

WOOD DALE, IL

Wood Dale Road Redevelopment Project Area

Tax Increment Financing District Eligibility Study and Redevelopment Plan and Project

March 1, 2018

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1. Introduction

The City of Wood Dale (the “City”) seeks to establish a Tax Increment Financing (“TIF”) district to serve as an economic development tool and promote the revitalization of land along Wood Dale Road and Commercial Street just north of Irving Park Road. The City engaged *SB Friedman Development Advisors* (“*SB Friedman*”) in August 2017 to conduct a TIF District Eligibility Study (the “Eligibility Study”) and prepare a Redevelopment Plan and Project (the “Redevelopment Plan”).

This document serves as the Eligibility Study and Redevelopment Plan (the “Report”) for the proposed Wood Dale Road Redevelopment Project Area (“Wood Dale Road RPA” or the “RPA”). Section 2 of the Report, the Eligibility Study, details the eligibility factors found within the proposed RPA in support of its designation as a “blighted area” for vacant land and a “conservation area” for improved land, within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the “Act”). Section 3 of this Report, the Redevelopment Plan, outlines the comprehensive program to revitalize the RPA, as required by the Act.

Redevelopment Project Area

The proposed Wood Dale Road RPA is located within the City of Wood Dale in DuPage County (the “County”), as shown on **Map 1**. The proposed Wood Dale Road RPA consists of approximately 53 tax parcels (38 improved parcels and 15 vacant parcels) and 25 buildings. It comprises approximately 39.5 acres of land, of which approximately 5.3 acres are vacant, 23.2 acres are improved, and approximately 11.0 acres are right-of-way. The parcels included in the proposed RPA are roughly bounded by Grove Street on the west, Center Street on the north, Elmwood Avenue on the east, and the Metra railroad tracks on the south, as illustrated in **Map 2**. *SB Friedman’s* analysis was completed for both vacant parcels and improved parcels, as shown in **Map 3**. Based upon *SB Friedman’s* research, the RPA currently consists of a mix of commercial, residential, public institutional, park/open space, and vacant land uses, as shown in **Map 4**.

Determination of Eligibility

This report concludes that the proposed Wood Dale Road RPA is eligible for designation as a “blighted area” for vacant land and as a “conservation area” for improved land, per the Act. Vacant land is any real property without industrial, commercial or residential structures, and has not been used for commercial agricultural purposes in the past five years. For the purposes of analysis, in a previously developed area, parcels that include side yards or parking lots related to an adjacent building are considered improved.

BLIGHTED AREA FINDINGS – VACANT PARCELS

Per our analysis, the vacant portion of the RPA is eligible as a “blighted area” under both the one-factor and two-factor tests as outlined in the Act. For both one-factor and two-factor findings, these factors are defined under the Act at 65 ILCS 5/11-74.4-3 (a) and (b) and are more fully described in **Appendix 2**.

ONE-FACTOR ELIGIBILITY

The City engaged Christopher B. Burke Engineering (“CBBEL”) to evaluate the flooding or contribution to flooding within the watershed of the vacant parcels in the RPA. CBBEL determined that 46% of the vacant land is within the 100-year floodplain, and 100% of the vacant land in the RPA contributes to flooding within the Salt Creek watershed. The vacant land is thus eligible as a “blighted area” using the one-factor test.

TWO-FACTOR ELIGIBILITY

Further, *SB Friedman’s* analysis indicated that the following two factors have been found to be present to a meaningful extent and reasonably distributed throughout the RPA:

1. Lack of Growth in Equalized Assessed Value (“EAV”); and
2. Obsolete Platting.

Thus, the vacant parcels in the RPA satisfy both the one-factor and two-factor tests and are found to be blighted.

CONSERVATION AREA FINDINGS – IMPROVED PARCELS

For the improved land within the RPA, *SB Friedman’s* analysis indicated that 62% of primary structures are aged 35 years or older and the following five (5) eligibility factors have been found to be present to a meaningful extent and reasonably distributed throughout the RPA:

1. Lack of Growth in Equalized Assessed Value (“EAV”);
2. Deterioration;
3. Presence of Structures below Minimum Code Standards;
4. Inadequate Utilities; and
5. Lack of Community Planning.

These factors are defined under the Act at 65 ILCS 5/11-74.4-3 (a) and (b) and are more fully described in **Appendix 2**.

Based on the age of primary structures in the RPA and the presence of five eligibility factors, the improved parcels in the RPA qualify under a conservation area finding (age plus at least three eligibility factors).

SUMMARY OF ELIGIBILITY FINDINGS

SB Friedman has found that the vacant portion of the RPA qualifies to be designated as a “blighted area,” and the improved portion of the RPA qualifies as a “conservation area,” with 62% of the structures within the RPA at least 35 years of age or older, and five (5) of the thirteen (13) eligibility factors present to a meaningful extent within the RPA.

These conditions hinder the potential to redevelop the area and capitalize on its unique attributes. The RPA will benefit from a strategy that addresses the conditions of aged buildings, flood-prone parcels, and associated infrastructure while improving its overall physical condition.

Redevelopment Plan Goal, Objectives and Strategies

GOAL. The overall goal of the Redevelopment Plan and Project is to reduce or eliminate conditions that qualify the proposed RPA as a vacant blighted area and an improved conservation area, and to provide the direction and mechanisms necessary to establish the RPA as a vibrant mixed-use district. Redevelopment of the RPA is intended to revitalize the area, strengthen the economic base, and enhance the City’s overall quality of life.

OBJECTIVES. The following six (6) objectives support the overall goal of revitalization of the RPA:

1. Facilitate the physical improvement and/or rehabilitation of existing structures and façades within the RPA, and encourage the construction of new commercial, residential, civic/cultural and recreational development, where appropriate;
2. Foster the replacement, repair, construction and/or improvement of public infrastructure, where needed, to create an environment conducive to private investment;
3. Facilitate the renovation or construction of stormwater management systems and flood control within the RPA;
4. Provide resources for streetscaping, landscaping and signage to improve the image, attractiveness and accessibility of the RPA, create a cohesive identity for the RPA and surrounding area, and provide, where appropriate, for buffering between different land uses and screening of unattractive service facilities such as parking lots and loading areas;
5. Facilitate the assembly and preparation, including demolition and environmental clean-up, where necessary, and marketing of available sites in the RPA for redevelopment and new development by providing resources as allowed by the Act; and
6. Support the goals and objectives of other overlapping plans, including the City of Wood Dale Comprehensive Plan Supplement published in 2003 (the “2003 Comprehensive Plan”), the 1997 Comprehensive Plan, and other TIF redevelopment plans, and coordinate available federal, state and local resources to further the goals of this Redevelopment Plan and Project.

STRATEGY. Rehabilitation and redevelopment of the RPA is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use TIF, as well as other funding sources, to reinforce and encourage further private investment.

Financial Plan

ELIGIBLE COSTS. The Act outlines several categories of expenditures that can be funded using incremental property taxes. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan pursuant to the Act.

ESTIMATED REDEVELOPMENT PROJECT COSTS. The estimated eligible costs of this Redevelopment Plan are \$20 million. The total of eligible redevelopment costs provides an upper limit on expenditures that are to be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest and other financing costs.

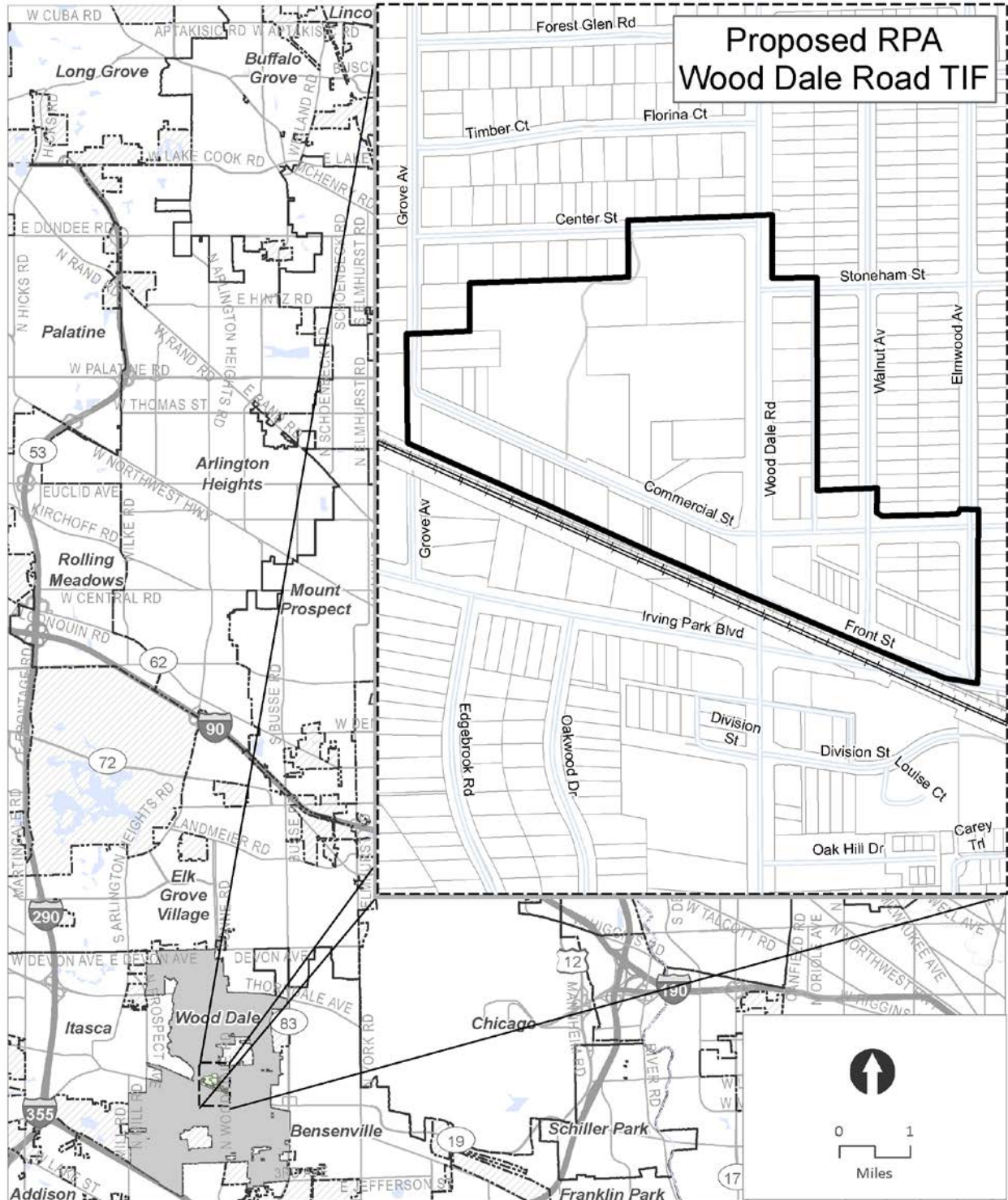
EQUALIZED ASSESSED VALUE OF PROPERTIES IN THE RPA. The 2016 EAV (the most recent year in which assessed values and the equalizer were available) of all taxable parcels in the RPA is \$3,704,770. By tax year 2041 (collection year 2042), the total taxable EAV for the RPA is anticipated to be approximately \$15.0 million.

Required Findings and Tests

The required conditions for the adoption of this Redevelopment Plan and Project are found to be present within the Wood Dale Road RPA:

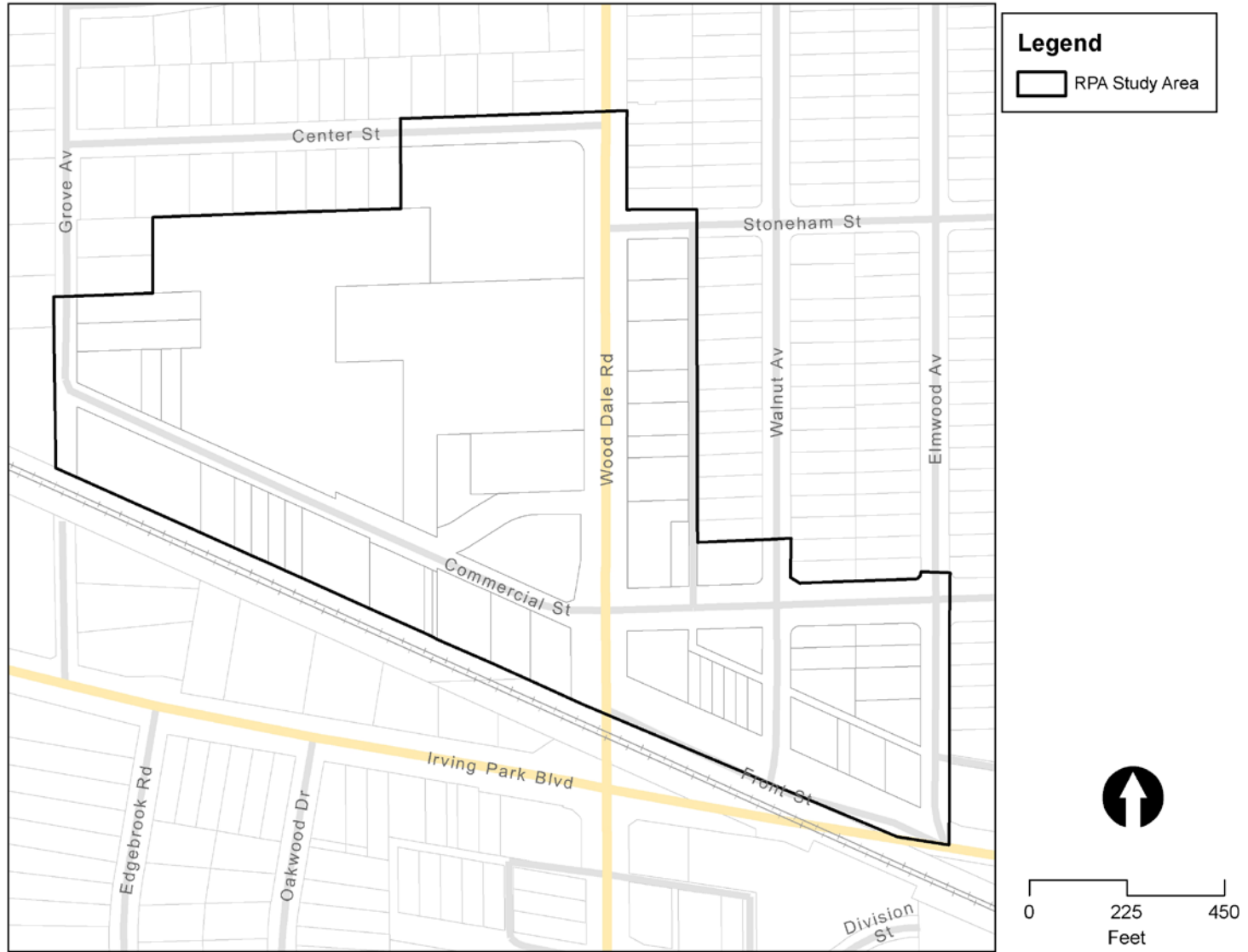
1. The RPA is 39.5 acres in size and thus satisfies the requirement that it be at least 1.5 acres;
2. Limited private investment has occurred in the Wood Dale Road RPA over the last five years;
3. Without the support of public resources, the redevelopment objectives for the RPA would most likely not be realized. Accordingly, “but for” the designation of a TIF district, these projects would be unlikely to occur on their own;
4. The Wood Dale Road RPA includes only those contiguous parcels of real property that are expected to benefit substantially from the proposed Redevelopment Plan and Project;
5. The Redevelopment Plan conforms to and proposes land uses that are consistent with the 2003 Comprehensive Plan;
6. The City certifies that no displacement will occur as a result of activities pursuant to this Redevelopment Plan. Therefore, a Housing Impact Study is not required under the Act; and
7. The Redevelopment Plan is estimated be completed, and all obligations issued to finance redevelopment costs shall be retired no later than December 31, 2041, if the ordinances establishing the RPA are adopted during 2018.

Map 1: Context Map



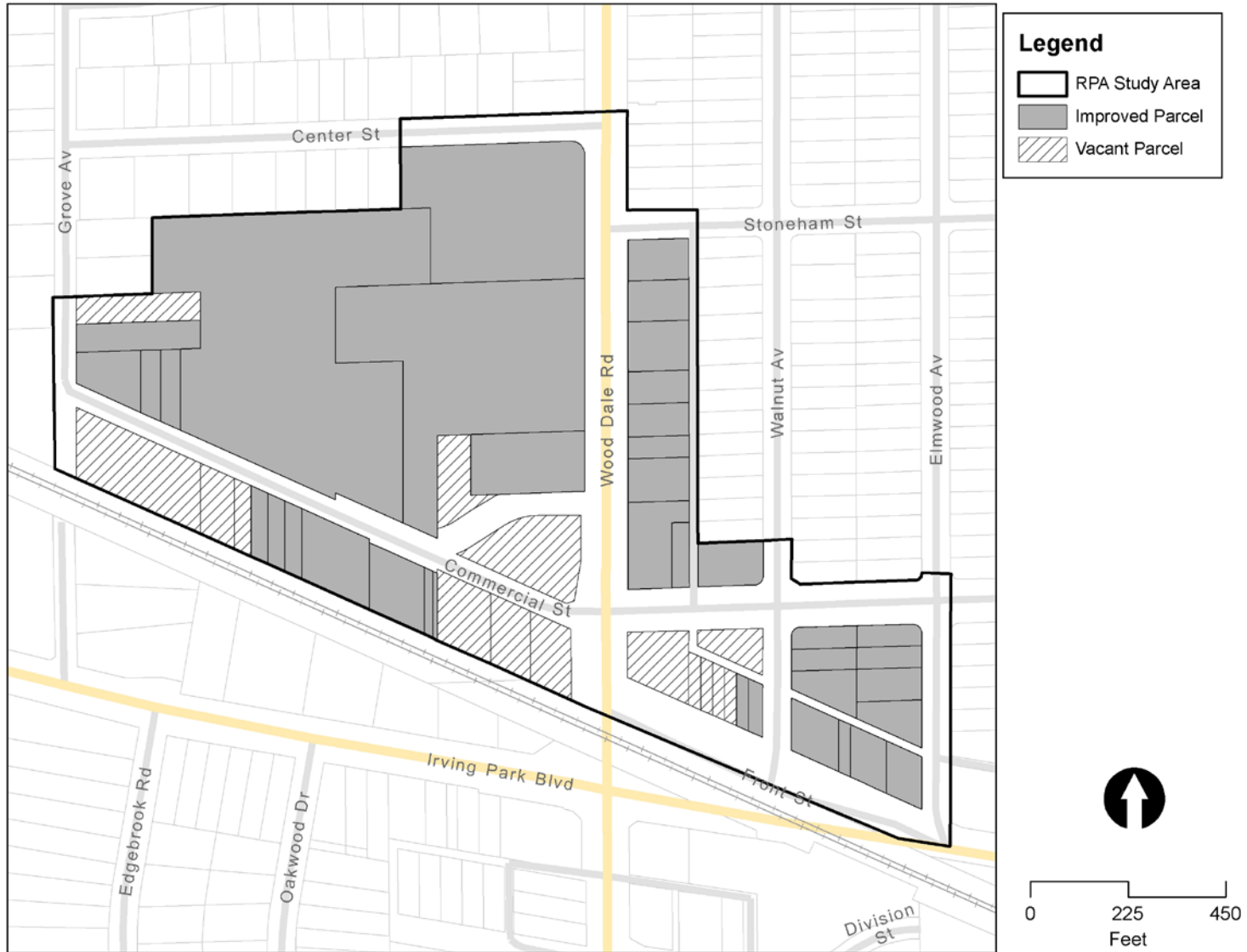
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 2: RPA Boundary Map



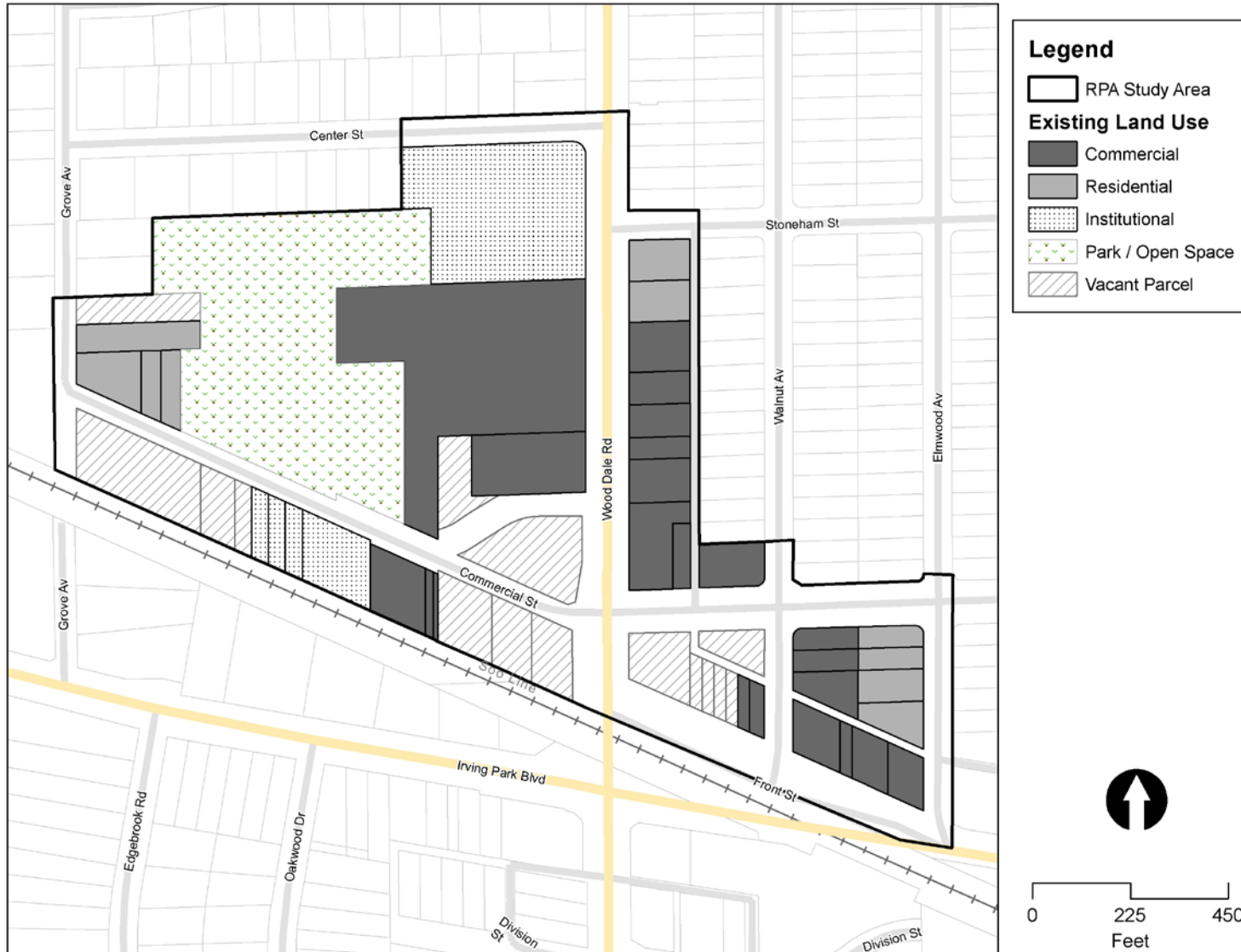
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 3: Vacant Land and Improved Land



Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 4: Existing Land Use



Source: City of Wood Dale, DuPage County, Esri, SB Friedman

2. Eligibility Analysis

Provisions of the Illinois Tax Increment Allocation Redevelopment Act

Under the Act, two (2) primary avenues exist to establish eligibility for an area to permit the use of TIF for redevelopment: declaring an area as a “blighted area” and/or a “conservation area.” “Blighted areas” are those improved or vacant areas with blighting influences that are impacting the public safety, health, morals, or welfare of the community, and are substantially impairing the growth of the tax base in the area. “Conservation areas” are those improved areas that are deteriorating and declining and soon may become blighted if the deterioration is not abated. A description of the statutory provisions of the Act is provided below.

Factors for Vacant Land

According to the Act, there are two ways by which vacant land can be designated as “blighted.” One way is to find that at least two (2) of six (6) factors from the “Two-Factor Test” are present to a meaningful extent and reasonably distributed throughout the RPA. The second way is to find at least one (1) of the six (6) factors under the “One-Factor Test” is present to a meaningful extent and reasonably distributed throughout the RPA.

ONE-FACTOR TEST

Under the provisions of the “blighted area” section of the Act, if the land is vacant, an area qualifies as “blighted” if one (1) or more of the following factors is found to be present to a meaningful extent.

- The area contains unused quarries, strip mines or strip mine ponds;
- The area contains unused rail yards, rail track, or railroad rights-of-way;
- The area, prior to its designation, is subject to or contributes to chronic flooding;
- The area contains unused or illegal dumping sites;
- The area was designated as a town center prior to January 1, 1982, is between 50 and 100 acres, and is 75% vacant land; or
- The area qualified as blighted prior to becoming vacant.

TWO-FACTOR TEST

Under the provisions of the “blighted area” section of the Act, if the land is vacant, an area qualifies as “blighted” if a combination of two (2) or more of the following factors may be identified, which combine to impact the sound growth of the RPA.

- Obsolete Platting of Vacant Land
- Diversity of Ownership
- Tax and Special Assessment Delinquencies
- Deterioration of Structures or Site Improvements in Neighboring Areas adjacent to the Vacant Land
- Environmental Contamination
- Lack of Growth in EAV

Factors for Improved Areas

According to the Act, “blighted areas” for improved land must demonstrate at least five (5) of the following eligibility factors, which threaten the health, safety, morals or welfare of the proposed district. “Conservation areas” must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three (3) or more additional eligibility factors that are detrimental to the public safety, health, morals or welfare, and that could result in such an area becoming a “blighted area.” The following are eligibility factors for improved areas:

- Dilapidation
- Obsolescence
- Deterioration
- Presence of Structures below Minimum Code Standards
- Illegal Use of Individual Structures
- Excessive Vacancies
- Lack of Ventilation, Light or Sanitary Facilities
- Inadequate Utilities
- Excessive Land Coverage and Overcrowding of Structures and Community Facilities
- Deleterious Land Use or Layout
- Environmental Clean-Up
- Lack of Community Planning
- Lack of Growth in EAV

A definition of each factor is provided in **Appendix 2**.

Methodology Overview

SB Friedman conducted the following analysis to determine whether the proposed RPA qualifies for TIF designation:

- Parcel-by-parcel field observations and photography documenting external property conditions;
- Analysis of historical EAV trends for the last six years (five year-to-year periods) for which data are available and final (2011-2016) from the Addison Township Assessor and the DuPage County Assessor;
- Review of building age data from the Addison Township Assessor’s Office, supplemented by discussions with City Community Development Department staff;
- Review of parcel-level GIS shapefile data provided by the County;
- Review of municipal and county codes, building permit records (2013-2017), and code violation records as of November 2017;
- Review of utility data provided by the City regarding present service locations, and ages and conditions of water, stormwater and sanitary sewer infrastructure;
- Interviews with City staff regarding the presence of building code violations;
- Interviews with the City’s engineering consultant regarding the condition of existing utilities; and
- Review of current and prior comprehensive plans provided by the City (from 1973, 1997, and the current supplemental plan from 2003).

SB Friedman examined all properties for qualification factors consistent with requirements of the Act. We calculated the number of eligibility factors present on a building-by-building and parcel-by-parcel basis, and analyzed the spatial distribution of the eligibility factors. The information was then plotted on a parcel

map of the RPA to establish the distribution of eligibility factors, and to determine which factors were present to a meaningful extent and reasonably distributed throughout the RPA.

Blighted Area Findings: Vacant Parcels

Per our analysis, the vacant portion of the RPA is eligible as a “blighted area” per both the one-factor and two-factor findings. These two designations are detailed below and shown in **Maps 5A to 5C** at the end of this eligibility section.

ONE-FACTOR BLIGHTED FINDING

CBBEL, a third-party engineer engaged by the City, has indicated that the 100% the vacant portion of the RPA contributes to flooding within the watershed. In addition, 46.1% of the vacant parcel acreage is subject to chronic flooding. **Map 5A** below shows the vacant parcels that contribute to flooding within the watershed. This factor is considered present to a meaningful extent and reasonably distributed throughout the RPA.

TWO-FACTOR BLIGHTED FINDING

The following two factors were found to be present:

1. LACK OF GROWTH IN EAV

The Act defines lack of growth in EAV as having the portion of the RPA under evaluation (improved or vacant parcels) either decline for three (3) of the last five (5) years; or were increasing at an annual rate that was less than the balance of the City for three (3) of the past five (5) years; or were increasing at an annual rate that was less than the Consumer Price Index. A full definition is provided in **Appendix 2**.

SB Friedman tabulated the EAV history of all vacant RPA tax parcels for the previous six years (five year-to-year periods) using EAV data provided by the Addison Township Assessor and DuPage County Assessor. The most recent year for which final information was available was 2016. *SB Friedman’s* analysis identified a lack of EAV growth within the RPA in accordance to the following criteria, as defined in the Act:

1. The total EAV of improved parcels within the area has declined for three (3) of the last five (5) year-to-year periods; and
2. The EAV growth rate has been less than the growth rate of the Consumer Price Index for three (3) of the last five (5) year-to-year periods.

This eligibility factor is present to a meaningful extent and assessed area-wide throughout the Wood Dale Road RPA. A summary of our findings is presented in **Table 1**.

Table 1: Percentage Change in Annual EAV, 2011-2016

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
RPA Vacant Parcels	-10.1%	-6.3%	-19.6%	20.7%	8.3%
Decline	YES	YES	YES	NO	NO
Consumer Price Index (CPI)	1.5%	1.1%	1.7%	-0.3%	0.7%
RPA Parcels Growth Less than CPI	YES	YES	YES	NO	NO

Source: Addison Township Assessor; DuPage County Assessor; *SB Friedman*; U.S. Bureau of Labor Statistics CPI data for Chicago-Gary-Kenosha, IL-IN-WI metropolitan area;

2. OBSOLETE PLATTING

This includes parcels of limited or narrow size, or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys or other public rights-of-way, or that omitted easements for public utilities.

Obsolete platting was found to be present to a meaningful extent and reasonably distributed throughout the RPA. Nine of the 15 vacant parcels (60% of vacant RPA parcels) do not have sufficient street frontage or lot width to attract contemporary development. Platting without sufficient or irregular space can make it more difficult to attract new development and businesses. This factor was found to be meaningfully present and reasonably distributed throughout the RPA.

Conservation Area Findings: Improved Parcels

Based upon the conditions found within the RPA at the completion of *SB Friedman's* research, it has been determined that the improved land within the RPA meets the eligibility requirements of the Act as a "conservation area." Of the 25 buildings in RPA, at least 15 buildings (60%) are 35 years of age or older, as they were constructed before 1982. **Map 6** shows the location of buildings that are 35 years or older. *SB Friedman's* research indicates that the following five (5) factors are present to a meaningful extent and reasonably distributed throughout the RPA:

1. Lack of Growth in EAV
2. Deterioration
3. Presence of Structures below Minimum Code Standards
4. Inadequate Utilities
5. Lack of Community Planning

Maps 7A through 7E illustrate the distribution of eligibility factors found within the RPA by highlighting each parcel or building where the respective factors were found to be present to a meaningful degree. Each eligibility factor that is present to a meaningful extent is summarized below

1. LACK OF GROWTH IN EAV

The Act defines lack of growth in EAV as having the portion of the RPA under evaluation (improved or vacant parcels) either decline for three (3) of the last five (5) years; or were increasing at an annual rate that was

less than the balance of the City for three (3) of the past five (5) years; or were increasing at an annual rate that was less than the Consumer Price Index. A full definition is provided in **Appendix 2**.

SB Friedman tabulated the EAV history of all improved RPA tax parcels for the previous six years (five year-to-year periods) using EAV data provided by the Addison Township Assessor and DuPage County Assessor. The most recent year for which final information was available was 2016. *SB Friedman's* analysis identified a lack of EAV growth within the RPA in accordance to the following criteria, as defined in the Act:

1. The total EAV of improved parcels within the area has declined for three (3) of the last five (5) year-to-year periods;
2. The EAV growth rate of the RPA parcels has been less than the growth rate of the balance of the City for three (3) of the last five (5) year-to-year periods; and
3. The EAV growth rate has been less than the growth rate of the Consumer Price Index for three (3) of the last five (5) year-to-year periods.

This eligibility factor is present to a meaningful extent and assessed area-wide throughout the Wood Dale Road RPA. A summary of our findings is presented in **Table 2**.

Table 2: Percentage Change in Annual EAV, 2011-2016

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
RPA Parcels	-11.5%	-8.9%	2.1%	-9.0%	11.7%
Decline	YES	YES	NO	YES	NO
City EAV less RPA Parcels	-10.6%	-6.7%	-1.7%	1.2%	6.4%
RPA Parcels Growth Less than City	YES	YES	NO	YES	NO
Consumer Price Index (CPI)	1.5%	1.1%	1.7%	-0.3%	0.7%
RPA Parcels Growth Less than CPI	YES	YES	NO	YES	NO

Source: Addison Township Assessor; DuPage County Assessor; *SB Friedman*; U.S. Bureau of Labor Statistics CPI data for Chicago-Gary-Kenosha, IL-IN-WI metropolitan area;

2. DETERIORATION

The Act defines deterioration as 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.

Deterioration was found to be present to meaningful extent and reasonably distributed throughout the RPA. Physical deterioration was observed on 37 parcels of 38 improved parcels (97% of improved parcels). The most common form of deterioration was on surface improvements, including streets, parking lots and alleys. Catalogued surface improvement deterioration included cracks in infrastructure, alligating of pavement, and potholes. Building deterioration included stairstepping in brick and cinderblock, cracked foundations and broken downspouts. Deterioration of buildings and surface improvements can make it appear as though the RPA lacks investment and can make it more difficult to attract new businesses or consumers. This factor was found to be meaningfully present and reasonably distributed throughout the RPA.

3. 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, which are:

1. Of insufficient capacity to serve the uses in the RPA;
2. Deteriorated, antiquated, obsolete, or in disrepair; or
3. Lacking within the redevelopment project area.

Based on information provided by the City's Public Works Department, the current water main, sanitary lines and storm sewer do not have sufficient capacity to handle contemporary requirements, are deteriorating, and will need to be replaced. Per the City, the portion of the RPA southeast of Wood Dale Road and Commercial Street does not have storm sewer storage. There is also insufficient storm sewer storage on the land northwest of Wood Dale Road and Commercial Street, resulting in flooding. Finally, the majority of the RPA is served by water mains smaller than the current code requirements. Collectively, these inadequate utility lines service 37 of the RPA's 38 improved parcels (97%). Based on these conditions, the inadequate utilities factor was found to be present to a meaningful extent and reasonably distributed throughout the improved parcels in the RPA.

4. PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS

Per the Act, structures below minimum code standards are those that do not meet applicable standards of zoning, subdivision, building, fire and other governmental codes. The principal purpose of such codes is to protect the health and safety of the public as to uphold the health and safety of building occupants, pedestrians, or occupants of neighboring structures.

According to a review of building age data and interviews with the City's Community Development Department, all of the structures in the RPA were constructed prior to the adoption of the City's current Building Code in 2012. Although the development of these properties predates current codes and standards of the City, the buildings may not be in direct violation of all ordinances, as they may have been "grandfathered in" or received a sufficient level of upgrades and improvements since being constructed.

Conversations with City staff indicate that 20 of the 25 buildings in the RPA (80%) do not meet at least one current code, including 20 of the 21 privately-owned buildings. The presence of structures below minimum code standards, and the cost to upgrade "grandfathered" structures to meet modern codes may also reduce the overall competitiveness and economic viability of the area. Based on information provided by the City, this factor is present to a meaningful extent and is reasonably distributed throughout the RPA.

5. LACK OF COMMUNITY PLANNING

Lack of community planning within the RPA is an area-wide factor not necessarily attributable to any one parcel. The Act provides that "Lack of Community Planning" can be found in areas that have been developed without the benefit of a comprehensive plan, and as a result, have seen negative consequences. Examples of negative consequences include: incompatible land use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other related conditions.

The City was incorporated in 1928, but did not produce a comprehensive plan until 1973 by which time 40% (10 of 25) of the buildings in the RPA today had already been constructed. Per the City’s 1973 General Development Plan, the RPA “is not the result of any over-all planning, it is a hap-hazard conglomerate of basic service businesses”. The lack of planning involved in the development of the RPA has resulted in the following adverse outcomes:

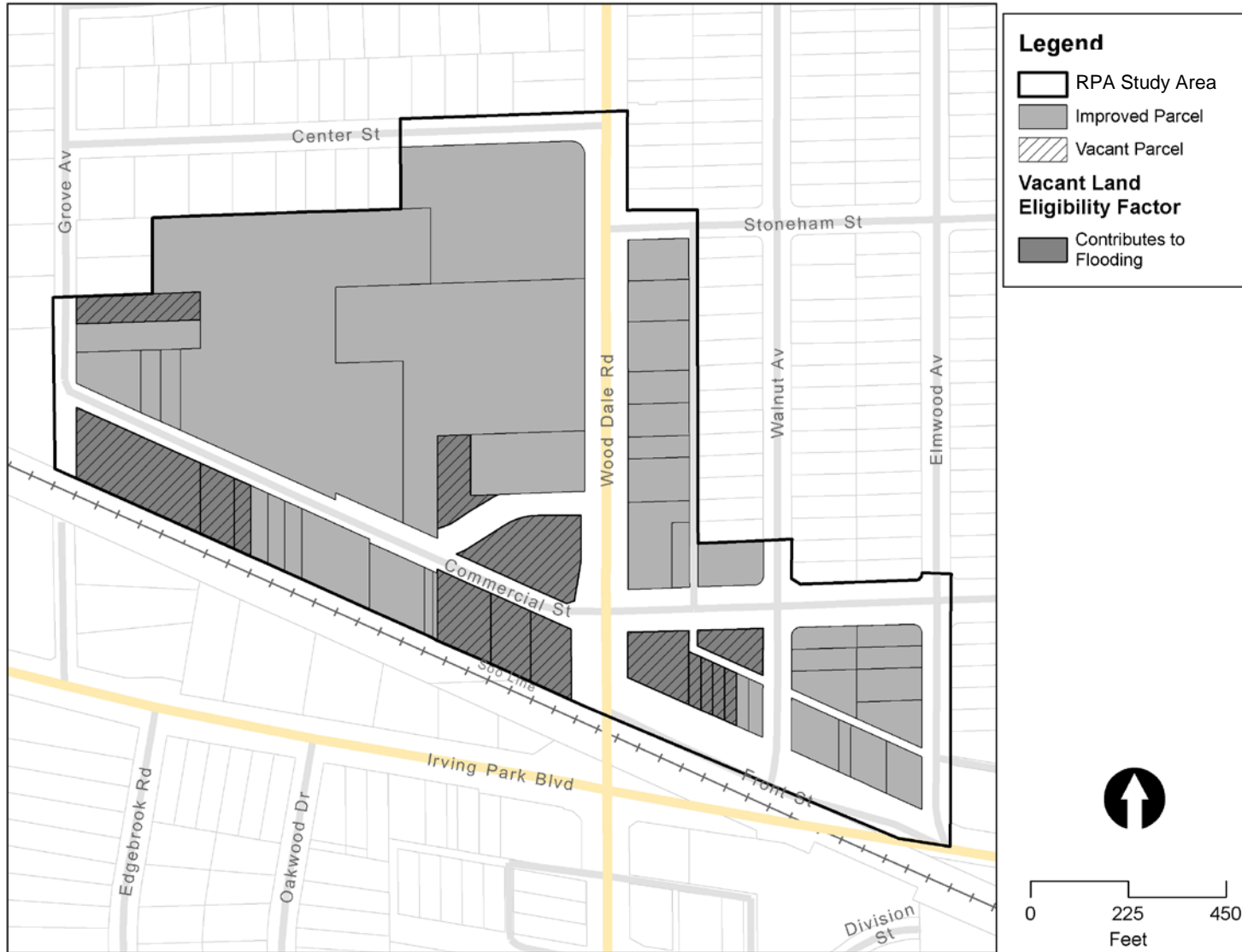
- At-grade railway crossings that inhibit both vehicular and pedestrian traffic around Irving Park Road and Wood Dale Road;
- Limited pedestrian refuge areas, particularly at high-traffic locations around the intersection of Irving park Road and the railroad; and
- Four buildings in the RPA that were constructed within the FEMA floodplain.

In addition, according to the 1973 Plan, this unplanned development has hindered the ability of the area to attract new investment, including a complete lack of new commercial or dense residential, per the goals of the 1973 Plan. This factor is evaluated area-wide and is found to be present to a meaningful extent throughout the RPA.

Summary of Findings

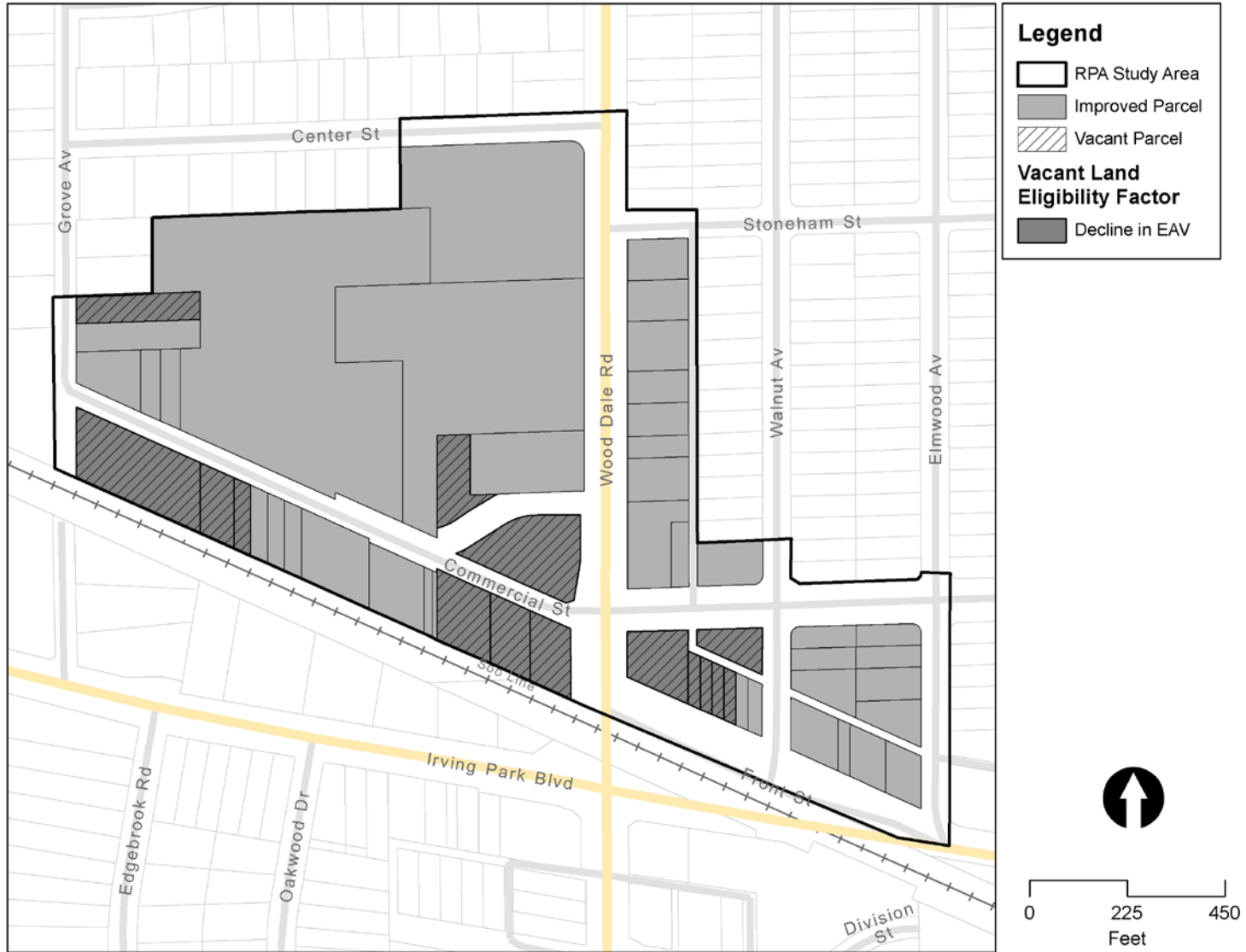
SB Friedman has found that the RPA qualifies to be designated as a “blighted area” for vacant land and as a “conservation area” for improved land. The vacant land is eligible under a one-factor test due to flooding and contribution to flooding in the RPA, and is eligible under a two-factor test due to a lack of growth in EAV and obsolete platting. The improved land is eligible as a “conservation area”, with 62% of the structures within the RPA at least 35 years of age or older, and five (5) of the thirteen (13) eligibility factors present to a meaningful extent and reasonably distributed within the RPA.

Map 5A: Vacant Land One-Factor: Flooding



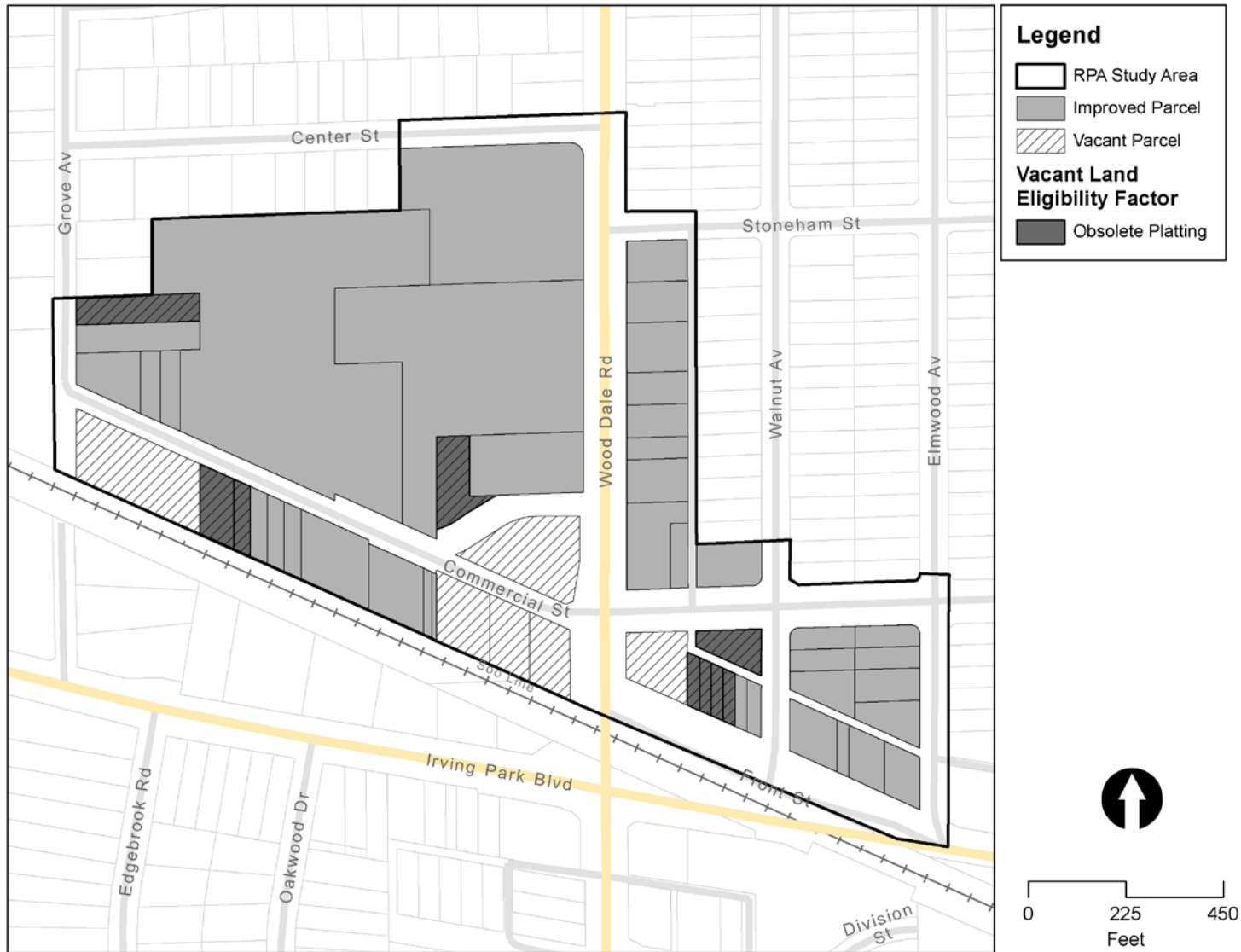
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 5B: Vacant Land Two-Factor: Decline in Equalized Assessed Value



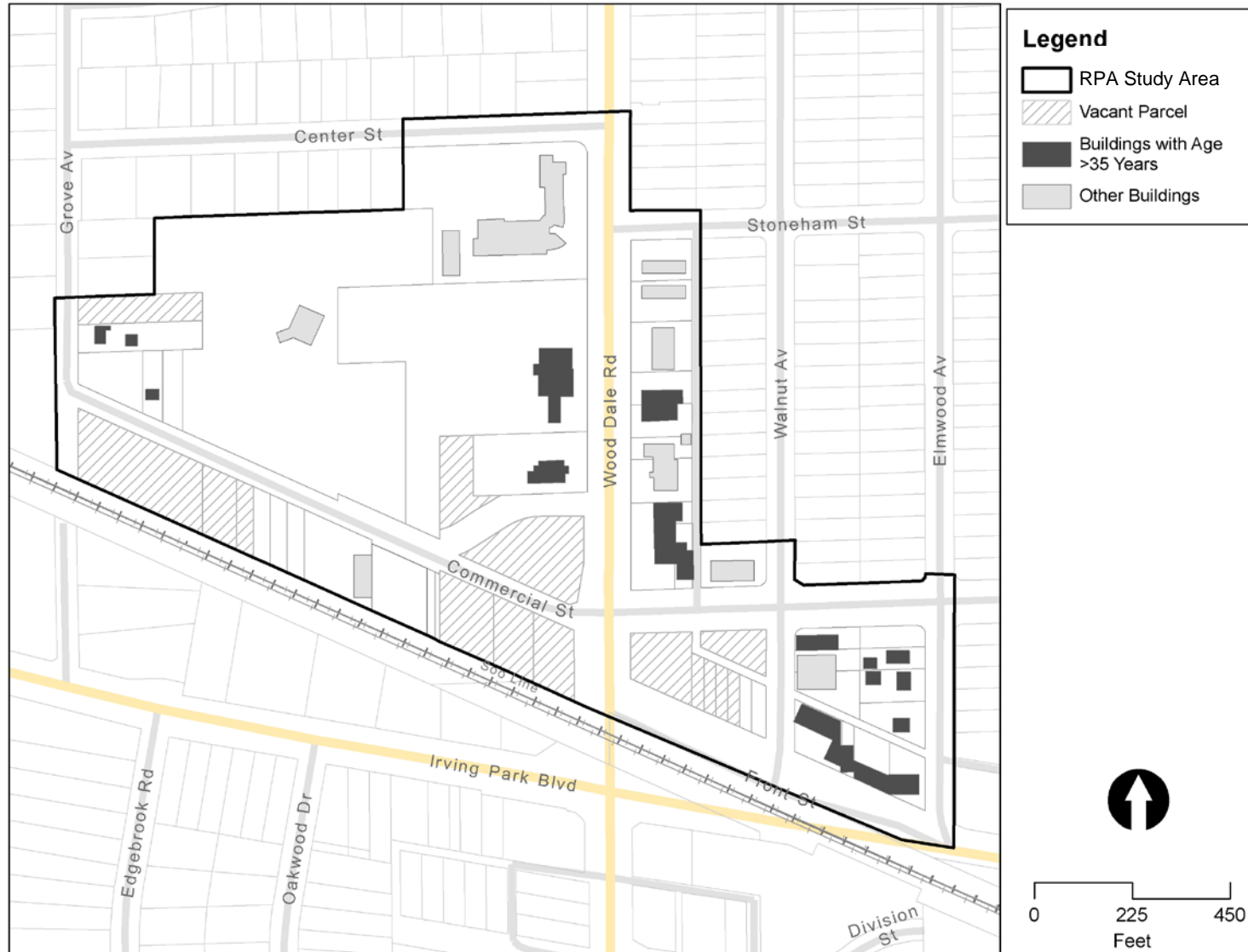
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 5C: Vacant Land Two-Factor: Obsolete Platting



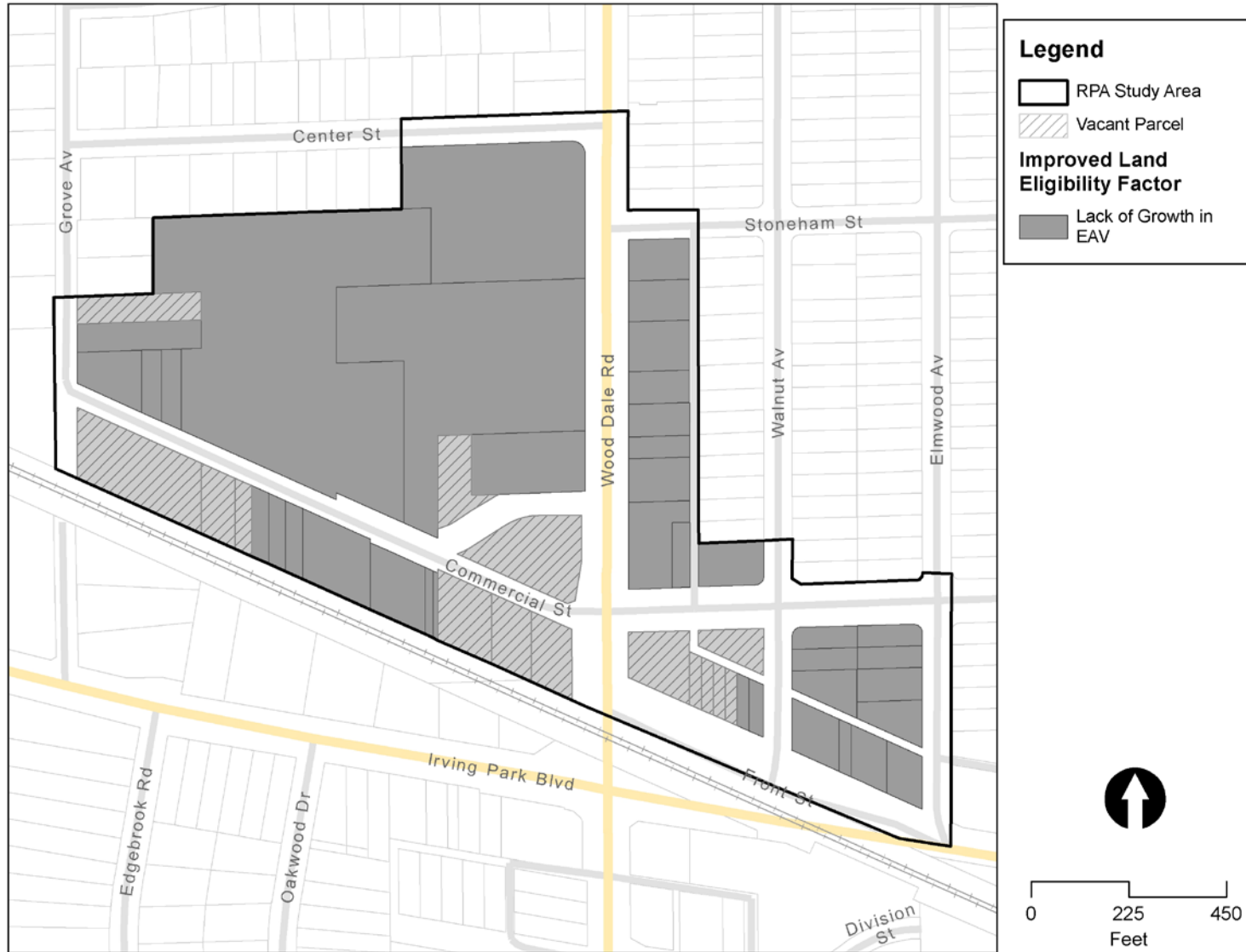
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 6: Improved Land Factor: Age of Structures



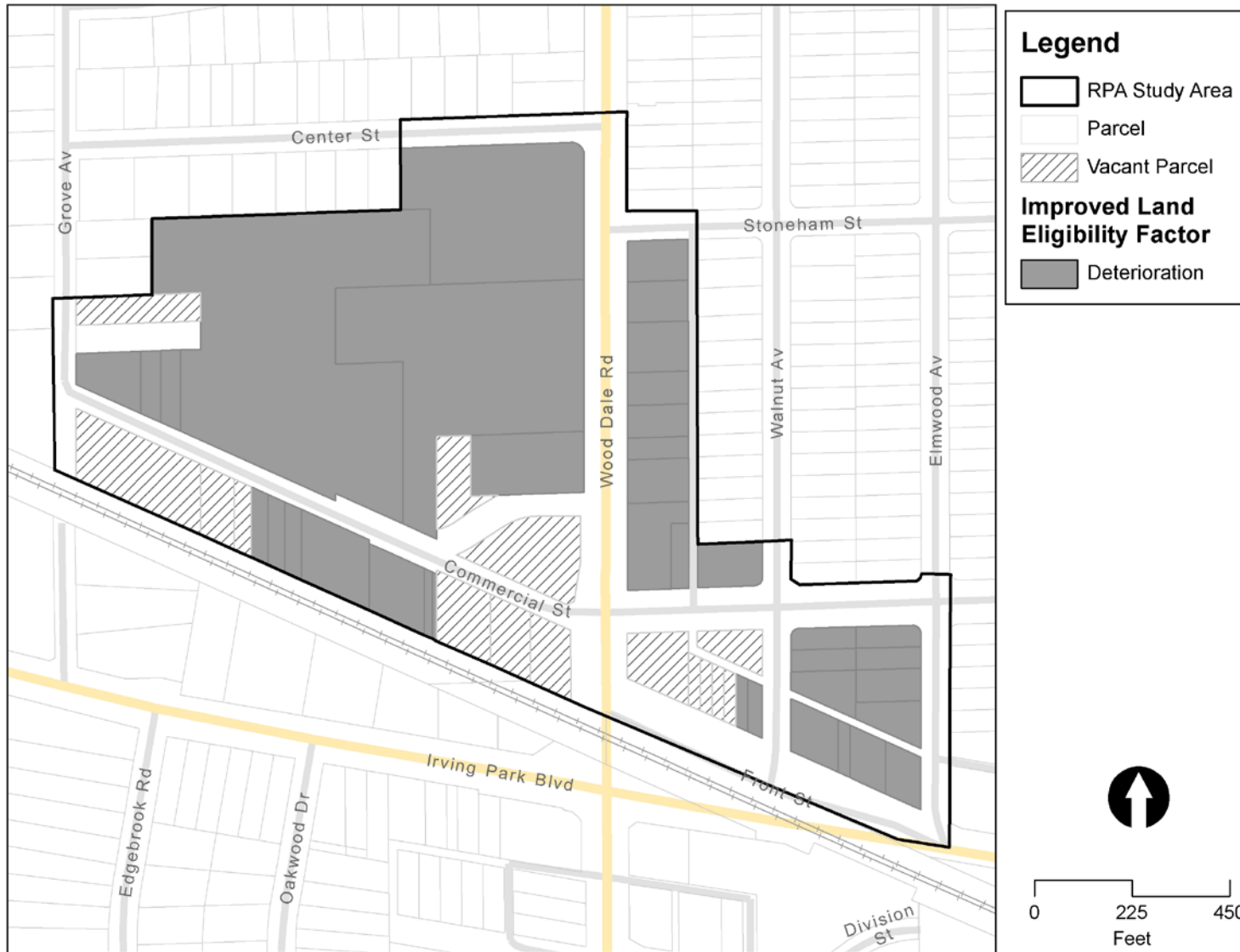
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 7A: Improved Land Factor: Lack of Growth in Equalized Assessed Value



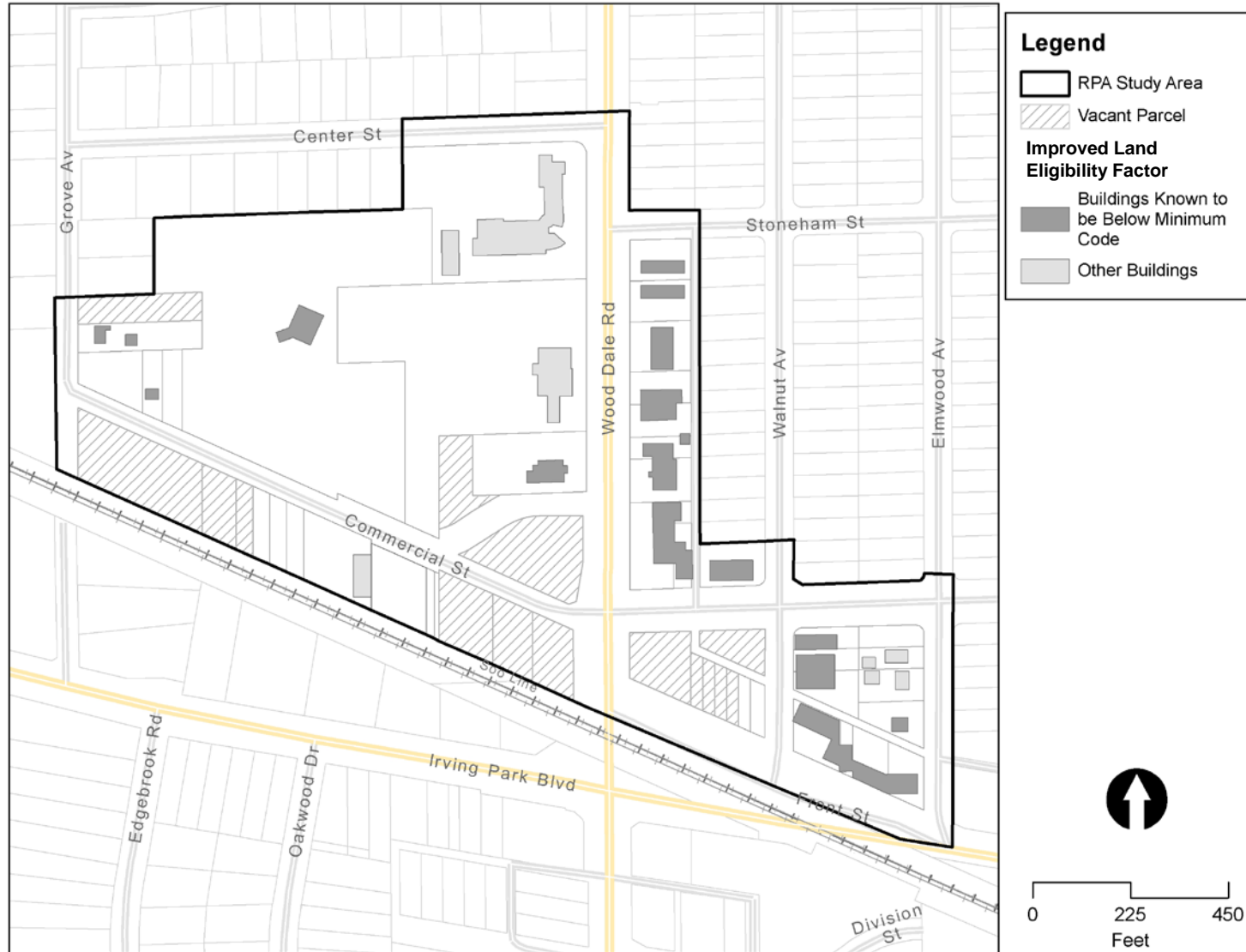
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 7B: Improved Land Factor: Deterioration



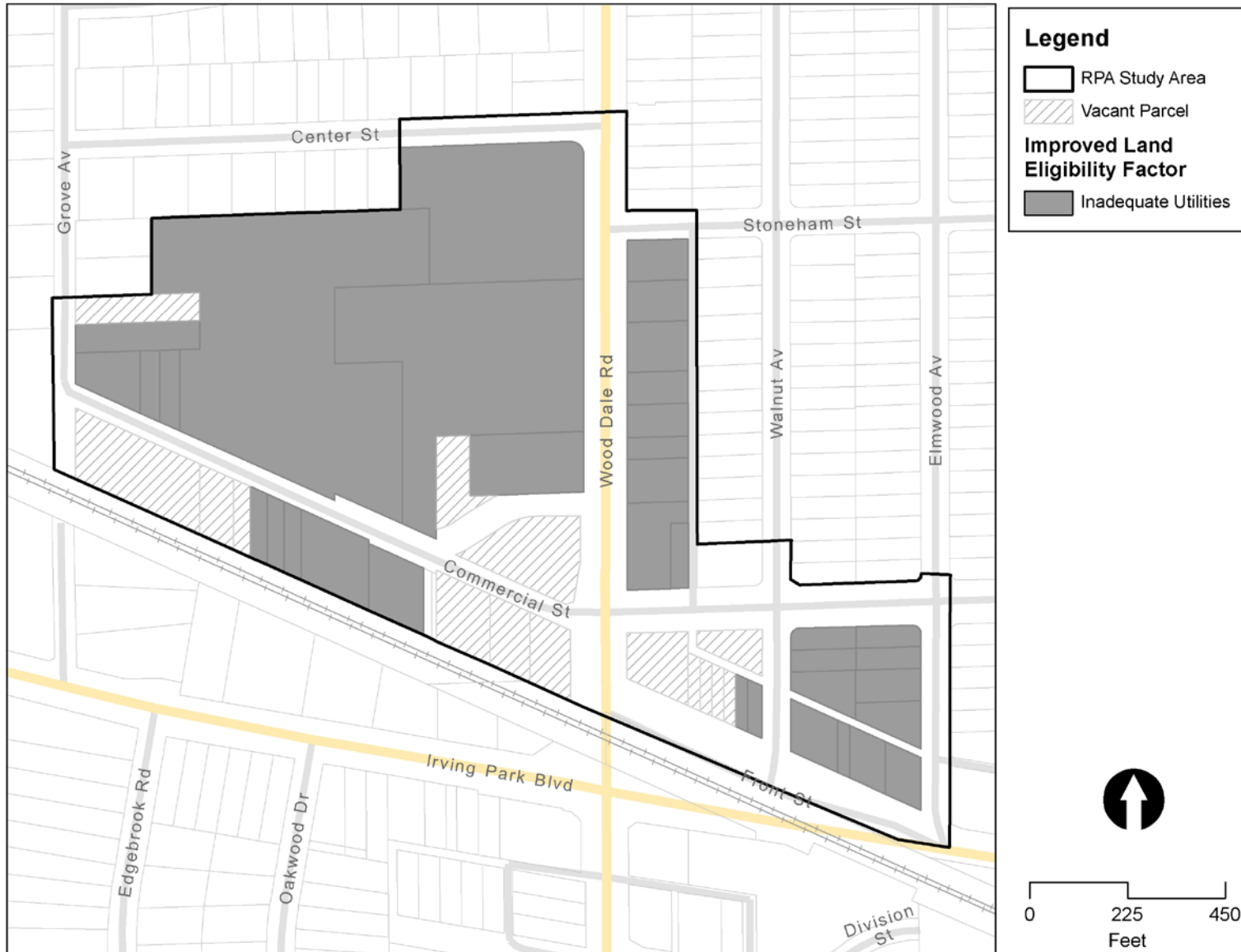
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 7C: Improved Land Factor: Presence of Structures below Minimum Code Standards



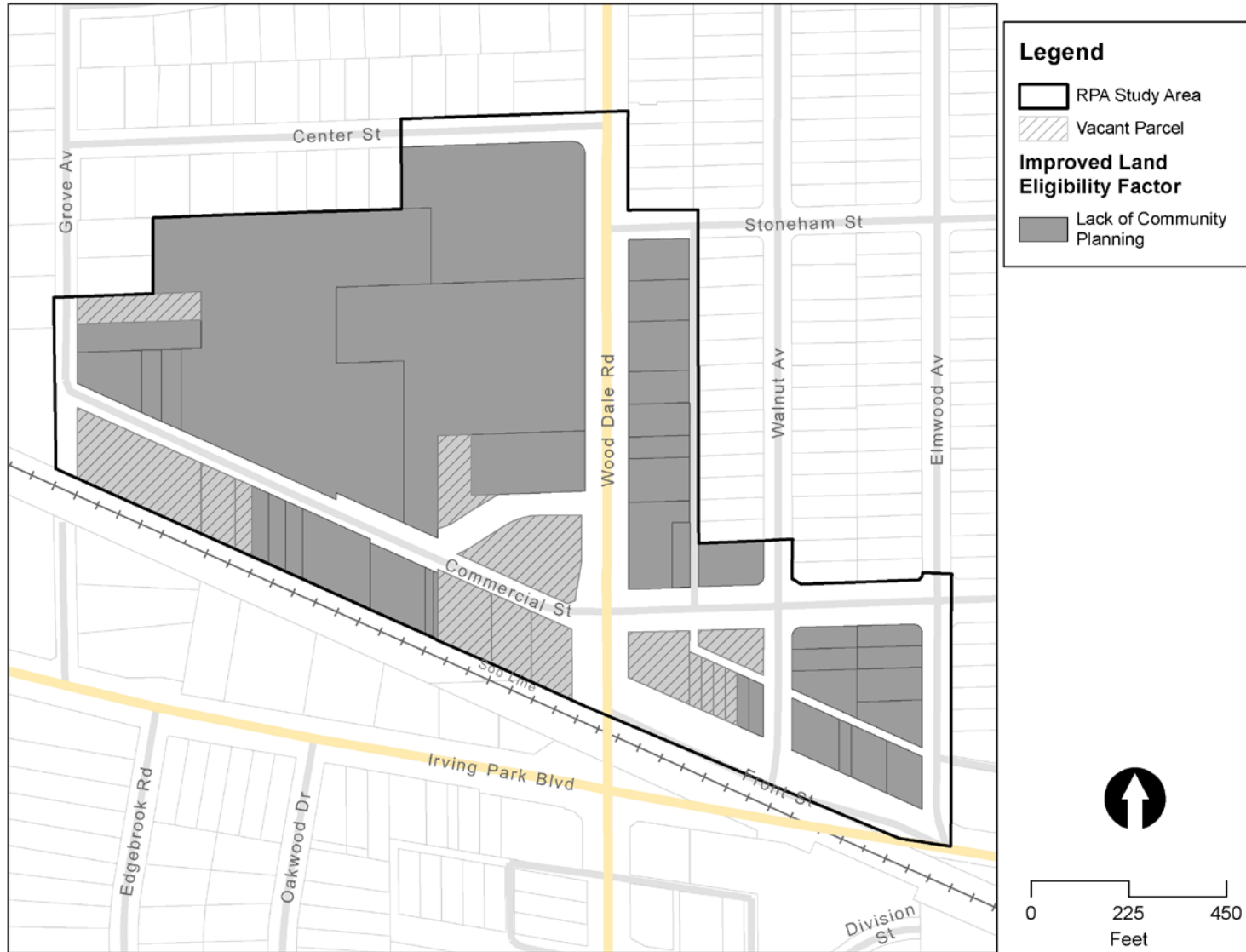
Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 7D: Improved Land Factor: Inadequate Utilities



Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Map 7E: Improved Land Factor: Lack of Community Planning



Source: City of Wood Dale, DuPage County, Esri, SB Friedman

3. Redevelopment Plan and Project

This document describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can reasonably occur. The redevelopment program will be implemented over the 23-year life of the RPA. If a redevelopment project is successful, various new projects will be undertaken that will assist in alleviating blighting conditions and promoting rehabilitation and development in the RPA.

Redevelopment Needs of the RPA

Currently, the RPA is comprised of flood-prone vacant land and aging buildings that are characterized by a failure to meet current code standards, a lack of growth in property values, deterioration, inadequate utilities, and a lack of community planning. These conditions reduce the value of the properties in the area and make the RPA less competitive, overall, with property in other communities, thus limiting local area employment and development opportunities, and contributing to the lack of new investment in the RPA.

The existing conditions for the RPA suggest six (6) major redevelopment needs:

1. Capital improvements that further the objectives set forth in this Redevelopment Plan;
2. Site preparation, environmental remediation and stormwater management;
3. Redevelopment of underutilized parcels;
4. Streetscape and infrastructure improvements, including utilities;
5. Rehabilitation of existing buildings; and
6. Resources for commercial, residential, public/private institutional, community facility, park/open space, and utility development.

The goals, objectives and strategies discussed below have been developed to address these needs and facilitate the sustainable redevelopment of the RPA.

GOALS, OBJECTIVES AND STRATEGIES

Goals, objectives and strategies, designed to address the needs of the community, form the overall framework of this Redevelopment Plan.

GOAL. The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the proposed RPA as a conservation area, and to provide the direction and mechanisms necessary to establish the RPA as a vibrant mixed-use district. Redevelopment of the RPA is intended to revitalize the area, strengthen the economic base, and enhance the City's overall quality of life.

OBJECTIVES. Six (6) objectives support the overall goal of area-wide revitalization of the RPA. These objectives include:

1. Facilitate the physical improvement and/or rehabilitation of existing structures and façades within the RPA, and encourage the construction of new commercial, civic/cultural and recreational development, where appropriate;

2. Foster the replacement, repair, construction and/or improvement of public infrastructure where needed, including public utilities, public park and recreational facilities, sidewalks, streets, curbs, gutters, underground water and sanitary systems, and stormwater detention of adequate capacity to create an environment conducive to private investment;
3. Provide resources for streetscaping, landscaping and signage to improve the image, attractiveness and accessibility of the RPA, create a cohesive identity for the RPA and surrounding area, and provide, where appropriate, for buffering between different land uses and screening of unattractive service facilities such as parking lots and loading areas;
4. Facilitate the assembly and preparation, including demolition and environmental clean-up, where necessary, and marketing of available sites in the RPA for redevelopment and new development by providing resources as allowed by the Act; and
5. Support the goals and objectives of other overlapping plans, including the City’s 2003 Comprehensive Plan and the 1997 Comprehensive Plan and other TIF redevelopment plans, and coordinate available federal, state and local resources to further the goals of this Redevelopment Plan and Project.

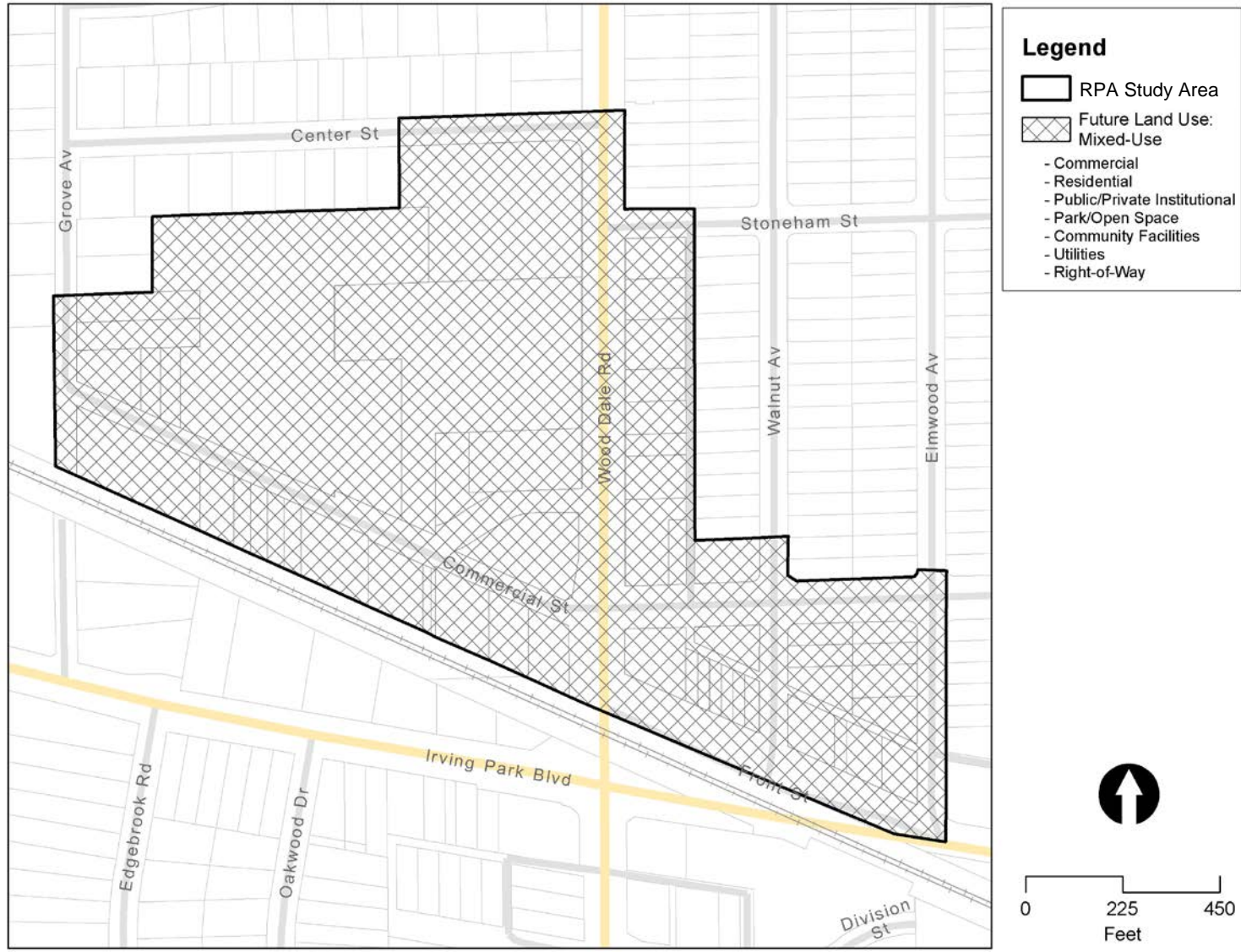
STRATEGIES. Rehabilitation and redevelopment of the RPA is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use TIF, as well as other funding sources, to reinforce and encourage further private investment.

Proposed Future Land Use

The proposed future land use of the RPA, as shown in **Map 8**, reflects the objectives of this Redevelopment Plan. For the purposes of this plan, the mixed-use designation is meant to allow for a variety of uses throughout the RPA, in a manner that is in conformance with the Comprehensive Plan. The mixed-use designation allows for the following land uses within the RPA:

- Commercial
- Residential
- Public/Private Institutional
- Park/Open Space
- Community Facilities
- Utilities
- Right-of-Way

Map 8: Proposed Future Land Use



Source: City of Wood Dale, DuPage County, Esri, SB Friedman

Financial Plan

ELIGIBLE COSTS

The Act outlines several categories of expenditures that can be funded using tax increment revenues. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan pursuant to the Act. The City may also reimburse private entities for certain costs incurred in the development and/or redevelopment process. Such costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans and specifications, and implementation and administration of the Redevelopment Plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(1).
2. The costs of marketing sites within the RPA 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 interests 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 as more fully set forth in 65 ILCS 5/11-74.4-3(q)(2).
4. Costs of rehabilitation, reconstruction, or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(3); 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.
5. Costs of the construction of public works or improvements, subject to the limitations in Section 11-74.4-3(q)(4) of the Act.
6. Costs of job training and retraining projects, including the costs of “welfare to work” programs implemented by businesses located within the RPA, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(5).
7. 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 hereunder including interest 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. To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district’s capital costs resulting from the redevelopment project necessarily

- incurred or to be incurred within a taxing district in furtherance of the objectives of this Redevelopment Plan.
9. An elementary, secondary or unit school district's increased per pupil tuition costs attributable to net new pupils added to the district living in assisted housing units will be reimbursed, as further defined in the Act.
 10. A library district's increased per patron costs attributable to net new persons eligible to obtain a library card living in assisted housing units, as further defined in the Act.
 11. Relocation costs to the extent that the municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law, or by Section 11-74.4-3(n)(7) of the Act.
 12. Payment in lieu of taxes, as defined in the Act.
 13. Costs of job training, retraining, advanced vocational education or career education, including, but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(10).
 14. Interest costs incurred by a developer, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(11), 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 thirty percent (30%) of the annual interest costs incurred by the developer with regard to the development 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 provision, 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 thirty percent (30%) of the total of: (i) cost paid or incurred by the developer for the redevelopment project; and (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the municipality, pursuant to the Act;
 - e. For the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, the percentage of seventy-five percent (75%) shall be substituted for thirty percent (30%) in subparagraphs 12b and 12d above; and
 - f. Instead of the interest costs described above in paragraphs 12b and 12d, a municipality may pay from tax incremental revenues up to fifty percent (50%) of the cost of construction, renovation and rehabilitation of new housing units (for ownership or rental) to be occupied by low-income households and very low-income households, as defined in

Section 3 of the Illinois Affordable Housing Act, as more fully described in the Act. If the 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 this benefit under the Act.

Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

If a Special Service Area is established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01 et seq., then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the RPA for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

ESTIMATED REDEVELOPMENT PROJECT COSTS

The total eligible redevelopment project costs define an upper expenditure limit that may be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest, and other financing costs. The totals of line items are not intended to place a limit on the described expenditures. Adjustments to the estimated line item costs are expected and may be made by the City without amendment to this Redevelopment Plan, either increasing or decreasing line item costs because of changed redevelopment costs and needs. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The estimated eligible costs of this Redevelopment Plan are shown in **Table 3**.

Additional funding in the form of state and federal grants, private developer contributions, and other outside sources may be pursued by the City as a means of financing improvements and facilities within the RPA.

Table 3: Estimated TIF-Eligible Redevelopment Project Costs

Eligible Expense [1]	Estimated Project Costs
Administration and Professional Service Costs	\$500,000
Site Marketing Costs	\$500,000
Property Assembly and Site Preparation Costs	\$10,000,000
Costs of Building Rehabilitation	\$500,000
Costs of Construction of Public Works or Improvements	\$11,000,000
Costs of Job Training or Retraining (Businesses)	\$250,000
Financing Costs	\$250,000
Taxing District Capital Costs	\$1,500,000
Relocation Costs	\$200,000
Payments in Lieu of Taxes	\$100,000
Costs of Job Training (Community College)	\$100,000
Interest Costs (Developer or Property Owner)	\$100,000
TOTAL REDEVELOPMENT PROJECT COSTS [2] [3] [4]	\$25,000,000

[1] Described in more detail in Eligible Costs Section.

[2] Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest, costs of issuance, and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

[3] The amount of the Total Redevelopment Project Costs that can be incurred in the RPA may be reduced by the amount of redevelopment project costs incurred in contiguous RPAs, or those separated from the RPA only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the RPA, but may not be reduced by the amount of redevelopment project costs incurred in the RPA that are paid from incremental property taxes generated in contiguous RPAs or those separated from the RPA only by a public right-of-way.

[4] All costs are in 2018 dollars and may be increased by 5% after adjusting for annual inflation reflected in the Consumer Price Index (CPI), published by the U.S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan and Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

PHASING, SCHEDULING OF THE REDEVELOPMENT, AND ESTIMATED DATES OF COMPLETION

Each private project within the RPA receiving TIF benefits shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City. This Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs are estimated to be retired, no later than December 31 of the year in which the payment to the City Finance Director provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving this RPA is adopted. This Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs shall be retired no later than December 31, 2041, if the ordinances establishing the RPA are adopted during 2018.

SOURCES OF FUNDS TO PAY COSTS

Funds necessary to pay for redevelopment project costs and/or municipal obligations, which may be issued or incurred to pay for such costs, are to be derived principally from tax increment revenues and/or proceeds from municipal obligations, which have as a repayment source tax increment revenue. To secure the issuance of these obligations and the developer's performance of redevelopment agreement obligations, the City may require the utilization of guarantees, deposits, reserves, and/or other forms of security made available by private sector developers. The City may incur redevelopment project costs that are paid from the funds of the City other than incremental taxes, and the City then may be reimbursed for such costs from incremental taxes.

The tax increment revenue, which will be used to fund tax increment obligations and eligible redevelopment project costs, shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase of the current EAV of each taxable lot, block, tract, or parcel of real property in the RPA over and above the certified initial EAV of each such property.

Other sources of funds, which may be used to pay for development costs and associated obligations issued or incurred, include land disposition proceeds, state and federal grants, investment income, private investor and financial institution funds, and other sources of funds and revenues as the municipality and developer from time to time may deem appropriate.

The RPA may be or become contiguous to, or be separated only by a public right-of-way from other redevelopment areas created under the Act (65 ILCS 5/11 74.4 4 et. seq.). The City may utilize net incremental property tax revenues received from the RPA to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the RPA made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way,

when added to all amounts used to pay eligible redevelopment project costs within the RPA, shall not at any time exceed the Total Redevelopment Project Costs described in **Table 3** of this Redevelopment Plan.

ISSUANCE OF OBLIGATIONS

To finance project costs, the City may issue bonds or obligations secured by the anticipated tax increment revenue generated within the RPA, or such other bonds or obligations as the City may deem as appropriate. The City may require the utilization of guarantees, deposits or other forms of security made available by private sector developers to secure such obligations. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within the timeframe described under “Phasing and Scheduling of the Redevelopment” above. Also, the final maturity date of any such obligations that are issued may not be later than 20 years from their respective dates of issue. One or more of a series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City shall not exceed the amounts available from tax increment revenues, or other sources of funds, if any, as may be provided by ordinance. Obligations may be of parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund or optional redemptions.

In addition to paying redevelopment project costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, and for reserves and bond sinking funds.

MOST RECENT EQUALIZED ASSESSED VALUE OF PROPERTIES IN THE RPA

The purpose of identifying the most recent EAV of the RPA is to provide an estimate of the initial EAV for the purpose of annually calculating the incremental EAV and incremental property taxes of the RPA. The 2016 EAV (the most recent year in which final assessed values and the equalizer were available) of all taxable parcels in the RPA is \$3,704,770. This total EAV amount by PIN is summarized in **Appendix 2**. The EAV is subject to verification by the DuPage County Assessor. After verification, the final figure shall be certified by the DuPage County Clerk, and shall become the “Certified Initial EAV” from which all incremental property taxes in the RPA will be calculated by the County.

ANTICIPATED EQUALIZED ASSESSED VALUE

By tax year 2041 (collection year 2042), the total taxable EAV for the RPA is anticipated to be approximately \$15.0 million.

Impact of the Redevelopment Project

This Redevelopment Plan is expected to have short- and long-term financial impacts on the affected taxing districts. During the period when TIF is utilized, real estate tax increment revenues from the increases in EAV over and above the Certified Initial EAV (established at the time of adoption of this document) may be used to pay eligible redevelopment project costs for the RPA. To the extent that real property tax increment is not required for such purposes, revenues shall be declared surplus and become available for distribution annually to area taxing districts in the manner provided by the Act. At the time when the RPA is no longer

in place under the Act, the real estate tax revenues resulting from the redevelopment of the RPA will be distributed to all taxing district levying taxes against property located in the RPA. These revenues will then be available for use by the affected taxing districts.

DEMAND ON TAXING DISTRICT SERVICES AND PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACT

In 1994, the Act was amended to require an assessment of any financial impact of a redevelopment project area on, or any increased demand for service from, any taxing district affected by the redevelopment plan, and a description of any program to address such financial impacts or increased demand.

Replacement of vacant and underutilized buildings and sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts. Given the preliminary nature of this Redevelopment Plan, specific fiscal impacts on the taxing districts and increases in demand for services provided by those districts cannot accurately be assessed within the scope of this Plan. At this time, no special programs are proposed for these taxing districts. The City intends to monitor development in the area and should demand increase, the City intends to work with the affected taxing districts to determine what, if any, program is necessary to provide adequate services.

The following major taxing districts presently levy taxes on properties within the RPA:

- DuPage County
- DuPage County Forest Preserve
- DuPage County Airport Authority
- DuPage Water Commission
- Addison Township
- Addison Township Road
- City of Wood Dale
- Wood Dale Park District
- Wood Dale Fire District
- Wood Dale Library District
- Wood Dale Grade School District 7
- Fenton Community High School District 100
- DuPage Community College District 502

Required Tests and Findings

In order to establish the RPA as a TIF district, the municipality must comply with all of the following requirements:

FINDING 1: LACK OF GROWTH AND DEVELOPMENT THROUGH PRIVATE INVESTMENT

The City is required to evaluate whether or not the RPA has been subject to growth and development through private investment and must substantiate a finding of lack of such investment prior to establishing a TIF district. Limited private investment has occurred in the Wood Dale Road RPA during the past five years (2013-2017), as demonstrated by the following:

- **EAV Trends.** Change in property value is one of the strongest indicators that an area is suffering from decline and a lack of private investment. As outlined in the preceding sections and shown in **Table 1** above, the RPA as a whole has declined for three of the last five year-to-year periods. Thus, the RPA has not been subject to growth and private investment.
- **Lack of growth in EAV.** In order to assess whether the RPA has been subject to growth and private investment, we analyzed growth in property taxable value in the rest of the City and compared that growth to the trends within the RPA. Between 2011 and 2016, EAV decreased an aggregate 16.1% across all properties within the RPA. Within the City, excluding the RPA, values decreased by only 11.7% over the last five years. Thus, based on this data, the RPA has significantly lagged behind the rest of the City and has not been subject to growth and private investment.
- **Limited construction-related permit activity.** Building permit data provided by the City indicates that there has only been about \$403,000 in investment of commercial improvements over the past five years from 2013 to 2017. This investment has only included the interior remodeling of commercial spaces and one low-value addition. The investment has not been substantial enough to result in increased EAV in parcels receiving building permits in the last five years, or to reverse the overall trend of declining EAV in the RPA. Thus, the RPA has not been subject to growth and private investment.

***Finding:** The RPA 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.*

FINDING 2: “BUT FOR...” REQUIREMENT

The City is required to find that, but for the designation of the TIF district and the use of TIF, the Wood Dale RPA is not reasonably anticipated to be developed.

Without the support of public resources, the redevelopment objectives for the RPA would most likely not be realized. The investments required to update and maintain buildings exhibiting deterioration, inadequate utilities, a lack of planning, and that are below minimum code throughout the Wood Dale Road RPA are extensive and costly, and the private market, on its own, has shown little ability to absorb all of these costs. Public resources to assist with public improvements and project-specific development costs are essential to leverage private investment and facilitate area-wide redevelopment.

***Finding:** But for the adoption of this Redevelopment Plan, critical resources will be lacking to support the redevelopment of the RPA, and the RPA would not reasonably be anticipated to be developed.*

FINDING 3: CONTIGUITY

No RPA can be designated unless a plan and project are approved prior to the designation of the area; and the area can only include those contiguous parcels that are to be substantially benefited by the proposed redevelopment project improvements.

***Finding:** The RPA includes only those contiguous parcels of real property that are expected to benefit substantially from the proposed Redevelopment Plan and Project.*

FINDING 4: CONFORMANCE TO THE PLANS OF THE CITY

The Redevelopment Plan and Project must conform to the comprehensive plan for the development of the municipality as a whole.

The 2003 Comprehensive Plan identifies the RPA as a “Town Center” for the City. As indicated in the Land Use Plans and Development Policies section of the 2003 Plan, the City “shall encourage pedestrian-oriented mixed-use development within close proximity of the Metra station and future Town Center...” “...Where development is proposed in the future Town Center area, care must be taken to ensure that its placement, layout, and building design will not detract from the character of the pedestrian-oriented environment when and if the intersection project is undertaken.” All aspects of this Redevelopment Plan are in agreement with, but subservient to, plans made in the City’s 2003 Plan.

***Finding:** The Wood Dale Road RPA Redevelopment Plan conforms to and proposes predominant land uses that are consistent with the Comprehensive Plan.*

FINDING 5: HOUSING IMPACT AND RELATED MATTERS

As set forth in the Act, if a redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a Housing Impact Study and incorporate the study into the Redevelopment Plan and Project document.

***Finding:** SB Friedman found that there are about 20 housing units within the RPA. The City hereby certifies that no displacement will occur as a result of activities pursuant to this Redevelopment Plan. Therefore, a Housing Impact Study is not required under the Act.*

FINDING 6: ESTIMATED DATES OF COMPLETION

As set forth in the Act, the redevelopment plan must establish the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs.

***Finding:** The estimated dates of completion of the project and retirement of obligations are described in “Phasing and Scheduling of the Redevelopment” above. This Redevelopment Plan is estimated be completed, and all obligations issued to finance redevelopment costs shall be retired no later than December 31, 2041, if the ordinances establishing the RPA are adopted during 2018.*

Provisions for Amending Action Plan

This Redevelopment Plan and Project document may be amended pursuant to the provisions of the Act.

Commitment to Fair Employment Practices and Affirmative Action Plan

The City of Wood Dale hereby affirms its commitment to fair employment practices and an affirmative action plan.

Appendix 1: Limitations of the Eligibility Study and Consultant Responsibilities

The Eligibility Study covers events and conditions that were determined to support the designation of the RPA as a “blighted area” for vacant land and a “conservation area” for improved land under the Act at the completion of our field research in December 2017 and not thereafter. These events or conditions include, without limitation, governmental actions and additional developments.

This Eligibility Study and Redevelopment Plan and Project document (the “Report”) summarizes the analysis and findings of the consultant’s work, which, unless otherwise noted, is solely the responsibility of *SB Friedman*. The City is entitled to rely on the findings and conclusions of the Report in designating the RPA as a redevelopment project area under the Act. *SB Friedman* has prepared the Report with the understanding that the City would rely: (1) on the findings and conclusions of this Redevelopment Plan in proceeding with the designation of RPA and the adoption and implementation of this Redevelopment Plan; and (2) on the fact that *SB Friedman* has obtained the necessary information including, without limitation, information relating to the equalized assessed value of parcels comprising the RPA, so that the Report will comply with the Act and that the RPA can be designated as a redevelopment project area in compliance with the Act.

Appendix 2: Glossary

Factors for Vacant Land – One Factor Test

Under the provisions of the “blighted area” section of the Act, if the land is vacant, an area qualifies as “blighted” if one (1) or more of the following factors is found to be present to a meaningful extent.

- The area contains unused quarries, strip mines or strip mine ponds;
- The area contains unused rail yards, rail track, or railroad rights-of-way;
- The area, prior to its designation, is subject to or contributes to chronic flooding;
- The area contains unused or illegal dumping sites;
- The area was designated as a town center prior to January 1, 1982, is between 50 and 100 acres, and is 75% vacant land; or
- The area qualified as blighted prior to becoming vacant.

Factors for Vacant Land – Two Factor Test

Obsolete Platting of Vacant Land. This includes parcels of limited or narrow size, or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys or other public rights-of-way, or that omitted easements for public utilities.

Diversity of Ownership. Diversity of ownership is when adjacent properties are owned by multiple parties. This factor applies when diversity of ownership of parcels of vacant land is sufficient in number to retard or impede the ability to assemble the land for development.

Tax and Special Assessment Delinquencies. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last five years.

Deterioration of Structures or Site Improvements in Neighboring Areas adjacent to the Vacant Land. Evidence of structural deterioration and area disinvestment in blocks adjacent to the vacant land may substantiate why new development had not previously occurred on the vacant parcels.

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

Lack of Growth in Equalized Assessed Value. The total equalized assessed value (“EAV”) 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 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 prior to the year in which the redevelopment project area is designated.

Factors for Improved Land

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

Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

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.

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.

Illegal Use of Individual Structures. The use of structures in violation of the applicable federal, state or local laws, exclusive of those applicable to the *Presence of Structures below Minimum Code Standards*.

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.

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 refers 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.

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.

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 and service.

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.

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

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.

Lack of Growth in Equalized Assessed Value. 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 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 prior to the year in which the redevelopment project area is designated.

Appendix 3: Wood Dale Road RPA Boundary Legal Description

Of Property Described As:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 9, THE SOUTHWEST QUARTER OF SECTION 10, THE NORTHWEST QUARTER OF SECTION 15 AND THE NORTHEAST QUARTER OF SECTION 16 IN TOWNSHIP 40 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN IN DUPAGE COUNTY, ILLINOIS, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT OF INTERSECTION WITH THE NORTHERLY RIGHT-OF-WAY LINE OF THE CANADIAN PACIFIC RAILROAD (F.K.A. THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD) AND THE WEST RIGHT-OF-WAY LINE OF GROVE AVENUE; THENCE NORTHERLY ALONG SAID WEST RIGHT-OF-WAY LINE TO A POINT ON THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 37 IN WOOD DALE ACRES SUBDIVISION, BEING A SUBDIVISION IN SAID SOUTHEAST QUARTER OF SECTION 9 ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 17, 1915 AS DOCUMENT NO. 123296; THENCE EASTERLY ALONG SAID WESTERLY EXTENSION AND NORTH LINE TO A POINT ON THE MOST WESTERLY LINE OF LOT 1 IN WOOD DALE PARK DISTRICT RESUBDIVISION, BEING A SUBDIVISION IN SAID SOUTHEAST QUARTER OF SECTION 9 ACCORDING TO THE PLAT THEREOF RECORDED JUNE 15, 1992 AS DOCUMENT NO. R92-113299; THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 1 TO A POINT ON THE WEST LINE OF THE CITY OF WOOD DALE RESUBDIVISION, BEING A SUBDIVISION IN SAID SOUTHEAST QUARTER OF SECTION 9 ACCORDING TO THE PLAT THEREOF RECORDED JUNE 15, 1992 AS DOCUMENT NO. R92-113297, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF LOT 2 IN ARNDT'S SUBDIVISION, BEING A SUBDIVISION IN SAID SOUTHEAST QUARTER OF SECTION 9 ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 29, 1969 AS DOCUMENT NO. R69-43101; THENCE NORTHERLY ALONG THE EAST LINE OF SAID LOT 2 AND THE NORTHERLY EXTENSION THEREOF TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF CENTER STREET; THENCE EASTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF WOOD DALE ROAD; THENCE SOUTHERLY ALONG SAID EAST RIGHT-OF-WAY LINE TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF STONEHAM STREET; THENCE EASTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF THE NORTH-SOUTH 20 FOOT PUBLIC ALLEY IN ULRICH'S RESUBDIVISION, BEING A SUBDIVISION IN SAID SOUTHWEST QUARTER OF SECTION 10 ACCORDING TO THE PLAT THEREOF RECORDED APRIL 8, 1963 AS DOCUMENT NO. R63-010467 AND IN BLOCK 8 IN H.O. STONE AND COMPANY'S IRVING PARK ADDITION SUBDIVISION, BEING A SUBDIVISION IN SAID SOUTHWEST QUARTER OF SECTION 10 ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 12, 1925 AS DOCUMENT NO. 204618; THENCE SOUTHERLY ALONG SAID NORTHERLY EXTENSION AND EAST LINE TO THE NORTHWEST CORNER OF LOT 1 IN PERKINSON SUBDIVISION, BEING A SUBDIVISION IN SAID SOUTHWEST QUARTER OF SECTION 10 ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 30, 1981 AS DOCUMENT NO. R81-068807; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 1 AND THE EASTERLY EXTENSION THEREOF TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF WALNUT AVENUE; THENCE SOUTHERLY ALONG SAID EAST RIGHT-OF-WAY LINE TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF COMMERCIAL STREET; THENCE EASTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF ELMWOOD AVENUE; THENCE SOUTHERLY ALONG SAID EAST RIGHT-OF-WAY LINE TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF IRVING PARK ROAD (A.K.A. ILLINOIS ROUTE 19); THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO A POINT ON SAID NORTHERLY RIGHT-OF-WAY LINE OF THE CANADIAN PACIFIC RAILROAD; THENCE NORTHWESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE POINT OF BEGINNING.

Appendix 4: List of PINs in Wood Dale Road RPA

Record #	PIN	2016 EAV
1	0309413011	\$49,580
2	0309413012	\$50,530
3	0309413013	Exempt
4	0309413014	\$52,060
5	0309413015	\$20,140
6	0309413044	\$1,158,230
7	0309413046	Exempt
8	0309413047	Exempt
9	0309413048	\$147,870
10	0309413049	Exempt
11	0309414001	Exempt
12	0309414002	Exempt
13	0309414003	Exempt
14	0309414004	\$17,630
15	0309414005	\$17,630
16	0309414006	\$17,630
17	0309414015	Exempt
18	0309414016	Exempt
19	0309414022	Exempt
20	0309414024	Exempt
21	0309414026	Exempt
22	0309414027	Exempt
23	0309414028	Exempt
24	0309416001	Exempt
25	0310314021	\$60,310
26	0310314038	\$282,210
27	0310314039	\$155,140
28	0310314040	\$111,840
29	0310314041	\$111,840
30	0310314042	\$88,900
31	0310314043	\$176,180
32	0310314044	\$124,660
33	0310314045	\$57,320
34	0310314046	\$52,190
35	0310321001	Exempt
36	0310321002	\$31,880

Record #	PIN	2016 EAV
37	0310322001	\$60,060
38	0310322002	\$50,520
39	0310322003	\$20,630
40	0310322004	\$74,240
41	0315100001	\$13,230
42	0315100002	\$13,230
43	0315100003	\$13,230
44	0315100004	\$13,230
45	0315100005	\$13,230
46	0315100006	\$15,860
47	0315101001	\$66,070
48	0315101009	\$53,430
49	0315101010	\$88,650
50	0315101014	\$97,150
51	0315101016	\$211,110
52	0315101017	\$53,040
53	0315101018	\$64,090
TOTAL		\$3,704,770

Source: DuPage County