

**HANOVER PARK VILLAGE CENTER  
TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AND PLAN**

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Village of Hanover Park, Illinois

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Prepared by:  
Trkla, Pettigrew, Allen & Payne, Inc.  
February 1, 2001  
Revised April 25, 2001

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This Redevelopment Plan is subject to review  
and comment and may be revised  
after comment and hearing.

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HANOVER PARK VILLAGE CENTER TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA ELIGIBILITY STUDY

## I. INTRODUCTION

This document presents the Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") for the Village Center area within the Village of Hanover Park. The Village Center area is generally bound by portions of Barrington Road and County Farm Road on the east; an irregular line including Walnut Avenue, Maple Avenue, the north line of Block 402 and Elm Avenue on the north; an irregular line including the west line of block 308 in Cook County and block 01-01-106 in DuPage County on the west; and the south line of the Northeast ¼ of Section 1 of Wayne Township on the south. This area is subsequently referred to in this document as the Village of Hanover Park Village Center Tax Increment Financing Redevelopment Project Area ("the Project Area"). (See Figure 1. Project Area Boundary Map)

As part of a strategy to encourage managed growth, deter future deterioration, encourage preservation and stimulate private investment in the Project Area, the Village of Hanover Park (the "Village") engaged Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") to investigate whether an approximately 292 acre area qualifies as a "conservation area," a "blighted area," or a combination thereof, under the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11/74.4-1 et seq.) (the "Act"). The Project Area, described in more detail below as well as in the accompanying Eligibility Report, has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be developed without the efforts and leadership of the Village.

Small-scale or piecemeal redevelopment efforts might occur in limited portions of the Project Area. However, the extensive obsolescence, deterioration, structures below code, vacancies, excessive land coverage, deleterious land-use and layout, depreciation of physical maintenance and lack of community planning throughout the Project Area are likely to preclude the revitalization of the Project Area on a scale sufficient to return it to a long-term sound condition without the intervention of the Village.

### **The Village of Hanover Park**

The Village of Hanover Park is located in Cook and DuPage Counties approximately 30 miles northwest of Downtown Chicago and within 15 miles of O'Hare International Airport. Hanover Park has convenient access to the Elgin-O'Hare Expressway, is less than 4 miles from the Northwest Tollway (I-90) and is located along the Milwaukee District/West Line of the Metra commuter railroad.

Hanover Park was originally a rural community, incorporated in 1958. Much of the Village's housing was developed in the 1960s and 1970s. Industry and business development in Hanover Park was promoted in the 1980's to increase the Village's tax base. Today, Hanover Park is approximately 6 square miles in size with an estimated population of more than 35,000.

The Project Area faces a number of challenges and concerns in the years ahead. The Village Center is showing signs of decline, and suffers from difficult access, deteriorating physical conditions, an

unattractive and poorly maintained streetscape, underdeveloped sites, marginal land uses and the presence of extensive wetlands. These changing conditions and needs of the community must be addressed to ensure the long-term viability of the Village Center as well as a healthy and viable community well into the future.

In anticipation of the changing needs and opportunities for growth and development, the Village recognizes the need to plan for such needs and changes on a coordinated and comprehensive basis. Recent planning efforts that address this concern include the *1998 Hanover Park Comprehensive Plan*. The Comprehensive Plan, which was prepared and approved by the Village in anticipation of the extension of the Elgin-O'Hare Expressway, sets forth recommendations for development and redevelopment of the Project Area and forms the basis for many of the recommendations presented in this Redevelopment Plan.

### **The Hanover Park Village Center Tax Increment Redevelopment Project Area**

One of the critical issues identified in the 1998 Comprehensive Plan is the future development and revitalization of the Village Center. Of all the areas in the Village, the Village Center has suffered most from a lack of private investment and improvement. The area is characterized by age, obsolescence, structures below minimum code standards, deleterious land use or layout, vacant and deteriorated buildings, and vacant and underdeveloped sites. The deteriorated physical conditions in the area suggest that conditions have not improved over the past several years and the underutilization of key sites indicates a lack of private investment in the area.

The Village Center, as envisioned by the community and discussed in the Comprehensive Plan, is intended to serve as the central, mixed-use and civic focal point of Hanover Park. It is critical that any improvements undertaken within the Village Center be conducted on a unified and coordinated basis.

Improvement of the Village Center and surrounding areas will be a complex undertaking, requiring a well-organized development and revitalization strategy to bring about interest and investment on a coordinated basis. Realization of the Village Center redevelopment will require commitment by the Village, property owners, residents and developers, as well as a reliable, long-term financial commitment. Only a long-term commitment by the community will deliver effective and enduring results.

Recognizing the need to find and secure long-term financing for the revitalization of the Village Center and surrounding areas, the Village engaged TPAP to investigate whether the Project Area qualifies under the Act for designation as a Tax Increment Financing ("TIF") District. Such designation could secure funding for the next 23 years for public and private improvements within the Project Area providing the desired long-term financing and commitment needed to revitalize and ensure the sustainability of the Village Center and to encourage additional public and private investment.

## **A. TAX INCREMENT FINANCING**

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

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

Tax increment financing does not generate tax revenues by increasing tax rates, but rather through the temporary capture of new tax revenues generated by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. Under TIF, all taxing districts continue to receive property taxes levied on the initial valuation of properties within the Project Area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and expected redevelopment project expenditures necessary to implement the Redevelopment Plan. Taxing districts also benefit from the increased property tax base after Project Costs and obligations are paid.

## **B. THE HANOVER PARK VILLAGE CENTER TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA**

At the request of the Village, TPAP surveyed the area identified by the Village and referred to as the Project Area to document any blighting or conservation factors that may exist within the Project Area. TPAP documented these factors in a study entitled "The Hanover Park Village Center Tax Increment Financing Redevelopment Area Eligibility Study" (the "Eligibility Study"). The Project Area and its existing conditions are briefly described below. For greater detail on the conservation and blighting factors, please refer to Section II, *Basis for Redevelopment* of the Eligibility Study.

The Project Area contains approximately 206.8 acres and includes the majority of the Village Center as encompassed by the Village Center subarea, described in the Comprehensive Plan. The Project Area straddles two counties, Cook and DuPage. The Project Area is generally bounded by portions of Barrington Road and County Farm Road on the east; an irregular line including Walnut

Avenue, Maple Avenue, the north line of Block 402 and Elm Avenue on the north; an irregular line including the west line of block 308 in Cook County and block 01-01-106 in DuPage County on the west; and the south line of the Northeast ¼ of Section 1 of Wayne Township on the south.

Much of the Project Area suffers from an overall lack of planning, as evidenced by parcels of inappropriate size and shape for contemporary development, poor access, and the existence of incompatible land-uses. The Project Area is characterized by a number of vacant and underdeveloped sites, obsolete buildings and platting, deterioration of structures, structures below minimum code standards, excessive vacancies, deleterious land use and overall depreciation of physical maintenance.

### ***C. THE HANOVER PARK VILLAGE CENTER TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AND PLAN***

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

This Redevelopment Plan has been prepared in accordance with the provisions of the Act. The Redevelopment Plan is intended to guide improvements and activities within the Project Area in order to stimulate private investment. The goal of the Village, through the implementation of this Redevelopment Plan, is that the entire Project Area be revitalized on a comprehensive and planned basis in order to ensure that private investment in rehabilitation and new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land use, access and circulation, parking, public services and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that conservation area factors and the presence of blight are prevented or eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the Village.

Redevelopment of the Project Area will constitute a large and complex endeavor, and presents challenges and opportunities commensurate with its scale. The success of this redevelopment effort will depend to a large extent on the cooperation between the private sector and the agencies of local government. Adoption of this Redevelopment Plan will make possible the implementation of a comprehensive program for redevelopment of the Project Area. By means of public investment, the Project Area will become a stable environment that will again attract private investment. Public investment will set the stage for area-wide redevelopment by the private sector. Throughout this Redevelopment Plan, the Village will serve as the central force for directing the assets and energies of the private sector to ensure a unified and cooperative public-private redevelopment effort.

The Redevelopment Plan sets forth the overall Redevelopment Program to be undertaken to accomplish the above-stated goals. During the Redevelopment Program implementation, the

Village may, from time to time, (i) undertake or cause to be undertaken public improvements and activities and (ii) enter into redevelopment agreements with private entities ("Redevelopment Agreements") to construct private improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

This Redevelopment Plan specifically describes the Project Area and sets forth the conservation, improved blighting, and vacant blighting factors which qualify the Project Area for designation as a conservation area, improved blighted area, and a vacant blighted area as defined in the Act. Section II of the Redevelopment Plan contains the legal description and map depicting the boundaries of the Project Area.

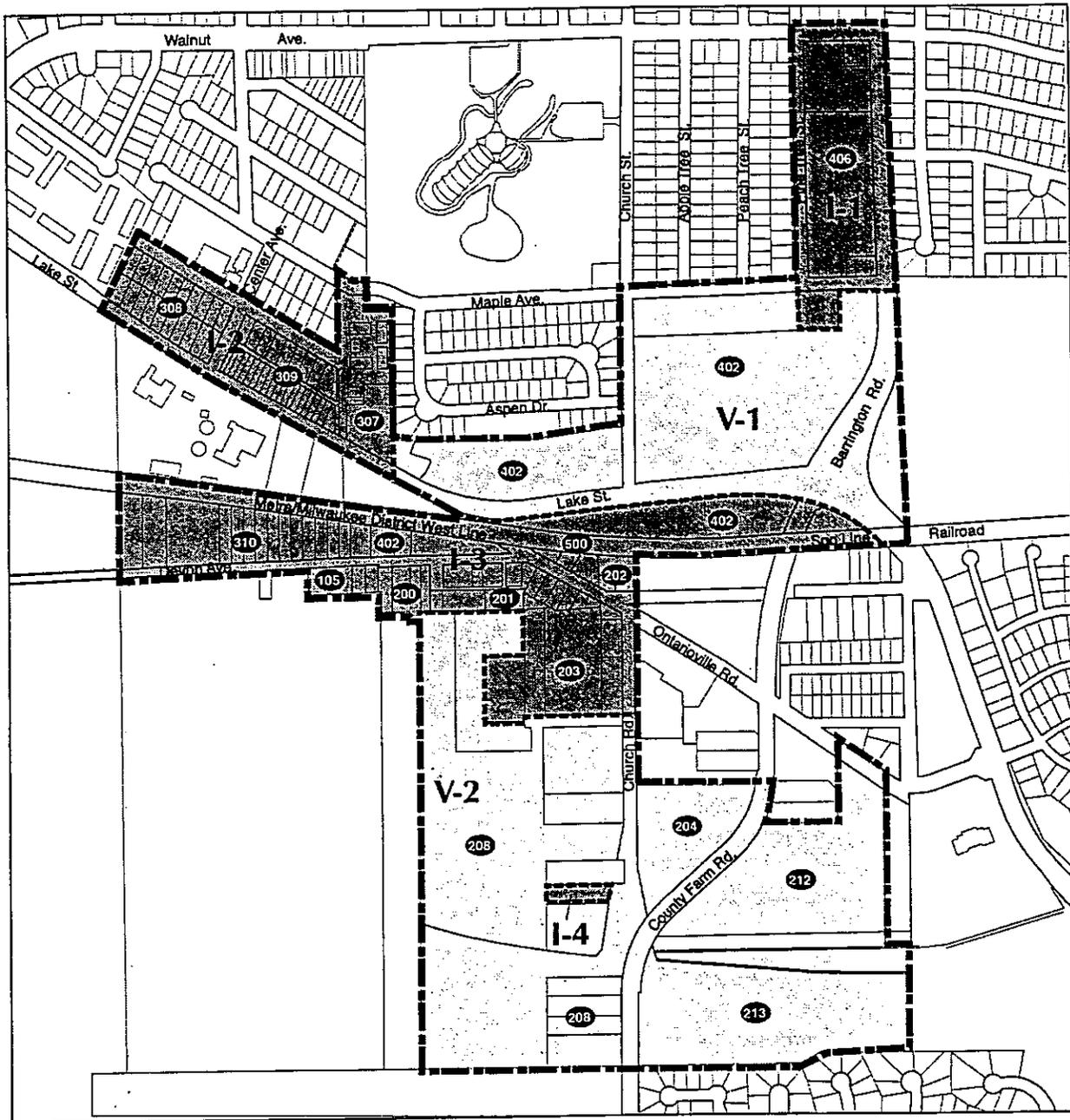
Successful implementation of the Redevelopment Plan requires that the Village utilize Incremental Property Taxes in accordance with the Act and work cooperatively with the private sector and local governmental agencies. Incremental Property Taxes will be exclusively utilized to stimulate the comprehensive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

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

- A strengthened non-residential tax base for affected taxing agencies;
- An improved property tax liability balance between residential and non-residential properties;
- Elimination of problem conditions in the Project Area as well as general physical improvement and upgrading of properties; and
- A revitalized Village Center which serves more effectively as the community's central place for business and industry, transportation oriented development, and the civic activity.

## II. LEGAL DESCRIPTION

The boundaries of the Project Area have been carefully drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Program to be undertaken by the Village as part of this Redevelopment Plan. The boundary is shown in Figure 1, *Project Area Boundary*, and is legally described in Exhibit I, which is located at the end of this document.



**LEGEND**

-  Block Number
-  Project Area Boundary
-  Sub-Area Boundary
-  Improved Areas
-  Vacant Areas

**Figure 1**  
**PROJECT AREA BOUNDARY**

### **III. PROJECT AREA ELIGIBILITY CONDITIONS**

The Project Area conditions documented in this section are based on surveys and analyses conducted for the Village by TPAP. As set forth in the Act, the Project Area qualifies as a combination of both a "conservation area" and a vacant "blighted area."

#### **Conservation Area**

To meet the requirements under the Act for designation as a "conservation area," the area must meet the prerequisite that 50 percent or more of the structures in the area must be 35 years of age or more. In addition, a minimum of 3 factors from a total of 14 additional factors must be present in the area.

The improved portion of the Project Area is eligible as a conservation area within the requirements of the Act. Specifically:

- Of the 75 buildings within the improved portion of the Project Area, 61 (81.3 percent) are 35 years of age or older. The Project Area meets the conservation area prerequisite that 50 percent or more of the structures in the area must be 35 years of age or older.
- Of the 14 factors set forth in the Act for conservation areas, 8 are present in the Project Area.
- The factors present are reasonably distributed throughout the entire Project Area.
- All blocks within the Project Area show the presence of conservation area factors.
- The Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project activities and improvements.

#### **Vacant Blighted Area**

There are two vacant areas within the Project Area. Each of the vacant areas within the Project Area meets the requirements of the Act for designation as a vacant "blighted area." Three of the five factors listed in the Act are present in Vacant Area 1 and four of the five factors are present in Vacant Area 2. Blighting factors impact all of the vacant land area within the Project Area. Two factors are required for eligibility as set forth in the Act. The factors for a vacant "blighted area" present in the Project Area include:

1. Obsolete Platting
2. Diversity of Ownership
3. Flooding\*
4. Deterioration of structures or site improvement in areas adjacent to vacant land

A detailed report concerning the definition, application and extent of the conservation area factors and vacant blighted area factors in the Project Area is contained in a report prepared by TPAP

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\* Flooding is present only in Vacant Area 2.

entitled *Hanover Park Village Center Tax Increment Financing Redevelopment Project Area Eligibility Study*. This eligibility study is attached as Exhibit II to this Redevelopment Plan.

### **Surveys and Analyses Conducted**

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

1. Exterior survey of the condition and use of each building;
2. Field survey of environmental conditions covering streets, sidewalks, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning map;
5. Comparison of surveyed buildings to property maintenance and other codes of the Village;
6. Analysis of original and current platting, air photos and building size and layout;
7. Analysis of vacant sites; and
8. Review of previously prepared plans, studies and data.

## **IV. REDEVELOPMENT GOALS AND OBJECTIVES**

Properly guided investment in new public and private improvements and facilities is essential for the successful revitalization of the Project Area and the elimination of conservation area and blighted area factors. Redevelopment of the Project Area will benefit the overall Village through improvements in the physical environment, an increased tax base, and additional employment opportunities.

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

This section of the Redevelopment Plan identifies the general goals and objectives to be adopted by the Village for redevelopment of the Project Area. Section V of this Redevelopment Plan identifies more specific redevelopment objectives and activities the Village plans to undertake to achieve the redevelopment goals and objectives presented in this section.

### **A. GENERAL GOALS**

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

1. To provide a high quality mixed-use, transit-oriented development that serves as a desirable living, working, and shopping destination and represents a visual and active focal point for the Village of Hanover Park.
2. To improve the quality of life in the Project Area and the Village by eliminating the influences and manifestations of physical and economic deterioration and obsolescence within the Project Area and to establish the Village Center as a viable, attractive and convenient transportation-oriented living/working/shopping/civic hub that continues to attract shoppers, businesses and visitors.
3. To create an environment within the Project Area which will contribute more positively to the health, safety and general welfare of the Village, and preserve and/or enhance the value of properties adjacent to the Project Area.
4. To strengthen the economic base of the Village and the larger community area by revitalizing the Project Area as an active town center with a range of commercial, residential, institutional, municipal, and transportation related uses.
5. To increase the real estate and sales tax base for the Village and other taxing districts having jurisdiction over the Project Area.
6. To encourage sound economic development in the Project Area, thereby creating employment opportunities commensurate with the capacity of the area.

7. To improve the visual image of the Project Area through streetscape and building improvements that are compatible with and complement surrounding land use areas.

## ***B. REDEVELOPMENT OBJECTIVES***

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

1. Reduce or eliminate those conditions which qualify the Project Area as a combination conservation area and a vacant blighted area. Section III, *Project Area Eligibility Conditions*, describes these conditions.
2. Strengthen the economic well-being of the Project Area and the Village by increasing business activity, enhancing taxable property values, increasing sales taxes collected and providing for job opportunities.
3. Encourage high-quality improvements to the appearance of buildings, parking areas, signage, rights-of-way, and open spaces by following high standards of design, that reflect the small town, traditional character of the community.
4. Where feasible, encourage rehabilitation and adaptive re-use of desirable existing buildings.
5. Stimulate private investment in appropriate new construction and rehabilitation projects.
6. Provide needed incentives to encourage a broad range of private and public improvements.
7. Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with the Redevelopment Plan, the Hanover Park Comprehensive Plan and contemporary development needs and standards.
8. Achieve development which is integrated both functionally and aesthetically, and which contains a complementary mix of uses within the Project Area.
9. Improve vehicular and pedestrian access, circulation and safety throughout the Project Area.
10. Provide adequate and conveniently located public parking facilities in the Project Area.
11. Provide needed public improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities.

## V. REDEVELOPMENT PROGRAM

This section presents the Redevelopment Program to be undertaken by the Village and by private entities on behalf of the Village as part of the Redevelopment Plan. The 1998 *Comprehensive Plan* has been reviewed and forms the basis for many of the recommendations presented in this Redevelopment Plan.

The Redevelopment Program contained in this Redevelopment Plan and pursuant to the Act includes: a) a land use plan; b) improvement and development recommendations; c) development and design objectives; d) a description of redevelopment improvements and activities; e) estimated redevelopment project costs; f) a description of sources of funds to pay estimated project costs; g) a description of obligations that may be issued; and h) identification of the most recent EAV and estimate of future EAV for properties in the Project Area.

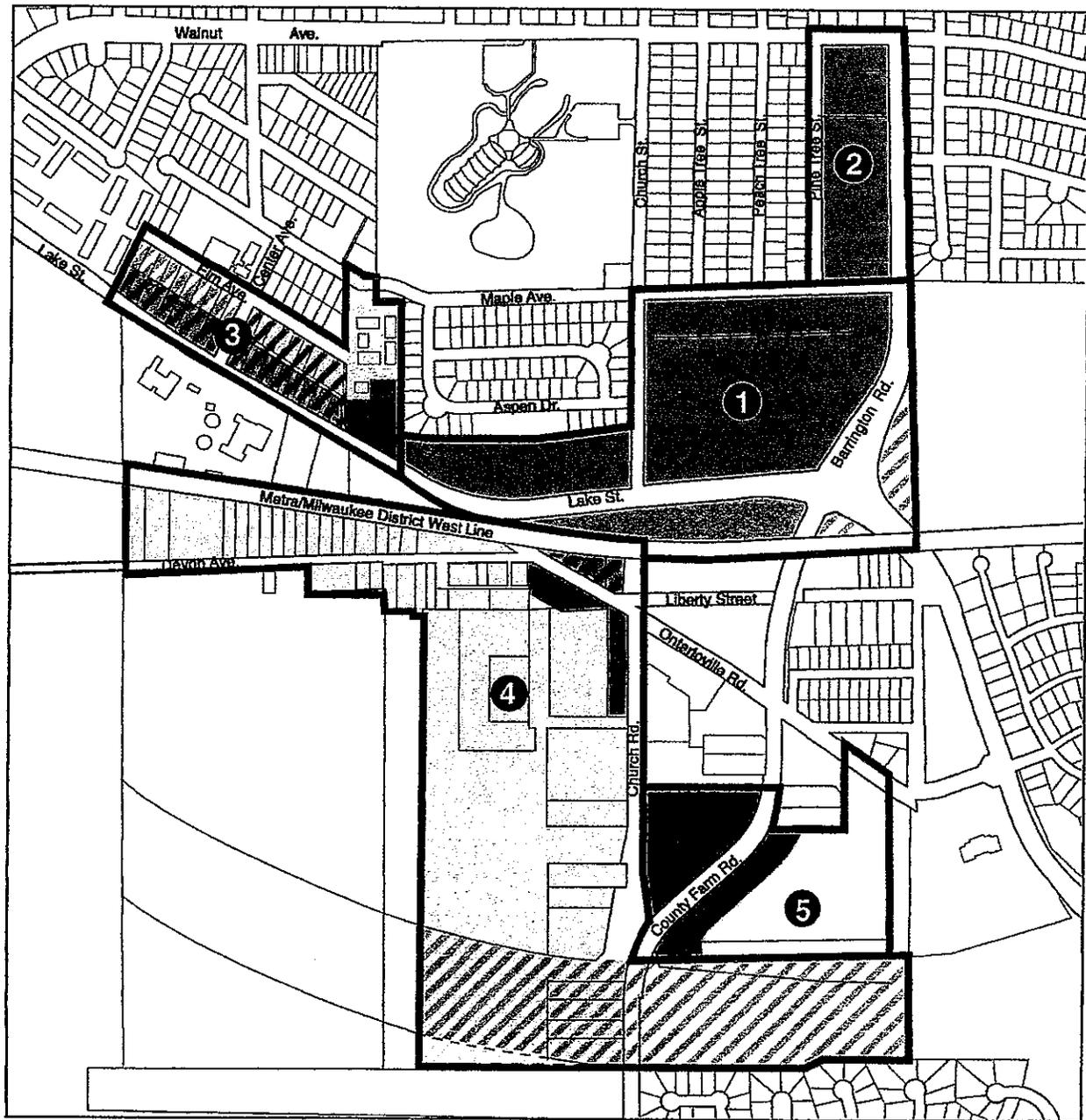
### A. LAND USE PLAN

Figure 2, *Land-Use Plan*, identifies projected land-uses within the Project Area after adoption of the Redevelopment Plan and in anticipation of the possible future extension of the Elgin-O'Hare Expressway. As noted in the Village's *Comprehensive Plan*, the possible extension of the Elgin-O'Hare Expressway requires an overlay of the otherwise projected Business/Light Industrial projected use with a Public or Open Space use that would be anticipated if the extension of the Elgin-O'Hare Expressway were to occur. The Land Use Plan generally conforms to the land-use development policies and standards for the Village as set forth in the comprehensive plan for the development of the Village as a whole and the Village's Zoning Ordinance, as previously noted.

The Land Use Plan provides for a mix of uses within the Project Area, identifying sites to provide for a diverse range of retail, entertainment, cultural center, service, office, residential, and public uses which cater to the needs of local residents, employees and visitors. In general, the Land Use Plan is focused on maintaining and enhancing sound and viable existing businesses and promoting high-quality and compatible new retail, service, residential and industrial development at selected locations. The Land Use Plan highlights numerous opportunities for improvement, enhancement and new development within the Project Area.

The Land Use Plan presents the Village's strategy to create a viable and attractive Village Center environment. Redevelopment improvements will be undertaken to improve the physical character of the Village Center and create an active town center with a mix of retail, service, residential, and public uses. Improvements will include attractive streetscape treatments, signage, pedestrian amenities and open spaces.

The primary land use categories within the Project Area include residential, commercial, mixed-use planned development, public, open space, and small business/light industrial park. The land uses include those described and listed below.



**LEGEND**

- |   |   |
|---|---|
|  Residential               |  Public            |
|  Commercial                |  Open Space        |
|  Planned Development       |  Alternative Uses  |
|  Business/Light Industrial |  Planning Sub-Area |

**Figure 2**  
**LAND-USE PLAN**

### **1. Residential**

This classification includes a range of densities and styles of residential developments applicable in select locations within the Project Area. These may include single-family attached developments, row houses or townhomes as well as a range of transit-oriented, multiple family residential products. Because of its proximity to Metra commuter station and other transportation routes, residential development should utilize strong transit-oriented components promoted by Metra and Northeastern Illinois Planning Commission (NIPC).

### **2. Commercial**

This classification includes retail, service, and office uses. Areas designated for commercial/retail service use are intended to provide goods and services for the immediate neighborhood and surrounding community. Commercial/retail service areas should be clustered in areas near important intersections with good accessibility and at locations where similar and compatible uses exist. Commercial/retail/service uses consistent with the Village Zoning Ordinance should be permitted.

### **3. Planned Development**

This classification includes a mix of residential and commercial land uses that should be designed as a unified and planned development. Commercial development should comprise a substantial portion of the site. Commercial uses, and the corresponding residential land uses, should be designed in a manner which encourages pedestrian access and presents a distinctive image and character within the Village Center.

Residential uses could include a range of densities and dwelling types, from townhomes and row houses to apartments and condominiums. Senior housing, which might include independent or assisted living facilities, would also be an appropriate use within this classification.

Both residential and commercial development within this mixed-use area should take advantage of the proximity to the Metra commuter station. The central location of the train station provides many area residents the convenience of a commuter rail link to Chicago's Loop, as well as housing and shopping opportunities within walking distance.

### **4. Business/Light Industrial Park**

This area is intended to function primarily as a large-scale, planned development which provides opportunities for uses that may include light manufacturing, assembly, production, storage, distribution and warehousing.

Also included in this designation is the area north of Devon Ave., which is intended to serve as an extension of and complementary to the adjoining, largely undeveloped area immediately south. While the area is intended for similar and complementary businesses, the size and scale of development will be smaller in scale due to physical constraints.

## 5. *Public*

This area is intended to provide for the continued operation and possible expansion of the public sites and facilities. The south Elm Avenue frontage, across from the elementary school may be used for facility expansion in the future. The Metra commuter parking facilities also fall under this classification.

## 6. *Open Space*

This land use classification includes publicly or privately owned and maintained areas intended for use as open space, environmental protection, stormwater retention/detention, pedestrian walkways or gateway features.

## **B. PLANNING SUBAREAS**

The Project Area has been subdivided into 4 subareas, each of which would be suitable for a different mix of uses and intensity of development, and each of which warrants a different approach to improvement and redevelopment. While the Village Center area should continue to operate as a mixed-use area, several "functional subareas" should be promoted to encourage mutual support and cumulative attraction between similar uses.

It should be emphasized that the boundaries of these subareas and the specification of uses within the subareas are for guidance only, and are subject to refinement and modification as a part of the Village's planned development process.

Key recommendations for Village Center subareas are highlighted below and illustrated in Figure 2. More specific development and design objectives for the Project Area are presented in a following section of this Redevelopment Plan.

### *Subarea 1*

Subarea 1 includes the largely vacant and undeveloped parcels at the intersection of Lake Street and Barrington Road. The area includes primarily two development areas divided by Church Street. Ideally, these sites would be subject to an integrated and unified redevelopment plan. Alternatively, and at a minimum, each of these large independents parcels should be part of a coordinated development plan. The large parcel at the corner of Lake Street and Barrington Road is subject to flooding conditions. Development of the area must occur in a manner which mitigates this condition.

The site west of Church Street should be developed with a mix of retail, commercial, office and medium to high density residential uses. The area should be pedestrian oriented and connections be made to the railroad station to the south and planned development both to the east and west. New development should be sensitively designed to protect the adjoining residential use area and the existing park use to the north. The shallow depth of the area suggests the need for carefully coordinated parking and access. Because of the area's proximity to the Metra station, development of the overall area should reflect current transit oriented development guidelines, many of which have been identified and promoted by Metra and Northeastern Illinois Planning Council (NIPC).

The site east of Church Street should be used for a broad mix of activities. Retail and commercial uses should occupy the Lake Street and Barrington Road frontages. A mix of office

and residential land-uses ranging from medium to high densities should occupy the remaining portion of the site. A high quality, well-designed and integrated plan is critical for the success of the area. Senior citizen housing could be considered within this area. This type of development could include ground floor retail or office uses with residential uses above. Residential uses should be served by a grade-separated, interconnected pedestrian walkway system that would link Community Park to the northwest as well as to the Metra commuter station across Lake Street.

Development of the eastern area should establish an urban design feature and focal point at the intersection of Barrington Road and Lake Street. Access to the site should extend the surrounding street system by means of Aspen Drive and Pine Tree Street.

Lake Street improvements are planned throughout the Project Area. This will include new street pavement, sidewalks, and landscaping improvements. A pedestrian underpass is planned to cross under Lake to connect the Metra commuter rail station with Subarea 1. This improvement should provide connections throughout the northern portion of the project area. Street and driveway access are unlikely to be permitted along the Lake Street and Barrington Road frontages in this subarea. Finally, the reconstruction of the railroad crossing over Lake Street further east is also planned as a part of the overall Lake Street reconstruction.

### ***Subarea 2***

Subarea 2 includes the existing Hanover Square Shopping Center.

Future redevelopment of this area should focus on medium to high-density residential uses. Ideally, a mix of dwelling types would be made available over the site. A limited amount of commercial use, in the form of freestanding commercial development or integrated mixed-use development could be considered on the site. Redevelopment of the area should be planned in relation to Subarea 1, coordinating vehicular circulation, bicycle and pedestrian access, open space and related improvements.

### ***Subarea 3***

Subarea 3 includes an area along the north side of Lake Street and south of Elm Street flanking both the east and west sides of Center Avenue.

Commercial uses are appropriately located along Lake Street, which would include the area west of Center Street. Open space would also be appropriate as a complementary or an alternative use for this area to enhance the appearance of the subarea as it relates to the Lake Street corridor. The Elm Street frontage west of Center Street would be appropriate for residential use or, because of its proximity to the elementary school, as a public land use area. Should a public use be introduced along the south frontage of Elm Street, the Village may consider vacation of that portion of Elm Street west of Center Avenue to promote the contiguous development of the school facility.

Two alternatives may be appropriate for the Elm Street frontage east of Center Street. Retail and commercial use would be appropriate if developed in conjunction with the Lake Street frontage immediately south. Commercial redevelopment of the area east of Center Avenue should occur on a planned and coordinated basis. Commercial use should provide adequate parking and coordinated access off Lake Street. Special care and consideration should be given

to the treatment of the rear façade on Elm Street. Access directly onto Elm Avenue should be avoided.

With the improvement of Lake Street, access will need to be carefully coordinated in this area. The use of both Lake Street and Center Avenue frontages should be considered. The number of full access points along Lake Street is likely to be limited, however a traffic signal improvement at the Center Street intersection would benefit commercial development of the subarea.

#### ***Subarea 4***

Subarea 4 is currently occupied by a range of existing land-uses. Substantial portions of the area are impacted by the presence of extensive wetlands.

The vast majority of this area is intended to be redeveloped for employment land uses including more intensive business park and light manufacturing land-uses. Due to the presence of extensive wetlands in the area south of Devon Avenue and west of Church Road, the Village will allow more intensive development in developable areas. Due to the presence of extensive wetland in the area south of Devon Avenue and west of Church Road, the Village will allow more intensive development in developable areas, and will not oppose but rather will assist property owners within Subarea 4 regarding mitigation of wetland. Roadway improvements serving the area may also be impacted by wetland locations. Parcel assembly and unified development within this area is important to establishing a successful long-term development pattern.

Land located along the north side of Devon Avenue should be redeveloped in a coordinated and unified manner which minimizes the number of access points along Devon Avenue. Due to the visibility of this area from the Lake Street Corridor, the design and use of materials along the backs of buildings and rear property improvements should be especially sensitive to this visibility from Lake Street.

Street system and capacity improvements will likely be required along Devon Avenue, Ontarioville Road, and Church Road. Consistent street, pedestrian, bikeway and streetscape improvements should be designed along these corridors. The possible improvement of the Elgin-O'Hare Expressway should be considered in terms of interchange access, right-of-way needs land-use transition and compatibility should also be considered at the time of development. The likely need for a new street (or streets) will require the Village to coordinate planning and design elements that consider access to bus routes, pedestrian and bicycle facilities and other community facilities.

Due to the vacant and undeveloped nature of Subarea 4, significant infrastructure planning and improvements will be necessary. Issues of wetland mitigation, water and sewer distribution and maintenance should be integrated into any discussion of future development of the subarea with property owners.

The purple and dark green cross-hatched portion of Subarea 4 on Figure 2 reflects the Village's Comprehensive Plan and other public documents concerning the proposed Elgin-O'Hare Expressway. Such reference in the Comprehensive Plan does not preclude the use of all, or any part of, such portion of Subarea 4 in any future private development/s.

## ***Subarea 5***

Subarea 5 includes vacant land, much of which is heavily impacted by the presence of wetlands and flooding conditions. That portion of Subarea 5 east of County Farm Road, shall not be improved to contain a roadway connecting County Farm Road and Ontarioville Road; that part of Subarea 5 west of County Farm Road may include all or a portion of, a roadway connecting County Farm Road and Devon Avenue. A portion of the frontage along County Farm Road, however, may be utilized for new commercial development. Alternatively, the site might be used in its entirety as open space. In this regard, it may potentially be suitable for wetland mitigation from other portions of the Project Area.

The portion of Subarea 5 west of County Farm Road should be developed for commercial, hotel, or office uses. Access to and from the site should not permit cut-through traffic between County Farm Road and Devon Avenue. Adequate screening and transition should be provided to residential land-uses to the north.

Like Subarea 4, the largely undeveloped nature of this area will require significant consideration and planning for environmental, facility and infrastructure issues.

## ***C. DEVELOPMENT AND DESIGN OBJECTIVES***

Listed below are the specific Development and Design Objectives which will assist the Village in directing and coordinating public and private improvement and investment within the residential, commercial and industrial districts of the Project Area in order to achieve the general goals and objectives identified in *Section IV* of this Redevelopment Plan.

The Development and Design Objectives are intended to help attract desirable new business and commercial development, foster a consistent and coordinated development pattern, and create an attractive and quality image and identity for the Project Area.

### ***1. Employment Use Areas***

The following Development and Design Objectives apply to the employment subareas within the Project Area.

#### **a) Land Use**

- For areas designated for employment land-uses, encourage unified and cohesive development and redevelopment of each employment subarea.
- Promote business retention and new employment development throughout employment areas.
- Promote the development and redevelopment of property for employment intensive business uses, while avoiding noxious and nuisance uses.
- Promote retail and commercial uses at select locations within employment areas which are provide goods and services to employment uses.

**b) Building and Site Development**

- Where feasible, repair and rehabilitate existing industrial buildings in poor condition.
- Where rehabilitation is not feasible, nor desirable, demolish deteriorated existing buildings to allow for new industrial development.
- Promote the use of architectural treatments or landscaping to add visual interest to large industrial buildings facing major streets.
- Locate building service and loading areas away from front entrances and major streets where possible.
- Encourage parking, service and support facilities which can be shared by multiple businesses and industries.
- In larger scale developments, provide for recreational bicycle and pedestrian oriented amenities.

**c) Transportation and Infrastructure**

- Ensure safe and convenient access to the industrial subareas for trucks, autos and public transportation.
- Provide new surface streets and improve existing routes, where appropriate, to accommodate anticipated employment traffic volumes and vehicle movements.
- In redevelopment areas not requiring the construction of new roadways, seek to consolidate and unify development parcels and street access.
- Provide well-defined, safe pedestrian connections between developments within the industrial district, and between industrial subareas and nearby destinations.
- Promote “transit-friendly” developments that incorporate transit-oriented elements into their design. In particular, ensure safe and convenient pedestrian access to the Lake Street Metra station to maximize the potential for walk-in commercial traffic.
- Evaluate the need for additional commuter parking and consider shared parking opportunities wherever possible.
- Explore the need for and feasibility of a traffic signal at the intersection of Lake Street and Center Street.

**d) Urban Design**

- Promote high quality and harmonious architectural and landscape design within the employment areas.
- Enhance the appearance of industrial areas by landscaping the major street corridors.

- Provide distinctive design features, including landscaping and signage, at the major entryways into the employment areas.
- Wetlands areas should be designed as integral “features” and design elements of employment land-use areas.

**e) Landscaping and Open Space**

- Provide landscaped transitional areas to secure the periphery of employment use areas and reduce the adverse impact of industrial activities on adjacent residential neighborhoods.
- Encourage landscaped open spaces in front setbacks, particularly along arterial and industrial collector streets.
- Promote the use of landscaping to screen dumpsters, waste collection areas, and the perimeter of parking lots and other vehicular use areas.
- Seek to provide small new open spaces accessible by residents or workers for active use; interconnected a larger bicycle and recreation system.
- Promote the development of shared facilities, including courtyards, eating areas, recreational areas, etc.
- Use landscaping and attractive fencing to screen loading and service areas from public view.
- Ensure that all landscaping and design materials comply with the Village landscape requirements.

**2. Commercial and Planned Development Areas**

The following Development and Design Objectives apply to the overall mixed use commercial and planned development areas.

**a) Land Use**

- Provide sites for a wide range of retail, commercial service, office, public and institutional uses.
- Retain sound existing businesses and promote compatible new commercial development in selected locations.
- Redevelop old, obsolete and marginal properties for new commercial uses, or, as consistent with the Land-Use Plan, for other market rate land-uses.
- Encourage the consolidation of properties into unified development sites to provide for coordinated building access and circulation improvements.
- Emphasize the area located at the northwest corner of Barrington Road and Lake Street as the area’s prime retail location, and promote the site as high quality, transit oriented development.

- Permit, as suggested in the land-use Plan, the development of higher intensity residential uses in combination with commercial or office development.
- Encourage office development above first floor retail uses. Office development is also suitable in mixed-use areas not intended exclusively for commercial development.

**b) Building Development**

- Consider higher density mixed-use development at the intersection of Barrington Road and Lake Street.
- Seek the design of commercial use areas that provide high quality construction in a unique development setting. In particular, development at the northwest corner of Barrington Road and Lake Street should have a strong pedestrian orientation, providing connections within the site and adjoining residential, commercial, and recreational use areas.
- Improve the design and appearance of commercial storefronts.
- Ensure that the design of new buildings is compatible with the surrounding building context.
- Improve commercial area signage.
- Establish design guidelines that will help visually unify the mixed-use district; guidelines should address façade treatment, color, materials, awnings and canopies, and commercial signage.

**c) Access and Circulation**

- Ensure safe and convenient access to the mixed-use district for autos, public transportation and pedestrians.
- Encourage the reconstruction of Lake Street and the provision of bicycle and pedestrian oriented facilities.
- If practical and market supportable, consider encouraging the use of a more traditional grid/angular street alignment pattern at the north west corner of Lake Street and Barrington Road.
- Minimize curb cuts to the street system and seek the provision of shared entrance service and access aisles for commercial and mixed-use development.
- Provide well-defined and safe pedestrian connections between the commercial subareas and the surrounding neighborhoods and employment areas.

**d) Parking**

- Ensure that all commercial subareas are served by an adequate supply of conveniently located parking.
- Consolidate and redesign small separate parking lots located within the same block.

- Seek alternative parking locations and arrangement, including areas to the sides and rears of properties.
- Seek mixed-use and/or shared use of Metra parking facilities.
- Ensure that parking lots are attractively designed and adequately maintained.

**e) Design and Public Rights-of-Way**

- Improve the condition of street surfaces, curbs and gutters within the mixed-use district.
- Improve the condition of pedestrian surfaces including sidewalks, crosswalks, and bicycle paths; consider special surface treatments in pedestrian shopping areas.
- Provide safe and convenient pedestrian crosswalks through the use of special surface treatments.
- Provide new street furniture including benches, planters, kiosks and trash receptacles where space permits.
- Provide new pedestrian-scale lighting in areas with intense pedestrian activity.
- Provide new street trees and accent lighting where space permits.
- Create new “gateway” areas, including landscaping and signage, at the major entry points to the mixed-use district.
- Establish a special entryway and urban design feature at the northwest corner of the intersection of Barrington Road and Lake Street signifying arrival to the Village Center.
- Consider the use of street pole banners within the commercial areas to signify the significance of the location.
- Establish a comprehensive streetscape system which can guide the design and location of light fixtures, sidewalks, paving materials, landscaping, street furniture and signage throughout the mixed use district.

***D. REDEVELOPMENT IMPROVEMENTS AND ACTIVITIES***

The Village proposes to achieve its redevelopment goals and objectives for the Project Area through public financing techniques including, but not limited to, tax increment financing, and by utilizing such financing techniques to undertake some or all of the following activities and improvements:

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

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

## **2. Marketing**

The Village may undertake or engage professional services for the purpose of marketing sites within the Project Area to prospective businesses, developers and investors.

## **3. Property Assembly**

The Village, or an agent for the Village, may acquire and assemble land for the purpose of redevelopment. Vacant or underutilized property may be acquired by purchase, exchange or long-term lease by private developers or the Village for the purpose of new development.

## **4. Relocation**

In the event that residents, active businesses or other occupants are displaced by the public acquisition of property, they may be relocated and may be provided with financial assistance and advisory services. Relocation services in conjunction with property acquisition will be provided in accordance with Village policy.

## **5. Redevelopment Agreements**

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

## **6. Provision of Public Works or Improvements**

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

### **a) Streets, Sidewalks, Utilities and Parking**

It is anticipated that public infrastructure improvements will be necessary to adequately serve the Project Area and potential new development. These improvements may consist of undergrounding utilities, new sidewalks, landscaping treatments, parking lot construction, street reconstruction, traffic signalization, detention, electrical, and an irrigation system.

### **b) Landscaping**

Landscape/buffer improvements, street lighting and general beautification improvements may be provided.

### **c) Parks and Open Space**

Improvements to existing or future parks, open spaces and public plazas may be provided for the use of the general public. These improvements include the construction of pedestrian walkways, stairways, lighting, landscaping and general beautification improvements.

**d) Pedestrian and Vehicular Connections**

Improvements to sidewalks, crosswalks, bicycle paths, and grade separated walkways may be provided to enhance the safety, viability and appearance of existing and new developments.

**7. Building Rehabilitation and Facade Improvements**

The Village will encourage the rehabilitation of buildings, both public and private, which includes upgrading commercial facades that are basically sound and/or historically significant, and are located so as not to impede the Redevelopment Project.

**8. Job Training and Related Educational Programs**

Separate or combined programs that would take advantage of the employment opportunities within the Project Area may be implemented.

**9. Day Care Services**

Development of day care services and centers within the Redevelopment Project Area for children of low-income employees of Redevelopment Project Area businesses.

**10. Taxing Districts Capital Costs**

The Village may reimburse all or a portion of the costs incurred by certain taxing districts in the furtherance of the objectives of this Redevelopment Plan.

**11. Interest Subsidies**

Funds may be provided to redevelopers or developers for a portion of interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

- (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act; and
- (b) such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper or developer with respect 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, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
- (d) the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total (i) costs paid or incurred by a redeveloper or developer for a redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the Village pursuant to the Act.

## ***E. REDEVELOPMENT PROJECT COSTS***

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

### **1. Eligible Redevelopment Project Costs**

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

- (1) Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided that no charges for professional services are based on a percentage of the tax increment collected;
- (2) 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;
- (3) Costs of rehabilitation, reconstruction or 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;
- (4) Costs of the construction of public works or improvements; except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (g) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999 or (ii) the municipality makes a reasonable determination in the redevelopment plan 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;
- (5) Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;
- (6) Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on

any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;

- (7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project;
- (8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
- (9) Payment in lieu of taxes as defined in the Act;
- (10) Costs of job training, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act (as cited in the Act) and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code (as cited in the Act);
- (11) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
  - (A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
  - (B) such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
  - (C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and

- (D) the total of such interest payments incurred pursuant to the Act may not exceed 30 percent of the total: (i) costs paid or incurred by the redeveloper for such redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act.
- (12) Unless explicitly provided in the Act, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.
- (13) None of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman.

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 redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

## 2. Estimated Project Costs

A range of redevelopment activities and improvements will be required to implement the Redevelopment Plan. The activities and improvements and their estimated costs (1999 dollars) are summarized below and shown in Table 1, *Estimated Project Costs*. To the extent that municipal obligations have been issued to pay for such Project Costs prior to, and in anticipation of, the adoption of TIF, the Village shall be reimbursed from Incremental Property Taxes for such Project Costs.

Redevelopment Project Costs described in this Redevelopment Plan are intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

The estimate of Project Costs listed below excludes financing costs, including any interest expense or subsidy, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to the Project Costs listed below. Although all costs listed are eligible Redevelopment Project Costs, this listing does not obligate the Village to pay or reimburse such costs.

- a) *Planning, Legal, Administrative, Marketing and Other Fees* \$ 500,000  
This includes expenditures for survey and study costs, legal services, administrative services, and other professional and service fees associated with implementing the Redevelopment Plan and providing a secure environment for private investment in accordance to the Act.
- b) *Property Assembly* \$ 12,000,000  
This expenditure provides for property acquisition (other than acquisition for Elgin-O'Hare Expressway right-of-way), demolition of buildings, site preparation and site improvements that serve as an engineering barrier, and clearing or grading of land for Redevelopment Projects and the provision of public improvements.
- c) *Building Rehabilitation* \$ 1,000,000  
This expenditure provides for the rehabilitation, reconstruction, repair or remodeling of existing public or private buildings and fixtures.
- d) *Public Works, Parking and Utility Improvements* \$ 7,000,000  
This expenditure provides for the construction or extension of water mains, sewers and stormwater detention improvements; street and sidewalk improvements; alley improvements; the construction or improvement of landscaping and buffers, streetscapes, street lighting, traffic signals, underground utilities including telephone and electricity, parking facilities, and general beautification improvements; and the construction or improvement of public parks and open space.
- e) *Developer Interest Subsidies* \$ 2,000,000  
Under the Act, up to 30 percent of total Project Costs (excluding property assembly and relocation costs incurred by a municipality) may be provided to any or all developers as interest subsidy. Such payments may not, in any one year, exceed 30 percent of the redevelopers interest costs. Up to 75% of interest costs incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households may be eligible as interest subsidy.

**TABLE 1: ESTIMATED PROJECT COSTS**

Planning, Legal, Administration, and Other Fees	\$ 500,000
Property Assembly	\$ 12,000,000 <sup>(1)</sup>
Building Rehabilitation	\$ 1,000,000 <sup>(1)</sup>
Public Works and Improvements	\$ 7,000,000
Developer Interest Subsidies	\$ 2,000,000
<hr/>	
<b>TOTAL ESTIMATED PROJECT COSTS</b>	<b>\$ 22,500,000 <sup>(2)</sup></b>

<sup>(1)</sup> *Property Assembly and Building Rehabilitation estimates reflect costs that may be incurred by the private sector.*

<sup>(2)</sup> *Estimated Redevelopment Project Costs exclude 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 Redevelopment Project Costs. While all of the foregoing costs are eligible redevelopment project costs per the Act, inclusion herein does not commit the Village to finance all these costs with TIF; moreover, the above costs are only estimates, and the Village reserves the right to re-allocate the costs among line items to the extent actual costs vary.*

#### ***F. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS***

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

The Project Area may, in the future, be contiguous or separated by only a public right of way to 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 project areas 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 this Redevelopment Plan unless amended pursuant to the State Statute at a later date.

#### ***G. ISSUANCE OF OBLIGATIONS***

The Village may issue obligations secured by Incremental Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation the Village may pledge its full faith and

credit through the issuance of general obligation bonds. Additionally, the Village may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the Village pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Project Area and Redevelopment Plan, such ultimate retirement date occurring in the year 2023. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. Obligations may be of parity or senior/junior lien natures.

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

## **H. VALUATION OF THE PROJECT AREA**

### **1. Most Recent EAV of Properties in the Project Area**

The most recent EAV of all taxable parcels in the Project Area is estimated to total \$10,132,558. The EAV total is based on 1999 assessed valuations for DuPage County and Cook County and is subject to verification by the DuPage County and Cook County Clerks. After verification, the final figures shall be certified by the County Clerks of DuPage County and Cook County, Illinois. This certified amount shall become the Certified Initial EAV from which all Incremental Property Taxes will be calculated by the respective counties. The 1999 EAV of the Project Area is summarized in Table 2, *1999 EAV By Tax Parcel*.

If the Certified Initial EAV changes between the date of this Redevelopment Plan and the date of the public hearing, the revised Certified Initial EAV will be incorporated into the final Redevelopment Plan.

### **2. Anticipated Equalized Assessed Valuation**

By the year 2023 (Collection Year 2024) and following the substantial completion of potential Redevelopment Projects, the EAV of the Project Area is estimated to range between \$41,000,000 and \$43,600,000. This estimate is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) between 168,000 and 241,000 square feet of commercial, hotel, and office space; 3) between 175–350 residential units, which may include *for sale* rowhouse/townhome units, high end rental units or senior citizen/assisted living units, will be constructed in the Project Area and occupied by 2007; 4) between 464,000 and 632,000 square feet of light industrial/business park uses will be constructed in the Project Area by 2006; 5) an estimated annual two percent inflation of EAV will be realized through 2023; 6) the five year average DuPage County equalization factor for Wayne Township of 1.0142 (tax years 1995 through 1999) is used in all years to calculate

estimated EAV for the portion of the Project Area located within DuPage County; and 7) the five year average state equalization factor for Cook County of 2.1711 (tax years 1995 through 1999) is used in all years to calculate estimated EAV for the portion of the Project Area located within Cook County.

**Table 2. 1999 EAV by Tax Parcel**

PIN	1999 EAV	PIN	1999 EAV	PIN	1999 EAV
01-01-105-001	\$ 39,120	01-01-504-001	-	06-36-309-019	64,335
01-01-105-002	36,930	06-36-307-018	527,369	06-36-309-020	81,835
01-01-105-003	29,880	06-36-307-019	160,398	06-36-309-021	78,813
01-01-200-001	35,990	06-36-307-020	255,693	06-36-309-022	13,127
01-01-200-002	50,590	06-36-307-021	255,693	06-36-309-023	13,080
01-01-200-003	44,300	06-36-307-022	255,693	06-36-309-024	13,823
01-01-201-001	29,560	06-36-307-024	239,347	06-36-309-025	12,727
01-01-201-002	44,360	06-36-307-025	54,307	06-36-309-026	4,632
01-01-201-003	36,280	06-36-307-026	146,892	06-36-309-027	4,618
01-01-201-004	48,220	06-36-307-027	135,552	06-36-309-028	4,614
01-01-201-005	63,390	06-36-308-001	23,446	06-36-309-029	4,600
01-01-201-006	2,920	06-36-308-002	23,446	06-36-309-030	36,915
01-01-201-007	21,020	06-36-308-003	6,578	06-36-310-016	5,872
01-01-201-008	47,120	06-36-308-004	25,491	06-36-310-017	5,795
01-01-201-009	67,700	06-36-308-005	24,308	06-36-310-018	5,721
01-01-201-012	27,790	06-36-308-006	21,636	06-36-310-019	25,071
01-01-201-013	27,170	06-36-308-007	23,709	06-36-310-020	25,237
01-01-201-014	20,730	06-36-308-008	22,978	06-36-310-021	24,425
01-01-202-002	64,830	06-36-308-009	-	06-36-310-022	5,376
01-01-202-003	67,340	06-36-308-010	-	06-36-310-023	5,289
01-01-202-004	30,280	06-36-308-011	55,383	06-36-310-024	23,191
01-01-202-027	6,440	06-36-308-012	104,225	06-36-310-025	3,707
01-01-202-029	-	06-36-308-013	107,842	06-36-310-026	23,212
01-01-202-030	2,350	06-36-308-014	97,192	06-36-310-027	86,869
01-01-203-005	-	06-36-308-015	33,701	06-36-310-030	24,756
01-01-203-006	52,020	06-36-308-016	147,075	06-36-310-040	27,942
01-01-203-007	178,080	06-36-308-018	14,563	06-36-310-041	32,243
01-01-203-008	14,930	06-36-308-019	14,563	06-36-402-008	44,447
01-01-203-009	97,160	06-36-308-020	14,291	06-36-402-010	-
01-01-203-011	-	06-36-309-001	24,290	06-36-402-011	133,425
01-01-203-012	-	06-36-309-002	6,578	06-36-402-012	1,131,410
01-01-204-013	14,200	06-36-309-003	25,271	06-36-402-017	-
01-01-208-003	32,290	06-36-309-004	25,311	06-36-402-021	-
01-01-208-004	-	06-36-309-005	26,304	06-36-402-024	14,694
01-01-208-007	-	06-36-309-006	9,045	06-36-402-025	20,077
01-01-208-008	-	06-36-309-007	24,346	06-36-402-027	6,634
01-01-208-009	-	06-36-309-008	6,578	06-36-402-028	44,931
01-01-208-010	-	06-36-309-009	47,128	06-36-406-002	334,222
01-01-208-013	44,400	06-36-309-010	6,133	06-36-406-004	729,374
01-01-208-014	3,803	06-36-309-011	6,592	06-36-406-005	2,178,241
01-01-208-015	25,110	06-36-309-012	6,567	06-36-406-006	192,411
01-01-212-004	26,850	06-36-309-013	12,168	06-36-500-002	-
01-01-212-005	40,480	06-36-309-014	13,264	06-36-500-003	-
01-01-212-007	-	06-36-309-015	82,920	<b>Total Project Area</b>	<b>\$ 10,132,558</b>
01-01-213-006	4,980	06-36-309-016	82,897		
01-01-213-007	-	06-36-309-017	12,324		
01-01-213-008	44,830	06-36-309-018	12,344		

## **VI. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE**

As described in Section III of this Redevelopment Plan and in the *Eligibility Study* appended to this document, the Project Area as a whole is adversely impacted by the presence of numerous conservation factors which are reasonably distributed throughout the area.

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

- Improved areas are characterized by age, dilapidation, obsolescence, deterioration, structures below minimum code standards, excessive vacancies, excessive land coverage, deleterious land-use and layout, depreciation of physical maintenance and an overall lack of community planning.
- Between 1992 and 1999, the EAV of the entire Project Area experienced an average annual increase of 0.69%. Over the same period, the EAV of the Village of Hanover Park experienced an average annual increase of 5.11%. This is evidence that the Project Area has not been able to keep pace with the average rate of growth as compared to the Village of Hanover Park as a whole.
- Between 1992 and 1999, the EAV of the Project Area located within Cook County experienced an average annual increase of 0.63%. Over the same period, the EAV of the Cook County portion of the Village of Hanover Park experienced an average annual increase of 3.4%. This is evidence that the portion of the Project Area located within Cook County has not been able to keep pace with the average growth in property values as compared to the portion of the Village of Hanover Park located within Cook County as a whole.
- Between 1992 and 1999, the EAV of the Project Area located within DuPage County experienced an average annual increase of 1.51%. Over the same period, the EAV of the DuPage County portion of the Village of Hanover Park experienced an average annual increase of 6.38%. This is evidence that the portion of the Project Area located within DuPage County has not been able to keep pace with the average growth in property values as compared to the portion of the Village of Hanover Park located within DuPage County as a whole.

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

## VII. FINANCIAL IMPACT

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

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

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

## VIII. DEMAND ON TAXING DISTRICT SERVICES

The Redevelopment Plan provides for residential, retail, service, office, industrial park, open space and public land use development within the Project Area. The number and type of new development is not known at this time. It is anticipated that redevelopment projects implemented as part of the Redevelopment Project and Plan will not cause increased demand for services or capital improvements on most of the taxing districts.

It is possible that redevelopment may have an impact on any of the following taxing districts with jurisdiction in the Project Area: Cook County; DuPage County; Cook County Forest Preserve; DuPage County Forest Preserve; Suburban T.B. Sanitarium; Consolidated Elections; Hanover Township; Wayne Township; Metropolitan Water Reclamation District; Northwest Mosquito Abatement; Elgin Community College District 509; Community College 509; Hanover Park Park District; Village of Hanover Park; Poplar Creek Public Library District; Hanover Park Fire Protection District; Community Mental Health Facility & Service District; Northwest Suburban Mass Transit District; and Unit School District U-46.

Development of vacant land and replacement of vacant and underutilized buildings and sites with active and more intensive uses may result in additional demands on services and facilities provided by the Village of Hanover Park, Hanover Park Park District, Poplar Creek Library District, Hanover Park Fire Protection District and the Metropolitan Water Reclamation District. It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Redevelopment Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District as well as water and waste water distribution services provided by the Village of Hanover Park.

Potential residential development in Cook County may cause increased demand for services or capital improvements from School District 46, Elgin Community College District 509, Hanover Park Park District, Village of Hanover Park, and Poplar Creek Public Library District. However, because a significant portion of the residential development will be geared toward and marketed to seniors and empty nesters, increased demand for services or capital improvements to be provided by these taxing districts is not expected to be significant.

Increases in Village population are anticipated to result from the Redevelopment Project and may also result in an increase in the number of school age children. To determine this potential increase, the Illinois School Consulting Service's (ISCS) methodology for estimating school age children was utilized. With the completion of between 175-350 residential units, ranging from assisted living, apartments, townhomes to condominiums, an increase of between 65 and 135 school age children could result.

There are two elementary schools that serve the Project Area. Ontarioville and Laurel Hill elementary schools are nearing capacity but the District has indicated that facility improvements are planned for both of these schools. Additional schools within the District have also been planned.

There are two high school facilities which serve the Project Area. These are Streamwood High School and Bartlett High School. It is anticipated that the current capacity at existing high schools in the area can accommodate children from the Redevelopment Project Area. However, the Village will work with the school district to monitor the number of school-aged children from the Redevelopment Project who may enroll at public schools. The Village will assist in accommodating such students on an annual basis during build out of the Redevelopment Project based on the available capacity of schools in the area.

The Village of Hanover Park will work closely with each of the affected taxing districts and monitor the impacts of development and redevelopment within the Project Area.

## **IX. PHASING AND SCHEDULING**

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

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

## **X. PROVISIONS FOR AMENDING THE REDEVELOPMENT PLAN**

This Redevelopment Plan may be amended pursuant to the Act.

## **XI. AFFIRMATIVE ACTION**

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

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

## **XI. HOUSING IMPACT AND RELATED MATTERS**

The Project area contains approximately eighty-two (81) inhabited residential units including thirty-four (34) single-family housing units, forty-four (44) multiple family housing units and three (3) upper story residential units. Because the Project Area includes inhabited residential units, information is provided regarding the Plan's potential impact on housing.

Included in this Plan is the General Land Use Plan (Figure 2). This map indicates parcels of real property on which there are buildings containing residential units.

The Plan will not result in displacement of residents from inhabited units. The Village, by adoption hereof pursuant to its Ordinance Approving a Tax Increment Redevelopment Plan and Redevelopment Project for the Project Area, hereby certifies that the Plan will not result in the displacement of residents from inhabited units pursuant to 65 ILCS 5/11-74.4-3(n)(5).

**EXHIBIT I:**

HANOVER PARK VILLAGE CENTER TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

**Exhibit A**  
**Legal Description**  
**Village Center Tax Increment Financing Redevelopment Project Area**

That part of DuPage and Cook Counties, Illinois, legally described as follows:

Commencing at the northeast corner of the west half of the northwest quarter of Section 1 in Township 40 North, Range 9 East of the Third Principal Meridian as the point of beginning, said point also being northeast corner of Columbo's Subdivision; thence 50.00 ft. southerly along the west line of the east half of the northwest quarter of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian to the south right-of-way line of Devon Avenue; thence 960.48 ft. easterly along the south right-of-way line of Devon Avenue; thence south  $00^{\circ}43'59''$  west 135.11 ft.; thence north  $88^{\circ}22'50''$  east 369.31 ft.; thence south  $00^{\circ}43'59''$  west 150.10 ft.; thence south  $88^{\circ}26'45''$  west 181.63 ft.; thence south  $00^{\circ}43'59''$  west 2275.62 ft.; thence 1923.44 ft. easterly along the south line of the northeast quarter of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian to the northeast corner of Lot 47 in the Greenbrook Unit 2 Subdivision; thence north  $64^{\circ}33'46''$  east 112.47 ft. along the north lines of lots 70 and 71 of Larwin's 2nd Resubdivision; thence north  $89^{\circ}58'16''$  east 438.24 ft. along the north lines of Larwin's 2nd Resubdivision and Larwin's 1st Addition to Greenbrook Unit 3 Subdivision to the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian; thence 500.00 ft. northerly along the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian; thence north  $89^{\circ}35'56''$  west 125.62; thence 923.72 ft. northerly along a line parallel to and 125.62 ft. west of the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian to the north right-of-way line of Ontarioville Road; thence 293.86 ft. northwesterly along said north right-of-way line; thence 265.37 ft. south along the east property line of Lot 5 of the Vavrus Addition to Hanover Park to the southeast corner of said Lot 5; thence 171.48 ft. south along the east property lines of Lots 11 and 12 of Block 2 of the Argyle Addition to Ontarioville to the southeast corner of said Lot 12; thence 315.00 ft. west along the south property line of said Lot 12 to the southwest corner of said Lot 12; thence 200.00 ft. north along the west property line of said Lots 11 and 12 to the northwest corner of said Lot 11; thence north  $89^{\circ}41'21''$  west 33.00 ft. to the center of County Farm Road (Merwin Avenue); thence south  $00^{\circ}14'06''$  west 10.55 ft.; thence north  $89^{\circ}55'54''$  west 33.00 ft. to the southeast corner of Lot 3 of the Vavrus Addition to Hanover Park; thence 631.89 ft. westerly along the south property line of Lot 3 of the Vavrus Addition to Hanover Park to the southwest corner of said Lot 3; thence 823.70 ft. northerly along the west property lines of Lots 1, 2 and 3 of the Vavrus Addition to Hanover Park, that line also being the east right-of-way line of Church Road to the northwest corner of said Lot 1; thence 168.99 ft. ( $\frac{1}{2}$ ) northwesterly to the southeast corner of Lot 10 of the Ontario Subdivision; thence 158.15 ft. northerly along the east line of said Lot 10 to the northeast corner of said Lot 10; thence 1316.99 ft. ( $\frac{1}{2}$ ) easterly along the north line of said Ontario Subdivision, that line also being the south right-of-way line of the METRA Railroad, to the northwest corner of Lot 1 of said Ontario Subdivision; thence 136.10 ft. ( $\frac{1}{2}$ ) due east to a line parallel to and 50.00 ft. east of the east line of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian; thence 65.71 ft. ( $\frac{1}{2}$ ) north along said parallel line to a point 50.00 ft. due east of the northeast corner of Section 1, Township 40 North, Range 9 East of the Third Principal Meridian, that corner also being the southeast corner of Section 36, Township 41

North, Range 9 East of the Third Principal Meridian; thence 2641.26 ft. (7/16") north along a line parallel to and 50.00 ft. east of the east line of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian, that line also being the east right-of-way line of Barrington Road, to the southwest corner of Lot 1, Block 2, of the Hanover Highlands Subdivision; thence 499.80 ft. westerly along the north right-of-way line of Walnut Avenue to the southeast corner of Lot 8, Block 21, of the Hanover Park Estates Subdivision; thence 1281.42 ft. south along the west right-of-way line of Pine Tree Street to the southeast corner of Lot 21, Block 23, of the Hanover Park Estates Subdivision; thence 900.48 ft. westerly along the north right-of-way line of Maple Avenue to the intersection of the north right-of-way line of Maple Avenue and the west right-of-way line of Church Street; thence 711.68 ft. south along the west right-of-way line of Church Street to the southeast corner of Lot 19 of the Oakwood Landings North Subdivision; thence westerly 508.00 ft. along the south property lines of Lots 15, 16, 17, 18 and 19 of the Oakwood Landings North Subdivision; thence westerly 554.74 ft. along the south property lines of Lots 14, 13, 12, and 11 of the Oakwood Landings North Subdivision; thence westerly 110.58 ft. along the south property lines of the Lots 11 and 10 of the Oakwood Landings North Subdivision to the southwest corner of said Lot 10; thence northerly 663.32 ft. along the west property lines of Lots 10, 9, 8, 7, 6, 5, 4, 3, 2, and 1 of the Oakwood Landings North Subdivision to the northwest corner of said Lot 1; thence 121.80 ft. due west to the west line of the southeast quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian; thence 132.00 ft. north along the west line of the southeast quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian to the north right-of-way line of Maple Avenue; thence 190.57 ft. westerly along said north right-of-way line to the southwest corner of Lot 19, Block 19, of the Grant Highway Subdivision; thence 68.04 ft. southwesterly to the northeast corner of Lot 1, Block 22, of the Grant Highway Subdivision; thence 344.14 ft. southerly along the east lines of Lots 1 and 13 of Block 22 of the Grant Highway Subdivision to the southeast corner of Lot 13, Block 22, of the Grant Highway Subdivision; thence 503.50 ft. northwesterly along the north right-of-way line of Elm Avenue to the southwest corner of Lot 7, Block 22, of the Grant Highway Subdivision; thence continuing northwesterly 66.14 ft. to the southeast corner of Lot 20, Block 21, of the Grant Highway Subdivision; thence 596.98 ft. northwesterly along the north right-of-way line of Elm Avenue to the southwest corner of Lot 11, Block 21, of the Grant Highway Subdivision; thence 430.55 ft. southwesterly along the west property lines of Lots 10 and 11, Block 24, of the Grant Highway Subdivision to the south right-of-way line of U.S. Rte. 20, Lake Street; thence 113.31 ft. southeasterly along said south right-of-way line; thence 519.41 ft. southeasterly along said south right-of-way line, which is an arc convex to the southwest with a radius of 5759.58 ft.; thence 1306.09 ft. (7/16") southeasterly along the south right-of-way line of Lake Street to the intersection of the south right-of-way line of Lake Street and the southwest right-of-way line of Ontarioville Road; thence 165.52 ft. southeasterly along the southwest right-of-way line of Ontarioville Road to the north right-of-way line of the METRA Railroad; thence 1740.81 ft. westerly along the north right-of-way line of the METRA Railroad to the west line of the east half of the southwest quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian; thence 497.79 ft. south along the west line of the east half of the southwest quarter of Section 36, Township 41 North, Range 9 East of the Third Principal Meridian to the point of beginning.

**EXHIBIT II:**

HANOVER PARK VILLAGE CENTER REDEVELOPMENT PROJECT AREA  
TAX INCREMENT FINANCING ELIGIBILITY STUDY

**HANOVER PARK VILLAGE CENTER  
TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA**

**ELIGIBILITY STUDY**

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Village of Hanover Park, Illinois

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This Eligibility Study is subject to review  
and comment and may be revised  
after the public hearing.

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

February 1, 2001  
Revised April 25, 2001

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## EXECUTIVE SUMMARY

The purpose of this study is to determine whether the *Hanover Park Village Center Project Area* (the "Project Area") qualifies for designation as a Conservation Area and a Vacant Blighted Area, pursuant to the definitions set forth in the Illinois *Tax Increment Allocation Redevelopment Act* (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1 *et seq.*, as amended.

The findings presented in this study are based on surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") for the Project Area of approximately 206.8 acres generally bounded by portions of Barrington Road and County Farm Road on the east; an irregular line including Walnut Avenue, Maple Avenue, the north line of Block 402 and Elm Avenue on the north; an irregular line including the west line of block 308 in Cook County and the west line of Parcel Identification Number (PIN) 01-01-208-014 in DuPage County on the west; and the south line of the Northeast ¼ of Section 1 of Wayne Township on the south. The boundaries of the Project Area are shown on Figure 1, *Project Area Boundary*.

The existing condition and use of the Project Area consists of both vacant and improved areas and include a mix of industrial, commercial and residential activity along the perimeter streets. The Project Area is located in the center of the community and includes both original development along Ontarioville Road and Devon Avenue and more recent development along Lake Street and Barrington Road.

As set forth in the Act, a "redevelopment project area" means an area designated by the municipality which is not less in the aggregate than 1½ acres, and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted and conservation areas. The Project Area exceeds the minimum acreage requirements of the Act.

As set forth in the Act, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50 percent or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area, but because of a combination of three or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning, is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area.

As set forth in the Act, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a

combination of five or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning, is detrimental to the public safety, health, morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by: (1) a combination of two or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land; or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or (5) the area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least 5 years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 or more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of the subsections (a), and the area has been designated as a town or City center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

While it may be concluded that the mere presence of the stated factors may be sufficient to make a finding as a conservation area or blighted area, the evaluation completed as part of the Eligibility Study and described in this report was conducted on the basis that the conservation and blighting factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of conservation or blighting factors throughout the project area must be reasonable so that basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted.

It is also important to note that the test of eligibility is based on the conditions of the area as a whole; it is not required that eligibility must be established for each and every property in the project area.

### **Improved Area**

The improved area within the Project Area is found to be eligible as an "improved" conservation within the definition set forth in the Act. Specifically,

- Eighty-one percent (81.3%) of the buildings in the Improved Area within the Project Area are 35 years of age or older.
- Of the 14 factors set forth in the Act for improved areas, 8 are present in the Project Area.

- The factors present are reasonably distributed throughout the Project Area.
- All subareas and related blocks within the improved portion of the Project Area show the presence of conservation factors.
- The improved portion of the Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

Included in the Project Area are six subareas: (i) Improved Areas with the presence of 8 of the 14 factors set forth in the Act; and (ii) Vacant areas with the presence of 3 and 4 of the five factors set forth in the Act.

Figure 1, *Project Boundary Map* illustrates the six subareas, described in more detail later in this report.

### **Age**

Age as a pre requisite factor is present to a major extent. Of the total 75 buildings in the improved area, 61, or 81.3 percent, are 35 years in age or older.

In addition to age, the following conservation factors are found to be present in the improved portion of the Project Area.

#### **1. Obsolescence**

Obsolescence as a factor is present to a major extent in three subareas and to a limited extent in one subarea and includes obsolete buildings, obsolete platting and obsolete street patterns.

#### **2. Deterioration**

Deterioration as a factor is present to a major extent in two subareas and to a limited extent in two subareas and includes deterioration of structures, deteriorating streets and deteriorated site surfaces, including parking, loading and service areas.

#### **3. Existence of Structures Below Minimum Code Standards**

Existence of structures below minimum code standards as a factor is present to a limited extent in two of the four subareas affecting all buildings with advanced defects which are below the Village's code standards for existing buildings and property maintenance.

#### **4. Excessive Vacancies**

Excessive vacancies as a factor is present to a major extent in one subarea and to a limited extent in two subareas and includes vacant buildings and vacant space within buildings.

#### **5. Excessive Land Coverage**

Excessive land coverage as a factor is present to a limited extent in one subarea where buildings cover most of the site, such that the property lacks provisions for proper parking, loading, service and storage.

#### **6. Deleterious Land-Use or Layout**

Deleterious land-use or layout is present to a major extent in two subareas and to a limited extent in two subareas. The factor includes incompatible land use relationships and improper platting and layout of parcels and blocks.

#### **7. Depreciation of Physical Maintenance**

Depreciation of physical maintenance as a factor is present to a major extent in three subareas and to a limited extent in one sub area. Conditions contributing to this factor include deferred maintenance and lack of maintenance of buildings, parking areas, storage areas, and interior streets.

#### **8. Lack of Community Planning**

Lack of community planning as a factor is present to a major extent. The entire Project Area was developed partly in the early 1900s and later during the 1960's on a parcel-by-parcel basis without the benefit of plans or development controls for the area.

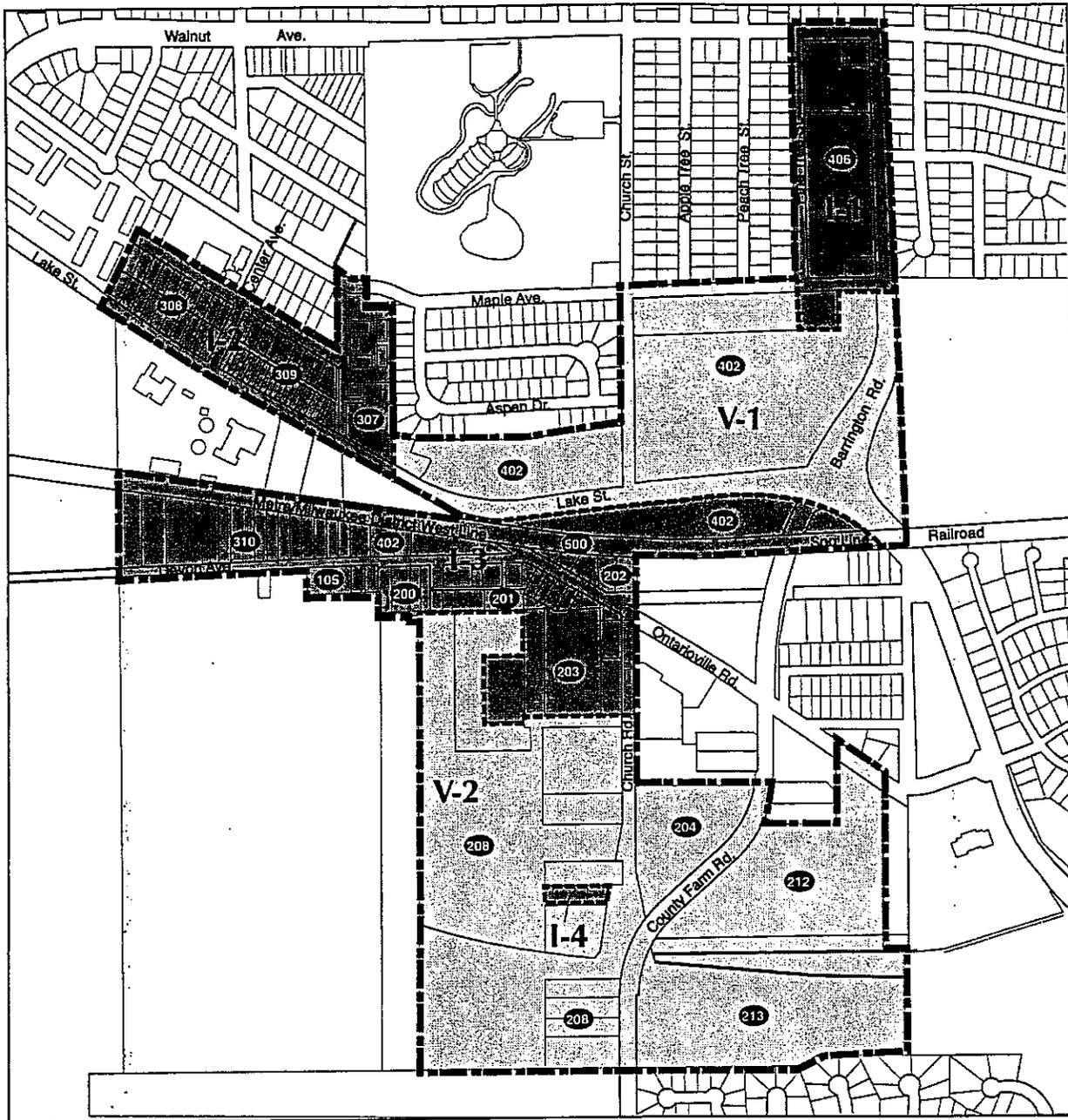
### **Vacant Areas**

The vacant areas within the Project area are found to be eligible as "vacant" blighted areas within the definition set forth in the Act. Specifically,

- The two vacant areas are characterized by three and four of the required two of five factors listed under the first requirement for "vacant" blighted areas as set forth in the Act. These factors include diversity of ownership, obsolete platting of the vacant land, flooding on all or part of such vacant land, and deterioration of structures and site improvements adjacent to the vacant land.
- The factors are reasonably distributed throughout the vacant areas within the Project Area.
- All blocks within the vacant areas show the presence of blight factors.
- The vacant areas within the Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

The conclusion of the consultants engaged by the Village is that the number, degree and distribution of conservation and blighting factors as documented in this report warrant designation of all or parts of the Project Area as an improved "conservation area" and a vacant "blighted area" as set forth in the Act.

The conclusions presented in this Eligibility Study are those of TPAP, which was retained by the Village to examine whether conditions of blight exist. The local governing body should review this Eligibility Study and related supporting data, and if satisfied with the methodologies and conclusions contained herein, may adopt the necessary ordinances approving the Redevelopment Plan, designating the Redevelopment Project Area and approving the use of tax increment financing. As part of the adoption of these ordinances, the Village should make this Eligibility Report a part of the public record.



**LEGEND**

-  Block Number
-  Project Area Boundary
-  Sub-Area Boundary
-  Improved Areas
-  Vacant Areas

**Figure 1**  
**PROJECT AREA BOUNDARY**

## I. BASIS FOR REDEVELOPMENT

The Illinois General Assembly made two key findings in adopting the Real Property Tax Increment Allocation Redevelopment Act:

1. That there exist in many municipalities within the State *blighted* and *conservation* areas; and
2. That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

These findings were made on the basis that the presence of blight or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that each prospective redevelopment project qualifies either as a "blighted area" or as a "conservation area" within the definitions for each set forth in the Act (Section 11-74.4-3, as amended). These definitions are paraphrased below:

### A. Eligibility of a Blighted Area

#### Improved Area

A blighted area may be either improved or vacant. If the area is improved (e.g., with industrial, commercial and residential buildings or improvements), a finding may be made that the area is blighted because of the presence of a combination of five or more of the following 14 factors:

- Age
- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards
- Excessive vacancies
- Overcrowding of structures and community facilities
- Lack of ventilation, light, or sanitary facilities
- Inadequate Utilities
- Excessive land coverage
- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning

## Vacant Area

If the area is vacant, it may be found to be eligible as a blighted area based on the finding that the sound growth of the taxing districts is impaired by one of the following criteria:

1. A combination of two or more of the following factors:
  - Obsolete platting of the vacant land;
  - Diversity of ownership of such land;
  - Tax and special assessment delinquencies on such land;
  - Deterioration of structures or site improvements in neighboring areas adjacent to the vacant area; or
2. The area immediately prior to becoming vacant qualified as a blighted improved area; or
3. The area consists of an unused quarry or unused quarries; or
4. The area consists of unused railyards, rail tracks or railroad right-of-way; or
5. The area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least five years; or
6. The area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites; or
7. The area is not less than 50 nor more 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five years prior to the designation of the redevelopment project area, and which the area meets at least one of the factors itemized in provision (1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

## **B. Eligibility of a Conservation Area**

Conservation areas are those areas which are deteriorating or declining and may soon become blighted areas if decline is not checked. Such areas are not yet blighted areas.

To qualify as a conservation area, it must be shown that 50 percent or more of the structures in the area have an age of 35 years or more and that there is a presence of a combination of three or more of the following 14 factors:

- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards
- Abandonment
- Excessive vacancies

- Overcrowding of structures and community facilities
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage
- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning

While the Act defines a blighted area and a conservation area, respectively, it does not define the various factors for each, nor does it describe what constitutes presence or the extent of presence necessary to make a finding that a factor exists. Therefore, reasonable and defensible criteria should be developed to support each local finding that a factor exists and that an area qualifies as either a blighted area or as a conservation area. The following basic rules have been followed:

1. The minimum number of factors must be present and the presence of each must be documented;
2. Each factor to be claimed should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act; and
3. The effect of the factors should be reasonably distributed throughout the Project Area.

It is also important to note that the test of eligibility is based on the conditions of the Project Area as a whole; it is not required that eligibility be established for each and every property in the Project Area.

## **II. THE PROJECT AREA**

The Project Area consists of approximately 206.8 acres, including perimeter streets bisected by the Metra Rail Line at the center of the Village, interior streets and parcels located in Cook and DuPage Counties. Devon Avenue and the Soo Line Railroad separate the two counties and bisect the Project Area essentially in half. The Project Area includes four improved areas and two vacant areas. Each of the subareas is described as follows:

### **Improved Areas**

#### **Subarea I-1**

This improved area consists of the Hanover Square strip center that fronts Barrington Road and includes: a Clark gas station at the corner of Maple Avenue and Barrington Road; a small strip store building along Barrington Road; Shirer's Restaurant and a hot dog stand at the corner of Barrington Road and Walnut Street; and a fire station along the south side of Walnut Street. Problem conditions in this area include excessive vacancies in the Hanover Square shopping center, site and building deterioration, and maintenance problems.

#### **Subarea I-2**

This subarea includes blocks 307, 308 and 309 located along the north side of Lake Street. The two blocks east of Center Street contain a variety of uses including: the Orchard Hills apartments; a former fence and yard equipment business with a residence and several storage buildings; a converted residence with a window treatment business; the Lakewood restaurant; and Suburban Tire Service business. The block west of Center Street contains: an old, residence converted to multi-family use and now vacant; a vacant chiropractor's office in a small converted residence; and a small strip store building with approximately six different retail and commercial service uses. Both of the blocks fronting Lake Street contain older single-family residential buildings and vacant lots in the rear fronting Elm Street. This subarea is characterized by an incompatible mix of residential properties adjacent to commercial properties in a commercially zoned area. The subarea contains parcels of varying size and shape, exhibits deterioration of buildings and sites, and suffers from vacancies within buildings and vacant lots.

#### **Subarea I-3**

This improved subarea consists of the frontage along Devon Avenue, Ontarioville Road and Church Road. This area encompasses the Ontarioville Historic District, which includes some of the oldest buildings in the Village, fronting both Ontarioville Road and Devon Avenue. This area includes: single family residential properties along Devon and Ontarioville Road; residences converted to commercial or multi family uses; a church and cemetery along Church Street; an industrial area with two major properties west of Church; a park; and several older residences converted to office use along the north side of Ontarioville Road. As a result of numerous residential building conversions, the area is characterized by obsolete buildings, an incompatible mix of commercial and residential buildings, obsolete platting of parcels, deterioration of buildings and sites, vacancies, and poor lot and building layout.

### Subarea I-4

This small improved area consists of an isolated single family residence located along the dead end, extended portion of Church Street. This older residence was constructed as part of the rural development prior to 1950.

### Vacant Areas

#### Subarea V-1

This large vacant area includes large tracts of land fronting the north side of Lake Street, between Barrington Road and the west edge of Block 310 across from the Metra commuter parking lots.

#### Subarea V-2

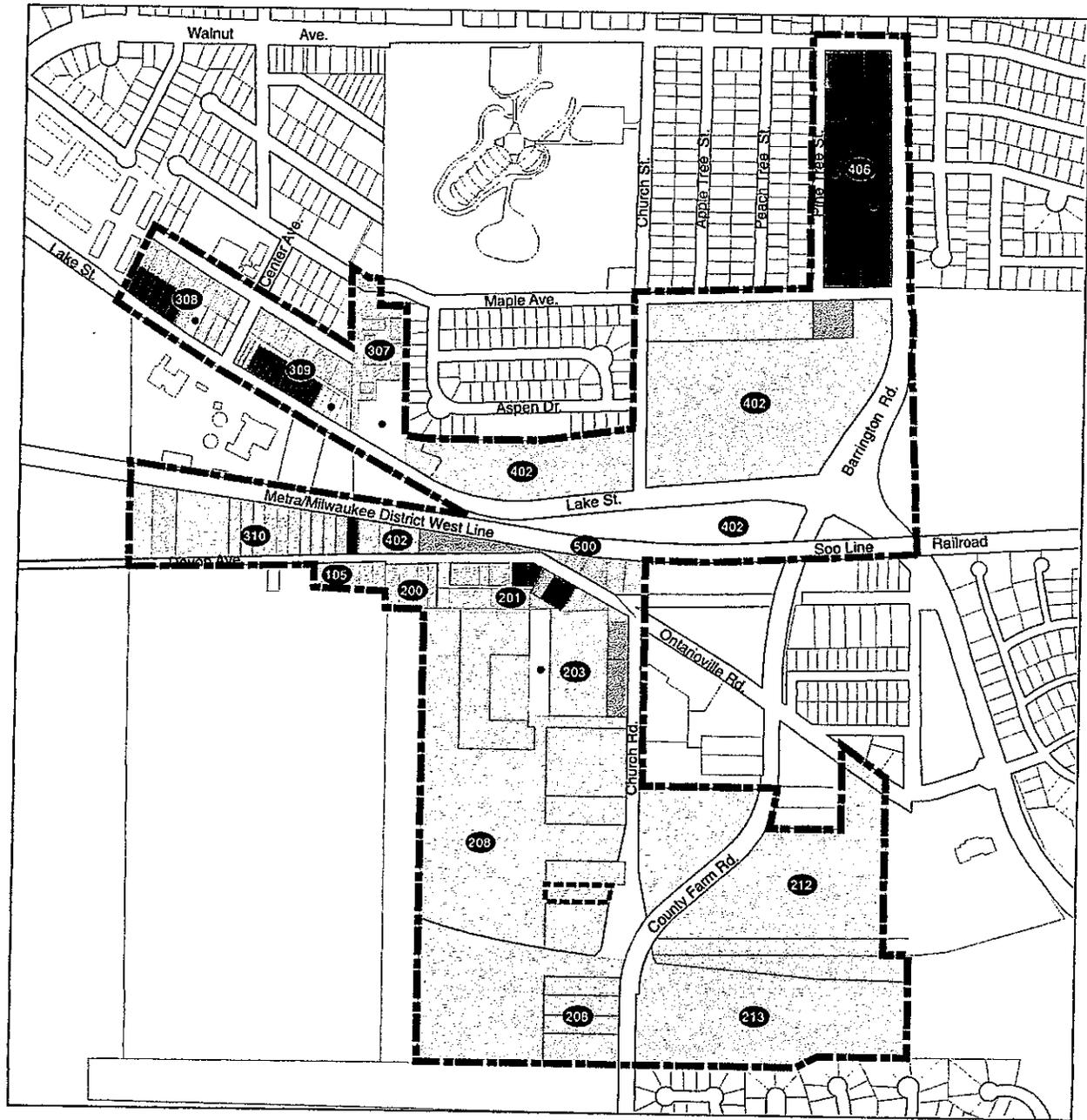
This large vacant area includes all of the vacant parcels south of Devon Avenue and Ontarioville Road. It includes land on both the west and east sides of County Farm Road.

Figure 2. *Existing Land Use* indicates generalized land use for the entire Project Area.

Table 1 illustrates the acreage of the six subareas within the Project Area

**Table 1. Acreage Distribution**

Area	Acres		Total
	Improved Area	Vacant Area	
Subarea I-1	15.1	-	15.1
Subarea I-2	19.9	-	19.9
Subarea I-3	33.8	-	33.8
Subarea I-4	1.0	-	1.0
Subarea V-1	-	42.3	42.3
Subarea V-2	-	94.7	94.7
<b>Total</b>	<b>69.8</b>	<b>137.0</b>	<b>206.8</b>
<b>Percent</b>	<b>33.7</b>	<b>66.3</b>	<b>100.0</b>



**LEGEND**

-  Project Area Boundary
-  Residential
-  Retail/Services
-  Office
-  Metra Parking
-  Light Industrial
-  Public/Semi-Public
-  Vacant Parcel/Land
-  Vacant Building/Floor Area

Figure 2  
EXISTING LAND-USE

### III. ELIGIBILITY SURVEY AND ANALYSIS FINDINGS

An analysis was completed for each of the factors listed in the Act based on existing conditions in the Project Area to determine whether any of the factors are present, and if so, to what extent and in what locations. Surveys and analyses included:

1. Exterior survey of the condition and use of each building;
2. Field survey of environmental conditions covering streets, sidewalks, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning map;
5. Comparison of surveyed buildings to property maintenance and other codes of the Village;
6. Analysis of original and current platting and building size and layout;
7. Analysis of vacant sites; and
8. Review of previously prepared plans, studies and data.

#### A. Building Condition Analysis

Initial surveys started in December of 1998 to determine which areas of the Village would be included in the Project Area. In January of 1999, TPAP documented detailed conditions based on an exterior survey of all buildings. Noted during the inspection were structural deficiencies of individual buildings and related environmental deficiencies in the Project Area. An updated survey of the area was conducted in June of 2000 to assess any change in use or condition. Described below is the process used for assessing building conditions in the Project Area, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation or deterioration of structures. Figure 3, *Exterior Survey Form*, illustrates the building condition survey form used to record activity and building conditions.

##### *1. Building Components Evaluated*

During the field survey, each component of a subject building 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.

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

-- Secondary Components.

These are components generally added to the primary structural components and are necessary parts of the building, including porches and steps, windows and window units, doors and door units, chimneys, and gutters and downspouts.



-- Criteria for Classifying Defects for Building Components.

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.

## **2. Building Component Classifications**

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

-- Sound.

Building components which contain no defects, are adequately maintained, and require no treatment outside of normal maintenance as required during the life of the building.

-- Deficient - Requiring Minor Repair.

Building components which contain minor defects (loose or missing material or holes and cracks over a limited area) which may or may not be corrected through the course of normal maintenance but could be significant depending on the size of the building or number of buildings in a large complex.

Buildings with minor defects clearly indicate a lack of or a reduced level of maintenance. Minor defects have limited effect on either primary or secondary components and the correction of such defects may be accomplished by the owner or occupants of either average size residences or smaller commercial buildings. Minor defects are not considered in rating a building as structurally substandard.

-- Deficient - Requiring Major Repair.

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

-- Critical.

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

## **3. Final Building Rating**

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

- Sound.  
Sound buildings kept in a standard condition, requiring no maintenance at present. Buildings so classified have less than one minor defect.
- Deficient.  
Deficient buildings contain defects which collectively are either not easily correctable through normal maintenance or require contracted skills to accomplish the level of improvements as part of maintenance or correction of defects. The classification of major or minor reflects the degree or extent of defects found during the survey of the building.
- Minor.  
Buildings classified as minor deficient require minor repairs, i.e., the buildings have at least one minor defect, beyond normal maintenance, in one of the primary components or in the combined secondary components but contain less than one major defect.
- Major.  
Buildings classified as major deficient require major repairs, i.e., the buildings have at least one major defect in either one of the primary components or in the combined secondary components, but contain less than one critical defect.
- Substandard.  
Structurally substandard buildings contain defects which are so serious and so extensive that the building must be removed. Buildings classified as structurally substandard have two or more major defects on any of the primary or secondary components.

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. The words building and structure are presumed to be interchangeable. The Village may obtain a complete description of the survey form and detailed survey methodology from TPAP upon request.

## **B. Presence of Conservation Factors**

Summarized below are the conclusions of the surveys and analyses completed for each conservation factor based on existing conditions within the Project Area. The conclusions indicate whether the factor is found to be present within the Project Area, and the relative extent to which the factor is present. A factor noted as "not present" indicates either that no information was available or that no evidence could be documented as part of the various surveys and analyses that would indicate its presence. A factor noted as "present to a limited extent" indicates that the factor is present, but the distribution or impact of the factor is limited. Finally, a factor noted as "present to a major extent" indicates that the factor is present throughout major portions of the Project Area, and that the presence of such conditions has a major adverse impact or influence on adjacent and nearby development.

## 1. Age

Age is a primary and prerequisite factor in determining an area qualification as a conservation area. Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time, temperature and moisture, structures which are 35 years or older typically exhibit more problems and require a greater level of maintenance than more recently constructed buildings.

Of the total 75 buildings, at least 61, or 81.3 percent, are 35 years of age or older.

### Conclusion

Age as a factor is present to a major extent in all four improved subarea portions of the Project Area,

## 2. Dilapidation

Dilapidation refers to an advanced state of disrepair of buildings and improvements. This is reflected in the Webster's New Collegiate Dictionary, which defines "dilapidate," and "dilapidation" as follows:

- Dilapidate, "...to become or cause to become partially ruined and in need for repairs, as through neglect."
- Dilapidated, "...falling to pieces or into disrepair; broken down; shabby and neglected."
- Dilapidation, "...a dilapidating or becoming dilapidated; a dilapidated condition."

The condition of all buildings was determined based on findings of an exterior survey of each building within the Project Area, as described earlier in this Eligibility Study.

Of the 75 buildings none was found to be in a substandard (dilapidated) condition.

### Conclusion

The results of the analysis indicate that the factor of dilapidation is not present.

## 3. Obsolescence

Webster's New Collegiate Dictionary defines "obsolescence" as "being out of use; obsolete." "Obsolete" is further defined as "no longer in use; disused" or "of a type or fashion no longer current." These definitions are helpful in describing the general obsolescence of buildings or site improvements in a proposed redevelopment project area. In making findings with respect to buildings, it is important to distinguish between functional obsolescence, which relates to the

physical utility of a structure, and economic obsolescence, which relates to a property's ability to compete in the market place.

- Functional Obsolescence

Structures historically have been built for specific uses or purposes. The design, location, height and space arrangement are intended for a specific occupancy at a given time. Buildings become obsolescent when they contain characteristics or deficiencies which limit the use and marketability of such buildings. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, improper orientation of building on site, etc., which detracts from the overall usefulness or desirability of a property.

- Economic Obsolescence.

Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings which contain vacant space are characterized by problem conditions which may not be economically curable, resulting in net rental losses and/or depreciation in market value.

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, etc., may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of this obsolescence may include inadequate utility capacities, outdated designs, etc.

Obsolescence, as a factor, should be based upon the documented presence and reasonable distribution of buildings and site improvements evidencing such obsolescence. The following factors of obsolescence are found to be present.

### Obsolete Building Types

Obsolete buildings contain characteristics or deficiencies that limit their long-term sound use or re-use. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse effect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

Obsolescence is present in 18 of the 75 buildings or 24 percent of all buildings. These include small buildings; long and narrow storage buildings of limited construction, design, or utility (such as butler buildings); and single-purpose buildings such as gas stations converted to accommodate other commercial activity. Obsolete building also include residential buildings converted to accommodate commercial uses.

## Obsolete Platting

Obsolete platting is present throughout the entire area, characterized by large, irregularly shaped parcels with limited interior access and small narrow parcels (along Lake Street and Devon Avenue) with limited width and depth. Blocks with obsolete platting lack proper provisions for building set back, off-street parking, loading and storage and therefore limit potential for expansion of existing or future development.

## Conclusions

The results of the analysis indicate that obsolescence is present to a major extent in three subareas and to a limited extent in one subarea within the entire Project Area.

### **4. Deterioration**

Deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair.

- Deterioration may be evident in basically sound buildings containing minor defects, such as lack of paint, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.
- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as minor deficient or major deficient buildings, depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (*e.g.*, doors, windows, porches, gutters and downspouts, fascia materials, interior walls, ceilings, stairs etc.), and defects in primary building components (*e.g.*, foundations, frames, roofs, floors, lead bearing walls or building systems etc.), respectively.

Within the Project Area, deterioration is highlighted as follows:

### Deterioration of Buildings

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on Building Condition Analysis. Of the total 75 buildings, 43, or 57.3 percent, are classified as deteriorating. As noted in the following summary, building and structure deterioration exists in all subareas within the Project Area. Table 2. *Summary of Building Conditions*, summarizes the condition of all structures.

**Table 2, Summary of Building Conditions**

Sub Area	Total Structures	Sound	Minor Deficient	Major Deficient	Substandard /Dilapidated	Percent Deteriorated
<b>I-1</b>	6	4	2	-	-	33
<b>I-2</b>	30	13	15	2	-	57
<b>I-3</b>	38	15	19	4	-	60
<b>I-4</b>	1	-	1	-	-	100
<b>Total</b>	<b>77</b>	<b>32</b>	<b>37</b>	<b>6</b>	<b>-</b>	
<b>Percent</b>	100.0	36.4	53.2	10.4	-	55.8

Exterior Survey

The conditions of the buildings within the Project Area were determined based on observable components and the degree and distribution of minor and major defects. Of the total 75 buildings:

- 32 building were classified as structurally sound;
- 37 buildings were classified as minor deficient (deteriorating);
- 6 buildings were classified as major deficient (deteriorating); and
- 0 buildings were classified as substandard (deteriorated).

Deterioration of Parking and Site Surface Areas

Field surveys were conducted to identify the condition of parking and surface storage areas. The Hanover Square Shopping Center's parking surface is worn, contains deteriorated areas and potholes. Several parking areas along both Lake Street and Devon Avenue contain gravel and deteriorated sections. Throughout the industrial area west of Church Street, sites contain gravel or sandy surfaces around the perimeter of buildings and exhibit deteriorated parking surfaces with potholes and weed growth.

Deterioration of streets

A gravel roadway leading to the industrial area west of Church Street contains irregular surfaces, large potholes and lacks curbs and gutters.

Conclusion

Deterioration is present to a major extent in two subareas and to a limited extent in two subareas.

## **5. Illegal Use of Individual Structures**

Illegal use of individual structures refers to the presence of uses or activities which are not permitted by law.

A review of the Village's Zoning Ordinance indicates that while some of the commercial and residential uses do not comply with the zoning specified for the properties on which these are located, no evidence of illegal use has been documented as part of the exterior analysis of the Project Area.

### Conclusion

The results of the analysis indicate that the factor of illegal uses of individual structures is not found to be present throughout the Project Area.

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

Structures below minimum code standards include all structures that do not meet the standards of zoning, subdivision, building, housing, fire, property maintenance or other governmental codes applicable to the property. The principal purposes of such codes 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 are characterized by defects or deficiencies which threaten health and safety.

Of the 75 structures in the Project Area, 6 contain visible defects over major portions of the various components, including advanced defects below the current building and property maintenance code for existing buildings.

### Conclusion

The results of the analysis, based on exterior surveys, indicate that the factor of structures below minimum code standards is present to a limited extent in two of the four subareas.

## **7. Abandonment**

Webster's New Collegiate Dictionary defines Abandon as "to give up with the intent of never again claiming one's right or interest"; or "to give over or surrender completely; to desert."

### Conclusion

Based on the analysis of the properties within the Project Area, abandonment as a factor is not found to be present.

## **8. Excessive Vacancies**

Excessive vacancies refers to the presence of buildings which are unoccupied or unutilized and which represent an adverse influence on the area because of the frequency, or the duration of vacancies. Excessive vacancies include properties which evidence no apparent effort directed toward their occupancy or utilization. Excessive vacancies are highlighted as follows:

Vacancies are present throughout the Project Area. The Hanover Square strip center is over 50 percent vacant. An additional eight buildings, including commercial and residential structures, are vacant or contain vacant space within floor areas.

### Conclusion

The analysis indicates that excessive vacancies exist to a major extent in one subarea and to a limited extent in two subareas.

## **9. Overcrowding of Structures and Community Facilities**

Overcrowding of structures and community facilities refers to utilization of public or private buildings, facilities, or properties beyond their reasonable or legally permitted capacity. Overcrowding is frequently found in buildings originally designed for a specific use and later converted to accommodate a more intensive use of activities without adequate provision for minimum floor area requirements, privacy, ingress and egress, loading, services, and capacity of building systems, etc.

### Conclusion

While several residential buildings were converted to accommodate additional dwelling units, exterior surveys could not document the resulting conditions. Overcrowding of structures and community facilities has not been documented as part of the surveys and analyses undertaken within the Project Area.

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

Lack of ventilation, light, or sanitary facilities refer to substandard conditions that adversely affect the health and welfare of building occupants, *e.g.*, residents, employees, or visitors.

Typical requirements for ventilation, light, and sanitary facilities include:

- Adequate mechanical ventilation for air circulation in spaces/rooms without windows, *i.e.*, bathrooms, and dust, odor or smoke producing activity areas;
- Adequate natural light and ventilation by means of skylights or windows for interior rooms/spaces, and proper window sizes with operable sections to provide the required amounts of ventilation based on the ratios of room size to window areas; and

- Adequate sanitary facilities, i.e., garbage storage/enclosure, bathroom facilities, hot water, and kitchens.

### Conclusion

While several buildings indicated limited or a lack of windows on exterior walls, the exterior survey could not determine that a lack of ventilation, light or sanitary facilities was present to document the presence of this factor within the Project Area.

## **11. Inadequate Utilities**

Inadequate utilities refers to deficiencies in the capacity or condition of infrastructure which services a property or area, including but not limited to, storm drainage, water supply, sanitary sewers, gas and electricity lines.

New storm sewers, drains and structures are required and water supply and sanitary sewers would need to be upgraded and extended to accommodate any new development in the future for the vacant areas of the Project Area. Utilities are presumed to be sufficiently adequate in the built up portions of the Project Area.

### Conclusion

No conditions of inadequate utilities have been documented as part of the surveys and analysis undertaken within the Project Area.

## **12. Excessive Land Coverage**

Excessive land coverage refers to the over intensive use of property and the crowding of buildings and accessory facilities onto a site. Problem conditions include buildings either improperly situated on the parcel or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety. The resulting inadequate conditions include such factors as insufficient provision for natural light and air, and increased threat of spread of fires due to close proximity to nearby buildings, lack of adequate or proper access to a public right-of-way, lack of required off-street parking, and inadequate provision for loading, service and storage.

Excessive land coverage is present in one subarea. The large property along Lake Street contains multiple buildings, limiting space for parking, loading and service.

### Conclusion

The factor of excessive land coverage is present to a limited extent in one subarea.

### **13. Deleterious Land-Use or Layout**

Deleterious land-uses include all instances of incompatible land-use relationships, single-purpose buildings converted with possible additions to accommodate other activity, or occupied by inappropriate mixed-uses; or uses which may be considered noxious, offensive, or environmentally unsuitable.

Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of improper layout of buildings on parcels and in relation to other buildings.

#### Incompatible uses

An incompatible mix of residential and commercial properties front Lake Street, Devon Avenue and Ontarioville Road.

#### Improper layout of blocks, parcels and buildings

The entire area consists of blocks and parcels of varying size and shape and confusing layout, including large parcels with excessive depth and small parcels of limited width. Several blocks contain rear or interior parcels that are land locked and not accessible without going through adjacent properties. The Hanover Square block and strip center is excessive in length.

#### Conclusion

Deleterious land-use or layout is present to a major extent in two subareas and to a limited extent in two subareas.

### **14. Depreciation of Physical Maintenance**

Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of the buildings, parking areas and public improvements, including alleys, walks, and streets.

The presence of this factor within the Project Area includes:

- Buildings. Forty-eight buildings suffer from deterioration and deferred maintenance of windows, doors, downspouts and gutters, porches and steps, exterior walls, roofs, and fascias.
- Storage Yards, Premises and Fences. In addition to the deferred maintenance of buildings with deterioration, 8 properties contain poorly maintained gravel parking areas or areas with junk storage, weeds and debris. Large surface parking areas, including Hanover Square have worn asphalt pavement with deteriorated areas and weed growth.
- Streets. The street serving the industrial area west of Church Street, is poorly maintained, lacks provision for storm water drainage and contains an irregular gravel surface, narrow width, pot holes, weeds, and debris.

## Conclusion

The results of the survey and analyses of depreciation of physical maintenance of the Project Area indicates that this factor exists to a major extent in three subareas and to a limited extent in one sub area.

### **15. Lack of Community Planning**

The Project Area was developed without the benefit or guidance of overall community planning. The Project Area was developed under the authority of 4 separate townships with some portions developed before incorporation into the Village of Hanover Park. The Project Area developed on a parcel-by-parcel basis without development controls for industrial, commercial or residential uses at the time. Much of the existing pattern of streets and development was generated by the commercial and residential growth along the main roadways crossing through the Project Area long before any plans had been formulated.

The lack of building and site planning guidelines during the original development of the area has contributed to many of the problem conditions that characterize the Project Area.

The current building configuration, vacant land areas of various size and shape, incompatible uses, the lack of definable parking, loading and service areas, and the orientation among buildings and set backs are inconsistent with present-day standards for commercial, industrial or low density residential development.

## Conclusion

Lack of community planning as a factor is present to a major extent.

## IV. ELIGIBILITY CONCLUSIONS

Overall, the entire Project Area is characterized by irregularly sized and shaped parcels, several of which, located south of the rail line, have limited or no access to the interior. The area is also characterized by obsolete buildings, vacant and deteriorated buildings, and vacant space within buildings. Incompatible uses are present along the Lake Street and Devon Avenue and several properties exhibit unsightly outdoor storage areas. As a result, the Project Area as a whole qualifies as a combination of conservation areas and vacant blighted areas under the Act.

### IMPROVED AREA

The improved areas within the Project Area meet the requirements of the Act for designation as a Conservation Area. Of the total 75 buildings, 61, or 81.3 percent exceed 35 years in age. In addition to age, there is a reasonable presence and distribution of 8 of the 14 factors listed in the Act for improved areas of the Project Area. The distribution and summary of conservation factors for the Improved Areas are illustrated in Figure 4, *Distribution of Conservation and Blight Factors* and indicated in Table 3, *Distribution of Conservation Factors*. Conservation factors include:

1. Obsolescence
2. Deterioration
3. Structures below minimum code standards
4. Excessive vacancies
5. Excessive land coverage
6. Deleterious land-use or layout
7. Depreciation of physical maintenance
8. Lack of community planning

### VACANT AREA

The vacant areas within the Project Area meet the requirements of the Act for designation as a "vacant blighted area." The sound growth of the taxing districts is impaired by a reasonable presence and distribution of the following criteria:

Vacant Areas 1 and 2 exhibit three and four factors, respectively, of the five "vacant" blighted area factors set forth in the Act including:

- a) Obsolete platting of the vacant land.
- b) Diversity of ownership
- c) Flooding on all or part of such vacant land.
- d) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

The distribution and summary of conservation and blighting factors is indicated in Figure 4, *Distribution of Conservation and Blight Factors*.

The conclusion of the Eligibility Study is that the Project Area is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well being of the Village. The presence of conservation and blighting factors indicate that the Project Area has not been subject to sound growth and development through investment by private enterprise, and will not be developed without public action.

**Table 3. Distribution of Conservation Factors - Improved Area**

	SUBAREA			
	I-1	I-2	I-3	I-4
Age	●	●	●	●
Dilapidation				
Obsolescence	●	●	●	○
Deterioration	○	●	●	○
Illegal use of individual structures				
Structures below minimum code		○	○	
Abandonment				
Excessive vacancies	●	○	○	
Overcrowding of structures and community facilities				
Lack of ventilation, light and sanitary facilities				
Inadequate utilities				
Excessive land coverage		○		
Deleterious land-use or layout	○	●	●	○
Depreciation of physical maintenance	●	●	●	○
Lack of community planning	●	●	●	●

- Present to a limited extent
- Present to a major extent

