

Committee Members:

Charles Daily
Bill Poletti
Don Barkley
Robert Triplett
Charles Kassly
Michael Hagen
Samantha Carter
Richard Avdoian
Van Johnson

**CITY OF FAIRVIEW HEIGHTS
BUSINESS ALLIANCE COMMISSION
TUESDAY, APRIL 16, 2019 – 1:30 P.M.
MEETING ROOM A
FAIRVIEW HEIGHTS CITY HALL
10025 BUNKUM ROAD**

AGENDA

1. CALL TO ORDER
2. CITIZENS' COMMENTS
3. APPROVAL OF MARCH 19, 2019 MINUTES
4. ECONOMIC DEVELOPMENT DIRECTOR'S REPORT
 - a. Open House – Economic Development Strategy
 - b. Feature – Fairview Heights' \$19M REC Complex (St. Louis Business Journal)
 - c. Feature – Fairview Heights invites public to help shape city's economic development strategy (Illinois Business Journal)
5. MONTHLY REVENUE REPORTS
 - a. 1% MUNICIPAL
6. NEXT MEETING – MAY 21, 2019 AT 1:30 P.M.
7. ADJOURN

**THE CITY OF FAIRVIEW HEIGHTS
BUSINESS ALLIANCE COMMISSION (BAC)
Tuesday, March 19, 2019 – 1:30 p.m.
Meeting Room A
10025 Bunkum Road, Fairview Heights, IL**

Committee Members in attendance – Charles, Daily, Bill Poletti, Don Barkley, Roger Triplett, Van Johnson, Samantha Carter (1:46p.m.)

Committee Members absent –Michael Hagen, Charles Kassly, Richard Avdoian

Other Aldermen and Elected Officials in attendance – Pat Baeske, Pat Peck

Staff in attendance – Paul Ellis

Recorder – Wendi Gorney

Public Participation

Amy Kempfer

Approval of Minutes

Bill Poletti made a motion to approve the February 19, 2019 minutes. Seconded by Don Barkley. Motion passed on voice vote.

Economic Development Director's Report

Director Paul Ellis presented his report. The Commission discussed the following:

- Economic Development Strategy Update – Colliers presented a 144-page report, members are in the process of reviewing and digesting the information. On **April 24th**, from 5:30-7:30p.m, there will be an Open House in the Lower Level of the Library, where the Economic and Marketing Analysis will be presented to the public.
- CBL is currently negotiating with 2 retailers for the Sears building. CBL will be discussing a complete redevelopment of the Sears Building at their meeting in Chattanooga next month. The automotive site is up for sale separately.
- H&M in on track to open in September.
- Forever 21 is set to open a new store, doubling its size, in September.
- Corbin Holdings of Miami, FL has purchased the Toys R Us Buildings. They have a potential tenant for the Toys R Us building. Another major baby store is looking at the Babies R Us building.
- Crossroads Center has submitted plans to renovate and will move forward this spring.
- Steak n Shake and Smokey Bones are officially closed, due to franchisee issues. Brokers have been contacted and are looking for replacements.
- Here Today is officially closed, but we are expecting a letter of intent from a new tenant soon.
- Paul will be meeting with many of the area property owners at RECON in May to discuss improving the shopping centers to entice tenants.
- Bark Ave., a doggie day care, will be moving into the old Cingular building.
- MEBI – a meeting was held with Jay Hoffman and a lobbyist a couple of weeks ago. Money for the project has been earmarked in the state budget. Financial support will

come from the State of Illinois, city funds (Fairview Heights, O'Fallon, and Swansea) and private sources like sponsorships. We will also have leadership and organizational support from the Urban League, SIUE, Lindenwood University and the Chamber of Commerce to help get it going. The MEBI will be one of only a few regionally to focus on minorities and women and be one of only a few nationally to focus on senior citizen entrepreneurs.

- Sales Tax Revenue Report
We are considerably down for now. Our sales tax ebbs and flows throughout the year, but our strongest months are in November and December. We took a big hit with the loss of Toys R Us and Sears. Numbers should recover once the new tenants come into those locations. Food and Beverage numbers are steady, as are the Hotel/Motel tax numbers.
- Precision Point School of Cosmetology (5 Canty Lane) will be hosting a Ribbon Cutting on March 27, 2019 at 8:30 a.m.

Monthly Revenue Reports

Director Ellis presented the sales tax report. The City is down for January -6.9%, or \$64,749.21 and year to date is up 0.01%, or \$64,137.24.

The next meeting is scheduled for April 16, 2019 at 1:30 p.m.

A motion to adjourn was made by Bill Poletti and seconded by Robert Triplett.

Adjournment 2:30 p.m.

Submitted By:

Recorder

MEMORANDUM

TO: Elected Officials

FROM: Paul A. Ellis, Director of Economic Development

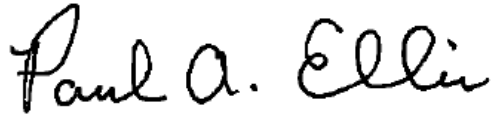
DATE: April 10, 2019

SUBJECT: Economic Dev. Dept. - Director's Report

1. Consultants for the Economic Development Strategy have met for the second time with the Steering Group and have finalized the market analysis to be released for broader public review at Community Open House #1 (see attached flyer).
2. The Director continues to work with property owners and regional brokers to secure new tenants for several key retail properties:
 - a. Sears Holdings' former department store space in St. Clair Square;
 - b. The former Toys 'R' Us building;
 - c. The former Babies 'R' Us building;
 - d. The former Here Today store in Lincoln Place II
3. The Director is working with property owners and brokers for the former Vatterot College facility to determine whether or not another educational institution might be interested in the property; while it can be repurposed, the building is currently configured for offices, classrooms and labs.
4. Staff are securing appointments for the Director with property owners and retailers for the International Council of Shopping Centers (ICSC) RECON trade show in Las Vegas in May.
5. The Director has been attending bimonthly meetings of the Military Affairs Committee organized by the Leadership Council of Southwestern Illinois, which has provided him access to military and civilian leaders from Scott AFB and the surrounding communities; this year, he is bringing additional attendees with him to meetings in order to promote events like the 50th Anniversary Celebration and the opening of The REC.
6. The Director will be meeting with the St. Clair County Assessor to develop the mechanism to facilitate a PACE (property assessed clean energy) financing program for commercial properties here; once implemented, PACE will offer a new development incentive without requiring investment of public funds.
7. Regional media continue to play up the community's accomplishments when informed about them—i.e., recognition (see attached) by the St. Louis Business Journal of The REC and a feature in the Illinois Business Journal (see attached) previewing the upcoming Community Open House.
8. The Metro East Business Incubator (MEBI) has been registered as a not for profit (NFP) corporation with the State of Illinois (see attached Articles of Incorporation) and the first meeting for its Board of Directors was held on April 4.

Economic Dev. Dept. – Director’s Report (continued)

9. The MEBI will be seeking service from the City as its fiscal agent while the not for profit attains federal tax exempt status; an agreement to that end will be presented for review and approval at a future meeting.

A handwritten signature in black ink that reads "Paul A. Ellis". The signature is written in a cursive style with a horizontal line underneath it.

Paul A. Ellis
Director of Economic Development

Attachments:

- a. Flyer – Community Open House #1
- b. Fairview Heights' \$19M REC Complex [St. Louis Business Journal]
- c. Fairview Heights invites public to help shape city’s economic development strategy [Illinois Business Journal]
- d. Articles of Incorporation for the Metro East Business Incubator (MEBI)

Help Shape the Economic Future of Fairview Heights!



Economic Development Strategy Informational Open House #1

This year, Fairview Heights is conducting the development of an Economic Development Strategy. The 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. Fairview Heights residents and businesses are invited to learn more about the plan at the first of two open houses.

When: 5:00 - 7:30pm
Wednesday, April 24th

Notes: The meeting will be an open house style format with no formal presentation. Stop by anytime between 5:00 - 7:30pm.

Where: Fairview Heights Library (Lower Level)
10017 Bunkum Road
Fairview Heights, IL 62208

Questions? Contact Director of Economic Development,
Paul Ellis at 618-489-2033



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From the St. Louis Business Journal:

<https://www.bizjournals.com/stlouis/news/2019/03/22/building-st-louis-fairview-heights-aims-to-create.html>

Building St. Louis: Fairview Heights aims to create regional destination with \$19M REC Complex

Mar 22, 2019, 5:00am CDT

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Finalist: Public/Private more than \$10 million

As Fairview Heights continues to attract new development, the city sought to create a landmark destination to support the surrounding businesses and community that both residents and visitors could enjoy.

The \$19 million REC Complex, which began construction two years ago, is a 58,000-square-foot indoor and outdoor recreational center that offers an indoor aquatic center, fitness center, climbing wall, indoor and outdoor tracks, dog park, venue space and other amenities.

The city projects The REC will have 3,000 members in its first year of operation and will serve over 500,000 visitors. Membership is open to the public across the St. Louis region, and visitors will be able to purchase passes and tickets.

The structure was substantially completed at the end of 2018 and opens this month. It will create 75 jobs.

About the project

Owner/developer: City of Fairview Heights

Contractor: Affton Fabricating; Automatic Fire Sprinkler; Bergmann-Roscow Plumbing; Byrne & Jones Construction; Capri Pools; France Mechanical; Guarantee Electrical; LW Contractors; Missouri Builders Service; Missouri Terrazzo; Pro Star; RCS Construction

Architect: The Farnsworth Group

Engineer: ASDG, LLC; Counsilman-Hunsaker; Horner & Shifrin; Millenia Professional Services

Interior design: The Farnsworth Group

Financing: General obligation bonds repaid through proceeds of the city's food & beverage tax as well as through sales of memberships and user fees

Project cost: \$19 million



KARI HALLER FOR HOLLAND CONSTRUCTION SERVICES
The REC Complex in Fairview Heights.

Steph Kukuljan

Reporter

St. Louis Business Journal



Fairview Heights invites public to help shape city's economic development strategy

 Share  Like 0  Tweet  Share

Fairview Heights residents and businesses are invited to attend a citywide informational meeting on the city's economic development strategy.

The event will take place from 5 to 7:30 p.m., Wednesday, April 24, at the Fairview Heights Library Lower Level, 10017 Bunkum Road.



Attendees at the informational meeting will have an opportunity to review highlights of the Assessment and Market Analysis Report that is being released as part of a year-long plan to develop an economic development strategy for Fairview Heights.

The meeting will be an open house style format with no formal presentation. The public can stop by at any time.

"We have just started the overall planning process," said Mark Kupsy, mayor of Fairview Heights. "This first informational meeting will give attendees an opportunity to review highlights of the Assessment and Market Analysis Report that provides information on the context of the existing economy of Fairview Heights compared to other cities in the Metro East and St. Louis region."

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

The planning team is led by the i5Group, along with Community and Economic Development Solutions, Colliers International, and the Lochmueller Group. A 15-member Steering Committee is helping to guide the planning process. The Steering Committee has representatives from the City Council, Economic Development Commission, and business leaders from across the city.

The planning process started in early 2019 and will be substantially complete by the end of 2019. A second citywide informational meeting will take place in the Fall for the public to review the draft economic development strategy.

"The economic development strategy is expected to include a number of topics," said Paul Ellis, director of Economic Development for Fairview Heights. "It will include strategies for cluster industries (industries with the greatest growth potential), small business and entrepreneurship, business and talent retention and expansion, place-based growth, incentive programs, equitable growth, financial resiliency, tourism and marketing."

For more information about the economic development strategy, contact Ellis at (618) 489-2033.

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**CITY OF FAIRVIEW HEIGHTS, IL
SALES TAX REPORT
State 1% Municipal Tax Portion**

DISTRIBUTION MONTH	MAY 2012 - APRIL 2013	MAY 2013 - APRIL 2014	MAY 2014 - APRIL 2015	MAY 2015 - APRIL 2016	MAY 2016 - APRIL 2017	MAY 2017 - APRIL 2018	MAY 2018 - APRIL 2019	% CHANGE	CHANGE IN DOLLARS
MAY	\$ 629,863.98	\$ 601,011.50	\$ 584,713.94	\$ 586,147.75	\$ 632,285.33	\$ 571,553.40	\$ 553,114.13	-3.2%	\$ (18,439.27)
JUN	692,902.50	655,667.46	647,401.33	708,268.15	696,077.63	677,065.69	676,704.83	-0.1%	\$ (360.86)
JUL	578,187.49	574,119.26	578,345.95	563,612.88	576,220.16	599,877.49	555,320.85	-7.4%	\$ (44,556.64)
AUG	602,449.00	586,795.92	593,876.18	607,839.70	608,444.47	600,057.37	607,357.54	1.2%	\$ 7,300.17
SEP	663,854.82	610,055.28	579,381.42	653,462.36	679,234.60	613,965.54	623,578.60	1.6%	\$ 9,613.06
OCT	572,075.75	554,178.50	550,782.54	573,059.41	572,368.09	476,801.05	540,557.44	13.4%	\$ 63,756.39
NOV	620,158.32	574,589.49	579,500.49	642,921.78	599,121.43	575,354.24	570,594.16	-0.8%	\$ (4,760.08)
DEC	631,306.50	468,313.25	588,998.17	626,164.49	612,305.99	581,474.30	577,677.65	-0.7%	\$ (3,796.65)
JAN	576,698.91	589,088.14	580,475.99	627,103.06	570,540.96	564,056.46	560,273.13	-0.7%	\$ (3,783.33)
FEB	710,629.96	687,960.48	680,833.91	695,015.32	678,820.57	672,397.54	668,036.72	-0.6%	\$ (4,360.82)
MAR	1,049,090.01	969,659.49	1,028,593.77		974,290.59	935,340.51	870,591.30	-6.9%	\$ (64,749.21)
APR	532,313.55	458,225.94	528,428.24	519,339.92	488,717.27	528,625.80	457,194.13	-13.5%	\$ (71,431.67)
YTD TOTAL	\$ 7,859,530.79	\$ 7,329,664.71	\$ 7,521,331.93	\$ 6,802,934.82	\$ 7,688,427.09	\$ 7,396,569.39	\$ 7,261,000.48	-0.93%	\$ (135,568.91)
YTD CHANGE	1.0%	-6.7%	2.6%	-9.6%	-2.0%	-3.8%			
MONTHLY AVG	\$ 654,960.90	\$ 610,805.39	\$ 626,777.66	\$ 618,448.62	\$ 640,702.26	\$ 616,380.78			