

**AN ORDINANCE APPROVING THE VILLAGE OF CHATHAM  
DOWNTOWN TAX INCREMENT REDEVELOPMENT PLAN, DESIGNATING  
THE DOWNTOWN TAX INCREMENT PROJECT AREA, ADOPTING TAX  
INCREMENT FINANCING AND ESTABLISHING PROCEDURES WITH RESPECT  
TO THE DOWNTOWN TAX INCREMENT FINANCING AREA AND PLAN**

WHEREAS, the Village of Chatham, Illinois desires to implement tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, Ill.Rev.Stat., Ch. 24, Par. 11-74.4, as amended (the "TIF Act") for developing an area within downtown Chatham, Illinois, the legal descriptions of which is set forth in Exhibit A hereto and a map which is contained in Exhibit B hereto (the "Downtown TIF District");

WHEREAS, the Downtown TIF District is within the municipal boundaries within the Village of Chatham and constitutes more than 1½ acres;

WHEREAS, pursuant to Section 11-74.4-5 of the TIF Act, the Village Board of the Village of Chatham caused the formation of a Joint Review Board composed of representatives of the various taxing bodies which might be affected by the Downtown TIF District;

WHEREAS, on June 25 and July 9, 1992, the Joint Review Board met and considered a draft Redevelopment Plan, Project and Project Area for the Downtown TIF District, the minutes of which meetings are attached hereto as Exhibit C;

WHEREAS, pursuant to Section 11.74.4-5 of the TIF Act, the Village Board caused a public hearing to be held regarding the then-proposed Redevelopment Plan and Redevelopment Project and a designation of a Redevelopment Project Area on July 28, 1992, at

the Chatham Community Bank Building, minutes of which meeting are attached hereto as Exhibit D;

WHEREAS, due notice for such hearing was given pursuant to Section 11-74.4-5 and 6 of the Act, and the notice was given to the taxing districts and to the State of Illinois by certified mail on June 12, 1992 and by publication on July 9, 1992, and July 16, 1992, and by certified mail to the taxpayers affected on July 16, 1992;

WHEREAS, due to the comments and concerns expressed by the Joint Review Board and by the citizens of Chatham at the public hearing, amendments were made in the proposed Redevelopment Plan and Project and in the designation of the Redevelopment Project Area, such changes consisting mainly of removing the Chatham Community Park and certain residential properties from the Redevelopment Project Area;

WHEREAS, a final Tax Increment Redevelopment Plan dated August, 1992 was then prepared, a copy of which Plan, which contains findings and defines a Redevelopment Project and a Project Area, is attached to this Ordinance as Exhibit E;

WHEREAS, on September 3, 1992, the Joint Review Board met and considered the final Tax Increment Redevelopment Plan and recommended approval of the same, minutes of which meeting are attached hereto as Exhibit F;

WHEREAS, on October 22, 1992, the Village Board caused a public hearing to be held in the Village of Chatham Train Depot relative to the final Redevelopment Plan and designation of the

Redevelopment Project Area, minutes of which are attached hereto as Exhibit G;

WHEREAS, due notice of the public hearing was given pursuant to Section 11-74.4-5 and 6 of the Act, said notice being given to the taxing districts and to the State of Illinois by certified mail on August 24, 1992, by publication on October 1 and October 8, 1992, and by certified mail to the affected taxpayers on October 6, 1992;

WHEREAS, the final Redevelopment Plan, Exhibit E hereto, designates the Downtown TIF District as the Redevelopment Project Area;

WHEREAS, the Plan sets forth the factors constituting the need for conservation in the Redevelopment Project Area; and

WHEREAS, the Village Board has reviewed testimony concerning the need presented at the public hearings, and has reviewed other studies and is generally informed of the conditions in the Downtown TIF District as the term "conservation" is used in the TIF Act;

WHEREAS, the Village Board has reviewed conditions pertaining to lack of private investment in the Downtown TIF District to determine whether private development would take place in the proposed Downtown TIF District as a whole without the adoption of the Redevelopment Plan;

WHEREAS, the Village Board has reviewed the conditions pertaining to real property in the Downtown TIF District to determine whether contiguous parcels of real property

improvements thereon in the Downtown TIF District would be substantially benefitted by the proposed Redevelopment Project Improvements;

WHEREAS, the Village Board has reviewed the Redevelopment Plan attached hereto as Exhibit E and the Project, as well as the Village's Comprehensive Plan to determine whether the proposed Redevelopment Plan and Project conform to the Comprehensive Plan of the Village; and

WHEREAS, pursuant to Ordinance No. 92-38, the Village of Chatham entered into an Intergovernmental Agreement with Ball Chatham Community School District No. 5, the taxing body most affected by the Downtown TIF District, relative to minimizing the financial effect of the Downtown TIF District on the School District.

*NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:*

**SECTION 1:**        **FINDINGS.** The Village of Chatham hereby makes the following findings:

a.     The area constituting the Redevelopment Project Area for the Downtown TIF District in the Village of Chatham is legally described as set forth in Exhibit A hereto;

b.     There exist conditions which cause the Downtown TIF District to be designated as a Redevelopment Project Area and to be classified as a "conservation area" as defined in Section 11-74-4.3(b) of the TIF Act, as more particularly described in Section IV of the Redevelopment Plan, Exhibit E hereto;

c. The proposed Downtown TIF District on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Redevelopment Plan, as described more particularly in Section IV(f) of the Plan, Exhibit E hereto;

d. The Redevelopment Plan and Project conform to the Comprehensive Plan for the development of the Village as a whole;

e. The parcels of real property in the Redevelopment Project Area are contiguous, and only those contiguous parcels of real property and improvements thereon which will be substantially benefitted by the proposed Redevelopment Project improvements are included in the Redevelopment Project Area;

f. The estimated date for final completion of the Redevelopment Project is 23 years from the effective date of this Ordinance;

g. The estimated date for retirement of obligations incurred to finance the Redevelopment Project costs shall not be later than 23 years from the effective date of this Ordinance.

**SECTION 2:**        **APPROVAL OF REDEVELOPMENT PLAN AND PROJECT AREA**

The Redevelopment Plan and Redevelopment Project which were the subject matter of the hearing on October 22, 1992, and which are attached hereto as Exhibit E, are hereby adopted and approved.

**SECTION 3:**        **DESIGNATION OF PROJECT AREA.**     The area described in Exhibit A hereto is hereby designated as the Chatham

Downtown TIF District Redevelopment Project Area pursuant to Section 11-74.4-4 of the real property Tax Increment Allocation Redevelopment Act, Ill.Rev.Stat., Ch. 24, Section 11-74.4-4, et seq.

**SECTION 4: ADOPTION OF TAX INCREMENT FINANCING.**

Pursuant to Section 11-74-4-8 of the TIF Act, tax increment financing is hereby adopted in respect to the Redevelopment Plan and Project approved and adopted pursuant to this Ordinance, in respect of the Redevelopment Project Area set forth in Exhibit A to this Ordinance.

**SECTION 5: POWERS AND DUTIES OF THE VILLAGE.**

a. The Village of Chatham shall have, with respect to the Downtown TIF District, all of the powers and duties set forth in Section 11-74-4-4 of the TIF Act. It shall have the power to issue obligations secured by the Special Tax Allocation Fund, as provided in Section 11-74.4-7 of the TIF Act. It shall have all other powers set forth in the TIF Act and elsewhere in the Illinois Municipal Code necessary to effectuate the purposes of the TIF Act and this Ordinance.

b. The powers of the Village of Chatham with respect to the Downtown TIF District, however, shall be limited, as follows:

(1) No funds in the Special Tax Allocation Fund shall be used for the construction or maintenance of the Village Hall;

(2) No funds in the Special Tax Allocation Fund shall be used to maintain the Chatham Train Depot or to construct or maintain park or recreational facilities located outside of the Downtown TIF District.

(3) The Village shall abide by its obligations under its intergovernmental agreement with Ball Chatham School District No. 5.

(4) No funds in the Special Tax Allocation Fund shall be used to secure any option to purchase the real property commonly known as 211 East Mulberry Street, Chatham, Illinois, 62629, so long as title to that property is held by Paul Kuchar.

**SECTION 6:**        **ADMINISTRATION OF TIF DISTRICT.**        The Downtown TIF District established pursuant to this Ordinance shall be administered as follows:

a. After the total equalized assessed valuation of taxable real property in the Redevelopment Project Area exceeds the total initial equalized assessed value of all taxable real property in the Redevelopment Project Area, the ad valorem taxes, if any, arising from the levies upon real property in the Redevelopment Project Area by taxing districts, and the rates determined in the manner provided in Section 11-74.4-9 of the TIF Act each year after the effective date of this Ordinance, and until the redevelopment project costs and obligations issued in respect thereto have been paid, shall be divided as follows:

(1) That portion, if any, of taxes levied upon each taxable lot, block, tract or parcel of real property which

is attributable to the lower of existing equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the Redevelopment Project Area shall be allocated to and when collected, shall be paid by the County Collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.

(2) That portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each lot, block, tract, or parcel of real property in the Redevelopment Project Area over and above the lower of the existing equalized assessed value or the initial equalized assessed value of each property in the Redevelopment Project Area shall be allocated to, and when collected, shall be paid to the Village Treasurer, who shall deposit said funds in a special fund called the "Special Tax Allocation Fund for the Chatham Downtown TIF District" of the Village, for the purposes of paying Downtown TIF District Redevelopment Project costs and obligations incurred in the payment thereof, pursuant to such appropriations which may be made in conformance with this Ordinance.

b. Annually, in conjunction with the Village of Chatham appropriation cycle, the corporate authorities of the Village of Chatham shall appropriate the monies which are in or are anticipated to be in the Special Tax Allocation Fund for the Chatham Downtown TIF District during the fiscal year. The



corporate authorities shall in such appropriation identify by line item and appropriate expenditures of the following:

(1) Those funds which will be used during the year for payment of identified project costs;

(2) Those funds which are to be paid to other units of government or to other funds of the Village of Chatham in respect of any intergovernmental agreement or otherwise;

(3) Those funds which are to be returned to other taxing districts as surplus funds;

(4) Those funds which shall be kept in reserve for expenditure in future fiscal years; and

c. The ordinance appropriating the foregoing expenditures shall also identify those funds which are anticipated to be in the Special Tax Allocation Fund but which are not as yet appropriated to items 1, 2, 3 or 4.

d. The appropriation of tax increment funds shall be subject to the same notice and hearing procedures as the annual Village of Chatham appropriation ordinance. Any funds that are unanticipated or unappropriated as of the date of the initial appropriation of tax increment allocation funds may be appropriated at any time pursuant to a supplemental tax increment allocation appropriation ordinance of the Village of Chatham after notice and public hearing in the same manner as for the original appropriation.

e. Funds in the Special Tax Allocation Fund shall be handled, invested, disbursed, and accounted for in the same

manner as other Village funds. No funds shall be distributed from the Special Tax Allocation Fund unless subject to a prior appropriation.

f. Annually, in conjunction with and in the same manner as the annual audit of the Village, the Village shall have a certified public accountant perform an audit of the Special Tax Allocation Fund. The audit shall be a public record.

g. Contracts, if any, entered into by the Village respecting the expenditure of Special Tax Allocation Fund monies shall be subject to Village ordinances and procedures regarding public contracts.

**SECTION 7: REDEVELOPMENT PROJECT PROCEDURES**

a. The Redevelopment Plan, Exhibit E hereto, defines various redevelopment projects which are anticipated for the Downtown TIF District. Such projects are divided into two types, private redevelopment project activities and public redevelopment project activities. No redevelopment activities, public or private, shall be implemented without an ordinance or resolution of the corporate authorities of the Village of Chatham duly passed and approved with a vote of the "ayes" and "nays". Any such ordinance or resolution shall contain an express finding by the Village Board that the proposed project is consonant with the Redevelopment Plan, Exhibit E hereto; however, the failure to make such a finding shall not void any such ordinance or resolution.

b. No ordinance or resolution approving a private redevelopment project activity and expenditure of funds therefor shall be passed without there first being a public hearing with respect to the private activity project. Such hearing shall be conducted by the Village Board or a committee of the Village Board, and notice of the public hearing shall be placed in a newspaper published in Chatham, or if no newspaper is published in Chatham, then in a newspaper of general circulation within Chatham, not less than 14 nor more than 30 days prior to the hearing. At any such hearing, all interested citizens of the Village of Chatham may appear and be heard on the subject of the proposed private project activity. Any ordinance approving the use of TIF funds for a private project activity shall be void unless such hearing has first been held.

c. The Village Board in its discretion may in similar manner call public hearings for public activity projects and use of TIF funds therefor, but the failure to conduct such a hearing shall not void an ordinance or resolution approving expenditure of TIF funds on a public project activity.

d. The Village may in its discretion seek the advice of various boards and commissions of the Village of Chatham and of paid or unpaid consultants with respect to any proposed redevelopment project.

**SECTION 8:**            **INTERGOVERNMENTAL AND INTERFUND RELATIONS.**

a. Pursuant to Ordinance No. 92-38, the Village of Chatham has entered into an intergovernmental agreement with Ball

Chatham Community Unit School District No. 5 regarding providing certain utility credits as a partial offset of lost tax revenues. The Special Tax Allocation Fund shall reimburse the electric fund the full amount of any such credits. The electric fund shall identify all such reimbursements in a special account to be used only for substation and other system improvements which would benefit the Downtown TIF District.

b. The Village may in its discretion enter into intergovernmental agreements with other taxing districts similar in tenor and effect with the intergovernmental agreement with Ball Chatham Community Unit District No. 5.

c. The expenses of establishing the downtown TIF District have been paid by other funds of the Village. Such expenses shall, as soon as practicable in the discretion of the Board of Trustees be repaid to such other funds from the Special Tax Allocation Fund.

SECTION 9: EFFECTIVE DATE

This Ordinance is effective upon its passage and approval.

PASSED this 24 day of NOVEMBER, 1992.

  
\_\_\_\_\_  
CARL OBLINGER, VILLAGE PRESIDENT

ATTEST:

  
\_\_\_\_\_  
Village Clerk

AYES: 6  
NAYS: 0

PASSED: 11-10-92  
APPROVED: 11-24-92

ABSENT: 0

ORDINANCE CERTIFICATE

STATE OF ILLINOIS     )  
                                  )    SS.  
COUNTY OF SANGAMON    )

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 92-47, adopted by the President and Board of Trustees of said Village on the 24 day of NOVEMBER, 1992, said Ordinance being entitled:

**AN ORDINANCE APPROVING THE VILLAGE OF CHATHAM  
DOWNTOWN TAX INCREMENT REDEVELOPMENT PLAN, DESIGNATING  
THE DOWNTOWN TAX INCREMENT PROJECT AREA, ADOPTING TAX  
INCREMENT FINANCING AND ESTABLISHING PROCEDURES WITH RESPECT  
TO THE DOWNTOWN TAX INCREMENT FINANCING AREA AND PLAN**

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 24 day of NOVEMBER, 1992.

  
\_\_\_\_\_  
Village Clerk

## EXHIBIT A

## LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

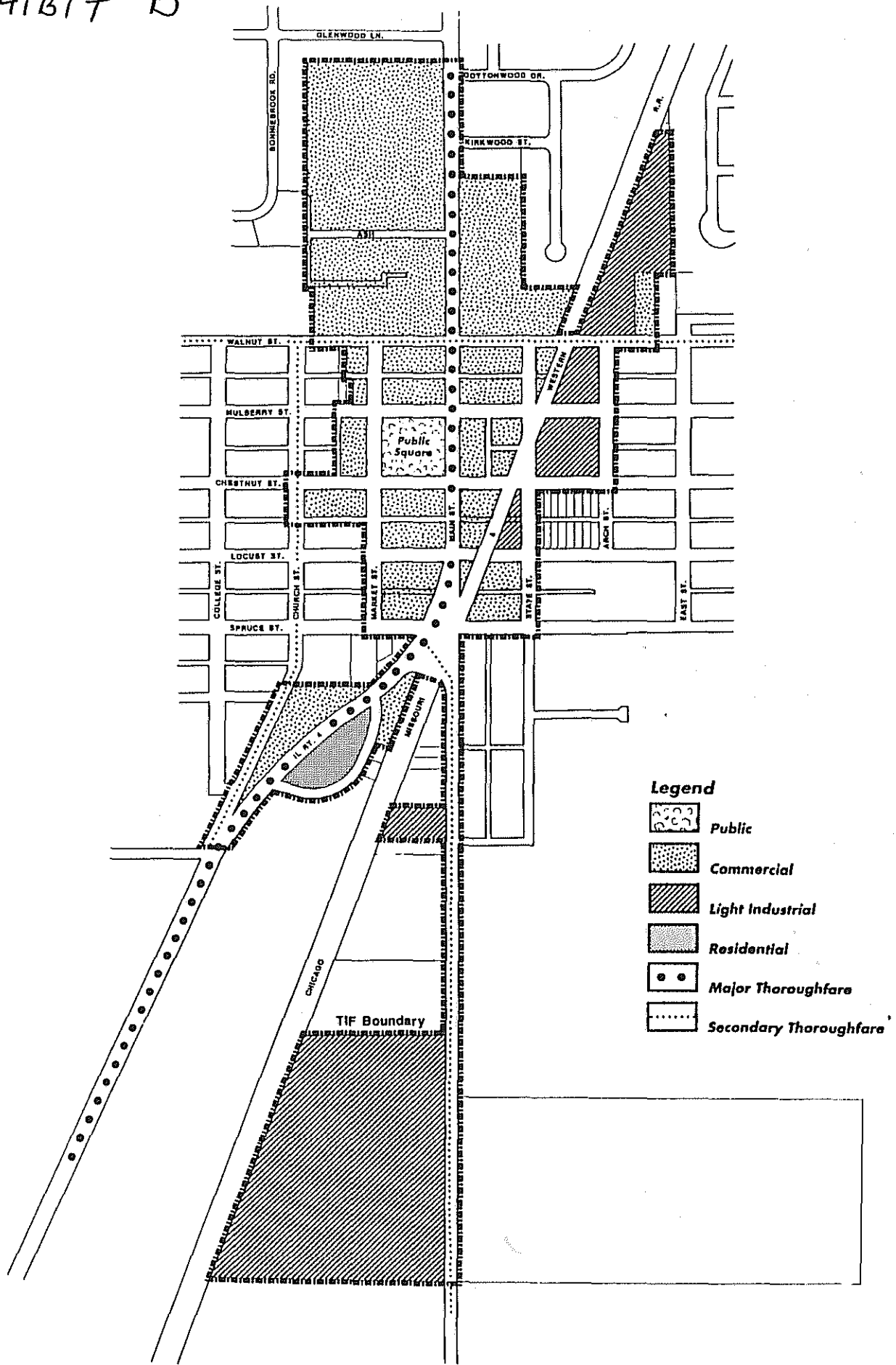
Part of the Northeast Quarter of Section 13 and part of the East Half of Section 12, Township 14 North, Range 6 West of the Third Principal Meridian; and part of the West Half of Section 7 and part of the Northwest Quarter of Section 18, Township 14 North, Range 5 West of the Third Principal Meridian, described more particularly as follows: Commencing at the East Quarter Corner of the aforementioned Section 13, thence North 00 degrees 06 minutes 16 seconds East along the Range Line a distance of 620.50 feet to the Northeast Corner of Parkview Estates First Addition, said point marks the true point of beginning, thence North 82 degrees 50 minutes 44 seconds West a distance of 160.58 feet, thence South 84 degrees 16 minutes 46 seconds West a distance of 100.50 feet, thence South 66 degrees 27 minutes 23 seconds West a distance of 109.07 feet, thence South 63 degrees 23 minutes 38 seconds West a distance of 295.00 feet, thence South 89 degrees 59 minutes 24 seconds West a distance of 570.04 feet to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence North 20 degrees 58 minutes 28 seconds East along said right-of-way line a distance of 1345.42 feet, thence South 89 degrees 59 minutes 44 seconds East a distance of 691.52 feet to a point 22 feet West of the Range Line, thence North parallel to the Range Line a distance of 1010.21 feet, more or less, to a point 76.33 feet North of the South Line of the aforementioned Section 12, thence West parallel to the section line a distance of 338.52 feet to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence Northeasterly along said right-of-way line a distance of 160.44 feet, thence East parallel to the section line a distance of 281.05 feet, thence North parallel to and 22 feet West of the Range Line a distance of 733.52 feet to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence Northwesterly perpendicular to said right-of-way line a distance of 116 feet to a point on the Westerly Right-of-Way Line of the Former Illinois Terminal Railroad, thence Southwesterly along said right-of-way to a point 548.75 feet Northeasterly of the section line, thence deflect to the right 116 degrees 30 minutes 55 seconds for a distance of 92.73 feet to a point on the Easterly Right-of-Way Line of Circle Drive, thence Southwesterly along said right-of-way line to a point on the Easterly Right-of-Way Line of Illinois Route 4, thence Southwesterly along said right-of-way line to a point on the South Line of Section 12, thence West along said section line to a point on the Westerly Right-of-Way Line of Church Street, thence Northeasterly along said Westerly right-of-way line to a point 264 feet South of the South right-of-way line of Spruce Street, thence East parallel to the South Line of Spruce Street to a point on the Westerly Right-of-Way Line of Illinois Route 4, thence Northeasterly along said Westerly right-of-way line to a point on the North Line of Spruce Street, thence West along said North line to the Southeast corner of Block 16 in the Original Town of Chatham, thence North along the West Line of Market Street to the Northeast Corner of Lot 16 in the Block 13 of the Original Town

## EXHIBIT A

of Chatham, thence West along the South Line of an alley to the Northeast Corner of Lot 16 in Block 14 of the Original Town of Chatham, thence North along the West Line of Church Street to the Southeast Corner of Block 6 in the Original Town of Chatham, thence East along the North Line of Chestnut Street to the Southeast Corner of Lot 9 in Block 7 of the Original Town of Chatham, thence North along the West Line of an alley to the Southeast Corner of Lot 12 in Block 4 of the Original Town of Chatham, thence East along the North Line of Mulberry Street to the Southwest Corner of Lot 15 in Block 4 of the Original Town of Chatham, thence North along the West Line of said Lot 15 to the Northwest Corner of said Lot 15, thence West along the South Line of an alley a distance of 12 feet, thence North to a point 12 feet West of the Northeast Corner of Lot 3 in Block 4 of the Original Town of Chatham, thence West along the South Line of Walnut Street to the Northeast Corner of Lot 8 in Block 4 of the Original Town of Chatham, thence North to the South Line of Stevens Addition to the Village of Chatham, thence West along the South Line of Stevens Addition to the Southwest Corner there of, thence North along the West Line of Stevens Addition 198 feet, more or less, to the Southeast Corner of Lot 18 of Chatham Knolls Subdivision, thence North along the East Line of Lots 9 through 18 of Chatham Knolls Subdivision to the Northeast Corner of Lot 9, thence East along the South Line of Chatham Knolls Subdivision to a point on the East Right-of-Way Line of Illinois Route 4, thence South along said right-of-way line to the Southwest Corner of Lot 1 in Birch Grove Subdivision, thence East along the South Line of Lots 1 through 4 of Birch Grove Subdivision to the Southeast Corner of Lot 4, thence South along the West Line of Lots 6 through 12 of Birch Grove Subdivision to the South Line of said subdivision, thence East along the South line of said subdivision extended to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence Northeasterly along said right-of-way line to the Southwest Corner of Lot 129 of Walnut Park Estates Plat 4, thence East along the South Line of Lot 129 a distance of 77.8 feet, more or less, to the West Line of Walnut Park Estates Plat 2, thence South along the West Line of Walnut Park Estates Plat 2 to the Southwest Corner of said Plat 2, thence West parallel to the quarter section line of said Section 7 a distance of 83 feet, thence South to a point on the South Line of Walnut Street, thence West to the Northwest Corner of Block 1 of Thayers Addition to Chatham, thence South along the East Line of Arch Street to the Northwest Corner of Block 3 of Thayers Addition to Chatham, thence West along the South Line of Chestnut Street to the Northwest Corner of Block 10 in the Original Town of Chatham, thence South along the East Line of State Street to a point 66 feet East of the Northeast Corner of Cloyds Addition to Chatham, thence West along the South Line of Spruce Street to the Northwest Corner of Lot 23 of Cloyds Addition, thence South along the East Line of Main Street to a point 2115.63 feet South of the Northwest Corner of Section 18, thence West to the true point of beginning; all located in the Village of Chatham, Sangamon County, Illinois.



# EXHIBIT B



**General Land Use Plan  
Chatham, Illinois**

# EXHIBIT C

## TAX INCREMENT DEVELOPMENT PLAN JOINT REVIEW BOARD

JULY 9, 1992  
7:00 P.M.

The meeting of the Joint Review Board was called to order at 7:00 P.M. by Chairman Gene Meurer in the Chatham Depot. Chairman Meurer asked for any comments or corrections to be made concerning the minutes from the meeting on June 25th. There were no comments or corrections and the minutes were approved as printed.

A spokesperson from each of the taxing bodies presented their views on the proposed TIF district.

Don Kauerauf - reported that discussions with the village board have been progressing and fruitful. Attempts are being made to develop some agreements that will cover both the village and the school district for the 23 year period of the TIF (or whatever period of time is adopted for the TIF).

Diane Marie Hayes - stated that the proposed TIF plan looks favorable but had questions concerning sales taxes and if the increase could be directed to the taxing bodies. Trustee Joswiak stated that he knew of no way at the present time that this could be done. Ms. Hayes also stated that the library board was concerned over the length of time designated for the proposed TIF plan and wondered if it was negotiable. Trustee Joswiak said that if the taxing bodies want a shorter time period then the village board would consider it. Her last question was regarding when the TIF plan actually goes into effect. Trustee Joswiak indicated that this would take place sometime in September most likely.

Melissa Hopp - stated that a TIF district of this size would not significantly effect LLCC, and that the district wants to look at what is best for the community with the primary concern being - will it create jobs? If this is the case the school would like some consideration in training new employees when and if new jobs are created which is an appropriate expense under a TIF district plan.

Bill Clark - the county is expecting a 70% reduction in budget by December 1992. Any loss of tax money will have an impact on the county. Concerned over the 23 years attached to the TIF program.

Hetty McGuire - the township runs basically on tax money and the TIF program will cut \$15,000 to \$20,000 of that money. Noted that the TIF district is contained completely in Chatham Township.

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After each of the representatives from the taxing bodies had spoken Chairman Meurer summarized that the two main areas of concern mentioned by the representatives was the length of time set for the TIF plan and sales tax. At this point Chairman Meurer called for the committee to address the time issue.

BILL CLARK MADE A MOTION TO CHANGE THE LENGTH OF TIME FOR THE TIF PROGRAM FROM 23 YEARS TO 20 YEARS. THERE WAS NO SECOND TO THE MOTION AND THE MOTION DIED DUE TO LACK OF A SECOND.

At this point Mr. Ruder from PGAV explained that a TIF is hard to grasp because there are alot of unknowns and sometimes it takes alot to get one going. He explained the reasoning behind the length of time recommended for a TIF by saying that " it takes time to be able to do something." Reporting will be done annually. The Joint Review Board will meet in 1993, 1994 and every 3 years after that. Mr. Ruder stated that the village board is aware that it is difficult to make determinations regarding revenues and various other types of impacts which could occur as a result of implementing such a program. Therefore, progress will be reviewed on an annual basis.

After a discussion of what types of properties should and should not be included in the TIF district a recommendation was made by Melissa Hopp. A MOTION WAS MADE BY MELISSA HOPP THAT THIS BOARD ADVISE THE VILLAGE THAT PUBLIC WORKS SHOULD BE INFRASTRUCTURE IMPROVEMENTS AND NOT INCLUDE THE HISTORIC DEPOT, THE TOWN HALL, RECREATIONAL FACILITIES, AND THE PARKS. MARK ENSTROM SECONDED THE MOTION. THE MOTION WAS CARRIED BY A VOICE VOTE.

IMMEDIATELY FOLLOWING THIS MELISSA HOPP PRESENTED ANOTHER MOTION WHICH WAS IN TWO PARTS: FIRST TO SUGGEST TO THE VILLAGE THAT WE SUPPORT AND RECOMMEND THE TIF DISTRICT AND SECONDLY, THAT WE SUPPORT CONTINUED EFFORTS TO WORK OUT ARRANGEMENTS WITH THE SCHOOL DISTRICT AND OTHER AFFECTED TAXING BODIES ON THE IMPACT OF SUCH A TIF. THIS MOTION WAS SECONDED BY DIANE MARIE HAYES.

At this point Chairman Meurer asked for any discussion. Bill Clark expressed much concern over the special provisions made to the school district in the way of compensation for loss of taxes. Trustee Joswiak indicated that the village board was approached by the school district concerning certain items and the village board said they would work with them on some sort of an agreement. Trustee Joswiak said that the reason behind this arrangement is due to the strong opinion of the village board that the schools are a very important part of the community and the village wants to make sure that minimal damage is incurred.

Mr. Clark stated that if all the districts were so treated the TIF program would not work.

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Hetty McGuire asked if there was anything that could be worked out for the other taxing bodies. Turstee Joswiak responded by inviting any of the bodies to come before the village board with petitions and discussions.

At this point Chairman Meurer asked for a vote on the recommendations made by Melissa Hopp. ALL MEMBERS VOTED IN FAVOR OF THE RECOMMENDATIONS MADE BY MELISSA HOPP EXCEPT ONE. BILL CLARK WAS OPPOSED. MOTION PASSED BY MAJORITY VOTE.

A MOTION TO ADJOURN WAS MADE BY MELISSA HOPP. MOTION SECONDED BY BILL CLARK. MOTION CARRIED BY VOICE VOTE. MEETING ADJOURNED AT 8:10 P.M..

Respectfully submitted,

*Jacqueline S. Fullington*

Jacqueline S. Fullington  
Deputy Clerk

# EXHIBIT C

## TAX INCREMENT REDEVELOPMENT PLAN JOINT REVIEW BOARD

JUNE 25, 1992  
7:00 P.M.

The meeting of the Joint Review Board was called to order by Trustee Dave Joswiak at 7:04 p.m. in the Chatham Depot. Trustee Joswiak asked that the members representing the taxing districts introduce themselves. Those present were:

Bill Clark - Sangamon County  
Gene Meurer - Ball-Chatham District #5 School Board  
Diane Marie Hayes - Chatham Library  
Melissa Hopp - Lincoln Land Community College  
Hetty McGuire - Chatham Township  
Eric Grenzebach - Attorney for Ball-Chatham School District and  
Lincoln Land Community College

Trustee Joswiak then introduced Frank Ruder from Peckham Guyton Albers & Viets, Inc. in St. Louis who is the consultant to the Village of Chatham for the proposed T.I.F. plan.

### ITEM I

The first order of business was the election of a chairman for the Joint Review Board. Bill Clark made a motion to elect Gene Meurer. The motion was seconded by Hetty McGuire and was carried by a voice vote.

### ITEM II

The second order of business was the election of a public member. Trustee Joswiak made a motion to elect Mark Enstrom who was not present at the meeting and who currently serves on the Chatham Economic Development Committee and acts as a liaison between the Economic Development Committee and the newly formed Chatham Chamber of Commerce. Bill Clark made a motion that nominations be closed. The motion was seconded by Rick Grenzebach and was carried by a voice vote.

### ITEM III

The floor was given to Mr. Ruder at this point for explanation of the Tax Increment Redevelopment Plan that his firm has prepared for the village. He explained that a T.I.F. district must meet certain criteria which are set forth by the State Statute's public programs for the elimination of blighted areas and/or preventing blight from occurring. He stated that an extensive visual field examination was conducted by his firm in May and June and interviews were held with Village officials and private enterprise. Based on information gathered the boundaries for a T.I.F. area were established. This area is to be identified as a Conservation area. (see attachments)

A budget was developed by PGAV for the rehabilitation of nonresidential buildings within the T.I.F. district. (see attachment) It was noted that an

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TAX INCREMENT REDEVELOPMENT PLAN  
JOINT REVIEW BOARD

assessed valuation of \$2.75 million was set for the proposed identified T.I.F. district.

The newly elected Chairman, Gene Meurer, asked for a brief explanation of how the interest in a T.I.F. came about and Trustee Joswiak provided the background information.

At this point Chairman Meurer opened the meeting for concerns, comments and questions from members of the taxing districts, and after a fair amount of time the public was encouraged to ask questions as well.

The next meeting of the Joint Review Board is set for July 9th at 7:00 p.m. at the Chatham Depot.

The meeting was adjourned at 8:45 p.m.

Respectfully submitted,

*Jacqueline S. Fullington*

Jacqueline S. Fullington  
Deputy Clerk

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

**B. ELIGIBILITY OF A CONSERVATION AREA**

To qualify as a conservation area, it must be shown that 50 percent or more of the structures in the area have an age of 35 years or more and that there is a combination of three or more of the following fourteen factors, as contained in the Act as noted in the definitions hereof.

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

The eligibility of the Redevelopment Project Area is based on the conditions of the area as a whole, not on a area by area, parcel by parcel or structure by structure basis. Thus, the presence of the minimum, number of stated factors may be sufficient to make a finding that an area is a "blighted area" or "conservation area". Although not a statutory requirement, it was found that the factors are present to a meaningful extent and further, the factors are reasonably distributed throughout the Redevelopment Project Area.

E. ANALYSIS AND CONCLUSION OF INVESTIGATION OF BLIGHT

The Chatham Redevelopment Project Area is impacted by a number of blighting factors. The blighting factors that were determined to exist in the Redevelopment Project Area are summarized and aggregated by sub-areas in Table One, Blighting Factor Matrix. Thus, the Redevelopment Project Area was determined to meet or exceed the qualifications to be classified as a "Conservation Area".

The determination that the Chatham Redevelopment Project Area qualifies as a Conservation Area was based on the findings of the presence to a meaningful extent, as well as the reasonable geographic distribution of three or more blighting factors and fifty (50) percent or more of the structures are thirty-five (35) years of age or older.



TABLE ONE  
 BLIGHTING FACTOR MATRIX  
 CHATHAM REDEVELOPMENT PROJECT AREA

Blighting Factor	Total Number	Percent
Number of Parcels	124	-
Number of Buildings	122	-
Age of Building	81	66
Deterioration	82	67
Dilapidation	2	2
Obsolescence	29	23
Excessive Vacancy	9	7
Excessive Land Coverage	50	41
Depreciation of Physical Maintenance	116	94
Abandonment	10	8
Deleterious Use	18	15
Inadequate Utilities	121	98
Lack of Community Planning	45	36
Total Number of Factors Present (11)	563	Avg. 27/Block

\* See text for details.

Source: PGAV-Urban Consulting

# EXHIBIT C

The estimated total cost associated with the eligible redevelopment projects described, herein, is presented in Table Two. Any bonds issued shall have a life of not more than 20 years. This estimate includes all reasonable or necessary costs incurred or estimated to be incurred in the implementation of the Redevelopment Plan. These estimated costs are subject to refinement as specific plans and designs are finalized.

EXHIBIT C

TABLE TWO

ESTIMATED REDEVELOPMENT PROJECT COSTS \*

A.	<u>Property Assembly</u> (acquisition, demolition, site clearance, and grading relocation, etc.)	\$500,000
B.	<u>Public Works or Improvements</u> (construction of streets, sidewalks, storm sewers, water and electric utilities, parks, historic depots, traffic controls, etc.)	\$5,500,000
C.	<u>Program Administration</u>	\$450,000
D.	<u>Professional Services</u> (planning, legal, engineering, architectural, financial, marketing, or other services)	\$250,000
E.	<u>Interest Subsidy To Developers</u>	\$500,000
F.	<u>Rehabilitation of Existing Building</u> (rehabilitation, reconstruction, repair or remodeling of existing buildings and fixtures)	\$500,000
G.	<u>Contingency</u> (necessary and related, costs of financing, cost overruns, capitalized interest, etc.)	\$770,000
		<hr/>
		\$8,470,000

\* Cost may be reallocated among these line items or may be used for any other project cost as permitted by the Act.

Source: Village of Chatham, Greene & Bradford, Inc. & PGAV-Urban Consulting

# EXHIBIT D

## CHATHAM, ILLINOIS 62629 PUBLIC HEARING

### M I N U T E S

Chatham Village Public Hearing  
Chatham, Illinois 62629  
July 28, 1992  
Page 1 of 11

### CALL TO ORDER

The Public Hearing was Called to Order by Mayor Oblinger at 7:20 PM.

Village officials present were: Trustees: Joswiak, Hilt, Krueger, Williamsen, and Koester; Mayor Oblinger; and Clerk Schad.

### PURPOSE

The purpose of the Hearing is to hear discussions about a TIF District, being proposed by the Chatham Village Board, from members of the Village Board and Chatham Village residents.

### BUSINESS

Mayor Oblinger started by explaining the evenings procedures. First, Trustee Hilt will give a brief presentation of the processes leading up to this evening, what a TIF District is, and how it works. Second, petitions will be accepted. Third, questions, answers and comments will be heard. Finally, Mayor Oblinger said, "we (the Village Board members present) "will come up with a conclusion - what we intend to do with the TIF District and address that too".

Mayor Oblinger presented Trustee Hilt. Trustee Hilt began by apologizing for having to move the meeting due to the unexpected large crowd as well as a highly uncomfortable temperature in the Depot, thanked everyone for attending, and said he was pleased with the large attendance.

Hilt said the motivation for planning the TIF District is based on a "vision for the future of Chatham" by residents of Chatham and this Board. Based on a survey of residents done several years ago, some additional business development in Chatham is desired.

Hilt mention several benefits of business development: goods and services would be locally available, jobs, enhancing and stabilizing the property tax base for all the taxing bodies in the area and bringing more sales tax into the area; dollars that currently leave Chatham.

Attracting business is "Economic Development", something this Board as been trying to do for several years, gradually forming

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an Economic Development Commission.

A TIF District was decided to be the only viable tool that the Village could use to develop and encourage Economic Development. He mentioned that there are several TIF Districts in towns the size of Chatham, some larger, some smaller.

Hilt said, "TIF is basically a tool that by utilizing the IN-CREASE in property tax revenue resulting from a redevelopment of an undeveloped or underdeveloped area (a district, that must meet requirements, and in Chatham is defined as a conservation area) certain cost associated with that redevelopment can be funded today to make the redevelopment a reality."

In other words, improvements within the designated district and the increased in assessed revenue from that development will be put into a TIF fund which is used for more improvements in the district.

TIF IS NOT A METHOD OR MECHANISM TO RAISE PROPERTY TAXES.

The existing taxed valuation of the property, its current assessed value, in the designated District is the base tax valuation for the District. These base taxes, the taxes that the existing taxing bodies are currently receiving, the taxing district continues to receive throughout the life of the TIF. The tax rate, what you pay based on your current assessment of your property, DOES NOT CHANGE as a result of TIF. It is "transparent" to the property owner, you pay the same property taxes that you would have with- out the TIF and the same way that you did before the TIF.

If no redevelopment takes place within the district and the tax base stays the same, the distribution of taxes to the taxing bodies stays the same.

Funds generated from the increased assessed evaluation in improved property within the TIF District must stay within the TIF district, and spent according to the TIF redevelopment plan, or they are redistributed to the taxing bodies.

The boundary for the TIF District as defined in Chatham, is almost exclusively business and industrial zone; which was thought to have the best redevelopment potential. There are currently some houses within the zone but they are, for the most part, zoned business.

After the TIF boundary was defined a redevelopment plan was drafted as required by TIF statutes. Chatham's redevelopment plan is broad in order to support a wide range of future Economic Development activity. All POTENTIAL redevelopment activity must

# EXHIBIT D

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be in the plan or TIF funds cannot be spent on it. HOWEVER, NOT EVERYTHING

IN THE PLAN HAS TO BE DONE NOR WILL ALL THE ESTIMATED COST BE SPENT.

A Joint Review Board, consisting of a representative from all of the Taxing Bodies affected by the TIF, was formed to study the effectiveness of the TIF as well as to study and modify the redevelopment plan, which the Village does intend to follow through in its final redevelopment plan. Notices were sent to affected property owners within the District, July 15th, a Public Hearing was scheduled, July 28th, and TIF Ordinance(s) have to be passed within 90 days of the Hearing.

TRUSTEE HILT CONTINUED BY ADDRESSING SOME OF THE RUMORS AND CONCERNS THE VILLAGE HAS HEARD.

(1) Length of TIF - twenty three years - it was set to allow for the ability to finance any infrastructure improvements and to foster that redevelopment over a realistic period of time

(2) Boundary - The New Village Park is shown as being in the proposed boundary. It was included since there are some major infrastructure items that go through that park. However, the Joint Review Board recommended that recreational facilities be excluded from the TIF redevelopment plan and the Village intends to support that recommendation.

(3) Chatham Knolls residential lots - Three lots, #17, #18, & #19 were included in the plan. Chatham Knolls is the only subdivision in Chatham with one entrance/exit. They were included so the possibility existed to use TIF funding to add a second entrance way. They were not included to improve traffic flow or accessibility to Route Four. It was strictly a Public Safety concern and it does NOT mean that the Village has plans to do so at this time. Again, it was included as a benefit to the residents and several taxing bodies; the Fire District is an obvious beneficiary, School District Bus routes, etc. Should the funds be available AND THE PROPERTIES AVAILABLE (the Village is NOT going to nor was it ever planning to condemn the properties) and some future Village Board still viewed this as an important thing to do, it could be done, but TIF funds would be used but only if it were in the redevelopment plan.

(4) Some property has already been redeveloped without TIF - Yes, but there have also been more vacancies and buildings demolished. Part of the reason for some of the redevelopment today is caused by the currently low interest rates; but those low rates cannot be expected over the long term.

# EXHIBIT D

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## IN SUMMARY HILT SAID:

(1) To those who say there is a better way to FOSTER and ENCOUR-AGE redevelopment we would certainly like to hear that; we just can't afford to sit back and wait and see what happens.

(2) Those who say TIF will raise their taxes are uninformed and hope-fully are becoming informed tonight.

(3) Chatham hopes to enhance the Tax Base for all Taxing Bodies and return and retain some Sales Tax Revenue in Chatham. This helps reduce the burden on Property Tax.

(4) The Village will not be borrowing funds to foster redevelopment without some guaranteed revenue "string" to pay off the bonds; either from a increased Tax valuation and most likely a "guarantee" from a developer.

(5) This Board does believe that Chatham is at a turning point and the verge of a "New Frontier". If we don't work to do some long range planning and to bring business that residents want, those businesses will continue to locate North and our Sales Tax Dollars will continue to leave the Village.

(6) Again, if the TIF is NOT successful, the existing taxes are distributed as they are now.

(7) Trustee Hilt read aloud a letter from a Chatham resident concerning the Chatham Knolls subdivision being described as a blighted area. Trustee Hilt said he, and the Board, does NOT know where the word "blighted" came from; CHATHAM KNOLLS IS NOT CONSIDERED A BLIGHTED AREA BY ANY MEANS; BUT THE AREA, AS A WHOLE, DOES MEET LEGAL REQUIREMENTS, A PERCENTAGE OF BLIGHT, AND IS DEFINED AS SUCH.

Trustee Hilt said if the Chatham Knolls residents would like it entered into the redevelopment plan, that TIF funds will NOT be used to put in a second entrance, the Board would be happy to do that.

Loren Knop, 60 Bonnie Brook, asked, "if this (TIF) is in the form of an Ordinance, what is to prevent some future Board from changing the Ordinance or passing another Ordinance changing the "agreement"?"

Trustee Joswiak said, "by State (TIF) law, if there is a change in the plan..., the whole process starts all over again", Ie. Board of Review, Public Hearings, etc.

Loren Knop said he opposed the TIF District, as it is presently defined based on the following reasons:

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(1) he does not believe lots #17, #18, & #19 should be part of the TIF area

(2) According to Mr. Knop, Del McCord told Mr. Knop on 7/21 that those lots were included in the redevelopment area in order to extend Ash Street and establish a second entrance into Chatham Knolls and if the lot owners did not wish to sell, the Village would not pursue the matter any further. Mr. Knop assured those members attending the Hearing, that the lot owners DO NOT WISH TO SELL.

(3) The majority of Chatham Knolls Subdivision DO NOT WANT THE SECOND ENTRANCE NOR THEY BELIEVE IN THE CURRENTLY DEFINED TIF REDEVELOPMENT PLAN, AS SHOWN BY THE NUMBER OF SIGNATURES ON A SUBMITTED PETITION (ATTACHMENT A). The Petitioners "ask that the Board please suspend the adoption of the aforementioned plan until it can be included on a ballot as a public referendum which would allow all citizens of Chatham to appropriately voice their opinion by right of vote".

Concerning the Chatham 1992 Revised Comprehensive Plan and developmental plans for property North of the "New" cemetery, Mr. Knop believes any plans for development should be available for public viewing before final decision is made on the TIF plan.

(4) In the twenty-eight years he has lived in Chatham, he has seen a number of businesses come and go. Partially due to non-support of residents but a major reason, he believes, is because of the proximity of the Commercial Southwest development of Springfield. He does NOT think Chatham can compete; that Chatham is a "Bedroom Community"; that redevelopment will NOT succeed and bring in the suggested increased Tax money necessary to pay off any borrowed moneys. He thinks, taxes will be increased to repay the funds.

(5) Finally, Mr. Knop said he does NOT believe the New Park should be, in any way, included in the TIF District and presented a Petition, attachment A, to the Board.

Mr. Knop then asked a number of questions of the Board:

(1) About Lots #17, #18, & #19 - The only reason they were included in the plan was...for a second entrance/exit out of Chatham Knolls. THE BOARD HAS NO KNOWLEDGE, NOR HAS IT BEEN APPROACHED, ABOUT A DEVELOPMENT NORTH OF THE CEMETERY, WITH A BRIDGE ACROSS POLE CAT CREEK, AS ANOTHER ENTRANCE/EXIT FOR CHATHAM KNOLLS. The Comprehensive Plan is strictly a LONG TERM PLAN of possible needs and development, but again is very long term and is only a plan, which can change as needs/wants dictate.



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(2) His second question about EMINENT DOMAIN had been answered. (The Village can always exercise its right of EMINENT DOMAIN, but DOES NOT intend to do so, regarding the aforementioned lots.

(3) Are there plans for other TIF areas or has extension of the TIF area been talked about to include Bonnie Brook Street West of lots #17, #18, #19 to Glenwood Lane westwardly across Pole Cat Creek? Answer (Trustee Joswiak): Absolutely not.

(4) How does the Village propose to pay for the Bridge? Answer (Trustee Joswiak): The Village has no plans.

(5) How does the Village plan to finance the Bonds, if the Tax money is not available to pay the Bonds back for the development of the New Park?

Answer (Trustee Joswiak): there is absolutely no plans either inside or outside the TIF to borrow money to develop the Park. That part of the New Park staying in the Plan, and that could change, deals with only infrastructure improvements to service other needs.

(6) If a development fails, how is the Bond money paid back? Answer (Trustee Joswiak): TIF District Bonds are Revenue Bonds; there is no "pledge" of Village tax money. As a guarantee the developer would have to buy insurance to "payoff anything TIF could not payoff." THE VILLAGE OF CHATHAM IS NOT RESPONSIBLE.

Garnold Hensley, 11 Glenwood Lane, had a comment: if a tree fell across the road, he and neighbors could remove it with chain saws. He also commented that he didn't get a letter mailed 7/15 notifying property owners. Trustee Joswiak told him the letters were mailed only to property owners living in the zone.

Neal Nichols, from Edinburg, owns the car wash adjacent to the industrial park. He commented that he was not going to pay for someone else's mistake, (if a development fails). Trustee Williamsen said, there would be agreements with developers, as there are now, wherein they would have to Bond their developments; not the whole TIF District but just that developer. If it failed, it is the developers' problem, not Mr. Nichols, not the Village, not anybody's but that developer. Performance Bonds are the intent; which payoff the TIF fund, not unlike a subdivision developer's Performance Bond.

Trustee Williamsen continued, "these are Revenue Bonds. If all attempts to guarantee payment fail, the people who purchased the Bonds are the creditors, they're the ones to go after the developer, not the Village." If there is a record of failure, nobody will buy the Bonds and the developer could not develop in Chatham, let alone within the TIF.

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Jeff Chitwood, 17 Glenwood Lane;  
(1) inquired about property South of Glenwood and East of Bonnie Brook (just North of Chatham Shell)

Answer (Trustee Joswiak): Purchased by "Central Illinois Medical Associates" and supposedly are planning to build a "Medical Office" and all building processes have to be followed, ie. building permits, zoning requirements, etc.

(2) A strip of overlay was not finished on Bonnie Brook, why?  
Answer (Trustee Krueger): 19,000 tons was ordered, 19,068 tons was delivered and where it quits is where they ran out. It is to be the first street to be done/finished next year.

(3) Why are there car counters on route four?  
Answer (Trustee Krueger): Traffic count/street access study

Pete Winterbottom, 10 Glenwood Lane, (1) Asked about the Ash Street extension and methods of tax finance. Trustee Joswiak, said the plan was to fund that through the TIF but does not mean higher taxes to Chatham. (2) He also asked about the long range plan and the "development" North of the cemetery with the bridge. If, it were to be developed, would another outlet be needed. Trustee Hilt said, "developments in Chatham require a second entrance/exit."

George Bell, 2 Kirkwood Drive, (1) What plans are there for the Mall? Trustee Hilt said the Village has no plans for that property, the Village does not own it, but does do everything it can to improve that property.

Lois Seymore, 16 Bonnie Brook, asked about Pole Cat Creek flooding, what's causing it and what's being done about it. Trustee Williamsen told her, "we really don't know why it is flooding as much as it is now, other than the fact we have had a lot of rain". He went on to say that the Village has had several "Cleanup Days" and there was a problem with debris and now most of the problem lies East of the route four bridge, which is privately owned and requires special permission.

Ron Moore said, "it's been states that this TIF will have no affect on taxes. Why was it necessary to give some relief to the school district? If relief is needed there, it'll be needed somewhere else."

Answer (Trustee Joswiak): about 60% of your tax bill goes toward the school district. The school district will continue to get the current taxes; it is the growth and development taxes that go into the TIF fund. Some natural growth could have occurred without the TIF, there has already been some, and one of the things the Board has done is recognize that and address essentially what the school aid formula doesn't make up; some

# EXHIBIT D

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money not received through tax revenue and the school aid formula will be made available from the Village which will be paid back eventually from the TIF fund.

Don Kauerauf elaborated on Trustee Joswiak's comments, explaining in more detail how the school aid formula works. He said the School District is working on an intergovernmental agreement with the Village of Chatham and believes the Village should do whatever it feels it should, including the TIF District, to encourage Economic Development. They were concerned about the length, twenty-three years, as seen in the paper, but the intergovernmental agreement "protects the District". In fact, if there are still some "outstanding monies" on the twenty-fourth year, the Village is willing to pick that up too.

Jim Lovelace, 507 W. Chestnut; What Village fund will reimburse the school district? Trustee Joswiak said, initial funding will be from the Electric Fund with Electric rebates based on what the Chatham Elementary and Administrative Center uses in electricity. TIF funds will be "tapped" into, whatever amount that may be to assist in redevelopment and expansion of the Village Electrical Substation. The School is NOT in the TIF District.

Bill Clark, 15 Carefree, had several comments:

(1) He, too, is concerned about the length of time - 23 years (Trustee Hilt: The length was for financial concerns only)

(2) He is concerned about recent developments, finished, that will be immediately taxable for TIF funds, which could have a significant impact. (Trustee Hilt: AC&R expansion is mainly with equipment and personal property and will NOT be on the tax rolls).

(3) He does not agree with "shifting the burden" out of the TIF District, as with the School District scenario.

(4) He was worried about "favoritism" between Board members and Developers.

(5) His "better idea, instead of TIF" is to "drop the TIF Plan" and increase the Village Electric Rates to finance business development. (Trustee Joswiak: based on a 5% utility tax and existing improvements, about \$45,000 would be generated. But he does not think that's fair either).

Mayor Oblinger asked those attending to keep in mind the objective of the TIF District. The Village needs funding for improvements; ie, sidewalks, streets, water drainage, etc. for business development. Nobody is going to develop services "we know that you need", such as a Dry Cleaners and Pharmacy (when Dan Hurt closes the "Pill Shoppe"), unless we provide improve-

# EXHIBIT D

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ments to the infrastructure and other incentives. He said, "Those are the kind of services we need to service you." White Oaks and Point Park are going to be saturated; we need a place to develop in Chatham.

Mayor Oblinger continued by saying, "that's aside even from the aesthetics." We need to improve the appearance of downtown. We have looked around for where these funds will come from; all the options. We have talked about what is fair and adequate." The only devise the Board could see was a TIF District. The cost is too high if we DON'T do it. We need to improve the Village Tax Base, to improve more streets, etc. and we're still talking about low density development too, - that hasn't changed.

Trustee Joswiak expressed his concerns that Springfield is continuing South and if Chatham doesn't do something now to create and keep business in Chatham, we may see Route Four look like another Wabash Avenue.

(6) He questioned the integrity of the plan because it (the boundaries) "blew up" and deals were made. (Trustee Hilt: the original map is basically the same as what is being suggested now. The only items added to the original map were (1) the Park, (2) the three Chatham Knolls lots and (3) about 1/2 a block of Business District in the downtown area that was inadvertently missed.)

Ester Burton: Her concerns were focused on the New Village Park. "You said it (TIF funds) would not be used unless it was for business out there." Awhile ago, it sounded like you would go ahead and use the TIF District to put in some sewers and water for the park." She asked for a clarification. Trustee Joswiak said, "the water and sewer is in place in the park. The intent is NOT to expand facilities in the park, just to improve existing services (already in the park) toward Economic Development. We may need to clarify that language.

Brad Wallner, 27 Bonnie Brook, addressing the redevelopment plan, and \$5,500,000 for Public Works and Improvements. He asked for more details about what is to be done for that "major amount of money". (Trustee Hilt reminded Brad that the plan is a "wish list" of potential developments/improvements; everything and anything that is or could be desired has be included in the plan or TIF funds cannot be spent on it.

(Trustee Williamsen said \$5,500,000 is a lot of money and that there isn't any assumption by the Board that the TIF will generate those kinds of funds or that those kinds of funds will ever be expended." Further, the numbers identified under specific line items can be "moved around"; they are not tied to any one particular item.)

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Mr. Wallner was concerned about drainage projects, storm sewers, etc, and how they may affect Pole Cat Creek. (Trustee Williamsen told Mr. Wallner that at the present time the Village does not have any specific plans because "we have no developers saying I want to do anything". As far as drainage projects go though, State "drainage" laws always have to be followed and the Village has every intent of making any developer abide by the law.

Chip Nimrick, 24 Bonnie Brook, does not want taxes used to help developers; it's a gift, charity, a handout that the developer should risk. (Trustee Joswiak, said in a sense "it is a handout" but, the Economic Development market/buck is very competitive and incentives sometimes have to be given and they certainly aren't new. He said, "Sure it benefits the developer, but it benefits the Community as a whole". One of the things Chatham suffers from is that we are a "residential property tax based community", which means we pay a larger portion of property tax not only for Village services but also for schools, and so on. Other Communities that have a reasonable level of businesses pay the same property tax rates that everybody else does and there is a tremendous benefit; businesses are desirable because they don't send kids to school.

Mr. Nimrick's final statement was that he moved to Chatham for (1) the schools and (2) because it WAS a "bedroom community" and he does not want that to change and (3) He does not want tax money used for development. Leave it up to the developers, ie., private enterprise, and let them take the risk.

Mayor Oblinger said, he was sure we all moved to Chatham because of the schools, and the quiet, low density housing. But development is going to happen and what we (the Board) are trying to do is "take care of the boundaries as well as what's inside those boundaries too."

Pam Johnson, 16 Glenwood, also had concerns about (1) the agreement with the School District and (2) School Development which were essentially answered earlier. Trustee Hilt said an important thing to remember is that the increase in assessed valuation through a TIF District, could not and probably would not have happened without the creation of the TIF District in the first place.

Sharon Hiatt, 209 W. Walnut, was concerned about regulations and safe guards when property is being developed. (Trustee Williamsen said there has always been and there will always be development requirements such as: Building Permits, Zoning Ordinances, etc.

Ruth Hemp, 53 Bonnie Brook, made a statement about "government being by the people" and she questioned the "Blighted" definition addressed earlier. In reply, Mayor Oblinger apologized for the

# EXHIBIT D

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lack of communication and misinformation generated before the Public Hearing. He said Officials can get "bogged down" and loose touch with their constituents.

Trustee Koester asked that everyone present leave their name and address with the Village Clerk and they will be advised of any future correspondence and meetings. (The petition will be used for correspondence.)

Chip Nimrick, complained that the TIF "sounds like a done deal" and "that we're sitting here for nothing".

Mayor Oblinger was quite adamant that this issue is NOT a "done deal" otherwise the Public Hearing would not have been held, nor is it a "done deal" in his or anyone's "head". The Mayor asked for a show of hands of those NOT IN FAVOR of the TIF District at which time a VAST majority raised their hands.

Ruth Skaggs, 608 S. Grand, made a statement essentially encouraging more people to get involved in their Village government; go to your Village Board Meetings, Public Hearings, School Board, etc. She encouraged those attending and other residents to "work this out" (TIF) and don't rely on rumors, gossip, and heresy.

Finally, Beth Douin, 56 Bonnie Brook, had concerns about a building partially built (only the foundation has been there for years) at Ash and Williams Street and a problem with weeds. (Del McCord told her the owner has been sent a letter in violation of Ordinances regarding the weeds. However, the foundation was built prior to any Ordinance(s) which could be used to either make the owner finish the building or demolish what is up. Building Codes recently enacted by this administration would prevent such an event from happening now.)

## ADJOURNMENT

There being no further discussion to come before the Hearing, Trustee Oblinger adjourned at 9:30 PM.

These minutes, transcribed August 03, 1992, will be included in the official minutes of the Village of Chatham upon approval of the Village Board. They are not a verbatim account of what occurred but a taped record, available for one year following the meeting date. It is available through the Freedom of Information Act.

Submitted by:  
Pat Schad, Chatham Village Clerk



# EXHIBIT E

## TAX INCREMENT REDEVELOPMENT PLAN

Prepared For

THE VILLAGE OF CHATHAM

By

PGAV - URBAN CONSULTING

AUGUST 1992

## **ACKNOWLEDGEMENTS**

We appreciate the opportunity of working for the Village of Chatham and wish to extend our indebtedness to the many individuals that gave assistance to us in this work. While every individual cannot be mentioned by name, we would like to give special recognition to the following:

### **PRESIDENT**

**CARL OBLINGER**

### **TRUSTEES**

**Dave Hilt  
Dave Joswiak  
Linda Koester  
Robert Krueger  
Rose Miller  
Michael Williamsen**

### **VILLAGE ADMINISTRATOR**

**Del McCord**

### **VILLAGE ATTORNEY**

**John M. Myers**

### **SUPERINTENDENT OF PUBLIC WORKS**

**Meredith Branham**



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## PREFACE

The Village of Chatham proposes to establish a Tax Increment Financing Redevelopment Project Area that will be in conformance with its overall economic development and revitalization strategies.

Documented herein are the findings that the area qualifies as a Conservation Area. Thus, a program of public and private actions is proposed to correct the area's problems and facilitate private investment. The Village of Chatham has therefore initiated this comprehensive and carefully coordinated Redevelopment Plan in an attempt to address these problems.

This Redevelopment Plan is not a proposal to substitute public investment for private investment. Rather, public investment incentives will be used to transform the Redevelopment Project Area into a stable environment that will attract private investment. Through public installation of infrastructure improvements, the stage is set for the growth and development of the Redevelopment Project Area with private capital.

To assure that the required public support is forthcoming, the Village of Chatham proposes, pursuant to the Illinois Tax Increment Allocation Redevelopment Act to adopt a Tax Increment Redevelopment Plan to finance the public costs of redevelopment. Tax increment financing must assume the lead role in catalyzing private redevelopment by providing the necessary infrastructure. Through this Redevelopment Plan, the Village can serve as the central force for marshalling the assets and energies of the private sector for the unified private-public redevelopment effort.

Because of the magnitude of the public investment required, the Village cannot implement the Redevelopment Plan without the use of tax increment financing. Further, the ultimate benefits of the Redevelopment Plan will accrue to all taxing bodies in the form of a significantly expanded tax base, improved public infrastructure, as well as new and expanded business, and employment opportunities.

## **I. INTRODUCTION**

A significant portion of the proposed Chatham Tax Increment Financing Redevelopment Project Area has for a number of years registered little or no growth or has been in a state of decline. This situation is documented by very little growth in new commercial development, population, deterioration of properties, as well as the loss of several businesses and a incompleted strip shopping center. This decline has led to a reduction in employment opportunities and diminishing physical facilities both from the private and public sectors.

The Village of Chatham proposes to use the economic implementation vehicle of tax increment financing, as well as other economic development resources to arrest the decline in the Chatham Redevelopment Project Area and induce the investment of private capital. The Redevelopment Project Area, overall, has not been subject to economic growth, and the prospect for private investment is poor without the adoption of the proposed Redevelopment Plan. The private developments that are under consideration include, but are not limited to, a major retail center, offices, elderly housing and a nursing home. Other possible private projects include renovating all types of existing structures, as well as construction of new residential, commercial and industrial facilities.

It is proposed by the Village of Chatham that the existing industrial area that is situated in the Redevelopment Project Area to the South should be revitalized through the redevelopment of the area as an industrial park. This proposed project will require the close cooperation between the Village of Chatham and the existing business residents.

The public improvements that are anticipated for the Redevelopment Project Area includes, but are not limited to street construction and renovation, sidewalks, storm sewers, water lines, demolition and site clearance, land acquisition, commercial rehabilitation, as well as landscaping and visual improvements.

The Village of Chatham also proposes a vigorous promotion and marketing program for the Redevelopment Project Area to attract new economic development that will create additional employment for the citizens of the Village.

Tax increment financing is permitted by the Illinois Tax Increment Redevelopment Act and sets forth the requirements and procedures for establishing a Redevelopment Project Area. The Redevelopment Plan documents the qualifications of the area as a "Conservation Area". The purpose of the Redevelopment Plan is to provide an instrument that can be used to correct the blighting conditions in the Redevelopment Project Area. The Redevelopment Plan identifies the specific projects, activities, sources of funds, procedures and various other necessary regulations in order to implement tax increment in the Chatham Redevelopment Project Area, pursuant to the State law. The adoption and implementation of the Redevelopment Plan is necessary to provide for the development and revitalization of the Redevelopment Project Area.

Coordinated planning is necessary to realize the full redevelopment potential of the selected Redevelopment Project Area in a cost-effective and timely manner. Without a comprehensive Redevelopment Plan to stabilize and preserve the Redevelopment Project Area, blighting conditions may continue to occur and spread. The increased deterioration in conjunction with decreased assessed value, resulting in decreased real property taxes and the reduction in both the work force and employment will make further demands upon the limited public services and revenue. In recent years, the assessed valuation in the Redevelopment Project Area has declined.

It is essential that Chatham's tax increment financing program assume the lead role in catalyzing private redevelopment by eliminating the conditions of deferred maintenance, deterioration, inadequate utilities and obsolescence which have been problems in the past. Through this Redevelopment Plan, the Village of Chatham can serve as the central force for marshalling the assets and energies of the private sector for a unified private-public redevelopment effort.

## II. TAX INCREMENT FINANCING

### A. INTRODUCTION

Tax increment financing is a local funding mechanism created by the "Tax Increment Allocation Redevelopment Act." The Act, which became effective on January 10, 1977, is recorded in the Illinois Revised Statutes, Chapter 24, Section 11-74 et. seq.

Tax increment financing is a technique intended to be used by municipalities to eradicate deteriorated conditions and carry out redevelopment and conservation measures. Thus, tax increment financing is a tool which allows a municipality to institute a redevelopment program which will capture redevelopment costs, those real property taxes derived from the redeveloped property which exceed the real property taxes derived from the property prior to redevelopment.

The concept behind the tax increment law is straight forward and allows a municipality to carry-out redevelopment activities on a local basis. Redevelopment which occurs in a designated Redevelopment Project Area will increase the equalized assessed valuation of the property and, thus, generate increased property tax revenues. This increase or "increment" can be used to finance the project costs, such as land acquisition, site clearance, building rehabilitation and the construction of public infrastructure.

The Illinois General Assembly made various findings in adopting the Tax Increment Allocation Redevelopment Act, among them were:

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

These findings were made on the basis that the presence of blight or conditions which lead to blight 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 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 redevelopment project areas qualify either as a "Blighted Area" or as a "Conservation Area" or as a combination of both Blighted Areas and Conservation Areas within the definitions for each set forth in the Act.

## B. DEFINITIONS

As used in this Redevelopment Plan and in the Tax Increment Allocation Redevelopment Act, the following items shall mean:

- (1) **"Blighted Area"** any improved or vacant area within the boundaries of the redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a combination of (5) or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by, (1) a combination of two or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused rail yards, rail tracks and railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity of the area, which improvements have been in existence for at least 5 years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed for construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.
- (2) **"Conservation Area,"** any improved area within the boundaries of a redevelopment project area located within the territorial limits of a municipality in which fifty (50) percent or more of the structures in the area have an age of thirty-five years (35) or more. Such an area is not yet a blighted area, but because of a combination of three or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout depreciation of physical maintenance; lack of community planning is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area;

- (3) **"Industrial Park,"** means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but not be limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair, overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities, and which area is sufficiently large to accommodate more than one such facility;
- (4) **"Industrial Park Conservation Area,"** 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 one and one-half 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 and 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;
- (5) **"Labor Surplus Municipality,"** a municipality in which, at any time during the six months before the municipality by ordinance designates the redevelopment project area, the unemployment rate was over six percent and was also 100 percent or more of the national average unemployment rate for the same time as published in the United States Department of Labor, Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication;
- (6) **"Municipality,"** a city, village or incorporated town;
- (7) **"Obligations,"** bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations;
- (8) **"Payment in lieu of taxes,"** those estimated tax revenues from real property in a redevelopment project area acquired by a municipality, which according to the redevelopment project or plan is to be used for private use, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area;
- (9) **"Redevelopment plan,"** the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof, or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area;

- (10) **"Redevelopment project,"** any public and private development project in furtherance of the objectives of the redevelopment plan;
- (11) **"Redevelopment project area,"** means an area designated by the municipality, which is not less in the aggregate than one and one-half acres and in respect to which the municipality has made a finding that there exists conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas;
- (12) **"Redevelopment project costs,"** include the sum total of all reasonable or necessary costs incurred or estimated to be incurred any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, to the following:
- a) Cost of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected.
  - (b) Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, and the clearing and grading of land;
  - (c) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures;
  - (d) Cost of construction of public works or improvements;
  - (e) Cost of job training and retraining projects;
  - (f) 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 accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter, and including reasonable reserves related thereto;
  - (g) All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
  - (h) 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;



- (i) Payments in lieu of taxes consisting of those estimated tax revenues from real property in a Redevelopment Project Area acquired by a municipality which according to the Redevelopment Project or Plan is to be used for a private use which taxing districts would have received had a municipality not adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the project area exceeds the total initial equalized value of real property in said area.
  - (j) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project. Such payments in any one year may not exceed 30% of such annual interest costs and the total of such interest payments may not exceed 30% of the total redevelopment project costs, excluding any property assembly costs and relocation costs incurred pursuant to the Tax Increment Allocation Redevelopment Act.
- (13) "Taxing districts," counties, townships, cities and incorporated towns and villages, school, road, park sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservation, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.
  - (14) "Taxing districts' capital costs," those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and to directly result from the redevelopment project; and
  - (15) "Vacant land," any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within five years prior to the designation of the redevelopment project area, unless such parcel is included in an industrial park conservation area or such parcel has been subdivided.

### **III. REDEVELOPMENT PROJECT AREA**

#### **A. BOUNDARY DELINEATION**

There are a number of factors that need to be taken into consideration when establishing the boundary of a Tax Increment Financing Redevelopment Project Area. There were established planning guidelines and standards herein that have been followed in the delineation of the Redevelopment Project Area boundary, as well as in the preparation of this Redevelopment Plan. In many cases these standards and guidelines exceed those minimums established by the Tax Increment Allocation Redevelopment Act.

There was conducted by PGAV-Urban Consulting extensive field investigation, interviews with Village officials, as well as private enterprise. Based on these interviews and investigations, requirements for establishing the boundaries of the Redevelopment Project Area were determined.

The legal description of the boundaries of the Chatham Tax Increment Financing Redevelopment Project Area is presented in Exhibit I. The boundaries that have been drawn are sound and logical, consistent with the State Statute's public programs for the eliminating of blighted areas and/or preventing blight from occurring.

#### **B. PROGRAM REQUIREMENTS/FINDINGS**

The following findings have been made with respect to establishing the Chatham Redevelopment Project Area.

1. The Redevelopment Project Area meets the requirements of the Statute as a Conservation Area. Further, the factors are present to be a meaningful extent and are reasonably distributed throughout the Area.
2. The Redevelopment Project Area exceeds the minimum size of 1-1/2 acres.
3. The Redevelopment Project Area is contiguous, contained within a single, perimeter boundary.
4. All properties included in Redevelopment Project Area will substantially benefit from being included in the Area.
5. The Redevelopment Plan is consistent with the Comprehensive Plan for the community.
6. The Redevelopment Project Area has not been subject to growth and private investment and is not likely to do so without the adoption of this Redevelopment Plan.

7. There will be a commitment to fair employment practices and affirmative action by any and all recipients of Tax Increment Financing assistance. Each recipient of Tax Increment Financing assistance will be required to adhere to fair employment practices and affirmative action programs in the conduct of their business and in any redevelopment activities in which they may become involved within the Redevelopment Project Area.

#### **IV. BASIS FOR REDEVELOPMENT**

##### **A. INTRODUCTION**

A Redevelopment Project Area according to the Tax Increment Allocation Redevelopment Act (Chapter 24, Section 11-74 et. seq., Illinois Revised Statutes) is that area designated by a municipality (city, village or incorporated town) in which the finding is made that there exists conditions which cause the area to be classified as a Blighted Area, Conservation Area, or Industrial Park Conservation Area. The criteria and the individual factors that are employed in pursuing the evaluation of the physical conditions in the area under investigation were based on applicable regulations.

##### **B. ELIGIBILITY OF A CONSERVATION AREA**

To qualify as a conservation area, it must be shown that 50 percent or more of the structures in the area have an age of 35 years or more and that there is a combination of three or more of the following ten factors, as contained in the Act as noted in the definitions hereof.

- Dilapidation
- Obsolescence
- Deterioration
- Presence of structures below minimum code standards
- Abandonment
- Excessive vacancies
- Excessive land coverage
- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning

The eligibility of the Redevelopment Project Area is based on the conditions of the area as a whole, not on a area by area, parcel by parcel or structure by structure basis. Thus, the presence of the minimum, number of stated factors may be sufficient to make a finding that an area is a "blighted area" or "conservation area". Although not a statutory requirement, it was found that the factors are present to a meaningful extent and further the factors are reasonably distributed throughout the Redevelopment Project Area.

##### **C. ELIGIBILITY OF A BLIGHTED AREA (UNDEVELOPED AREA)**

There are certain requirements that must be met before undeveloped land can be included in a redevelopment project area, one of which is that the area must meet the qualifications of being "vacant" land.

"Vacant land" means any parcel or combination of parcels of real property without industrial, commercial and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of a redevelopment project area, unless such parcel is included in an industrial park conservation area or such parcel has been subdivided [Chapter 24, Section 11-74.4-3(v)].

Once undeveloped land meets the definitions of being vacant, it then, in order to fully qualify, must meet the Statute's other requirements. This includes a finding that the sound growth of the taxing districts is impaired by a combination of two or more of the following factors:

1. Obsolete platting of the vacant land;
2. Diversity of ownership of such land;
3. Tax and special assessment delinquencies on such land;
4. Flooding on all or part of such vacant land;
5. Deterioration of structures or site improvements in neighboring area adjoined to the vacant land.

- or -

Alternatively, the vacant property qualifies if one or more of the following factors is presented:

1. The area which immediately prior to becoming vacant qualified as a blighted improved area; or
2. The area consists of an unused quarry or unused quarries; or
3. The area consists of unused rail yards, rail tracks or railroad rights-of-way; or
4. The area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in the vicinity of the Redevelopment Project Area which improvements have been in existence for at least five years; or
5. The area consists of an unused disposal site, containing earth, stone, building debris or similar materials, which were removed from construction demolition excavation of dredge site; or
6. The area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial

agricultural purposes within 5 years prior to the designation of the redevelopment project area.

#### **D. INVESTIGATION AND ANALYSIS OF BLIGHTING FACTORS**

There was performed both a quantitative and qualitative investigation, as well as a statistical analysis of the physical conditions and the presence of the ten blighting factors, in addition to the existence of structures that are thirty-five years of age or more. This data was supplemented by information provided by the Village of Chatham, Village's engineering consultant, private business and others. The results of this investigation and evaluation of the Redevelopment Area for each of the blighting factors that were determined to exist are documented and summarized in Table One, Blighting Factors Matrix.

##### **1. Analysis Of An Improved Area**

The Redevelopment Project Area consists of a total of 120 properties (parcels) which contain a total of 119 structures. There was undertaken by the Consultant an examination and evaluation of each property and/or structure in the Redevelopment Project Area to determine the presence of the individual blighting factors. The specific conditions that were determined to exist at the time of the field investigation in April and May, 1992 by the Consultant, as they relate to each blighting factor is summarized in the following analysis.

##### **\* AGE OF STRUCTURES**

The age of structures is a key factor in the evaluation of the physical conditions in the area. Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures and exposure to the elements over a period of many years. As a rule, older buildings typically exhibit more problems than buildings constructed in later years because of longer periods of active usage (wear and tear) and the impact of time, temperature and moisture. Additionally, older buildings tend not to ideally suited for modern-day uses meeting contemporary space and development standards.

##### **Summary of Finding**

The Redevelopment Project Area contains a total of 119 structures of which 68 percent or 81 structures are thirty-five years of age or older as determined by field surveys made by PGAV-Urban Consulting.

The Redevelopment Project Area, as well as adjacent areas is characterized as an area that contains a high percentage of older structures and are in need of repair. the geographical distribution of the structures that are thirty-five (35) years old or more is widespread throughout the Redevelopment Project Area.

## \* **DILAPIDATION**

Dilapidation refers to an "advanced" state of disrepair of buildings or improvements or the neglect of necessary repairs, suffering the building or improvements to fall into a state of decay. Dilapidation is a factor based upon the documented presence and reasonable distribution of the buildings and improvements that are in an advanced state of disrepair.

At a minimum, dilapidated buildings are those with critical defects in primary structural components (roof, bearing walls, floor structure, and foundation), building systems (heating, ventilation, lighting and plumbing), and secondary structural components in such combination and extent the (a) major repair is required or, (b) the defects are so serious and so extensive that the buildings must be removed.

### **Summary of Findings**

The field survey of blighting factors conducted by the Consultant found that only 2 or approximately 2 percent of the 119 structures in the Redevelopment Project Area are considered dilapidated. These structures were found to have serious and/or advanced state of disrepair of structural components, such as foundations, walls and roofs. This condition necessitates the clearing and removal of such structures as the most feasible and economical means to remove blight.

## \* **OBSOLESCENCE**

An obsolete building or improvement is one which is no longer used. An obsolescent building or improvement is one which is becoming obsolete or going out of use -- not entirely disused, but gradually becoming so. Thus, obsolescence is the condition or process of falling into disuse.

### **Functional Obsolescence**

Functional obsolescence is due to design features in the structures, such as high ceilings, inefficient use of upper floor space, undesirable floor space, inadequate ingress and egress to ground and upper floors, inadequate storage spaces, utility deficiencies, freight inaccessibility and loading deficiencies, and handicapped inaccessibility. The structures need rehabilitation or removal to provide for more modern functional and economical than in the original design.

### **Economic Obsolescence**

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

## Obsolete Platting

Obsolete platting would include parcels of limited or narrow size and configuration or 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. Platting that created inadequate row widths for streets, alleys and other public, row's or which omitted easements for public utilities, should also be considered obsolete.

## Obsolete Site Improvements

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

## Summary of Findings

Obsolete site improvements were found to exist in 29 or 24 percent of the Redevelopment Project Areas 120 parcels. Obsolete improvements include extensive open drainage ditches along street frontages caused by obsolete construction of streets without enclosed storm sewers, curbs and gutters. Many streets in or adjacent to the Redevelopment Project Area are without sidewalks. The private driveways lack paved surfaces. On several commercial and residential lots there are no paved sidewalks to the streets. The building and obsolete site improvements are based on field inspections in April and May 1992 by PGAV (Consultant).

### \* DETERIORATION

Deterioration refers to any physical deficiencies or disrepair of structures and/or site improvements requiring treatment or repair.

#### Structures

While deterioration may be evident in basically sound structures, e.g. lack of painting, loose or missing materials, or holes and cracks over limited areas, such deterioration can be corrected through normal maintenance.

Deterioration which is not easily correctable in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as deteriorating or in an advanced stage of deterioration, depending upon the degree or extent of defects. This would include buildings with major defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and major defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.



## Surface Improvements

The conditions of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas may also evidence deterioration; surface cracking, crumbling, potholes, depressions, loose paving materials, weeds protruding through the surface, etc.

## Summary of Findings

There were recorded deteriorating conditions in 82 or 69 percent of the total 119 structures in the Redevelopment Project Area.

The field survey of building conditions in the Redevelopment Project Area found structures with major defects in the secondary structural components and/or major defects in primary structural components, including walls, windows, foundations, etc.

The predominant instances of building deterioration in the Redevelopment Project Area included door and/or windows, porches, roofs and foundations.

### \* **PRESENCE OF STRUCTURES BELOW CURRENT MINIMUM CODE STANDARDS**

The presence of structures below minimum code standards of the Village of Chatham includes all structures which do not meet the current standards of zoning, subdivision, building, housing property maintenance, fire or other village code applicable to the property. Structures below minimum code are characterized by defects or deficiencies which presume to threaten health and safety.

## Summary of Findings

The only building inspected for meeting the Village's Fire Code was the commercial strip center on the east side of North Main Street. The structure did not conform to the Fire Code.

### \* **EXCESSIVE VACANCIES**

Excessive vacancies refer to the presence of structures which are unoccupied or underutilized in a high percentage (50 or more) of the total floor space and which represents an adverse influence on the area because of the frequency, extent, or duration of such vacancies. It includes properties which evidence no apparent effort toward their occupancy or utilization and vacancies within structures.

## **Summary of Findings**

The field investigation of the Redevelopment Project Area indicates that there exists a total of 9 buildings or 8 percent that have excessive vacancy of floor space, including several that are totally vacant and for sale or rent.

### **\* INADEQUATE UTILITIES**

This factor relates to all underground and overhead utilities, including, but not limited to, storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone and electric service which may be shown to be inadequate.

Inadequate utilities would include those which are (a) of insufficient capacity to serve the uses in the redevelopment project and surrounding areas, (b) deteriorated antiquated, obsolete, or in disrepair or (c) lacking.

## **Summary of Findings**

The Redevelopment Project Area, as a whole, is without an adequate storm water disposal system. There are no curbs and gutters along a major portion of the streets and in most cases where a storm water ditch exists it is inadequate to carry a sizable flow of storm water. A storm water system is needed to replace field tile throughout the north/south corridor of the Area.

The 6" C.I. water main is old and inadequate in size and needs to be replaced with a new 10 inch line on North and South Main Street to allow for the future economic development of the Area.

Almost all the streets in the Area do not meet Village standards and need to be rebuilt. The present street system, except for Illinois Route 4, is inadequate in the roadway width, roadway structure, storm drainage and sidewalks. The 22 feet old surface is insufficient in width, lacks curb and gutter and it is nearly void of pedestrian sidewalks. A network of pedestrian sidewalks is needed for the safety of Chatham pedestrians. The 10 to 12 foot gravel or rock alleys need to be rebuilt with an asphalt surface to provide storm drainage, rear access and service of existing commercial business in the Area.

Some electrical equipment is needed for the central substation to correct a deficiency in service for the Area.

The inadequacy in utilities and related streets was determined in consultation with the Village's engineering consultant, Greene and Bradford, Incorporated and the Village of Chatham in April 1992.

Ninety-eight percent or 117 parcels of the 120 total parcels are identified with inadequate utilities, primarily storm sewers.

\* **ABANDONMENT**

Abandonment includes buildings that have been abandoned from the original designed use or they have been vacant for a period of 12 months or more.

**Summary of Findings**

Only a small amount of abandonment was observed for 10 buildings or 8% of the total buildings.

\* **EXCESSIVE LAND COVERAGE**

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

**Summary of Findings**

A total of 50 buildings or 42 percent of the total 119 building lots exhibited excessive land coverage with buildings.

\* **DELETERIOUS LAND USE OR LAYOUT**

Deleterious land-uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses which may be considered noxious, offensive or environmentally unsuitable.

**Summary of Findings**

There are cases of incompatible and mixed land uses. Residential and commercial or industrial uses are mixed in an incompatible manner. The commercial and industrial uses create vehicular and pedestrian traffic which are incompatible with residential uses. Spot residential buildings in a predominantly commercial area restrict the potential expansion and new development and revitalization of the Redevelopment Project Area. Spot commercial and high density residential uses are incompatible with single family residence. Only 18 lots or 15 percent of the 120 properties in the Redevelopment Project Area are deleterious land uses or layout. This was determined by field surveys in April and May 1992 by PGAV, Inc.

## \* **DEPRECIATION OF PHYSICAL MAINTENANCE**

This factor considers the effects of deferred maintenance and the lack of maintenance of buildings, improvements and grounds comprising the proposed redevelopment area.

### **Site Improvements**

Front yards, side-yards, back yards and vacant parcels; accumulation of trash and debris; broken sidewalks; lack of vegetation; lack of paving and dust control; potholes, standing water; fences in disrepair; lack of mowing and pruning of vegetation, etc.

### **Streets, Alleys and Parking Areas**

Streets, alleys and parking areas: potholes; broken-up or crumbling surfaces; broken curbs and/or gutters; areas of loose or missing materials; standing water, etc.

### **Utilities**

Deteriorated storm drainage facilities (e.g. open channels, curbs and gutters), inadequate water pressure, water storage and deteriorated storage facilities and electrical substation equipment.

### **Summary of Findings**

The large majority of the Redevelopment Project Area exhibits characteristics that reflect a depreciation in physical maintenance.

The depreciation of site improvements was found to exist in 116 parcels or 97 percent of the Redevelopment Project Area. These are characteristics in building and site deterioration and obsolescence, as well as streets, alleys, sidewalks, curbs and storm drainage improvements, and water facilities that need resurfacing, replacement and new construction. Nearly all the properties are impacted to some degree by a decline in physical maintenance based on field observations by the Consultant in April and May, 1992. A majority of the streets and alleys need to be rebuilt due to inadequate roadway structure and width. A sidewalk system is needed to provide a safe pedestrian circulation system in the Area.

## \* **LACK OF COMMUNITY PLANNING**

The lack of, or inadequate community planning at the time the redevelopment project area was originally developed can result in obstacles to redevelopment. Thus, if no community plan existed or it was considered inadequate, and/or virtually ignored during the time of the area's development. This finding may be amplified by other evidence which shows the deleterious results of the lack of community planning, including cross-referencing other factors cited in the blight analysis. This

**TABLE ONE**  
**BLIGHTING FACTOR MATRIX**  
**CHATHAM REDEVELOPMENT PROJECT AREA**

Blighting Factor	Total Number	Percent
Number of Parcels	120	-
Number of Buildings	119	-
Age of Building	81	68
Deterioration	82	69
Dilapidation	2	2
Obsolescence	29	24
Excessive Vacancy	9	8
Excessive Land Coverage	50	42
Depreciation of Physical Maintenance	116	97
Abandonment	10	8
Deleterious Use	18	15
Inadequate Utilities	117	98
Lack of Community Planning	45	38
Total Number of Factors Present (11)	559	Avg. 28/Block

\* See text for details.

Source: PGAV-Urban Consulting

## F. FINDINGS OF NEED FOR TAX INCREMENT FINANCING

It was determined in the Investigation and Analysis of Blighting Factors in the Redevelopment Project Area, presented elsewhere in this document, that the Area as a whole, is a Conservation Area. However, the Act states that no redevelopment plan shall be adopted without meeting the following four requirements.

### 1. Area Not Subject to Growth

Presently, the Redevelopment Project Area is characterized by the lack of good streets, storm drainage facilities, water mains and other development incentives. These deficiencies have impeded growth within the area and redevelopment by private enterprise. The tax base has not exhibited growth, and the area exhibits the under utilization of the land and the lack of public infrastructure.

The Chatham area has over a number of years exhibited a lack of growth and development by private enterprise.

Over the last U.S. Census decade, from 1980 to 1990, the population of Chatham had a growth of only 500 people to a 1990 population of a little over 6,000 people. Today, the population amount has remained relatively unchanged.

Commercial or nonresidential building permits have shown very little growth in the past 6 years. Only 15 commercial building permits have been issued from 1986 through 1991.

Sales tax, from 1986 through 1991 has increased about \$20,000 per year. City staff contributes most of the increase to the lumber yard and fast food sales. The commercial element of the community, as a whole, has not shown growth and development. A major strip shopping facility in the TIF Area was not completely built and some of the floor space is vacant and unimproved. The assessed value of the Village has increased from about \$26 million to \$35.5 million from 1986 through 1991. Most of the growth is from the local lumber yard and residential developments.

From an industrial development standpoint, the Village has shown very little development in recent years. A former industrial park area adjacent to the railroad is now defunct. Also, a small industrial park on the south side has only one business.

This overall decline in economic activity and especially private investment and the cumulative force of the factors described above may transform the Redevelopment Project Area from a Conservation Area to a Blighted Area of serious decay and dilapidation unless corrective actions are taken in the near future.

Proposed private redevelopment projects are contingent upon adoption of a Redevelopment Project Area and Redevelopment Plan as there is little likelihood that money required to make all the public improvements to serve the development sites, absent, tax increment financing funds can be raised. Absent participation and assistance by the public sector, private investment will not take place in the Redevelopment Project Area as a whole, the tax base will further erode, and the health, safety, and welfare of the public will be impaired.

Recent efforts by the Village to secure new economic activity and employment revealed it is necessary for the Village of Chatham to provide assistance and incentives to attract new private enterprise to the Village.

## 2. Conformance with the Village's Comprehensive Plan

The Comprehensive Plan for the Village of Chatham, Illinois adopted in 1980 proposes commercial and industrial development in the Redevelopment Project Area. Currently, the Chatham Planning Commission and the Springfield Sangamon County Regional Planning Commission (SSCRPC) are updating the 1980 Plan. Contact was made in May 1992 with SSCRPC. It was determined that the Redevelopment Plan and General Land Use Plan generally conforms to the 1992 Comprehensive Plan and zoning of the Village of Chatham in terms of residential, public, commercial (includes offices) and light industrial land uses.

## 3. Estimated Dates for Completion of the Redevelopment Project

The obligations incurred to finance the improvements will be repaid by increments collected over an estimated period of approximately twenty years from the date of adoption of the ordinance approving the Redevelopment Plan. The estimated date for the completion of the Redevelopment Plan shall be no later than 23 years from the date of adoption of the Redevelopment Plan by the Village.

## 4. Would Not Be Developed But For Tax Increment Financing

The Village Board has found that the Redevelopment Project Area would not reasonably be developed without the use of tax increment revenues, and that such incremental revenues will be exclusively utilized for the development of the Redevelopment Project Area.

Underscoring the economic need for municipal financial assistance in the form of tax increment financing is the fact that without the Village's commitment to provide such municipal financial assistance, there will not be commitment for private redevelopment.

# EXHIBIT G

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Mr. Kuchar also made phone calls to Mayor Oblinger and Village Administrator, Del McCord and he stated that he was never given an answer as to why his property had to be included in the TIF district when he does not want to be in it.

Trustee Hilt explained that Mr. Kuchar's property is zoned light industrial and that the industrial and business zones of Chatham are what make up the TIF district. He further stated that it makes contiguous sense to include Mr. Kuchar's property in the TIF because otherwise some surrounding property would be chopped up and the boundaries would not look presentable on a map. He explained to Mr. Kuchar that being included in the TIF district will make absolutely no changes for the residential property or the property owner as long as they maintain the residential use of the property.

Mr. Kuchar then requested a certified letter from the village stating that if his property is to remain in the TIF district the village will have no options whatever on his property either now or in the future whether he continues to live on the property or sell it. It was agreed by the board members that the matter would be addressed at the next regular board meeting on October 27, 1992.

A motion was made by Trustee Miller to adjourn the meeting. The motion was seconded by Trustee Williamsen and was carried by voice vote.

The meeting was adjourned at 7:55 P.M..

Respectfully Submitted,

*Jacqueline S. Fullington*

Jacqueline S. Fullington  
Deputy Clerk  
Village of Chatham



In an effort to generate development interest, the Village advertised the Redevelopment Project Area for redevelopment proposals. This process further reinforced the need for municipal assistance in order to realize economic development in the Redevelopment Project Area. Unless the Redevelopment Plan is adopted by the Village of Chatham, the development of the Redevelopment Project Area is not practically and economically unfeasible.

#### G. FINDINGS AND CONCLUSION

The Redevelopment Project Area shall be designated as a "Conservation Area" as defined by the Tax Increment Allocation Redevelopment Act. The Redevelopment Project Area exhibits blighting factors contained in Chapter 24, Section 11-74.4-3 of the Illinois State Statutes. By definition, "Conservation Areas" means:

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

## **V. REDEVELOPMENT PLAN**

### **A. INTRODUCTION**

There is presented in this section the Redevelopment Plan for the Chatham Redevelopment Project Area. Pursuant to the Tax Increment Allocation Redevelopment Act, when the finding is made that an area qualifies as either Conservation, Blighted or Industrial Park Conservation Area, there shall be prepared a Redevelopment Plan. A Redevelopment Plan is defined in the Act as a comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "Blighted Area" or "Conservation Area" or combination thereof or "Industrial Park Conservation Area," and thereby to enhance the tax bases of the taxing districts which extend into the Redevelopment Project Area.

### **B. PROPOSED GENERAL LAND USE PLAN**

The proposed General Land Use Plan for the Chatham Redevelopment Project Area is presented in Exhibit II. The proposed development and land use categories are designated thereon.

The General Land Use Plan conforms to the forthcoming 1992 Comprehensive Plan of the Village of Chatham and the 1980 Adopted Comprehensive Plan as both Plans proposed commercial and light industrial land uses and arterial streets. All redevelopment projects shall be subject to the provisions of the Village of Chatham's Zoning and Subdivision Ordinances and other applicable codes (e.g. Fire, Sign) as may be in existence and may be amended from time-to-time.

The Village of Chatham proposes to realize its goals of conservation of desirable features in the Redevelopment Project Area while eliminating the conditions of blight and other deficiencies. The Village will, thereby, be encouraging private investment in new commercial, industrial, residential and public facilities through the utilization of tax increment financing.

The Village of Chatham proposes to undertake a Redevelopment Plan which consists of planned economic development activities, sound fiscal policies, marketable land uses, and private and public activities. The anticipated Redevelopment Program policies are as follows:

### **C. POLICIES**

1. The Village of Chatham may provide assistance for site control as needed to advance redevelopment projects, including the acquisition of property and dedication of land for public street right-of-way.

2. Economic development programs, as well as loans and grants from the State of Illinois to assist redevelopment projects may be pursued by the Village as needed to provide financial feasibility for development.
3. The Village will provide appropriate utilities, public works, site improvements and street and road developments.
4. Financial assistance for the rehabilitation and enhancement of existing commercial properties in conformance with the Redevelopment Plan will be provided by the Village.
5. There will be established by the Village of Chatham a Redevelopment Project Area or tax increment district as a mechanism through which private redevelopment and rehabilitation can be realized.
6. Relocation assistance will be provided by the Village, as may be necessary, in the form of advisory and consultation services.

#### D. OBJECTIVES

The objectives of the Redevelopment Plan are:

1. Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a "Conservation Area" by carrying out the Redevelopment Plan.
2. Prevent the recurrence of blighting conditions by actions outlined herein.
3. Enhance the real estate tax base for the Village of Chatham and all other taxing districts which extend into the Chatham Redevelopment Project Area through the implementation and completion of the projects identified herein.
4. Encourage and assist private investment, redevelopment and rehabilitation within the Redevelopment Project Area through the provision of financial assistance for new development and rehabilitation as permitted by the State Tax Increment Allocation Redevelopment Act.
5. Improve the overall environment of the area so as to encourage the conservation of private developments wherever possible in a manner that is compatible with surrounding land uses.
6. Promote and provide opportunities for residential, office, retail, commercial, industrial, and other uses (e.g. residential) to serve the general citizenry of the Village of Chatham and its customer base.

7. Provide for safe and efficient traffic circulation, facilitate effective emergency response time and accessibility, and general access within the Redevelopment Project Area.
8. Improve land, utilities, and community facilities to attract quality redevelopment in the Redevelopment Project Area.
9. Provide planned public improvements and facilities in the Redevelopment Project Area relative to its competition in the marketplace.
10. Create new permanent jobs in the Redevelopment Project Area.
11. Implement needed public infrastructure construction in the Redevelopment Project Area.
12. Complete all public and private actions required in this Redevelopment Plan in an expeditious manner. This would then permit all additional real estate taxes to be distributed to local taxing bodies.

The Village of Chatham has considered alternative means of financing the necessary public infrastructure projects within the Redevelopment Project Area. It was determined that tax increment financing constitutes the most effective means available for enabling the development of the Redevelopment Project Area to proceed. The Village as a whole and all other local taxing bodies will benefit from the development of the Redevelopment Project Area and the achievement of the aforementioned objectives.

#### **E. REDEVELOPMENT PROJECTS**

To achieve the objectives proposed Plan for the Redevelopment Project Area, a number of projects will need to be undertaken. An essential element of the Redevelopment Plan is a combination of private developments, as well as public investments in infrastructure improvements, as indicated in the estimated Redevelopment Project Costs, Table Two. These projects may include but are not restricted to the following:

1. **Private Redevelopments Project Activity**

To achieve a total Redevelopment Plan, many projects may be employed. Thus, a combination of private investments and public improvements is an essential element of the Redevelopment Plan.

The private projects that are proposed for the Redevelopment Project Area include a retail shopping area that would contain necessity and shopping items (e.g. food, drug, specialty shops, etc.) and office facilities, plus possible outlots. Also, to be developed are elderly residential facilities, a nursing home and related care facilities as well as medical and general office facilities. Other probable infill developments include small commercial, light industrial and residential uses.

In addition to the above noted private projects in the Redevelopment Project Area may include, but are not limited to the following:

- \* Rehabilitation of existing commercial buildings where said rehabilitation can bring the buildings into conformity with the Redevelopment Plan.

2. Public Redevelopment Project Activities

Public projects will be used to serve and complement private investment. These projects may include, but not be limited to: street improvements, sidewalks, land assembly (e.g. acquisition, demolition) and site preparation, storm sewers, water mains, electrical facilities, signalization, traffic control and lighting, as well as other programs of financial assistance, may be provided by the Village. Thus, to achieve the objectives of the Redevelopment Plan, the Village of Chatham may undertake the following public improvements.

1. Street construction and related signalization, resurfacing, pavement removal and reconstruction.
2. Sidewalk construction and/or replacement.
3. Curb and gutter construction and/or replacement.
4. Street lighting replacement or upgrading.
5. Storm sewers and related drainage facilities.
6. Water lines, sleeves, valves, etc.
7. Landscaping of streets, entry and traffic islands, including signs on public right-of-way and not private property.
8. Electric substation equipment.
9. Land acquisition, demolition and site clearance.
10. Site grading for land development capabilities and storm water drainage.

## **VI. IMPLEMENTATION STRATEGY**

The development of and the carrying out of a well-devised implementation strategy is a key element in the success of the Chatham Redevelopment Project Area. Thus, in order to maximize program efficiency and to take advantage of current conservation - redevelopment actions and with full consideration of available funds, a phased implementation strategy will be employed. However, to achieve a total Redevelopment Plan, a number of projects will need to be undertaken. Thus, a combination of private investments and public improvements is an essential element of the Redevelopment Plan.

### **A. PRIORITIES FOR PUBLIC ACTIONS**

The Village of Chatham anticipates undertaking the following activities.

1. Adoption of Redevelopment Plan.
2. Construction of streets and public utilities (e.g. water and storm drainage) for new economic development.
3. Demolition and site preparation for new economic development, including any necessary land acquisition of property.
4. Provide a marketing and site development design program to entice new economic development.
5. Provide interest subsidy to developers.
6. Initiate an industrial and commercial rehabilitation assistance program.
7. Undertake the various public improvements including street improvements, alleys, sidewalks, lighting, parking, and other similar improvements in the Redevelopment Project Area. Public improvements will be coordinated with the time and completion of private development projects.

### **B. ESTIMATED REDEVELOPMENT PROJECT COSTS**

The Village may include as Redevelopment Project costs all reasonable costs incurred or estimated to be incurred and any costs which are incidental to Redevelopment Project and Redevelopment Plan.

Such costs include, without limitation to, the following:

1. Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural engineering, legal marketing, financial, planning or other services.

2. Property acquisition and preparation costs, including but not limited to demolition of buildings and the clearing and grading of land.
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures.
4. Cost of construction of public works or improvements.
5. Cost of job training and retraining.
6. Financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter, and including reasonable reserves related thereto.
7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs.
8. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law.
9. Payments in lieu of taxes.
10. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project. Such payments in any one year may not exceed 30% of such annual interest costs and relocation costs incurred pursuant to the Tax Increment Allocation Redevelopment Act.

The estimated total cost associated with the eligible redevelopment projects described, herein, is presented in Table Two. Any bonds issued shall have a life of not more than 20 years. This estimate includes all reasonable or necessary costs incurred or estimated to be incurred in the implementation of the Redevelopment Plan. These estimated costs are subject to refinement as specific plans and designs are finalized.

**TABLE TWO**  
**ESTIMATED REDEVELOPMENT PROJECT COSTS \***

A.	<u>Property Assembly</u>  (acquisition, demolition, site clearance, and grading relocation, etc.)	\$500,000
B.	<u>Public Works or Improvements</u>  (construction of streets, sidewalks, storm sewers, water and electric utilities, traffic controls, etc.)	\$5,500,000
C.	<u>Program Administration</u>	\$450,000
D.	<u>Professional Services</u>  (planning, legal, engineering, architectural, financial, marketing, or other services)	\$250,000
E.	<u>Interest Subsidy To Developers</u>	\$500,000
F.	<u>Rehabilitation of Existing Building</u>  (rehabilitation, reconstruction, repair or remodeling of existing buildings and fixtures)	\$500,000
G.	<u>Contingency</u>  (necessary and related, costs of financing, cost overruns, capitalized interest, etc.)	\$770,000
		\$8,470,000

\* Cost may be reallocated among these line items or may be used for any other project cost as permitted by the Act.

Source: Village of Chatham, Greene & Bradford, Inc. & PGAV-Urban Consulting



### C. MOST RECENT EQUALIZED ASSESSED VALUATION

The total equalized assessed valuation for the Chatham Tax Increment Redevelopment Project Area has been estimated at approximately \$2,672,779. This figure will be verified by the County Clerk of Sangamon County.

### D. REDEVELOPMENT VALUATION

Thus, contingent on the adoption of this Tax Increment Redevelopment Plan and commitment by the Village to the Redevelopment Program, it is anticipated that several major private developments may occur within the Redevelopment Project Area designated.

The private redevelopment investment in this Redevelopment Project Area is expected to increase the assessed tax valuation from \$5,000,000 to \$6,000,000 upon completion of the private projects.

### E. SOURCE OF FUNDS

The source of funds to pay for Redevelopment Project Costs associated with implementing the Redevelopment Plan shall be funds collected pursuant to tax increment allocation financing to be adopted by the Village. Under such financing, tax increment revenue in the form of increases in the equalized assessed value (EAV) of property, as well in the Redevelopment Project Area shall be allocated to a special fund each year (the "Special Allocation Fund"), and the assets of the Special Allocation Fund shall be used to pay Redevelopment Project Costs and retire obligations incurred to finance Redevelopment Project Costs. In order to expedite the implementation of the Redevelopment Plan and construction of the public improvements projects, the Village of Chatham pursuant to the authority granted to it under the Tax Increment Allocation Redevelopment Act may issue obligations to pay for the Redevelopment Project Costs. These obligations may be secured by future amounts to be collected and allocated to the Special Allocation Fund. Such obligations may take the form of any loan instruments authorized by the Tax Increment Allocation Redevelopment Act. The Village may also use local retail sales tax as a source of revenue to finance project costs.

If available, revenues from other economic development funding sources may include State and Federal Programs, and land disposition proceeds from the sale of land in the Redevelopment Project Area. The final decision concerning redistribution of yearly increment revenues may be made a part of a bond ordinance. It is assumed that the cost of implementing the Redevelopment Plan will require committing all increment funds from the Tax Increment Conservation - Redevelopment Area to debt retirement. It is estimated that present financial feasibility requires revenues available each year equal to 125% - 175% of the annual debt services payment in connection with the retirement of the bonds. In the event there is any excess of the funds deemed necessary by ordinance for the retirements of obligations, reserves, sinking funds, and redevelopment project costs, this may be declared as surplus and will be available for distribution to the various taxing districts in the Redevelopment Project Area in the manner provided by Statute.

#### **F. NATURE AND TERM OF OBLIGATION**

Without excluding other methods of Village financing, the principal source of funding will be Tax Increment Revenue obligations, issued pursuant to this Redevelopment Plan, for a term not to exceed 20 years bearing an annual interest rate as permitted by law. Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the bonds and not needed for other redevelopment project costs or early bond retirements may be declared as surplus and become available for distribution annually to the taxing bodies to the extent that this distribution of surplus does not impair the financial feasibility of the project. One or more bond issues may be sold at any time in order to implement this Redevelopment Plan.

#### **G. COMPLETION OF REDEVELOPMENT PROJECT AND RETIREMENT OF OBLIGATIONS TO FINANCE PROJECT COSTS**

The estimated date for the completion of the Redevelopment Plan is no later than 23 years from the date of adoption of the Redevelopment Plan by the Village. Any obligations incurred to finance the Conservation - Redevelopment Project Costs are to be retired no later than 20 years after the date of such issuance and prior to said expiration of the Redevelopment Plan.

#### **H. FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION**

The Village of Chatham will insure that all private and public redevelopment activities are constructed in accordance with fair employment practices and affirmative action by any and all recipients of Tax Increment Financing assistance. Each recipient of TIF assistance will be required to adhere to fair employment practices and affirmative action programs in the conduct of their business and in any redevelopment activities in which they may become involved within the Redevelopment Project Area.

**VII. REVIEWING AND AMENDING THE TIF PLAN**

**A. AMENDING REDEVELOPMENT PLAN**

The Chatham Redevelopment Plan may be amended in accordance with the provisions of the Tax Increment Allocation Redevelopment Act, Chapter 24, Section 11-74.4, et. seq. of the Illinois Revised Statutes. Also all reporting requirements and other statutory provisions will be adhered to.

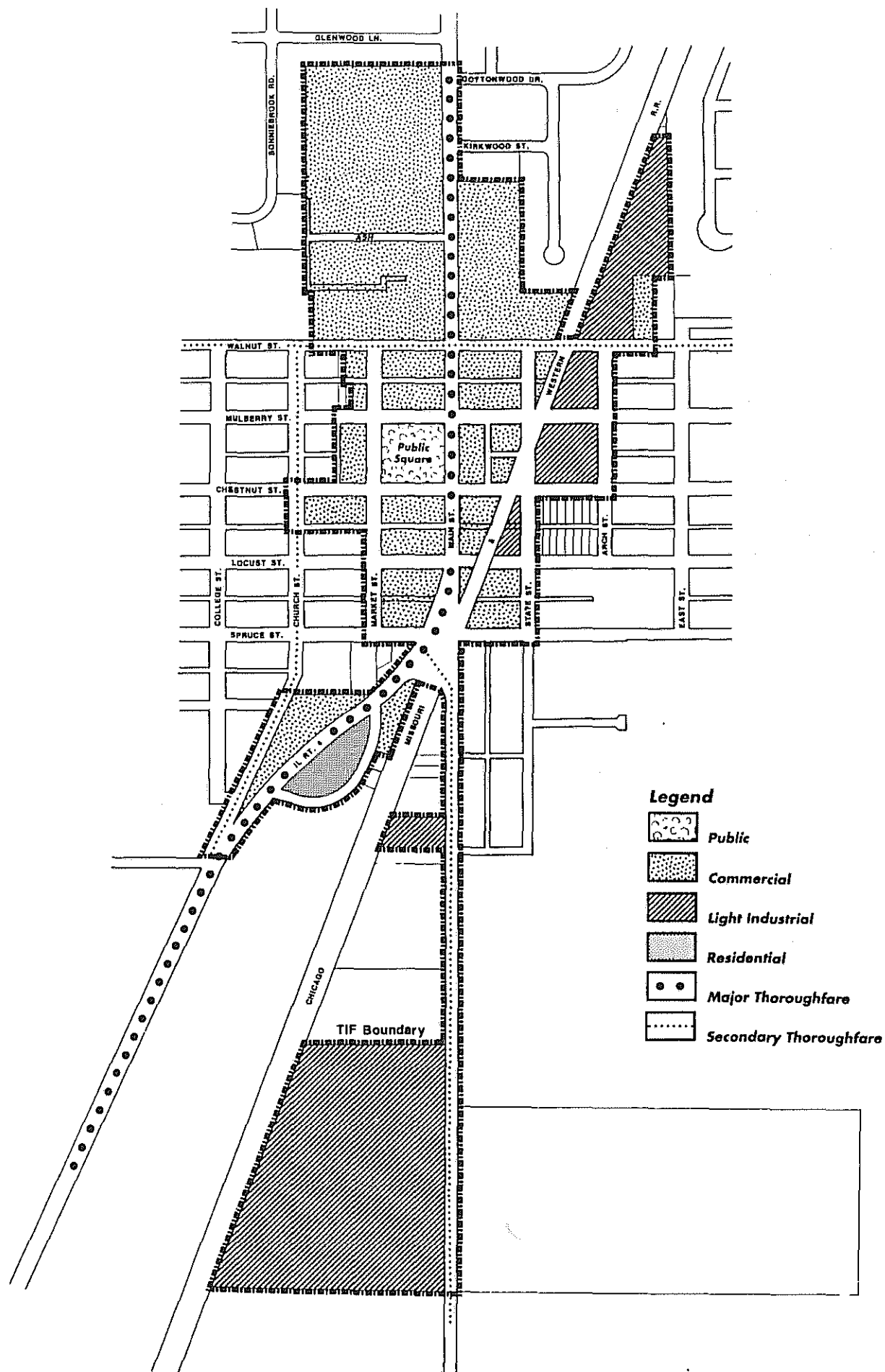
The Act stipulates that once the Village adopts an ordinance approving a redevelopment plan, redevelopment projects, and project area, no ordinance shall be adopted which alters the tax increment financing district boundaries, or affects the proposed general land use or the nature of the project without complying with the public hearing procedures provided in the Tax Increment Allocation Redevelopment Act. The Village shall comply with these requirements in connection with any amendments to this Redevelopment Plan proposed in the future.

## EXHIBIT I







### LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA

Part of the Northeast Quarter of Section 13 and part of the East Half of Section 12, Township 14 North, Range 6 West of the Third Principal Meridian; and part of the West Half of Section 7 and part of the Northwest Quarter of Section 18, Township 14 North, Range 5 West of the Third Principal Meridian, described more particularly as follows: Commencing at the East Quarter Corner of the aforementioned Section 13, thence North 00 degrees 06 minutes 16 seconds East along the Range Line a distance of 620.50 feet to the Northeast Corner of Parkview Estates First Addition, said point marks the true point of beginning, thence North 82 degrees 50 minutes 44 seconds West a distance of 160.58 feet, thence South 84 degrees 16 minutes 46 seconds West a distance of 100.50 feet, thence South 66 degrees 27 minutes 23 seconds West a distance of 109.07 feet, thence South 63 degrees 23 minutes 38 seconds West a distance of 295.00 feet, thence South 89 degrees 59 minutes 24 seconds West a distance of 570.04 feet to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence North 20 degrees 58 minutes 28 seconds East along said right-of-way line a distance of 1345.42 feet, thence South 89 degrees 59 minutes 44 seconds East a distance of 691.52 feet to a point 22 feet West of the Range Line, thence North parallel to the Range Line a distance of 1010.21 feet, more or less, to a point 76.33 feet North of the South Line of the aforementioned Section 12, thence West parallel to the section line a distance of 338.52 feet to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence Northeasterly along said right-of-way line a distance of 160.44 feet, thence East parallel to the section line a distance of 281.05 feet, thence North parallel to and 22 feet West of the Range Line a distance of 733.52 feet to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence Northwesterly perpendicular to said right-of-way line a distance of 116 feet to a point on the Westerly Right-of-Way Line of the Former Illinois Terminal Railroad, thence Southwesterly along said right-of-way to a point 548.75 feet Northeasterly of the section line, thence deflect to the right 116 degrees 30 minutes 55 seconds for a distance of 92.73 feet to a point on the Easterly Right-of-Way Line of Circle Drive, thence Southwesterly along said right-of-way line to a point on the Easterly Right-of-Way Line of Illinois Route 4, thence Southwesterly along said right-of-way line to a point on the South Line of Section 12, thence West along said section line to a point on the Westerly Right-of-Way Line of Church Street, thence Northeasterly along said Westerly right-of-way line to a point 264 feet South of the South right-of-way line of Spruce Street, thence East parallel to the South Line of Spruce Street to a point on the Westerly Right-of-Way Line of Illinois Route 4, thence Northeasterly along said Westerly right-of-way line to a point on the North Line of Spruce Street, thence West along said North line to the Southeast corner of Block 16 in the Original Town of Chatham, thence North along the West Line of Market Street to the Northeast Corner of Lot 16 in the Block 13 of the Original Town

of Chatham, thence West along the South Line of an alley to the Northeast Corner of Lot 16 in Block 14 of the Original Town of Chatham, thence North along the West Line of Church Street to the Southeast Corner of Block 6 in the Original Town of Chatham, thence East along the North Line of Chestnut Street to the Southeast Corner of Lot 9 in Block 7 of the Original Town of Chatham, thence North along the West Line of an alley to the Southeast Corner of Lot 12 in Block 4 of the Original Town of Chatham, thence East along the North Line of Mulberry Street to the Southwest Corner of Lot 15 in Block 4 of the Original Town of Chatham, thence North along the West Line of said Lot 15 to the Northwest Corner of said Lot 15, thence West along the South Line of an alley a distance of 12 feet, thence North to a point 12 feet West of the Northeast Corner of Lot 3 in Block 4 of the Original Town of Chatham, thence West along the South Line of Walnut Street to the Northeast Corner of Lot 8 in Block 4 of the Original Town of Chatham, thence North to the South Line of Stevens Addition to the Village of Chatham, thence West along the South Line of Stevens Addition to the Southwest Corner there of, thence North along the West Line of Stevens Addition 198 feet, more or less, to the Southeast Corner of Lot 18 of Chatham Knolls Subdivision, thence North along the East Line of Lots 9 through 18 of Chatham Knolls Subdivision to the Northeast Corner of Lot 9, thence East along the South Line of Chatham Knolls Subdivision to a point on the East Right-of-Way Line of Illinois Route 4, thence South along said right-of-way line to the Southwest Corner of Lot 1 in Birch Grove Subdivision, thence East along the South Line of Lots 1 through 4 of Birch Grove Subdivision to the Southeast Corner of Lot 4, thence South along the West Line of Lots 6 through 12 of Birch Grove Subdivision to the South Line of said subdivision, thence East along the South line of said subdivision extended to a point on the Easterly Right-of-Way Line of the Missouri and Northwestern Railroad, thence Northeasterly along said right-of-way line to the Southwest Corner of Lot 129 of Walnut Park Estates Plat 4, thence East along the South Line of Lot 129 a distance of 77.8 feet, more or less, to the West Line of Walnut Park Estates Plat 2, thence South along the West Line of Walnut Park Estates Plat 2 to the Southwest Corner of said Plat 2, thence West parallel to the quarter section line of said Section 7 a distance of 83 feet, thence South to a point on the South Line of Walnut Street, thence West to the Northwest Corner of Block 1 of Thayers Addition to Chatham, thence South along the East Line of Arch Street to the Northwest Corner of Block 3 of Thayers Addition to Chatham, thence West along the South Line of Chestnut Street to the Northwest Corner of Block 10 in the Original Town of Chatham, thence South along the East Line of State Street to a point 66 feet East of the Northeast Corner of Cloyds Addition to Chatham, thence West along the South Line of Spruce Street to the Northwest Corner of Lot 23 of Cloyds Addition, thence South along the East Line of Main Street to a point 2115.63 feet South of the Northwest Corner of Section 18, thence West to the true point of beginning; all located in the Village of Chatham, Sangamon County, Illinois.



**Legend**

-  Public
-  Commercial
-  Light Industrial
-  Residential
-  Major Thoroughfare
-  Secondary Thoroughfare

**Exhibit II**  
**General Land Use Plan**  
**Chatham, Illinois**



# EXHIBIT F

## TIF JOINT REVIEW BOARD MEETING SEPTEMBER 3, 1992

MEMBERS PRESENT            Chairman Gene Meurer, representing Ball Chatham School District Unit 5; Trustee Dave Joswiak, representing the Chatham Village Board; Melissa Hopp, representing Lincoln Land Community College; Wayne Reincke representing Chatham Township; and William Clark, representing Sangamon County.

MEMBERS ABSENT            Diane Hayes, representing Chatham Library Board.

The meeting was called to order by Chairman Meurer at 7:05 p.m.

Trustee Joswiak made opening comments explaining that this meeting was called to review the new revised TIF plan. The TIF was revised as a result of objections raised at a public hearing on July 28, 1992.

The new revised TIF plan excludes 3 residential lots in Chatham Knolls subdivision and the south park. The focus of the plan is on downtown commercial and industrial development.

Chairman Meurer asked for questions or comments. There were none.

MS. HOPP MOVED THAT THE JOINT REVIEW BOARD RECOMMEND ESTABLISHMENT OF THE TIF AS OUTLINED IN THE NEW REVISED TIF PLAN. TRUSTEE JOSWIAK SECONDED AND THE MOTION CARRIED BY VOICE VOTE.

The vote was as follows:

Chairman Meurer	Yes
Trustee Joswiak	Yes
Ms. Hopp	Yes
Mr. Clark	No
Mr. Reincke	No

Mr. Reincke and Mr. Clark asked to make comments explaining why they opposed the TIF plan.

Mr. Clark appreciates the fact that the 3 lots and the park were removed from the TIF plan, but does not believe tax districts should be penalized to enhance the downtown area. He is also concerned that monies from the plan do not go through normal budgeting processes.

Mr. Reincke said Chatham Township would like to go on record as opposing the TIF plan totally. They do not believe tax money

# EXHIBIT F

should be given to businesses as incentive to locate in Chatham. They would like to see use of a referendum to raise such needed money. Mr. Reinke also believes that a separate board independent of the Village Board should be set up to take care of the proceeds from the TIF.

MS. HOPP MADE A MOTION TO RECOMMEND THAT THE VILLAGE BOARD HOLD ANNUAL PUBLIC HEARINGS ON THE TIF BUDGET AND INVITE A JOINT REVIEW BOARD TO ADVISE THEM. TRUSTEE JOSWIAK SECONDED AND THE MOTION CARRIED BY VOICE VOTE.

MR. REINCKE MOTIONED TO ADJOURN THE JOINT REVIEW BOARD. THE MOTION WAS SECONDED BY MS. HOPP AND CARRIED BY VOICE VOTE.

The meeting was adjourned at 7:15 p.m.

Respectfully submitted,



Sandy Farrow  
Secretary

CC: Ball Chatham School District #5  
Village Board  
Lincoln Land Community College  
Chatham Township  
Sangamon County  
Chatham Library Board  
Public Bulletin Board  
Village file



# EXHIBIT G

## MINUTES

### TAX INCREMENT FINANCING

#### PUBLIC HEARING

OCTOBER 22, 1992

7:00 P.M.

PRESENT: Rose Miller  
Dave Joswiak  
Dave Hilt  
Bob Krueger

ABSENT: Linda Koester  
Mayor Oblinger

OTHERS Present: Del McCord  
John Myers  
Mr. and Mrs. Stan Mirek  
Loren Knop  
Wayne Reincke  
Paul Kuchar  
Opal Lee  
Ester Burton  
Jill Michelich

The public hearing was called to order by Trustee Joswiak in the absence of Mayor Oblinger. He stated that this is the second public hearing in the TIF adoption schedule. The first hearing was held on July 28, 1992. As a result of concerns expressed at that meeting changes have been made in the TIF plan with regard to usage of funds and the exterior boundaries of the proposed district. Trustee Joswiak also stated that following this public hearing the Village Board must pass 2 ordinances in order to implement the TIF plan.

The floor was given to Trustee Hilt at this point. He gave a brief summary and explanation of the changes made in the TIF plan.

Following Trustee Hilt's summary the meeting was opened for questions and comments from those in attendance. Questions were presented to board members from a half dozen citizens in attendance and all questions were answered to the satisfaction of those asking.

Mr. Paul Kuchar of 211 E. Mulberry was in attendance to protest having his property included in the TIF district. He was unable to attend the last public hearing and consequently wrote certified letters to protest being included in the TIF boundary. One letter was to Mayor Oblinger and one was directed to the village office. Neither letter was answered.