



VILLAGE OF FOX RIVER GROVE

# **DOWNTOWN TAX INCREMENT FINANCING DISTRICT #2 REDEVELOPMENT PLAN & PROGRAM**

***DRAFT REPORT***

**MAY 22, 2015**

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# **DOWNTOWN TAX INCREMENT FINANCING DISTRICT #2 REDEVELOPMENT PLAN AND PROGRAM**

*Village of Fox River Grove, Illinois*

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*May 22, 2015*

Prepared by:  
Teska Associates, Inc.



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## INTRODUCTION

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This report documents the Tax Increment Redevelopment Plan and Program (the “Redevelopment Plan”) for the Village of Fox River Grove Downtown Tax Increment Financing District Project Area Number 2. The Redevelopment Plan has been prepared for the use of the Village of Fox River Grove (the “Village”) by Teska Associates, Inc. The proposed Redevelopment Plan seeks to respond to a number of problems and needs within the Project Area, and is indicative of a strong commitment and desire on the part of the Village to improve and revitalize the Project Area. This document is intended to provide a framework for improvements and reinvestment within the Project Area over the next 23 years.

The Village of Fox River Grove created the Station Area Planning Study in 2003, which specifically examined the area surrounding the Metra station including the Project Area, and updated their Comprehensive Plan in 2007 to reflect the recommendations of the study. To further define a redevelopment plan that is market responsive, the Village retained the team of Koenig and Strey / Business Districts, Inc. / Teska Associates, Inc. / Busse Consulting to develop an implementation plan to advance these past planning efforts. The team developed the 2010 Fox River Grove Downtown Redevelopment Project Implementation Plan (Downtown Implementation Plan). In 2012, the Village determined that, without direct municipal involvement and financial assistance, planning objectives for the area could not be met. To encourage new investment in the downtown area, the Village adopted Tax Increment Financing (TIF) as a financial tool to facilitate redevelopment (the Downtown Tax Increment Financing District) and to accomplish the planning objectives outlined in the Station Area Planning Study, the Comprehensive Plan, and the Downtown Implementation Plan. In 2014, the Village further adopted the Downtown Subarea Architectural Design Guidelines to provide architectural design direction for future development within the downtown area.

Due to a down economy and decreasing property values within the downtown area since the establishment of the TIF district in 2012, the Village is considering dissolution of the initial Downtown Tax Increment Financing District, and re-establishment of an expanded TIF district (the Downtown Tax Increment Financing District #2) to encompass the original TIF area as well as additional parcels located northwest along Route 14 to the Fox River, and south to Lincoln Avenue. To this end, the Village retained the planning consulting firm Teska Associates, Inc. to assist the Village in the creation of the new TIF district covering the expanded downtown Project Area. Teska has conducted field surveys, site evaluations, and identified redevelopment opportunities and necessary public improvements. This Redevelopment Plan summarizes the analyses and findings of the consultant’s work. The Village is entitled to rely on the findings and conclusions of this Redevelopment Plan in designating the Project Area as a redevelopment project area under the “Act”. Teska has prepared this Redevelopment Plan and the related Eligibility Study with the understanding that the Village would rely on: (a) the findings and conclusions of the Redevelopment Plan and associated Eligibility Study and Housing Study in proceeding with the designation of the Project Area and the adoption and implementation of the Redevelopment Plan; and (b) the fact that Teska has obtained the necessary information so that the Redevelopment Plan and the related Eligibility Study will comply with the Act.

## Tax Increment Financing

Tax increment financing is permitted in Illinois under the "Tax Increment Allocation Redevelopment Act" (Chapter 65 ILCS 5/11-74.4-1, et seq.) of the Illinois Statutes, as amended (hereinafter the "Act"). Only areas which meet certain specifications outlined in the Act are eligible to use this financing mechanism. Besides describing the redevelopment objectives, this Redevelopment Area Plan and Program report sets forth in general terms the overall program to be undertaken to achieve these objectives.

The Act permits municipalities to improve eligible "conservation" or "blighted" areas in accordance with an adopted Redevelopment Plan over a period not to exceed 23 years. The municipal cost of certain public improvements and programs can be repaid with the revenues generated by increased assessed values of private real estate within a designated project area. The key to this financing tool is that funding does not rely on the taxing power of the municipality alone. The property taxing power of all taxing districts with jurisdiction over the land within the project area (such as the County, school districts, forest preserve district, etc.) can be employed to retire the necessary financial obligations. This taxing power is only applied to the increase in equalized assessed valuation generated within the designated project area during the limited term of the Redevelopment Plan and Program, principally increased equalized assessed valuation from new private development.



## REDEVELOPMENT PROJECT AREA DESCRIPTION

The boundaries of the Fox River Grove Downtown Redevelopment Project Area #2 were carefully established in adherence to the eligibility criteria and include those parcels which would benefit by the proposed Redevelopment Plan and Program. The Project Area generally consists of those properties that front onto Illinois Rt. 14 between the Fox River to the north and School Drive to the south. The exact boundaries of the Project Area are illustrated in "Figure A - Project Area Boundary". The Project Area contains 110 structures on 99 parcels. The total Project Area is approximately 47 acres in size (approximately 28 acres excluding street and railroad right-of-way).

The predominant land use within the Project Area is commercial. Additional land uses within the Project Area include residential, municipal and light industrial uses. Residential uses include single-family, multi-family, and accessory to commercial uses (apartments above commercial). Limited light industrial uses are located primarily south of Rt. 14. Municipal uses include the Village Hall, the library, the Metra Station and a ComEd electrical substation. Existing land uses within the Project Area are illustrated in "Figure B Existing Land Uses".

*Table 1: Existing Land Use*

Location	Existing Land Use
<b>North Side Rt. 14</b>	
Between Fox River and River Road	Marina, Bar
Between River Road and Opatrny	Single-Family Residential, Commercial
Between Opatrny & Lincoln	Commercial, Single-Family Residential, Multi-Family Residential
Between Lincoln & Illinois	Commercial, Municipal, Single-Family Residential, Multi-Family Residential
Between Illinois & Lucille	Commercial, Multifamily Residential
Between Lucille & Orchard	Commercial, Municipal, Multi-Family Residential
<b>South Side of Rt. 14</b>	
West of Beachway	Commercial, Multi-Family Residential
Between Beachway & Algonquin	Municipal, Light Industrial, Single-Family Residential
East of Algonquin	Light Industrial

*Table 2: Existing Housing Units*

Type	Units
Single Family	19
Multi-Family (Apartments)	83
<b>Total</b>	<b>102</b>

## Legal Description

The legal description of the Project Area is as follows:

PART OF THE SOUTHWEST QUARTER OF SECTION 17 AND PART OF THE SOUTHEAST QUARTER OF SECTION 18 AND PART OF THE NORTHEAST QUARTER OF SECTION 19 AND ALSO PART OF THE NORTHWEST QUARTER OF SECTION 20, ALL IN TOWNSHIP 43 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHEASTERLY RIGHT-OF-WAY LINE OF ILLINOIS ROUTE 14 (NORTHWEST HIGHWAY) AND THE NORTHERLY RIGHT-OF-WAY LINE OF OPATRYN ROAD, SAID INTERSECTION BEING THE SOUTHWESTERLY CORNER OF LOT 28 IN BLOCK 5 OF THE FIRST ADDITION TO FOX RIVER GROVE;

THENCE NORTHWESTERLY ALONG THE NORTHEASTERLY RIGHT-OF-WAY LINE OF ILLINOIS ROUTE 14 (NORTHWEST HIGHWAY) TO THE WESTERLY CORNER OF LOT 13 IN BLOCK 4 IN THE FIRST ADDITION TO FOX RIVER GROVE, SAID CORNER ALSO BEING ON THE EASTERLY LINE OF FOX RIVER;

THENCE NORTHEASTERLY ALONG THE WEST LINE OF LOTS 13 THRU 1 IN BLOCK 4 IN THE FIRST ADDITION TO FOX RIVER GROVE AND THE WESTERLY LINE OF CRESCENT ROAD TO THE SOUTHWESTERLY CORNER OF LOT 20 IN BLOCK 3 IN THE FIRST ADDITION TO FOX RIVER GROVE;

THENCE SOUTHEASTERLY ALONG THE SOUTH LINE OF LOT 20 IN BLOCK 3, SAID LINE ALSO BEING THE NORTHERLY LINE OF CRESCENT ROAD, TO THE SOUTHEASTERLY CORNER OF LOT 20 IN SAID BLOCK 3; THENCE SOUTHEASTERLY TO THE SOUTHWEST CORNER OF LOT 8 IN BLOCK 6 IN THE FIRST ADDITION TO FOX RIVER GROVE;

THENCE SOUTHEASTERLY ALONG THE NORTH LINE OF CRESCENT ROAD TO THE SOUTHEASTERLY CORNER OF LOT 9 IN SAID BLOCK 6;

THENCE SOUTHEASTERLY TO THE SOUTHWEST CORNER OF LOT 7 IN BLOCK 10 IN THE FIRST ADDITION TO FOX RIVER GROVE;

THENCE EASTERLY ALONG THE NORTH LINE OF CRESCENT ROAD TO THE SOUTHEASTERLY CORNER OF LOT 12 IN SAID BLOCK 10;

THENCE SOUTHEASTERLY TO THE NORTHEASTERLY CORNER OF LOT 8 IN BLOCK 11 IN THE FIRST ADDITION TO FOX RIVER GROVE;

THENCE SOUTHERLY ALONG THE EASTERLY LINE OF OPATRYN ROAD TO THE SOUTHWESTERLY CORNER OF LOT 2 IN SAID BLOCK 11;

THENCE SOUTHEASTERLY ALONG SAID NORTHEAST RIGHT-OF-WAY LINE OF OPATRYN DRIVE AND THE SOUTHEASTERLY EXTENSION OF SAID NORTHEAST RIGHT-OF-WAY LINE OF OPATRYN DRIVE TO A POINT ON THE SOUTHWESTERLY LINE OF LOT 26 IN BLOCK 8 IN SAID FIRST ADDITION TO FOX RIVER GROVE, SAID SOUTHWESTERLY LINE ALSO BEING THE NORTHERLY RIGHT-OF-WAY LINE OF OPATRYN DRIVE;

THENCE EASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF OPATRYN DRIVE, 450 FEET, MORE OR LESS;

THENCE SOUTH TO THE INTERSECTION OF THE SOUTHERLY RIGHT-OF-WAY LINE OF OPATRYN DRIVE AND THE EASTERLY RIGHT-OF-WAY LINE OF ILLINOIS STREET, SAID INTERSECTION ALSO BEING THE NORTHWEST CORNER OF LOT 1 IN BLOCK 3 IN OPATRYN'S SUNNYSIDE ADDITION TO FOX RIVER GROVE TO FOX RIVER GROVE;

THENCE SOUTHWESTERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF ILLINOIS STREET TO THE SOUTHWESTERLY CORNER OF LOT 6 IN BLOCK 2 OF OPATRYN'S SUNNYSIDE ADDITION TO FOX RIVER GROVE;

THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY LINE OF LOTS 6 AND 5 IN BLOCK 2 OF SAID OPATRYN'S SUNNYSIDE ADDITION TO FOX RIVER GROVE TO THE SOUTHERNMOST CORNER OF SAID LOT 5, SAID CORNER ALSO BEING ON THE NORTHWESTERLY LINE OF LOT 7 IN POKORNY'S ADDITION TO FOX RIVER GROVE;

THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE TO THE WESTERLY CORNER OF SAID LOT

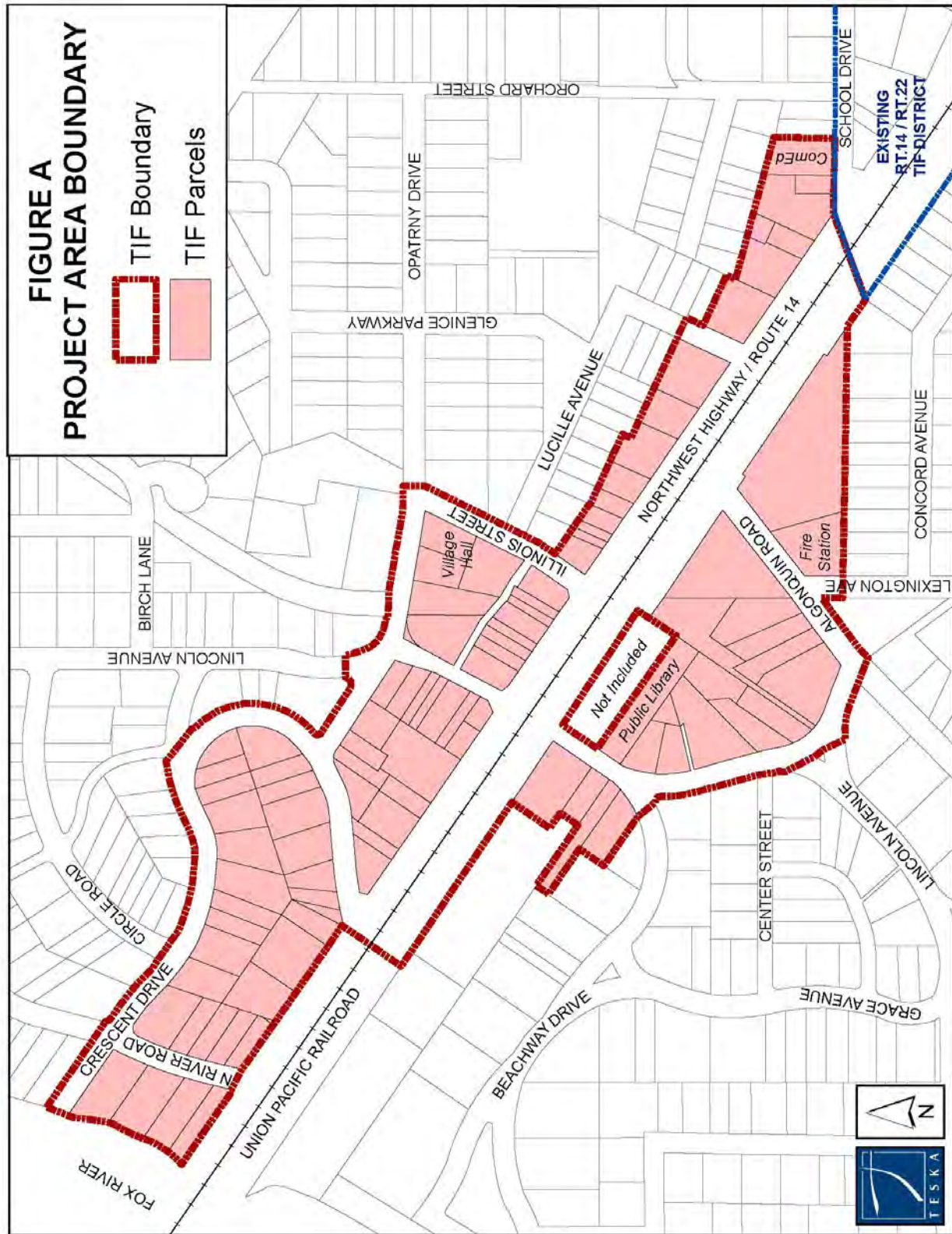


7 IN POKORNY'S ADDITION TO FOX RIVER GROVE;  
 THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY LINE OF LOTS 7, 8, 9 AND 10 IN SAID POKORNY'S ADDITION TO FOX RIVER GROVE TO THE SOUTHERLY CORNER OF SAID LOT 10, SAID CORNER ALSO BEING ON THE NORTHWESTERLY LINE OF LOT 11 IN SAID POKORNY'S ADDITION TO FOX RIVER GROVE;  
 THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE OF LOT 11 IN SAID POKORNY'S ADDITION TO FOX RIVER GROVE TO THE WESTERLY CORNER OF SAID LOT 11;  
 THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY LINE OF LOTS 11, 12, 13 AND 16 IN SAID POKORNY'S ADDITION TO FOX RIVER GROVE TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF LUCILLE AVENUE;  
 THENCE ALONG THE SOUTHEASTERLY EXTENSION OF THE SOUTHWESTERLY LINE OF SAID LOT 16 IN POKORNY'S ADDITION TO FOX RIVER GROVE TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF LUCILLE AVENUE, SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF LOT 25 IN SAID POKORNY'S ADDITION TO FOX RIVER GROVE;  
 THENCE SOUTHWESTERLY ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF LUCILLE AVENUE TO THE SOUTHWESTERLY CORNER OF SAID LOT 25 IN POKORNY'S ADDITION TO FOX RIVER GROVE;  
 THENCE SOUTHEASTERLY ALONG THE SOUTHWEST LINE OF SAID LOT 25 IN POKORNY'S ADDITION TO FOX RIVER GROVE TO THE SOUTHERLY CORNER OF SAID LOT 25, SAID CORNER ALSO BEING ON THE NORTHWESTERLY LINE OF LOT 17 IN HYDE PARK ADDITION TO FOX RIVER GROVE;  
 THENCE SOUTHWESTERLY ALONG THE NORTHWESTERLY LINE OF SAID LOT 17 TO THE SOUTHWESTERLY CORNER OF SAID LOT 17;  
 THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY LINE OF LOTS 17, 16, 15, 14, 13, 12 AND 11 TO THE NORTHEASTERLY CORNER OF LOT 7 IN SAID HYDE PARK ADDITION TO FOX RIVER GROVE;  
 THENCE SOUTH ALONG THE EAST LINE OF LOT 7 IN SAID HYDE PARK ADDITION TO FOX RIVER GROVE TO THE SOUTHEASTERLY CORNER OF SAID LOT 7, SAID CORNER ALSO BEING ON THE NORTH RIGHT-OF-WAY LINE OF CARY ROAD;  
 THENCE WEST ALONG THE NORTH RIGHT-OF-WAY OF SAID CARY ROAD TO THE INTERSECTION OF SAID NORTH RIGHT-OF-WAY LINE OF CARY ROAD AND THE NORTHEASTERLY RIGHT-OF-WAY LINE OF ILLINOIS ROUTE 14;  
 THENCE SOUTHWESTERLY TO THE EASTERLY CORNER OF LOT 11 IN LEGROS' ADDITION TO FOX RIVER GROVE, SAID CORNER ALSO BEING ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF CHICAGO & NORTHWESTERN RAILWAY;  
 THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF CHICAGO & NORTHWESTERN RAILWAY TO THE NORTHEASTERLY CORNER OF SAID LOT 11 IN LEGROS' ADDITION TO FOX RIVER GROVE;  
 THENCE WEST ALONG THE NORTH LINE OF LOTS 11 THRU 1 IN LEGROS' ADDITION TO FOX RIVER GROVE TO THE NORTHWEST CORNER OF SAID LOT 1 IN LEGROS' ADDITION TO FOX RIVER GROVE, SAID POINT BEING ON THE EAST RIGHT-OF-WAY LINE OF LEXINGTON AVENUE;  
 THENCE WEST ALONG THE WESTERLY EXTENSION OF THE NORTH LINE OF SAID LOT 1 IN LEGROS' ADDITION TO FOX RIVER GROVE TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF LEXINGTON AVENUE;  
 THENCE NORTH ALONG THE WEST RIGHT-OF-WAY LINE OF LEXINGTON AVENUE TO THE INTERSECTION OF SAID WEST RIGHT-OF-WAY LINE OF LEXINGTON AVENUE AND THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF ALGONQUIN ROAD;  
 THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF ALGONQUIN ROAD, 205 FEET, MORE OR LESS;  
 THENCE NORTHWESTERLY TO THE EAST CORNER OF LOT 5 IN THE ORIGINAL PLAT OF FOX RIVER GROVE;  
 THENCE WEST ALONG THE NORTHERLY LINE OF SAID LOT 5 IN THE ORIGINAL PLAT OF FOX RIVER GROVE, 177 FEET, MORE OR LESS;  
 THENCE NORTH PERPENDICULAR TO THE NORTHERLY LINE OF SAID LOT 5, 66 FEET, MORE OR LESS;

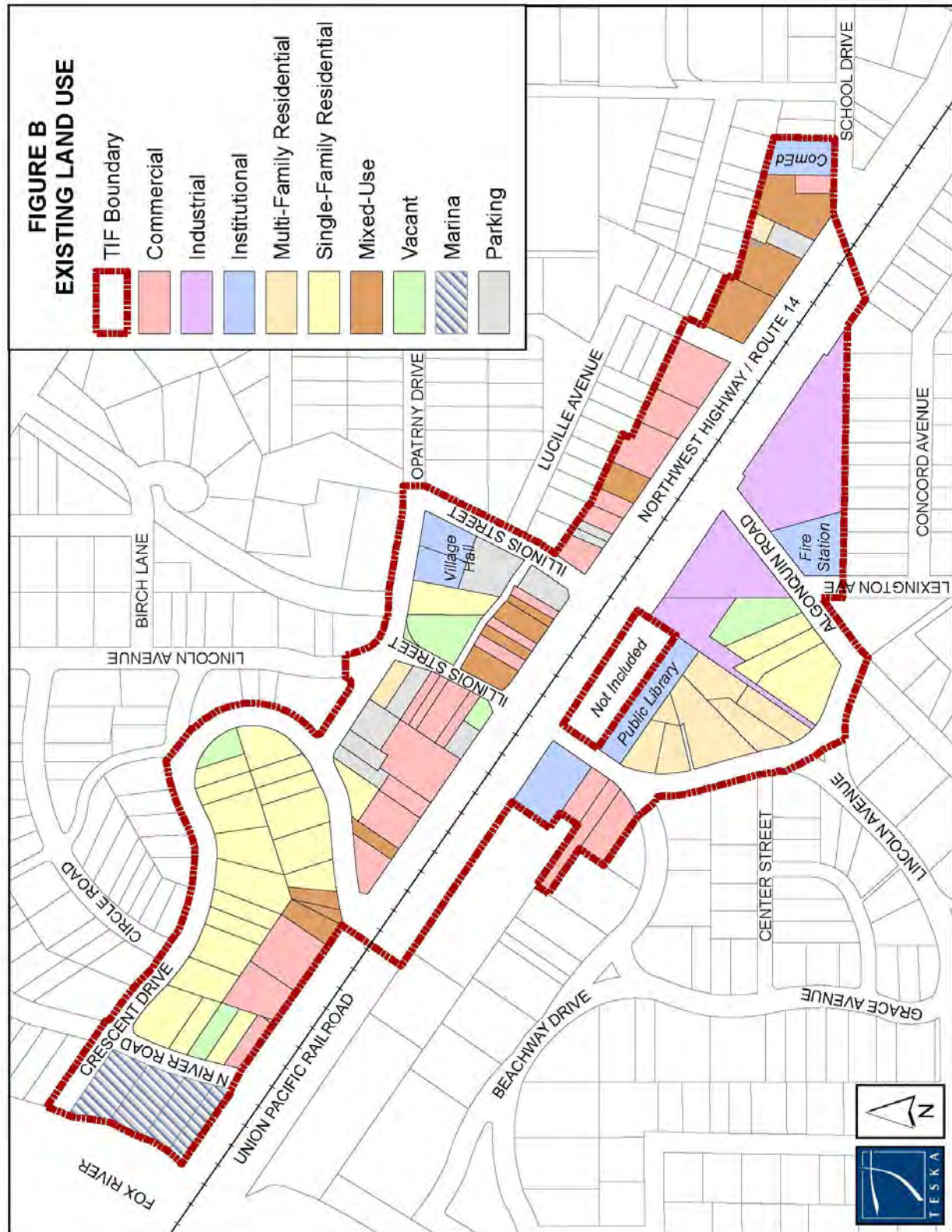
THENCE NORTHWESTERLY TO THE NORTHEAST CORNER OF LOT 1 PAVLICEK HEIRS SUBDIVISION, SAID CORNER ALSO BEING THE INTERSECTION OF THE WEST LINE OF LINCOLN AVENUE AND THE SOUTH LINE OF CENTER STREET;  
THENCE NORTH TO THE INTERSECTION OF THE NORTH LINE OF CENTER STREET AND THE WEST LINE OF ARCH WAY;  
THENCE NORTHERLY ALONG THE WEST LINE OF ARCH WAY TO THE INTERSECTION OF THE WEST RIGHT-OF-WAY LINE OF LINCOLN AVENUE AND THE SOUTHERLY RIGHT-OF-WAY LINE OF BEACHWAY DRIVE;  
THENCE NORTHWEST, 66 FEET, MORE OR LESS, TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF SAID BEACHWAY DRIVE, SAID POINT ALSO BEING THE SOUTHERLY CORNER OF THE NORTHEASTERLY 80 FEET OF LOT 30 IN THE ORIGINAL PLAT OF FOX RIVER GROVE;  
THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF SAID NORTHEASTERLY 80 FEET OF LOT 30 IN THE ORIGINAL PLAT OF FOX RIVER GROVE TO THE WESTERLY CORNER OF SAID NORTHEASTERLY 80 FEET OF LOT 30;  
THENCE NORTHEASTERLY ALONG THE NORTHWESTERLY LINE OF SAID NORTHEASTERLY 80 FEET OF LOT 30 TO THE NORTHERLY CORNER OF SAID NORTHEASTERLY 80 FEET OF LOT 30;  
THENCE NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF LOT 29 OF THE ORIGINAL PLAT OF FOX RIVER GROVE TO THE NORTHERLY CORNER OF SAID LOT 29;  
THENCE NORTHEASTERLY 40 FEET, MORE OR LESS, TO A POINT ON THE NORTHEASTERLY LINE OF LOT 31 IN THE ORIGINAL PLAT OF FOX RIVER GROVE;  
THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF LOT 31 TO A POINT BEING 150 FEET, MORE OR LESS, NORTHWESTERLY OF THE NORTHWESTERLY RIGHT-OF-WAY LINE OF LINCOLN AVENUE;  
THENCE NORTHEASTERLY, 50 FEET, MORE OR LESS;  
THENCE NORTHWESTERLY, 50 FEET, MORE OR LESS;  
THENCE NORTHEASTERLY, 125 FEET, MORE OR LESS TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILWAY;  
THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILWAY, 525 FEET, MORE OR LESS;  
THENCE NORTHEASTERLY TO THE POINT OF BEGINNING, ALL IN MCHENRY COUNTY, ILLINOIS.

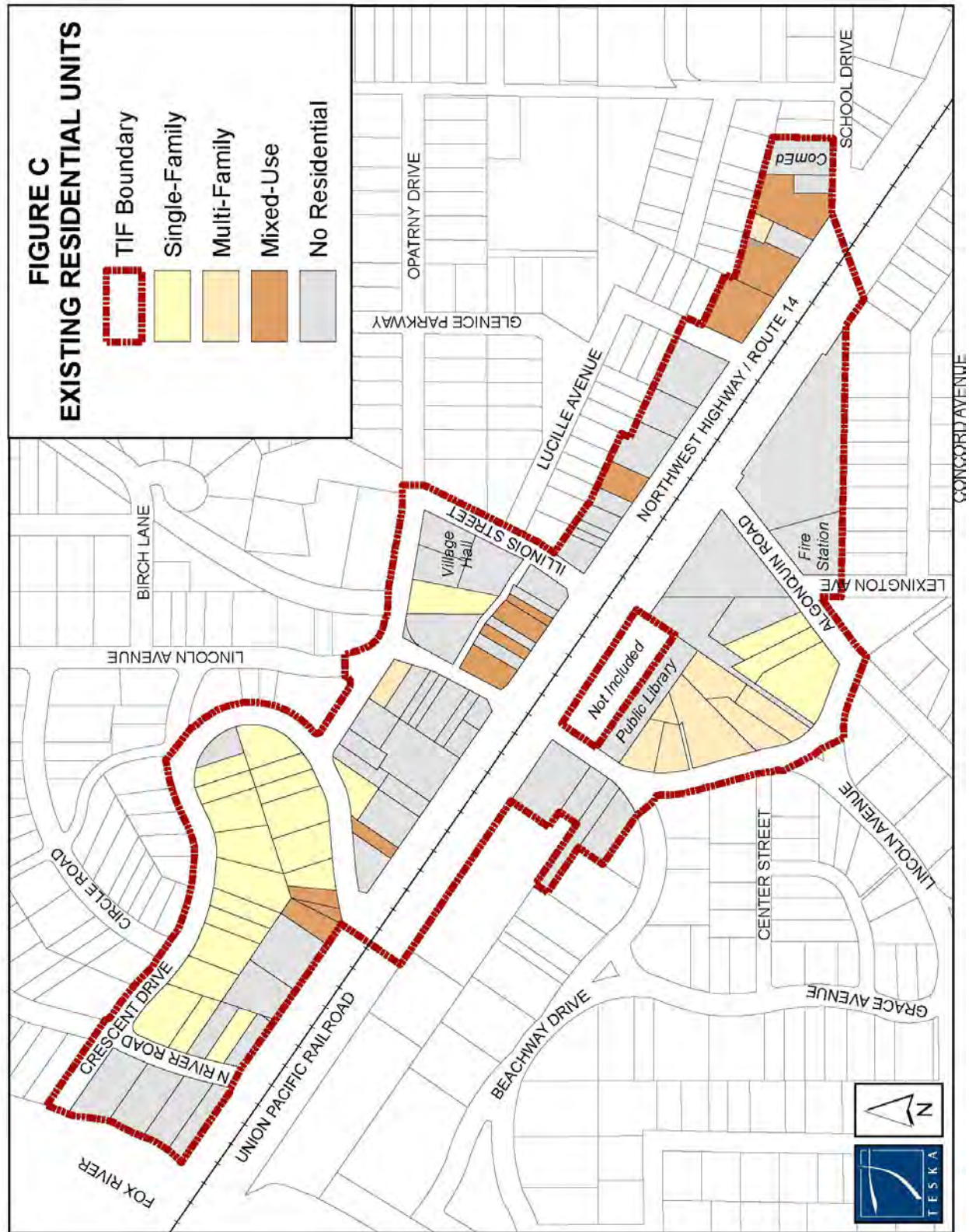
**EXCEPTING THEREFROM THE FOLLOWING TRACT OF LAND:**

1. THAT PART OF THE SOUTHEAST QUARTER OF SECTION 18 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 43 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN LYING NORTHWESTERLY OF THE NORTHWEST LINE OF LOT 3 IN FORST'S SUBDIVISION OF LOT 3 IN THE ORIGINAL PLAT OF FOX RIVER GROVE, SOUTHEASTERLY OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF BEACHWAY DRIVE, SOUTHWESTERLY OF THE SOUTHWEST RIGHT-OF-WAY LINE (EXTENDED) OF THE CHICAGO AND NORTHWESTERN RAILWAY AND NORTHEASTERLY OF A LINE 75 FEET PARALLEL AND NORTHEASTERLY OF THE NORTHEAST LINE OF THE RESUBDIVISION OF LOTS 1 AND 2 IN THE ORIGINAL PLAT OF FOX RIVER GROVE.











### Summary of the Eligibility of the Proposed Project Area TIF District

In July of 2014, a study was undertaken, consistent with the Act and related procedural guidelines, to determine the eligibility of the Project Area. These "Eligibility Findings" indicate that the proposed Project Area meets the statutory requirements of a "conservation area," and is eligible for designation as a "Tax Increment Finance Redevelopment Project Area."

As detailed in Appendix A of this Redevelopment Plan, the Project Area is eligible for designation as a "conservation area," due to the predominance and extent of the following blighting factors:

1. Age of structures;
2. Deterioration of buildings and surface improvements;
3. Excessive vacancies;
4. Inadequate utilities; and
5. Decline or minimal marginal increase in equalized assessed value.

In addition to the above primary qualifying factors, although not present to a significant enough extent, or distributed sufficiently throughout the Project Area, the following secondary qualifying characteristics are present and have a lesser detrimental effect on the Project Area as a whole:

1. Dilapidation;
2. Obsolescence; and
3. Deleterious land use or layout.



## REDEVELOPMENT PLAN AND PROGRAM

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The revitalization of the Project Area is a complex undertaking that presents challenges and opportunities for the Village. The success of this effort will depend upon cooperation between private investment and local government. Public and private development efforts have not, as yet, been able to stimulate the comprehensive revitalization of the Fox River Grove Downtown Project Area. Furthermore, new development and redevelopment in the Project Area has not occurred as envisioned in the Village of Fox River Grove Station Area Planning Study. The adoption of this Redevelopment Area Plan and Program will make possible the implementation of the downtown planning program to stimulate redevelopment and rehabilitation in this area, which otherwise could not reasonably be anticipated to occur without the adoption of this Redevelopment Area Plan and Program. Through public investment, the area will become attractive to private investment.

The Act describes the Redevelopment Plan as *"the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions, the existence of which qualified the redevelopment project area as a blighted area or conservation area ..., and thereby serves to enhance the tax bases of the taxing districts which extend into the redevelopment project area."*

The successful implementation of the Project Area Plan and Program requires that the Village take full advantage of the real estate tax increment attributed to the Project Area as provided for by the Act. The Project Area would not reasonably be developed and improved without the use of such incremental revenues.

### Purpose of the Redevelopment Plan

Pursuant to the "Tax Increment Allocation Redevelopment Act" (Chapter 65 ILCS 5/11-74.4-1, et seq.) of the Illinois Statutes as amended (hereinafter the "Act"), the purpose of a Redevelopment Plan and Program is to promote the health, safety, morals, and welfare of the general public by:

- < Eradicating blighting conditions and instituting conservation measures;
- < Removing and alleviating adverse conditions by encouraging private investment of underutilized and vacant properties which will strengthen the economy, tax base, business environment, and living environment;
- < Improving existing public utilities within the area; and
- < Enhancing the overall quality of the business environment in the Village of Fox River Grove.

## Redevelopment Plan Goals and Objectives

The aim of the Redevelopment Plan is the revitalization of the Project Area as a strong and attractive mixed use corridor, which contributes to the health and vitality of the Village of Fox River Grove. The goals and objectives of the Redevelopment Plan are both those articulated in the Illinois Tax Allocation Redevelopment Act, and those stated in the Village of Fox River Grove Comprehensive Plan and Station Area Planning Study. The goals and objectives outlined in these plans which relate to this Redevelopment Plan are summarized below:

### *Illinois Tax Allocation Redevelopment Act:*

*Pursuant to the Act, the purpose of a redevelopment plan and project is to promote the health, safety, morals, and welfare of the general public by:*

- o Eradicating blighting conditions and instituting conservation measures;*
- o Removing and alleviating adverse conditions by encouraging private investment of underutilized and vacant properties which will strengthen the economy, tax base, business environment, and living environment;*
- o Improving existing public utilities within the area; and*
- o Enhancing the overall quality of the business environment in the Village.*

### *Village of Fox River Grove Comprehensive Plan (2007):*

#### *Section VI. ECONOMIC DEVELOPMENT GUIDELINES & RECOMMENDATIONS*

*“Promotion of existing businesses via participation in the Cary Grove Area Chamber of Commerce, Planning and Economic Development Commission outreach, marketing of vacant space, and similar activities.”*

*Subsection B – Downtown Redevelopment – recommendation of transit oriented development in the downtown area, creation of additional parking, creation of an overlay district or similar zoning controls, consolidation of parcels for marketability/redevelopment, and encouragement of integration of existing businesses in new development where possible.*

### *Village of Fox River Grove Station Area Planning Study (2003):*

*The main goals of the plan are “making the proposed new Metra station the focal point of the Village’s redevelopment efforts”, parking, mixed-use development, tying riverfront into development, and access and circulation improvements.*

*This plan also recommends the Village should “consider stimulating redevelopment in the immediate study area by being proactive with land acquisition, building demolition and utility relocation”.*



## Future Land Use Plan

The recommended land uses, redevelopment opportunities, and public improvements of this Redevelopment Plan are based upon the guidelines and development opportunities presented in the Village of Fox River Grove Comprehensive Plan and Station Area Planning Study.

The intent of the Future Land Use Plan is to provide a long range guide for determining the uses to which the land should eventually be put, and to direct subsequent zoning decisions as redevelopment occurs along the corridor. **The designation of an existing use as a redevelopment site is not intended to suggest any immediate requirement for redevelopment.** Rather, these sites are identified as a way of planning for their future redevelopment if and when a property owner pursues a development project or an existing business or resident vacates a property.

The Future Land Use Plan (Figure D) shows anticipated land uses at completion of project activities. The existing land uses of many properties are anticipated to continue. However, on identified redevelopment opportunity sites (described in the next section), proposed changes in land use focus on enhancing the non-residential character and appearance of the corridor.

General land use descriptions are as follows:

*Mixed Use.* This category includes retail, office, institutional and residential uses typically found in a downtown setting. The mix of uses can be vertical (ground floor commercial and upper story residential) or horizontal (uses located in separate buildings).

Parking and open space uses associated with any of the above categories are permitted.

## Redevelopment Opportunity Sites

Several development and redevelopment opportunity sites have been identified in the Project Area (Figure E Redevelopment Sites). Recommendations for these sites, including land uses, design guidelines, and conceptual site designs, are primarily drawn from the Village of Fox River Grove Station Area Planning Study, as well as the Village's Comprehensive Plan, Downtown Redevelopment Project Implementation Plan, and the Downtown Subarea Architectural & Streetscape Design Guidelines.

Table 3 indicates the opportunity sites, existing use, and potential future uses.

**Several opportunity sites may have more than one potential use. Although the first use is shown on the Future Land Use Plan described in the previous section, any land use described in Table 3 is appropriate and within the intent of this Redevelopment Plan.**

The Redevelopment Plan shall serve as a guideline for the Project Area, but is not meant to establish specific requirements. Adjustments may be made in response to market conditions and other key factors as long as they remain faithful to the Village's overall goals and objectives for the Downtown Project Area and the Northwest Highway (Rt.14) corridor in general. For example, façade and interior improvements are recommended for existing buildings throughout the Project Area. Therefore, this Redevelopment Plan is consistent with the Fox River Grove Station Area Planning Study as well as the Village's Comprehensive Plan, and is intended to be a key vehicle for implementing those plans.

Table 3: Redevelopment Opportunity Sites

SITE	PIN	SQ.FT.	ACRES	2014 EAV	EXISTING USE	PROPOSED USE
1	20-19-232-002	9,956.93	0.23	\$94,389	Multi-Family	Apartments
1	20-19-232-003	8,877.81	0.20	\$131,173	Multi-Family	Apartments
1	20-19-232-004	3,322.81	0.08	\$186	Multi-Family	Apartments
1	20-19-232-005	26,994.96	0.62	\$203,386	Multi-Family	Apartments
1	20-19-232-006	12,579.61	0.29	\$60,908	Multi-Family	Apartments
1	20-19-232-009	11,909.46	0.27	\$60,908	Multi-Family	Apartments
1	20-19-232-010	28,896.87	0.66	\$67,276	Industrial	Apartments
1	20-19-232-014	12,259.28	0.28	\$50,601	Single-Family	Apartments
1	20-19-232-015	11,757.99	0.27	\$48,963	Single-Family	Apartments
1	20-19-232-016	18,517.07	0.43	\$15,064	Vacant Lot	Apartments
1	20-19-232-017	12,985.47	0.30	\$89,977	Multi-Family	Apartments
1	20-19-232-018	27,053.22	0.62	\$49,801	Single-Family	Apartments
1	20-20-104-001	41,074.90	0.94	\$243,176	Industrial	Apartments
1	20-20-105-002	90,601.76	2.08	\$228,575	Industrial	Apartments
		<b>316,788.14</b>	<b>7.272454904</b>	<b>\$1,344,383</b>		

SITE	PIN	SQ.FT.	ACRES	2014 EAV	EXISTING USE	PROPOSED USE
2	20-17-356-007	2,431.28	0.06	\$31,773	Parking Lot	Retail
2	20-18-478-011	18,997.74	0.44	\$54,718	Single-Family	Retail
2	20-18-478-015	7,617.00	0.17	\$36,423	Single-Family	Retail
2	20-18-478-016	7,343.99	0.17	\$7,548	Single-Family	Retail
2	20-18-478-017	7,280.20	0.17	\$36,479	Vacant Lot	Retail
2	20-18-478-022	5,179.95	0.12	\$30,394	Recording Studio	Retail
2	20-18-478-023	8,128.15	0.19	\$48,321	Single-Family	Retail
2	20-18-478-024	14,852.06	0.34	\$57,974	Single-Family	Retail
2	20-18-478-025	16,655.35	0.38	\$47,683	Single-Family	Retail
2	20-18-478-026	8,140.39	0.19	\$41,969	Single-Family	Retail
2	20-18-478-027	7,730.72	0.18	\$34,445	Single-Family	Retail
2	20-18-478-028	13,382.61	0.31	\$33,925	Single-Family	Retail
2	20-18-478-032	13,977.60	0.32	\$48,679	Single-Family	Retail
2	20-18-478-035	2,695.77	0.06	\$5,566	Recording Studio	Retail
2	20-18-478-036	9,061.17	0.21	\$58,392	Recording Studio	Retail
2	20-18-478-037	15,666.09	0.36	\$59,162	Single-Family	Retail
2	20-18-481-001	8,313.02	0.19	\$34,264	Single-Family	Retail
2	20-18-481-002	6,225.29	0.14	\$7,896	Parking Lot	Retail
2	20-18-481-003	6,215.87	0.14	\$7,967	Parking Lot	Retail
2	20-18-481-004	9,924.84	0.23	\$10,975	Parking Lot	Retail

SITE	PIN	SQ.FT.	ACRES	2014 EAV	EXISTING USE	PROPOSED USE
2	20-18-481-006	4,872.30	0.11	\$63,430	Multi-Family	Retail
2	20-18-481-007	13,602.51	0.31	\$107,582	A.P. Electric	Retail
2	20-18-481-008	6,832.57	0.16	\$56,946	Dental Office	Retail
2	20-18-481-009	26,251.90	0.60	\$132,366	Grayhill	Retail
2	20-18-481-010	6,623.58	0.15	\$56,468	Multi-Family	Retail
2	20-18-481-011	7,376.08	0.17	\$22,905	Parking Lot	Retail
2	20-18-481-013	4,005.05	0.09	\$25,546	Strip Commercial	Retail
2	20-18-481-022	9,047.63	0.21	\$87,454	Riverside Auto	Retail
2	20-18-481-024	4,076.43	0.09	\$37,854	Strip Commercial	Retail
2	20-18-481-025	10,580.49	0.24	\$81,960	Strip Commercial	Retail
2	20-18-481-026	5,029.81	0.12	\$49,225	Strip Commercial	Retail
2	20-18-481-027	4,959.96	0.11	\$11,702	Parking Lot	Retail
2	20-18-481-028	4,043.41	0.09	\$11,702	Vacant Lot	Retail
2	20-18-483-001	747.45	0.02	\$0	Vacant Lot	Retail
2	20-18-483-014	17,980.95	0.41	\$12,656	Vacant Lot	Retail
2	20-18-483-015	16,571.20	0.38	\$46,901	Single-Family	Retail
2	20-18-483-016	4,912.29	0.11	\$35,084	New China Restaurant	Retail
2	20-18-483-017	4,389.31	0.10	\$66,438	Vacant Building	Retail
2	20-18-483-018	3,618.28	0.08	\$53,314	Vacant Building	Retail
2	20-18-483-019	7,703.04	0.18	\$62,208	Vacant Building	Retail
2	20-18-483-020	3,082.70	0.07	\$48,115	Bike Shop	Retail
2	20-18-483-021	3,552.50	0.08	\$70,416	Cigar Shop	Retail
2	20-18-483-022	9,611.14	0.22	\$80,294	Mixed Retail	Retail
		<b>369,289.68</b>	<b>8.48</b>	<b>\$1,915,119</b>		

SITE	PIN	SQ.FT.	ACRES	2014 EAV	EXISTING USE	PROPOSED USE
3	20-18-478-001	18,178.86	0.42	\$79,880	Single-Family	Apartments
3	20-18-478-002	8,485.48	0.19	\$43,699	Single-Family	Apartments
3	20-18-478-003	8,342.89	0.19	\$7,548	Vacant Lot	Apartments
3	20-18-478-004	8,154.33	0.19	\$53,645	Single-Family	Apartments
3	20-18-478-006	13,167.10	0.30	\$35,869	Single-Family	Apartments
3	20-18-478-007	14,945.99	0.34	\$38,118	Single-Family	Apartments
3	20-18-478-008	8,300.55	0.19	\$29,858	Single-Family	Apartments
3	20-18-478-009	9,127.22	0.21	\$58,636	Single-Family	Apartments
3	20-18-478-018	17,325.19	0.40	\$100,694	Bailey Edward Masonry	Apartments
3	20-18-478-031	22,845.77	0.52	\$70,358	Bailey Edward Masonry	Apartments
3	20-18-478-033	7,480.50	0.17	\$51,866	Law Office	Apartments
3	20-18-478-034	227.49	0.01	\$669	Law Office	Apartments
		<b>136,581.38</b>	<b>3.14</b>	<b>\$570,840</b>		

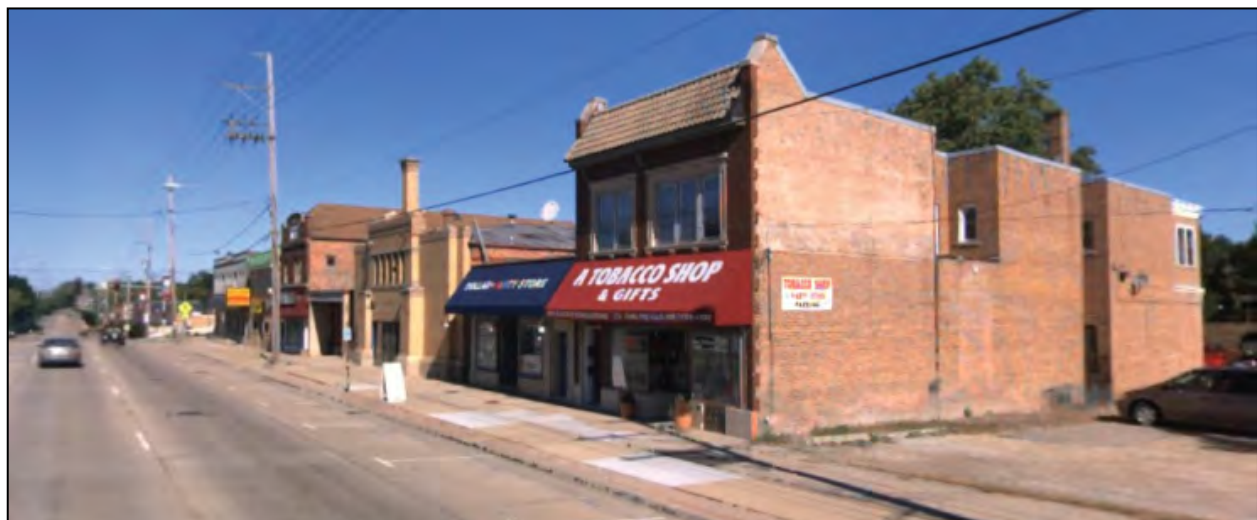
SITE	PIN	SQ.FT.	ACRES	2014 EAV	EXISTING USE	PROPOSED USE
4	20-18-476-001	20,567.17	0.47	\$47,217	Marina	Marina
4	20-18-476-002	19,469.73	0.45	\$48,320	Marina	Marina
4	20-18-476-003	15,570.21	0.36	\$130,057	Marina	Marina
4	20-18-476-004	11,552.18	0.27	\$80,274	Dead End Tavern	Marina
		<b>67,159.29</b>	<b>1.54</b>	<b>\$305,868</b>		

The Village may determine that other redevelopment opportunities, where consistent with the land use designations on the Future Land Use Plan, are within the intent of this Redevelopment Plan.

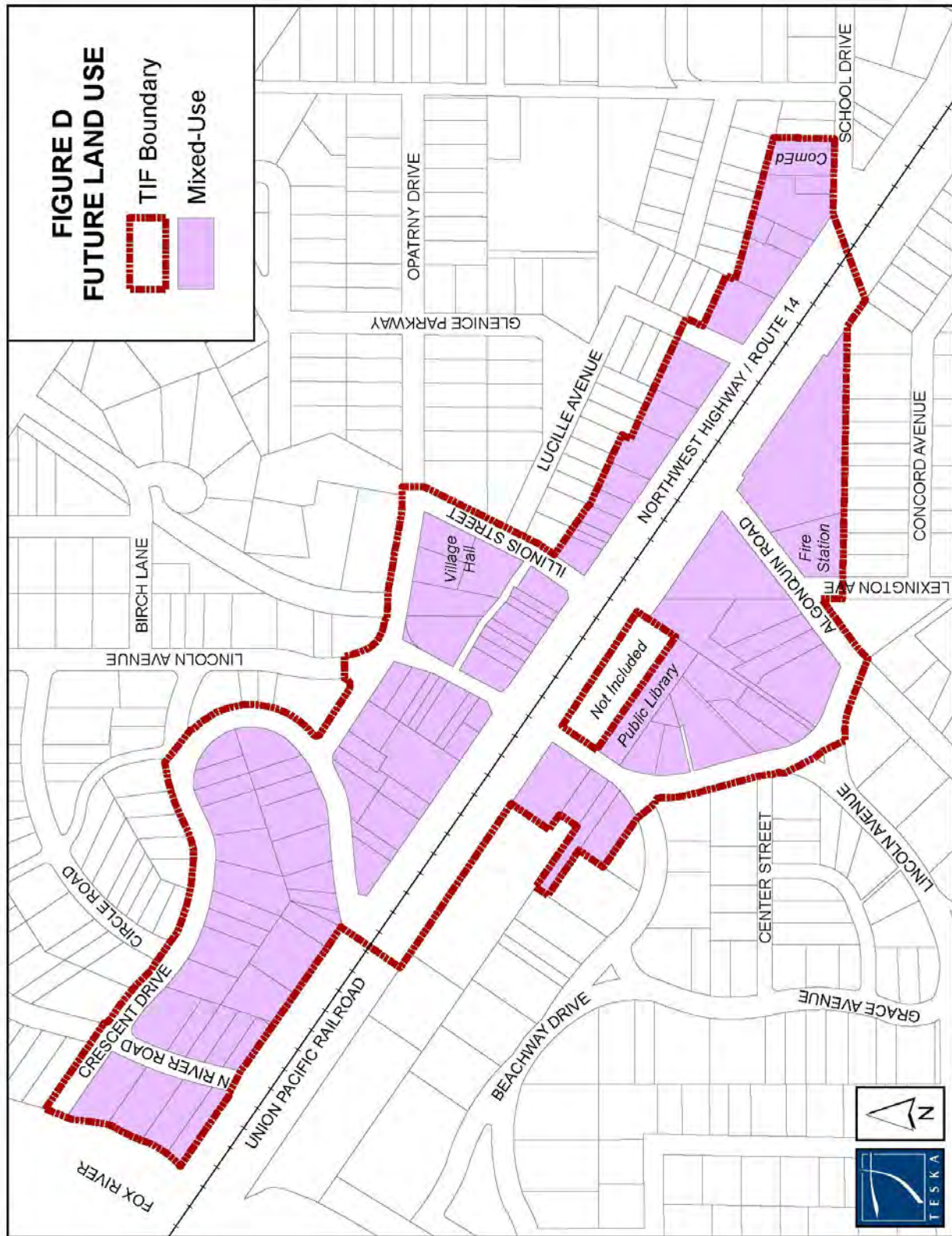
As indicated by Figure C, the Project Area parcels are planned for a mixture of commercial and multi-family residential uses along Northwest Highway/Rt.14. Scattered institutional/municipal uses are anticipated to remain (ComEd substation, Village Hall, Metra Station and fire station).

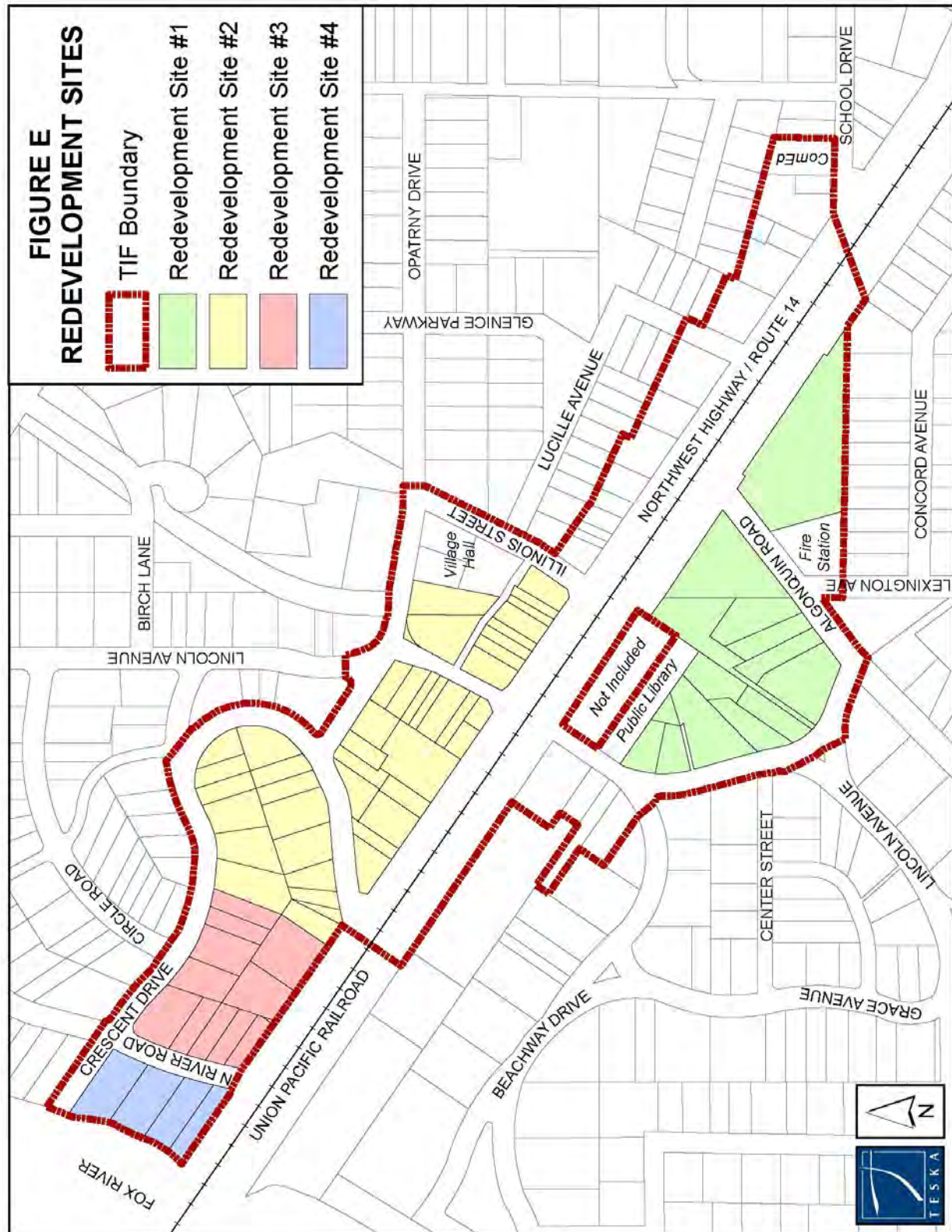
In addition to these opportunity sites, the Redevelopment Plan also anticipates activities to be undertaken by the public sector, which are identified in the Public Improvements section of this report (page 14). All of the redevelopment opportunities and public improvements should be conducted under the guidance of the Village of Fox River Grove Station Area Planning Study, the Downtown Implementation plan, and the Downtown Subarea Architectural & Streetscape Design Guidelines.

Undertaking these redevelopment activities will generate increased tax revenues, create commercial opportunities, upgrade the public improvements such as roadways, parking areas, sidewalks, etc., and provide a stimulus for additional development in surrounding areas.









## Eligible Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to the Redevelopment Plan and Program. As provided by the Act, such costs may include, without limitation, the following:

- < Costs of studies, 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, financial, planning or other services;
- < The cost of marketing sites within the Project Area to prospective businesses, developers, and investors;
- < Property assembly costs including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation and 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;
- < Costs of rehabilitation, reconstruction, repair, or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost 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;
- < Costs of the construction of public works or improvements;
- < Costs of job training and retraining projects, including the cost of “welfare to work” programs implemented by businesses located within the Project Area, and costs of 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, as provided in the Act;
- < 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 under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued, and not exceeding 36 months thereafter and including reasonable reserves related thereto;
- < To the extent the Village by written agreement accepts and approves the same, all or a portion of a taxing district’s capital 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;
- < To the extent the Village by written agreement accepts and approves the same, an elementary, secondary, or unit school district’s increased costs attributable to assisted housing units as provided in the Act;
- < Relocation costs to the extent that the Village determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law;



- < Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project, as provided by the Act.

### Acquisition and Clearance

In order to facilitate coordinated redevelopment and meet redevelopment objectives, it may be necessary for the Village to assemble individual properties into unified sites which can be developed in their entirety. Any clearance of existing structures will be scheduled to minimize the adverse effects of rehabilitation or clearance activities.

### Land Disposition

Property which may be acquired by the Village may be assembled into appropriate redevelopment sites. These properties may be sold or leased by the Village to other public bodies or to private developers, in whole or in part. The Village may in the future modify this disposition plan in accordance with the objectives of this Redevelopment Plan and Program, without amending the Plan. Terms of conveyance may be incorporated into appropriate disposition documents or agreements, and may include more specific restrictions than contained in this Redevelopment Plan or in other municipal codes and ordinances governing the use of the land.

No conveyance, lease, mortgage, disposition of land or other property, or agreement relating to the development of property will be made except upon the adoption of an ordinance by the Village.

### Public Improvements

The Village of Fox River Grove will continue to provide public improvements in the Project Area to stimulate development and redevelopment in a manner consistent with this Redevelopment Plan. Some public improvements may be provided in partnership with the Illinois Department of Transportation, or other governmental agencies as applicable. Public improvements may include, but are not limited to, the following:

- < Vacation, removal, resurfacing, widening, reconstruction, and other improvements to rights-of-way, streets, alleys, bridges, pedestrian ways, and pathways.
- < Development of or improvements to public open space.
- < Construction of off-street parking facilities and structures.
- < Improvement of public utilities such as sewer and water lines, electric lines, sidewalks, curbs and gutters, storm water detention facilities. Such improvement may include relocation and/or burial of existing overhead lines.
- < Demolition and rehabilitation of obsolete structures.
- < Beautification and safety improvements, including streetscape, lighting, signage, and landscaping of public properties.



- < Grants or loans to private property owners for eligible property improvements, including facade restoration or enhancements.
- < Business relocation expenses.

Public improvement activities which are planned as part of this Redevelopment Plan are based upon recommendations contained in the Village of Fox River Grove Station Area Planning Study and the Downtown Implementation Plan. Specifically, Tasks 3 & 4 of the Downtown Implementation Plan identifies public improvements including the following:

- < East Side of Rt. 14
  - Water system improvements (extend 12" main)
  - Sanitary system improvements (Repair and service lines)
  - Storm system improvements (Repair and service lines)
- < West Side of Rt. 14
  - Water system improvements (extend 12" main)
  - Sanitary system improvements (Repair and service lines)
  - Storm system improvements (Construct new lines)

The costs associated with the public improvements described in this Redevelopment Plan may be shared by the Village of Fox River Grove, other governmental agencies, and individual developers and property owners, pursuant to an agreement between the parties. The Village may determine at a later date that certain listed improvements are no longer needed or appropriate and may remove them from the list, or may add new improvements to the list which are consistent with the objectives of this Redevelopment Plan. Such additions shall not require plan amendment provided they are for eligible public improvements and will not require an increase to the total estimated project costs in Table 4.

#### Phasing of Project

Redevelopment projects anticipated in this Plan may commence immediately. Most of the development and redevelopment projects are anticipated to be completed within twenty years. Facade improvements, building rehabilitations, and other activities on individual properties will be encouraged throughout the life of the TIF. The Village may undertake additional public improvements or development projects as appropriate throughout the life of the Redevelopment Plan and Program.

## Estimated Project Costs

Estimated public project costs are listed in Table 4. These costs are based on 2014 dollars and are therefore subject to inflation. Increases in estimated Total Redevelopment Project Costs of more than five percent, after adjustment for inflation from the date of the Redevelopment Plan adoption, are subject to amendment procedures as provided under the Act.

*Table 4: Estimated Redevelopment Project Costs*

<b>Category</b>	<b>Cost</b>
Property Assembly including Acquisition, Site Preparation and Demolition, Environmental Remediation	\$29,838,000
Environmental, market and planning studies, surveys, development of engineering and architectural plans, specifications, implementation and administration fees	\$11,190,000
Rehabilitation, reconstruction, repair, or remodeling of existing public or private buildings and fixtures	\$12,122,000
Construction or improvement of public improvements (1)	\$37,300,000
Job training/retraining and relocation costs	\$2,795,000
<b>Total Estimated Project Costs (2) (3)</b>	<b>\$93,245,000</b>

- (1) Public improvements may also include capital costs of taxing districts and other costs allowable under the Act. Specifically, public improvements as identified in the Redevelopment Plan and as allowable under the Act may be made to property and facilities owned or operated by the Village or other public entities. As provided in the Act, Redevelopment Project Costs may include, to the extent the Village by written agreement accepts and approves the same, all or a portion of a taxing district's capital 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.
- (2) Actual costs for each category identified above may vary provided that the total estimated project costs may not be exceeded without amendment to this Redevelopment Plan.
- (3) This table does not include costs associated with the issuance of municipal obligations, capitalized interest, reimbursement for a portion of privately issued obligations, financing costs during construction (not to exceed 36 months), or other eligible project costs. Such additional costs may or may not be incurred and cannot be estimated at this time.

## Sources of Funds

The Act provides a way for municipalities to finance public redevelopment costs with incremental real estate tax revenues. Incremental tax revenue is derived from the increase in the current equalized assessed valuation (EAV) of real property within the Project Area over and above the certified initial EAV of the real property. Any increase in EAV is then multiplied by the current tax rate, resulting in the tax increment revenue.

Funds necessary to pay redevelopment project costs may be derived from a number of authorized sources. These may include, but are not limited to, the following:

- < Real property tax increment revenues from the Project Area.
- < Tax revenues resulting from the establishment of any Special Service Area districts within the Project Area.
- < Interest earned on temporary investments.
- < Gifts, grants, and contributions.
- < Sale or lease of land proceeds.
- < User fees.
- < Municipal sales taxes.
- < The Village's general revenue fund.
- < Transfer from a contiguous redevelopment project area created under the Act.

The principal source of funds to undertake redevelopment activities will be the incremental increase in real property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the Project Area over the initial equalized assessed value of each such lot, block, tract or parcel. There may also be other eligible local sources of revenue, such as the sale or lease of Village owned property, that the Village determines are appropriate to allocate to the payment of redevelopment project costs.

**The Project Area is contiguous to, or separated only by a public right-of-way from, other redevelopment project areas created under the Act.** The Village may utilize net incremental property taxes received from the Project Area to pay eligible Redevelopment Project Costs, or obligations issue to pay such costs, in other contiguous redevelopment project areas (see Figure A), or those obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area, made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs with the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in the Plan.

### Nature and Term of Obligations to be Issued

The financial plan of this Redevelopment Plan is intended to establish a conservative public expenditure approach. Revenues will be accumulated in the special tax allocation fund to pay for public purpose expenditures identified in this Redevelopment Plan, and whenever practical, expenditures will be made on a cash basis. This method of financing shall not preclude the Village from undertaking initiatives designed to stimulate appropriate private investment in the Project Area.

Certain redevelopment projects may be of such a scale or on such a time-table as to preclude financing on a cash basis. These projects may be funded by the use of tax increment revenue obligations issued pursuant to the Act for a term not to exceed 20 years. Consistent with the conservative nature of the financial plan for this Redevelopment Program, **the highest priority for the issuance of tax increment revenue obligations shall occur when the commitment is in place for private sector investment necessary to fund the amortization of such obligations.**

All obligations are to be covered after issuance by projected and actual tax increment revenues and by such debt service reserved and sinking funds as may be provided by ordinance. Revenues not required for the retirement of obligations providing for reserves, sinking funds, and anticipated redevelopment project costs may be declared surplus and become available for distribution annually to the taxing districts in the Project Area.

One or more issues of obligations may be sold at one or more times in order to implement this plan, as now or hereafter amended, in accordance with law.

The Village may, by ordinance, in addition to obligations secured by the special tax allocation fund provided by law, pledge for a period not greater than the term of the obligations any part or any combination of the following:

- < Net revenues of all or part of a Redevelopment Project,
- < Taxes levied and collected on any or all property in the municipality.
- < The full faith and credit of the municipality.
- < A mortgage on part or all of a Redevelopment Project.
- < Any other taxes or anticipated receipts that the municipality may lawfully pledge.

### Initial Equalized Assessed Valuation

Table 5 lists the equalized assessed valuation of properties in the Project Area. The total 2014 equalized assessed valuation of the Project Area is **\$5,504,289**.

Table 5: 2014 Project Area Equalized Assessed Valuation

PIN	EAV	PIN	EAV	PIN	EAV
20-17-356-001	\$0	20-18-478-033	\$51,866	20-18-483-021	\$70,416
20-17-356-002	\$0	20-18-478-034	\$669	20-18-483-022	\$80,294
20-17-356-006	\$0	20-18-478-035	\$5,566	20-19-227-010	\$109,154
20-17-356-007	\$31,773	20-18-478-036	\$58,392	20-19-232-001	\$0
20-17-358-005	\$123,468	20-18-478-037	\$59,162	20-19-232-002	\$94,389
20-17-358-006	\$21,134	20-18-479-002	\$0	20-19-232-003	\$131,173
20-17-358-007	\$22,973	20-18-479-003	\$69,258	20-19-232-004	\$186
20-18-476-001	\$47,217	20-18-479-010	\$48,351	20-19-232-005	\$203,386
20-18-476-002	\$48,320	20-18-481-001	\$34,264	20-19-232-006	\$60,908
20-18-476-003	\$130,057	20-18-481-002	\$7,896	20-19-232-009	\$60,908
20-18-476-004	\$80,274	20-18-481-003	\$7,967	20-19-232-010	\$67,276
20-18-478-001	\$79,880	20-18-481-004	\$10,975	20-19-232-014	\$50,601
20-18-478-002	\$43,699	20-18-481-006	\$63,430	20-19-232-015	\$48,963
20-18-478-003	\$7,548	20-18-481-007	\$107,582	20-19-232-016	\$15,064
20-18-478-004	\$53,645	20-18-481-008	\$56,946	20-19-232-017	\$89,977
20-18-478-006	\$35,869	20-18-481-009	\$132,366	20-19-232-018	\$49,801
20-18-478-007	\$38,118	20-18-481-010	\$56,468	20-20-101-007	\$43,622
20-18-478-008	\$29,858	20-18-481-011	\$22,905	20-20-101-008	\$31,394
20-18-478-009	\$58,636	20-18-481-013	\$25,546	20-20-101-009	\$129,613
20-18-478-011	\$54,718	20-18-481-022	\$87,454	20-20-101-010	\$72,153
20-18-478-015	\$36,423	20-18-481-024	\$37,854	20-20-101-011	\$67,400
20-18-478-016	\$7,548	20-18-481-025	\$81,960	20-20-101-012	\$101,628
20-18-478-017	\$36,479	20-18-481-026	\$49,225	20-20-103-004	\$190,951
20-18-478-018	\$100,694	20-18-481-027	\$11,702	20-20-103-015	\$538
20-18-478-022	\$30,394	20-18-481-028	\$11,702	20-20-103-018	\$92,428
20-18-478-023	\$48,321	20-18-483-001	\$0	20-20-103-019	\$47,081
20-18-478-024	\$57,974	20-18-483-014	\$12,656	20-20-103-020	\$17,549
20-18-478-025	\$47,683	20-18-483-015	\$46,901	20-20-103-021	\$116,347
20-18-478-026	\$41,969	20-18-483-016	\$35,084	20-20-103-022	\$63,037
20-18-478-027	\$34,445	20-18-483-017	\$66,438	20-20-104-001	\$243,176
20-18-478-028	\$33,925	20-18-483-018	\$53,314	20-20-105-001	\$0
20-18-478-031	\$70,358	20-18-483-019	\$62,208	20-20-105-002	\$228,575
20-18-478-032	\$48,679	20-18-483-020	\$48,115		<b>\$5,504,289</b>



#### Anticipated Equalized Assessed Valuation

Upon the completion of anticipated redevelopment projects it is estimated that the equalized assessed valuation of real property within the Project Area will be in excess of **\$48,829,000**. This represents an increase of approximately 9 times the initial total equalized assessed valuation. This figure is based upon estimates of value for the anticipated rehabilitation and redevelopment projects described in this report.

#### Payment in Lieu of Taxes

No payments in lieu of taxes are anticipated as part of the Redevelopment Plan and Program.

#### Provision for Amending the Redevelopment Plan and Program

The Redevelopment Plan and Program may be amended pursuant to provisions of the Act.

## **FINANCIAL IMPACT OF REDEVELOPMENT**

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Without the adoption of the Redevelopment Plan and Program, development and redevelopment projects within the Project Area are not reasonably expected to be undertaken by private enterprise. In the absence of Village-sponsored redevelopment, there is a prospect that blighting factors will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. Erosion of the assessed valuation of property in the Project Area has already occurred, and could lead to further reductions of real estate tax revenue to all taxing districts.

Implementation of the Redevelopment Plan and Program is expected to have significant short and long term positive financial impacts on the taxing districts affected by this Redevelopment Plan. In the short term, the Village's effective use of tax increment financing can be expected to arrest the ongoing decline of existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long term, after the completion of all redevelopment improvements and activities, and the payment of all redevelopment project costs and municipal obligations, the taxing districts will benefit from the enhanced tax base which results from the increase in equalized assessed valuation caused by the Redevelopment Plan and Program.

The following taxing districts cover the proposed Project Area:

1. Algonquin Township
2. Algonquin Township Road
3. Community High School District # 155
4. Village of Fox River Grove
5. Fox River Grove Fire Department
6. Fox River Grove Memorial Library
7. Fox River Grove School District #3
8. McHenry Community College District #528
9. McHenry County
10. McHenry County Conservation District

This Redevelopment Plan contemplates redevelopment of specific opportunity sites primarily with multi-use commercial, retail service and multi-family uses. Given the relatively small size of the study area (28 net acres), impact on specific taxing districts, and taxing districts in general, is anticipated to be minimal.

The Downtown Implementation Plan highlights the potential to develop apartments on sites 2 and 4, and commercial/retail uses on site 3. These preliminary concepts include a range of between 450 and 500 new multi-family units (which would replace 19 single-family homes and 83 multi-family units). We estimate this would produce an estimated increase of 819 additional residents, but an estimated decrease of 4 school-aged children (Source: Illinois School Consulting Service/Associated Municipal Consultants, Inc. (1996)). The estimated decrease in school-aged children is due to the small unit size (1-bedroom) of the proposed new multi-family developments.

#### *Impact on Algonquin Township and Algonquin Township Road District*

Algonquin Township provides a variety of services, including road maintenance and property assessments. The replacement of underutilized property with new development and redevelopment may cause increased demand for the services and programs provided by Algonquin Township, although the impact is not anticipated to be significant. All roads within the Project Area are controlled by either the Village of Fox River Grove or IDOT. No program is set forth in this Redevelopment Plan.

#### *Impact on Community High School District 155*

High School District 155 provides educational services in 9<sup>th</sup> through 12<sup>th</sup> grade for the residents of Fox River Grove, Cary and Crystal Lake. The proposed redevelopment of multi-family residential within the Project Area will produce an estimated net decrease of one (1) high school aged students. No specific program is set forth in this redevelopment plan to address the impact on the high school district, however the Act defines a clear formula for repayment of fees to the district for students directly generated by TIF supported projects.

#### *Impact on Village of Fox River Grove*

The Village of Fox River Grove provides a variety of services, including police protection, snow removal, road maintenance, water and sewer service, and building and zoning services. The replacement of underutilized property with new development and redevelopment may cause an increase in demand for the services and programs provided by the Village. As provided in the Act, a portion of Redevelopment Project Costs may be allocated toward capital costs incurred by the Village which are made necessary by development as described in this Redevelopment Plan. The public improvements section of this plan and program (pages 18-19) highlight some of the anticipated capital costs.

#### *Impact on Fox River Grove Fire Department*

The Fox River Grove Fire Department provides fire and rescue services to all of the Village of Fox River Grove. The replacement of underutilized property with new development and redevelopment may cause increased demand for the services and programs provided by the Fox River Grove Fire Department. As provided in the Act, a portion of Redevelopment Project Costs may be allocated toward capital costs incurred by the Fox River Grove Fire Department which are made necessary by development as described in this Redevelopment Plan.

#### *Impact on Fox River Grove Memorial Library*

The Fox River Grove Memorial Library provides library services for the residents of Fox River Grove. Increased demand for library services is expected to be minimal. No specific program is set forth in this Redevelopment Plan, however as provided in the Act, a portion of Redevelopment Project Costs may be allocated toward capital costs incurred by Fox River Grove Memorial Library which are made necessary by development as described in this Redevelopment Plan.



### *Impact on Fox River Grove School District 3*

School District 3 provides educational services in Kindergarten through 8<sup>th</sup> grade for the residents of Fox River Grove. The addition of new multi-family units is estimated to produce a net decrease of three (3) elementary school aged students. No specific program is set forth in this Redevelopment Plan, however the Act defines a clear formula for repayment of fees to the district for students directly generated by TIF supported projects.

### *Impact on McHenry Community College District 528*

McHenry Community College provides education and training services to residents of: Alden, Cary, Crystal Lake, Fox River Grove, Harvard, Hebron, Huntley, Johnsburg, Morengo, McHenry, Oakwood Hills, Richmond, Ringwood, Solon Mills, Spring Grove, Union, Wonder Lake, Woodstock and Woodstock North. The replacement of underutilized property with new development and redevelopment may cause a minimal increased demand for the services and programs provided by McHenry Community College, including training programs to serve new businesses and educational services for new residents. However, the impact is anticipated to be insignificant given the size of the Project Area (28 acres of developable land) in proportion to the size of the community college district. Therefore, no specific program is set forth in this Redevelopment Plan.

### *Impact on McHenry County*

McHenry County provides a variety of services, including the County Court system, health services and maintenance of open space and recreational activities. The replacement of underutilized property with new development and redevelopment may cause an increase in demand for the services and programs provided by the County. Services provided to residents will likely not be affected, and the impact is anticipated to be minimal. No program is set forth in this Redevelopment Plan.

### *Impact on McHenry Conservation District*

(See McHenry County)

## **FINDINGS OF NEED FOR TAX INCREMENT FINANCING**

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On the basis of the Village of Fox River Grove Station Area Planning Study, the Downtown Fox River Grove TIF Eligibility Study, the Downtown Implementation Plan and this Redevelopment Plan and Program, the Village President and the Village Board of Fox River Grove, Illinois, adopt the following findings pursuant to Section 11-74.4-3(n) of the Act.

### Project Area Not Subject to Growth

The 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 adoption of this Redevelopment Plan. Substantial evidence supports this conclusion.

First, the Village finds that the Project Area on the whole has not been subject to growth and redevelopment through investment by private enterprise, based on the physical condition, the lag in growth in property values, and the lack of building permit activity, as follows:

- < As described in the Eligibility Study, the physical condition of the Project Area testifies to the lack of maintenance and improvement activities. In particular, the Eligibility Study identifies a prevalence of deterioration both of buildings and surface improvements. Such deterioration is a direct consequence of a lack of investment in the Project Area. While each individual property may not be deteriorated, the Project Area as a whole is characterized by a reasonable extent and meaningful distribution of this lack of investment.
- < The total Equalized Assessed Value (EAV) of the Project Area declined in each of the past five years (2010 – 2014). The Project Area has not experienced appropriate growth in the tax base or shown evidence of private investment which increases the value of properties. Further, this is a significant trend that has persisted over the entire time period under analysis.

Second, the Village finds that the Project Area would not reasonably be anticipated to be developed without adoption of this Redevelopment Plan. This conclusion is based upon the findings in the Village of Fox River Grove Station Area Planning Study as follows:

- < The market study supports redevelopment, including a combination of mid-rise residential housing, commercial retail including hospitality and convenience uses, and professional and personal services.
- < Commercial and retail uses are limited. Specifically, higher end sit-down restaurants are limited in the area.
- < Specific professional and personal service office uses are needed, including insurance, legal, accounting, banking, etc.
- < The Downtown Implementation Plan includes a detailed financial alternative analysis, which indicates a clear financing gap. This analysis highlights the need for the type of public financial partnership that this TIF will help to foster.

Therefore, the Village of Fox River Grove finds that the Project Area is not subject to appropriate growth and development, and is not anticipated to be developed without adoption of this Redevelopment Plan.

### Conformance with Comprehensive Plan

This Redevelopment Plan conforms to and is based upon the recommendations of the Comprehensive Plan, including the goals and objectives therein, as well as future land uses and redevelopment activities.

### Date of Completion

The Redevelopment Project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 of the year in which the payment to the municipal treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving this Project Area is adopted (by December 31, 2038).



# APPENDIX "A"

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## DOWNTOWN TAX INCREMENT FINANCING DISTRICT #2 ELIGIBILITY STUDY

*Village of Fox River Grove, Illinois*

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*May 22, 2015*

Prepared by:  
Teska Associates, Inc.



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## INTRODUCTION

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In 2011, the Village of Fox River Grove established the Downtown Tax Increment Financing District in order to encourage redevelopment within the downtown area, encompassing properties generally fronting on Route 14 between Opatrny Drive and School Drive. In 2014, the Village initiated dissolution of the Downtown TIF District due to decreasing property values in the area. The Village is now considering re-establishment of an expanded Downtown TIF district to encompass the original area as well as additional parcels northwest along Route 14 to the Fox River, and south to Lincoln Avenue. The purpose of this Eligibility Study is to document the eligibility criteria as required by the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11 - 74.4 - 1, et seq., as amended (the "Act").



*Downtown TIF Project Area #2*



## TAX INCREMENT FINANCING

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The Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11 - 74.4 - 1, et seq., as amended (the “Act”), stipulates specific procedures, which must be adhered to in designating a Project Area and amendments thereto. A Redevelopment Project Area is defined as:

*“..an area designated by the municipality, which is not less in the aggregate than 1 ½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area, or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas” (65 ILCS 5/11-74.4-3(p)).*

Section 5/11-74.4-3(a) defines a “conservation area” as:

*“...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 3 or more of the following factors: dilapidation; obsolescence; deterioration; presence of structures below minimum code standards; illegal use of individual structures; excessive vacancies; lack of ventilation, light, or sanitary facilities; inadequate utilities; excessive land coverage and overcrowding of structures and community facilities; deleterious land use or layout; lack of community planning; environmental remediation costs impede development; decline or minimal marginal increase in equalized assessed valuation; is detrimental to the public safety, health, morals, or welfare and such an area may become a blighted area.”*

This report summarizes the analyses and findings of the Village’s planning consultants, Teska Associates, Inc. Teska has prepared this report with the understanding that the Village would rely on: (1) the findings and conclusions of this report in proceeding with the designation of the Study Area as a Redevelopment Project Area under the Act; and (2) the fact that Teska has obtained the necessary information to conclude that the Study Area can be designated as a Redevelopment Project Area in compliance with the Act.

The Fox River Grove Downtown Redevelopment Project Area #2 (the “Project Area”) is eligible for designation as a “conservation area” based on the predominance and extent of parcels exhibiting the following primary characteristics: **age, deterioration, inadequate utilities, excessive vacancies, and decline or minimal marginal increase in the EAV**. Each of these factors contributes significantly towards the decline of the Project Area as a whole.

In addition to the primary qualifying factors outlined above, the following additional secondary factors are present to some degree and have a limited affect within the Project Area, but not to a sufficient extent, or distributed sufficiently throughout the Project Area, to be included as a primary qualifying factor: **dilapidation, obsolescence, deleterious land use or layout, and lack of community planning**.

## DESCRIPTION OF THE REDEVELOPMENT PROJECT AREA

The Project Area generally consists of those properties with frontage on Illinois Rt. 14, from roughly School Drive on the southeast to the Fox River on the northwest. The area is predominantly commercial, consisting of the Village's main downtown retail core. The area also contains several municipal facilities (Village Hall, Public Library, Metra Station and ComEd electric substation), residential units (single-family and multi-family, as well as second story units above downtown commercial), and a few light industrial uses (primarily south of Rt. 14). The Project Area contains 110 structures on 99 parcels, and covers 7 blocks or parts thereof. The total area is approximately 47 acres (28 acres excluding street and railroad rights-of-way). Exhibit 1 illustrates the exact boundaries of the Project Area.

## ELIGIBILITY FINDINGS

Teska Associates, Inc. conducted a field survey of every property in the Project Area. Based on an inspection of the exteriors of buildings and grounds, field notes were taken to record the condition for each parcel. This survey occurred on July 22, 2014. Photographs further document the observed conditions. Field observations were supplemented with information provided by Village officials.

In order to be designated as a conservation area, at least 50% of the structures must be 35 years or more in age. Additionally, a combination of at least three of the other blighting factors must be present to a meaningful extent and reasonably distributed throughout the Project Area.

### *Age of Buildings*

Based on field analysis and historical records provided by the Village of Fox River Grove and the McHenry County Assessor's Office, and online research ([www.zillow.com](http://www.zillow.com), [www.trulia.com](http://www.trulia.com)), a total of 71 out of 110 (65%) of the buildings within the Project Area are more than 35 years old. This exceeds the statutory requirement that at least 50% of the buildings in a conservation area be 35 years of age or older.

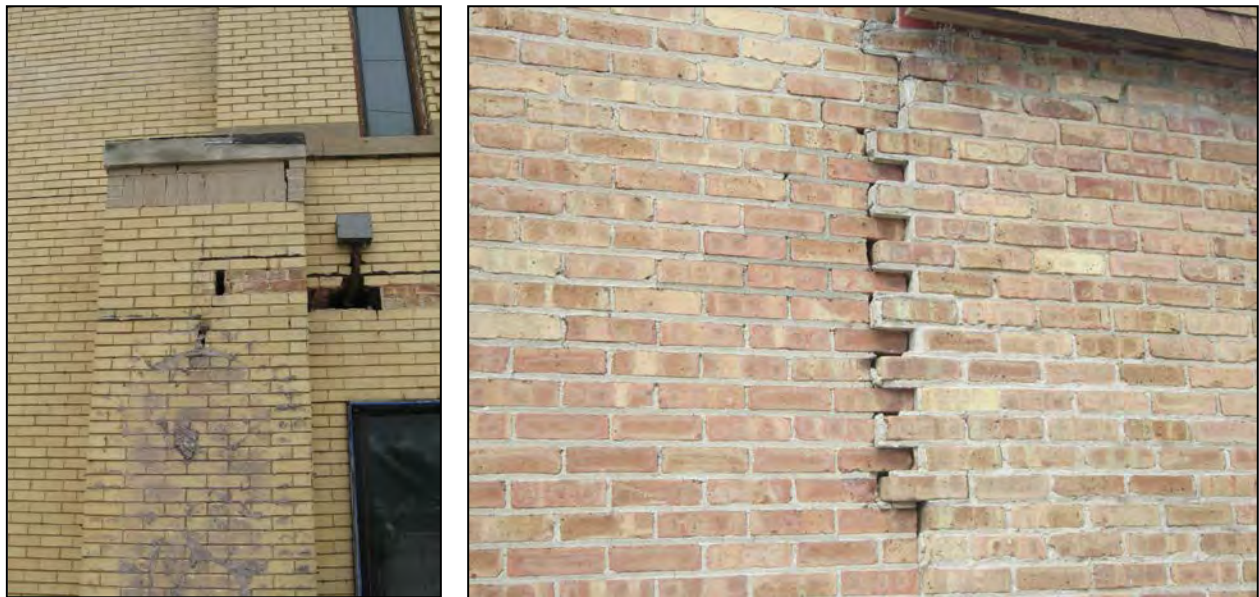
As the Project Area meets the 'Age of Buildings' criteria outlined above, the Project Area can qualify as a 'Conservation Area' if it meets three of the eligibility criteria outlined in the Act, and as highlighted in the eligibility study.



## *Dilapidation*

Dilapidation refers to an advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings 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.

A total of 9 out of 110 structures (8%) in the Project Area display this extreme physical state to at least some degree. Examples of extreme disrepair include cracks in walls, holes in walls, and severe roof damage. This factor is concentrated primarily within the downtown commercial area and is not evenly distributed throughout the entire Project Area, and is therefore considered as a secondary qualifying factor. Although dilapidation is present, it is not present to such a degree as to significantly contribute to toward the designation of the Project Area as a conservation area.



*Examples of extreme disrepair (dilapidation)*

## *Obsolescence*

Obsolescence is the condition or process of falling into disuse. Obsolete structures have become ill-suited for the original use. With respect to properties and buildings, the nature of obsolescence may be functional or economic, or a combination of both. Generally, functional obsolescence relates to the physical utility of a property or structure, and economic obsolescence relates to the ability of a property or building to compete in the market place.

### *a) Functional obsolescence*

The design and spatial layout of buildings and site improvements and their geographical location respond to market needs for specific uses at the time those buildings and improvements are constructed. Additionally, buildings and improvements are designed within the technological constraints of the time. Design and spatial layout characteristics of buildings and site improvements include, but are not limited to, floor area, height, column spacing, loading and service areas, building orientation, on-site parking and storage areas, and vehicular circulation.

Over time, geographical and structural changes occur within industries and real estate markets causing properties to become ill suited for their original use, resulting in deficiencies in those buildings that limit their ability to function for their original purpose. This loss in functionality and overall usefulness or desirability of a property, diminishes the value of the property and the building.

### *b) Economic obsolescence*

Economic obsolescence is generally a result of building or site improvements that cause some degree of market rejection, resulting in a diminished market value of the property for its original intended use. Symptoms of economic obsolescence include excessive vacancies, lack of maintenance, deterioration, and dilapidation of buildings and site improvements.

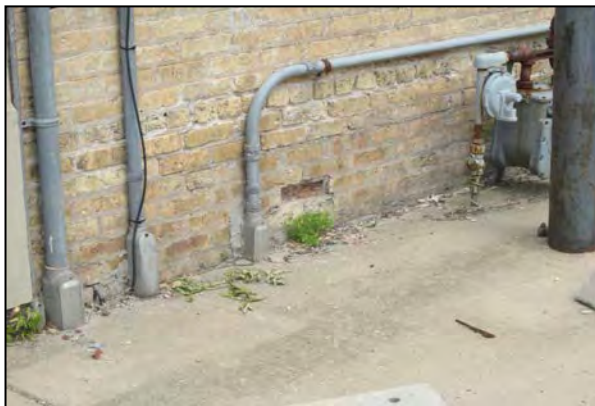
Typically, buildings with excessive vacancies or those classified as deteriorating or dilapidated contain undesirable building or site improvement conditions that may be infeasible to cure, resulting in an accelerated decline in market value. When not corrected, these building and site improvement deficiencies adversely impact neighboring areas, thereby detracting from the physical, functional, and economic vitality of the overall area.

There are a number of older commercial buildings that have been modified and adapted for newer uses over the years, including the addition of residential units. Also, the light industrial uses within the Project Area may be well suited for the current occupants but may not be appropriate for other users. As a large percentage of the buildings in the Project Area were built pre-1950 (53%), modern building practices and amenities that contemporary users require are not present (high ceilings, loading areas, parking, etc.).

While obsolescence is present to some degree and reasonably distributed throughout the Project Area, the extent of this factor is limited to obsolescence of use due to lack of modern building practices and amenities, and is considered only as a secondary qualifying factor. Therefore, although present to some degree within the Project Area, obsolescence is not a significant primary contributing factor toward the designation of the Project Area as a conservation area.

## *Deterioration*

With respect to buildings, deterioration refers to defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. The field survey found that 54 out of 110 buildings (49%) exhibit these types of deteriorating characteristics. Many instances of such deterioration are highly visible from Rt. 14, the main arterial through the Village. The deteriorating effects are widely distributed throughout the Project Area, and negatively impact the impression of passing motorists through the Village.



***Examples of Building Deterioration***



With respect to surface improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas may evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces. Deterioration of surface improvements was found on 82 out of 110 parcels in the Project Area (83%). Paved parking areas, driveways, and curbs in poor condition were the most common examples.



***Examples of Surface Deterioration***

The extent and widespread distribution of deterioration, both of buildings and surface improvements, has a powerful negative effect upon neighboring properties. When buildings or improvements on adjacent properties are in a declining state, a property owner has less incentive to maintain or improve his or her own property. Deterioration has the potential to spread, which could lead the entire Project Area to a blighted condition. Deterioration is therefore a significant primary contributing factor towards designation of the Project Area as a conservation area.

### *Illegal Use of Individual Structures*

Illegal use of individual structures refers to 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.

The exterior field survey conducted by Teska did not find any instances of an obvious illegal use within the Project Area. Information provided by the Village indicates instances of illegal apartments have been cited within the Project Area in the past. However, instances of illegal use are neither common nor widespread throughout the project area. Therefore, this factor does not significantly contribute towards the designation of the Project Area as a conservation area.

### *Presence of Structures Below Minimum Code Standards*

Structures below minimum code standards include 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.

According to the field survey and information provided by the Building Department of the Village of Fox River Grove, there were no instances of major code violations within the past five (5) years. Therefore, this factor does not significantly contribute to the designation of the Project Area as a conservation area.

### *Excessive Vacancies*

Excessive vacancies refers to 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.

Fourteen (14) of the 110 buildings in the Project Area (13%) are presently fully or partially vacant. Such vacancies are highly visible, and the rate of vacancy is excessive relative to typical real estate conditions. Also, in addition to the high number of vacancies of primary commercial users, observations during the field study indicate that accessory residential uses may also exhibit high levels of vacancy. However, verification of residential occupancy rates is difficult to verify and unavailable at the time of this report.

Due to documented high levels of vacancies of primary users, as well as the high probability of additional residential vacancies, Excessive Vacancies is therefore a primary contributing factor towards designation as a conservation area.



*Examples of Vacancies*

#### *Lack of Ventilation, Light, or Sanitary Facilities*

Inadequate ventilation is characterized by 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 or inadequacy 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.

None of the buildings in the Project Area are known to exhibit this characteristic of lack of ventilation, light or sanitary facilities. Therefore, a lack of ventilation, light, or sanitary facilities is not widely distributed and does not contribute to the designation of the Project Area as a conservation area.



### *Inadequate Utilities*

This factor relates to all 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.

According to information provided by the Village Engineering consultant, Baxter and Woodman Consulting Engineers, and documented in the 2010 Downtown Redevelopment Project Implementation Plan, inadequate utilities are widely distributed throughout the Project Area and classified as “extensive”. Needed utility improvement projects hindering (re)development within the Project Area include:

1. East side of Rt.14
  - Water system improvements (extend 12” main)
  - Sanitary system improvements  
(Repair and service lines)
  - Storm system improvements  
(Repair and service lines)
2. West side of Rt.14
  - Water system improvements (extend 12” main)
  - Sanitary system improvements  
(Repair and service lines)
  - Storm system improvements  
(Construct new lines)

Therefore, Inadequate Utilities is a primary factor within the Project Area, and significantly contributes towards the designation of the Project Area as a conservation area.



***Examples of Inadequate Utilities***

### *Excessive Land Coverage and Overcrowding of Structures and Community Facilities*

This factor relates to 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: 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 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 and service.

No properties in the Project Area display excessive coverage. This factor does not make a contribution to the designation of the Project Area as a conservation area.

### *Deleterious Land Use or Layout*

Deleterious land uses include 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.

The Project Area contains a mix of downtown commercial retail, residential, municipal and light industrial uses. Some incompatible land-use relationships are present, particularly on the south side of Rt. 14 where light industrial uses (Midwest Construction Products, Grove Plating, and Viking Stairs) are directly adjacent to single-family residences to the west and south. This area also exhibits a noticeable odor from one or more of the industrial users. In addition, two automotive repair facilities are located on the east side of Rt. 14 adjacent to single-family residences to the north and east.

Although this factor is present to a limited extent and may be classified as a secondary qualifying factor, deleterious land use or layout does not significantly contribute to the designation of the Project Area as a conservation district.

### *Lack of Community Planning*

Lack of community planning occurs when 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.

The Village's first comprehensive plan was completed in 1974, suggesting many of the buildings were constructed without the benefit of a plan. However, the overall street layout, platting, and land use relationships are generally appropriate. Therefore, Lack of Community Planning does not significantly contribute to the designation as a conservation area.

### *Environmental Clean-Up*

This factor is relevant when the 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.

No structures in the Project Area are documented as requiring environmental clean-up. Therefore, this factor does not contribute to the designation of the Project Area as a conservation area.

### *Decline or Minimal Marginal Increase in the Equalized Assessed Value*

This factor can be cited if the total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available; or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available; 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 3 of the last 5 calendar years for which information is available.

	2009	2010	2011	2012	2013	2014
<b>Total Equalized Assessed Value of Project Area</b>	\$7,818,189	\$7,627,721	\$6,989,486	\$6,093,360	\$5,504,589	\$5,504,289
<b>Percent Change in EAV from Prior Year</b>	n/a	-2.44%	-8.37%	-12.82%	-9.66%	-0.01%

The equalized assessed value for all of the parcels in the Project Area has decreased in each of the past 5 years (2010, 2011, 2012, 2013, and 2014).

Based on this evidence, lag in growth of EAV is a significant contributing factor toward the designation of the Project Area as a conservation area.

## CONCLUSION

Based on the findings contained herein, the Project Area as a whole qualifies as a conservation area according to the criteria established by the Act, based on the predominance and extent of parcels exhibiting the following primary characteristics:

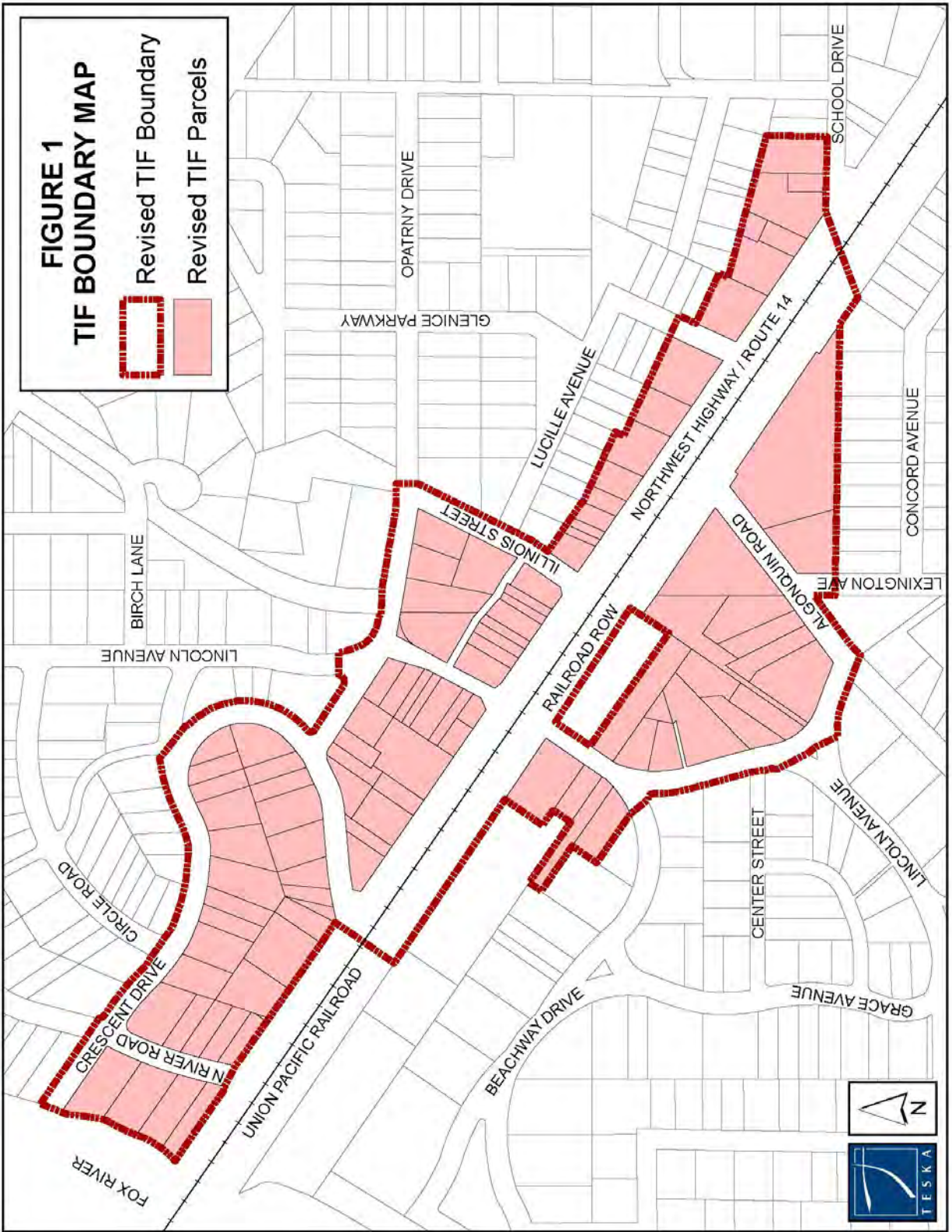
- 1. Age;**
- 2. Deterioration of buildings and surface improvements;**
- 3. Excessive vacancies;**
- 4. Inadequate Utilities; and**
- 5. Decline or minimal marginal increase in the EAV.**

Each of these factors contributes significantly to the eligibility of the Project Area as a conservation area. All of these characteristics point to the need for designation of the Project Area as a conservation area, to be followed by public intervention in order that redevelopment might occur.

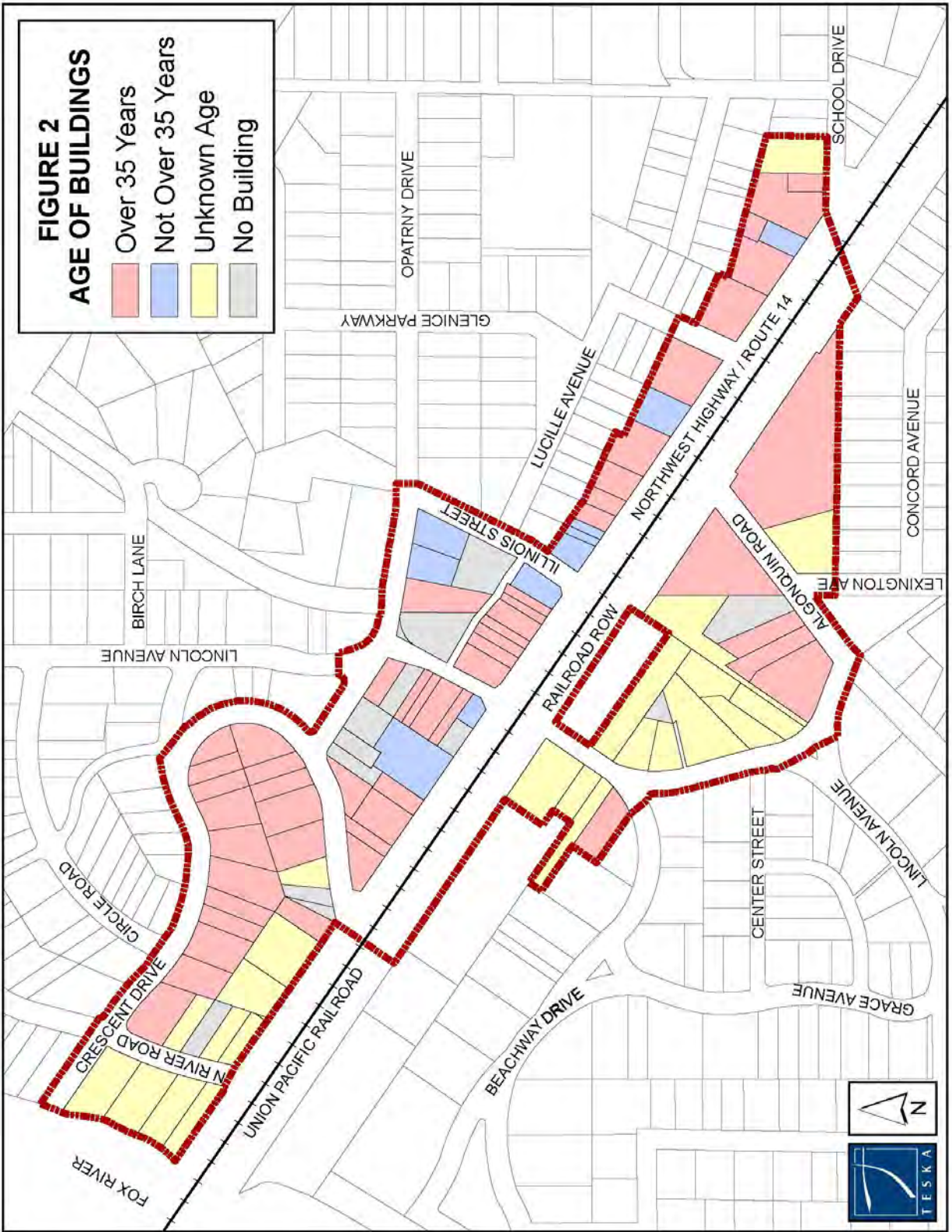
In addition to the above primary qualifying factors, although not present to a significant enough extent, or distributed sufficiently throughout the Project Area, the following secondary qualifying characteristics are present and have a lesser detrimental affect on the Project Area as a whole:

- 1. Dilapidation;**
- 2. Obsolescence; and**
- 3. Deleterious land use or layout.**

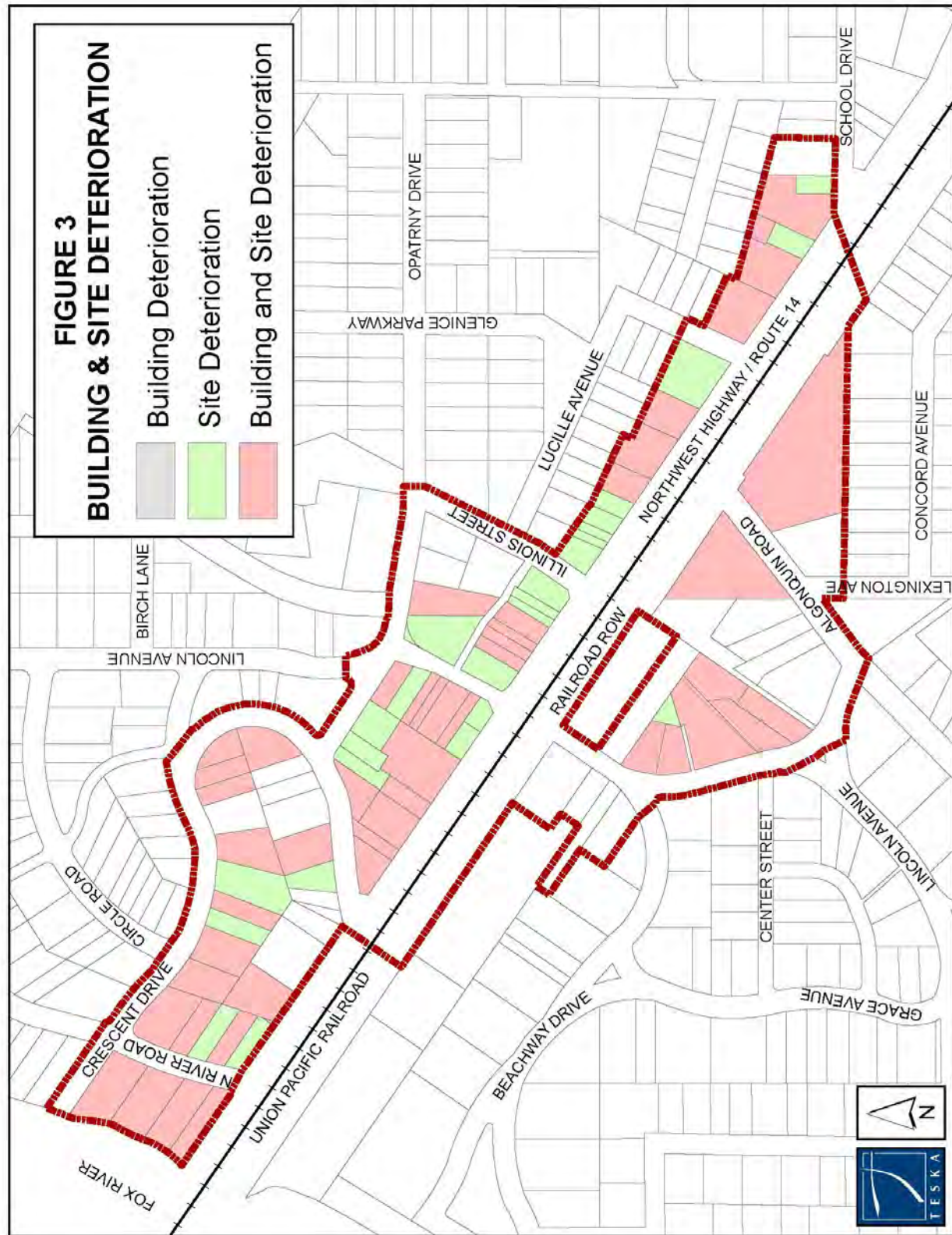
Based on the evidence provided in this eligibility study, the Project Area as a whole does qualify as a conservation area according to the eligibility criteria established by the Act.

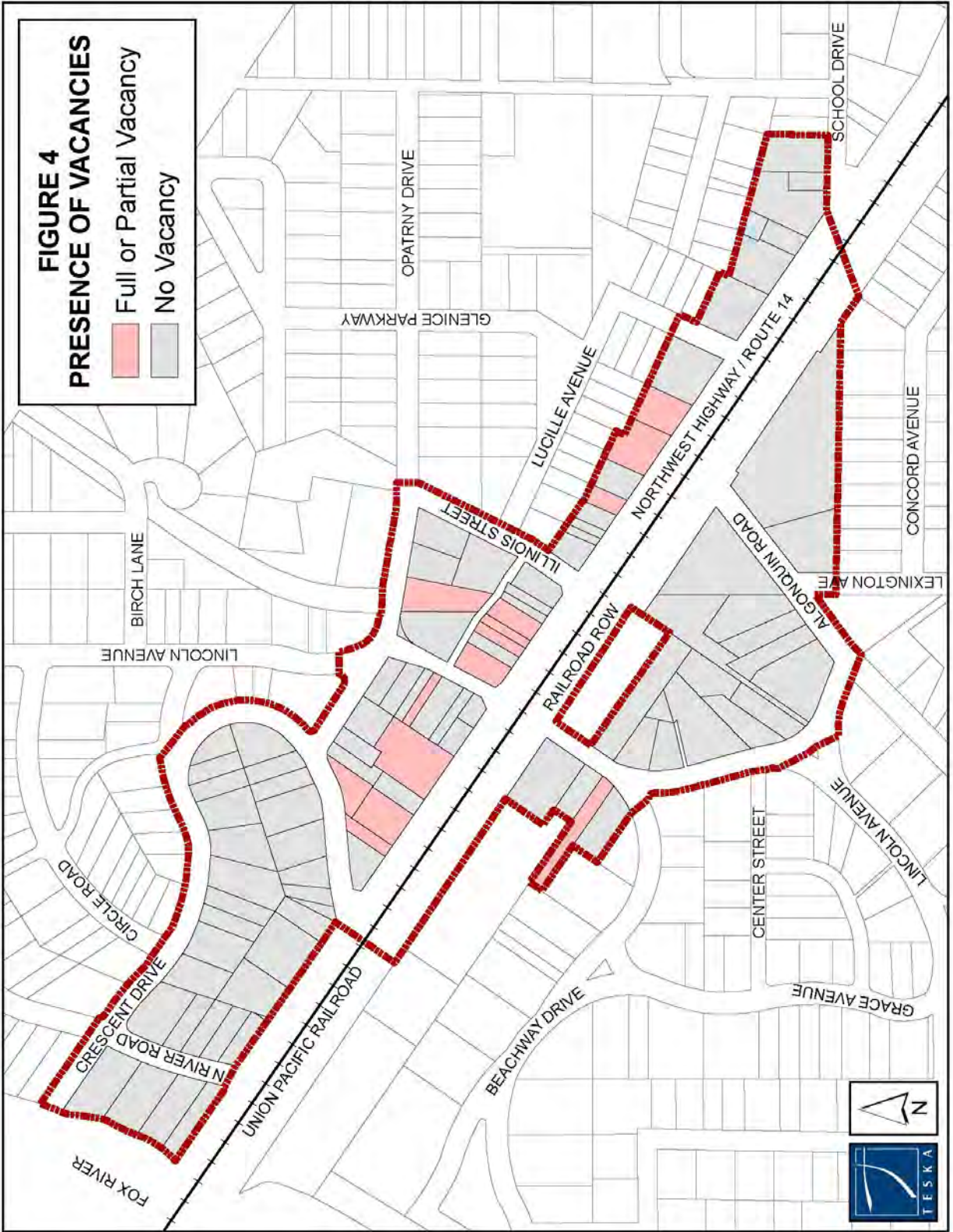












## APPENDIX "B"

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# DOWNTOWN TAX INCREMENT FINANCING DISTRICT #2 HOUSING IMPACT STUDY

*Village of Fox River Grove, Illinois*

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*May 22, 2015*

Prepared by:  
Teska Associates, Inc.





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## INTRODUCTION

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For the Fox River Grove Downtown TIF District #2, officials of the Village of Fox River Grove have determined that, without direct municipal involvement and financial assistance, planning objectives for this area cannot be met. To encourage new investment in the Fox River Grove Downtown TIF District #2, the Village has decided to utilize Tax Increment Financing (TIF) as one of several potential financial tools to facilitate redevelopment.

As a part of the feasibility study for a proposed TIF district, the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11 - 74.4 - 1, et seq.) (the Act) stipulates that a Housing Impact Study must be prepared when:

*...the redevelopment plan would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and no certification is made [that the redevelopment plan will not result in displacement of residents]... (Section 11-74.4-3(n)(5))*

The Fox River Grove Downtown TIF District #2 contains approximately 102 residential units which clearly exceeds the 75 unit threshold and thus requires completion of a Housing Study. This estimate is based on a field inventory completed as a part of the TIF Eligibility Study. While no definitive redevelopment proposals are currently in place, some of these units may be displaced in order to facilitate redevelopment opportunities. Therefore, the Village of Fox River Grove has prepared this report to satisfy the requirements of Section 11-74.4-3(n)(5).

The number and type of residential buildings in the Project Area potentially affected by the Redevelopment Plan were identified during the building condition and land use survey conducted as part of the eligibility analysis for the Project Area. A good faith estimate and determination of the number of residential units within each such building, whether such residential units were inhabited, and whether the inhabitants were low-income or very low-income households were based on a number of research and analytical tools including physical building surveys, data received from the Village of Fox River Grove, 2010 U.S. Census Bureau, and 2010 American Community Survey (ACS).



## PART I: HOUSING INVENTORY

The Act stipulates specific information that must be provided in a Housing Impact Study. According to the Act, Part I of the Housing Impact Study shall include:

(i) data as to whether the residential units are single family or multi-family units, (ii) the number and type of rooms within the units, if that information is available, (iii) whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 is passed, and (iv) data as to the racial and ethnic composition of the residents in the inhabited residential units. The data requirement as to the racial and ethnic composition of the residents in the inhabited residential units shall be deemed to be fully satisfied by data from the most recent federal census.

### Number of Residents

For purposes of this study, data has been gathered from the 2010 United States Census and represented in the form of Block Groups. A Block Group is a combination of census blocks. The Block Group is the lowest level of geography for which the Census Bureau has tabulated data. In this study, we have relied on the 2010 United States Census because it is the best available information regarding the structures and residents of the Fox River Grove Downtown TIF District #2. The Project Area contains all or portions of the following census tracts and block groups (see map on following page for the location of each census tract and block. In total, there are 102 housing units and approximately 222 residents within the Project Area.

Table 1: Housing Units and Population (Source: 2010 U.S. Census)

Census Tract	Block Group	% In Project Area	Single-Family Household Size	Multi-Family Household Size	Single-Family Housing Units	Multi-Family Housing Units	Total Housing Units	Estimated Number of Residents	Source
8714.02	1	6.26%	2.75	2.19	19	38	57	135	2010 Census Data & Field Count
8714.02	2	7.06%	2.55	1.92	0	45	45	86	2010 Census Data & Field Count
8714.02	3	0.70%	2.88	2.43	0	0	0	0	2010 Census Data & Field Count
					<b>19</b>	<b>83</b>	<b>102</b>	<b>222</b>	

### Type of Residential Units

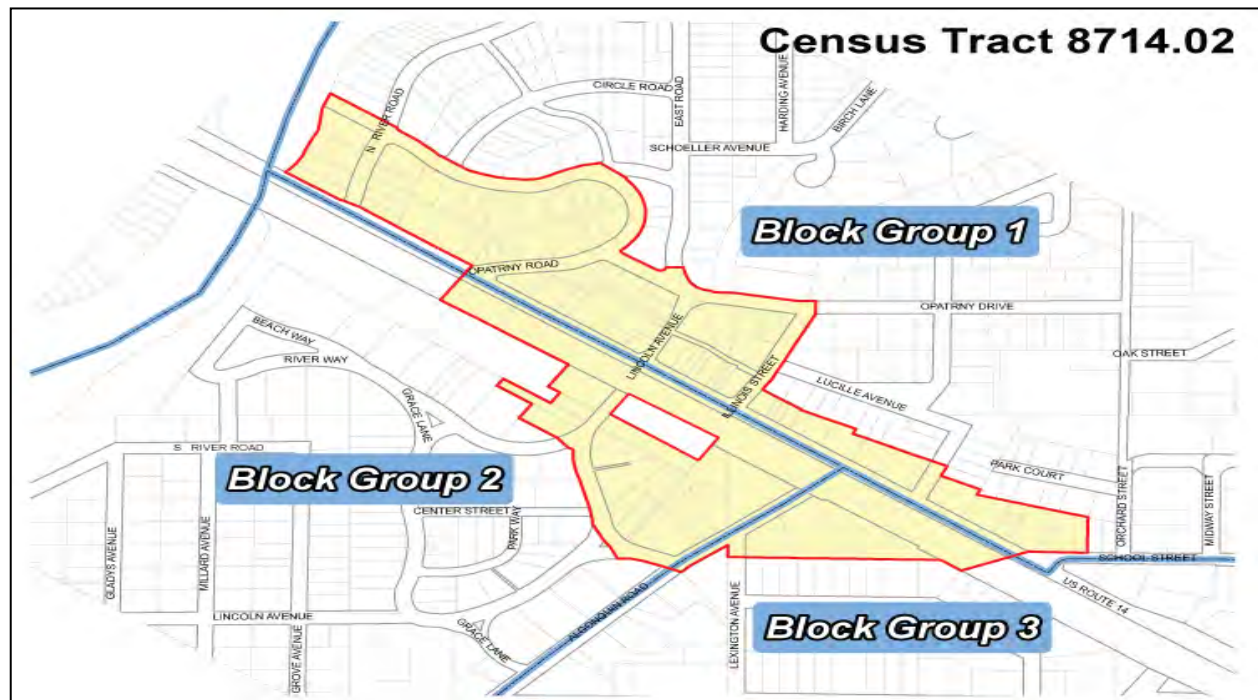
Table 2 describes the Fox River Grove Downtown TIF District #2 residential units by type.

Table 2: Dwelling Units by Type (Source: 2010 U.S. Census)

Housing Type	Number of Housing Units	% of Residential Housing Units	Source
Single-Family	19	18.63%	Field Count
Multi-Family	83	81.37%	Field Count
<b>102</b>		<b>100.00%</b>	



## Census Tract/Block Map



Source: U.S. Census Bureau, TIGERweb

## Number and Type of Bedrooms

Tables 3, 4, and 5 respectively, describe the distribution of the residential units in the Fox River Grove Downtown TIF District #2 by number of bedrooms, kitchen and plumbing facilities, and uninhabited units.

Table 3 shows the estimated number of bedrooms in residential units in the Fox River Grove Downtown TIF District #2. As defined by the Census Bureau, number of bedrooms includes all rooms intended for use as bedrooms even if they are currently used for some other purpose. A residential unit consisting of only one room, such as a one-room efficiency apartment, is classified by definition as having no bedroom.

Table 3: Estimated Number of Bedrooms per Dwelling Unit (Source: 2010 U.S. Census)

Number of Bedrooms	% Block Group 1	Number Block Group 1 *	% Block Group 2	Estimated Number Block Group 2 *	% Block Group 3	Number Block Group 3 *
0	0.00%	0	0.00%	0	0.00%	0
1	14.50%	8	4.40%	2	2.90%	0
2	22.60%	13	27.10%	12	14.80%	0
3	32.70%	19	51.00%	23	35.90%	0
4	26.10%	15	13.90%	6	39.30%	0
5 or More	4.20%	2	3.60%	2	7.00%	0
	<b>100%</b>	<b>57</b>	<b>100%</b>	<b>45</b>	<b>100%</b>	<b>0</b>

\*Calculated as a percentage of 57 total housing units in Block Group 1, 45 total housing units in Block Group 2, and 0 total housing units in Block Group 3

### Units with Kitchen and Plumbing Facilities

Table 4 shows the estimated number of conventional residential units in the Fox River Grove Downtown TIF District #2 with kitchen and plumbing facilities. As defined by the Census Bureau, a unit has complete kitchen facilities when it has all of the following: (1) an installed sink with piped water; (2) a range, cook top and convection or microwave oven, or cook stove; and (3) a refrigerator. All kitchen facilities must be located in the structure. They need not be in the same room. Portable cooking equipment is not considered a range or cook stove. An ice box is not considered to be a refrigerator. As defined by the Census Bureau, complete plumbing facilities include hot and cold piped water, a flush toilet, and a bathtub or shower. All three facilities must be located inside the house, apartment, or mobile home, but not necessarily in the same room. Housing facilities are classified as lacking complete plumbing facilities when any of the three facilities are not present.

*Table 4: Estimated Number of Units with Kitchen and Plumbing Facilities*

Facility	Number of Units with Facility	% of Units	Number of Units without Facility	% of Units
Kitchen	102	100%	0	0%
Plumbing	102	100%	0	0%

*Source: 2010 U.S. Census*

### Inhabited Units

The occupancy status of the residential units in the Project Area must be determined not less than 45 days prior to the adoption of an ordinance or resolution fixing the time and place for public hearing. The Village of Fox River Grove adopted an ordinance fixing the time and place for public hearing on DATE, and the occupancy status of the residential units was determined on July 22, 2014. As of that date, as determined initially by a building-by-building field survey and then confirmed via the 2010 U.S. Census Bureau, an estimated 6% of units in the Fox River Grove Downtown TIF District #2 were determined to be uninhabited. Therefore, 96 residential units in the Project Area are assumed to be inhabited, as shown in Table 5:

*Table 5: Estimated Number of Inhabited Units*

Type of Unit	Inhabited	Vacant	Total
Single-Family Homes	19	0	19
Multiple-Family Units	77	6	83
<b>Total</b>	<b>96</b>	<b>6</b>	<b>102</b>

*Source: Teska Associates Field Survey and 2010 U.S. Census Bureau*

## Racial and Ethnic Composition

As required by the Act, the racial and ethnic composition of the residents in the inhabited residential units is determined according to the most recent Federal census data. As noted, there are an estimated 222 residents in the Fox River Grove Downtown TIF District #2. Racial and ethnic composition is available from the 2010 United States Census. Table 6 identifies residents by their racial and ethnic composition, and estimates the racial and ethnic composition of the estimated 222 residents of the Fox River Grove Downtown TIF District #2.

*Table 6: Estimated Racial and Ethnic Composition of Residents*

<b>Race</b>	<b>Number</b>	<b>Percent of Population</b>
White Only	212	95.80%
Black or African American Only	0	0.00%
American Indian and Alaskan Native Only	0	0.00%
Asian Only	6	2.50%
Native Hawaiian and Other Pacific Islander Only	0	0.00%
Other Single Race	3	1.30%
Two or More Races	1	0.40%
<b>Total</b>	<b>222</b>	<b>100.00%</b>

*Source: 2010 Census, US Bureau of the Census*

## Economic Composition

The distribution of household income for residents within the Project Area is based on 2012 American Community Survey data. In order to estimate the number of moderate-, low-, very low-, and extremely low-income households in the Project Area, Census Tract household incomes from the 2012 American Community Survey were used. As determined by the US Department of Housing and Urban Development ("HUD"), the definitions of the income categories, adjusted for household size, are as follows:

- i. An extremely low-income household has an adjusted income of not more than 30% of the area median income.
- ii. A very low-income household has an adjusted income of more than 30% and not more than 50% of the area median income.
- iii. A low-income household has an adjusted income of more than 50% and not more than 80% of the area median.
- iv. A moderate-income household has an adjusted income of more than 80% and not more than 120% of the area median.

The median household income for the Village of Fox River Grove is \$90,701, based on data from the 2012 American Community Survey. The estimates of households at or below the moderate-income level collectively represent approximately 60% of the total inhabited residential units in the Project Area. As a result, the Village will implement the Redevelopment Plan (including the requirements applicable to composition of the joint review board under Section 11-74.4-5(b) of the Act) as if more than 50 percent of the residential units are occupied by extremely low-, very low-, low-, or moderate-income households.

*Table 7: Study Area Very Low, Low, and Moderate Household Income Level*

<b>Median Household Income Level</b>	<b>Income Categories Based on Median Household Income Level</b>	<b>% Households within Study Area (4)</b>
Very Low Income (1)	\$45,351	22.8%
Low Income (2)	\$72,561	19.9%
Moderate Income (3)	\$108,841	17.2%

**59.9%**

- (1) *Definition of Very Low Income Household as Defined by the Illinois Affordable Housing Act: "Very low-income household" means a single person, family or unrelated persons living together whose adjusted income is not more than 50% of the median income of the area of residence.*
- (2) *Definition of Low Income Household as Defined by the Illinois Affordable Housing Act: "Low-income household" means a single person, family or unrelated persons living together whose adjusted income is more than 50% but less than 80% of the median income of the area of residence.*
- (3) *"Moderate income household" means a single person, family or unrelated persons living together whose adjusted income is more than 80% but less than 120% of the median income of the area of residence.*
- (4) *The percentages of the study area households that qualify as very low, low, and moderate income were determined at the census tract level, as per the 2010 U.S. Census data.*

## PART II: RELOCATION PLANS

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The Act specifies that the second part of a housing impact study must:

*...identify the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited residential units are to be removed, then the housing impact study shall identify (i) the number and location of those units that will or may be removed, (ii) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed, (iii) the availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location, and cost of the housing, and (iv) the type and extent of relocation assistance to be provided.*

### Residential Units Which May be Displaced

The Redevelopment Plan indicates that inhabited residential units may be targeted for acquisition during the lifetime of the TIF. Residential units may be displaced from the Fox River Grove Downtown TIF District #2 in order to facilitate potential future development opportunities. The potential removal of any buildings containing residential units and any displacement of residents of inhabited units will be done within the intent of the Fox River Grove Downtown TIF District #2 Redevelopment Plan. These units, if displaced, are likely to be displaced over time throughout the life of the Redevelopment Plan.

### Availability of Replacement Housing

According to data in the 2010 United States Census and verified by field observations, approximately 19% of housing units in the Fox River Grove Downtown TIF District #2 are owner occupied. Conversely, approximately 75% of housing units in the Fox River Grove Downtown TIF District #2 are renter occupied. The remaining 6% of residential units are vacant. Therefore, both for-sale and for-rent units are considered for potential replacement housing.

*Table 8: Owner vs. Renter Occupancy*

	Number	Percentage
Owner Occupied	19	19%
Renter Occupied	77	75%
Vacant	6	6%
Total Housing Units	102	100%

*Source: Teska Associates Field Survey and 2010 U.S. Census Bureau*

In order to determine appropriate replacement housing, real estate listings were examined in areas in close proximity to the Fox River Grove Downtown TIF District #2. The median sales price for the Zip Code 60021 (area code for Fox River Grove, Illinois) for August to November 2014 was \$152,350, and the median gross rent in census tract 8714.02 was \$971 (according to the 2012 American Community Survey). Listings were obtained for homes with list prices approximately equivalent to the market values of homes which may be displaced (\$150,000 and below). The location, type, and cost of a sample of possible replacement housing units in these areas are shown in Table 10 and 11. The information presented is based on classified advertisements from the *Daily Herald*, *Trulia.com*, *Zillow.com* and *Apartments.com* during November 2014. If relocation for displaced residents of the Fox River Grove Downtown TIF District #2 is required, there are similar priced single-family homes and rental units available both within and in the immediate vicinity.

Table 9: Real Estate for Sale near Fox River Grove Downtown TIF District #2 Vicinity

Housing Type	Location	Price
Single-Family, 2-bedroom	1002 Bloner Parkway, Fox River Grove	\$115,000
Single-Family, 3-bedroom	2110 Beach Drive, Fox River Grove	\$76,900
Single-Family, 3-bedroom	1003 North Road, Fox River Grove	\$149,900
Single-Family, 4-bedroom	113 Maple Avenue, Fox River Grove	\$135,000
Single-Family, 4-bedroom	508 Skyline Drive, Fox River Grove	\$137,750
Single-Family, 5-bedroom	9815 Hilltop Lane, Fox River Grove	\$139,000

Source: Daily Herald, Trulia.com, Zillow.com and Apartments.com

Table 10: Real Estate for Rent near Fox River Grove Downtown TIF District #2 Vicinity

Housing Type	Location	Rent
1-bedroom Apartment	Spring Street, Cary	\$930
1,2-bedroom Apartments	Greenspire Oak Knoll, Cary	\$795-1050
1,2-bedroom Apartments	Skyridge Club, Crystal Lake	\$893-\$1,303
2-bedroom Apartment	91 W. Crystal Lake Avenue, Crystal Lake	\$990
2-bedroom Apartment	222 Crystal Street, Cary	\$895
2-bedroom Apartment	160 W. Woodstock Street, Crystal Lake	\$1,105

Source: Daily Herald, Trulia.com, Zillow.com and Apartments.com

#### Village's Plans for Relocation Assistance and Type and Extent of Relocation Assistance

The Village of Fox River Grove may provide relocation assistance to residents displaced by this Redevelopment Plan. Such assistance may include reimbursement for actual reasonable expenses for moving, including real estate transaction costs up to 8% of the value of the replacement housing unit.

In addition, to the extent that any removal or displacement will affect households of low-income and very low-income persons, the Village will provide affordable housing and relocation assistance not less than that which would be provided under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations there under, including the eligibility criteria. Affordable housing may either be existing or newly constructed housing and the Village shall make a good faith effort to ensure that the affordable housing is located in or near the Project Area. For the purposes of this Housing Impact Study, "low-income households", "very low-income households", and "affordable housing" shall have the meanings set forth in the Illinois Affordable Housing Act. As of the date of this Redevelopment Plan, these statutory terms have the following meaning: (i) "low-income household" means a single person, family or unrelated persons living together whose adjusted income is more than 50 percent but less than 80 percent of the median income of the area of residence, adjusted for family size, as such adjusted income and median income are determined from time to time by the United States Department of Housing and Urban Development ("HUD") for purposes of Section 8 of the United States Housing Act of 1937 ("Section 8"); (ii) "very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is not more than 50 percent of the median income of the area of residence, adjusted for family size, as so determined by HUD for the purposes of Section 8 of the United States Housing Act of 1937; and (iii) "affordable housing" means residential housing that, so long as the same is occupied by low-income households or very low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than 30 percent of the maximum allowable income for such households, as applicable.