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On the Cover
The long-term vision for Locust Street east of First Street includes new mixed use development that features ground-level retail with offices and/or residences above.
Re: new...
Re:new Lincoln Highway and 2nd Street...
Re: new Lincoln Highway and 4th Street...
Re:new Locust and 1st Streets...
Re:

ew Lincoln Highway and Pearl Street...
Re: new Lincoln Highway and 6th Street...
Re: new Locust and 2nd Streets...
Re: new DeKalb
Executive Summary

The publication of the Downtown DeKalb Revitalization Plan concludes a thoughtful and collaborative planning process.

This process began in Fall 2005 when the City of DeKalb issued a Request for Proposals for an urban planning and design team to prepare a detailed revitalization plan for its 90-acre downtown. The City selected the Hitchcock Design Group as the lead firm in December 2005, and the project formally began in early February 2006. The Lincoln Highway corridor between 1st Street and the Kishwaukee River was added to the study area at this time.

The planning process was coordinated by City Staff and guided by a 20 member Downtown Revitalization Task Force (reorganized as ReNew DeKalb for the plan implementation) that included property owners, merchants, elected officials and members of key civic institutions such as the DeKalb Park District, the DeKalb School District, Main Street DeKalb, the DeKalb Chamber of Commerce and Northern Illinois University. Broad public input was solicited throughout the planning process in interviews, surveys, public workshops and presentations and via email through a link provided on the City’s website.

The Revitalization Plan document has been divided into two sections that parallel the Downtown planning process. The first section includes the data collected as part of a comprehensive Opportunity Analysis. The Opportunity Analysis explored available resources, existing marketplace conditions and the project’s parameters, or rules.

Based on the findings from the Opportunity Analysis, the Revitalization Task Force established the primary goal for the project:

*Restore Downtown as the centerpiece of the community.*

In addition, the Task Force defined two principle objectives:

1) **Significantly improve Downtown’s image.**

2) **Provide a variety of destinations to serve the community and to attract visitors.**

The second section of this document describes the long-term vision for Downtown and identifies a number of short-term opportunities. Included is a detailed list of Implementation Strategies that address public policy, implementation organization, new development, redevelopment and the promotion of Downtown as a unique destination.

**Concept**

The long-term plan for Downtown DeKalb envisions a rejuvenated historic retail core that is compact and walkable, the home of distinctive destinations and amenities that reflect DeKalb’s unique character. New high quality residential on infill sites surrounding the historic core will add new customers within easy walking distance of shops and other Downtown attractions. In addition, new mixed use retail/residential along Lincoln Highway west of 1st Street will bring new residents and new retail that complements the City’s historic core. Other key recommendations include:

- Promote mixed use redevelopment of the historic buildings along Lincoln between 1st/7th Streets
- Actively recruit businesses that thrive in Main Street environments.
- Initiate street improvements using a variety of traffic calming techniques and premium streetscaping to enhance pedestrian comfort and to reduce truck traffic along Lincoln.
- Expand parking options in the core retail area by adding surface parking and/or parking decks.
- Enhance access and circulation on as many streets as possible, including Oak, by returning one-way streets to two-way traffic.
• Create a new high-quality public gathering place in the core retail area.
• Add high-quality mixed use infill with destination retail along Locust Street.
• Relocate City Hall to a prominent site in or near the core retail area;
• Convert existing municipal sites to high quality residential.

If completed by 2020 as conceived, the value of property in Downtown would exceed $120 million, with annual municipal property tax revenues increasing by nearly $240,000 and annual municipal sales tax increasing by more than $300,000. In addition, the school district would receive over $2 million annually with very little change to the student population.

There are a number of short-term opportunities throughout Downtown that can be initiated and completed within the next 1-5 years. Revenues generated from these projects will help pay for the public improvements identified in the long-term vision. Short-term opportunities include:

• Expand parking in or near the core retail area.
• Landscape existing parking lots and enhance wayfinding throughout the Downtown.
• Implement programs to support rehab of historic structures along Lincoln.
• Actively recruit businesses that thrive in Main Street environments.
• Initiate appropriate code review and updates to entitle and facilitate the implementation of the Revitalization Plan.
• Promote mixed use redevelopment along the Lincoln Highway corridor between 1st Street and the Kishwaukee River.
• Create a new DeKalb Square in the heart of the historic retail core area.
• Relocate City Hall to a prominent site in or near the core retail area.
• Redevelop existing municipal sites with high quality residential.

It is important to understand that despite the extraordinary opportunities the City has to create an exciting and dynamic Downtown, everything cannot and should not happen all at once. However, with patience, perseverance and programs that emphasize continuous and incremental improvement, the long-term vision described on the following pages can be fully realized.
Artist's rendering of the view west along Locust Street at the 2nd Street intersection illustrates streetcape enhancements and new mixed use retail/residential/commercial.
Introduction

The belief that Downtown is a special place and a strategic civic asset was strongly supported by the members of the community who participated in interviews and workshops during the course of this project’s development. Indeed, Downtown has benefited over the years from the steadfast attention and support provided by a variety of civic institutions, cultural organizations, property owners, merchants and preservation enthusiasts, and continues to offer a variety of unique restaurants, shops and entertainment options.

Despite the efforts of many, a variety of factors have had debilitating effects on Downtown during the last several decades. An increasing number of local and regional retail competitors in easily-accessible locations gives residents new shopping destinations to choose from. Vacancies, deteriorating properties and unattractive streetscapes have weakened Downtown’s overall appearance and image. Lower traffic volumes and a relatively wide streets allows vehicles to move through Downtown at higher speeds, which in turn has decreased pedestrian comfort and safety.

The DeKalb 3-D 2005 Comprehensive Plan Update identified the need to undertake a variety of planning initiatives, including one for the design and revitalization of Downtown. In December 2005, the City of DeKalb engaged the consultant team of Hitchcock Design Group, Business Districts, Inc., Oppermann Architects and, under separate contract, Metro Transportation Group, Inc., to explore the marketplace and recommend revitalization strategies for the Downtown.

A three-phased work scope kicked-off in February 2006, under the direction of a 20-member citizen Task Force that included property owners, merchants, elected officials and representatives of key civic institutions.

The planning process started with a Preliminary Opportunity Analysis during which existing market and physical conditions were studied, and potential revitalization opportunities were generated and considered. The Opportunity Analysis included a public visioning workshop in which residents responded to a survey and actively participated in a brainstorming session to identify potential revitalization strategies. Interviews with key project stakeholders were also conducted during this phase of the project. During the Alternative Strategies phase that began in April and continued through the summer, a number of conceptual alternatives were identified and refined in a series of meetings with City Staff and the Task Force. Our work concluded with the publication of this Master Plan that documents the background analysis and the plan recommendations, including those regarding development guidelines.

It is important to bear in mind that the existing and near-term market for retail, residential and office space, the documented behavior of retailers and the existing physical conditions have guided the analysis that follows. Although values discussed are estimates that can guide initial decision making, they cannot substitute for and may vary significantly from the final appraised values that result from more detailed examination of specific study area properties.
Looking west towards the intersection of 1st Street and Lincoln Highway.

The Kishwaukee River, one of DeKalb’s most compelling natural amenities, is just three blocks from Downtown’s core retail area.

The Monat Building at the southeast corner of 2nd and Locust Streets gives Northern Illinois University a presence at a prominent Downtown location.

Looking east towards the intersection of 7th Street and Lincoln Highway.
The Opportunity Analysis explored available resources, existing marketplace conditions and the parameters (or “rules”) that guided the planning process.
Opportunity Analysis

Approach

The Opportunity Analysis phase of the planning process can be likened to a three-legged stool. Each leg of the stool represents a different dimension of the analysis. The strongest opportunities are those that present themselves at the place where the three dimensions overlap.

For example, if the marketplace indicates 1) a certain housing product might be viable, 2) the public/private resources exist to support developing the housing product and 3) the zoning and land use regulations (parameters) permit locating the housing product in the most desirable location, then one could conclude that the opportunity merits strong consideration when alternative revitalization strategies are identified and evaluated in the next phase of the project.

Project Goals, Objectives and Guiding Principles

Based on feedback gathered from resident surveys, stakeholder interviews and findings from the Opportunity Analysis, the Task Force established a primary goal and objectives for the project. In addition, four key principles were identified to use as criteria for developing and evaluating alternative revitalization strategies:

Goal

Restore Downtown as the centerpiece of the community.

Objectives

• Significantly improve Downtown’s image.
• Provide a variety of destinations to serve the community and to attract visitors.

Principles

• Create a compact, walkable retail core.
• Create distinctive amenities that reflect DeKalb’s unique character.
• Create a Downtown that is comfortable, easy to access and easy to circulate within.
• Create a Downtown that is sustainable environmentally, socially, economically and culturally.
Physical and Regulatory Conditions

Nine different aspects of the study area were analyzed, including context, development patterns, land use/zoning, access and circulation, open space and natural features, infrastructure, stakeholder opinions and observations and market conditions.

Context

DeKalb is located in central DeKalb County, approximately 65 miles from Chicago and five and one-half miles from downtown Sycamore, the location of the DeKalb County court house. DeKalb is approximately 24 miles from Geneva to the east, 47 miles from Rockford to the north and 20 miles from Rochelle to the west. The city is the western-most terminus of the Illinois Research and Development corridor that follows Interstate 88 east to Oak Brook.

Downtown DeKalb is approximately two miles from the intersection of Peace Road and Interstate 88 to the east and three miles from the intersection of Annie Glidden Road and Interstate 88 to the west.

Land Ownership

The majority of land within the study area is privately owned commercial property. Among the largest of these parcels are those owned by Mooney Motors, Premium Wood Products and McDonald’s.

The City of DeKalb—whose properties include 12 public parking lots, City Hall, City Hall Annex and other properties—is one of the largest Downtown property owners. The U.S. Post Office and DeKalb Clinic are other institutions with relatively large parcels.

There are three public parks along Lincoln Highway. The largest of these is DeKalb Square at approximately one-half acre. DeKalb Square is located at the northeast corner of Lincoln and 4th Street.

There are single-family homes along 1st Street north of Locust Street and along Oak Street between 1st and 3rd Streets in the northwest quarter of the study area and two and one-half blocks of homes in the southwest quarter of the study area north of Franklin Street and west of 7th Street.

Properties surrounding the study area are comprised mostly of single-family homes. Commercial uses are confined to the Lincoln Highway corridor east and west of Downtown, along 7th Street and Oak Street to the northeast and along 1st Street to southwest.

Though there is little multi-family residential in the study area, a number of stores along Lincoln Highway include rental apartments and offices on upper floors.
Current Land Use and Zoning

Land within the study area is zoned for a variety of uses.

The majority of land within the core study area is commercial. The area east of 1st street, south of Locust Street and north of the Union Pacific tracks is zoned “CBD-Central Business District.” This zoning continues for most of the parcels south of the tracks along Lincoln Highway to 7th Street.

“High Density Residential” is the designated land use for the single-family homes along 1st Street north of Locust, which are zoned “NC-Neighborhood Commercial.” A variety of small commercial businesses and a small number of single-family homes occupy the properties between 2nd Street and 3rd Street north of Locust. A Verizon switching station occupies the northwest corner of 3rd and Locust. This block is zoned “LC-Light Commercial.”

The land use for the block north of Locust between 3rd Street and 4th Street has been specified “Institutional” and zoned “LC-Light Commercial” and “CBD-Central Business District.” Uses on this block include two churches, a funeral home, a credit union and several retailers.

The three blocks east of 4th Street north of Locust are zoned “LI-Light Industrial” (including the site of Mooney Motors) and “HI-Heavy Industrial” (site of the Premium Wood Products). However, the designated land uses for these three blocks is “Medium Density Residential.” “LI-Light Industrial” is also designated for the parcels south of the train station and north of the commercial buildings along Lincoln Highway west of the 7th Street. The land use of U.S. Post Office site is designated “Institutional” and zoned “CBD-Central Business District.”

The two blocks with single family homes in the southwest corner of the study area are zoned “MFR-Multiple Family Residential” with “Medium Density Residential” specified as the land use.

The land use for most of the other blocks south of the railroad tracks is specified “Commercial,” except for the lands occupied by City Hall and the City Hall Annex. The block where City Hall is located is zoned “LI-Light Industrial,” while the block that includes City Hall Annex is zoned both “LI-Light Industrial and Commercial.” The block located one block east of First Street and one block north of Franklin—which includes Sparks Buick and DeKalb Clinic—is specified “Commercial” and zoned “GC-General Commercial.”

The commercial properties along the north side of Lincoln Highway between 1st Street and Kishwaukee River are zoned “CG-General Commercial” and include a variety of small fast food establishments.

Most of the properties between Lincoln and the Union Pacific tracks are zoned “MFR-Multiple Family Residential,” but actually include a variety of retail and commercial businesses as well as some residential. Several parcels on either side of Pearl Street north of the tracks are zoned “NC-Neighborhood Commercial.”

While there are no officially recognized historic districts within the core study area, there are two that are immediately adjacent. The Huntley Park Historic District begins just south of Franklin Street. Its eastern boundary is the alley between 3rd Street and 4th Street and its western boundary is the alley between 1st Street and 2nd Street.

The North Fifth Ward Historic District includes the commercial properties on the west side of 1st Street north of Lincoln Highway and south of Locust Street.
Existing Downtown Land Uses

[Map of Downtown DeKalb with land uses indicated]

Key
- Low Density Single Family Residential
- Medium Density Residential
- High Density Residential
- Commercial
- Light Industrial
- Heavy Industrial
- Parks and Recreation
- Transportation and Utilities

Existing Downtown Zoning

[Map of Downtown DeKalb with zoning indicated]

Key
- SFR-1: Single Family Residential (10,000 sq ft minimum lot size)
- SFR-2: Single Family Residential (6,000 sq ft minimum lot size)
- TFR: Two Family Residential
- MFR: Multiple Family Residential
- NC: Neighborhood Commercial
- LC: Light Commercial
- GC: General Commercial
- CBD: Central Business District
- LI: Light Industrial
- HI: Heavy Industrial
- NIU: Northern Illinois University

Source: City of DeKalb
Access and Circulation:

Existing Data:
The study area is approximately two miles from two nearby interchanges on Interstate 88 (Peace Road and Annie Glidden). Lincoln Highway (Illinois Route 38) is an east-west state route through the downtown region while 4th Street (Illinois Route 23) provides for north-south movements. The City of DeKalb 1996 Comprehensive Plan designated Lincoln Highway, 4th Street, and 1st Street as major arterials targeted for expansion and/or upgrading, though plans for these improvements are not yet defined.

The intersection of Lincoln Highway and 4th Street and the intersection of Lincoln Highway and 1st Street have been among the worst locations for collisions within DeKalb city limits. The majority of traffic accidents at Lincoln Highway/4th Street are rear-end or sideswipe collisions between two or more passenger vehicles, accidents typical of multi-lane roadways without separate lanes for turning movements. For this reason, IDOT commissioned studies of the Lincoln Highway/4th Street intersection for the addition of turn lanes, but has not scheduled this project due to financial constraints and potential impacts to right-of-way and adjacent land uses.

The average daily traffic (ADT) volume on Lincoln Highway is approximately 10,300 with average daily truck traffic (ADTT) volumes between 700 and 800 within the study area. On 4th Street, an ADT of 6,000 exists with roughly 300-500 ADTT.

A Union Pacific (UP) Railroad track crosses the Lincoln Highway/4th Street intersection at a diagonal, though no commercial or commuter rail stop is located near the study area. Five more at-grade crossings can be found within the study area at 1st through 3rd Streets, 6th Street, and 7th Street.

The majority of traffic in the study area seems to be through traffic (non-destination traffic) on the two state highways. On these two roadways, flow is occasionally impeded by trains at the railroad crossing. Study data indicates that this interruption averages just over 2 minutes per occurrence with a frequency of roughly 55 to 60 trains per day. The UP Railroad Company indicates that frequency should increase by five to 10 trains per day in the next 10 years.

Though Lincoln Highway and 4th Street are the main arterials through the study area, relatively few turning movements were observed at this intersection. At Lincoln Highway and 1st Street, a significant eastbound to northbound and corresponding southbound to westbound movement exists. This reflects the strong attractiveness of the Sycamore Road retail corridor and the resultant traffic patterns generated by the NIU student population.

Two transit services (Huskie Line and TransVac) provide stops within the study area, though the main service area is outside of the downtown region.

There are no bike routes or dedicated multi-modal/pedestrian pathways (except for sidewalks) that provide direct access to the core retail area, and, based on data received, there are no plans to create new ones. An existing trail system is located on the east side of the Kishwaukee River near Lincoln Highway and provides connectivity between the Sycamore Road retail corridor and various residential areas located north and northwest of Downtown DeKalb. Future modifications to this trail are shown to include a southern connection to neighborhoods west and south of the downtown.

Sidewalks exist within the study area, but pedestrian connectivity is limited due to the perceived boundaries formed by Lincoln Highway, 4th Street, and the UP Railroad track.

Existing Parking Supply:
Public parking is provided within the study area via street parking (both parallel and angled) and twelve public parking lots. Most parking spaces have time restrictions ranging from 15 minutes to 12 hours, though some have no posted time limit. Roughly 440 on-street parking spaces and 660 public lot parking spaces are provided for a total of approximately 1,100 public spaces. Overall utilization is under 60 percent throughout the day (based on surveyed data from 10:00 AM to 10:00 PM), but locational parking demand is highest in the quadrant west of 4th Street and north of the railroad tracks. This quadrant contains a number of street parking locations and public lots that reach or exceed 80 percent occupancy at given points throughout the day. Overall parking demand is highest between the hours of 7:00 and 9:00 PM.
Downtown DeKalb Revitalization Plan

Downtown Traffic Analysis Summary

- **Bus Service**: Downtown is currently served by the Huskie Line and TransVAC, though their presence within the study area is limited.

- **Train Frequency and Duration**: 55-60 trains pass through Downtown each day. The average observed train duration was less than 2.5 minutes.

- **Train Noise**: Existing traffic control requires train engine horns to sound at all intersections. Plans to provide directional intersection horns and full-closure gating would eliminate the need for engine horn at most crossings.

- **Bus Service**: Downtown is currently served by the Huskie Line and TransVAC, though their presence within the study area is limited.

- **Parking Demand**: The Downtown parking demand is highest in the northwest quadrant of the core retail area. Both public lots and on-street parking spots are heavily utilized.

- **Traffic Accidents**: The intersections of 1st/Lincoln and 4th/Lincoln have the highest number of traffic accidents in the study area. The most commonly reported accidents were rear-end collisions and side-swipes.

- **Heavy Traffic**: The heaviest Downtown traffic volumes are on Lincoln Highway west of 1st Street and on 1st north of Lincoln.

- **Truck Traffic**: Truck accidents account for approximately 20% of all accidents in the study area. The most commonly reported accidents were rear-end collisions and side-swipes.

- **Bus Service**: Downtown is currently served by the Huskie Line and TransVAC, though their presence within the study area is limited.
Open Space and Natural Features
The Downtown retail district along Lincoln Highway west of 4th Street is perched on the edge of the Kishwaukee River valley. The Kishwaukee River is approximately one-quarter mile from the intersection of 1st and Lincoln. Lincoln Highway in this location follows a ridge that is approximately 20 feet higher in elevation than Locust Street one block to the north. A creek once flowed in the vicinity of Locust but was filled in at some point around the beginning of the 20th century.

As the grade changes in the western half of the core study area, pleasing view corridors that add visual interest and contribute to the area’s distinct sense of place. However, the lack of trees and natural foliage allow the paved surfaces of the streets and sidewalks to visually dominate at the pedestrian level. This effect tends to accentuate the openness of the space, especially when walking in the vicinity of parking lots and vacant parcels. In contrast, the landscaping in a few smaller pockets such as Palmer Court between 1st and 2nd Streets creates a pleasing sense of enclosure and a much more human-scaled and pedestrian-friendly environment.

The eastern half of the core study area was once home to barbed wire factories and other manufacturers on both sides of Union Pacific Railroad train tracks. Many of the factory buildings and nearby tenement buildings that were the homes of factory workers have been demolished over the years. Much of this flat, open expanse of space has been converted into public parking lots. The absence of buildings, trees and natural foliage around these parking lots allows for blocks-long view corridors that have an especially desolate appearance. This is especially true in the vicinity of the train tracks where the back end of nearly every downtown building is clearly visible. Only in the two residential blocks in the southeast quadrant of the core study area does the streetscape have a consistently pleasing impact at the pedestrian level.
Public Parks, Tree Cover and Other Open Space in Downtown DeKalb
Infrastructure
The area is adequately served by sewer, water, power and communications utilities. Stormwater management will need to be addressed for any new improvements within the study area, especially those that might impact the floodplain and/or floodway along the Kishwaukee River. City of DeKalb’s Department of Engineering is the reviewing agency for improvements that affect the City’s streets. DeKalb Sanitary District is responsible for maintaining the City’s sewer system.

Some reinvestment and restoration of historic buildings has occurred on privately-held and publicly-owned properties, but there are a number of properties that are in a state of poor repair. A strong sentiment exists among stakeholders for the city to continue supporting facade improvements and rehabilitation of historic buildings. In addition, support has been expressed for the city to strengthen efforts to enforce building codes and to facilitate redevelopment of the most distressed Downtown properties.

In interviews and surveys, stakeholders expressed strong support for streetscape enhancements. One potential challenge will be abandoned vaults that are believed to exist below the sidewalks in different locations along Lincoln Highway west of 4th Street.

The core retail area is not currently served by a wireless (WiFi) network.

Stakeholders
A number of individuals have been included in the planning process both as private citizens and as members of the original Downtown Revitalization Task Force. ReNew DeKalb is a newly created task force that will continue to provide guidance through the plan implementation process. ReNew DeKalb includes representatives from the City Council, City staff, merchants, property owners, Main Street DeKalb, the planning and economic development citizen commissions, DeKalb Park District, DeKalb School District, Northern Illinois University, DeKalb Clinic, the Daily Chronicle and the general public.

Jurisdictions
Development within the study area is regulated by the City of DeKalb. The city owns twelve public parking lots of various sizes within the study area and also owns the DeKalb Community Center building at the southwest corner of 4th Street and Grove Street, which houses four independent social services agencies.

The DeKalb Park District manages and maintains Memorial Park, DeKalb Square and Moudy Park. The Park District also manages the Nehring Center at 2nd and Lincoln which houses Main Street DeKalb and the DeKalb Chamber of Commerce.

The Illinois Department of Transportation has jurisdiction over improvements and access to and from Lincoln Highway (Illinois Route 38) and 4th Street (Illinois Route 25). The City of DeKalb, however, is responsible for the general maintenance of these streets.

The Kishwaukee River is a navigable waterway under the jurisdictional control of a number of regulatory agencies including the Army Corp of Engineers, Illinois Environmental Protection Agency and Illinois Department of Natural Resources.

The U.S. Post Office maintains a facility on Lincoln Highway between 5th and 7th Streets.

The Illinois Commerce Commission and the Union Pacific Railroad regulate rail crossings and issues related to the railroad’s right-of-way. The Union Pacific also owns the existing decommissioned railroad station.

Northern Illinois University maintains facilities at the William R. Monat Building at the southeast corner of 3rd Street and Locust.

The Egyptian Theater building is owned by the DeKalb Exposition Authority, a quasi-governmental organization. Preservation of the Egyptian Theater (PET) is the organization responsible for the theater’s maintenance and programming.

The DeKalb Public Library is adjacent to the study area. The library has an agreement to use the parking lot across 3rd Street from its facility, which is owned by a local funeral home.
Most Downtown streets lack trees, foliage and other streetscape amenities.

Verizon maintains a switching station on the northwest corner of 3rd and Locust Streets.

The DeKalb Park District manages the Nehring Center, home to several DeKalb civic organizations. The Nehring Center also hosts art exhibitions at its gallery located on the second floor.

The DeKalb Public Library is one of Downtown’s most popular destinations for children and adults. The library was listed on the National Register of Historic Places in 1980.
Finance
Downtown DeKalb has had a history of partnering with the private sector on selective projects and may seek to do so again to ensure land use and design quality standards align with the objectives of the Downtown Revitalization Plan.

One of the most important implementation tasks will be to determine whether or not existing Tax Increment Finance (TIF) Districts should be extended, new ones created or alternative incentives created to support revitalization.

Almost the entire Downtown Revitalization Plan study area, including the portions between 1st Street and Kishwaukee River, is included in one of two Tax Increment Finance (TIF) Districts, as follows.

1) Parts of the Revitalization Plan study area lie within two of the three “Central Area TIF District–Amended” categories:

Property and Sales Tax–1985 Base Year
This is DeKalb’s largest TIF district. The Downtown Revitalization Plan study area between 1st Street and the Kishwaukee River is included in this TIF District.

Property Tax Only–1985 Base Year
Most of the Downtown Revitalization Plan study area between 1st and 7th Streets are included in this TIF District.

2) “TIF District 2” includes the three blocks of the study area between 4th/7th Streets and Grove/Franklin Streets. Two of these blocks are entirely residential. City Hall is located in the third block.
Public Input
Stakeholder input was solicited early in the planning process.

The planning initiative was guided by the Downtown Revitalization Task Force, a group that included merchants, property owners and representatives from a variety of civic organizations and institutions such as Northern Illinois University, DeKalb Park District and DeKalb’s public schools.

A kick-off meeting with Downtown merchants that included a question and answer session was facilitated by Main Street DeKalb.

Nearly 40 stakeholders were interviewed individually during the Opportunity Analysis phase of the project.

A public visioning workshop that was attended by over 75 citizens included background analysis conducted to date, consensus-building sub-group discussions, a written survey to rate the quality of key existing Downtown characteristics and a question and answer session with the planning consultants.

Information about revitalization planning initiatives, including scheduling and presentation documents, was provided on a special web site and updated on a regular basis.

Refer to the Appendices B and C for survey results from the public sessions input sessions.
Marketplace Conditions

Downtown DeKalb’s Commercial Legacy
Significant residential and commercial opportunity has always existed in Downtown DeKalb and the surrounding area. Early residential development occurred south of Lincoln Highway. As DeKalb prospered, the area north of Locust between First and Fourth Streets developed as the residential area for the city’s most prominent merchants and citizens. The area between First and Fourth along Lincoln Highway served as the core retail area, housing dry goods stores, a meat market, a bakery, furniture stores and the famous Ellwood hardware store. Numerous three-story commercial buildings characterized this area. These buildings were truly mixed use, including retail on the ground floor with offices or institutional uses on the upper floors. Several extant buildings date from the 1870s. At approximately Fourth Street, the commercial and retail uses transitioned to industrial in character. Uses congregated in this area because of its proximity to the railroad, which provided the resources to transport materials and acquire finished goods. For the barbed wire producers, shipping and receiving were key, but the railroads were also major consumers of barbed wire. DeKalb, with its commercial prominence, was also a passenger hub. The passenger railroad depot remains, designed by Frost and Granger, prominent Chicago architects with strong connections to the railroad.

DeKalb’s commercial past was remarkable in its national significance and its success. During the post-World War II era, DeKalb’s downtown was generally successful into the 1970s. As happened in many communities, the study area has experienced progressive disinvestment since then. Subsequent decades of diminishing commercial activity have accentuated the physical decline and created negative perceptions. DeKalb faces both economic and social challenges to the future of the study area. The social challenge will be gaining community consensus and actively taking steps to implement the downtown strategy. The future economic challenge for DeKalb’s downtown will be the integration of sympathetic new development and ever-varying retail, office, and residential market requirements into the study area, while recognizing and fostering the area’s history that creates a “sense of place.”
Looking east on Lincoln Highway from the 1st Street intersection.

Looking east along Lincoln Highway towards 7th Street. The large building on the left is one of Jacob Haish Company’s barbed wire manufacturing facilities.
National Store and Restaurant Trends
Because Downtown DeKalb is a vintage Main Street, it is impacted less by national trends than recently developed shopping clusters. Consequently, these national trends guide development choices rather than dictate specific developments. By identifying opportunities to capitalize on trends that match DeKalb’s historic character, the Downtown can modernize in ways most likely to improve its business environment.

Shopping Center Classifications
To understand retail development possibilities, one must recognize that consumers expect to visit different types of centers for different shopping needs. For example, when grocery shopping, consumers expect to park where they can conveniently load groceries while consumers shopping for apparel expect the opportunity to visit several stores of similar type to compare their offerings—the definition of “shopping.” These underlying shopping behaviors support shopping clusters of different sizes and characters. The International Council of Shopping Centers, a shopping center executives’ trade group, classifies shopping centers based on matching shopping behavior and the size, tenants and character of shopping centers. This chart reports the key characteristics of these classifications.

These classifications are important because sophisticated tenants design their operating and merchandising policies to fit a specific shopping center category. That process results in higher sales and higher customer satisfaction. For example, a neighborhood center restaurant needs to offer carry-out, a convenience, while regional center restaurants need to offer an unusual menu to be most successful. While the neighborhood restaurant can offer the unusual menu and the regional center offer carry-out, those approaches are not the keys to their success.

As Downtown DeKalb competes for customers in the future, it will benefit from positioning a mixture of stores and restaurants to compete effectively with specific types of centers. Currently, Downtown DeKalb functions as a community center anchored by its municipal services and its financial services. This project will seek to determine its future positioning.

<table>
<thead>
<tr>
<th>International Council of Shopping Centers Categories</th>
<th>Regional or Lifestyle Center</th>
<th>Community Center</th>
<th>Neighborhood Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Site Acreage</td>
<td>30-100+</td>
<td>10-30</td>
<td>3-10</td>
</tr>
<tr>
<td>Total Retail Square Footage</td>
<td>400,000-2,000,000+</td>
<td>100,001-400,000</td>
<td>30,000-100,000+</td>
</tr>
<tr>
<td>Number of Stores</td>
<td>50-150+</td>
<td>15-25</td>
<td>5-15</td>
</tr>
<tr>
<td>Principle Tenants</td>
<td>Two or more full-line department stores (Lifestyle may have none)</td>
<td>Full-line discounter, specialty cluster or category killer</td>
<td>Supermarket or drug store</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>Large assortment focusing on goods that require careful comparison shopping and services that enhance the shopping experience</td>
<td>Moderate assortment focusing on a mix of shopping and convenience-oriented goods and services</td>
<td>Small assortment focusing on convenience-oriented goods and services</td>
</tr>
<tr>
<td>Minimum Population to Support Center</td>
<td>100,000+</td>
<td>50,000-150,000</td>
<td>10,000-50,000</td>
</tr>
<tr>
<td>Trade Area Drive Time</td>
<td>Up to 30 minutes</td>
<td>Up to 15 minutes</td>
<td>Less than 10 minutes</td>
</tr>
</tbody>
</table>

As Downtown DeKalb competes for customers in the future, it will benefit from positioning a mixture of stores and restaurants to compete effectively with specific types of centers. Currently, Downtown DeKalb functions as a community center anchored by its municipal services and financial services.
Cross Shopping Channels
Related to value-consciousness, cross shopping is the practice of patronizing stores across the economic spectrum to best meet one’s needs. For example, the same shopper who buys commodity goods at Costco may also buy expensive apparel at Nordstrom. This table lists the channels available to today’s shoppers.

<table>
<thead>
<tr>
<th>Channel</th>
<th>Department Stores</th>
<th>National Chains</th>
<th>Mass Merchants</th>
<th>Discount/Dollar</th>
<th>Specialty Stores</th>
<th>Internet</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dillard</td>
<td>Kohl’s</td>
<td>KMart</td>
<td>Ames</td>
<td>Banana Republic</td>
<td>Amazon.com</td>
</tr>
<tr>
<td></td>
<td>Elder Beerman</td>
<td>JCPenney</td>
<td>Target</td>
<td>Big Lots</td>
<td>Big 5</td>
<td>Att.com</td>
</tr>
<tr>
<td></td>
<td>Gottschalks</td>
<td>Sears</td>
<td>Wal-Mart</td>
<td>Dollar General</td>
<td>Circuit City</td>
<td>Drugstore.com</td>
</tr>
<tr>
<td></td>
<td>May Stores</td>
<td>Nordstrom</td>
<td></td>
<td>Family Dollar</td>
<td>Gap</td>
<td>Ortsfostermith.com</td>
</tr>
<tr>
<td></td>
<td>Nordstrom</td>
<td>Sears</td>
<td></td>
<td>Shopko</td>
<td>Stein Mart</td>
<td>Redenvelope.com</td>
</tr>
<tr>
<td></td>
<td>Saks</td>
<td></td>
<td></td>
<td>Value City</td>
<td>Williams-Sonoma</td>
<td>Westelm.com</td>
</tr>
</tbody>
</table>

Today’s consumers are seeking value and are not as brand conscious as previous eras. This recent trend promises to continue as stores like Target increasingly attract designer goods. The dramatic change is illustrated by this chart.

Consumer Shopping at Supercenters, within Last Three Months, 1998 to 2002*

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>2000</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>32%</td>
<td>50%</td>
<td>63%</td>
</tr>
</tbody>
</table>

*Based on telephone interviews with 659 consumers nationally

Project Application
The direct impact of this trend has been experienced by DeKalb as Wal-Mart and other national chains opened on Sycamore Road. That center has the hours, prices, and one-stop convenience to increase cross shopping by DeKalb residents.
Core Site Selection Concepts
The decision to develop store and restaurant space is based on core concepts that underlie the expectation for acceptable sales at the development site.

1. Retail Follows Other Markets.
There must be a large enough, close enough residential population before the market will support construction of store and restaurant space. Although office workers are another important market that can upgrade a marginally successful retail district into a very successful one, local residents are the backbone of each community’s commercial areas. The significance of office space is its connection to a strong food and beverage offering. A significant concentration of offices adds a lunch seating and “cocktail hour” that can increase restaurant business by up to one-third. Although the residents are reasons for the stores, office workers bring increased vitality and growth through reinvestment of profits.

2. Development is Tenant Driven
There must be enough similar tenants to allow consumers to comparison shop. In the abstract, it makes sense that the ideal retail development is a broad mix of businesses satisfying the “cradle-to-grave” needs of local residents. But that concept defies the very term “shopping” because there never could be sufficient space to meet the volume and variety of business to meet the desires of all residents. Today’s auto-oriented retailing assumes that customers will travel for selection. Consequently, while today all successful shopping districts offer convenience shopping, drug stores and different shopping districts have evolved to satisfy varying niches for other items. Strong retailers like to cluster near competitors because they know that such an area gets a reputation as “the place to go to shop for…”

3. Visibility is Critical
Stores must be visible to a large enough pedestrian and/or “driver” population. Although repeat customers are the lifeline of any business, there also must be a steady flow of new customers. Those customers are much easier to attract when a large population sees the business every day. Studies by national restaurateurs and retailers indicate that about 20,000 vehicles and/or pedestrians per day pass the most vital retail businesses.

4. Visual and Physical Access Must be Easy
Signalized intersections allow traffic to easily enter and exit parking lots. They also stop pedestrians and automobiles, causing people to see signs and advertising. For those reasons, signalized intersections are the key location for high traffic retail centers.

5. Anchors Hold the Position
The concept of modern shopping centers is that consumers are attracted by a high volume business (the anchor) and then notice and purchase the offering of adjacent smaller stores. Today that pattern has been modified by the concept of Lifestyle Centers where a cluster of well known smaller stores combine to fulfill the anchor function. When centers are anchorless, often due to the closing of a business, the property is less stable because tenants are constantly seeking anchored locations where they can achieve higher sales from the customers of adjacent anchors.

6. Operating Results Trump Development Costs
Rents—the ongoing measurement of a location’s development cost—are typically targeted to be at most 10% of sales. However, it is apparent that other operating costs have more impact on a store or restaurant’s success. As the table below reveals, the operation of a retail business is extremely sensitive to sales variation.

<table>
<thead>
<tr>
<th>Impact of Sales Variation on Retail Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>Merchandise Cost</td>
</tr>
<tr>
<td>Rent</td>
</tr>
<tr>
<td>Salaries</td>
</tr>
<tr>
<td>Supplies</td>
</tr>
<tr>
<td>Reserve for Repair</td>
</tr>
<tr>
<td>Advertising</td>
</tr>
<tr>
<td>Return on Investment, Taxes and Profit</td>
</tr>
</tbody>
</table>

A 20% decline in business, an impact which can occur from the closing of an anchor or a bad buying decision, results in a loss. A 20% sales increase, often the result of better co-tenants joining a center or smart buying, causes the return to more than double. The location change column shows that, if that sales increase results from relocating the business to a better district with 50% higher rent, there is a significant improvement in profitability. This analysis reveals the rationale for “moving boxes” when new development occurs. It also illustrates why it is so important for retail development to occur at superior locations.
7. A Few Retailers Provide the Majority of Sales Taxes
Successful auto dealerships, warehouse clubs, large format grocery stores, mass merchandisers, and home centers can each produce over $50 million in sales and $1.5 million in sales taxes. Consequently, these single businesses often have more impact on sales tax revenue than multi-tenant convenience centers, fashion centers, or suburban downtowns where sales are $10 million to $20 million for the whole center.

At its age, Downtown DeKalb would not be expected to meet these modern site selection standards. However, the marketing and design strategies must compensate for variations from these standards to create an environment that competes successfully with centers that do meet the standards.

National Residential Trends
The recent national residential construction surge has greatly expanded the development boundaries in many metropolitan areas. In an effort to find affordable building lots of sufficient size to appeal to home buyers, residential construction activities have moved to significantly further distances from core urban areas. This increasingly has isolated these new occupants from employment opportunities, commercial activities, public transportation options, and other critical services such as health care. In response, most communities are focusing on infill development, where smaller parcels closer to the urban core are targeted for development. DeKalb’s desire to limit its suburbanization by promoting infill redevelopment is consistent with this trend.

Other than emphasizing infill development, community design trends are moving toward integrating more activities into new developments, providing for increased use of wireless technology and providing for energy conservation measures.

A national poll of residential architects\(^1\) found increasing interest in townhouses and condominiums. This sector has benefited from the recent growth in homeownership rates, as these homes are often the most affordable in many markets. Additionally, they appeal to a broad population base because of the minimal maintenance obligations. The more traditional custom/luxury and move-up housing segments—as well as second and vacation homes—are showing some strength, although conditions in all three of these markets have eased from the beginning of 2005. The weakest segment, and the only segment that more residential architects rate as weakening than improving, is homes targeted for first-time buyers. These households often have the fewest resources to absorb the rising prices seen in the housing market in recent years. More than a third of respondents rate this segment as weakening, and only 16 percent rate it as strengthening.

\(^1\) Infill, Mixed-Use Development More Popular as Homebuilding Decentralizes, Kermit Baker, PhD, Hon. AIA, Chief Economist

Other than emphasizing infill development, community design trends are moving toward integrating more activities into new developments, providing for increased use of wireless technology and providing for energy conservation measures.

Mixed-use projects, which include commercial and retail activities, are increasing in residential developments. Increasing the number of recreational opportunities (walking trails, exercise centers), higher-density development (smaller lots) and providing services on site (e.g., health care and convenience stores) are also strategies used to reduce the isolation of more distant residential development. In addition to providing more activities, accessibility to other opportunities is also increasing when considering community design and location. Access to public transportation and alternative transportation systems such as bikeways and walkways were seen by many poll respondents as strategies that are more popular. Likewise, proximity to commercial shopping and employment are more generally emphasized. With more concern for integration and accessibility, gated entrances and distinctive community entrances are now less popular.
The American Institute of Architects Integrated Uses Survey: Percentage of Architects Reporting Use in Each Category:

- Infill Development: 63
- Mixed Use: 38
- Recreational Opportunity: 45
- Access to Transportation: 43
- Higher-density Development: 41
- Services Integrated: 34
- Access to Commercial: 30
- Access to Employment: 25
- Gated Entrance: 3

The same study cited above also found that residential development interest is slightly higher in the west and south than in other regions of the United States.

**National Office Trends**

Nationally, office space is tracked by class:

**Class A**
This class includes large, newer properties in prime business districts. These buildings usually have at least five floors and are constructed of steel and concrete. They offer high quality finishes, special technology features, business amenities, and good access.

**Class B**
These properties are typically smaller, older and of wooden framed construction. They have usually been renovated and are in good locations. If the buildings are newer then they are typically smaller and not in a prime location.

**Class C**
Class C properties are older and have not been renovated. Their condition is typically fair but not considered good.

The performance of “Class A” properties determines market health because it is driven by new construction. After five years of very limited growth, the Class A office market is showing signs of a national recovery. CBRE, a national commercial real estate company, described the situation in its year end 2005 report:

**Steady job growth and rising corporate profits are fueling the rebounding U.S. office market, which experienced dramatic improvement during 2005. The majority of the markets surveyed recorded higher rents at year-end 2005 than at mid-year, indicating a return of solid fundamentals and a growing demand for office space.**

Downtown and suburban markets posted their seventh straight quarter of positive absorption, with a combined total of 24.3 million square feet absorbed during the 4th quarter of 2005. Washington, DC, Atlanta and Boston led the way with over 4.9 million square feet of combined absorption. Vacancies remained tighter downtown versus the suburbs. Nationally, downtown vacancy declined from 13% to 12.7% as suburban vacancy dropped from 15.1% to 14.6% in the third quarter of 2005.

These improving conditions have not yet lead to significant new construction. However, there are signs of an improving investment climate.

The sales of existing, high quality office properties have been particularly strong as conservative investment capital sought higher returns than those projected from the stock market.
Downtown DeKalb has elements of a traditional mixed use district with close association between reuses and adjacent residential and offices that provide the denser land uses typical of modern mixed use development. However, there is a discontinuity caused by under-utilized parcels to the northeast of the Downtown core.

National Mixed-Use Trends
Beginning in the 1990s, communities began authorizing land uses in close proximity that had been separated since the concept of zoning was introduced. This change came from an understanding that without close association to residential development, urban commercial areas were eight-hour environments that could not support the stores and restaurants that commercial employees need as daily amenities. This trend solved two problems. First, it found a use–residential–for attractive, vintage buildings that no longer met the needs of modern office users and, second, it added a 24-hour population that could support a shopping and dining cluster that could be an amenity to both residents and the remaining employees. The concept is nothing new. This typology, with shops at street level and residential above, has been found in cities throughout history. The rediscovery of this building type is seen as a critical point in the recent urban revitalization experienced in cities throughout the United States.

Increasingly, new mixed use development means retail on the ground floor and residential or office upper floors or variation where separate commercial and residential buildings are mixed within a site. Mixed use, new urban projects are “hot” in the development industry, yet they require far more skill to pull off successfully than does the typical suburban shopping center, office park or residential complex. The first challenge is not overestimating the volume of retail supported by other uses on the site. Shops generally must draw from a wider area and consequently cars and regional access must be accommodated. Secondly, financing is much more challenging because mixed use projects often include short-term, equity housing and long-term, leased retail space. This challenge is often met by combining apartments with leased retail space or selling retail space as condominiums in equity residential projects.

Downtown DeKalb has elements of a traditional mixed use district with close association between reuses and adjacent residential and offices that provide the denser land uses typical of modern mixed use development. However, there is a discontinuity caused by under-utilized parcels to the northeast of the Downtown core.

Community and Market Area Demographic Data
To understand Downtown DeKalb’s potential as a commercial cluster, it is important to know the characteristics of the residents within logical markets. The table below looks at four populations at varying distances from the intersection of 2nd street and Lincoln Highway.

<table>
<thead>
<tr>
<th>Population Characteristics</th>
<th>Primary Market</th>
<th>Secondary Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Details</td>
<td>0.5 Miles</td>
</tr>
<tr>
<td>Population</td>
<td>43,695</td>
<td>3,145</td>
</tr>
<tr>
<td>Households</td>
<td>14,003</td>
<td>2,168</td>
</tr>
<tr>
<td>Population Density</td>
<td>3,463</td>
<td>6,551</td>
</tr>
<tr>
<td>Total Population/Median Age</td>
<td>26.1</td>
<td>29.7</td>
</tr>
</tbody>
</table>

Demographic data © 2005 by Experian/Applied Solutions

0.5 miles identifies the residents who can easily walk into Downtown DeKalb. Those living within 5 minutes can easily drive into downtown and the population within 20 minutes might choose to visit Downtown as a destination offering items not available closer to home. The community as a whole should feel an affiliation and ownership of “their” downtown and visit for municipal services, the library and community building events. For marketing purposes, the area encompassed within a five-minute drive of Downtown DeKalb (that is slightly larger than the city limits and includes all of the half-mile pedestrian market) is the primary market that should generate 80% of the businesses’ sales. The balance of the sales would be to residents of the secondary market—the 20-minute drive time—and to visitors.
Student populations are an important influence on the demographic character of DeKalb. Because the input information for national demographic projection services relies on census and IRS income reports, it misses the parental subsidies and savings depletion typical of spending in student occupied neighborhoods. Although those sources probably double or triple the actual household income, much of that money goes to housing costs not included in retail spending. Consequently, a conservative estimate of the retail spending power is probably 120% of this national demographic service projection for selected spending categories.

### Expenditure Potential

<table>
<thead>
<tr>
<th></th>
<th>DeKalb</th>
<th>0.5 Miles</th>
<th>5 Minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Retail Expenditure</td>
<td>$299,493,951</td>
<td>$44,507,786</td>
<td>$342,944,409</td>
</tr>
<tr>
<td>Full Service Restaurants</td>
<td>16,094,013</td>
<td>2,381,661</td>
<td>18,475,674</td>
</tr>
<tr>
<td>Limited Service Restaurants</td>
<td>16,163,011</td>
<td>2,392,225</td>
<td>18,522,947</td>
</tr>
<tr>
<td>Grocery Store</td>
<td>53,299,245</td>
<td>7,946,637</td>
<td>60,945,882</td>
</tr>
</tbody>
</table>

Demographic data © 2005 by Experian/Appplied Solutions, BDI

That 20% boost in actual spending power would result in these revised calculations:

### Adjusted Expenditure Potential

<table>
<thead>
<tr>
<th></th>
<th>DeKalb</th>
<th>0.5 Miles</th>
<th>5 Minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Retail Expenditure</td>
<td>$359,390,341</td>
<td>$44,507,786</td>
<td>$411,298,128</td>
</tr>
<tr>
<td>Full Service Restaurants</td>
<td>19,312,816</td>
<td>2,381,661</td>
<td>22,122,477</td>
</tr>
<tr>
<td>Limited Service Restaurants</td>
<td>19,395,613</td>
<td>2,392,225</td>
<td>22,227,938</td>
</tr>
<tr>
<td>Grocery Store</td>
<td>63,959,094</td>
<td>7,946,637</td>
<td>73,157,130</td>
</tr>
</tbody>
</table>

Demographic data © 2005 by Experian/Appplied Solutions, BDI

Those increases are important because they suggest that there could be five to seven more restaurants than the unadjusted spending power supports. The additional $12 million in grocery store spending would support another market.

This map delineates the primary market. A key characteristic of this population is its balance of both permanent residents and students. Within the 0.5 mile population, there are no students in campus housing. However, within the 5 minute drive time, nearly 7,300 students live in dorms. University publications report that 75% of the undergraduates—approximately 12,000 students—live in DeKalb. That implies that approximately 4,700 students live independently in the neighborhoods near the University. In total, the students are approximately 20% of the residents of downtown DeKalb’s primary market. Approximately 4,000 students commute daily to campus. The commuting students would impact the market as a daytime population that accesses Downtown similarly to employees.
Although students in dorms are included in the spending power calculation, they are removed from the household income calculation made for the census and by national demographics services. Still, if only 7,300 of the 12,000 resident undergraduates live in dorms, there are nearly 5,000 students included in the calculation of the primary market’s average household income. Current projections place those students into just under 3,000 households with an average total household income of $26,149. This chart illustrates the impact of those households on DeKalb’s average household income.

### Average Household Income by Age

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Household Income (Average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 25 Years</td>
<td>$27,794</td>
</tr>
<tr>
<td>25-34</td>
<td>$44,112</td>
</tr>
<tr>
<td>35-44</td>
<td>$57,926</td>
</tr>
<tr>
<td>45-54</td>
<td>$69,104</td>
</tr>
<tr>
<td>55-64</td>
<td>$75,124</td>
</tr>
</tbody>
</table>

This is a total of 3,300 households with 84% assumed to be non-student. This spending does not include the previously mentioned student savings depletion and parental support. The chart below adds the 7,300 dorm occupying students as households of two to the under 25 population with high disposable income.

### Adjusted Households with High Disposable Income

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Household Income (Average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 25 Years</td>
<td>$30,000 or in dormitory</td>
</tr>
<tr>
<td>25-34</td>
<td>$44,112</td>
</tr>
<tr>
<td>35-44</td>
<td>$57,926</td>
</tr>
<tr>
<td>45-54</td>
<td>$69,104</td>
</tr>
<tr>
<td>55-64</td>
<td>$75,124</td>
</tr>
</tbody>
</table>

This analysis suggests there may be a stronger student market than national demographic reporting firms suggest.

Again, although those familiar with the local market understand how the students impact national data base reports, higher volume businesses need additional information to recognize the potential in the Downtown DeKalb market.

Because the spaces in attractive, vintage downtowns like DeKalb’s include relatively small store and restaurant spaces, they typically are composed of the boutiques and specialty restaurants that appeal to residents with significant disposable income. The chart at the top of the next column reveals how those households are distributed by age within the five-minute drive time primary market. Note that it assumes that households headed by residents under 25 years old have significant disposable income if there is access to at least $30,000.
The future challenge for Downtown DeKalb is retaining its existing strong businesses while adding stores and restaurants that expand downtown’s draw. With the 5-minute drive time restaurant spending power at nearly $40 million, there could be additional restaurants Downtown. The growing population would support expanding the decorative accessories and home furnishings markets. Recent retailing trends point to younger customers avoiding malls and actively seeking apparel in independent stores.
Employees are also an important market for Downtown DeKalb. They provide the daytime sales that add significantly to the profitability of study area stores and restaurants. With today’s two income families, the national average is 1.2 jobs per household. The primary market for Downtown DeKalb has 0.86 jobs per household. This calculation suggests that the number of employees in Downtown DeKalb should increase by 500 or more to improve the daytime market. That increase combined with the resident students and 4,000 commuting students would provide a significant daytime market.

Growth is another positive characteristic of Downtown DeKalb’s primary market. From 1990 to 2000, this area experienced a 20% increase in the number of households. The future promises even more growth as Chicago’s suburban edge reaches DeKalb.

Opportunity Summary
The primary market associated with Downtown DeKalb has the demographic strength to support a vital downtown. The coming population growth and the association with the University also support the opportunity for a vital commercial environment.

Current Business Mix
DeKalb’s downtown business mix currently includes 108 businesses, representing five key sectors—retail, restaurants and bars, service, arts entities and institutional users.

Despite concerns about Downtown DeKalb’s retail offering, at 45 percent it represents the largest component of downtown’s overall mix. Downtown’s current retailer numbers include a strong core group of businesses. This core group, including stores such as Cracker Jax and Megan Morrison, attracts consumers from throughout the region. Many of these businesses also share customers. DeKalb’s current retail group includes ten businesses identified as selling antiques, gifts and collectibles. With this one exception, there is minimal opportunity for consumer comparisons. Complementing this retail group are three additional businesses selling home accessories or decoration. These two clusters of businesses comprise 26.5% of downtown’s retailers and present both marketing and recruitment opportunities as DeKalb’s population grows.

Service businesses sell primarily nontaxable services to consumers. Those businesses comprise the second largest portion of Downtown’s mix, representing 28%. This significant service cluster is typical of downtowns meeting the needs of local residents. These businesses generate traffic and are located downtown primarily for either owner or customer convenience. Within this sector are two large clusters—automotive and salon/personal care. These two sub-sectors represent 57% of Downtown DeKalb’s service businesses. Having this substantial automotive cluster is atypical in a traditional downtown but reflects the history of uses east of 4th Street.

The total restaurant number (21) encompasses all eateries, clubs and taverns. This group, like the retail segment, includes several strong businesses. Downtown also includes important institutions and arts organizations. Their presence and commitment supports Downtown’s role as the core of the DeKalb community.

Business Mix Summary
Although the relative mix is well balanced, Downtown DeKalb’s 108 businesses are below the numbers generally expected to draw from a wide geographic area. This small size is further reduced because there are only 49 retail stores and 21 restaurants/bars. Specialty shopping locations like suburban downtowns, malls, and lifestyle centers more typically contain approximately 150 stores and restaurants. With the 5-minute drive time restaurant spending power at nearly $40 million, there could be additional restaurants Downtown. The growing population would support expanding the decorative accessories and home furnishings markets. Recent retailing trends point to younger customers avoiding malls and actively seeking apparel in independent stores. The future challenge for Downtown DeKalb is retaining its existing strong businesses while adding stores and restaurants that expand Downtown’s draw.
Conceptual Framework

Based on findings from the Opportunity Analysis, the Task Force established principles to guide the development of alternative revitalization strategies. Collectively, these principles provided a framework that led to a number of key recommendations, including:

Enhance Core Retail District
Consolidating retail and public parking into more tightly-focused, mixed use districts along Lincoln Highway makes Downtown a more accessible and more walkable place. Rehabbing existing historic buildings and recruiting new boutique businesses enhances the main street character of the core retail districts. Adding new public space and new mixed use residential/retail/commercial along Locust and Lincoln creates new retail destinations, high-quality store/office space that conforms to the contemporary needs of tenants and merchants and puts new residents and new office workers within easy walking distance of jobs, shops, restaurants and entertainment venues.

Encourage Adaptive Reuse
The City should promote the preservation, restoration and/or adaptive reuse of existing commercial structures within the study area to the extent that it is economically feasible to do so.

Improve Lincoln Highway and Other Streets
Roadway improvements and premium streetscape enhancements will create a greener, more environmentally-sustainable Downtown. These improvements will also increase the comfort, accessibility and safety of pedestrians, cyclists and drivers—and, reducing roadway widths may discourage truck traffic on Lincoln Highway.

Expand Downtown to the Kishwaukee River
Creating new mixed use residential/retail along the Lincoln Highway west of Downtown will make this key gateway corridor more attractive, increase the number of residents living within walking distance of Downtown businesses, bring Downtown closer to the NIU campus and also link Downtown to one of the community’s most compelling natural feature, the Kishwaukee River.

Promote New Upscale Residential
New high-end, medium scale residential will help to define the Downtown retail district’s edges, and put new residents within easy walking distance of retail, restaurants and entertainment venues.

Principles
- Create a compact, walkable retail core.
- Create distinctive amenities into the plan that reflect DeKalb’s unique character.
- Create a Downtown that is comfortable, easy to access and easy to circulate within.
- Create a Downtown that is sustainable environmentally, socially, economically and culturally.