

**NORTH AVENUE
REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCE DISTRICT
REDEVELOPMENT PLAN AND PROJECT**

**Prepared for:
The Village of Villa Park**

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This plan is subject to review and may be revised after comment and public hearing

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1. INTRODUCTION

This document presents a Tax Increment Financing Eligibility Study and a Redevelopment Plan and Project (hereinafter referred to as the "Plan") pursuant to the *Tax Increment Allocation Redevelopment Act* (65 ILCS 5/11-74.4-1 et seq.) (1996 State Bar Edition), as amended (the "Act") for the North Avenue Redevelopment Project Area Tax Increment Financing ("TIF") District located in the Village of Villa Park, Illinois (the "Project Area"). The Project Area is located along North Avenue between Joyce Avenue to the west and Villa Avenue to the east in northern Villa Park. The Project Area boundaries are defined by a combination of property lines, streets and alleys. Street and alleys that form the Project Area boundaries include: Villa Avenue on the east; Ellsworth Avenue, Chatham Avenue, North Avenue, Adele Avenue, Harvard Avenue, Addison Road, North Avenue, the alley north of North Avenue generally between Vista Avenue and Joyce Avenue, and North Avenue on the north; Joyce Avenue on the West; and the alley south of Stone Road, the Canadian National/Illinois Central Freight Rail right-of-way, Hill Street, Ellsworth Avenue, and Schiller Street on the south. The boundaries of the Project Area are delineated in *Figures 1A and 1B, Redevelopment Project Area Boundary Map* in *Appendix A* and legally described in *Appendix B*. Also shown in *Figure 1B* is the relationship of the Project Area to the Village's existing North Avenue and Ardmore Tax Increment Finance District.

The Project Area contains 340 tax parcels and four parcels that are active railroad right-of-way. The Project Area is approximately 225.6 acres in size, including rights-of-way. The land use pattern is predominantly commercial with a mix of industrial, transportation and residential uses, and a small amount of vacant land. A total of 166 buildings were identified in the Project Area, of which 95 or 57% are 35 years of age or older.

The Plan summarizes the analyses and findings of Camiros, Ltd. (hereinafter referred to as the "Consultant") which, unless otherwise noted, are the responsibility of the Consultant. The Village is entitled to rely on the findings and conclusions of this Plan in designating the Project Area as a redevelopment project area under the "Act." The Consultant has prepared this Plan and the related eligibility study with the understanding that the Village would rely: 1) on the findings and conclusions of the Plan and the related eligibility study in proceeding with the designation of the Project Area and the adoption and implementation of the Plan, and 2) on the fact that the Consultant has obtained the necessary information to conclude that the Plan and the related eligibility study are in compliance with the Act.

The Plan presents certain factors, research and analysis undertaken to document the eligibility of the Project Area for designation as a "conservation area" TIF district. The need for public intervention, goals and objectives, land use policies and other policy materials are presented in the Plan. The results of a study documenting the eligibility of the Project Area as a conservation area are presented in *Appendix C: Eligibility Study*, (the "Study").

Tax Increment Financing

In adopting the Act, the Illinois State Legislature found at 5/11-74.4-2(a) that:

... there exist in many municipalities within this State blighted, conservation and industrial park conservation areas, as defined herein; that the conservation areas are rapidly deteriorating and declining and may soon become blighted areas if their decline is not checked...

and pursuant to Section 5/11-74.4-2(b) also found that:

... in order to promote and protect the health, safety, morals, and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken... The eradication of blighted areas and treatment and improvement of conservation areas and industrial park conservation areas by redevelopment projects is hereby declared to be essential to the public interest.

In order to use the tax increment financing technique, a municipality must first establish that the proposed redevelopment project area meets the statutory criteria for designation as a “blighted area,” or a “conservation area.” A redevelopment plan must then be prepared which describes the development or redevelopment program intended to be undertaken to reduce or eliminate those conditions which qualified the redevelopment project area as a “blighted area” or “conservation area,” or combination thereof, and thereby enhance the tax bases of the taxing districts which extend into the redevelopment project area. The statutory requirements are set out at 65 ILCS 5/11-74.4-3, et seq.

The Act provides that, in order to be adopted, a Plan must meet the following conditions under 5/11-74.4-3(n):

(1) the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the redevelopment plan; (2) the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality; (3) the redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs (which dates shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in Section 8(b) of the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted); (4) in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of

new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area; and (5) if any incremental revenues are being utilized under Section 8a(1) or 8a(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986 the municipality finds (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

Redevelopment projects are defined as any public or private development projects undertaken in furtherance of the objectives of the redevelopment plan in accordance with 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 eligible “redevelopment project costs” with incremental property tax revenues. “Incremental Property Tax” or “Incremental Property Taxes” are derived from the increase in the current equalized assessed value (“EAV”) of real property within the redevelopment project area over and above the “Certified Initial EAV” of such real property. Any increase in EAV is then multiplied by the current tax rate to arrive at the Incremental Property Taxes. A decline in current EAV does not result in a negative Incremental Property Tax.

To finance redevelopment project costs, a municipality may issue obligations secured by Incremental Property Taxes to be generated within the redevelopment 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.

Tax increment financing does not generate tax revenues through additional taxes. This financing mechanism allows the municipality to capture, for a certain number of years, the new tax revenues produced by the enhanced valuation of properties resulting from the municipality’s redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. This revenue is then reinvested in the area through rehabilitation, developer subsidies, public improvements and other eligible redevelopment activities. Under tax increment financing, all taxing districts continue to receive property taxes levied on the initial valuation of properties within the redevelopment 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 redevelopment project costs necessary to implement the redevelopment plan have been paid and such excess Incremental Property Taxes are not otherwise required, pledged or otherwise designated for other redevelopment projects. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid.

The Village of Villa Park (the “Village”) authorized an evaluation to determine whether a portion of the Village to be known as the North Avenue Redevelopment Project Area TIF District qualifies for designation as a conservation area pursuant to the provisions contained in

the Act. Since it was determined that the Project Area so qualified, the Village requested the preparation of a redevelopment plan for the Project Area in accordance with the requirements of the Act.

The North Avenue Redevelopment Project Area

The entire Project Area is classified as improved property, with 340 tax parcels located on 35 tax blocks with a total land area of 225.6 acres. In order to be designated as a conservation area, 50% or more of the buildings within the Project Area must be 35 years of age or older. The Project Area contains 166 buildings, of which 95 were built in 1971 or earlier, representing 57% of all buildings. Thus, the required statutory threshold with respect to building age has been met. Additionally, other conditions exist within the Project Area that support its designation as a conservation area under the Act. These conditions include:

- Obsolescence
- Deterioration
- Presence of structures below minimum code standards
- Excessive vacancies
- Inadequate utilities
- Excessive land coverage and overcrowding of structures and community facilities
- Deleterious land use or layout
- Lack of community planning

As a result of these conditions, the Project Area is in need of revitalization, rehabilitation and redevelopment. In recognition of the unrealized potential of the Project Area, the Village is taking action to facilitate its revitalization. The Project Area as a whole has not been subject to growth and development by private enterprise and would not reasonably be anticipated to be developed without adoption of the Plan.

The purpose of the Plan is to create a mechanism to allow for the redevelopment of new commercial, residential, and public facilities on existing vacant and/or underutilized land, the redevelopment of obsolete uses, revitalization of neighborhood shopping areas, and the improvement of the area's physical environment and infrastructure. The redevelopment of the Project Area is expected to encourage economic revitalization within the community and the surrounding area.

The *Eligibility Study*, attached hereto as *Appendix C*, concludes that property in the Project Area is experiencing deterioration and disinvestment. The analysis of conditions within the Project Area indicates that it is appropriate for designation as a conservation TIF district in accordance with the Act.

The Plan has been formulated in accordance with the provisions of the Act. This document is a guide to all proposed public and private actions in the Project Area.

2. PROJECT AREA DESCRIPTION

The North Avenue Redevelopment Project Area includes only contiguous parcels and qualifies for designation as a conservation area under the Act. The proposed Project Area includes only that area that is anticipated to substantially benefit by the proposed redevelopment project improvements

Community Context

The Project Area lies within the Village of Villa Park corporate boundary, in eastern DuPage County and straddles Addison Township to the north and York Township to the south. The TIF Project Area has irregular boundaries and is located along North Avenue generally bounded on the west by Joyce Avenue, on the east by Villa Avenue in the northernmost area of the Village of Villa Park.

Villa Park was originally incorporated as Ardmore in 1914. In 1917, the name of the village was changed to Villa Park. Villa Park's population ballooned in the 1920s as the Aurora, Elgin and Chicago Railroad fostered regional expansion. Early residents were drawn to Villa Park's "country living" lifestyle. Suburban growth during the Post World War II era brought Villa Park's second major population boom. The village grew from 8,000 residents to 25,000 by 1965.

North Avenue, a designated "Strategic Regional Arterial," lies on the northern boundary of the Village. The majority of the buildings located within the Project Area were constructed in the 1960s and 1970s when Villa Park experienced significant growth. Commercial growth on North Avenue responded to new residential needs as well as those of the region.

Population Characteristics

The Village of Villa Park had 22,075 residents according to the 2000 U.S. Census. The majority of the population was white with 19,820 residents, representing 89% of the population. The median household income is \$55,706, compared to the Chicago Metropolitan Statistical Area (MSA) median household income of \$51,406. A special census was completed in 2003 which shows that the population had grown to 22,517.

Current Land Use and Zoning

The Project Area is primarily commercial in nature, with residential, light industrial, and vacant land also present. The distribution of land use is lacking a distinct pattern of development, with small industrial, residential, and vacant parcels dispersed unevenly throughout the Project Area. Most of commercial uses within the Project Area are concentrated primarily between Kramer Avenue to the west and Villa Avenue to the east and include a variety of retail and service uses serving the local area. These uses are typically one-story, street-facing buildings, often in strip shopping centers with front loading parking. Commercial property on the north side of North

Avenue is typically on large parcels of varying lot depths, while the commercial property on the south side of North Avenue consists primarily of small parcels of varying size and orientation.

Residential uses within the Project Area are primarily multi-family townhouse units. The multi-family buildings are concentrated between Joyce and Kramer Avenues in the western portion of the Project Area, with additional multi-family uses scattered elsewhere. A few single-family residences are located within the Project Area, including an area on the north side of North Avenue between Harvard and Ardmore Avenues.

The distribution of the various types of land use in the Project Area is represented in *Figures 2A and 2B, Existing Land Use* in *Appendix A*. Current zoning reflects the pattern of existing land use in most parts of the Project Area, with the exception of property generally located on the south side of North Avenue between Addison Road and Villa Avenue, where current zoning is M-1: Light Industrial, while the majority of the land uses in this area are commercial in nature. Current zoning is shown in *Figure 3A and 3B, Existing Zoning Map* in *Appendix A*.

Transportation Characteristics

The Project Area is located along the commercial business corridor of North Avenue, which is Illinois State Route 64, and is classified as a Strategic Regional Arterial by the Illinois Department of Transportation. North Avenue serves as a primary east-west route through the Project Area and has daily average traffic of approximately 50,400 vehicles per day east of Addison Road and 41,100 vehicles per day on the western end of the Project Area. Illinois State Route 83, or Kingery Highway, is located immediately to the east of the Project Area. This highway is a major north-south thoroughfare that carries over 75,000 vehicles per day. (Source: DuPage County Department of Transportation).

A number of local streets provide secondary access to and from North Avenue within the Project Area. Addison, Ardmore, and Villa Avenues are the most traveled of these. Other local streets carry smaller volumes to the area. Many of these smaller streets do not cross the Canadian National/Illinois Central Railroad tracks.

The Canadian National/Illinois Central Freight Rail runs diagonally through the center of the Project Area. The railroad traverses approximately three blocks within the Project Area, dividing land on either side between Addison and Yale Avenues.

3. ELIGIBILITY OF THE PROJECT AREA FOR DESIGNATION AS A CONSERVATION AREA

The Project Area on the whole has not been subject to significant growth and development through investment by private enterprise. Based on the conditions present, the area is not likely to be comprehensively or effectively developed without the adoption of the Plan. In June 2005, a series of studies was undertaken to establish whether the proposed Project Area is eligible for designation as a “conservation area” in accordance with the requirements of the Act. This information was updated between January and March 2006. These analyses concluded that the Project Area so qualifies.

In order to be designated as a conservation area, 50% or more of the buildings within the Project Area must be 35 years of age or older. The majority of buildings are more than 35 years of age, with 57% having been built in 1971 or before. Once the age requirement has been met, the presence of three of the 13 conditions set forth in the Act is required for designation of improved property as a conservation area. These factors must be meaningfully present and reasonably distributed within the Project Area. Of the 13 factors cited in the Act for improved property, six factors are present within the Area to a *major extent*. Each of these six factors is reasonably distributed within the Project Area and has been used to establish eligibility for designation as a conservation area:

- Obsolescence
- Deterioration
- Presence of structures below minimum code standards
- Inadequate utilities
- Excessive land coverage and overcrowding of structures and community facilities
- Lack of community planning

Two additional factors are present to a *minor extent* within the Project Area. These are:

- Excessive vacancies
- Deleterious land use or layout

Factors that were present to a minor extent were not used to establish eligibility of the Project Area for designation as a conservation area, but help to illustrate the need for public intervention to prevent the Project Area from becoming blighted. For more specific discussion of eligibility, refer to *Appendix C: Eligibility Study*.

Need for Public Intervention

The Project Area cannot reasonably be expected to attract significant new private investment without the benefit of public intervention in the form of the Plan. The divergence between the

transportation characteristics of North Avenue and the platting and layout of commercial property within the Project Area will only increase over time without public intervention. The recent redesign and reconstruction of North Avenue, which resulted in a landscaped barrier median in the middle of the roadway, has limited accessibility to commercial property. For older, smaller commercial properties, this decrease in accessibility will further erode their ability to compete with larger, more modern commercial developments.

One measure of economic stability is relative share of the Project Area's contribution to Villa Park's tax base. Between 1999 and 2004, the assessed value of the Project Area grew by 36.5%, while that of the Village grew by 38.8%. Between the 2002 and 2003 tax years, when property was being taken to accommodate the North Avenue reconstruction project, the assessed value of the Project Area declined by 4.75%.

The level of private sector investment, as measured by building permits over the last five years, also illustrates this lack of private sector investment. The total value of construction activity in the period between 2001 and 2005 was \$8,041,951. Of this total, \$2,889,422 was for new construction activity. The majority of this investment, \$1,477,822, occurred in 2003, coinciding with the construction of a major addition to the Harley Davidson dealership. Redevelopment needs within the Project Area suggest that private investment of at least ten times this 2003 total would be needed to address obsolescence and deterioration. This is the type of investment needed to address the problems within the Project Area. Aside from the new construction activity in 2003, private investment activity during this period was only \$6,564,129. Given that reinvestment in commercial property is needed on a continuous basis in order to remain competitive, the current level of private sector investment is not sufficient and public intervention is needed to induce more private sector investment.

Table 1
BUILDING PERMIT ACTIVITY (2001-2005)

	2001	2002	2003	2004	2005	Total
Construction Value						
New Construction	\$0	\$341,600	\$1,477,822	\$0	\$1,070,000	\$2,889,422
Rehab/Repairs	\$1,104,291	\$1,061,366	\$981,473	\$480,259	\$852,040	\$4,479,429
Demolition	\$10,500	\$1,000	\$73,400	\$58,000	\$530,200	\$673,100
Total	\$1,114,791	\$1,403,966	\$2,532,695	\$538,259	\$2,452,240	\$8,041,951
# of Permits Issued						
New Construction	0	2	2	0	3	7
Rehab/Repairs	48	39	54	110	62	313
Demolition	4	1	3	3	5	16
Total	52	42	59	113	70	336

Source: Village of Villa Park

4. REDEVELOPMENT PLAN GOALS AND OBJECTIVES

The proposed Plan is consistent with Village plans for the area. The land uses conform to those contained in Village-sponsored plans for the area, most notably the *North Avenue Corridor Plan*. The following goals and objectives are provided to guide development in the Project Area.

General Goals:

- Create an attractive environment that encourages new commercial development on vacant and underutilized sites within the Project Area, thereby increasing the tax base.
- Reduce or eliminate the over-intensive use of property and the crowding of buildings within the Project Area.
- Provide for the orderly transition from obsolete uses/development to more appropriate land development patterns.
- Improve public facilities and amenities within the Project Area.
- Improve storm water management facilities within the Project Area.
- Upgrade infrastructure within the Project Area, including sanitary sewer and water facilities.

Redevelopment Objectives:

- Encourage commercial redevelopment in appropriate locations and rehabilitation of deteriorated commercial buildings where practical.
- Encourage private investment, especially new development on vacant and underutilized lots within the Project Area, where there is demonstrated market support.
- Assemble or encourage the assembly of land into parcels of appropriate shape and sufficient size for redevelopment in accordance with this Plan.
- Direct development activities to appropriate locations within the Project Area in accordance with the land use plan and general land use strategies.
- Promote the use of environmentally-conscious building design.

Design Objectives:

- Enhance the appearance of existing development along North Avenue through streetscape, parking improvements, landscaping, lighting and other physical improvements.
- Require that new commercial development provide adequate parking and landscaping.
- Encourage site design that allows for efficient traffic circulation.
- Establish architectural design standards to ensure high-quality design of new buildings and façade renovations of existing buildings.

5. REDEVELOPMENT PLAN

The Village proposes to achieve the Plan's goals through the use of public financing techniques, including tax increment financing, and by undertaking some or all of the following actions:

Property Assembly and Site Preparation

To meet the goals and objectives of the Plan, the Village may acquire and assemble property throughout the Project Area. Land assemblage by the Village may be by purchase, exchange, donation, lease, eminent domain or other programs and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the Village may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the Village may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the Village exercising its power to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing the Plan, the Village will follow its customary land acquisition procedures. Acquisition of such real property as may be authorized by the Village Board does not constitute a change in the nature of the Plan.

Intergovernmental and Redevelopment Agreements

The Village may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Projects"). Such redevelopment agreements may be needed to support: the rehabilitation or construction of allowable private improvements, in accordance with the Plan; incur costs or reimburse developers for other eligible redevelopment project costs as provided in the Act in implementing the Plan; and provide public improvements and facilities which may include, but are not limited to utilities, street closures, transit improvements, streetscape enhancements, signalization, parking and surface right-of-way improvements.

Terms of redevelopment as part of this redevelopment project may be incorporated in appropriate redevelopment agreements. For example, the Village may agree to reimburse a developer for incurring certain eligible redevelopment project costs under the Act. Such agreements may contain specific development controls as allowed by the Act.

Job Training

To the extent allowable under the Act, job training costs may be directed toward training activities designed to enhance the competitive advantages of the Project Area and to attract additional employers to the Area. Working with employers and local community organizations, job training and job readiness programs may be provided that meet employers' hiring needs, as allowed under the Act. A job readiness/training program is a component of the Plan. The Village expects to encourage hiring from the community that maximizes job opportunities for Villa Park residents.

Relocation

Relocation assistance may be provided to facilitate redevelopment of portions of the Project Area and to meet other Village objectives. Businesses or households legally occupying properties to be acquired by the Village may be provided with relocation advisory and financial assistance as determined by the Village.

Analysis, Professional Services and Administrative Activities

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

Provision of Public Improvements and Facilities

Adequate public improvements and facilities may be provided to service the Project Area. Public improvements and facilities may include, but are not limited to, street closures to facilitate assembly of development sites, upgrading streets, signalization improvements, provision of streetscape amenities, parking improvements, infrastructure and stormwater improvements.

Financing Costs Pursuant to the Act

Interest on any obligations issued under the Act accruing during the estimated period of construction of the redevelopment project and other financing costs may be paid from the incremental tax revenues pursuant to the provisions of the Act.

Interest Costs Pursuant to the Act

Pursuant to the Act, the Village may allocate a portion of the incremental tax revenues to pay or reimburse developers for interest costs incurred in connection with redevelopment activities in order to enhance the redevelopment potential of the Project Area.

6. REDEVELOPMENT PROJECT DESCRIPTION

The Plan seeks to encourage new development on vacant commercial property and redevelopment of deteriorated and obsolete commercial properties on blocks within the Project Area that suffer from small lot size, lack of off-street parking and poor accessibility. The Plan recognizes that new investment in commercial property is needed to improve the Project Area and revitalize the areas that form the core of the Project Area.

In certain cases, attracting new private investment may require the redevelopment of existing properties. Proposals for infrastructure improvements will stress projects that will serve and benefit the Project Area and surrounding development. A comprehensive program of aesthetic enhancements will include streetscape improvements, facade renovations and compatible new development in keeping with current development standards. The components will create the quality environment required to sustain the revitalization of the Project Area.

Based on this assessment, the goals of the redevelopment projects to be undertaken in the Project Area are to: 1) redevelop outdated and obsolete commercial properties into more appropriate commercial development that will be competitive within the marketplace; 2) encourage the redevelopment of older, deteriorated commercial property to prevent the creation of blighting influences; 3) provide the opportunity for property assembly to facilitate needed redevelopment and supplement off-street parking to existing commercial and office uses in the Project Area; and 4) encourage commercial development on scattered vacant lots within existing commercial areas. The major physical improvement elements anticipated as a result of implementing the proposed Plan are outlined below.

Commercial Redevelopment

A major component of the Plan is to induce reinvestment in and redevelopment of commercial property. Development standards for commercial property have changed greatly since land within the Project Area was developed. Traffic and access characteristics along North Avenue have changed, requiring larger parcels to allow for good access and visibility. Requirements for parking have also increased, as have requirements for building setbacks. Landscape standards and signage have also been improved. The result of these changes in development standards has been to make older development along major arterials obsolete and less consistent with current industry standards. Thus, despite the high traffic volumes and general prominence of North Avenue, older, existing commercial development within the Project Area is not performing well. The Plan seeks to induce reinvestment and redevelopment of under-performing commercial property.

Residential Redevelopment and Enhancement

While the majority of land use within the Project Area is designated for commercial use, there is also a significant amount of residential property. Unfortunately, the land use relationships involving much of the residential property are far from ideal. Frontage property along North Avenue does not offer a wholesome living environment, given the noise and traffic conditions created by North Avenue. Such residential property is clearly inappropriate given the current character of North Avenue and does not represent the highest and best land use from an economic perspective.

Ideally, residential property along North Avenue would be redeveloped for commercial use. However, the lot depths are relatively shallow and redevelopment of residential property may require significant financial subsidies. Given the generally higher basis in the residential property, required subsidies may be excessive, making such redevelopment financially infeasible. If redevelopment is not feasible, improvements such as landscaping and buffering, open space, parking improvements, infrastructure improvements and noise insulation should be considered to improve the living environment and prevent disinvestment in this residential property, which would lead to blight. It may be necessary to acquire some residential property in order to provide these amenities to improve the living conditions for the remaining residential properties.

Public Improvements

Public improvements may be needed to spur investment and redevelopment in certain situations. Aesthetic and visual enhancements such as landscaping and a signage and identity program would help improve the image of the area and strengthen its shopping appeal. In addition, roadway, access and parking improvements may be needed in certain locations to facilitate redevelopment or upgrading of existing commercial properties. There are also a number of infrastructure issues related to water, sanitary sewer and storm water drainage facilities that may need to be addressed in conjunction with redevelopment activities within the Project Area.

7. GENERAL LAND USE PLAN AND MAP

The land use policies proposed in this Plan, and represented in *Figures 4A and 4B, General Land Use Plan*, are intended to guide redevelopment activity within the Project Area. The land use categories planned for the Project Area are defined below:

- | | |
|-------------------------------------|---|
| 1) Commercial Mixed Use | This land use category is designed to accommodate a range of business activity including retail, office, service commercial, eating and drinking establishments, and other complementary uses. |
| 2) Industrial/Commercial Mixed Use | This land use category is intended to accommodate current manufacturing, fabrication, assembly, wholesale and warehouse uses and the transition from these industrial uses over time to commercial or other complementary uses in furtherance of the goals and objectives of this Plan. |
| 3) Residential/Commercial Mixed Use | This land use category includes existing residential and other land that may be appropriate for future residential or commercial use. |

The General Land Use Plan allows for a prudent level of flexibility in land use policy to respond to future market forces. This is accomplished through the three mixed-use land use categories, which allows for retail, commercial service, industrial, residential uses, and any combination thereof depending on the mixed use district. The General Land Use Plan is intended to provide a guide for future land use improvements and developments within the Project Area. The land uses proposed for the Project Area are consistent with the redevelopment goals of this Plan.

The General Land Use Plan is intended to serve as a broad guide for land use and redevelopment policy. The Plan is general in nature to allow adequate flexibility to respond to shifts in the market and private investment. These land use strategies are intended to direct development toward the most appropriate land use pattern for the various portions of the Project Area and enhance the overall development of the Project Area in accordance with the goals and objectives of the Plan. Locations of specific uses, or public infrastructure improvements, may vary from the General Land Use Plan as a result of more detailed planning and site design activities. Such variations are permitted without amendment to the Plan as long as they are consistent with the Plan's goals and objectives and the land uses and zoning approved by the Planning and Zoning Commission and Village Board.

8. REDEVELOPMENT PLAN FINANCING

Tax increment financing is an economic development tool designed to facilitate the redevelopment of blighted areas and to arrest decline in areas that may become blighted without public intervention. It is expected that tax increment financing will be an important means, although not necessarily the only means, of financing improvements and providing development incentives in the Project Area throughout the Plan's 23 year life.

Tax increment financing can only be used when private investment would not reasonably be expected to occur without public assistance. The Act sets forth the range of public assistance that may be provided.

It is anticipated that expenditures for redevelopment project costs will be carefully staged in a reasonable and proportional basis to coincide with expenditures for redevelopment by private developers and the projected availability of tax increment revenues.

The various redevelopment expenditures that are eligible for payment of reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs (the "Redevelopment Project Costs") that are deemed to be necessary to implement this Plan.

In the event the Act is amended after the date of the approval of this Plan by the Village Board of Villa Park to a) include new eligible redevelopment project costs, or b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/11-74.4-3(q)(11), this Plan shall be deemed to incorporate such additional, expanded, or increased eligible costs as Redevelopment Project Costs under the Plan, to the extent permitted by the Act. In the event of such amendment(s) to the Act, the Village may add any new eligible redevelopment project costs as a line item in *Table 2: Estimated Redevelopment Project Costs* or otherwise adjust the line items in *Table 2: Estimated Redevelopment Project Costs* without amendment to this Plan, to the extent permitted. In no instance, however, shall such additions or adjustments result in any increase in the total Redevelopment Project Costs without further amendment to this Plan.

Eligible Project Costs

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

1. Professional services including: costs of studies and surveys, development of plans and specifications, implementation and administration of the Plan including, but not limited

to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding lobbying expenses), provided however, that no charges for professional services may be based on a percentage of the tax increment collected and the terms of such contracts do not extend beyond a period of three years. Redevelopment project costs may not include general overhead or administrative costs of the municipality that would still have been incurred if the municipality had not designated a redevelopment project area or approved a redevelopment plan.

2. The cost of marketing sites within the redevelopment project area to prospective businesses, developers and investors.
3. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or 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.
4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the cost of replacing an existing public building, if pursuant to the implementation of a redevelopment project, the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.
5. Costs of the construction of public works or improvements, but not including the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building unless the municipality makes a reasonable determination, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan.
6. Costs of job training and retraining projects including the cost of “welfare-to-work” programs implemented by businesses located within the Project Area, and such proposals featuring a community-based training program which ensures maximum reasonable employment opportunities for residents of the municipality with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills, including residents of public and other subsidized housing and people with disabilities.
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 thereunder, including interest 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.

8. All, or a portion, of a taxing district's capital costs resulting from the redevelopment project necessarily incurred, or to be incurred, in furtherance of the redevelopment plan, to the extent the municipality by written agreement, accepts and approves such costs.
9. 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 state or federal law or in accordance with the requirements Section 74.4-3(n)(7) of the Act.
10. Payment in lieu of taxes, as defined in the Act.
11. 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 provided that such costs : (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the 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, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a.
12. Interest costs incurred by a developer related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - (b) such payments in any one year may not exceed 30% of the annual interest costs incurred by the developer with regard to the redevelopment project during that year;
 - (c) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this 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 30 percent of the total: (i) cost paid or incurred by the developer for such redevelopment project, plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the Village pursuant to the Act; and

- (e) up to 75 percent of the interest cost described in subsections (b) and (d) above incurred by a developer for the financing of rehabilitated or new housing units for low-income households and very low income households, as defined in Section 3 of the Illinois Affordable Housing Act.
- 13. An elementary, secondary or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided for in the Act.
- 14. Instead of the eligible costs provided for in 12(b) 12 (d) and 12(e) above, the municipality may pay up to 50% of the cost of construction, renovation and/or rehabilitation of all low-income and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low-income and very low-income households, only the low-income and very low-income households shall be eligible for benefits under the Act.
- 15. If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 60% of the municipality, county or regional median income as determined from time to time by HUD.

The cost of constructing new privately-owned buildings is not an eligible redevelopment project cost, unless specifically authorized by the Act.

If a special service area has been 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 Project Area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

Estimated Project Costs

A range of activities and improvements may be required to implement the Plan. The proposed eligible activities and their estimated costs over the life of the Project Area are briefly described below and also shown in *Table 2: Estimated Redevelopment Project Costs*.

1. Professional services including planning, legal, surveys, real estate marketing costs, fees and other related development costs. This budget element provides for studies and survey costs for planning and implementation of the project, including planning and legal fees, architectural and engineering, development site marketing, financial and special service costs. (*Estimated cost: \$750,000*)

2. Property assembly costs, including acquisition of land and other property, real or personal, or rights or interests therein, and other appropriate and eligible costs needed to prepare the property for redevelopment. These costs may include the reimbursement of acquisition costs incurred by private developers. Land acquisition may include acquisition of both improved and vacant property in order to create development sites, accommodate public rights-of-way or to provide other public facilities needed to achieve the goals and objectives of the Plan. Property assembly costs also include: demolition of existing improvements, including clearance of blighted properties or clearance required to prepare sites for new development, site preparation, including grading, and other appropriate and eligible site activities needed to facilitate new construction, and environmental remediation costs associated with property assembly which are required to render the property suitable for redevelopment. *(Estimated cost: \$35,000,000)*
3. Rehabilitation, reconstruction, repair or remodeling of existing public or private buildings and fixtures; and up to 50% of the cost of construction of low-income and very-low-income housing units. *(Estimated cost: \$2,300,000)*
4. Construction of public improvements, infrastructure and facilities. These improvements are intended to improve access within the Project Area, stimulate private investment and address other identified public improvement needs, and may include all or a portion of a taxing district's eligible costs, including increased costs of the Villa Park public school districts attributable to assisted housing units within the Area in accordance with the requirements of the Act. *(Estimated cost: \$5,350,000)*
5. Costs of job training and retraining projects, advanced vocational education or career education, as provided for in the Act. *(Estimated cost: \$100,000)*
6. Relocation costs, as judged by the Village to be appropriate or required to further implementation of the Plan. *(Estimated cost: \$1,500,000)*
7. Financing and interest costs associated with redevelopment projects, pursuant to the provisions of the Act. *(Estimated cost: \$5,000,000)*

The estimated gross eligible project costs over the life of the Project Area are \$50 million. All project cost estimates are in 2006 dollars. Any bonds issued to finance portions of the redevelopment project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with issuance of such obligations, as well as to provide for capitalized interest and reasonably required reserves. The total project cost figure excludes any costs for the issuance of bonds. Adjustments to estimated line items, which are upper estimates for these costs, are expected and may be made without amendment to the Plan.

Table 2
ESTIMATED REDEVELOPMENT PROJECT COSTS

Program Action/Improvement	Budget
Planning, Legal, Surveys, Redevelopment Marketing Costs and Related Development Costs	\$750,000
Property Assembly, Site Preparation and Environmental Remediation	\$35,000,000
Rehabilitation (may include up to 50% of the cost of construction of low and very low-income housing units)	\$2,300,000
Public Improvements	\$5,350,000 (1)
Job Training and Retraining	\$100,000
Relocation Costs	\$1,500,000
Financing and Interest Costs	\$5,000,000
TOTAL	\$50,000,000 (2) (3)(4)

- (1) This category may also include reimbursing capital costs of taxing districts impacted by the redevelopment of the Area and school district costs pursuant to the Act. As permitted by the Act, the Village may pay, or reimburse all, or a portion of a taxing district's costs resulting from the Redevelopment Project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan pursuant to a written agreement by the Village accepting and approving such costs.
- (2) The Total Project Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs. The amount of the Total Project Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area 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 Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area which are paid from incremental taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right-of-way.
- (3) The Total Project Costs provides an upper limit on expenditures and adjustments may be made in line items without amendment to the Plan.
- (4) Increases in estimated total Redevelopment Project Costs of more than 5% after adjustment for inflation from the date of the Plan adoption, are subject to the Plan amendment procedures as provided under the Act.

Sources of Funds

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived principally from Incremental Property Taxes. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Project Area over and above the initial equalized assessed value of each such property in the Project Area.

Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds as the Village may deem appropriate. The Village may incur Redevelopment Project Costs (costs for line items listed on *Table 2: Estimated Redevelopment Project Costs*) which are paid for from funds of the Village other than incremental taxes, and the Village may then be reimbursed for such costs from incremental taxes. To secure the issuance of these obligations, 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.

The Project Area is contiguous to the North Avenue and Ardmore Tax Increment Finance District designated by the Village in 1994. The Project Area may be contiguous to, or be separated only by a public right-of-way from, other redevelopment project areas created under the Act. The Village may utilize net incremental property taxes received from the Project Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area, made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in the Plan.

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.61-1 et seq.). If the Village finds that the goals, objectives and financial success of such contiguous redevelopment project areas, or those separated only by a public right-of-way, are interdependent with those of the Project Area, the Village may determine that it is in the best interests of the Village, and in furtherance of the purposes of the Plan, that net revenues from the Project Area be made available to support any such redevelopment project areas and vice versa. The Village therefore proposes to utilize net incremental revenues received from the Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas, and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, or other areas described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in *Table 2: Estimated Redevelopment Project Costs*.

Development of the Project Area would not be reasonably expected to occur without the use of the incremental revenues provided by the Act. Redevelopment project costs include those eligible project costs set forth in the Act. Tax increment financing or other public sources will be used only to the extent needed to secure commitments for private redevelopment activity or meet identified public improvement needs.

Nature and Term of Obligations to be Issued

The Village may issue obligations secured by the tax increment special tax allocation fund established for the Project Area pursuant to the Act or such other funds or security as are available to the Village by virtue of its powers, available under the Act, pursuant to the Illinois State Constitution. 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.

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs and implement the Plan shall be retired not later than December 31 of the year in which the payment to the Village Treasurer as provided the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the Project Area is adopted (i.e., assuming Village Board approval of the Project Area and Plan in 2006, by 2030). The final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issuance. One or more series of obligations may be sold at one or more times in order to implement the Plan. The Village may also issue obligations to a developer as reimbursement for project costs incurred by the developer on behalf of the Village. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled and/or early retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds. To the extent that Incremental Property Taxes are not needed for these purposes, and are not otherwise required, pledged, earmarked or otherwise designated for the payment of Redevelopment Project Costs, 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.

Most Recent Equalized Assessed Valuation

The purpose of identifying the most recent equalized assessed valuation (“EAV”) of the Project Area is to provide an estimate of the initial EAV, which the DuPage County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the Project Area. The 2005 EAV of all taxable parcels in the Project Area is \$38,726,903. This total EAV amount by PIN is summarized in *Appendix D*. The EAV is subject to verification by the DuPage County Clerk. 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 Project Area will be calculated by DuPage County.

Anticipated Equalized Assessed Valuation

Once the redevelopment project has been completed and the property is fully assessed, the EAV of real property within the Area is estimated at approximately \$92,000,000. This estimate has been calculated assuming that the Project Area will be developed in accordance with *Figures 4A and 4B, General Land Use Plan* presented in *Appendix A*.

The estimated EAV assumes that the assessed value of property within the Project Area will increase substantially as a result of new development and public improvements. Calculation of the estimated EAV is based on several assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) the application of a State Multiplier of 1.000 to the projected assessed value of property within the Project Area; and 3) an annual appreciation factor of 1.5%.

Financial Impact on Taxing Districts

The Act requires an assessment of any financial impact of the Project Area on, or any increased demand for services from, any taxing district affected by the Plan and a description of any program to address such financial impacts or increased demand. The Village intends to monitor development in the Project Area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

The following taxing districts presently levy taxes on properties located within the Project Area:

DuPage County. The County has principal responsibility for the protection of persons and property, the provision of public health services and the maintenance of County highways.

DuPage County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the Village and County for the education, pleasure and recreation of the public.

College of DuPage County. The College of DuPage County provides secondary education for residents of the County.

DuPage County Airport Authority. The County Airport Authority is responsible for operation and maintenance of airports in the County.

Salt Creek Sanitary District. The Salt Creek Sanitary District provides the main trunk lines for the collection of wastewater from cities, villages and towns, and for the treatment and disposal thereof.

York and Addison Townships: Township governments are responsible for a variety of services including general assistance, the assessor's office and jurisdiction and maintenance of roads and other rights-of-way.

School Districts 4, 45 and 88. General responsibilities of the two local school districts include the provision, maintenance and operations of educational facilities and the provision of educational services for kindergarten through twelfth grade.

Village of Villa Park. The Village is responsible for the provision of a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; building, housing and zoning codes, etc. The Village also administers the Village of Villa Park Library Fund, a separate taxing district from the Village.

Demand for public services is not expected to increase significantly because population is not anticipated to increase significantly from planned development activity in the Project Area. However, redevelopment of the Project Area may result in changes to the level of required

public services such as water and sewer. The required level of these public services will depend upon the uses that are ultimately included within the Project Area. Although the specific nature and timing of the private investment expected to be attracted to the Project Area cannot be precisely quantified at this time, a general assessment of financial impact can be made based upon the level of development and timing anticipated by the proposed Plan.

For the taxing districts levying taxes on property within the Project Area, increased service demands are expected to be negligible because they are already serving the Project Area. Upon completion of the Plan, all taxing districts are expected to share the benefits of a substantially improved tax base. When completed, developments in the Project Area will generate property tax revenues for all taxing districts. Other revenues may also accrue to the Village in the form of sales tax, business fees and licenses, and utility user fees.

It is expected that most of the increases in demand for the services and programs of the aforementioned taxing districts, associated with the Project Area, can be adequately handled by the existing services and programs maintained by these taxing districts. However, a portion of the \$5.35 million that has been allocated for public improvements within the Estimated Redevelopment Project Costs budget may be used to address potential demands associated with implementing the Plan.

Real estate tax revenues resulting from increases in the EAV, over and above the Certified Initial EAV established with the adoption of the Plan, will be used to pay eligible redevelopment costs in the Project Area. Following termination of the Project Area, the real estate tax revenues, attributable to the increase in the EAV over the certified initial EAV, will be distributed to all taxing districts levying taxes against property located in the Area. Successful implementation of the Plan is expected to result in new development and private investment on a scale sufficient to overcome blighted conditions and substantially improve the long-term economic value of the Project Area.

Completion of the Redevelopment Project and Retirement of Obligations to Finance Redevelopment Project Costs

The Plan will be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the Village treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Plan is adopted (assuming adoption in 2006, by December 31, 2030).

9. HOUSING IMPACT STUDY

A Housing Impact Study has been conducted for the North Avenue Redevelopment Project Area “Project Area” to determine the potential impact of redevelopment on area residents. As set forth in the Tax Increment Allocation Redevelopment Act (the "Act"), if the 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 the Village is unable to certify that no displacement of residents will occur, the municipality shall prepare a housing impact study and incorporate the study as part of the separate feasibility report required by subsection (a) of Section 11-74.4-4.11. Since the Project Area contains more than 75 inhabited residential units and may displace 10 or more residents, a housing impact study is required. This Housing Impact Study, which is part of the North Avenue Redevelopment Plan, fulfills this requirement. It is also integral to the formulation of the goals, objectives, and policies of the Plan.

This Housing Impact Study is organized into two parts. *Part I: Housing Survey* describes the housing survey conducted within the Project Area to determine existing housing characteristics. *Part II: Potential Housing Impact* describes the potential impact of the Plan. Specific elements of the Housing Impact Study include:

Part I - Housing Survey

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

Part II - Potential Housing Impact

- i. The number and location of those units that will be or may be removed.
- ii. The municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed.

- iii. The availability of replacement housing for those residents whose residences are to be removed, and the identification of the type, location, and cost of the replacement housing.
- iv. The type and extent of relocation assistance to be provided.

PART I - HOUSING SURVEY

Part I of this study provides the number, type and size of residential units within the Project Area; the number of inhabited and uninhabited units; and the racial and ethnic composition of the residents in the inhabited residential units.

Number and Type of Residential Units

The number and type of residential units within the Project Area were identified during the building condition and land use survey conducted as part of the eligibility analysis for the Project Area. This survey, completed on June 3, 2005, revealed that the Project Area contains 39 residential or mixed-use residential buildings containing a total of 148 units. The number of residential units by building type is outlined in *Table 3: Number and Type of Residential Units*.

Table 3
NUMBER AND TYPE OF RESIDENTIAL UNITS

Building Type	Total Number of Buildings	Total Number of Units
Single-Family	16	16
Multi-Family	21	130
Mixed-Use	2	2
Total	39	148

Source: Camiros, Ltd.

Methodology

In order to describe the distribution of residential units by number and type of rooms within the Project Area, Camiros, Ltd. analyzed 2000 United States Census data by Block Group for those Block Groups encompassed by the Project Area. A Block Group, as defined by the U.S. Census, is a combination of census blocks (a census block is the smallest entity for which the Census Bureau collects and tabulates 100% data). The Block Group is the lowest level of geography for which the Census Bureau tabulates sample, or long-form, data. In this study, we have relied on 2000 federal census sample data because it is the best available information regarding the housing units within the Project Area. The Block Group data available for the Project Area are based on a sampling of residential units. (*As the Block Group geographies encompass a greater area beyond the Project Area, numbers will be higher than the actual count.*) Based on this data, a proportional projection was made of the distribution of units by the number of rooms and the number of bedrooms in each unit. The results of this survey are outlined in *Table 4: Units By Number of Rooms*, and in *Table 5: Units By Number of Bedrooms*.

Table 4
UNITS BY NUMBER OF ROOMS ¹

Number of Rooms	Percentage (2000)	Current Estimate of Units in Project Area
1 Room	0.47%	0.7
2 Rooms	2.69%	4.0
3 Rooms	7.51%	11.1
4 Rooms	24.03%	35.6
5 Rooms	16.28%	24.1
6 Rooms	20.24%	30.0
7 Rooms	15.89%	23.5
8 Rooms	9.09%	13.5
9+ Rooms	3.79%	5.6
Total	100.0%	148.0

Source: U.S. Census Bureau

1 As defined by the Census Bureau, for each unit, rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Excluded are strip or Pullman kitchens, bathrooms, open porches, balconies, halls or foyers, half-rooms, utility rooms, unfinished attics or basements, or other unfinished space used for storage. A partially divided room is a separate room only if there is a partition from floor to ceiling, but not if the partition consists solely of shelves or cabinets.

Table 5
UNITS BY NUMBER OF BEDROOMS ¹

Number of Bedrooms	Percentage (2000)	Current Estimate of Units in Project Area
Studio	1.0%	1.4
1 Bedroom	6.4%	9.5
2 Bedrooms	28.9%	42.8
3 Bedrooms	51.0%	75.5
4 Bedrooms	10.8%	15.9
5+ Bedrooms	2.0%	2.9
Total	100.0%	148.0

Source: U.S. Census Bureau

1 As defined by the Census Bureau, number of bedrooms includes all rooms intended for use as bedrooms even if they are currently used for some other purpose. A housing unit consisting of only one room, such as a one-room efficiency apartment, is classified, by definition, as having no bedroom.

Number of Inhabited Units

A survey of inhabited dwelling units within the Project Area was conducted by Camiros, Ltd. and completed on June 3, 2005. This survey identified 148 residential units, of which 31 were identified as vacant. Therefore, there are approximately 117 total inhabited units (or households) within the Project Area. As required by the Act, this information was ascertained as of June 3, 2005, which is a date not less than 45 days prior to the date that the resolution required by subsection (a) of Section 11- 74.4-5 of the Act is or will be passed.

Race and Ethnicity of Residents

The racial and ethnic composition of the residents within the Project Area is identified in *Table 6: Race and Ethnicity Characteristics*, within this section. The methodology to determine this information is described below.

Methodology

As required by the Act, the racial and ethnic composition of the residents in the inhabited residential units was determined. Population estimates were made based on data from the 2000 United States Census. Camiros, Ltd. analyzed this data by Census Block Group for those Census Tracts encompassed by the Project Area. The Block Group is the lowest level of geography for which race and ethnicity characteristics have been released from the 2000 Census. Therefore, we have relied on Census Block Group data because it is the best available information regarding the residents of the Project Area.

The total population for the Project Area was estimated by multiplying the number of households (inhabited units) within the Project Area (117) by the average household size (2.97). Based on the estimated total population, a proportional projection was made of the race and ethnicity characteristics of the residents. According to these projections, there are an estimated 347 residents living within the Project Area. The race and ethnic composition of these residents is indicated in *Table 6: Race and Ethnicity Characteristics*.

Table 6
RACE AND ETHNICITY CHARACTERISTICS

Race	Percentage (2000)	Estimated Residents
White	80.0%	277.5
Black or African American	3.3%	11.4
American Indian and Alaska Native	0.3%	0.9
Asian	7.5%	25.9
Native Hawaiian and Other Pacific Islander	0.0%	0.0
Some Other Race	6.4%	22.1
More than One Race	2.6%	9.1
Total	100.0%	347.0

Hispanic Origin	Percentage (2000)	Estimated Residents
Hispanic	19.9%	68.9
Non-Hispanic	80.1%	278.1
Total	100.0%	347.0

Source: U.S. Census Bureau

PART II - POTENTIAL HOUSING IMPACT

Part II contains, as required by the Act, information on any acquisition, relocation program, replacement housing, and relocation assistance.

Number and Location of Units That May Be Removed

The primary objectives of the Plan are to redevelop vacant land and replace deteriorated and obsolete structures through redevelopment. While the Plan does not specifically propose redevelopment of current residential use areas, some displacement of residential units may occur in the process of redeveloping mixed-use buildings that contain a residential component and may also occur through private market development activity.

There is a possibility that over the 23-year life of the Project Area, some inhabited residential units may be removed as a result of implementing the Plan. In order to meet the statutory requirement of defining the number and location of inhabited residential units that may be removed, a methodology was established that would provide a rough, yet reasonable, estimate. This methodology is described below.

Methodology

The methodology used to fulfill the statutory requirements of defining the number and location of inhabited residential units that may be removed involves two steps.

1. Step one counts the number of inhabited residential units in buildings on parcels that are dilapidated as defined by the Act. From the survey conducted by Camiros, Ltd., no dilapidated buildings were identified within the Project Area. Therefore, the number of dilapidated units that may be displaced is zero.
2. Step two counts the number of inhabited residential units that exist where the future land use indicated by the Plan is expected to differ from the current use. After reviewing the General Land Use Plan for the Project Area, 11 inhabited residential units were identified that could be impacted by changes to the existing land use as a result of redevelopment activity. Therefore, the number of inhabited residential units that may be removed due to future land use change is 11.

Figures 5A and 5B, Location of Occupied Residential Properties that May be Removed, identifies 11 inhabited residential units, representing the sum of Steps 1 and 2 that could potentially be removed during the 23-year life of the North Avenue Redevelopment Project Area.

Replacement Housing

In accordance with Section 11-74.4-3 (n)(7) of the Act, the Village shall make a good faith effort to ensure that affordable replacement housing for any qualified displaced resident whose residence is removed is located in or near the Project Area. If, during the 23-year life of the North Avenue Redevelopment Project Area, the acquisition plans change, the Village shall make

every effort to ensure that appropriate replacement housing will be found in either the Project Area or the surrounding community.

The location, type and cost of a sample of possible replacement housing units located within the surrounding communities were determined through classified advertisements from the Chicago Sun-Times, Chicago Tribune and Daily Herald, during the first half of September 2005. The location, type and cost of these units are listed in *Table 7: Survey of Available Rental Housing Units*.

Table 7
SURVEY OF AVAILABLE RENTAL HOUSING UNITS

	Location	Village	# of Bedrooms	Rental Price	Amenities
1	1 Ovaltine Ct.	Villa Park	1	\$999 - \$1,593	Balcony, a/c, laundry
2	1 Ovaltine Ct.	Villa Park	2	\$1,349 - \$1,642	Balcony, a/c, laundry
3	1637 S. Michigan	Villa Park	1	\$600	Laundry
4	1637 S. Michigan	Villa Park	2	\$750	Laundry
5	712 N. Villa	Villa Park	1	\$760	Near shopping
6	712 N. Villa	Villa Park	2	\$885	Near shopping
7	150 St. Charles Rd	Lombard	1	\$850	Balcony, near transit

Source: Chicago Sun-Times, Chicago Tribune, Daily Herald

Table 8
SURVEY OF AVAILABLE FOR SALE HOUSING

	Location	Village	Unit Type	# of Bedrooms	Asking Price	Amenities
1	17 N. Westmore	Villa Park	SF	3	\$206,000	1.0 bath
2	536 N Harvard	Villa Park	SF	2	\$214,900	1.0 bath
3	309 E. Elm	Villa Park	SF	3	\$244,900	1.0 bath
3	129 N. Third	Villa Park	SF	3	\$259,000	2.0 bath
4	231 E. Maple	Villa Park	SF	3	\$264,900	2.0 bath
5	743 W. Vermont	Villa Park	SF	4	\$279,500	2.0 bath
6	18W027 Kirkland	Villa Park	TH	2	\$139,900	1.5 bath, a/c, in unit laundry
7	17W771 Kirkland	Villa Park	TH	2	\$153,900	1.5 bath, a/c, in unit laundry
8	18W139 14 th St.	Villa Park	TH	3	\$186,000	1.5 bath, a/c

Source: MLS Listings, REALTOR.com

A key goal is to encourage the discontinuation of single-family uses where they are incompatible with zoning. However, it is not a goal of this Plan to redevelop those residential parcels as part of the redevelopment program. It is assumed that displacement, if any, is caused by private redevelopment occurring outside the recommendations of this Plan. Furthermore, any displacement would occur incrementally over the 23-year life of the Plan as individual development projects occur.

Relocation Assistance

While the removal or displacement of housing units is not a goal of the Plan, it is possible that a small number of units may be removed in the process of implementing the Plan. If the removal or displacement of low-income, very low-income or very, very low-income households is required, such residents will be provided with relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. The Village shall make a good faith effort to ensure that affordable replacement housing for the aforementioned households is located in or near the Project Area.

As used in the above paragraph, "low-income households," "very low-income households," "very, very low-income households" and "affordable housing" have the meanings set forth in Section 3 of the Illinois Affordable Housing Act, I 310 ILCS 65/3. As of the date of this plan, these statutory terms have the following meanings:

- a. "low-income households" mean single person, family or unrelated persons living together whose adjusted income is more than 50 percent but less than 80 percent of the median income of the area of residence, adjusted for family size, as such adjusted income and median income are determined from time to time by the United States Department of Housing and Urban Development (HUD) for purposes of Section 8 of the United States Housing Act of 1937;
- b. "very low-income households" mean single person, family or unrelated persons living together whose adjusted income is not more than 50 percent of the median income of the area of residence, adjusted for family size, as so determined by HUD;
- c. "very, very low-income households" mean single person, family or unrelated persons living together whose adjusted income is not more than 30 percent of the median income of the area of residence, adjusted for family size, as so determined by HUD; and
- d. "affordable housing" means residential housing that, so long as the same is occupied by low-income households or very low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than 30 percent of the maximum allowable income for such households, as applicable.

In order to estimate the number of moderate-, low-, very low- and very, very low-income households in the Project Area, Camiros, Ltd. used data available from the 2000 United States Census. We have relied on this data because it is the best available information regarding the income characteristics of the Project Area.

It is estimated that 12.2% of the households within the Project Area may be classified as very, very low-income; 11.6% may be classified as very low-income; 14.6% may be classified as low-income; and 31.1% may be classified as moderate-income. Applying these percentages to the

117 inhabited residential units (equivalent to households) identified during the survey completed by Camiros, Ltd. reveals that 14.3 households within the Project Area may be classified as very, very low-income; 13.5 households may be classified as very low-income; 17.1 households may be classified as low-income; and 36.4 households may be classified as moderate-income. This information is summarized in *Table 9: Household Income*.

Table 9
HOUSEHOLD INCOME

Income Category	Annual Income Range (2004 estimate)	Percentage of Households in Area	Number of Households in Area
Very, Very Low-Income	\$0 - \$19,999	12.2%	14.3
Very Low- Income	\$20,000 - \$29,999	11.6%	13.5
Low-Income	\$30,000 - \$49,999	14.6%	17.1
Moderate-Income	\$50,000 - \$74,999	31.1%	36.4
Above Moderate-Income	\$75,000 or more	30.5%	35.6
Total		100.0%	117.0

Source: 2000 U.S. Census

As described above, the estimates of the total number of moderate-, low-, very low- and very, very low-income households within the Project Area collectively represent 69.5% of the total inhabited units, and the number of households in the low-income categories collectively represents 38.4% of the total inhabited units. Therefore, replacement housing for any displaced households over the course of the 23-year life of the North Avenue Redevelopment Project Area should be affordable at these income levels. It should be noted that these income levels are likely to change over the 23-year life of the Project Area as both median income and income levels within the Project Area change.

10. PROVISIONS FOR AMENDING THE PLAN

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

11. VILLAGE OF VILLA PARK COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION

As part of any Redevelopment Agreement entered into by the Village and any private developer, both will agree to establish and implement an affirmative action program that serves appropriate sectors of the Village of Villa Park. Developers or redevelopers will meet Village of Villa Park standards for participation of Minority Business Enterprises and Woman Business Enterprises as required in Redevelopment Agreements.

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

Anyone involved with employment or contracting for this Plan will be responsible for conformance with this policy and the compliance requirements of applicable state and federal regulations.

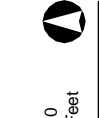
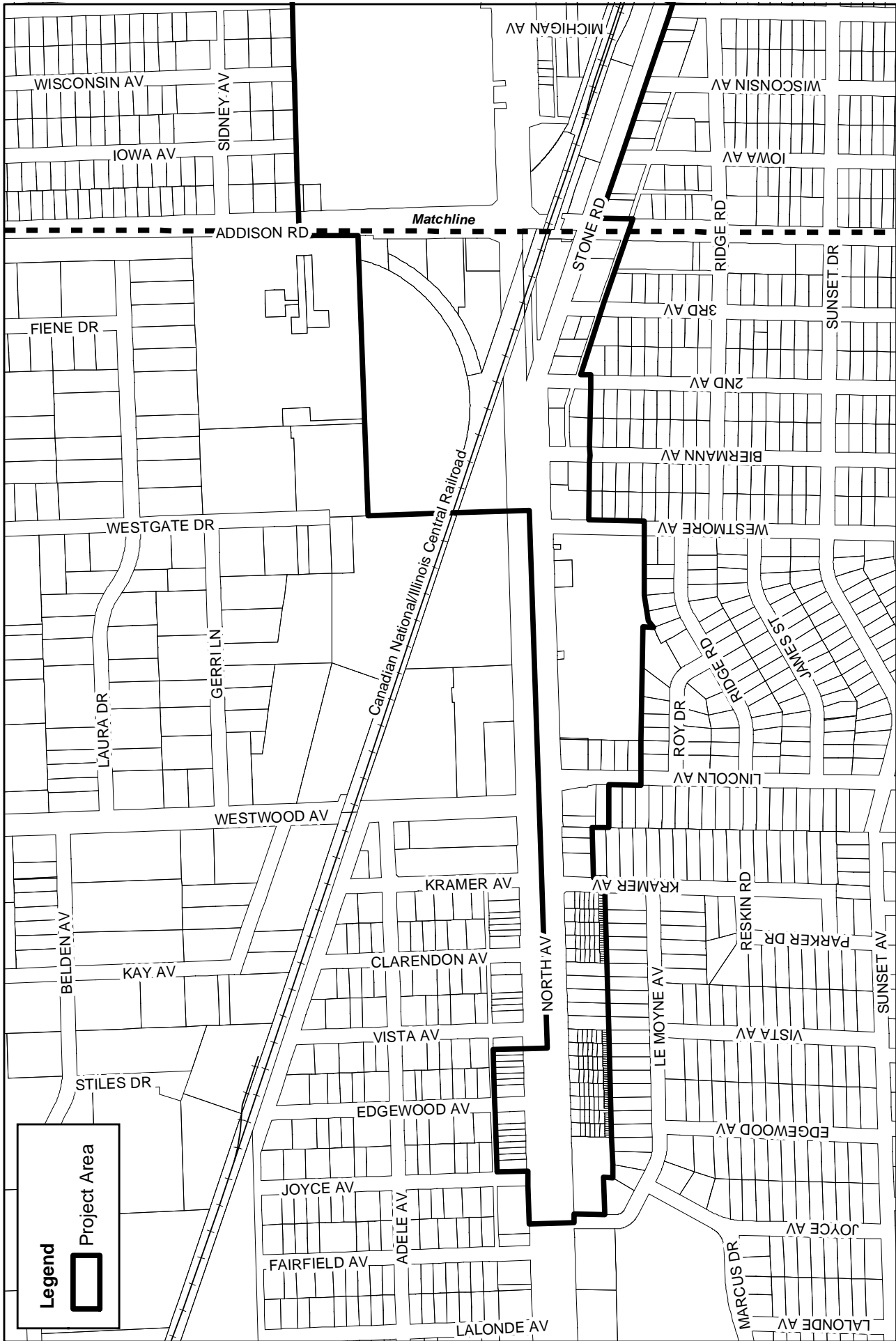
The Village and the private developers involved in the implementation of this Plan will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts at any level for redevelopment projects being undertaken in the Project Area. Any public/private partnership established with respect to implementation of the Plan will seek to ensure and maintain a working environment free of harassment, intimidation and coercion at all sites, and in all facilities at which employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals. The partnership will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner.

Underlying this policy is the recognition that successful affirmative action programs are important to the continued growth and vitality of the Village of Villa Park.

APPENDIX A

NORTH AVENUE REDEVELOPMENT PROJECT AREA

FIGURES 1A – 5B



SEPTMBER 2006

FIGURE 1A
REDEVELOPMENT PROJECT AREA
BOUNDARY MAP WESTERN SECTION

NORTH AVENUE TIF
 VILLA PARK, ILLINOIS

CAMIROS

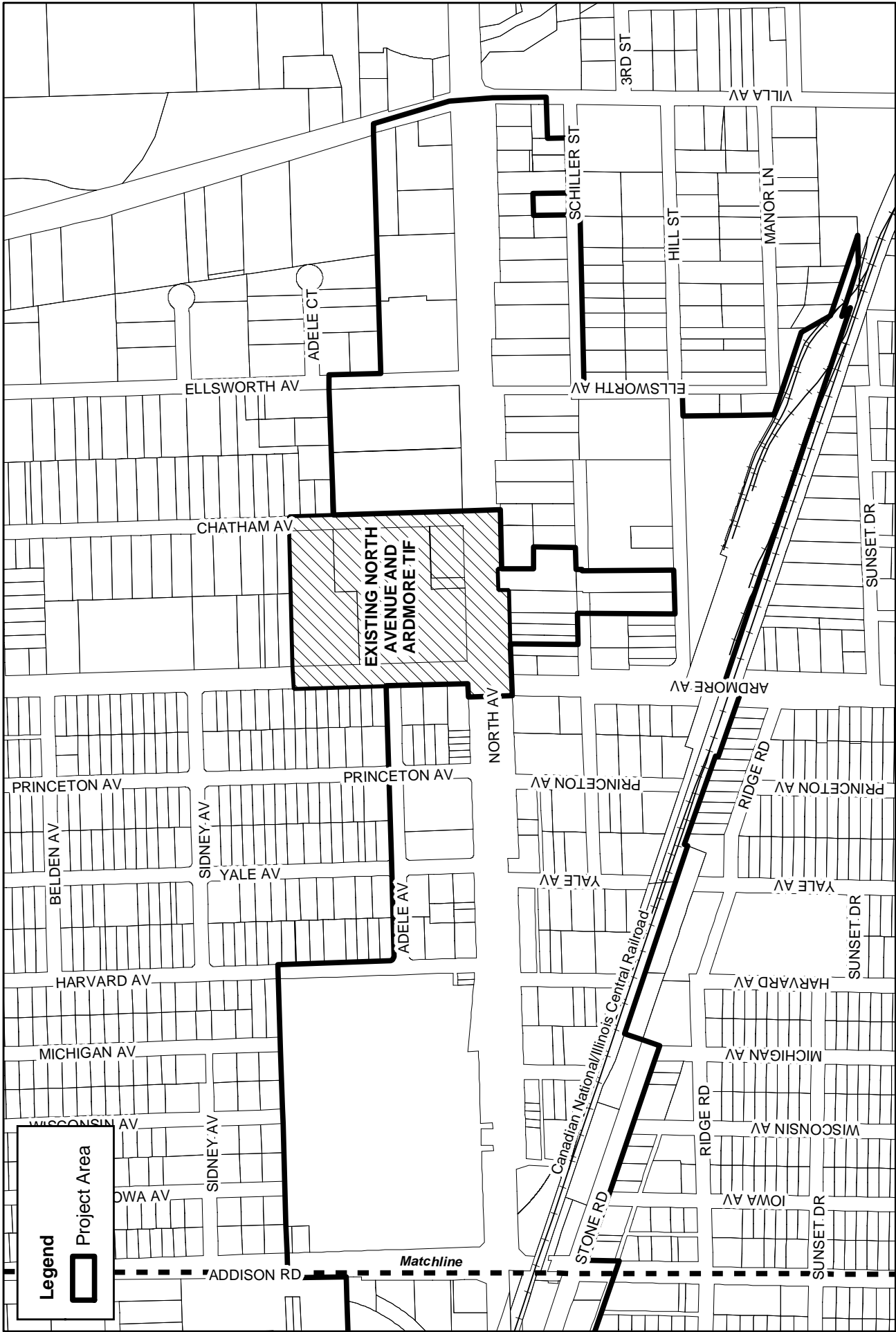


FIGURE 1B

**REDEVELOPMENT PROJECT AREA
BOUNDARY MAP EASTERN SECTION**

NORTH AVENUE TIF
VILLA PARK, ILLINOIS

SEPTEMBER 2006



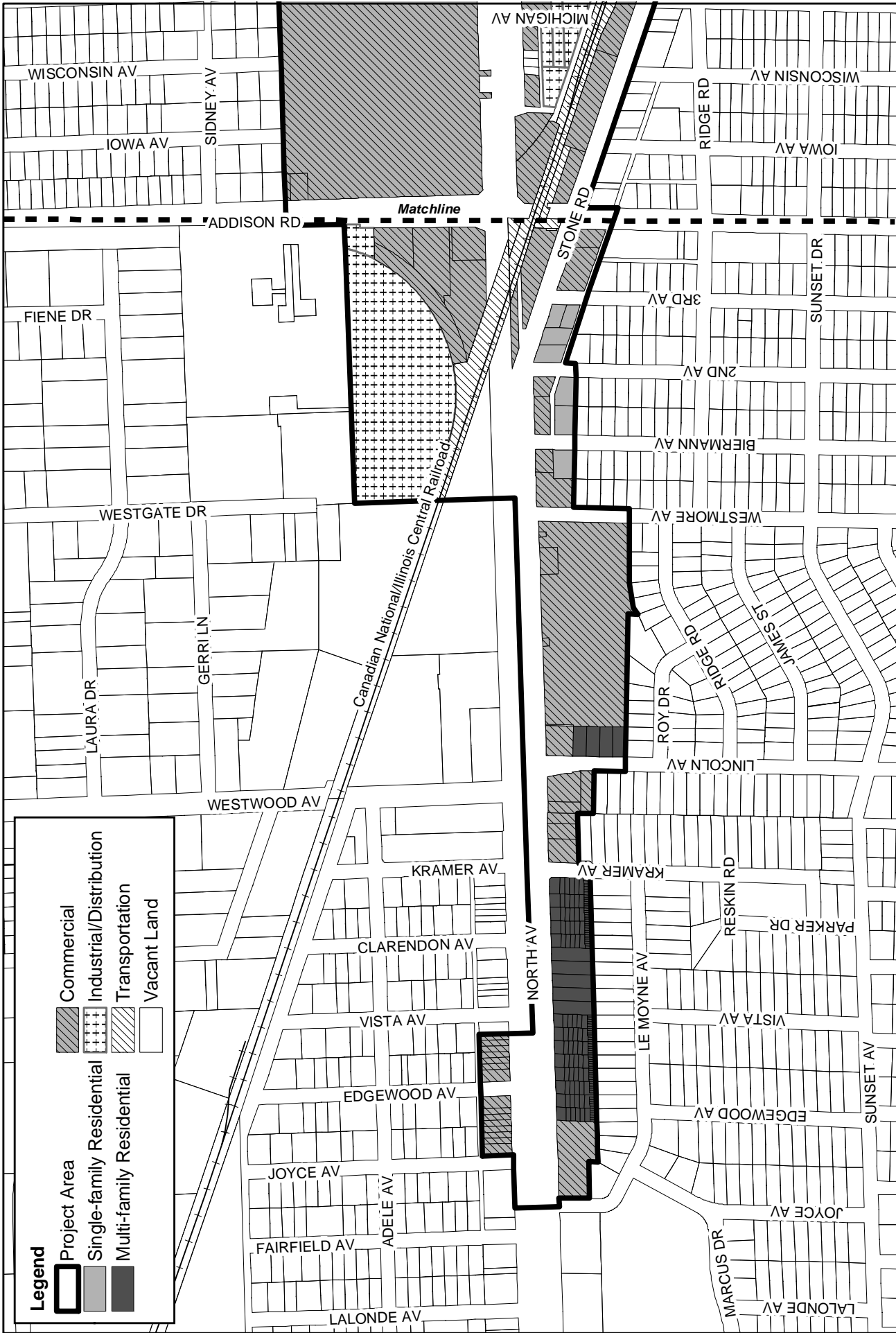


FIGURE 2A
EXISTING LAND USE MAP WESTERN SECTION
NORTH AVENUE TIF
VILLA PARK, ILLINOIS

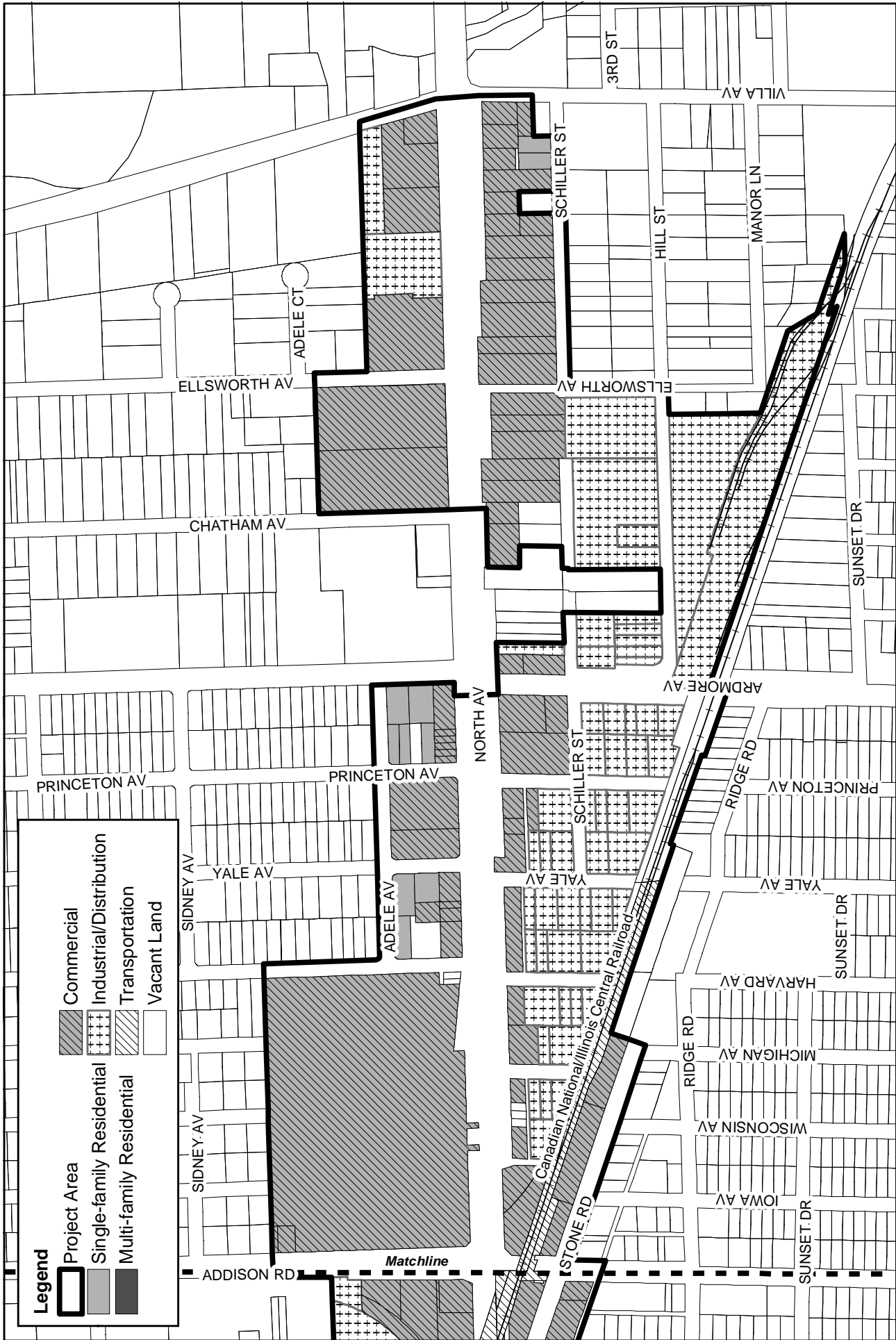
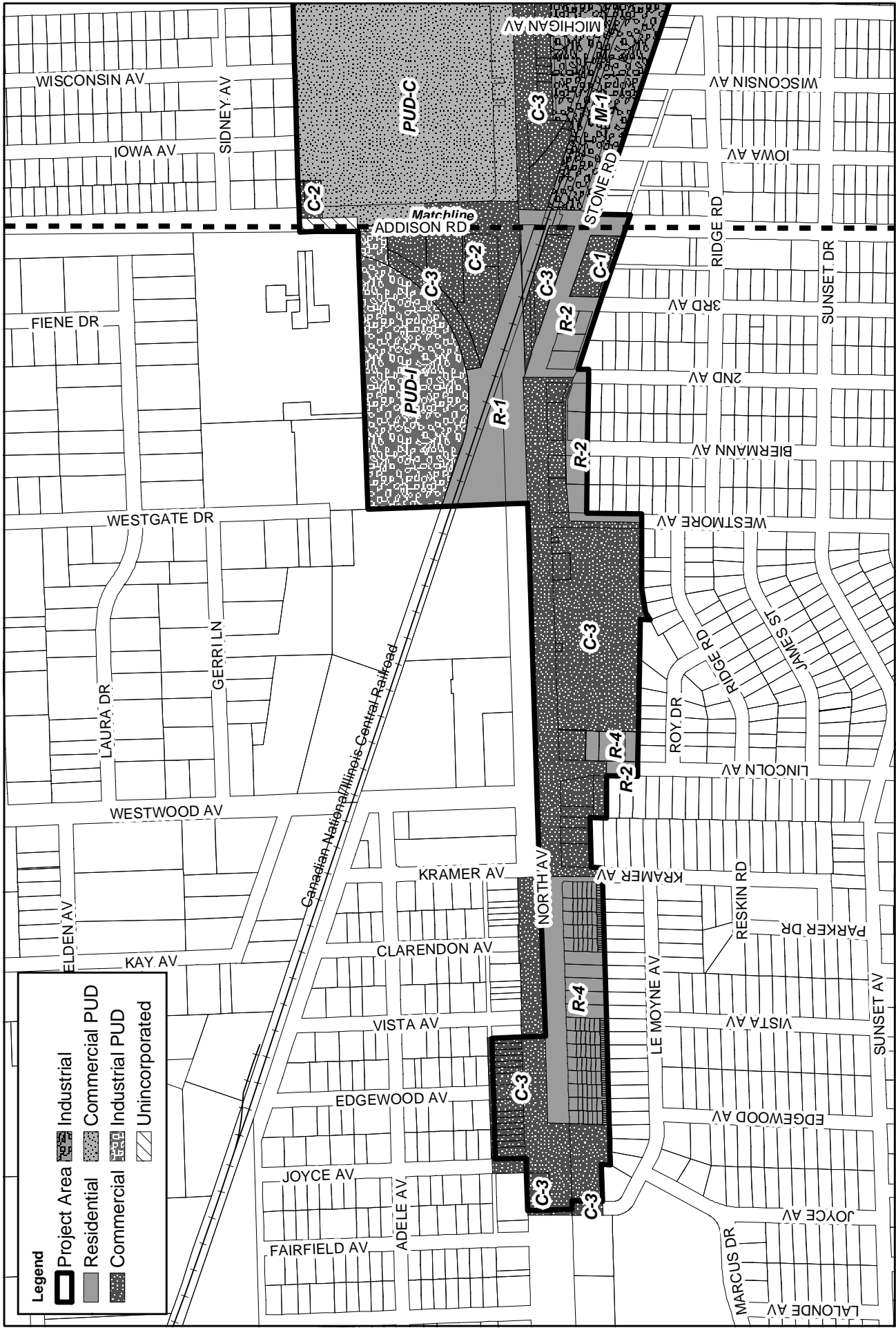


FIGURE 2B
EXISTING LAND USE MAP EASTERN SECTION
 NORTH AVENUE TIF
 VILLA PARK, ILLINOIS

SEPTEMBER 2006
 CAMIROS



Legend

- Project Area
- Residential PUD
- Commercial PUD
- Commercial
- Industrial PUD
- Unincorporated
- Industrial



SEPTEMBER 2006

FIGURE 3A
EXISTING ZONING MAP WESTERN SECTION
 NORTH AVENUE TIF
 VILLA PARK, ILLINOIS

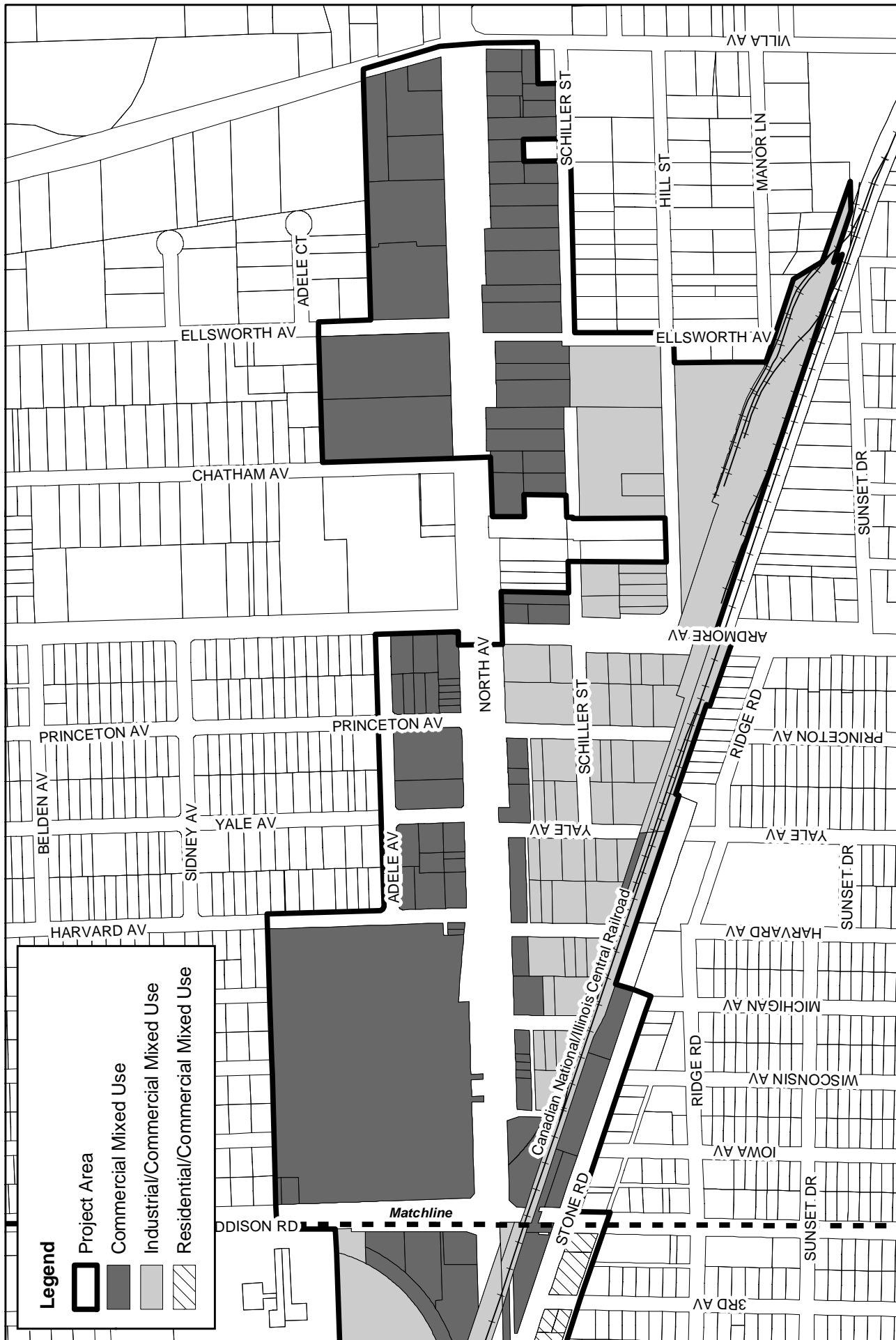


CAMIROS

SEPTEMBER 2006

FIGURE 4A
GENERAL LAND USE PLAN WESTERN SECTION

NORTH AVENUE TIF
 VILLA PARK, ILLINOIS



CAMIROS

SEPTEMBER 2006

GENERAL LAND USE PLAN EASTERN SECTION

NORTH AVENUE TIF
VILLA PARK, ILLINOIS

APPENDIX B

LEGAL DESCRIPTION OF THE NORTH AVENUE REDEVELOPMENT PROJECT AREA

THOSE PARTS OF SECTIONS 32, 33 AND 34, TOWNSHIP 40 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN AND SECTIONS 3, 4 AND 5, TOWNSHIP 39 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF LOT 1 IN RUSTIC HEARTH ASSESSMENT PLAT RECORDED PER DOCUMENT R1972-036893 AND THE CENTERLINE OF JOYCE AVENUE EXTENDED NORTHERLY FROM SOUTH OF NORTH AVENUE;

THENCE EAST (NORTH, SOUTH, EAST AND WEST ARE APPROXIMATE FOR THE PURPOSES OF THIS LEGAL AND ARE NOT MEANT TO BE CARDINAL DIRECTIONS. THEY ARE INTENDED TO FOLLOW STREET LINES, CENTERLINES, ALLEY LINES, LOT LINES, PROPERTY LINES, PARCEL LINES, ETC. AND ALL THEIR EXTENSIONS THEREOF) ALONG THE SOUTH LINE OF SAID LOT 1 TO THE SOUTHEAST CORNER OF LOT 1;

THENCE EAST TO THE SOUTHWEST CORNER OF LOT 12 BLOCK 10 IN NORTH AVENUE MANOR SUBDIVISION RECORDED PER DOCUMENT 269443;

THENCE NORTH ALONG THE WEST LINE OF LOT 12 BLOCK 10 AND ITS EXTENSION TO THE SOUTHWEST CORNER OF LOT 13 BLOCK 10 IN NORTH AVENUE MANOR SUBDIVISION;

THENCE EAST ALONG THE SOUTH LINE OF LOTS 13 AND LOT 7 IN BLOCK 10 AND THE SOUTH LINE OF LOTS 13 AND LOT 7 IN BLOCK 7 TO THE EAST LINE OF LOT 9 IN BLOCK 7 EXTENDED NORTH IN SAID NORTH AVENUE MANOR SUBDIVISION;

THENCE SOUTH ALONG THE EAST LINE OF LOT 9 BLOCK 7 AND ITS EXTENSIONS TO THE CENTERLINE OF NORTH AVENUE;

THENCE EAST ALONG THE CENTERLINE OF NORTH AVENUE TO THE SOUTH WEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33;

THENCE NORTH ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER TO THE INTERSECTION OF A LINE 1944.35 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF THE SOUTH WEST QUARTER;

THENCE EAST ALONG SAID LINE 1944.35 FEET SOUTH TO THE WEST LINE OF ADDISON ROAD, ALSO BEING THE SOUTHEAST CORNER OF LOT 3 IN HAUSERMANN'S ORCHIDS INC ASSESSMENT PLAT NUMBER R1997-020673;

THENCE NORTH ALONG THE WEST LINE OF ADDISON ROAD, ALSO BEING THE EAST LINE OF SAID LOT 3, TO THE NORTH LINE OF NORTH AVENUE TERRACE SUBDIVISION RECORDED PER DOCUMENT 214951 EXTENDED WEST;

THENCE EAST ALONG THE NORTH LINE OF SAID NORTH AVENUE TERRACE SUBDIVISION AND ITS EXTENSIONS TO THE WEST LINE LOTS 3 AND 4 IN ANDREAKIS RESUBDIVISION RECORDED PER DOCUMENT R1970-011029, ALSO BEING THE WEST LINE OF BLOCK 3 IN ADLER'S ELMHURST PLAINS ADDITION SUBDIVISION RECORDED PER DOCUMENT 194384;

THENCE SOUTH ALONG THE WEST LINE OF LOTS 4 AND 3 IN ANDREAKIS RESUBDIVISION AND CONTINUING ALONG THE WEST LINE OF BLOCK 3 IN ADLER'S ELMHURST PLAINS ADDITION TO THE POINT OF CURVE IN THE WEST LINE OF LOT 17 IN BLOCK 3;

THENCE FOLLOWING THE CURVE AT THE SOUTHWEST CORNER OF LOT 17 IN BLOCK 3 SOUTHEASTERLY TO THE POINT OF CURVE IN THE SOUTH LINE OF LOT 17 IN BLOCK 3;

THENCE EAST ALONG THE SOUTH LINE OF BLOCKS 3, 2 AND 1 IN ADLER'S ELMHURST PLAINS ADDITION TO THE POINT OF CURVE IN THE SOUTH LINE OF LOT 16 IN BLOCK 1;

THENCE EAST ALONG THE SOUTH LINE OF SAID BLOCKS EXTENDED TO THE EAST LINE OF BLOCK 6 IN ADLER'S ELMHURST PLAINS ADDITION EXTENDED NORTH;

THENCE SOUTH ALONG THE EAST LINE OF SAID BLOCK 6 AND ITS EXTENSION, ALSO BEING THE WEST LINE OF ARDMORE AVENUE, TO THE BEND POINT IN LOT 20 BLOCK 6;

THENCE SOUTHWESTERLY ALONG THE WESTERLY LINE OF ARDMORE AVENUE TO THE SOUTH LINE OF LOT 20 IN BLOCK 6, SAID POINT BEING 15 FEET EAST OF THE SOUTHWEST CORNER OF LOT 20, SAID POINT ALSO BEING IN THE NORTH LINE OF NORTH AVENUE;

THENCE SOUTH TO THE INTERSECTION OF THE SOUTH LINE OF NORTH AVENUE AS WIDENED AND THE WEST LINE OF ARDMORE AVENUE AS WIDENED;

THENCE EAST TO THE INTERSECTION OF THE SOUTH LINE OF NORTH AVENUE AS WIDENED AND EAST LINE OF ARDMORE AVENUE AS WIDENED;

THENCE EAST ALONG THE SOUTH LINE OF NORTH AVENUE AS WIDENED TO A POINT 40.5 FEET WEST OF THE EAST LINE OF LOT 25 IN SUBURB HILL SUBDIVISION RECORDED PER DOCUMENT 116425;

THENCE SOUTH ALONG SAID LINE 40.5 FEET WEST OF THE EAST LINE OF LOT 25 TO THE SOUTH LINE OF LOT 25;

THENCE EAST ALONG THE SOUTH LINE OF LOTS 25 AND 24 IN SUBURB HILL RESUBDIVISION TO THE EAST LINE OF LOT 29 EXTENDED NORTH;

THENCE SOUTH ALONG THE EAST LINE OF LOT 29 IN SUBURB HILL SUBDIVISION AND ITS EXTENSION TO THE SOUTHEAST CORNER OF LOT 29;

THENCE EAST ALONG THE SOUTH LINE OF LOTS 30 AND 31 IN SUBURB HILL SUBDIVISION TO THE SOUTHEAST CORNER OF LOT 31;

THENCE NORTH ALONG THE EAST LINE OF LOT 31 AND ITS EXTENSION TO THE CENTERLINE OF SCHILLER STREET;

THENCE EAST ALONG THE CENTERLINE OF SCHILLER STREET TO THE WEST LINE OF LOT 21 IN SUBURB HILL SUBDIVISION EXTENDED SOUTH;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 21 EXTENDED SOUTH TO THE SOUTHWEST CORNER OF SAID LOT 21;

THENCE EAST ALONG THE SOUTH LINE OF LOT 21 TO THE SOUTHEAST CORNER OF LOT 21;

THENCE NORTH ALONG THE EAST LINE OF LOT 21 TO A POINT 178.5 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 21;

THENCE WEST TO A POINT IN THE WEST LINE OF LOT 21, SAID POINT BEING 178.5 FEET NORTH OF THE SOUTHWEST CORNER OF LOT 21;

THENCE NORTH ALONG THE WEST LINE OF LOT 21 TO THE SOUTH LINE OF NORTH AVENUE AS WIDENED;

THENCE EAST ALONG THE SOUTH LINE OF NORTH AVENUE AS WIDENED TO THE INTERSECTION OF THE WEST LINE OF LOT 14 IN ADDISON TOWNSHIP SUPERVISORS ASSESSMENT PLAT NUMBER 4, RECORDED PER DOCUMENT 463411, EXTENDED SOUTH;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 14 AND ITS EXTENSION AND THE WEST LINE OF LOT 15 IN SAID ADDISON TOWNSHIP SUPERVISORS ASSESSMENT PLAT NUMBER 4 TO THE NORTHWEST CORNER OF SAID LOT 15;

THENCE EAST ALONG THE NORTH LINE OF SAID LOTS 15 AND LOT 10 AND THEIR EXTENSION BOTH IN ADDISON TOWNSHIP SUPERVISORS ASSESSMENT PLAT NUMBER 4 TO THE WEST LINE OF LOT 1 IN VILLA PARK INDUSTRIAL DEVELOPMENT RESUBDIVISION RECORDED PER DOCUMENT R1976-005550;

THENCE SOUTH ALONG THE WEST LINE OF LOT 1 IN VILLA PARK INDUSTRIAL DEVELOPMENT RESUBDIVISION TO THE NORTHWEST CORNER OF LOT 3 IN NORTH VILLA ASSESSMENT PLAT RECORDED PER DOCUMENT 884301;

THENCE EAST ALONG THE NORTH LINE OF LOTS 3 AND 2 IN NORTH VILLA ASSESSMENT PLAT AND THEIR EXTENSION TO THE CENTERLINE OF VILLA AVENUE;

THENCE SOUTHERLY ALONG THE CENTERLINE OF VILLA AVENUE TO THE CENTERLINE OF NORTH AVENUE;

THENCE ALONG THE CENTERLINE OF NORTH AVENUE TO THE CENTERLINE OF VILLA AVENUE, SOUTH OF NORTH AVENUE, EXTENDED NORTH;

THENCE SOUTH ALONG VILLA AVENUE TO THE SOUTH LINE OF LOT 6 IN YORK TOWNSHIP SUPERVISORS ASSESSMENT PLAT NUMBER 13 RECORDED PER DOCUMENT 561298 EXTENDED EAST;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 6 AND ITS EXTENSION TO THE SOUTHWEST CORNER OF LOT 6, ALSO BEING THE EAST LINE OF LOT 5 IN YORK TOWNSHIP SUPERVISORS ASSESSMENT PLAT NUMBER 13;

THENCE SOUTH ALONG THE EAST LINE OF LOT 5 AND ITS EXTENSION TO THE NORTH LINE OF LOT 51 IN SUBURB HILL SUBDIVISION;

THENCE WEST ALONG THE NORTH LINE OF LOTS 51 THROUGH 40 IN SUBURB HILL SUBDIVISION TO THE WEST LINE OF LOT 4 IN SUBURB HILL SUBDIVISION EXTENDED SOUTH;

THENCE NORTH ALONG THE WEST LINE OF LOT 4 AND ITS EXTENSION TO A POINT 156.4 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 4;

THENCE WEST TO A POINT ON THE WEST LINE OF LOT 5, A DISTANCE OF 156.52 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 5;

THENCE SOUTH ALONG THE WEST LINE OF LOT 5 AND ITS EXTENSION TO SAID NORTH LINE OF LOTS 51 THROUGH 40;

THENCE WEST ALONG THE NORTH LINE OF SAID LOTS 51 TO 40 IN SUBURB HILL SUBDIVISION, ALSO BEING THE NORTH LINE OF LOTS 1, 2 AND 3 IN HANSEN'S, HENRY, PLAT OF SURVEY RECORDED PER DOCUMENT 714801, TO THE NORTHWEST CORNER OF SAID LOT 40 SUBURB HILL SUBDIVISION;

THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 40 IN SUBURB HILL SUBDIVISION TO THE SOUTHWEST CORNER OF LOT 40;

THENCE SOUTH TO THE NORTHWEST CORNER OF LOT 65 IN SUBURB HILL SUBDIVISION;

THENCE WEST TO THE NORTHEAST CORNER OF LOT 66 IN SUBURB HILL SUBDIVISION;

THENCE WEST ALONG THE NORTH LINE OF LOT 66 TO THE NORTHWEST CORNER OF SAID LOT 66;

THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 66 TO THE SOUTHWEST CORNER OF LOT 66;

THENCE SOUTHEASTERLY ALONG THE SOUTH LINE OF LOT 66 TO THE SOUTHEAST CORNER OF LOT 66;

THENCE SOUTHEASTERLY TO THE SOUTHWESTERLY CORNER OF LOT 88 IN SUBURB HILL SUBDIVISION;

THENCE SOUTHEASTERLY TO THE BEND POINT IN THE SOUTH LINE OF LOT 88;

THENCE SOUTHEASTERLY TO THE SOUTHEAST CORNER OF SAID LOT 88;

THENCE SOUTHEASTERLY TO THE BEND POINT IN THE SOUTH LINE OF LOT 89 IN SUBURB HILL SUBDIVISION;

THENCE SOUTHEASTERLY ALONG THE SOUTH LINES OF LOTS 89, 90, 91, 92 AND 93 ALL IN SUBURB HILL SUBDIVISION, TO THE BEND POINT IN THE SOUTH LINE OF LOT 93, ALSO BEING THE SOUTH LINE OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 3-39-11;

THENCE WEST ALONG THE SOUTH LINE OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SAID SECTION 3 TO AN INTERSECTION WITH A LINE 57 FEET NORTHERLY OF AND PARALLEL TO THE CENTERLINE OF THE CHICAGO CENTRAL AND PACIFIC RAILROAD MAIN TRACK;

THENCE NORTHWESTERLY ALONG SAID LINE 57 FEET NORTHERLY, TO A POINT 1,787.62 FEET EASTERLY OF THE WEST LINE OF SAID SECTION 3, MEASURED ALONG SAID 57 FOOT NORTHERLY LINE;

THENCE SOUTHEASTERLY TO A POINT ON A LINE 25 FEET SOUTHERLY OF SAID 57 FOOT LINE, MEASURED PERPENDICULAR TO SAID 57 FOOT LINE, SAID POINT BEING 1,822.34 FEET EASTERLY OF THE WEST LINE OF SECTION 3, MEASURED ALONG SAID 25 FOOT SOUTHERLY LINE;

THENCE NORTHWESTERLY ALONG SAID LINE 25 FEET SOUTHERLY OF SAID LINE 57 FOOT NORTHERLY OF THE CENTERLINE OF THE CHICAGO CENTRAL AND PACIFIC RAILROAD MAIN TRACK TO THE WEST LINE OF SAID SECTION 3;

THENCE SOUTH ALONG THE WEST LINE OF SAID SECTION 3 TO THE NORTH LINE OF LOTS 1, 2, 3 AND 4 IN WOOD'S RESUBDIVISION RECORDED PER DOCUMENT R1972-028176, EXTENDED EAST;

THENCE NORTHWESTERLY ALONG THE NORTH LINE OF LOTS 1, 2, 3 AND 4 AND THEIR EXTENSION, IN WOOD'S RESUBDIVISION TO THE NORTHWEST CORNER OF LOT 4;

THENCE CONTINUING NORTHWESTERLY ALONG THE NORTH LINE OF LOT 5 IN FIRST ADDITION TO ARDMORE HIGHLANDS RECORDED PER DOCUMENT 165661 TO THE BEND POINT IN LOT 5;

THENCE NORTHEASTERLY ALONG THE JOG IN THE NORTH LINE OF LOT 5 TO THE NORTH LINE OF LOT 5;

THENCE NORTHWESTERLY ALONG THE NORTH LINE OF LOTS 5, 6, 7, 8, 9, 10, 11, 12 AND 13 ALL IN FIRST ADDITION TO ARDMORE HIGHLANDS TO THE BEND POINT IN THE NORTH LINE OF LOT 13;

THENCE SOUTHWEST ALONG THE JOG IN THE NORTH LINE OF LOT 13 TO THE NORTHEAST CORNER OF LOT 2 IN YALE RIDGE SUBDIVISION RECORDED PER DOCUMENT R2005-042339;

THENCE NORTHWEST ALONG THE NORTH LINE OF LOTS 2 AND 1 IN SAID YALE RIDGE SUBDIVISION TO THE NORTHWEST CORNER OF LOT 1, SAID CORNER ALSO BEING A POINT ON A LINE 15 FEET SOUTHERLY OF AND PARALLEL TO THE SOUTHERLY MOST TRACK OF THE ILLINOIS CENTRAL GULF RAILROAD COMPANY AT THE INTERSECTION OF THE EAST LINE OF VACATED HARVARD AVENUE EXTENDED NORTH;

THENCE CONTINUING ALONG SAID 15 FOOT SOUTHERLY LINE TO A POINT IN SAID 15 FOOT LINE WHICH IS PERPENDICULAR TO A POINT IN THE NORTH LINE OF VACATED STONE ROAD 320 FEET WESTERLY (MEASURED ALONG THE NORTH LINE OF VACATED STONE ROAD) OF THE INTERSECTION OF THE NORTH LINE OF VACATED STONE ROAD AND THE EAST LINE OF VACATED HARVARD AVENUE;

THENCE SOUTHWESTERLY TO SAID POINT IN THE NORTH LINE OF VACATED STONE ROAD 320 FEET WESTERLY (MEASURED ALONG THE NORTH LINE OF VACATED STONE ROAD) OF THE INTERSECTION OF THE NORTH LINE OF VACATED STONE ROAD AND THE EAST LINE OF VACATED HARVARD AVENUE;

THENCE SOUTHWESTERLY TO THE NORTHWEST CORNER OF LOT 2 IN BLOCK 1 IN SECOND ADDITION TO NORTH AVENUE TERRACE RECORDED PER DOCUMENT 226034;

THENCE NORTHWESTERLY ALONG THE NORTHERLY LINE OF BLOCKS 2, 3 AND 4 AND THEIR EXTENSIONS TO THE NORTHWEST CORNER OF BLOCK 4 IN SECOND ADDITION TO NORTH AVENUE TERRACE;

THENCE SOUTH ALONG THE WEST LINE OF LOT 7 BLOCK 4 IN SAID NORTH AVENUE TERRACE SECOND EDITION TO THE SOUTHWEST CORNER OF LOT 7;

THENCE SOUTH TO THE NORTHWEST CORNER OF LOT 8 IN BLOCK 4 IN SECOND ADDITION TO NORTH AVENUE TERRACE;

THENCE NORTHWESTERLY TO THE NORTHEAST CORNER OF LOT 28 IN BLOCK 1 IN FIRST ADDITION TO NORTH AVENUE TERRACE RECORDED PER DOCUMENT 218109;

THENCE NORTHWESTERLY ALONG THE NORTH LINE OF LOT 28 AND LOT 9 IN BLOCK ONE AND LOT 25 AND LOT 9 IN BLOCK 2 IN NORTH AVENUE TERRACE FIRST ADDITION AND THEIR EXTENSIONS TO THE NORTHWEST CORNER OF LOT 9 IN BLOCK 2;

THENCE SOUTH ALONG THE WEST LINE OF LOT 9 BLOCK 2 TO THE SOUTH LINE OF LOT 28 BLOCK 3 IN FIRST ADDITION TO NORTH AVENUE TERRACE, EXTENDED EAST;

THENCE WEST ALONG THE SOUTH LINE OF LOTS 28 AND LOT 9 IN BLOCK 3 ALSO THE SOUTH LINE OF LOTS 30 AND LOT 11 IN BLOCK 4 IN FIRST ADDITION TO NORTH AVENUE TERRACE, TO THE SOUTHWEST CORNER OF LOT 11;

THENCE SOUTH ALONG THE WEST LINE OF LOTS 12, 13, 14, 15 AND 16 OF BLOCK 4 IN FIRST ADDITION TO NORTH AVENUE TERRACE, TO THE NORTH LINE OF LOT 2 IN BLOCK 1, EXTENDED EAST; IN RESKIN'S C. G. SECOND ADDITION TO VILLA PARK RECORDED PER DOCUMENT 889056,

THENCE WEST ALONG THE NORTH LINE OF LOT 2, 3 AND 4 IN BLOCK 1 IN RESKIN'S C. G. SECOND ADDITION TO VILLA PARK AND ITS EXTENSION TO THE BEND POINT IN THE NORTH LINE OF LOT 4;

THENCE SOUTHWESTERLY ALONG THE NORTH LINE OF LOTS 4, 5 AND 6 IN BLOCK 1 IN RESKIN'S C. G. SECOND ADDITION TO VILLA PARK TO THE BEND POINT IN THE NORTH LINE OF LOT 6;

THENCE SOUTHWESTERLY ALONG THE NORTH LINE OF LOT 6 TO THE NORTHWEST CORNER OF LOT 6;

THENCE NORTH ALONG THE EAST LINE OF LOT 10 IN BLOCK 1 IN RESKIN'S C. G. SECOND ADDITION TO VILLA PARK TO THE NORTHEAST CORNER OF LOT 10;

THENCE WEST ALONG THE NORTH LINE OF LOTS 10, 11, 12, 13, 14, 15 AND 16 IN BLOCK 1, AND THEIR EXTENSION, IN RESKIN'S C. G. SECOND ADDITION TO VILLA PARK TO THE EAST LINE OF LOT 6 IN BLOCK 1 RESKIN'S CG FIRST ADDITION TO VILLA PARK RECORDED PER DOCUMENT 831069;

THENCE NORTH ALONG THE EAST LINE OF LOTS 6, 5 AND 4 IN BLOCK 1 IN RESKIN'S CG FIRST ADDITION TO VILLA PARK TO THE SOUTHEAST CORNER OF LOT 3;

THENCE WEST ALONG THE SOUTH LINE OF LOT 3 IN RESKIN'S CG FIRST ADDITION TO VILLA PARK AND ITS EXTENSION TO THE CENTERLINE OF VACATED WESTWOOD AVENUE ALSO THE WEST LINE OF RESKIN'S CG FIRST ADDITION TO THE PARK;

THENCE NORTH ALONG THE WEST LINE OF RESKIN'S C.G. FIRST ADDITION TO VILLA PARK AND THE CENTERLINE OF VACATED WESTWOOD AVENUE TO THE SOUTH LINE OF LOTS 1 AND LOT 2 IN HARVEY'S RESUBDIVISION RECORDED PER DOCUMENT R1972-021876, EXTENDED EAST;

THENCE WEST ALONG THE SOUTH LINE OF LOTS 1 AND 2 AND THEIR EXTENSION TO THE SOUTHWEST CORNER OF LOT 1;

THENCE SOUTH ALONG THE WEST LINE OF LOT 3 IN HARVEY'S RESUBDIVISION TO THE SOUTH LINE OF LOTS 1 THROUGH 21 IN BLOCK 2 IN LOMBARD HEIGHTS RECORDED PER DOCUMENT 704195, EXTENDED EAST;

THENCE WEST ALONG THE SOUTH LINE OF LOTS 1 THROUGH 21 IN BLOCK 2 IN LOMBARD HEIGHTS, ALSO BEING THE SOUTH LINES OF;

RABE ASSESSMENT PLAT NUMBER 7, RECORDED PER DOCUMENT R1989-142097

RABE ASSESSMENT PLAT NUMBER 6, RECORDED PER DOCUMENT R1989-142096

RABE ASSESSMENT PLAT NUMBER 5, RECORDED PER DOCUMENT R1989-142095

RABE ASSESSMENT PLAT NUMBER 4, RECORDED PER DOCUMENT R1989-142094

ANZAK'S PLAT OF SURVEY OF 945 WEST NORTH AVE., VILLA PARK

RECORDED PER DOCUMENT R1979-044023

RABE ASSESSMENT PLAT NUMBER 3, RECORDED PER DOCUMENT R1989-142093

RABE ASSESSMENT PLAT NUMBER 2, RECORDED PER DOCUMENT R1989-142092

TO THE SOUTHWEST CORNER OF LOT 1 IN BLOCK 2 IN LOMBARD HEIGHTS;

THENCE NORTH ALONG THE WEST LINE OF LOT 1 BLOCK 2 TO THE SOUTHEAST CORNER OF LOT 44 BLOCK 2 IN LOMBARD HEIGHTS;

THENCE WEST ALONG THE SOUTH LINE OF LOT 44 BLOCK 2 TO THE SOUTHWEST CORNER OF LOT 44;

THENCE NORTH ALONG THE WEST LINE OF LOT 44 BLOCK 2 TO THE NORTHWEST CORNER OF LOT 44 IN LOMBARD HEIGHTS;

THENCE WEST ALONG THE NORTH LINE OF LOT 44 BLOCK 2 EXTENDED TO THE CENTERLINE OF JOYCE AVENUE;

THENCE NORTH ALONG THE CENTERLINE OF JOYCE AVENUE EXTENDED NORTH TO THE POINT OF BEGINNING,

ALL AS SHOWN OR INTENDED TO BE SHOWN ON THE NORTH AVENUE TIF DISTRICT MAP, IN VILLA PARK ILLINOIS.

REVISED SEPTEMBER 21, 2006
PREPARED SEPTEMBER 19, 2006

BY:
MICHAEL J MATTIS JR
IPLS 3227 LICENSE EXPIRES 11/30/2006
SAMBORSKI, MATTIS, INC. LAND SURVEYORS
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PROFESSIONAL DESIGN FIRM 048-000128

ORDER NO. 160-06

APPENDIX C

NORTH AVENUE REDEVELOPMENT PROJECT AREA ELIGIBILITY STUDY

The purpose of this analysis is to determine whether a portion of Village of Villa Park, identified as the North Avenue Redevelopment Project Area, qualifies for designation as a tax increment financing district within the definitions set forth under 65 ILCS 5/11-74.4 contained in the “Tax Increment Allocation Redevelopment Act” (65 ILCS 5/11-74.1 et seq.), as amended (the "Act"). This legislation focuses on the elimination of blighted or rapidly deteriorating areas through the implementation of a redevelopment plan. The Act authorizes the use of tax increment revenues derived in a project area for the payment or reimbursement of eligible redevelopment project costs.

The area proposed for designation as the North Avenue Redevelopment Project Area is hereinafter referred to as the “Study Area” and is shown in *Figures C-1A and C-1B, Study Area Boundary Map*. The Study Area boundaries are irregular and generally include the area on the north and south sides of North Avenue between Joyce Avenue on the west and Villa Avenue on the east. The Study Area focuses on property along North Avenue and is defined by a combination of property lines, streets and alleys. Street and alleys that form the Study Area boundaries include: Villa Avenue on the east; Ellsworth Avenue, Chatham Avenue, North Avenue, Adele Avenue, Harvard Avenue, Addison Road, North Avenue, the alley north of North Avenue generally between Vista Avenue and Joyce Avenue, and North Avenue on the north; Joyce Avenue on the West; and the alley south of Stone Road, the Canadian National/Illinois Central Freight Rail right-of-way, Hill Street, Ellsworth Avenue, and Schiller Street on the south.

The Study Area is approximately 225.6 acres in size and located on a total of 35 tax blocks. It includes 340 tax parcels and four parcels that are active railroad right-of-way. The Study Area is considered improved. Twenty-four of the parcels are vacant lots, representing approximately 7% of all tax parcels. The vacant land in the Study Area is scattered and under diverse ownership.

The Study Area is largely commercial in nature. Commercial uses generally consist of strip center retail, auto related businesses and several large scale discount retailers. A variety of fast food restaurants are found in the Study Area. Light industrial uses also occupy much of the eastern portion of the Study Area. Single-family residential units are scattered through the area and often found adjacent to commercial or industrial use. Multi-family residential units are clustered on Lincoln Avenue and on the western portion of the Study Area.

This report summarizes the analyses and findings of the Consultant’s work, which, unless otherwise noted, is solely the responsibility of Camiros, Ltd. and does not necessarily reflect the views and opinions of potential developers or the Village of Villa Park. Camiros, Ltd. has prepared this report with the understanding that the Village would rely 1) on the findings and conclusions of this report in proceeding with the designation of the Project Area as a redevelopment project area under the Act, and 2) on the fact that Camiros, Ltd. has obtained the necessary information to conclude that the Study Area meets the requirements for designation as a redevelopment project area in compliance with the Act.

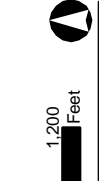
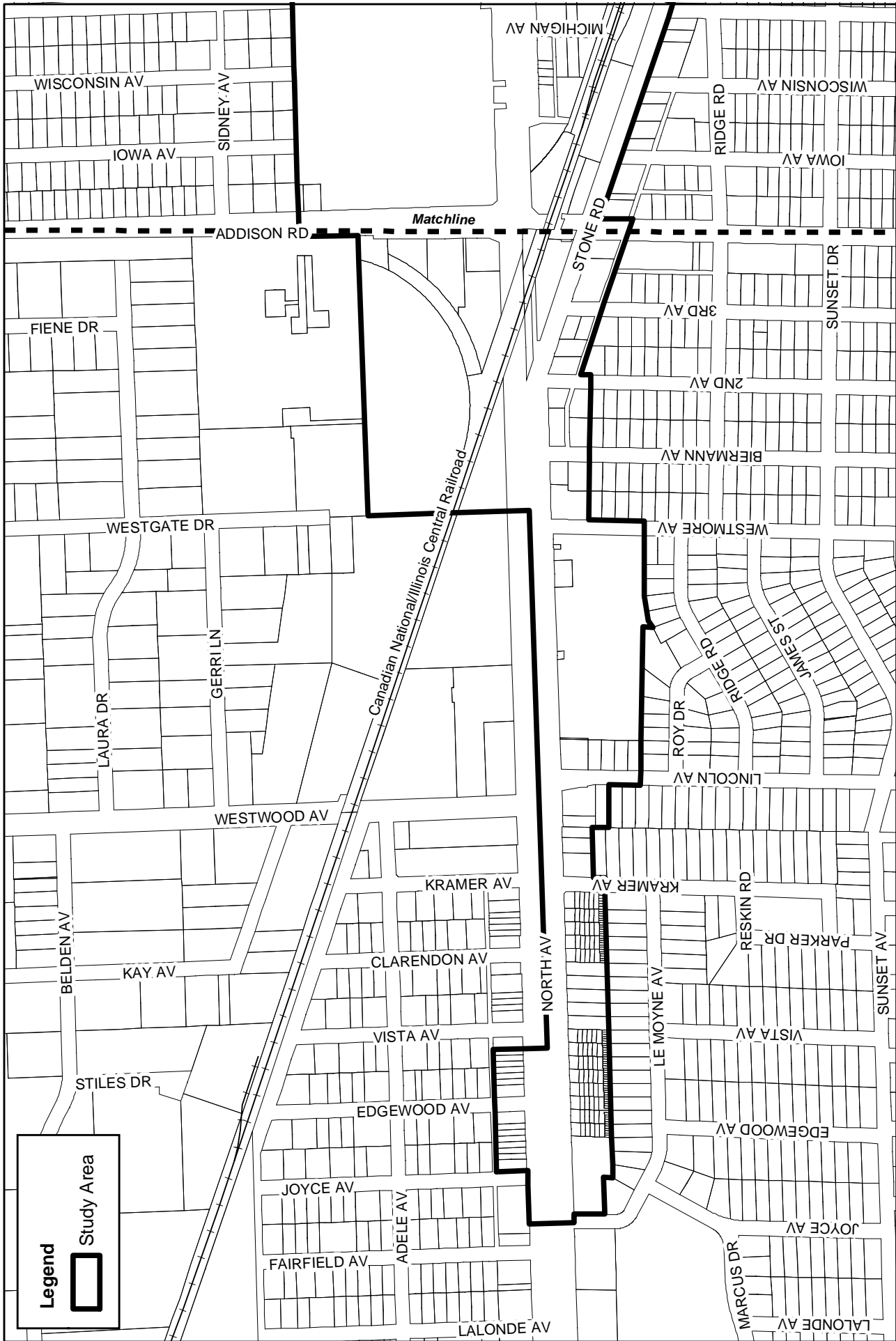


FIGURE C-1A
STUDY AREA BOUNDARY MAP
WESTERN SECTION

SEPTEMBER 2006

NORTH AVENUE TIF
 VILLA PARK, ILLINOIS

CAMIROS

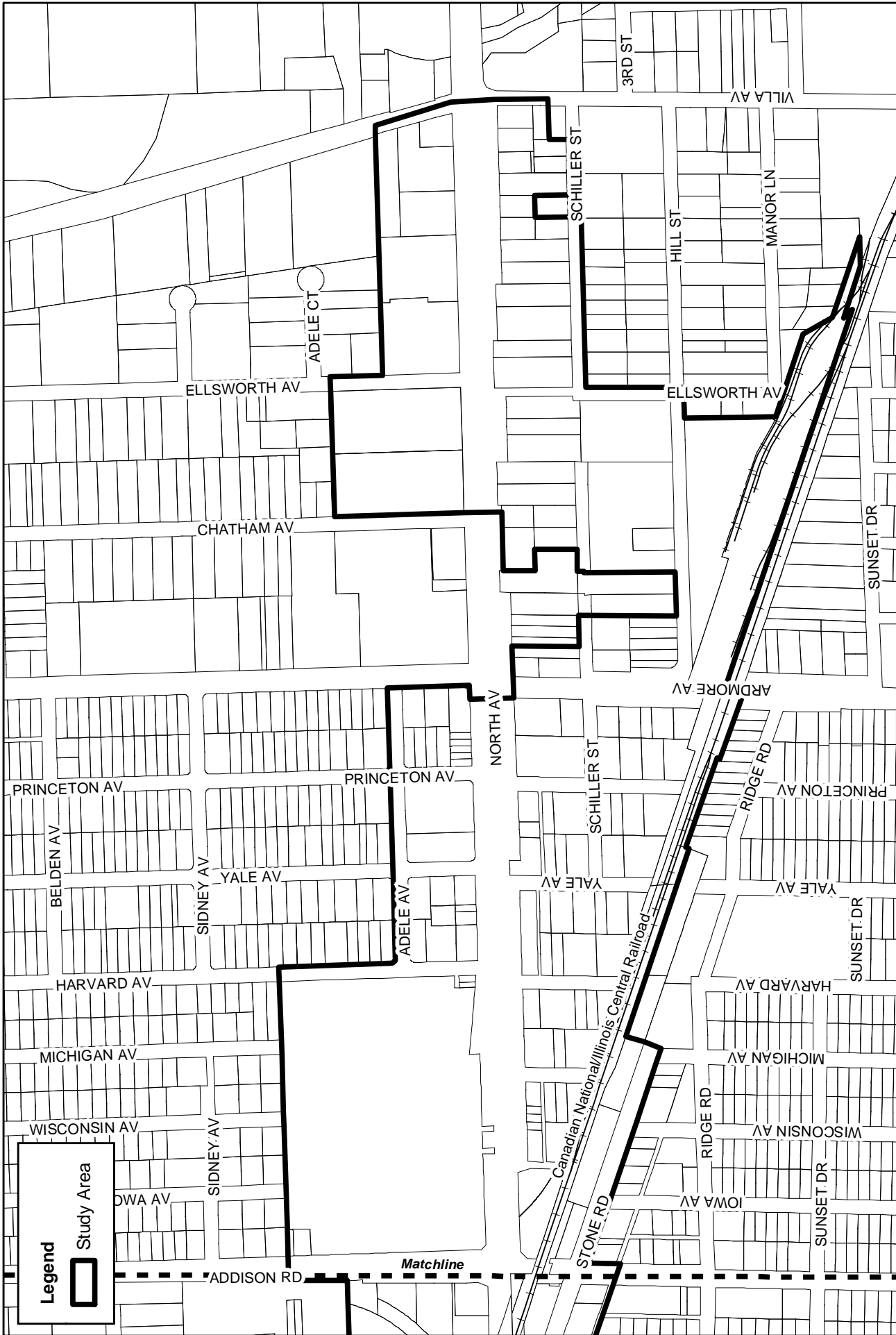


FIGURE C-1B
STUDY AREA BOUNDARY MAP
EASTERN SECTION
 NORTH AVENUE TIF
 VILLA PARK, ILLINOIS
 SEPTEMBER 2006

1. INTRODUCTION

The Tax Increment Allocation Redevelopment Act (the “Act”) permits municipalities to induce redevelopment of eligible “blighted,” “conservation” or “industrial park conservation areas” in accordance with an adopted redevelopment plan. The Act stipulates specific procedures, which must be adhered to, in designating a redevelopment project area. One of those procedures is the determination that the area meets the statutory eligibility requirements. At 65 Sec 5/11-74.-3(p), the Act defines a "redevelopment project area" as:

“... an area designated by the municipality, which is not less in the aggregate than 1-1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or combination of both blighted areas and conservation areas.”

In adopting this legislation, the Illinois General Assembly found:

1. (at 65 Sec 5/11-74.4-2(a)) That there exists in many municipalities within the State blighted and conservation areas...; and
2. (at 65 Sec 5/11-74.4-2(b)) That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

The legislative findings were made on the basis that the presence of blight, or conditions that lead to blight, is detrimental to the safety, health, welfare and morals of the public. The Act specifies certain requirements, which must be met, before a municipality may proceed with implementing a redevelopment project in order to ensure that the exercise of these powers is proper and in the public interest.

Before the tax increment financing (“TIF”) technique can be used, the municipality must first determine that the proposed redevelopment area qualifies for designation as a "blighted area," "conservation area," or an "industrial park conservation area." Based on the conditions present, this Eligibility Study finds that the Study Area qualifies for designation as a conservation area.

Conservation Areas

A “conservation area” is an improved area located within the territorial limits of the municipality in which 50% or more of the structures have an age of 35 years or more. Such areas are not yet blighted, but because of a combination of three or more of the following factors that are

detrimental to the public safety, health, morals or welfare, the Study Area may become a blighted:

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Presence of structures below minimum code standards
5. Illegal use of individual structures
6. Excessive vacancies
7. Lack of ventilation, light or sanitary facilities
8. Inadequate utilities
9. Excessive land coverage and overcrowding of structures and community facilities
10. Deleterious land use or layout
11. Environmental clean-up requirements
12. Lack of community planning
13. Lagging or declining equalized assessed value

The Act defines blighted and conservation areas and amendments to the Act also provide guidance as to when the factors present qualify an area for such designation. Where any of the factors defined in the Act are found to be present in the Study Area, they must be: 1) documented to be present to a meaningful extent so that the municipality may reasonably find that the factor is clearly present within the intent of the Act, and 2) reasonably distributed throughout the vacant or improved part of the Study Area, as applicable, to which such factor pertains.

The test of eligibility of the Study Area is based on the conditions of the area as a whole. The Act does not require that eligibility be established for each and every property in the Study Area.

2. ELIGIBILITY STUDIES AND ANALYSIS

An analysis was undertaken to determine whether any or all of the blighting factors listed in the Act are present in the Study Area, and if so, to what extent and in which locations. In order to accomplish this evaluation the following tasks were undertaken:

1. Exterior survey of the condition and use of each building;
2. Field survey of site/property conditions involving parking facilities, public infrastructure; site access, fences and general property maintenance;
3. Analysis of existing land uses and their relationships;
4. Comparison of surveyed buildings to zoning regulations;
5. Analysis of the current platting, building size and layout;
6. Analysis of building floor area and site coverage;
7. Review of previously prepared plans, studies, inspection reports and other data;
8. Analysis of real estate assessment data;
9. Review of available building permit records to determine the level of development activity in the area; and
10. Review of code violations.

The exterior building condition survey and site conditions survey of the Study Area were undertaken in June 2005. The analysis of site conditions was organized by tax block as shown in *Figures C-2A and C-2B, Tax Block Map*. *Figures C-3A and C-3B, Existing Land Use* shows the distribution of improved property within the Study Area.

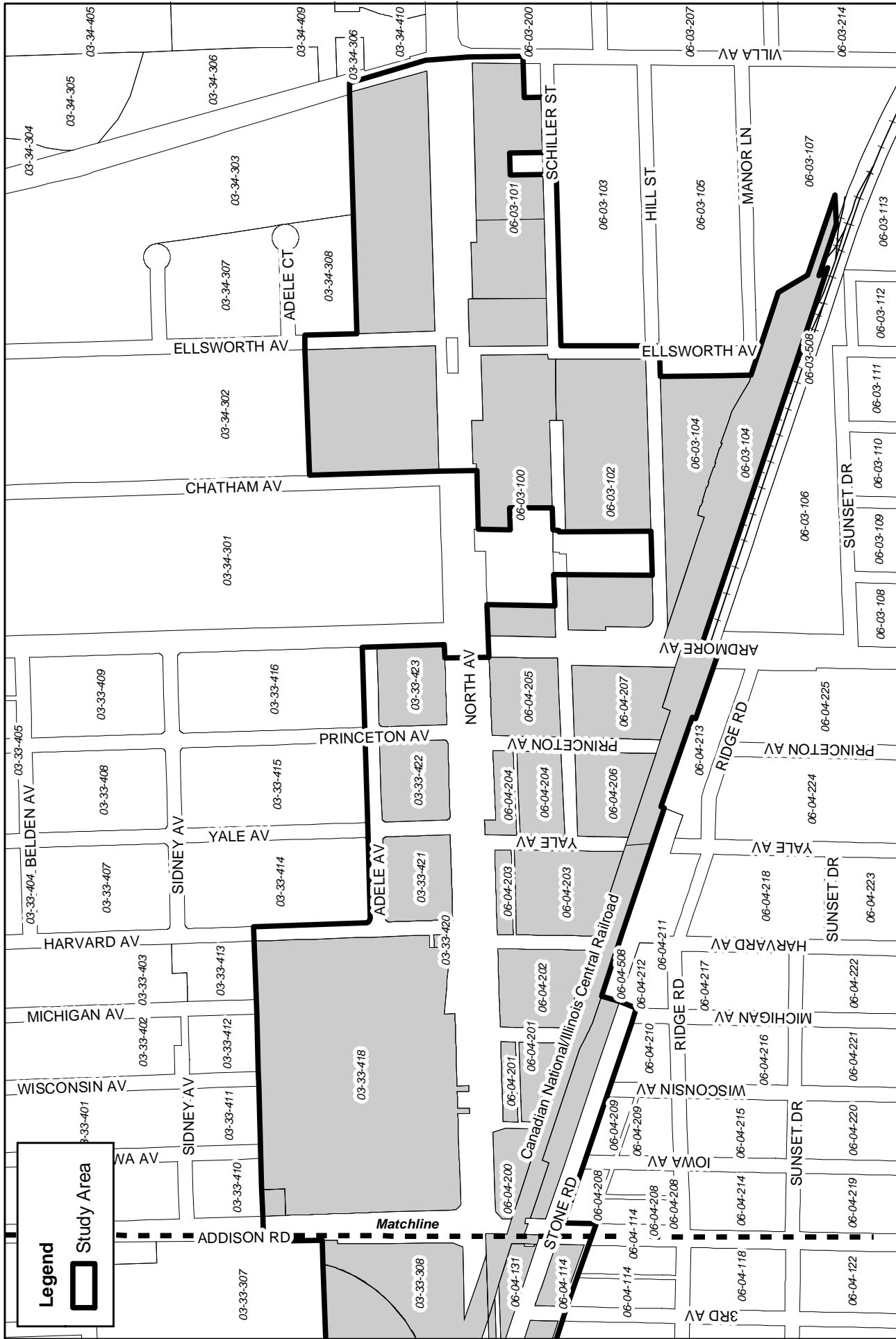
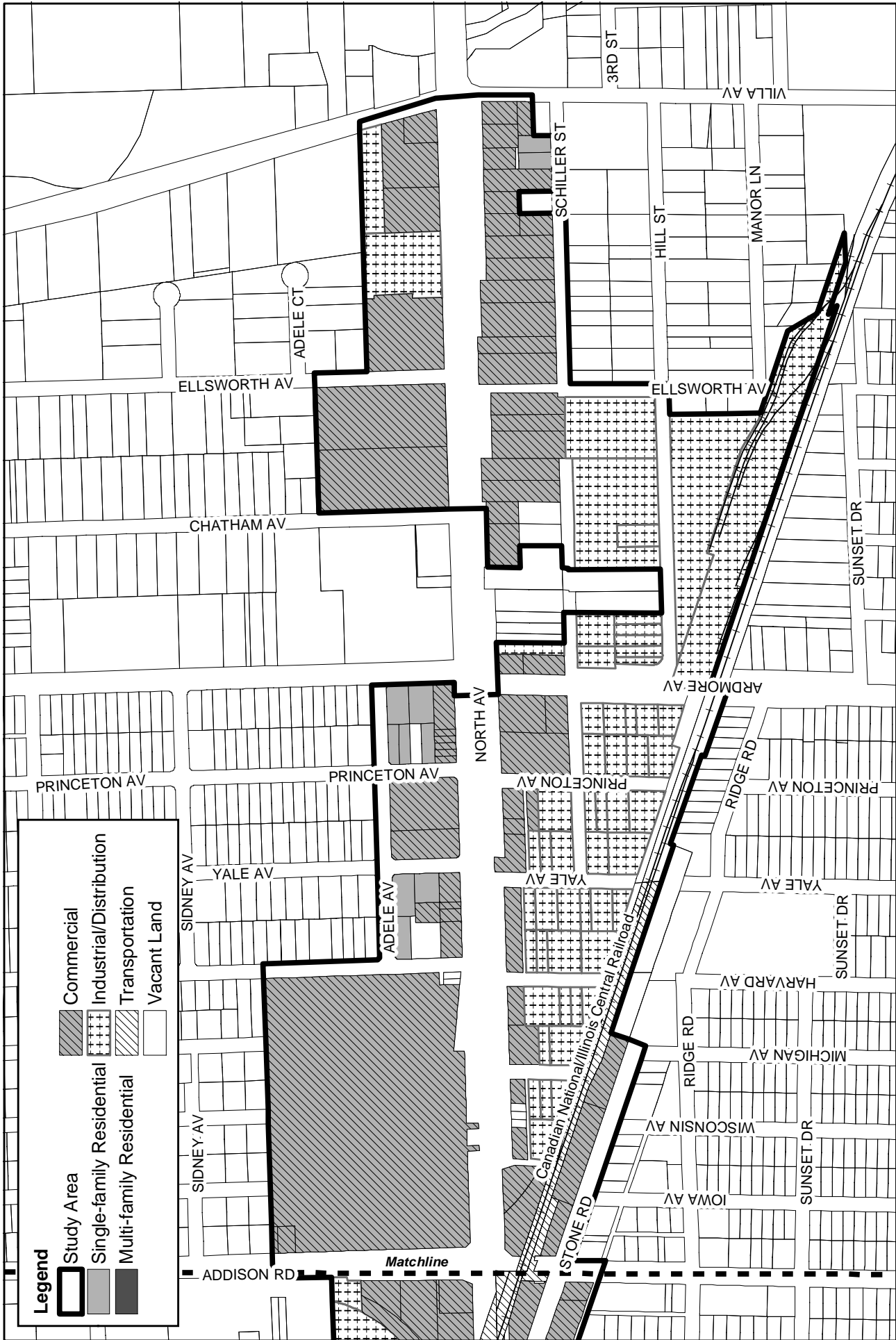


FIGURE C-2B
TAX BLOCK MAP EASTERN SECTION
 NORTH AVENUE TIF
 VILLA PARK, ILLINOIS



SEPTEMBER 2006



Legend

	Study Area		Commercial
	Single-family Residential		Industrial/Distribution
	Multi-family Residential		Vacant Land
	Vacant Land		



SEPTEMBER 2006

FIGURE C3-B
EXISTING LAND USE MAP EASTERN SECTION
 NORTH AVENUE TIF
 VILLA PARK, ILLINOIS

Building Condition Evaluation

This section summarizes the process used for assessing building conditions in the Study Area. These standards and criteria were used to evaluate the existence of dilapidation or deterioration of structures.

The building condition analysis is based on a thorough exterior inspection of the buildings and sites conducted by Camiros, Ltd. Structural deficiencies in building components and related environmental deficiencies in the Study Area were noted during the survey.

Building Components Evaluated

During the field survey, each component of the buildings in the Study Area was examined to determine whether it was in sound condition or had minor, major or critical defects. Building components examined were of two types:

Primary Structural Components

These include the basic elements of any building: foundation walls, load-bearing walls and columns, roof, roof structures and facades.

Secondary Components

These are components generally added to the primary structural components and are necessary parts of the building, including exterior and interior stairs, windows and window units, doors and door units, interior walls, chimney, and gutters and downspouts.

Each primary and secondary component was evaluated separately as a basis for determining the overall condition of individual buildings. This evaluation considered the relative importance of specific components within a building and the effect that deficiencies in components will have on the remainder of the building.

Building Component Classification

The four categories used in classifying building components and systems and the criteria used in evaluating structural deficiencies are described below:

Sound

Building components that contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

Deficient – Requiring Minor Repair

Building components containing defects (loose or missing material or holes and cracks over a limited area), which often may be corrected through the course of normal maintenance. Minor defects have no real effect on either the primary or secondary components and the correction of such defects may be accomplished by the owner or occupants. Examples include tuckpointing masonry joints over a limited area or replacement of less complicated components. Minor defects are not considered in rating a building as structurally substandard.

Deficient – Requiring Major Repair

Building components that contain major defects over a widespread area that would be difficult to correct through normal maintenance. Buildings in the major deficient category would require replacement or rebuilding of components by people skilled in the building trades.

Critical

Building components that contain major defects (bowing, sagging, or settling to any or all exterior components causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area) so extensive that the cost of repair would be excessive.

Final Building Rating

After completion of the exterior building condition survey, each structure was placed in one of three categories based on the combination of defects found in various primary and secondary building components. Each final rating is described below:

Sound

Sound buildings can be kept in a standard condition with normal maintenance. Buildings so classified have no minor defects.

Deficient

Deficient buildings contain defects that collectively are not easily correctable and cannot be accomplished in the course of normal maintenance. The classification of major or minor reflects the degree or extent of defects found during the survey of the building.

- Deficient-Minor

Buildings classified as “deficient – requiring minor repairs” have more than one minor defect, but no major defects.

- Deficient-Major

Buildings classified as “deficient – requiring major repairs” have at least one major defect in one of the primary components or in the combined secondary components, but less than one critical defect.

Substandard

Structurally substandard buildings contain defects that are so serious and so extensive that the building must be removed. Buildings classified as structurally substandard have two or more major defects.

Minor deficient and major deficient buildings are considered to be the same as deteriorating buildings as referenced in the Act. Substandard buildings are the same as dilapidated buildings.

Eligibility Determination

Where a factor is described as being present to a *major extent*, the factor is meaningfully present with respect to a majority of tax blocks to which the factor pertains and is reasonably distributed in the Study Area. The presence of such conditions has a major adverse impact or influence on adjacent and nearby property. A factor described as being present to a *minor extent* indicates that the factor is present, but that the distribution of impact of the condition is more limited, affecting fewer than 50% of applicable tax blocks. A statement that the factor is not present indicates that either no information was available or that no evidence was documented as a result of the various surveys and analyses. Factors whose presence could not be determined with certainty were not considered in establishing eligibility.

In order to establish the eligibility of a redevelopment project area under the improved “conservation area” criteria established in the Act, at least 50% of buildings must be 35 years of age or older and at least three of 13 eligibility factors must be meaningfully present and reasonably distributed throughout the Study Area with respect to improved property.

Each factor identified in the Act for determining whether an area qualifies as a conservation area is discussed below and a conclusion is presented as to whether or not the factor is present in the Study Area to a degree sufficient to warrant its inclusion as a blighting factor in establishing the eligibility of the Study Area as a “conservation area” under the Act. These findings describe the conditions that exist and the extent to which each factor is present.

3. PRESENCE AND DISTRIBUTION OF ELIGIBILITY FACTORS

This Eligibility Study finds that the Study Area qualifies for designation as a conservation area under the criteria contained in the Act. The required age threshold is satisfied with 57% of buildings being at least 35 years of age. In addition, six of the conditions cited in the Act are meaningfully present and reasonably distributed within the Study Area. Two other conditions are present in the area to a more limited degree and support the overall conclusions reached in this study. These factors and whether they are present to a major or minor extent within the Study Area are as follows:

Conditions found to a *major* extent

- Obsolescence
- Deterioration
- Presence of structures below minimum code standards
- Inadequate utilities
- Excessive land coverage or overcrowding of structures and community facilities
- Lack of community planning

Conditions found to a *minor* extent

- Excessive vacancies
- Deleterious land use or layout

The presence and distribution of eligibility factors related to the qualification of the Study Area for designation as a conservation area are presented below. The distribution of these factors within the Study Area is presented in *Table B: Distribution of Conservation Area Eligibility Factors* on page C-24 of this Study.

Age

The Study Area contains 166 structures, with 95 of these buildings identified as having been built in 1971 or earlier. Thus, the required age threshold is met with 57% of buildings being 35 years of age or older.

Conservation Area Eligibility Factors

The presence and distribution of eligibility factors related to the qualification of the Study Area for designation as a conservation area are discussed below. The presence of these factors indicates the Study Area is in danger of becoming blighted if no action is taken to prevent this occurrence.

1. Dilapidation

As defined in the Act, “dilapidation” refers to an advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvement 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.

While all of the structures in the Study Area contained identifiable deficiencies, none was significant enough for the building to be classified as substandard or dilapidated.

Conclusion: Dilapidation was not found to be present within the Study Area.

2. Obsolescence

As defined in the Act, “obsolescence” refers to the condition or process of falling into disuse or structures that have become ill suited for their original use.

Obsolete buildings contain characteristics or deficiencies that limit their long-term sound use or reuse, and obsolescence in such buildings is typically difficult and expensive to correct. This includes properties that are still used for their original purpose, but have substantially reduced functionality because buildings and site improvements no longer represent the standard of development within the industry. This is the case in the Study Area, where a significant portion of the commercial development is more than 40 years old, does not function well on small lots, has poor accessibility and lacks adequate parking. In addition, many of the properties with obsolescence are also in deteriorated condition and in need of significant investment to enable them to be restored to functional use.

Typically the design, location, height, and space arrangement of buildings and sites are intended for a specific occupant at a given time. Buildings/properties become obsolete when they contain characteristics or deficiencies which limit their utility for the intended use. The characteristics may include: 1) land area or building area that is now too small to accommodate necessary activities; 2) inadequate parking; 3) property resulting from an inherent deficiency existing from poor design or layout; and 4) the improper orientation of the building on its site and similar conditions which detracts from the overall usefulness or desirability of a property.

Many commercial parcels in the Study Area are narrow and deep which limits street frontage visibility, building design and access. These narrow lots are not conducive to contemporary retail and commercial activity and also limit available space for parking. For example, parcels in tax blocks 06-04-204, 06-03-100 and 06-03-101 have lot depth that is as much as four times as deep as the street frontage.

Moreover, poor access, particularly to the rear of many buildings in the Study Area also lends to obsolescence and can limit parking and front access if vehicles are forced to deliver in the front or side area. Limited access to a business may lead to improper loading and access, site overcrowding and contribute to obsolescence. Examples of poor access are found throughout the project area and include industrial properties along Michigan, Harvard

and Yale Avenues and commercial uses on the south portion of North Avenue between Ardmore and Villa Avenues.

A number of properties do not represent the highest and best use for the Study Area. For example, service use properties, such as bus service, often have little improvement and may not be appropriate for the Study Area. Similarly, structures originally designed for residential use now house commercial businesses. These structures are considered obsolete.

If obsolete properties are not periodically improved or rehabilitated, or are not converted to higher and better uses, the income and value of the property erodes over time. This value erosion leads to deferred maintenance, deterioration, and excessive vacancies. These manifestations of obsolescence then begin to have an overall blighting influence on surrounding properties and detract from the economic vitality of the overall area.

Conclusion: Obsolescence is meaningfully present and reasonably distributed within the Study Area. Of the 35 tax blocks in the Study Area, 29 were found to be obsolete representing 83% of tax blocks. Thus, this factor was used in qualifying the Study Area for designation as a conservation area.

3. Deterioration

As defined in the Act, “deterioration” refers to, 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, 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.

Based on the definition given by the Act, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair. Of the 35 tax blocks in the Study Area, 31 tax blocks or 89% were found to exhibit deterioration with respect to site improvements, structures, and buildings. In addition, public infrastructure including alleys, sidewalks, public parking, and curbs and gutters is also deteriorated. Evidence of deterioration in the Study Area includes:

- Cracking of foundation, walls and berths of structures
- Water damage
- Roof damage
- Peeling paint and rusted exterior
- Window damage including frame cracking and leaking
- Damaged lighting
- Cracking of pavement, parking bumpers, fences
- Cracking porches and damaged entry ways
- Unstable handrails

The majority of defects were on secondary or accessory buildings but the presence of such deterioration is significant enough to establish a presence of major deterioration. The deterioration noted in the exterior survey indicates that further deterioration is likely in the interiors and foundations of the structures.

Evidence of deterioration with respect to commercial buildings includes rusting soffits and stained brick indicate water damage. Masonry cracking found in the survey implies structural or foundation deterioration and that any improvements have failed to correct the damage. Similarly, disjointed windows indicate structural settling and deterioration.

Many buildings have severely damaged loading berths and rear entries. Peeling paint and damaged roofs were also observed for many buildings in the Study Area. Many primary entry ways are deteriorated as well.

Most parcels exhibited deterioration in pavement including cracking, chipping or faded paint striping, and the presence of potholes and weeds. Moreover, many parcels had parking bumpers that were damaged or had been moved from their proper location. Because of deterioration in parking areas and other areas surrounding structures in the Study Area, many sites do not have adequate drainage. Potholes, suppressions in asphalt and poor drainage design allow water to collect in puddles. Also, many parcels have deterioration of curbs, gutters and entranceways.

Conclusion: Deterioration is meaningfully present and reasonably distributed within the Study Area. Of the 35 tax blocks in the Project Area, 31 were found to be deteriorated representing 89% of tax blocks. Thus, this factor was used in qualifying the Study Area for designation as a conservation area.

4. Presence of Structures Below Minimum Code Standards

As defined in the Act, the “presence of structures below minimum code standards” refers to 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.

As referenced in the definition above, the principal purposes of governmental codes applicable to properties are to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy; to be safe for occupancy against fire and similar hazards; and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code standards are characterized by defects or deficiencies that threaten health and safety.

Structures below minimum code standards were identified on 30 of the 35 tax blocks, representing 86% of the total. This factor was present to a major extent on 14 of the 35 tax blocks and to a lesser degree on 16 tax blocks.

The majority of code violations are related to building setback, parking and lighting requirements. Because this analysis only involved an exterior building conditions survey, the degree to which this factor is present in the area is most likely understated.

Conclusion: This factor was found to be meaningfully present and reasonably distributed and was used to qualify the Study Area for designation as a conservation area.

5. *Illegal Use of Structures*

There is an illegal use of a structure when structures are used in violation of federal, state or local laws.

Conclusion: The degree to which this factor is present within the Study Area was not documented as part of the eligibility analysis. Thus, the extent to which this factor may be present in the Study Area is unknown.

6. *Excessive Vacancies*

As defined in the Act, “excessive vacancies” refers to the presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies. This factor is considered to be present to a major extent where more than 25% of buildings on the block contained vacancies.

There are a number of vacant buildings and storefronts scattered throughout the Study Area, as well as several vacant lots. Other commercial property, while occupied, is underutilized given the traffic volumes carried by North Avenue and the potential for commercial activity.

Conclusion: This factor is present on 12 of 35 tax blocks in the Study Area, representing 34% of the tax blocks and was not used in qualifying the Study Area for designation as a conservation area. While present and reasonably distributed, there are not enough vacancies to find that this factor is meaningfully present within the Study Area.

7. *Lack of Ventilation, Light, or Sanitary Facilities*

As defined in the Act, “lack of ventilation, light, or sanitary facilities” refers to the absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refer to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Conclusion: The degree to which this factor is present within the Study Area was not documented as part of the eligibility analysis. Thus, the extent to which this factor may be present in the Study Area is unknown.

8. *Inadequate Utilities*

As defined in the Act, “inadequate utilities” refers to 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.

All properties within the Study Area are presently served by appropriate utilities. However, there are several problem areas within the Study Area involving water, sanitary sewer, or drainage related issues. These are briefly summarized as follows:

- A private water company serves the area west of Lincoln Avenue. The condition of the water mains is unknown. The nearest Village water main is at the southwest corner of Lincoln Avenue and North Avenue.
- The apartments west of Kramer Avenue are served by a private sanitary sewer system and a private lift station. Both are in poor condition. The Village would consider taking over maintenance of the sanitary sewers and lift station, but major rehabilitation work would need to be completed before that would occur.
- There is also a 6-inch diameter Village water main on Westmore Avenue. The Village's master water main plan (completed in 2006) recommends that the water main on Westmore be upgraded to 10" diameter.
- On the north side of North Avenue, the water and sanitary sewers are generally adequate. Drainage is poor because many of the north-south streets connecting to North Avenue have a rural cross section with poorly defined ditches rather than storm sewer.
- The triangular industrial area west of Ardmore Avenue, south of North Avenue, and north of the CCP tracks is served by 4-inch diameter water mains. These need to be upgraded to a minimum of 8-inch diameter per the Village's master plan.
- The area on the south side of North Avenue between Ardmore Avenue and Villa Avenue generally has very poor drainage. There are few storm sewers and no storm water detention facilities. Hill Street and Schiller Street have rural cross sections with poorly defined ditches. Water main looping in the area is incomplete due to the unincorporated portions. Sanitary sewer mains do not currently serve some of the more recently annexed properties.

Conclusion: As described above, this factor is meaningfully present and reasonably distributed within the Study Area. It represents one of the conditions used to establish eligibility of the Study Area as a conservation area.

9. *Excessive Land Coverage or Overcrowding of Community Facilities*

As defined in the Act, “excessive land coverage or overcrowding of community facilities” refers to the over-intensive use of property and the crowding of buildings and accessory

facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (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.

By virtue of early platting, many tax parcels in the Study Area are of narrow width, and in many areas, single buildings cover several smaller parcels. This has contributed to the Study Area's inability to provide adequate parking, and limited the opportunity for many businesses within the Study Area to expand. These conditions have been worsened by the expansion of the North avenue right-of-way, which has resulted in the reduced parking and internal access for several parcels.

The small industrial area between North Avenue, the railroad tracks Michigan Avenue and Ardmore Avenue is characterized by industrial buildings that occupy most of their sites, with tandem parking often used to accommodate employee parking. Buildings are close together and offer no opportunity for expansion.

Furthermore, many buildings in the Study Area are ill situated and do not have adequate provision for loading and service and many structures are within feet on neighboring structures. The presence of billboard structures, fences and pylon signs that hinder internal vehicular traffic are also reflective of overcrowding.

Conclusion: Excessive land coverage or overcrowding of community facilities affects 77% of tax blocks in the Study Area. As a result, this factor was found to be present to a major extent and was used to qualify the Study Area for designation as a conservation area.

10. Deleterious Land Use or Layout

As defined in the Act, "deleterious land-use or layout" refers to 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.

Examples of incompatible land use relationships include vacant buildings and billboards next to occupied residential and commercial buildings, industrial uses in residential and commercial zoning districts, and commercial areas zoned for residential use. The vacant lots in the area which are poorly maintained also contribute to deleterious conditions in the Study Area.

Numerous sites have billboards. One cellular tower was also noted on a site in the Study Area. When these uses are found near residential uses, they are considered inappropriate and noxious and have an adverse effect on property values and perceptions.

Conclusion: This factor affects 46% of tax blocks in the Study Area. As a result, deleterious land use or layout was found to be present to a minor extent and was not used to qualify the Study Area for designation as a conservation area.

11. Environmental Clean-Up Requirements

As defined in the Act, “environmental clean-up” means that 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.

Conclusion: The degree to which this factor is present within the Study Area was not documented as part of the eligibility analysis. Thus, the extent to which this factor may be present in the Study Area is unknown.

12. Lack of Community Planning

As defined in the Act, “lack of community planning” means that the Study 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.

Many of the buildings located in the Study Area were built well before the current zoning ordinance was adopted. In addition, the vast majority of buildings predate the Village’s current comprehensive plan that was adopted in 1984. Only 23 of the 166 buildings in the Study Area were built after 1984, representing 14% of the total.

By virtue of early platting and recent expansion of the North Avenue right-of-way, a significant number of parcels in the Study Area are of narrow width and/or lot depth and will need to be consolidated with adjacent property to meet contemporary development requirements. In several areas single buildings cover several smaller parcels, which is indicative of an area that was built without benefit of a land use plan. These narrow parcels have also contributed in part in the area’s inability to provide adequate parking and loading and the opportunity for expansion of many of the area’s commercial businesses.

The North Avenue right-of-way has been expanded in recent years to accommodate higher traffic volumes. Consequently, the platting of many parcels has been altered on an ad hoc basis. Parking aisles are narrow and in some instances drivers must navigate around free-standing pole signs to access parking spaces.

Conclusion: Lack of community planning affects the Study Area as a whole and is considered present to a major extent. Thus, this factor is considered to be meaningfully present and reasonably distributed and was used in qualifying the Study Area for designation as a conservation area.

13. Lagging or Declining Equalized Assessed Value

As defined in the Act, this factor is present when the Study Area can be described by one of the following three conditions: 1) the total equalized assessed value (“EAV”) has declined in three of the last five years; 2) the total EAV is increasing at an annual rate that is less than the balance of the municipality for three of the last five years; or 3) the total EAV is increasing at an annual rate that is less than the Consumer Price Index for all Urban Consumers for three of the last five years.

Table A: Comparative Increase in Equalized Assessed Value (EAV) compares the annual change in EAV for improved property within the Study Area with the balance of the Village. As shown in Table A, the total equalized assessed value of property within the Study Area declined between the 2002 and 2003 tax years, reflecting the acquisition of private property to expand the North Avenue right-of-way. However, the EAV of the Study Area grew at a rate that was greater than the balance of the Village for the other analysis years.

**Table A:
COMPARATIVE INCREASES IN EQUALIZED ASSESSED VALUE (EAV)**

	2005	2004	2003	2002	2001
Study Area EAV	\$38,726,903	\$34,501,873	\$30,459,640	\$31,978,450	\$27,726,939
Study Area % Increase over Prior Year	12.25%	13.27%	-4.75%	15.33%	6.32%
Balance of Villa Park % Change from Prior Year	7.71%	7.83%	5.52%	8.11%	6.20%

Source: Addison and York Township Assessor’s Office

Conclusion: Lagging or declining equalized assessed value is not present within the Study Area, consistent with the definition contained in the Act. Thus, this factor was not used in qualifying the Study Area for designation as a conservation area.

Eligibility Analysis Summary

On the basis of the above review of current conditions, the Study Area meets the criteria for qualification of a conservation area under the Act. More than 50% of the buildings within the Study Area are 35 years of age or older. The Study Area exhibits the presence of eight of the 13 conservation area eligibility conditions defined by the Act. Six of these conditions are meaningfully present and reasonably distributed within the Study Area affecting at least 50% of improved tax blocks. Two other conditions were found to be present to a limited extent and were

not used to establish eligibility as a conservation area under the Act. Only three factors are required to qualify the area under the Act once the age threshold is met. *Table B: Distribution of Conservation Area Eligibility Factors* summarizes the presence and distribution of the conditions applicable to eligibility of the Study Area as a conservation area. This summary demonstrates the degree to which these conditions are meaningfully present and reasonably distributed within the Study Area. *Figures C-4A and C-4B, Distribution of Conservation Eligibility Factors by Tax Block* show the distribution of factors on each tax block.

**Table B:
DISTRIBUTION OF CONSERVATION AREA ELIGIBILITY FACTORS**

	Tax Block	1	2	3	4	5	6	7	8	9	10	11	12	13
1	03-32-417								X	X			X	
2	03-32-418		o	X	o		X		X		o		X	
3	03-33-304				o		X		X	X			X	
4	03-33-307		o	o	o				X				X	
5	03-33-308		o	o	o				X	o			X	
6	03-33-410		o	o					X	o	o		X	
7	03-33-418			X	o				X				X	
8	03-33-420			X			X		X				X	
9	03-33-421			X	X		o		X	X	o		X	
10	03-33-422		o		o				X				X	
11	03-33-423		X	X	X		X		X	o	X		X	
12	03-34-302		X	X	X				X	X			X	
13	03-34-303		o	X	o				X	o	o		X	
14	06-03-100		X	X	X		o		X	X	X		X	
15	06-03-101		X	X	X				X	X	o		X	
16	06-03-102		X	X	o		X		X		X		X	
17	06-03-104		o	o					X	X			X	
18	06-04-100		X	X	o				X	X			X	
19	06-04-102		X	X	o		o		X	o			X	
20	06-04-111		o	X	o				X	X	X		X	
21	06-04-112		X	X	o		X		X		o		X	
22	06-04-113		X		o				X				X	
23	06-04-114		X	X	o		X		X	X			X	
24	06-04-131			o					X	o	o		X	

Legend of Eligibility Factors	
1	Dilapidation
2	Obsolescence
3	Deterioration
4	Presence of structures below code standards
5	Illegal use of structures
6	Excessive vacancies
7	Lack of ventilation, light, or sanitary facilities
8	Inadequate utilities
9	Excessive land coverage or overcrowding of community facilities
10	Deleterious land use or layout
11	Environmental clean-up
12	Lack of community planning
13	Declining or stagnant EAV
X = Present to a Major Extent	
o = Present to a Minor Extent	

Table B: (Continued)
Distribution of Conservation Area Eligibility Factors

	Tax Block	1	2	3	4	5	6	7	8	9	10	11	12	13
25	06-04-200		X	X	o				X	X			X	
26	06-04-201		X	X	X				X	o	o		X	
27	06-04-202		X	X	X				X	X			X	
28	06-04-203		X	X	X				X	X			X	
29	06-04-204		X	X	X				X	X	o		X	
30	06-04-205		X	X	X				X	X	o		X	
31	06-04-206		X	X	X				X	X			X	
32	06-04-207		X	X	X				X	X			X	
33	06-04-212		X	X	o		o		X	X	o		X	
34	06-05-201		X	X	X		X		X	X	X		X	
35	06-05-208		X	X	X				X	X			X	

Legend of Eligibility Factors	
1	Dilapidation
2	Obsolescence
3	Deterioration
4	Presence of structures below code standards
5	Illegal use of structures
6	Excessive vacancies
7	Lack of ventilation, light, or sanitary facilities
8	Inadequate utilities
9	Excessive land coverage or overcrowding of community facilities
10	Deleterious land use or layout
11	Environmental clean-up
12	Lack of community planning
13	Declining or stagnant EAV
X = Present to a Major Extent	
o = Present to a Minor Extent	

Eligibility Factor Summary													
	1	2	3	4	5	6	7	8	9	10	11	12	13
Present to a Major Extent		21	26	14		8		35	20	5		35	
Present to a Minor Extent		8	5	16		4		0	7	11		0	
Total Affected Tax Blocks		29	31	30		12		35	27	16		35	
% of Blocks Affected		83%	89%	86%		34%		100%	77%	46%		100%	
Primary Qualifying Factors		X	X	X				X	X			X	

APPENDIX D

INITIAL EQUALIZED ASSESSED VALUE (EAV) OF PROPERTY WITHIN THE NORTH AVENUE REDEVELOPMENT PROJECT AREA

2005 EAV: \$38,726,903

#	PIN	2005EAV	#	PIN	2005EAV
1	03-32-417-024	\$85,820	36	03-33-421-028	\$12,250
2	03-32-417-025	\$42,930	37	03-33-421-029	\$160,240
3	03-32-417-026	\$42,930	38	03-33-422-035	\$206,910
4	03-32-417-027	\$42,930	39	03-33-422-036	\$938,920
5	03-32-417-028	\$42,930	40	03-33-423-001	\$105,860
6	03-32-417-029	\$42,930	41	03-33-423-002	\$77,300
7	03-32-417-030	\$42,930	42	03-33-423-003	\$29,020
8	03-32-417-031	\$85,820	43	03-33-423-005	\$66,920
9	03-32-418-026	\$82,650	44	03-33-508-006	RR
10	03-32-418-027	\$41,330	45	03-34-302-059	\$407,010
11	03-32-418-028	\$41,330	46	03-34-303-015	\$987,930
12	03-32-418-029	\$41,330	47	03-34-303-016	\$1,203,270
13	03-32-418-030	\$41,330	48	03-34-303-026	\$148,070
14	03-32-418-031	\$41,330	49	03-34-303-027	\$261,300
15	03-32-418-032	\$41,330	50	03-34-303-028	\$289,380
16	03-33-304-004	\$234,940	51	03-34-303-029	\$158,720
17	03-33-307-013	\$1,784,680	52	06-03-100-001	\$101,460
18	03-33-308-010	\$5,410	53	06-03-100-002	\$43,910
19	03-33-308-012	\$283,350	54	06-03-100-003	\$44,870
20	03-33-308-013	\$216,713	55	06-03-100-013	\$99,280
21	03-33-308-014	\$154,810	56	06-03-100-014	\$260,560
22	03-33-308-015	\$40,230	57	06-03-100-019	\$207,970
23	03-33-308-016	\$150,320	58	06-03-100-020	\$222,400
24	03-33-410-033	\$11,610	59	06-03-100-021	\$157,220
25	03-33-410-034	\$66,590	60	06-03-101-005	\$140,710
26	03-33-418-018	\$2,405,690	61	06-03-101-006	\$94,340
27	03-33-420-015	\$5,920	62	06-03-101-008	\$145,260
28	03-33-420-016	\$7,080	63	06-03-101-010	\$140,650
29	03-33-421-001	\$81,390	64	06-03-101-011	\$197,180
30	03-33-421-005	\$88,520	65	06-03-101-012	\$770
31	03-33-421-023	\$148,760	66	06-03-101-013	\$211,320
32	03-33-421-024	\$48,440	67	06-03-101-014	\$234,610
33	03-33-421-025	\$38,450	68	06-03-101-015	\$34,750
34	03-33-421-026	\$97,520	69	06-03-101-016	\$23,470
35	03-33-421-027	\$97,430	70	06-03-101-017	\$66,980

#	PIN	2005EAV	#	PIN	2005EAV
71	06-03-101-021	\$206,850	121	06-04-201-011	\$82,160
72	06-03-101-022	\$18,280	122	06-04-201-012	\$63,730
73	06-03-101-023	\$224,730	123	06-04-201-013	\$100,100
74	06-03-101-024	\$147,270	124	06-04-202-004	\$304,230
75	06-03-101-025	\$148,990	125	06-04-202-006	\$82,160
76	06-03-101-026	\$99,420	126	06-04-202-007	\$95,300
77	06-03-102-010	\$22,050	127	06-04-202-008	\$297,790
78	06-03-102-019	\$438,670	128	06-04-202-009	\$14,480
79	06-03-102-020	\$0	129	06-04-202-010	\$14,870
80	06-03-102-021	\$0	130	06-04-202-011	\$14,480
81	06-03-102-024	\$11,460	131	06-04-202-012	\$236,570
82	06-03-102-025	\$12,100	132	06-04-203-012	\$76,380
83	06-03-102-026	\$12,100	133	06-04-203-013	\$100,920
84	06-03-102-027	\$5,240	134	06-04-203-014	\$220,930
85	06-03-102-028	\$11,460	135	06-04-203-015	\$176,960
86	06-03-102-035	\$846,440	136	06-04-203-016	\$65,770
87	06-04-100-001	\$49,990	137	06-04-203-021	\$72,840
88	06-04-100-003	\$30,680	138	06-04-203-022	\$111,200
89	06-04-100-023	\$328,510	139	06-04-203-023	\$111,020
90	06-04-102-001	\$121,790	140	06-04-203-024	\$222,330
91	06-04-102-002	\$157,230	141	06-04-203-025	\$141,500
92	06-04-102-003	\$157,230	142	06-04-203-026	\$122,010
93	06-04-102-004	\$157,230	143	06-04-204-007	\$227,760
94	06-04-102-005	\$157,230	144	06-04-204-008	\$138,140
95	06-04-102-026	\$4,800	145	06-04-204-009	\$67,050
96	06-04-102-027	\$1,871,120	146	06-04-204-011	\$26,510
97	06-04-102-028	\$356,380	147	06-04-204-015	\$73,930
98	06-04-102-029	\$1,940	148	06-04-204-019	\$158,830
99	06-04-111-028	\$61,360	149	06-04-204-020	\$270,530
100	06-04-111-029	\$415,490	150	06-04-204-022	\$170,010
101	06-04-111-030	\$39,060	151	06-04-205-003	\$104,360
102	06-04-112-001	\$77,870	152	06-04-205-004	\$502,960
103	06-04-112-002	\$73,160	153	06-04-205-005	\$317,120
104	06-04-112-003	\$62,960	154	06-04-206-005	\$92,820
105	06-04-112-013	\$68,200	155	06-04-206-006	\$92,820
106	06-04-113-001	\$62,270	156	06-04-206-011	\$191,830
107	06-04-113-025	\$67,990	157	06-04-206-012	\$248,170
108	06-04-113-026	\$75,520	158	06-04-206-013	\$239,840
109	06-04-113-027	\$66,440	159	06-04-206-014	\$198,560
110	06-04-114-008	\$124,180	160	06-04-207-001	\$164,300
111	06-04-114-030	\$328,400	161	06-04-207-004	\$85,440
112	06-04-131-002	\$178,870	162	06-04-207-005	\$104,060
113	06-04-200-004	\$107,400	163	06-04-207-010	\$71,620
114	06-04-200-005	\$137,200	164	06-04-207-013	\$64,760
115	06-04-201-005	\$6,340	165	06-04-207-014	\$137,170
116	06-04-201-006	\$6,340	166	06-04-207-015	\$118,310
117	06-04-201-007	\$6,340	167	06-04-207-016	\$132,780
118	06-04-201-008	\$84,840	168	06-04-207-017	\$77,350
119	06-04-201-009	\$108,470	169	06-04-212-014	\$98,810
120	06-04-201-010	\$85,450	170	06-04-212-016	\$365,300

#	PIN	2005EAV	#	PIN	2005EAV
171	06-04-212-018	\$207,940	221	06-05-201-097	\$260
172	06-04-508-001	RR	222	06-05-201-098	\$260
173	06-04-508-002	RR	223	06-05-201-099	\$260
174	06-04-508-003	RR	224	06-05-201-100	\$260
175	06-05-201-015	\$157,230	225	06-05-201-101	\$260
176	06-05-201-016	\$157,230	226	06-05-201-102	\$260
177	06-05-201-017	\$157,230	227	06-05-201-103	\$37,960
178	06-05-201-018	\$157,230	228	06-05-201-104	\$37,960
179	06-05-201-019	\$157,230	229	06-05-201-105	\$37,960
180	06-05-201-046	\$37,960	230	06-05-201-106	\$37,960
181	06-05-201-049	\$37,960	231	06-05-201-107	\$37,960
182	06-05-201-051	\$37,960	232	06-05-201-108	\$37,960
183	06-05-201-053	\$37,960	233	06-05-201-109	\$260
184	06-05-201-054	\$717,960	234	06-05-201-110	\$260
185	06-05-201-061	\$37,960	235	06-05-201-111	\$260
186	06-05-201-062	\$36,170	236	06-05-201-112	\$260
187	06-05-201-063	\$37,960	237	06-05-201-113	\$260
188	06-05-201-064	\$36,170	238	06-05-201-114	\$260
189	06-05-201-065	\$37,960	239	06-05-201-115	\$36,170
190	06-05-201-066	\$37,960	240	06-05-201-116	\$37,960
191	06-05-201-067	\$37,960	241	06-05-201-117	\$37,960
192	06-05-201-068	\$37,960	242	06-05-201-118	\$37,960
193	06-05-201-069	\$37,960	243	06-05-201-119	\$37,960
194	06-05-201-070	\$37,960	244	06-05-201-120	\$37,960
195	06-05-201-071	\$37,960	245	06-05-201-121	\$260
196	06-05-201-072	\$37,960	246	06-05-201-122	\$260
197	06-05-201-073	\$260	247	06-05-201-123	\$260
198	06-05-201-074	\$260	248	06-05-201-124	\$260
199	06-05-201-075	\$260	249	06-05-201-125	\$260
200	06-05-201-076	\$260	250	06-05-201-126	\$260
201	06-05-201-077	\$260	251	06-05-201-127	\$36,170
202	06-05-201-078	\$260	252	06-05-201-128	\$36,170
203	06-05-201-079	\$37,960	253	06-05-201-129	\$37,960
204	06-05-201-080	\$37,960	254	06-05-201-130	\$36,170
205	06-05-201-081	\$37,960	255	06-05-201-131	\$260
206	06-05-201-082	\$37,960	256	06-05-201-132	\$260
207	06-05-201-083	\$37,960	257	06-05-201-133	\$260
208	06-05-201-084	\$36,170	258	06-05-201-134	\$260
209	06-05-201-085	\$260	259	06-05-201-135	\$37,960
210	06-05-201-086	\$260	260	06-05-201-136	\$37,960
211	06-05-201-087	\$260	261	06-05-201-137	\$37,960
212	06-05-201-088	\$260	262	06-05-201-138	\$37,960
213	06-05-201-089	\$260	263	06-05-201-139	\$37,960
214	06-05-201-090	\$260	264	06-05-201-140	\$260
215	06-05-201-091	\$37,960	265	06-05-201-141	\$260
216	06-05-201-092	\$36,170	266	06-05-201-142	\$260
217	06-05-201-093	\$37,960	267	06-05-201-143	\$260
218	06-05-201-094	\$36,170	268	06-05-201-144	\$260
219	06-05-201-095	\$36,170	269	06-05-201-145	\$37,960
220	06-05-201-096	\$37,960	270	06-05-201-146	\$37,960

#	PIN	2005EAV	#	PIN	2005EAV
271	06-05-201-147	\$37,960	321	06-05-201-198	\$260
272	06-05-201-148	\$36,170	322	06-05-201-199	\$260
273	06-05-201-149	\$37,960	323	06-05-201-200	\$260
274	06-05-201-150	\$260	324	06-05-201-201	\$260
275	06-05-201-151	\$260	325	06-05-201-202	\$260
276	06-05-201-152	\$260	326	06-05-201-203	\$37,960
277	06-05-201-153	\$260	327	06-05-208-003	\$48,250
278	06-05-201-154	\$260	328	06-05-208-026	\$175,330
279	06-05-201-155	\$36,170	329	06-05-208-027	\$73,920
280	06-05-201-156	\$37,960	330	03-33-423-014	\$60,710
281	06-05-201-157	\$37,960	331	03-33-423-015	\$92,640
282	06-05-201-158	\$37,960	332	03-33-423-016	\$21,460
283	06-05-201-159	\$36,170	333	03-33-423-017	\$77,350
284	06-05-201-160	\$37,960	334	03-33-423-018	\$21,460
285	06-05-201-161	\$260	335	03-33-423-019	\$21,460
286	06-05-201-162	\$260	336	03-33-423-020	\$21,460
287	06-05-201-163	\$260	337	03-33-423-021	\$223,020
288	06-05-201-164	\$260	338	03-34-302-066	\$1,016,250
289	06-05-201-165	\$260	339	06-03-100-024	\$195,030
290	06-05-201-166	\$260	340	06-03-100-025	\$57,360
291	06-05-201-167	\$37,960	341	06-03-100-026	\$34,760
292	06-05-201-168	\$37,960	342	06-03-100-027	\$34,760
293	06-05-201-169	\$37,960	343	06-03-104-021	\$1,443,550
294	06-05-201-170	\$37,960	344	06-03-104-022	\$1,125,440
295	06-05-201-171	\$37,960			
296	06-05-201-172	\$37,960			
297	06-05-201-173	\$260			
298	06-05-201-174	\$260			
299	06-05-201-175	\$260			
300	06-05-201-176	\$260			
301	06-05-201-177	\$260			
302	06-05-201-178	\$260			
303	06-05-201-179	\$37,960			
304	06-05-201-180	\$37,960			
305	06-05-201-181	\$37,960			
306	06-05-201-182	\$36,170			
307	06-05-201-183	\$37,960			
308	06-05-201-184	\$37,960			
309	06-05-201-185	\$260			
310	06-05-201-186	\$260			
311	06-05-201-187	\$260			
312	06-05-201-188	\$260			
313	06-05-201-189	\$260			
314	06-05-201-190	\$260			
315	06-05-201-192	\$36,170			
316	06-05-201-193	\$36,170			
317	06-05-201-194	\$37,960			
318	06-05-201-195	\$37,960			
319	06-05-201-196	\$37,960			
320	06-05-201-197	\$260			
				TOTAL EAV	\$38,726,903