

ORDINANCE NO. 2853

AN ORDINANCE of the Village of Villa Park, DuPage County, Illinois, approving a Tax Increment Redevelopment Plan and Redevelopment Project for the Villa Avenue Redevelopment Project Area Number One.

WHEREAS, the President and Board of Trustees (the "*Corporate Authorities*") of the Village of Villa Park, DuPage County, Illinois (the "*Municipality*"), has heretofore determined that as a result of the existence of blighted areas and areas requiring conservation within the Municipality, there is an excessive and disproportionate expenditure of public funds, inadequate public and private investment, unmarketability of property, growth in delinquencies and crime, and housing and zoning law violations in such areas together with an abnormal exodus of families and business so that the decline of these areas impairs the value of private investments and threatens the sound growth and the tax base of the Municipality and the taxing districts having the power to tax real property in the Municipality (the "*Taxing Districts*") and threatens the health, safety, morals and welfare of the public; and

WHEREAS, the Corporate Authorities have heretofore determined that in order to promote and protect the health, safety, morals and welfare of the public that blighting conditions in the Municipality need to be eradicated and conservation measures instituted and that redevelopment of a portion (the "*Proposed Area*") of the Municipality be undertaken and that to remove and alleviate adverse conditions in the Proposed Area it is necessary to encourage private investment and restore and enhance the tax base of the Municipality and the Taxing Districts by such redevelopment; and

WHEREAS, the Municipality has heretofore evaluated various lawfully available programs to provide such assistance and has determined that the use of tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, as

amended (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), is necessary to achieve the redevelopment goals of the Municipality for the Proposed Area; and

WHEREAS, the Municipality has heretofore caused to be conducted an eligibility study to determine whether the Proposed Area qualifies as a "conservation area" pursuant to the TIF Act, which study was conducted by Trkla, Pettigrew, Allen & Payne, Inc., Chicago, Illinois ("TPAP"); and

WHEREAS, TPAP is a planning services firm having a national reputation for expertise in tax increment allocation and redevelopment financing in the State of Illinois; and

WHEREAS, TPAP has heretofore concluded and has advised the Municipality that the Proposed Area qualifies as a "conservation area" under Section 11-74.4-3 of the TIF Act; and

WHEREAS, the Municipality has further caused the preparation of and made available for public inspection a proposed redevelopment plan and project for the Proposed Area (the "Plan" and "Project"); and

WHEREAS, the Plan and Project sets forth in writing the program to be undertaken to accomplish the objectives of the Municipality and includes estimated redevelopment project costs proposed for the Proposed Area, evidence indicating that the Proposed Area on the whole has not been subject to growth and development through investment by private enterprise, an assessment of the financial impact of the Proposed Area on or any increased demand for services from any taxing district affected by the Plan and any program to address such financial impact or increased demand, the sources of funds to pay costs, the nature and term of the obligations to be issued, the most recent equalized assessed valuation of the Proposed Area, an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the Proposed Area, a commitment to fair employment

practices and an affirmative action plan, and the Plan and Project accordingly complies in all respects with the requirements of the TIF Act; and

WHEREAS, pursuant to Section 11-74.4-5 of the TIF Act, the Corporate Authorities by ordinance called a public hearing (the "*Hearing*") relative to the Plan and Project and the designation of the Proposed Area as a redevelopment project area under the TIF Act and fixed the time and place for such Hearing, being September 17, 1996, at the Villa Park Village Hall, Villa Park, Illinois; and

WHEREAS, due notice in respect to such Hearing was given pursuant to Section 11-74.4-6 of the TIF Act, said notice, together with a copy of the Plan, and the name of a person to contact for further information, being given to taxing districts and to the Department of Commerce and Community Affairs of the State of Illinois by certified mail on July 25, 1996, by publication on August 21, 1996, and September 4, 1996, and by certified mail to taxpayers within the Proposed Area on September 3, 1996; and

WHEREAS, the Municipality has heretofore convened a joint review board as required by and in all respects in compliance with the provisions of the TIF Act; and

WHEREAS, the joint review board has met at the times and as required by the TIF Act and has reviewed the public record, planning documents and a form of proposed ordinance approving the Plan and Project; and

WHEREAS, the joint review board has adopted by a majority vote a recommendation that the Municipality proceed to implement the Plan and Project and to designate the Proposed Area as a redevelopment project area under the TIF Act; and

WHEREAS, the joint review board based its decision to approve the proposal on the basis of the Proposed Area satisfying the eligibility criteria defined in Section 11-74.4-3 of the TIF Act, all as provided in Section 11-74.4-5(b) of the TIF Act; and

WHEREAS, the Municipality held the Hearing on September 17, 1996, at the Villa Park Village Hall, Villa Park, Illinois; and

WHEREAS, at the Hearing any interested person or affected taxing district was permitted to file with the Municipal Clerk written objections and was heard orally in respect to any issues embodied in the notice of said Hearing, and the Municipality heard and determined all protests and objections at the Hearing; and

WHEREAS, the Hearing was adjourned on the 17th day of September, 1996; and

WHEREAS, the Plan and Project sets forth in writing the program to be undertaken to accomplish the objectives of the Municipality, and the Corporate Authorities have reviewed the information concerning such factors presented at the Hearing and have reviewed other studies and are generally informed of the conditions in the Proposed Area which could cause the area to be a "blighted area" as defined in the TIF Act; and

WHEREAS, the Corporate Authorities have reviewed evidence indicating that the Proposed Area

on the whole has not been subject to growth and development through investment by private enterprise and have reviewed the conditions pertaining to lack of private investment in the Proposed Area to determine whether the Proposed Area would reasonably be anticipated to be developed in accordance with public goals stated in the Plan and Project without the adoption of the proposed Plan and Project; and

WHEREAS, the Corporate Authorities have reviewed the conditions pertaining to real property in the Proposed Area to determine whether the Proposed Area is contiguous and that there exist conditions that cause the Proposed Area to be classified as a conservation area under the TIF Act; and

WHEREAS, the Corporate Authorities have made an assessment of any financial impact of the Proposed Area on or any increased demand for services from any taxing district affected by the Plan and Project and any program to address such financial impact or increased demand; and

WHEREAS, the Corporate Authorities have reviewed the proposed Plan and Project and also the existing comprehensive plan for development of the Municipality as a whole to determine whether the proposed Plan and Project conform to the such comprehensive plan of the Municipality; and

WHEREAS, the Corporate Authorities have heretofore, and it hereby expressly is, determined that the Municipality has in all respects complied with the requirements of the TIF Act in such actions taken to date as hereinabove recited:

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of Villa Park, DuPage County, Illinois, as follows:

Section 1. Findings. The Corporate Authorities hereby make the following findings:

(a) The Proposed Area is described in *Exhibit A* attached hereto and incorporated herein as if set out in full by this reference. The street location (as near as practicable) for the Proposed Area is described in *Exhibit B* attached hereto and incorporated herein as if set out in full by this reference. The map of the Proposed Area is depicted on *Exhibit C* attached hereto and incorporated herein as if set out in full by this reference.

(b) There exist conditions which cause the Proposed Area to be subject to designation as a redevelopment project area under the TIF Act and to be classified as a blighted area as defined in Section 11-74.4-3(a) of the TIF Act.

(c) The Proposed 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 in accordance with public goals stated in the Plan without the adoption of the Plan.

(d) The Plan and Project conform to the comprehensive plan for the development of the Municipality as a whole.

(e) As set forth in the Plan and in the testimony at the public hearing, the estimated date of completion of the Project is October 1, 2019, and the estimated date of the retirement of all obligations incurred to finance redevelopment project costs as defined in the Plan is October 1, 2019.

(g) The parcels of real property in the Proposed Area are contiguous, and the Proposed Area is not less in the aggregate than 1 and 1/2 acres.

Section 2. Exhibits Incorporated by Reference. The Plan and Project which were the subject matter of the public hearing held on September 17, 1996, are hereby adopted and approved. A copy of the Plan and Project is set forth in *Exhibit D* attached hereto and incorporated herein as if set out in full by this reference.

Section 3. Invalidity of Any Section. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

Section 4. *Superseder and Effective Date.* All ordinances, resolutions, motions or orders in conflict herewith be, and the same hereby are, repealed to the extent of such conflict, and this ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and approval as provided by law.

Passed this 28th day of October, 1996.

Approved: October 28, 1996.

Rae Rupp Irah
President

AYES: (7) Trustees Daly, Murphy, Oaks, Stupesia, Irette,
Wagner & President Irah.

NAYS: (0) _____

ABSENT: (0) _____

Recorded in Municipal Records: October 28, 1996.

Attest:

Connie L. McCren
Municipal Clerk



EXHIBIT A — LEGAL DESCRIPTION

**Villa Avenue TIF No. 1
Redevelopment Plan
Villa Park, Illinois**

That part of the West half of the northeast quarter of Section 10, Township 39 North, Range 11, East of the Third Principal Meridian, described as follows:

Beginning of intersection of the north line of Wildwood Boulevard with the west line of Villa Avenue;

Thence Easterly along said north line of Wildwood Boulevard to the east line of Monterey Avenue;

Thence Southerly along said east line of Monterey Avenue to the intersection with the south line of the Illinois Prairie Path;

Thence Westerly along the south line of said Illinois Prairie Path to the intersection with the west line of Villa Avenue;

Thence Northerly along said west line of Villa Avenue to the intersection with the north line of said Illinois Prairie Path;

Thence Easterly along the north line of said Illinois Prairie Path to the southeast corner of lot 12 in the Villa Park Subdivision of the West Part of Lot 37 recorded in Plat Book Number 8, Page 63 in the Office of the DuPage County Recorder;

Thence Northerly along said east line of lots 12, 11, 10, 9, 8, and 7 to the northeast corner of lot 7 in the Villa Park Subdivision of the West Part of Lot 37, as mentioned aforesaid;

Thence westerly along said north line of lot 7, as mentioned aforesaid a distance of 57 feet to a point;

Thence Northerly a distance of 25 feet to a point on the north line of lot 6 in the Villa Park Subdivision of the west part of lot 37, as mentioned aforesaid;

Thence Westerly along the north line of said lot 6, as mentioned aforesaid a distance of 134 feet to a point of the west line of Villa Avenue;

Thence Northerly along the west line of Villa Avenue to the place of beginning, in the Village of Villa Park, DuPage County, Illinois

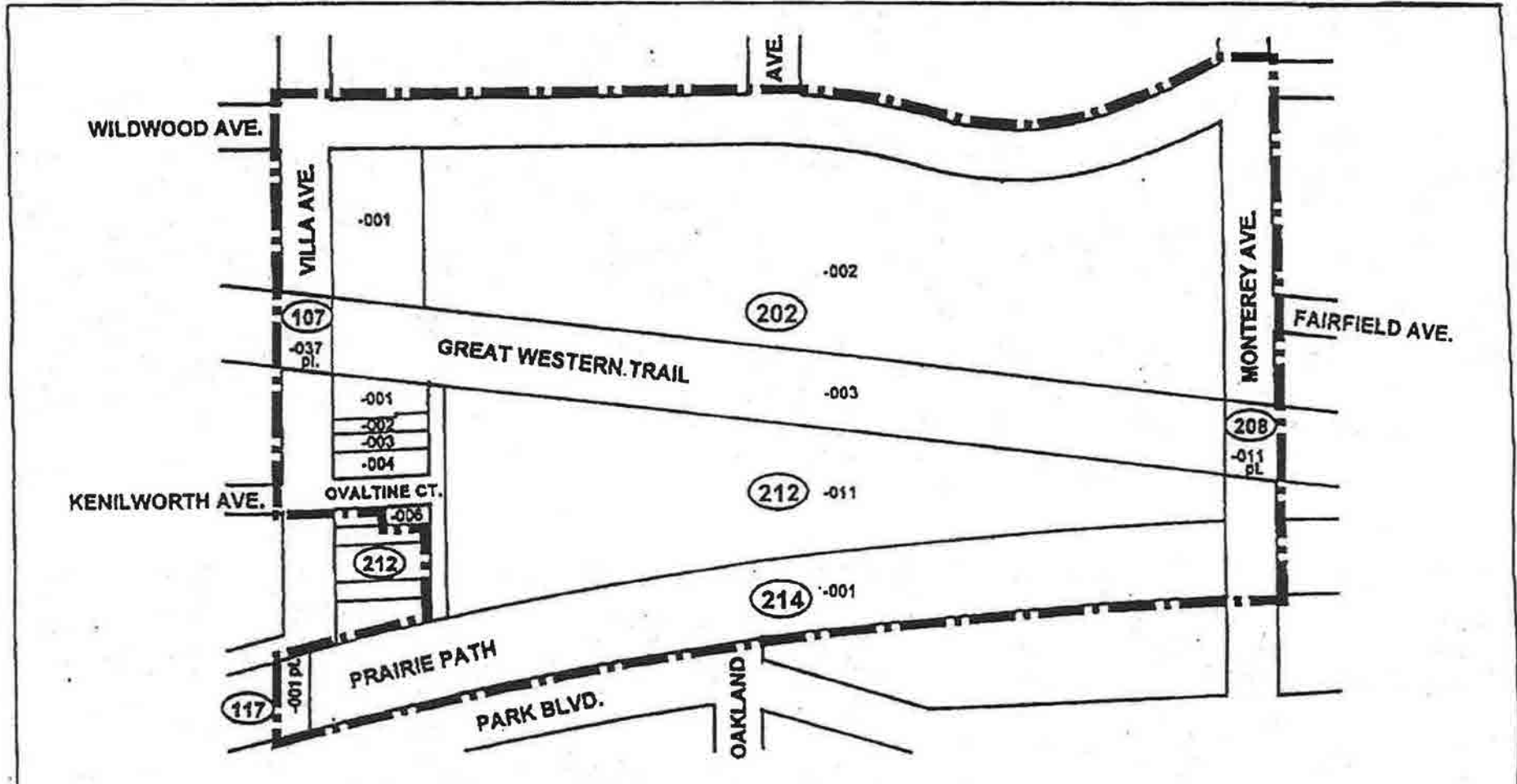
This legal description has been prepared by Norman C. Gutauckas, 035-03130.

EXHIBIT B — STREET LOCATION

The approximate street location and description of the Redevelopment Project Area is as follows:

A 21.2 acre area generally bounded by Wildwood Avenue on the north, Monterey Avenue on the east, the south line of the Illinois Prairie Path on the south, Villa Avenue and the alleyway south of Ovaltine Court on the west.

EXHIBIT C — MAP.



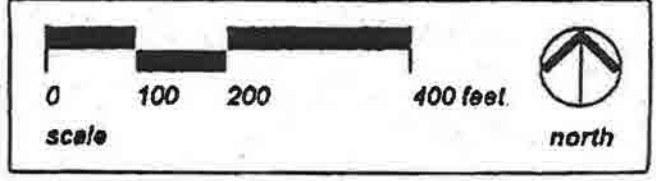
--- PROJECT BOUNDARY

(202) BLOCK

06 AREA
-000 PARCEL

10 SECTION

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc. 4.96



Project Area Boundary

Villa Avenue TIF No. 1: Redevelopment Plan **Villa Park, Illinois**

FILED 17:00 P.M. SEP 27 '95

EXHIBIT D — PLAN AND PROJECT

**VILLA AVENUE I
TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AND PLAN**

Village of Villa Park, Illinois

This Redevelopment Plan is subject to change based on the review and comment by the Village and may be revised before a final Redevelopment Plan is issued by the Village for purposes of the public hearing.

**Prepared by:
Trkla, Pettigrew, Allen & Payne, Inc.**

June 14, 1996

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I. INTRODUCTION

The Village of Villa Park (the "Village") is a community of approximately 22,000 persons located 20 miles west of downtown Chicago. The Village is generally bordered on the north by the Village of Addison, on the south by the City of Oakbrook Terrace, on the east by the City of Elmhurst and on the west by the Village of Lombard. The Village was incorporated in 1915 and is essentially a mature, built-up community which contains a range of residential, commercial, industrial and public land uses. Presently, the Village contains approximately 2,900 acres, including parks and rights-of-way; approximately 2,840 acres (including parks and rights-of-way), or 98 percent of the Village is developed, and approximately only 60 acres, or 2 percent of the Village remains to be developed.

In 1917, the alignment of the Great Western Trail (a freight railway) and the Aurora-Elgin (a commuter railway), the location of the Villa Avenue commercial business district and the availability of good labor and decent housing provided an ideal location for the Ovaltine Company to locate its chocolate-malt drink factory in the central part of the Village. Between 1917 and 1945, the Ovaltine Company expanded its facility to include 200,000 square feet of floor area. In the late 1950s, the proliferation of the federal highway system and financial trouble at the Aurora-Elgin Railway forced the closure of the commuter railway and the abandonment of its right-of-way. In the 1980s the Aurora-Elgin right-of-way throughout DuPage County was transformed into the Prairie Path. In the late 1970s and early 1980s, changes in industrial investment patterns and transportation brought about the abandonment of the Great Western Trail and the closing of the Ovaltine factory in 1986. This change in investment patterns, abandonment of railway rights-of-way and factory closings has altered land-use patterns throughout the Chicago metropolitan area, rendering areas, by today's standards, obsolete, deleterious in their land use or layout and forcing communities to remedy such situations through skillful present-day community planning, reformulation of land uses and redevelopment of key parcels.

In 1984, the Village adopted a Comprehensive Land Use Plan (the "Comprehensive Plan") which establishes certain policy commitments to achieve goals and objectives identified in the Comprehensive Plan. With respect to the Village's central business districts, the Comprehensive Plan contains the following policies: (i) elevate the central business district through improvements and expansions; (ii) encourage commercial centers to provide a viable relationship of retail, office, residential, recreational, cultural, educational and medical uses; and (iii) employ a high level of planning and design to the improvement of existing commercial centers. Additionally, the Comprehensive Plan specifically recommends that the Ovaltine site be designated as a redevelopment district.

The Ovaltine factory site contains approximately 14.4 acres, or approximately 24 percent of the remaining developable portion of the Village. This site is the single, most significant remaining

developable portion of the Village due to its strategic location to the Villa Avenue commercial business district. All or portions of the 200,000 square foot Ovaltine factory may be readily renovated for residential use. Such adaptive reuse of the building would preserve the historic character of the area, provide an additional customer base for the downtown and expand opportunities for commercial uses within the downtown. In addition to the developed portion of the site, approximately two-thirds of the site is vacant and may be developed with additional residences and commercial uses.

In response to the Village's commitment to achieve the goals and objectives established in the Comprehensive Plan, the Village engaged Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") to investigate whether an approximately 21.2 acre area qualifies for the use of tax increment financing ("TIF"). The area identified by the Village contains the Ovaltine factory and is located east of Villa Avenue, south of Wildwood Avenue, north of the Prairie Path (formerly the Aurora-Elgin Railroad) and west of Monterey Avenue and is described in greater detail in Section I.B., *The Villa Avenue I Tax Increment Redevelopment Project Area*. The area is contained in planning sectors 5 and 7 of the Comprehensive Plan and contains commercial buildings constructed over 35 years ago as part of the Village's principal commercial corridor along Villa Avenue.

A. TAX INCREMENT FINANCING

In January 1977, TIF was made possible by the Illinois General Assembly through passage of the *Tax Increment Allocation Redevelopment Act* 65 ILCS 5/11-74.4-1, *et seq.*, as amended (the "Act"). The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation or industrial park conservation areas and to finance "Project Costs" with incremental property tax revenues ("Incremental Property Taxes"). Incremental Property Taxes are derived from the increase in the current equalized assessed valuation ("EAV") of real property within the Project Area over and above the "Certified Initial EAV" of the real property. Any increase in EAV is then multiplied by the current tax rate which results in Incremental Property Taxes. A decline in current EAV does not result in a negative Incremental Property Tax.

To finance Project Costs, a municipality may issue obligations secured by estimated Incremental Property Taxes generated within the Project Area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge, including sales taxes.

Tax increment financing does not generate tax revenues by increasing tax rates, but rather through the temporary capture of new tax revenues generated by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various

redevelopment projects, and the reassessment of properties. Under TIF, all taxing districts continue to receive property taxes levied on the initial valuation of properties within a project area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and expected redevelopment project expenditures necessary to implement the Redevelopment Plan. Taxing districts also benefit from the increased property tax base after Project Costs and obligations are paid.

B. THE VILLA AVENUE I TAX INCREMENT REDEVELOPMENT PROJECT AREA

At the request of the Village, TPAP surveyed the area identified by the Village and referred to as the *Villa Avenue I Tax Increment Financing Redevelopment Project Area* (the "Project Area") to document conservation factors that may exist within the Project Area. TPAP documented these factors in a study entitled the *Villa Avenue I Tax Increment Financing Redevelopment Project Area Eligibility Study* (the "Eligibility Study"). The Project Area and its existing conditions are briefly described below. For greater detail on the conditions, please refer to Section V, *Conservation Area Conditions*.

The Project Area contains approximately 21.2 acres and is located along Villa Avenue south of St. Charles Road. The Project Area is generally bounded on the north by Wildwood Avenue; on the south by the Prairie Path; on the east by Monterey Avenue; and on the west by Villa Avenue. The Project Area contains the vacated Ovaltine factory, five small commercial buildings and vacant land.

The Project Area is characterized by obsolete and deteriorating buildings, deleterious land use relationships, depreciation of physical maintenance, and excessive land coverage.

C. THE VILLA AVENUE I TAX INCREMENT REDEVELOPMENT PROJECT AND PLAN

The Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area will be redeveloped on a comprehensive and coordinated basis in accordance with the Comprehensive Plan without the use of TIF.

In 1996, the Village directed TPAP to prepare this *Villa Avenue I Tax Increment Financing Redevelopment Project and Plan* (the "Redevelopment Plan") in accordance with the provisions of the Act and the Comprehensive Plan. The Redevelopment Plan is intended to guide public policy, improvements and activities within the Project Area in order to stimulate private investment in the

Project Area. The goal of the Village, through the implementation of this Redevelopment Plan, is that the entire Project Area be redeveloped on a comprehensive and planned development basis in order to ensure that new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land use, pedestrian access, vehicular circulation, parking, service and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that the adverse conditions are eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the Village; and
4. In a manner which supports and utilizes local labor, financial institutions, and other resources within the community.

The Redevelopment Plan sets forth the overall Redevelopment Project to be undertaken to accomplish the above-stated goal. During the Redevelopment Project implementation, the Village may, from time to time, (i) undertake or cause to be undertaken public improvements and activities and (ii) enter into redevelopment agreements with private entities to construct private improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

This Redevelopment Plan specifically describes the Project Area and sets forth the conservation factors which qualify the Project Area for designation as a conservation area as defined in the Act. The Project Area boundaries are described and illustrated in Section III of the Redevelopment Plan.

Successful implementation of the Redevelopment Plan requires that the Village utilize Incremental Property Taxes in accordance with the Act and work cooperatively with the private sector and local governmental agencies. Incremental Property Taxes will be utilized to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of TIF will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the conditions of blight which have precluded its comprehensive and coordinated development by the private sector.

The use of Incremental Property Taxes by the Village will permit the Village to direct and coordinate public improvements and activities to stimulate private investments on a comprehensive basis. These improvements, activities and investments will benefit the Village, its residents, and all taxing districts having jurisdiction over the Project Area. The anticipated benefits include:

- A strengthened non-residential tax base for affected taxing agencies;
- An improved property tax liability balance between residential and non-residential properties;

-
- Elimination of problem conditions in the Project Area as well as general physical improvement and upgrading of properties; and
 - An increased employment base for the Village and its residents.

II. DEFINITIONS

"Act" means the *Tax Increment Allocation Redevelopment Act* (65 ILCS 5/11-74.4-1, *et seq.*), as adopted by the State and amended and supplemented from time to time, and specifically as supplemented by the *Local Government Debt Reform Act* (30 ILCS 350/1 *et seq.*).

"Assessor" means the County Assessor's Office.

"Certified Initial EAV" means the EAV of all taxable real property within the Project Area at the time the Redevelopment Plan is adopted and which is certified by the County Clerk.

"Village" means the Village of Villa Park, Illinois.

"County" means DuPage County, Illinois.

"Comprehensive Plan" means the comprehensive plan adopted by the Village in 1984.

"EAV" means Assessed Valuation as equalized by the State Equalization Factor for the County.

"Eligibility Study" means the Villa Avenue I Tax Increment Financing Redevelopment Area Eligibility Study prepared by TPAP and dated June 14, 1996.

"Incremental Property Tax" or "Incremental Property Taxes" means the portion of property taxes estimated to be generated from EAV over and above the Certified Initial EAV as a result of the Redevelopment Project, Redevelopment Projects and the reassessment of land and improvements following the implementation of the Redevelopment Plan.

"Incremental Tax" or "Incremental Taxes" means Incremental Property Taxes and any other lawful taxes estimated to be generated within the Project Area including, but not limited to, incremental sales taxes and incremental hotel taxes.

"Project Area" means the approximately 21.2 acre area which is to be redeveloped by the Redevelopment Plan and is legally described in Section III, *Legal Description*.

"Project Costs" means the estimated redevelopment expenditures the Village expects to incur or has incurred to implement the Redevelopment Plan.

"Redevelopment Improvements and Activities" means the various public improvements and activities outlined in Section VI. B. which the Village may undertake in order to stimulate private investment within the Project Area.

"Redevelopment Plan" means this report, entitled "Villa Avenue I Tax Increment Financing Redevelopment Plan and Project" dated June 14, 1996, the comprehensive program of the Village for the development or redevelopment of the Project Area through the payment of Project Costs to stimulate private investment and eliminate those conditions which qualify the Project Area as a conservation area, and thereby enhance the tax bases of the taxing districts which extend into the Project Area.

"Redevelopment Project" means any public and private development project or activity in furtherance of the Redevelopment Plan, the principal elements of which are outlined in Section VI.

"State" means the State of Illinois.

"State Equalization Factor" means a multiplication factor issued by the Illinois Department of Revenue to the County which is applied to assessed valuations and designed to make all real estate valuations state-wide 33 1/3 percent of FMV.

"TIF" means tax increment financing pursuant to the Act..

"TPAP" means Trkla, Pettigrew, Allen & Payne, Inc., located at 222 South Riverside Plaza, Chicago, Illinois.

III. LEGAL DESCRIPTION

The boundaries of the Project Area have been carefully drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Project to be undertaken by the Village as part of this Redevelopment Plan. The Project Area is generally bounded on the north by Wildwood Avenue; on the south by the Prairie Path; on the east by Monterey Avenue; and on the west by Villa Avenue. The Project Area boundary is shown in Figure 1, *Boundary Map*, and is that part of the west half of the northeast quarter of Section 10, Township 39 North, Range 11, east of the Third Principal Meridian, described as follows:

Beginning of intersection of the north line of Wildwood Boulevard with the west line of Villa Avenue; thence easterly along said north line of Wildwood Boulevard to the east line of Monterey Avenue; thence southerly along said east line of Monterey Avenue to the intersection with the south line of the Illinois Prairie Path; thence westerly along the south line of said Illinois Prairie Path to the intersection with the west line of Villa Avenue; thence northerly along said west line of Villa Avenue to the intersection with the north line of said Illinois Prairie Path; thence easterly along the north line of said Illinois Prairie Path to the southeast corner of Lot 12 in the Villa Park Subdivision of the west part of Lot 37 recorded in Plat Book Number 8, Page 63 in the Office of the DuPage County Recorder; thence northerly along said east line of Lots 12, 11, 10, 9, 8, and 7 to the northeast corner of Lot 7 in the Villa Park Subdivision of the west part of Lot 37, as mentioned aforesaid; thence westerly along said north line of Lot 7, as mentioned aforesaid a distance of 57 feet to a point; thence northerly a distance of 25 feet to a point on the north line of Lot 6 in the Villa Park Subdivision of the west part of Lot 37, as mentioned aforesaid; thence westerly along the north line of said Lot 6, as mentioned aforesaid a distance of 134 feet to a point of the west line of Villa Avenue; thence northerly along the west line of Villa Avenue to the place of beginning, in the Village of Villa Park, DuPage County, Illinois.

This legal description has been prepared by Norman C. Gutauckas, 035-03130.

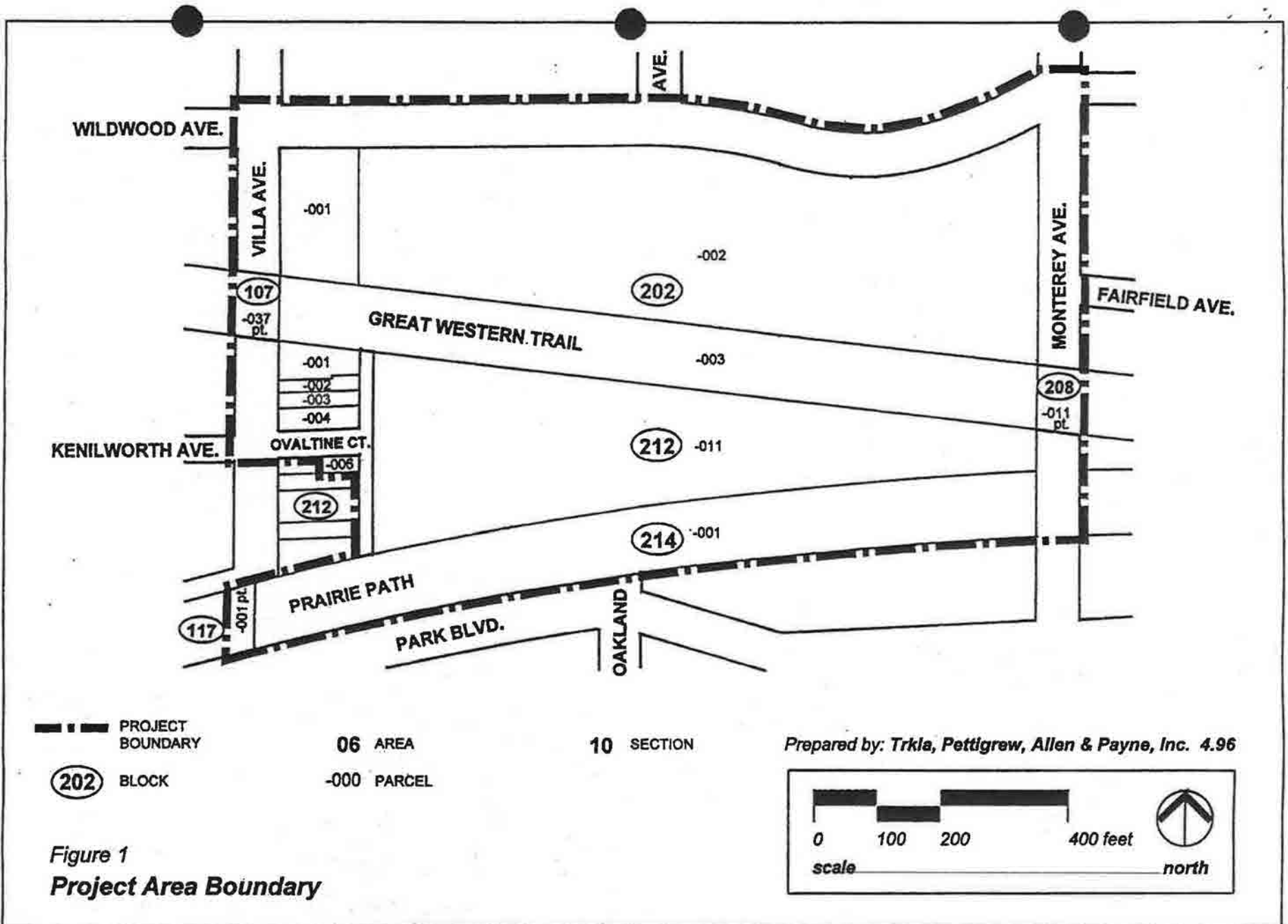


Figure 1
Project Area Boundary

IV. CONSERVATION AREA CONDITIONS

The Project Area conditions documented in this section are based on surveys and analyses conducted for the Village by TPAP. As set forth in the Act, "conservation area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial or residential buildings or improvements, because of a combination of five or more of the following factors--age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning--is detrimental to the public safety, health, morals or welfare.

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of blight, the evaluation contained in this section has been made on the basis that the conservation factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. In addition, the distribution of conservation factors throughout the Project Area must be reasonable so that basically good areas are not arbitrarily found to be blighted simply because of their proximity to areas which are blighted.

On the basis of this approach, the Project Area is eligible as an improved "conservation area" within the requirements of the Act. Of the fourteen factors set forth in the Act, nine are found to be present in the Project Area. These factors are reasonably distributed throughout the entire Project Area. The entire Project Area is impacted by and shows the presence of these conservation factors. Finally, the Project Area includes only real property and improvements substantially benefited by the Redevelopment Project, Activities and Improvements.

A. CONSERVATION FACTORS

The factors described below and illustrated in Figure 2, *Distribution of Blight Factors*, are present in the Project Area.

1. Dilapidation

Dilapidation as a factor is present to a limited extent and includes portions of the Ovaltine complex.

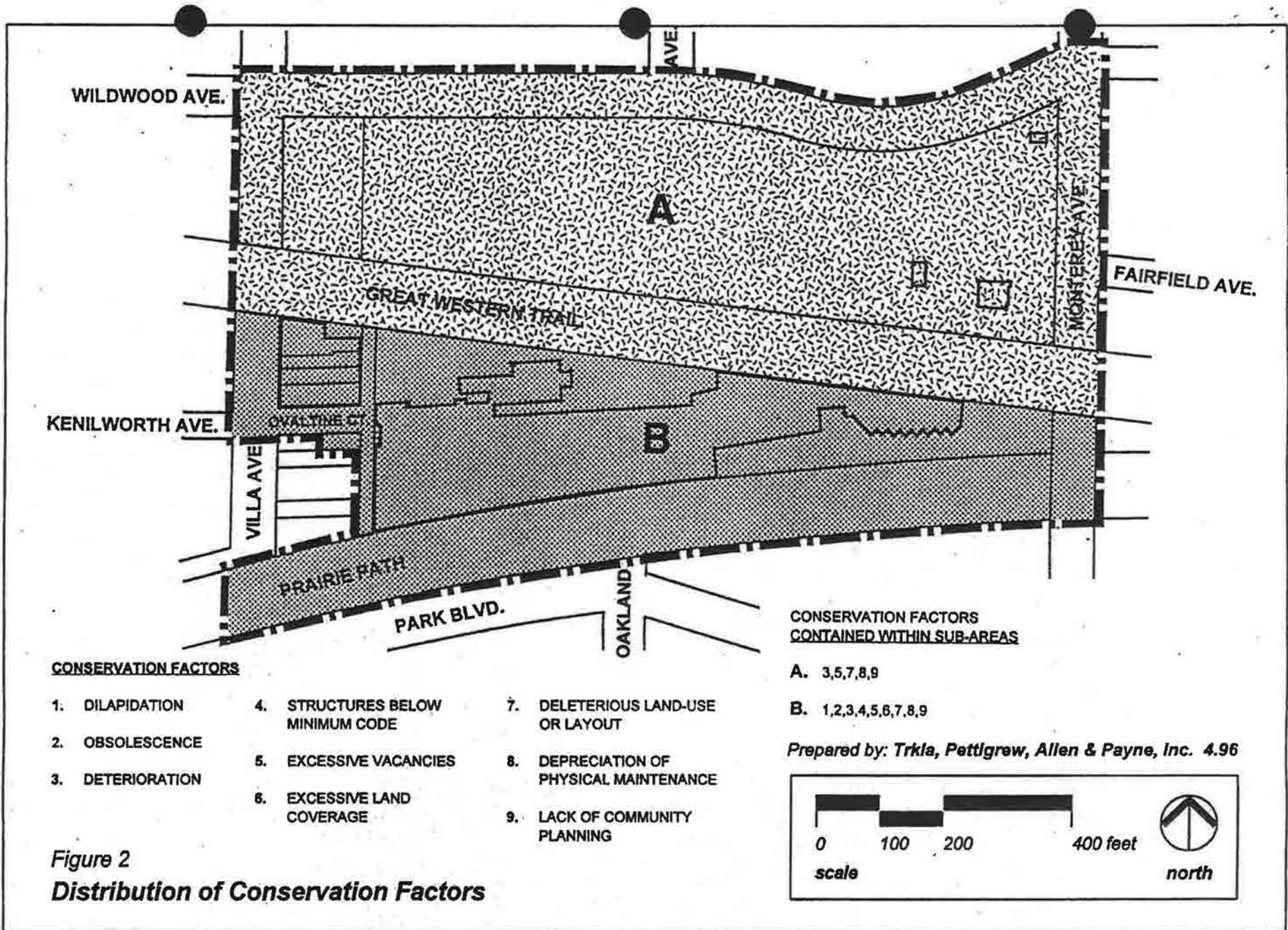


Figure 2
Distribution of Conservation Factors

2. **Obsolescence**
Obsolescence as a factor is present to a major extent. Conditions contributing to this factor include the functional and economic obsolescence of buildings and obsolete platting.
3. **Deterioration**
Deterioration as a factor is present to a major extent. Conditions contributing to this factor include deteriorating buildings, site surface and parking areas and alley pavement.
4. **Structures Below Minimum Code Standards**
Structures below minimum code as a factor is present to a major extent. Conditions contributing to this factor include structures exhibiting extensive defects and deferred maintenance which are below the Village's codes for existing buildings.
5. **Excessive Vacancies**
Excessive vacancies as a factor is present to a major extent. Conditions contributing to this factor include the vacant Ovaltine Plant, vacant space within buildings and vacant land north of the Ovaltine Plant and Prairie Path.
6. **Deleterious Land Use or Layout**
Deleterious land use or layout as a factor is present to a major extent. Conditions contributing to this factor include improper layout of parcels including small or narrow parcels, large parcels and a section of access street with narrow width.
7. **Depreciation of Physical Maintenance**
Depreciation of physical maintenance as a factor is present to a major extent where maintenance of buildings and premises has been deferred.
8. **Excessive Land Coverage**
Excessive land coverage as a factor is present to a limited extent impacting two of the six buildings which occupy the entire parcel in one block resulting in a lack of off-street parking, loading and service.
9. **Lack of Community Planning**
Lack of community planning is present throughout the entire Study Area. This area of the central business district was developed without the benefit or guidance of a present-day community plan with reasonable policies and standards for development of separate parcels and entire blocks.

The conditions summarized above are based upon surveys and analyses conducted by TPAP. The surveys and analyses conducted include:

1. Exterior survey of the condition and use of each building;
2. Analysis of existing uses and their relationships;
3. Site conditions survey of streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
4. Comparison of current land use to the current zoning ordinance and the current zoning map;
5. Comparison of building conditions to property maintenance codes of the Village;
6. Comparison of the Project Area's existing platting, building sizes and land use layout with present-day platting, building and land use layout standards;
7. Analysis of building floor area and site coverage; and
8. Review of previously prepared plans, studies and data.

The conclusion of TPAP is that the number, degree, and distribution of conservation factors as documented in the Eligibility Study warrant designation of all or parts of the Study Area as a "conservation area" as set forth in the Act. The conclusions presented in the Eligibility Report are those of TPAP. TPAP was retained by the Village to examine whether conservation area conditions exist within the Project Area. Village staff and the Village Board should review the Eligibility Study, Redevelopment Plan and any supporting data and files and, if satisfied with the methodologies, conclusions and Redevelopment Plan contained herein, may adopt the necessary ordinances approving this Redevelopment Plan, designating the Redevelopment Project Area and approving the use of tax increment financing. As part of the adoption, the Village shall make the Eligibility Report a part of the public record.

V. GOALS AND POLICIES

Properly guided investment in new public and private improvements and facilities is essential for the successful managed growth of the Project Area and the elimination of conservation factors. Redevelopment of the Project Area will enhance the overall Village through environmental improvements, an increased tax base and additional employment opportunities.

The Act encourages public and private sectors to work together to address and solve the problems associated with urban growth and development. Cooperation between the Village and the private sector to redevelop all or portions of the Project Area will receive significant support from the financing methods made available by the Act.

This section of the Redevelopment Plan identifies the goals and policies adopted by the Village for the Project Area. Section VI of this Redevelopment Plan identifies redevelopment objectives and redevelopment activities the Village plans to undertake to achieve the redevelopment goals and objectives contained in this Redevelopment Plan.

A. OVERALL GOAL

The overall goal of the Village is to redevelop the entire Project Area on a comprehensive and planned development basis in order to ensure that new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land-use, pedestrian access, vehicular circulation, parking, service and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that the conservation factors are eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the Village; and
4. In a manner which supports and takes advantage of labor, financial institutions, and other resources or needs to be served within the community.

B. GENERAL GOALS

Listed below are the general goals of this Redevelopment Plan. These goals provide the overall framework for guiding decisions during the implementation of this Redevelopment Plan.

1. Strengthen the economy of the Village.
2. Encourage planned commercial and residential development by eliminating the influences and the manifestations of physical and economic deterioration and obsolescence within the Project Area.
3. Encourage sound economic development in the Project Area, thereby creating employment opportunities commensurate with the capacity of the Project Area.
4. Create an environment within the Project Area which will contribute to the health, safety and general welfare of the Village, and preserve or enhance the value of properties adjacent to the Project Area.
5. Provide an increased real estate tax base for the Village and other taxing districts having jurisdiction over the Project Area.

C. DEVELOPMENT AND DESIGN POLICIES

Listed below are development and design policies of this Redevelopment Plan which will assist the Village in directing and coordinating public improvements and activities with private investment in order to achieve the goals and objectives stated in the Redevelopment Plan.

1. Enhance the Village's taxable property base located within its central business district.
2. Encourage investment, modernization, and expansion of existing facilities and redevelopment of existing properties where appropriate.
3. Encourage new residential housing within the central business district.
4. Establish a viable relationship of multiple land use activities arranged in compatible groupings to increase efficiency of operation and economic relationships.
5. Create a historic profile image along Villa Avenue and encourage visually distinctive developments.

6. Assure that Redevelopment Projects complement one another in terms of size, scale, intensity and appearance, and are functionally and aesthetically integrated.
7. Encourage parcel consolidation and shared facilities in order to achieve sufficient land mass to permit efficient building design and unified off-street parking, trucking and service facilities.
8. Provide an overall system of signage which will establish visual continuity and promote a positive overall image for the Project Area.
9. Foster the redevelopment of vacant parcels and properties.
10. Ensure that stormwater drainage is properly designed to mitigate potential flooding.
11. Encourage the redevelopment of incompatible land uses and properties.
12. Ensure adjacent residential areas are not adversely affected by commercial activities.
13. Encourage high-quality site and building design and construction.
14. Provide safe and efficient vehicular circulation systems which will enable adequate access to, movement within and connections between Redevelopment Projects.
15. Provide an adequate supply of conveniently located parking within the Project Area.
16. Promote the consolidation and redesign of small separate parking lots.
17. Ensure parking areas are paved, striped, lighted, well-maintained, and properly drained.
18. Provide adequate screening and buffering around all new parking areas.
19. Where possible, provide for consolidated off-street loading and service facilities which are screened and buffered from adjacent development areas and public streets.
20. Undertake landscaping, lighting and signage improvements to upgrade the appearance of public rights-of-way within and adjacent to the Project Area.

VI. REDEVELOPMENT PROJECT

This section presents the Redevelopment Project to be undertaken by the Village and by private entities on behalf of the Village as part of the Redevelopment Plan. The Redevelopment Project contained in this Redevelopment Plan and pursuant to the Act includes redevelopment objectives, a description of redevelopment improvements and activities, a general land use plan, estimated Project Costs, a description of sources of funds to pay estimated Project Costs, a description of obligations that may be issued, identification of the most recent EAV of properties in the Project Area, and an estimate of future EAV.

In the event the Village determines that implementation of certain public improvements or activities is not feasible, the scope of this Redevelopment Plan may be altered.

A. REDEVELOPMENT OBJECTIVES

Listed below are objectives of this Redevelopment Plan which guide planning decisions to achieve the goals and objectives contained in this Redevelopment Plan.

1. Reduce or eliminate those conditions which qualify the Project Area as a conservation area. Section IV., *Conservation Area Conditions*, describes these conditions.
2. Encourage a high-quality appearance of buildings, rights-of-way, and open spaces and encourage high standards of design.
3. Strengthen the economic well-being of the Project Area and the Village by increasing business activity, taxable values, and job opportunities.
4. Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with the Redevelopment Plan, the Comprehensive Plan and contemporary development needs and standards.
5. Stimulate private investment in appropriate new construction and rehabilitation.
6. Improve, reconstruct and extend, where necessary, existing utilities and roadways to facilitate and enhance the developability and accessibility of sites.
7. Achieve development which is integrated both functionally and aesthetically, and which contains a complementary mix of uses within the Project Area.

8. Provide needed improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities.
9. Provide needed incentives to encourage a broad range of improvements.
10. Encourage the participation of minorities in professional and investment opportunities involved in the development of the Project Area.

B. REDEVELOPMENT IMPROVEMENTS AND ACTIVITIES

Figure 3, *Redevelopment Project*, illustrates the location of the public improvements and activities to be undertaken by or on behalf of the Village as part of the Redevelopment Plan. The Village proposes to achieve its redevelopment goals and objectives for the Project Area through public financing techniques including, but not limited to, tax increment financing, and by utilizing such financing techniques to undertake some or all of the following activities and improvements:

1. **Analysis, Administration, Studies, Surveys, Legal, etc.**

The Village may undertake or engage professional consultants, engineers, architects, attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage the Redevelopment Plan.

2. **Redevelopment Agreements**

The Village may enter into redevelopment agreements with private entities for the furtherance of this Redevelopment Plan. Such redevelopment agreements may be for the assemblage of land, construction of improvements or facilities, the provision of services or any other lawful purpose. Redevelopment agreements may contain terms and provisions which are more specific than the controls which guide this Redevelopment Plan.

3. **Assemblage of Sites and Building Rehabilitation**

The Village, or an agent for the Village, may acquire and assemble land for the purpose of redevelopment. Vacant or underutilized property may be acquired by purchase, exchange or long-term lease by private developers or the Village for the purpose of constructing public and private improvements and facilities. Additionally, the Village may encourage the preservation of selected buildings that are basically sound and are located so as not to impede the Redevelopment Project and overall economic development. This Redevelopment Plan contemplates assistance for the acquisition, assemblage, rehabilitation and redevelopment of the entire Project Area, front and rear building facade improvements and general site improvements.

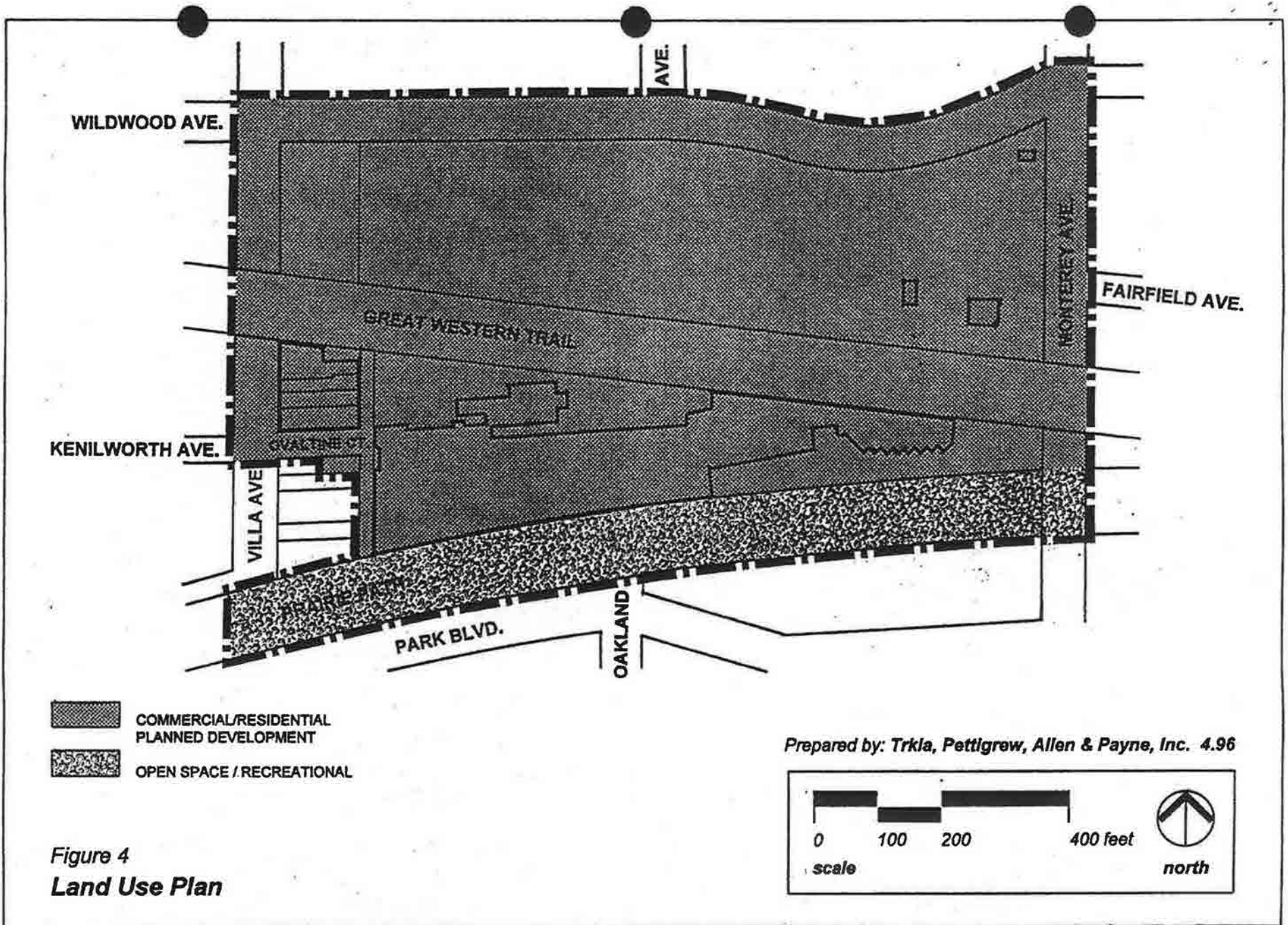


Figure 4
Land Use Plan

4. **Provision of Public Improvements and Facilities**

The Village may provide public improvements and facilities that are necessary to service the Project Area or redevelop the Project Area in accordance with the Redevelopment Plan and the Comprehensive Plan. Public improvements and facilities may include, but are not limited to, the following:

a) ***Public Rights-of-Way***

A range of public rights-of-way improvements are anticipated to be undertaken within the Project Area. These include street or alley vacation, public rights-of-way improvements such as construction or reconstruction of roadways, curbs and gutters, sidewalks, lighting and signalization. This Redevelopment Plan contemplates improvements to the following rights-of-way: Villa, Wildwood and Monterey Avenues.

b) ***Utilities***

It is anticipated that public infrastructure improvements will be necessary to adequately serve the Project Area and potential new development. This Redevelopment Plan contemplates storm sewer improvements at Villa Avenue and Ovaltine Court and sewer relocations.

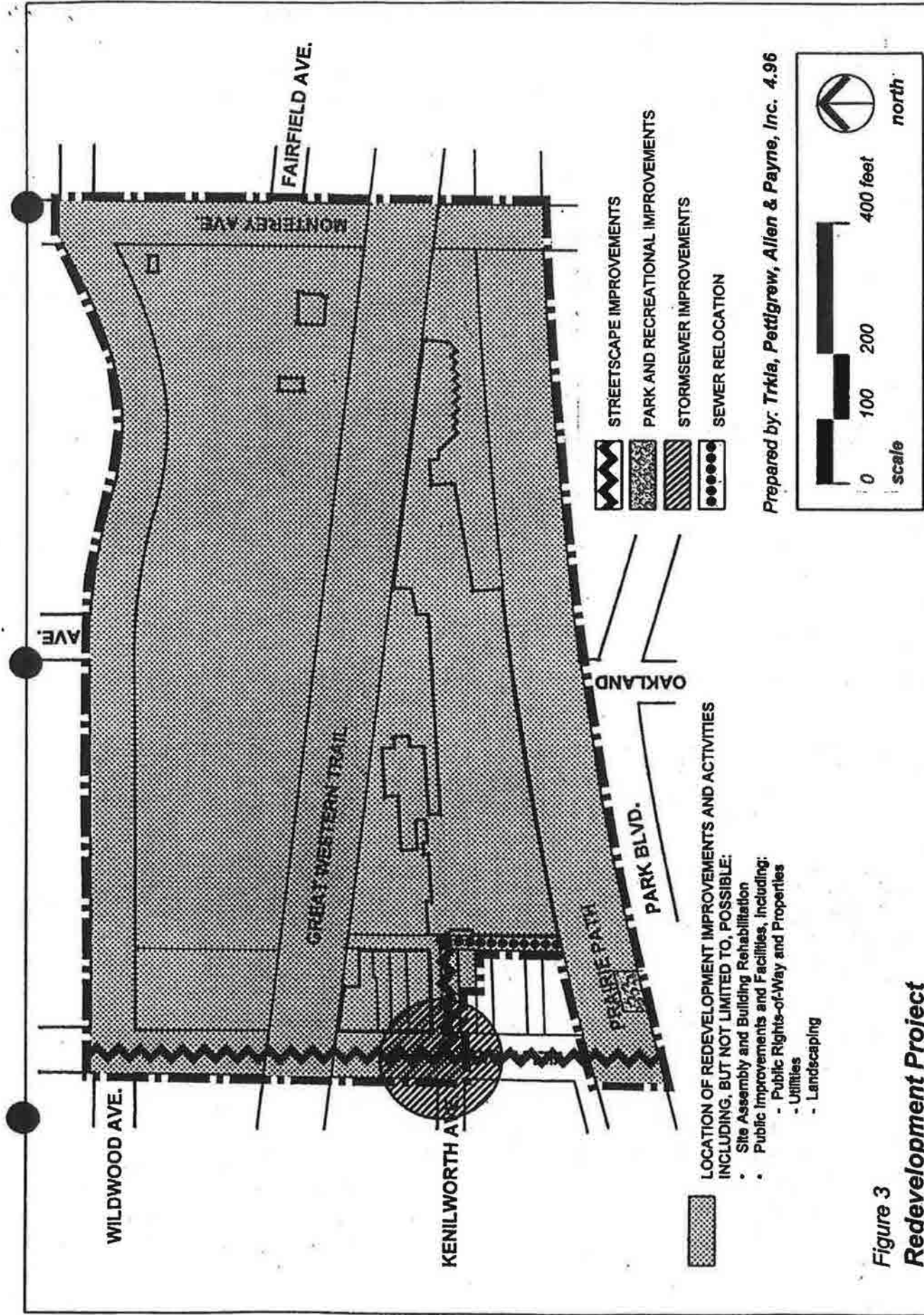
c) ***Landscaping***

Landscape/buffer improvements, decorative street lighting, trees, brick pavers, signage, benches, trash receptacles, park and recreational improvements, and general beautification improvements may be provided. This Redevelopment Plan contemplates streetscape improvements along Villa Avenue and Ovaltine Court and park and recreational improvements along the Prairie Path, including a small park near the intersection of Villa Avenue and Park Boulevard.

C. **GENERAL LAND-USE PLAN**

This Redevelopment Plan and the Redevelopment Project described herein conform to the land-use development policies and standards for the Village as set forth in previous studies, recommendations and the Comprehensive Plan.

Figure 4, *Land-Use Plan*, identifies the land-use to be in effect upon adoption of this Redevelopment Plan. The location of all major thoroughfares and major street rights-of-way is subject to change and modification. The two land use categories within the Project Area are (i) Commercial/Residential Planned Development and (ii) Open Space/Recreational. These land uses and their permitted uses are described and listed below.



Prepared by: *Trkla, Pettigrew, Allen & Payne, Inc. 4.96*

Figure 3
Redevelopment Project

Villa Avenue TIF No. 1: Redevelopment Plan

Villa Park, Illinois

1. Commercial/Residential Planned Development

The Commercial/Residential Planned Development land-use district is intended to provide for an integrated mix of compatible commercial and residential uses which cater to the Village, its residents and visitors. Permitted uses generally include those uses contained in the Village's C-2 and R-4 zoning districts. However, the overall character and encouragement of uses shall be guided by the following land use criteria:

- a) Residential uses, including housing designed for empty-nesters, independent senior citizens and senior citizens requiring medical care.
- b) General and specialty retail uses including men's, women's and children's fashion and casual shops; beauty and hair styling shops; sports equipment and supplies, shoe stores; jewelry stores; gift shops; greeting card shops; toy stores; and other similar and compatible general and specialty retail uses.
- c) Convenience retail uses which cater to the daily convenience needs of employees, visitors, and residents in Villa Park, including such uses as photographic and reproduction shops; computer services; travel services; newspaper, candy, tobacco and ice cream shops; notions and sundries shops; and other similar and compatible convenience retail uses.
- d) Delicatessens, bakeries, and other similar and compatible retail food uses.
- e) Theaters.
- f) Restaurants and eating and drinking establishments.
- g) Off-street parking.
- h) Private and public open spaces.
- i) Similar and compatible uses.

2. Open Space/Recreational

The Open Space/Recreational land-use district is intended to provide recreational opportunities, including walking, jogging, bicycling, and small park and playground activities.

D. REDEVELOPMENT PROJECT COSTS

Reviewed below are the various redevelopment expenditures which are eligible for reimbursement under the Act. Following this review is a list of estimated Project Costs which are deemed to be necessary to implement the Redevelopment Plan.

1. Eligible Redevelopment Project Costs

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) 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, and the clearing and grading of land;
- c) Costs of rehabilitation, reconstruction or repair or remodeling of existing buildings and fixtures;
- d) Costs of the construction of public works or improvements;
- e) Costs of job training and retraining projects;
- f) 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 accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;
- g) All or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan to the extent the municipality by written agreement accepts and approves such costs;

- h) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
- i) Payment in lieu of taxes;
- j) 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 which are 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 a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality 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 the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;
- k) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - 1. such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
 - 2. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 - 3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - 4. the total of such interest payments incurred pursuant to this Act may not exceed 30 percent of the total: (i) costs paid or incurred by the redeveloper for such redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act.

2. Estimated Project Costs

A range of redevelopment activities and improvements will be required to implement the Redevelopment Plan. The activities and improvements and their estimated costs (1995 dollars) are summarized below and shown in Table 1, *Estimated Project Costs*. To the extent that municipal obligations have been issued to pay for such Project Costs prior to, and in anticipation of, the adoption of TIF, the Village shall be reimbursed from Incremental Property Taxes for such Project Costs. The total Project Costs estimated below is intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

The estimate of Project Costs listed below excludes financing costs, including any interest expense or subsidy, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to the Project Costs listed below. The issuance of municipal obligations to fund any or all of the following estimated costs is predicated upon a feasibility report indicating sufficient Incremental Taxes are estimated to be available at times and in amounts sufficient to secure the proposed debt service.

a) *Analysis, Administration, Studies, Surveys, Legal, etc.*

Estimated Cost: \$300,000

This includes expenditures for survey and study costs, legal services, administrative services, and other professional and service fees associated with the planning, adoption, implementation and annual administration of the Redevelopment Plan in accordance with the Act.

b) *Site Assemblage and Building Rehabilitation*

Estimated Cost: \$1,350,000

This expenditure provides for (i) property acquisition, demolition and site preparation for Redevelopment Projects; and (ii) rehabilitation, reconstruction, repair or remodeling of existing public or private buildings and fixtures. This may include, but may not be limited to, assistance for the rehabilitation and redevelopment of the Ovaltine property, front and rear building facade improvements and general site improvements.

c) *Public Improvements and Facilities*

Estimated Cost: \$650,000

This expenditure provides for (i) street or alley vacation, public rights-of-way improvements, including the construction or reconstruction of streets, curbs and gutters, sidewalks, lighting and signalization; (ii) the construction, reconstruction or relocation of water lines and storm and sanitary sewers, and stormwater detention improvements; and (iii) the construction or reconstruction of landscape buffers, decorative street lighting, trees, brick pavers, signage, benches, trash receptacles, park and recreational improvements and general beautification improvements. This may include, but not be limited to, streetscape improvements along Villa Avenue between Wildwood Avenue and the Prairie Path, streetscape improvements along Ovaltine Court, alley improvements, new and reconstructed sanitary and storm sewers along Villa Avenue, Ovaltine Court and related alleys, and renovation and expansion of the recreational area east of Villa Avenue along the Prairie Path.

d) *Contingencies*

Estimated Cost: \$250,000

This expenditure is to fund possible additional necessary improvements or unexpected cost over-runs which would delay or impede the successful implementation of the Redevelopment Plan.

e) *The gross project cost is estimated at \$2,500,000*

TABLE 1: ESTIMATED PROJECT COSTS

	Phase I (Years 1-5)	Phase II (Years 6-10)	Phase III (Years 11-23)	Total
Analysis, Administration, Studies, Surveys, Legal, etc.	\$140,000	\$75,000	\$85,000	\$300,000
Assemblage of Sites and Building Rehabilitation	1,200,000	150,000		1,350,000
Public Improvements and Facilities	400,000	250,000		650,000
Contingencies	<u>175,000</u>	<u>50,000</u>	<u>25,000</u>	<u>250,000</u>
TOTAL ESTIMATED PROJECT COST	\$1,915,000	\$525,000	\$110,000	\$2,550,000¹

¹ *Costs are expressed in 1996 dollars and may be shifted among line items and phases. Total Estimated Project Cost excludes financing costs, including any interest expense or subsidy, capitalized interest and costs associated with issuing Village obligations and optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Estimated Project Costs. The issuance of municipal obligations to fund any or all estimated Project Costs, and which obligations are secured by Incremental Taxes, is predicated upon a feasibility report indicating sufficient Incremental Taxes are estimated to be available at times and in amounts sufficient to secure the proposed debt service.*

E. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for Project Costs and secure municipal obligations issued for such costs are to be derived principally from Incremental Taxes. Other sources of funds which may be used to pay for Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, and other legally permissible funds the municipality may deem appropriate. Also, the Village may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the Village may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

F. ISSUANCE OF OBLIGATIONS

The Village may issue obligations secured by Incremental Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation the Village may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the Village may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the Village pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Project Area and Redevelopment Plan, such ultimate retirement date occurring in the year 2018. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. Obligations may be of a parity or senior/junior lien natures.

In addition to paying Project Costs, Incremental Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds and any other lawful purpose. To the extent that Incremental Property Taxes are not needed for these purposes, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the Project Area in the manner provided by the Act.

G. VALUATION OF THE PROJECT AREA

1. Most Recent EAV of Properties in the Project Area

The most recent EAV of all taxable parcels in the Project Area is estimated to total \$687,844. This EAV is based on 1995 assessed valuations and the 1994 DuPage County State Equalization Factor of 1.0000 and is subject to verification by the County Clerk of DuPage County, Illinois. After verification, the final figure shall be certified by the County Clerk. This certified amount shall become the Certified Initial EAV from which all Incremental Property Taxes will be calculated by the County. The 1995 EAV of the Project Area is summarized on a block-by-block basis in Table 2.

TABLE 2: 1995 EQUALIZED ASSESSED VALUE

<u>Tax Block</u>	<u>Estimated 1995 EAV</u>
06-10-107	Exempt
06-10-117	Exempt
06-10-202	\$436,660
06-10-208	Exempt
06-10-212	\$251,184
06-10-214	Exempt
Total	\$687,844

2. Anticipated Equalized Assessed Valuation

Following the estimated completion year of 2002 for all potential Redevelopment Projects, the EAV of the Project Area in 2003 is estimated to total approximately \$6,350,000 to \$7,750,000. This estimate is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) the market value of the anticipated developments will increase following completion of the Redevelopment Projects described in this Redevelopment Plan; and 3) the State Equalization factor will equal approximately 1.0000.

VII. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in Section V of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous conservation factors, and these factors are reasonably distributed throughout the area.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. Conservation factors within the amended area are widespread and represent major impediments to sound growth and development. The lack of private investment is evidenced by the following:

- Dilapidation of structures.
- Obsolete building types.
- Deteriorating and dilapidated structures, off-street parking areas and alleys.
- Structures below minimum code standards.
- Excessive vacant parcels and vacant buildings, including the vacant Ovaltine plant and vacant land north of the Ovaltine plant.
- Deleterious Land Use or Layout.
- Depreciation of physical maintenance, including deferred maintenance and a lack of maintenance of buildings, site improvements, grounds, streets and surface parking areas.

It is clear that private investment and redevelopment has not occurred on a comprehensive and coordinated manner to eliminate the adverse influences that currently exist. The Project Area is not reasonably expected to be developed without the efforts and leadership of the Village, including the adoption of this Redevelopment Plan, and the adoption of TIF.

VIII. FINANCIAL IMPACT

Without the adoption of this Redevelopment Plan, and TIF, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of Village-sponsored redevelopment initiatives there is a prospect that problem conditions will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. In the absence of Village-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Section VI of this Redevelopment Plan describes the comprehensive Redevelopment Project proposed to be undertaken by the Village to create an environment in which private investment can occur. The Redevelopment Project will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various Redevelopment Improvements and Activities as well as Redevelopment Projects set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new development on a scale sufficient to eliminate deteriorating problem conditions and to return the area to a long-term sound condition.

The Redevelopment Project is expected to have both short- and long-term positive financial impacts on the taxing districts affected by the Redevelopment Plan. In the short-term, the Village's strategic use of TIF can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long-term, after the completion of all Redevelopment Improvements and Activities, the construction of Redevelopment Projects and the payment of all Project Costs and municipal obligations, the taxing districts will benefit from an enhanced tax base which results from the increase in EAV caused by the Redevelopment Projects.

IX. DEMAND ON TAXING DISTRICT SERVICES

The Redevelopment Plan encourages various types of development activity within the Project Area. The number and type of new development is not known at this time. It is anticipated that Redevelopment Projects implemented as part of this Redevelopment Plan will not cause increased demand for services or capital improvements on most of the taxing districts.

It is estimated that the residential and non-residential development should not cause increased demand for services or capital improvements on any of the following taxing districts: DuPage County, DuPage Forest, DuPage Water Commission, DuPage Airport Authority, York Township, Villa Park Library, Grade School District 45, High School District 88 and College of DuPage 502.

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 Village and Salt Creek Drainage. It is expected that any increase in demand for police and fire protection services and facilities or the treatment of sanitary and storm sewage as a result of Redevelopment Projects associated with this Redevelopment Plan can be adequately handled by existing police and fire protection and sanitary and storm treatment services and facilities maintained and operated by the Village and Salt Creek Drainage.

Since there does not appear to be any reasonable prospect of adverse financial impact or increased demand on the services of the affected tax districts, no programs are currently proposed.

X. PHASING AND SCHEDULING

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area.

It is anticipated that Village expenditures for Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Taxes by the Village.

XI. PROVISIONS FOR AMENDING THE REDEVELOPMENT PLAN

This Redevelopment Plan may be amended pursuant to the Act.

XII. AFFIRMATIVE ACTION PLAN

The Village is committed to and will affirmatively implement the following principles with respect to the Redevelopment Plan:

A) The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment Plan, including, but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.

B) This commitment to affirmative actions will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

In order to implement these principles for this Redevelopment Plan, the Village shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors. In particular, parties engaged by the Village shall be required to agree to the principles set forth in this section.

Trustee Oake moved and Trustee Murphy seconded the motion that said ordinance as presented and read by the Municipal Clerk be adopted.

After a full and complete discussion thereof including a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, the President directed that the roll be called for a vote upon the motion to adopt the ordinance as read.

Upon the roll being called, the following voted AYE:

(7) Trustees Daly, Murphy, Oake, Stupigia, Trotter, Wagner,
President Arch.

NAY: (0)

Whereupon the President declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting and did direct the Municipal Clerk to record the same in full in the records of the President and Board of Trustees of the Village of Villa Park, DuPage County, Illinois.

President Arch
~~Trustee~~ presented and the Village Attorney explained the following ordinance:

R96 179007

96 OCT 31 PM 4:00

Orig in Vault

RECORDER
DU PAGE COUNTY

Blaney

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

CERTIFICATION OF ORDINANCES AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting Municipal Clerk of the Village of Villa Park, DuPage County, Illinois (the "Municipality"); and as such officer, I am the keeper of the journal of proceedings, books, records, minutes, and files of the Municipality and of the President and Board of Trustees (the "Corporate Authorities") thereof.

I do further certify that the foregoing constitutes a full, true, and complete transcript of the minutes of the legally convened regular meeting of the Corporate Authorities held on the 28th day of October, 1996, insofar as same relates to the adoption of ordinances entitled:

15/4
W

AN ORDINANCE of the Village of Villa Park, DuPage County, Illinois, approving a tax increment redevelopment plan and redevelopment project for the Villa Avenue Redevelopment Project Area Number One. (2853)

AN ORDINANCE of the Village of Villa Park, DuPage County, Illinois, designating the Villa Avenue Redevelopment Project Area Number One of said Village a redevelopment project area pursuant to the Tax Increment Allocation Redevelopment Act, as amended. (2854)

AN ORDINANCE of the Village of Villa Park, DuPage County, Illinois, adopting tax increment allocation financing for the Villa Avenue Redevelopment Project Area Number One. (2855)

true, correct, and complete copies of which said ordinances as adopted at said meeting appear in the foregoing transcript of the minutes of said meeting.

submitted by &
Return to
Bill Wiet
Village of Villa Park
20 S. Ardmore Ave
Villa Park, IL 60181

R96-179007

I do further certify that the deliberations of the Corporate Authorities on the adoption of said ordinances were taken openly; that the votes on the adoption of said ordinances were taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations, and other news media requesting such notice; that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Corporate Authorities at least 48 hours in advance of the holding of said meeting, and that said meeting was called and held and said ordinances passed in strict accordance with the provisions of "AN ACT in relation to meetings," approved July 11, 1957, as amended, the Illinois Municipal Code, as amended, and the procedural rules of the Corporate Authorities.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the seal of the Municipality, this 28th day of October, 1996.



Conroy L. McCree
Municipal Clerk

EXTRACT OF MINUTES of a regular public meeting of the President and Board of Trustees of the Village of Villa Park, DuPage County, Illinois, held at Village Hall, Villa Park, Illinois, at 7:30 o'clock P.M., on the 28th day of October, 1996.

* * *

The President called the meeting to order and directed the Village Clerk to call the roll.

Upon roll call, the following answered present: _____, President, and Trustees

President Arch Irwin, Daley, Murphy, Oake, Stupesja
Irwin, Wagner

The following were absent: (0)

The President and Board of Trustees then discussed the redevelopment objectives of the Village relating to the redevelopment of certain territory located therein and the need for governmental assistance to alleviate blighting conditions in the Village, thereby necessitating such redevelopment.

President Arch
Trustee presented and the Village Attorney explained the following ordinance:

Trustee Oake moved and Trustee Murphy seconded the motion that said ordinance as presented and read by the Municipal Clerk be adopted.

After a full and complete discussion thereof including a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, the President directed that the roll be called for a vote upon the motion to adopt the ordinance as read.

Upon the roll being called, the following voted AYE:

(7) Trustees Daly, Murphy, Oake, Stupogia, Iratter, Wagner
President Ircher

NAY: (0)

Whereupon the President declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting and did direct the Municipal Clerk to record the same in full in the records of the President and Board of Trustees of the Village of Villa Park, DuPage County, Illinois.

Other business not pertinent to the adoption of said ordinances was duly transacted at said meeting

Upon motion duly made and seconded, the meeting was adjourned.

Connie L. McCrum

Municipal Clerk

