

Village Board Agenda Memo

Date: April 12, 2016
To: Village President & Board of Trustees
From: Emily Rodman, Assistant Village Manager 
Julia Cedillo, Village Manager 
RE: Tax Increment Financing Feasibility Study Findings – Discussion

PURPOSE

To discuss the findings of the TIF Feasibility Study and provide staff direction on how the Village Board would like to proceed with implementation of TIF Districts and/or Business Districts.

GENERAL BACKGROUND

In February 2015, the Village Board held a strategic planning session on Tax Increment Financing districts (TIF's) and business districts. In November 2015, the Board commissioned S.B. Friedman Development Advisors to conduct a TIF Feasibility Study evaluating all commercial and industrial areas within the Village. The findings from the study were presented at the March 8, 2016 Village Board Workshop (presentation is attached). The findings revealed that all of the evaluated areas could potentially qualify for TIF and/or business districts and that a significant amount of revenue could be generated from some of these areas to support their redevelopment.

TIF DISTRICTS VS. BUSINESS DISTRICTS

As previously discussed the revenue generated from a TIF district is derived from property tax. When a TIF district is implemented, a base year is established and as the assessed value of the property increases, the incremental increase in revenue that results is "captured" by the TIF and may then be used to reinvest within the district. If the Village were to put TIF districts in place in 2016, the base year for those districts would be 2015 and the first revenues would be collected in 2017 (for 2016 tax year).

Business districts allow a municipality to increase the sales tax rate collected from businesses within the district boundaries by quarter increments up to 1%. The revenues derived from the 1% may then be reinvested within the district. This type of sales tax increase is typically seen as more favorable by businesses than a general non-home rule sales tax increase (requiring a referendum) because the revenues must be reinvested within the district (rather than be directed to the Village's General Fund).

For a summary table and comparison of how revenues generated under each type of district may be expended, please see the attached table prepared by S.B. Friedman.

S.B. FRIEDMAN RECOMMENDATION

S.B. Friedman recommended the Village proceed with implementation of TIF districts for the Village Market and the combined 31st Street Central/Barnsdale Corridor area, and also create business districts encompassing each of these areas. Their recommendation was based on the potential revenue to be generated from the areas combined with both the short-term and long-term redevelopment opportunities they identified.

Village Market	Est. TIF Revenue	Est. Business District Revenue (@1%)
31st St. Central/Barnsdale	\$10-\$12 Million	\$1.6-\$1.85 Million
	\$8.2 Million	\$1.85 Million

The 31st Street East area demonstrates the lowest long term revenue potential of all five areas evaluated. S.B. Friedman did not identify any short or long term development opportunities in the area due to existing uses, future constraints on use (e.g. Betty Scheck Center) and also the size and configuration of the lots. As a result, they are not recommending proceeding with a TIF or Business District at this point in time.

	Est. TIF Revenue	Est. Business District Revenue (@1%)
31st St. East	\$1.1 Million	\$570,000

The 31st Street West area demonstrates some significant long-term revenue potential and S.B. Friedman also identified two potential long-term redevelopment opportunities (Jiffy Lube and the dry cleaner). While S.B. Friedman is not recommending implementing a TIF in this area, the Village Board may want to consider it in the future as this corner has high visibility and does serve a “gateway” to the Village.

	Est. TIF Revenue	Est. Business District Revenue (@1%)
31st St. West	\$1.65 Million	\$1.2 Million

STAFF RECOMMENDATION – TIF DISTRICTS

Generally, staff concurs with the findings of S.B. Friedman and their recommendations. However, staff believes it would be in the Village’s best interest to expand the boundary of one of the proposed TIF districts. Staff’s recommendation related to S.B. Friedman’s findings on TIF districts is detailed below, by geographical area.

Village Market

Staff concurs with S.B. Friedman’s findings and recommends proceeding with implementation of a TIF district this fiscal year. Due to the manner in which property is assessed by Cook County, the declining property values experienced over the last few years are cycling out and property values are anticipated to rise. This makes it an opportune time to put a TIF district in place and staff does not see a benefit to delaying implementation.

31st Street Central/Barnsdale Corridor

Staff concurs with S.B. Friedman's findings but would recommend that the Village expand the boundary of the proposed TIF district to include the apartments along the west side of Barnsdale Road. (The boundary as currently proposed only includes Barnsdale Road and does not take in the property to the west). The existing uses along Barnsdale include the IHB railroad, the Park District Recreational Facility and several light industrial and warehousing facilities. There is currently no buffer between these existing high intensity uses and the adjacent low intensity residential use to the west. Including these multi-family properties in the TIF would provide the potential to use future TIF revenue to improve the buffering of these incompatible uses. S.B. Friedman has taken a very preliminary look at the area and believes it may qualify as a Conservation Area under the TIF Statute. The formal evaluation needed to qualify the area could be conducted as part of the implementation phase for the overall TIF.

During their evaluation, S.B. Friedman also discovered that the portion of the IHB railroad that is adjacent to the former Praxair parcel and a portion of the Cook County Sheriff's Facility are not within the Village's municipal boundaries. As a result, the Village cannot include the former Praxair property in the 31st Street/Barnsdale Corridor TIF without first annexing the IHB railroad parcel. The IHB has indicated they are amenable to the Village annexing the property. Should the Village Board decide to proceed with a TIF in this area, the Village would incur additional costs related to preparing a plat of annexation for property.

For the same reasons as noted for the Village Market above, staff recommends proceeding with implementation of a TIF district this fiscal year.

31st Street East

Staff concurs with S.B. Friedman's findings and does not recommend implementing a TIF district in this area at this time.

31st Street West

Staff concurs with S.B. Friedman's findings and does not recommend implementing a TIF district in this area at this time. However, due to the potential revenue to be generated and the potential redevelopment opportunities within the district as well as its high level of visibility as a "gateway," staff recommends the Village continue to consider this area for a TIF in the future.

STAFF RECOMMENDATION – BUSINESS DISTRICTS

S.B. Friedman has recommended the Village implement business districts in the two areas that are also recommended for TIF districts. Staff recommends expanding the use of business districts to include all geographical areas evaluated. Since the implementation of a business district increases the sales tax rate within that district, staff believes it would be more equitable if all commercial and industrial businesses were subject to the same sales tax rate. Additionally, this provides the opportunity for all business to potentially benefit from the revenue derived

from the business district, preventing the perception that the Village is somehow “favoring” certain areas and excluding others.

IMPLEMENTATION COSTS

At the request of staff, S.B. Friedman prepared costs estimates related to the implementation of TIF and business districts under different scenarios. Should the Village proceed with implementation of multiple TIF districts and/or multiple business districts concurrently, there are some cost savings to be realized. In addition to S.B. Friedman’s fees, there are other incidental costs associated with TIF/business district implementation, including attorney’s fees, boundary legal fees, court reporter fees, fees for legal notice publications and mailings and potentially fees associated with conducting a housing study (Village Market). All costs incurred in implementing a TIF and/or business district may be reimbursed to the Village from the future revenues generated by the respective district. Below is a summary of the estimated costs. Again, these costs may change depending on how districts are implemented, as there are potential cost savings by implementing multiple districts at once.

TABLE 1: TIF Implementation Costs

	S.B. Friedman Fees	Attorney's Fees	Boundary Legal Fee	Misc. Fees*	TOTAL
Village Market	\$21,950	\$5,000	\$3,000	\$2,000	\$31,950
31st St./Barnsdale**	\$24,535	\$5,000	\$3,000	\$5,000	\$37,535
				Total	\$69,485

**Includes legal fee publication, court reporter, legal notice mailing, plat of annexation for IHB railroad, etc.*

***Savings of \$2,585 if boundary of 31st/Barnsdale TIF is not expanded*

TABLE 2: Business District Implementation Costs

	S.B. Friedman Fees	Attorney's Fees	Boundary Legal Fee	Misc. Fees*	TOTAL
Village Market	\$15,860	\$3,000	**	\$1,000	\$19,860
31st St./Barnsdale	\$15,860	\$3,000	**	\$1,000	\$19,860
31st St. East	\$15,330	\$3,000	\$2,000	\$1,000	\$21,330
31st St. West	\$15,330	\$3,000	\$2,000	\$1,000	\$21,330
				Total	\$82,380
				<i>Less Savings if done simultaneously</i>	<i>-\$8,220</i>
					\$74,160

**Includes legal fee publication, court reporter, legal notice mailing, etc.*

***Boundary legal from TIF District could be used*

Staff has reviewed the implementation costs and the potential revenues to be generated by each district. Based on the projections provided by S.B. Friedman, each district would generate

enough review to cover the costs of implementation within its first year (both for the TIF and business districts).

IMPLEMENTATION TIMELINE

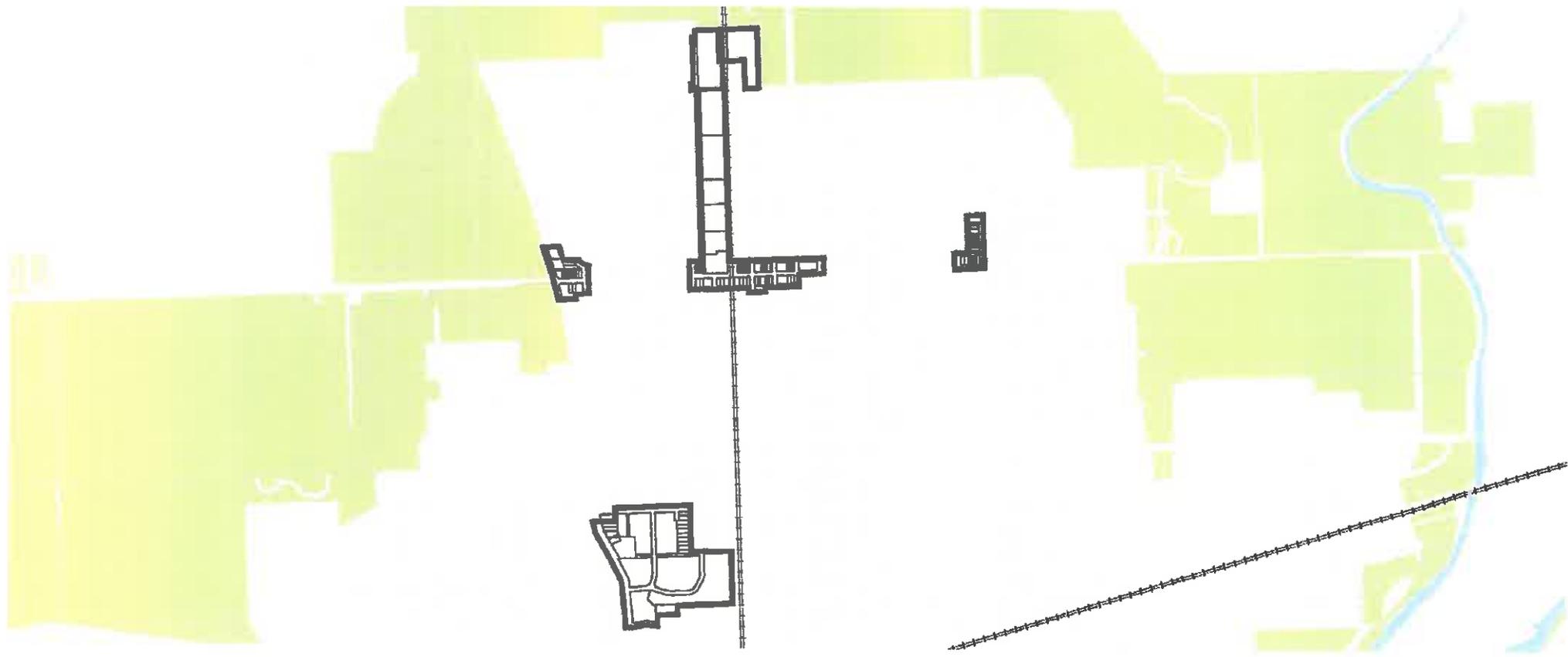
As explained above, staff recommends the Village proceed with implementation of TIF Districts for Village Market and the 31st/Barnsdale Corridor this year. Staff also recommends proceeding with implementation of business districts in all five areas evaluated. Due to timing and the staff work involved with implementation, staff recommends the Village proceed with TIF implementation first. This is anticipated to take approximately 3-4 months. Once in place, staff recommends the Village proceed with implementation of the business districts (this fall) which is also anticipated to take 3-4 months.

MOTION/ACTION REQUESTED

This item is for discussion only. If there is consensus by the Village Board, they may request staff prepare a formal motion for consideration at the April 26th Village Board Meeting regarding implementation of TIF and/or business districts. Alternatively, the Village Board may choose to continue the discussion to a future meeting.

DOCUMENTATION

- S.B. Friedman Presentation “TIF Eligibility Findings & Recommendations for Five Study Areas” – March 8, 2016
- TIF vs. Business District Eligible Expenditures Table



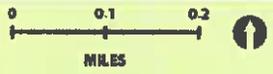
Village of La Grange Park TIF Eligibility Findings and Recommendations for Five Study Areas

March 08, 2016

Purpose of Engagement

- Analyze **eligibility** and **optimal boundaries** of five potential tax increment financing (TIF) districts
- Estimate **potential TIF revenue** generated by study area
- Estimate **potential Business District revenue** generated by study area
- **Identify high-level implementation steps** the Village can take to aid in revitalization

TIF Eligibility Analyses for Five Study Areas



**BARNSDALE
CORRIDOR**

31ST STREET (WEST)



W 31ST STREET

31ST STREET (CENTRAL)



E 31ST STREET

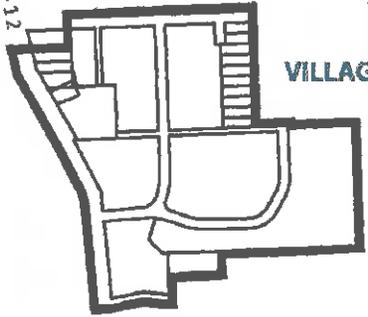
**31ST STREET (EAST) -
MAPLE AVENUE**



LA GRANGE ROAD

US-12

VILLAGE MARKET



Paths to TIF Eligibility

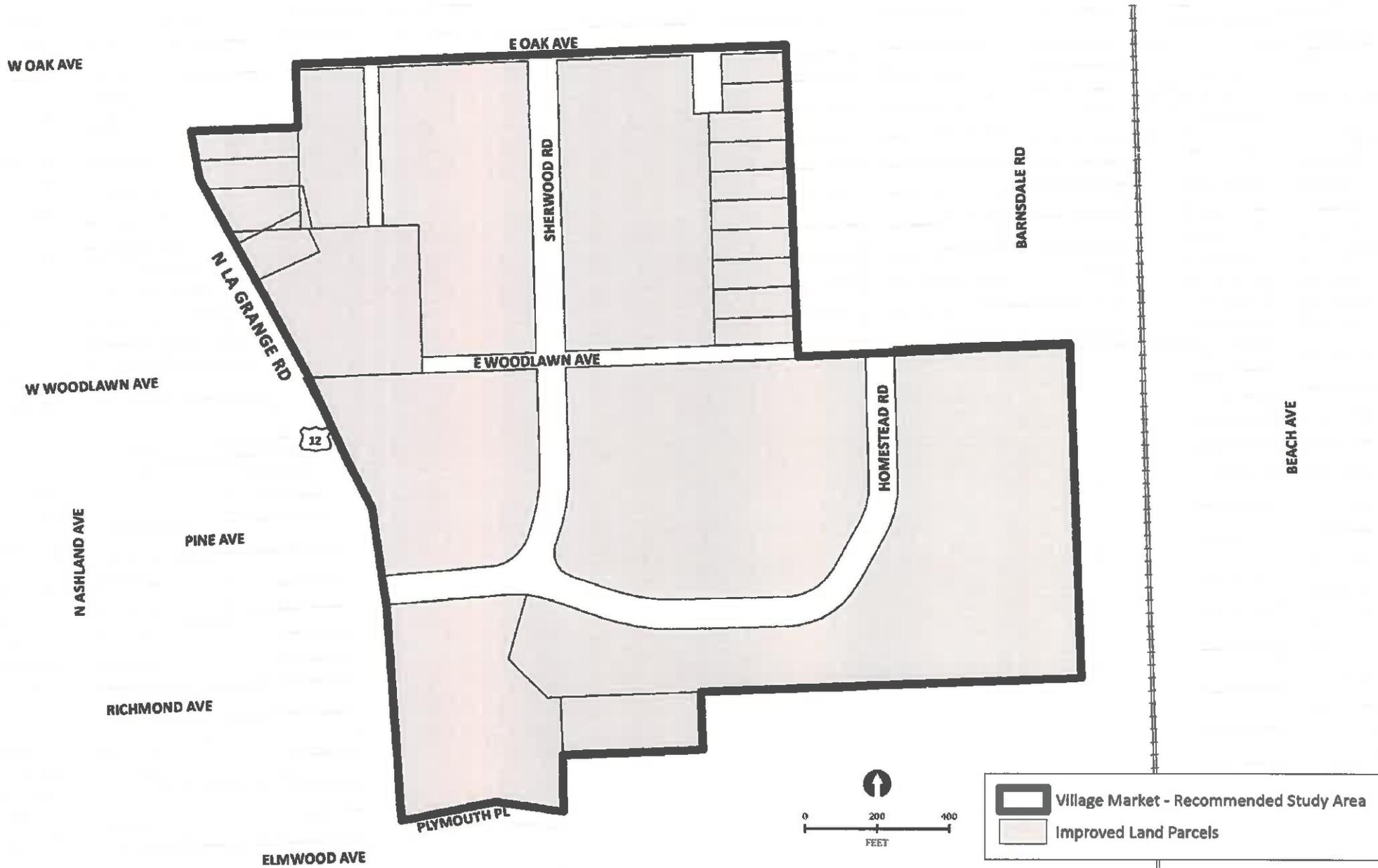
- **Improved Area**
 - ▶ Conservation Area
 - At least 50% of the primary structures in the district must be 35 years in age or older, and
 - Parcels must exhibit three (3) or more of thirteen (13) possible eligibility factors
 - ▶ Blighted Area
 - Parcels must exhibit five (5) or more of the same thirteen (13) eligibility factors
- **Vacant Blighted Area**
 - ▶ One-Factor Approach
 - Parcels must exhibit at least one (1) of six (6) eligibility criteria for vacant land
 - ▶ Two-Factor Approach
 - Parcels must exhibit at least two (2) of six (6) eligibility factors under a separate set of criteria
- All factors must be found “present to a meaningful extent” and “reasonably distributed” throughout area

TIF Eligibility Methodology

- Review and revise boundaries for analysis
- Collect necessary data
 - ▶ Parcel-by-parcel **fieldwork** documenting external property conditions
 - ▶ **Historic trends in equalized assessed value (EAV)** for the last six years (five year-to-year periods) from the Cook County Assessor's Office (CCAO)
 - ▶ **Prior plans, studies and other background information** provided by the Village
 - ▶ **Building age data** from CCAO and Village records of year built
 - ▶ **Municipal records** for recent building permits and code violations
 - ▶ **Village and county codes** for stormwater, subdivision, building and fire
 - ▶ Village **utility data** regarding present service locations and conditions of water, storm and sanitary sewer infrastructure
 - ▶ **GIS parcel shapefile data** from Cook County
- Assess presence of parcel-level and area-wide factors

Study Area 1: Village Market

Improved Land



Study Area 1: Village Market

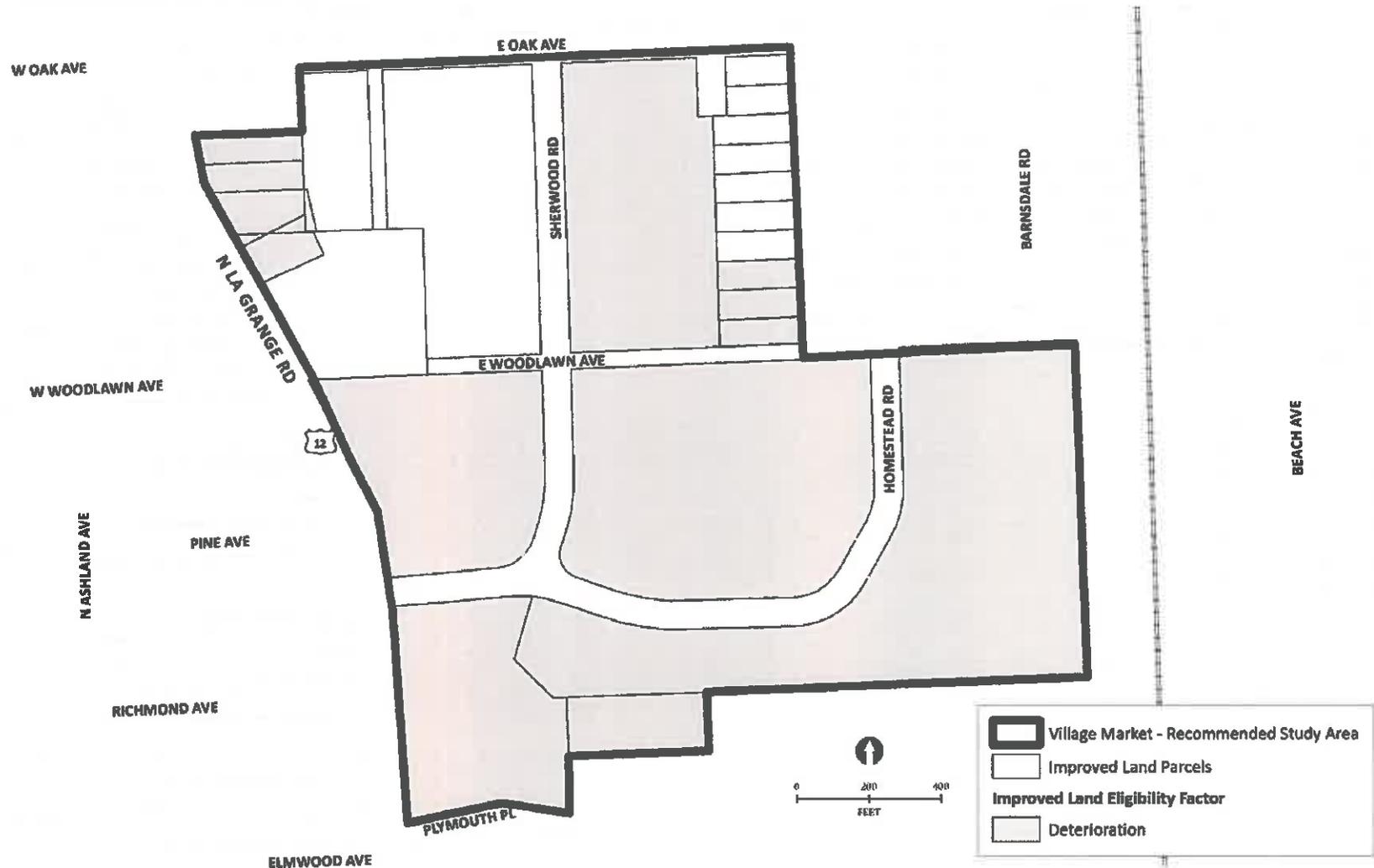
Initial TIF Eligibility Findings

- **Improved Land – Conservation Area:**
 - ▶ 96% of buildings are 35 years or older
 - ▶ Eligibility factors present to a meaningful extent and reasonably distributed
 - Deterioration
 - Lack of Growth in Equalized Assessed Value (EAV)
 - Inadequate Utilities
 - Presence of Structures Below Minimum Code

Study Area 1: Village Market

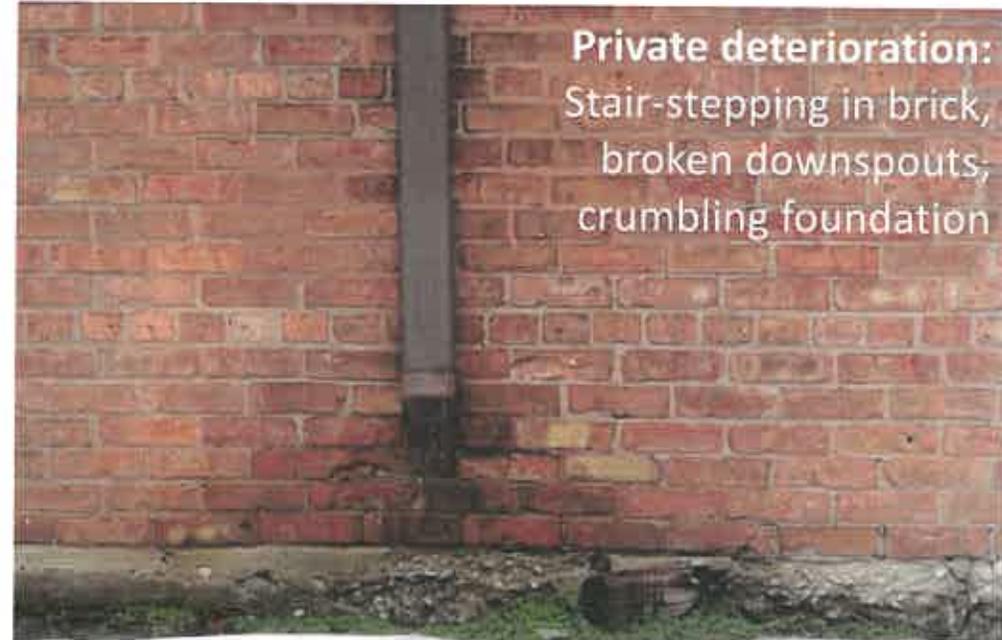
Improved Land Factor: Deterioration

- 16 of 26 (62%) of parcels have deterioration
- Deterioration of building structures, private improvements (parking lots), public infrastructure





Public deterioration:
Alligatoring in roadway,
potholes, cracked surface



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

Study Area 1: Village Market

Improved Land Factor: Lack of Growth in EAV

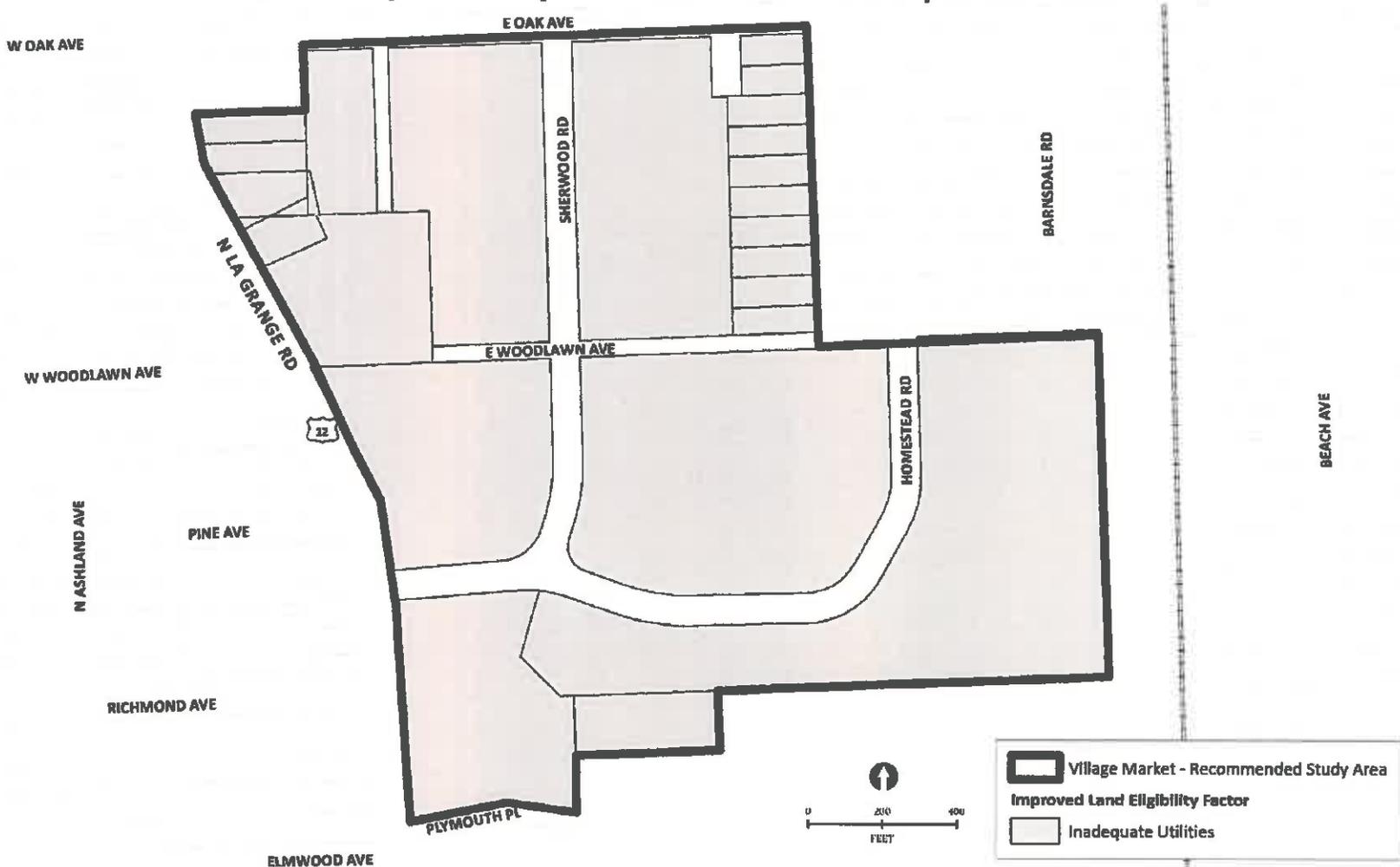
- EAV declined in 4 of 5 periods
- EAV increased less than the balance of the Village rate of change in 3 of 5 periods
- EAV increased less than CPI rate of change in 5 of 5 periods

	2009	2010	2011	2012	2013	2014
Improved EAV	\$21,040,697	\$18,802,172	\$16,610,469	\$15,805,847	\$14,742,843	\$14,773,979
Annual Change in EAV	n/a	-10.6%	-11.7%	-4.8%	-6.7%	0.2%
Decline in EAV	n/a	YES	YES	YES	YES	NO
Growth less than Village	n/a	YES	NO	NO	YES	YES
Growth Less than CPI	n/a	YES	YES	YES	YES	YES

Study Area 1: Village Market

Improved Land Factor: Inadequate Utilities

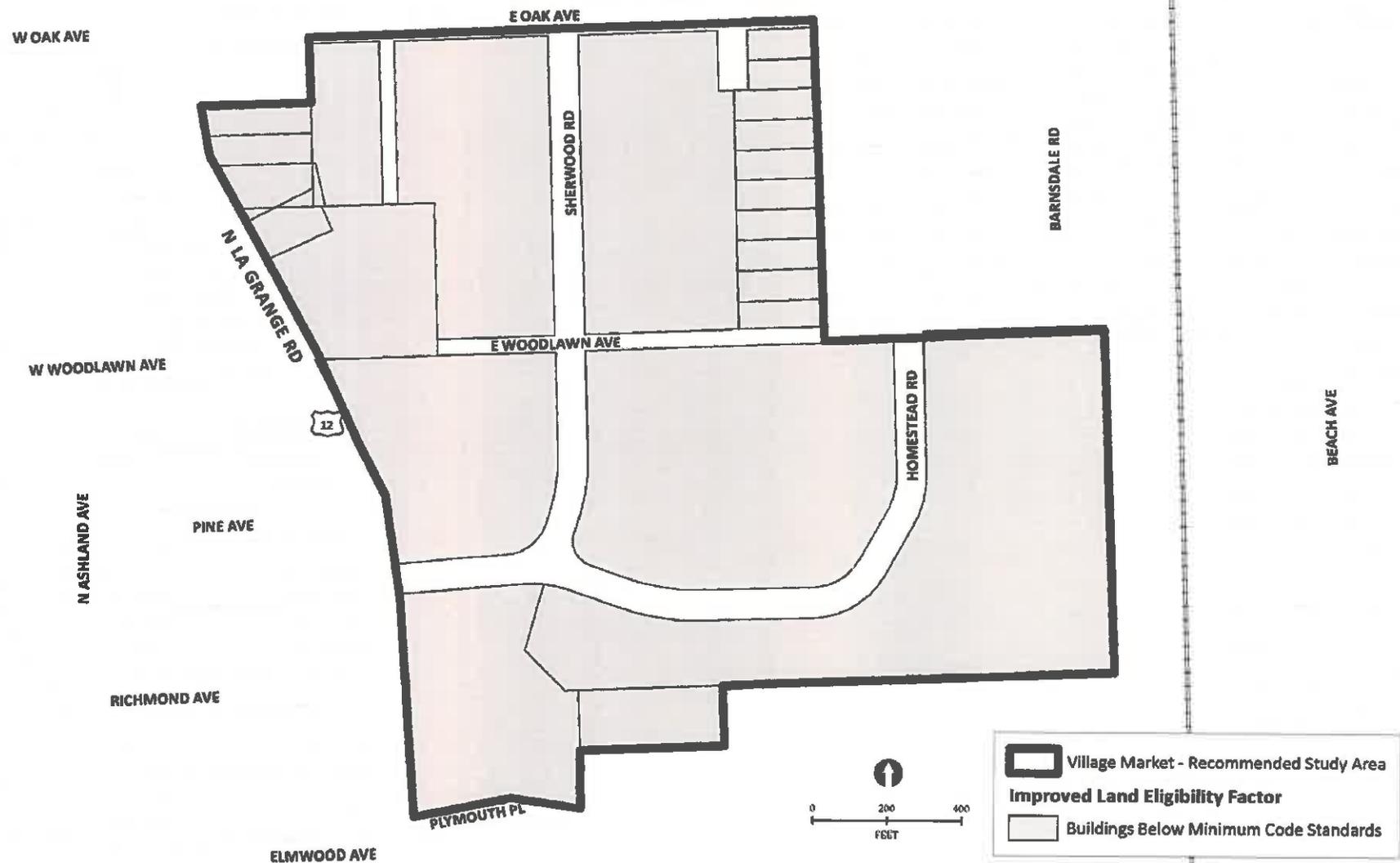
- Lack of stormwater management facilities
- Inadequate size of storm sewer main results in flooding
- 26 of 26 (100%) of improved parcels have inadequate utilities



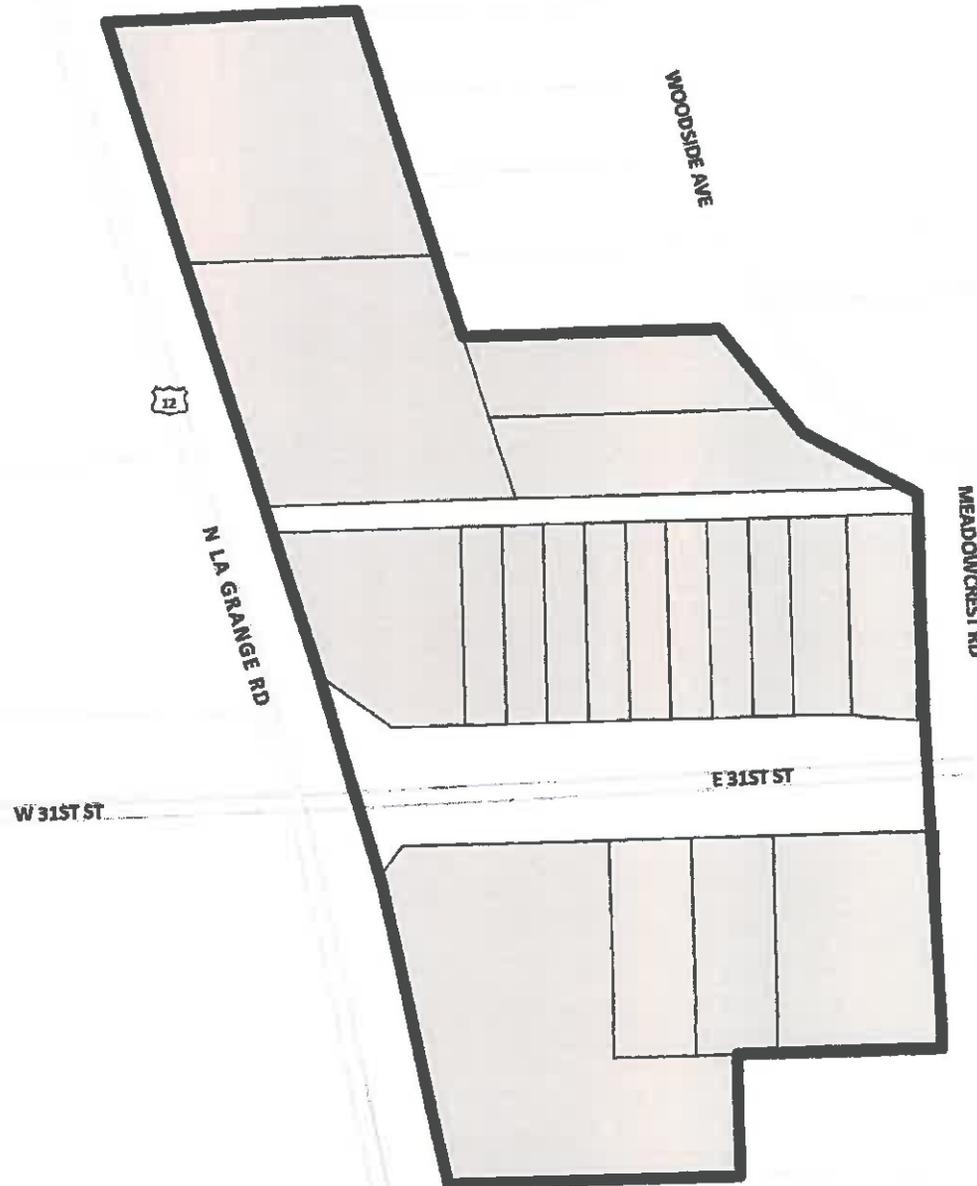
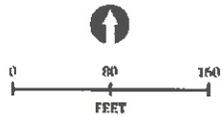
Study Area 1: Village Market

Improved Land Factor: Structures Below Minimum Code

- 26 of 26 (100%) of improved parcels do not meet all building and development codes



Study Area 2: 31st Street West Improved Land



Study Area 2: 31st Street West

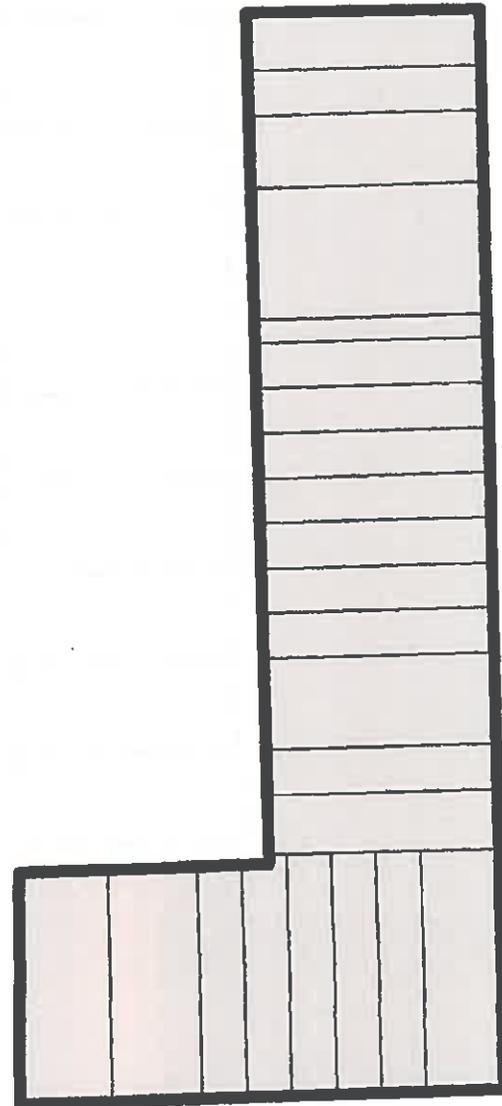
Initial TIF Eligibility Findings

- **Improved Land – Conservation Area:**
 - ▶ 67% of buildings are 35 years or older
 - ▶ Eligibility factors present to a meaningful extent and reasonably distributed
 - Inadequate Utilities
 - Lack of Growth in Equalized Assessed Value (EAV)
 - Decline in 4/5 periods
 - Less than balance of Village 3/5 periods
 - Less than CPI 5/5 periods
 - Presence of Structures Below Minimum Code
 - Deterioration

Study Area 3: 31st Street East – Maple Avenue Improved Land

30TH ST

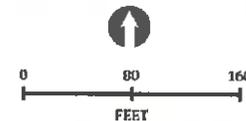
ALIMA TER



MAPLE AVE

ROACH AVE

31ST ST



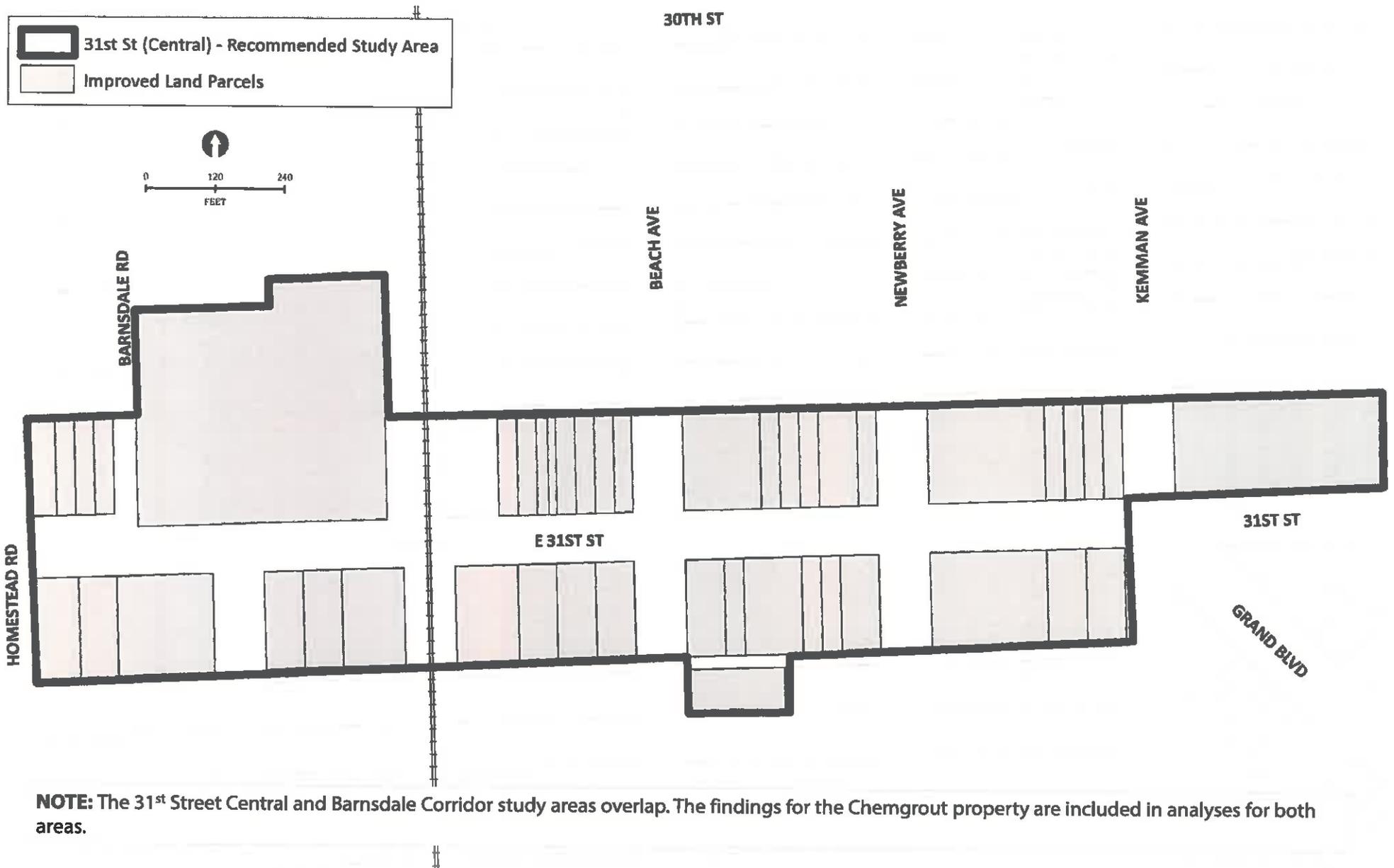
	31st St (East) - Maple Avenue Recommended Study Area
	Improved Land Parcels

Study Area 3: 31st Street East – Maple Avenue

Initial TIF Eligibility Findings

- **Improved Land – Conservation Area:**
 - ▶ 100% of buildings are 35 years or older
 - ▶ Eligibility factors present to a meaningful extent and reasonably distributed
 - Inadequate Utilities
 - Lack of Growth in Equalized Assessed Value (EAV)
 - Decline in EAV in 4/5 periods
 - Less than CPI rate of change in 4/5 periods
 - Presence of Structures Below Minimum Code
 - Excessive Land Coverage
 - *Minor: Deterioration*

Study Area 4: 31st Street Central Improved Land



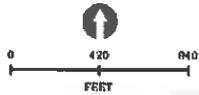
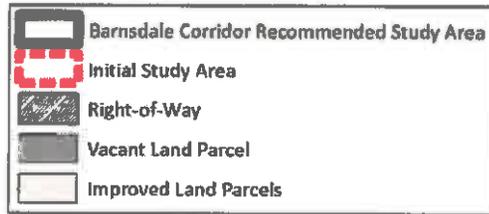
Study Area 4: 31st Street Central

Initial TIF Eligibility Findings

- **Improved Land – Conservation Area:**
 - ▶ 97% of buildings are 35 years or older
 - ▶ Eligibility factors present to a meaningful extent and reasonably distributed
 - Inadequate Utilities
 - Lack of Growth in Equalized Assessed Value (EAV)
 - Decline in 4/5 periods
 - Less than balance of Village in 3/5 periods
 - Less than CPI in 4/5 periods
 - Presence of Structures Below Minimum Code
 - Excessive Land Coverage
 - Deterioration

Study Area 5: Barnsdale Corridor

Improved Land and Vacant Land



12
N LA GRANGE RD

SCOTDALE RD

WOODSIDE AVE

COMMUNITY DR

ROBINHOOD LN

HOMESTEAD RD

BARNSDALE RD

E 31ST ST



S 25TH AVE

E 26TH ST

KEMMAN AVE

E 29TH ST

CLEVELAND AVE

RAYMOND AVE

ALIMA TER

Note: The 31st Street Central and Barnsdale Corridor study areas overlap. The findings for the Chemgrout property are included in analyses for both areas.

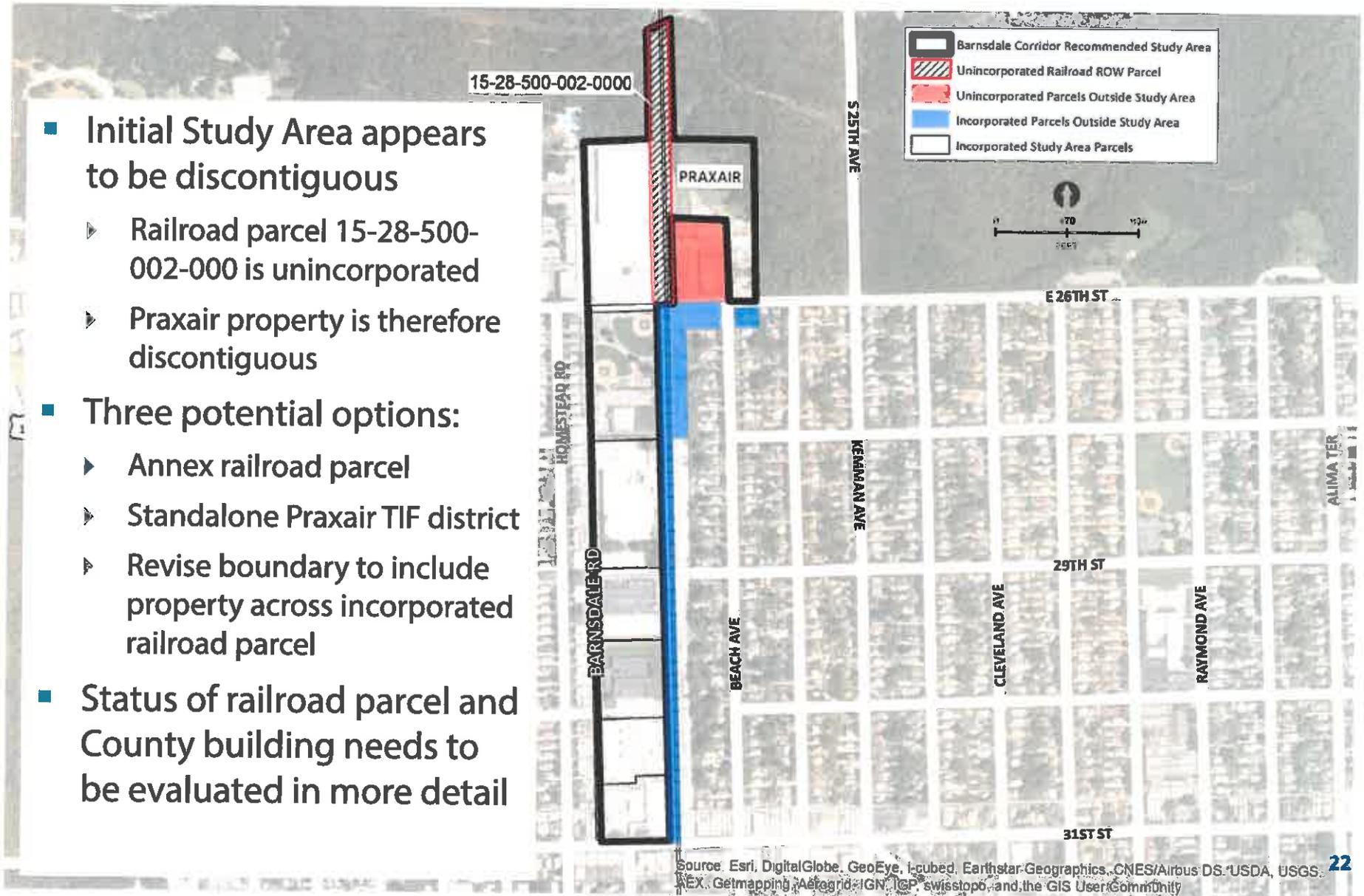
Study Area 5: Barnsdale Corridor

Initial TIF Eligibility Findings

- **Improved Land - Conservation Area:**
 - ▶ 73% of buildings are 35 years or older
 - ▶ Eligibility factors present to a meaningful extent and reasonably distributed
 - Deterioration
 - Inadequate Utilities
 - Lack of Growth in Equalized Assessed Value (EAV)
 - Decline in 5/5 periods
 - Less than balance of Village in 3/5 periods
 - Less than CPI in 5/5 periods
 - Presence of Structures Below Minimum Code
- **Vacant Blighted Area - Two-Factor Approach:**
 - ▶ Lack of Growth in Equalized Assessed Value (EAV)
 - ▶ Obsolete Platting

Study Area 5: Barnsdale Corridor Praxair Property Discontiguous

- Initial Study Area appears to be discontiguous
 - ▶ Railroad parcel 15-28-500-002-000 is unincorporated
 - ▶ Praxair property is therefore discontiguous
- Three potential options:
 - ▶ Annex railroad parcel
 - ▶ Standalone Praxair TIF district
 - ▶ Revise boundary to include property across incorporated railroad parcel
- Status of railroad parcel and County building needs to be evaluated in more detail



All Study Areas

Other Required Findings and Tests

- **Lack of Growth and Private Investment**

- ▶ No redevelopment for area as a whole
- ▶ Relatively minor reinvestments in existing properties based on permit data
- ▶ EAV declined or was less than remainder of Village, indicating lack of growth and investment

- **“But For” Analysis**

- ▶ Infill redevelopment is challenging, especially with diverse ownership and need to assemble multiple parcels
- ▶ Public infrastructure investments are costly and necessary pre-conditions to bringing private development

Eligibility Summary

- All Study Areas appear to meet eligibility criteria for designation as “Conservation Areas”
- Praxair site
 - ▶ Eligible as vacant “Blighted Area”
 - ▶ Currently discontinuous from remainder of Barnsdale Corridor Study Area
- Potential to combine 31st Street Central and Barnsdale Corridor into one district

Market Considerations & Sites Susceptible to Change

Market Considerations

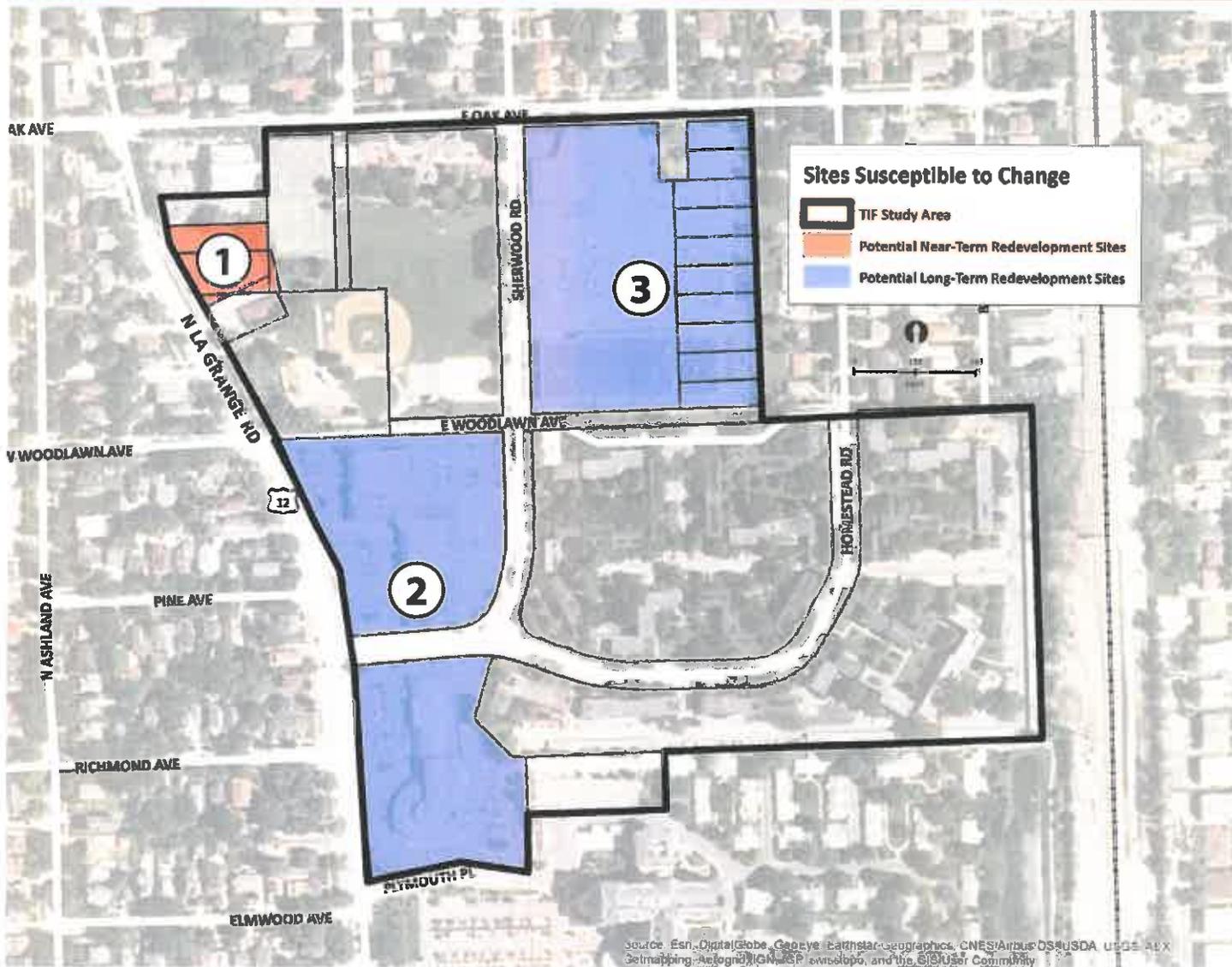
- High retail occupancy in La Grange Park, La Grange, Brookfield and Western Springs
- Substantial new development proposed/under construction nearby
 - ▶ Retail: 18,000 sf proposed in downtown La Grange
 - ▶ Residential:
 - 254 units of rental residential under construction just south of Village Market
 - 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



Sites Susceptible to Change

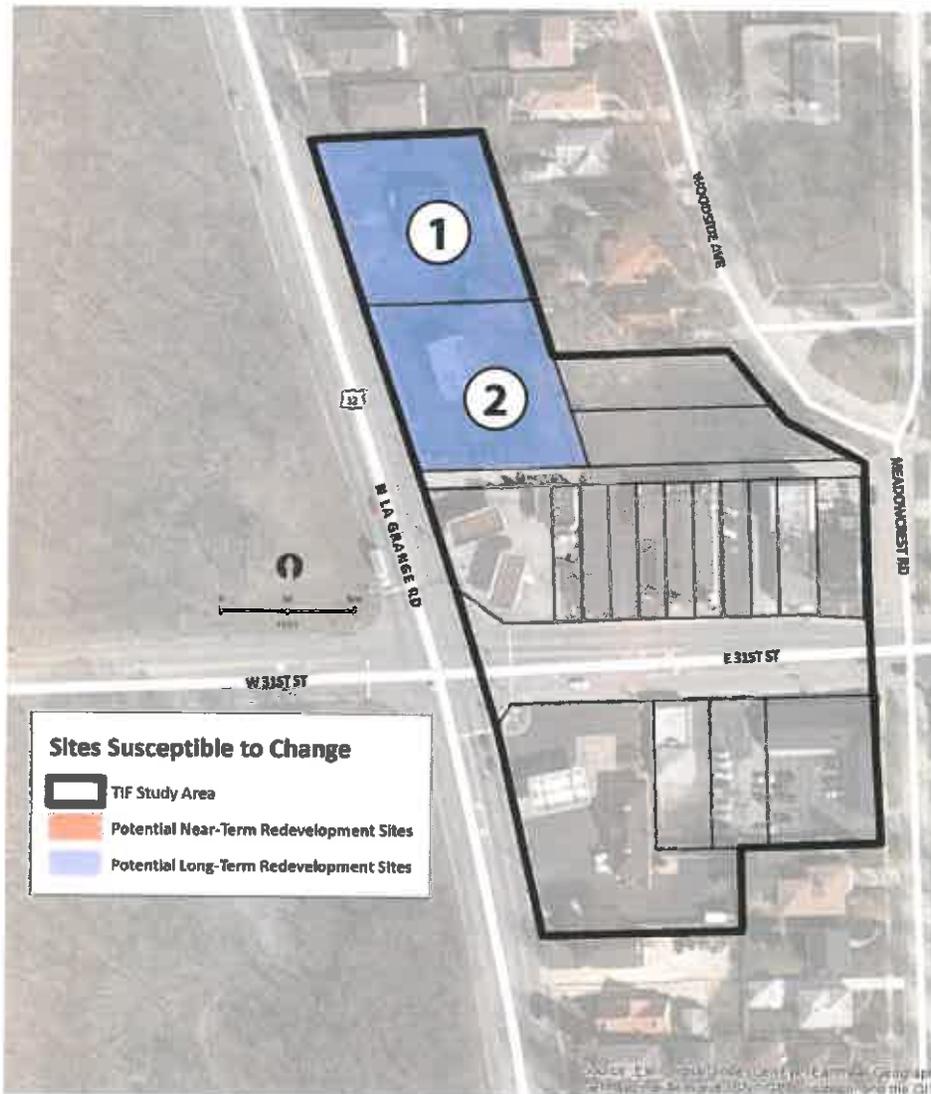
- Vacant sites
- Sites identified as underutilized by the Village
- Properties currently for sale
- Properties with low equalized assessed value per square foot, relative to adjoining or similar parcels
- Sites under common ownership that could be combined for redevelopment
- Sites where existing use does not match underlying zoning

Sites Susceptible to Change: Village Market



- 1. Former Pancake House Site (0.7 ac.)**
Currently vacant retail site
- 2. 333-439 N. La Grange Road (6.6 ac.)**
Two existing commercial buildings; First floor well-occupied, some vacancy on lower level
- 3. 438 Sherwood Road (6.4 acres)**
46,000 sf existing Jewel Osco store; Low floor to area ratio; May be potential for outlot development

Sites Susceptible to Change: 31st Street West and East

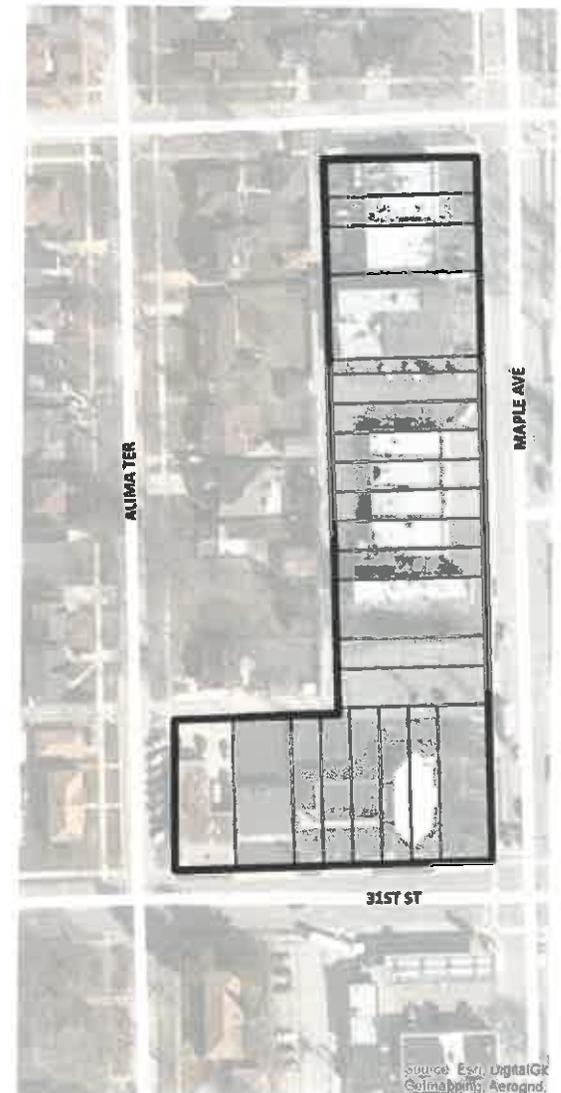


31st Street West:

- 1. 1119 N. La Grange Road (0.5 ac.)**
Existing business (Jiffy Lube); Low floor to area ratio
- 2. 1123 N. La Grange Road (0.5 ac.)**
Existing business (Superior Cleaners); Low floor to area ratio

31st Street East:

No sites

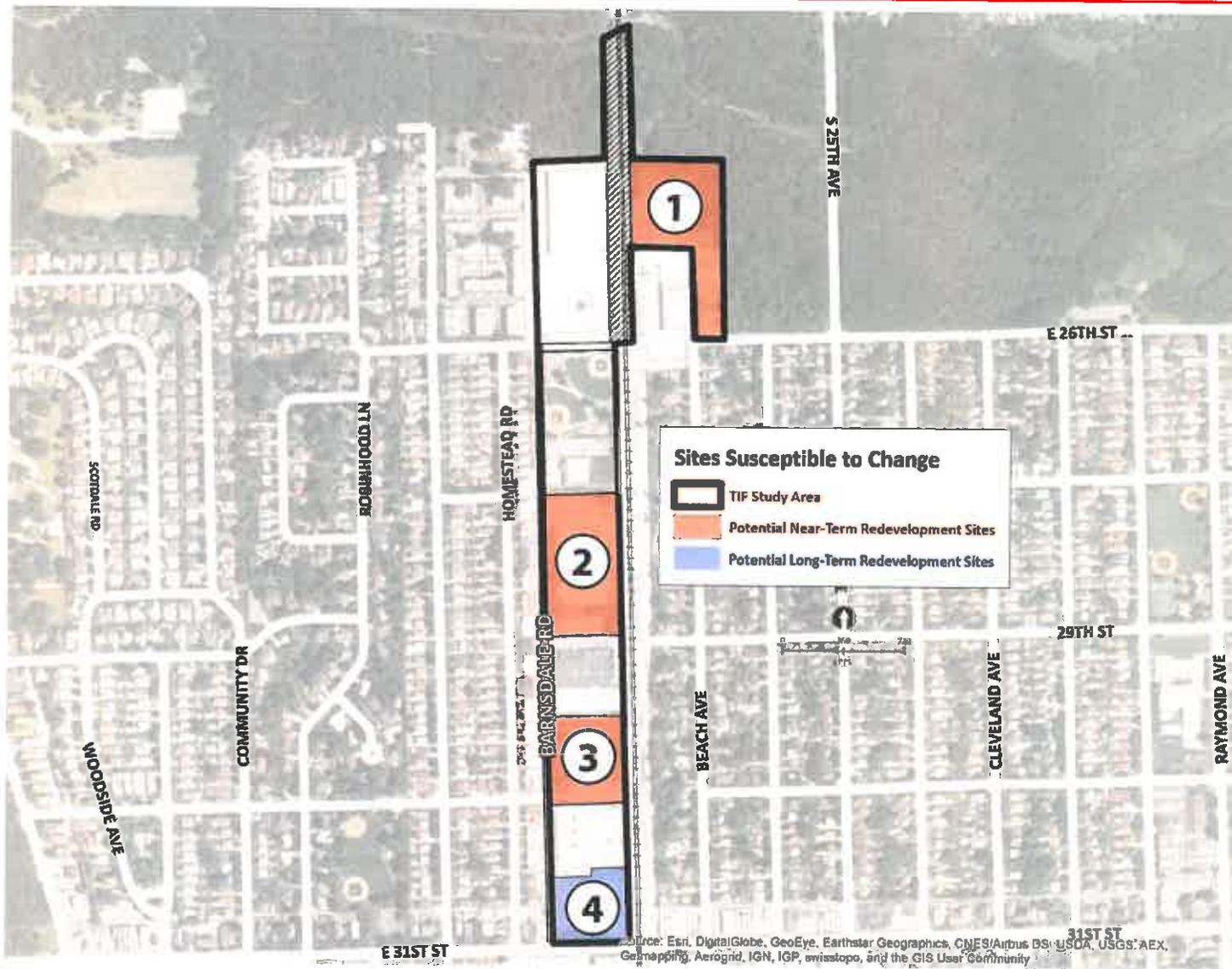


Sites Susceptible to Change: 31st Street Central



- 1. 805 E. 31st Street (2.2 ac.)**
Existing business (Chemgrout Inc.); Underlying zoning does not match existing use

Sites Susceptible to Change: Barnsdale Corridor



1. **1105 26th Street**
(5.1 ac.)
Former Praxair site;
Currently vacant
2. **1421 Barnsdale Road**
(4.7 ac.)
74,000 sf building;
Underutilized building, per Village
3. **1201 Barnsdale Road**
(2.8 ac.)
44,000 sf building;
Currently for sale
4. **805 E. 31st Street**
(2.2 ac.)
Existing business (Chemgrout Inc.);
Underlying zoning does not match existing use

Preliminary TIF & Business District Revenue Projections

Preliminary TIF Revenue Projections

STUDY AREA	INCREMENTAL REVENUE IN 1 ST COLLECTION YEAR (2018)	TOTAL UNDISCOUNTED INCREMENTAL REVENUE OVER 23 YEARS
Village Market	\$87,000	\$10,000,000
<i>Village Market with Hypothetical Redevelopment Project [1]</i>	<i>\$158,000</i> <i>[2]</i>	<i>\$11,930,000</i>
31st Street West	\$14,000	\$1,650,000
31st Street East	\$10,000	\$1,140,000
31st Street Central	\$41,000	\$4,720,000
Barnsdale Corridor (without Praxair)	\$29,000	\$3,300,000
Praxair/Vacant Parcel	\$2,000	\$173,000

[1] Assumes development of new 4,000 square foot restaurant in 2017.

[2] Incremental revenue in 2nd collection year (2019); new value recognized in 2018 and increment collected in 2019.

Source: SB Friedman, CoStar,
Cook County Assessor's Office

GENERAL ASSUMPTIONS:

TIF is established in 2016 and expires in 2039.

Final tax collection occurs in 2040.

2% annual property value growth, applied triennially.

2014 EAV is frozen base EAV.

2014 total tax rate held constant through analysis period.

3% of total incremental tax revenues are uncollected.

Preliminary Business District Revenue Projections

STUDY AREA ^[1]	SALES TAX REVENUE IN 1 st COLLECTION YEAR (2017)		TOTAL UNDISCOUNTED SALES TAX REVENUE OVER 23 YEARS	
	0.50%	1.00%	0.50%	1.00%
Village Market	\$31,000	\$62,000	\$790,000	\$1,590,000
<i>Village Market with Hypothetical Redevelopment Project</i> ^[2]	\$36,000 ^[3]	\$72,000 ^[3]	\$920,000	\$1,850,000
31st St West	\$24,000	\$47,000	\$600,000	\$1,210,000
31st St East	\$11,000	\$22,000	\$280,000	\$570,000
31st St Central	\$32,000	\$65,000	\$840,000	\$1,670,000
Barnsdale Corridor (without Praxair)	\$4,000	\$7,000	\$90,000	\$180,000
Praxair/Vacant Parcel	\$0	\$0	\$0	\$0

[1] TIF Study Area boundaries. Eligibility of potential Business District was not assessed.

[2] Assumes development of new 4,000 square foot restaurant in 2017.

[3] Incremental revenue in 2nd collection year (2018); Assumes redevelopment occurs in 2017, with new sales tax revenue available in 2018.

Source: Village of La Grange Park, SB Friedman

ASSUMPTIONS:

Business District established in 2016 and will expire in 2039.

31st Street Study Areas and Barnsdale Corridor revenue based on 2015 annual sales, as provided by the Village.

Village Market sales based on benchmark sales per square foot for goods subject to Illinois Business District sales taxes.

Source: Urban Land Institute, National Restaurant Association, 2014 SEC filings, SB Friedman.

Sales projections based on annual growth of 1.0% from 2015 estimated sales, assuming same proportion of sales subject to Business District Taxes occurs.

Recommendations & Next Steps

Summary of Analysis

	VILLAGE MARKET	31 ST STREET WEST – LA GRANGE ROAD	31 ST STREET EAST- MAPLE AVENUE	31 ST STREET CENTRAL	BARNSDALE CORRIDOR
Anticipated TIF Eligibility	YES	YES	YES	YES	YES
Estimated TIF Revenue Generation	Yr 1: \$87,000 Total: \$10.0M	Yr 1: \$14,000 Total: \$1.7M	Yr 1: \$10,000 Total: \$1.1M	Yr 1: \$41,000 Total: \$4.7M	Yr 1: \$30,000 Total: \$3.4M
Estimated BD Revenue Generation	Yr 1: \$15-62K Total: \$400K - 1.6M	Yr 1: \$12-47K Total: \$300K - \$1.2M	Yr 1: \$6-22K Total: \$140-570K	Yr 1: \$16-65K Total: \$420K - 1.7M	Yr 1: \$2-7K Total: \$50-180K
Site & Market Considerations	<ul style="list-style-type: none"> • One potential near-term redevelopment site • Several long-term redevelopment sites • Potential to build upon retail and residential redevelopment activity in La Grange 	<ul style="list-style-type: none"> • Two potential long-term redevelopment sites 	<ul style="list-style-type: none"> • Limited redevelopment potential due to site constraints 	<ul style="list-style-type: none"> • One potential long-term redevelopment site • Potential to combine with Barnsdale Corridor 	<ul style="list-style-type: none"> • Priority redevelopment site (former Praxair) • Several potential near- and long-term redevelopment sites • New industrial development occurring nearby • Potential to combine with 31st Street Central

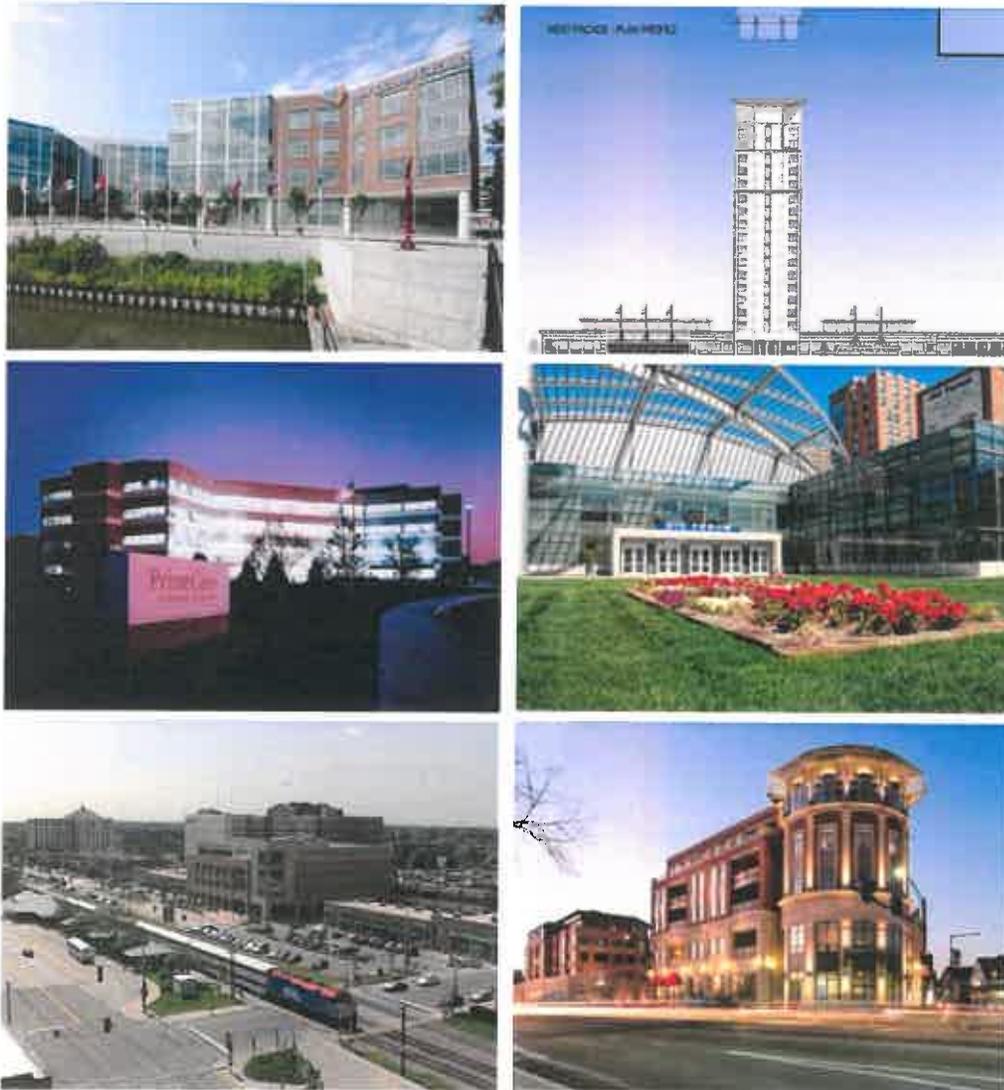
Recommendations

- Consider TIF and/or Business District designation in near term
 - ▶ Village Market Study Area
 - ▶ Combined 31st Street Central & Barnsdale Corridor Study Areas
 - ▶ Praxair could be standalone TIF district or added to Barnsdale Corridor
 - ▶ Business District revenue can supplement TIF
- Consider preparing a redevelopment strategy for Village Market or Barnsdale Corridor Study Areas
- Consider TIF designation in other areas when Village/property owner has redevelopment plan

Potential Next Steps

- TIF District designation (4 to 6 months):
 - ▶ Convert eligibility analysis into Redevelopment Project Area (RPA) Plan and Project document
 - ▶ Undertake required public noticing and mailings
 - ▶ Conduct public approval process
- Business District designation (3 to 6 months):
 - ▶ Conduct eligibility analysis
 - ▶ Prepare Redevelopment Plan and Project document
 - ▶ Conduct public approval process and noticing
- Prepare redevelopment strategy

Development Advisors to the Public and Private Sectors



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Village of La Grange Park
TIF- v. BD-Eligible Expenditures

Project Costs	Eligible for Reimbursement from TIF District Revenues	Eligible for Reimbursement from Business District Revenues
1 Studies, administration, professional and legal services in support of implementing the TIF or BD plan	X	X
2 Property acquisition/assembly costs	X	X
4 Site preparation, including demolition and site clearance	X	X
5 Construction of public works or improvements	X	X
6 Construction of private buildings		X
7 Rehabilitation or renovation of existing public or private buildings	X	X
8 Financing costs, including those related to the issuance of obligations	X	X
9 Interest costs incurred by a developer	X	X
10 Relocation costs	X	X
11 Job training implemented by businesses or taxing districts	X	
12 School district costs associated with TIF-assisted housing	X	
13 Library district costs associated with TIF-assisted housing	X	

Source: *SB Friedman*; Illinois Municipal Code (65 ILCS 5/Art. 11 Div. 74.2 heading); (65 ILCS 5/Art. 11 Div. 74.3 heading)