

Tax Increment Finance

Worth, Illinois 111th Street/Toll Road Redevelopment Project Area A Blighted Area



REDEVELOPMENT PLAN

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I. INTRODUCTION

A. Discussion of TIF

Under the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*, as supplemented and amended, the (“**Act**”), the Village of Worth, Illinois (the “**City**”) anticipates designating the 111th Street/Toll Road Redevelopment Project Area as a “redevelopment project area”(the “**Redevelopment Project Area**”) under the **Act**, prior to which the **Village** shall have adopted and approved this “**Tax Increment Finance Redevelopment Plan and Redevelopment Project**” as a “redevelopment plan” (the “**Redevelopment Plan**”) and “redevelopment project” (the “**Redevelopment Project**”) and the use of tax increment finance (“**TIF**”) in connection with the payment of qualifying “redevelopment project costs”, (the “**Redevelopment Project Costs**”) under the **Act** and implementation of this **Redevelopment Plan and Redevelopment Project Area** in twenty-three years, but with the receipt of the 23rd year of incremental taxes in the 24th year.

As part of a strategy to encourage managed growth, deter future deterioration, encourage preservation and redevelopment, and stimulate private investment in the **Redevelopment Project Area**, the **Village** engaged Ehlers and Associates, Inc. as its Consultant (the “**Consultant**”) to investigate whether the **Redevelopment Project Area** qualifies under the **Act** as a "conservation redevelopment project area," a "blighted redevelopment project area," or a combination thereof and/or an “industrial conservation area”.

The **Redevelopment Project Area** is generally as follows:

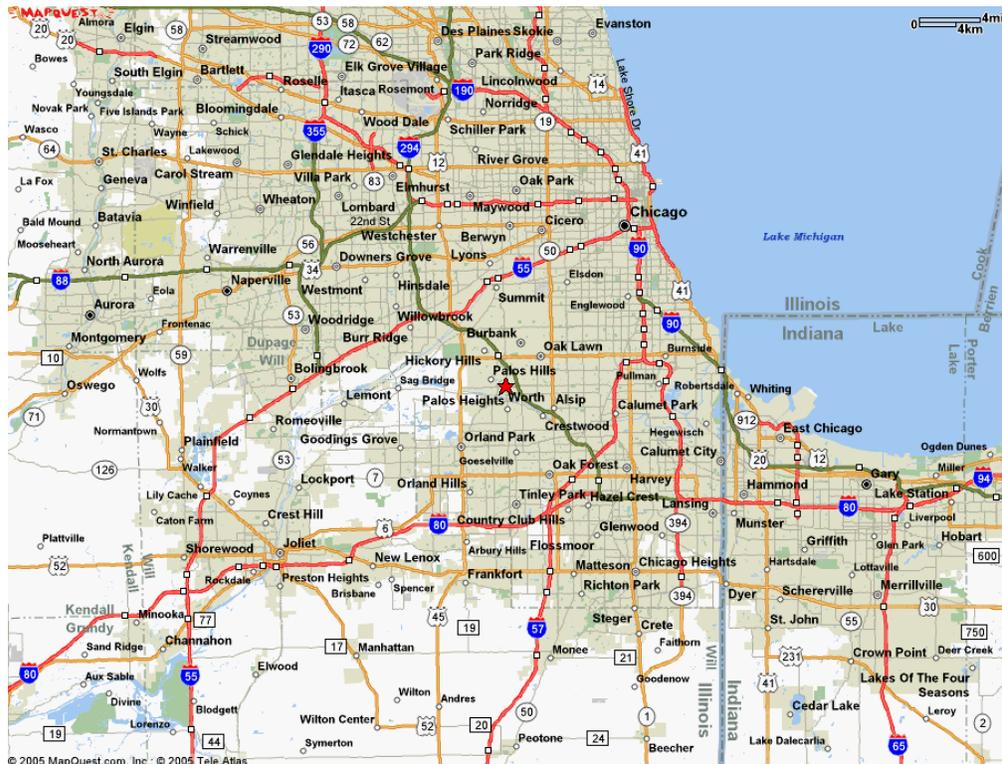
The **Redevelopment Project Area** is bisected by 111th Street. Its far western border is the Toll Road. Its far eastern border is Ridgeland Avenue. It extends from approximately 110th Street on the north and 112th Street on the south.

The property is a combination of residential and commercial uses.

The **Redevelopment Project Area** abuts the I-294 Tollway which causes some of the access problems.

A legal description of the Redevelopment Project Area is Attachment 1. The Redevelopment Project Area is depicted in the map that is Attachment 2.

B. The Village of Worth



The Village of Worth was founded in 1914. At one time the community was known as Worth Island, Lane Island, or Calumet Beach. Its island status came naturally as it is surrounded by historic waterways. Its north border touches a 14,000 year old water way known as Stony Creek. Worth's south border is the Calumet Sag Channel. It is also home to one of the five aeration waterfalls of the Metropolitan Reclamation District.

Worth was incorporated in 1915. The Village, with a population of 11,047 residents (2000 Census), is located in the southwest suburbs of the Metropolitan Chicago area. It is approximately 13 miles southwest of the City of Chicago's downtown. Worth is a suburban community that is a combination of residential, commercial and industrial uses.

A Village President and Village Board composed of six Trustees govern the Village of Worth. The Village President is the chief executive officer and the Board of Trustees is the legislative body. The Village also has an elected Village Clerk. The Village provides services through its police, public works and fire departments.

Northern Illinois Gas provides gas supply and Commonwealth Edison provides electricity to the Village. SBC provides local phone services and a number of carriers provide long distance and Internet services. The Metropolitan Water Reclamation District provides sewage treatment and disposal services.

The Worth Park District provides recreational services for the Village. Worth has a golf course named Water Edge Golf Club which opened in 2005. It was designed by Rick Robbins and PGA Consultant Gary Koch. The Waters Edge Recreational Area provides a boat launch with a marina planned.



There are both parochial and private schools providing educational services to the Village's youth from preschool through high school. An elementary school is currently in the Village. Moraine Valley Community College serves as the community college for the Village. The following colleges and universities are within ten miles of the Village: Trinity Christian, St. Xavier, and Northwest Business College. In addition, Worth' residents have easy access to all of the colleges and universities in the Chicago region.

The Village is close to the 95th Street and Cicero Avenue exits to I-294 and has easy access linking it to all expressways in the Chicago region. In addition, Ridgeland and Harlem Avenues are major arterials supporting the Village's transportation needs. Summit, Joliet and the City of Chicago have Amtrak stations that service Village's residents. Midway, Chicago O'Hare and Gary Airports provide commercial and international air services for the Village. The Village borders the navigable waterway of the Calumet Sag Channel. The Worth Public Library District provides library services for the Village.

Finally, Palos Community Hospital and EHS Christ Hospital and Medical Center are within five miles of the Village. World-class hospitals within the region also provide health care services for residents.

C. Summary of Village's Problems

The area currently suffers from structures with deterioration and a number of

problems from lack of planning in the past. There is a broken pattern of commercial use. There is also a problem with the depth of parcels within the **Redevelopment Project Area**. It is this depth that causes a number of small businesses to fail to meet contemporary development standards. These same buildings have a number of unsightly, deteriorated parking lots that serve these buildings. The buildings, because of parcel size, also lack access for service. The commercial structures are also next to residential areas with minimal buffering. According to Worth's Comprehensive Retail Plan, "Worth's retail build environment is disorderly and unappealing because its existing buildings create neither a sense of street enclosure nor provide attractive visual features, such as storefront windows, near sidewalks. The large number of small multiple parking lots, the physical barriers between lots, such as curbs or fences, the lack of comfortable walkways, and the busy streets make it difficult for customers to walk between stores and equally difficult for autos to drive between them. "

There are also single family homes interspersed with apartment buildings on major arterials.

Compared to its trade area, Worth is smaller, younger, and less affluent. This makes it difficult for the Village to compete for sales tax dollars.

The small size of most buildings and parcels on 111th Street discourages larger national retailers from renting space in the corridor. These buildings are obsolete in size and parking for today's commercial market. Also, because of the size of the businesses, Worth's businesses do not appear to attract customers from other communities.

Portions of the **Redevelopment Project Area** are deteriorated and in need of redevelopment. There is school property that needs to be redeveloped.

Finally, the Village's problems are further complicated by the geographic location of the **Redevelopment Project Area** in Cook County. Cook County assesses commercial property at a 36% rate as compared to the rest of the State of Illinois at 33%. Given an equal tax rate and equalizer, Cook County assessment rates create higher taxes on commercial property than in other counties in Illinois. In addition, Cook County's equalizer in the last five years has been at least double other counties, further complicating development by making taxes even higher.

D. Tax Increment Financing

In January 1977, the Illinois General Assembly passed the initial version of the present Tax Increment Allocation Redevelopment Act (the "**Act**"). This legislation was the initial authorization of "tax increment financing," (**TIF**) in Illinois. The General Assembly amended the **Act** and it is now in 65 ILCS 5/11-74.4-1 *et seq.* The **Act** provides a means for municipalities, after the approval of

a **Redevelopment Plan and Project**, designation of the **Redevelopment Project Area** and adoption of tax increment finance, to redevelop blighted, conservation, or industrial park conservation redevelopment project areas and to finance “Redevelopment Project Costs” (“**Redevelopment Project Costs**”) with “incremental property tax revenues” (“**Incremental Property Taxes**”). **Incremental Property Taxes** are derived from the increase in the current equalized assessed valuation (**EAV**) of real property within the **Redevelopment Project Area** over and above the “Initial EAV” (“**Initial EAV**”) of the real property. Any increase in **EAV** is then multiplied by the current tax rate, which results in **Incremental Property Taxes**.

The **Act** defines a number of eligible items that may be **Redevelopment Project Costs** under the **Act**. **Incremental Property Taxes** may pay for many of these **Redevelopment Project Costs**. In addition, a municipality may pledge as payment additional revenues including revenues from the **Redevelopment Project**, municipal property taxes or other non-designated revenue sources, bonds backed by the general obligation of the municipality or payable solely by **Incremental Property Taxes**.

Tax increment finance does not generate tax revenues by increasing tax rates, but rather through the temporary capture of new tax revenues generated by the increase in the **EAV** over the **Initial EAV**. This increased **EAV** of properties results from a municipality’s redevelopment program, improvements and activities, various development and redevelopment activities, and the reassessment of properties. Under the **Act**, all taxing districts continue to receive property taxes levied on the **Initial EAV** of properties within the **Redevelopment Project Area**. Additionally, taxing districts can receive distributions of **Incremental Property Taxes** designated by the **Village** as “surplus” (“**Surplus**”) under the **Act**. This occurs when 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 **Redevelopment Project Costs** and obligations are paid.

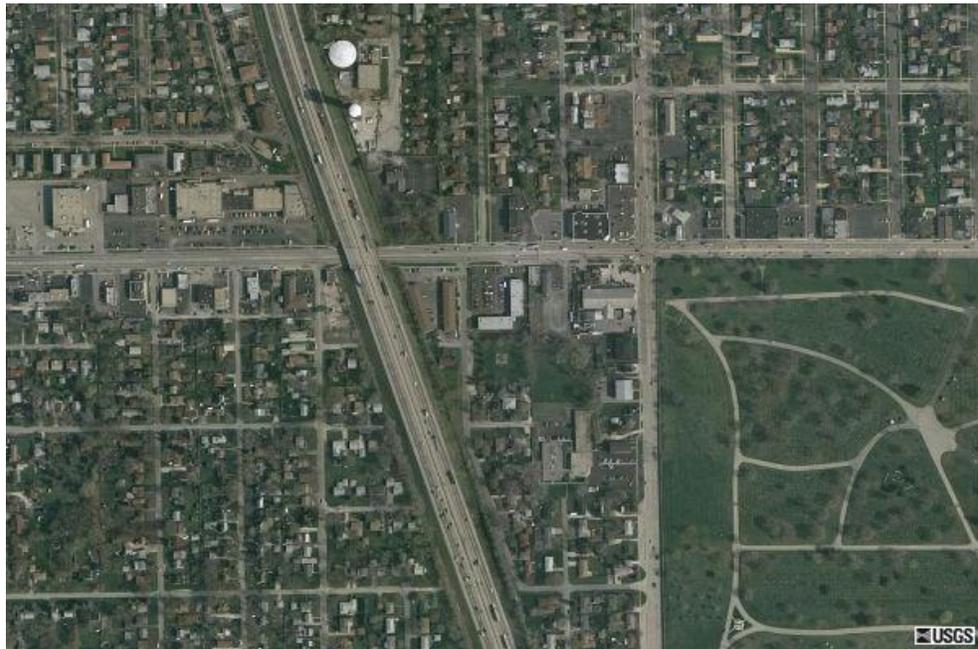
E. The Redevelopment Project Area of the Village of Worth

At the request of the **Village**, the **Consultant** surveyed the area identified by the **Village** and referred to as the 111th Street/Tollway Redevelopment Project Area to document any blighting or conservation area factors that may exist within the **Redevelopment Project Area**. The **TIF Consultant** documented these factors in an analysis entitled the “111th Street/Toll Road Redevelopment Project Area Eligibility Report, September, 2005” (the “**Eligibility Report**”), in Attachment 3 to this **Redevelopment Plan**. The **Redevelopment Project Area** and its existing conditions are briefly described below. For greater detail on these factors, refer to the **Eligibility Report**, which is Attachment 3 of this document.

The Redevelopment Project Area contains approximately 15.89 acres. A generic description of the boundaries of the **Redevelopment Project Area** is as follows:

*The **Redevelopment Project Area** is bisected by 111th Street. Its far western border is the Toll Road. Its far eastern border is Ridgeland Avenue. It extends from approximately 110th Street on the north and 112th Street on the south.*

The property is a combination of residential, institutional, and commercial uses. The area abuts the I-294 Tollway which causes some of the access problems.



Aerial View of 111th Street/Toll Road including Redevelopment Project Area

F. The 111th Street/Toll Road Tax Increment Redevelopment Plan and Project Area

The **Redevelopment 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 **Redevelopment 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**. This **Redevelopment Plan** is intended to guide improvements and activities within the **Redevelopment Project Area** in order to stimulate private investment in the **Redevelopment Project Area**. The goal of the **Village**, through the implementation of this **Redevelopment Plan**, is that the entire **Redevelopment Project Area** be revitalized to the extent possible on a

comprehensive and planned basis. For this to occur, the **Village** must foster private investment and rehabilitation of the **Redevelopment Project Area**.

In order for future redevelopment successes to occur, cooperation is necessary between the private sector and the **Village** and the **Redevelopment Project Area** is a means of implementing such cooperation. By means of public investment, the **Redevelopment Project Area** will become a stable environment that will attract additional private investment. With this as a sound financial base, the **Village** will be better able to provide adequate services for its citizens and increase the viability of the **Village**.

This **Redevelopment Plan** specifically describes the **Redevelopment Project Area** and sets forth the factors that qualify the **Redevelopment Project Area** for designation as a **Redevelopment Project Area** as defined in the **Act**.

Attachment 1 is the legal description and Attachment 2 is the map depicting the boundaries of the **Redevelopment 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. The **Village** will use **Incremental Property Taxes** to stimulate the comprehensive and coordinated development of the **Redevelopment Project Area**. Only through the implementation of **Redevelopment Project Costs** allowed under the **Act** would the **Redevelopment Project Area** develop on a comprehensive and coordinated basis, thereby reducing the factors, which have precluded substantial development of the **Redevelopment Project Area** by the private sector. Left on its own, the **Redevelopment Project Area**, without costs authorized by the **Act**, will continue to experience blight conditions and will see that blight expand.

The use of **Incremental Property Taxes** by the **Village** will permit the **Village** to direct and coordinate public and private improvements and activities to stimulate private investments on a comprehensive basis. These improvements, activities, and investments will benefit the **Village**, its residents, and all local governments serving the **Redevelopment Project Area**. The anticipated benefits include:

- A strengthened sales tax base for the **Village**;
- An improved balance between property and sales tax for the **Village**;
- A strengthened property tax base for all governments;
- Reductions of problem conditions in the **Redevelopment Project Area** as well as general physical improvement and upgrading of properties;
- The enhancement of a commercial corridor which serves the needs of residents;

- The enhanced landscaping and visual appearance of the **Village**;
- Increased job opportunity;
- The stabilization of a portion of the community;
- Increased housing opportunities in the **Village**.

The following is a summary of the key recommendations for the **Redevelopment Project Area** to achieve the above benefits:

Additional businesses and residents should be sought and assisted in locating in the **Redevelopment Project Area**. To accomplish redevelopment on a comprehensive basis within the **Redevelopment Project Area**, the following steps should be taken:

- 1) Coordinate design within the **Redevelopment Project Area**;
- 2) Repair, remodel, or replace obsolete and some deteriorating structures;
- 3) Improve existing public facilities;
- 4) Revitalize, replace, or redevelop parking facilities;
- 5) Maximize and improve access;
- 6) Relocate affected businesses;
- 7) Provide for new or rebuilt public infrastructure, facilities and improvements to maximize the development;
- 8) Undertake a landscaping plan;
- 9) Finance redevelopment objectives undertaken in the **Redevelopment Project Area**;
- 10) Acquire real estate and personal property, include for disposition at up to 100% write-down for public and/or private development activities;
- 11) Provide financing assistance and interest subsidy for public and private development activities;
- 12) Improve infrastructure to deal with existing utility problems including chronic flooding.
- 13) Provide for EPA clean up of affected areas.

II. REDEVELOPMENT PROJECT AREA ELIGIBILITY CONDITIONS

The **Redevelopment Project Area's Blighted Area** conditions documented in this section are based on surveys and analyses conducted by the **Consultant**. As set forth in the **Act**, the **Redevelopment Project Area** qualifies as a "blighted area."

The following conditions qualify the **Redevelopment Project Area** in its developed portion:

- Of the thirteen factors listed in the **Act** for ascertainment of blight conditions in **Redevelopment Project Areas**, seven are significantly present in the **Redevelopment Project Area**.

- The factors are meaningfully present and are reasonably distributed throughout the **Redevelopment Project Area**.

As previously noted, the detailed analysis concerning the definition, application and extent of the blight factors in the **Redevelopment Project Area** is found in Attachment 3, **Eligibility Report**, of this **Redevelopment Plan**.

Surveys and Analyses Conducted

The conditions summarized above are based upon surveys and analyses conducted by the **TIF Consultant**. The surveys and analyses conducted include:

- 1) An 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) Analysis of tax maps to ascertain platting;
- 5) Analysis of vacant sites; and
- 6) Review of previously prepared plans, studies and data.

III. REDEVELOPMENT PLAN

A. Redevelopment Plan 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) An improved quality of life in the **Redevelopment Project Area** and the **Village** by the reduction of physical and economic deterioration and obsolescence within the **Redevelopment Project Area**.
- 2) An environment within the **Redevelopment Project Area** that will contribute more positively to the health, safety and general welfare of the **Village**, and preserve or enhance the value of properties adjacent to **Redevelopment Project Area**.
- 3) A diversified and increased tax base for the **Village** and an increased property tax base for other local governments having jurisdiction overlapping the **Redevelopment Project Area**.
- 4) Strengthen and diversify the economy of the **Village** and the larger community.
- 5) Encourage sound economic development in the **Redevelopment Project Area**, thereby creating employment opportunities within the community.
- 6) Increase residential units within the **Village**.

B. Redevelopment Plan 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 that qualify the **Redevelopment Project Area** as a “blighted area.” Attachment 3 describes these conditions.
- 2) Encourage a high-quality appearance of buildings, rights-of-way, and open spaces and encourage high standards of design.
- 3) Strengthen the economic well-being of the **Redevelopment Project Area** and the **Village** by increasing business activity, tax base, and job

opportunities.

- 4) Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with this **Redevelopment Plan** and contemporary development needs and standards.
- 5) Stimulate private investment in appropriate new construction and rehabilitation.
- 6) Achieve attractive development with a complementary mix of uses within the **Redevelopment Project Area**.
- 7) 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.
- 8) Provide needed incentives to encourage a broad range of improvements.
- 9) Improve the visual attractiveness of the Village by landscaping, renovation and removal of buildings, buffering and screening of unattractive uses.
- 10) Redevelop vacant land surrounding current buildings.
- 11) Redevelop existing public properties.
- 12) Develop mixed use retail and residential to create an identifiable downtown.
- 13) Improve access as part of redevelopment.

C. Redevelopment Program

The **Village** proposes to achieve its redevelopment goals and objectives for the **Redevelopment 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. Property Assembly

The **Village**, or an agent for the **Village**, may acquire and assemble land for the purpose of redevelopment. Vacant, underutilized or misused property may be acquired by purchase, exchange, up to 100% write down, or long-term lease by private developers or the **Village** for the purpose of new development.

3. Land Preparation

The **Village** may assist businesses in the preparation of land and buildings for the relocation of businesses including IEPA hazardous waste clean up. To the extent these conditions are found, funds may be used to assess the conditions and, where applicable, provide for or assist with the clean up.

4. Relocation

In the event that active businesses or residents are displaced by the public acquisition of property, they may be relocated and may be provided with financial assistance and advisory services.

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, demolition of buildings, rehabilitation of buildings, construction of improvements or facilities, improvement of access, the provision of services or any other lawful purpose. Redevelopment agreements may contain terms and provisions that are more specific than the controls that are summarized in this **Redevelopment Plan**.

6. Provision of Public Works or Improvements

The **Village** may provide public improvements and facilities that are necessary to service the **Redevelopment Project Area** in accordance with the **Redevelopment 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 **Redevelopment Project Area** and potential new development. Improved access will be necessary to develop portions of the **Redevelopment Project Area**.

b) Landscaping

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

c) Stormwater Management

Create facilities to manage stormwater. Create facilities to eliminate or reduce flooding.

d) Sewage Treatment

Create facilities to collect sewage.

e) Water System

Provide for adequate water supply.

7. Building Rehabilitation, Signage and Facade Improvements

The **Village** will encourage the rehabilitation of buildings, both public and private, which includes upgrading commercial facades and signage that are basically sound.

8. Building Demolition

Where possible, buildings will be remodeled, repaired and rehabilitated. Where this is not possible, due to deterioration, lack of contemporary uses or with buildings that are incompatible in the market, buildings may be demolished.

9. Coordinate Design within the Redevelopment Project Area

Where possible, design elements should be planned in such a way as to make the **Redevelopment Project Area** aesthetically pleasing. Consistent and coordinated design patterns should be promoted.

10. Job Training

Improve job skills of those working in the **Redevelopment Project Area**.

11. Interest Subsidies

Funds may be provided to investors for a portion of interest costs related to the construction, renovation, or rehabilitation of qualifying redevelopment facilities and improvements.

12. Assist in financing Project Contiguous TIF's

Funds derived from either **Redevelopment Project Area** or others that might

be contiguous are eligible to be used for the support of the other redevelopment programs under this **Redevelopment Plan**. There are currently no contiguous **TIF**'s. This assistance will be budgeted and may be used to meet future needs complying with this **Redevelopment Plan**.

D. Redevelopment Policies

The Village of Worth proposes to undertake this **Redevelopment Plan** and the related **Redevelopment Project**, which consists of planned economic development and redevelopment activities, sound fiscal policies, marketable land uses, and other private and public activities. Appropriate policies have been or will be developed as required assuring the completion of this **Redevelopment Plan** and the activities specified.

The **Village** may also employ other financial incentives for private investment within the **Redevelopment Project Area**. This includes tax increment financing, which constitutes one of the key financial components for enabling the redevelopment of the **Redevelopment Project Area**. This portion of the community, the **Village** as a whole, and all other local taxing bodies, will benefit from the implementation of this **Redevelopment Plan**.

E. Redevelopment Implementation Strategy

The implementation and conclusion of a well-devised redevelopment strategy is a key element in the success of this **Redevelopment Plan**. In order to maximize program efficiency and to take advantage of development interest in the **Redevelopment Project Area**, and with full consideration of available funds, the **Village** will proceed in an expeditious manner.

A combination of private investments and public improvements is an essential element of this **Redevelopment Plan**. In order to achieve this end, the **Village** may enter into agreements with private developers proposing that **TIF** assistance may be provided, where deemed appropriate by the **Village**, to facilitate private projects and development. The **Village** may also contract with others to accomplish certain public projects as contained in this **Redevelopment Plan**.

IV. REDEVELOPMENT PROJECT COSTS

Redevelopment Project Costs are defined within the **Act** and all costs to be reimbursed in the **Redevelopment Project Area** will conform to this definition.

Estimated Redevelopment Project Costs

A wide range of redevelopment activities and improvements will be required to implement the Redevelopment Plan. The activities and improvements and their estimated costs (2006 dollars) are summarized below. To the extent that obligations are issued to pay for such Redevelopment Project Costs prior to, and in anticipation of, the adoption of the Redevelopment Project Area, the Village shall be reimbursed from Incremental Property Taxes for such Redevelopment Project Costs. Redevelopment Project Costs, described in this Redevelopment Plan, are intended to provide an upper estimate of expenditures.

These costs are subject to prevailing market conditions and are in addition to total Redevelopment Project Costs. While all of the costs in the budget are eligible Redevelopment Project Costs under the Act and this Redevelopment Plan, inclusion herein, does not commit the Village to finance all these costs with TIF.

- | | |
|---|--------------|
| (1) Costs of studies, surveys, development of plans and specifications, implementation and administration (annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a Redevelopment Project Area or approved a Redevelopment Plan) of the Redevelopment Plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services..... | \$500,000 |
| (2) Costs of marketing sites within the Redevelopment Project Area to prospective businesses, developers, and investors..... | \$500,000 |
| (3) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests herein, 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..... | \$10,000,000 |

(4)	Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, and 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 investments.....	\$10,000,000
(5)	Costs of the construction of public works or improvements.....	\$3,000,000
(6)	Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the Redevelopment Project Area.....	\$500,000
(7)	Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto.....	\$1,000,000
(8)	To the extent the Village, by written agreement, accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan and project. In addition, if the project increases the student population for the primary and secondary education districts, the Village will reimburse the taxing districts according to the provisions of the Act.....	\$1,000,000
(9)	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 or in order to satisfy subparagraph (7) of subsection (n) of Section 11-74.4-3 of the Act	\$2,000,000
(10)	Payment in lieu of taxes	\$1,500,000
(11)	Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including, but not limited to, the number of employees to	

	be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code	\$500,000
(12)	Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project	\$10,000,000
(13)	Contributions to Libraries for an increased library population	\$1,000,000
(14)	Contributions to Schools for an increased student population as a result of TIF.....	\$1,000,000

The above costs may be affected by reimbursing developers who incur Redevelopment Project Costs authorized by a redevelopment agreement.

The Village reserves the right to utilize revenues received under the Tax Increment Allocation Redevelopment 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.

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

Notes:

1. All costs shown are in 2006 dollars and do not include additional costs to be incurred in future financing (e.g., bond issuance costs, interest payments on obligations and related expenses) or inflationary costs that may be realized.
2. Private redevelopment costs and investments are in addition to the above.
3. Should the law allow, funds may be transferred within line items of the above budget.

V. REDEVELOPMENT PROGRAM CERTIFICATIONS

This section reviews the **Redevelopment Plan** and provides appropriate responses to certifications required in the **Act**.

“Each Redevelopment Plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:...”

A. An itemized list of estimated Redevelopment Project Costs.

See Previous Section IV. Redevelopment Project Costs which is incorporated by this reference.

B. Evidence indicating that the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise.

New development and redevelopment are not occurring in **Redevelopment Project Area**. As described in Section III of this **Redevelopment Plan** and in Attachment 3, which is incorporated by this reference, the **Redevelopment Project Area** as a whole is adversely impacted by the presence of numerous blighted **Redevelopment Project Area** factors, and these factors are reasonably distributed throughout the **Redevelopment Project Area**. There has been a lack of growth and development through investment by private enterprise. The problems are further complicated by the geographic location of the facilities.

The **Redevelopment Project Area** has lagged behind the rest of the **Village** in the increase of **EAV**. From 2002 to 2003 the **Redevelopment Project Area** saw an overall 1.0 percent decrease in **EAV**. The Village of Worth as a whole saw an overall 20.0 percent increase. Likewise, the **Redevelopment Project Area** experienced decreases in **EAV** between 2003 and 2004 by 3 percent, compared to the city-wide increase in **EAV** of 4.0 percent.

The problems are further complicated by the geographic location of the **Redevelopment Project** in Cook County. Cook County assesses commercial property at a 36% rate as compared to the rest of the State of Illinois at 33%. Given an equal tax rate and equalizer, Cook County assessment rates create higher taxes on commercial property than in other counties in Illinois. In addition, Cook County’s equalizer in the last five years has been at least double other counties, further complicating development by making taxes even higher.

C. An assessment of any financial impact of the Redevelopment Project Area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand.

It is anticipated that **Redevelopment Projects** implemented, as part of the **Redevelopment Plan and Project**, will not cause increased demand for services or capital improvements by any other taxing districts. No current property taxes will be diverted from any taxing district. Taxing districts could benefit from distributions of excess tax increment.

There is residential development expected within the vacant portion of the **Redevelopment Project Area**. Should this development or redevelopment in the already developed portion of the **Redevelopment Project Area** result in an increase in the number of students served by the primary and secondary education districts, payment according to the provisions of the **Act** will be made to the districts.

The following is an assessment by district:

Cook County

There will be no increased demand for services or negative financial impact.

Forest Preserve District of Cook County

There will be no increased demand for services or negative financial impact.

Consolidated Elections of Cook County

There will be no increased demand for services or negative financial impact.

Worth Township General Assistance

There will be no increased demand for services or negative financial impact.

Worth Township Road and Bridge

There will be no increased demand for services or negative financial impact.

Village of Worth

There will be no increased demand for services or negative financial impact as the area is developed. However, capital funds are available should any impact occur.

School District #127

No increased demand for services or negative financial impact is expected. If an increased student population occurs as a result of the TIF, the District will be compensated according to the **Act**.

Consolidated High School District #230

No increased demand for services or negative financial impact is expected. If an increased student population occurs as a result of the TIF, the District will be compensated according to the **Act**.

Moraine Valley Community College District 524

There will be no increased demand for services or negative financial impact.

Worth Park District

There will be no increased demand for services or negative financial impact.

Worth Public Library District

There will be no increased demand for services or negative financial impact. If an increased library population occurs as a result of the TIF, the District will be compensated according to the **Act**.

Metropolitan Water Reclamation District

As the **Redevelopment Project Area** is being redeveloped and there are current demands on the Metropolitan Water Reclamation District, there will be no increased demand for services or negative financial impact.

South Cook County Mosquito Abatement District

There will be no increased demand for services or negative financial impact.

Suburban Cook County TB Sanitarium District

There will be no increased demand for services or negative financial impact.

D. The sources of funds to pay costs.

The tax increment is the principal source of funds to pay for **Redevelopment Project Costs** and secure municipal obligations. The Village of Worth may pledge as payment additional revenues including revenues from the **Redevelopment Project**, municipal property taxes or other non-designated revenue sources such as sales or utility taxes, and bonds backed by the general obligation of the municipality. In addition, the **Village** may utilize State and Federal grants. Finally, the **Village** may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

E. The nature and term of obligations to be issued.

The **Village** may issue obligations secured by **Incremental Property Taxes** pursuant to 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 initial ordinances approving the **Redevelopment Project Area** and **Redevelopment Plan**, with the **Village** reserving the right to have obligations maturing in the 24th year and to apply **Incremental Property Taxes** received in such 24th year.

In addition to paying **Redevelopment Project Costs**, **Incremental Property 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** may then become available for distribution annually to taxing districts within the **Redevelopment Project Area** in the manner provided by the **Act**.

F. The most recent equalized assessed valuation of the Redevelopment Project Area.

See Table 1, which is incorporated by this reference.

G. An estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the Redevelopment Project Area.

General Land Uses within the **Redevelopment Project Area** will remain the same. Mixed-use development may be allowed on the 111th Street Ridgeland Avenue.

See Table 2 for estimated **EAV** after redevelopment, which is incorporated by this reference.

H. A commitment to fair employment practices and an affirmative action plan.

The **Village** is committed to and will affirmatively implement the assurance of equal opportunity in all personnel and employment actions with respect to this **Redevelopment Plan**. This includes, but is not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc. without regard to race, color, religion, sex, sexual preference, 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.

- I. **If it concerns an industrial park conservation Redevelopment Project Area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of employees to be employed in the operation of the facilities to be developed.**

This **Redevelopment Plan** does not concern an **Industrial Park Conservation Redevelopment Project Area**.

- J. **If property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.**

Property within the **Redevelopment Project Area** is currently annexed.

The Village of Worth makes the following findings as described in the Act:

1. **According to the Act, the municipality must find that the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without adoption of the Redevelopment Plan.**

In response to the above compliance requirement in the **Act**, the Village of Worth finds that private investment and redevelopment has not occurred to the extent necessary to eliminate the blighting influences that currently exist. Likewise, geographic and market conditions complicate any redevelopment efforts. The **Redevelopment Project** is not reasonably expected to be developed without the efforts and leadership of the **Village**, including the adoption of this **Redevelopment Plan** and the application of **Incremental Property Taxes** under the **Act** and this **Redevelopment Plan**.

Table 1 shows the **EAV** of the **Redevelopment Project Area**, which is incorporated by this reference.

Without the adoption of this **Redevelopment Plan**, the **Redevelopment Project Area** is not reasonably expected to be redeveloped or developed by private enterprise. In the absence of **Village**-sponsored redevelopment initiatives, there is a prospect that blighting conditions will continue to exist and spread. Failure to improve property that is declining within the **Redevelopment Project Area** will result in these conditions spreading within the **Redevelopment Project Area** and to adjacent properties and sites. Erosion of the assessed valuation of property in and outside of the **Redevelopment Project Area** could lead to a reduction of real estate tax revenue to all taxing districts.

2. According to the Act, the municipality must find that the Redevelopment Plan and Project conform to the comprehensive plan for the development of the municipality as a whole... (additional provisions for municipalities with a population of 100,000 or more).

The **Village's** Comprehensive Plan is currently the **Village's** Zoning Ordinance and a document entitled, Village of Worth Comprehensive Retail Plan, September 2004. These documents along with this **Redevelopment Plan** shall serve as the Comprehensive Plan for the Village. The proposed land uses under this **Redevelopment Plan** are consistent with the **Village's** policy for uses in the **Village's** Comprehensive Plan.

The **Redevelopment Plan and Project** conforms to the following Goals from the Comprehensive Retail Plan:

- A new mixed-use retail and residential core that is attractive and memorable will give Worth an identifiable downtown, add new residents, and enhance the Village' image in the competitive southwest suburban retail market
- 111th Street would be transformed into a more visually appealing shopping environment with consistent signage, enhanced streetscaping and renovated storefronts.
- Aesthetic improvements will add character, improve access and distinguish Worth from neighboring suburbs.
- Zoning changes that allow for mixed-use development in this district could encourage service providers and new residential uses to locate above retailers.

The **Redevelopment Project Area** should be redeveloped primarily in a planned and cohesive manner providing sites for a wide range of land uses, including industrial, commercial, office, residential and similar. The various land uses are arranged and located to minimize conflicts between neighboring land use activities. The intent of this **Redevelopment Plan** is also to enhance and support the existing, viable uses in the **Redevelopment Project Area** through providing opportunities for financial assistance for revitalization of existing improvements and infrastructure and new development where appropriate.

Zoning changes will be needed for mixed use development.

3. According to the Act, the Redevelopment Plan must establish the estimated dates of completion of the redevelopment project and

retirement of obligation issues to finance the Redevelopment Project Costs. The act sets the maximum date at not more than 23 years.

The **Redevelopment Project** is to be completed in 2029 on or before the anniversary date of the adoption of the ordinance adopting this **Redevelopment Plan** and **Redevelopment Project**. The **Village** reserves the right under this **Redevelopment Plan** to receive the 23rd year of **Incremental Property Taxes** by December 31 of the 24th year, December 31, 2030.

- 4. According to the Act, the municipality must find, in the case of an industrial park conservation Redevelopment Project Area, that the municipality is a labor surplus municipality and that the implementation of the Redevelopment Plan will reduce unemployment, create new jobs and by the provision of new facilities, enhance the tax base of the taxing districts that extend into the Redevelopment Project Area.**

This **Redevelopment Plan** does not concern an **Industrial Park Conservation Redevelopment Project Area**.

- 5. According to the Act, the municipality must find that the Project Redevelopment Area would not reasonably be developed without the use of incremental revenue.**

Based lack of private investment and the documented problems in the **Redevelopment Project Area**, the **Village** finds that the **Redevelopment Project Area** would not reasonably be developed without the use of incremental tax revenue.

This is also noted previously in this section under redevelopment program Certification B that is incorporated by this reference.

- 6. According to the Act, the municipality must certify that such incremental revenues will be exclusively utilized for the development of the Redevelopment Project Area.**

The Village of Worth certifies that incremental revenues will be exclusively utilized for the development of the **Redevelopment Project Area**. **Incremental Property Taxes** will be used according to the budget set forth in this plan for the development of the **Redevelopment Project Area**. Should another **Redevelopment Project Area** be adopted and is contiguous funds may also be used in that **Redevelopment Project Area** as allowed by the **Act**.

- 7. According to the Act, the municipality must determine the need for a housing impact study, based on 10 or more inhabited residential units to be displaced, and certify if the above criteria are not met.**

The Village of Worth has ascertained that this **Redevelopment Plan** may result in displacement of residents from 10 or more inhabited residential units.

- 8. According to the Act the municipality must determine the number of residences and certify that the area contains 75 or fewer occupied residential units.**

The Village of Worth hereby certifies that there may be more than 75 occupied residential units in the **Redevelopment Project Area**.

- 9. According to the Act, the municipality must incorporate the housing impact study if required.**

The Village of Worth hereby incorporates as a housing impact study, the Village of Worth, Redevelopment Plan and Project, Assessment of Housing Impact and Relocation Plan as part of this **Redevelopment Plan and Project**.

- 10. When a relocation plan is required, and the residents are low and very low-income households, then the plan must adopt an assistance plan that is not less than the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under the Act.**

The Village of Worth incorporates the Village of Worth, Redevelopment Plan and Project, Assessment of Housing Impact and Relocation Plan as part of this **Redevelopment Plan and Project**. If residents are low and very low-income households, then this plan certifies an assistance plan that is not less than the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under the Act

- 11. According to the Act, the municipality must indicate the effort to be made for relocation to occur near the Redevelopment Project Area.**

The Village of Worth incorporates the Village of Worth, Redevelopment Plan and Project, Assessment of Housing Impact and Relocation Plan as part of this **Redevelopment Plan and Project**. This plan indicates efforts to be made for relocation to occur near the Redevelopment Project Area.

- 12. According to the Act, the municipality must indicate how a change in the number of units to be affected in a plan causes the housing**

provisions to be triggered.

If the number of units meets requirements for the housing provisions, the Village of Worth incorporates the Village of Worth, Redevelopment Plan and Project, Assessment of Housing Impact and Relocation Plan as part of this **Redevelopment Plan and Project**.

VI. PROVISIONS FOR AMENDING THE REDEVELOPMENT PLAN

This **Redevelopment Plan** may be amended pursuant to the **Act**.

TABLE 1
VILLAGE OF WORTH, ILLINOIS
111TH STREET/TOLL ROAD REDEVELOPMENT PROJECT AREA
TIF BASE and FIVE-YEAR EAV

Parcel Number*		2000 EAV	2001 EAV	2002 EAV	2003 EAV	2004 EAV
24-19	209-015	\$ 11,459	\$ 11,459	\$ 14,337	\$ 6,036	\$ 6,036
24-19	209-021	\$ 11,341	\$ 11,341	\$ 21,009	\$ 8,846	\$ 8,846
24-19	209-028	\$ 139,256	\$ 139,256	\$ 136,446	\$ 136,446	\$ 136,446
24-19	209-029	\$ 10,409	\$ 10,409	\$ 15,781	\$ 14,346	\$ 12,433
24-19	209-034	\$ 26,858	\$ 26,858	\$ 42,941	\$ 58,520	\$ 58,520
24-19	209-035	\$ 169,151	\$ 169,151	\$ 70,799	\$ 70,799	\$ 70,799
24-19	209-037	exempt	exempt	exempt	exempt	exempt
24-19	209-038	\$ 10,054	\$ 10,054	\$ 11,727	\$ 11,727	\$ 11,727
24-19	209-039	exempt	exempt	exempt	exempt	exempt
24-19	209-040	\$ 10,217	\$ 10,217	\$ 12,036	\$ 12,036	\$ 12,036
24-19	209-041	exempt	exempt	exempt	exempt	exempt
24-19	209-043	\$ 69,781	\$ 69,781	\$ 85,152	\$ 77,411	\$ 67,090
24-19	209-045	exempt	exempt	exempt	exempt	exempt
24-19	209-046	exempt	exempt	exempt	exempt	exempt
24-19	209-047	\$ 87,216	\$ 87,216	\$ 76,286	\$ 69,352	\$ 60,103
24-19	209-048	exempt	exempt	exempt	exempt	exempt
24-19	209-049	\$ 9,441	\$ 9,441	\$ 9,605	\$ 9,605	\$ 9,605
24-19	209-050	\$ 10,900	\$ 10,900	\$ 12,622	\$ 12,622	\$ 12,622
24-19	209-052	\$ 19,703	\$ 19,703	\$ 38,541	\$ 38,541	\$ 38,541
24-19	209-053					\$ 7,609
24-19	209-054	\$ 60,509	\$ 60,509	\$ 71,906	\$ 65,369	\$ 56,653
24-19	209-055	\$ 324	\$ 324	\$ 464	\$ 464	\$ 464
24-19	239-001	\$ 23,242	\$ 23,242	\$ 35,904	\$ 35,904	\$ 34,460
24-19	239-007	exempt	exempt	exempt	exempt	exempt
24-19	239-008	\$ 213,927	\$ 213,927	\$ 245,416	\$ 245,416	\$ 232,122
24-18	411-040	\$ 21,297	\$ 21,297	\$ 48,826	\$ 48,826	\$ 48,826
24-18	411-018	\$ 125,399	\$ 125,399	\$ 71,988	\$ 162,517	\$ 162,517
24-18	411-023	\$ 113,990	\$ 113,990	\$ 145,155	\$ 79,252	\$ 79,252
24-18	411-038	exempt	exempt	exempt	exempt	exempt
24-18	411-039	exempt	exempt	exempt	exempt	exempt
24-18	414-007	\$ 23,247	\$ 23,247	\$ 30,677	\$ 30,677	\$ 30,677
24-18	414-009	\$ 14,800	\$ 14,800	\$ 21,406	\$ 21,406	\$ 21,406
24-18	414-027	\$ 71,794	\$ 71,794	\$ 75,001	\$ 75,000	\$ 65,839
24-18	414-023	\$ 9,880	\$ 9,880	\$ 13,183	\$ 13,182	\$ 13,183
	TOTAL AV	\$ 1,264,195	\$ 1,264,195	\$ 1,307,208	\$ 1,304,300	\$ 1,257,812
	TOTAL EAV	\$ 2,810,938	\$ 2,920,038	\$ 3,227,366	\$ 3,208,317	\$ 3,093,966
	% Change		4%	11%	-1%	-4%
	CITY WIDE EAV	\$ 271,573,018	\$ 282,113,495	\$ 314,255,201	\$ 376,070,751	\$390,480,334
	% Change		4%	11%	20%	4%

* The following four parcels were removed from the redevelopment project area (April 2006): 24-19-239-003, 004,005,006.

TABLE 2

**VILLAGE OF WORTH, ILLINOIS
111TH STREET/TOLL ROAD REDEVELOPMENT PROJECT AREA**

PROJECTED EAV AND TAX INCREMENT

111th Street/Tollway Redevelopment Project Area							
	Base Value	3,252,180	Inflation Factor	1.00%			
<i>Construction Year</i>	<i>Valuation Year</i>	<i>Revenue Year</i>	<i>Inflation Increment</i>	<i>Value Added</i>	<i>Valuation Increment</i>	<i>Tax Rate</i>	<i>Tax Increment</i>
1	2005	2006	2007	0	0	9.012	0
2	2006	2007	2008	32,522	0	32,522	2,931
3	2007	2008	2009	32,847	350,000	415,369	37,433
4	2008	2009	2010	36,675	350,000	802,044	72,280
5	2009	2010	2011	40,542	35,000	877,587	79,088
6	2010	2011	2012	41,298	350,000	1,268,884	114,352
7	2011	2012	2013	45,211	50,000	1,364,095	122,932
8	2012	2013	2014	46,163	50,000	1,460,258	131,598
9	2013	2014	2015	47,124	25,000	1,532,382	138,098
10	2014	2015	2016	47,846	25,000	1,605,228	144,663
11	2015	2016	2017	48,574		1,653,802	149,041
12	2016	2017	2018	49,060		1,702,861	153,462
13	2017	2018	2019	49,550		1,752,412	157,927
14	2018	2019	2020	50,046		1,802,458	162,437
15	2019	2020	2021	50,546		1,853,004	166,993
16	2020	2021	2022	51,052		1,904,056	171,594
17	2021	2022	2023	51,562		1,955,618	176,240
18	2022	2023	2024	52,078		2,007,696	180,934
19	2023	2024	2025	52,599		2,060,295	185,674
20	2024	2025	2026	53,125		2,113,420	190,461
21	2025	2026	2027	53,656		2,167,076	195,297
22	2026	2027	2028	54,193		2,221,268	200,181
23	2027	2028	2029	54,734		2,276,003	205,113
Totals				1,235,000			3,138,730
				Present Value at 5.75%			\$1,455,379

ATTACHMENT 1

VILLAGE OF WORTH, ILLINOIS 111TH STREET/TOLL ROAD REDEVELOPMENT PROJECT AREA

LEGAL DESCRIPTION

That part of the East Half of the Southeast Quarter of Section 18, Township 37 North, Range 13 East of the Third Principal Meridian and that part of the East Half of the Northeast Quarter of Section 19, Township 37 North, Range 13 East of the Third Principal Meridian, Cook County, Illinois, bounded and described as follows:

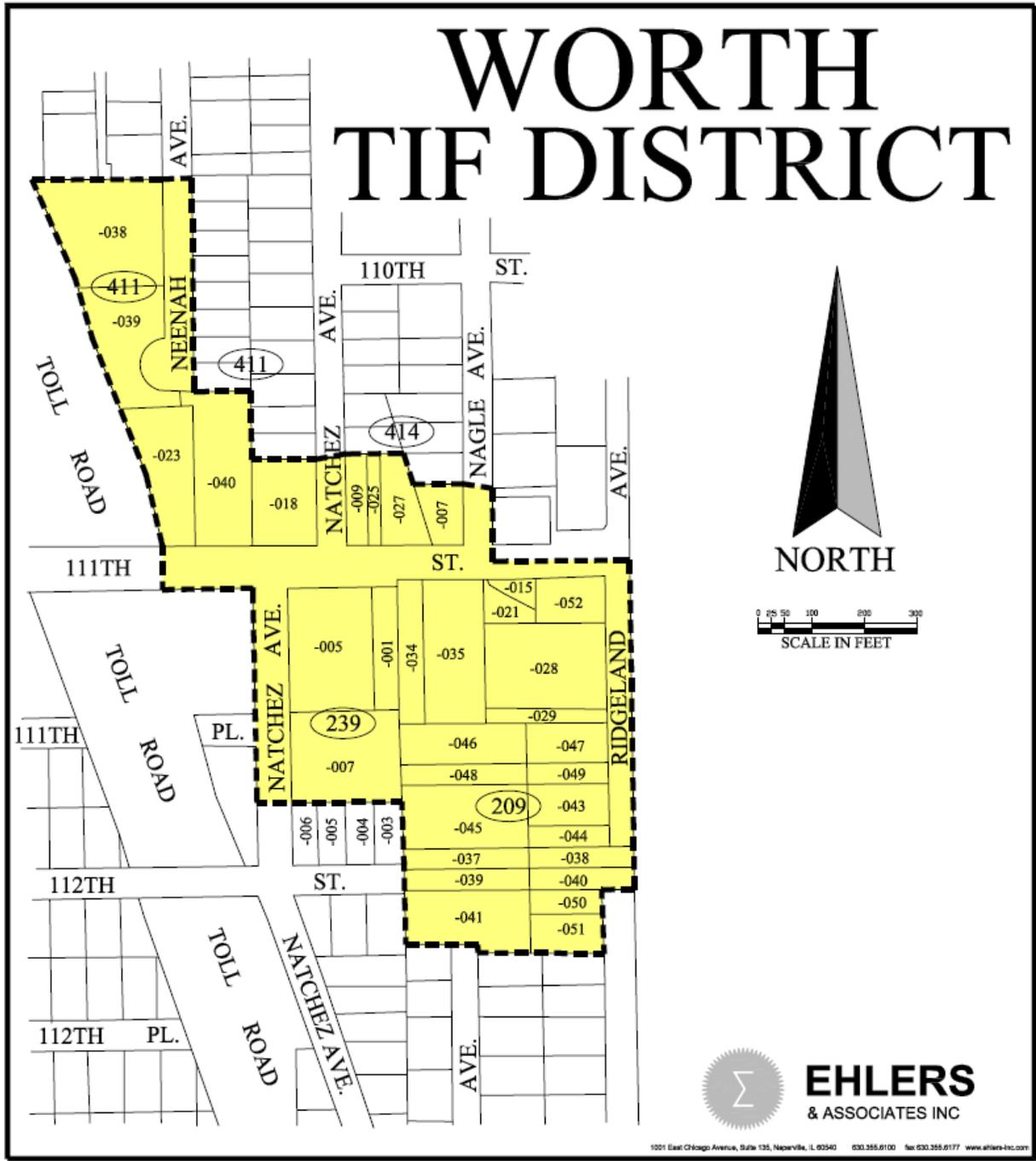
Beginning at the Southeast corner of said Southeast Quarter; thence westerly along the South line of said Southeast Quarter, a distance of 300 feet, more or less, to the southerly prolongation of the east line of Nagle Avenue; thence northerly along said southerly prolongation, and along said east line of Nagle Avenue, a distance of 130 feet, more or less, to the easterly prolongation of the southerly line of Lot 2 in Richard's Resubdivision as shown on plat recorded as Document Number 17733930; thence westerly along said easterly prolongation, and along said southerly line of Lot 2, a distance of 180.56 feet, more or less, to the easterly line of Bodin's Sub, as shown in recorded document number 17097657; thence northwesterly along said easterly line, a distance of 75 feet, more or less, to the southerly line of Lot 6 in Holger's 2nd Resubdivision as shown in recorded Document Number 17853461; thence westerly along said southerly line and the westerly prolongation thereof, a distance of 197.32 feet, more or less to the westerly line of Natchez avenue; thence southerly along said westerly line, a distance of 9 feet, more or less, to a southerly line of Lot 2 in Holger's Resubdivision as shown in recorded Document Number 17848475; thence westerly along said southerly line, a distance of 142.29 feet, more or less, to the easterly line of the parcel of land identified by Permanent Identification Number 24-18-411-040-0000; thence northerly along said easterly line, a distance of 165 feet, more or less, to the southerly line of Lot 8 in Krapil's Subdivision as shown in recorded Document Number 87624734; thence westerly along said southerly line a distance of 125.21 feet, more or less, to the southwest corner of said Lot, being also the easterly line of Neenah Avenue; thence northerly along the easterly line of said Neenah Avenue, a distance of 480 feet, more or less, to the easterly prolongation of the northerly line of Lot 2 in Brouillette's Subdivision as shown in recorded document number 19930546; thence westerly along said easterly prolongation and along the northerly line of said Lot 2, a distance of 340 feet, more or

less, to the easterly line of the Tri-State Tollway; thence southeasterly along said easterly line, a distance of 921 feet, more or less, to northerly line of 111th Street; thence southeasterly to northwest corner of the parcel of land identified by Permanent Identification Number 24-19-223-006-0000; thence easterly along the northerly line of said parcel of land identified by Permanent Identification Number 24-19-223-006-0000 to the westerly line of Natchez Avenue; thence southerly along said westerly line, a distance of 473 feet, more or less, to the westerly prolongation of the southerly line of the parcel of land identified by Permanent Identification Number 24-19-239-007-0000; thence easterly along said southerly line a distance of 299 feet, more or less, to the easterly line of Gilbert's Ridgeland Village Subdivision, as shown in recorded document number 18153381; thence southerly along said easterly line, a distance of 308 feet, more or less, to the northwest corner of Lot 5 in Kat's Subdivision Unit Number 3, as shown in recorded document number 18019474; thence easterly along said northerly line and along the easterly prolongation thereof a distance of 154.02 more or less the east line of Nagle Avenue; thence southerly along said easterly line of Nagle Avenue to the northwest corner of Lot 3 in said Kat's Subdivision Unit Number 3; thence easterly along the northerly line of said Lot 3 and the along easterly prolongation thereof a distance of 262.78 feet, more or less, to the westerly line of Ridgeland Avenue; thence northerly along said westerly line, a distance of 134 feet, more or less, to the southerly line of the parcel of land identified by Permanent Identification Number 24-19-209-040-0000; thence easterly along said southerly line, a distance of 67 feet, more or less, to the East line of the Northeast Quarter of aforesaid Section 19; thence northerly along said East line to the Point of Beginning, all in Cook County, Illinois..

ATTACHMENT 2

VILLAGE OF WORTH, ILLINOIS
111TH STREET/TOLL ROAD REDEVELOPMENT PROJECT AREA

MAP



ATTACHMENT 3

**VILLAGE OF WORTH, ILLINOIS
111TH STREET/TOLL ROAD REDEVELOPMENT PROJECT AREA**

ELIGIBILITY REPORT

(See Attached Report)

ATTACHMENT 4

**VILLAGE OF WORTH, ILLINOIS
111th STREET/TOLL ROAD REDEVELOPMENT PROJECT AREA**

**VILLAGE OF WORTH, REDEVELOPMENT PLAN AND PROJECT
ASSESSMENT OF HOUSING IMPACT AND RELOCATION PLAN**

(See Attached Report)

Tax Increment Finance

Village of Worth, Illinois



111th Street/ Toll Road Redevelopment Project Area

Eligibility Report

September 2005
REVISED APRIL 2006



EHLERS
& ASSOCIATES INC

550 Warrenville Road
Suite 220
Lisle, Illinois 60532
630-271-3330

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EXECUTIVE SUMMARY

This Village of Worth, Illinois 111th Street/ Toll Road Redevelopment Project Area Eligibility Report (the “**Eligibility Report**”), among other things, documents the eligibility and qualifications of the 111th Street/ Toll Road Redevelopment Project Area (the “**Redevelopment Project Area**”) in the Village of Worth, Illinois (the “**Village**”) for designation as a “blighted area” pursuant to the definition contained in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the “**Act**”).

The Village of Worth is designating as a **Redevelopment Project Area** that territory that runs along its 111th Street Corridor. It is bounded on the far west by the Toll Road and the east by Ridgeland Avenue. The western portion of the **Redevelopment Project Area** is bounded by the Toll Road which makes access difficult. The property is a combination of residential, public and commercial uses.

A legal description of the **Redevelopment Project Area** is Attachment 1. The **Redevelopment Project Area** is depicted in the map that is Attachment 2.

As set forth in the Act, “**Redevelopment Project Area**” (**Redevelopment Project Area**) means an area designated by a 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” (an “**Industrial Park Conservation Area**”) or a blighted area (“**Blighted Area**”) or a conservation area (“**Conservation Area**”), or a combination of both. “**Blighted**” and “**Conservation Areas**” provisions apply to this **Redevelopment Project Area**. The **Redevelopment Project Area** is 15.89 acres.

As defined 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:” industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health or welfare based on the documentation of five of thirteen specific factors that are reasonably distributed throughout the improved part of the redevelopment project area. (“**Blighted Area**”)

As defined in the Act “...‘conservation’ area means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% 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 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area...” (“**Conservation Area**”).

As defined in the Act “...‘industrial park conservation area’ means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 ½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment

project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.” (“**Industrial Park Conservation Area**”)

The **Redevelopment Project Area**, according to the **Act**, is that area designated by the **Village** in which findings are made that there exist conditions which cause the area to be classified as a blighted area, conservation area, combination of blighted and conservation areas, or an industrial park conservation area. The criteria and individual factors defining each of these categories of eligibility are defined in the **Act**. The **Blighted Area** (structures) provisions apply to the **Redevelopment Project Area**. This **Eligibility Report** documents the relevant statutory requirements and how the **Redevelopment Project Area** meets the eligibility criteria.

I. BASIS FOR REDEVELOPMENT

A. Findings

The Illinois General Assembly made two key findings in adopting the **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 that lead to blight, is 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 area qualifies either as a **Blighted Area** or as a **Conservation Area** or a **Combination of Blighted and Conservation Area** or an **Industrial Park Conservation Area** within the definitions set forth in the **Act**. These definitions are paraphrased below:

B. Eligibility of a Blighted Area

“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:

1. **If improved**, industrial commercial and residential building or improvements are detrimental to the public safety, health, or welfare because of a combination of **five or more of the following factors**, each of which is (i) present, with the presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the **Act** and (ii) reasonably distributed throughout the improved part of the **Redevelopment Project Area**:
 - Dilapidation
 - Obsolescence
 - Deterioration
 - Presence of structures below minimum code standards
 - Illegal use of individual structures
 - Excessive vacancies
 - Lack of ventilation, light, or sanitary facilities
 - Inadequate utilities
 - Excessive land coverage
 - Deleterious land use or layout

- Lack of community planning
- EPA Remediation Finding
- Declining EAV

2. **If vacant (Vacant Land)**, the sound growth of the **Redevelopment Project Area** is impaired by a combination of **two (2) or more of the following factors**, each of which is (i) present, with that presence documented to a meaningful extent, so that the **Village** may reasonably find that the factor is clearly present with the intent of the **Act**, and (ii) reasonably distributed throughout the vacant part of the **Redevelopment Project Area** to which it pertains:

1. Obsolete platting
2. Diversity of ownership
3. Tax and special ownership
4. Deterioration of structures or site improvements or subject to tax sales within last five years.
5. The **Redevelopment Project Area** has incurred Illinois Environmental Protection Agency or United States Environmental Protection remediation costs.
6. The Total EAV of the proposed area has declined or not appropriately appreciated for (3) of the last (5) calendar years.

3. **If vacant (Vacant Land)**, the sound growth of the **Redevelopment Project Area** is impaired by **one of the following factors** that (i) is present, with that presence documented to a meaningful extent, so that a Village may reasonably find that the factor is clearly present within the intent of the **Act**, and (ii) is reasonably distributed throughout the vacant part of the area to which it pertains:

1. The area consists of one or more unused quarries, mines, or strip mine ponds.
2. The area consists of unused rail yards, rail tracks, or railroad rights-of-way.
3. The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area, as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.
4. The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.
5. Prior to the effective date of the applicable amendatory **Act** of the 91st General Assembly, the area is not less than 50, nor more than 100 acres, and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the designation of the **Redevelopment Project**

Area), and the area meets at least one of the factors itemized in paragraph (1) above, 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.

6. The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

C. Eligibility of a Conservation Area

“**Conservation area**” means any improved area within the boundaries of a **Redevelopment Project Area** located within the territorial limits of the Village in which **50% 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 3 or more of the factors** is detrimental to the public safety, health, morals or welfare, and such an area may become a blighted area:

The factors are the same factors listed for developed land in a **Blighted Area**. This **Redevelopment Project Area** does not meet the age criteria as a **Conservation Area**.

E. Presence of Eligibility Factors

Summarized below are the conclusions of the surveys and analyses completed for each eligibility factor based on existing conditions within the **Redevelopment Project Area**. In order to qualify the **Redevelopment Project Area**, the **Redevelopment Project Area** must meet criteria set forth in the **Act**. The specific criteria, as defined by the **Act**, precede each finding. The conclusions indicate whether the factor is found to be present within the **Redevelopment Project Area**.

F. Investigation Analysis of Blighted / Conservation Factors

In determining whether or not the proposed **Redevelopment Project Area** meets the eligibility requirements of the **Act**, various research and field surveys were undertaken including:

- Contacts with **Village** officials, county officials, and private parties knowledgeable as to area conditions and history, age of buildings and site improvements, real estate matters, and related items, as well as examination of existing information related to the **Redevelopment Project Area**.
- On site field examination of conditions within the **Redevelopment Project Area**.
- Application of definitions related to **Blighted Area**, **Conservation Area** and **Industrial Park Conservation** contained in the **Act**.

G. Conclusions

1. There are three categories under which an area can be determined to be blighted. The area must meet the criteria under one of these categories if it is determined to be blighted. One set of the criteria for both the **Blighted** and **Conservation** designation deals with developed property. Two sets within the blighted designation deal with vacant property. The minimum number of factors must be present in one of these categories and the presence of each must be documented.

The **Redevelopment Project Area** meets seven (minimum five) of the thirteen required criteria for being designated as **Blighted** with structures;

2. Each factor to be claimed must be distributed throughout the district and 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. In the case of a **Conservation Area** finding, three from the same list as the **Blighted** criteria with structures (Seven criteria are met) must be met. In addition, 50% or more of the structures must be thirty-five years or older. Thirty three percent of structures are more than thirty-five years old in the **Redevelopment Project Area**. This criterion is not met. The **Redevelopment Project Area** does not qualify as a **Conservation Area**.
4. The **Redevelopment Project Area** is 15.89 acres.

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

The **Redevelopment Project Area** with structures exhibits the following:

- Obsolescence
- Deterioration
- Excessive vacancies
- Deleterious land use or layout
- Excessive land coverage
- Land use
- Lack of community planning

The Worth 111th Street/ Toll Road Redevelopment Project Area meets the requirements for designation as a **Blighted Area** based on the following:

For the developed land, the minimum of five factors for **Blighted Area** designation is present and this presence is documented according to the methodology described in the

report. (Seven criteria are met.) The factors are distributed throughout the area and are meaningfully present. At approximately 15.89 total acres the acreage exceeds the required 1.5 acres.

II. THE REDEVELOPMENT PROJECT AREA

The **Redevelopment Project Area** is as follows:

The Village of Worth is designating as a **Redevelopment Project Area** that territory that generally includes the following:

*The **Redevelopment Project Area** is bisected by 111th Street. Its far western border is the Toll Road. Its far eastern border is Ridgeland Avenue. It extends from approximately 110th Street on the north and 112th Street on the south.*

The **Redevelopment Project Area** is described in Attachment 1, Legal Description. Attachment 2 is a map of the Redevelopment Project Area.

The boundary, where possible, conforms to street lines. Where streets do not exist, lot lines are used as the boundary.

III. ANALYSIS OF CONDITIONS IN THE REDEVELOPMENT PROJECT AREA

In determining whether or not the proposed **Redevelopment Project Area** meets the eligibility requirements of the **Act**, at the **Village's** direction, Ehlers & Associates, Inc. (the "**Consultant**") conducted various research and undertook field surveys.

The **Consultant** surveyed the **Redevelopment Project Area** in August 2005. In that survey, several tools were used to determine conditions of blight. A survey and analysis of existing conditions within the **Redevelopment Project Area** were completed by the **Consultant** to document the extent to which each blighted factor is present within the **Redevelopment Project Area**. The surveys and analyses included:

1. Exterior survey of the condition and use of each building;
2. Field survey of environmental conditions covering street, sidewalks, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Analysis of vacant sites;
5. Review of previously prepared plats, plans and studies;
6. Analysis of water, sewer, gas utilities, etc.

A. Eligibility Survey and Analysis

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:

a. Primary Structure

These components are the basic structural elements of any building, including foundation walls, load-bearing walls and columns, roof structure, and roof.

b. Secondary Structure

These components are 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, gutters and down spouts.

2. Final Building Rating

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

a. Sound Buildings/None to Minor Defects

Sound buildings kept in a standard condition, requiring no professional maintenance at present. These buildings, so classified, have defects so minor as to not impact the area.

b. Deteriorated

Buildings where factors were present from a major to extreme extent. Usually these buildings contain defects that are not easily correctable through normal maintenance or require contracted skills to accomplish the level of improvements as part of maintenance or correction of defects. These buildings are noted as being deteriorated on the survey.

c. Dilapidated

Buildings appear to be so severely defective as to need demolition. Because there are adequate criteria to qualify the **Redevelopment Project Area** without this determination, a building condition analysis was not done to document structural integrity. However, if buildings visually appear to meet this criterion, they will be noted.

B. Presence of Blight Factors

Summarized below are the conclusions of the surveys and analyses completed for each blight factor based on existing conditions within the **Redevelopment Project Area**. In order to qualify the **Redevelopment Project Area** for a **TIF**, the **Redevelopment Project Area** must meet criteria set forth in the **Act**. The specific criteria as defined by the **Act** precede each finding. The conclusions indicate whether the factor is found to be present within the **Redevelopment Project Area**, and the relative extent to which the factor is present. The Rating Survey showing the conditions in each block is found in Table 2, Rating Survey.

These factors will be documented in the study.

- The blight factors, which are present, are reasonably distributed throughout the **Redevelopment Project Area**.
- The entire **Redevelopment Project Area** is impacted by and shows the presence of blight factors.

1. Eligibility of a Blighted Area

“**Blighted Area**” means any improved or vacant area within the boundaries of the **Redevelopment Project Area** located within the territorial limits of the **Village** where:

If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of **five (5) or more of the following factors**, each of which is (i) present, with that presence documented to a meaningful extent, so that a Village may reasonably find that the factor is clearly present within the intent of the **Act**, and (ii) reasonably distributed throughout the improved part of the **Redevelopment Project Area**:

- (a) **Dilapidation**. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings, or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

This criterion does not apply.

- (b) **Obsolescence**. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

There are a number of structures that fit this category. Several businesses no longer fit their initial building usage. Likewise, there are also a number of parking lots associated with commercial businesses that are incorrectly situated. The school property no longer meets its original purpose. Housing sits between apartment complexes on a major arterial street.

- (c) **Deterioration**. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters, and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

There are several deteriorating buildings. A number of the parking lots have surface cracking, crumbling, potholes, depressions and loose paving materials. A number of buildings have bent siding.

- (d) **Presence of structures below minimum code standards**. All structures that do not meet the standards of zoning, subdivision, building, fire, and

other governmental codes applicable to property, but not including housing and property maintenance codes.

This criterion does not apply.

- (e) **Illegal use of individual structures.** The use of structures in violation of applicable Federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

This criterion does not apply.

- (f) **Excessive vacancies.** The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

A large building is vacant. There are also a number of vacant lots.

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

This criterion does not apply.

- (h) **Inadequate utilities.** Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the **Redevelopment Project Area**, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the **Redevelopment Project Area**.

There appears to be inadequate storm drainage for redevelopment purposed in that there is a lack of surface detention/retention. No other problems were noted.

- (i) **Excessive land coverage and overcrowding of structures and community facilities.** The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting

excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of building, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

There are a number of parcels that are of insufficient size and shape to meet modern standards. Likewise, a number of parcels do not have proper access to public right of way and have inadequate provision for loading and service. There are a number of businesses that cover the entire ground space and rights of way.

- (j) **Deleterious land use or layout.** The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

There is no buffering on the public properties that border residential uses in the area next to the Toll Road. Houses are placed on major arterials without frontage road access and are between apartment complexes.

- (k) **Lack of community planning.** The proposed **Redevelopment Project Area** was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the Village of a comprehensive or other community plan, or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Development of this corridor occurred prior to the adoption by the Village's Comprehensive Plan. There are problems in the area with access and the area adjoins the I-294 Tollway making this access difficult. There are parcels are of inadequate shape and size to meet contemporary standards.

- (l) **Environmental clean-up.** The proposed **Redevelopment Project Area** has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study

conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the **Redevelopment Project Area**.

No Superfund or other environmental remediation sites were identified.

*There were no Leaking Underground Storage Tank sites within the **Redevelopment Project Area** listed on the IL EPA Leaking Underground Storage Tank List: (IL EPA LUST)*

*While there were no environmental problems identified at present, there are sites within the **Redevelopment Project Area** that may have these problems.*

- (m) **The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years** prior to the year in which the **Redevelopment Project Area** is designated, or is increasing at an annual rate that is less than the balance of the Village for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the **Redevelopment Project Area** is designated.

EAV is documented in Table 1.

An examination of the EAV shows that the above criterion is not met.

- 2. **If vacant**, the sound growth of the **Redevelopment Project Area** is impaired by a combination of **two (2) or more of the following factors**, each of which is (i) present, with that presence documented to a meaningful extent, so that the Village may reasonably find that the factor is clearly present with the intent of the **Act**, and (ii) reasonably distributed throughout the vacant part of the **Redevelopment Project Area** to which it pertains:

- (a) **Obsolete platting** of vacant land that results in parcels of limited or narrow size, or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys, or that created inadequate right-of-way

widths for streets, alleys, or other, public rights-of-way, or that omitted easements for public utilities.

This criterion does not apply.

- (b) **Diversity of ownership** of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

This criterion does not apply.

- (c) **Tax and special assessment delinquencies** exist, or the property has been the subject of sales tax under the Property Tax Code within the last five (5) years.

This criterion does not apply.

- (d) **Deterioration of structures or site improvements** in neighboring areas adjacent to the vacant land

This criterion does not apply.

- (e) **The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs** for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or Federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the **Redevelopment Project Area**.

This criterion is not present in the developed land. The site is developed and therefore this criterion does not apply.

- (f) **The total equalized assessed value of the proposed Redevelopment Project Area has declined for three (3) of the last five (5) calendar years** prior to the year in which the **Redevelopment Project Area** is designated, or is increasing at an annual rate: that is less than the balance of the Village for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the **Redevelopment Project Area** is designated.

EAV is provided in Table I. This criterion does not apply.

3. **If vacant**, the sound growth of the **Redevelopment Project Area** is impaired by one of the following factors that **(i)** is present, with that presence documented to a meaningful extent, so that a Village may reasonably find that the factor is clearly present within the intent of the **Act**, and **(ii)** is reasonably distributed throughout the vacant part of the **Redevelopment Project Area** to which it pertains:

(a) **The area consists of one or more unused quarries, mines, or strip mine ponds.**

There are no quarries, mines, or strip mine ponds present.

(b) **The area consists of unused rail yards, rail tracks, or railroad rights-of-way.**

There are no unused rights-of-ways associated with the railroad in the Blighted Area.

(c) **The area, prior to its designation**, is subject to (i) chronic flooding that adversely impacts on real property in the area, as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

The vacant area is not subject to flooding

(d) **The area consists of an unused or illegal disposal site** containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

There was no dumping noted.

(e) **Prior to the effective date of the applicable amendatory Act of the 91st General Assembly**, the area is not less than 50, nor more than 100 acres, and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area), and the area meets at least one of the factors itemized in paragraph (1) above, 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.

These criteria do not apply.

- (f) **The area qualified as a blighted improved area immediately prior to becoming vacant**, unless there has been substantial private investment in the immediately surrounding area.

These criteria do not apply.

The **Redevelopment Project Area** meets the qualifications for designation as a **Blighted Area** based on meeting seven of thirteen criteria. Five criteria are required for designation.

2. Eligibility of a Conservation Area

The Redevelopment Project Area does not qualify as a Conservation Area. The thirteen criteria for determination of Conservation Area are the same as the criteria for Blighted. However, an additional criterion of age of structure is applied. The review of the Redevelopment Project Area according to the original thirteen criteria shows that it qualified. The age criterion for structures does not qualify the Redevelopment Project Area as a Conservation Area. Both standards must be met for qualification.

“Conservation Area” means any improved area within the boundaries of a **Redevelopment Project Area** located within the territorial limits of the Village in which **50% 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 (3) or more of the following (above) factors** is detrimental to the public safety, health, morals or welfare, and such an area may become a blighted area:

The **Redevelopment Project Area** does not qualify as a **Conservation Area** based on age of structure, as thirty three percent of the structures are thirty-five years of age or more and fifty percent or more are required to qualify.

IV. ELIGIBILITY CONCLUSIONS

The **Redevelopment Project Area** meets the requirements of the **Act** for designation as a **Blighted Area**. To be designated as a **Blighted Area** requires that five of thirteen criteria enumerated by the **Act** be met. In addition there must be a reasonable presence and distribution of these factors included in the **Act**. The **Redevelopment Project Area** meets the following seven criteria:

- Obsolescence
- Deterioration
- Deleterious land use or layout
- Vacancies
- Excessive land coverage
- Lack of community planning
- Land Use

Each factor is distributed throughout the district and is 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**.

Based on these factors, the **Village's Consultant** has recommended that the **Village** could conclude that developed property within the **Redevelopment Project Area** qualifies as a **Blighted Area** as defined in State statute and 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 **Redevelopment Project Area** has not been subject to sound growth and development through investment by private enterprise and the **Redevelopment Project Area** would not reasonably be anticipated to be developed without **TIF** assistance.

The **Redevelopment Project Area** meets the qualification for **Blighted Area**.

TABLE 1
VILLAGE OF WORTH
111TH STREET/ TOLL ROAD
REDEVELOPMENT PROJECT AREA
TIF BASE / FIVE-YEAR EAV

Parcel Number		2000 EAV	2001 EAV	2002 EAV	2003 EAV	2004 EAV
24-19	209-015	\$ 11,459	\$ 11,459	\$ 14,337	\$ 6,036	\$ 6,036
24-19	209-021	\$ 11,341	\$ 11,341	\$ 21,009	\$ 8,846	\$ 8,846
24-19	209-028	\$ 139,256	\$ 139,256	\$ 136,446	\$ 136,446	\$ 136,446
24-19	209-029	\$ 10,409	\$ 10,409	\$ 15,781	\$ 14,346	\$ 12,433
24-19	209-034	\$ 26,858	\$ 26,858	\$ 42,941	\$ 58,520	\$ 58,520
24-19	209-035	\$ 169,151	\$ 169,151	\$ 70,799	\$ 70,799	\$ 70,799
24-19	209-037	exempt	exempt	exempt	exempt	exempt
24-19	209-038	\$ 10,054	\$ 10,054	\$ 11,727	\$ 11,727	\$ 11,727
24-19	209-039	exempt	exempt	exempt	exempt	exempt
24-19	209-040	\$ 10,217	\$ 10,217	\$ 12,036	\$ 12,036	\$ 12,036
24-19	209-041	exempt	exempt	exempt	exempt	exempt
24-19	209-043	\$ 69,781	\$ 69,781	\$ 85,152	\$ 77,411	\$ 67,090
24-19	209-045	exempt	exempt	exempt	exempt	exempt
24-19	209-046	exempt	exempt	exempt	exempt	exempt
24-19	209-047	\$ 87,216	\$ 87,216	\$ 76,286	\$ 69,352	\$ 60,103
24-19	209-048	exempt	exempt	exempt	exempt	exempt
24-19	209-049	\$ 9,441	\$ 9,441	\$ 9,605	\$ 9,605	\$ 9,605
24-19	209-050	\$ 10,900	\$ 10,900	\$ 12,622	\$ 12,622	\$ 12,622
24-19	209-052	\$ 19,703	\$ 19,703	\$ 38,541	\$ 38,541	\$ 38,541
24-19	209-053					\$ 7,609
24-19	209-054	\$ 60,509	\$ 60,509	\$ 71,906	\$ 65,369	\$ 56,653
24-19	209-055	\$ 324	\$ 324	\$ 464	\$ 464	\$ 464
24-19	239-001	\$ 23,242	\$ 23,242	\$ 35,904	\$ 35,904	\$ 34,460
24-19	239-007	exempt	exempt	exempt	exempt	exempt
24-19	239-008	\$ 213,927	\$ 213,927	\$ 245,416	\$ 245,416	\$ 232,122
24-18	411-040	\$ 21,297	\$ 21,297	\$ 48,826	\$ 48,826	\$ 48,826
24-18	411-018	\$ 125,399	\$ 125,399	\$ 71,988	\$ 162,517	\$ 162,517
24-18	411-023	\$ 113,990	\$ 113,990	\$ 145,155	\$ 79,252	\$ 79,252
24-18	411-038	exempt	exempt	exempt	exempt	exempt
24-18	411-039	exempt	exempt	exempt	exempt	exempt
24-18	414-007	\$ 23,247	\$ 23,247	\$ 30,677	\$ 30,677	\$ 30,677
24-18	414-009	\$ 14,800	\$ 14,800	\$ 21,406	\$ 21,406	\$ 21,406
24-18	414-027	\$ 71,794	\$ 71,794	\$ 75,001	\$ 75,000	\$ 65,839
24-18	414-023	\$ 9,880	\$ 9,880	\$ 13,183	\$ 13,182	\$ 13,183
	TOTAL AV	\$ 1,264,195	\$ 1,264,195	\$ 1,307,208	\$ 1,304,300	\$ 1,257,812
	TOTAL EAV	\$ 2,810,938	\$ 2,920,038	\$ 3,227,366	\$ 3,208,317	\$ 3,093,966
	% Change		4%	11%	-1%	-4%
	CITY WIDE EAV	\$ 271,573,018	\$ 282,113,495	\$ 314,255,201	\$ 376,070,751	\$390,480,334
¹	% Change		4%	11%	20%	4%

¹ The following four parcels were removed from the redevelopment project area (April 2006): 24-19-239-003, 004,005,006.

TABLE 2

**VILLAGE OF WORTH
111TH STREET/ TOLL ROAD
REDEVELOPMENT PROJECT AREA**

RATING SURVEY

Parcel	Number	Obsoles- cense	Deterio- ration	Below	Vacant	Land	Land	Plan
				Minimum Code		Cover	Use	
24-19	209-015	x	x			x		x
24-19	209-021	x	x			x		x
24-19	209-028	x	x			x		x
24-19	209-029							x
24-19	209-034	x	x			x		x
24-19	209-035	x	x			x		x
24-19	209-037							x
24-19	209-038		x					x
24-19	209-039							x
24-19	209-040		x					x
24-19	209-041							x
24-19	209-043							x
24-19	209-045				x			x
24-19	209-046				x			x
24-19	209-047							x
24-19	209-048				x			x
24-19	209-049							x
24-19	209-050	x	x				x	x
24-19	209-052	x			x		x	x
24-19	209-053							x
24-19	209-054							x
24-19	209-055							x
24-19	239-001	x				x		x
24-19	239-007							x
24-19	239-008					x	x	x
24-18	411-040						x	x
24-18	411-018						x	x
24-18	411-023							x
24-18	411-038							x
24-18	411-039							x
24-18	414-007	x						x
24-18	414-009	x						x
24-18	414-027	x						x
24-18	414-023	x						x

ATTACHMENT 1

VILLAGE OF WORTH 111th Street/ Toll Road REDEVELOPMENT PROJECT AREA

LEGAL DESCRIPTION

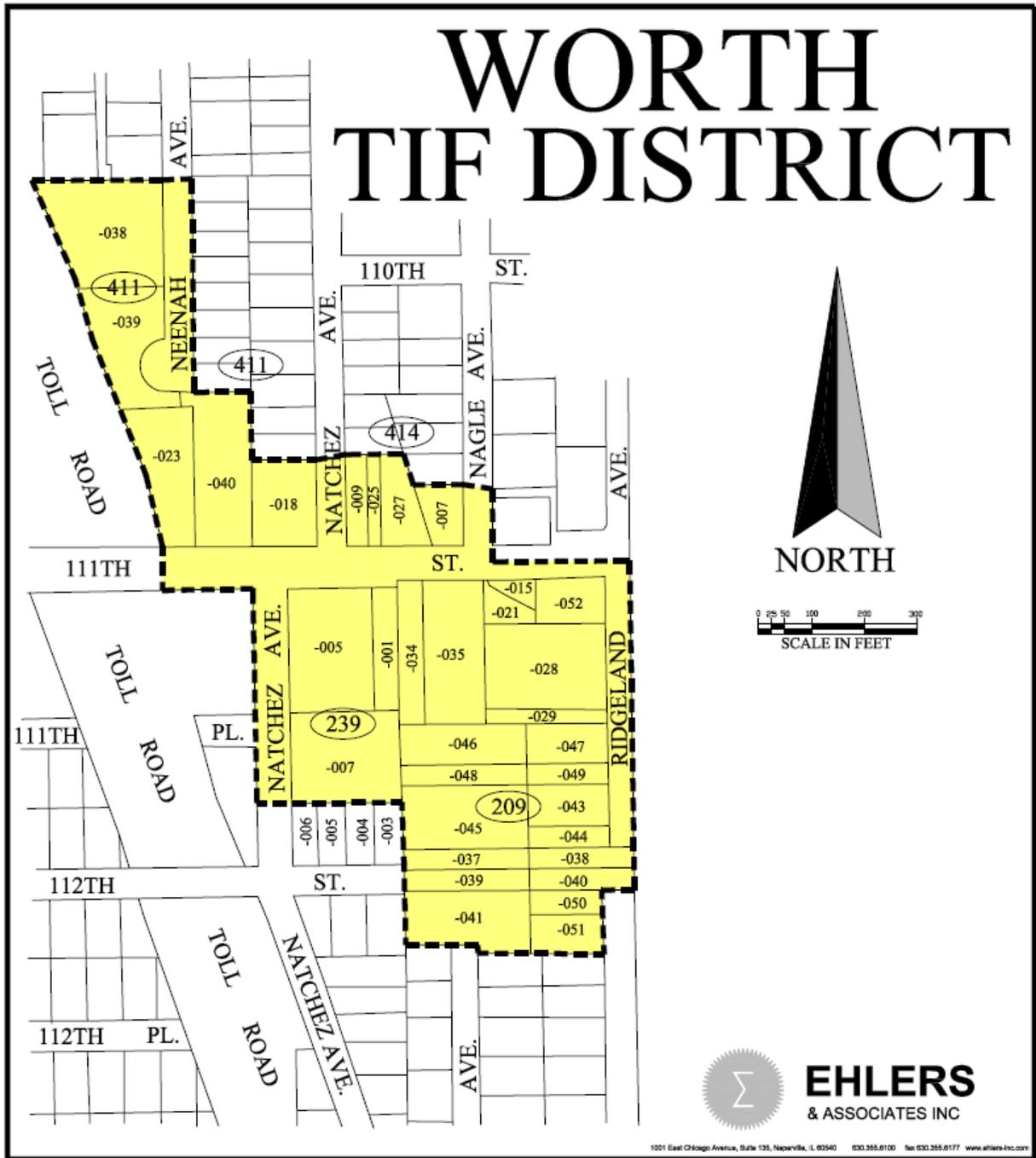
That part of the East Half of the Southeast Quarter of Section 18, Township 37 North, Range 13 East of the Third Principal Meridian and that part of the East Half of the Northeast Quarter of Section 19, Township 37 North, Range 13 East of the Third Principal Meridian, Cook County, Illinois, bounded and described as follows:

Beginning at the Southeast corner of said Southeast Quarter; thence westerly along the South line of said Southeast Quarter, a distance of 300 feet, more or less, to the southerly prolongation of the east line of Nagle Avenue; thence northerly along said southerly prolongation, and along said east line of Nagle Avenue, a distance of 130 feet, more or less, to the easterly prolongation of the southerly line of Lot 2 in Richard's Resubdivision as shown on plat recorded as Document Number 17733930; thence westerly along said easterly prolongation, and along said southerly line of Lot 2, a distance of 180.56 feet, more or less, to the easterly line of Bodin's Sub, as shown in recorded document number 17097657; thence northwesterly along said easterly line, a distance of 75 feet, more or less, to the southerly line of Lot 6 in Holger's 2nd Resubdivision as shown in recorded Document Number 17853461; thence westerly along said southerly line and the westerly prolongation thereof, a distance of 197.32 feet, more or less to the westerly line of Natchez avenue; thence southerly along said westerly line, a distance of 9 feet, more or less, to a southerly line of Lot 2 in Holger's Resubdivision as shown in recorded Document Number 17848475; thence westerly along said southerly line, a distance of 142.29 feet, more or less, to the easterly line of the parcel of land identified by Permanent Identification Number 24-18-411-040-0000; thence northerly along said easterly line, a distance of 165 feet, more or less, to the southerly line of Lot 8 in Krapil's Subdivision as shown in recorded Document Number 87624734; thence westerly along said southerly line a distance of 125.21 feet, more or less, to the southwest corner of said Lot, being also the easterly line of Neenah Avenue; thence northerly along the easterly line of said Neenah Avenue, a distance of 480 feet, more or less, to the easterly prolongation of the northerly line of Lot 2 in Brouillette's Subdivision as shown in recorded document number 19930546; thence westerly along said easterly prolongation and along the

northerly line of said Lot 2, a distance of 340 feet, more or less, to the easterly line of the Tri-State Tollway; thence southeasterly along said easterly line, a distance of 921 feet, more or less, to northerly line of 111th Street; thence southeasterly to northwest corner of the parcel of land identified by Permanent Identification Number 24-19-223-006-0000; thence easterly along the northerly line of said parcel of land identified by Permanent Identification Number 24-19-223-006-0000 to the westerly line of Natchez Avenue; thence southerly along said westerly line, a distance of 473 feet, more or less, to the westerly prolongation of the southerly line of the parcel of land identified by Permanent Identification Number 24-19-239-007-0000; thence easterly along said southerly line a distance of 299 feet, more or less, to the easterly line of Gilbert's Ridgeland Village Subdivision, as shown in recorded document number 18153381; thence southerly along said easterly line, a distance of 308 feet, more or less, to the northwest corner of Lot 5 in Kat's Subdivision Unit Number 3, as shown in recorded document number 18019474; thence easterly along said northerly line and along the easterly prolongation thereof a distance of 154.02 more or less the east line of Nagle Avenue; thence southerly along said easterly line of Nagle Avenue to the northwest corner of Lot 3 in said Kat's Subdivision Unit Number 3; thence easterly along the northerly line of said Lot 3 and the along easterly prolongation thereof a distance of 262.78 feet, more or less, to the westerly line of Ridgeland Avenue; thence northerly along said westerly line, a distance of 134 feet, more or less, to the southerly line of the parcel of land identified by Permanent Identification Number 24-19-209-040-0000; thence easterly along said southerly line, a distance of 67 feet, more or less, to the East line of the Northeast Quarter of aforesaid Section 19; thence northerly along said East line to the Point of Beginning, all in Cook County, Illinois..

**ATTACHMENT 2
VILLAGE OF WORTH
111th Street/ Toll Road
REDEVELOPMENT PROJECT AREA**

MAP



ATTACHMENT 3

**VILLAGE OF WORTH
111th Street/ Toll Road
REDEVELOPMENT PROJECT AREA**

PHOTOGRAPHS



Obsolescence, Land Cover



Community Planning, Vacant



Community Planning, Deterioration



Deterioration, Obsolescence, Community Planning



Deterioration, Obsolescence, Vacant, Community Planning



Deterioration, Obsolescence



Deterioration, Obsolescence



Land Use, Community Planning



Land Cover, Community Planning

**VILLAGE OF WORTH, ILLINOIS
111th STREET/TOLL ROAD
REDEVELOPMENT PROJECT AREA**

**ASSESSMENT OF HOUSING IMPACT
AND RELOCATION PLAN**

August 2005
Revised April 2006

Introduction to Assessment of Housing Impact

The purpose of this section is to conduct a Housing Impact Study for the Redevelopment Project Area as set forth in the Tax Increment Allocation Redevelopment Act (the “Act”) 65 ILCS 5/11-74.4-1 et seq., as amended. The Act requires that if the redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and the Village is unable to certify that no displacement of residents will occur, the Village shall prepare a Housing Impact Study and incorporate the study into the separate Feasibility Report required by subsection 11-74.4-5(a) of the Act, which for the purposes hereof shall also be the “111th Street/Toll Road Redevelopment Project and Plan,” or the “Redevelopment Plan.”

The primary goal of the Redevelopment Project and Plan is to reduce or eliminate conditions that qualify the redevelopment area as a blighted and conservation area and to provide the direction and mechanisms necessary to establish the redevelopment project area as a cohesive and vibrant commercial district that would generate significant tax revenues to the Village. Currently, the 111th Street/Toll Road redevelopment project area has 10 primarily residential structures, and 42 total dwelling units within its boundary.

Redevelopment projects recently proposed for the redevelopment project area may result in the displacement of inhabited residential units. As a result, the Village cannot certify that no displacement will occur over the 23-year life of the redevelopment project area which makes the housing impact study required.

Under the provisions of the Act, Part I of the housing impact study shall include:

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

Part II of the housing impact study identifies the inhabited residential units in the proposed redevelopment project area that are to be, or may be, removed. If inhabited residential units are to be removed, then the housing impact study shall identify:

- (i) The number and location of those units that may be removed;
- (ii) The municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences may be removed;
- (iii) The availability of replacement housing for those residents whose residences may be removed, and identification of the type, location, and cost of the replacement housing; and
- (iv) The type and extent of relocation assistance to be provided.

PART I

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

(i) Number and Type of Residential Units

The number and type of residential buildings in the area were identified during the building condition and land use survey conducted as part of the eligibility analysis for the area. In order to identify residential units in the field, *Ehlers and Associates* utilized several methods, including counts of door buzzers, mailboxes, windows, contacting management companies, and other indicators. This survey, completed in August 2005, revealed that the 111th Street/Toll Road redevelopment project area contains 10 residential buildings containing approximately 42 total dwelling units. 5 buildings are single-family and 5 are multi-family residences.

(ii) Number and Type of Rooms within Units

The distribution within the 111th Street/Toll Road redevelopment project area of the 10 residential units by number of rooms and by number of bedrooms is identified in tables within this section. The methodology to determine this information is described below.

Methodology

In order to describe the distribution of residential units by number and type of rooms within the 111th Street/Toll Road redevelopment project area, *Ehlers and Associates* analyzed 2000 U.S. Census data by Block Groups for the Block Group encompassed by the Redevelopment Project Area. A Block Group is a combination of Census blocks, and is the lowest level of geography for which the Census Bureau tabulates sample, or long-form, data. The Census data for the Block Group containing the redevelopment project area has 376 renter-occupied units; our research identified approximately 37 rental units with the redevelopment project area. As a result, we have relied on the 2000 U.S. Census Block Group sample data for renter occupied households because it is the best available information regarding the structures and residents of the Redevelopment Project Area.

These Block Group data show the distribution of renter-occupied housing units by the number of bedrooms and the total number of rooms within each unit. The estimated distribution of units by bedroom type and number of rooms are as follows:

Units by Bedroom Type

	Census Tract 8231.02, Cook County, Illinois	Block Group 1, Census Tract 8231.02, Cook County, Illinois	Redevelopment Area
Total:	1,421	852	
Owner occupied:	1,009	476	5
No bedroom	0	0	
1 bedroom	25	0	
2 bedrooms	151	46	
3 bedrooms	651	353	
4 bedrooms	140	54	
5 or more bedrooms	42	23	
Renter occupied:	412	376	37
No bedroom	0	0	
1 bedroom	131	131	
2 bedrooms	239	220	
3 bedrooms	37	25	
4 bedrooms	5	0	
5 or more bedrooms	0	0	

Source: US Census, Census 2000

Units by Number of Rooms

	Census Tract 8231.02, Cook County, Illinois	Block Group 1, Census Tract 8231.02, Cook County, Illinois
Total:	1,463	883
1 room	0	0
2 rooms	32	32
3 rooms	111	99
4 rooms	307	245
5 rooms	361	210
6 rooms	356	147
7 rooms	180	115
8 rooms	87	17
9 or more rooms	29	18

Source: US Census, Census 2000

(iii) Number of Inhabited Units

According to data compiled from the survey completed by *Ehlers and Associates* on August 19, 2005, the 111th Street/Toll Road redevelopment project area contains an estimated 42 residential units of which 5 units (11%) are estimated to be vacant. Therefore, there are approximately 39 total inhabited units within the redevelopment area. As required by the Act, this information was ascertained as of August 19, 2005, which is a date not less than 45 days prior to the date that the resolution or ordinance required by Subsection 11-74.4-5 (a) of the Act was, or will be, passed (the resolution or ordinance setting the public hearing and Joint Review Board meeting dates).

(iv) Demographics and Race and Ethnicity of Residents

As required by the Act, the racial and ethnic composition of the residents in the inhabited residential units was determined by using 2000 U. S. Census data. The average household size for renters within the Block Group which comprises the

111th Street/Toll Road redevelopment project area was 1.2 persons. Therefore, there are an estimated 47 residents living within the proposed boundaries.

The race and ethnic composition of these residents is as follows:

Race and Ethnicity of Residents in the 111th Street/Toll Road redevelopment project area

	Census Tract 8231.02, Cook County, Illinois	Block Group 1, Census Tract 8231.02, Cook County, Illinois
Total:	1,421	852
Owner occupied:	1,009	476
Householder who is White alone	992	465
Householder who is Black or African American alone	6	6
Householder who is American Indian and Alaska Native alone	0	0
Householder who is Asian alone	0	0
Householder who is Native Hawaiian and Other Pacific Islander alone	0	0
Householder who is Some other race alone	5	5
Householder who is Two or more races	6	0
Renter occupied:	412	376
Householder who is White alone	364	328
Householder who is Black or African American alone	22	22
Householder who is American Indian and Alaska Native alone	0	0
Householder who is Asian alone	6	6
Householder who is Native Hawaiian and Other Pacific Islander alone	0	0
Householder who is Some other race alone	15	15
Householder who is Two or more races	5	5

Source: US Census, Census 2000

Hispanic Origin

	Census Tract 8231.02, Cook County, Illinois	Block Group 1, Census Tract 8231.02, Cook County, Illinois
Total:	39	39
Owner occupied	12	12
Renter occupied	27	27

Source: US Census, Census 2000

We have also estimated the potential distribution by income of the households living in the inhabited units within the 111th Street/Toll Road Redevelopment Project Area. In order to estimate the number of moderate-, low-, very low-, and very, very low-income households in the redevelopment project area, *Ehlers and Associates* used Block Group data on renter-occupied household incomes from the U.S. Census. As determined by HUD, the definitions of the abovementioned income categories, adjusted for family size, are as follows:

- (i) A very, very low-income household has an adjusted income of less than 30% of the area median income.
- (ii) A very low-income household earns between 30% and 50% of the area median income.
- (iii) A low-income household earns between 50% and 80% of the area median.

- (iv) A moderate-income household earns between 80% and 120% of the area median.

Of all households residing within the Census Tract encompassed by the 111th Street/Toll Road redevelopment project area, 5% may be classified as very low-income or lower, 19% may be classified as low-income, and 18% may be classified as moderate-income households.

Distribution of Income by Renter and Owner Occupied Households

	Census Tract 8231.02, Cook County, Illinois
Total:	1,421
Owner occupied:	1,009
Less than \$5,000	12
\$5,000 to \$9,999	18
\$10,000 to \$14,999	38
\$15,000 to \$19,999	37
\$20,000 to \$24,999	61
\$25,000 to \$34,999	117
\$35,000 to \$49,999	171
\$50,000 to \$74,999	302
\$75,000 to \$99,999	120
\$100,000 to \$149,999	107
\$150,000 or more	26
Renter occupied:	412
Less than \$5,000	44
\$5,000 to \$9,999	23
\$10,000 to \$14,999	44
\$15,000 to \$19,999	34
\$20,000 to \$24,999	30
\$25,000 to \$34,999	59
\$35,000 to \$49,999	79
\$50,000 to \$74,999	47
\$75,000 to \$99,999	38
\$100,000 to \$149,999	14
\$150,000 or more	0

Source: US Census

Distribution of Income by Poverty Status in the Census Tract of the Redevelopment Area

Income Category	Percentage	Annual Income Rate (Average HH of 2 Persons)
Very, very low	13%	\$0-\$12,682
Very low	5%	\$12,682-\$21,362
Low	19%	\$21,362-\$33,818
Moderate	18%	\$33,818-\$51,268
Subtotal of Moderate Income or lower	55%	\$0-\$51,268
Over 120% AMI	45%	+\$51,268
Total	100%	

Source: US Census, Census 2000

PART II

(i) Number and Location of Units to be Removed

The primary goal of the Redevelopment Plan and Project is to create and sustain a cohesive and vibrant commercial area. Therefore, it is conceivable that the implementation of Redevelopment Projects in accordance with the Plan may result in the displacement of some or all of the inhabited residential units over the 23-year life of the redevelopment project area. Therefore, it is possible that all of the inhabited units could be removed due to redevelopment within the 111th Street/Toll Road redevelopment project area.

(ii) Relocation Plan

The Village's plan for relocation assistance for those qualified residents in the 111th Street/Toll Road redevelopment project area whose residences may be removed shall be consistent with the requirements set forth in Section 11-74.4-3(n)(7) of the Act. The terms and conditions of such assistance are described in subpart (iv) below. No specific relocation plan has been prepared by the Village as of this date; until such a redevelopment project is approved, there is no certainty that any removal of residences will actually occur.

(iii) Replacement Housing

In accordance with Subsection 11-74.4-3(n)(7) of the Act, the Village shall make a good faith effort to ensure that affordable replacement housing located in or near the 111th Street/Toll Road redevelopment project area is available for any qualified displaced residents.

In order to determine the availability of replacement housing for those residents who may potentially be displaced by redevelopment activity, *Ehlers and Associates* examined several data sources, including vacancy data from the 2000 U.S. Census, apartment listings from local newspapers, and field research.

Vacancy Data

According to the 2000 figures, the Block Group surrounding and encompassing the 111th Street/Toll Road redevelopment project area contained 852 housing units, of which 23 (2.7%) were vacant and for rent. For the purposes of this analysis, the term "redevelopment project area Vicinity" refers to this Block Group. The following table shows the distribution of vacant residential units in the Block Group of the redevelopment area by vacancy status, as compared to the Village of Worth as a whole.

Vacancy Status:

Village-Wide and within the 111th Street/Toll Road Redevelopment Area

	Census Tract 8231.02, Cook County, Illinois	Block Group 1, Census Tract 8231.02, Cook County, Illinois	Village of Worth
Total:	42	31	108
For rent	23	23	37
For sale only	0	0	39
Rented or sold, not occupied	11	0	11
For seasonal, recreational, or occasional use	0	0	13
For migrant workers	0	0	0
Other vacant	8	8	8

Source: US Census, Census 2000

According to 2000 Census data, there are no housing units available for sale within the redevelopment project area vicinity. However, our field survey did find several units of housing for sale in the redevelopment project area.

Availability of Replacement Rental Housing within the Market Area

Two methods of research were used to quantify the amount of available market rate rental housing with the general area of the 111th Street/Toll Road redevelopment project area. One method included a review of local newspaper listings. The location, type and cost of a further sample of possible replacement rental housing units located within the Village of Worth were determined through the examination of classified advertisements from the *Daily Southtown*, *Chicago Tribune* and *apartments.com* during the week of August 15, 2005.

	Address	Type	Approximate Size	Utilities included in rental price	Rental Price	Availability
1	Worth	2 bedroom	n/a	Heat, Water, Parking	\$ 800	ASAP
2	Worth	2 bedroom	n/a		\$ 875	ASAP
3	Worth	2 bedroom	n/a	Heat, Parking	\$ 725	ASAP
4	Worth	1 bedroom	n/a	Heat, Parking	\$ 625	ASAP
5	Worth	1 bedroom	n/a	Gas, Parking, Water	\$ 650	ASAP
6	Worth	1 bedroom	n/a	Heat	\$ 600	ASAP
7	Worth	2 bedroom	n/a	Heat	\$ 735	ASAP
8	Worth	3 bedroom	n/a	2.5 car garage	\$ 1,350	ASAP
9	7100 W. 110th Street	2 bedroom	n/a	1 car garage	\$ 800	ASAP
10	Worth	1 bedroom	n/a	Electric, Heat	\$ 580	ASAP
11	Worth	1 bedroom	n/a	Heat	\$ 700	ASAP
12	Worth	2 bedroom	n/a	Heat	\$ 785	ASAP
13	111th and Harlem	2 bedroom	n/a	All utilities included	N/A	ASAP
14	Worth	2 bedroom	n/a		\$ 725	ASAP
15	Worth	1 bedroom	n/a		\$ 625	ASAP

* Information is based on Daily Southtown, The Star newspapers and Apartments.com classified sample conducted during the week of August 21, 2005.

Immediately next to the redevelopment area west of Natchez, there is a large apartment complex that is currently advertising vacancies for one and two-bedroom apartments. In the same general area, within a two-square block area, there are a number of apartment buildings with units available for rent.

Available rental units identified within the market area for the 111th Street/Toll Road redevelopment project area are summarized below. The range of maximum affordable monthly rents, according to HUD standards, is shown below in comparison with the number of vacant units by bedroom size and rent (where information was available) for rental housing found in our research. Appendix 3 provides a detailed summary of all the apartments identified in our research.

Number of BRs	Implied Family Size [1]	Maximum Monthly Rent (Including Utilities) Affordable to Income Bracket				Observed Range [2]	Units Identified [3]
		Very, Very Low	Very Low	Low	Moderate		
0	1	\$396	\$660	\$1056	\$1583	n/a	0
1	1.5	\$424	\$707	\$1131	1697	\$580-650	8
2	3	\$509	\$848	\$1357	\$725-875	\$725-875	10
3	4.5	\$588	\$980	\$1568	\$2352	\$1350	1
4	6	\$656	\$1093	\$1749	\$2624	n/a	0
<i>Other Available Market-Rate 1,2, and 3 BR Rental Units (Distribution not known)</i>						\$600-900	5
Total Number of Vacant Units in Sample							25

[1] Derived from the number of bedrooms using HUD formulas.

[2] Based on a sample of apartments located in Worth, IL. It is a compilation of units advertised in the Daily Southtown during the week of August 21, 2005 and The Start Newspaper and units identified through our field research on August 19, 2005.

[3] Refers to the number of units in the sample taken by Ehlers and Associates.

	Census Tract 8231.02, Cook County, Illinois	Block Group 1, Census Tract 8231.02, Cook County, Illinois
Total:	412	376
With cash rent:	407	376
Less than \$100	0	0
\$100 to \$149	0	0
\$150 to \$199	0	0
\$200 to \$249	0	0
\$250 to \$299	0	0
\$300 to \$349	0	0
\$350 to \$399	0	0
\$400 to \$449	0	0
\$450 to \$499	13	13
\$500 to \$549	114	103
\$550 to \$599	101	94
\$600 to \$649	62	62
\$650 to \$699	67	67
\$700 to \$749	30	17
\$750 to \$799	7	7
\$800 to \$899	0	0
\$900 to \$999	0	0
\$1,000 to \$1,249	6	6
\$1,250 to \$1,499	0	0
\$1,500 to \$1,999	7	7

\$2,000 or more	0	0
No cash rent	5	0

Source: US Census, Census 2000

Since HUD affordability standards state that monthly rent, including utilities, should equal no more than 30% of gross household income. This table demonstrates that there are currently more housing units affordable to households of low and moderate income currently available in the market area adjacent to the redevelopment project area than may be displaced in the Study Area.

In addition to our search for market-rate apartments, for households with lower incomes, we quantified the number of assisted affordable housing units available within Cook County. Sources including the HUD and the Illinois Housing Development Authority were consulted on the availability of these units throughout the County. For purposes of this analysis, affordable housing is units affordable to households earning less than 80% of the regional median income adjusted for size of household, consistent with the Illinois Affordable Housing Act. Our research focused on units receiving some form of assistance from the Illinois Housing Development Authority or the U.S. Department of Housing and Urban Development. Two hundred fifty-three (253) units of subsidized housing for family households were identified in the surrounding communities of Worth in Cook County.

(iv) Relocation Assistance

If the removal or displacement of low-income or very low-income residential housing units occurs, such residents are required to be provided with affordable housing and relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. The Village is required by the Act to make a good faith effort to ensure that affordable replacement housing for such households is located in or near the Redevelopment Project Area.

As used in the above paragraph, “low-income households,” “very low-income households,” and “affordable housing” have the meanings set forth in Section 3 of the Illinois Affordable Housing Act, *310 ILCS 65/3 et seq.*, as amended. As of the date of this study, these statutory terms have the following meaning:

(i) “low-income household” means a single person, family or unrelated persons living together whose adjusted income is more than 50% but less than 80% of the median income of the area of residence, adjusted for family size, as such adjusted income and median income are determined from time to time by the United States Department of Housing and Urban Development (“HUD”) for purposes of Section 8 of the United States Housing Act of 1937;

(ii) “very low-income household” means a single person, family or unrelated persons living together whose adjusted income is not more than 50% of the median

income of the area of residence, adjusted for family size, as so determined by HUD;
and

(iii) “affordable housing” means residential housing that, so long as the same is occupied by low-income households or very low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than 30% of the maximum allowable income for such households, as applicable.

The Village of Worth will make a good faith effort to relocate these households to affordable housing located in or near the 111th Street/Toll Road redevelopment project area and will provide relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Policies Act of 1970. Additionally, the Village will take proactive measures to work with local housing agencies and organizations such as Cook County to ensure displaced residents find adequate housing.