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EXECUTIVE SUMMARY

The purpose of the Redevelopment Project and Plan (the “Plan”) discussed in Part I of this document is to provide a comprehensive program for the Village of East Dundee (the “Village”) to promote sound growth and development in an area established as a Redevelopment Project Area (“RPA”) as defined by the Tax Increment Allocation Redevelopment Act (the “Act”). (65 ILCS 5/11-74.4-1, et seq.)

The Act has been established to assist Illinois municipalities to “promote and protect the health, safety, morals, and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken; that to remove and alleviate adverse conditions it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas.” (65 ILCS 5/11-74.4-2(b))

The Eligibility Report for the “Route 25-South” RPA included in Part II of this document can be used to support the establishment of a RPA as a Blighted Area with regard to improved and vacant parcels. The Act states “on and after November 1, 1999, “blighted area” means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where “if improved, industrial, commercial and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area.” (65 ILCS 5/11-74.4-3(a))

The Blight Factors for improved parcels (the “factors”) include:

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Presence of Structures Below Minimum Code Standards
5. Illegal Use of Individual Structures
6. Excessive Vacancies
7. Lack of Ventilation, Light, or Sanitary Facilities
8. Inadequate Utilities
9. Excessive Land Coverage and Overcrowding of Structures and Community Facilities
10. Deleterious Land-Use or Layout
11. Lack of Community Planning
12. Illinois Environmental Protection Agency (“IEPA”) or United States Environmental Protection Agency (“U.S. EPA”) Issues
13. Decline of the Equalized Assessed Value of the Proposed Redevelopment Project Area three of the last five years, or Growth of the Equalized Assessed Value of the Proposed Redevelopment Project Area at a lesser rate than that of the Municipality

The Act states that “if vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains.” (65 ILCS 5/11-74.4-3(a)(2))

The Blight Factors for vacant parcels (the “factors”) include:

1. Obsolete Platting
2. Diversity of Ownership
3. Tax and Special Assessment Delinquency
4. Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land

5. The Area has Incurred Illinois EPA or U.S. EPA Issues
6. Decline of the Equalized Assessed Value of the Proposed Redevelopment Project Area three of the last five years, or Growth of the Equalized Assessed Value of the Proposed Redevelopment Project Area at a lesser rate than that of the Municipality

The Act states that “if vacant, the sound growth of the redevelopment project area is impaired by one of the following factors, that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains” (65 ILCS 5/11-74.4-3(a)(3)).

The Blight Factors (the “factors”) for vacant parcels include:

1. Unused Quarries, Mines, or Strip Mine Ponds
2. Unused Railways, Rail Tracks, or Railroad Right-of-Ways
3. Chronic Flooding or Surface Water Discharges
4. Unused or Illegal Disposal Site
5. Identified as Town or Village Center
6. Qualified as Blighted Improvement immediately prior to becoming Vacant

The resources used to define and qualify each of the factors in the boundaries of the proposed RPA include independent research, site surveys, and discussions with Village staff.

The Eligibility Report provides support that the proposed RPA meets the requirements of the Act and should be considered eligible for designation as a Blighted Area. This support includes findings that at least five or more of the factors are reasonably distributed throughout the improved parcels within the proposed RPA and are present to a meaningful extent.

The Eligibility Report and the Redevelopment Project and Plan (the “Designation Reports”) were prepared in conjunction with each other and will outline the following:

- The proposed RPA meets the requirements set forth in the Act to be designated as a Blight Area. (65 ILCS 5/11-74.4-1, et seq.)
- With regard to improved parcels, of the thirteen factors identified in the Act, the presence of six of the thirteen factors is present to a Meaningful Extent and these factors are reasonably distributed throughout the proposed RPA
- With regard to the vacant parcels, of the factors identified in the act, three are present to a meaningful extent and reasonably distributed throughout the vacant areas of the proposed RPA.
- The area is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being for the Village
- The decline of areas in need of redevelopment “impairs the value of private investment and threatens the sound growth and the tax base of the taxing districts in such areas”. (65 ILCS 5/11-74.4-2(a))
- The area is not likely to be appropriately redeveloped without public assistance

As defined in the Act “no redevelopment plan shall be adopted unless a municipality complies with all of the following requirements: the Act (65 ILCS 5/11-74.4-3(n)(J))

1. “The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan”. (65 ILCS 5/11-74.4-3(n)(1))
2. “The municipality finds that the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or

redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality”. (65 ILCS 5/11-74.4-3(n)(2))

3. “The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted if the ordinance was adopted on or after January 15, 1981...”. (65 ILCS 5/11-74.4-3(n)(3))

In addition to outlining the criteria needed to implement the Plan as defined by the Act, (65 ILCS 5/11-74.4-3(n)(J) et seq.) the Plan also includes the following:

- Provisions for amending the Plan
- Scheduling of the Plan

The following resources are included in the Appendices of this report:

Appendix I: Legal Description and boundary map of the proposed RPA

Appendix II: RPA Parcel Identification Map

Appendix III: RPA list of Parcels and EAVs

Appendix IV: RPA Land Use Map from the Comprehensive Plan

PART I: REDEVELOPMENT PROJECT AND PLAN

A. Project Background

The Plan as defined, “means 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”. (65 ILCS 5/11-74.4-3(n) et seq.)

The proposed Route 25-South RPA is approximately 50 acres of land (excluding roadway infrastructure) located in an area on the east and west sides of Illinois Route 25 as it extends south from the existing limits of the Village of East Dundee. The proposed RPA includes 27 entire parcels and one partial parcel (see Appendix II for proposed boundary map). Most of the property within the proposed RPA is not currently within the Village limits and will be annexed prior to or concurrently with adoption of the TIF. For reasons hereinafter described, the Village Board concluded that appropriate development of the area would not occur without the creation of a Tax Increment Financing (TIF) district. Accordingly, the Village Board has proposed the creation of the Redevelopment Project Area (RPA).

The public assistance necessary to bring about redevelopment of the proposed RPA could include any form of assistance authorized by the Act including, without limitation, the assembly and sale of developable parcels, demolition and clearance of improvements, installation and repair of streets, and the installation and repair of utilities.

The proposed RPA is intended to provide a mechanism to finance needed public improvements that will help spur redevelopment and private investment in the redevelopment project area and to create a physical and economic relationship between the redeveloped Route 25-South RPA and the rest of the Village and region. The Village intends to use this “Redevelopment Project and Plan and Eligibility Report for the Route 25-South Redevelopment Project Area” to demonstrate that future private investments would not occur but for the creation of this proposed RPA and the associated public benefits it can provide.

The Eligibility Report documents the conditions that qualify the TIF for designation as a redevelopment project area within the meaning of the TIF Act and the Redevelopment and Project Plan will serve as a guide to eliminate the conditions that qualify the area for such designation.

1. Redevelopment Project Objectives

The objectives for implementing the Plan include:

- Preparing the Route 25-South area for redevelopment through activities including, but not limited to, enhancement of public infrastructure, assistance to development projects, marketing and economic development activities, and planning and administration activities;
- Encouraging redevelopment and reuse of existing vacant buildings and storefronts and obsolete structures throughout the district;
- Promoting and protecting the health, safety, morals, and welfare of the public by establishing sustainable land uses;
- Promoting economic growth and development in the Village;
- Restoring and enhancing the Village’s tax base;
- Enhancing the value of the proposed RPA;
- Improving the environmental quality of the proposed RPA;

- Establishing a physical and economic relationship between the redeveloped RPA and the surrounding area;
- Retaining and attracting employment opportunities within the proposed RPA.

2. Redevelopment Project Activities

To achieve the objectives of the Plan, the Village proposes to assist with redevelopment of the proposed RPA by pledging future annual property tax increments to pay for eligible redevelopment project costs.

Actions needed to implement this Plan include:

- Approval of the Plan and determination of qualifications as outlined in the Eligibility Report;
- Designation of a proposed RPA and use of incremental property tax revenues to provide reimbursement of eligible costs associated with private investment;
- The possible issuance of obligations to provide up-front funding of eligible costs;
- The possible use of revenues for meeting debt service requirements and/or to pay for additional eligible costs.

As defined in the Act (65 ILCS 5/11-74.4-3(n)(A)-(J)) “each redevelopment plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:”

- A. An itemized list of estimated redevelopment project costs
- B. Evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise
- C. An assessment of any financial impact of the redevelopment project area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand
- D. The sources of funds to pay costs
- E. The nature and term of the obligations to be issued
- F. The most recent equalized assessed valuation of the redevelopment project area
- G. An estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area
- H. A commitment to fair employment practices and an affirmative action plan
- I. If it concerns an industrial park conservation area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class, and number of new employees to be employed in the operation of the facilities to be developed, and
- J. If property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement

B. Itemized List of Estimated Redevelopment Project Costs

To stimulate public and private investment in the proposed RPA, the Village may reimburse eligible redevelopment project costs (“Project Costs”).

Project Costs may include:

Description of Activity	Estimated Cost
A. Public Works Projects and Infrastructure Improvements	\$10,000,000
B. Site Preparation/Acquisition	\$8,000,000
C. Redevelopment project costs	\$8,000,000
E. Financing & Interest Costs	\$750,000
F. Job Training	\$250,000
G. Administration, Studies, Survey, Development Plans, and Specifications	\$250,000
H. Marketing	\$250,000
I. Other Eligible Costs (as permitted by the Act and described below)	\$1,000,000
Total Estimated Redevelopment Project Costs**	\$28,500,000

**This is only an estimate of the eligible redevelopment project costs associated with the proposed investment. The Village may reallocate the estimated line item costs above among various line items without amendment to the Plan, to the extent permitted by law. This budget of eligible costs does not obligate the Village to fund specific improvements.

Notes:

1. All costs are in 2011 dollars. Amounts can be adjusted annually to reflect the general rate of inflation as measured by the United States Department of Labor.
2. Certain costs may include fees of consulting engineers, architects, planning consultants, attorneys, and other professionals.
3. Estimated costs may be shifted among line items to reflect actual experience in the implementation of the Plan.
4. Cost estimate includes proceeds of bonded indebtedness and other indebtedness incurred to finance the payment of eligible redevelopment project costs.
5. Cost of acquired property includes unrecovered cost of property acquired by the Village and subsequently sold for less than the cost of acquisition.
6. Certain costs may represent estimated local match requirements for projects whose full costs may be defrayed, in part, by other sources of funding including, but not limited to, grants through the state and federal government. As a consequence, actual project costs may be higher.
7. Incremental revenues generated from this proposed RPA may also be spent on eligible redevelopment project costs in adjacent RPAs.

C. Eligible Project Costs

“Redevelopment project costs” mean and include “the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:” (65 ILCS 5/11-74.4-3(q) et seq)

- (1) Costs of studies, surveys, development of plans, and specifications, implementation, and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after November 1, 1999 (the effective date of Public Act 91-478), no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of three years. In addition,

“redevelopment project costs” shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor.

- (1.5) After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan.
- (1.6) The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors.
- (2) Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land.
- (3) Costs of rehabilitation, reconstruction, repair, or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification
- (4) Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999 or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan.
- (5) Costs of job training and retraining projects, including the cost of “welfare to work” programs implemented by businesses located within the redevelopment project area.
- (6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto.
- (7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily

incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project.

- (7.5) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows: (A) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations: (i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; (ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and (iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act. (B) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition Charge equal to or more than \$5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations: (i) for unit school districts, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; (ii) for elementary school districts, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and (iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act. (C) For any school district in a municipality with a population in excess of 1,000,000, the following restrictions shall apply to the reimbursement of increased costs under this paragraph (7.5): (i) no increased costs shall be reimbursed unless the school district certifies that each of the schools affected by the assisted housing project is at or over its student capacity; (ii) the amount

reimbursable shall be reduced by the value of any land donated to the school district by the municipality or developer, and by the value of any physical improvements made to the schools by the municipality or developer; and (iii) the amount reimbursed may not affect amounts otherwise obligated by the terms of any bonds, notes, or other funding instruments, or the terms of any redevelopment agreement. Any school district seeking payment under this paragraph shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.5). By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects.

- (7.7) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005 (the effective date of Public Act 93-961), a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph (7.7) applies only if (i) the library district is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum. The amount paid to a library district under this paragraph (7.7) shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed \$120. The per-patron cost shall be the Total Operating Expenditures Per Capita as stated in the most recent Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. The municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph (7.7) shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Tax Allocation Fund. A library district is not eligible for any payment under this paragraph (7.7) unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area. Any library district seeking payment under this paragraph (7.7) shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.7). By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects.

- (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 or in order to satisfy subparagraph (7) of subsection (n); of the Act.
- (9) Payment in lieu of taxes.
- (10) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.
- (11) Interest cost incurred by a redeveloper related to the construction, renovation, or rehabilitation of a redevelopment project provided that: (A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act; (B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year; (C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; (D) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act; and (E) the cost limits set forth in subparagraphs (B) and (D) of paragraph (11) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (B) and (D) of paragraph (11). (F) Instead of the eligible costs provided by subparagraphs (B) and (D) of paragraph (11), as modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing. The eligible costs provided under this subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (F) of paragraph (11) shall be established by guidelines adopted by the

municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later.

- (11.5) If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, “low-income families” means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county, or regional median income are determined from time to time by the United States Department of Housing and Urban Development.
- (12) Unless explicitly stated herein the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.
- (13) After November 1, 1999 (the effective date of Public Act 91-478), none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman. If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by this Act.

D. Lack of Growth and Development through Private Enterprise

As defined by the Act “the municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.” (65 ILCS 5/11-74.4-3(n)(J)(1))

Without implementation of the Plan and the establishment of a RPA, it is expected that the properties identified in the proposed RPA will not receive the required private investment to support redevelopment and eradicate the factors that support the findings of a Blighted Area. The lack of private investment is evidenced by the numerous Blighted Area factors that are reasonably distributed

throughout the proposed RPA. Economic growth and development in the Project Area are endangered by the presence of these factors.

In summary, it anticipated that through implementation of the Plan and establishment of a RPA the Village will encourage public and private investment and development in the proposed RPA; however, without the implementation of the Plan, the area is not expected to attract necessary future developments and private investment.

E. Financial Impact of the Redevelopment Project on the Taxing Districts

The activities contained in the Plan are not anticipated to impose a substantial burden on the taxing districts. The taxing districts may be affected by the additional public and private investment achieved by the plan but that effect is anticipated to be minimal.

Not implementing the Plan may result in a deterioration of existing tax base which will negatively impact the finances of the taxing districts including the Village itself. In the long term, inadequate reinvestment in the proposed RPA may lead to further deterioration of existing facilities and structures. This in turn will lead to a decline in the Equalized Assessed Value (“EAV”) of the properties within the proposed RPA, which will reduce taxing district revenues and may adversely affect the health, safety, and morals of the Village. Therefore, it is essential that the Village implement the Plan to promote public and private investment and the health, safety, and welfare of the Village while ensuring the long-term value of the proposed RPA.

F. Demand on Taxing District Services

The Village has several taxing districts that currently levy taxes against parcels in the proposed RPA. Implementation of the Plan and establishing a RPA is not anticipated to significantly increase the Village or County population; therefore, a minimal incremental demand on most of the taxing districts is anticipated even with a substantial amount of additional public and private investment.

Based on this assumption the estimated impact on the taxing districts are as follows:

Village of East Dundee: It is anticipated, as of the finalized date of this report, that there should be minimal increased demand on Village services.

East Dundee Fire District: It is anticipated, as of the finalized date of this report, that there should be minimal increased demand on Fire District protection services.

Dundee Township: It is anticipated, as of the finalized date of this report, that there should be minimal increased demand on Township services.

Dundee Township Road District: It is anticipated, as of the finalized date of this report, that there should be minimal increased demand on Township Road District services.

Dundee Township Park District: It is anticipated, as of the finalized date of this report, that there should be minimal additional demand for Park District services.

Dundee Township Library: It is anticipated, as of the finalized date of this report, that there should be minimal additional demand for Library services.

Kane County: It is anticipated, as of the finalized date of this report, that there should be minimal increased demand on Kane County services.

Kane Forest Preserve: It is anticipated, as of the finalized date of this report, that there should be minimal additional demand for Kane Forest District services.

School District 300: It is anticipated, as of the finalized date of this report, that there should be minimal increased demand on School District 300 services.

Elgin College 509: It is anticipated, as of the finalized date of this report, that there should be minimal additional demand for services from Elgin College 509.

No program is provided in this report to address service impacts because it is anticipated that there should be minimal incremental demand resulting from the implementation of the Plan.

The long-term financial impact to the taxing districts is expected to be positive and result in the retention of existing jobs, possible creation of new jobs, and enhancement to the tax base of the Village.

It is also anticipated that an increase in the EAV should be generated by the reassessment of existing properties within the proposed RPA and future public and private investments made in the proposed RPA during the life of the proposed RPA.

G. Source of Funds to Pay Costs

It is anticipated that the Village will use incremental property taxes from the proposed RPA to fund eligible Project Costs and may also use such revenue for the payment and security of obligations.

In addition to using incremental property taxes to fund Project Costs, the Village may also utilize a variety of available sources of revenue to fund the implementation of this Plan including, but not limited to, the following:

1. General revenue of the Village to the extent such revenue is not necessary to fund other operations of the Village
2. The revenue available as a result of development agreements, purchase agreements, and leases entered into between the Village and other individuals and entities
3. Incremental real estate tax revenue from this and adjoining TIFs
4. Future sales tax revenue generated within the RPA
5. State and Federal Grants
6. Bonds issued under authority of the TIF Statute
7. Special assessments
8. An overlaying Business Development District
9. Development fees
10. Special Service Area fees and/or taxes
11. Any state or federal economic stimulus program that becomes available during the life of the TIF District

Project Costs funded by the above sources will depend upon the availability of funds from those sources. The Village can attempt wherever possible to utilize grants, incremental tax revenue, and other sources of revenue, which the Village may not be required to repay. To the extent that such sources of revenue are not available or that such sources of revenue are insufficient, the Village may utilize borrowed funds.

The Village may incur any and all categories of expenses necessary to bring about the completion of this plan and project that fall within the definition of the term “redevelopment project costs” as defined in the TIF Statute as it currently exists or may from time to time in the future be amended. Deviations from the above increment expenditure policy must be approved by the Village Board.

TIF funds generated by this RPA may be used to fund projects in adjoining TIFs. Likewise, TIF funds generated by adjoining TIF districts may be used to fund projects in the proposed Route 25-South RPA.

H. Issuance of Obligations – Nature and Term

RPA funding shall be the annual incremental property tax deposits into the Special Tax Allocation Fund. The reimbursement of eligible costs shall be funded from future annual incremental property taxes associated with investment of new real property in the RPA.

Incremental property taxes will be determined by the increased EAV of real property in the RPA. Funds deposited into the Special Tax Increment Allocation Fund may be used to reimburse public and private Project Costs.

As defined in the Act “the municipality may in addition to obligations secured by the special tax allocation fund pledge for a period not greater than the term of the obligations towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge. Such obligations may be issued in one or more series bearing interest at such rate or rates as the corporate authorities of the municipality shall determine by ordinance. Such obligations shall bear such date or dates, mature at such time or times not exceeding 20 years from their respective dates, be in such denomination, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, contain such covenants, terms and conditions, and be subject to redemption as such ordinance shall provide..” (65 ILCS 11-74.4-7 et seq)

One or more series of obligations may be issued to implement the Plan for the proposed RPA. Subsequent obligations, if any, may be issued as junior lien obligations or as parity obligations. The Village may also choose to refinance, refund, or retire in advance of the maturity date certain obligations, in accordance with applicable laws and regulations.

I. Equalized Assessed Value of Redevelopment Project Area

The most recent equalized assessed valuation (“EAV”) for the proposed RPA is based on the most recent EAV available, which is 2011, and is estimated to be \$2,328,234. At the time this Plan was prepared, 27 total property identification numbers (“PINs”) and a portion of another parcel property are anticipated to be included in the proposed RPA. Note that the estimated total EAV includes the full value of the partial parcel included.

Appendix III provides the complete list of PINs for the proposed RPA.

Assessment Year: 2010	
Equalized Assessed Value:	\$2,328,234

Kane County Assessor

It is anticipated the estimated Base EAV for establishment of the proposed RPA is the 2011 EAV.

J. Equalized Assessed Value after Redevelopment and General Land Uses

Based upon implementation of the Plan, growth and development of the proposed RPA should occur. The establishment of this proposed RPA is intended to promote future public and private investment and this investment will result in an increased EAV for the properties in the proposed RPA.

Based on the amount of developable land in the proposed RPA and the type and character of development planned for the area, it is estimated that the EAV for the area will increase from \$2.3

million to approximately \$20 million in 2011 dollars once fully redeveloped (based on benchmarking the total land area of the proposed RPA with the per square foot value of new highway commercial development in East Dundee).

K. Generalized Land Use Plan

The Generalized Land Use Plan (see map in Appendix IV) shows the preferred types of land use in the RPA. The Future Land Use Plan identifies all parcels included in the proposed RPA for “General Business.” The one exception is the one partial parcel on the north end of the proposed RPA. This area is currently identified for Transitional Conservation/General Business. The proposed Plan is intended to promote and support new business growth and investment in the proposed RPA in conformance with the Comprehensive Plan and current zoning.

L. Fair Employment Practices and Affirmative Action Plan

The Village shall not, in connection with the implementation of this plan and project, discriminate against any person or organization on the basis of race, national origin, sex, age, or any other suspect classification identified in the Illinois Human Rights Act. The Village will welcome and encourage participation by all persons and organizations at all levels including planning, construction of improvements, and occupation of facilities within the TIF.

M. Industrial Park Conservation Area

Not Applicable. The proposed RPA is under consideration for a Blighted Area, not an Industrial Park Conservation Area. As defined in the Act, item M must be included in the Plan.

N. Annexation of Property by the Municipality

Most of the proposed Route 25-South RPA will be annexed into the Village before or concurrently with the adoption of the TIF. The following table provides a list of general terms of the annexation agreements for each of the 10 property owners who own one or more of the 28 parcels proposed to be included in the RPA. The full text of each agreement can be accessed by contacting the Village Administrator’s office.

Parcel Identification Numbers	Annexation Terms
03-25-300-013	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Incorporation into the TIF district • Granting of utility easements to the Village
03-26-477-001 03-36-101-003 03-36-101-002 03-25-300-003 03-36-101-001 03-35-227-001	Currently within Village
03-36-103-003 03-36-103-004 03-36-103-005 03-36-103-006 03-36-103-007 03-35-227-002 03-36-101-004 03-36-101-005 03-36-101-005 03-36-103-001 03-36-103-002	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Designation of the property in the B-3 General Service Business District zoning district • Designation of any existing non-conforming structures or uses as “legal structures” and “legal uses” • Provision of an economic development incentive for property improvements detailed in the annexation agreement • Incorporation into the proposed TIF district • Granting of utility easements to the Village
03-35-228-001	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Designation of the property in the B-3 General Service Business District zoning district • Incorporation into the TIF district • Granting of utility easements to the Village
03-35-228-002	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Designation of the property in the B-3 General Service Business District zoning district • Incorporation into the TIF district • Granting of utility easements to the Village
03-35-228-003 03-35-228-009	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Designation of the property in the B-3 General Service Business District zoning district • Incorporation into the TIF district • Granting of utility easements to the Village
03-35-228-006 03-36-105-017	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Designation of the property in the B-3 General Service Business District zoning district • Incorporation into the TIF district • Granting of utility easements to the Village
03-35-228-007 03-36-105-014	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Designation of the property in the B-3 General Service Business District zoning district • Incorporation into the TIF district • Granting of utility easements to the Village

<p>03-35-226-006 03-35-226-008</p>	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Designation of the property in the B-3 General Service Business District zoning district • Incorporation into the TIF district • Granting of utility easements to the Village
<p>03-35-226-004</p>	<ul style="list-style-type: none"> • Waiver of fees and deposits required for annexation and zoning • Waiver of water and sewer fees • Designation of the property in the B-3 General Service Business District zoning district • Incorporation into the TIF district • Granting of utility easements to the Village

O. Redevelopment Project and a Strategy for its Implementation

The goal of the redevelopment plan is to provide a comprehensive program for the Village of East Dundee to promote sound growth and development in an area established as a Redevelopment Project Area. The Village is implementing a redevelopment plan in accordance with the Comprehensive Plan.

1. Proposed Land Uses

The private activities that are proposed for the Route 25-South RPA include, but are not limited to; retail business, service business, and possibly office. Most of this area is not currently part of the Village of East Dundee but will be annexed into the Village prior to adoption of the TIF. However, the area is included in the Village’s Comprehensive Plan (2002) which calls for “General Business” land uses for all of the parcels included in the proposed RPA except for one, which calls for “Conservation” and ntoes . A future land use map from the Comprehensive Plan is provided in Appendix IV. The Village’s redevelopment efforts for the area will pursue land uses that are consistent with the Plan’s “General Business” designation for the parcels.

2. Public Infrastructure

Required public improvements within the proposed RPA may include the following: street reconstruction, curb and gutter reconstruction, sidewalk construction, sanitary sewers, water mains, stormwater sewers and retention/detention areas, landscaping, lighting, signage, and utility relocations.

Located along a primary commercial corridor in the Village, streetscape and other improvements are needed to establish a strong visual identity for the area to support existing and future businesses. The Village reserves the right to vary the composition and location of all public improvements based on future refinements to the overall redevelopment plan for the area.

3. Acquisition and Relocation

The Village can acquire such property within the proposed RPA as it deems necessary to facilitate the uses proposed in the Plan. The Village also reserves the right to relocate other uses and create such parcels as it deems necessary to serve the needs of those entities choosing to locate within the proposed RPA. The Village also reserves the right, where necessary, to acquire property through the power of eminent domain as authorized by the Act. Where applicable, relocation assistance can be provided in accordance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations promulgated under authority of that statute.

In lieu of acquiring title to property within the proposed RPA, the Village may also, to the extent that it deems appropriate, facilitate the assembly or subdivision of property by private persons or organizations.

4. Disposition of Property

The Village may utilize property that it acquires for various municipal purposes including, without limitation, public buildings, and other facilities, street rights-of-way, and parking facilities. However, except for property to be devoted to such public uses, any property acquired by the Village can ultimately be sold to private individuals or organizations that commit to utilize the property in a manner consistent with this Plan. The Village may, in its sole discretion, accept less than the fair cash market value for any parcel which it chooses to convey as a means of encouraging appropriate development. The Village can incorporate the terms and conditions of any conveyance into a written disposition agreement which may, in the sole discretion of the Village, contain more specific design controls than those set forth in this Plan.

The Village can also promote redevelopment of the proposed RPA in an environmentally responsible fashion while not incurring unnecessary costs. The Village can utilize or encourage utilization by private property owners of a “tiered approach to corrective objectives” (“TACO”). Promulgated by IEPA, TACO contemplates the use of institutional controls such as deed restrictions, land use restrictions, and engineered barriers.

The Village may choose to assist in resolving any environmental issues that may arise. Such assistance may include payment of all or a portion of both the cost of a Phase II environmental audit and the cost of any remediation efforts, which may be indicated by the results of the Phase II audit.

5. Renovation of Commercial and Industrial Properties

The Village may use incremental tax revenues to renovate, relocate, or enhance the value of existing commercial and industrial properties within the proposed RPA to leverage private investment.

6. Displacement of Inhabited Residential Units

The Act requires that a housing impact study be performed if the life of the redevelopment plan would result in the displacement of residents from ten or more inhabited residential units. The Route 25-South Project Area contains fewer than 10 inhabited units. No new residential units are proposed and no residents will be displaced.

P. Conformity to the Comprehensive Plan

Most of the proposed RPA is not currently part of the Village of East Dundee but will be annexed into the Village prior to adoption of the TIF. However, the area was included in the Village’s Comprehensive Plan (2002) and within an area defined as “Planning Unit 7”. The Comprehensive Plan calls for “General Business” uses for all of the parcels included in the proposed RPA except for the partial parcel on the north end. This partial parcel is identified for “Conservation,” however, the Plan notes that Conservation can be a “transitional” use in anticipation of future use for Commercial. According to the Plan, this land used category “Is intended to provide for office and retail establishments which offer a wide range of goods and services in locations which abut or front, and have access to, either directly or via frontage roads, heavily traveled major arterials. The purpose is to provide for commercial uses which are oriented to the automobile and to not encourage or depend upon pedestrian traffic.” Redevelopment activities pursued through creation of the RPA will be consistent with this classification.

Q. Provisions for Amending this Plan

The Plan may be amended in accordance with the Act, following discussion of the proposed changes with the Joint Review Board.

R. Scheduling of the Redevelopment Project and Plan

The Village can implement the Plan for the proposed RPA to ensure the Factors outlined in the following Eligibility Report for the Route 25-South Redevelopment Project Area are eliminated and public and private investments and development are encouraged.

To achieve this goal, the Village can implement the Plan with appropriate timeliness to maximize private sector investments in the proposed RPA. It is anticipated that the Plan can be fully implemented along with the establishment of the proposed RPA by 23 years from the date of its adoption by the Village Board.

PART II: ELIGIBILITY REPORT

A. Basis for Redevelopment

The Tax Increment Allocation Redevelopment Act (the “Act”) (65 ILCS 5/11-74.4-1, et seq.) provides Illinois municipalities the means to designate areas within the boundaries of a municipality as Redevelopment Project Areas (RPA), otherwise known as Tax Increment Financing (TIF) districts. Municipally designated RPAs can be redeveloped through incremental real property tax assistance. The incremental property taxes associated with an increase in private investment can be used to reimburse eligible redevelopment project costs.

Incremental property taxes are derived from the increase in the current Equalized Assessed Value (EAV) of real property improvements within the RPA over and above the Certified Initial EAV (“Base EAV”) of real property within the same district. The Certified Initial EAV is established when the RPA is established by a municipality. In summary, investment in new real property in the redevelopment area increases the EAV of the property, thus creating incremental real property tax revenues.

RPAs generate incremental tax revenues by allowing the municipality’s Special Tax Allocation Fund to capture the incremental revenues produced by the enhanced valuation of properties resulting from private investment and the reassessment of properties within the RPA. The assets of the Special Tax Allocation Fund shall be used to pay for redevelopment project costs in the RPA.

By establishing a RPA, all taxing districts continue to receive property taxes levied on the initial valuation of properties within the RPA. Additionally, taxing districts may receive distributions of excess incremental property taxes when annual property taxes are collected if the amount of taxes collected is greater than the amount of taxes pledged toward specific redevelopment project costs or obligations.

In addition to the potential of excess incremental tax distributions, the benefit of a RPA to taxing districts is the increase in their respective property tax bases after the RPA has expired and all costs and obligations have been paid.

The use of incremental property taxes from the RPA will benefit the Village, its residents, and taxing districts by generating the following benefits:

- Increased property tax base derived from investment in real property;
- Increased sales tax base resulting from new development;
- Increase in construction and other employment opportunities from the direct and indirect spin-off investment in the Project Area; and
- Improved public systems, including utilities, roadways, and other infrastructure items.

Under recent legislative changes, municipalities must prepare and submit annual reports to the State of Illinois Comptroller’s Office. These reports include, but are not limited to, the following:

- Date of Designation or Termination
- Audited Financials
- Mayor’s Certifications
- Opinions from Legal Counsel
- Analysis of Each Special Allocation Fund
- Description of Property
- Statement of Activities
- Documents Relating to Obligations Issued by the Municipality
- Analysis of Debt Service
- Certified Audit Report
- General Description

B. Redevelopment Project Area

The proposed RPA includes 28 Parcel Identification Numbers (“PINs”). Among these 28 PINs, the RPA includes 27 parcels in their entirety and 1 partial parcel. The partial parcel is a portion of a very large conservation property and the section included in the proposed RPA consists of frontage along Route 25. A proposed RPA boundary map is provided in Appendix III, and the parcels proposed to be included in the RPA are also identified in Appendix III.

C. Project Area Description

A legal description of the Project Area boundaries is provided in Appendix I. The area generally consists of approximately 50 acres of land extending along Illinois Route 25, south of the existing Village boundary. The parcels included in the Project Area that are not currently within the Village boundaries will be annexed into the Village prior to or concurrently with adoption of the TIF.

D. Eligibility Survey and Analysis Findings

Representatives from Vandewalle & Associates (“V&A”) performed a site visit to review the conditions and factors of the proposed RPA. Based on a parcel-by-parcel site analysis, data collection, map analysis, and interviews with Village officials and staff, the proposed RPA meets the minimum requirements necessary for establishment.

An analysis was made of each of the factors listed in the Act to determine whether each or any are present in the proposed RPA, and if so, to what extent and in what locations.

Surveys and analyses of improved parcels within the proposed RPA include, but are not limited to:

- Exterior survey of the condition and use of the buildings;
- Field survey of conditions of parking lots, buildings, landscaping, and general property maintenance;
- Analysis of existing structures and development plans for future structures;
- Research of relevant local government records; and
- Interviews with governmental personnel.

In this report, six of a possible thirteen factors are found to be present to a meaningful extent and reasonably distributed throughout the improved parcels within the proposed RPA. A total of three of the possible thirteen factors are found to be present to a meaningful extent and reasonably distributed throughout the vacant parcels within the proposed RPA.

E. Improved Area

The Act states that “if improved, industrial, commercial and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area.” (65 ILCS 5/11-74.4-3(a))

The following discusses the blight factors for improved properties necessary to establish a proposed RPA.

The Blight Factors for improved parcels (the “factors”) include:

1. Dilapidation
2. Obsolescence
3. Deterioration

4. Presence of Structures Below Minimum Code Standards
5. Illegal Use of Individual Structures
6. Excessive Vacancies
7. Lack of Ventilation, Light, or Sanitary Facilities
8. Inadequate Utilities
9. Excessive Land Coverage and Overcrowding of Structures and Community Facilities
10. Deleterious Land-Use or Layout
11. Lack of Community Planning
12. Illinois Environmental Protection Agency (“IEPA”) or United States Environmental Protection Agency (“USEPA”) Issues
13. Decline of the Equalized Assessed Value of the Proposed Redevelopment Project Area or Growth of the Equalized Assessed Value of the Proposed Redevelopment Project Area at a Rate that is Slower than that of the Greater Municipality

The following six factors were found to be present to a meaningful extent:

1. Obsolescence

The condition or process of falling into disuse. Structures have become ill-suited for the original use. (65 ILCS 5/11-74.4-3(a)(1)(B))

Conclusion – Present to a Meaningful Extent

As of the completion of the blight survey (January 2012), several of the buildings in the proposed RPA are unoccupied and/or under-utilized. These include multiple buildings that are part of a large former retail facility and visitor destination that is now mostly vacant. The layout, use, and design of this facility is currently underutilized and no longer suited to its original function. Further, the RPA includes several small commercial spaces that are vacant and unused. Many of these conditions have existed for an extended period of time and have had an adverse influence on the economic viability of the area.

In addition to the vacant buildings, several structures in the proposed RPA are ill-suited for their original use and no longer appropriate for their location along a key commercial corridor into the Village. For example, the RPA includes several single family residential structures, as well as commercial buildings that have been converted from their original function and are now poorly designed to accommodate the current uses.

These conditions of obsolescence are present to a meaningful extent and reasonable distributed throughout the proposed RPA. Further, these conditions have persisted for an extended period of time and will likely continue without action by the local government to encourage redevelopment and new uses for the area.

2. Deterioration

Buildings:

“With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia.” (65 ILCS 5/11-74.4-3(a)(1)(C))

Surface Improvements:

“With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not

limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.” (65 ILCS 5/11-74.4-3(a)(1)(C))

Conclusion – Present to a Meaningful Extent

The existence of deterioration was recorded through a visual survey of the exterior conditions of each structure that could be determined from their visual appearance. Structures in the RPA are experiencing deterioration that includes buildings with damaged and rusting equipment, damaged siding and exterior paint, rusted window awnings, rusted downspouts, broken and boarded windows, and broken brickwork.

Deterioration of surface improvements in the proposed RPA includes cracked paving in parking areas, broken and missing light pole foundations, loose paving, weeds, and poorly maintained storm water drainage systems. Further, several properties have large and unkempt outdoor storage areas, debris piles, and stored vehicles. These conditions are visible and reasonably distributed throughout the RPA and are present to a meaningful extent. The condition of deterioration has worsened over time as several of the structures and properties have gone vacant and action by the local government is required to stem the tide.

3. Excessive Vacancies

The presence of buildings that are unoccupied or under -utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies..” (65 ILCS 5/11-74.4-3(a)(1)(F))

Conclusion – Present to a Meaningful Extent

Many of the structures in the proposed RPA are vacant and/or under-utilized. The largest property within the proposed district was formerly a multi-use retail and visitor destination consisting of several co-located structures which are now mostly vacant except for a few marginal uses. In addition, a small strip-retail center in the proposed RPA appears have vacancies and the area includes a vacant former car dealership. These vacancies have persisted in the proposed RPA for an extended period of time. These vacancies appear to be the result of general poor conditions of many of these structures, inappropriate uses and layout of the property, and the economic conditions. Adoption of the RPA will be necessary to addressing these conditions.

4. Deleterious Land-Use or Layout

Deleterious Land Use or Layout refers to “the existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.” (65 ILCS 5/11-74.4-3(a)(1)(I))

Conclusion – Present to a Meaningful Extent

Incompatible land use relationships were observed in the proposed RPA. This includes a vacant and deteriorating car dealership that is immediately adjacent to several single family homes. In addition, the proposed RPA includes several residential properties located on small parcels immediately adjacent to Route 25 – a major commercial highway and gateway to the Village.

These examples demonstrate that the RPA includes land uses that are incompatible with one another and unsuitable for their highly-visible locations on one of the key commercial corridors into and

through the Village. The prevalence of incompatible land uses within the proposed RPA supports a conclusion that deleterious land use or layout is present to a meaningful extent in the proposed RPA.

5. Lack of Community Planning

Lack of Community Planning refers to “the proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.” (65 ILCS 5/11-74.4-3(a)(1)(L))

Conclusion – Present to a Meaningful Extent

The entire proposed RPA was, until recently, an unincorporated area and not within the Village of East Dundee. As a result, the area was not developed with the guidance of a community plan and was not planned with regard to the development of the Village as a whole. Because of this lack of planning, the current shape, size, and usage of several of the parcels in the proposed RPA are inappropriate for their location and incompatible with the Village's vision for this important southern entrance to the community. As a primary highway corridor and southern gateway into the community, the Village's goal for this area is to create an attractive commercial area suitable to its location. The area includes a number of irregularly-shaped parcels, parcels that are too small for their location, and a haphazard mix of land uses. Several properties in the proposed RPA are owned by adjacent property owners and incidental to a primary use but, in and of themselves, are not developed. In addition, many of the parcels are designed to accommodate residential uses that are no longer viable or appropriate for the area. Overall, the lack of planning and resulting conditions are present to a meaningful extent within the area and are a hindrance to redevelopment.

6. Decline or Low Growth Rate in Equalized Assessed Value

The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three of the last five calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index (CPI) for All Urban Consumers published by the United States Department of Labor or successor agency for three of the last five calendar years prior to the year in which the redevelopment project area is designated. 65 ILCS 5/11-74.4-3(a)(1)(M)

Conclusion – Present to a Meaningful Extent

Data on equalized assessed values of the properties in the proposed RPA is available for 2006 to 2011. During this period, growth in the total EAV of the proposed RPA was below the growth rate of the Consumer price index for three of the last five years.

F. Vacant Area

The Act states that “If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly

present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains.” (65 ILCS 5/11-74.4-3(a)(3))

The Blight Factors (the “factors”) for vacant parcels include:

1. Obsolete platting
2. Diversity of ownership of parcels
3. Tax and special assessment delinquencies
4. Deterioration of structures or site improvements in neighboring areas adjacent
5. to the vacant land.
6. Illinois Environmental Protection Agency or United
7. Declining or slow growth in EAV

Most of the property within the proposed RPA consists of improved parcels. However, there are several vacant properties interspersed throughout the district. These parcels do not have structures on them but are essentially ancillary pieces of land that are under the same ownership as structures on adjacent parcels. Based on the blight analysis, the following three blight factors for vacant properties were present to a meaningful extent and reasonably distributed:

1. Obsolete Platting

Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights -of -ways for streets or alleys or that created inadequate right -of -way widths for streets, alleys, or other public rights -of -way or that omitted easements for public utilities. (65 ILCS 5/11-74.4-3(a)(2)(A))

Conclusion – Present to a Meaningful Extent

The platting of all of the vacant parcels in the proposed RPA is obsolete. Many of these parcels are irregularly-shaped and/or too small to facilitate the type of commercial developed called for in the plans for the area. Most of the vacant parcels appear to be “surplus” land that is ancillary to the primary uses on adjacent property. The layout and configuration of the vacant properties does not provide for alleys of rights-of-way and is not compatible with development. Obsolete platting is present to a meaningful extent and reasonably distributed.

2. Deterioration of adjacent structures

Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land. (65 ILCS 5/11-74.4-3(a)(2)(D))

Conclusion – Present to a Meaningful Extent

All of the vacant parcels within the propose RPA are adjacent to structures and site improvements experiencing deterioration as documented in the previous section

3. Declining or low growth in EAV

The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor

agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated. (65 ILCS 5/11-74.4-3(a)(2)(F)

Conclusion – Present to a Meaningful Extent

Similar to the improved parcels, the percentage change in total EAV of the vacant properties in the proposed RPA has been below the change in the Consumer Price Index for three of the last five years.

G. DETERMINATION OF RPA ELIGIBILITY

The proposed RPA meets the requirements of the Act for designation as a blighted area. There is a reasonable presence and distribution of six of the thirteen factors listed in the Act for improved areas of the proposed RPA. These include:

Present to a Meaningful Extent and Reasonably Distributed

1. Obsolescence
2. Deterioration
3. Excessive Vacancy
4. Deleterious Land use or Layout
5. Lack of community planning
6. Low Growth Rate in EAV

For vacant parcels, there is a reasonable presence and distribution of three of the thirteen factors in the Act for vacant areas of the proposed RPA. These include:

Present to a Meaningful Extent and Reasonably Distributed

1. Obsolete Platting
2. Deterioration of Adjacent Structures
3. Low Growth Rate in EAV

To be deemed blighted and therefore eligible, the improved area of a proposed RPA is required to meet five of the thirteen blight criteria improved areas and vacant areas must meet two of thirteen criteria for vacant areas. Because the proposed RPA meets six criteria for improved areas and three for vacant areas, the conclusion of this Eligibility Study is that the proposed RPA meets the standard and is eligible. The proposed RPA is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well being of the Village. The presence of blighting factors indicates that the proposed RPA has not been subject to sound growth and development through investment by private enterprise, and likely will not be redeveloped adequately without public action.

APPENDICES

Appendix I: Legal Description and Boundary Map of RPA

Legal Description and Map Prepared by: Gerald L. Heinz & Associates, Inc.

THAT PART OF THE SOUTHWEST QUARTER OF SECTION 25, OF THE SOUTHEAST QUARTER OF SECTION 26, OF THE NORTHEAST QUARTER OF SECTION 35, AND OF THE NORTHWEST QUARTER OF SECTION 36, ALL IN TOWNSHIP 42 NORTH, RANGE 8 EAST OF THE PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

PARCEL ONE:

COMMENCING AT SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 25; THENCE NORTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 9.7 FEET; THENCE WESTERLY ALONG A LINE FORMING AN ANGLE OF 80 DEGREES 51 MINUTES 0 SECONDS TO THE NORTHWEST WITH SAID WEST LINE, A DISTANCE OF 124.15 FEET TO THE CENTER LINE OF STATE ROUTE 25; THENCE EASTERLY ALONG THE LAST DESCRIBED COURSE AND SAID COURSE EXTENDED ON A LINE FORMING AN ANGLE OF 89 DEGREES 58 MINUTES 0 SECONDS TO THE SOUTHEAST WITH SAID CENTER LINE, A DISTANCE OF 380 FEET; THENCE SOUTHERLY PARALLEL WITH SAID CENTER LINE, A DISTANCE OF 343.90 FEET; THENCE EASTERLY ALONG A LINE FORMING AN ANGLE OF 89 DEGREES 58 MINUTES 0 SECONDS TO THE SOUTHEAST WITH SAID CENTER LINE, A DISTANCE OF 370 FEET; THENCE NORTHERLY PARALLEL WITH SAID CENTER LINE, 512.90 FEET; THENCE WESTERLY ALONG A LINE FORMING AN ANGLE OF 80 DEGREES 51 MINUTES 0 SECONDS TO THE NORTHWEST WITH THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 25, A DISTANCE OF 150.0 FEET FOR THE POINT OF BEGINNING; THENCE WESTERLY CONTINUING ALONG THE LAST DESCRIBED COURSE, A DISTANCE OF 600 FEET TO THE CENTER LINE OF SAID STATE ROUTE 25; THENCE NORTHERLY ALONG CENTER LINE OF SAID STATE ROUTE 25 TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE SOUTHERLY LINE OF GATEWAY SUBDIVISION BEING A SUBDIVISION OF SAID SECTION 25; THENCE EASTERLY ALONG THE SAID WESTERLY EXTENSION TO THE SOUTHWEST CORNER OF SAID GATEWAY SUBDIVISION; THENCE CONTINUING EASTERLY ALONG THE SOUTHERLY LINE OF SAID GATEWAY SUBDIVISION, A DISTANCE OF 571.32 FEET TO THE SOUTHEAST CORNER OF SAID GATEWAY SUBDIVISION; THENCE SOUTHERLY TO THE POINT OF BEGINNING, IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

PARCEL TWO:

COMMENCING AT SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 25; THENCE NORTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 9.7 FEET; THENCE WESTERLY ALONG A LINE FORMING

AN ANGLE OF 80 DEGREES 51 MINUTES 0 SECONDS TO THE NORTHWEST WITH SAID WEST LINE, A DISTANCE OF 124.15 FEET TO THE CENTER LINE OF STATE ROUTE 25, FOR THE POINT OF BEGINNING; THENCE EASTERLY ALONG THE LAST DESCRIBED COURSE AND SAID COURSE EXTENDED ON A LINE FORMING AN ANGLE OF 89 DEGREES 58 MINUTES 0 SECONDS TO THE SOUTHEAST WITH SAID CENTER LINE, 380 FEET; THENCE SOUTHERLY PARALLEL WITH SAID CENTER LINE, A DISTANCE OF 343.90 FEET; THENCE EASTERLY ALONG A LINE FORMING AN ANGLE OF 89 DEGREES 58 MINUTES 0 SECONDS TO THE SOUTHEAST WITH SAID CENTER LINE, A DISTANCE OF 370 FEET; THENCE NORTHERLY PARALLEL WITH SAID CENTER LINE, A DISTANCE OF 512.90 FEET; THENCE WESTERLY ALONG A LINE FORMING AN ANGLE OF 80 DEGREES 51 MINUTES 0 SECONDS TO THE NORTHWEST WITH THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 25, A DISTANCE OF 750 FEET TO THE CENTER LINE OF SAID STATE ROUTE 25; THENCE SOUTHERLY ALONG SAID CENTER LINE, A DISTANCE OF 169 FEET TO THE POINT OF BEGINNING, IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

PARCEL THREE:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 25; THENCE NORTH ALONG THE WEST LINE OF SAID SECTION, A DISTANCE OF 9.7 FEET; THENCE WESTERLY A DISTANCE OF 124.15 FEET ON A LINE MAKING AN ANGLE OF 80 DEGREES 51 MINUTES 0 SECONDS TO THE NORTHWEST, WITH SAID WEST LINE OF SECTION 25, TO THE CENTER LINE OF STATE ROUTE 25 FOR A POINT OF BEGINNING; THENCE EASTERLY ALONG SAID LAST COURSE, A DISTANCE OF 380 FEET ON A LINE MAKING AN ANGLE OF 89 DEGREES 58 MINUTES 0 SECONDS TO THE SOUTHEAST WITH THE CENTER LINE OF STATE ROUTE 25; THENCE SOUTHERLY PARALLEL WITH SAID CENTER LINE, A DISTANCE OF 343.9 FEET; THENCE WESTERLY A DISTANCE OF 380 FEET ON A LINE MAKING AN ANGLE OF 89 DEGREES 58 MINUTES 0 SECONDS TO THE NORTHWEST WITH SAID LAST CENTER LINE TO THE CENTER LINE OF STATE ROUTE 25; THENCE NORTHERLY ALONG SAID CENTER LINE, A DISTANCE OF 343.9 FEET TO THE POINT OF BEGINNING, IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

LOTS A, 1, 2, 3, 5, 6, 9, 10, 13, AND 14 IN FOX RIVER BLUFFS, UNIT NO. 3, A SUBDIVISION OF PART OF SAID SECTIONS 35 AND 36, IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

ALSO THAT PART OF DEDICATED ALBERT DRIVE RIGHT OF WAY ADJACENT TO LOT 1 IN FOX RIVER BLUFFS, UNIT NO. 3, A SUBDIVISION OF PART OF SAID SECTIONS 35 AND 36, IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

PARCEL FOUR:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 35 WITH THE CENTER LINE OF STATE ROUTE 25; THENCE SOUTH 08 DEGREES 03 MINUTES WEST ALONG SAID CENTER LINE, A DISTANCE OF 708.15 FEET TO THE SOUTHERLY LINE EXTENDED WESTERLY OF SAID LOT 3 OF FOX RIVER BLUFFS UNIT NO. 3 FOR THE POINT OF BEGINNING; THENCE SOUTH 08 DEGREES 03 MINUTES WEST ALONG SAID CENTER LINE A DISTANCE OF 49.34 FEET; THENCE SOUTH 79 DEGREES 10 MINUTES EAST, A DISTANCE OF 400.33 FEET; THENCE NORTHERLY A DISTANCE OF 68.86 FEET TO THE SOUTHEAST CORNER OF LOT 7 OF SAID FOX RIVER BLUFFS UNIT NO. 3; THENCE NORTH 82 DEGREES 02 MINUTES WEST ALONG THE SOUTHERLY LINE AND SOUTHERLY LINE EXTENDED OF SAID FOX RIVER BLUFFS UNIT NO. 3, A DISTANCE OF 400.0 FEET TO THE POINT OF BEGINNING, (EXCEPTING THEREFROM THE WESTERLY 50 FEET, AS MEASURED AT RIGHT ANGLES FROM THE CENTER LINE OF STATE ROUTE 25), IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

PARCEL FIVE:

COMMENCING AT THE INTERSECTION OF THE SOUTHERLY LINE, EXTENDED WESTERLY, OF FOX RIVER BLUFFS UNIT NO. 3, BEING A SUBDIVISION OF PART OF SAID SECTION 35 AND 36, WITH THE EASTERLY RIGHT OF WAY OF STATE ROUTE 25, AS CONVEYED TO THE STATE DEPARTMENT OF PUBLIC WORKS AND BUILDINGS BY WARRANTY DEED RECORDED JANUARY 29, 1968 AS DOCUMENT 1106610; THENCE NORTHERLY, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 179.36 FEET FOR THE PLACE OF BEGINNING; THENCE EASTERLY, ALONG A LINE WHICH FORM AN ANGLE OF 92 DEGREES 42 MINUTES 35 SECONDS TO THE RIGHT WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 349.83 FEET TO THE WESTERLY LINE, EXTENDED SOUTHERLY OF LOT 8 IN FOX RIVER BLUFFS UNIT NO. 3, AS AFORESAID; THENCE NORTHERLY, ALONG SAID WESTERLY LINE, EXTENDED SOUTHERLY, A DISTANCE OF 217.98 FEET TO A POINT ON SAID WESTERLY LINE, EXTENDED SOUTHERLY, THAT IS 68.86 FEET SOUTHERLY OF THE SOUTHWEST CORNER OF LOT 8 IN SAID FOX RIVER BLUFFS UNIT NO. 3; THENCE WESTERLY ALONG A LINE THAT IS EXTENDED WESTERLY, WOULD INTERSECT THE CENTER LINE OF STATE ROUTE 25 AT A POINT 49.34 FEET SOUTHERLY, MEASURED ALONG SAID CENTER LINE, EXTENDED WESTERLY, OF LOT 3 IN FOX RIVER BLUFFS UNIT NO. 3, A DISTANCE OF 349.48 FEET TO THE EASTERLY RIGHT OF WAY LINE OF STATE ROUTE 25, AS AFORESAID; THENCE SOUTHERLY, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 217.86 FEET TO THE POINT OF BEGINNING; IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

PARCEL SIX:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE EXTENDED

WESTERLY OF FOX RIVER BLUFFS UNIT NO. 3, BEING A SUBDIVISION OF PART OF SAID SECTIONS 35 AND 36, WITH THE EASTERLY RIGHT OF WAY LINE OF STATE ROUTE 25, AS CONVEYED TO THE STATE DEPARTMENT OF PUBLIC WORKS AND BUILDINGS BY WARRANTY DEED RECORDED JANUARY 29, 1968 AS DOCUMENT NO. 1106610; THENCE NORTHERLY ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 179.36 FEET; THENCE EASTERLY ALONG A LINE WHICH FORM AN ANGLE OF 92 DEGREES 42 MINUTES 35 SECONDS TO THE RIGHT WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 349.83 FEET TO THE WESTERLY LINE EXTENDED SOUTHERLY OF LOT 8 IN FOX RIVER BLUFFS UNIT NO. 3, AS AFORESAID; THENCE SOUTHERLY ALONG SAID WESTERLY LINE EXTENDED SOUTHERLY A DISTANCE OF 162.16 FEET TO THE SOUTHERLY LINE EXTENDED WESTERLY OF FOX RIVER BLUFFS UNIT NO. 3, AS AFORESAID; THENCE WESTERLY ALONG SAID SOUTHERLY LINE, EXTENDED WESTERLY, A DISTANCE OF 349.70 FEET TO THE POINT OF BEGINNING, IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

PARCEL SEVEN:

COMMENCING AT THE INTERSECTION, AS MONUMENTED, OF EASTERLY RIGHT OF WAY LINE OF PARKSIDE AVENUE (NOW VACATED) WITH THE SOUTH LINE, EXTENDED EASTERLY OF LOT 32, AS PLATTED IN FOX RIVER BLUFFS UNIT NO. 5, BEING A SUBDIVISION OF PART OF SAID SECTIONS 26 AND 35, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 20, 1929 AS DOCUMENT NO. 326521, THIS POINT HEREINAFTER REFERRED TO AS POINT "A"; THENCE NORTH 07 DEGREES 50 MINUTES 33 SECONDS EAST, ALONG THE EASTERLY LINE OF PARKSIDE AVENUE (NOW VACATED), A DISTANCE OF 460.00 FEET; THENCE SOUTH 82 DEGREES 08 MINUTES 17 SECONDS EAST, A DISTANCE OF 853.69 FEET TO WESTERLY RIGHT OF WAY

LINE, AS MONUMENTED, OF A PUBLIC HIGHWAY KNOWN AS STATE ROUTE 25; THENCE SOUTH 08 DEGREES 03 MINUTES 55 SECONDS WEST, ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 236.30 FEET FOR THE POINT OF BEGINNING; SAID POINT BEING 225.26 FEET NORTH OF, AS MEASURED ALONG SAID WESTERLY RIGHT OF WAY LINE, THE INTERSECTION OF SAID WESTERLY RIGHT OF WAY LINE AND A LINE DRAWN FROM POINT "A" AFORESAID TO THE SOUTHWEST CORNER OF LOT 83, AS MONUMENTED, OF FOX RIVER BLUFFS UNIT NO. 3, BEING A SUBDIVISION OF PART OF SAID SECTIONS 35 AND 36, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 3, 1928 AS DOCUMENT NO. 303348, THIS LINE HEREINAFTER REFERRED TO AS LINE "A"; THENCE CONTINUING

SOUTH 08 DEGREES 03 MINUTES 55 SECONDS WEST, ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 225.26 FEET TO SAID LINE "A"; THENCE NORTH 82 DEGREES 02 MINUTES 00 SECONDS WEST, ALONG SAID LINE "A", A DISTANCE OF 230.00 FEET; THENCE NORTH 08 DEGREES

03 MINUTES 55 SECONDS EAST PARALLEL WITH SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 225.26 FEET; THENCE SOUTH 82 DEGREES 02 MINUTES 00 SECONDS EAST, PARALLEL WITH SAID LINE "A", A DISTANCE OF 230.00 FEET TO THE POINT OF BEGINNING, BEING SITUATED IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

PARCEL EIGHT:

BEGINNING IN THE CENTER LINE OF A PUBLIC HIGHWAY KNOWN AS STATE ROUTE 25, AT THE INTERSECTION OF SAID CENTER LINE AND A LINE WHICH IS 231.0 FEET NORTHERLY FROM AND PARALLEL WITH THE EAST AND WEST CENTER LINE OF SAID SECTION 35; THENCE NORTH 06 DEGREES 59 MINUTES EAST, ALONG SAID CENTER LINE OF STATE ROUTE 25, A DISTANCE OF 1254.1 FEET; THENCE NORTH 83 DEGREES 15 WEST, A DISTANCE OF 780.0 FEET; THENCE SOUTH 06 DEGREES 59 MINUTES WEST, PARALLEL WITH THE CENTER LINE OF STATE ROUTE 25, A DISTANCE OF 1250.8 FEET; THENCE SOUTH 83 DEGREES 01 MINUTE EAST, A DISTANCE OF 780.0 FEET TO THE POINT OF BEGINNING, IN THE TOWNSHIP OF DUNDEE, KANE COUNTY, ILLINOIS.

ALSO THAT PART OF DEDICATED STATE ROUTE 25 RIGHT OF WAY ADJACENT TO THE ABOVE DESCRIBED PARCELS.

Appendix II: Map of Parcel Identification Numbers included in the RPA

Prepared by Vandewalle & Associates

Appendix III: List of Parcel Identification Numbers included in the RPA

Parcel Identification Number	
1	03-25-300-013 (partial)
2	03-26-477-001
3	03-36-101-003
4	03-36-101-002
5	03-25-300-003
6	03-36-101-001
7	03-35-227-001
8	03-36-103-003
9	03-36-103-004
10	03-36-103-005
11	03-36-103-006
12	03-36-103-007
13	03-35-227-002
14	03-36-101-004
15	03-36-101-005
16	03-36-103-001
17	03-36-103-002
18	03-35-228-001
19	03-35-228-002
20	03-35-228-003
21	03-35-228-009
22	03-35-228-006
23	03-36-105-017
24	03-35-228-007
25	03-36-105-014
26	03-35-226-006
27	03-35-226-008
28	03-35-226-004

Appendix IV: Future Land Use Map

Prepared by Vandewalle & Associates

