
**CITY OF WEST CHICAGO, ILLINOIS
DOWNTOWN 2 TIF DISTRICT REDEVELOPMENT
PROJECT AREA
REDEVELOPMENT PLAN AND PROJECT**

Prepared By:

**City of West Chicago, Illinois
&
Kane, McKenna and Associates, Inc.**

November, 2021

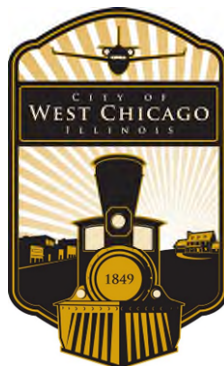


TABLE OF CONTENTS

I.	Introduction.....	1
	A. Overview of Tax Increment Financing (TIF)	1
	B. The Redevelopment Plan	3
	C. Findings Pursuant to the TIF Act	3
II.	Redevelopment Project Area	5
	A. Redevelopment Project Area Summary	5
	B. Legal Description of Redevelopment Project Area.....	5
III.	Redevelopment Goals	6
	A. City Goals	6
	B. Redevelopment Project Area Goals	7
IV.	Evidence of Lack of Development and Growth	8
	A. Qualification Report.....	8
	B. Findings.....	8
V.	Assessment of Fiscal Impact on Affected Taxing Districts.....	9
VI.	Housing Impact Study.....	10
VII.	Redevelopment Project	11
	A. Redevelopment Activities	11
	B. General Land Use Plan.....	12
	C. Additional Design and Control Standards.....	12
	D. Eligible Redevelopment Project Costs.....	12
	E. Sources of Funds to Pay Redevelopment Project Costs.....	22
	F. Nature and Term of Obligations	22
	G. Most Recent and Anticipated Equalized Assessed Value (EAV).....	23
VIII..	Scheduling of Redevelopment Project.....	24
	A. Redevelopment Project	24
	B. Commitment to Fair Employment Practices and Affirmative Action.....	24
	C. Completion of Redevelopment Project	25
IX.	Provisions for Amending the Redevelopment Plan and Project.....	26
Exhibit 1	Boundary Map	
Exhibit 2	Legal Description.....	
Exhibit 3	Qualification Report.....	
Exhibit 4	Existing Land Use Map	
Exhibit 5	Proposed Land Use Map	

I. Introduction

The City of West Chicago (the “City”) is a suburban municipality serving a population of over 25,000 citizens (according to the 2020 U.S. Census). West Chicago is an established community that sits within DuPage County, roughly thirty miles west of Chicago’s “Loop.” West Chicago is also approximately 30 miles from Chicago O’Hare International Airport and is situated between Interstate 88 to the south and Interstate 90 to the north. In this report, the City proposes a Tax Increment Financing Redevelopment Plan and Project (the “Plan” or “Redevelopment Plan”) pursuant to the TIF Act (as defined below) to enable an area within the City to overcome a number of redevelopment barriers. Kane, McKenna and Associates, Inc. (“KMA”) has been retained by the City to assist in the drafting of this Redevelopment Plan.

Founded as a railroad town in 1855, West Chicago is an ethnically diverse small town with historic roots that sits in the midst of newer western suburbs. According to the City’s “West Chicago Strategic Plan, 2016,” “the City is hemmed in by a variety of unique land uses, ranging from the DuPage County Airport, Fermi National Accelerator Laboratory, and a collection of county forest preserves and land conservancies, all of which isolate West Chicago from the rest of the suburban landscape.” Many of these land uses do not pay property taxes, which places additional burdens on residents. To address these challenges, the “West Chicago Strategic Plan 2016” calls for the City to “Invest in and launch a robust, proactive economic development program, led by the City, that partners with the business and real estate development community to promote West Chicago as a place to invest in a range of commercial and industrial use, and build an “entrepreneurial spirit.” The City considers the Central Main Street area of West Chicago’s downtown to be a key economic development area for the City. The City’s Central Main Street Redevelopment Plan Update, 2017, recognizes this area as having “enormous transit-oriented development potential,” and notes that “the primary role for the City is to set the table for private development”.

Given these conditions, the City has determined that the proposed TIF District (as defined below) would not be redeveloped in a coordinated manner without the adoption of a Tax Increment Financing Redevelopment Plan. The City, with the assistance of KMA, has commissioned this Redevelopment Plan to use tax increment financing in order to alleviate those conditions which deter private investment in the area and meet the City’s redevelopment goals and objectives.

A. Overview of Tax Increment Financing (TIF)

Tax Increment Financing (“TIF”) is an economic development tool which uses future tax revenues to finance redevelopment activity. In the State of Illinois, an area can be designated as a “redevelopment project area” pursuant to the TIF Act if it faces certain impediments to redevelopment. At the time of designation, the equalized assessed value of tax parcels within the boundaries of the district are “frozen” for the term of the redevelopment project area. Taxing jurisdictions that overlap that district continue to receive property taxes, but those revenues are limited to those based on the “frozen” or base equalized assessed values. Any property tax revenue generated from increases in equalized assessed value relative to the frozen values are deposited in

a special tax allocation fund. This revenue is then used to finance redevelopment activities within the district to accomplish various community and economic development goals.

B. The Redevelopment Plan

The Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-3, et. seq., as amended (the “TIF Act” or “Act”) enables Illinois municipalities to establish a “redevelopment project area” either to eliminate the presence of blight or to prevent its onset. The Act finds that municipal TIF authority serves a public interest in order to: “promote and protect the health, safety, morals, and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken; that to remove and alleviate adverse conditions it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas” (65 ILCS 5/11-74.4-2(b)).

To establish an area as a “redevelopment project area” pursuant to the Act, Illinois municipalities must adopt several documents including a Redevelopment Plan and Qualification Report that provides in reasonable detail the basis for the eligibility of the RPA. A Redevelopment Plan is any comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions which qualify the redevelopment project area as a "blighted area," "conservation area," (or combination thereof), or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area as set forth in the TIF Act.

The City has authorized KMA to study the area identified in the boundary map attached hereto as Exhibit 1 (the “Redevelopment Project Area,” “RPA,” or “TIF District”) in relation to its eligibility as a Redevelopment Project Area under the TIF Act, to prepare a report for the eligibility of the RPA (the “Qualification Report”) and to prepare a Redevelopment Plan for the RPA.

C. Findings Pursuant to the TIF Act

It is found and declared by the City through legislative actions as required by the Act that:

1. That to alleviate the adverse conditions, it is necessary to encourage private investment and enhance the tax base of the taxing districts in such areas by the development or redevelopment of certain areas;
2. That public/private partnerships are determined to be necessary in order to achieve development goals;
3. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of this redevelopment plan;
4. That the use of incremental tax revenues derived from the tax rates of various taxing districts in the RPA for the payment of redevelopment project costs that are incurred in the

redevelopment of the RPA will incentivize such redevelopment and benefit such taxing districts in the long run, by alleviating the conditions identified in the Eligibility Report and increasing the assessment base;

5. That such increased assessment base is not likely to be achieved without using such incentives to first alleviate such conditions; and
6. The Redevelopment Plan and Project conforms to the City's 2016 "West Chicago Strategic Plan," (the "Comprehensive Plan") which guides development of the City as a whole.

It is further found, and certified by the City, in connection to the process required for the adoption of this Redevelopment Plan pursuant to 65 ILCS 5/11-74.4-3(n)(5) of the Act, that this Redevelopment Plan will not result in the displacement of ten (10) or more inhabited residential units. Therefore, this Redevelopment Plan does not include a housing impact study as is required under the Act.

The redevelopment activities that will take place within the RPA will produce benefits that are reasonably distributed throughout the RPA. Redevelopment of the RPA is tenable only if a portion of the improvements and other costs are funded by the RPA.

Pursuant to the Act, the RPA includes only those contiguous parcels of real property and improvements thereon substantially benefited by the Redevelopment Plan. Also pursuant to the Act, the area of the RPA in the aggregate is more than 1½ acres.

II. Redevelopment Project Area

A. Redevelopment Project Area Summary

The RPA is located in the downtown area and west of the downtown area of the City and consists of one-hundred and twenty-two (122) tax parcels generally bounded by City Hall to the east, Main Street and Union Pacific Railroad to the south, High Street, Washington Street and McConnell Avenue to the north and Aurora Street to the west. Most of the uses within this area are retail/commercial, mixed-use, institutional, and some single- and multi-family residential uses.

B. Legal Description of Redevelopment Project Area

The Redevelopment Project Area legal description is attached as Exhibit 2.

III. Redevelopment Goals

A. City Goals

The City has established a number of goals, objectives and strategies which would determine the kinds of activities to be undertaken within the RPA.

An important underlying document is the Strategic Plan, which, as an element of the planning process, describes the overall vision for the City and is the foundation for City initiatives. This planning document influences all other City planning processes including those related to TIF. The below Table 1 summarizes goals in the 2016 Strategic Plan that are applicable to the RPA.

Table 1. 2016 Strategic Plan Goals Relevant to Redevelopment of the RPA

Element	Goals/Objectives
Establish targeted investment and economic development strategies for each are of the City's five defined business districts, tailored to the corridor and sire-specific conditions	<p>Develop detailed implementation strategies to competitively position each of these five areas for development, redevelopment, and new investment. Through these efforts, each commercial areas should be reinforced as a distinctive business district that aligns with land use planning, zoning, infrastructure investment, corridor branding and urban design character in a manner that differentiates the district from other parts of the West Chicago, as well as other parts of suburban Chicago.</p> <p>The City should make a final determination on the real estate it owns in downtown West Chicago and consider selling a portion to a private developer,</p> <p>The City Hall site should be prioritized and incentivized for infill development to add greater density to the downtown neighborhood.</p> <p>The City should continue supporting the downtown as a TOD hub by partnering with Metra and other property owners to maximize the available rea estate, including parking lots.</p>
Create a ten-year placemaking and infrastructure investment strategy that emphasizes public improvements that elevate the appearance and image of West Chicago.	<p>The City should pursue public-private partnerships as much as possible and lead a series f programs and efforts to accelerate the investment in signature place making projects that further distinguishes West Chicago s a readily identifiable and memorable smalltown community within the greater Chicago region.</p> <p>Evaluate coordinating economic development efforts with capital improvements o mark each commercial corridor in a distinctive manner</p> <p>Evaluate the community's sidewalk connectivity and street lighting coverage, and produce an assessment that prioritizes improvements to address public safety and community appearance.</p>

Source: City of West Chicago 2016 "West Chicago Strategic Plan"

Implementation of this Redevelopment Plan will facilitate the accomplishment of these and other goals described in the Strategic Plan. It is further expected that the "redevelopment projects" as

defined in the TIF Act will return the RPA to economically productive use; thus, accomplishing the City's general goals regarding enhancing and strengthening the City's tax base.

B. Redevelopment Project Area Goals

Given the potential community benefits that may be gained from redevelopment of the RPA, efforts should be made to achieve the following goals for the RPA:

1. Reduce or address those adverse impacts described in the TIF Qualification Report which deter private investment in the RPA;
2. Return underutilized property located within the RPA to productive use and strengthen and enhance the City's tax base;
3. Provide for high-quality, development within the RPA that facilitates community and economic development goals; and
4. Accomplish redevelopment of the RPA over a reasonable time period.

These goals may be accomplished by pursuing the following objectives for the RPA:

1. Promotion of the redevelopment of underutilized property located within the RPA;
2. Provision for the assembly or coordination of private and public property for viable redevelopment projects;
3. Improvement of existing rights-of-way and infrastructure including, but not limited to roadways, streetscape, traffic signalization and parking improvements;
4. Provision of necessary site preparation including, but not limited to, grading, demolition and environmental remediation; and
5. Provision of public investment that improves the physical condition and visual aesthetic of the area including those in the public realm (e.g. streetscaping) and the private realm (e.g. facades and signage).

These objectives may be pursued independently by the City or in private partnership by entering into redevelopment agreements in order to redevelop existing property or induce new development to locate within the RPA.

IV. Evidence of Lack of Development and Growth

A. Qualification Report

The Redevelopment Plan Area's qualification under the TIF Act was evaluated by representatives of KMA from August, 2021 through the November, 2021. Analysis was aided by certain reports obtained from the City and other sources. Only information which would directly aid in the determination of eligibility for a redevelopment project area was utilized.

The reported results of this evaluation are attached as Exhibit 3 of this Redevelopment Plan.

B. Findings

As found in Exhibit 3 of this Redevelopment Plan, the RPA has suffered from certain impediments to redevelopment. The area has been burdened with a lack of significant private investment and/or development. As a result, the RPA is not likely to experience significant development and growth without the use of City resources.

Factors which constitute evidence of the property as a "conservation area" and which impair sound growth in the RPA are: (i) obsolescence; (ii) deterioration of structures or site improvements; (iii) inadequate utilities; (iv) lagging EAV; (v) lack of community planning; and (vi) environmental cleanup.

V. Assessment of Fiscal Impact on Affected Taxing Districts

It is anticipated that the implementation of this Redevelopment Plan will have a positive financial impact on the affected taxing districts. Actions to be taken by the City to enhance its tax base through the implementation of this Redevelopment Plan will also have a positive impact on the affected taxing districts.

Strategies will be encouraged to promote growth via private investment within the area, while specific objectives will be geared toward stabilizing the RPA's existing strengths and revitalizing the RPA's redevelopment potential.

It is anticipated that the RPA will require minimal increased services from affected taxing districts other than the City. Should the City achieve success in attracting private investment which does result in the need for documented increased services from any taxing districts, the City will consider the declaration of sufficient surplus funds (which funds are neither expended nor obligated) as provided by the TIF Act, to assist affected taxing districts in paying the costs for the increased services.

Any surplus funds that may exist will be proportionately shared, based on the appropriate tax rates for a given year, with the various taxing districts including the City. Prior to any surplus disbursement, all TIF eligible costs either expended or incurred as an obligation by the City will be duly accounted for through the administration of the Special Tax Allocation Fund to be established by the City as provided by the TIF Act.

VI. Housing Impact Study

The RPA was studied in order to determine if a housing impact study would need to be conducted pursuant to the TIF Act.

A housing impact study is not required to be completed because the City will certify that it will not displace ten (10) or more residential units and no residential uses are located within the RPA.

If, later, the City does decide that it is necessary to dislocate ten (10) or more residential units, then the City must complete a housing impact study and amend the Redevelopment Plan herein.

VII. Redevelopment Project

A. Redevelopment Activities

The City will implement a coordinated program of actions allowed under the Act, including, but not limited to, the following actions:

Land Assembly: Property within the RPA may be acquired, assembled and reconfigured into appropriate redevelopment sites. The City may also cover any relocation costs related to land assembly activities.

Site Preparation, Clearance, and Demolition: Property within the RPA may be improved by site clearance, excavation, regrading, environmental remediation or demolition.

Public Improvements: Public improvements within the RPA may be provided or repaired to support the Redevelopment Plan and Project. Examples of such public improvements may include but are not limited to: (i) public utilities and infrastructure including roadways, water mains, sanitary sewer systems and storm sewer systems; (ii) public parking facilities; (iii) storm water management and detention facilities; and (iv) landscaping, lighting, traffic signalization; signage; and other improvements to the streetscape. Relocation of utilities or infrastructure may also be funded as determined by the City.

Rehabilitation and Construction: Rehabilitation of certain structures within the RPA in order to provide for the redevelopment of the area and conformance to City Code provisions. Improvements may include commercial signage upgrades, exterior and facade related work as well as interior related work.

Interest Rate Write-Down: Entering into agreements with property owners/developers whereby a portion of the interest cost of a construction, renovation or rehabilitation project is paid for on annual basis out of the Special Tax Allocation Fund of the RPA, in accordance with the Act.

Job Training: Assisting facilities and enterprises located within the RPA in providing job training assistance. Job training and retraining programs currently available from or through other governments include, but are not limited to; federal programs, state programs, applicable local vocational educational programs including community college sponsored programs and other federal, state, county or non-profit operated programs that are available or will be developed and initiated over time.

B. General Land Use Plan

Existing land uses consists largely of retail/commercial, mixed-use, institutional, and some single- and multi-family residential uses. Existing land uses are shown in Exhibit 4, attached hereto.

Proposed land uses in the RPA are to consist of commercial, retail, mixed-use, residential and institutional uses. Intended land uses will conform to the City's Strategic Plan. Exhibit 5, attached hereto and made a part of this Plan designates the proposed general land uses in the Redevelopment Project Area.

C. Additional Design and Control Standards

The appropriate design controls, including for any Planned Unit Developments, as set forth in the City's Zoning Ordinance, as amended, shall apply to the RPA.

D. Eligible Redevelopment Project Costs

Redevelopment project costs mean and include the sum of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the Act, and any such costs incidental to this Redevelopment Plan. Private investments, which supplement municipal Redevelopment Project Costs, are expected to substantially exceed such redevelopment project costs.

Eligible costs permitted under the Act which may be pertinent to this Redevelopment Plan include:

1. *Professional Services* - Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, or other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected; except that after November 1, 1999, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of three (3) years. In addition, "redevelopment project costs" shall not include lobbying expenses;
 - 1.1 After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment area or approved a redevelopment plan;
2. *Marketing* - The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

3. *Property Assembly Costs* - Including, but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to, parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
4. *Rehabilitation Costs* - Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;
5. *Public Works and Improvements* - Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except that on and after November 1, 1999 redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to the effective date of this amendatory Act of the 91st General Assembly or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provided that basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;
6. *Job Training* - Costs of job training and retraining projects including the costs of ‘welfare to work’ programs implemented by businesses located within the redevelopment project area;
7. *Financing Incentives* - Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
8. *Capital Costs* - To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district’s capital (and additional student tuition) costs

resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;

9. *School-related Costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999 an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by the Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:
- a) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:
 - (i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
 - (ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
 - (iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 8% of the total amount of property tax increment revenue produced by those

housing units that have received tax increment finance assistance under this Act.

- b) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition charge equal to or more than \$5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:
 - (i) for unit school district, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
 - (ii) for elementary school district, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
 - (iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under the Act.
- c) Any school district in a municipality with a population of 1,000,000, additional restrictions apply. Any school district seeking payment shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by the Act. By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

10. *Library Costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005, a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph applies only if (i) the library is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed \$120. The per-patron cost shall be the Total Operating Expenditures Per Capita as stated in the most recent Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. The municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Allocation Fund.

A library district is not eligible for any payment under this paragraph unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the

reimbursement otherwise required by this paragraph. By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

11. *Relocation Costs* - to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
12. *Payment in Lieu of Taxes*;
13. *Job Training* - Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Section 10-22.20a and 10-23.3a of the School Code;
14. *Interest Costs* – incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a) such costs are to be paid directly from the Special Tax Allocation Fund established pursuant to the Act;
 - b) such payments in any one-year may not exceed 30% of the annual interest costs incurred by the developer pertaining to the redevelopment project during that year;
 - c) if there are not sufficient funds available in the Special Tax Allocation Fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the Special Tax Allocation Fund;
 - d) the total of such interest payments paid pursuant to the Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act;

- e) the cost limits set forth in subparagraphs (b) and (d) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act and the percentage of 75% shall be substituted for 30% in subparagraphs (b) and (d);
- f) Instead of the eligible costs provided by subparagraphs (b) and (d), as modified by this subparagraph, and notwithstanding any other provisions of the Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under the Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing. The eligible costs provided under this subparagraph (f) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (f).

The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (f) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants.

The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later;

15. *Day Care* - If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, “low-income families” means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

The TIF Act prohibits certain costs, including the following:

Construction of Privately-owned Buildings - Unless explicitly stated herein the costs of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;

Retail Displacement - After November 1, 1999, none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment projects if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, has become economically obsolete, or was no longer a viable location for the retailer or serviceman;

Historic Building Demolition - No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008, unless no prudent and feasible alternative exists. “Historic Resource” means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This restriction does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

If a Special Service Area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax incremental revenues derived from the tax imposed pursuant to Special Service Area Tax Act or Special Service Area Tax Law may be used within

the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by the TIF Act.

Estimated costs are shown in the below Table 2.

Table 2. Redevelopment Project Cost Estimates

Program Actions/Improvements	Estimated Costs
Land and Property Acquisition and Assembly Costs (including Relocation Costs)	\$ 3,000,000
Site Preparation, Demolition, and Environmental Cleanup.	\$ 3,000,000
Public Works or Improvements including, but not limited to, water, storm, sanitary sewer, traffic management, and roadway and streetscape improvements	\$14,000,000
Rehabilitation of Existing Structures	\$ 5,000,000
Professional Service Costs (Including without limitation Planning, Legal, Engineering, Architectural, Financial, Administrative, Annual Reporting and Marketing)	\$ 1,000,000
Interest Costs Pursuant to the Act	\$ 5,000,000
School Tuition/Library Costs/Capital Improvements (per the TIF Act)	\$ 8,500,000
Job Training	\$ 500,000

TOTAL ESTIMATED TIF BUDGET	\$40,000,000
-----------------------------------	---------------------

Notes:

(1) All project cost estimates are in 2021 dollars. Costs may be adjusted for inflation per the TIF Act.

(2) In addition to the costs identified in the exhibit above, any bonds, notes or other obligations issued to finance a phase of the Project may include an amount sufficient to pay (a) customary and reasonable charges associated with the issuance of such obligations, (b) interest on such bonds, notes, or other obligations, and (c) capitalized interest and reasonably required reserves.

(3) Adjustments to the estimated line-item costs above are expected. Adjustments may be made in line-items within the total, either increasing or decreasing line-items costs for redevelopment. Each individual project cost will be reevaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of the line-items set forth above are not intended to place a total limit on the described expenditures, as the specific items listed above are not intended to preclude payment of other eligible redevelopment project costs in connection with the redevelopment of the RPA – provided the total amount of payment for eligible redevelopment project costs shall not exceed the overall Total Estimated TIF Budget amount outlined above and all as provided for in the Act.

E. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for public improvements and other project costs eligible under the TIF Act are to be derived principally from property tax increment revenues, and proceeds from municipal obligations, if any. Any such obligations would be retired primarily with tax increment revenues and interest earned on surplus revenue available, but not immediately needed, for the Redevelopment Plan. The City may utilize incremental revenues from contiguous redevelopment project areas to pay for redevelopment project costs within the RPA, and conversely, transfer incremental revenues from the RPA to contiguous TIFs, as provided for in the TIF Act.

Any publicly funded “redevelopment project costs” as defined in the TIF Act are subject to (a) approval by the City; (b) having specific cost categories as set forth in the TIF Act; and (c) pursuant to the City’s incentive policy.

The tax revenues which will be used to pay debt service on the municipal obligations, if any, and to directly pay redevelopment project costs, shall be derived from the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, block, tract or parcel in the RPA in the 2020 tax year for the RPA.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: certain local sales or utility taxes, special service area taxes, the proceeds of property sales, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as the City may from time to time deem appropriate.

F. Nature and Term of Obligations

The City may issue obligations secured by the tax increment Special Tax Allocation Fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the City by virtue of its powers pursuant to the Illinois State Statutes.

Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired not more than twenty-three years from the date of adoption of the ordinance approving the Redevelopment Project Area. The actual date for such retirement of obligations shall not be later than December 31 of the year in which the payment to the municipal treasurer, pursuant to the Act, is to be made with respect to ad valorem taxes levied in the 23rd calendar year, occurring after adoption of the ordinance which establishes the RPA.

The final maturity date of any obligations issued pursuant to the Act may not be later than twenty years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan. The total principal and interest payable in any year on all obligations shall not exceed the amount available in that year or

projected to be available in that year, may be payable from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds, and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the RPA in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions, and on such other terms, all as the City may determine.

G. Most Recent and Anticipated Equalized Assessed Value (EAV)

The most recent estimate of equalized assessed valuation (“EAV”) for tax year 2020 of the property within the RPA is approximately \$5,529,652. This is only an estimate and the certified EAV of the RPA will be determined by the County subsequent to adoption of the City’s TIF ordinances.

Upon completion of the anticipated private development of the Redevelopment Project Area over a twenty-three-year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will range from approximately \$45,000,000 to \$50,000,000.

VIII. Scheduling of Redevelopment Project

A. Redevelopment Project

An implementation strategy will be employed with full consideration given to the availability of both public and private funding.

Redevelopment projects will begin as soon as the specific private entities have obtained financing approvals for appropriate projects and such uses are conformant with City zoning and planning requirements.

Depending upon the scope of the development as well as the actual uses, those redevelopment activities described in Section VI may be included in each phase.

B. Commitment to Fair Employment Practices and Affirmative Action

As part of any Redevelopment Agreement entered into by the City and any private developers, both parties will agree to establish and implement an honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City's policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will discriminate against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical disabilities. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, all entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

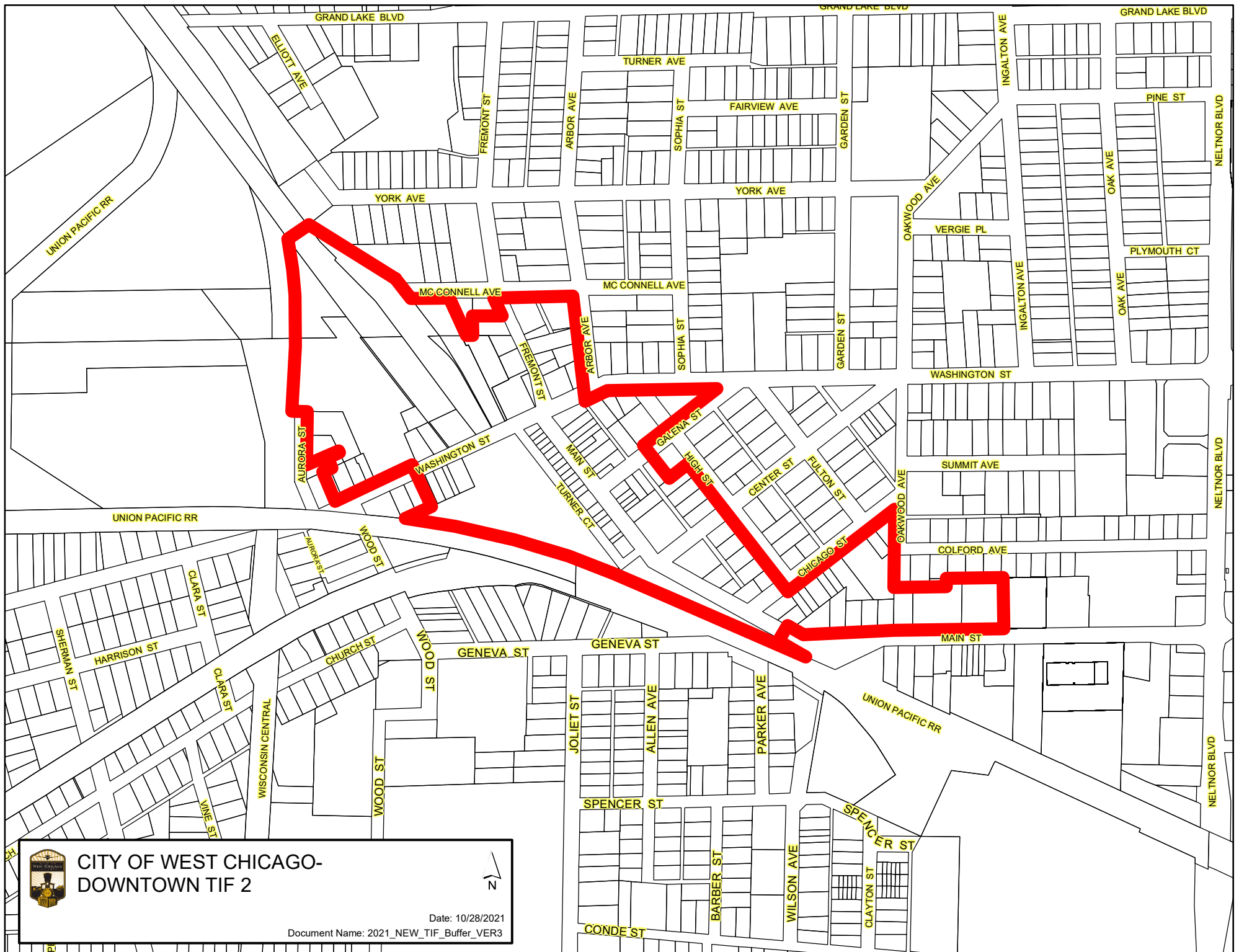
C. Completion of Redevelopment Project

This Redevelopment Plan will be completed within twenty-three years after the year of adoption of an ordinance designating the Redevelopment Project Area. The actual date for such completion shall not be later than December 31st of the year in which the payment to the municipal treasurer pursuant to the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year that the ordinance approving the RPA is adopted.

IX. Provisions for Amending the Redevelopment Plan and Project

This Redevelopment Plan may be amended pursuant to the provisions of the TIF Act.

EXHIBIT 1
BOUNDARY MAP



CITY OF WEST CHICAGO- DOWNTOWN TIF 2

Date: 10/28/2021

Document Name: 2021_NEW_TIF_Buffer_VER3

EXHIBIT 2
LEGAL DESCRIPTION

LEGAL DESCRIPTION (Downtown 2 TIF – West Chicago):

THAT PART OF THE SOUTHWEST QUARTER OF SECTION 3, THE SOUTHEAST QUARTER OF SECTION 4, THE NORTHEAST QUARTER OF SECTION 9 AND THE NORTHWEST QUARTER OF SECTION 10 IN TOWNSHIP 39 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN IN DUPAGE COUNTY, ILLINOIS, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 1 IN GLORIA'S PLAT OF CONSOLIDATION AS RECORDED FEBRUARY 7, 2008 AS DOCUMENT NO. R2008-019851, SAID SOUTHWEST CORNER ALSO BEING A POINT ON THE NORTHERLY RIGHT-OF-WAY OF THE UNION PACIFIC RAILWAY (FORMERLY THE CHICAGO & NORTHWESTERN RAILWAY);

THENCE NORTHWESTERLY ALONG THE WESTERLY LINE OF SAID LOT 1 IN GLORIA'S PLAT OF CONSOLIDATION TO THE NORTHWEST CORNER THEREOF, SAID NORTHWEST CORNER ALSO BEING A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF WASHINGTON STREET;

THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF WASHINGTON STREET TO THE NORTHWEST CORNER OF LOT 1 IN ISHERWOOD'S ASSESSMENT PLAT, AS RECORDED JULY 22, 1959 AS DOCUMENT NUMBER R1959-932525;

THENCE SOUTHEASTERLY ALONG THE WEST LINE OF SAID LOT 1 IN ISHERWOOD'S ASSESSMENT PLAT TO THE SOUTHWEST CORNER THEREOF, SAID SOUTHWEST CORNER ALSO BEING A POINT ON THE NORTHWESTERLY LINE OF LOT 1 IN WEST CHICAGO LIBRARY DISTRICT CONSOLIDATION PLAT, AS RECORDED OCTOBER 29, 1992 AS DOCUMENT NUMBER R1992-206877;

THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE OF LOT 1 IN WEST CHICAGO LIBRARY DISTRICT CONSOLIDATION PLAT TO A POINT ON SAID NORTHERLY RIGHT-OF-WAY OF THE UNION PACIFIC RAILWAY (FORMERLY THE CHICAGO & NORTHWESTERN RAILWAY);

THENCE SOUTHEASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY OF THE UNION PACIFIC RAILWAY (FORMERLY THE CHICAGO & NORTHWESTERN RAILWAY) TO A POINT OF INTERSECTION WITH THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF MAIN STREET;

THENCE NORTHEASTERLY AND EASTERLY ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID MAIN STREET TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 1 IN THE GATEWAY CENTRE II RESUBDIVISION, AS RECORDED MARCH 21, 2006 AS DOCUMENT NUMBER R2006-052197;

THENCE NORTHERLY ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF LOT 1 IN THE GATEWAY CENTRE II RESUBDIVISION TO THE NORTHEAST CORNER THEREOF;

THENCE WEST ALONG THE NORTH LINE OF SAID LOT 1 IN THE GATEWAY CENTRE II RESUBDIVISION TO THE NORTHWEST CORNER THEREOF, SAID NORTHWEST CORNER ALSO BEING A POINT ON THE SOUTH LINE OF COLFORD SUBDIVISION, AS RECORDED APRIL 24, 1889 AS DOCUMENT NUMBER R1889-040930;

THENCE WEST ALONG SAID SOUTH LINE OF COLFORD SUBDIVISION TO THE A POINT ON THE EAST LINE OF THE WEST 219.78 FEET OF THE NORTH 34.5 FEET OF THE SOUTH

247.5 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10;

THENCE SOUTH ALONG SAID EAST LINE OF THE WEST 219.78 FEET TO A POINT ON THE SOUTH LINE OF SAID NORTH 34.5 FEET OF THE SOUTH 247.5 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10;

THENCE WEST ALONG SAID SOUTH LINE OF SAID NORTH 34.5 FEET OF THE SOUTH 247.5 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10 TO A POINT ON THE EAST LINE OF HESLOP'S ADDITION TO TURNER AS RECORDED JULY 24, 1874 AS DOCUMENT NUMBER 18480;

THENCE NORTH ALONG SAID EAST LINE OF HESLOP'S ADDITION TO TURNER TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF COLFORD AVENUE;

THENCE EAST ALONG SAID SOUTH RIGHT-OF-WAY LINE OF COLFORD AVENUE TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY LINE OF OAKWOOD AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST RIGHT-OF-WAY LINE OF OAKWOOD AVENUE TO A POINT OF INTERSECTION WITH THE NORTHEASTERLY EXTENSION OF THE NORTHWESTERLY RIGHT-OF-WAY LINE OF CHICAGO STREET;

THENCE SOUTHWESTERLY ALONG SAID NORTHEASTERLY EXTENSION AND THE NORTHWESTERLY RIGHT-OF-WAY LINE OF CHICAGO STREET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF HIGH STREET;

THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF HIGH STREET TO A POINT OF INTERSECTION WITH THE NORTHEASTERLY EXTENSION OF THE SOUTHEASTERY LINE OF LOT 11 IN BLOCK 3 OF TOWN OF JUNCTION SUBDIVISION, AS RECORDED JULY 22, 1856 AS DOCUMENT NUMBER R1856-10634;

THENCE SOUTHWESTERLY ALONG SAID NORTHEASTERLY EXTENSION AND THE SOUTHEASTERY LINE OF LOT 11 IN BLOCK 3 OF TOWN OF JUNCTION SUBDIVISION TO A POINT ON THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 55 FEET OF SAID LOT 11 AND LOT 12 IN BLOCK 3 OF TOWN OF JUNCTION SUBDIVISION;

THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY LINE OF THE SOUTHWESTERLY 55 FEET OF LOT 11 AND LOT 12 TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF GALENA STREET;

THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF GALENA STREET AND THE NORTHEASTERLY EXTENSION THEREOF TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF WASHINGTON STREET;

THENCE WEST ALONG SAID NORTH RIGHT-OF-WAY LINE OF WASHINGTON STREET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF ARBOR AVENUE;

THENCE NORTHWESTERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF ARBOR AVENUE TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF MC CONNELL AVENUE;

THENCE WEST ALONG SAID NORTH RIGHT-OF-WAY LINE OF MC CONNELL AVENUE TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF FREMONT STREET;

THENCE SOUTHEASTERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF FREMONT STREET TO THE SOUTHEAST CORNER OF LOT 1 IN E.M. WALEN RESUBDIVISION, AS RECORDED OCTOBER 20, 2006 AS DOCUMENT NUMBER R2006-204218;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 1 IN E.M. WALEN RESUBDIVISION TO THE SOUTHWEST CORNER THEREOF, SAID SOUTHWEST CORNER ALSO BEING A POINT ON THE EAST LINE OF LOT 2 IN THE ASSESSMENT PLAT OF PART OF BLOCK 17 OF MC CONNELL'S TOWN OF TURNER, AS RECORDED AUGUST 10, 1949 AS DOCUMENT NUMBER R1949-573644;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 2 IN THE ASSESSMENT PLAT OF PART OF BLOCK 17 OF MC CONNELL'S TOWN OF TURNER TO THE SOUTHEAST CORNER THEREOF;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 2 IN THE ASSESSMENT PLAT OF PART OF BLOCK 17 OF MC CONNELL'S TOWN OF TURNER TO THE SOUTHWEST CORNER THEREOF;

THENCE NORTHWESTERLY ALONG THE WESTERLY LINE OF SAID LOT 2 TO THE NORTHWEST CORNER THEREOF, SAID NORTHWEST CORNER ALSO BEING A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF SAID MC CONNELL AVENUE;

THENCE NORTH ALONG A LINE PERPENDICULAR TO SAID SOUTH RIGHT-OF-WAY LINE OF MC CONNELL AVENUE TO A POINT ON THE NORTH RIGHT-OF WAY LINE OF SAID MC CONNELL AVENUE;

THENCE WEST ALONG SAID NORTH RIGHT-OF WAY LINE OF MC CONNELL AVENUE TO A POINT ON THE NORTHEASTERLY LINE OF LOT 1 IN JACOBSON'S ASSESSMENT PLAT, AS RECORDED MARCH 10, 1958 AS DOCUMENT NUMBER R1958-872842;

THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY LINE OF LOT 1 IN JACOBSON'S ASSESSMENT PLAT TO THE MOST NORTHERLY CORNER OF SAID LOT 1, SAID CORNER ALSO BEING A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD;

THENCE SOUTHWESTERLY ALONG A LINE, 100.5 FEET, TO A POINT OF INTERSECTION OF THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SAID CHICAGO AND NORTHWESTERN RAILROAD AND THE EASTERLY RIGHT-OF-WAY LINE OF THE ELGIN, JOLIET AND EASTERN RAILROAD;

THENCE SOUTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF THE ELGIN, JOLIET AND EASTERN RAILROAD TO THE SOUTHWEST CORNER OF LOT 1 IN WEST CHICAGO PARK DISTRICT ASSESSMENT PLAT, AS RECORDED DECEMBER 4, 1984 AS DOCUMENT NUMBER R1984-97184;

THENCE EASTERLY ALONG THE MOST WEST SOUTH LINE OF SAID LOT 1 IN WEST CHICAGO PARK DISTRICT ASSESSMENT PLAT TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF AURORA STREET;

THENCE SOUTH ALONG SAID WEST RIGHT-OF-WAY LINE OF AURORA STREET TO A POINT OPPOSITE AND ADJACENT TO THE SOUTHWEST CORNER OF LOT 2 IN KAFORSKI'S SUBDIVISION, AS RECORDED FEBRUARY 7, 1986 AS DOCUMENT R1986-13058;

THENCE EASTERLY ALONG A LINE TO SAID SOUTHWEST CORNER OF LOT 2 IN KAFORSKI'S SUBDIVISION;

THENCE NORTHEASTERLY ALONG THE SOUTHERLY LINE OF SAID LOT 2 IN KAFORSKI'S SUBDIVISION TO THE SOUTHEAST CORNER THEREOF, SAID SOUTHEAST CORNER ALSO BEING A POINT ON THE SOUTHWESTERLY LINE OF LOT 1 IN SAID KAFORSKI'S SUBDIVISION;

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF LOT 1 IN KAFORSKI'S SUBDIVISION TO THE NORTHEAST CORNER OF LOT 1 IN LINDSAY CHEMICAL DIVISION, AS RECORDED JUNE 5, 1959 AS DOCUMENT NUMBER R1959-925962;

THENCE SOUTHWESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 1 IN LINDSAY CHEMICAL DIVISION TO THE NORTHWEST CORNER THEREOF;

THENCE SOUTHEASTERLY ALONG THE WESTERLY LINE OF SAID LOT 1 TO THE SOUTHWEST CORNER THEREOF, SAID SOUTHWEST CORNER ALSO BEING A POINT ON THE NORTHWESTERLY LINE OF BLOCK 6 IN WINSLOW'S ADDITION TO THE TOWN OF JUNCTION, AS RECORDED MAY 18, 1857 AS DOCUMENT NUMBER R1857-11467;

THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE OF BLOCK 6 IN WINSLOW'S ADDITION TO THE TOWN OF JUNCTION TO THE NORTHEAST CORNER OF LOT 12 IN SAID BLOCK 6 IN WINSLOW'S ADDITION TO THE TOWN OF JUNCTION;

THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 12 IN BLOCK 6 AND THE SOUTHEASTERLY EXTENSION THEREOF TO A POINT ON AFORESAID NORTHERLY RIGHT-OF-WAY OF THE UNION PACIFIC RAILWAY (FORMERLY THE CHICAGO & NORTHWESTERN RAILWAY);

THENCE SOUTHEASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY OF THE UNION PACIFIC RAILWAY (FORMERLY THE CHICAGO & NORTHWESTERN RAILWAY) TO THE POINT OF BEGINNING.

EXHIBIT 3
QUALIFICATION REPORT



CITY OF WEST CHICAGO, ILLINOIS
TIF QUALIFICATION REPORT
DOWNTOWN 2 TIF STUDY AREA

An analysis to assess the likelihood that all or a portion of an area located in the City of West Chicago would qualify as a “conservation area” as defined in the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-3, et seq., as amended.

Prepared for: City of West Chicago, Illinois

Prepared by: Kane, McKenna and Associates, Inc.

November, 2021

**WEST CHICAGO DOWNTOWN 2 TIF
REDEVELOPMENT PROJECT AREA/STUDY AREA
TIF QUALIFICATION ASSESSMENT**

TABLE OF CONTENTS

<u>SECTION</u>	<u>TITLE</u>	<u>PAGE</u>
I.	Introduction and Background	1
II.	Qualification Criteria Used	3
III.	Evaluation Methodology	6
IV.	Methodology of Evaluation	7
V.	Qualification Findings for Proposed Study Area	8
VI.	Summary of Findings; Overall Assessment of Qualification	15
Exhibit A	Boundary Map	
Exhibit B	Tax Parcel List	

I. INTRODUCTION AND BACKGROUND

In considering the termination of the existing Downtown TIF and the designation of the proposed Downtown TIF II Project Area (“TIF District”), the City of West Chicago (the “City”) has authorized the study of the area indicated in the map attached hereto as Exhibit A (the “Study Area”) to determine whether it qualifies for consideration as a “redevelopment project area” (“TIF”) pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (“TIF Act” or the “Act”). Kane, McKenna and Associates, Inc. (“KMA”), has agreed to undertake the study of the Study Area. The Study Area consists of 118 tax parcels (as described in Exhibit B) comprised of approximately 51 acres, and approximately 85 buildings. The proposed TIF designation will serve to improve the City’s downtown area, especially to areas west of City Hall.

The proposed TIF District was found to have various qualification factors that would enable the City to designate the Study Area as a “conservation area” as defined in the TIF Act. Approximately 80 of the 85 buildings, or over 94% are over thirty-five (35) years in age. These building ages qualify the Study Area as a “conservation area”, pursuant to the TIF Act. Additional qualifying factors in the Study Area include obsolescence, deterioration, lack of community planning, environmental clean-up, inadequate utilities, and lag in EAV.

City Objectives

The 2016 “West Chicago Strategic Plan, (“The Plan”), notes that the City of West Chicago is “hemmed in by a variety of unique land uses ranging from DuPage Airport, Fermi National Accelerator Laboratory, and a collection of DuPage County forest preserves and land conservancies”. The Plan notes that complicating these land use patterns is the fact that much of the acreage devoted to these land uses do not generate any property taxes. Accordingly, the Plan seeks to “elevate West Chicago’s competitive position as one of the prominent commercial centers and major employment hubs within DuPage County and the suburban Chicago region. Toward this end, the Plan contains the following objectives:

- Invest in and launch a robust, proactive economic development program, led by the City of West Chicago, which partners with business and the real estate development community to promote West Chicago as a place to invest in a range of commercial and industrial uses, and build an entrepreneurial spirit.
- Establish targeted investment and economic development strategies for each area of the City’s five defined business districts, tailored to corridor and site-specific conditions

Source: 2016 West Chicago Strategic Plan

Given these City objectives under its comprehensive planning process and the conditions briefly summarized above, the City has made a determination that it is highly desirable to promote the redevelopment of the Study Area. The City has conceptualized the Study Area as one of the City's economic development target areas since the area has experienced upward-trending commercial vacancies over the last few years. National trends that affect the retail market also impact uses in the Study Area. The City intends to create and implement a "redevelopment plan" as defined in the TIF Act (the "TIF Redevelopment Plan") in order to increase tax revenues by undertaking redevelopment activities to increase the community's tax base.

The City is favorably disposed toward supporting redevelopment efforts in areas of underutilization and disinvestment and to proactively position the area in relation to the marketplace. Accordingly, the City has determined that additional redevelopment strategies take place with the benefit and guidance of comprehensive economic planning by the City. Through such a coordinated effort, the economic benefits of the City's other redevelopment efforts, including current downtown area redevelopment efforts, can be broadened into the proposed TIF District area to further complement the City's overall redevelopment endeavors. Development barriers, inherent with current conditions within the proposed TIF District, which impede economic growth under existing market standards, can be expected to be mitigated.

The City has determined that redevelopment currently planned for the area may only be feasible with public financial assistance coordinated with private sector investment. The creation and utilization of a TIF redevelopment plan is intended by the City to help provide the assistance required to eliminate conditions detrimental to successful redevelopment of the area.

The use of tax increment financing relies upon induced private redevelopment in the area thus creating higher real estate value that would otherwise decline or stagnate without such investment, leading to increased property taxes compared to the previous land use (or lack of use). In this way, the existing tax base for all tax districts is protected and a portion of future increased taxes are pledged to attract the needed private investment.

II. QUALIFICATION CRITERIA USED

With the assistance of City staff, Kane, McKenna and Associates, Inc. examined the Study Area from August 2021 through the date of this report, and reviewed information collected for the Study Area to determine the presence or absence of appropriate qualifying factors listed in the TIF Act. The relevant sections of the TIF Act are found below. The TIF Act sets out specific procedures which must be adhered to in designating a redevelopment project area. By definition, a “redevelopment project area” is:

“an area designated by the municipality, which is not less in the aggregate than 1½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area or a conservation area, or a combination of both blighted area and conservation area”

Under the TIF Act, a “conservation area” means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area, but because of a combination of three or more of the factors identified below, may be considered as a “conservation area”.

Conservation Area

In accordance with the TIF Act, KMA assessed the following factors to determine qualification of the Study Area as a “conservation area”. Pursuant to the TIF Act, such an area qualifies as a “conservation area” provided that:

If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health or welfare because of a combination of five (5) or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act; and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

(A) Dilapidation: An advanced state of disrepair or neglect of necessary repairs to the primary structural components of building or improvements in such a combination that a documented building condition analysis determines that major repair is required, or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence: The condition or process of falling into disuse. Structures become ill-suited for the original use.

(C) Deterioration: With respect to buildings, defects including, but not limited to major defects in the secondary building components such as doors, windows, porches, gutters and downspouts and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking

and surface storage areas evidence deterioration, including, but limited to, surface cracking, crumbling, potholes, depressions, loose paving material and weeds protruding through paved surfaces.

(D) Presence of Structures Below Minimum Code Standards: All structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal Use of Individual Structures: The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive Vacancies: The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

(G) Lack of Ventilation, Light, or Sanitary Facilities: The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refer to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate Utilities: Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area; (ii) deteriorated, antiquated, obsolete or in disrepair; or (iii) lacking within the redevelopment project area.

(I) Excessive Land Coverage and Overcrowding of Structures and Community Facilities: The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking or inadequate provision for loading service.

(J) Deleterious Land-Use or Layout: The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses or uses considered to be noxious, offensive or unsuitable for the surrounding area.

(K) Environmental Clean-Up: The Proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(L) Lack of Community Planning: The Proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards or other evidence demonstrating an absence of effective community planning.

(M) Lagging or Declining EAV: The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years, for which information is available or increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

III. THE STUDY AREA

The Study Area is generally bounded by City Hall to the east, Main Street and Union Pacific Railroad to the south, High Street, Washington Street and McConnell Avenue to the north and Aurora Street to the west. Most of the uses within this area are retail/commercial, mixed-use, institutional, and some single- and multi-family residential.

IV. METHODOLOGY OF EVALUATION

In evaluating the Study Area's potential qualification as a TIF District, the following methodology was utilized:

- 1) A site survey of the Study Area was undertaken by representatives from KMA.
- 2) KMA completed an exterior evaluation of structures, as part of the review. Additionally, KMA assessed 2015 through 2020 tax information from the DuPage County Clerk's Office, Sidwell parcel tax maps, site data, local history (discussions with City staff), and an evaluation of area-wide factors that have affected the Study Area's development (e.g., lack of community planning). KMA reviewed the Study Area in its entirety. City redevelopment goals and objectives for the Study Area were also reviewed with City staff. A photographic analysis of the Study Area was conducted and was used to aid this evaluation.
- 3) Existing structures and site conditions were initially surveyed only in the context of checking, to the best and most reasonable extent available, TIF Act criteria factors of specific structures and site conditions on the parcels.
- 4) The Study Area was examined to assess the applicability of the different factors, required for qualification for TIF designation under the TIF Act. Evaluation was made by reviewing the information and determining how each measured when evaluated against the relevant factors. The Study Area was examined to determine the applicability of the thirteen (13) different "conservation area" factors for qualification for TIF designation under the TIF Act.

V. QUALIFICATION OF PROPOSED RPA/FINDINGS OF ELIGIBILITY

As a result of KMA's evaluation of the Study Area included in the proposed TIF District and analysis of each of the eligibility factors summarized in Section II, the following factors are presented to support qualification of part of the proposed TIF District as a "conservation area".

A. Conservation Area Threshold Factors

Age

Based upon the site survey and data from the DuPage County Assessor's office, over 94% (approximately 80 of the 85 structures) within the Study Area were found to be thirty-five (35) years of age or greater.

B. Other Conservation Area Factors (Must Include Three or More Additional Factors)

Table 1

Summary of TIF-Qualifying Factors

Maximum Possible Factors per Statute	Minimum Factors Needed to Qualify per Statute	Qualifying Factors Present in Proposed Study Area
13	3	7 <ul style="list-style-type: none">• Lagging EAV• Inadequate Utilities• Obsolescence• Deterioration• Environmental Clean-up• Lack of Community Planning• Excessive Vacancies

Findings for Study Area. The proposed Study Area meets the qualifications for a conservation area under the statutory criteria set forth in the TIF Act. As a first step, KMA determined that approximately 88 of 91 structures (over 96%) were 35 years in age or older. Secondly, KMA reviewed the thirteen aforementioned criteria needed to qualify the area as a conservation area, determining that 6 factors were present:

1. Lagging or Declining EAV. The Act states that if the total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years. The finding is based on the last 5 tax years for which information is available.

The EAV of the Study Area has grown at a rate slower than the City-wide EAV for four (4) of the last five (5) years. Therefore, a finding of lagging or declining EAV is made pursuant to the TIF Act.

Table 2
EAV Trends for Proposed Study Area

	2020	2019	2018	2017	2016
Total EAV for TIF District	5,529,652	5,277,746	5,133,847	4,958,890	4,735,986
EAV Change (%)	4.77%	2.80%	3.53%	4.71%	5.22%
City-wide EAV (Excluding TIF)	772,220,037	722,375,797	688,837,131	655,485,287	619,540,729
City EAV Change (%)	6.92%	4.88%	5.10%	5.81%	8.06%
CPI	1.20%	1.80%	2.40%	2.10%	1.30%

Notes:

(1) Figures in **bold** for those years in which City EAV exceeded growth rate of EAV within the Study Area.

Source: DuPage County Assessor DuPage County Clerk and U.S. Bureau of Labor Statistics

2. Inadequate Utilities. The Act states that overhead or underground utilities that are deteriorated, antiquated, obsolete or in disrepair are considered inadequate. Also, those utilities that lack the capacity to meet future development demands are considered inadequate. Utilities would include: storm sewers, storm drainage, sanitary sewers, water lines and gas, telephone and electrical services.

A review of the City's existing infrastructure within the proposed TIF District by Thomas Engineering Group, LLC, dated September 2017, states that "Most of the infrastructure in the area is beyond its useful life". The report specifically identified the following inadequacies:

- Storm Sewer Rehabilitation or Replacement

Most streets within the boundaries of the Study Area have been resurfaced without major rehabilitation to sewer infrastructure since they were originally constructed. According to the City's records, some streets were reconstructed in the 1990s with new sewer utilities except for Chicago Street, High Street, Turner Court, Fremont Street, and Washington Street. Thomas Engineering recommends rehabilitation or replacement of many portions of the downtown storm sewer system.

- Sanitary Sewer Rehabilitation or Replacement

According to the City's records, most streets were reconstructed in the 1990s with new sanitary sewer utilities except for Chicago Street, High Street, Fremont Street, McConnell Avenue and Washington Street. Thomas Engineering recommends rehabilitation or replacement of many portions of the downtown sanitary sewer system.

- Water Main Replacement

Most streets within the boundaries of the Study Area have been resurfaced without major rehabilitation to water distribution infrastructure since they were originally constructed. According to the City's records, portions of the water main on Main Street, Arbor Avenue, and Washington Street were replaced with new water main in the 1990s. Thomas Engineering recommends rehabilitation or replacement of many portions of the downtown water main system.

It should be recognized that when the storm water system was constructed, their design and installation followed the standards in effect at that time. Under current standards, the existing storm sewer and drainage systems are of insufficient capacity to serve the uses of the Study Area (including potential redevelopment sites). Any future redevelopment in the designated area will require supplemental or new storm sewer systems designed and constructed in accordance with current standards, which will have to include detention.

The engineering report also calls for upgrading pedestrian facilities, including public walks, cross walk treatments, and lighting upgrades to meet today's current standard, replacement of certain street pavement, traffic channelization improvements and traffic signal modernization, and ADA upgrades,

3. Obsolescence. The Act states that obsolescence is the condition or process of falling into disuse or structures that have become ill-suited for their original use.

The City's "Central Main Street Redevelopment Plan Update, dated May, 2018, identifies "obsolete historic building stock" as an "issue" for the redevelopment of the downtown area in which the Study Area is located. Functional obsolescence is present for residential, commercial, and institutional uses due to challenges related to age, physical condition, existing building inventory, poor layout, and poor traffic circulation, all of which impact existing or proposed uses within the Study Area. Because of these factors, the area's overall usefulness and desirability for redevelopment is significantly limited for marketplace redevelopment.

Approximately 80 of the 85 buildings in the Study Area, or over 94%, are over 35 years old. Approximately 76 of the 85 buildings, or 89%, are over 50 years old. Approximately 65 of the 85 buildings, or almost 65%, are more than 75 years old. In fact, DuPage County data suggests that approximately 45 of the 85 structures, or almost 53% of the estimated 91 structures, are over 100 years old. The advanced ages of almost all of the structures within the Study Area, and their associated deterioration, make them obsolete in comparison to contemporary construction and

development standards. Vintage development configurations associated with these advanced building ages, as compared to contemporary development standards and market conditions, contribute to their functional and economical obsolescence. The economic re-use of many of these structures is limited due to their aging characteristics and conversion or adaptability to newer market conditions.

Obsolescence is also found in the underutilization of properties throughout the Study Area with relatively ubiquitous presence of vacant parcels of land. Twenty (20) of the 118 tax parcels, within the Study Area, or almost 17%, consist of vacant lots, most of which are the result of the demolition of obsolete or deteriorated structures. Underutilization is also seen in ongoing vacancies of improved commercial properties within the Study Area.

Insufficient off-street parking and loading areas also contribute to Study Area-wide obsolescence as to both re-use potential and expansion opportunities for existing structures. In addition, the configuration of irregular shaped parcels due to existing street layouts and railroad rights-of-way also pose challenges for internal circulation and access/egress for the residential and commercial and institutional uses.

Many of the old commercial structures have design features or components that are no longer consistent with contemporary market conditions. Such features and components include signage, exterior building facades, and mixed-uses (ground floor commercial uses with residential above), which challenge their expedient re-use. The reuse of these older buildings is complicated by compliance with current building code and energy conservation requirements, ADA compliance requirements, and other physical re-use requirements associated with current market conditions. Challenges related to retail competition, the age and characteristics of existing building inventory, parking, and traffic circulation, all impact existing or proposed uses.

4. Deterioration. Deterioration can be evidenced in major and secondary building defects. For example, such defects include, but are not limited to, defects in building components such as windows, porches, gutters, brick, mortar, and stucco. The building and site improvements have exhibited various degrees of deterioration which required repairs, upgrades and replacement.

Various degrees of deterioration were observed throughout the Study Area. Based on KMA's field observations, and consistent with the advanced ages of the majority of the structures, KMA estimates that almost 42% observed building exteriors and site improvements, among all use types, suffer from some sort of deterioration. Most of the deterioration observed at building exteriors consists of, but is not limited to, deteriorated windows and doors and/or window and door frames, deteriorated or damaged overhead garage doors, masonry in need of tuckpointing, damaged exterior wood, vinyl, or metal siding, faded or peeling paint, damaged stair or stair rail systems, damaged gutters or downspout, and deteriorated building signage or awnings.

Deteriorated conditions also related to site improvements include, but are not limited to, broken or damaged wood and metal fencing; cracked, crumbling or loose pavement at asphalt-paved parking lots, driveways or driveway aprons, alleys, and streets; settlement or potholes in pavement at parking lots, driveways or driveway aprons, alleys and streets; unpaved alleyways,

weed/vegetation growth in cracked pavement and/or loose pavement; faded and cracked parking space striping and other traffic control paint at off-street parking surfaces and curbs, and deteriorated or crumbling private and public curbs and gutters.

5. Environmental Clean-up. The Act states that the proposed redevelopment project area must have incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for (or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for) the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law. Any such remediation costs could constitute a material impediment to the development or redevelopment of the redevelopment project area.

The north and central portion of the TIF District consists of approximately 16 tax parcels located on 14 acres, and formerly included, among others, a gas station, and City's police station. Certain structures have been demolished over the last few years, and current uses include, City public works facilities and commercial buildings. A 100-year floodplain and delineated wetlands are located in the northeast portion of this area. The City owns these properties and assembled them for potential redevelopment uses. Accordingly, the City enrolled these properties in the Illinois Site Remediation Program in 2015 in order to procure a No Further Remediation (NFR) Letter from the State of Illinois.

The City's consulting engineer, Patrick Engineering, performed a comprehensive investigation of the site in the summer of 2016. Contaminant identified at the site included heavy metals, semi-volatile organic compounds (SVOCs), volatile organic compounds (VOCs), polychlorinated biphenyls (PCBs), and various radionuclides largely caused by the various industrial and commercial facilities that have been historically operated on these properties. The City is currently in the process of obtaining a State of Illinois grant to complete the necessary remediation activities. Leaking underground storage tanks at the former gas station were removed in 2020 and the land parcel was remediated in compliance with State of Illinois requirements.

Once *all* remediation activities have been completed, several reports will need to be prepared and submitted to the IEPA demonstrating that impacted soils have either been removed or no longer threaten human health or the environment, and that the City has adequately met all remediation requirements.

Redevelopment within the TIF District is affected by the ability and costs to address these environmental conditions in order to these prepare sites for re-use and to encourage redevelopment within the wider area (east along Main Street and south along Washington Street). An example of this is the Park District's failed attempt to pass a referendum for the construction of a new community center along W. Washington Street, in part, because of the extraordinary costs associated with the construction project.

6. Lack of Community Planning. The Act states that the proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards or other evidence demonstrating an absence of effective community planning.

All of the buildings in the Study Area (100%) were developed prior to the City's adoption of its first comprehensive plan in 1975. Many structures were also developed prior to the 2007 Central-Main Street Redevelopment Plan and also represented market conditions and market needs that have shifted since the date of their initial construction.

The majority of commercial structures have greater land coverage than would be suitable or acceptable for today's development standards. There exists a higher proportion of the zero lot line parcels more common in the decades prior to construction of modern shopping areas and residential subdivisions. This condition is manifested most significantly in the lack of on-site parking facilities for many of the commercial structures. The lack of on-site parking acts as a detriment to private sector redevelopment efforts and there is a need for coordination of parking requirements.

Tenants and service providers operating in many of the structures are reliant on restricted on-street parking, or off-street municipal facilities to serve the needs of patrons. This puts them at a competitive disadvantage with their counterparts located in non-downtown locations.

Transitional points between residential uses on the east and commercial uses west along Main Street also require coordination and integration with redevelopment concepts in order to unify the Study Area.

The presence of both County and City (as well as Federal) regulations regarding construction within the flood plain area results in restrictions to construction that could serve to divert or obstruct flood flows onto other properties. There are also limits as to requirements for compensatory storm water storage and the size of structures on parcels. As a result, new development is impacted by these restrictions. The majority of buildings in these areas are affected by regulations that took place in the 1980s or 1990s, after the area's buildings were constructed. As a result, development within the flood plain areas is now required to conform to regulations put in place after the initial development took place.

Another planning related factor relates to traffic patterns and conditions, including:

- Ability to manage traffic flow and volumes along Main Street, Washington Street and Fremont Street and ancillary streets.
- Improvements to parking related signage and circulation.
- Integration with adjacent uses.
- Pedestrian related improvements and linkages to the Train Station.

7. Excessive Vacancies. Pursuant to the Act, excessive vacancies are the presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

According to City staff, at least sixteen (16) of the approximately (60) commercial and residential structures within the Study Area, or almost twenty-three percent (23%), are partially or fully vacant, with many of them having a history of chronic vacancies. Most of these vacancies are in the heart of the downtown area and serve as an adverse influence on the downtown area. These adverse influences are potentially detrimental to the location-decision-making of prospective new businesses and developers, since such a large proportion of vacancies in a commercial area suggest a less than economically healthy commercial area.

VI. SUMMARY OF FINDINGS; GENERAL ASSESSMENT OF QUALIFICATION

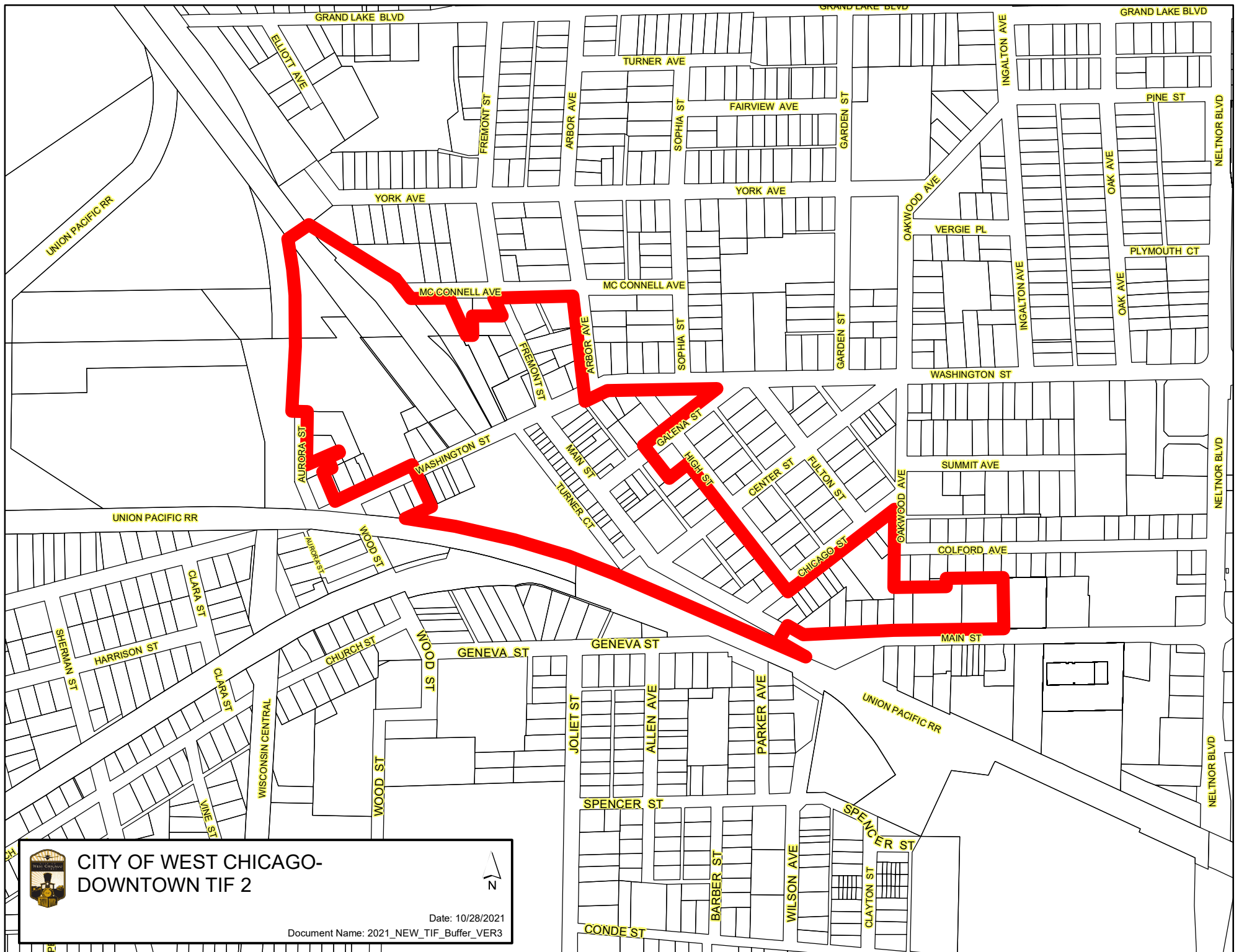
The following is a summary of relevant qualification findings as they relate to the City potentially designating the proposed Study Area as a TIF District.

- The area is contiguous and is greater than 1½ acres in size;
- The proposed Study Area would meet the criteria for a conservation area TIF District, if the City pursues this course of action.

In the judgment of KMA, these findings would be sufficient for the City to proceed with the designation of the Study Area as a TIF District

Exhibit A

Boundary Map



CITY OF WEST CHICAGO- DOWNTOWN TIF 2

Date: 10/28/2021

Document Name: 2021_NEW_TIF_Buffer_VER3

Exhibit B

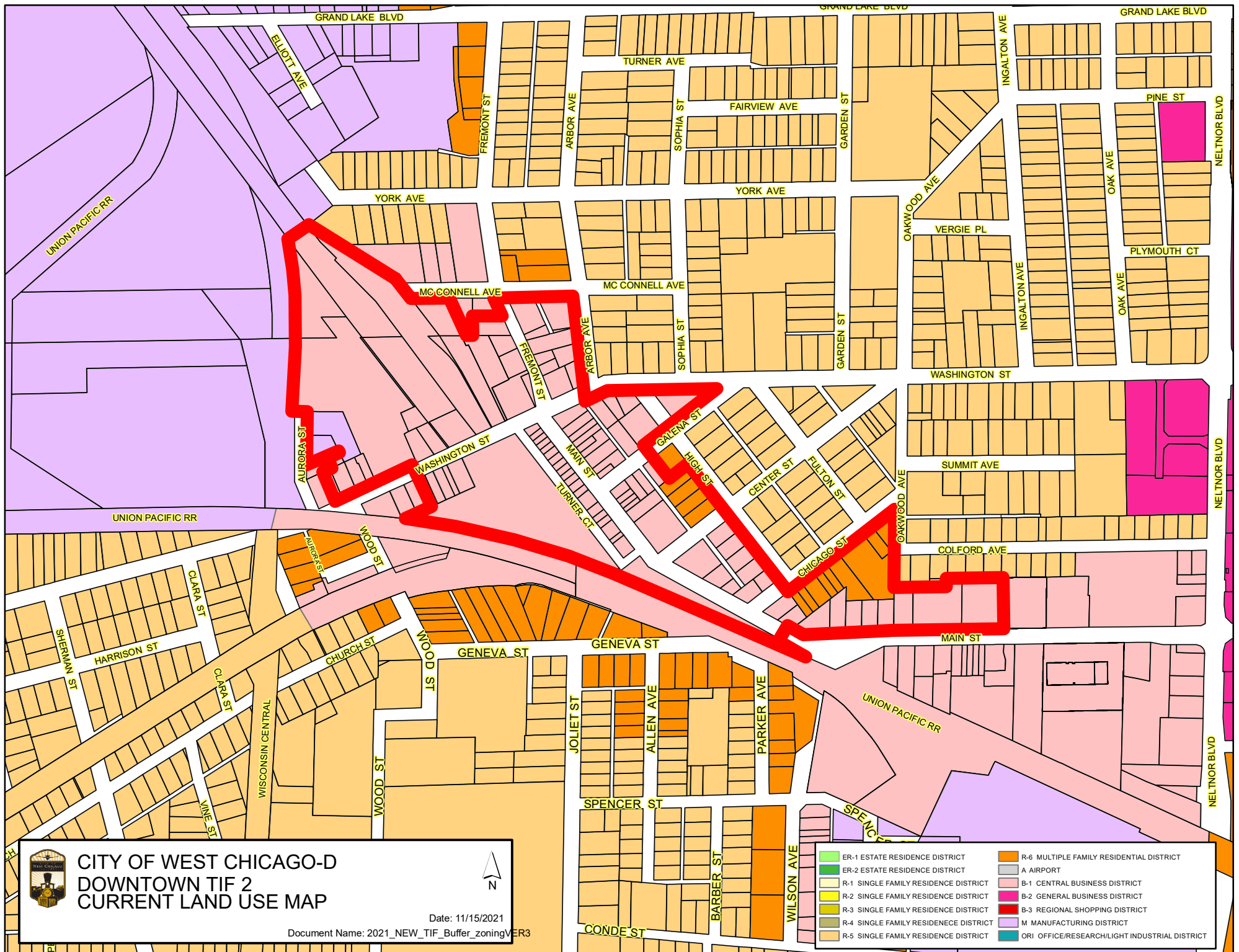
Tax Parcel List

04-04-411-001	04-09-202-005
04-04-411-003	04-09-202-006
04-04-414-001	04-09-203-005
04-04-414-002	04-09-203-006
04-04-414-007	04-09-203-007
04-04-415-001	04-09-203-008
04-04-415-002	04-09-203-009
04-04-415-007	04-09-203-015
04-04-415-008	04-09-204-001
04-09-201-002	04-09-204-002
04-09-201-006	04-09-204-003
04-09-201-008	04-09-204-004
04-09-201-009	04-09-204-005
04-09-201-010	04-09-204-006
04-09-201-011	04-09-204-007
04-09-201-016	04-09-204-008
04-09-201-017	04-09-204-009
04-09-201-018	04-09-204-010
04-09-201-019	04-09-204-011
04-09-201-020	04-09-205-001
04-09-201-021	04-09-210-009
04-09-201-022	04-09-211-004
04-09-201-027	04-10-106-001
04-09-201-031	04-10-106-002
04-09-201-032	04-10-106-003
04-09-201-033	04-10-106-004
04-09-201-034	04-10-106-005
04-09-201-036	04-10-106-006
04-09-201-037	04-10-106-007
04-09-201-038	04-10-106-008
04-09-201-039	04-10-106-009
04-09-202-001	04-10-106-010
04-09-202-002	04-10-106-011
04-09-202-003	04-10-106-012
04-09-202-004	04-10-106-015

04-10-107-001
04-10-108-001
04-10-108-002
04-10-108-003
04-10-108-004
04-10-108-005
04-10-108-006
04-10-108-007
04-10-108-008
04-10-108-009
04-10-109-001
04-10-109-002
04-10-109-003
04-10-109-004
04-10-109-005
04-10-109-006
04-10-109-007
04-10-109-008
04-10-109-009
04-10-109-011
04-10-109-012
04-10-109-013
04-10-109-014
04-10-113-001
04-10-113-002
04-10-113-003

04-10-113-004
04-10-113-005
04-10-113-006
04-10-113-007
04-10-113-009
04-10-113-010
04-10-119-001
04-10-119-002
04-10-119-003
04-10-119-004
04-10-119-005
04-10-119-006
04-10-119-007
04-10-119-008
04-10-119-012
04-10-119-037
04-10-119-038
04-10-119-039
04-10-119-040
04-10-119-041
04-10-119-042
04-10-119-043
04-10-119-057
04-10-119-058
04-10-119-069
04-10-131-001

EXHIBIT 4
EXISTING LAND USE MAP



CITY OF WEST CHICAGO-D DOWNTOWN TIF 2 CURRENT LAND USE MAP

Date: 11/15/2021

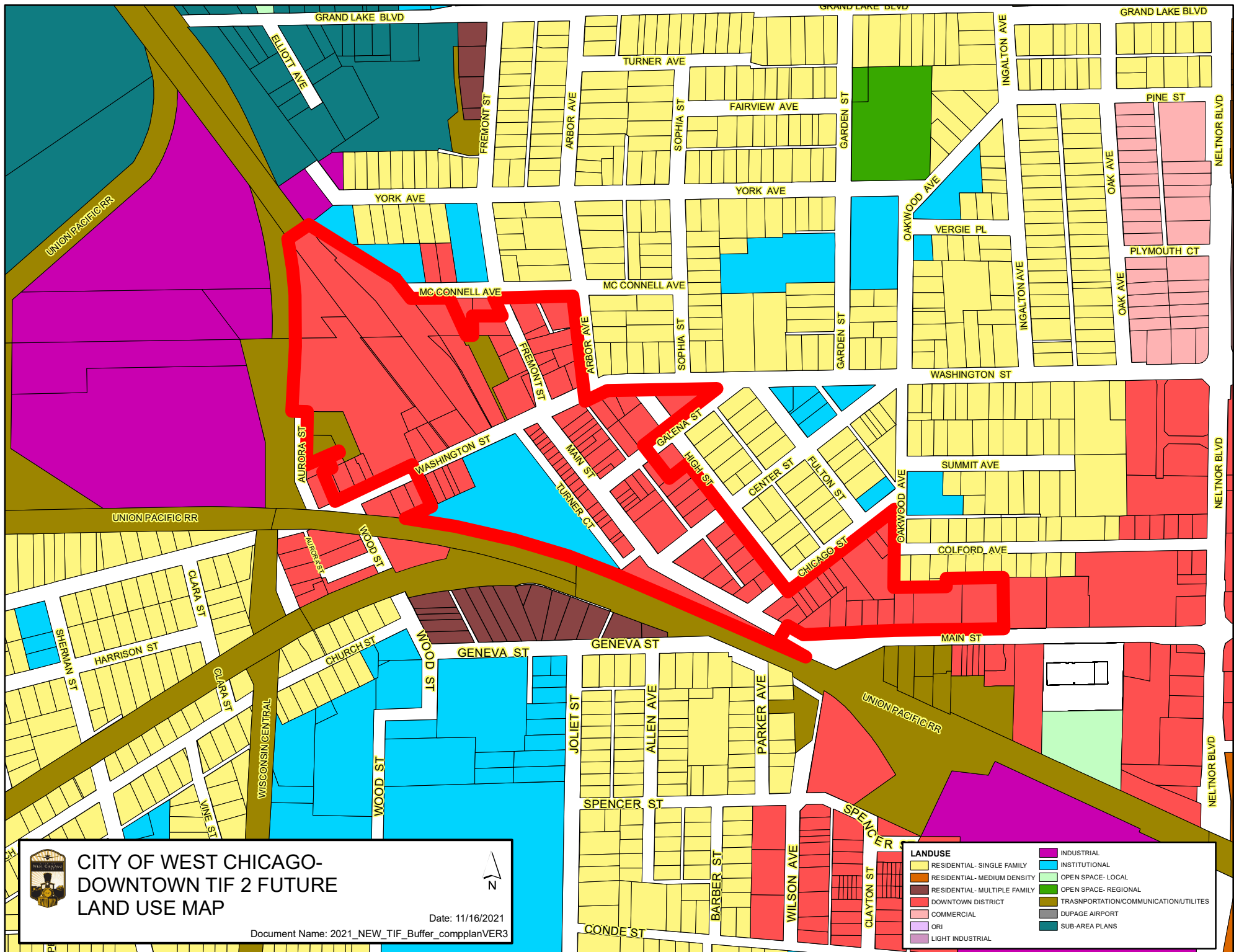
Document Name: 2021_NEW_TIF_Buffer_zoningVER3



- | | |
|--------------------------------------|---|
| ER-1 ESTATE RESIDENCE DISTRICT | R-6 MULTIPLE FAMILY RESIDENTIAL DISTRICT |
| ER-2 ESTATE RESIDENCE DISTRICT | A AIRPORT |
| R-1 SINGLE FAMILY RESIDENCE DISTRICT | B-1 CENTRAL BUSINESS DISTRICT |
| R-2 SINGLE FAMILY RESIDENCE DISTRICT | B-2 GENERAL BUSINESS DISTRICT |
| R-3 SINGLE FAMILY RESIDENCE DISTRICT | B-3 REGIONAL SHOPPING DISTRICT |
| R-4 SINGLE FAMILY RESIDENCE DISTRICT | M MANUFACTURING DISTRICT |
| R-5 SINGLE FAMILY RESIDENCE DISTRICT | ORI OFFICE/RESEARCH/LIGHT INDUSTRIAL DISTRICT |

EXHIBIT 5

PROPOSED LAND USE MAP



CITY OF WEST CHICAGO- DOWNTOWN TIF 2 FUTURE LAND USE MAP

Date: 11/16/2021

Document Name: 2021_NEW_TIF_Buffer_complanVER3



