



Office of the City Manager

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Patrick Urich, City Manager   
**DATE:** July 20, 2012  
**SUBJECT:** Issues Update

The following are issues related to the City for the weekly Issues Update. If there are additional items you believe should be included, please let me know.

**GLEN HOLLOW SOUTH AND GALENA ROAD PROPOSED FOR ENTERPRISE ZONE EXPANSIONS.** In recent months staff has been contacted by individuals who have been considering development in two areas within the City of Peoria: Glen Hollow and Galena Road. Developers have indicated that Enterprise Zone benefits would be an important factor in their development decision.

**Galena Road Proposed Expansion**

The area along Galena Road has been lacking substantial development for the past 10 years which has resulted in an increase in declining properties. There are 4 buildings along this section of Galena that are vacant and/or for sale. Due to the building conditions for some of the properties redevelopment would be costly. Developers have indicated that Enterprise Zone benefits would be a tool they would utilize in closing the financial gap as they consider development in this area. The total proposed Enterprise Zone expansion for Galena Road would be approximately 356± acres, starting from Koch Road as the northern boundary along Galena to the City limits on the southern side of Galena (see map) and would only include commercial or industrial properties.

**Glen Hollow Proposed Expansion**

In 2008 staff expanded the Enterprise Zone along Sterling Avenue from Forrest Hill to the intersection of Glen and War Memorial Drive. This expansion has resulted in many *new* businesses locating in that area as well as improvements to existing properties. Some of the improved and new businesses include: Fresh Market, Ulta, Cherry Berry's, Arby's, Verizon, Sterling Commons, Biaggis, 5 Guys Burgers, Sushigawa, Satellite Auto Glass, All About Eyes, The Vitamin Shop, Baskin Robbins and Aspen Dental.

There is no current development planned for this area, but in an effort to continue the momentum of the development that has previously occurred, staff would propose expanding the Enterprise Zone around Glen Hollow. The total proposed Enterprise Zone expansion for Glen Hollow South would be approximately 29± acres running along Glen Avenue on the North, Rockwood on the East and Scenic on the South. (See map for more specific boundaries.)

Under the Illinois Enterprise Zone Act, no more than 12 square miles may be designated for Enterprise Zone within the City of Peoria. Currently Peoria's Enterprise Zone is 8.014 sq. miles. With both the Galena (356 acres) and Glen Hollow (29 acres) expansion, the total area of the Peoria Enterprise Zone, if approved, would be approximately 8.62 square miles. The total acreage remaining for future Enterprise Zone expansions would be 2,165 acres or 3.38 square miles.

It is anticipated that staff would start the expansion process beginning the week of July 30, 2012. If you have questions, concerns or comments regarding this expansion please contact Susan Schlupp at [sschlupp@ci.peoria.il.us](mailto:sschlupp@ci.peoria.il.us) (309) 494-8644.

**RECLAIMING VACANT PROPERTIES CONFERENCE.** City staff attended a conference on the challenges and solutions related to vacant and abandoned properties last month. This conference was timely, as Peoria continues to experience an increase in abandonment of improved properties and vacant lots in certain neighborhoods. The information at the conference will also be helpful to inform the discussion being carried out by the land management committee convened by Councilman Weaver.

Some of the highlights of the conference include:

- Cities should not focus solely on vacant residential properties, as a general decline in the demand for class B and below office space can also become a challenge, and an opportunity for downtown residential conversion.
- In neighborhoods that have become “dead zones,” where the market is so weak that there is virtually no demand for housing, it is better to demolish borderline properties than try to mothball them for an undetermined period of time.
- With limited resources, cities need to truly focus their activities in areas where a difference can be made; not in the areas of greatest need, but in the areas of transition.
- Houses to be demolished can be used as potential on-site training opportunities for the trades, and many houses can be deconstructed to save and reuse valuable elements of the structure.
- Land banks and receivership programs have been used successfully in many cities to stabilize transitional areas and assemble land.
- Vacant land should not just be left without any use. Codes can be adjusted to allow interim or expanded uses until such time as a market demand returns.

City staff, working with the land management committee will provide a more in-depth report to Council in the coming months on the topic of vacant land, abandoned properties, and community revitalization.

**CITY MANAGER VACATION.** Beginning next Friday, July 27, 2012, I will be out of the country on vacation. I will be returning to Peoria on Monday, August 6, 2012. In my absence, Chief Settingsgaard will be Acting City Manager.