



REQUEST FOR COUNCIL ACTION

To: Honorable Mayor and Members of the City Council

**From: Henry Holling
Interim City Manager**

AGENDA DATE REQUESTED: January 13, 2009

ACTION REQUESTED: APPROVAL TO ENTER INTO A CONTRACT WITH THE ECONOMIC DEVELOPMENT COUNCIL AND OTHER REGIONAL PARTNERS FOR A REGIONAL RETAIL STUDY WITH A TOTAL CONTRACT AMOUNT OF \$51,855 FOR ALL REGIONAL PARTNERS AND APPROXIMATELY \$11,600 FOR THE CITY OF PEORIA PORTION; AND AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE THE NECESSARY DOCUMENTS.

BACKGROUND: The Economic Development Council will be contracting with TESKA and Associates to conduct a regional retail study for the Peoria area including East Peoria, Morton, Pekin, Washington, Bartonville and, if approved by Council, the City of Peoria. TESKA and Associates was selected by the EDC EDGE Retail Strategy Group after completion of an RFP process which included presentations by two finalists.

This study would be of great assistance to our City as we strive to attract and retain retail development in specified areas of the City. Partnering with EDC and the other communities is an opportunity to have this quality retail study conducted at a very reasonable price and to have a customized marketing package to distribute to potential retailers identified through the study.

Nine sites are proposed for study at the total cost of \$51,855. The cost would be approximately \$5,800 per site if all the cities involved approve their study. The cost per site would be adjusted according to the number of communities participating. Staff would like to include the City of Peoria in this study and has identified the following areas to be considered:

1. Downtown to River Front
2. Rt. 6 – Knoxville
3. West Lake Shopping Center area
4. University and Sheridan area between Glen and Forrest Hill

These four sites would bring the City's portion of the contract to approximately \$23,200. In an effort to reduce the City's costs on this study staff has identified an individual who has agreed to pay for the study to be conducted at 1 of the above sites and one who has expressed interest in paying for another site, but has not yet confirmed. If all of the preceding individuals confirm their participation, the City portion would be reduced to approximately \$11,600. However, staff will continue to pursue additional funding from private sources in an effort to further reduce this expenditure. The funding source would be the 2009 Economic Development budget.

The study will include a detailed report for each specific site. The report will provide:

- Detailed information regarding retail potential for the targeted development/redevelopment site
- Leakage analyses

- Customer profiles
- Recommendations of specific retailers that meet local customer demand
- Custom marketing packages for 20 targeted retailers

FINANCIAL IMPACT: This study would assist City staff in efforts to attract and retain retail development. The successful attraction of retail development is an important component in increasing the City's tax base.

NEIGHBORHOOD CONCERNS: N/A


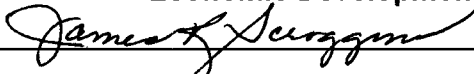
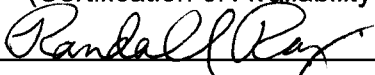
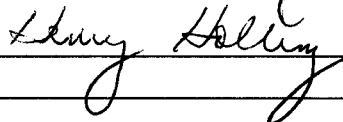
IMPACT IF APPROVED: The City will enter into a contract with EDC and other Regional Partners for this retail study.

IMPACT IF DENIED: The City of Peoria will not be included in this Regional Retail Study.

ALTERNATIVES: N/A

EEO CERTIFICATION NUMBER: N/A

RELATIONSHIP TO THE COMPREHENSIVE PLAN: This proposed study assists in achieving both the vision and goals of the Comprehensive Plan as follows: Chapter 5 ECONOMICS-- VISION: A HEALTHY, THRIVING ECONOMY; and GOAL: A.1. Create a favorable business climate. A.1.13 Coordinate and communicate with various development groups in the Tri-County area and identify the role of each group. B.1.3. Create a business group to work with the local development companies to provide information about new markets. B.1.5 Expand the effectiveness of economic development agencies. B.1.1.6 Address the difficulties encountered in marketing Peoria.

Department Director	 <hr/> Economic Development
Finance Director	 <hr/> (Certification of Availability of Funds)
Corporation Counsel	 <hr/>
City Manager	 <hr/>