – Secondary Type (Total Bldg SF)

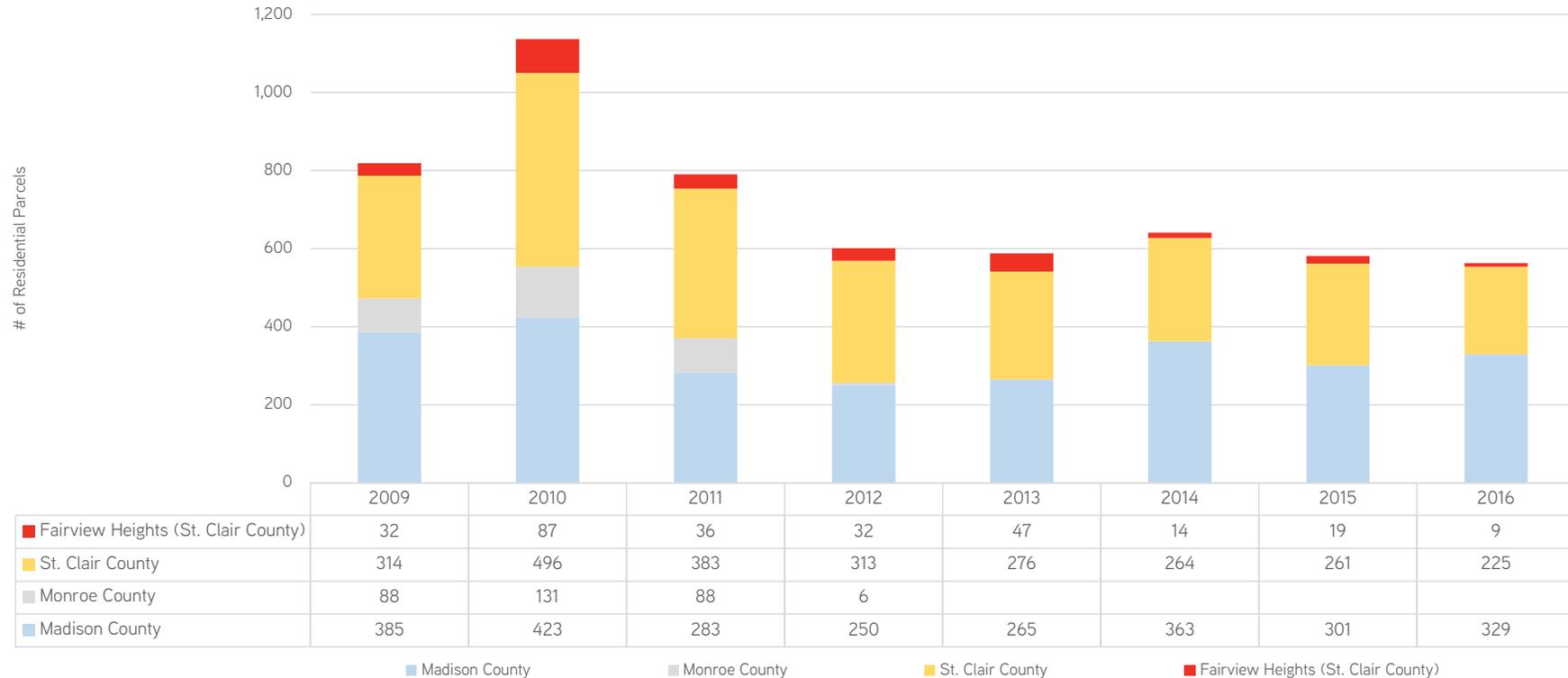


Source: LandVision – Data available to 2016

Year Built	# of Parcels	Total Building SF	% SF Change
2001	53	85,210	NA
2002	149	243,930	186.27%
2003	95	139,821	-42.68%
2004	145	211,708	51.41%
2005	217	318,585	50.48%
2006	110	168,971	-46.96%
2007	119	164,017	-2.93%
2008	89	130,162	-20.64%
2009	32	41,573	-68.06%
2010	87	110,041	164.69%
2011	36	47,768	-56.59%
2012	32	45,454	-4.84%
2013	47	58,168	27.97%
2014	14	17,428	-70.04%
2015	19	26,044	49.44%
2016	9	14,417	-44.64%

Residential Building Trends – Metro East

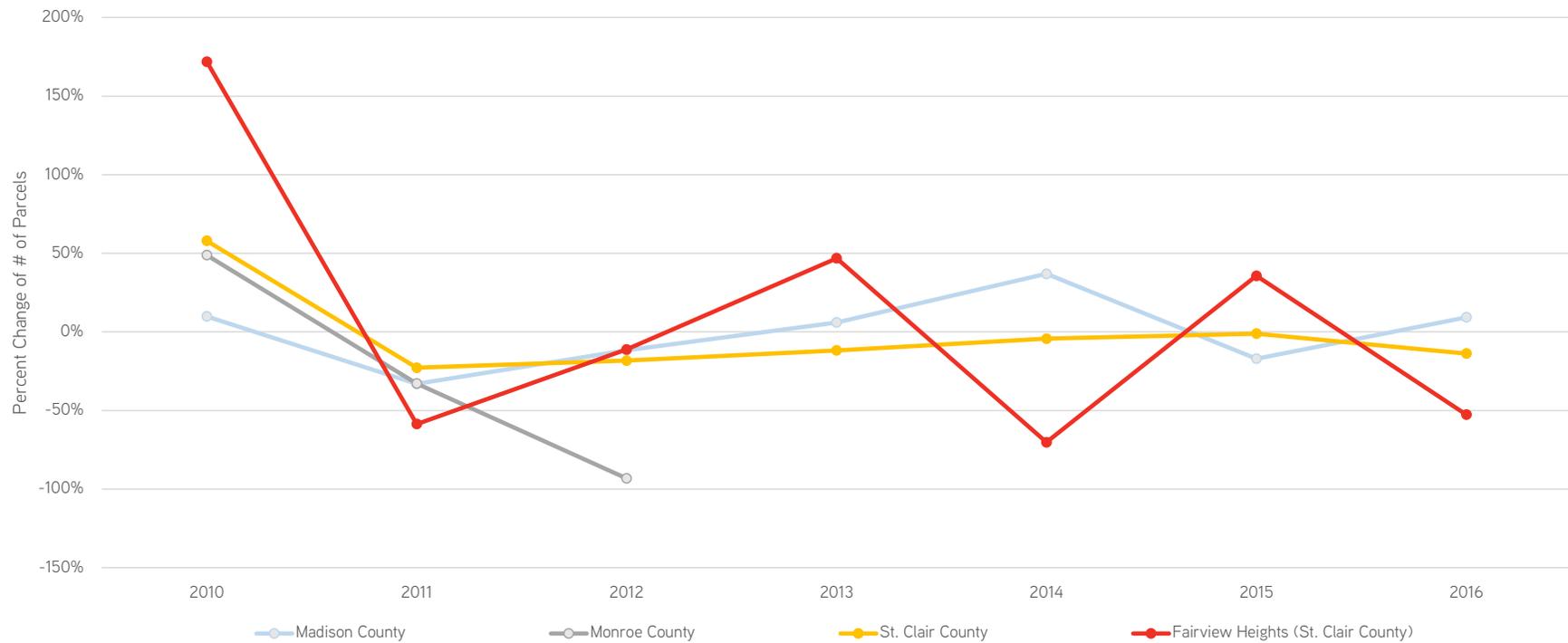
Metro East Residential Buildings Built since 2009 (# of Parcels)



Source: LandVision – Data available to 2016

Residential Building Trends – Metro East

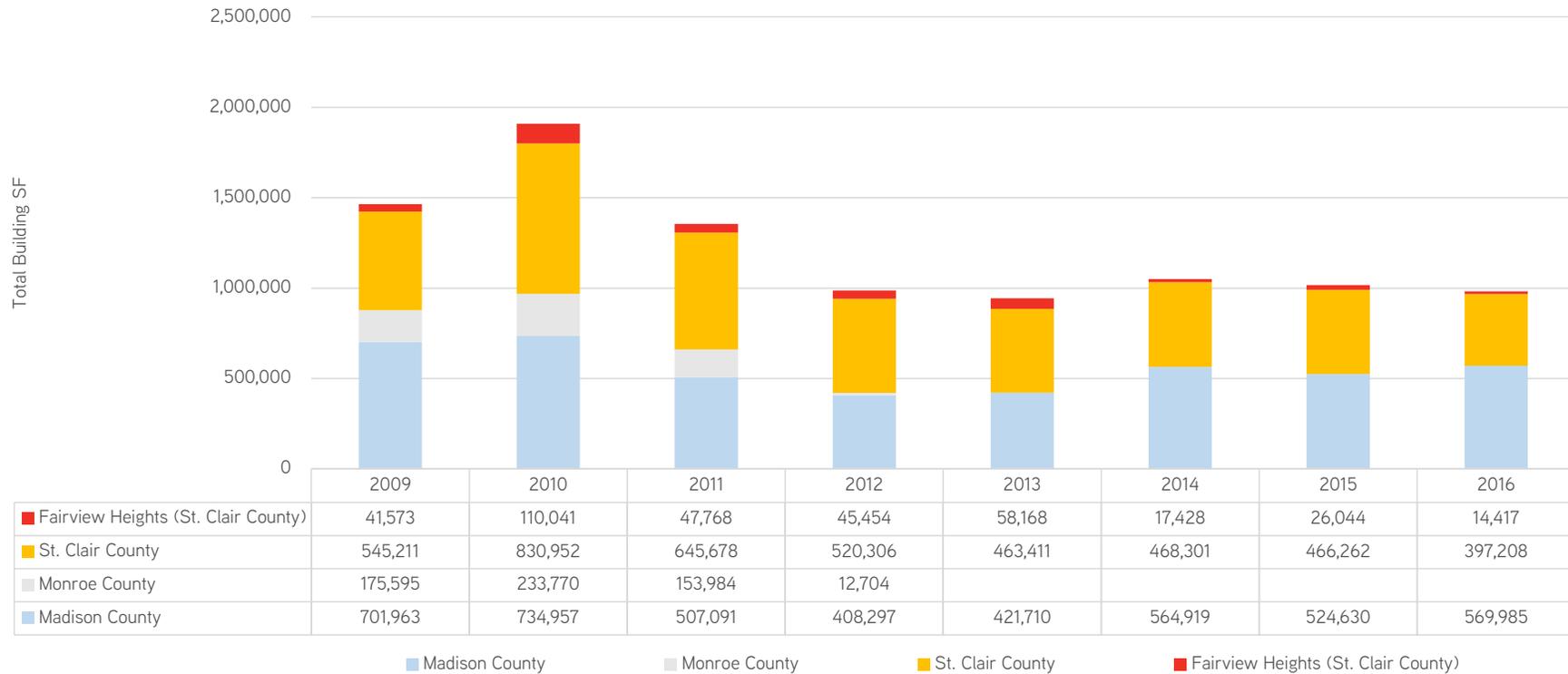
Metro East Residential Buildings Built since 2009 – Percent Change (# of Parcels)



Source: LandVision – Data available to 2016

Residential Building Trends – Metro East

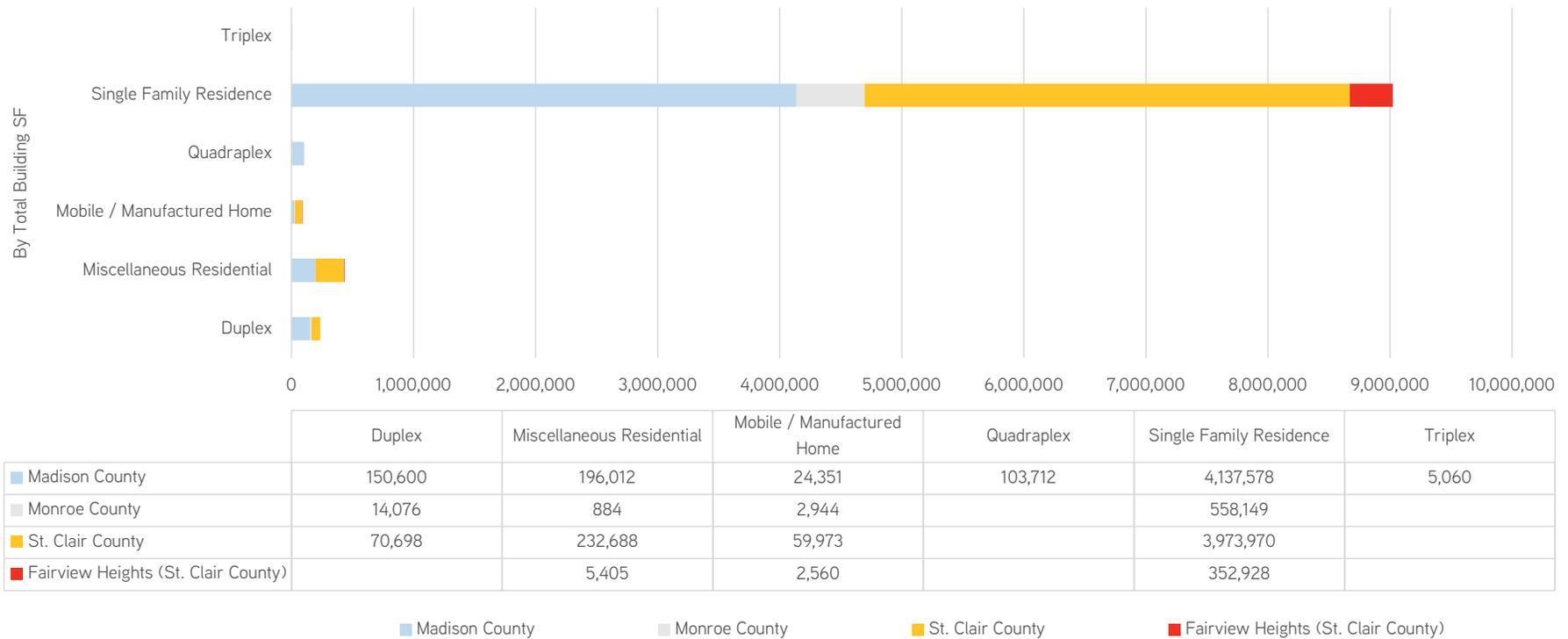
Metro East Residential Buildings Built since 2009 – Total Building SF



Source: LandVision – Data available to 2016

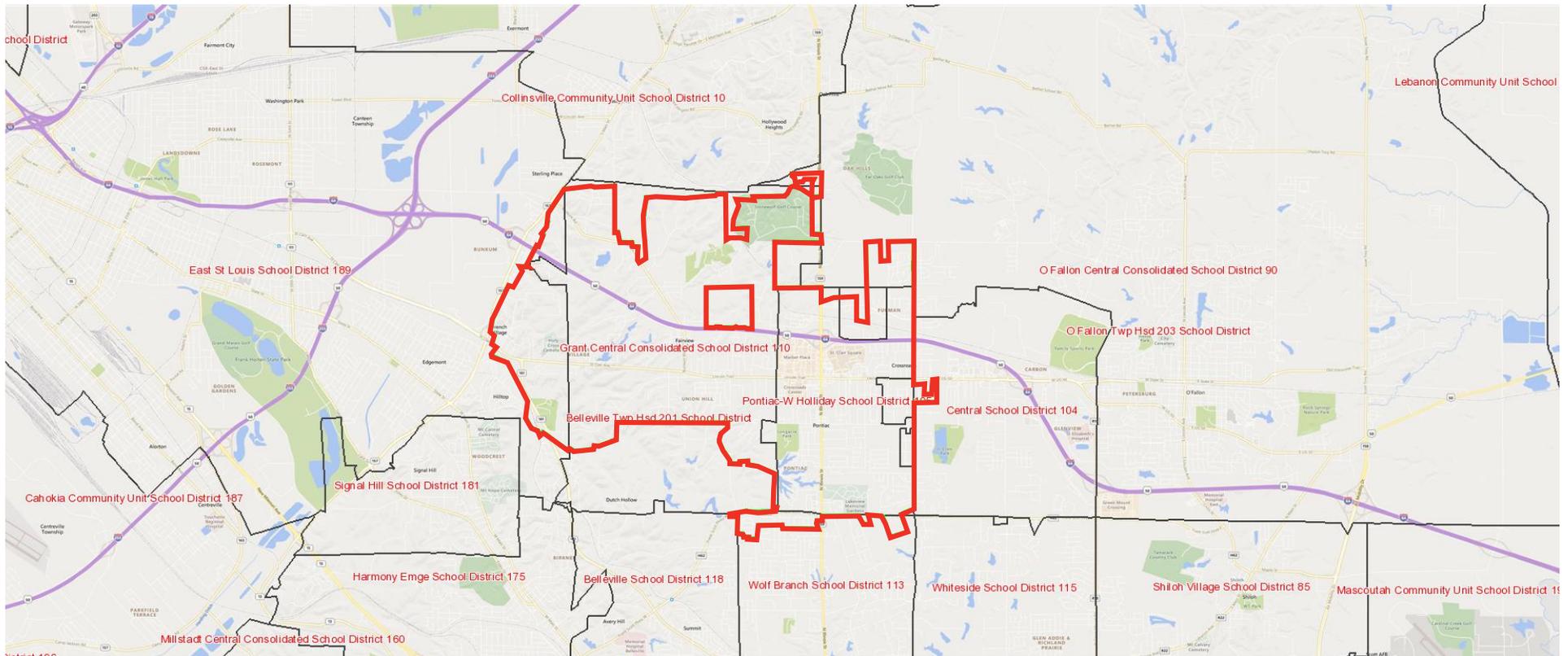
Residential Building Trends – Metro East

Metro East Residential Buildings Built since 2009 – Use Code Description by Total Building SF



Source: LandVision – Data available to 2016

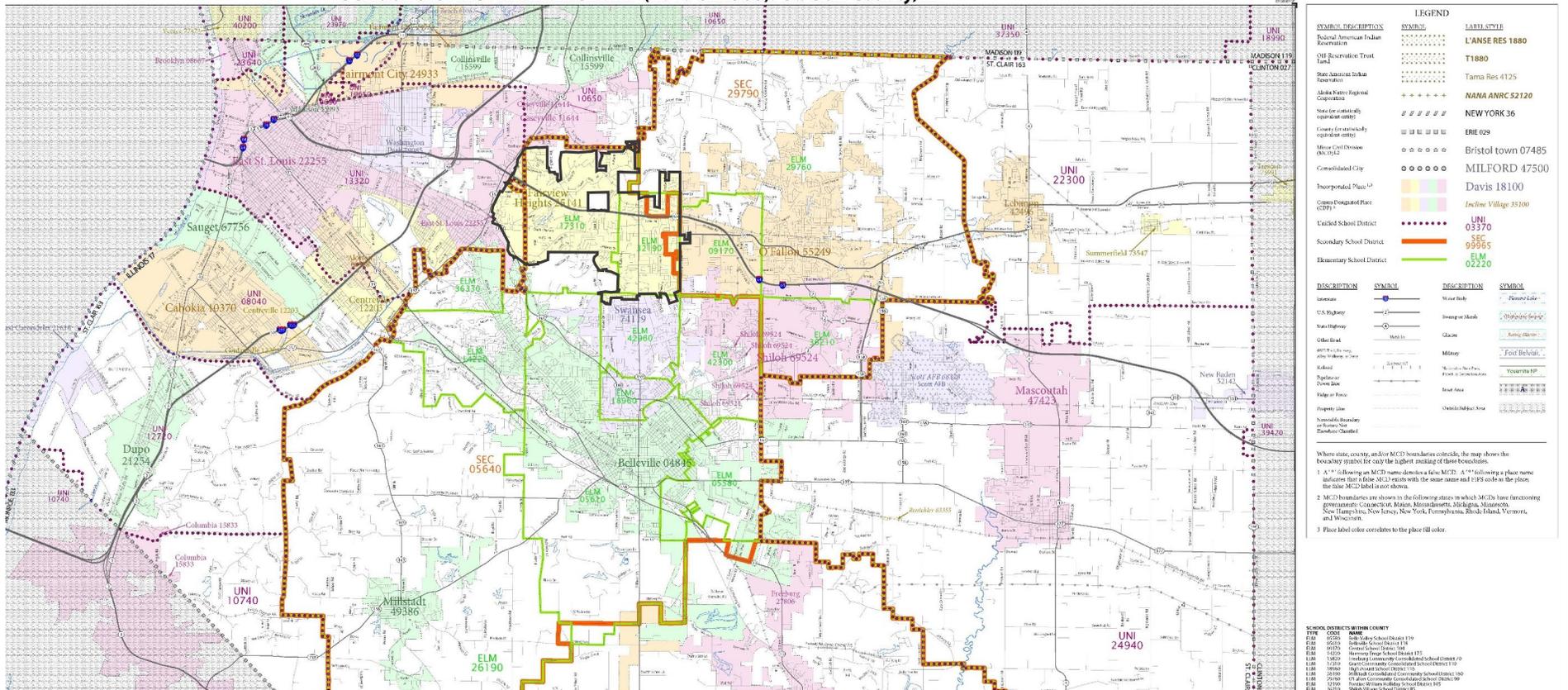
School Districts



Source: LandVision

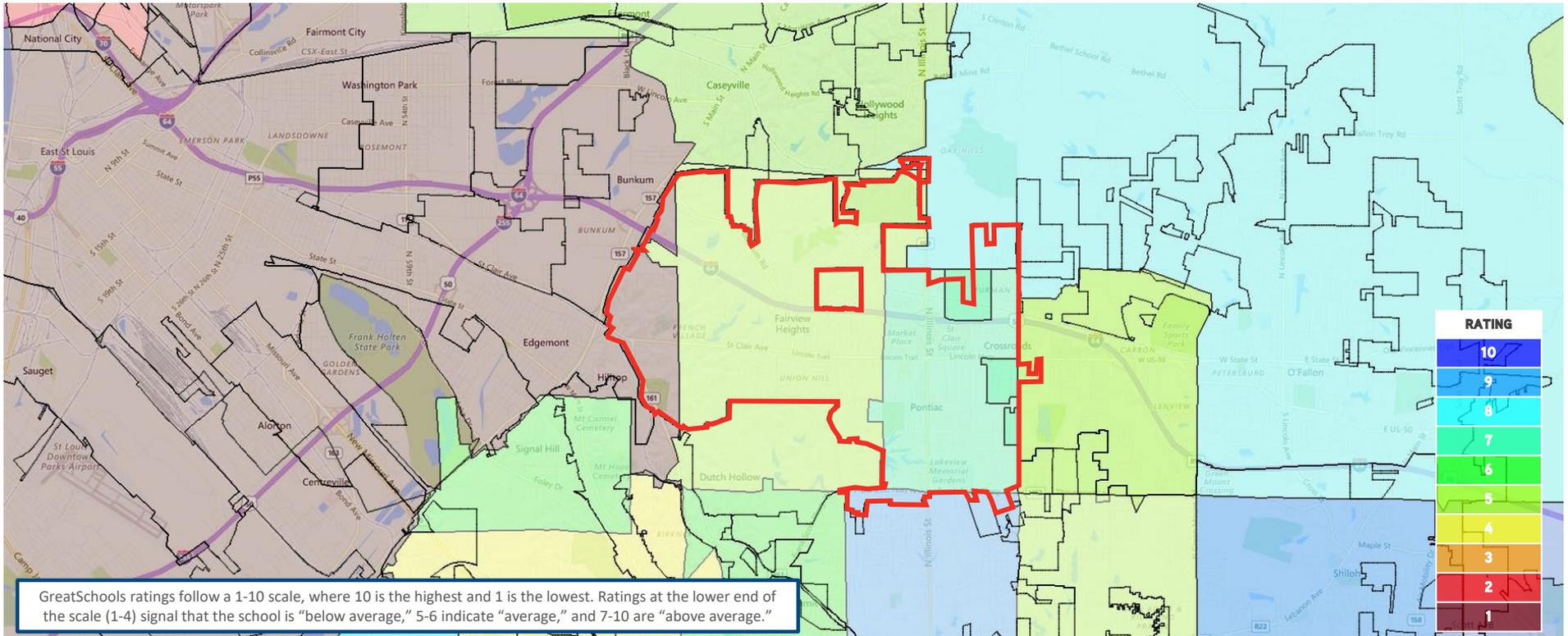
School Districts

SCHOOL DISTRICT REFERENCE MAP (2010 CENSUS): St. Clair County, IL



Source: United States Census Bureau

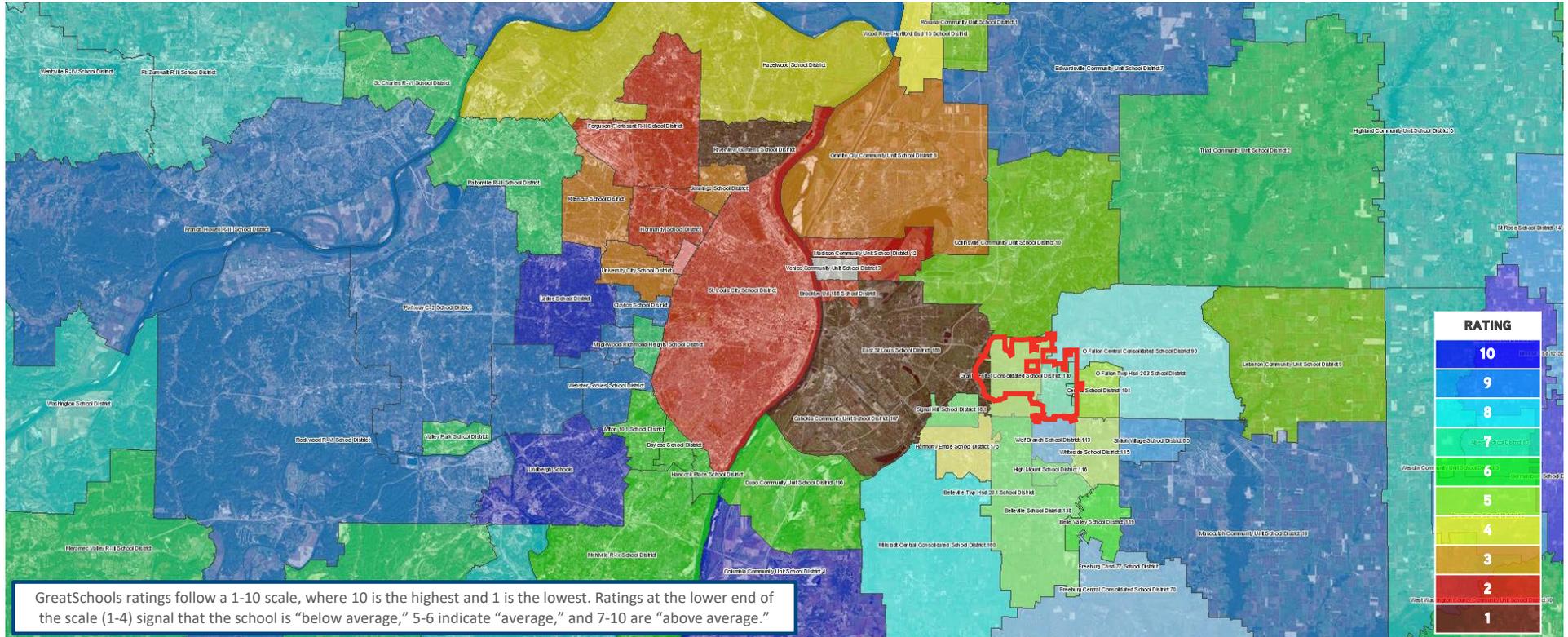
School Districts



GreatSchools ratings follow a 1-10 scale, where 10 is the highest and 1 is the lowest. Ratings at the lower end of the scale (1-4) signal that the school is “below average,” 5-6 indicate “average,” and 7-10 are “above average.”

Source: LandVision

School Districts



GreatSchools ratings follow a 1-10 scale, where 10 is the highest and 1 is the lowest. Ratings at the lower end of the scale (1-4) signal that the school is “below average,” 5-6 indicate “average,” and 7-10 are “above average.”

Source: LandVision

School Districts – GreatSchools Definitions

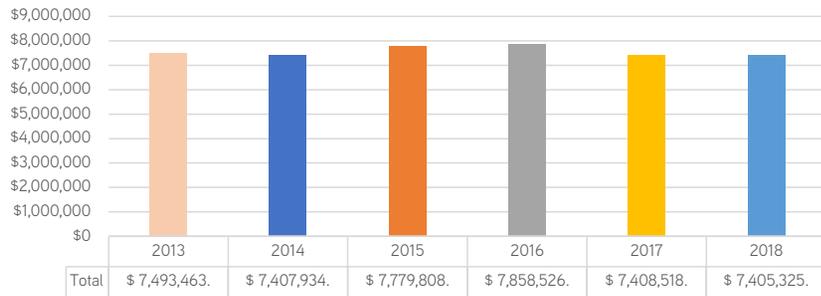
Each GreatSchools rating is on a 1-10 scale and is categorized as follows: 1-3 = “below average,” 4-7 = “average,” 8-10 = “above average.” The overall rating for a school is a weighted combination of multiple sub-ratings.

Sub-ratings are weighted equally, though actual weights depend on the amount of data available per school and what grades that school serves. For instance, the overall rating for a school serving grades K-5 would be 50% based on student achievement and 50% based on student growth. The rating for a high school with data for all three measures would be 33% based on student achievement, 33% student growth, and 33% college readiness

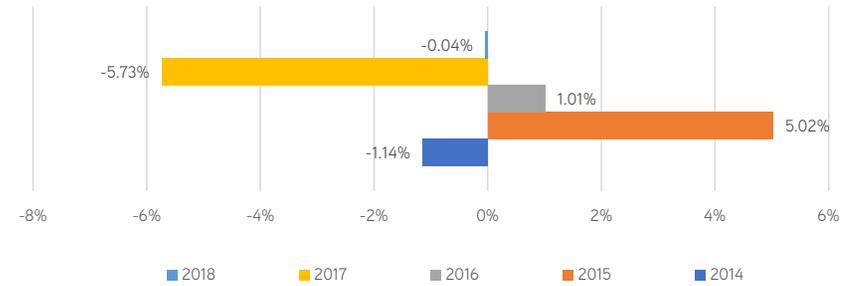
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Sales Tax Collections

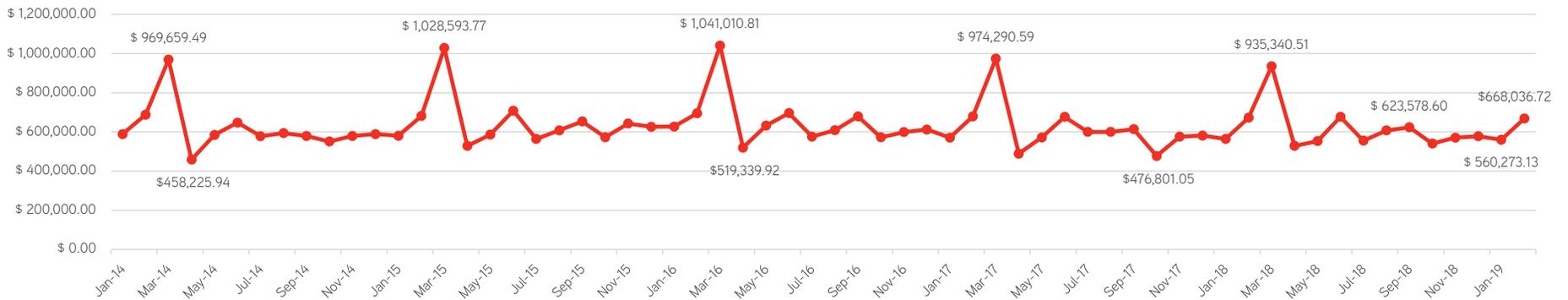
Sales Tax Collection by Year



Sales Tax Collection by Year – Percent Changed



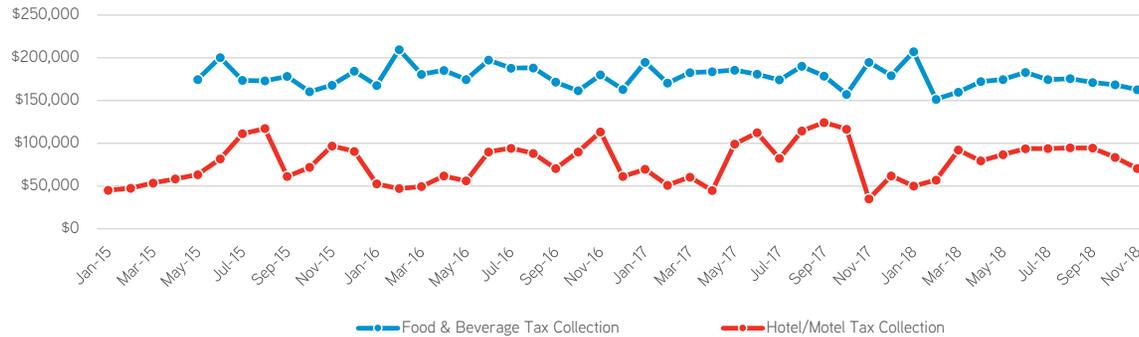
Sales Tax Collection by Month



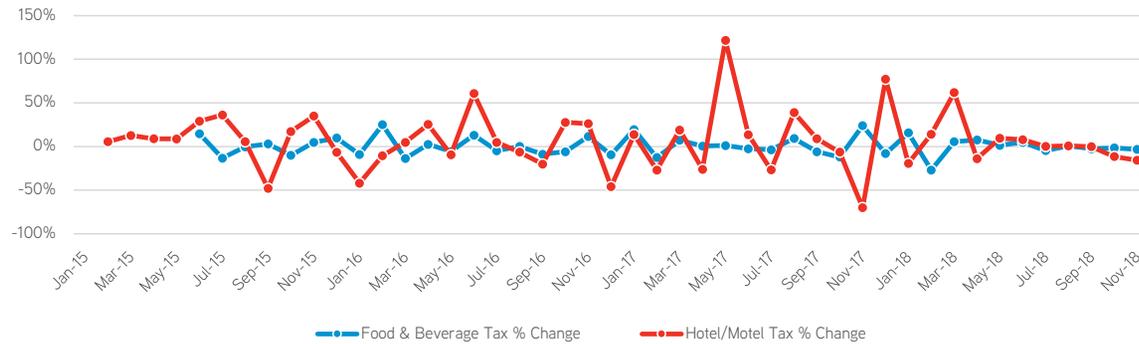
Source: City of Fairview Heights, IL Sales Tax Report, State 1% Municipal Tax Portion, February 2019 Report ran 2/13/2019

Sales Tax Collections

Sales Tax Collections



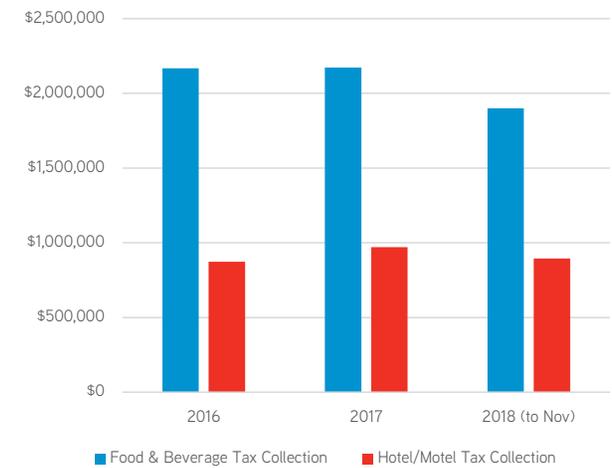
Sales Tax Collections – Percentage Change



Source: City of Fairview Heights, IL Sales Tax – Four-Year Tax Collection Summary – Hotel-Motel Tax Collection, Food & Beverage Tax Collection

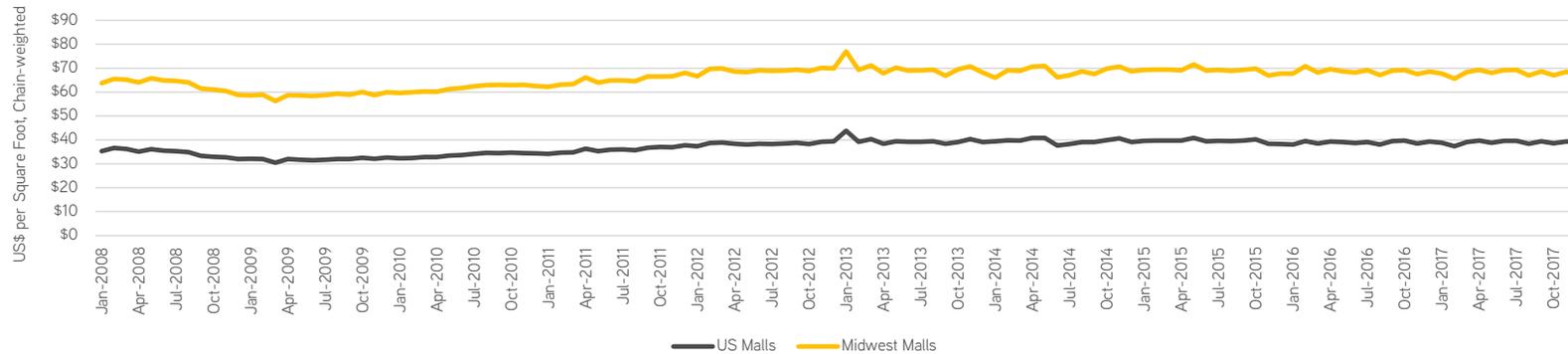
Annual Tax Collection

Total Collection	Food & Beverage Tax	Hotel/Motel Tax
2016	\$2,167,279	\$873,232
2017	\$2,172,513	\$970,402
2018	\$1,900,631	\$895,195
TOTAL	\$6,240,423	\$2,738,829

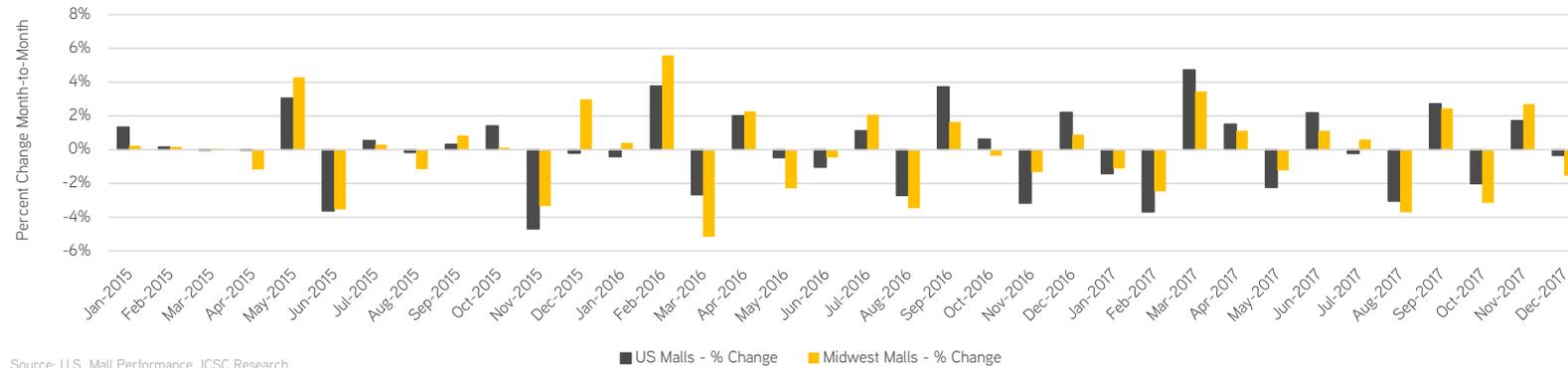


Mall Sales / Retail Sales Analysis

Mall Sales Productivity



Month-to-Month Change in Mall Sales Productivity



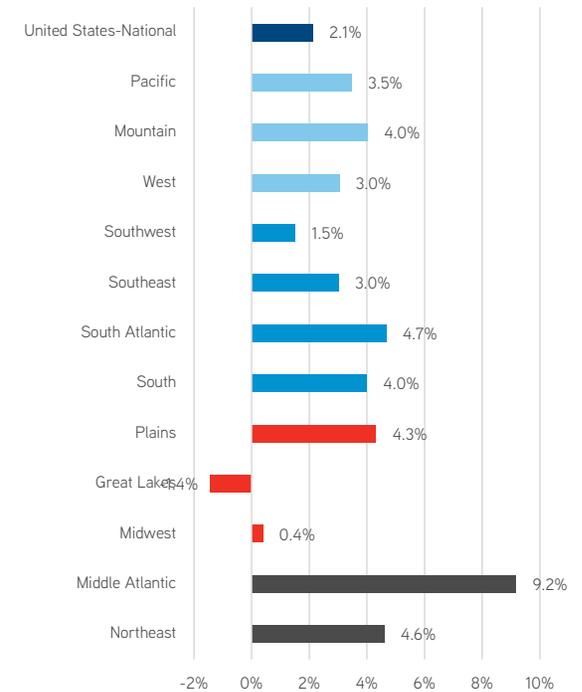
Source: U.S. Mall Performance, ICSC Research

Mall Sales / Retail Sales Analysis

Total Sales Productivity for Non-Anchor Tenants in U.S. Malls

	Seasonally-Adjusted Annual Rate (SAAR)				Calendar Year **			
	Nov-2017	Year-over-Year % Change	Year-to-Date (SAAR)	% Change from Prior Year-to-Date	2016	% Change from Prior Year	2015	% Change from Prior Year
Northeast	\$576	4.6%	\$546	-1.6%	\$553	-0.7%	\$556	-1.9%
New England	NA	NA	NA	NA	NA	NA	\$499	-7.5%
Middle Atlantic	\$617	9.2%	\$598	0.1%	\$597	0.5%	\$594	1.3%
Midwest	\$350	0.4%	\$349	-2.2%	\$356	0.2%	\$355	1.2%
Great Lakes (Includes IL)	\$350	-1.4%	\$352	-2.7%	\$360	0.0%	\$359	1.8%
Plains (Includes MO)	\$352	4.3%	\$346	-1.0%	\$349	0.6%	\$347	0.2%
South	\$462	4.0%	\$447	-0.2%	\$449	-2.5%	\$460	-0.4%
South Atlantic	\$502	4.7%	\$476	0.4%	\$476	-1.9%	\$485	-0.6%
Southeast	\$348	3.0%	\$349	-0.6%	\$353	1.2%	\$349	1.7%
Southwest	\$429	1.5%	\$430	-1.9%	\$438	-4.8%	\$460	-0.2%
West	\$606	3.0%	\$599	0.6%	\$598	-1.4%	\$606	2.8%
Mountain	\$536	4.0%	\$527	-0.8%	\$537	-3.4%	\$556	1.4%
Pacific	\$661	3.5%	\$647	1.0%	\$640	-0.2%	\$641	3.7%
United States-National	\$471	2.1%	\$467	0.1%	\$469	-1.8%	\$478	0.0%

Year-over-Year Change



Sales Productivity by Region



Source: ICSC Research – CenterView: An ICSC Shopping Center Benchmarking Report

* Most categories contain data starting in January 1996, while some series begin in March 1998

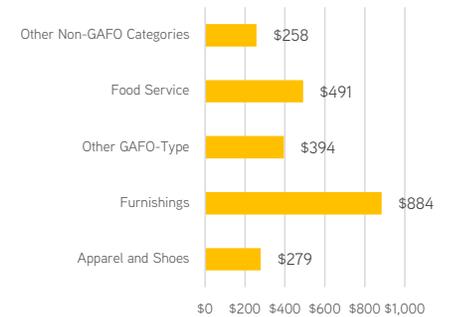
** Annual sales per square foot for years are not seasonally adjusted

Mall Sales / Retail Sales Analysis

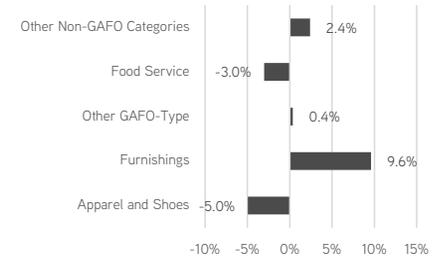
Sales Productivity for Non-Anchor Tenants in U.S. Midwest Malls

	Seasonally-Adjusted Annual Rate (SAAR)				Calendar Year **			
	Dec-2017	Year-over-Year % Change	Year-to-Date (SAAR)	% Change from Prior Year-to-Date	2016	% Change from Prior Year	2015	% Change from Prior Year
Apparel and Shoes	\$279	-5.0%	\$285	-4.5%	\$298	-2.1%	\$304	2.5%
Women's Ready to Wear - Total	\$199	-7.7%	\$217	-4.6%	\$226	-2.7%	\$232	3.7%
Women's Accessories and Specialties	\$494	-8.3%	\$495	-8.4%	\$541	-0.9%	\$546	4.9%
Men's Apparel	\$199	-0.3%	\$221	-3.6%	\$228	-2.8%	\$234	-2.2%
Children's Apparel	\$229	-2.7%	\$234	-4.1%	\$244	-5.1%	\$257	-4.5%
Family Apparel	\$253	-7.5%	\$264	-5.6%	\$279	-2.8%	\$287	-0.4%
Women's Shoe Stores	\$247	2.9%	\$245	-5.7%	\$258	-13.6%	\$299	0.0%
Men's Shoe Stores	\$557	18.9%	\$542	5.0%	\$514	3.0%	\$500	5.7%
Family Shoe Stores	\$256	5.6%	\$239	-3.4%	\$247	-3.4%	\$255	-0.9%
Athletic Shoe Stores	\$397	-5.2%	\$414	-1.4%	\$423	3.9%	\$407	6.8%
Children's Shoe Stores	\$485	7.9%	\$358	-7.9%	\$395	-2.2%	\$404	5.7%
Apparel and Accessories - Misc.	\$1,474	-6.9%	\$1,443	-2.4%	\$1,501	28.2%	\$1,170	2.5%
Furnishings	\$884	9.6%	\$816	4.4%	\$782	4.6%	\$747	2.1%
Home Furniture and Furnishings	\$325	4.9%	\$344	-2.2%	\$347	0.9%	\$344	-5.6%
Home Entertainment and Electronics	\$1,545	14.3%	\$1,357	6.6%	\$1,278	-0.8%	\$1,288	9.1%
Other GAFO-Type	\$394	0.4%	\$415	-1.4%	\$418	3.0%	\$406	-2.0%
Stationery/Cards/Gifts/Novelty	\$232	-2.8%	\$236	-4.4%	\$246	-3.1%	\$254	-0.8%
Books	\$151	-9.4%	\$155	-3.3%	\$161	0.1%	\$161	-0.9%
Sporting Goods/Bicycles	\$302	10.0%	\$285	7.8%	\$269	1.7%	\$264	-12.1%
Toys/Educational/Hobby	\$314	-11.5%	\$400	-8.8%	\$424	-5.5%	\$449	-7.9%
Personal Care	\$702	-1.8%	\$751	-1.8%	\$756	5.7%	\$716	8.8%
Jewelry	\$868	0.8%	\$871	-4.6%	\$905	-0.9%	\$914	1.7%
Other GAFO-Type- Miscellaneous	\$246	3.6%	\$264	6.2%	\$248	10.6%	\$224	-3.1%
Total GAFO-Type	\$346	-1.5%	\$349	-2.4%	\$357	0.1%	\$357	1.6%
Food Service	\$491	-3.0%	\$488	-4.8%	\$512	0.3%	\$511	1.5%
Fast Food	\$521	1.8%	\$528	-1.3%	\$533	4.2%	\$512	0.1%
Food Court	\$814	-1.1%	\$813	-3.1%	\$836	3.0%	\$812	5.0%
Restaurants	\$441	-4.3%	\$434	-5.9%	\$462	-0.8%	\$465	1.7%
Other Non-GAFO Categories	\$258	2.4%	\$241	2.5%	\$235	0.2%	\$235	-1.6%
Specialty Food Stores	\$492	-3.9%	\$499	-3.7%	\$517	-0.8%	\$521	1.9%
Drug/HBA	NA	NA	NA	NA	\$425	-7.6%	\$460	-8.6%
Personal Services	\$298	0.8%	\$298	-1.8%	\$302	0.2%	\$301	-2.3%
Theaters	\$91	-13.2%	\$82	-6.9%	\$88	-3.8%	\$91	2.7%
Mall Entertainment	\$285	16.1%	\$124	107.0%	\$71	91.0%	\$37	-10.1%
Other Non-GAFO-Type- Misc.	\$259	4.0%	\$236	7.8%	\$223	20.5%	\$185	-17.5%
TOTAL NON-GAFO-Type	\$356	0.1%	\$345	-1.7%	\$351	0.8%	\$348	-0.0%
memo: GAFO-Type + Food Service Total	\$359	-2.1%	\$364	-2.6%	\$372	0.1%	\$372	1.7%
GRAND TOTAL	\$345	-2.0%	\$349	-2.2%	\$356	0.2%	\$355	1.2%
memo: Total less Home Entertainment and Electronics	\$317	-3.1%	\$325	-2.9%	\$333	-0.1%	\$334	1.0%

Sales Productivity by Segment



Year-over-Year Change



GAFO stands for General Merchandise, Apparel and Accessories, Furniture and Other Sales

Source: ICSC Research – CenterView: An ICSC Shopping Center Benchmarking Report

* Most categories contain data starting in January 1996, while some series begin in March 1998

** Annual sales per square foot for years are not seasonally adjusted

Mall Sales / Retail Sales Analysis

Sales Per SF Analysis

St. Clair Square – Select Retailers

Business Name	Creditell Average Sales	Sales Notes
American Eagle Outfitters	\$412	Sales/Gross SF
Bath & Body Works	\$844	Sales/Selling SF
Buckle	\$344	Sales/Gross SF
Chico's	\$439	Sales/Selling SF
Christopher & Banks	\$165	Sales/Gross SF
Claire's	\$470	Sales/Gross SF
Dillard's	\$127	Sales/Gross SF
Express	\$300	Sales/Gross SF
Finish Line	\$368	Sales/Gross SF
Foot Locker-House of Hoops	\$495	Sales/Gross SF
Francesca's Collections	\$482	Sales/Gross SF
JCPenney	\$127	Sales/Gross SF
Journeys	\$498	Sales/Gross SF
Justice	\$273	Sales/Gross SF
Lane Bryant	\$245	Sales/Gross SF
Macy's	\$165	Sales/Selling SF
Maurices	\$200	Sales/Gross SF
Red Robin Gourmet Burgers	\$441	Sales/Gross SF
Starbucks	\$907	Sales/Gross SF
The Children's Place	\$281	Sales/Gross SF
Victoria's Secret	\$784	Sales/Selling SF
White House Black Market	\$473	Sales/Selling SF

Fairview Heights – Select Retailers

Business Name	Creditell Average Sales	Sales Notes
AutoZone, Inc.	\$269.00	Sales/Gross SF
Bed Bath & Beyond Inc.	\$282.92*	Sales/Gross SF
Big Lots, Inc.	\$118.00*	Sales/Gross SF
Burlington Stores, Inc.	\$183.00*	Sales/Selling SF
Dick's Sporting Goods, Inc.	\$178.00	Sales/Gross SF
Dollar General Corporation	\$220.00*	Sales/Gross SF
Dollar Tree, Inc.	\$194.00	Sales/Selling SF
Five Below	\$293.00	Sales/Gross SF
Fresh Thyme Farmers Market	\$380.00*	Sales/Gross SF
HomeGoods	\$382.00*	Sales/Selling SF
Jack in the Box	\$597.00*	Sales/Gross SF
McDonald's US	\$593.00*	Sales/Gross SF
Red Robin Gourmet Burgers, Inc.	\$461.00	Sales/Gross SF
Sam's Club	\$703.00*	Sales/Gross SF
Shoe Carnival, Inc.	\$229.00	Sales/Gross SF
Taco Bell	\$682.00	Sales/Gross SF
Target Corporation	\$300.00*	Sales/Gross SF
TJX Companies, Inc. (The)	\$416.00*	Sales/Gross SF
Walmart	\$427.00*	Sales/Gross SF
Wendy's	\$488.85*	Sales/Gross SF

Source: Creditell – Sales per Square Foot Report

*Creditell Estimates

Mall Sales / Retail Sales Analysis

CBL Properties – Tier 2 Malls (Sales ≥ \$300 to ≤ \$375 per square foot)

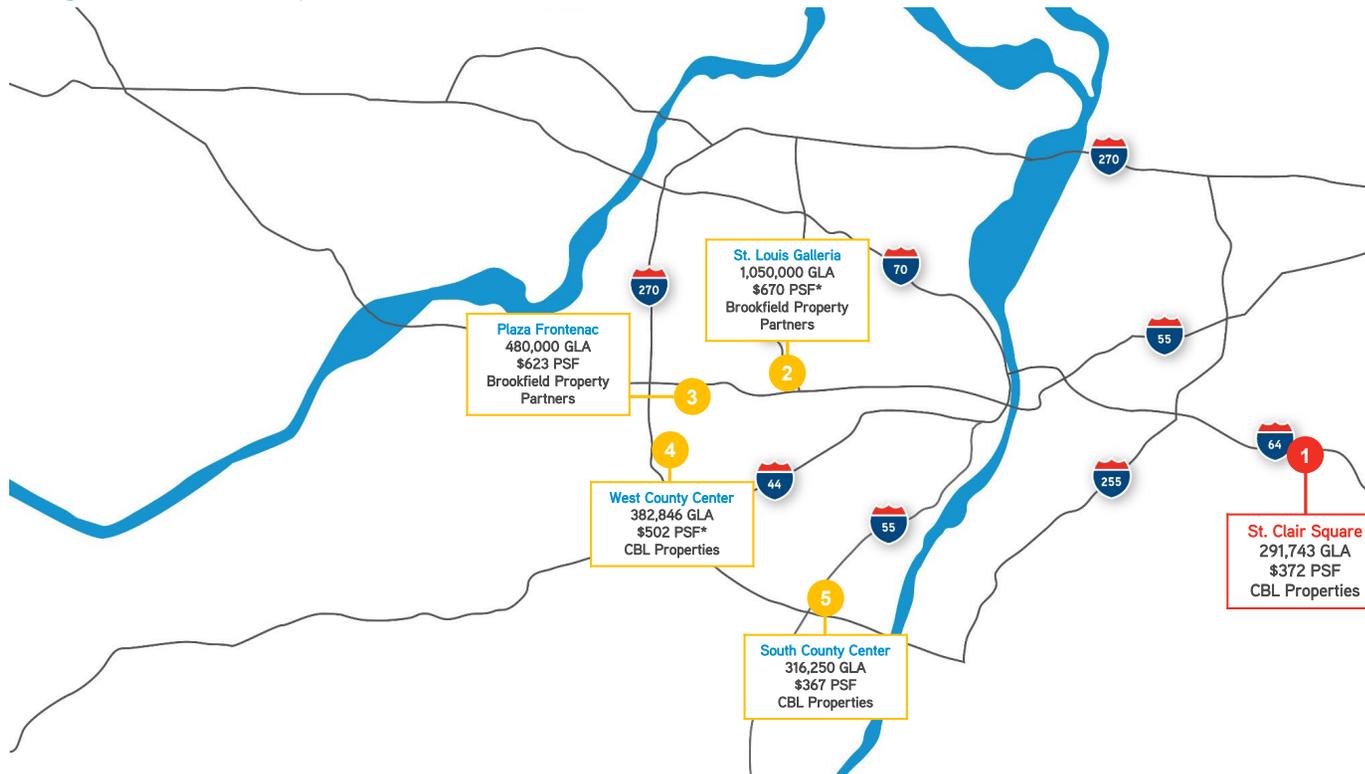
Rank	Mall Name	Location	Total Mall GLA	Mall Sales PSF	% GLA Leased
1	Imperial Valley Mall	El Centro, CA	213,318	\$374	91%
2	St. Clair Square	Fairview Heights, IL	291,743	\$372	95%
3	Asheville Mall	Asheville, NC	265,440	\$371	91%
4	West Towne Mall	Madison, WI	281,684	\$368	92%
5	Parkway Place	Huntsville, AL	278,624	\$366	93%
6	Valley View Mall	Roanoke, VA	336,683	\$361	100%
7	Parkdale Mall	Beaumont, TX	318,641	\$360	87%
8	Layton Hills Mall	Layton, UT	212,710	\$358	98%
9	Old Hickory Mall	Jackson, TN	161,839	\$356	76%
10	Post Oak Mall	College Station, TX	300,580	\$355	89%
11	Pearland Town Center	Pearland, TX	306,186	\$347	93%
12	Mayfaire Town Center	Wilmington, NC	337,958	\$346	93%
13	Governor's Square	Clarksville, TN	242,681	\$343	90%
14	Greenbrier Mall	Chesapeake, VA	269,795	\$342	90%
15	Harford Mall	Bel Air, MD	181,383	\$342	93%
16	Turtle Creek Mall	Hattiesburg, MS	192,184	\$341	90%

Rank	Mall Name	Location	Total Mall GLA	Mall Sales PSF	% GLA Leased
17	Volusia Mall	Daytona Beach, FL	239,059	\$341	91%
18	WestGate Mall	Spartanburg, SC	241,018	\$339	82%
19	York Galleria	York, PA	225,854	\$339	86%
20	South County Center	Saint Louis, MO	316,250	\$338	85%
21	EastGate Mall	Cincinnati, OH	256,947	\$330	87%
22	East Towne Mall	Madison, WI	211,959	\$329	91%
23	Frontier Mall	Cheyenne, WY	199,151	\$327	93%
24	Northpark Mall	Joplin, MO	274,702	\$324	86%
25	Park Plaza	Little Rock, AR	206,791	\$319	95%
26	Westmoreland Mall	Greensburg, PA	313,442	\$313	91%
27	Dakota Square Mall	Minot, ND	183,638	\$312	93%
28	Southaven Towne Center	Southaven, MS	184,427	\$308	85%
29	Kirkwood Mall	Bismarck, ND	211,578	\$306	94%
30	Laurel Park Place	Livonia, MI	198,067	\$306	95%
31	Northgate Mall	Chattanooga, TN	187,150	\$304	86%
32	The Outlet Shoppes at Laredo	Laredo, TX	315,375	NA	77%

Source: CBL 2018 Annual Report GLA = Gross Leasable Area

Mall Sales / Retail Sales Analysis

Regional Mall Comparison



The Apple Store Effect

- Apple draws so many shoppers that its stores single-handedly lift sales by 10% at the malls in which they operate, according to Green Street Advisors, a real-estate research firm.
- Average-grossing Apple Stores can garner \$6,000 in sales a square foot, while higher grossing Apple Stores net \$10,000 in sales a square foot.

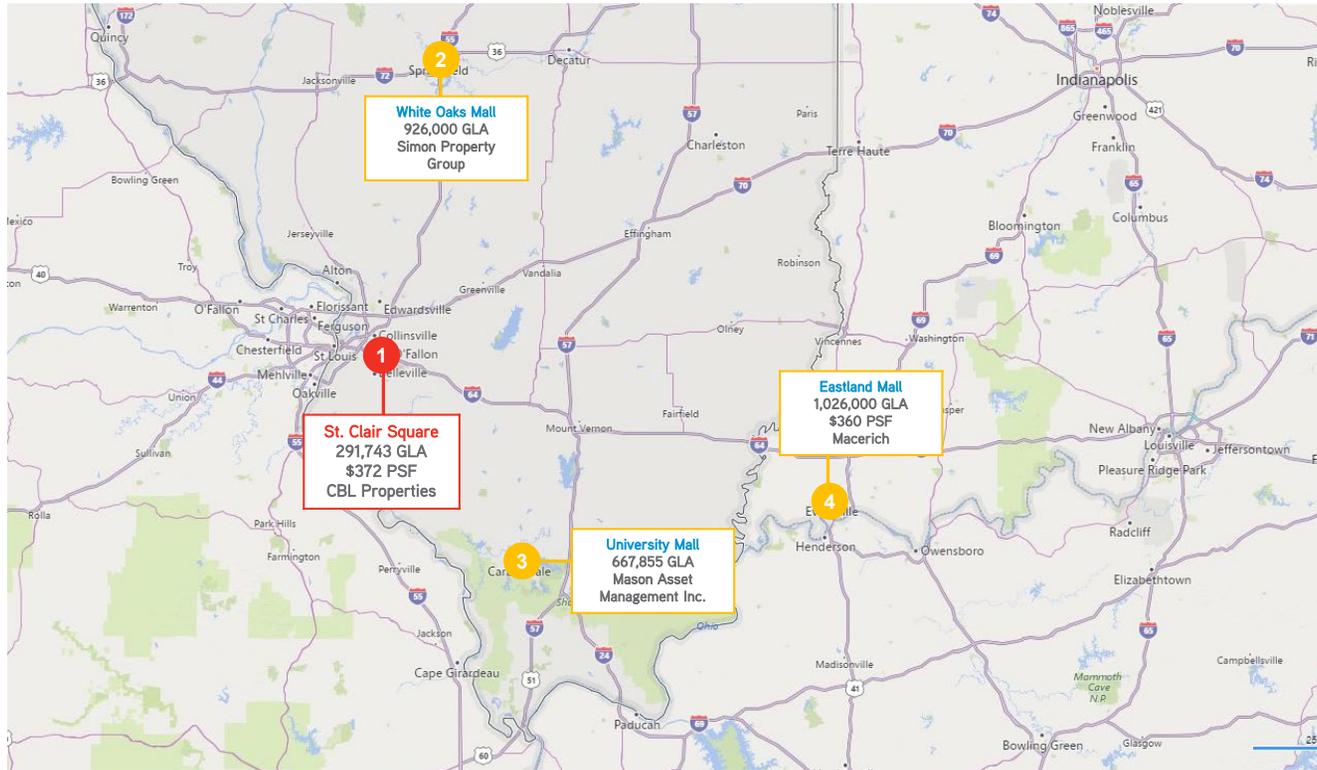
Source: <https://www.wsj.com/articles/apple-gets-sweet-deals-from-mall-operators-1426007804>

Source: Annual Reports & Investor Research

GLA = Gross Leasable Area

Mall Sales / Retail Sales Analysis

Illinois-Regional Mall Comparison



Source: Annual Reports & Investor Research GLA = Gross Leasable Area

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