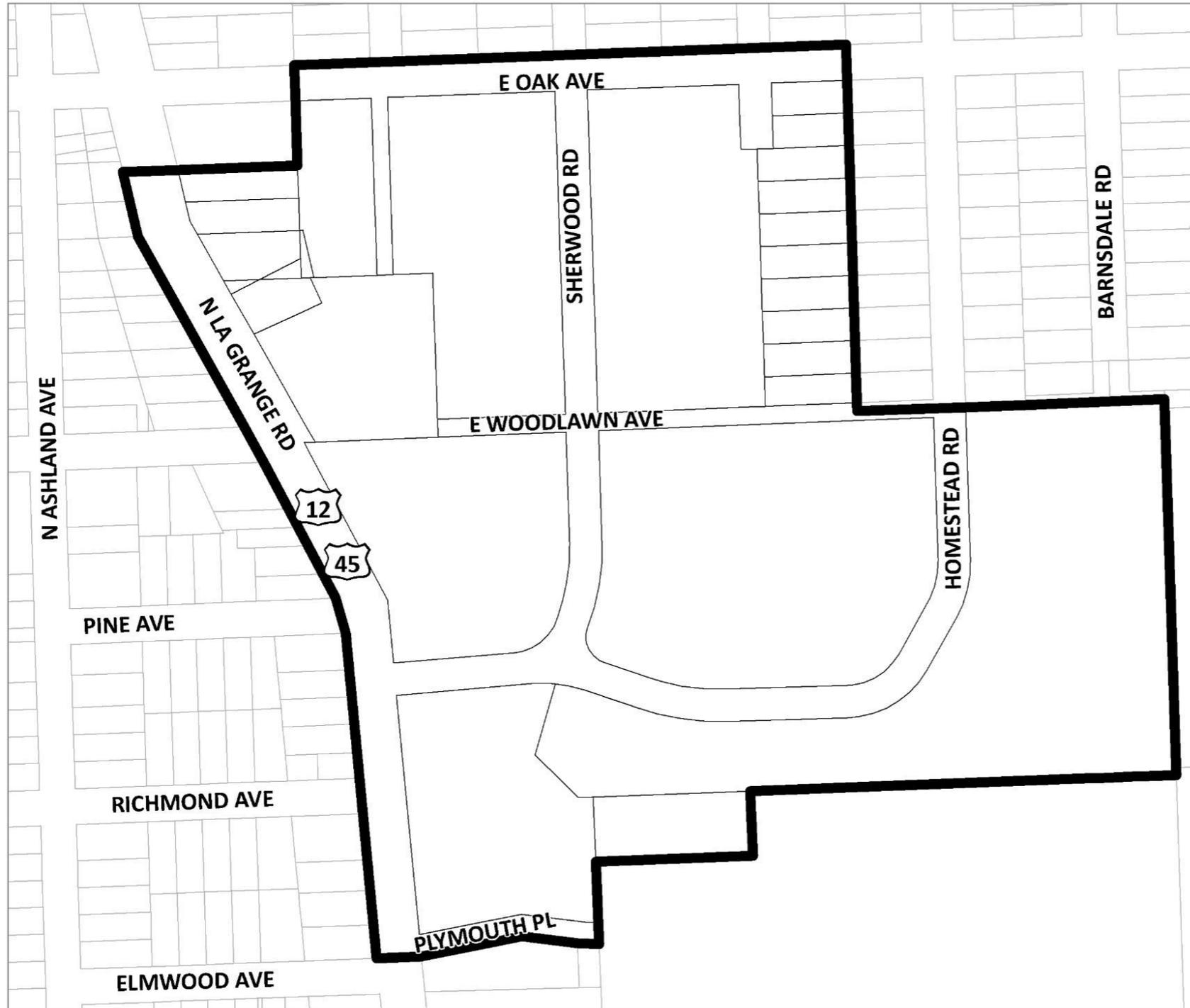


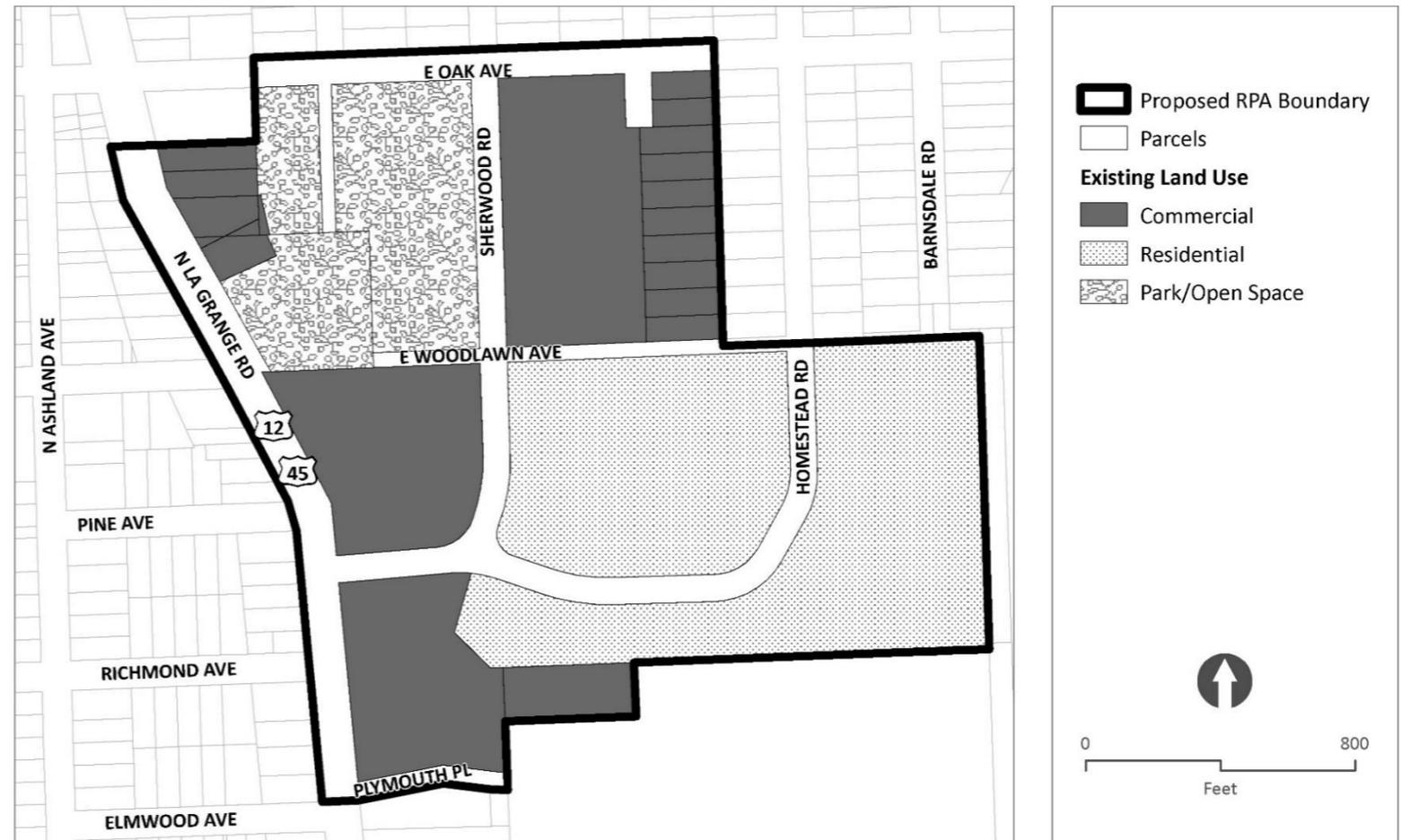


# Proposed Village Market RPA



# Proposed Village Market RPA

- Village Market commercial corridor
- Improved land
- Approx. 46.9 total acres
  - ▶ 37.3 acres of improved land
  - ▶ 9.6 acres of right-of-way
- 26 buildings
- 26 PINs



# SB Friedman's Eligibility Methodology

- Conducted parcel-by-parcel fieldwork documenting external property conditions
- Reviewed Village and County data regarding age and condition of buildings, condition of public infrastructure and utilities, and equalized assessed value
- Reviewed building codes, stormwater regulations, and building permit and code violation records
- Interviewed Village staff and its engineering consultants regarding condition of existing infrastructure/utilities and code violations
- Compiled and mapped all factors and assessed the distribution of factors on a parcel-by-parcel basis
- Evaluated evidence of private investment prior to TIF district designation
- Reviewed current and prior Village comprehensive plans

# Eligibility Analysis: Factors for Improved Land

## Two Paths to Eligibility for “Improved” Land

### Blighted Area

- At least **five (5) of 13 possible factors** must be present to a meaningful extent and reasonably distributed

### Conservation Area

- At least **three (3) of 13 possible factors** must be present to a meaningful extent and reasonably distributed; **and**
- At least **50%** of buildings must be **35 years of age or older**

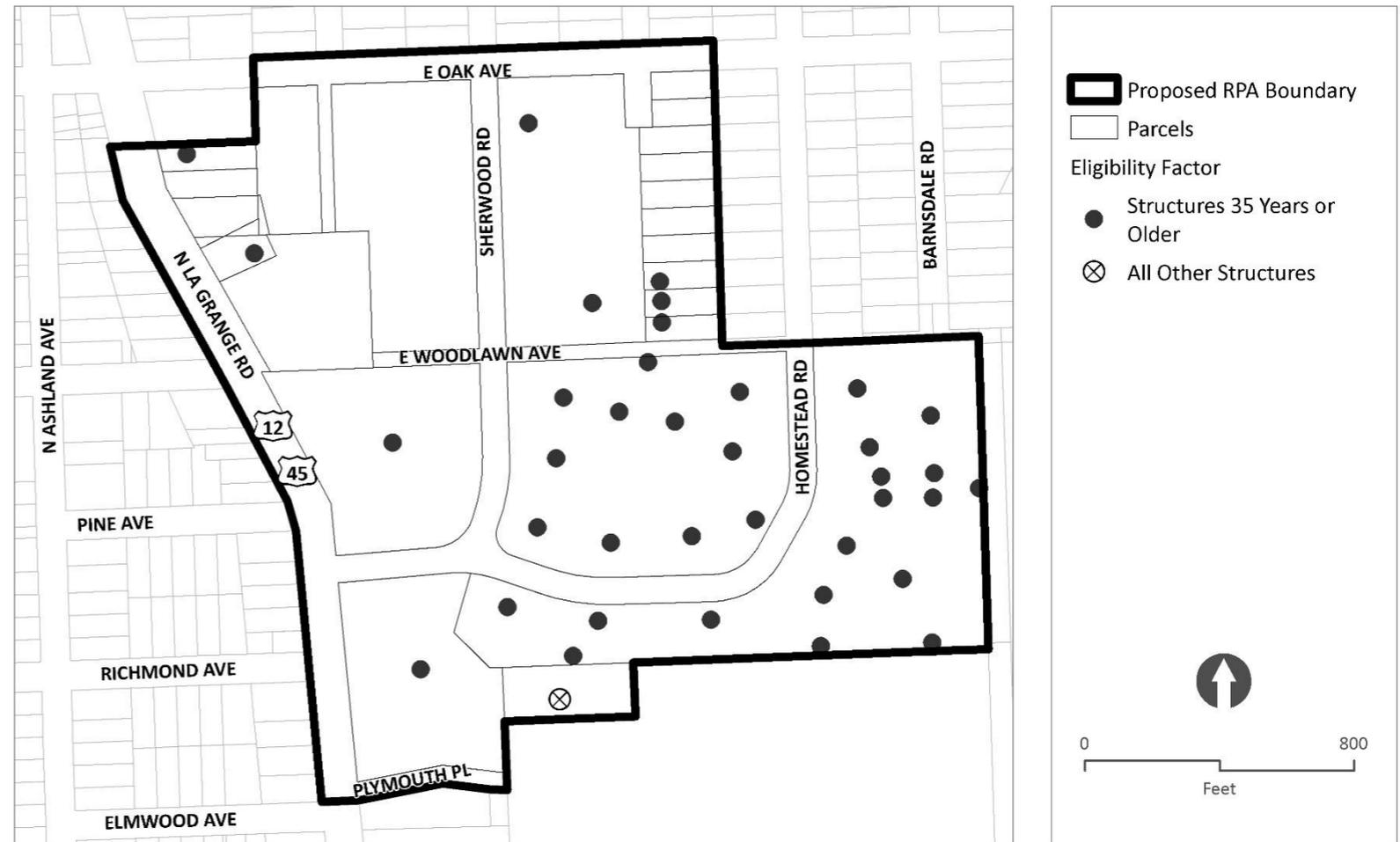
# Findings – Improved Land – Conservation Area

Qualifies as a “Conservation Area” based on the **age of buildings** and the following **four (4) eligibility factors**:

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

# Findings – Improved Land – Age

- 25 out of 26 buildings age 35 years of age or older, as of 2015 (96%)



# Findings – Improved Land – Lack of Growth in EAV

## Percent Change in Annual Equalized Assessed Value for Improved Parcels (EAV)

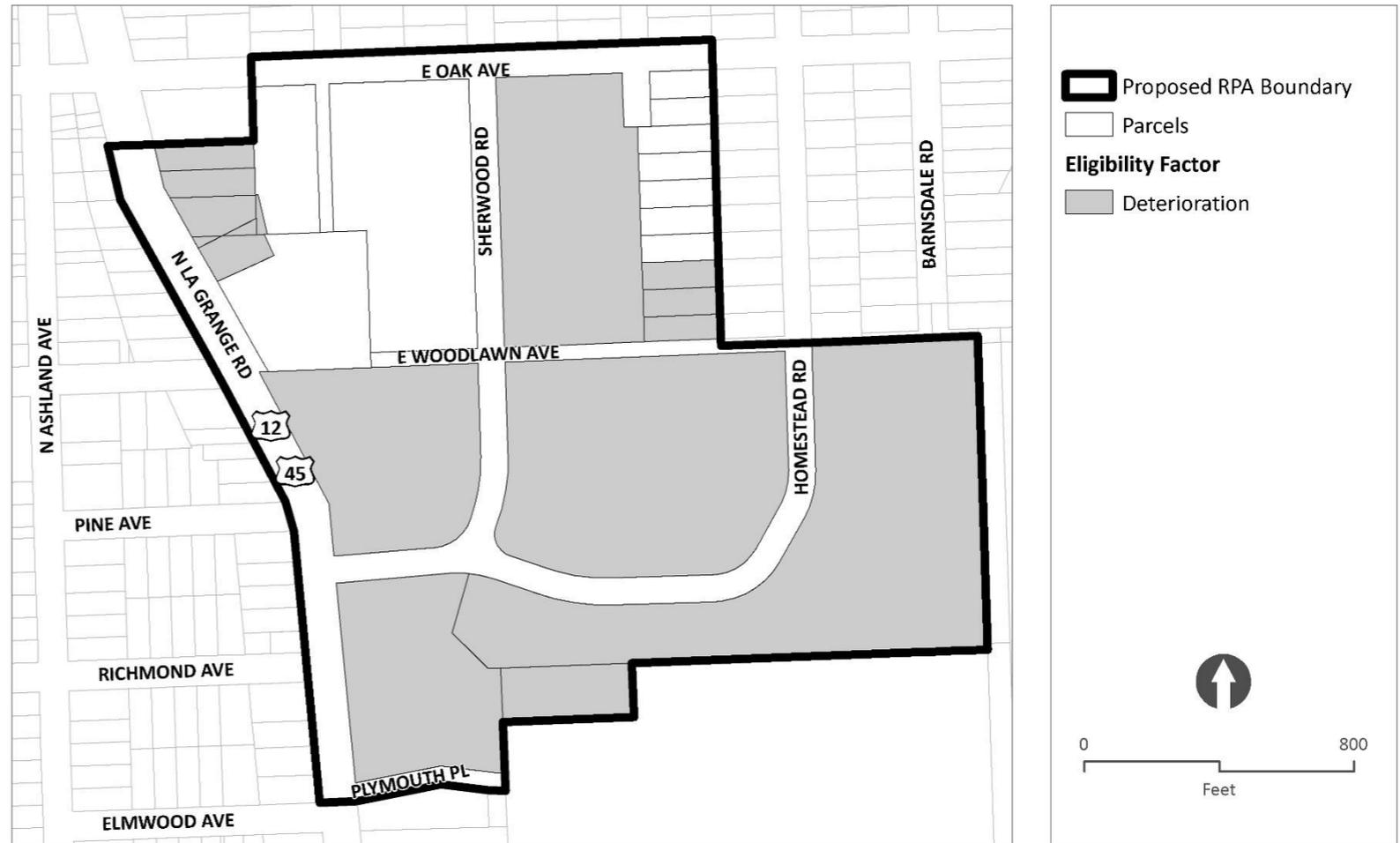
	Year-to-Year Period				
	2010 to 2011	2011 to 2012	2012 to 2013	2013 to 2014	2014 to 2015
RPA Parcels	-11.7%	-4.8%	-6.7%	0.2%	-4.2%
<b>Decline in EAV</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NO</b>	<b>YES</b>
Village EAV less RPA Parcels	-23.3%	-6.3%	-5.8%	0.6%	0.0%
<b>RPA Parcels Growth Less than Village</b>	<b>NO</b>	<b>NO</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>
Consumer Price Index (CPI) [1]	2.7%	1.5%	1.1%	1.7%	-0.3%
<b>RPA Parcels Growth Less than CPI</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

Source: Bureau of Labor Statistics, CPI: Midwest Size Class D, All Consumer Items; Cook County Assessor; *SB Friedman*

- Area-wide factor; considered to be present to a meaningful extent for the entire RPA

# Findings – Improved Land – Deterioration

- **16 out of 26 parcels (62%)**
- Surface deterioration
  - ▶ Cracks, depressions, potholes, alligating and protruding weeds
- Building deterioration
  - ▶ Stair-stepping in brick, broken downspouts, and crumbling foundation
- Meaningfully present and reasonably distributed throughout the RPA





**Public deterioration:**  
Alligatoring in roadway,  
potholes, cracked surface



**Private deterioration:**  
Stair-stepping in brick,  
broken downspouts,  
crumbling foundation

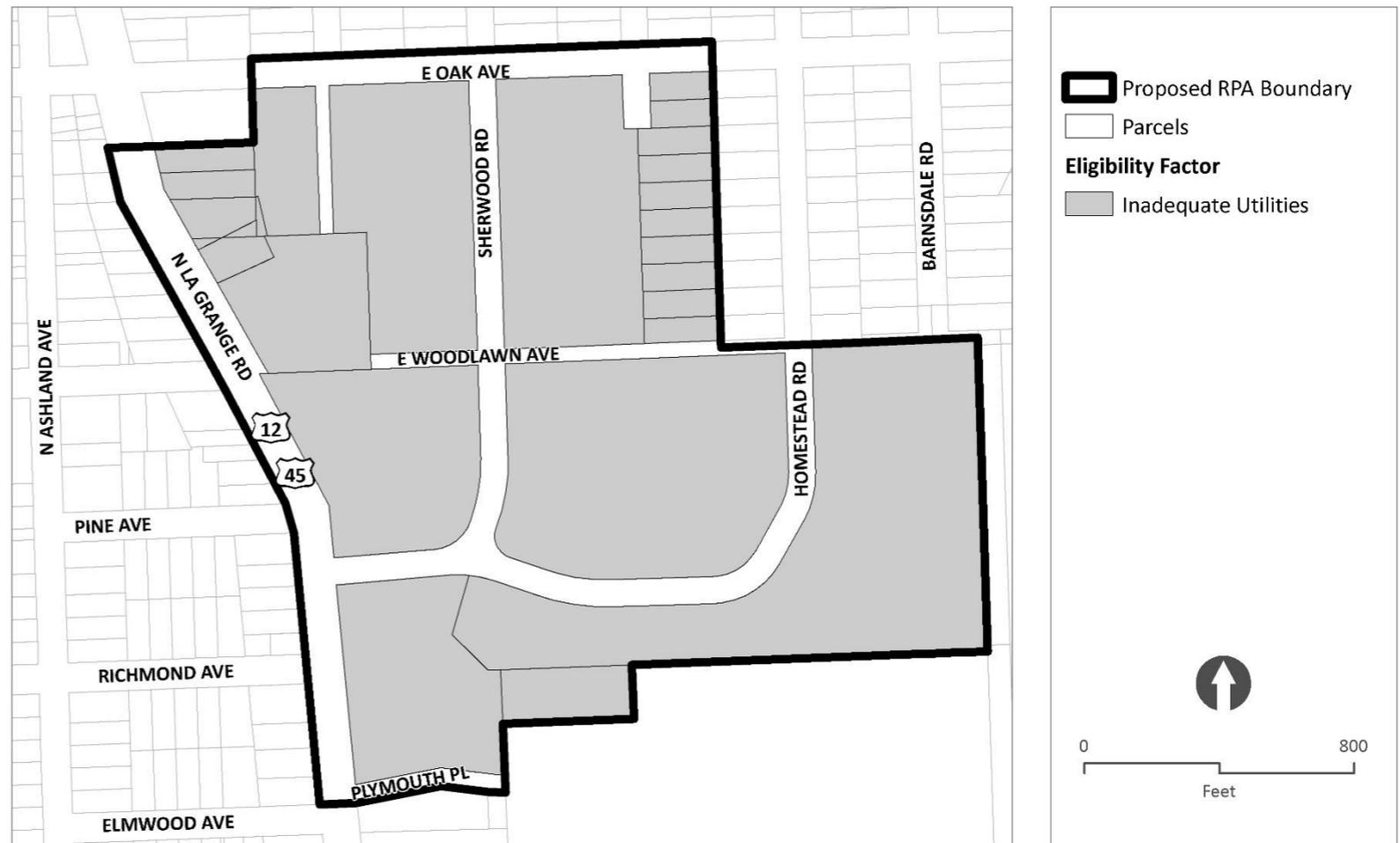
# Findings – Improved Land – Presence of Structures below Minimum Code Standards

- All structures constructed prior to adoption of current building codes
  - ▶ Adopted in 1995 and amended in 2001, 2003, 2004 and 2013
- **26 of 26 structures (100%)** do not meet current codes; **11 of 26 parcels (42%)**
- Meaningfully present and reasonably distributed throughout the RPA



# Findings – Improved Land – Inadequate Utilities

- **26 of 26 (100%) parcels**
- Inadequate utilities include:
  - ▶ Inadequate size of storm sewer main
  - ▶ Lack of stormwater management facilities on many parcels
- Based on:
  - ▶ Village Combined Sewer Overflows Operational and Maintenance Plan (August 2009)
  - ▶ Discussions with Village staff and consultants
- Meaningfully present and reasonably distributed throughout the RPA



# Required Findings and Tests

- Lack of Growth and Private Investment
  - ▶ Declining EAV
  - ▶ Limited building permit activity
  - ▶ Substantial new development recently constructed, proposed, and/or under construction in nearby communities
    - Retail: 18,000 sf proposed in downtown La Grange
    - Residential:
      - 254 units of rental residential under construction just south of Village Market
      - 23 for-sale condominium units proposed in downtown La Grange
      - Potential Pathway Senior Living development in Gordon Park
    - Industrial: 400,000+ sf developed in Brookfield since 2010

**Retail Market Statistics** <sup>[1]</sup>

	Total SF	Change in SF 2010-Present	Percent Occupied	Net Absorption 2010-Present	Proposed SF
La Grange Park	139,000	0	90.5%	1,452	0
La Grange	1,152,000	0	98.0%	9,351	24,235
Brookfield	403,000	-13,023	97.3%	-129	0
Western Springs	278,000	0	90.2%	4,221	0

[1] As of February 12, 2016  
Source: CoStar

**Industrial Market Statistics** <sup>[2]</sup>

	Total SF	Change in SF 2010-Present	Percent Occupied	Net Absorption 2010-Present
La Grange Park	460,000	-59,075	65.9%	-126,799
La Grange	514,000	0	94.0%	-30,100
Brookfield	846,000	472,035	98.6%	480,180
Western Springs	8,000	-1,461	15.5%	0

[2] As of February 12, 2016  
Source: CoStar

# Required Findings and Tests

- But for...
  - ▶ ***But for*** the creation of a TIF district, critical resources would be lacking that would otherwise support the redevelopment of the TIF district, and the TIF district would not reasonably be anticipated to be developed
- RPA includes only the contiguous real property that is expected to substantially benefit from the TIF district
- Conformance to City Plans
  - ▶ Conforms with the Village of La Grange Park 2006 Comprehensive Strategic Plan

# Major Redevelopment Objectives of the RPA

- Facilitate the physical improvement and/or rehabilitation of existing structures and façades within the RPA;
- Facilitate and encourage development of vacant properties within the RPA, including assembly, site preparation, including environmental clean-up where necessary, and marketing of available sites, as allowed by the Act;
- Replacement, repair, construction, and/or improvement of public infrastructure (utilities, sidewalks, streets, curbs, underground water and sanitary systems, and storm water);
- Streetscaping, landscaping and signage to improve image, attractiveness and accessibility;
- Support the goals and objectives of other overlapping plans:
  - ▶ Including the Village of La Grange Park Comprehensive Strategic Plan published in 2006; and
- Coordinate available federal, state and local resources to further the goals of this Redevelopment Plan and Project.

# Proposed Budget

Project/Improvement	Estimated Project Costs
Administration and Professional Service Costs	\$500,000
Costs of Studies, Surveys, Plans, etc. as Authorized in the Act	\$250,000
Site Marketing Costs	\$200,000
Property Assembly Costs (including acquisition and site preparation)	\$1,000,000
Costs of Building Rehabilitation	\$3,000,000
Costs of Construction of Public Works or Improvements	\$12,500,000
Costs of Job Training or Retraining (Businesses)	\$50,000
Financing Costs	\$100,000
Taxing District Capital Costs [1]	\$50,000
Relocation Costs	\$100,000
Payments in Lieu of Taxes	\$100,000
Costs of Job Training (Community College)	\$50,000
Interest Costs (Developer or Property Owner)	\$500,000
<b>TOTAL REDEVELOPMENT PROJECT COSTS [2] [3] [4]</b>	<b>\$18,400,000</b>

[1] This category may include paying for or reimbursing capital costs of taxing districts impacted by the redevelopment of the RPA. As permitted by the Act, to the extent the Village by written agreement accepts and approves the same, the Village may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of this Redevelopment Plan.

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

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

[4] All costs are in 2016 dollars and may be increased by 5% after adjusting for annual inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers in U.S. Cities, published by the U.S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan and Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

# Future Land Use Map



 Proposed RPA Boundary

 Parcels

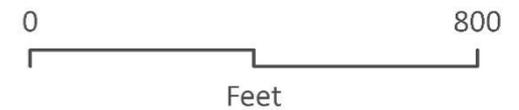
**Proposed Future Land Use**

 Park/Open Space

 Mixed-Use

The mixed-use designation allows for the following land uses within the RPA:

- Commercial
- Residential
- Institutional (including Public Facilities)
- Community Facilities
- Park/Open Space
- Right-of-Way



# Discussion

