



VILLAGE OF DEERFIELD

CERTIFICATE

I, Daniel Van Dusen, Deputy Village Clerk of the Village of Deerfield, Illinois, hereby certify that the foregoing ordinance entitled: "Ordinance O-24-13: An Ordinance Approving a Tax Increment Redevelopment Plan and Project for the Lake Cook Road Redevelopment Area" is a true and accurate copy of an original ordinance that was duly passed and adopted by the recorded affirmative votes of a majority of the members of the President and Board of Trustees of the Village at a meeting thereof that was duly called and held at 7:30 p.m. on March 18, 2024, at the Village Hall, 850 Waukegan Road, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original ordinance signed by the Village President on March 28, 2024, and recorded in the Ordinance Book of the Village and that it is a correct transcript thereof and of the whole of said ordinance, and that said ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

I further certify that the agenda for said meeting included the ordinance as a matter to be considered at the meeting and that said agenda was posted at least 48 hours in advance of the holding of the meeting in the manner required by the Open Meetings Act, 5 Illinois Compiled Statutes 120, and was continuously available for public review during the 48-hour period preceding the meeting,

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Village,
This 29th day of March, 2024.



DANIEL VAN DUSEN
Deputy Village Clerk

VILLAGE OF DEERFIELD

ORDINANCE NO. O-24-13

**AN ORDINANCE APPROVING A TAX INCREMENT REDEVELOPMENT PLAN
AND PROJECT FOR THE LAKE COOK ROAD
REDEVELOPMENT AREA**

WHEREAS, the Village of Deerfield is a home rule unit of local government pursuant to the provisions of Article VII, Section 6 of the Illinois Constitution; and

WHEREAS, the Village depends upon the success and vibrancy of its commercial and industrial areas to maintain the fiscal integrity of the Village; and

WHEREAS, certain areas of the Village that are appropriate for commercial development, including but not limited to the real properties along and in the vicinity of the south side of Lake Cook Road, are not reasonably anticipated to be developed or redeveloped without the Village's investment in improvements adequate for commercial needs; and

WHEREAS, the Village has examined the conditions of the properties an area generally including the real properties along and in the vicinity of on the south side of Lake Cook Road and comprised of the former Walgreens campus and the Embassy Suites property, all in the Village (the "***Redevelopment Project Area***"), which examinations have identified extensive improvements that are necessary or appropriate to sustain and enhance commercial development in the Redevelopment Project Area specifically and in the Village generally; and

WHEREAS, the Village has explored various sources of revenue to pay for the expense of the improvements needed to sustain, enhance, and preserve the viability of the Village's commercial development within the Redevelopment Project Area; and

WHEREAS, one means by which the Village could raise sufficient revenue for undertaking necessary and appropriate improvements of the Redevelopment Project Area is the use of tax increment financing ("***TIF***") and the establishment of a redevelopment project area (a "***TIF District***") as authorized under 65 ILCS 5/11-74.4-1 *et seq.* (the "***TIF Act***"); and

WHEREAS, the Village President and Board of Trustees ("***Corporate Authorities***") commissioned a study by Ryan, LLC ("***Ryan***") to determine whether the Redevelopment Project Area meets the qualifications for establishing a TIF District; and

WHEREAS, after extensive review of the Redevelopment Area, Ryan delivered a report to the Village in which Ryan concludes that the Redevelopment Area qualifies as a conservation area under the TIF Act ("***Eligibility Report***"); and

WHEREAS, in light of its review of the Redevelopment Project Area and pursuant to extensive discussions with Village officials and stakeholders in the Redevelopment Project Area, Ryan has also prepared a plan for the redevelopment of the Redevelopment Project Area (the "***Redevelopment Plan and Project***"); and

WHEREAS, the Eligibility Report and the Redevelopment Plan and Project set forth the qualification factors that make the Redevelopment Project Area eligible for consideration as a “conservation area” under Section 11-74.4-3 of the TIF Act; and

WHEREAS, the qualification factors identified in the Eligibility Report and the Redevelopment Plan and Project remain present as of the date of this Ordinance; and

WHEREAS, the Eligibility Report and the Redevelopment Plan and Project have been on file and available at the Village Hall as of November 21, 2023; and

WHEREAS, pursuant to Section 11-74.4-5 of the TIF Act, the Corporate Authorities convened a meeting of the joint review board (“**Joint Review Board**”) on January 4, 2024; and

WHEREAS, at its meetings on January 4, 2024, the Joint Review Board reviewed the public record, planning documents, and proposed ordinances approving the Redevelopment Plan and Project; and

WHEREAS, at its meeting on January 4, 2024, the Joint Review Board approved a resolution recommending to the Corporate Authorities the establishment of a TIF District for the Redevelopment Project Area (the “**JRB Resolution**”); and

WHEREAS, pursuant to Section 11-74.4-5 of the TIF Act, the Corporate Authorities held a public hearing relative to the Redevelopment Plan and Project and Redevelopment Project Area on February 20, 2024 (the “**Public Hearing**”), at which Public Hearing the Corporate Authorities: (i) reviewed the Redevelopment Plan and Project, the information contained in the Eligibility Report, and the JRB Resolution; (ii) heard testimony and received written information concerning the Eligibility Report and the Redevelopment Plan and Project; and (iii) reviewed other information, documentation, and studies so as to be generally informed about the conditions of the Redevelopment Project Area; and

WHEREAS, the Corporate Authorities have reviewed the information concerning the factors presented at the Public Hearing and are generally informed of the conditions in the proposed Redevelopment Project Area that cause the Redevelopment Project Area to be a “conservation area” as defined in the TIF Act; and

WHEREAS, the Corporate Authorities have reviewed the conditions pertaining to real property in the proposed Redevelopment Project Area to determine whether contiguous parcels of real property and improvements thereon in the proposed Redevelopment Plan and Project would be substantially benefited by the proposed Redevelopment Plan and Project improvements; and

WHEREAS, the Corporate Authorities have reviewed the proposed Redevelopment Plan and Project and the existing comprehensive planning process for development of the Village as a whole to determine whether the proposed Redevelopment Plan and Project conform to the existing comprehensive planning process of the Village; and

WHEREAS, all notices required pursuant to the TIF Act were provided in accordance with the TIF Act; and

WHEREAS, pursuant to the findings and determinations as provided in this Ordinance, the Corporate Authorities have determined that it is desirable and in the best interest of the public and the Village to approve the Redevelopment Plan and Project;

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE BOARD OF DEERFIELD, LAKE AND COOK COUNTIES, ILLINOIS, as follows:

SECTION 1: RECITALS. The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2: FINDINGS. The Corporate Authorities hereby find that the following facts have been established by the preponderance of the evidence:

- A. The Redevelopment Project Area is legally described in **Exhibit A** attached to and, by this reference, made a part of this Ordinance. The general street location for the Redevelopment Project Area is described in **Exhibit B** attached to and, by this reference, made a part of this Ordinance. The map of the Redevelopment Project Area is depicted on **Exhibit C** attached to and, by this reference, made a part of this Ordinance.
- B. There exist conditions that cause the Redevelopment Project Area to be subject to designation as a redevelopment project area under the TIF Act and to be classified as a conservation area as defined in the TIF Act.
- C. The proposed Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Redevelopment Plan and Project.
- D. The Redevelopment Plan and Project conform to the existing comprehensive planning process for the development of the Village as a whole.
- E. As set forth in the Redevelopment Plan and Project, it is anticipated that all obligations incurred to finance redevelopment project costs, if any, as defined in the Redevelopment Plan and Project, will be retired no later than December 31st of the year in which the payment to the Village Treasurer, pursuant to the TIF Act, is to be made with respect to the ad valorem taxes levied in the twenty-third calendar year after the Redevelopment Project Area is designated.
- F. The parcels of real property in the proposed Redevelopment Project Area are contiguous, and only those contiguous parcels of real property and improvements thereon that will be substantially benefited by the proposed Redevelopment Plan and Project improvements are included in the proposed Redevelopment Project Area.

- G. All other findings and certifications set forth in the Redevelopment Plan and Project are hereby adopted as the findings and certifications of the Corporate Authorities as if fully set forth in this Ordinance.

SECTION 3: ADOPTION OF REDEVELOPMENT PLAN AND PROJECT. The Redevelopment Plan and Project is hereby adopted and approved. A copy of the Redevelopment Plan and Project is set forth in **Exhibit D** attached to and, by this reference, made a part of this Ordinance.

SECTION 4: AUTHORIZATION FOR TRANSMITTALS AND OTHER ACTION. The President and Board of Trustees hereby authorize and direct the Village Manager to take any and all other statutorily required steps in connection with the approval of the Redevelopment Plan and Project, including, without limitation, the transmission of a certified copy of this Ordinance to the County Clerk of Cook County, Illinois.

SECTION 5: MANAGEMENT OF TIF FUND. The President and Board of Trustees hereby direct the Village Manager to take any and all practicable steps to ensure that any fund is established by the Village for the collection and expenditure of TIF revenues is budgeted, reviewed, and audited to the same extent and degree, and according to the same schedule, as all other funds of the Village. Specifically, and without limitation of the foregoing, such fund must be audited no less frequently than every 12 months.

SECTION 6: SEVERABILITY. If any provision of this Ordinance or part thereof is held invalid by a court of competent jurisdiction, the remaining provisions of this Ordinance are to remain in full force and effect, and are to be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Ordinance to the greatest extent permitted by applicable law.

SECTION 7: EFFECTIVE DATE. This Ordinance will be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

[SIGNATURE PAGE FOLLOWS]

AYES: Benton, Berg, Goldstone, Jacoby, Oppenheim

NAYS: None

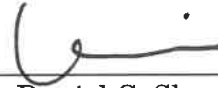
ABSTAIN: None

ABSENT: Metts-Childers

PASSED: March 18, 2024

APPROVED: March 28, 2024

ORDINANCE NO: O-24-13



Daniel C. Shapiro, Mayor

ATTEST:



Daniel Van Dusen, Deputy Village Clerk

EXHIBIT A

LEGAL DESCRIPTION

THAT PART OF THE NORTH HALF OF SECTION 5 AND THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 4 IN TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 4 IN ARBORLAKE CENTRE SUBDIVISION AS RECORDED MARCH 14, 1985 AS DOCUMENT NO. 27475383;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 4 IN ARBORLAKE CENTRE SUBDIVISION TO THE NORTHWEST CORNER THEREOF, SAID NORTHWEST CORNER ALSO BEING THE SOUTHEAST CORNER OF LOT 1 IN THE PPF AMLI LAKE COOK ROAD SUBDIVISION AS RECORDED DECEMBER 13, 2013 AS DOCUMENT NUMBER 133475383;

THENCE NORTH ALONG THE EAST LINE OF SAID LOT 1 IN THE PPF AMLI LAKE COOK ROAD SUBDIVISION AND THE NORTHERLY EXTENSION THEREOF TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF LAKE COOK ROAD;

THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE OF LAKE COOK ROAD TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 4 IN LAKE COOK OFFICE CENTRE RESUBDIVISION AS RECORDED FEBRUARY 18, 1982 AS DOCUMENT NUMBER 26147953;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF LOT 4 IN LAKE COOK OFFICE CENTRE RESUBDIVISION TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF THE ILLINOIS STATE TOLL HIGHWAY (AKA EDENS SPUR);

THENCE WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF THE ILLINOIS STATE TOLL HIGHWAY TO THE POINT OF BEGINNING.

EXHIBIT B

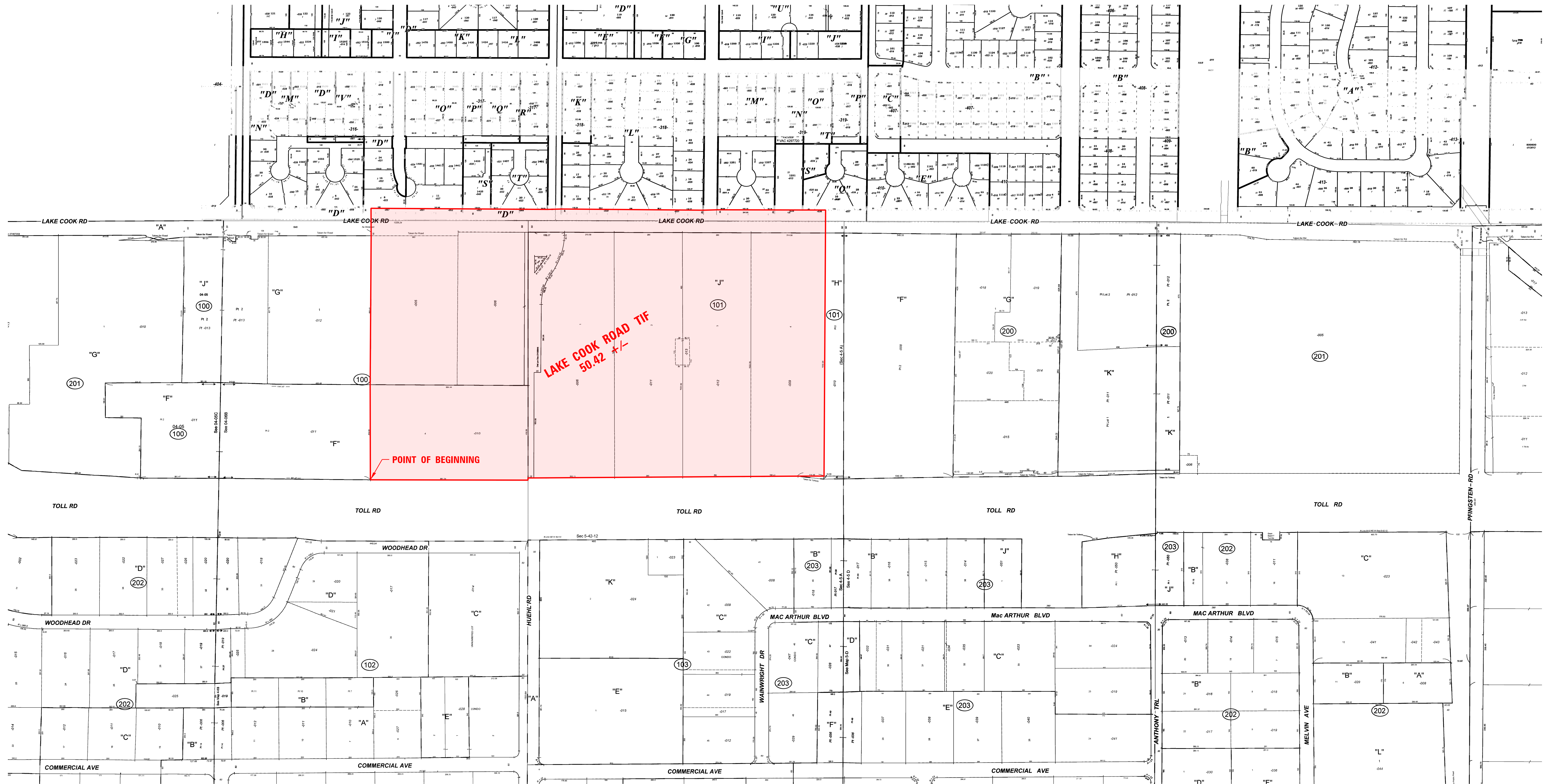
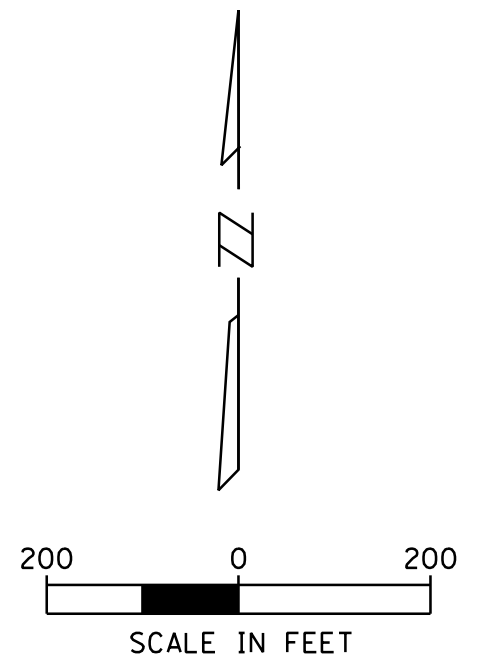
GENERAL STREET LOCATION

The Lake Cook Road Redevelopment Area consists of the area generally located on the south side of Lake Cook Road and is comprised of the former Walgreens campus and the Embassy Suites property. The Lake Cook Road Redevelopment area is located within the Lake Cook Road SubArea of the Village's Comprehensive Plan.

EXHIBIT C

MAP OF REDEVELOPMENT PROJECT AREA

LAKE COOK ROAD TIF



CB **CHRISTOPHER B. BURKE ENGINEERING, LTD.**
 9575 West Higgins Road, Suite 600
 Rosemont, Illinois 60018
 (847) 823-0500

LAKE COOK ROAD TIF
 IN
 VILLAGE OF DEERFIELD, ILLINOIS
 PREPARED FOR
 VILLAGE OF DEERFIELD

CALC.	JRM	PROJECT NO.
DWN.	KJR	220426
CHKD.	KJR	SHEET 1 OF 1
SCALE:	1" = 200'	DRAWING NO.
DATE:	08-01-2022	TIF 220426A

EXHIBIT D

REDEVELOPMENT PLAN AND PROJECT

Draft Date: 11/16/2023

**VILLAGE OF DEERFIELD, ILLINOIS
LAKE COOK ROAD TIF DISTRICT
REDEVELOPMENT PLAN AND PROJECT**

Prepared By:

**Village of Deerfield, Illinois
&
Ryan, LLC**



VILLAGE OF DEERFIELD

March 2024

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I. Introduction

In this report, the Village proposes a Tax Increment Financing Redevelopment Plan and Project (the “proposed TIF district”) pursuant to the TIF Act (as defined below) to enable a certain area within the Village to overcome a number of redevelopment barriers. Ryan, LLC (“Ryan”) has been retained by the Village to assist in the drafting of this Redevelopment Plan.

The Village of Deerfield (the “Village”) is a suburban municipality serving a population of over 19,000 citizens (according to the 2020 U.S. Census). Incorporated in 1903, Deerfield is located on the border of Lake and Cook Counties, approximately twenty-five miles north of Chicago and fifteen miles from O’Hare International Airport. Most of Deerfield is located in Lake County, including all of its residential neighborhoods, parks and public schools. The Cook County portion of Deerfield is located between Lake-Cook Road and the Edens Spur.

Deerfield is situated between U.S. Route 41 (Skokie Highway) to the east and Interstate 94/294 (Tri-State Tollway) to the west. The Village has, in addition to the Tri-State Tollway and the Edens Expressway, a number of other transportation assets. Lake-Cook Road and Deerfield Road are important east/west arterials and enable access to the Tri-State Tollway. In addition to the network of roadways, residents and businesses also benefit from close proximity to METRA rail lines with train stations located at both Lake-Cook Road and Deerfield Road. The Village is also home to many corporate headquarters, research centers and facilities for well-known national and international companies.

The Village is surrounded by Bannockburn to the north, Highland Park to the east, Lincolnshire and Riverwoods to the west, and Northbrook to the south, and landlocked with little vacant land available for development. Indeed, the 2004 “Village of Deerfield Comprehensive Plan,” and amendments thereto (hereinafter, the “Village’s Comprehensive Plan”), states that the Village of Deerfield “has few vacant development sites,” and that “future development within the Village limits will mostly take the form of redevelopment”. In addition, there are developments in the Village that have reached the end of their useful economic life necessitating redevelopment for other uses.

The location of the proposed TIF district, between a regional arterial and an expressway bounded by a stormwater management facility and the Tollway, limited its development potential to uses only compatible with these physical barriers – corporate, institutional, professional, and light industrial uses. Accordingly, the Village amended its Comprehensive Plan and created a new “C-4 District” located south of Lake Cook Road to help foster redevelopment of the area adding retail, restaurant and entertainment uses for this area. The Village’s Comprehensive Plan calls for the Village to “strengthen the commercial areas of the Village in order to provide a sound economic base, while maintaining a compatible relationship between commercial areas and other areas of the Village.”

In order to help achieve the goals and objectives of the Village’s Comprehensive Plan, the Village has proposed the creation of a “Lake-Cook Road TIF District” (as defined below) to facilitate redevelopment in a coordinated manner. The Village has commissioned this Redevelopment Plan

to use tax increment financing in order to alleviate those conditions which deter private investment in the area and meet the Village's redevelopment goals and objectives.

A. Overview of Tax Increment Financing (TIF)

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

B. The Redevelopment Plan

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

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

The Village has authorized Ryan, a global tax services firm, to study the area identified in the boundary map attached hereto as Exhibit 1 (the "Redevelopment Project Area," "RPA," or "TIF District") in relation to its eligibility as a Redevelopment Project Area under the TIF Act, to prepare a report for the eligibility of the RPA (the "Qualification Report") and to prepare this Redevelopment Plan for the RPA.

C. Findings Pursuant to the TIF Act

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

1. To alleviate the adverse conditions, it is necessary to encourage private investment and enhance the tax base of the taxing districts in such areas by the development or redevelopment of certain areas;
2. Public/private partnerships are determined to be necessary in order to achieve development goals;
3. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of this redevelopment plan;
4. The use of incremental tax revenues derived from the tax rates of various taxing districts in the RPA for the payment of redevelopment project costs that are incurred in the redevelopment of the RPA will incentivize such redevelopment and benefit such taxing districts in the long run, by alleviating the conditions identified in the Qualification Report and increasing the assessment base;
5. Such increased assessment base is not likely to be achieved without using such incentives to first alleviate such conditions; and
6. The Redevelopment Plan and Project conforms to the Village's Comprehensive Plan which guides development of the Village as a whole.

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

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

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

II. Redevelopment Project Area

A. Redevelopment Project Area Summary

The RPA is located on the south side of Lake Cook Road and is comprised of the former Walgreens campus and the Embassy Suites property. The uses within this area are office and commercial.

The RPA is located within the Lake Cook Road SubArea of the Village's Comprehensive Plan. According to the Village's Comprehensive Plan, subareas are defined as "parts of the Village that are most likely to change, where the Village wishes to provide direction for improvements, or where potential change would have the most dramatic impact on Deerfield's character."

B. Legal Description of Redevelopment Project Area

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

III. Redevelopment Goals

A. Village Goals

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

Important underlying documents are the Village’s Comprehensive Plan which, as elements of the planning process, describe the overall vision for the Village and is the foundation for Village initiatives. This planning document influences all other Village planning processes including those related to TIF. Table 1, shown below, summarizes goals in the Village’s Comprehensive Plan that are applicable to the RPA.

Table 1. 2004 Comprehensive Plan (as amended) Goals and Objectives Relevant to Redevelopment of the RPA

Goals	Objectives
<p>Seek to strengthen the commercial areas of the Village in order to provide a sound economic base, while maintaining a compatible relationship between the commercial areas and other areas of the Village.</p> <p>Guide future growth within Deerfield’s Planning Jurisdiction so that public facilities and amenities can be effectively and economically provided, and that such growth does not adversely change the Village.</p>	<p>Preserve and strengthen the commercial areas of the Village.</p> <p>Ensure that the Village’s commercial areas are accessible and have adequate parking facilities.</p> <p>Ensure that commercial areas contribute to a positive community image.</p> <p>Promote unified development and continuity in the Village’s commercial area.</p> <p>Carefully consider proposals for development or redevelopment of development sites.</p>
<p>Continue to maintain and improve traffic circulation within Deerfield by supporting transportation system improvements and managing traffic to ensure safe, coordinated, and efficient flow of vehicles and people within and through the Village.</p>	<p>Ensure that traffic along major thoroughfares moves smoothly, efficiently, and without back-up and congestion.</p> <p>Ensure that access to major streets is provided and that movement between the residential quadrants of the Village is not impeded</p> <p>Limit Village involvement with respect to maintenance of private roads within the Village.</p> <p>Encourage modes of transportation other than the automobile to lessen congestion on the streets.</p> <p>Work with appropriate agencies to improve links to the regional highway system.</p>

<p>Preserve and enhance the attractiveness of the Village.</p>	<p>Encourage high quality architectural, site design and landscaping in private developments.</p> <p>Improve maintenance of public and private property.</p> <p>Enhance the Village’s identity as a well-landscaped community.</p> <p>Establish a strong, recognizable community identity at major gateways and along major traffic corridors.</p>
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Source: Village’s Comprehensive Plan (2004 as amended)

Implementation of this Redevelopment Plan will facilitate the accomplishment of these, and other goals described in the Village’s Comprehensive Plan. It is further expected that the “redevelopment projects” as defined in the TIF Act will return the RPA to economically productive use; accomplishing the Village’s general goals regarding enhancing and strengthening the Village’s tax base.

B. Redevelopment Project Area Goals

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

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

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

1. Promotion of the redevelopment of underutilized property located within the RPA;
2. Provision for the assembly or coordination of private and public property for viable redevelopment projects;

3. Improvement of existing rights-of-way and infrastructure including, but not limited to, roadways, water mains, sanitary and storm sewers, streetscape, traffic signalization and parking improvements;
4. Provision of necessary site preparation including, but not limited to, grading, demolition and environmental remediation; and
5. Provision of public investment that improves the physical condition and visual aesthetic of the area including those in the public realm (e.g., streetscaping) and the private realm (e.g., facades and signage).

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

IV. Evidence of Lack of Development and Growth

A. Qualification Report

The Redevelopment Plan Area's qualification under the TIF Act was evaluated by representatives of Ryan from June 2022 through the date of this report. Analysis was aided by certain reports obtained from the Village and other sources. Only information which would directly aid in the determination of eligibility for a redevelopment project area was utilized.

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

B. Findings

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

Factors which constitute evidence of the property as a "conservation area" and which impair sound growth in the RPA are: (i) lagging EAV; (ii) deterioration; (iii) excessive vacancies; and (iv) inadequate utilities.

V. Assessment of Fiscal Impact on Affected Taxing Districts

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

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

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

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

VI. Housing Impact Study

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

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

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

VII. Redevelopment Project

A. Redevelopment Activities

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

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

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

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

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

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

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

B. General Land Use Plan

Existing land uses consist largely of office and commercial. Existing land uses are shown in Exhibit 4, attached hereto.

Proposed land uses in the RPA are to consist primarily of mixed-use, retail, and entertainment uses, along with other commercial and multi-family residential uses. Intended land uses will generally conform to the Village's Amended Exhibit 5, attached hereto and made a part of this Plan, designates the proposed general land uses in the Redevelopment Project Area.

C. Additional Design and Control Standards

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

D. Eligible Redevelopment Project Costs

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

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

1. *Professional Services* - Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, or other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected; except that after November 1, 1999, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of three (3) years. In addition, "redevelopment project costs" shall not include lobbying expenses;
 - 1.1 After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment area or approved a redevelopment plan;
2. *Marketing* - The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;
3. *Property Assembly Costs* - Including, but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to, parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

4. *Rehabilitation Costs* - Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;
5. *Public Works and Improvements* - Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except that on and after November 1, 1999 redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to the effective date of this amendatory Act of the 91st General Assembly or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provided that basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;
6. *Job Training* - Costs of job training and retraining projects including the costs of “welfare to work” programs implemented by businesses located within the redevelopment project area;
7. *Financing Incentives* - Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
8. *Capital Costs* - To the extent the municipality by written agreement, accepts and approves the same, all or a portion of a taxing district’s capital (and additional student tuition) costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;
9. *School-related Costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999 an elementary, secondary, or unit school district’s increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs

the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by the Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:

- a) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:
 - (i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
 - (ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
 - (iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.
- b) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition charge equal to or more than \$5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure

improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

- (i) for unit school district, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
- (ii) for elementary school district, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
- (iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under the Act.

- c) Any school district in a municipality with a population of 1,000,000, additional restrictions apply. Any school district seeking payment shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by the Act. By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

- 10. *Library Costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005, a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph applies only if (i) the library is located in a county that is subject to the Property Tax Extension Limitation Law

or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

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

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

Any library district seeking payment under this paragraph shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph. By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

11. *Relocation Costs* - to the extent that the Village determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
12. *Payment in Lieu of Taxes* - Those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time

the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.

13. *Job Training* - Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the Village, are set forth in a written agreement by or among the Village and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Section 10-22.20a and 10-23.3a of the School Code;
14. *Interest Costs* – incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a) such costs are to be paid directly from the Special Tax Allocation Fund established pursuant to the Act;
 - b) such payments in any one-year may not exceed 30% of the annual interest costs incurred by the developer pertaining to the redevelopment project during that year;
 - c) if there are not sufficient funds available in the Special Tax Allocation Fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the Special Tax Allocation Fund;
 - d) the total of such interest payments paid pursuant to the Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act;
 - e) the cost limits set forth in subparagraphs (b) and (d) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act and the percentage of 75% shall be substituted for 30% in subparagraphs (b) and (d);
 - f) Instead of the eligible costs provided by subparagraphs (b) and (d), as modified by this subparagraph, and notwithstanding any other provisions of the Act to the

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

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

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

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

The TIF Act prohibits certain costs, including the following:

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

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

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

If a Special Service Area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax incremental revenues derived from the tax imposed pursuant to Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by the TIF Act.

Estimated costs are shown in the below Table 2.

Table 2. Redevelopment Project Cost Estimates

Program Actions/Improvements	Estimated Costs
Land and Property Acquisition and Assembly Costs (including Relocation Costs)	\$ 36,000,000
Site Preparation, Demolition, and Environmental Cleanup	\$ 11,000,000
Public Works or Improvements including, but not limited to, water, storm sewer, sanitary sewer, traffic management, roadway and streetscape improvements, and utility relocations	\$ 22,000,000
Rehabilitation of Existing Structures	\$ 1,000,000
Professional Service Costs (Including without limitation Planning, Legal, Engineering, Architectural, Financial, Administrative, Annual Reporting and Marketing)	\$ 3,000,000
Interest Costs Pursuant to the Act	\$ 1,000,000
School Tuition/Library Costs/Capital Improvements (per the TIF Act)	\$ 7,400,000
Job Training	\$ 250,000
TOTAL ESTIMATED TIF BUDGET	\$ 81,650,000

Notes:

- (1) All project cost estimates are in 2023 dollars. Costs may be adjusted for inflation per the TIF Act.
- (2) In addition to the costs identified in the exhibit above, any bonds, notes or other obligations issued to finance a phase of the Project may include an amount sufficient to pay (a) customary and reasonable charges associated with the issuance of such obligations, (b) interest on such bonds, notes, or other obligations, and (c) capitalized interest and reasonably required reserves.
- (3) Adjustments to the estimated line-item costs above are expected. Adjustments may be made in line-items within the total, either increasing or decreasing line-items costs for redevelopment. Each individual project cost will be reevaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of the line-items set forth above are not intended to place a total limit on the described expenditures, as the specific items listed above are not intended to preclude payment of other eligible redevelopment project costs in connection with the redevelopment of the RPA – provided the total amount of payment for eligible redevelopment project costs shall not exceed the overall Total Estimated TIF Budget amount outlined above and all as provided for in the Act.

E. Sources of Funds to Pay Redevelopment Project Costs

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

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

The tax revenues which will be used to pay debt service on the municipal obligations, if any, and to directly pay redevelopment project costs, shall be derived from the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, block, tract or parcel in the RPA in the 2022 tax year for the RPA.

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

F. Nature and Term of Obligations

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

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

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

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

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

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

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

The most recent estimate of equalized assessed valuation (“EAV”) for tax year 2022 of the property within the RPA is approximately \$45,158,388. This is only an estimate and the certified EAV of the RPA will be determined by the County subsequent to adoption of the Village’s TIF ordinances.

Upon completion of the anticipated private development of the Redevelopment Project Area over a twenty-three-year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will range from approximately \$135,000,000 to \$145,000,000.

VIII. Scheduling of Redevelopment Project

A. Redevelopment Project

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

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

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

B. Commitment to Fair Employment Practices and Affirmative Action

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

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

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

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

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

C. Completion of Redevelopment Project

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

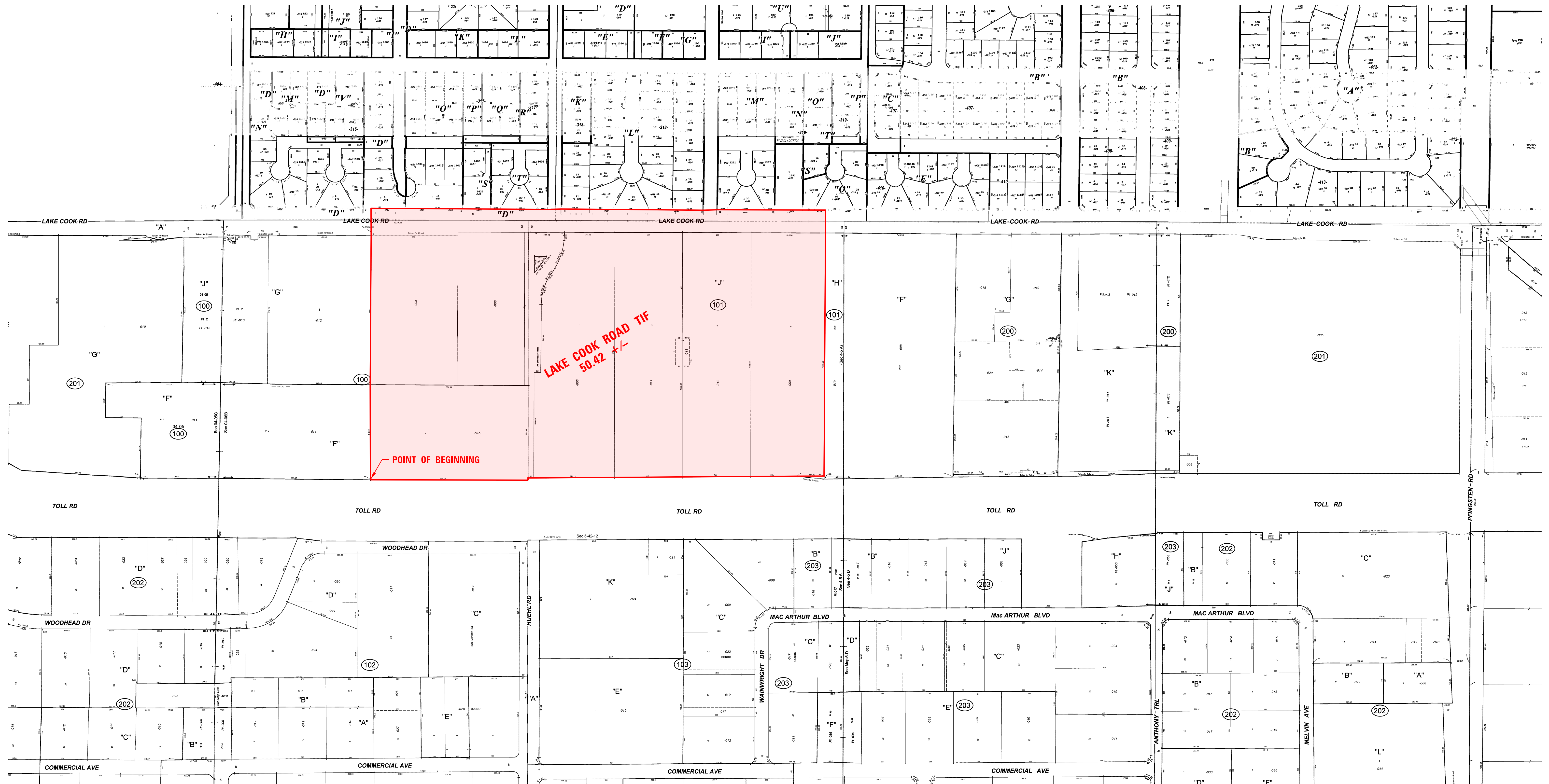
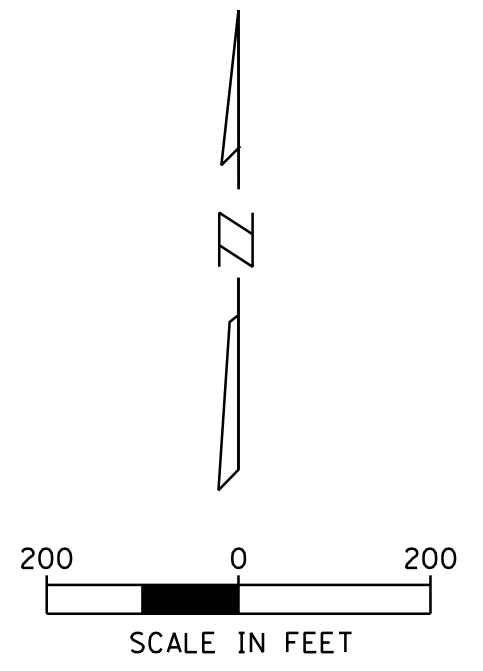
IX. Provisions for Amending the Redevelopment Plan and Project

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

EXHIBIT 1

BOUNDARY MAP AND PARCELS LIST

LAKE COOK ROAD TIF



CALC.	JRM	PROJECT NO.
DWN.	KJR	220426
CHKD.	KJR	SHEET 1 OF 1
SCALE:	1" = 200'	DRAWING NO.
DATE:	08-01-2022	TIF 220426A

LAKE COOK ROAD TIF PARCELS

04-05-100-010-0000

04-05-100-005-0000

04-05-100-006-0000

04-05-101-006-0000

04-05-101-011-0000

04-05-101-013-0000

04-05-101-012-0000

04-05-101-009-0000

EXHIBIT 2
LEGAL DESCRIPTION

LEGAL DESCRIPTION (Lake Cook Road TIF – Deerfield):

THAT PART OF THE NORTH HALF OF SECTION 5 AND THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 4 IN TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 4 IN ARBORLAKE CENTRE SUBDIVISION AS RECORDED MARCH 14, 1985 AS DOCUMENT NO. 27475383;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 4 IN ARBORLAKE CENTRE SUBDIVISION TO THE NORTHWEST CORNER THEREOF, SAID NORTHWEST CORNER ALSO BEING THE SOUTHEAST CORNER OF LOT 1 IN THE PPF AMLI LAKE COOK ROAD SUBDIVISION AS RECORDED DECEMBER 13, 2013 AS DOCUMENT NUMBER 133475383;

THENCE NORTH ALONG THE EAST LINE OF SAID LOT 1 IN THE PPF AMLI LAKE COOK ROAD SUBDIVISION AND THE NORTHERLY EXTENSION THEREOF TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF LAKE COOK ROAD;

THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE OF LAKE COOK ROAD TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 4 IN LAKE COOK OFFICE CENTRE RESUBDIVISION AS RECORDED FEBRUARY 18, 1982 AS DOCUMENT NUMBER 26147953;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF LOT 4 IN LAKE COOK OFFICE CENTRE RESUBDIVISION TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF THE ILLINOIS STATE TOLL HIGHWAY (AKA EDENS SPUR);

THENCE WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF THE ILLINOIS STATE TOLL HIGHWAY TO THE POINT OF BEGINNING.

EXHIBIT 3
QUALIFICATION REPORT



VILLAGE OF DEERFIELD, ILLINOIS
TIF QUALIFICATION REPORT
LAKE COOK ROAD TIF STUDY AREA

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

Prepared for: Village of Deerfield, Illinois

Prepared by: Ryan, LLC

March 2024

**DEERFIELD LAKE COOK ROAD TIF
REDEVELOPMENT PROJECT AREA/STUDY AREA
TIF QUALIFICATION ASSESSMENT**

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I. INTRODUCTION AND BACKGROUND

In considering the designation of the proposed Lake Cook Road TIF Project Area (“TIF District”), the Village of Deerfield (the “Village”) has authorized a study of the area indicated in the map attached hereto as Exhibit A (the “Study Area”) to determine whether it qualifies for consideration as a “redevelopment project area” (“TIF”) pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (“TIF Act” or the “Act”). Ryan, LLC (“Ryan”), has agreed to undertake the study of the Study Area.

The Study Area consists of eight (8) tax parcels (as described in Exhibit B) comprised of almost forty-five (45) acres, and six (6) buildings. All of the six (6) buildings, or 100%, are over thirty-five (35) years in age. Accordingly, these building ages qualify the Study Area as a “conservation area”, pursuant to the TIF Act, which requires that at least 50% of the buildings in a proposed TIF be at least 35 years old. Additional qualifying factors in the Study Area include stagnant or decline in EAV, deterioration of building and site improvements, excessive vacancies and inadequate utilities.

Village Goals

According to the Village’s 2004 Comprehensive Plan, as amended (the “Amended Plan”), “Lake Cook Road is a designated Strategic Regional Arterial that links the Edens Expressway (I-94) and I-290 (Route 53). The Amended Plan also states that “Because of the number of motorists who travel the Lake Cook Road corridor each day, this corridor establishes Deerfield’s identity for many” and constitutes a “major commercial center.” The Amended Plan also notes that most of the parcels along the south side of the Lake Cook Road corridor include “office developments that serve the region as major employment centers.” The Walgreens office campus, representing seven of the eight tax parcels in the Study Area has become vacant. Accordingly, the Village amended its comprehensive plan to allow retail, restaurants, and entertainment on the south side of Lake Cook Road and created a new C-4 Entertainment and Limited Retail zoning district to help foster redevelopment of the area.

Toward this end, the Amended Plan contains the following goals:

- Seek to strengthen the commercial areas of the Village in order to provide a sound economic base, while maintaining a compatible relationship between commercial areas and other areas of the Village.
- Guide future growth within Deerfield’s Planning Jurisdiction so that public facilities and amenities can be effectively and economically provided, and that such growth does not adversely change the Village.
- Continue to maintain and improve traffic circulation within Deerfield by supporting transportation system improvements and managing traffic to ensure safe, coordinated, and efficient flow of vehicles and people within and through the Village.

- Preserve and enhance the attractiveness of the Village.

Source: 2004 Village of Deerfield Comprehensive Plan, as amended

Given these Village goals under its comprehensive planning process and the conditions briefly summarized above, the Village has made a determination that it is highly desirable to promote the redevelopment of the Study Area. The Village has characterized the Study Area as one of the Village's economic development target areas since, as stated previously, this area is viewed as one which "establishes Deerfield's identity" and is considered "a major commercial center", but has experienced upward-trending vacancies over the last few years. National trends that affect the office and hotel markets have also impacted the current uses in the Study Area. The Village intends to create and implement a "redevelopment plan" as defined in the TIF Act (the "TIF Redevelopment Plan") in order to increase tax revenues by undertaking redevelopment activities to increase the community's tax base.

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

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

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

II. QUALIFICATION CRITERIA USED

With the assistance of Village staff, Ryan examined the Study Area from June 2022 through the date of this report, and reviewed information collected for the Study Area to determine the presence or absence of appropriate qualifying factors listed in the TIF Act. The relevant sections of the TIF Act are found below. The TIF Act sets out specific procedures which must be adhered to in designating a redevelopment project area. By definition a “redevelopment project area” is:

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

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

Conservation Area

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

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

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

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

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

and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material and weeds protruding through paved surfaces.

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

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

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

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

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

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

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

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

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

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

III. THE STUDY AREA

The Study Area is located on the south side of Lake Cook Road and is comprised of the former Walgreens campus and the Embassy Suites property, in Cook County. The uses within this area are office and commercial.

IV. METHODOLOGY OF EVALUATION

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

- 1) A site survey of the Study Area was undertaken by representatives from Ryan.
- 2) Ryan completed an exterior evaluation of structures, as part of the review. Additionally, Ryan assessed 2016 through 2021 tax information from the Cook County Clerk's Office, Sidwell parcel tax maps, site data, local history (discussions with Village staff) and an evaluation of area-wide factors that have affected the Study Area's development (e.g., lack of community planning). Ryan reviewed the Study Area in its entirety. Village redevelopment goals and objectives for the Study Area were also reviewed with Village staff. A photographic analysis of the Study Area was conducted and was used to aid this evaluation.
- 3) Existing structures and site conditions were initially surveyed only in the context of checking, to the best and most reasonable extent available, TIF Act criteria factors of specific structures and site conditions on the parcels.
- 4) The Study Area was examined to assess the applicability of the different factors required for qualification for TIF designation under the TIF Act. Evaluation was made by reviewing the information and determining how each measured when evaluated against the relevant factors. The Study Area was examined to determine the applicability of the thirteen (13) different "conservation area" factors for qualification for TIF designation under the TIF Act.

V. QUALIFICATION FINDINGS OF PROPOSED STUDY AREA

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

A. Conservation Area Threshold Factors

Age - Based upon the site survey and data from the Cook County Assessor’s office, 100% (six of six structures) within the Study Area were found to be thirty-five (35) years of age or greater.

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

Table 1
Summary of TIF-Qualifying Factors

Maximum Possible Factors per Statute	Minimum Factors Needed to Qualify per Statute	Qualifying Factors Present in Proposed Study Area
13	3	4 <ul style="list-style-type: none"> • Lagging or Decline in EAV • Deterioration of Building and Site Improvements • Excessive Vacancies • Inadequate Utilities

Findings for Study Area. The proposed Study Area meets the qualifications for a conservation area under the statutory criteria set forth in the TIF Act. As stated previously, as a first step, Ryan determined that approximately six of six structures, or 100%, were 35 years of age or older. Secondly, Ryan reviewed the thirteen aforementioned criteria needed to qualify the area as a conservation area, determining that four (4) factors were present:

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

The table below indicates that the total EAV of the Redevelopment Project Area has been increasing at an annual rate that is less than the balance of the municipality for four (4) of the last five (5) calendar years for which information is available. The table below also shows that the total EAV of the redevelopment project area has been increasing at an annual rate that is less than the annual CPI for four (4) of the last five (5) years for which information is available.

	2022	2021	2020	2019	2018
Total EAV:	45,158,388	45,785,746	48,712,759	54,477,686	41,247,819
% Change from Previous Year:	-1.37%	-6.0%	-10.6%	32.0%	-1.8%
Village of Deerfield	1,520,213,872	1,466,012,476	1,479,532,161	1,524,116,833	1,460,222,579
Balance of Municipality EAV	1,476,459,612	1,420,226,730	1,430,820,132	1,469,369,147	1,418,974,760
Percentage increase/decrease	4.0%	-0.7%	-2.6%	3.6%	-0.5%
CPI All Urban Consumers	8.0%	4.7%	1.2%	1.8%	2.4%

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

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

2. Deterioration of Buildings and Site Improvements – The Act states that with respect to buildings, defects include, but are not limited to, major defects in the secondary building components such as doors, windows, porches, gutters, downspouts and fascia. With respect to surface improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas show evidence of deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material and weeds protruding through paved surfaces.

Most of the deteriorated conditions that were found in the Study Area were those related to site improvements, and include cracked or crumbling asphalt pavement, along with potholes in parking lot areas and driveways, requiring resurfacing; weed/vegetation growth in cracked pavement and/or loose pavement; faded and cracked parking space striping and other traffic control paint, all at off-street parking surfaces. Some building deterioration was found to consist of masonry facades in need of tuckpointing, faded and peeling trim paint, deteriorated windows or doors or window/door frames, rusted metal service doors, rusted metal fencing, and broken downspouts, for example.

3. Excessive Vacancies – The Act defines “excessive vacancies” as 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.

The Study Area contains six (6) commercial buildings consisting of approximately 798,958 square feet of commercial/office space. One of the properties contains approximately 224,372 square feet which represents 28.1% of the Study Area and is currently operated as an Embassy Suites hotel. The remaining five (5) buildings consist of approximately 574,586 square feet of Class B mid-rise office space and constitute 71.9% of the Study Area. These five (5) buildings formerly operated as the Walgreens office campus in Deerfield. Two distinct analyses of the Study Area can be done with respect to vacancies.

First, the Walgreens campus makes up most of the structures and square footage in the Study Area. The entire Walgreens portion of the Study Area makes up 85.7% of all structures, and 71.9% of building square footage in the Study Area. A July 20, 2022, Crain’s Chicago Business news article about the Walgreens campus describes this property as an “outmoded suburban property” and states that this “property adds to the list of dated suburban office properties poised to be transformed into something entirely different with the rise of remote work weakening demand for workspace. Companies cutting back on office space have pushed suburban office vacancy to a record high during the COVID-19 pandemic, prompting some office property owners to sell. . .”. According to conversations with Walgreens representatives, the five buildings comprising their office campus within the Study Area are all vacant. According to Walgreens building facilities representatives, the three buildings at 1411-1419 Lake Cook Road, which consist of approximately 425,944 square feet (53.3% of the Study Area), had been vacant since at least December of 2021. The two buildings at 1425-1435 Lake Cook Road, which consist of approximately 148,642 square feet (18.6% of the Study Area) had been vacant since October of 2022. The Walgreens lease on all of the buildings recently ended in August 2023.

The second vacancies analysis of the Study Area can be performed for the commercial building currently operating as an Embassy Suites hotel. With approximately 224,372 square feet of commercial space, and 237 rooms, this Embassy Suites property is nearly 150% larger than the average hotel in the Lake County submarket, for which the average is 97 rooms, according to “CoStar” (a world leader in real estate information and data). Village staff conversations with Embassy Suites management indicate that the hotel has experienced a trend of underperformance for more than ten (10) years.

Data from Embassy Suites, supplemented by data from Costar, shows that occupancy for the property has trended lower than Lake County’s hotel occupancy rates for last three years (including during the COVID-19 pandemic) for which data is available.

	2022	2021	2020	2019	2018
Embassy Suites Occupancy	55.9%	39.7%	26.6%	67.4%	72%
Lake County Submarket Occupancy	56.1%	47.8%	36.3%	62.7%	62.1%

Lagging values are indicated in bold font Source: Embassy Suites Management, CoStar Group

In addition to occupancy problems, the Embassy Suites faces potential obsolescence. Long-term stay hotels, such as Embassy Suites, have principally served corporate offices and are heavily dependent on out-of-town visitors for their economic survival. Given the recent corporate office closures in the market area (Walgreens, Allstate, and others), as well as lingering impacts of COVID, including reexamination of space needs due to remote and hybrid work, extended stay hotels, in particular, face serious challenges in reaching acceptable occupancy levels and resulting revenues which are necessary to maintain their viability. Evidence of the trending obsolescence of extended-stay hotels can be seen in the recent announcement of the planned conversion of the Renaissance Chicago Suite Glenview to an apartment complex as described in Crain’s Chicago Business on April 20, 2023. In this Crain’s article, the owner of the property states that “the lodging market in that area has been destroyed,” and the developer of the proposed conversion project notes that “There are too many hotel rooms that are 30 to 40 years old, and candidly these are obsolete hotels that really don’t have a value because the whole travel (segment) has changed.” This trend is expected to continue in the market area and may be exasperated in Deerfield due to the closure of the Walgreens campus. Although not a specific qualification factor, this market situation poses a threat to the economic viability of the Study Area.

These factors taken together indicate that all structures within the Study Area are either unoccupied or underutilized, conditions which are significant and persistent, and which establish the presence excessive vacancies.

4. Inadequate Utilities – The Act defines “inadequate utilities” as 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.

(a.) Water: The Study Area contains three existing water system loops running parallel from east to west. One water loop runs along the center of Lake Cook Road between Wilmot Road and Willow Avenue (extended) and is approximately sixty years old. This northernmost loop is predominantly made up of Abestos-Cement pipe, a type of clay pipe commonly used in the 1900’s, though asbestos has not been detected within the system. If future testing demonstrates the presence of this contaminant, the Village may be mandated by the IEPA to replace and abandon this loop.

Accordingly, the Village has been working to replace the northernmost loop, thus creating a second loop along Frontage Road, which parallels Lake Cook Road. This second loop replacement continues to occur as development progresses throughout this corridor (Rochelle Zell Jewish High School, Tamarisk Independent Senior Living, AMLI

apartments, Walgreens buildings and Heritage Woods Assisted Living) but there remains a large section of approximately 2,000 lineal feet to be replaced. Once the last section of water main along the frontage is installed, the second loop will be completed, and the first loop can be retired.

The third and southernmost loop lies behind the buildings that line the frontage road and serves properties that back up to the Edens Spur. According to Village staff, this third loop is in poor condition, has little redundancy of valves, and has suffered from multiple breaks over the past fifteen years. Village staff have noted that due to the proximity of the third loop to the Village's elevated tank, a break can potentially quickly deplete the water stored in the tank and therefore cause pressure and distribution issues throughout the entire system. According to Village staff, this third loop should also be abandoned and replaced as future redevelopment occurs along the Edens Spur.

The Village purchases its water supply from the City of Highland Park as its sole source of water for the Village. As such, the Village has long sought a second emergency connection as a back-up system. Planning for an emergency back-up water connection was started in 2019, with the first section of water main installed beneath the Edens Spur between the Village of Northbrook and the Village of Deerfield in 2020. This link remains to be completed, and to do so the Village will need to install a new transmission line northbound along Pfingsten Road, then westbound along Lake Cook Road. From there, the transmission line will cross Lake Cook Road and head in a northerly direction to the Village's Floral Park pumping station. This project is currently in the legal planning phase, and engineering is expected to begin in 2024, according to Village staff.

(b.) Storm Sewer: Within the Study Area, the storm sewer along Lake Cook Road between Wilmot Road and Willow Avenue (extended) is owned and maintained by the Cook County Division of Transportation and Highways. This storm sewer flows into the Village's closed sewer system located in the Fairview Avenue right-of-way and ultimately drains into the West Fork of the North Branch of the Chicago River. In addition to the conventional storm sewer system within the Lake Cook Road right-of-way, there also exist detention ponds located within the frontage of properties in the Study Area. These ponds are under the ownership and maintenance of each respective property owner. According to Village staff, the conventional storm sewer system and related various detention ponds precludes flooding throughout the 1400 block of Lake Cook Road; however, Village staff report that future development in the area could be hamstrung by the limits of the existing storm sewer collection system since it was originally designed using a criterion that is now obsolete, creating potential capacity issues in the face of future development.

(c.) Sanitary Sewer: The sanitary sewer system in the Study Area conveys wastewater along Lake Cook Road and consists of multiple sanitary mains that collect sewage from commercial properties. The system technically falls within the MWRD planning area but is owned and maintained by the Village and conveys wastewater directly to the Village Water Reclamation Facility. According to Village staff, the collection system is currently in proper working order, though in the next five to ten years it will need to be lined with a "Cured In Place Pipe" ("CIPP") liner as part of a Village capital improvement program.

Also according to Village staff, it is currently operating at or near design capacity, therefore any additional largescale commercial, industrial or residential development may need to include a capacity analysis and potential capacity improvements or upgrades.

(d.) Roadway: The section of Lake Cook Road between Wilmot Road and Willow Avenue is currently configured with five lanes, consisting of two through lanes in each direction with a left turn channelization at each intersection. According to Village staff, this road is currently at or near capacity for a five-lane roadway and should be considered for widening and reconstruction. In the early 1990's a grade separation at Lake Cook Road and the METRA rail was constructed, leaving ample room for expansion to a future seven-lane expansion requiring land acquisition along the entire stretch along the south side.

With the exception of AMLI installing a sidewalk connection to the Birchwood Avenue/Embassy Way and Lake Cook Road intersection there are currently no accommodations for pedestrians along the south side of Lake Cook Road. According to Village staff, the majority of the Study Area, including the existing Walgreens facility, is in dire need of sidewalks and bike paths. Connectivity and pedestrian accommodations are part of the Village's Amended Plan and should be constructed throughout, utilizing the Birchwood Avenue pedestrian crossing the Village installed in 2015.

VI. SUMMARY OF FINDINGS; OVERALL ASSESSMENT OF QUALIFICATION

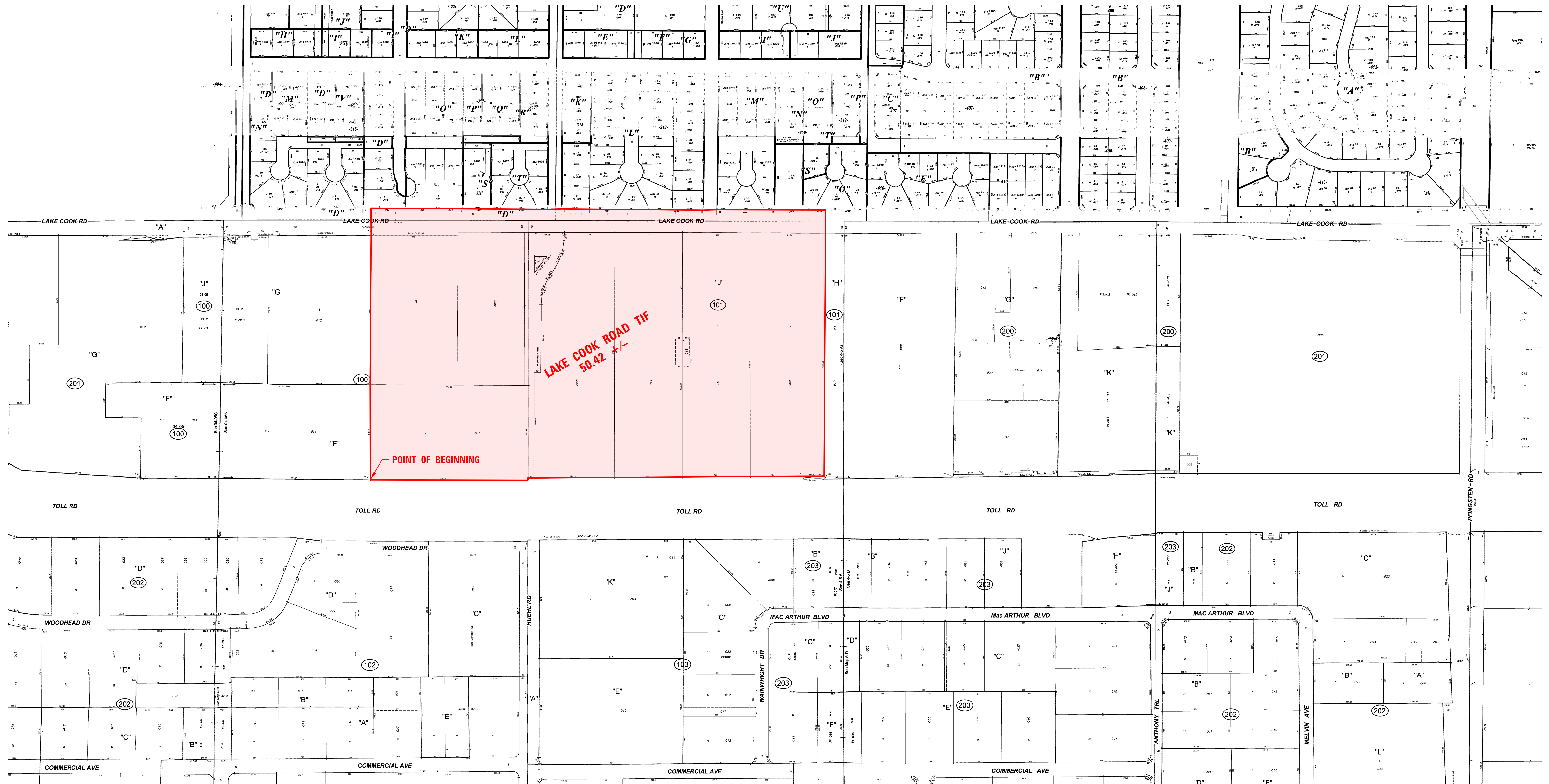
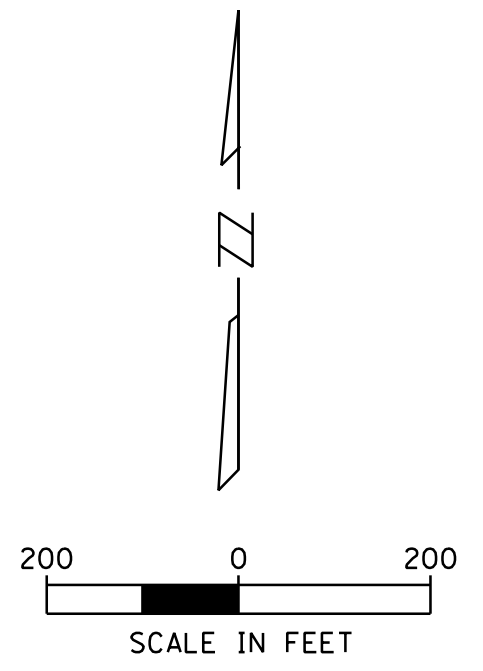
The following is a summary of relevant qualification findings as they relate to the Village potentially designating the proposed Study Area as a TIF District:

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

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

Exhibit A
Boundary Map

LAKE COOK ROAD TIF



CALC.	JRM	PROJECT NO.
DWN.	KJR	220426
CHKD.	KJR	SHEET 1 OF 1
SCALE:	1" = 200'	DRAWING NO.
DATE:	08-01-2022	TIF 220426A

Exhibit B

Tax Parcel List

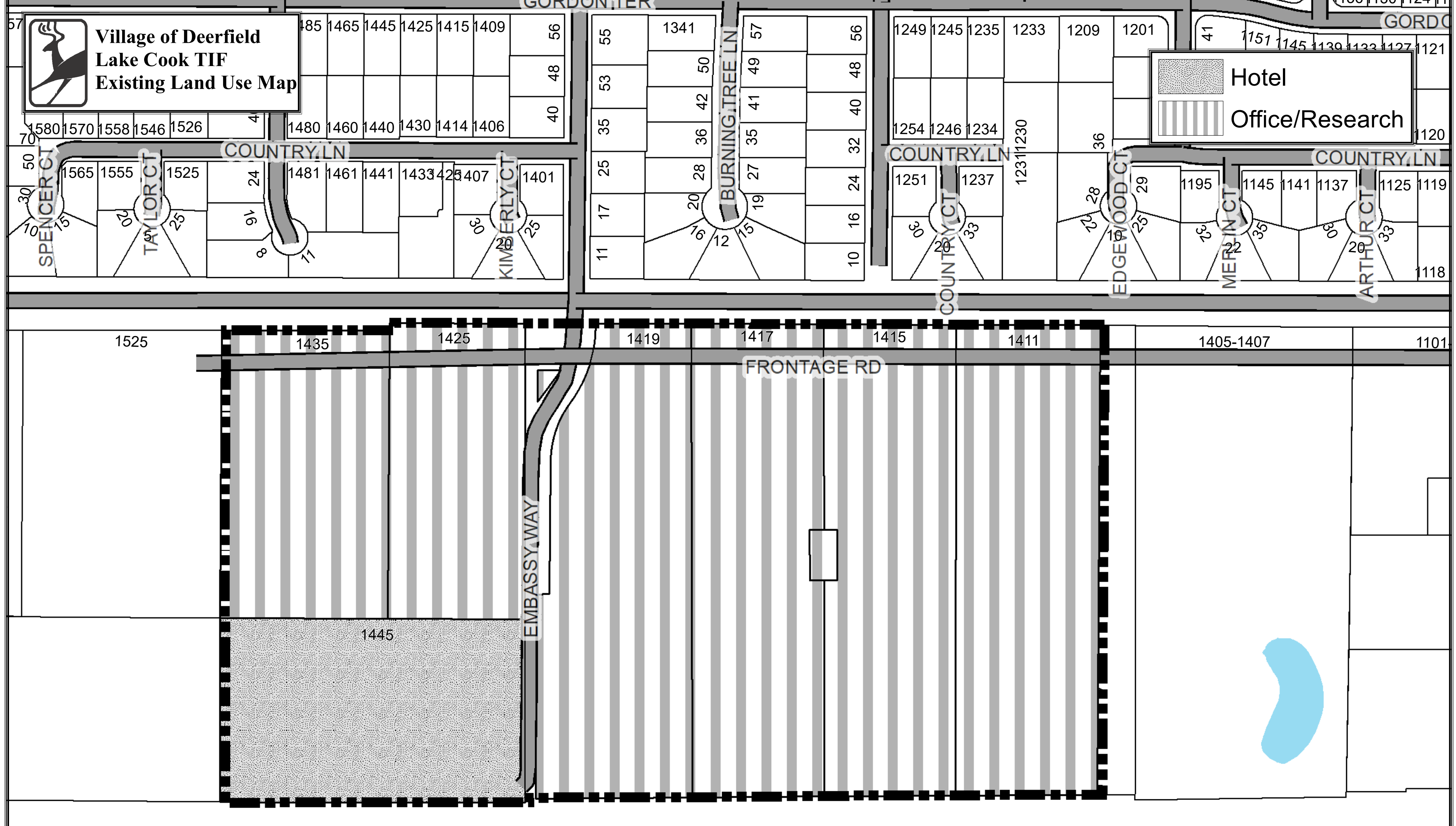
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04-05-101-012-0000
04-05-101-009-0000

EXHIBIT 4
EXISTING LAND USE MAP



**Village of Deerfield
Lake Cook TIF
Existing Land Use Map**

Hotel
 Office/Research



EDENS SPUR

0 80 160 240 320 Feet

Village of Deerfield

Lake and Cook Counties, Illinois

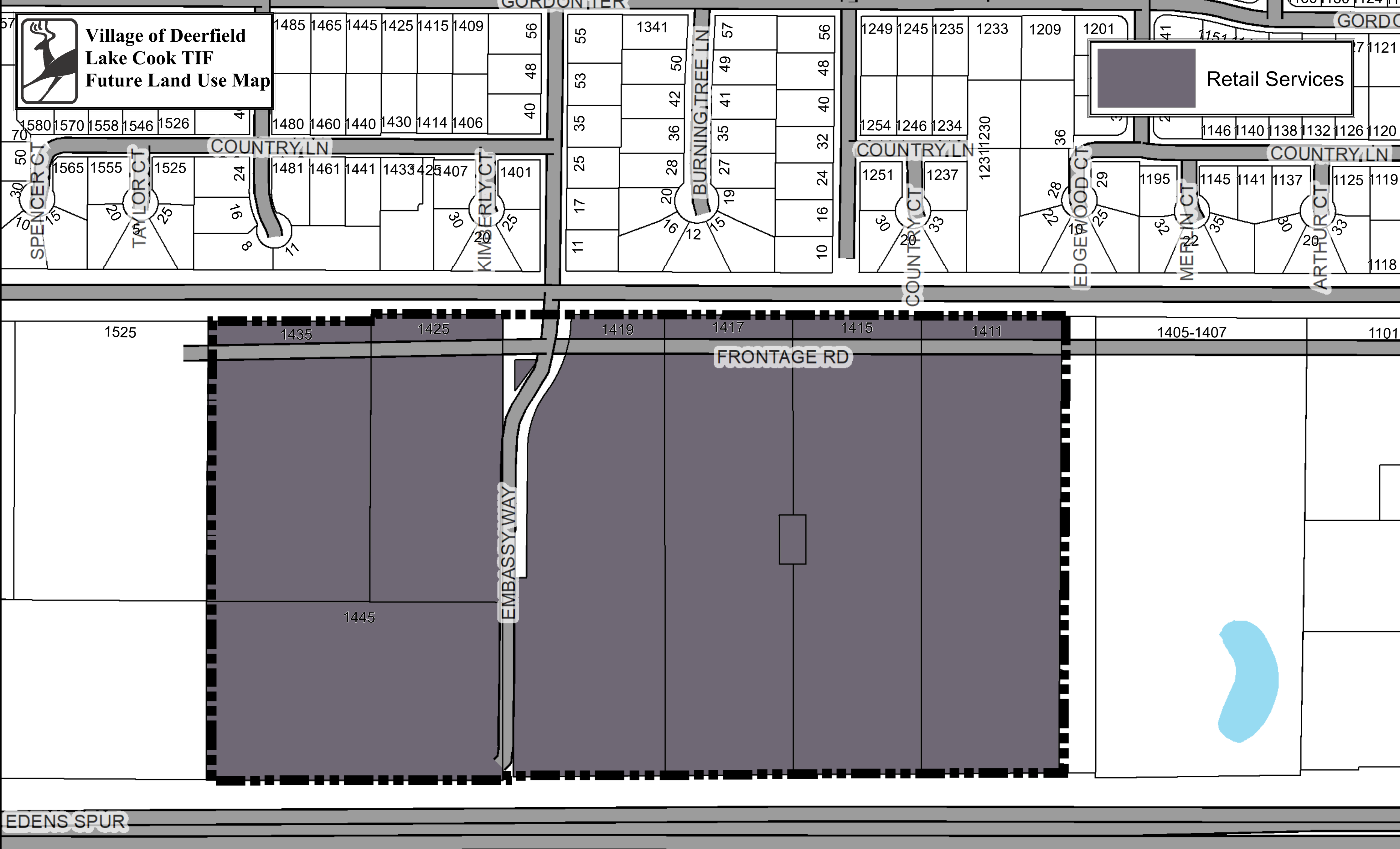
1 inch = 136 feet

EXHIBIT 5

PROPOSED LAND USE MAP



**Village of Deerfield
Lake Cook TIF
Future Land Use Map**



Retail Services



EDENS SPUR

0 80 160 240 320 Feet

Village of Deerfield

Lake and Cook Counties, Illinois

1 inch = 136 feet