

Committee-of-the-Whole Agenda

6:30 p.m.

Tuesday, November 6, 2012

Mayor's Board Appointments

Mayor's appointment of Greg Johnson to the Moline Youth Commission to replace the unexpired term of Jim Kopel to expire March 31, 2013.

Mayor's appointment of David Parker, Jr. to the Project Management Team to replace Richard Meredith.

Mayor's appointment of David Parker, Jr. to the Consolidated Public Safety Communications Budget Board to replace Richard Meredith.

Mayor's appointment of David Parker, Jr. to the Rock Island County Animal Control Board to replace the unexpired term of Richard Meredith to expire March 31, 2015.

Informational

Riverside Cemetery Retaining Wall (Scott Hinton, City Engineer)

Questions on the Agenda

Agenda Items

1. **Purchase of a Quintuple Fire Truck** (JD Schulte, Fleet Services Manager)
2. **City Council Priorities/Goals – Parks and City Grounds Maintenance** (Mike Waldron, Public Works Director)
3. **Approval of program recommendations of the Citizens Advisory Council on Urban Council (CACUP).** (Jeff Anderson, City Planner)
4. **Acceptance of the Proposal for auditing the City of Moline's Financial Statements for the fiscal years 2012-2015.** (Kathy Carr, Finance Director)
5. **Issuance of a Revenue Anticipation Note from Special Service Area #6 to finance a share of the 5th Avenue Reconstruction, 12th – 19th Streets Project.** (Kathy Carr, Finance Director)
6. **Approval of Change Order #1 with Centennial Contractors for Project #1143, 2012 Residential Reconstruction Project** (Scott Hinton, City Engineer)
7. **Acceptance of a Deed of Dedication for 46th Street Right-of-Way East of 27th Street** (Scott Hinton, City Engineer)
8. **Approval of a Resolution for Improvement by Municipality for 7th Street, 19th – 28th Avenues** (Scott Hinton, City Engineer)
9. **Approval of a Resolution for Improvement by Municipality for 36th Street, 26th – 32nd Avenues** (Scott Hinton, City Engineer)

- 10. Approval of a Resolution for Improvement by Municipality for Avenue of the Cities, 41st – 43rd Streets** (Scott Hinton, City Engineer)
- 11. Approval of a Local Agency Agreement for Avenue of the Cities, 41st – 43rd Streets** (Scott Hinton, City Engineer)
- 12. Acceptance of Three Deeds of Dedication for University Drive Right-of-Way** (Scott Hinton, City Engineer)
- 13. A Resolution authorizing the Mayor and City Clerk to rescind Resolution #1174-2012.** (Ray Forsythe, Planning & Development Director)
- 14. Request from HI Moline LLC for a Development and Economic Incentive Agreement with the City of Moline for the redevelopment of former Menards.** (Ray Forsythe, Planning & Development Director)
- 15. An Ordinance approving the Tax Increment Redevelopment Plan and Project for the SouthPark Mall Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 16. An Ordinance designating the SouthPark Mall Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 17. An Ordinance adopting Tax Increment Financing for the SouthPark Mall Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 18. An Ordinance approving the Tax Increment Redevelopment Plan and Project for Route 6/150 Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 19. An Ordinance designating the Route 6/150 Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 20. An Ordinance adopting Tax Increment Financing for the Route 6/150 Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 21. An Ordinance approving the Tax Increment Redevelopment Plan and Project for the 41st Street Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 22. An Ordinance designating the 41st Street Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 23. An Ordinance adopting Tax Increment Financing for the 41st Street Redevelopment Project Area.** (Ray Forsythe, Planning & Development Director)
- 24. Other**

Explanation

1. Purchase of a Quintuple Fire Truck (JD Schulte, Fleet Services Manager)

Explanation: Fleet Services has published a Request for Proposal (RFP) for a quintuple heavy-duty custom fire apparatus solution to be used by the Fire Department. The RFP required the vendor to propose a pre-plumbed ladder device, compartmentation that can accommodate a variety of rescue equipment, standard fire pumper equipment, and EMS compartmentation. Fleet Services currently has \$910,131.00 in equipment replacement reserves for the City of Moline's current ladder device that will be replaced by this unit. Global Emergency Products in Aurora, Illinois, the dealer representing Pierce Manufacturing in Appleton, Wisconsin, has submitted a proposal that will provide the body design, configuration and equipment required in the RFP. The price for the proposed unit with trade-in of the City's current aerial ladder truck is \$747,728.00.

A prepay option that is included in the contract offers a discount of \$20,161.00 with a guaranteed delivery date of May 2013. Staff has researched the prepay option and has found the savings to be significantly greater than interest earned during the same period. After purchasing a performance bond for \$2,709.00, the net prepay savings would be \$17,452.00. The pumper to be declared surplus as a result of this purchase will be disposed of by sealed bid, negotiation or internet auction when the quintuple unit arrives and proceeds will be placed in the vehicle replacement fund. Additional documentation is attached.

Staff Recommendation: Contract with Pierce Manufacturing, Appleton, Wisconsin, through its local dealer to provide a quintuple heavy-duty custom fire apparatus as proposed for a total price of \$730,276.00 after 100% prepay, purchase of a performance bond and trade in allowance.

Fiscal Impact: \$910,131.00 is reserved in Account #448-0867-437.07-03 for this purchase.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Desirable Place to Live

2. City Council Priorities/Goals – Parks and City Grounds Maintenance (Mike Waldron, Public Works Director)

Explanation: One of the "Management Items" established by City Council in May of this year was for Public Works Staff to consider the Contracting of Services for City Parks and Grounds Maintenance. Staff has concluded its review and attached to this Agenda is a Memorandum which summarizes the processes used by Staff to accomplish the review. Responsive and responsible bids were received from three contractors. The low proposal was found to exceed the projected 2013 in-house costs by \$68,022.12.

Staff Recommendation: Staff recommends continuing to perform the work in-house at this time and evaluate again in 2014 for the 2015 growing season.

Fiscal Impact: Estimated annual savings for FY2013 of \$68,022.12 to perform the work in-house versus contracting for the services.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City

3. A Resolution approving the project and program recommendations of the Citizens Advisory Council on Urban Council (CACUP) as contained within the CDBG Annual Action Plan and authorizing the Mayor to submit and implement said projects, programs and plan for FY 2013. (Jeff Anderson, City Planner)

Explanation: The City of Moline receives an annual entitlement grant award of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). As part of the public participation process, CACUP reviews applications for said funds and makes a recommendation to the City Council on the projects and programs to be funded for

each program year. These projects and programs are contained within the Annual Action Plan, which is used as the application to initiate the annual entitlement funding process with HUD and also the serves as the document to guide implementation of the projects. Please see the attachments for FY 2013 project funding recommendations.

Staff Recommendation: Approve the Resolution
Fiscal Impact: Funding level is expected to be \$663,669.00
Public Notice/Recording: N/A
Goals Impacted: Desirable Place to Live; Strong Local Economy

4. Acceptance of the Proposal Submitted by Baker Tilly Virchow Krause, LLP for auditing the City of Moline’s Financial Statements for the fiscal years ending December 31, 2012, 2013, 2014, 2015, and 2016 for the five year total of \$280,110.00. (Kathy Carr, Finance Director)

Explanation: The City of Moline bids auditing services every five years. The primary objectives of a financial audit are: (1) to express an opinion on the fairness of the financial statements in conformity with generally accepted accounting principles; and (2) to determine whether the City has complied with applicable legal requirements in obtaining and expending public funds.

Five proposals were received and were evaluated using the evaluation criteria recommended by the Government Finance Officers’ Association. The proposals were evaluated by the Audit Selection Committee which was comprised of the Finance Director, Finance Manager, Accountant, and Housing Grant Compliance Analyst.

The Audit Selection Committee used a point formula during the review process to score the proposals. Each member of the Committee first scored each technical proposal by the following criteria: structure and size of the firm; audit team qualifications; similar engagements; specific audit approach; presentation of RFP; and fee. Following is a table indicating the fees and technical points for each firm:

	Baker Tilly	Eide Bailey	McGladrey	Sikich	WIPFLi
Year 1	\$53,500	\$58,000	\$59,500	\$64,500	\$55,000
Year 2	\$54,570	\$60,500	\$61,880	\$65,800	\$56,500
Year 3	\$55,660	\$63,250	\$64,355	\$67,105	\$58,000
Year 4	\$57,330	\$66,000	\$66,930	\$68,500	\$59,500
Year 5	\$59,050	\$69,000	\$69,600	\$69,800	\$61,000
Total Fee	\$280,110	\$316,750	\$322,265	\$335,705	\$290,000
Technical Points	98	94	95	93	96

Staff Recommendation: Accept Proposal from Baker Tilly Virchow Krause
Fiscal Impact: Sound Fiscal Management
Public Notice/Recording: N/A
Goals Impacted: Financially Strong City

5. Issuance of a Revenue Anticipation Note from Special Service Area #6 to finance a share of the 5th Avenue Reconstruction, 12th – 19th Streets Project. (Kathy Carr, Finance Director)

Explanation: In 2009, City Council approved the 5th Avenue Reconstruction, 12th – 19th Streets Project. At that time, it was determined that the Downtown Special Service Area #6 would contribute \$1,500,000.00 toward the cost of the program. The Special Service Area #6 generates \$225,000.00 in

property tax revenue annually and would allocate a payment of \$100,000.00 plus interest toward the financing of its share of the project.

The Special Service Area #6 Fund has funded \$400,000.00 during fiscal years 2009 through 2012. The remaining balance will necessitate the need for gap financing over the remaining eleven years. It is recommended that the Special Service Area #6 Fund issue a Revenue Anticipation Note in the amount of \$1,100,000.00 to be repaid in full within eleven years as the annual \$100,000.00 plus interest allocations are realized. The General Fund has sufficient cash reserves to invest in the purchase of this Revenue Anticipation Note which will be interest bearing at the rate of 1.0% per annum. Additional documentation attached.

Staff Recommendation: Approve

Fiscal Impact: All monies received by the Special Service Area #6 Fund shall be pledged toward payment of the principal and interest of the Revenue Anticipation Note.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City

6. Approval of Change Order #1 with Centennial Contractors for Project #1143, 2012 Residential Reconstruction Project (Scott Hinton, City Engineer)

Explanation: In order to make final payment to the contractor and close out the contract, a reconciliation change order is needed in the amount of \$6,252.53. The change order reflects the difference between the estimated bid quantities and final quantities actually constructed. The change order increases the original contract value of \$648,943.50 by 1.0% to \$655,196.03. Project #1143 includes the reconstruction of 13th Street north of 36th Avenue and the reconstruction of 29th Street and 32nd Avenue north of 36th Avenue. Both locations are the second phase of a reconstruction project started in 2011. Additional documentation attached.

Staff Recommendation: Staff recommends approval of the change order.

Fiscal Impact: Funds are budgeted and available as detailed below.

ACCOUNT	BUDGETED	ORIGINAL CONTRACT	ADDITIONAL WORK	TOTAL
Utility Tax	615,000.00	577,818.50	15,668.83	593,487.33
Water	1,000.00	900.00	(900.00)	0.00
WPC	5,500.00	6,250.00	(3,583.80)	2,666.20
Storm	102,500.00	63,975.00	(4,932.50)	59,042.50
	724,000.00	648,943.50	6,252.53	655,196.03

Public Notice/Recording: N/A

Goals Impacted: Improved City Infrastructure & Facilities; Strong Local Economy

7. Acceptance of a Deed of Dedication for 46th Avenue Right-of-Way East of 27th Street (Scott Hinton, City Engineer)

Explanation: City Staff worked with property owners to improve and install a seal coat surface to the existing aggregate surface on 46th Avenue east of 27th Street. To help facilitate the improvements, JJZ Development, LLC, offered to dedicate additional right-of-way at no cost to the City. Additional documentation attached.

Staff Recommendation: Staff recommends accepting the Deed of Dedication.

Fiscal Impact: Rock Island County recording costs

Public Notice/Recording: N/A

Goals Impacted: Improved City Infrastructure & Facilities; Strong Local Economy

8. Approval of a Resolution for Improvement by Municipality Under the Illinois Highway Code for MFT Section 02-00220-00-RP, 7th Street, 19th – 28th Avenues (Scott Hinton, City Engineer)

Explanation: Motor Fuel Tax Section 02-00220-00-RP was used to reconstruct 7th Street from 19th – 28th Avenues in 2005. The final change order was previously approved by Council and the contractor has been paid in full. To finalize all IDOT paperwork on this Section, a Supplemental Resolution must be adopted by Council reconciling spent monies with estimated amounts. This Supplemental Resolution is an IDOT bookkeeping item only. Additional documentation attached.

Staff Recommendation: Staff recommends approval of the Resolution.
Fiscal Impact: N/A. Funds were budgeted and spent in 2005.
Public Notice/Recording: N/A
Goals Impacted: Improved City Infrastructure & Facilities; Strong Local Economy

9. Approval of a Resolution for Improvement by Municipality Under the Illinois Highway Code for MFT Section 06-00235-00-RP, 36th Street, 26th – 32nd Avenues (Scott Hinton, City Engineer)

Explanation: Motor Fuel Tax Section 06-00235-00-RP was used to reconstruct 36th Street from 26th to 32nd Avenues in 2007. The final change order was previously approved by Council and the contractor has been paid in full. To finalize all IDOT paperwork on this Section, a Supplemental Resolution must be adopted by Council reconciling spent monies with estimated amounts. This Supplemental Resolution is an IDOT bookkeeping item only. Additional documentation attached.

Staff Recommendation: Staff recommends approval of the Resolution.
Fiscal Impact: N/A. Funds were budgeted and spent in 2007.
Public Notice/Recording: N/A
Goals Impacted: Improved City Infrastructure & Facilities; Strong Local Economy

10. Approval of a Resolution for Improvement by Municipality Under the Illinois Highway Code for MFT Section 12-00253-00-RS, Avenue of the Cities, 41st – 43rd Streets (Scott Hinton, City Engineer)

Explanation: A Resolution for Improvement is necessary to use budgeted MFT funds for the Avenue of the Cities resurfacing project. Additional documentation attached.

Staff Recommendation: Staff recommends approval of the Resolution.
Fiscal Impact: Sufficient MFT funds are budgeted and available for this project.
Public Notice/Recording: N/A
Goals Impacted: Improved City Infrastructure & Facilities; Strong Local Economy

11. Approval of a Local Agency Agreement for Federal Participation for MFT Section 12-00253-00-RS, Avenue of the Cities, 41st – 43rd Streets (Scott Hinton, City Engineer)

Explanation: In 2013, the City of Moline will receive Federal transportation funds through the Illinois Department of Transportation in an amount not to exceed \$560,000.00 to resurface Avenue of the Cities from 41st to 43rd Streets. The Federal funds require a 20% local match. The 2013 Capital Improvement Program (CIP) includes \$140,000.00 in Motor Fuel Tax (MFT) funds to fund the local match. Approving this Agreement provides acknowledgement to IDOT that the City has sufficient funds set aside to fund the local match, all participating construction costs above the maximum federal contribution, and all non-participating construction costs. Additional documentation attached.

Staff Recommendation: Staff recommends approval of the Agreement.
Fiscal Impact: MFT funds are budgeted and available for this project.
Public Notice/Recording: N/A
Goals Impacted: Improved City Infrastructure & Facilities; Strong Local Economy

12. Acceptance of Three Deeds of Dedication for University Drive Right-of-Way South of River Drive, East of 25th Street, and West of 34th Street (Scott Hinton, City Engineer)

Explanation: The western section of University Drive was constructed in 2011 on portions of two City-owned parcels formally known as RiverTech. The eastern section of University Drive is currently under construction on property owned by Western Illinois University. These three Deeds of Dedication will establish sufficient public right-of-way to allow University Drive to be a public street.

Staff Recommendation: Staff recommends accepting the Deeds of Dedication.
Fiscal Impact: Rock Island County recording costs
Public Notice/Recording: N/A
Goals Impacted: Improved City Infrastructure & Facilities; Strong Local Economy

13. A Resolution authorizing the Mayor and City Clerk to rescind Resolution #1174-2012. (Ray Forsythe, Planning & Development Director)

Explanation: The City of Moline accepted Restoration Saint Louis as the preferred developer in May, 2012 and since that time, no agreement has been reached between the developer and the City. Restoration Saint Louis has notified the City that it is withdrawing from the project because it does not believe that the parties will be able to agree upon the level of financial incentives offered by the City.

Staff Recommendation: Approve
Fiscal Impact: N/A
Public Notice/Recording: N/A
Goals Impacted: Financially Strong City; Vibrant Downtown; Desirable Place to Live

14. Request from HI Moline LLC for a Development and Economic Incentive Agreement with the City of Moline for the redevelopment of the property located at 4100 Tenth Street Drive in Moline (former Menards). (Ray Forsythe, Planning & Development Director)

Explanation: HI Moline LLC (Developer) has a contract to purchase the former Menards location at 4100 Tenth Street Drive and is seeking a Development and Economic Incentive Agreement with the City. Staff has negotiated a sales tax rebate with Developer after reviewing its *pro forma* and evaluated its project costs and potential income compared to customary returns on investment for similar real estate transactions. The property will be redeveloped with demolition of the lumber yard and a new façade, interior redevelopment and a building expansion. The project will also comply with all building code, landscape and storm water requirements. Developer has letters of intent with four retail operations which are new to the Illinois Quad Cities. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: Increased property, sales, and utility taxes
Public Notice/Recording: N/A
Goals Impacted: Strong Local Economy, Financially Strong City, Desirable Place to Live

15. An Ordinance approving the Tax Increment Redevelopment Plan and Project for the SouthPark Mall Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: The creation of Moline's eighth Tax Increment Finance (TIF) district is being considered in order to assist the development of the SouthPark Mall Redevelopment Project Area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed unanimously. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

16. An Ordinance designating the SouthPark Mall Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: One of the responsibilities of City Council with regard to creating a TIF district is to designate the proposed area as the redevelopment project area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed unanimously. Additional documentation attached.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

17. An Ordinance adopting Tax Increment Financing for the SouthPark Mall Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: The final action by City Council is to adopt tax increment financing for the redevelopment project area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed unanimously. Additional documentation attached.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

18. An Ordinance approving the Tax Increment Redevelopment Plan and Project for Route 6/150 Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: The creation of Moline's ninth Tax Increment Finance (TIF) district is being considered in order to assist the development of the Route 6/150 Redevelopment Project Area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed unanimously. Additional documentation attached.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

19. An Ordinance designating the Route 6/150 Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: One of the responsibilities of City Council with regard to creating a TIF district is to designate the proposed area as the redevelopment project area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed unanimously. Additional documentation attached.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

20. An Ordinance adopting Tax Increment Financing for the Route 6/150 Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: The final action by City Council is to adopt tax increment financing for the redevelopment project area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed unanimously. Additional documentation attached.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

21. An Ordinance approving the Tax Increment Redevelopment Plan and Project for the 41st Street Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: The creation of Moline's tenth Tax Increment Finance (TIF) district is being considered in order to assist the development of the 41st Street Redevelopment Project Area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed with a 2-1 vote. Additional documentation attached. This item also appears on the formal Council Agenda for first reading under "Items Not on Consent" on November 6, 2012.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

22. An Ordinance designating the 41st Street Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: One of the responsibilities of City Council with regard to creating a TIF district is to designate the proposed area as the redevelopment project area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed with a 2-1 vote. Additional documentation attached. This item also appears on the formal Council Agenda for first reading under "Items Not on Consent" on November 6, 2012.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

23. An Ordinance adopting Tax Increment Financing for the 41st Street Redevelopment Project Area. (Ray Forsythe, Planning & Development Director)

Explanation: The final action by City Council is to adopt tax increment financing for the redevelopment project area. The Joint Review Board (JRB) met September 25, 2012. The JRB reviewed the eligibility study and redevelopment plan and concluded that the area is blighted and can be considered for TIF designation. The JRB's recommendation to City Council passed with a 2-1 vote. Additional documentation attached. This item also appears on the formal Council Agenda for first reading under "Items Not on Consent" on November 6, 2012.

Staff Recommendation: Approval

Fiscal Impact: The City shall enter into separate performance based development agreements with private developers. Available funds shall primarily be used to reimburse private developers for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as well as eligible administration and public improvements.

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City; Quality Neighborhoods; Desirable Place to Live

24. Approval of a Development Agreement with Genesis Health System for the proposed Genesis 41st Street Wellness Campus project. (Ray Forsythe, Planning & Development Director)

Explanation: Staff has negotiated a performance based rebate with Genesis Health System for the proposed Phase I of the Genesis 41st Street Wellness Campus project. Phase I includes public amenities, infrastructure improvements and a 50,000 square foot medical office building and parking. The rebate will reimburse the developer for increased costs of developing on the site as well as public infrastructure improvements and amenities. The Agreement provides for a rebate of up to 15% of the total estimated project cost. The City Council approved the term sheet for this Agreement at the Committee of the Whole meeting of September 25, 2012. Additional documentation attached.

Staff Recommendation: Approve

Fiscal Impact: Increased Property, Sales and Use Taxes

Public Notice/Recording: N/A

Goals Impacted: Quality Neighborhoods; Desirable Place to Live



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Aurora, Illinois 60505
(800) 582-8818

October 31, 2012

Mr. JD Schulte
Public Works Fleet Manager
City of Moline
3635 4 Avenue
Moline, IL 61265

Subject: **Proposal for one (1) Pierce Dash CF PUC 105' Quint
Stock #25950 / Bid #295**

Dear Mr. Schulte,

With regard to the above subject, please find attached our completed proposal.

Pricing, is as follows, including 100% prepay option.

Pricing Summary:

Sale Price – **\$902,728.00** Base Unit
(\$155,000.00) Trade-In Allowance
(subject to trade-in conditions, see attached)
\$747,728.00 Net Price after Trade-In

100% Performance Bond:

Should the City of Moline elect to have us provide a Performance Bond, \$2,709.00 will need to be added to the above price.

100% Prepayment Option:

Should the City of Moline elect to make a 100% prepayment at contract execution, a discount of **(\$20,161.00)** can be subtracted from the above "Net Price after Trade-In" resulting in a revised contract price of **\$727,567.00 OR \$730,276.00 with Performance Bond**. Prepayment must be made and submitted with contract or Purchase Order (PO) on or before November 26, 2012.

Terms and Conditions:

Taxes – Not Applicable
Freight – F.O.B. – Moline, IL
Terms – Net due upon factory exit. Net due with contract or PO for **Prepay discount** to be applicable.
Delivery – May, 2013 upon Pierce receipt and acceptance of contract

Stock Unit – Availability is subject to prior sale



PERFORM LIKE NO OTHER
FACTORY AUTHORIZED DEALER
ILLINOIS - INDIANA
Committee of the Whole
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Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war, or international conflicts, or other causes beyond our control not preventing, could alter the delivery schedule.

The specifications herein contained, shall form a part of the final contract, and are subject to changes as desired by the purchaser, provided such changes are acknowledged and agreed to in writing by the purchaser.

This proposal for fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of bid, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of bid, except as modified by customer specifications.

The attached proposal is valid for 60 days. Contract or PO with prepayment must be submitted on or before November 26, 2012 for 100% Prepayment Option to be valid.

We trust the above and the enclosed to be full and complete at this time; however, should you have any questions or require additional information, please do not hesitate to contact me at 630-774-6121 or gmoehling@gep3.com.

We wish to thank the City of Moline for the opportunity to submit our proposal.

Respectfully,

Gene Moehling
Apparatus Sales
Global Emergency Products

MEMORANDUM

To: Lew Steinbrecher, City Administrator
From: Michael P. Waldron, Public Works Director
Date: October 3, 2012
Subject: 2012-2013 Council Priorities
Contracting for Services – Parks and City Grounds Maintenance

This memo has been drafted in response to an identified Council priority for 2012-2013 to contract for services with the private sector for the City's Parks and City Grounds Maintenance. The process employed by staff to accomplish this goal was to develop bid specifications from our current service levels, have those specifications approved by City Council, and then issue an "Invitation to Bid" utilizing those specifications. Upon receipt of any bids, staff would then compare current and projected internal costs to the bids received. This memo summarizes the results of that process.

Noting that it was critical to have internal and external equivalents to get an accurate evaluation, Municipal Services and Fleet Services staff thoroughly reviewed and documented all internal procedures, costs, and service levels. This review included all of the mowing, trash collection, and restroom/pavilion cleaning activities currently being performed seasonally in the Parks Maintenance Section. Additionally, costs associated with Fleet services were reviewed to determine what, if any, savings could be realized by the contracting of those services.

As part of the review process, historical data was collected from employee daily logs to establish labor, equipment, and supply costs for each of the last three mowing/cleaning seasons and averaged for the purpose of providing an accurate comparison with the potential bid submittals. It was identified that an average of 1.86 full-time equivalents, and 10,387.5 seasonal employee hours are utilized annually to complete the aforementioned services at an average annual cost of \$381,357.10.

Municipal Services staff prepared the specifications to solicit bids from contractor providers of these services. These documents were reviewed and approved for solicitation by Council on July 10, 2012. Following Council's approval, the Invitation to Bid was posted online July 19, 2012 and Invitation to Bid notices were printed in the Dispatch on July 15 and 22, 2012 and in the Quad City Times on July 19 and 26, 2012.

Initial interest was high with eleven contractors requesting copies of the Invitation to Bid. Ten of the eleven recipients attended the mandatory pre-submittal informational meeting and tour of Riverside Cemetery. Ultimately three contractors submitted proposals and all three were found to be responsive and responsible.

Company	2013 Bid	2014 Bid	2015 Bid
Alacran Contracting, LLC	\$465,323.90	\$479,293.62	\$493,662.13
Quality Construction Services	\$759,641.99	\$759,641.99	\$774,490.00
Delf's Landscape & Irrigation	\$814,990.00	\$814,990.00	\$844,223.00

The bid with the lowest total cost was received from Alacran Contracting, LLC in the amount of \$465,323.90 for the first year. Of note, we are aware of one visit by Alacran Contracting LLC to Riverside Cemetery prior to their submitted bid, whereas the other two bidders took extensive tours of the facilities cited in the specifications and made numerous inquiries for their bid preparation. The low bid amount exceeds the City's projected cost to provide the same services by \$68,022.12 for the FY2013 growing season (April 1, 2013 – September 30, 2013).

From this process, Public Works Administration concludes that the cheapest way to provide these services is to continue to use seasonal staff employed by the City through a staffing agency, supplemented with full time staff as needed. It is important to note though that when seasonal staff is more heavily augmented by full time employees, the service delivery cost is significantly increased. This information provides reasoning to deduce that the most cost effective service delivery solution for the taxpayers is to continue to utilize seasonal employees in the Parks and City Grounds system.

It should also be noted that while considerable time was expended on this effort, it yielded benefits:

- Established measures with certainty that the City is following industry standards and has remained competitive with the private sector over the past 3 years.
- Established an activity based process to create an environment of managed competition that motivates Division Managers and employees to hold the line on their costs in order to remain competitive.
- Established a three year benchmark that documented acres mowed, current service levels, mobilization/transportation costing, and supply and labor costs.

Average Annual City Costs (2010, 2011, & 2012)

Item	Cost	Hours/Info
Full Time Employees	\$164,900.85	3,876.34 hours (includes IMRF, FICA, Medicare, and Insurance costs)
Seasonal Employees	\$122,238.40	10,387.5 hours
Cemetery Fuel	\$5,805.09	
Cemetery Supplies	\$300.00	100% of budget
Parks Cleaning Supplies	\$3,750.00	75% of budget
Can Liners	\$3,500.00	100% of budget
Trimmer Line	\$2,000.00	100% of budget
New String Trimmers	\$2,333.34	100% of budget
Fleet Costs	\$76,529.42	
TOTAL	\$381,357.10	14,263.84 hours

Projected FY 2013 City Costs

Item	Cost	Hours/Info
Full Time Employees	\$183,053.38	3,876.34 hours (includes IMRF, FICA, Medicare, and Insurance costs)
Seasonal Employees	\$122,238.40	10,387.5 hours
Cemetery Fuel	\$6,385.00	
Cemetery Supplies	\$300.00	100% of budget
Parks Cleaning Supplies	\$3,750.00	75% of budget
Can Liners	\$3,500.00	100% of budget
Trimmer Line	\$2,000.00	100% of budget
New String Trimmers	\$1,500.00	100% of budget
Fleet Costs	\$74,575.00	
TOTAL	\$397,301.78	14,263.84 hours

Citizens Advisory Council on Urban Policy

Moline, Illinois

Program Year 2013 CDBG Recommendations

CDBG Applications submitted in 2012

	<u>REQUEST</u>	<u>CACUP</u>
Administration	132,734.00	132,734.00
Alley Cat Boxing Club	16,000.00	4,500.00
Casa Guanajuato Quad Cities	50,000.00	5,000.00
City of Moline – Façade Program	50,000.00	7,500.00
Cloverleaf Youth Group	2,500.00	2,500.00
Florecente C.O.P.	11,000.00	11,000.00
CHS Service Delivery	140,000.00	140,000.00
Community Housing Services Program	300,000.00	300,000.00
Code Compliance	33,500.00	33,500.00
Project NOW Senior Center	20,000.00	8,000.00
Salvation Army (Family Emergency Assistance)	15,000.00	7,500.00
Springbrook C.O.P	8,435.00	8,435.00
WVIK Reading Service	3,000.00	3,000.00
	<u>\$ 782,169.00</u>	<u>\$ 663,669.00</u>

Citizens Advisory Council on Urban Policy

Moline, Illinois

FY 2013 CDBG FUNDS SUMMARY OF RECOMMENDATIONS

A.	PARKS & RECREATION (\$4,500)	
	1. Alley Cat Boxing Club	\$ 4,500.00
B.	HUMAN SERVICES (\$23,500.00)	
	1. Casa Guanajuato Quad Cities	5,000.00
	2. Project NOW Senior Center.....	8,000.00
	3. Salvation Army (Family Emergency Assistance).....	7,500.00
	4. WVIK Reading Service	3,000.00
C.	NEIGHBORHOODS (\$55,435.00)	
	1. Cloverleaf Youth Group	2,500.00
	2. Floreciente C.O.P.	11,000.00
	3. Springbrook C.O.P.....	8,435.00
	4. Code Compliance	33,500.00
D.	HOUSING (\$440,000.00)	
	1. Community Housing Services Program (CHS)	300,000.00
	2. CHS Program Service Delivery	140,000.00
E.	ECONOMIC DEVELOPMENT (\$7,500.00)	
	1. City of Moline – Façade Program.....	7,500.00
F.	ADMINISTRATION (\$132,734.00)	
	1. General Administrative Expenses	132,734.00
		<u>\$663,669.00</u>

Citizens Advisory Council on Urban Policy

Moline, Illinois

DETAIL OF RECOMMENDATIONS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FY 2013

INTRODUCTION

January 1, 2013 will begin the 39th year of the federally funded CDBG program in Moline. Created by the Housing & Community Development (HCD) Act of 1974, the program is required to (a) primarily benefit low-and-moderate income persons, (b) prevent or eliminate slums and blight, or (c) address an urgent community need. Our recommendations/amendments are based on the estimated funding amount from HUD for 2013; if HUD increases or decreases the grant, revisions will be recommended to City Council. Since 1975, the cumulative total is \$31,530,931.00.

CACUP's focus continues to reflect the spirit and letter of the HCD Act that of housing and neighborhood revitalization, supported by essential social services. This concentration on basic needs, in conjunction with economic development and infrastructure projects, has laid the foundation for a better quality of life for Moline residents.

PARKS & RECREATION (\$4,500.00)

1. Alley Cat Boxing Club (\$4,500.00)

Funds will assist in travel, boxing matches, boxing shows, registration fees and insurance; as well as scholarships for education expenses for specific fighters who meet the criteria.

HUMAN SERVICES (\$23,500.00)

1. Casa Guanajuato Quad Cities (\$5,000.00)

Funding will be used for renovations and ADA upgrades for the Early Childhood Learning Center and Community room located at 1401 16th Street.

2. Project NOW Senior Center (\$8,000.00)

Funding will be used for transportation, vehicle operation, fuel and maintenance for the Senior Center fleet that is used to transport senior and disabled citizens to appointments and daily living activities.

3. Salvation Army (Emergency Family Assistance) (\$7,500.00)

Funding will provide emergency financial assistance to qualified Moline residents.

4. WVIK Reading Service (\$3,000.00)

Funding will be used to purchase replacement receivers and supplies for the APRIS program. APRIS is a broadcast system that provides local and regional news to visually and mobility impaired persons.

NEIGHBORHOODS (\$55,435.00)

- 1. Cloverleaf Youth Group (\$2,500.00)**
Funds will supplement activities, field trips and projects.
- 2. Floreciente C.O.P. (\$11,000.00)**
Funds will be used for activities for residents, specialized officer training, and youth activities.
- 3. Springbrook C.O.P. (\$8,435.00)**
Funding will cover specialized training activities, equipment and supplies.
- 4. Code Compliance (\$33,500.00)**
The City's Neighborhood Improvement Officer (NIO) performs the lead role in the prevention, enforcement and abatement of housing; nuisance, vegetation, zoning and sign code violations. The NIO serves as the City's liaison to neighborhood groups and residents for problem identification and solutions.

HOUSING (\$440,000.00)

- 1. Community Housing Services Program (CHS) (\$300,000.00)**
This program provides assistance for re-investment in the City's existing housing stock, and preserving that valuable asset for future generations. It also revitalizes neighborhoods, maintains/increases property values, and funds emergency repairs for low-income residents.
- 2. CHS Service Delivery (\$140,000.00)**
Customer assistance with the Community Housing Services program requires significant staff time. Working with contractors, homeowners, inspectors, and lenders on bidding, income verification, specification clarification, project progress, payouts, etc. as well as equipment and supplies utilized which are all identified as program soft costs.

ECONOMIC DEVELOPMENT (\$7,500.00)

- 1. City of Moline – Façade Program (\$7,500.00)**
Leverage of public funding to attract private sector reinvestment in order to rehabilitate and renovate commercial buildings within identified low to moderate census block groups.

ADMINISTRATION (\$132,734.00)

- 1. General Administrative Expenses (\$132,734.00)**
The recommended allocation will help provide funding for at least one FTE of the Planning and Development Department employees. The recommended allocation will also reimburse the City for any clerical expenses required to maintain a continuing capacity for planning, managing, monitoring, and evaluating the CDBG Program pursuant to Federal statutes and regulations, thereby ensuring compliance with said program requirements.

City of Moline, Illinois 2013 Annual Action Plan

January 1, 2013 – December 31, 2013

SUBMITTED TO:

The U.S. Department of Housing & Urban Development
November 16, 2012

DRAFT

www.moline.il.us

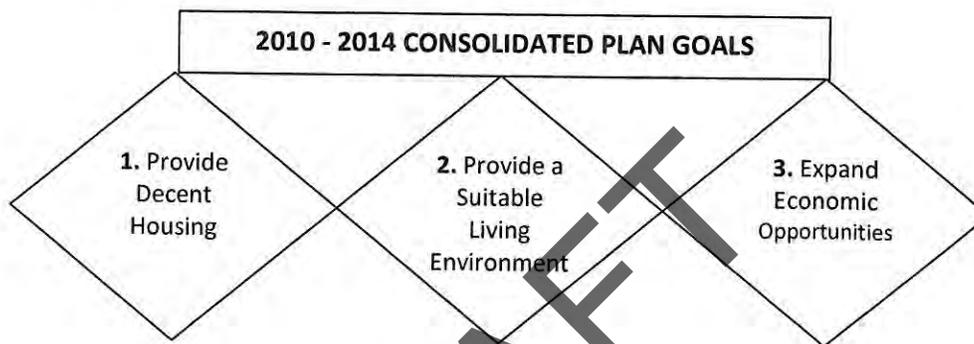
City of Moline, Department of Planning and Development
Community Development Division, 619 16th Street, Moline, Illinois 61265 (309) 524.2044

City of Moline, Illinois
Department of Planning & Development
Community Development Division

2013 Action Plan Executive Summary
U.S. Department of Housing and Urban Development

OVERVIEW:

The Annual Action Plan (AAP) is part of the City of Moline's 2010-2014 Consolidated Plan for Housing and Community Development, a five year plan addressing Moline's housing and community development needs. The City submits the Plan to the U.S. Department of Housing and Urban Development (HUD) in order to be eligible to apply for funds under the Community Development Block Grant (CDBG), program. The AAP serves as an application to the U.S. Department of Housing and Urban Development for an anticipated \$663,669 for program year January 1, 2013 to December 31, 2013.

**1. Provide Decent Housing...which includes:**

- assisting homeless persons to obtain affordable housing;
- assisting persons at risk of becoming homeless;
- retention of affordable housing stock;
- increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families; and
- increasing the supply of supportive housing for people with special needs.

2. Provide a Suitable Living Environment...which includes:

- improving the safety and livability of neighborhoods;
- increasing the access to quality public and private facilities and services;
- reducing the geographic isolation of lower income groups;
- revitalizing deteriorating neighborhoods;
- restoring and preserving properties of special historical, architectural or aesthetic value;
- conservation of energy resources.

3. Expand Economic Opportunities...which includes:

- job creation and retention; establishment, stabilization and expansion of small businesses;
- the provision of public services concerned with employment;
- availability of mortgage financing for low-income persons at reasonable rates;
- access to capital and credit for development activities; and
- empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

The core priorities identified in the Consolidated Plan have remained relatively consistent throughout

the years. The City of Moline continues to work with programs that provide an incentive to property owners on maintaining current housing stock, enhancing property values, creating a stronger community/living environment, attracting more businesses and additional housing starts. According to the 2010 Census, the population for the City of Moline was 43,483. The median household income was \$49,290. Approximately 9.7% of the population was living below poverty. In 2010, the City of Moline had 19,856 housing units in which 66.8% are owner occupied and 33.2% are rental units.

The City of Moline will continue to work along with community partners to address housing challenges in 2013. The City will utilize available CDBG and non CDBG funding awards along with program income dollars, to sustain rehab construction activities in existing housing stock, demolition (when warranted), (property maintenance) code compliance, youth activities, C.O.P programs, construction of affordable housing, repayable and forgivable loan programs associated with homebuyers programs. Other resources are anticipated through nonprofit and public entities to address the community needs in addition to the CDBG and non CDBG awards. In order to further the goals of Consolidated Plan along with the 2013 Annual Action Plan, the City of Moline expects to utilize \$663,669 CDBG dollars with other anticipated federal, state, and local funding.

CONSOLIDATED PLAN

The Annual Action Plan is a chapter of the City's 2010 – 2014 Consolidated Plan. The Consolidated Plan is a U.S. Department of Housing and Urban Development (HUD) requirement that combines the planning and application process for four existing HUD grants: The Community Development Block Grant (CDBG), the Emergency Shelter Grant (ESG), HOME Investment Partnerships Program (HOME), and Housing Opportunities for Persons with AIDS (HOPWA). The City of Moline's 2010 – 2014 Consolidated Plan included a five-year strategic plan to address the community's needs.

In effect, the Consolidated Plan examines the current housing situation, explores the housing and community development needs of the City, and sets priorities for spending the HUD grant funds. Public comment is a vital component of exploring the City's housing and community development needs and setting spending priorities. The Consolidated Plan offers the opportunity for strategic Citywide planning to occur alongside citizen participation.

HUD requires development of a Citizen Participation Plan that outlines policies and procedures of how the City intends to solicit citizen participation. The purpose of the Citizen Participation Plan is to outline and define the citizen participation process.

ANNUAL ACTION PLAN

The Annual Action Plan is an update to the Consolidated Plan and discusses how the City of Moline's priorities will be address during 2013. The City's federal, state, and local resources that are anticipated for 2013 are identified. This plan also serves as the City of Moline's annual application for Community Development Block Grant (CDBG) funding. **This document provides information on:**

Resources: funding sources available to address the City's needs and objectives.

Activities: method for distributing funds for activities that address needs and objectives;

Geographic Distribution: housing and community development programs within the City are not restricted to geographic boundaries. However, a significant portion of housing rehabilitation funds are spent in areas of the City and corresponding census tracts that have higher than average low income and minority households. The City will continue to offer programs to all qualified households regardless of geographic location.

Homeless and Special Needs Activities: plans to address homelessness and assist persons with special needs.

Other Actions: strategies to address underserved populations, foster and maintain affordable

housing, remove barriers, and assist families in poverty.

Summary of Public Comments: comments made on the Action Plan (Appendices).

Applications for Assistance: HUD Form 424 for the CDBG program.

Certifications: general and program specific certifications as required by HUD.

CITIZEN PARTICIPATION

When preparing the Annual Action Plan, a Community Needs and Resources Survey is conducted with public and private agencies that provide housing, health and social services. As part of the Consolidated Plan, Rock Island County health Department is also consulted concerning lead-based paint hazards.

Citizen participation by low-income individuals, minorities and non-English speaking persons is encouraged throughout the creation of and amendments to the Consolidated Plan and Annual Action Plan process. In the event that there are any substantial amendments to the Consolidated Plan or Annual Action Plan, citizen comment on the proposed amendments will be sought.

City of Moline receives comments on the proposed Annual Action Plan during a 15-day comment period. In the event that there are substantial amendments to this Citizen Participation Plan, an additional comment period of at least 15 days will be allotted. This proposed Citizen Participation Plan (and, if necessary, the substantially amended Citizen Participation Plan) will be made available to the public before the 15-day comment period begins.

Before the Annual Action Plan is drafted, it is advertised and a public meeting is held to gather input from citizens regarding proposed changes. Generally, this meeting is held in Moline City Hall Committee of the Whole Room. If for some reason the advertised sites are not available, the meeting is held at the Moline Township Hall the public will be encouraged to send their comments in writing. Written comments are encouraged at any time.

Notices of the meeting are published in the Dispatch/Argus newspaper no less than 15 days prior to the meeting and a press release will be forwarded to all local newspapers.

Once drafted and before the Annual Action Plan is adopted, it is made available to interested parties for a comment period no less than 30 days. This comment period begins between 90 and 120 days before the Annual Action Plan's submission date to HUD, which is approximately mid November. This year's Annual Action plan will be submitted on November 16, 2012

A public meeting is conducted during the 30-day comment period to gather comments on the proposed plan. Citizens will be notified of the Annual Action Plan's availability through newspaper notification. A display ad is published in the daily newspapers at the beginning of the comment period along with a press release that is forwarded to all newspapers in English and Spanish in the Metro Area.

Along with the notification that the proposed Annual Action Plan is available for public comment, a summary of the Annual Action Plan's contents and the Annual Action Plan's purpose is published. The notification is published on the day the Annual Action Plan comment period begins. Locations where copies of the entire proposed consolidated plan may be obtained will also be stated in the notice.

The proposed Annual Action Plan is available at The City of Moline's website at www.moline.il.us for the full public comment period. Copies of the Annual Action Plan will also be available from City of Moline Community Development Division during the public comment period. Citizens or groups that have attended the public hearings will receive a letter notifying them of the Annual Action Plan's availability for comment if their address is provided to the Planning Department at the time of the hearing.

As stated in the previous section, two public hearings are held to gather comments on the Annual Action Plan. The first will be held prior to drafting of the plan. The second will be held during the 30-day comment period.

Comments from individuals or groups received in writing or at the public meetings will be considered. A summary of the written and oral public comments and a summary of those not accepted and the reasons therefore, will be included in the final Annual Action Plan.

The following criteria will constitute a substantial amendment to the Annual Action Plan.

1. If changes need to be made in the allocation priorities or changes in the method of distribution of federal funds that is not discussed in the Annual Action Plan.
2. A decision to carry out an activity, using funds from any federal program covered in the Annual Action Plan not previously described in the action plan.
3. A decision to change the purpose, scope, location, or beneficiaries of an activity that is funded by federal funds.

In the event of an amendment to the Annual Action Plan, the proposed amended Annual Action Plan will be made available to interested parties for a comment period of no less than 30 days.

Citizens will be notified of the amended Annual Action Plan's availability through newspaper notification. The notification will appear in at least two newspapers that are circulated through the Metro Area. The notification will be published the day the amended Annual Action Plan comment period begins.

The amended sections will be available for viewing on The City of Moline's website www.moline.il.us or copies may be obtained from the City of Moline Planning and Development Department during the public comment period.

Comments on the amended Annual Action Plan by individuals or groups received in writing or at public meetings will be considered. A summary of the written and oral public comments on the amendments, and a summary of those not accepted and the reasons therefore, will be included in the addendum to the final Annual Action Plan.

Interested parties will be provided access to information and records relating to the Consolidated Plan and any other uses of assistance under the programs covered by this part during the preceding five years. The public will be provided reasonable access to housing assistance records, subject to City and local laws regarding privacy and obligations of confidentiality, during the APR public comment period.

Substantive written response to every written citizen complaint will be provided within 15 working days of receiving the comment.

**City of Moline
Planning & Economic Development Department
619 16th Street
Moline, IL 61265**

or by accessing The City of Moline's website at www.moline.il.us

2013 ANNUAL ACTION PLAN CITIZEN PARTICIPATION PLAN

Development and approval of the 2013 Annual Action Plan involved three public hearings. A public hearing to review and approve CACUP CDBG recommendations for the 2013 Annual Action Plan was held September 17, 2012. Two other hearings were held September 28, 2012 and October 17, 2012. They were both advertised in the local newspapers September 13, 2012 and October 9, 2012. All public hearing notices were printed in English and Spanish. A draft of the 2013 Annual Action Plan was available for public review. No public written or verbal comments were received in regards to the 2013 Annual Action Plan.

RESOURCES

In the following section, the City will identify available resources and address the priorities and a specific objective identified in the Strategic Plan. The resources will improve the supply of decent housing and decrease the supply of substandard housing. The only geographic limitations are within the NSP2 program. NSP2 Construction activities are limited to four census tracks within the City. Utilizing a consolidated effort, the City has consulted with numerous housing partners and has identified the following one-year strategy.

1. Federal and State Resources

TABLE 1 FEDERAL PROGRAMS CITY OF MOLINE			
Program	Administrator	Services	Approx. Amount
Community Development Block Grant Program	City of Moline	Annual grant allocated for housing rehab, social services, infrastructure improvements, youth services, etc.	\$663,669
Weatherization Assistance Program	Project NOW	Weatherization; energy efficiency	\$1,390,780 (tri-county)
Low-Income Energy Assistance Program	Project NOW	Utility bill assistance	\$5,381,245 (tri-county)
Homebuyer's Assistance Program (HOME)	Project Now	Assist first time homebuyers to purchase and repair home	\$740,000*
Section 8 Vouchers	Moline Public housing Authority	Tenant based rental assistance	\$330,000
Emergency Food & Shelter Program	Project NOW	Food, Shelter, and preventative services	\$86,002
Transitional Housing Program (Reduced Rent) Continuum of Care Program	Project NOW	Provides reduced rent for six families and single women and assists homeless individuals and families.	\$808,583
Congregate Meals	Project NOW	Provides daily meals to seniors	\$170,897
Home Delivered Meals	Project NOW	Provides daily meals to seniors	\$279,241
Transportation	Project NOW	Provides transportation for seniors to and from community facilities	\$442,485
Senior Services	Project NOW	Provides transportation health services, and admin costs	\$96,204
Head Start Program	Project NOW	Provides preschool children of low-income families with a comprehensive program that	\$2,768,419

		addresses the child's needs in all areas of development.	
Single Family Owner Occupied Rehab Program	City of Moline	Assistance for very low-income households to make necessary improvements	\$105,000
Neighborhood Stabilization Program 2	City of Moline	Construct new single family homes for sale to families under 120% AMI. Also, assist homebuyers within the program with direct buyer's assistance.	\$600,000
			\$13,862,525

* Cumulative total for two year funding.

A. Narrative Descriptions

Community Development Block Grant Program

The City will administer \$663,669 during the 2013. Many community development and housing needs will be met with this program such as: housing rehabilitation, neighborhood and downtown redevelopment, parks & recreation, social services, infrastructure improvements.

Weatherization Assistance Program

Project NOW expects to administer \$1,390,780 to weatherize low-income homes. The program is designed to increase energy efficiency, thereby reducing energy costs for heating and cooling. This is a tri-county area program: Rock Island, Mercer and Henry counties. Funding may change following approval of funding from the State of Illinois

Low-Income Energy Assistance Program

Project NOW expects to receive and administer \$5,381,245. This will provide assistance with the payment of utility bills low to moderate income households. The program is offered to persons under 80% median family income. This is a tri-county area program: Rock Island, Mercer and Henry counties.

Homebuyers Assistance Program (Home): Project NOW expects receive and administer \$740,000 in state (IHDA) and federal (HUD & HOME) funds to assist low-income homebuyers to purchase a home and make needed repairs at the time of purchase. Repair funds and other assistance are provided as a 0% deferred forgivable loan.

Section 8 Voucher & Certificates

The Moline Public Housing Authority expects to administer \$330,000 under the Section 8 Program in the city. Currently, there are 234 vouchers and 195 of them are in use. Very low-income families (0 to 30% MFI) benefit from this program.

Emergency Food and Shelter Program

Project NOW expects to receive and administer \$86,002 from the Illinois Department of Public Aid and from the Illinois Department of Commerce and Community Affairs to meet the following: outreach, counseling referral, advocacy and transportation for persons and families who are homeless or at risk of becoming homeless.

Transitional Housing Program (Reduced Rent)/Continuum of Care Program:

Project NOW expects to administer this program, which provides reduced rent, 30% of income. Also, the Continuum of Care Program will continue to coordinate with homeless service providers, other local governments, and others to help alleviate homelessness through the existing Quad City continuum of

care system. Project NOW will administer the Northwest Continuum of Care process to assist homeless individuals and families and the Transitional Housing Program through a funding amount of \$808,583.

Congregate Meals:

Project NOW expects to receive and administer \$170,897 in federal (U.S. Department of Health & Human Services) and state (Illinois Department on Aging), to provide daily meals to seniors at 15 sites in Rock Island and Mercer Counties.

Home Delivered Meals:

Project NOW expects to receive and administer \$279,241 in federal (U.S. Department of Health & human Services) and state (Illinois Department on Aging) funding to provide daily meals to home bound low income elderly age 60 and over, who reside in Rock Island and Mercer Counties.

Transportation:

Project NOW expects to receive and administer \$442,485 in federal (U.S. Department of Health & human Services) and state (Illinois Department on Aging) funding to provide transportation for low-income seniors who reside in Rock Island County, to and from community facilities and resources in an effort to promote successful independent living.

Senior Services:

Project NOW expects to receive and administer \$96,204 in federal (HUD – CDBG (Rock Island and Moline) funds to provide transportation, health services, and support administrative costs for residents of Rock Island and Mercer Counties who are 60 years of age or older.

Single Family Owner Occupied Rehab Program (HOME):

City of Moline expects to receive and administer \$105,000 in state (IHDA) and federal (HUD) funds to assist very low-income households to make necessary improvements to bring their home up to code.

Head Start Program:

Project NOW expects to receive and administer \$2,768,419 in federal funds to help break the cycle of poverty by providing preschool children of low-income families with a comprehensive program that addresses the child's needs in all areas of development: educational, emotional, social, health, nutritional, physical, and mental health.

Neighborhood Stabilization Program 2 (NSP2):

The City expects to generate \$600,000 in program income from the sales of NSP2 rehab and new construction homes (in 2012/2013). That dollars will be used to construct additional new single family homes for sale to families at or below 120% AMI. Additionally, NSP2 buyers will receive up to \$35,000 in direct buyer's assistance.

TABLE 2 Moline Public Housing Authority Physical Improvements FY 2013	
IMPROVEMENTS	ESTIMATE INVESTMENT

Moline Housing Authority will address the housing needs by working with and complimenting the Consolidated Plan with the City of Moline, Illinois and working with other local partners such as Project NOW Housing Services and the local banks to try and meet identified needs.

Management Improvements	\$107,737
Administration	\$ 71,824
Fees & Cost	\$ 25,000
Site Improvements	\$ 55,100
Appliances	\$ 20,000
Dwelling Structures	\$ 7,800
Non-Dwelling Structures	\$ 29,700
Vehicles, Tools & Equipment	\$ 50,000
Development Activities	\$351,086
TOTAL IMPROVEMENTS	\$718,247
Source: Moline Public Housing Authority	

2. Local Resources

TABLE 3 Proposed Projects/Local Resources Fiscal Year 2013			
PROGRAM	ADMINISTRATOR	DESCRIPTION	AMOUNT
Community Housing Services Program	City of Moline	Single-family rehabilitation	\$300,000
Community Housing Services Service Delivery	City of Moline	Program soft costs for the City of Moline Community Housing Services Program.	\$140,000
Program Administration	City of Moline	Staffing, management and monitoring costs etc.	\$132,734
Alley Cat Boxing Club	Alley Cat	Youth Fitness program	\$4,500
Cloverleaf Community Committee	Cloverleaf Community Committee	Youth program activities	\$2,500
Casa Guanajuato Quad Cities	Casa Guanajuato Quad Cities	Renovations and ADA upgrades for the Early childhood Learning Center and Community Room	\$5,000
Code Compliance	City of Moline	Neighborhood Inspections/Code Violations	\$33,500
Façade Program	City of Moline	Rehab and Renovate commercial buildings within identified low to moderate census block groups	\$7,500
Florecente C.O.P.	Florecente C.O.P.	Funding for youth activities	\$11,000
Project NOW Rock Island County Senior Center	Project NOW	Senior Assistance Program	\$8,000

Salvation Army	Salvation Army(Emergency Family Assistance)	Emergency needs for poor	\$7,500
Springbrook C.O.P.	Springbrook C.O.P.	Educational classes on child safety	\$8,435
WVIK FM, Augustana Public Radio (Reading Service)	Augustana College	Purchase replacement receivers for APRIS program	\$3,000
Main Street	City of Moline	The focus of the Main Street program is to revitalize historic districts through events, promotions, marketing, retail/commercial growth and historic revitalization. These funds will support the delivery/technical assistance of the Main Street program to business owners and the marketing of the program in order to create and maintain a vibrant downtown as well as jobs at these small businesses.	\$0
Neighborhood Abatement Program	City of Moline	Funds will provide the tools to work with neighbors and property owners toward responsible upkeep or last resort demolition. They will also assist with environmental and nuisance activities that include property compliance abatement to structural demolition.	\$0
TOTAL			\$663,669

PARKS & RECREATION (\$4,500)

1. Alley Cat Boxing Club (\$4,500)

Funds will assist in travel, boxing matches, boxing shows, registration fees and insurance; as well as scholarships for education expenses for specific fighters who meet the criteria.

HUMAN SERVICES (\$23,500.00)

1. Casa Guanajuato Quad Cities (\$5,000.00)

Funding will be used for renovations and ADA upgrades for the Early Childhood Learning Center and Community room located at 1401 16th Street.

2. Project NOW Senior Center (\$8,000.00)

Funding will be used for transportation, vehicle operation, fuel and maintenance for the Senior Center fleet that is used to transport senior and disabled citizens to appointments and daily living activities.

3. Salvation Army (Emergency Family Assistance) (\$7,500.00)

Funding will provide emergency financial assistance to qualified Moline residents.

4. WVIK Reading Service (\$3,000.00)

Funding will be used to purchase replacement receivers and supplies for the APRIS program. APRIS is a broadcast system that provides local and regional news to visually and mobility impaired persons.

NEIGHBORHOODS (\$55,435.00)

1. Cloverleaf Youth Group (\$2,500.00)

Funds will supplement activities, field trips and projects.

2. Floreciente C.O.P. (\$11,000.00)

Funds will be used for activities for residents, specialized officer training, and youth activities.

3. Springbrook C.O.P. (\$8,435.00)

Funding will cover specialized training activities, equipment and supplies.

4. Code Compliance (\$33,500.00)

The City's Neighborhood Improvement Officer (NIO) performs the lead role in the prevention, enforcement and abatement of housing; nuisance, vegetation, zoning and sign code violations. The NIO serves as the City's liaison to neighborhood groups and residents for problem identification and solutions.

HOUSING (\$440,000.00)

1. Community Housing Services Program (CHS) (\$300,000.00)

This program provides assistance for re-investment in the City's existing housing stock, and preserving that valuable asset for future generations. It also revitalizes neighborhoods, maintains/increases property values, and funds emergency repairs for low-income residents.

2. CHS Service Delivery (\$140,000.00)

Customer assistance with the Community Housing Services program requires significant staff time. Working with contractors, homeowners, inspectors, and lenders on bidding, income verification, specification clarification, project progress, payouts, etc. as well as equipment and supplies utilized which are all identified as program soft costs.

ECONOMIC DEVELOPMENT (\$7,500.00)

1. City of Moline – Façade Program (\$7,500.00)

Leverage of public funding to attract private sector reinvestment in order to rehabilitate and renovate commercial buildings within identified low to moderate census block groups.

ADMINISTRATION (\$132,734.00)

1. General Administrative Expenses (\$132,734.00)

The recommended allocation will help provide funding for at least one FTE of the Planning and Development Department employees. The recommended allocation will also reimburse the City for any clerical expenses required to maintain a continuing capacity for planning, managing,

monitoring, and evaluating the CDBG Program pursuant to Federal statutes and regulations, thereby ensuring compliance with said program requirements.

DRAFT

Application for Federal Assistance SF-424

Version 02

*1. Type of Submission

Preapplication

Application

Changed/Corrected Application

*2. Type of Application

New

Continuation

Revision

*If Revision, select appropriate letter(s):

* Other (Specify)

*3. Date Received:

4. Application Identifier:
36-6005999

5a. Federal Entity Identifier:

*5b. Federal Award Identifier:

B-12-MC-17-0014

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: City of Moline

* b. Employer/Taxpayer Identification Number (EIN/TIN):
36-6005999

*c. Organizational DUNS:
093869170

d. Address:

*Street1: 619 16 Street

Street 2:

*City: Moline

County: Rock Island

*State: Illinois

Province:

Country:

*Zip/ Postal Code: 61265

e. Organizational Unit:

Department Name:

Planning & Economic Development

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr.

First Name: Ray

*Last Name: Forsythe

Suffix:

Title: Director

Organizational Affiliation:

City of Moline

*Telephone Number: (309) 524-2032

Fax Number: (309) 524-2031

*Email: rforsythe@moline.il.us

Application for Federal Assistance SF-424

Version 02

9. Type of Applicant 1: Select Applicant Type: C. City or Township Government

Type of Applicant 2: Select Applicant Type:

- Select One -

Type of Applicant 3: Select Applicant Type:

- Select One -

*Other (specify):

*10. Name of Federal Agency:

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-218

CFDA Title:

Community Development Block Grants/Entitlement Grants

*12. Funding Opportunity Number: N/A

*Title:

13. Competition Identification Number: N/A

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Moline, Rock Island County, Illinois

*15. Descriptive Title of Applicant's Project:

Community Development Block Grant Entitlement Community

Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

*a. Applicant 17

*b. Program/Project: 17

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

*a. Start Date: 01-01-2013

*b. End Date: 12-31-2013

18. Estimated Funding (\$):

*a. Federal	\$663,669.00
*b. Applicant	
*c. State	
*d. Local	
*e. Other	
*f. Program Income	
*g. TOTAL	\$663,669.00

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

- Yes
- No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

**I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr. *First Name: Donald

Middle Name:

*Last Name: Welvaert

Suffix:

*Title: Mayor

*Telephone Number: (309) 524-2001

Fax Number: (309) 524-2031

*Email: dwelvaert@moline.il.us

*Signature of Authorized Representative:

Date Signed:

Application for Federal Assistance SF-424

Version 02

***Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 60 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form (including the continuation sheet) required for use as a cover sheet for submission of preapplications and applications and related information under discretionary programs. Some of the items are required and some are optional at the discretion of the applicant or the Federal agency (agency). Required items are identified with an asterisk on the form and are specified in the instructions below. In addition to the instructions provided below, applicants must consult agency instructions to determine specific requirements.

Item	Entry:	Item	Entry:
1.	Type of Submission: (Required): Select one type of submission in accordance with agency instructions. <ul style="list-style-type: none"> • Preapplication • Application • Changed/Corrected Application – If requested by the agency, check if this submission is to change or correct a previously submitted application. Unless requested by the agency, applicants may not use this to submit changes after the closing date. 	10.	Name Of Federal Agency: (Required) Enter the name of the Federal agency from which assistance is being requested with this application.
		11.	Catalog Of Federal Domestic Assistance Number/Title: Enter the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested, as found in the program announcement, if applicable.
2.	Type of Application: (Required) Select one type of application in accordance with agency instructions. <ul style="list-style-type: none"> • New – An application that is being submitted to an agency for the first time. • Continuation - An extension for an additional funding/budget period for a project with a projected completion date. This can include renewals. • Revision - Any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision, enter the appropriate letter(s). More than one may be selected. If "Other" is selected, please specify in text box provided. <ul style="list-style-type: none"> A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration E. Other (specify) 	12.	Funding Opportunity Number/Title: (Required) Enter the Funding Opportunity Number and title of the opportunity under which assistance is requested, as found in the program announcement.
		13.	Competition Identification Number/Title: Enter the Competition Identification Number and title of the competition under which assistance is requested, if applicable.
		14.	Areas Affected By Project: List the areas or entities using the categories (e.g., cities, counties, states, etc.) specified in agency instructions. Use the continuation sheet to enter additional areas, if needed.
3.	Date Received: Leave this field blank. This date will be assigned by the Federal agency.	15.	Descriptive Title of Applicant's Project: (Required) Enter a brief descriptive title of the project. If appropriate, attach a map showing project location (e.g., construction or real property projects). For preapplications, attach a summary description of the project.
4.	Applicant Identifier: Enter the entity identifier assigned by the Federal agency, if any, or applicant's control number, if applicable.	16.	Congressional Districts Of: (Required) 16a. Enter the applicant's Congressional District, and 16b. Enter all District(s) affected by the program or project. Enter in the format: 2 characters State Abbreviation – 3 characters District Number, e.g., CA-005 for California 5 th district, CA-012 for California 12 th district, NC-103 for North Carolina's 103 rd district. <ul style="list-style-type: none"> • If all congressional districts in a state are affected, enter "all" for the district number, e.g., MD-all for all congressional districts in Maryland. • If nationwide, i.e. all districts within all states are affected, enter US-all. • If the program/project is outside the US, enter 00-000.
5a.	Federal Entity Identifier: Enter the number assigned to your organization by the Federal Agency, if any.		
5b.	Federal Award Identifier: For new applications leave blank. For a continuation or revision to an existing award, enter the previously assigned Federal award identifier number. If a changed/corrected application, enter the Federal Identifier in accordance with agency instructions.		
6.	Date Received by State: Leave this field blank. This date will be assigned by the State, if applicable.		
7.	State Application Identifier: Leave this field blank. This identifier will be assigned by the State, if applicable.		
8.	Applicant Information: Enter the following in accordance with agency instructions: <ul style="list-style-type: none"> a. Legal Name: (Required): Enter the legal name of applicant that will undertake the assistance activity. This is the name that the organization has registered with the Central Contractor Registry. Information on registering with CCR may be obtained by visiting the Grants.gov website. b. Employer/Taxpayer Number (EIN/TIN): (Required): Enter the Employer or Taxpayer Identification Number (EIN or TIN) as assigned by the Internal Revenue Service. If your organization is not in the US, enter 44-444444. c. Organizational DUNS: (Required) Enter the organization's DUNS or DUNS+4 number received from Dun and Bradstreet. Information on obtaining a DUNS number may be obtained by visiting the Grants.gov website. d. Address: Enter the complete address as follows: Street address (Line 1 required), City (Required), County, State (Required, if country is US), Province, Country (Required), Zip/Postal Code (Required, if country is US). e. Organizational Unit: Enter the name of the primary organizational unit (and department or division, if applicable) that will undertake the 	17.	Proposed Project Start and End Dates: (Required) Enter the proposed start date and end date of the project.
		18.	Estimated Funding: (Required) Enter the amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines, as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses.
		19.	Is Application Subject to Review by State Under Executive Order 12372 Process? Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the

	<p>assistance activity, if applicable.</p> <p>f. Name and contact information of person to be contacted on matters involving this application: Enter the name (First and last name required), organizational affiliation (if affiliated with an organization other than the applicant organization), telephone number (Required), fax number, and email address (Required) of the person to contact on matters related to this application.</p>	<p>State intergovernmental review process. Select the appropriate box. If "a." is selected, enter the date the application was submitted to the State</p>		
20.		<p>Is the Applicant Delinquent on any Federal Debt? (Required) Select the appropriate box. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.</p> <p>If yes, include an explanation on the continuation sheet.</p>		
9.	<p>Type of Applicant: (Required) Select up to three applicant type(s) in accordance with agency instructions.</p> <table border="0"> <tr> <td data-bbox="185 716 493 940"> <p>A. State Government</p> <p>B. County Government</p> <p>C. City or Township Government</p> <p>D. Special District Government</p> <p>E. Regional Organization</p> <p>F. U.S. Territory or Possession</p> <p>G. Independent School District</p> <p>H. Public/State Controlled Institution of Higher Education</p> <p>I. Indian/Native American Tribal Government (Federally Recognized)</p> <p>J. Indian/Native American Tribal Government (Other than Federally Recognized)</p> <p>K. Indian/Native American Tribally Designated Organization</p> <p>L. Public/Indian Housing Authority</p> </td> <td data-bbox="509 716 824 989"> <p>M. Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)</p> <p>N. Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education)</p> <p>O. Private Institution of Higher Education</p> <p>P. Individual</p> <p>Q. For-Profit Organization (Other than Small Business)</p> <p>R. Small Business</p> <p>S. Hispanic-serving Institution and Universities (HBCUs)</p> <p>T. Historically Black Colleges and Universities (TCCUs)</p> <p>U. Tribally Controlled Colleges and Universities (TCCUs)</p> <p>V. Alaska Native and Native Hawaiian Serving Institutions</p> <p>W. Non-domestic (non-US) Entity</p> <p>X. Other (specify)</p> </td> </tr> </table>	<p>A. State Government</p> <p>B. County Government</p> <p>C. City or Township Government</p> <p>D. Special District Government</p> <p>E. Regional Organization</p> <p>F. U.S. Territory or Possession</p> <p>G. Independent School District</p> <p>H. Public/State Controlled Institution of Higher Education</p> <p>I. Indian/Native American Tribal Government (Federally Recognized)</p> <p>J. Indian/Native American Tribal Government (Other than Federally Recognized)</p> <p>K. Indian/Native American Tribally Designated Organization</p> <p>L. Public/Indian Housing Authority</p>	<p>M. Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)</p> <p>N. Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education)</p> <p>O. Private Institution of Higher Education</p> <p>P. Individual</p> <p>Q. For-Profit Organization (Other than Small Business)</p> <p>R. Small Business</p> <p>S. Hispanic-serving Institution and Universities (HBCUs)</p> <p>T. Historically Black Colleges and Universities (TCCUs)</p> <p>U. Tribally Controlled Colleges and Universities (TCCUs)</p> <p>V. Alaska Native and Native Hawaiian Serving Institutions</p> <p>W. Non-domestic (non-US) Entity</p> <p>X. Other (specify)</p>	<p>21. Authorized Representative: (Required) To be signed and dated by the authorized representative of the applicant organization. Enter the name (First and last name required) title (Required), telephone number (Required), fax number, and email address (Required) of the person authorized to sign for the applicant.</p> <p>A copy of the governing body's authorization for you to sign this application as the official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)</p>
<p>A. State Government</p> <p>B. County Government</p> <p>C. City or Township Government</p> <p>D. Special District Government</p> <p>E. Regional Organization</p> <p>F. U.S. Territory or Possession</p> <p>G. Independent School District</p> <p>H. Public/State Controlled Institution of Higher Education</p> <p>I. Indian/Native American Tribal Government (Federally Recognized)</p> <p>J. Indian/Native American Tribal Government (Other than Federally Recognized)</p> <p>K. Indian/Native American Tribally Designated Organization</p> <p>L. Public/Indian Housing Authority</p>	<p>M. Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)</p> <p>N. Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education)</p> <p>O. Private Institution of Higher Education</p> <p>P. Individual</p> <p>Q. For-Profit Organization (Other than Small Business)</p> <p>R. Small Business</p> <p>S. Hispanic-serving Institution and Universities (HBCUs)</p> <p>T. Historically Black Colleges and Universities (TCCUs)</p> <p>U. Tribally Controlled Colleges and Universities (TCCUs)</p> <p>V. Alaska Native and Native Hawaiian Serving Institutions</p> <p>W. Non-domestic (non-US) Entity</p> <p>X. Other (specify)</p>			

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Planning/Administration

Project Title

Administration - General

Description

The recommended allocation will help provide funding for at least one FTE of the Planning and Development Department employees. The recommended allocation will also reimburse the City for any clerical expenses required to maintain a continuing capacity for planning, managing, monitoring, and evaluating the CDBG Program pursuant to Federal statutes and regulations, thereby ensuring compliance with said program requirements.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

N/A

Street Address: 619 16 Street
Moline, IL 61265

Objective Number	Project ID 1
HUD Matrix Code 21A	CDBG Citation 570.206
Type of Recipient Local Government	CDBG National Objective
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator	Annual Units
Local ID Planning & Administration	Units Upon Completion

Funding Sources:

CDBG	132,734
ESG	
HOME	
HOPWA	
Total Formula	132,734
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	132,734

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Rehabilitation Administration

Project Title

CHS – Service Delivery

Description

Customer assistance with the Community Housing Services program requires significant staff time. Working with contractors, homeowners, inspectors, and lenders on bidding, income verification, specification clarification, project progress, payouts, etc. as well as equipment and supplies utilized which are all identified as program soft costs.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

N/A

Street Address:

City, State, Zipcode:

Objective Number	Project ID
HUD Matrix Code	CDBG Citation
Type of Recipient	Completion Date (mm/dd/yyyy)
Local Government	Annual Units
Start Date (mm/dd/yyyy)	Units Upon Completion
01/01/2013	
Performance Indicator	
Local ID	
Planning & Administration	

Funding Sources:

CDBG	140,000
ESG	
HOME	
HOPWA	
Total Formula	140,000
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	140,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Owner Occupied Housing

Project Title

Community Housing Service Program

Description

This program provides assistance for re-investment in the City's existing housing stock, and preserving that valuable asset for future generations. It also revitalizes neighborhoods, maintains/increases property values, and funds emergency repairs for low-income residents.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City Wide

Street Address:

City, State, Zipcode:

Objective Number DH1.1,DH2.1,DH3.1,SL1.1, SL2.1,SL3.1	Project ID 3
HUD Matrix Code 14A	CDBG Citation 570.202(a)(1)
Type of Recipient Residents	CDBG National Objective LMH
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Number of Units Rehab	Annual Units 30
Local ID Housing	Units Upon Completion 30

Funding Sources:

CDBG	255,000
ESG	
HOME	
HOPWA	
Total Formula	255,000
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	255,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Owner Occupied Housing

Project Title

Community Housing Service Program - Emergency

Description

This program provides assistance for re-investment in the City's existing housing stock based on emergency criteria. It also helps revitalize neighborhoods, and maintains/increases property values for low-income residents

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City Wide

Street Address:

City, State, Zipcode:

Objective Number DH1.1,DH2.1,DH3.1,SL1.1, SL2.1,SL3.1	Project ID 4
HUD Matrix Code 14A	CDBG Citation 520.202(a)(I)
Type of Recipient Residents	CDBG National Objective LMH
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Number of Units Rehab	Annual Units 10
Local ID Housing	Units Upon Completion 10

Funding Sources:

CDBG	45,000
ESG	
HOME	
HOPWA	
Total Formula	45,000
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	45,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name **City of Moline**

Priority Need

Commercial Rehabilitation

Project Title

City of Moline - Facade

Description

Leverage of public funding to attract private sector reinvestment in order to rehabilitate and renovate commercial buildings within identified low to moderate census block groups.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

CT 223, CT220 – Block Group 2,3,4, CT217 – Block Group 1 & 4, CT 213 – Block Group 2

Street Address: 619 16th Street

City, State, Zipcode: Moline, IL 61265

Objective Number EO3.1	Project ID 5
HUD Matrix Code 14E	CDBG Citation 570.203(a)
Type of Recipient Subrecipient	CDBG National Objective LMA
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Number of Units	Annual Units 5
Local ID Businesses	Units Upon Completion 5

Funding Sources:

CDBG	7,500
ESG	
HOME	
HOPWA	
Total Formula	7,500
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	7,500

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Special Needs/Non-Homeless

Project Title

WVIK

Description

Funding will be used to purchase replacement receivers and supplies for the APRIS program. APRIS is a broadcast system that provides local and regional news to visually and mobility impaired persons.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City Wide

Street Address: 639 38 Street

City, State, Zipcode: Rock Island, IL 61201

Objective Number SL1.1	Project ID 6
HUD Matrix Code 05B	CDBG Citation 570.201(e)
Type of Recipient Subrecipient	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Number of Persons	Annual Units 30
Local ID Special Needs/Non-	Units Upon Completion 30

Funding Sources:

CDBG	3,000
ESG	
HOME	
HOPWA	
Total Formula	3,000
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	3,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name **City of Moline**

Priority Need
Youth Service

Project Title
Alley Cat Boxing Club

Description
Funds will assist in travel, boxing matches, boxing shows, registration fees and insurance; as well as scholarships for education expenses for specific fighters who meet the criteria.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area
City Wide

Street Address: 1723 13 Street
City, State, Zipcode: Moline, IL 61265

Objective Number SL1.1	Project ID 7
HUD Matrix Code 05D	CDBG Citation 570.201(e)
Type of Recipient Subrecipient	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Youth Served	Annual Units 11
Local ID Youth Programs	Units Upon Completion 11

Funding Sources:

CDBG	4,500
ESG	
HOME	
HOPWA	
Total Formula	4,500
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	4,500

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need
Senior Programs

Project Title
Project NOW Senior Center

Description
Funding will be used for transportation, vehicle operation, fuel and maintenance for the Senior Center fleet that is used to transport senior and disabled citizens to appointments and daily living activities.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area
City Wide

Street Address: 418 19 Street
City, State, Zipcode: Rock Island, IL 61201

Objective Number SL1.1	Project ID 8
HUD Matrix Code 05A	CDBG Citation 570.201(e)
Type of Recipient Subrecipient	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Seniors Served	Annual Units 120
Local ID Senior Programs	Units Upon Completion 120

Funding Sources:

CDBG	8,000
ESG	
HOME	
HOPWA	
Total Formula	8,000
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	8,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need
Youth Programs

Project Title
Cloverleaf Community Committee

Description
Funds will supplement activities, field trips and projects.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area
City Wide

Street Address: 3333 48 Avenue
City, State, Zipcode: Moline, IL 61265

Objective Number SL1.1	Project ID 9
HUD Matrix Code 05D	CDBG Citation 570.201(e)
Type of Recipient Subrecipient	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Youth Served	Annual Units 700
Local ID Youth Programs	Units Upon Completion 700

Funding Sources:

CDBG	2,500
ESG	
HOME	
HOPWA	
Total Formula	2,500
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	2,500

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need
Public Service

Project Title
Salvation Army

Description
Funding will provide emergency financial assistance to qualified Moline residents.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area
City Wide

Street Address: 2200 5 Avenue
City, State, Zipcode: Moline, IL 61265

Objective Number	Project ID
HUD Matrix Code	CDBG Citation
05D	570.201(e)
Type of Recipient	CDBG National Objective
Subrecipient	LMC
Start Date (mm/dd/yyyy)	Completion Date (mm/dd/yyyy)
01/01/2013	12/31/2013
Performance Indicator	Annual Units
People Served	90
Local ID	Units Upon Completion
People	90

Funding Sources:

CDBG	7,500
ESG	
HOME	
HOPWA	
Total Formula	7,500
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	7,500

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Program Administration

Project Title

Main Street

Description

The focus of the Main Street Program is to revitalize historic districts through events, promotions, marketing, retail/commercial growth and historic revitalization. These funds will support the delivery/technical assistance of the Main Street program to business owners and the marketing of the program in order to create and maintain a vibrant downtown as well as jobs at these small businesses.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

CT 223, CT220 – Block Group 2,3,4, CT217 – Block Group 1 & 4, CT 213 – Block Group 2

Street Address: 619 16 Street

Moline, IL 61265

Objective Number EO3.1	Project ID 11
HUD Matrix Code 18B	CDBG Citation 570.203(b)
Type of Recipient Local Government	CDBG National Objective
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Number of	Annual Units
Local ID Businessess	Units Upon Completion

Funding Sources:

CDBG	0.00
ESG	
HOME	
HOPWA	
Total Formula	0.00
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	0.00

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Anti Crime Programs

Project Title

Florecente C.O.P

Description

Funds will be used for activities for residents, specialized officer training, and youth activities.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

CT 223

Street Address: 1640 6 Avenue

City, State, Zipcode: Moline, IL 61265

Objective Number SL1.1	Project ID 12
HUD Matrix Code 05I	CDBG Citation 570.201(e)
Type of Recipient Subrecipient	CDBG National Objective LMA
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator People	Annual Units 100
Local ID Anti Crime Programs	Units Upon Completion 100

Funding Sources:

CDBG	11,000
ESG	
HOME	
HOPWA	
Total Formula	11,000
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	11,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Anti-Crime Programs

Project Title

Springbrook C.O.P

Description

Funding will cover specialized training activities, equipment and supplies.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

CT 223, CT 213 – Block Group 2

Street Address: 1640 6 Avenue

City, State, Zipcode: Moline, IL 61265

Objective Number SL1.1	Project ID 13
HUD Matrix Code 05I	CDBG Citation 570.201(e)
Type of Recipient Subrecipient	CDBG National Objective LMA
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Youth Served	Annual Units 815
Local ID Anti-Crime Programs	Units Upon Completion 815

Funding Sources:

CDBG	8,435
ESG	
HOME	
HOPWA	
Total Formula	8,435
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	8,435

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need
Code Enforcement

Project Title
Code Compliance

Description
The City's Neighborhood Improvement Officer (NIO) performs the lead role in the prevention, enforcement and abatement of housing; nuisance, vegetation, zoning and sign code violations. The NIO serves as the City's liaison to neighborhood groups and residents for problem identification and solutions.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area
Neighborhood Target Area

Street Address: 619 16 Street
Moline, IL 61265

Objective Number SL3.1	Project ID 14
HUD Matrix Code 15	CDBG Citation 570.202(c)
Type of Recipient Local Government	CDBG National Objective LMA
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator People Served	Annual Units
Local ID Neighborhoods	Units Upon Completion

Funding Sources:

CDBG	33,500
ESG	
HOME	
HOPWA	
Total Formula	33,500
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	33,500

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need
Public Service

Project Title
Casa Guanajuato

Description
Funding will be used for renovations and ADA upgrades for the Early Childhood Learning Center and Community room located at 1401 16th Street

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area
City Wide

Street Address: 1401 16 Street
City, State, Zipcode: Moline, IL 61265

Objective Number SL1.1	Project ID 15
HUD Matrix Code 05	CDBG Citation 570.201(e)
Type of Recipient Subrecipient	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator People Served	Annual Units 500
Local ID People	Units Upon Completion 500

Funding Sources:

CDBG	5,000
ESG	
HOME	
HOPWA	
Total Formula	5,000
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	5,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Moline

Priority Need

Neighborhood Improvement

Project Title

Neighborhood Abatement Program

Description

These funds will provide the tools to work with neighbors and property owners toward responsible upkeep or last resort demolition. They will also assist with environmental and nuisance activities that include property compliance abatement to structural demolition

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

Area Wide Benefit

Street Address:

City, State, Zipcode:

Objective Number SL3.1	Project ID 16
HUD Matrix Code 04	CDBG Citation 570.208(b)(2)
Type of Recipient Local Government	CDBG National Objective SBS
Start Date (mm/dd/yyyy) 01/01/2013	Completion Date (mm/dd/yyyy) 12/31/2013
Performance Indicator Housing Units	Annual Units 1
Local ID Neighborhood	Units Upon Completion 1

Funding Sources:

CDBG	0.00
ESG	
HOME	
HOPWA	
Total Formula	0.00
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	0.00

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities
 Public Housing Needs

City of Moline Revenue Anticipation Note
 Issued by Special Service Area #6 and Purchased by General Fund

Present Value of Loan 1,100,000.00
 Interest 1.00%
 Years 11

	1	2	3	4	5
Due Date	Loan Payment	Beginning-of-Year Principal	Interest	Principal	End-of Year Principal
12/1/2013	(\$106,099.48)	\$1,100,000.00	\$11,000.00	\$95,099.48	\$1,004,900.52
12/1/2014	(\$106,099.48)	\$1,004,900.52	\$10,049.01	\$96,050.48	\$908,850.04
12/1/2015	(\$106,099.48)	\$908,850.04	\$9,088.50	\$97,010.98	\$811,839.06
12/1/2016	(\$106,099.48)	\$811,839.06	\$8,118.39	\$97,981.09	\$713,857.96
12/1/2017	(\$106,099.48)	\$713,857.96	\$7,138.58	\$98,960.90	\$614,897.06
12/1/2018	(\$106,099.48)	\$614,897.06	\$6,148.97	\$99,950.51	\$514,946.55
12/1/2019	(\$106,099.48)	\$514,946.55	\$5,149.47	\$100,950.02	\$413,996.53
12/1/2020	(\$106,099.48)	\$413,996.53	\$4,139.97	\$101,959.52	\$312,037.01
12/1/2021	(\$106,099.48)	\$312,037.01	\$3,120.37	\$102,979.11	\$209,057.90
12/1/2022	(\$106,099.48)	\$209,057.90	\$2,090.58	\$104,008.90	\$105,048.99
12/1/2023	(\$106,099.48)	\$105,048.99	\$1,050.49	\$105,048.99	(\$0.00)
			\$67,094.32	\$1,100,000.00	

CITY OF MOLINE

CONTRACT CHANGE ORDER

Project No. : 1143

Description: 2012 Residential Reconstruct

Contractor : Centennial Contractors Inc.

Date : 10/16/12

Change Order No. : 1 and FINAL

Sheet 1 of 1

WORK DAYS		CONTRACT	
Contract	60	Original Contract	\$648,943.50
Changes	7.25	Changes To-Date	\$6,252.53
Adjusted	67.25	Adjusted Contract	\$655,196.03
% Change			1.0%

* Item	Description	Quantity	Unit	Price	Addition	Deduction
UTILITY TAX FUNDS						
1	Geotechnical Fabric for Ground Stabilization	266.3	SY	\$1.00	\$266.30	
2	Seeding Special Complete	522.4	SY	\$4.00	\$2,089.60	
3	Aggregate Base Course Type C, 6"	266.3	SY	\$7.50	\$1,997.25	
4	Incidental HMA Surface	-3	TON	\$350.00		(\$1,050.00)
5	PCC Pavement, 8" with int. curb	84.1	SY	\$49.00	\$4,120.90	
6	PCC Driveway Pavement	-13.3	SY	\$60.00		(\$798.00)
7	PCC Sidewalk, 4"	729.5	SF	\$5.25	\$3,829.88	
8	Pavement Removal	75.1	SY	\$12.00	\$901.20	
9	Driveway Pavement Removal	-0.4	SY	\$12.00		(\$4.80)
10	Sidewalk Removal	507.5	SF	\$1.00	\$507.50	
11	Relocate Curbside Mailbox		EA	\$75.00		
22	Pipe Underdrain Complete	47	LF	\$10.00	\$470.00	
23	Pipe Underdrain in Storm Sewer Trench	333.9	LF	\$10.00	\$3,339.00	
WATER FUNDS						
27	Valve Vault to be Adjusted	-2	EA	\$250.00		(\$500.00)
28	Valve Box to be Adjusted	-1	EA	\$100.00		(\$100.00)
29	Curb Box to be Adjusted	-3	EA	\$100.00		(\$300.00)
WPC FUNDS						
24	Sanitary Manhole to be Adjusted w/frame & Lid	-4	EA	\$850.00		(\$3,400.00)
25	Sanitary Manhole to be Adjusted	-1	EA	\$500.00		(\$500.00)
26	Cleanout to be Adjusted		EA	\$250.00		
* 33	Force Account for Filling Abandoned San. MH	1	LS	\$316.20	\$316.20	
STORMWATER FUNDS						
12	St. Sewer TY 1, RCCP CL 4, 12"	-0.8	LF	\$50.00		(\$40.00)
13	St. Sewer TY 2, RCCP CL 2, 12"	-28	LF	\$50.00		(\$1,400.00)
14	Storm Trench Backfill	-13.7	CY	\$25.00		(\$342.50)
15	Catch Basin Special No. 1		EA	\$3,200.00		
16	Catch Basin Special No. 2	-1	EA	\$3,000.00		(\$3,000.00)
17	Inlet Special to be Adjusted	1	EA	\$500.00	\$500.00	
18	Inlet Single to Be Adjusted	-2	EA	\$500.00		(\$1,000.00)
19	Inlet Double to Be Adjusted	-1	EA	\$750.00		(\$750.00)
20	Storm Manhole to be Adjusted		EA	\$500.00		
21	Remove Inlet Double		EA	\$500.00		
32	St. Manhole TY A, 4' DIA. w/ T1 F, Closed Lid		EA	\$2,500.00		
* 34	Storm Sewer Lid for Existing Catch Basin Spec.	1	LS	\$1,100.00	\$1,100.00	
* Denotes new item added to contract					Totals	\$19,437.83 (\$13,185.30)
Previous Changes =		Total Changes To-Date =		\$6,252.53	Net Change	\$6,252.53

REASON FOR CHANGE

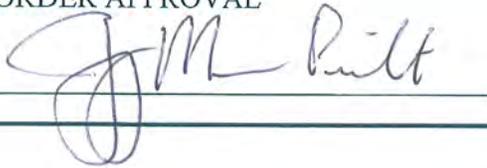
1-32, Adjustment for final field measurements.

33, Fill and abandon sanitary manhole on 13th Street.

34, Replace catch basin special lid.

CHANGE ORDER APPROVAL

Contractor:



Date:

10/16/12

BUDGET SUMMARY

Utility Tax Funds

Budget=	\$615,000.00
As Bid=	\$577,818.50
Change=	\$15,668.83
Total=	\$593,487.33

Water Funds

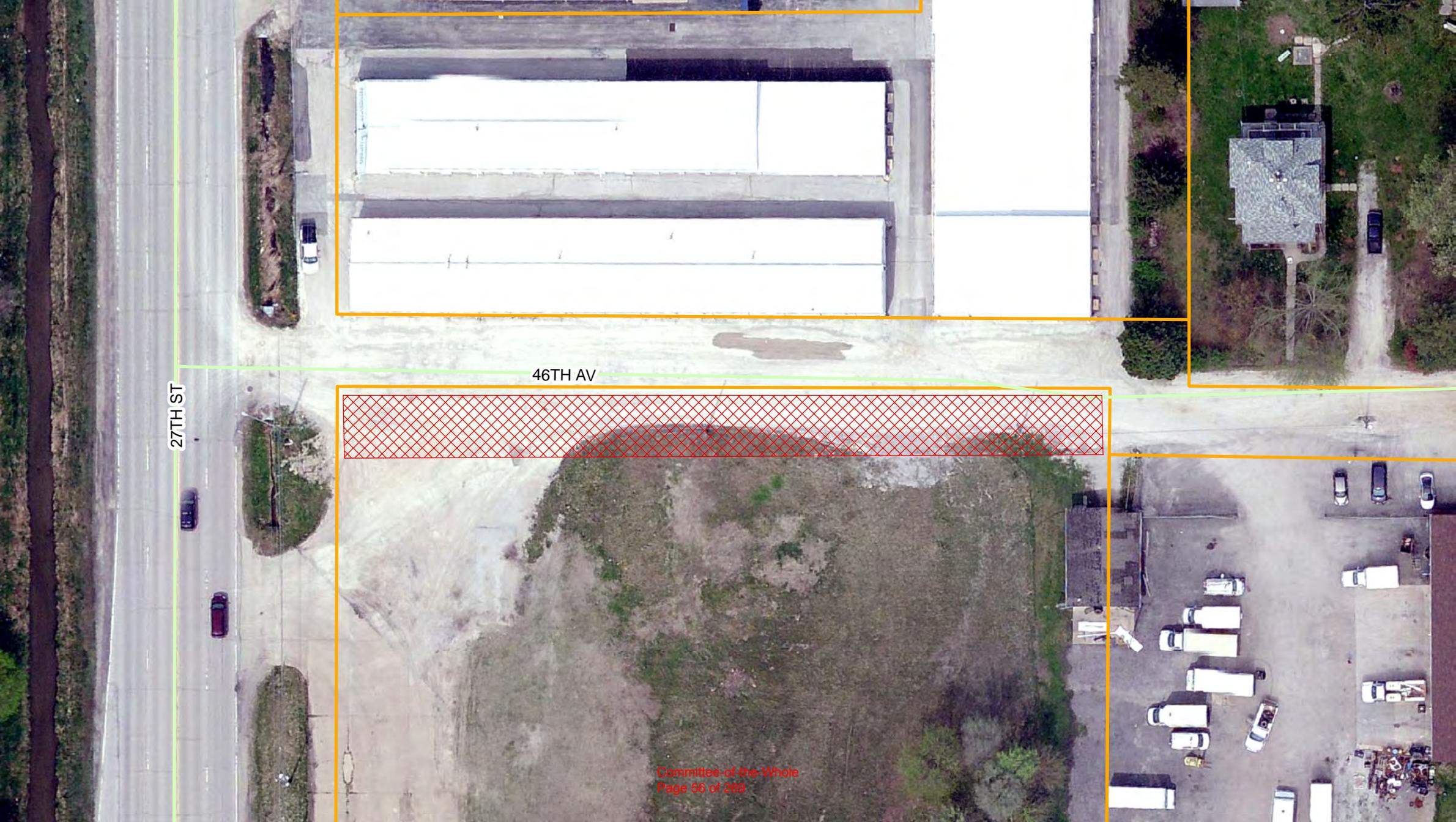
Budget=	\$1,000.00
As Bid=	\$900.00
Change=	(\$900.00)
Total=	\$0.00

WPC Funds

Budget=	\$5,500.00
As Bid=	\$6,250.00
Change=	(\$3,583.80)
Total=	\$2,666.20

Storm Water Funds

Budget=	\$102,500.00
As Bid=	\$63,975.00
Change=	(\$4,932.50)
Total=	\$59,042.50



27TH ST

46TH AV



**Illinois Department
of Transportation**

**Resolution for Improvement by
Municipality Under the Illinois
Highway Code**

BE IT RESOLVED, by the City Council _____ of the
Council or President and Board of Trustees
 City _____ of Moline _____ Illinois
City, Town or Village

that the following described street(s) be improved under the Illinois Highway Code:

Name of Thoroughfare	Route	From	To
7 th Street		19 th Avenue	28 th Avenue

BE IT FURTHER RESOLVED,

1. That the proposed improvement shall consist of Reconstruction of Pavement

_____ and shall be constructed _____ wide
 and be designated as Section 02-00220-00-RP

2. That there is hereby appropriated the (additional Yes No) sum of Three Thousand Seven Hundred
Fifty Four and 32/100 Dollars (\$3,754.32) for the
 improvement of said section from the municipality's allotment of Motor Fuel Tax funds.

3. That work shall be done by Contract _____ ; and,
Specify Contract or Day Labor

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit two certified copies of this resolution to the district office of the Department of Transportation.

Approved _____

 Date _____

 Department of Transportation

 Regional Engineer

I, Tracy A. Koranda _____ Clerk in and for the
 City _____ of Moline _____
City, Town or Village
 County of Rock Island _____, hereby certify the
 foregoing to be a true, perfect and complete copy of a resolution adopted
 by the November 13, 2012 _____
Council or President and Board of Trustees
 at a meeting on _____
Date
 IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this
 _____ day of _____
 (SEAL)

 City, Town, or Village Clerk



**Illinois Department
of Transportation**

**Resolution for Improvement by
Municipality Under the Illinois
Highway Code**

BE IT RESOLVED, by the City Council _____ of the
Council or President and Board of Trustees
 City _____ of Moline _____ Illinois
City, Town or Village

that the following described street(s) be improved under the Illinois Highway Code:

Name of Thoroughfare	Route	From	To
36 th Street		26 th Avenue	32 nd Avenue

BE IT FURTHER RESOLVED,

1. That the proposed improvement shall consist of Reconstruction of Pavement

_____ and shall be constructed _____ wide
 and be designated as Section 06-00235-00-RP

2. That there is hereby appropriated the (additional Yes No) sum of Six Thousand Fifty Five and 61/100
 _____ Dollars (\$6,055.61) for the
 improvement of said section from the municipality's allotment of Motor Fuel Tax funds.

3. That work shall be done by Contract _____ ; and,
Specify Contract or Day Labor

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit two certified copies of this resolution to the district office of the Department of Transportation.

Approved _____

 Date _____

 Department of Transportation

 Regional Engineer

I, Tracy A. Koranda _____ Clerk in and for the
 City _____ of Moline _____
City, Town or Village
 County of Rock Island _____, hereby certify the
 foregoing to be a true, perfect and complete copy of a resolution adopted
 by the November 13, 2012 _____
Council or President and Board of Trustees
 at a meeting on _____
Date
 IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this
 _____ day of _____

 (SEAL)

 City, Town, or Village Clerk



**Local Agency Agreement
for Federal Participation**

Local Agency City of Moline	State Contract X	Day Labor	Local Contract	RR Force Account
Section 12-00253-00-RS	Fund Type STU	ITEP Number NA		

Construction		Engineering		Right-of-Way	
Job Number	Project Number	Job Number	Project Number	Job Number	Project Number
C-92-119-12	M-5074(091)				

This Agreement is made and entered into between the above local agency hereinafter referred to as the "LA" and the state of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "STATE". The STATE and LA jointly propose to improve the designated location as described below. The improvement shall be constructed in accordance with plans approved by the STATE and the STATE's policies and procedures approved and/or required by the Federal Highway Administration hereinafter referred to as "FHWA".

Location

Local Name Avenue of the Cities Route FAU 5773 Length 0.26 mile
 Termini From 41st Street to 43rd Street.

Current Jurisdiction City of Moline Existing Structure No NA

Project Description

Milling and HMA resurfacing using LAFO policy. Includes curb & gutter work to make ADA compliant.

Division of Cost

Type of Work	STU	%	STATE	%	LA	%	Total
Participating Construction	560,000	(*)		()	140,000	(BAL)	700,000
Non-Participating Construction		()		()	15,000	(100)	15,000
Preliminary Engineering		()		()		()	
Construction Engineering		()		()		()	
Right of Way		()		()		()	
Railroads		()		()		()	
Utilities		()		()		()	
Materials		()		()		()	
TOTAL	\$ 560,000		\$		\$ 155,000		\$ 715,000

* 80% STU funds NTE \$560,000.

NOTE: The costs shown in the Division of Cost table are approximate and subject to change. The final LA share is dependent on the final Federal and State participation. The actual costs will be used in the final division of cost for billing and reimbursement.

If funding is not a percentage of the total, place an asterisk in the space provided for the percentage and explain above.

The Federal share of construction engineering may not exceed 15% of the Federal share of the final construction cost.

Local Agency Appropriation

By execution of this Agreement, the LA is indicating sufficient funds have been set aside to cover the local share of the project cost and additional funds will be appropriated, if required, to cover the LA's total cost.

Method of Financing (State Contract Work)

METHOD A---Lump Sum (80% of LA Obligation) _____
 METHOD B--- _____ Monthly Payments of _____
 METHOD C---LA's Share BALANCE divided by estimated total cost multiplied by actual progress payment.

(See page two for details of the above methods and the financing of Day Labor and Local Contracts)

Agreement Provisions

THE LA AGREES:

- (1) To acquire in its name, or in the name of the state if on the state highway system, all right-of-way necessary for this project in accordance with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and established state policies and procedures. Prior to advertising for bids, the **LA** shall certify to the **STATE** that all requirements of Titles II and III of said Uniform Act have been satisfied. The disposition of encroachments, if any, will be cooperatively determined by representatives of the **LA**, and **STATE** and the **FHWA**, if required.
- (2) To provide for all utility adjustments, and to regulate the use of the right-of-way of this improvement by utilities, public and private, in accordance with the current Utility Accommodation Policy for Local Agency Highway and Street Systems.
- (3) To provide for surveys and the preparation of plans for the proposed improvement and engineering supervision during construction of the proposed improvement.
- (4) To retain jurisdiction of the completed improvement unless specified otherwise by addendum (addendum should be accompanied by a location map). If the improvement location is currently under road district jurisdiction, an addendum is required.
- (5) To maintain or cause to be maintained, in a manner satisfactory to the **STATE** and **FHWA**, the completed improvement, or that portion of the completed improvement within its jurisdiction as established by addendum referred to in item 4 above.
- (6) To comply with all applicable Executive Orders and Federal Highway Acts pursuant to the Equal Employment Opportunity and Nondiscrimination Regulations required by the U.S. Department of Transportation.
- (7) To maintain, for a minimum of 3 years after the completion of the contract, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records and supporting documents related to the contract shall be available for review and audit by the Auditor General and the department; and the **LA** agrees to cooperate fully with any audit conducted by the Auditor General and the department; and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the **STATE** for the recovery of any funds paid by the **STATE** under the contract for which adequate books, records and supporting documentation are not available to support their purported disbursement.
- (8) To provide if required, for the improvement of any railroad-highway grade crossing and rail crossing protection within the limits of the proposed improvement.
- (9) To comply with Federal requirements or possibly lose (partial or total) Federal participation as determined by the **FHWA**.
- (10) (State Contracts Only) That the method of payment designated on page one will be as follows:
 - Method A - Lump Sum Payment. Upon award of the contract for this improvement, the **LA** will pay to the **STATE**, in lump sum, an amount equal to 80% of the **LA**'s estimated obligation incurred under this Agreement, and will pay to the **STATE** the remainder of the **LA**'s obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.
 - Method B - Monthly Payments. Upon award of the contract for this improvement, the **LA** will pay to the **STATE**, a specified amount each month for an estimated period of months, or until 80% of the **LA**'s estimated obligation under the provisions of the Agreement has been paid, and will pay to the **STATE** the remainder of the **LA**'s obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.
 - Method C - Progress Payments. Upon receipt of the contractor's first and subsequent progressive bills for this improvement, the **LA** will pay to the **STATE**, an amount equal to the **LA**'s share of the construction cost divided by the estimated total cost, multiplied by the actual payment (appropriately adjusted for nonparticipating costs) made to the contractor until the entire obligation incurred under this Agreement has been paid.
- (11) (Day Labor or Local Contracts) To provide or cause to be provided all of the initial funding, equipment, labor, material and services necessary to construct the complete project.
- (12) (Preliminary Engineering) In the event that right-of-way acquisition for, or actual construction of the project for which this preliminary engineering is undertaken with Federal participation is not started by the close of the tenth fiscal year following the fiscal year in which this agreement is executed, the **LA** will repay the **STATE** any Federal funds received under the terms of this Agreement.
- (13) (Right-of-Way Acquisition) In the event that the actual construction of the project on this right-of-way is not undertaken by the close of the twentieth fiscal year following the fiscal year in which this Agreement is executed, the **LA** will repay the **STATE** any Federal Funds received under the terms of this Agreement.

- (14) (Railroad Related Work Only) The estimates and general layout plans for at-grade crossing improvements should be forwarded to the Rail Safety and Project Engineer, Room 204, Illinois Department of Transportation, 2300 South Dirksen Parkway, Springfield, Illinois, 62764. Approval of the estimates and general layout plans should be obtained prior to the commencement of railroad related work. All railroad related work is also subject to approval by the Illinois Commerce Commission (ICC). Final inspection for railroad related work should be coordinated through appropriate IDOT District Bureau of Local Roads and Streets office.
- Plans and preemption times for signal related work that will be interconnected with traffic signals shall be submitted to the ICC for review and approval prior to the commencement of work. Signal related work involving interconnects with state maintained traffic signals should also be coordinated with the IDOT's District Bureau of Operations.
- The LA is responsible for the payment of the railroad related expenses in accordance with the LA/railroad agreement prior to requesting reimbursement from IDOT. Requests for reimbursement should be sent to the appropriate IDOT District Bureau of Local Roads and Streets office.
- Engineer's Payment Estimates in accordance with the Division of Cost on page one.
- (15) And certifies to the best of its knowledge and belief its officials:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, local) with commission of any of the offenses enumerated in item (b) of this certification; and
 - (d) have not within a three-year period preceding the Agreement had one or more public transactions (Federal, State, local) terminated for cause or default.
- (16) To include the certifications, listed in item 15 above and all other certifications required by State statutes, in every contract, including procurement of materials and leases of equipment.
- (17) (State Contracts) That execution of this agreement constitutes the LA's concurrence in the award of the construction contract to the responsible low bidder as determined by the STATE.
- (18) That for agreements exceeding \$100,000 in federal funds, execution of this Agreement constitutes the LA's certification that:
- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement;
 - (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress, in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions;
 - (c) The LA shall require that the language of this certification be included in the award documents for all subawards at all ties (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- (19) To regulate parking and traffic in accordance with the approved project report.
- (20) To regulate encroachments on public right-of-way in accordance with current Illinois Compiled Statutes.
- (21) To regulate the discharge of sanitary sewage into any storm water drainage system constructed with this improvement in accordance with current Illinois Compiled Statutes.
- (22) That the LA may invoice the STATE monthly for the FHWA and/or STATE share of the costs incurred for this phase of the improvement. The LA will submit supporting documentation with each request for reimbursement from the STATE. Supporting documentation is defined as verification of payment, certified time sheets, vendor invoices, vendor receipts, and other documentation supporting the requested reimbursement amount.
- (23) To complete this phase of the project within three years from the date this agreement is approved by the STATE if this portion of the project described in the Project Description does not exceed \$1,000,000 (five years if the project costs exceed \$1,000,000).
- (24) Upon completion of this phase of the improvement, the LA will submit to the STATE a complete and detailed final invoice with all applicable supporting supporting documentation of all incurred costs, less previous payments, no later than one year from the date of completion of this phase of the improvement. If a final invoice is not received within one year of completion of this phase of the improvement, the most recent invoice may be considered the final invoice and the obligation of the funds closed.

- (25) (Single Audit Requirements) That if the **LA** expends \$500,000 or more a year in federal financial assistance they shall have an audit made in accordance with the Office of Management and Budget (OMB) Circular No. A-133. **LA**'s that expend less than \$500,000 a year shall be exempt from compliance. A copy of the audit report must be submitted to the **STATE** with 30 days after the completion of the audit, but no later than one year after the end of the **LA**'s fiscal year. The CFDA number for all highway planning and construction activities is 20.205.
- (26) That the **LA** is required to register with the Central Contractor Registration (CCR), which is a web-enabled government-wide application that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of the contract award and the electronic payment processes. If you do not have a CCR number, you must register at <https://www.bpn.gov/ccr>. If the **LA**, as a sub-recipient of a federal funding, receives an amount equal to or greater than \$25,000 (or which equals or exceeds that amount by addition of subsequent funds), this agreement is subject to the following award terms: <http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf> and <http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf>.

THE STATE AGREES:

- (1) To provide such guidance, assistance and supervision and to monitor and perform audits to the extent necessary to assure validity of the **LA**'s certification of compliance with Titles II and III requirements.
- (2) (State Contracts) To receive bids for the construction of the proposed improvement when the plans have been approved by the **STATE** (and **FHWA**, if required) and to award a contract for construction of the proposed improvement, after receipt of a satisfactory bid.
- (3) (Day Labor) To authorize the **LA** to proceed with the construction of the improvement when Agreed Unit Prices are approved and to reimburse the **LA** for that portion of the cost payable from Federal and/or State funds based on the Agreed Unit Prices and Engineer's Payment Estimates in accordance with the Division of Cost on page one.
- (4) (Local Contracts) That for agreements with Federal and/or State funds in engineering, right-of-way, utility work and/or construction work:
- To reimburse the **LA** for the Federal and/or State share on the basis of periodic billings, provided said billings contain sufficient cost information and show evidence of payment by the **LA**;
 - To provide independent assurance sampling, to furnish off-site material inspection and testing at sources normally visited by **STATE** inspectors of steel, cement, aggregate, structural steel and other materials customarily tested by the **STATE**.

IT IS MUTUALLY AGREED:

- (1) Construction of the project will utilize domestic steel as required by Section 106.01 of the current edition of the Standard Specifications for Road and Bridge Construction.
- (2) That this Agreement and the covenants contained herein shall become null and void in the event that the **FHWA** does not approve the proposed improvement for Federal-aid participation or the contract covering the construction work contemplated herein is not awarded within three years of the date of execution of this Agreement.
- (3) This Agreement shall be binding upon the parties, their successors and assigns.
- (3) For contracts awarded by the **LA**, the **LA** shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any USDOT – assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The **LA** shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT – assisted contracts. The **LA**'s DBE program, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this Agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31U.S.C. 3801 et seq.). In the absence of a USDOT – approved **LA** DBE Program or on State awarded contracts, this Agreement shall be administered under the provisions of the **STATE**'s USDOT approved Disadvantaged Business Enterprise Program.
- (4) In cases where the **STATE** is reimbursing the **LA**, obligations of the **STATE** shall cease immediately without penalty or further payment being required if, in any fiscal year, the Illinois General Assembly or applicable Federal Funding source fails to appropriate or otherwise make available funds for the work contemplated herein.
- (5) All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement and/or amendment shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application

ADDENDA

Additional information and/or stipulations are hereby attached and identified below as being a part of this Agreement.

Number 1 Location Map

(Insert addendum numbers and titles as applicable)

The LA further agrees, as a condition of payment, that it accepts and will comply with the applicable provisions set forth in this Agreement and all exhibits indicated above.

APPROVED

Local Agency

Name of Official (Print or Type Name)

Title (County Board Chairperson/Mayor/Village President/etc.)

(Signature)

Date

The above signature certifies the agency's TIN number is _____
conducting business as a Governmental
Entity.

DUNS Number _____

NOTE: If signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.

APPROVED

State of Illinois
Department of Transportation

Ann L. Schneider, Secretary of Transportation

Date

By: _____

(Delegate's Signature)

(Delegate's Name - Printed)

William R. Frey, Interim Director of Highways/Chief Engineer

Date

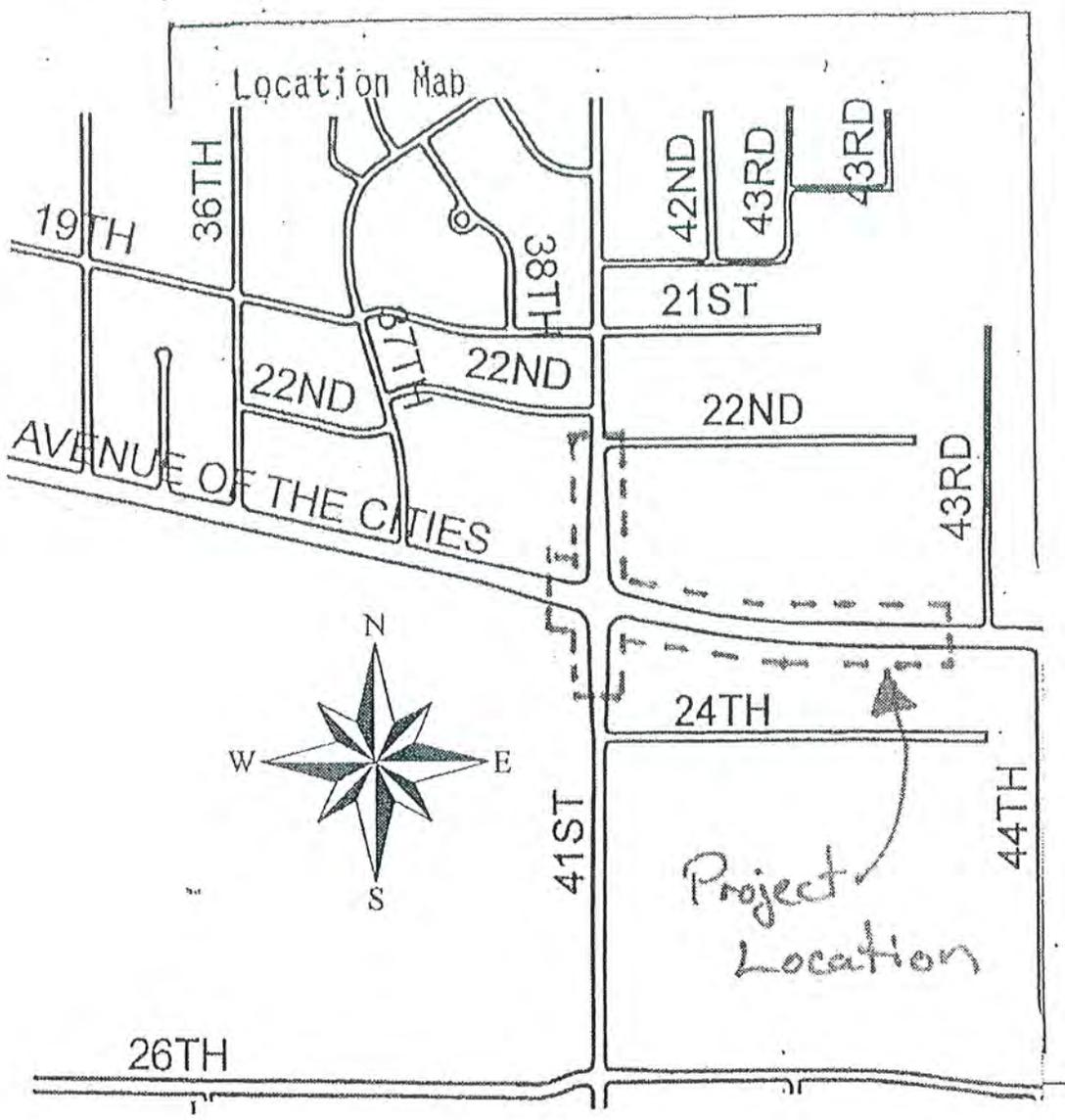
Ellen J. Schanzle-Haskins, Chief Counsel

Date

Matthew R. Hughes, Director of Finance and Administration

Date

ADDENDUM No. 1



R.O.W. Acquisition Plat

Right of Way Acquisition Description

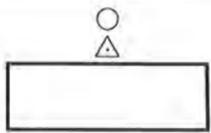
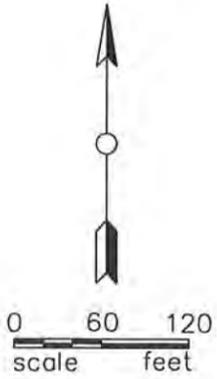
A part of Lot 3, in LeClaire's Reserve, in Township 18 North, Range 1 West of the Fourth Principal Meridian, in the City of Moline, Rock Island County, Illinois, described as follows:

Commencing at an iron marker at the North Right of Way line of the C. B. & Q. Railroad and the West Right of Way line of 34th Street; Thence North 00 degrees 33 minutes 47 seconds West, 66.70 feet on said West Right of Way line to the **Point of Beginning**, said point being the beginning of a non-tangent curve, concave southwest, having a radius of 32.00 feet, a long chord bearing North 55 degrees 36 minutes 17 seconds West and a length of 35.95 feet; Thence northwesterly 38.18 feet on the arc of said curve to the beginning of a curve, concave south, having a radius of 104.00 feet, a long chord bearing South 79 degrees 03 minutes 32 seconds West and a length of 24.72 feet; Thence southwesterly 24.78 feet on the arc of said curve to the beginning of a curve, concave southeast, having a radius of 201.5 feet, a long chord bearing South 65 degrees 40 minutes 15 seconds West and a length of 51.58 feet; Thence southwesterly 51.72 feet on the arc of said curve; Thence South 50 degrees 35 minutes 05 seconds West, 112.19 feet; Thence South 05 degrees 33 minutes 49 seconds East, 8.13 feet to said North Right of Way line of the C. B. & Q. Railroad; Thence South 84 degrees 26 minutes 11 seconds West, 1610.80 feet on said North Right of Way line to the west line of the property described in Warranty Deed document #2004-11223 as recorded April 21, 2004 at the office of the Rock Island County Recorder; Thence North 04 degrees 57 minutes 32 seconds West, 50.00 feet on said west line; Thence North 84 degrees 26 minutes 11 seconds East, 1584.26 feet; Thence North 36 degrees 53 minutes 13 seconds East, 33.10 feet; Thence North 76 degrees 10 minutes 19 seconds East, 19.29 feet to the beginning of a curve, concave southeast, having a radius of 245 feet, a long chord bearing North 62 degrees 36 minutes 13 seconds East and a length of 148.74 feet; Thence northeasterly 151.12 feet on the arc of said curve; Thence North 80 degrees 16 minutes 26 seconds East, 26.77 feet; Thence North 00 degrees 33 minutes 47 seconds West, 13.07 feet; Thence North 89 degrees 26 minutes 13 seconds East, 9.43 feet to said West Right of Way line of 34th Street; Thence South 00 degrees 33 minutes 47 seconds East, 82.06 feet on said West Right of Way to the point of beginning, containing 2.091 acres, more or less.

LEGEND

LOT LINE
 FOUND CAPPED PIN AS NOTED
 SET 5/8" REBAR 30" LONG
 PROPOSED ROW ACQUISITION
 (2.091 ACRES)

P.O.B. = POINT OF BEGINNING
 P.O.C. = POINT OF COMMENCEMENT
 C1 = CURVE1 (SEE CURVE TABLE)

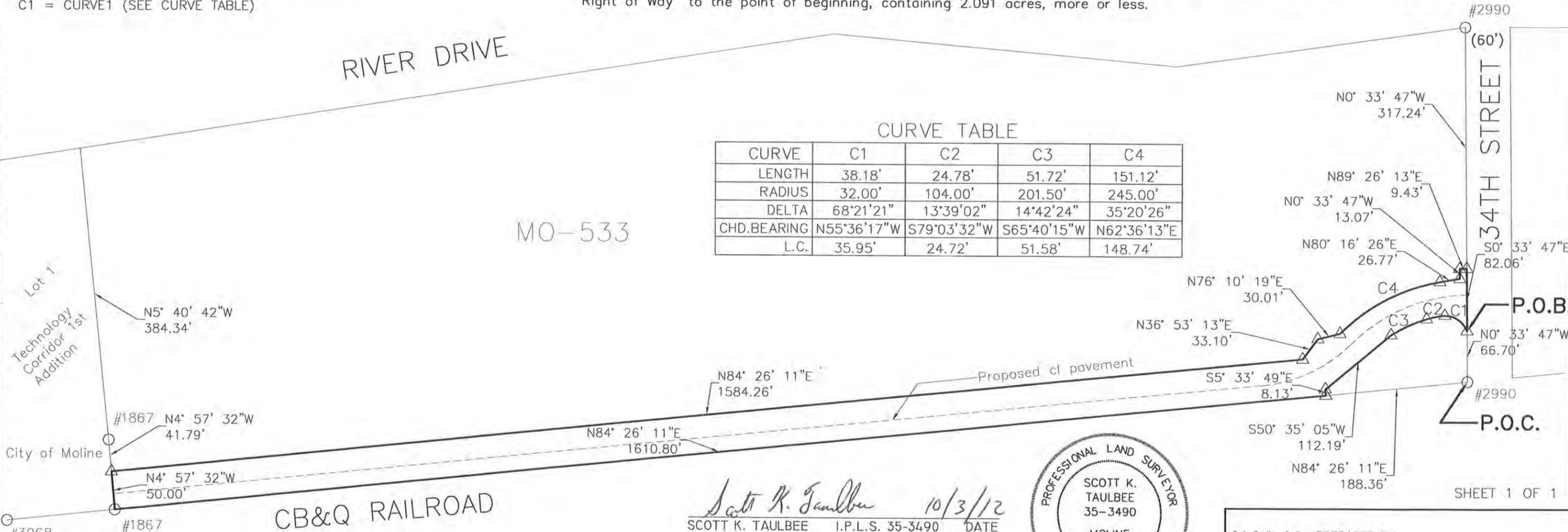


RIVER DRIVE

CURVE TABLE

CURVE	C1	C2	C3	C4
LENGTH	38.18'	24.78'	51.72'	151.12'
RADIUS	32.00'	104.00'	201.50'	245.00'
DELTA	68°21'21"	13°39'02"	14°42'24"	35°20'26"
CHD.BEARING	N55°36'17"W	S79°03'32"W	S65°40'15"W	N62°36'13"E
L.C.	35.95'	24.72'	51.58'	148.74'

MO-533



Scott K. Taulbee 10/3/12
 SCOTT K. TAULBEE I.P.L.S. 35-3490 DATE

I, SCOTT K. TAULBEE, ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 35-3490, DO HEREBY CERTIFY THAT THIS ROW ACQUISITION PLAT WAS PREPARED UNDER MY DIRECTION, AND IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF. THIS PROFESSIONAL SERVICE CONFORMS WITH THE CURRENT ILLINOIS MINIMUM STANDARDS FOR A BOUNDARY SURVEY.



MY LICENSE EXPIRES 11/30/2014

CITY OF Moline, IL
 PREPARED BY
 ENGINEERING DIVISION
 CITY OF MOLINE, IL
 3635 4TH AVENUE
 MOLINE, IL 61265

BASIS OF BEARINGS IS ASSUMED
 FIELD WORK WAS COMPLETED IN THE MONTH OF OCTOBER 2012

SHEET 1 OF 1

H:\Engineering\ALL PROJECTS\MFT 08-00239-00-RP Rivertech Blvd - Phase II\Design\Survey\2012-const\RIVERTech Boulevard-WU-ROW-090612.dwg, 10/2/2012 12:12:23 PM, 1:120

City of Moline Project MFT 239
Rivertech Blvd Phase II

TAX PARCEL NO. **MO-533**

DEED OF DEDICATION

The Grantor, **Board of Trustees of Western Illinois University**, hereby grants, conveys, warrants and dedicates to the Grantee, **THE CITY OF MOLINE, ILLINOIS**, a municipal corporation organized under the laws of the State of Illinois and situated in Rock Island County, Illinois, the following described real estate:

PLAT WITH DESCRIPTION ATTACHED

Situated in the County of Rock Island, State of Illinois. Said conveyance and dedication are subject to the following encumbrances, reservations, conditions and restrictions:

FOR: STREET RIGHT OF WAY

Said real estate is conveyed and dedicated to and accepted by the Mayor of the City of Moline, Illinois, for and on behalf of said City, pursuant to authority vested in him by Resolution No. _____.

Dated this _____ day of _____, 2012.

GRANTOR(S):

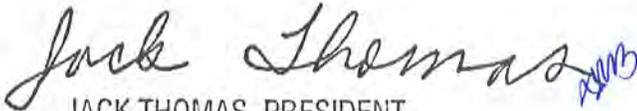
ACCEPTED BY THE CITY OF MOLINE



By: _____

Dana Biernbaum, Asst. V.P. for Administrative Services

Donald P. Welvaert, Mayor



JACK THOMAS, PRESIDENT

Attest: _____

City Clerk

Approved as to form:

Maureen Riggs, City Attorney

Return to Grantee's Address
City of Moline
619 – 16th Street
Moline, IL 61265

DEVELOPMENT AND ECONOMIC INCENTIVE AGREEMENT
Between the
CITY OF MOLINE
and
HI MOLINE LLC

THIS DEVELOPMENT AND ECONOMIC INCENTIVE AGREEMENT ("*Agreement*") is entered into this _____ day of _____, 2012, by and between the City of Moline, Rock Island County, an Illinois municipal corporation (the "*City*"); and HI Moline LLC, an Illinois limited liability Company and its successors and/or assigns (collectively "*Developer*").

WITNESSETH:

WHEREAS, the City is an Illinois municipal corporation possessing home rule powers under Section 6 of Article VII of the Illinois Constitution, and;

WHEREAS, the City has the authority to prevent the spread of blight and encourage private development to enhance the local tax base and to enter into contractual agreements for the purpose of achieving these purposes; and

WHEREAS, Menard, Inc. has a contract to sell a now vacant home improvement store and surrounding land within the City of Moline located at 4100 Tenth Street Drive, Moline, IL, which properties are legally described as set forth on Exhibit A attached hereto; and

WHEREAS, Developer is the contract purchaser of the property and is intending to rehabilitate the property to accommodate three (3) or more retail tenants (the "*Development Project*");

WHEREAS, the City, recognizing the economic and other benefits derived therefrom by the City and its residents, seeks to assist Developer in its endeavors to own and develop the property; and

WHEREAS, the City and Developer agree that to permit the Developer to construct the Development Project, it is necessary that the City provide an incentive in the form of certain sales tax rebate assistance in accordance with the law and the terms of this Agreement; and

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

Section I. Incorporation of Recitals

The representations and recitations set forth in the foregoing Preambles are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though fully set forth in this Section and said representations and recitations constitute the understandings of the City and the Developer.

Section II. General Terms

Developer after receipt of the promises and inducements contained herein agrees to redevelop the former Menards at 4100 Tenth Street Drive, Moline, IL referred herein as Exhibit A Real Estate in substantial accordance with the improvements indicated on Exhibit B hereto.

The parties hereto acknowledge, and Developer represents and warrants, that it requires economic assistance from the City in order to commence and complete the Development Project, and that, but for said economic assistance, the Development Project as contemplated would not be economically viable.

For purposes of this Agreement, the use of the terms "sales tax" and "sales tax revenue" shall be construed to refer to that net portion of taxes imposed by the State of Illinois for distribution to the City pursuant to the Retailer's Occupation Tax Act and the Service Occupation Tax Act (as said Acts may be amended from time to time) and which are collected by the State and distributed to the City, and all revenue derived from such taxes. It is expressly understood that if a governmental or legislative body other than the City enacts any law or statute which results or which may result in any material changes or amendments to the foregoing sales tax provisions, which changes or amendments prohibit the City from complying with this Agreement or which materially adversely affect the City's ability to comply herewith, then the City and Developer shall re-evaluate this Agreement and the incentives provided hereunder and shall mutually use all reasonable efforts to restructure the Agreement in a manner which provides substantially the same economic benefits to Developer. If a restructured agreement cannot be agreed to by both parties within a reasonable period of time not more than sixty (60) days from the effective date of the law or statute that has materially affected the City's compliance herewith, then the Agreement shall automatically terminate releasing both parties from their obligations hereunder unless the parties mutually agree to extend such period. The use of the terms "sales tax" and "sales tax revenue" shall not be construed to mean any additional taxes imposed by the City as a home rule municipality.

For purposes of this Agreement, the incentives and inducements set forth herein shall apply only to Developer and the Development Project.

Developer agrees during the term of this agreement that the fee ownership of the Exhibit A Real Estate and the recipient and beneficial owner of the Incentive Payments provided for under this Agreement shall remain identical (i.e., no separation of revenue stream from the ownership of the Development Project); provided, however,

that this provision shall not apply, and there may be a separation of the revenue stream from the ownership of the Development Project, at such time as not less than seventy-five percent (75%) of the aggregate maximum Incentive Payments provided for hereunder have been paid out. If Developer intends to separate the revenue stream, it shall provide written notice of intent to City and shall obtain consent of City, said consent not to be unreasonably withheld.

In the event that all terms and conditions set forth in this Agreement are met by Developer, including the construction, site improvements and leasing to sales tax generating tenants on the property, the City hereby agrees to pay Developer certain sales tax rebates (“Incentive Payments”) by yearly installments as follows, subject however to the following conditions and restrictions:

It is understood that each Incentive Payment will be due and payable solely from the proceeds of sales tax revenue received by the City as a result of sales from new businesses in the City of Moline that locate in the Development Project (including a new additional location for an existing City of Moline business that keeps in place its existing location(s) in the City); provided, however, recognizing that such new businesses may at some later date close or relocate from the Development Project, the parties agree that after the tenth (10th) anniversary of the first occupancy of the Development Project following renovations which results in the commencement of Incentive Payments hereunder, such Incentive Payments may be paid for businesses relocated from within the City of Moline that locate in the Development Project on or after such tenth (10th) anniversary; and further provided, however, that each Incentive Payment shall also be due from the incremental annual increase, over the full year of proceeds of sales tax revenue received by the City prior to relocation, arising from sales from any existing businesses in the City of Moline relocated to not more than an aggregate of 5,000 square feet of space in the Development Project during the first ten (10) years after the first occupancy of the Development Project.

It is acknowledged and understood by and between the parties hereto that the City receives sales tax revenue monthly, and that the taxes generated by sales in any one month are distributed to the City approximately three months later (e.g. taxes generated by sales in July are generally not received by the City until October).

The City of Moline agrees to provide Developer with a conditional proportional sales tax rebate on the City’s receipt of sales tax revenues within the Development Project so long as the total City sales tax collected in the entire City, including the Development Project, is above \$9,100,000 annually (the “*Annual Minimum Sales Tax*”).

The initial payment year (hereinafter referred to as the “Initial Payment Year”) shall commence on the first day of the first calendar year after at least 70% of the floor space in the Development Project is occupied by retail tenants open to the public. Each payment year thereafter shall be referred to herein as a “Subsequent Payment Year”.

The Annual Minimum Sales Tax will increase or decrease annually based on the United States Department of Labor reported Consumer Price Index, All Urban Consumers, Seasonally Adjusted, U.S. City Average, All Items,

base year 1982-84=100 (the "CPI"), provided, however, for the first ten years after the Initial Payment Year, the Annual Minimum Sales Tax will not exceed \$9,500,000.00, and after the first ten years after the Initial Payment Year and for the remainder of the term of this Agreement, the Annual Minimum Sales Tax will not exceed \$10,000,000.00, notwithstanding any increases of the CPI. The Finance Director will verify this information and notify Developer and the Planning & Development Director, and provide supporting calculations and CPI data, as soon as the information is available on an annual basis.

For any year where the City sales tax collected is above the Annual Minimum Sales Tax, the Incentive Payments hereinafter provided for shall be paid to Developer. If the City does not collect the Annual Minimum Sales Tax in any particular year, the Incentive Payments hereinafter provided for shall resume when the Annual Minimum Sales Tax is next collected by the City.

The Developer shall be entitled to Incentive Payments equal to seventy-five percent (75%) of the sales tax revenue from the Municipal 1% Sales Tax generated from retail sales from businesses located in the Development Project.

The Incentive Payments shall continue until the total Incentive Payments equal Two Million One Hundred Thousand & 00/100 Dollars (\$2,100,000.00).

The Incentive Payments shall be calculated on the Municipal 1% sales tax only, not the City's 1¼% Home rule Sales Tax, nor the City's 1½% prepared food and packaged liquor tax. Further, no agreements shall be considered related to Property Taxes.

There will be no new incentives offered by the City on any real estate described in Exhibit A as long as this Agreement is in place and Incentive Payments are still being paid hereunder.

The Incentive Payments shall be computed at the close of each Payment Year by the City as provided herein. The City will make yearly payments to Developer within thirty (30) days after it receives notification from the State of the sales tax revenue generated by all the businesses located within the Development Project for each month in the respective Payment Year.

Section III. Disclosure

All businesses that locate in the Development Project subject to the Incentive Payment calculation shall execute and provide the City with a power of attorney letter (or other necessary document), in form and content reasonably acceptable to the City Attorney, which letter shall be addressed to the Illinois Department of Revenue and shall authorize the Illinois Department of Revenue to release any and all gross revenue and sales tax information on a monthly basis with respect to the operation of the business in the Development Project to the City during the Incentive Period. In addition to said letter, Developer and each subsequent business added to the Incentive Payment

plan shall prepare and submit such other or additional forms as may be reasonably required from time to time by the Illinois Department of Revenue in order to release such information to the City. Finally, in the event that the sales tax revenue information is not released by the State due to the failure of Developer or other businesses in the Development Project, to execute the necessary authorization and/or release, the City shall not be required to make any of the Incentive Payments provided for in this Agreement only for sales tax revenue derived from any business that has failed to execute such authorization and/or release.

Section IV. Construction and Site Improvements

Developer shall submit plans for the construction of the Development Project on or before June 30, 2013, and shall not cause or permit the existence of any material violation of City ordinances, including but not limited to the City's building code, subdivision, zoning ordinances, fire code and any and all rules and regulations thereunder. Developer shall have completed exterior construction of the Development Project, including landscaping, streetscaping, stormwater retention and exterior building improvements, and shall have obtained the initial Certificate of Occupancy of the first retail store to open in the Development Project and generate sales from the property on or before July 1, 2014. If the conditions of this Section are not met as to material violations and continue to be unmet for a period of thirty (30) days after Developer's receipt of the City's notice thereof, the Agreement may be declared null, void and of no legal effect by the City upon notice to Developer or payment of the Incentive Payments may be deferred until the conditions are met, at the City's sole discretion; provided, however, that the thirty (30) day cure period herein shall be extended as reasonably necessary to complete the cure so long as the cure is promptly commenced during the initial thirty (30) day period, is diligently prosecuted to conclusion and the cure is not one which could reasonably be commenced and completed within thirty (30) days. If the conditions of this Section are not met due to circumstances beyond Developer's reasonable control such as acts of God, acts of civil or military authority, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, , strikes or lockouts (collectively the "force majeure conditions"), and said force majeure condition exists for more than seven days, the Developer shall give the City immediate written notice of such condition. Performance under the Agreement shall then be suspended by both parties for the duration of the force majeure condition and performance shall be resumed by the parties once the force majeure condition ceases. For purposes of this section, if a force majeure condition occurs prior to July 1, 2014, the deadline of July 1, 2014, shall be extended for the same number of days that the force majeure condition existed.

Section V. Limitation of Actions

No recourse under or upon any obligation, covenant or agreement of this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the City, its officers, agents and employees, in excess of any specific sum agreed by the City to be paid to Developer hereunder, subject to the terms and conditions herein, and no liability, right or claim at law or in equity shall attach to, or shall be incurred by the City, its officers, agents

and employees in excess of such amounts, and all and any such rights or claims of Developer against the City, its officers, directors, agents and employees in excess of such amounts are hereby expressly waived and released as a condition and as consideration for the execution of this Agreement by the City.

Section VI. Assignment

Developer shall not assign this Agreement to any person or entity without the prior written consent of the City, said consent not to be unreasonably withheld, conditioned or delayed, it being further expressly understood that the City Administrator is hereby authorized to provide such consent without the necessity of further action by the City Council. No such assignment shall be effective, even if consented to by the City, unless and until the Assignee acknowledges in writing to the City that the obligations of the City to Developer or any Assignee hereunder are contingent upon obligations on the part of Developer which such Assignee is willing to assume. Notwithstanding any such assignments and/or assumption of responsibility, Developer shall remain liable for all of its agreements, covenants and obligations and the performance thereof pursuant to this Agreement unless such Assignee assumes in writing all of the agreements, covenants and obligations of Developer.

Section VII. Indemnification

In the event that any third party or parties institutes any legal proceedings against the City and/or Developer, which relate to the terms of this Agreement, then, in that event, Developer shall indemnify and hold harmless the City from any and all such proceedings. Further, Developer, upon receiving notice from the City of such legal proceedings, shall assume, fully and vigorously, the entire defense of such lawsuit or proceedings and any and all costs and expenses of whatever nature relating thereto; provided, however, that Developer may not at any time settle or compromise such proceedings without the City's consent, which consent shall not be unreasonably withheld, conditioned or delayed, and even then only so long as such settlement or compromise does not involve an admission of wrongdoing on the part of the City, nor any liability on the part of the City, monetary or otherwise.

If the City, in its sole exercise of discretion, determines that there is, or may probably be, a conflict of interest between the City and Developer on an issue of material importance to the City, or which may reasonably have a potentially substantial adverse effect on the City, then the City shall have the option of being represented by its own legal counsel. Except in regard to a dispute between the City and Developer regarding this Agreement, in the event that the City exercises such option, then Developer shall reimburse the City from time to time on written demand from the City and notice of the amount due for any and all reasonable out-of-pocket costs and expenses, including but not limited to court costs, reasonable attorney's fees, witnesses' fees and/or other litigation expenses incurred by the City in connection therewith.

The City makes no representations or warranties as to whether or not the Illinois Prevailing Wage Act applies to this Development Project. Payment of Prevailing Wage and compliance with the Act, if required, is the

sole responsibility of Developer and/or its contractors and subcontractors. Developer agrees to indemnify and hold harmless the City and the agents, officers and employees thereof against all losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise from any claims pertaining to the Illinois Prevailing Wage Act.

Section VIII. Breach

In the event of breach of any of the material terms and conditions of the Agreement and the continuance of such breach without cure of the breach for a period of 30 days after the breaching party's receipt of the non-breaching party's notice thereof, the non-breaching party shall have the right to terminate this Agreement; in the event the breaching party cures the breach during the 30 day cure period, the breach shall have no adverse consequences to the breaching party. In addition, the non-breaching party shall have the right, by any action or proceeding at law or in equity, to secure the specific performance of the covenants and agreements herein contained, and may be awarded damages or failure of performance, or both, except that the exclusive remedy for the failure to meet the Section II commitment is the payment of the scheduled reimbursements as set forth in Section II. The foregoing rights and remedies shall be cumulative and exclusive.

Section IX. Amendments

This Agreement sets forth all the promises, inducements, agreements, conditions and understandings by and between the parties relative to the subject matter hereof, and there are no promises, agreements, conditions or understandings, either oral or written, express or implied, between them, other than those expressly set forth herein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties hereto unless authorized in accordance with the law and reduced in writing and signed by them.

Section X. Time

Time is of the essence under this Agreement and all time limits set forth herein are mandatory and cannot be waived except by a lawfully authorized and executed written waiver by the party excusing such timely performance.

Section XI. Notices

Any notices required in this Agreement shall be effective when in writing and three (3) business days after mailing by certified mail return receipt requested, or upon hand-delivery of the same in the same manner of service of a summons and complaint under the laws of the State of Illinois in person or to an officer of such party addressed to the party to be notified, as follows:

If to the City:
City Administrator

City of Moline
619 16th Street
Moline, IL 61265

With a copy to:

City Attorney
City of Moline
619 16th Street
Moline, IL 61265

And with a copy to:

Planning & Development Director
City of Moline
619 16th Street
Moline, IL 61265

If to Developer:

Richard D. Filler, President
HI Moline LLC
c/o The Harlem Irving Companies, Inc.
4104 North Harlem Avenue
Norridge, Illinois 60706

With a copy to:

Gregory E. Fix, General Counsel
HI Moline LLC
c/o The Harlem Irving Companies, Inc.
4104 North Harlem Avenue
Norridge, Illinois 60706

And with a copy to:

Terry M. Giebelstein
Lane & Waterman LLP
220 N. Main Street, Suite 600
Davenport, IA 52801

Section XII. Exhibits

Exhibits attached herein are hereby incorporated in and made a part of this Agreement.

Section XIII. Jurisdiction

This Agreement shall be governed by the laws of the State of Illinois, and the sole and exclusive venue for any disputes arising out of this Agreement shall be the appropriate state or federal court located within the State of Illinois.

Section XIV. Waiver

A waiver of any part of this Agreement shall be limited to that specific event and shall not be a waiver of the entire Agreement.

Section XV. Authorization to Execute

The party who has executed this Agreement on behalf of Developer hereby warrants that he/she has been lawfully authorized by Developer to execute this Agreement on behalf of Developer.

The party who has executed this Agreement on behalf of City hereby warrants that he/she has been lawfully authorized by City to execute this Agreement on behalf of City.

WITNESS their hands and seals the day and year first above written.

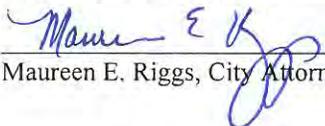
THE CITY OF MOLINE, ILLINOIS

DATED: _____

Donald Welvaert, Mayor

Attest: _____
Tracy A. Koranda, City Clerk

Approved as to form:



Maureen E. Riggs, City Attorney

HI MOLINE LLC, AN ILLINOIS LIMITED LIABILITY COMPANY

By: The Harlem Irving Companies, Inc., an Illinois corporation, its manager

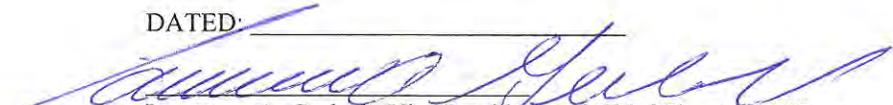
DATED: _____

Lawrence A. Gerlach, Vice President and Chief Financial Officer

EXHIBIT A

Legal Description

Part of the Northwest Quarter of Section 17, Township 17 North, Range 1 West of the 4th Principal Meridian, Moline, Rock Island County, Illinois, more particularly described as follows:

Commencing as a point of reference at the Northwest corner of said Section 17;

thence South 00° 06' 06" West 997.70 feet along the West line of said Northwest Quarter of Section 17 (for purposes of this legal description the said West line of the Northwest Quarter is assumed to bear South 00° 06' 06" West);

thence North 89° 40' 06" East 63.74 feet to a point on the Easterly right-of-way line of 7th Street;

thence North 89° 31' 30" East 167.89 feet;

thence South 00° 00' 00" East 200.92 feet to a point on the Northerly right-of-way of 43rd Avenue;

thence South 89° 55' 20" East 514.98 feet along said Northerly right-of-way line;

thence North 85° 00' 40" East 119.06 feet along said Northerly right-of-way line;

thence North 77° 33' 10" East 119.11 feet along said Northerly right-of-way line;

thence North 72° 23' 10" East 119.54 feet along said Northerly right-of-way line;

thence North 60° 33' 10" East 271.50 feet along said Northerly right-of-way line;

thence North 65° 13' 10" East 130.54 feet along said Northerly right-of-way line;

thence North 70° 11' 30" East 3.98 feet along said Northerly right-of-way line to the point of beginning;

thence North 29° 48' 30" West 604.55 feet;

thence Northwesterly 154.78 feet along the arc of a 193.00 foot radius curve, concave Southerly (the chord of said curve bears North 54° 16' 20" West 159.62 feet);

EXHIBIT A

Legal Description- Continued

thence Northeasterly 51.11 feet along the arc of a 45.00 foot radius curve, concave Northwesterly (the chord of said curve bears North 39° 02' 50" East 56.52 feet);

thence North 00° 08' 40" East 117.89 feet to a point on the Southerly right-of-way line of John Deere Road;

thence North 84° 38' 30" East 274.26 feet along said Southerly right-of-way line;

thence North 88° 37' 10" East 440.20 feet along said Southerly right-of-way line;

thence South 00° 08' 40" West 743.89 feet to a point on the said Northerly right-of-way line of 43rd Avenue;

thence South 89° 28' 40" West 68.37 feet along the said Northerly right-of-way line;

thence South 77° 30' 30" West 132.04 feet along the said Northerly right-of-way line;

thence South 70° 21' 40" West 83.32 feet along the said Northerly right-of-way line;

thence South 70° 11' 30" West 43.75 feet along the said Northerly right-of-way line to the said point of beginning.

This parcel contains 9.77 acres, more or less.

Common Address: 4100 Tenth Street Drive, Moline, IL 61265

Parcel Number: 1717100003

THE PARTIES ACKNOWLEDGE THAT THE LEGAL DESCRIPTION SET FORTH ABOVE LEGALLY DESCRIBES MORE PROPERTY THAN THE DEVELOPMENT PROJECT AS DEFINED IN THE AGREEMENT. ATTACHED AS EXHIBIT A-1 IS A SITE PLAN OF THE PROPERTY LEGALLY DESCRIBED ABOVE. THE DEVELOPMENT PROJECT INCLUDES ALL OF THE PROPERTY SHOWN ON EXHIBIT A-1 WITH THE EXCEPTION OF THE PROPERTY IDENTIFIED AS OUTLOT 1 AND CROSS-HATCHED ON EXHIBIT A-1. PRIOR TO RECORDING THIS AGREEMENT DEVELOPER SHALL PROVIDE A LEGAL DESCRIPTION OF THE DEVELOPMENT PROJECT (I.E., EXCLUDING OUTLOT 1) FOR APPROVAL BY THE CITY AND INSERTION IN THE AGREEMENT.

EXHIBIT B

Preliminary Redevelopment Plan

HI Moline LLC plans to purchase and renovate the former Menards building located at 4100 10th Street Drive, Moline Illinois. The former Menards building was built in two phases. The original 53,000 square feet was built in 1990 and 24,000 square feet of additional space was added in 1997. The building will be demised into two separate spaces between the original and added space to create two new demised retail stores.

The property fencing and existing free standing wood storage building as well as the storage building adjacent to the north end of existing former Menards building will be demolished, making way for a potential new 5,000 square foot retail building at the north end and a new 12,000 square foot retail building will be constructed at the south end of the existing building.

The existing buildings will be retrofit to accommodate 2 junior anchor tenants, including constructing new entrance canopies for the two new tenants on the west side of the existing building and installing a new demising wall between the two new tenants.

Site improvements include modifications to the storm water and sanitary sewer systems to accommodate the new users.

Landscaping will be added to enhance the visual appeal of the project as well as to provide additional pervious areas to absorb rain water. Removal of the wood storage building will result in an outlot parcel at the south end of the property which is reserved for future development.

EXHIBIT A

TIF DESCRIPTION SOUTHPARK REDEVELOPMENT PROJECT AREA

Part of the southwest quarter and southeast quarter of Section 9, and part of the northwest quarter and northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows;

Beginning at a point on the north line of Ekhco 5th Addition which is 37 feet more or less west of the northeast corner of Lot 1 in said Ekhco 5th Addition;

Thence northerly, a distance of 287 feet more or less;

Thence westerly, a distance of 333 feet more or less to the intersection of the south right of way line of 47th Avenue and the west right of way line of 16th Street;

Thence northerly along said west right of way line, a distance of 1,201 feet more or less to the north line of Lot 3 in Town & Country Addition;

Thence westerly along said north line and said west right of way line, a distance of 9 feet more or less;

Thence northerly along said west right of way line, a distance of 251 feet more or less;

Thence easterly along said west right of way line, a distance of 3 feet more or less;

Thence northerly along said west right of way line, a distance of 235 feet more or less to the north line of Lot 1 in Town & Country Addition;

Thence westerly along said north line and said west right of way line, a distance of 5 feet more or less;

Thence northerly along said west right of way line, a distance of 100 feet more or less;

Thence northerly along said west right of way line, a distance of 157 feet more or less;

Thence northwesterly along said west right of way line, a distance of 65 feet more or less to the south right of way line of John Deere Road;

Thence northerly, a distance of 239 feet more or less to the north right of way line of John Deere Road;

Thence northeasterly along said north right of way line, a distance of 79 feet more or less to the west right of way line of 16th Street;

Thence easterly, a distance of 157 feet more or less to the intersection of the north right of way line of John Deere Road and the east right of way line of 16th Street;

Thence southeasterly along said north right of way line, a distance of 36 feet more or less;

Thence easterly along said north right of way line, a distance of 339 feet more or less;

Thence northerly along said north right of way line, a distance of 9 feet more or less;

Thence easterly along said north right of way line, a distance of 364 feet more or less;

Thence northerly along said north right of way line, a distance of 8 feet more or less;

Thence easterly along said north right of way line, a distance of 236 feet more or less;

Thence southerly along said north right of way line, a distance of 8 feet more or less;

Thence easterly along said north right of way line, a distance of 399 feet more or less;

Thence northerly along said north right of way line, a distance of 46 feet more or less;

Thence easterly along said north right of way line, a distance of 639 feet more or less to the west right of way line of 27th Street;

Thence easterly along said north right of way line, a distance of 93 feet more or less to the east right of way line of 27th Street;

Thence southeasterly, a distance of 515 feet more or less to the intersection of the south right of way line of John Deere Road and the east line of South Moline Township Tax Parcel No. 354-C;

Thence southerly along the east line of South Moline Township Tax Parcel No. 354-C and South Moline Township Tax Parcel No. 354, a distance of 441 feet more or less to the south line of South Moline Township Tax Parcel No. 354;

Thence westerly along said south line, a distance of 318 feet more or less to the east right of way line of 27th Street;

Thence southerly along said east right of way line, a distance of 135 feet more or less;

Thence westerly along said east right of way line, a distance of 17 feet more or less;

Thence southerly along said east right of way line, a distance of 385 feet more or less to the north right of way line of 46th Avenue;

Thence easterly along said north right of way line, a distance of 300 feet more or less to the northerly extension of the east line of South Moline Township Tax Parcel No. 360-1;

Thence southerly along said east line and its northerly extension, a distance of 325 feet more or less to the south line of South Moline Township Tax Parcel No. 360-1;

Thence westerly along said south line, a distance of 300 feet more or less to the east right of way line of 27th Street;

Thence southerly along said east right of way line, a distance of 801 feet more or less to the easterly extension of the north line of Ekhco 5th Addition;

Thence westerly along said north line and its easterly extension, a distance of 1,964 feet more or less to the Point of Beginning.

The above described parcel contains 119.227 acres, more or less excluding the following 3 exceptions.

Exception 1

Lots 1, 2 and 6 of SouthPark Mall Subdivision Second Addition, all of Nellis First Addition, and part of Lot 4 SouthPark Mall Subdivision First Addition, all located in the northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian, in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows:

Beginning at the at the southwest corner of Nellis First Addition;

Thence northerly along the east right of way line of 16th Street, a distance of 358 feet more or less;

Thence northerly along said east right of way line, a distance of 209 feet more or less;

Thence northeasterly along said east right of way line, a distance of 83 feet more or less to the south right of way line of John Deere Road;

Thence easterly along said south right of way line, a distance of 640 feet more or less;

Thence northerly along said south right of way line, a distance of 5 feet more or less;

Thence easterly along said south right of way line, a distance of 277 feet more or less;

Thence easterly along said south right of way line, a distance of 503 feet;

Thence southerly, a distance of 315 feet more or less to the easterly projection of the south line of Lots 1 and 2 in SouthPark Mall Subdivision Second Addition;

Thence westerly along said south line and its easterly projection, a distance of 1,259 feet more or less to the southwest corner of said Lot 1;

Thence westerly, a distance of 56 feet more or less to the northeast corner of Nellis First Addition;

Thence southerly along the east line of Nellis First Addition and the east line of Lot 6 in SouthPark Mall Subdivision Second Addition, a distance of 329 feet more or less;

Thence southwesterly along the east line of said Lot 6, a distance of 32 feet more or less;

Thence westerly along the south line of said Lot 6, a distance of 46 feet more or less;

Thence westerly along said south line, a distance of 96 feet more or less to the west line of said Lot 6;

Thence northerly along said west line, a distance of 178 feet more or less to the south line of Nellis First Addition;

Thence westerly along said south line, a distance of 40 feet more or less to the Point of Beginning.

Exception 2

Part of Lot 4 in SouthPark Mall Subdivision First Addition, in the northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian, in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows:

Commencing at the northwest corner of Lot 5 in SouthPark Mall Subdivision Second Addition;

Thence northerly, a distance of 250 feet more or less to the Point of Beginning;

Thence northerly, a distance of 210 feet more or less;

Thence easterly, a distance of 155 feet more or less;

Thence southerly, a distance of 210 feet more or less;

Thence westerly, a distance of 153 feet more or less to the Point of Beginning.

Exception 3

All of Lot 5 in SouthPark Mall Subdivision Second Addition in the northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian, in the City of Moline, County of Rock Island, State of Illinois.

Tax Increment Financing Redevelopment Plan & Project

.....
SouthPark Mall
Redevelopment Project Area
.....

Prepared for
City of Moline, Illinois

Prepared by
PGAV PLANNERS

August 23, 2012

CITY OF MOLINE, ILLINOIS

MAYOR

Donald P. Welvaert

CITY COUNCIL

Stephanie Acri

John Knaack

Sean Liddell

Richard Meredith

J. Scott Raes

Ted Ronk

Kevin Schoonmaker

Lori Turner

CITY CLERK

Tracy A. Koranda

FINANCE OFFICER

Kathleen Carr

DIRECTOR OF PLANNING & ECONOMIC DEVELOPMENT

Ray Forsythe

CITY ATTORNEY

Maureen E. Riggs

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APPENDIX

Attachment A - Resolution No. 1026-2011
Attachment B - Map Exhibits
 A - Redevelopment Project Area Boundary
 B-1 - Existing Land Use
 B-2 - Buildings and Year of Building Construction
 C - Building Vacancies
 E - General Land Use Plan
Attachment C - Boundary Description, SouthPark Mall Redevelopment Project Area
Attachment D - Existing Conditions Photos
Attachment E - Parcel Identification Numbers, Property Owner and 2011 EAV

SECTION I

INTRODUCTION

On February 8, 2011, the Moline City Council passed **Resolution 1026-2011** stating the City's intent to designate a portion of the City as a tax increment finance (TIF) Redevelopment Project Area and to induce development interest within such area (see **Attachment A** in the Appendix). The area being considered for designation as a TIF area generally includes the SouthPark Mall (Mall) and certain bordering properties on the perimeter along 16th Street and 27th Street. The area is referred to herein as the SouthPark Mall Redevelopment Project Area (the "Area"). The boundaries of the Area are as shown on **Exhibit A - Redevelopment Project Area Boundary** contained in the **Appendix as Appendix B - Map Exhibits**. Refer also to the **Boundary Description** contained in the **Appendix as Attachment C**.

The Area contains approximately 121 acres, including public rights-of-way. There are a total of seven (7) parcels of real property comprising approximately 90 acres, all but one of which have improvements thereon (e.g., buildings, parking areas, etc.). In fact, the building improvements alone (not counting site improvements such as parking areas, access roads, and drive aisles) total approximately 997,000 square feet of enclosed space). The only vacant parcel of approximately 2.5 acres is located across from the Mall on 27th street. Therefore, in terms of total acreage, 97.3% of the Area is improved property. The vacant parcel noted previously was actually improved until the improvements were demolished in about 2010. Today only a driveway and small parking area remain at the western edge of the parcel. It is considered vacant land, as this term is defined by the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et. seq.*, the "Act"). Much of the built environment in this Area suffers from obsolescence, physical deterioration, and excessive vacancy. More than half the buildings in the Area are 35 years old or older.

Not all properties have conditions that would qualify them individually under the definitions contained in the Act. However, the area as a whole meets the eligibility requirements of the Act. The conditions that qualify both improved and vacant land for tax increment financing are documented in Section III of this Plan.

The City may consider the use of tax increment financing, as well as other economic development resources as available, to facilitate private investment within the Area. It is the intent of the City to induce the investment of significant private capital in the Area, which will also induce spillover investment in neighboring areas. A housing impact study need not be performed since there are no residential units within the Area (per Section 11-74.4-3(n)(5) of the Act).

The Act sets forth the requirements and procedures for establishing a Redevelopment Project Area and a Redevelopment Plan. The following sections of this report present the findings of eligibility and the Redevelopment Plan and Project for the Area, as well as other findings, evidence and documentation required by the Act.

SECTION II

STATUTORY BASIS FOR TAX INCREMENT FINANCING AND SUMMARY OF FINDINGS

A. Introduction

Tax increment financing (TIF) is a local funding mechanism created by the "Tax Increment Allocation Redevelopment Act" (the "Act"). The Act is found at 65 ILCS 5/11-74.4-1 *et. seq.*

As used, herein, the term **Redevelopment Project** means any public and private development project in furtherance of the objectives of a Redevelopment Plan. The term **Redevelopment Project Area** means an area designated by the municipality, which is not less in the aggregate than 1-1/2 acres and in respect to which the municipality has made a finding that there exist conditions that cause the area to be classified as an industrial park conservation area, a blighted area or a conservation area, or a combination of both blighted areas and conservation areas. **Redevelopment Plan** 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.

The concept behind the tax increment law is straightforward and allows a municipality to carry out redevelopment activities on a local basis. Redevelopment that occurs in a designated Redevelopment Project Area results in an increase in the equalized assessed valuation (EAV) of the property and, thus, generates increased real property tax revenues. This increase or "increment" can be used to finance "redevelopment project costs" such as land acquisition, site clearance, building rehabilitation, interest subsidy, construction of public infrastructure, and other redevelopment project costs as permitted by the Act.

The Illinois General Assembly made various findings in adopting the Act; among them were:

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

These findings were made on the basis that the presence of blight, or conditions that lead to blight, is detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act specifies certain requirements that must be met before a municipality can proceed with implementing a Redevelopment Plan. One of these requirements is that the municipality must demonstrate that a Redevelopment Project Area qualifies under the provisions of the Act. With the definitions set forth in the Act, a Redevelopment Project Area may qualify either as a blighted area, a conservation area, or a combination of both blighted area and conservation area, or an industrial park conservation area.

B. Summary of Findings

The following findings and evidentiary documentation is made with respect to the proposed Redevelopment Project Area:

1. The Area as a whole meets the statutory requirements as a *conservation area*. Furthermore, the factors necessary to make these findings exist to a meaningful extent and are distributed throughout the Area.
2. The Area exceeds the statutory minimum size of 1-1/2 acres.
3. The Area contains contiguous parcels of real property.
4. If this Plan is adopted and implemented by the City, it is reasonable to say that all properties included in the Area would benefit substantially from being included in the Area.
5. The Redevelopment Project Area, as a whole, has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to occur without public assistance. Further evidence of this is presented in Section III and throughout this document.

SECTION III

BASIS FOR ELIGIBILITY OF THE AREA AND FINDINGS

A. Introduction

A Redevelopment Project Area, according to the Act, is that area designated by a municipality in which the finding is made that there exist conditions that cause the area to be classified as a blighted area, conservation area, or combination thereof, or an industrial park conservation area. The criteria and the individual factors defining each of these categories of eligibility are defined in the Act.

This Section documents the relevant statutory requirements and how the subject area meets the eligibility criteria.

B. Statutory Qualifications

The Act defines the factors that must be present in order for an area to qualify for TIF. The following provides the statutory definitions of the qualifying factors relating to a blighted area and a conservation area:

1. Eligibility of a Blighted Area

The Act states that a "...**“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:" *[Emphasis with bold text added.]*

- a. **“If improved**, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five (5) or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent, so that a 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:" *[Emphasis with bold and underlined text added.]*

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

- (2) “Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use. *[Emphasis with underlined text added.]*”
- (3) “Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters, and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.” *[Emphasis with underlined text added.]*”
- (4) “Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.” *[Emphasis with underlined text added.]*”
- (5) “Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.” *[Emphasis with underlined text added.]*”
- (6) “Excessive vacancies. The presence of buildings that are unoccupied or underutilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.” *[Emphasis with underlined text added.]*”
- (7) “Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.” *[Emphasis with underlined text added.]*”
- (8) “Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii)

lacking within the redevelopment project area.” *[Emphasis with underlined text added.]*

- (9) “Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.” *[Emphasis with underlined text added.]*
- (10) “Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.” *[Emphasis with underlined text added.]*
- (11) “Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.” *[Emphasis with underlined text added.]*
- (12) “Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the 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.” *[Emphasis with underlined text added.]*

- (13) “The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.” *[Emphasis with underlined text added.]*
- b. **“If vacant**, the sound growth of the Redevelopment Project Area is impaired by a combination of two (2) or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent, so that 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:” *[Emphasis with bold text added.]*
- (1) “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.”
- (2) “Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.”
- (3) “Tax and special assessment delinquencies exist, or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.”
- (4) “Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.”
- (5) “The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the Redevelopment Project Area.”

- (6) “The total equalized assessed value of the proposed Redevelopment Project Area has declined for three (3) of the last five (5) calendar years prior to the year in which the Redevelopment Project Area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the Redevelopment Project Area is designated.”
- c. **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:
- (1) The area consists of one or more unused quarries, mines, or strip mine ponds.
 - (2) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.
 - (3) The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area, as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.
 - (4) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.
 - (5) Prior to the effective date of this amendatory Act of the 91st General Assembly, the area is not less than 50, nor more than 100 acres, and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (a) of this subsection, the area has been designated as a town or Village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.
 - (6) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

2. Eligibility of a Conservation Area

The Act further states that a “... “conservation area” means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which **50% or more of the structures in the area have an age of 35 years or more**. Such an area is not yet a blighted area, but because of a combination of three (3) or more of the [13 factors applicable to the improved area] is detrimental to the public safety, health, morals or welfare, and such an area may become a blighted area.” *[Emphasis with bold and underlined text added. Bracketed text replaces “following factors” from the Act.]*

C. Investigation and Analysis of Blighting Factors

In determining whether or not the Area meets the eligibility requirements of the Act, research and field surveys were conducted by way of:

- Contacts with City of Moline officials knowledgeable of Area conditions and history.
- On-site field examination of conditions within the Area by experienced staff of PGAV along with the City’s building inspector. PGAV personnel are trained in techniques and procedures of documenting conditions of real property, streets, etc. and in determining eligibility of designated areas for tax increment financing.
- Use of definitions contained in the Act.
- Adherence to basic findings of need as established by the Illinois General Assembly in establishing tax increment financing, which became effective January 10, 1977.
- Examination of Rock Island County real property tax assessment records and mapping data.

To ensure that the exercise of these powers is proper and in the public interest, the Act specifies certain requirements that must be met before a municipality can proceed with implementing a redevelopment project. One of these is that the municipality must demonstrate that the Area qualifies. An analysis of the physical conditions and presence of blighting factors relating to the Area was commissioned by the City. The result and documentation of this effort are summarized below.

D. Analysis of Conditions in the Area

PGAV staff conducted field investigations to document existing conditions in the Area on April 4, 2012. One of the outcomes of this survey was an inventory of existing land uses in the Area, which are illustrated on **Exhibit B-1 - Existing Land Use** contained in the **Appendix as Attachment B - Map Exhibits**.

The following pages in this section of the Redevelopment Plan provide a summary of the conditions that existed in the Area at the time of a field review of all properties and buildings in the Area on the date noted above by senior members of the PGAV PLANNERS staff. During this field visit all properties were reviewed via exterior observation. In the case of the Mall, access was provided to the PGAV staff to all public areas, support areas, and the roof by Mall personnel. Various examples of current conditions were photographed resulting in more than 150 photos being taken with 110 of those being archived. The photos in **Attachment D** to this Redevelopment Plan provide a representative sample of the various conditions observed during this field review and a representative sample of the 110 archived photos. In making the determination of eligibility, it is not required that each and every property or building in the Area be blighted or otherwise qualify. Rather, it is the Area as a whole that must be determined to be eligible.

1. Findings on Improved Area

- a. Summary of Findings on Age of Structures: Age is a prerequisite factor in determining a Redevelopment Project Area's qualification as a "conservation area". As is clearly set forth in the Act, 50% or more of the structures in the Redevelopment Project Area must have an age of 35 years or greater in order to meet this criteria. As shown on **Exhibit B-2, Buildings and Year of Building Construction**, contained in the **Appendix as Attachment B - Map Exhibits**, the Area contains 13 buildings of which 7 (54%) are 35 years of age or older. The year the building was constructed was derived from Rock Island County Assessor records and the building count was derived based on permitting records associated with the Assessor data as follows:

- Built according to typical mall construction standards. Each of the five (5) department stores is a complete building constructed in 1973, or in the case of the JC Penney store, in 1978, or the Sears store, in 1990. The original mall area connecting the three (3) original department stores is counted as a single structure and was also constructed in 1973.

The portions of the mall constructed later (in 1978 connecting the JC Penney store and in 1990 connecting the Sears store) are counted as separate buildings.

- An additional separate building was added on the north side of the Younker's store in 1990.
- Three of the four buildings constructed on bordering parcels were constructed in 1977 or earlier.

Thus, more than 50% of the buildings exceed 35 years of age and, therefore, the age threshold is met for qualifying the Area as a conservation area.

- b. Summary of Findings on Deterioration: Deteriorating conditions were recorded on all of the 13 buildings in the Area. The field survey of the Area of exterior building conditions (and exterior and interior conditions in the case of the Mall) found structures with an array of defects in both interior and exterior building components. **Attachment D** in the **Appendix** provides photos of examples of the conditions found in the various buildings and properties. These photos were selected from the archive of 110 photos taken of the Mall, adjacent buildings, and various other properties and site improvements within the Area to be representative of the conditions. These examples include secondary structural components, including windows, doors, gutters, downspouts, masonry and other fascia materials, etc. These deteriorated building conditions were observed on buildings throughout the Area.

In the case of the Mall, which comprises 9 of the 13 buildings and approximately 974,000 square feet or 97.6% of the total gross building space in the Area, interior and exterior examples of deterioration are extensive and spread through the Mall buildings particularly in the buildings that connect the five (5) department stores. These conditions include:

- Significant deterioration of the roof over the mall space which is equal to about 42% of the total gross roof area of the mall space and the department stores combined. The Mall owner commissioned a roof evaluation by Davis Harris & Associates that was completed with a report submitted to the owner in May of 2012. This evaluation divided the roof of the Mall and the department stores into 31 sectors. It was determined that eight of these sectors comprising approximately 146,000 square feet will need total replacement. This is equal to approximately 35% of the total gross roof area of the mall space. In addition, the estimated cost of replacement for these roof areas is \$1,550,000.
- The roof deterioration has created water infiltration that has damaged ceilings and wall areas.
- Parapet wall pre-cast concrete fascia panels are shifting, spalling, and separating from the building face and, in some cases, are held together with steel straps and bolts to keep them from falling.
- Aged roof-mounted air conditioning units are failing. In some cases, these units have failed and been left in place but have had to be covered with tarps to prevent water from entering the buildings and the duct work.
- Structure settlement has created significant step cracking in exterior and interior walls and in one observed instance is in danger of separating from the wall at an upper corner.

- The mall area between the department stores has numerous instances of extensive cracking in the marble flooring.
- The entry canopy fabric on the north mall entrance has holes, is tearing, and prior repairs are failing.

Deteriorated building conditions are indicative of deferred maintenance and a lack of investment. The extent to which a structure and the associated site improvements are deteriorated is a measure of the property's stability and market value for its current use or potential reuse.

Deteriorated site improvements, which include parking lots, access drives and bridges, driveways, sidewalks, signs, light poles/fixtures and fences, are also found on all of the 7 improved parcels in the Area. Instances of note include:

- The vast parking areas surrounding the Mall are nearly all in deteriorated condition with significant pavement cracking, potholes, and fading pavement markings. A recent (May 2012) pavement report prepared for the Mall owner by Zimmer Consultants found 59% of the parking area pavement to be in poor to very poor or failed condition. An example shown in **Attachment D** indicates an extensive parking area in the southeast corner of the lot that is barricaded from the access drive due to its poor condition.
- Parking lot lighting fixtures are also in poor condition. The luminaires have clouded badly reducing the lighting output, some of them are leaning, and the light standards are in various stages of corrosion. Lighting fixtures both within and outside the Mall are old and inefficient. A recent lighting evaluation report conducted for the Mall owner (in April of 2012) indicates a total of 2,312 interior lighting fixtures and 302 exterior fixtures and recommends complete replacement of all fixtures.
- As noted previously, all Area properties demonstrate instances of deteriorated parking areas, sidewalks, curbing, and driveways. However, again, the sheer size of the Mall property magnifies these conditions. The examples in **Attachment D** show the types of deterioration that are prevalent. In addition, the Mall represents a unique situation in that all of its access points from surrounding streets are via bridges over the drainage channels that border the east and west sides of the property. There are five bridges that provide this access, and four of the five are failing (one was recently replaced). This is evident by the sinking pavement at the connecting points, severely deteriorated islands, and damaged guardrails. Engineering studies conducted for the Mall owner in 2011 have shown that these bridges need complete replacement.

- The four bordering buildings that are included in the Area have been vacant for extended periods of time and, as noted previously, are all showing signs of deterioration that is the result of disuse.
 - The two outparcel uses on the northeast corner of the Mall property where the building improvements were demolished, but floor pavement and parking pavement remain, represent “scars on the landscape” and contain debris.
- c. Summary of Findings on Obsolescence: An obsolete building or improvement that have become ill-suited for their original use. Thus, obsolescence is the condition or process of falling into disuse. In this instance, the initial discussion of this condition must be in the context of the current state of regional malls in general, and then the specifics related to SouthPark Mall.

Regional malls throughout the U.S. are suffering from obsolescence that relates to changes in retailing, consumer shopping patterns, and changing demographics within metropolitan area. In general, most U.S. metro areas have an excess of retail space compared to their growth rates, establishment of new housing units, and growth in household income. Prior to the recession that began in 2007; national and regional retailers were building and opening new stores at a rapid pace. However, in many instances the new stores were simply shifting the money around, i.e. the new stores were simply grabbing market share from existing retailers because population growth was not keeping pace with demand for retail goods. At the same time, the retailers that were expanding were not seeking mall locations but were building freestanding stores or locating in strip centers where lease costs and common area maintenance (CAM) charge are typically lower. At the same time, online retailing was growing and continues to grow. The impacts of the recession hampered household income particularly in metro areas with high unemployment. Further negative impact has been felt wherein some typical mall retailers (such as Sears, some of the national jewelers, and others) have suffered and are closing stores, or have disappeared altogether. As mall owners began losing tenants (and therefore property income) deferred maintenance grew.

This combination of events has meant that within any metro area that in the past might have had market demand to support retail space for more than one regional mall, today can support less. The overall result is that, in some metro areas with more than one regional mall, at least one has become obsolete just by virtue of its size, without consideration for other factors such as socio-economic changes within an area. It should be noted that this scenario has been well documented by various commercial real estate publications including those catering to the shopping center industry. Even mainstream news and business publications have documented these trends. As an example, a recent article (March 12, 2012) in *Crain's Chicago Business*, entitled “Middle of nowhere” discusses this situation in the Chicago metro area.

In the case of SouthPark Mall the scenarios discussed above that point to obsolescence are evident in nearly every respect. First of all, it is clear that the Mall is, in all likelihood, too big for the market. Data gathered by PGAV from ESRI via a “Business Analyst” report shows that between 2000 and 2010, population of the entire Metropolitan Statistical Area (MSA) population grew at an annual rate of only 0.1% or about 1% over the 10-year period. Data published by the Quad City Times in 2009 showed that of the principal cities in the MSA, Davenport’s growth outpaced all others by a significant margin. Within the MSA, households grew by 0.36% annually or a total of about 3.6% over the 10-year period, and housing units grew by 0.53% annually or a 10-year total of about 5.4%. Again Davenport bested all others on these factors as well. This demographic data helps to explain why the occupancy of North Park Mall in Davenport remains relatively high. On April 5, 2012, PGAV staff visited SouthPark Mall’s sister facility in Davenport and on all comparison levels (vacancy, tenant quality, building and site improvement conditions, etc.) this facility appeared reasonably healthy.

Other evidence of obsolescence of any commercial building (but especially a regional mall) is typically displayed in terms of the vacancy rate and quality of the tenants. All of the anchor department stores at SouthPark Mall are presently occupied with the original tenants. However the connecting mall space currently has 20% by unit count and 13% by square footage of its space completely vacant. A facility of this type would be considered healthy with a vacancy rate between 5% and 7%. Another 25.6% of the connecting mall space by unit count and 16.1% by square footage is comprised of what are termed “specialty leases”. These are short term leases, usually at lower rent, and usually involving non-traditional mall tenants, some of which do not generate sales tax revenues. A number of examples of these types of tenants are shown in **Attachment D**. In essence, this is space that can’t be leased to the types of tenants a shopper would find at a regional mall, or which would attract shoppers to the location, and thus this space would be vacant if not for the “deal” that is being made with the tenant. This situation often makes the financial viability of the property even more tenuous since existing tenants begin to demand lower lease rates and reduced CAM charges. Therefore, it becomes harder for the owner to cover the maintenance cost of the property and deferred maintenance continues to grow. Also of note is the fact that 4.4% of the existing space in the connecting mall by unit count and 4.6% by square footage is still occupied but the tenant is on a month-to-month lease basis with the previous lease having expired. Taken as a whole, this data demonstrates obsolescence in that 50.7% of the space by unit count and 33.8% by square footage is “at risk” in one of the categories described above. Lastly, it should be noted that one of the department store spaces is that occupied by Sears. This space of almost 106,000 square feet will be subject to the fate of Sears’ ability to reinvent itself as a retailer. Sears has already closed or has indicated intention to close more than 100 of its locations and recent published infor-

mation has indicated larger varying numbers. While the Mall owner has had no notice of the closure of this store, if this were to occur, a large space of this nature will be nearly impossible to fill.

In summary, the field review evidence, changing demographics and retailing conditions in the Quad Cities MSA, lack of investment in the Mall property and its excessive size has caused the Mall to become obsolete. Given these existing factors and the condition of the property, any scenario that halts the decline of this property will be very difficult and expensive to implement.

It should also be noted that the Area contains 4 other buildings that are on the perimeter of the Mall. The three buildings on the east along 27th street are vacant. These buildings have now become obsolete as well and their vacancy may, at least in part, be the result of the decline of the Mall. Each of these buildings, and a vacant bank building on 16th Street, were clearly designed and positioned on their respective sites for unique purposes. Their extended vacancy is also indicative of obsolescence.

- d. Summary of Findings Regarding Excessive Vacancies: Excessive vacancies were documented in 7 of the 13 buildings in the Area. The discussion above under Obsolescence documents the vacancy conditions. As noted previously, the 4 buildings on the perimeter of the building are completely vacant and have been so for an extended period of time. The vacancy of the connecting mall space at the Mall is excessive by retail development standards and when temporary (“specialty”) leases, expired leases, and the potential for the closure of Sears are accounted for, there is potential for vacancy rates to more than double the current rate at any time.

Exhibit C, Building Vacancies contained in the **Appendix as Attachment B – Map Exhibits**, shows the buildings that are fully and partially vacant. A walk through the mall and drive by the perimeter properties in the Area clearly indicate a distressed situation. In addition to the lost tax revenue this condition represents, vacant commercial buildings at highly visible locations and significant, widely-distributed vacancies with a regional mall create an image of economic distress that impedes reinvestment and discourages new occupancy.

- e. Summary of Findings Regarding Excessive Land Coverage and Overcrowding of Structures and Community Facilities: Only one of the perimeter properties on 27th Street truly represents a situation wherein the building and associated parking area covers nearly the entire site with little area devoted to landscaping. This property represents such a small percentage of the Area as to make this factor insignificant in terms of this eligibility analysis. However, it should be noted that by modern development standards the Mall is virtually a sea of buildings and asphalt with comparatively little green space to soften the atmosphere. Modern design of such facilities would pay much greater attention to these aspects of site design.

- f. Summary of Findings Regarding Declining or Lagging Rate of Growth of Total Equalized Assessed Valuation: This factor is applicable to vacant areas as well as improved areas. The total equalized assessed valuation (EAV) for the Area has not kept pace with the balance of the City for five (5) of the last five (5) calendar years. A comparison of EAV for the Area and the balance of the City is shown as **Exhibit D, Comparison of EAV Growth Rates (2006-2011)** below.

As clearly demonstrated in **Exhibit D**, the Area has consistently lagged behind the City in EAV growth over the last five years by a significant difference in each period. What had been increases in EAV (albeit small and still behind City increases) in the Area from 2006 to 2008 changed to a significant decline of 5.7% from 2008 to 2009. This decline accelerated by more than double from 2009-2010 or a decrease of nearly 13%. This is certainly the mark of an area in decline and more importantly suggests an accelerating condition that is common to a struggling commercial property.

Exhibit D

COMPARISON OF EAV GROWTH RATES (2006 - 2011)

SouthPark Mall Redevelopment Project Area
 City of Moline, Illinois

Assessment Year	EAV		Area Growth Rate Less Than Balance of City?
	Project Area ¹	Balance of City ²	
2006	\$ 22,163,921	\$ 756,812,338	
2007	\$ 22,418,131	\$ 822,605,245	
Annual Percent Change	1.1%	8.7%	YES
2008	\$ 22,679,750	\$ 846,364,911	
Annual Percent Change	1.2%	2.9%	YES
2009	\$ 21,379,213	\$ 860,220,571	
Annual Percent Change	-5.7%	1.6%	YES
2010	\$ 18,693,293	\$ 867,856,598	
Annual Percent Change	-12.6%	0.9%	YES
2011	\$ 18,693,293	\$ 871,585,173	
Annual Percent Change	0.0%	0.4%	YES

¹ Equalized Assessed Valuation (EAV) for the Project Area. Source: Rock Island County & Milan Township property assessment data.

² Total EAV for the City less the EAV for the Project Area.

2. Findings on Vacant Land

There is one vacant parcel of real property which is insignificant in context of the 7 total parcels within the Area considering the size of the predominant parcels that comprise the Mall and the extent of improvements that exist on the all other parcels. This parcel is located along the eastern edge of the Area at 4553 27th Street (Parcel NO. 1716200009). Nonetheless, the following narrative summarizes the qualifying factors present that apply to vacant land, as contained in the definition of “blighted area” in the Act.

- a. Summary of Findings on Blighted Improved Area Immediately Prior to Becoming Vacant: This property appears to have an evolution of uses that may have begun as a gas station, was a used car lot, and most recently appears to have been a truck parking area. Google Earth and Bing Maps ground level photography from November of 2008 indicates the existence of three dilapidated buildings on the site along with highly deteriorated site improvements (primarily lighting standards and paving) with some trash and debris scattered around the site. PGAV field review of the Area in April of 2012 revealed that the blighted buildings have been removed and thus the property is now vacant. This parcel is of a very developable configuration and size and yet has had no improvement or investment, nor has there been significant investment in adjacent parcels. The desirability of this parcel may be negatively impacted by the decline of the Mall and nearby vacant buildings on 27th Street.
- b. Summary of Findings on Declining or Sub-Par EAV Growth: This factor is applicable to vacant land as well as improved land. The total equalized assessed valuation (EAV) for the Area has not kept pace with the balance of the City for all five (5) of the last five (5) calendar years. A comparison of EAV for the Area and the balance of the City are shown in **Exhibit D, Comparison of EAV Growth Rates (2006-2011)** on the previous page.

E. Summary of Eligibility Factors for the Area

The study found that the Area contains conditions that qualify it as a **conservation area**. The proportion of buildings that are 35 years old or older is 54%, which exceeds the statutory threshold of 50% (prerequisite for a “conservation area”). The developed (improved) portion of the Area contains a relatively high incidence of at least three qualifying factors, which causes the improved land to qualify as a conservation area. Qualifying factors are present to a meaningful extent and are distributed throughout the Area. This is supported by the preceding discussions in this Section of the Redevelopment Plan and further supported by photos of the Mall buildings and properties and the other buildings and properties located in the Area that can be found in **Attachment D** in the **Appendix**.

The following summarizes the existence of the most predominant blighting/conservation factors existing within the Area:

- **Age** - 54% of the buildings are over 35 years of age, thus exceeding the threshold for being considered a “conservation area.”
- **Deterioration** - 62% of the buildings and 86% of parcels with site improvements exhibit signs of deterioration as defined in the Act.
- **Obsolescence** - The level of vacancy and short term leases at the Mall are evidence of its obsolescence. The market rejection of significant portions of the connecting mall space is a recognized real estate measurement of obsolescence. As is the case with many regional malls around the U.S., the metropolitan market became overbuilt with retail development. This factor coupled with the changing trends in retailing relative to store sizes, locations, and the internet have made many properties such as SouthPark Mall to be too big. The vacant perimeter buildings in the Area represent similar indicators of obsolescence and an indicator that the struggling Mall will bring other adjoining properties down as well unless steps are taken to reinvent and reposition the Mall.
- **Excessive Vacancies** - Over 13% of the building space in the Mall is completely vacant and another 21% is occupied by second or third tier tenants on temporary (“specialty”) leases to or by tenants whose leases have expired and are on a month-to-month basis. Therefore, a total of 33.8% of the mall space is either entirely vacant or is occupied by non-traditional mall tenants or under non-traditional lease terms. The space in these latter two categories is “at risk” of becoming vacant at nearly any time. The 4 perimeter buildings in the Area are completely vacant.
- **Declining EAV** - The conditions summarized above help explain, in part, why the growth in the Area’s equalized assessed valuation has failed to keep pace with balance of the City for five (5) of the last five (5) years. In fact, the Area has declined in EAV, from 2006 to 2011, by nearly \$3.5 million. This factor applies to both improved and vacant land.

The study found that the Redevelopment Project Area contains conditions that qualify it as a conservation area, as this term is defined in the Act, and that these parcels will continue to exhibit blighted conditions or conditions that will likely lead to blight without a program of intervention to induce private and public investment in the Area. These findings were made considering the numerous qualifying factors that are present to a meaningful extent and distributed throughout the Area. The qualifying conditions that exist in the Redevelopment Project Area are detrimental to the Area as a whole and the long-term interests of the taxing districts. The various projects contemplated in this tax increment program will serve to reduce or eliminate the deficiencies that qualify the Area under the Act and enhance the tax base of all overlapping taxing authorities.

Therefore, it is concluded that public intervention is necessary because of the conditions documented herein and the lack of private investment in the Area. The City Council should review this analysis and, if satisfied with the findings contained herein, proceed with the adoption of these findings in conjunction with the adoption of the Redevelopment Plan and establishment of the Redevelopment Project Area.

SECTION IV

REDEVELOPMENT PLAN

A. Introduction

This section presents the Redevelopment Plan and Project for the SouthPark Mall Redevelopment Project Area. Pursuant to the Tax Increment Allocation Redevelopment Act, when the finding is made that an area qualifies as either a conservation, blighted, combination of conservation and blighted areas, or industrial park conservation area, a Redevelopment Plan must be prepared. A **Redevelopment Plan** is defined in the Act as "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".

B. General Land Uses to Apply

The proposed general land uses to apply to the Area is presented on **Exhibit E**, entitled **General Land Use Plan** contained in the **Appendix as Attachment B – Map Exhibits**. The General Land Use Plan proposes that the Area remain in commercial use. However, the type of commercial uses will vary and will, in all likelihood, be a mix of uses that will include retail, office, and service uses. At the present time, the Mall owners are developing concepts for rehabilitation of the Mall and the undeveloped land areas under their ownership. While PGAV has not conducted a market analysis in conjunction with this Redevelopment Plan, it is apparent based on national trends and the Quad Cities demographic trends discussed previously, that adding significant levels of retail space to the Area are probably not feasible. In fact, in some instances elsewhere in the U.S., enclosed regional malls such as this have been converted to open-air facilities in order to reduce the amount of retail space and to "re-invent" the property. Given the location of the Area, there may be opportunities for additional hotel and office development to occur. In addition, market conditions may ultimately dictate that certain limited instances of residential development or business park-type uses may be appropriate.

It should be noted that the commercial land use designation for the Area is in keeping with the City's Comprehensive Plan adopted November 13, 2001. The Comprehensive Plan divides the City into various planning districts. SouthPark Mall is part of the Rock Valley Planning District. The Future Land Use for this part of the City is depicted in map form in Chapter 10 of the Comprehensive Plan and shows commercial land uses for all properties within the Area. On page 10-54 of the Comprehensive Plan the Mall and surrounding area is discussed as follows:

In general, the intersection of 16th Street and John Deere Road acts as the center of this District. Unfortunately, development along the street south of this intersection has become dated, providing a marginal entry into one of the city's most important retail centers, SouthPark Mall. Immediate attention needs to be given to the streetscape of this area, as well as significant upgrades to the parking areas and building facades of adjoining properties. Likewise, the mall's back door, 27th Street, needs similar improvements in order to enhance the competitiveness and vitality of the mall and surround retail and office development.

Certainly, this commentary is reflected by some of the building conditions noted on perimeter properties in the Eligibility Analysis section of this Redevelopment Plan. Since the Comprehensive Plan was written, some of the structures on the Mall property at the northwest corner of 27th Street have been demolished and several of the structures along east side of 27th Street are now vacant. This clearly indicates the decline of the Area and further reinforces the concerns noted in the Comprehensive Plan.

An important goal of a TIF Redevelopment Plan is the promotion of an increasing and stable tax base, as well as the elimination of the blighting influences that caused an area to qualify in the first place. Repositioning and/or redevelopment a regional mall of the size of SouthPark is a major undertaking, both physically and financially. During the course of the Mall owner's evaluation of redevelopment alternatives, it will be important to consider other uses that may make "market sense". It is the intent of this Redevelopment Plan to make note of the fact that many potential land use scenarios may ultimately be appropriate for the Area. Some of those scenarios may involve introduction of residential or business park type uses to the Area, particularly along the 27th Street corridor. As such "commercial" land use as indicated on **Exhibit E, General Land Use Plan** contained in the **Appendix at Attachment B - Map Exhibits**, should be taken to include limited instances of these additional uses over the term in which this Redevelopment Plan may be in effect. If the evolution of redevelopment and/or rehabilitation of the Mall and encompassing Area ultimately include these other uses, it may be necessary for the City to amend the Comprehensive Plan to reflect the changes in market conditions affecting the Area.

While property owners or developer plans for the Mall and other properties within the Area are not known at this time, it is assumed that property assembly, selective building demolition and redevelopment will take place along with building rehabilitation. It is the objective of this Plan that redevelopment activity is accomplished in a well-planned manner to mitigate potential land use incompatibilities and make the most efficient use of public resources. Furthermore, all redevelopment projects shall be subject to the provisions of the City's ordinances and other applicable codes as may be in existence and may be amended from time-to-time.

C. Objectives

The objectives of the Redevelopment Plan are:

1. Reduce or eliminate those conditions that qualify the Area as eligible for tax increment financing by carrying out the Redevelopment Plan.
2. Prevent the recurrence of blighting conditions.
3. Enhance the real estate tax base for the City and all overlapping taxing districts through the implementation and completion of the activities identified herein.
4. Encourage and assist private investment, redevelopment and rehabilitation within the Area through the provision of financial assistance for redevelopment and rehabilitation as permitted by the Act.
5. Improve the overall environment of the Area including public safety and streetscapes as to encourage new investment, wherever possible, in a manner that is compatible with surrounding land uses.
6. Provide for safe and efficient traffic circulation within the Area.
7. Complete all public and private actions required in this Redevelopment Plan in an expeditious manner.

D. Program Policies to Accomplish Objectives

The City has determined that it is appropriate to provide limited financial incentives for private investment within the Area. It has been determined, through redevelopment strategies previously utilized by the City and communications between the Mall owners and the City, that tax increment financing constitutes a key component of leveraging private investment within the Area. The City will incorporate appropriate provisions in any redevelopment agreement between the City and private investors to assure that redevelopment projects achieve the objectives stated herein and accomplish the various redevelopment projects described below.

E. Redevelopment Projects

To achieve the Plan objectives and the overall project proposed in the Plan, a number of public and private activities will need to be undertaken, including a combination of private developments and public investment in infrastructure improvements. Improvements and activities necessary to implement the Plan may include the following:

1. Private Redevelopment Activities:

- a. *Rehabilitation of existing properties.* As noted in the City's Comprehensive Plan, the Area and the surrounding properties represent a critical economic asset to the City. Renovation and/or reinvention of the Mall will be the principal component of redevelopment activities. This activity will serve to underpin and stabilize the overall economic and physical health of the Area and the Rock Valley Planning District. Rehabilitation of existing properties may include adaptive reuse of existing vacant buildings, wherein buildings are renovated to accommodate a use other than what was originally located in the building.
- b. *Construction of private buildings as part of redevelopment projects within the Area.* In some cases, redevelopment might require demolition of buildings in the event that renovation is not feasible or to assemble property for redevelopment.

2. Public Redevelopment Activities:

Public improvements and support activities will be used to induce and complement private investment. These may include, but are not limited to, the following activities:

- a. *New access to John Deere Road.* The Mall owner has indicated that a new and more direct access to John Deere Road is critical to revitalization strategy for the property. The owner and the City are working with IDOT to determine if this is possible and, if so, this Plan specifically calls for TIF support to such a project that is necessary for and of direct benefit to the redevelopment project, even if the new access drive goes through property located outside of the redevelopment project area boundaries.
- b. *Streetscape improvements.* The Comprehensive Plan calls for streetscape enhancement along the 16th and 27th Street corridors. Repair and reconstruction of streets, bridges, replacement and new sidewalks, construction of new curb and gutters, and addressing other needs relative to existing improvements are proposed to help induce private investment.
- c. *Land assembly and site preparation.* In order to facilitate redevelopment it may be necessary for the City to assemble land or to assist in redevelopment by underwriting the cost of land assembly. Similarly, City participation in demolition of structures and other steps to prepare sites for development may be required in order to induce private investment.
- d. *Marketing of properties and promoting development opportunities.* The City will help to promote the opportunities available for investment in the Area.

- e. *Building Renovation Program.* As is noted in the documentation of conditions in the Area, there is considerable need for improvement of the Mall and other existing buildings in the Area. To that end, the City may financially assist in the private renovation of buildings.
- f. *Other programs of financial assistance, as may be provided by the City.* The Act defines eligible redevelopment project costs that are summarized in **Section F**. The City's involvement with revitalization and redevelopment activities may include all those authorized by the Act, as needed.

3. Land Assembly, Displacement Certificate & Relocation Assistance:

To achieve the objectives of the Plan, land assembly by the City and eventual conveyance to private entities may be necessary to attract private development interest. Therefore, property located within the Area may be acquired by the City, as necessary, to assemble various parcels of land to achieve marketable tracts or to implement a specific public or private redevelopment project. Since there are no housing units within the Area, no displacement of inhabited housing units will be involved with this Redevelopment Plan.

F. Estimated Redevelopment Project Costs

The estimated costs associated with the eligible public redevelopment activities are presented in **Exhibit F**, on the following page, entitled **Estimated Redevelopment Project Costs**. This estimate includes reasonable or necessary costs incurred, or estimated to be incurred, in the implementation of this Redevelopment Plan. These estimated costs are subject to refinement as specific plans and designs are finalized and experience is gained in implementing this Redevelopment Plan and do not include financing costs or interest payments that may be incurred in conjunction with redevelopment projects.

In addition to the proposed TIF funding, the City may seek the assistance of various State of Illinois Departments (Department of Transportation, Department of Commerce and Economic Opportunity, etc.), or appropriate agencies of the Federal Government to assist in funding site preparation, infrastructure, or other required projects or improvements. To the extent additional funds can be secured from the State of Illinois, or any Federal program or other public or private sources, the City may use such funding sources in furtherance of the Redevelopment Plan and Project.

Exhibit F
ESTIMATED REDEVELOPMENT PROJECT COSTS
 SouthPark Mall Redevelopment Project Area
 City of Moline, Illinois

Description	Estimated Cost
A. Public Works or Improvements <i>(Improvement of streets, curb and gutters, utilities and other public improvements)</i>	\$4,500,000
B. Property Assembly <i>(Acquisition of land, building demolition and site preparation)</i>	\$8,000,000
C. Building Rehabilitation	\$10,000,000
D. Relocation	\$200,000
E. Taxing District Capital Costs	\$100,000
F. Job Training	\$100,000
G. School District Increased Costs <i>(Pursuant to paragraph (7.5) of subsection (q) of Section 11-74.4-3 of the TIF Act)</i>	\$1,000,000
H. Interest Costs Incurred by Developers	\$3,000,000
I. Planning, Legal and Professional Services	\$800,000
J. General Administration	\$300,000
K. Financing Costs	See Note 3
L. Contingency	\$1,000,000
Total Estimated Costs	\$29,000,000

Notes:

1. All costs shown are in 2012 dollars.
2. Adjustments may be made among line items within the budget to reflect program implementation experience.
3. Municipal financing costs such as interest expense, capitalized interest and cost of issuance of obligations are not quantified herein. These costs are subject to prevailing market conditions and will be considered part of the total redevelopment project cost if and when such financing costs are incurred.
4. Private redevelopment costs and investment are in addition to the above.
5. The total estimated redevelopment project costs shall not be increased by more than 5% after adjustment for inflation from the date of the Plan adoption, per subsection 11-74.4.5 (c) of the Act.

G. Description of Redevelopment Project Costs

Costs that may be incurred by the City in implementing the Redevelopment Plan may include project costs and expenses as itemized in **Exhibit F**, subject to the definition of “redevelopment project cost” as contained in the Act, and any other costs that are eligible under said definition included in the “Contingency” line item. Itemized below is the statutory listing of “redevelopment project costs” currently permitted by the Act [bold typeface added for emphasis]. Note that some of the following narrative has been paraphrased (see full definitions in the Act).

1. **Costs of studies, surveys, development of plans and specifications, wetland mitigation plans, implementation and administration** of the Redevelopment Plan, including but not limited to staff and professional service costs for architectural, engineering, legal, environmental, financial, planning or other services, subject to certain limitations:
 - a. There are limitations on contracts for certain professional services with respect to term, services, etc.
 - b. 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.
 - c. Marketing costs are allowable if related to 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 interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground level 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 or 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.
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 of the Act unless either

- a. 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
 - b. 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. **Cost of job training and retraining projects** 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** (see definition of “obligations” in the Act), and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter, and including reasonable reserves related thereto.
 7. 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.
 - a. For Redevelopment Project Areas designated (or Redevelopment Project Areas amended to add or increase the number of tax-increment-financing assisted housing units), 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 and agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvement projects within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by the Act, shall be paid by the municipality from the Special Tax Allocation Fund under certain conditions. For specific conditions and formulae used to determine payments due to a school district, see Subsection 11-74.4-3 (q) (7.5) of the Act.
 8. **Relocation costs** to the extent that a municipality determines that relocation costs shall be paid or it is required to make payment of relocation costs by Federal or State law or in order to satisfy Subsection 11-74.4-3 (n) (7) of the Act (re: federal Uniform Relocation Assistance and Real Property Acquisition Policies Act requirements).
 9. **Payments in lieu of taxes** (not common; see definition in Act).

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:
- a. are related to the establishment and maintenance of additional job training, advanced vocational education or career education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; and
 - b. when incurred by a taxing district(s) other than the municipality, are set forth in a written agreement between the municipality and the taxing district or taxing districts, which agreement describes the programs 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 types of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the terms 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 costs 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, 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;
 - e. the cost limits set forth in subparagraphs (b) and (d) above shall be modified for the financing of rehabilitation 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) above;

- f. Instead of the eligible costs provided by subparagraphs (b) and (d) above, as modified in this subparagraph, and notwithstanding any other provision of the 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. For further provisions on financing and eligible costs, see Subsection 11-74.43 (q) (11) of the Act.
12. Unless explicitly stated herein, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.
13. None of the redevelopment project costs enumerated above 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 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.
14. No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008 (the effective date of Public Act 95-934), unless no prudent and feasible alternative exists. "Historic resource" for the purpose of this item (14) means
 - a. place or structure that is included or eligible for inclusion on the National Register of Historic Places or
 - b. contributing structure in a district on the National Register of Historic Places.

This item (14) does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

SECTION V

OTHER FINDINGS AND REQUIREMENTS

A. Conformance with Comprehensive Plan

Development projects proposed to be undertaken in implementing this Redevelopment Plan conform to the City of Moline's Comprehensive Plan adopted November 13, 2001. In addition, all development in the Area will comply with applicable codes and ordinances.

As noted in **Section IV**, the Moline Comprehensive Plan contains several guiding principles with which this Redevelopment Plan is consistent with. It designates commercial uses for this portion of the Rock Valley Planning District as depicted on the Future Land Use map in Chapter 10 of the Comprehensive Plan. On page 10-54 of the Comprehensive Plan the Mall and surrounding area is discussed as follows:

In general, the intersection of 16th Street and John Deere Road acts as the center of this District. Unfortunately, development along the street south of this intersection has become dated, providing a marginal entry into one of the city's most important retail centers, SouthPark Mall. Immediate attention needs to be given to the streetscape of this area, as well as significant upgrades to the parking areas and building facades of adjoining properties. Likewise, the mall's back door, 27th Street, needs similar improvements in order to enhance the competitiveness and vitality of the mall and surround retail and office development.

Certainly, this commentary supports the findings of this Redevelopment Plan and supports the goals and objectives and public and private redevelopment activities proposed herein.

B. Area, on the Whole, not Subject to Growth and Development

Upon examination of equalized assessed valuation data for the Area, the Redevelopment Project Area on the whole has not been subject to growth and investment. The tax base of the Area has fallen since 2006 by nearly \$3.5 million.

There has not been sufficient private investment in the Area that would significantly reduce or eliminate the blighting conditions that exist and enhance the tax base of the City and other affected taxing districts. This fact is illustrated by the trend in the decline of EAV of property in the Area.

As discussed **Section III** of this Redevelopment Plan and shown on **Exhibit D** in that section, the year-to-year trends in EAV within the Area are indicative of a potentially serious situation. **Exhibit G, EAV Trends (2006-2011)** on the following page provides another picture of the seriousness of this trend.

Exhibit G

EAV TRENDS (2006 - 2011)
 SouthPark Mall Redevelopment Project Area
 City of Moline, Illinois

	EAV				Avg. Annual Percent
	2006	2011	Change	Percent	
SouthPark Mall RPA ¹	\$22,163,921	\$18,693,293	-\$3,470,628	-16%	-3.3%
CPI - All Urban Consumers ²	201.6	224.939	23.339	12%	2.2%
Balance of City ³	\$756,812,338	\$871,585,173	\$114,772,835	15%	2.9%

¹ Equalized Assessed Valuation (EAV) of the Redevelopment Project Area.

² Consumer Price Index for All Urban Consumers. Source: U.S. Bureau of Labor Statistics.

³ Total City EAV minus Project Area EAV.

Exhibit G shows a slightly different but equally troubling picture of the Area over the 2006-2011 period. While the Consumer Price Index for this time frame increased by 12% and the EAV for the balance of the City increase by 15%, the Area declined by 16%.

The information presented above demonstrates that the Area meets and actually exceeds the threshold requirement for this TIF qualification (the Act only requires that EAV lag for 3 of the past 5 years). It also presents evidence of an alarming trend that PGAV senior staff have seen with respect to other regional malls or major retail commercial developments. When timely action is not taken by a property owner to stem the market rejection of the property, the decline accelerates to the point where a major rehab or “reinvention” of the existing improvements is too late to have a positive effect. This is typically the result of the property owner having deferred maintenance and not freshening of the facility for too long a period. At this stage of decline, the costs to improve the property are significantly greater than can be supported by lease income. The end result is often complete demolition of the existing improvement and major loss of revenues to the municipality and other taxing bodies. There are multiple examples of this situation across the U.S. at this time.

In the opinion of PGAV, the current condition and occupancy of the Mall, the recent EAV trends, and the expected future value and occupancy trends are clear indicators in support of the “but for” provision of the TIF Act. Unless the City participates in financing what will need to be major improvements to or reconfiguring the Mall, the property owner will be forced to make an investment elsewhere and attempt to convert this property to alternate uses.

C. Would Not be Developed “but for” Tax Increment Financing

The City has found that the Area would not reasonably be developed without the use of tax increment revenues. The City further commits that such incremental revenues will be utilized for the development and revitalization of the Area as provided in the Act. Underscoring the economic need for municipal financial assistance in the form of tax increment financing is the certainty that there will not be commitments for private development and revitalization without the City’s commitment to provide such municipal financial assistance.

Furthermore, the eligibility factors documented in this Plan contribute to the “but for” argument. These conditions discourage private investment, as the potential return on investment in the Area is too small relative to the risk or simply does not make economic sense. Many of the commercial buildings require significant investment to rehabilitate them for new or continued viable locations for businesses. In other cases, improvements to deteriorated or inadequate public infrastructure are needed to facilitate land development.

Additionally, discussions between PGAV representatives and City management and planning staff and the Mall owners have indicated that they will be requesting tax increment financing assistance to recapture some of the extraordinary expenses associated with renovation and reinvention of the Mall.

While a firm plan by the current owner has not been finalized, it is the intent of this Plan to help overcome the economic disincentives documented herein. Without financial incentives to overcome these barriers, investment by private enterprise will not take place to the degree necessary to realize significant revitalization and/or redevelopment within the Area.

D. Assessment of Financial Impact

The City finds adoption of this Redevelopment Plan will not place significant additional demands on facilities or services for any local taxing body. Police and fire services and facilities appear to be adequate for the foreseeable future.

The City and Joint Review Board will monitor the progress of the TIF program and its future impacts on all local taxing bodies. In the event significant adverse impediments are identified that increase demands for facilities or services in the future, the City will consider utilizing tax increment proceeds or other appropriate actions, to the extent possible, to assist in addressing the needs.

E. Estimated Date for Completion of the Redevelopment Projects

The estimated date for completion of the Redevelopment Project or retirement of obligations issued shall not be later than December 31st of the year in which the payment to the City Treasurer, as provided in subsection (b) of Section 11-74.4-8 of the Act, is to be made with respect to ad valorem taxes levied in the 23rd calendar year after the year in which the ordinance approving the Area is adopted.

F. Most Recent Equalized Assessed Valuation

The most recent total EAV for the Area has been estimated by the City to be \$17,234,192. **Parcel Identification Numbers and EAV History**, located in the **Appendix** as **Attachment E**, contains a listing of the parcel identification number, property owner, and the 2011 EAV for each parcel. This is accompanied by a map showing the location of the parcel within the Redevelopment Project Area. The County Clerk of Rock Island County will verify the base EAV for each parcel after adoption of the City ordinances approving the Redevelopment Plan and establishing the Area.

G. Redevelopment Valuation

Contingent on the adoption of this Plan and commitment by the City to the redevelopment program described herein, the City anticipates that the private redevelopment investment in the Area will increase the EAV of the Area by \$16 to \$17 million (2012 dollars) upon completion of the redevelopment projects, including redevelopment of perimeter parcels, infill development along 16th Street, and redevelopment of portions of the expansive parking areas on the Mall parcel.

H. Source of Funds

The primary source of funds to pay for redevelopment project costs associated with implementing this Plan shall be funds collected pursuant to tax increment financing to be adopted by the City. Under such financing, tax increment revenue resulting from an increase in the EAV of property in the Area shall be allocated to a special fund each year (the "Special Tax Allocation Fund"). The assets of the Special Tax Allocation Fund shall be used to pay redevelopment project costs and retire any obligations incurred to finance redevelopment project costs.

In order to expedite implementation of this Redevelopment Plan and construction of the public improvements, the City, pursuant to the authority granted to it under the Act, may issue bonds or other obligations to pay for the eligible redevelopment project costs. These obligations may be secured by future revenues to be collected and allocated to the Special Tax Allocation Fund.

If available, revenues from other economic development funding sources, public or private, may be utilized. These may include State and Federal programs, local retail sales tax, applicable revenues from any adjoining tax increment financing areas, and land disposition proceeds from the sale of land in the Area, as well as other revenues. The final decision concerning redistribution of yearly tax increment revenues may be made a part of a bond ordinance.

I. Nature and Term of Obligations

Without excluding other methods of City or private financing, the principal source of funding will be those deposits made into the Special Tax Allocation Fund of monies received from the taxes on the increased EAV (above the initial EAV) of real property in the Area. These monies may be used to reimburse private or public entities for the redevelopment project costs incurred or to amortize obligations issued pursuant to the Act for a term not to exceed 20 years bearing an annual interest rate as permitted by law. Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the bonds and not needed for any other redevelopment project costs or early bond retirements shall be declared as surplus and become available for distribution to the taxing bodies to the extent that this distribution of surplus does not impair the financial viability of the any projects. One or more bond issues may be sold at any time in order to implement this Redevelopment Plan.

J. Fair Employment Practices and Affirmative Action

The City will insure that all private and public redevelopment activities are constructed in accordance with fair employment practices and affirmative action by any and all recipients of TIF assistance.

K. Reviewing and Amending the TIF Plan

This Redevelopment Plan may be amended in accordance with the provisions of the Act. Also, the City shall adhere to all reporting requirements and other statutory provisions.

APPENDIX

ATTACHMENT A

**Moline City Council Resolution No. 1026-2011
SouthPark Mall Redevelopment Project Area**

Council Bill/Resolution No. 1026-2011

Sponsor: _____

A RESOLUTION

PROVIDING for a feasibility study on the designation of a portion of the City of Moline as a redevelopment project area (SouthPark Mall) and to induce development interest within such area; and

AUTHORIZING expenditures in the course of planning and redevelopment, prior to a redevelopment project area being established, that may be reimbursable from TIF proceeds.

WHEREAS, the City of Moline (the "City") is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, *65 ILCS 5/11-74.4-1, et seq.* as amended ("the TIF Act"), to finance redevelopment project costs in connection with redevelopment project areas established in accordance with the conditions and requirements set forth in the Act; and

WHEREAS, pursuant to the Act, to implement tax increment financing (TIF), it is necessary for the City to adopt a redevelopment plan and redevelopment project, designate a redevelopment project area on the basis of finding that the area qualifies pursuant to statutory requirements, and make a finding that the redevelopment project area on the whole has not been subjected to growth and development through private enterprise and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan, which plan contains a commitment to use public funds; and

WHEREAS, the City desires to undertake a feasibility study to determine whether findings may be made with respect to an area of the City, generally described herein, which may be designated as a redevelopment project area, to qualify the area as a blighted area or a conservation area or a combination thereof as defined in the Act, and other research necessary to document the lack of growth and development through private enterprise; and

WHEREAS, the boundaries of the redevelopment project area being considered are delineated on Exhibit A attached hereto, provided that the actual redevelopment project area to be established may contain more or less land than that shown on Exhibit A; and

WHEREAS, the City will be expending certain funds to determine eligibility of the proposed redevelopment project area and to prepare the required redevelopment plan if the City decides to implement tax increment financing for all or a portion of the proposed TIF area; and

WHEREAS, the City may expend other funds in furtherance of the objectives of the anticipated redevelopment plan; and

WHEREAS, it is the intent of the City to recover these expenditures from the first proceeds of the TIF program, if established; and

WHEREAS, the City wishes to encourage developers to pursue plans for the redevelopment of the area and make such expenditures as are reasonably necessary in that regard with confidence that said expenditures may be allowable redevelopment project costs under the plan once adopted and subject to a redevelopment agreement between the City and the developers/property owners; and

WHEREAS, the purpose of the proposed redevelopment plan and project is to generate private investment in the targeted area, thereby eliminating or reducing blighted conditions or conditions that may lead to blight and provides for the long-term sound growth of the community; and

WHEREAS, tax increment allocation financing utilizes the increase in real estate taxes (“tax increment”) resulting from the increase in value of properties located in a redevelopment project area to pay for certain redevelopment projects costs as provided for in the Act; and

WHEREAS, of the purposes of the proposed redevelopment plan or proposed redevelopment project area, none are reasonably expected to result in the displacement of residents from ten (10) or more inhabited residential units within the area; therefore, the feasibility study is not required to include the preparation of any housing impact study as described in Section 11-74.4-4.1 (b) of the Act.

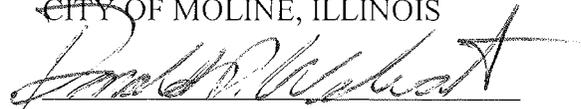
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the City Council has examined the proposed area and circumstances and at this time finds that it is reasonable to believe that a tax increment financing plan can be adopted for said area and expenditures of development costs in furtherance of the plan, and potential development should be allowable project costs under the plan, provided that this resolution is not a guarantee that any such plan will be adopted, but rather an expression of the sense of the City at this time.

BE IT FURTHER RESOLVED that the person to contact for additional information about the proposed redevelopment project area and who should receive all comments and suggestions regarding the redevelopment of the area shall be:

Ray Forsythe
Planning & Development Director
City of Moline
619 16th St.
Moline, IL 61265
Telephone (309) 524-2032

CITY OF MOLINE, ILLINOIS



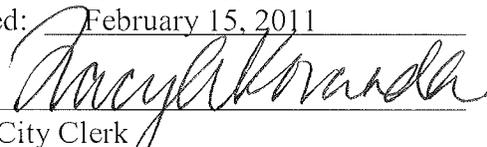
Mayor

February 8, 2011

Date

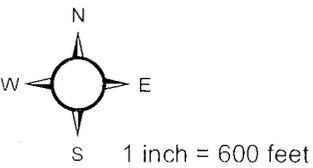
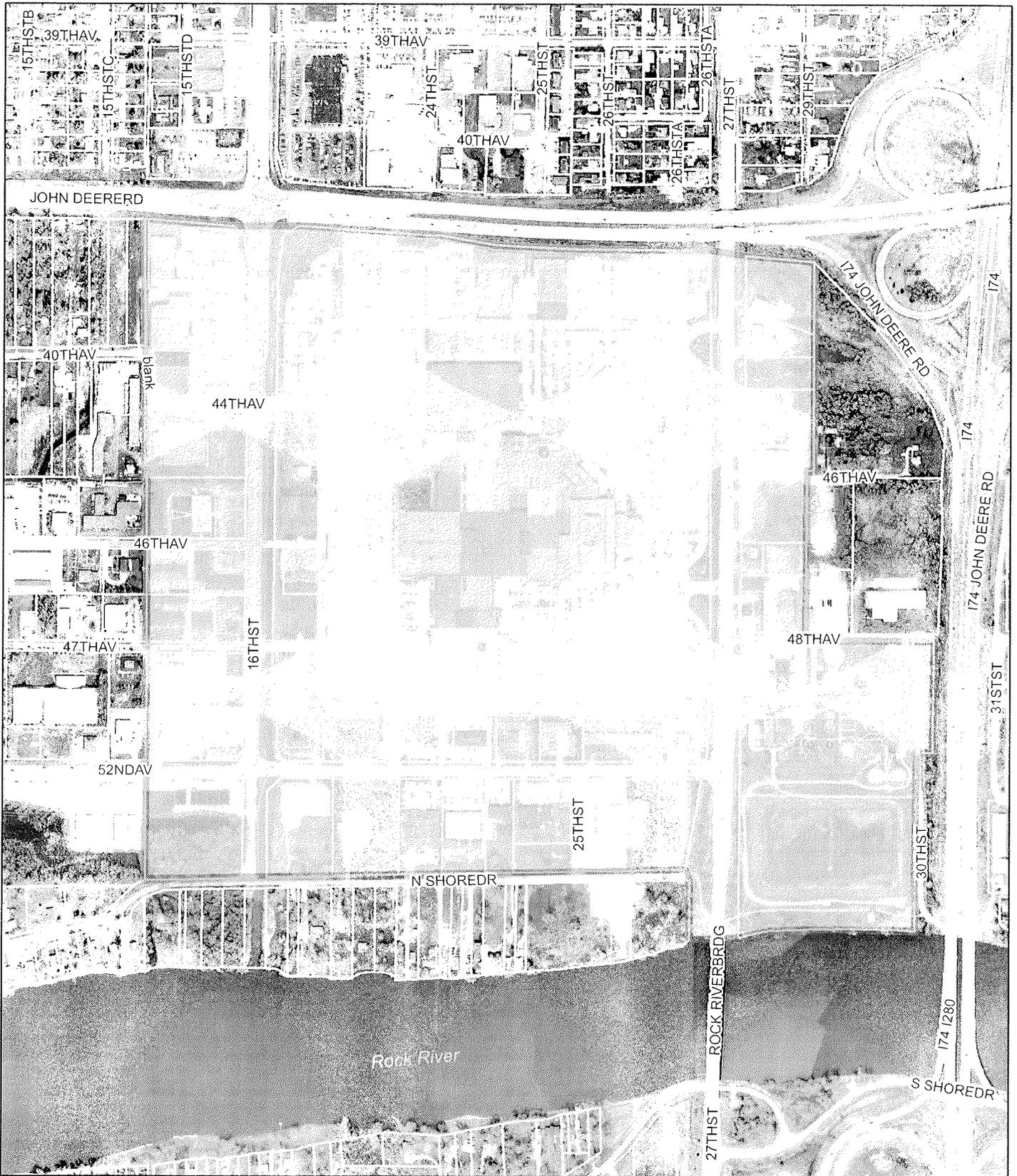
Passed: February 8, 2011

Approved: February 15, 2011

Attest: 
City Clerk

APPROVED AS TO FORM:


Law Director



TIF Study Area Southpark Mall

City of Moline, Illinois
 Planning & Development Department
 Land Development Division
 January 27, 2011

ATTACHMENT B

Map Exhibits

SouthPark Mall Redevelopment Project Area

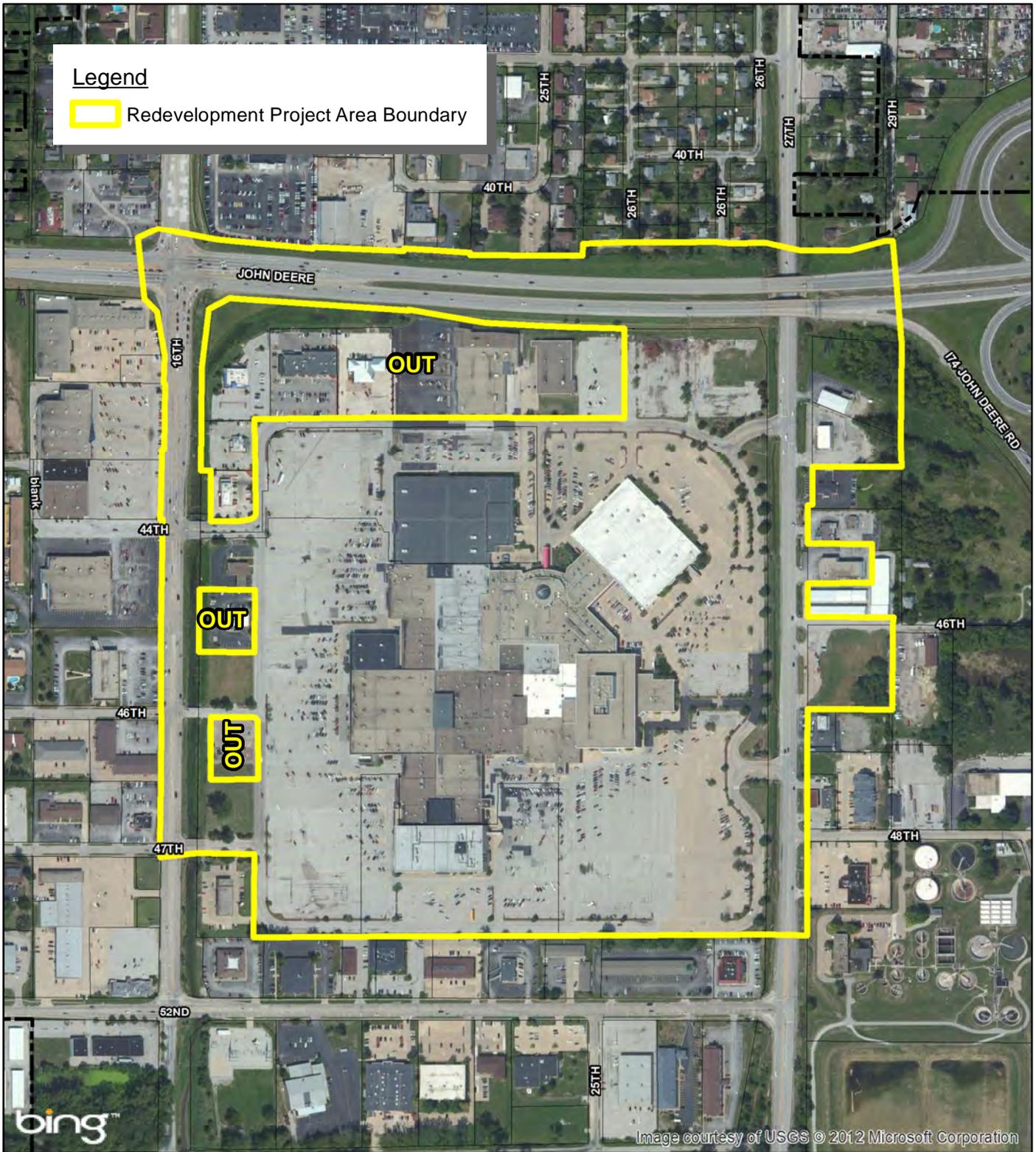
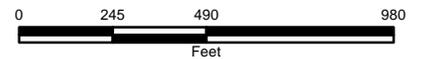


Exhibit A
Redevelopment Project Area Boundary
 SouthPark Redevelopment Project Area
 City of Moline, Illinois



May 2012



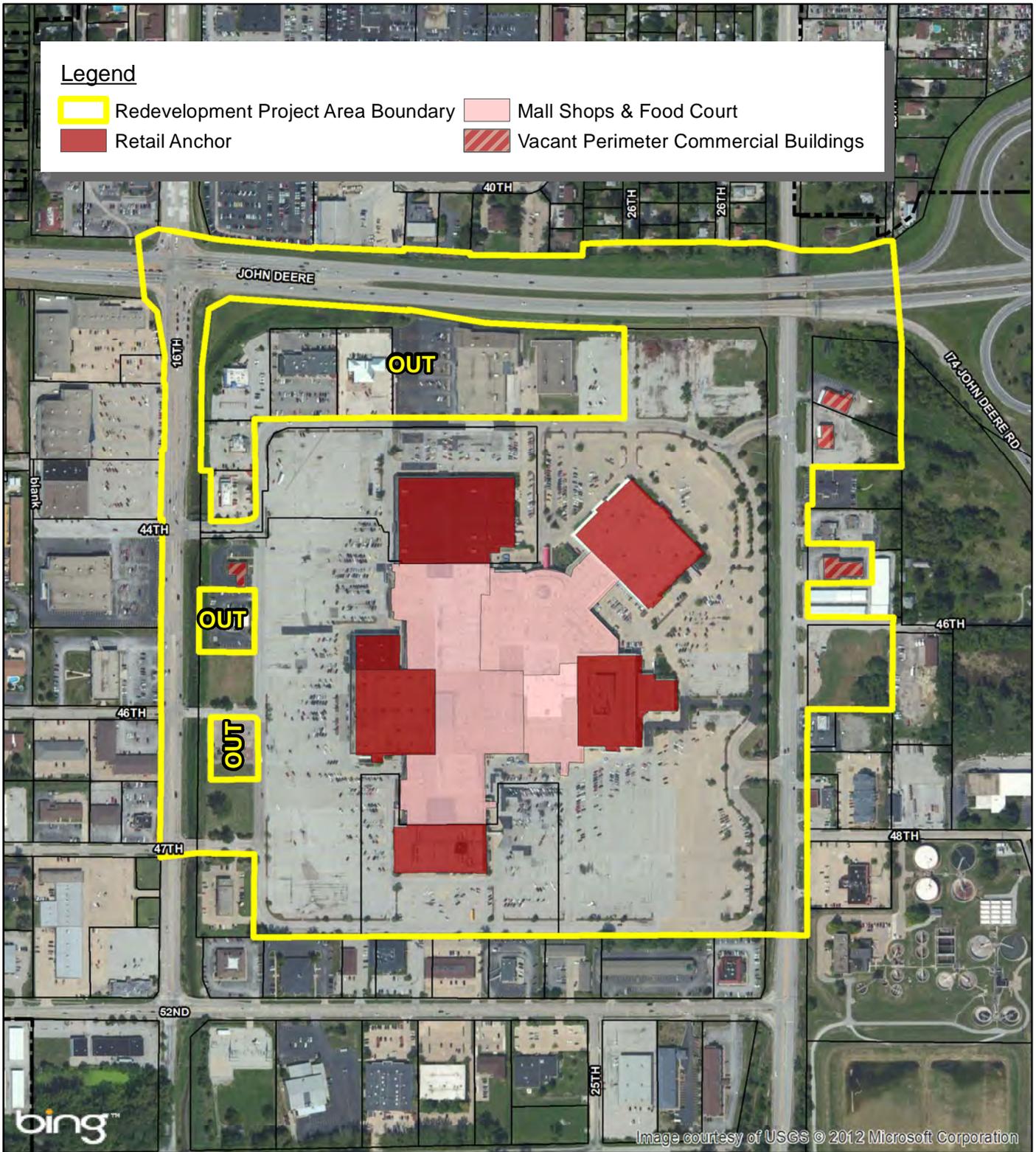
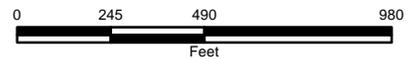


Exhibit B-1
Existing Land Use

SouthPark Redevelopment Project Area
 City of Moline, Illinois



May 2012



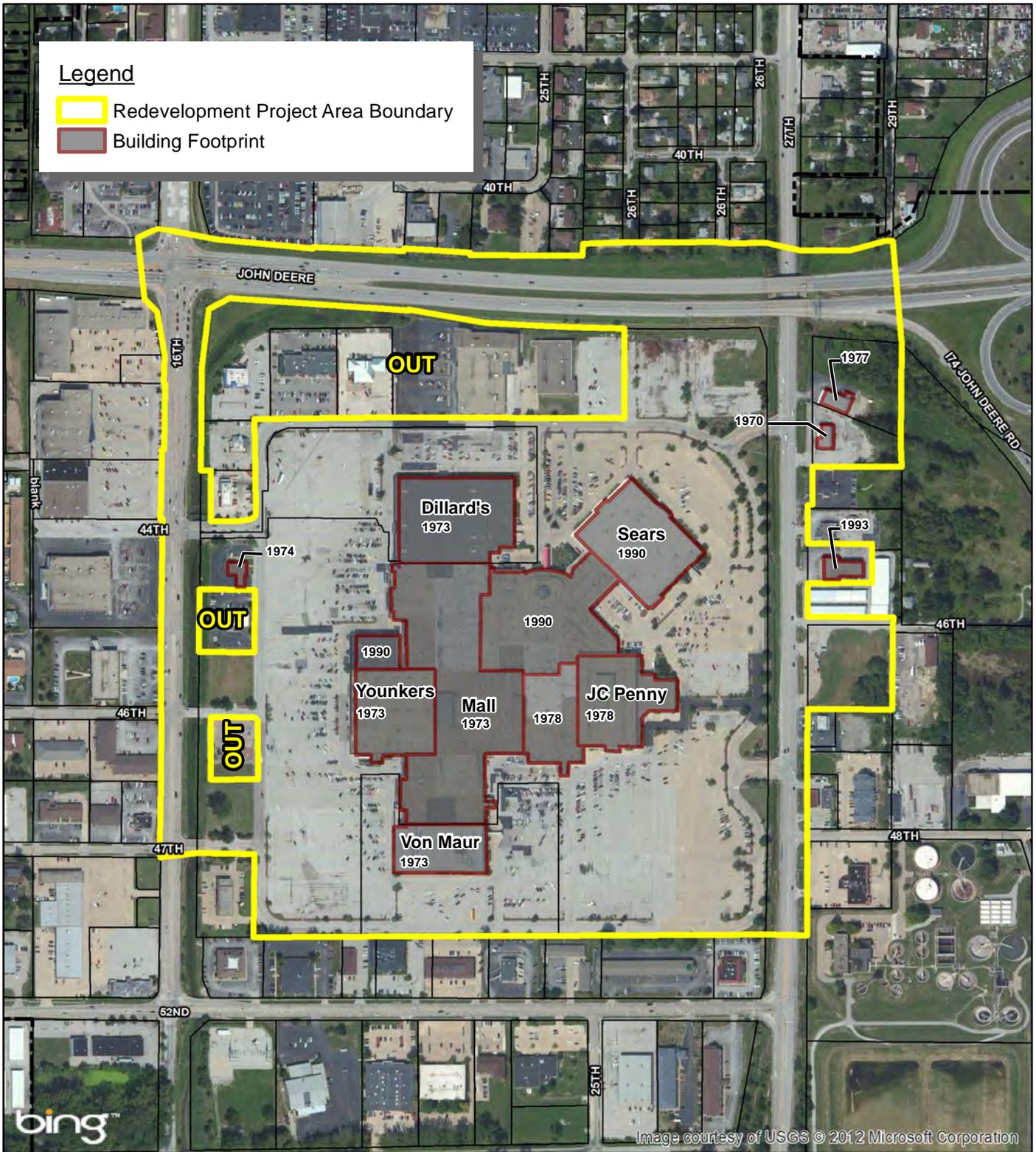
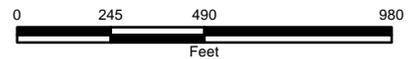


Exhibit B-2
Buildings and Year of Building Construction
 SouthPark Redevelopment Project Area
 City of Moline, Illinois



May 2012



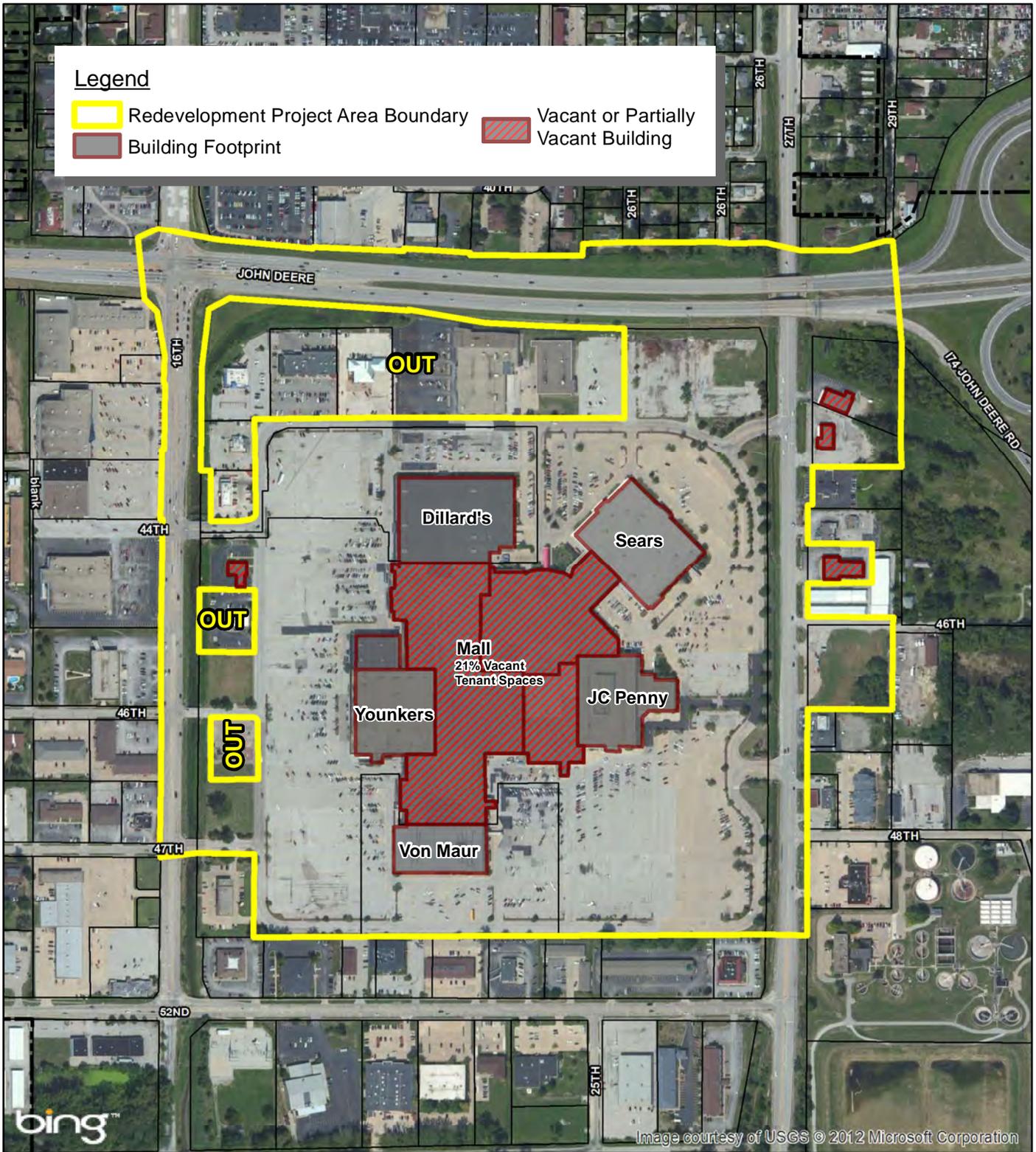
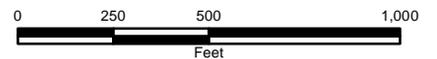


Exhibit C
Building Vacancies

SouthPark Redevelopment Project Area
 City of Moline, Illinois



May 2012



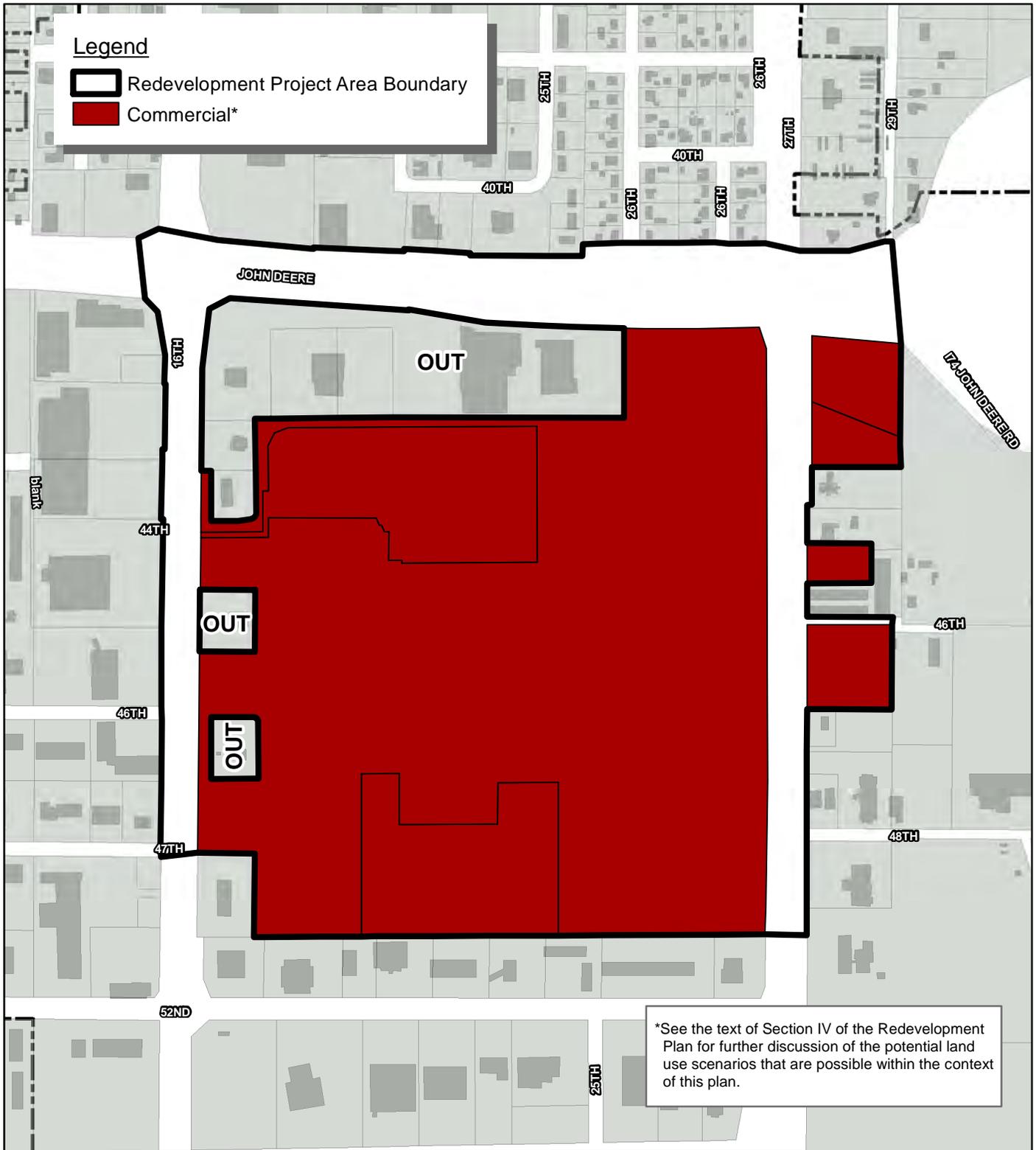
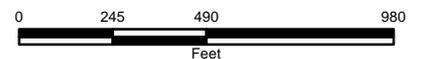


Exhibit E
General Land Use Plan
 SouthPark Redevelopment Project Area
 City of Moline, Illinois



May 2012



ATTACHMENT C

Boundary Description
SouthPark Mall Redevelopment Project Area

ATTACHMENT D
Existing Conditions Photos

ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

On the following pages, a series of photos taken on April 4, 2012 represent the interior and exterior conditions of Moline's SouthPark Mall and certain adjacent properties. These photos are grouped according to various categories that will be described accordingly.

Overview

As is typical of an aging mall that has had deferred maintenance, no significant updating to its appearance virtually since its construction, and prior ownership that did not aggressively address these factors and recruited tenants, SouthPark Mall now represents a series of conditions that must be corrected if the Mall is to regenerate and attract new, high quality tenants and shoppers. As described in the Eligibility Analysis section of this document which precedes the Redevelopment Plan and Project discussion, there are a variety of factors present throughout the SouthPark Mall property that represent "blighted area" conditions as defined in the TIF Act. These photos are intended to depict those conditions.

Obsolescence

The age of the mall and its dated appearance are contributing factors to a number of other conditions that will be demonstrated by photos for other categories described in ensuing pages of this Appendix. However, one of the best indicators of the obsolescence of a regional mall is demonstrated by its inability to attract tenants that represent national and US regional retailers. The photos below depict the wide array of non-retail or second and third tier retail tenants that now occupy significant space at SouthPark Mall. Some of these tenants are on "temporary" leases that indicate the owner, while filling tenant spaces, would lease the space to better tenants if they could.



Above: A local massage therapist operating from a recently vacated space.

At left: A construction company displaying its work. Note that this space is not even manned.

ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

Obsolescence (cont'd)



Above Left: A “dollar” store of local origin.

Above Right: A store selling used & refurbished electronics.

Lower Left: A local car dealer using a very large vacated space to display new vehicles.

Deterioration

Deterioration of property improvements of virtually every type abounds at SouthPark Mall. The photos below depict evidence of deteriorated roofing (which has caused interior water damage to ceilings and walls), aged air conditioning and ventilation units, parking lots and parking lot lighting fixtures, sidewalks, parapet walls, access bridges from adjoining roadways, and interior flooring.



Examples of extensive areas of roof deterioration

ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

Deterioration (cont'd)



Additional examples of extensive areas of roof deterioration



The two photos above and the one to the left show a grouping of photos illustrating the various roof sections along adjoining building walls. A combination of typical building settlement and aging and deteriorated roofing materials is creating separation along these meeting points. This is creating water damage to interior ceilings and walls.

Time, wind, rain and storm water, and typical settlement has created numerous issues relating to the various parapet walls and parapet facing materials along the exterior edges. The next series of photos show examples of this type of deterioration.

ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

Damaged facing material with temporary plywood replacement



Significant step cracking above and below a parapet wall



Deteriorating concrete parapet facing panels exist along a significant length of the Mall facade. Note how the panels are joined by steel straps bolted at various locations. Areas have been patched at various locations but, in some instances, are continuing to deteriorate at the patch locations. In other instances as shown below, the panels are separating and moving away from the main structure.



The next series of photos depicts elements of deterioration in the parking lots, access bridges, and sidewalks.

ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

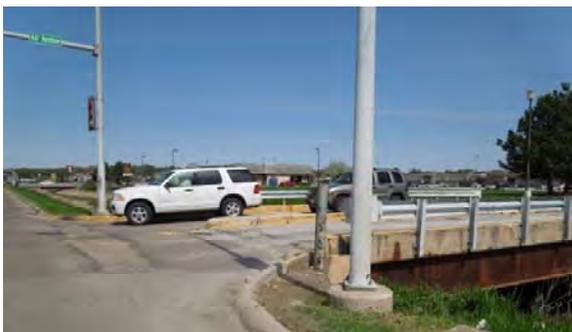
Deterioration (cont'd)



Vast portions of the parking areas around the Mall are in need of repair and resurface. The photo on the right depicts an area that has been blocked from access from the ring road around the mall due to the condition of the lot.



Drive aisles, curbing, and many sidewalks areas are crumbling.



Four of the 5 access bridges are in severely deteriorated condition and need complete replacement.

Other examples of deterioration are depicted in the next series of photos. These include canopy awnings at entrances, cloudy luminaires on parking lot lighting fixtures, and rusting fixture poles.

ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

Deterioration (cont'd)



These cloudy luminaires make the lighting inefficient and unattractive. In some cases, the luminaire heads are leaning as in this example. The pole at the right is virtually covered in rust and does not appear to have been intended to be the type that would normally do this (corten steel).



This long canopy at one of the entrances has a number of holes, has been patched in several places, and has other damaged and discolored areas.

As noted previously, interior deterioration includes significant cracking in some of the flooring surfaces, water damage to ceiling areas and to wall areas due to roof leaking, and structural cracking, some such as the example below at bearing locations.



ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

Excessive Vacancies

In many metro areas with multiple regional malls, such as the Quad Cities, a combination of shifting demographic and housing development trends, retail tenant trends away from regional mall locations, along with an overbuilt retail environment has negatively impacted the viability of regional malls. This usually means that malls in the “right” location within the metro area will do well and those in other locations will suffer a high percentage of vacancy. SouthPark Mall appears to be a victim of these circumstances. The population of the Quad Cities Metropolitan Statistical Area (MSA) only increased by 0.1% between 2000 and 2010 and the greatest increase occurred in the Davenport sector of the MSA. In essence, SouthPark Mall is now too large for the market population it must rely on to attract quality tenants, which has been a significant contributor to its obsolescence high vacancy rates. As noted above, this also has meant that to minimize vacancy, “temporary leases” have been extended to non-traditional tenants that do not attract other quality tenants or have synergy with the existing anchor and other major tenants. The photos which follow are among the many examples of the extensive vacancies that exist at SouthPark Mall.



These are just four examples of tenant spaces both large and small that are vacant throughout the mall

ATTACHMENT D - EXISTING CONDITIONS PHOTOS

TIF Redevelopment Plan & Project
SOUTH PARK MALL REDEVELOPMENT PROJECT AREA

MOLINE, ILLINOIS

Excessive Vacancies (cont'd)



This is another example of two large spaces occupied by a martial arts school and studio.



A kiosk in a good location outside the entry to an anchor store is vacant (one of two).



These are examples of entire connecting corridors to anchor stores that are nearly vacant. Where space is occupied, it's by "temporary" or second tier tenants.



Food court spaces are vacant as well

ATTACHMENT E

**Parcel Identification Numbers,
Property Owner and 2011 EAV**

Attachment E - Continued

Parcel Identification Numbers, Property Owner & 2011 EAV

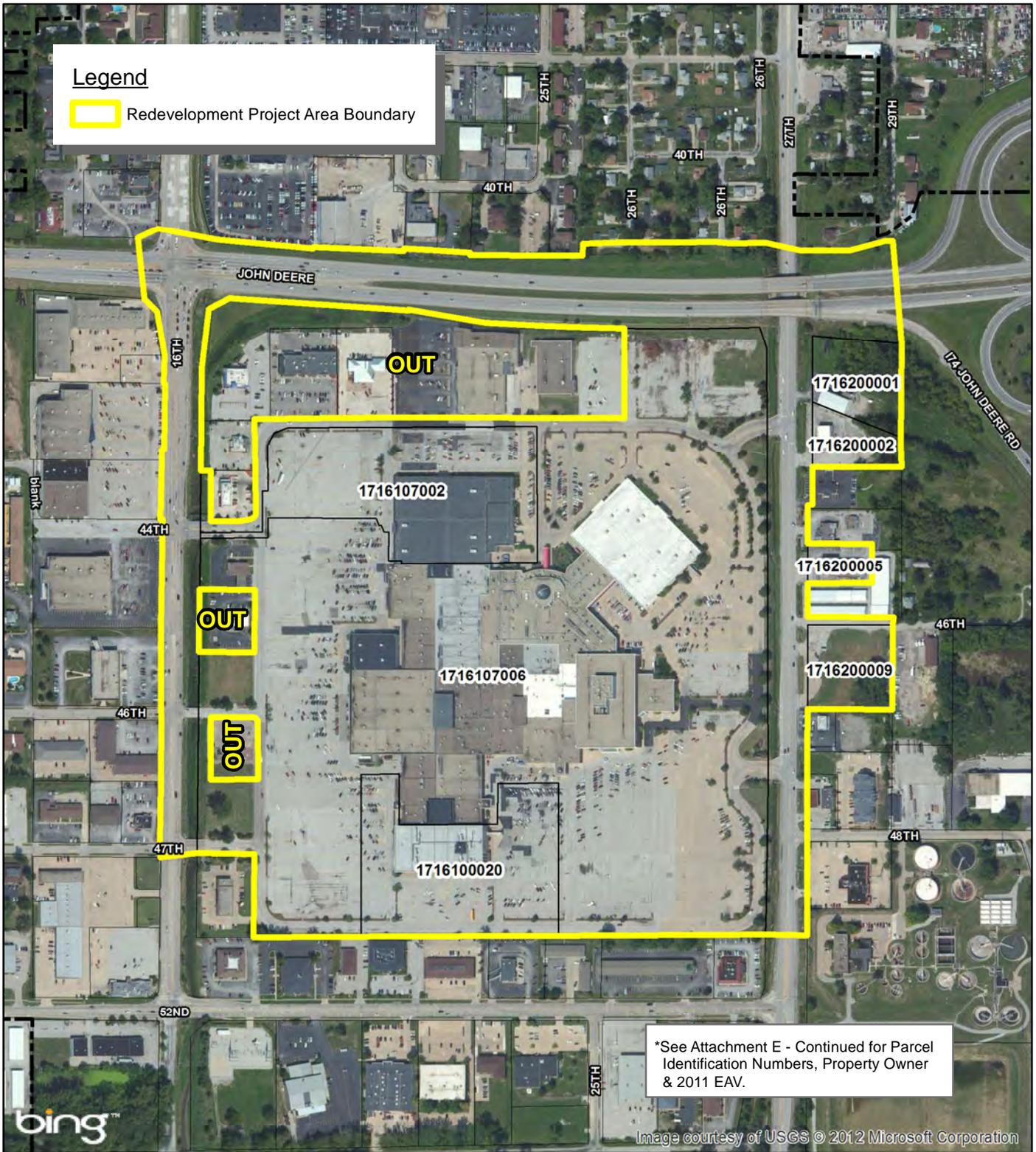
SouthPark Mall Redevelopment Project Area

City of Moline, Illinois

Parcel ID No. (PIN) ¹	County ID No. (2011)	Owner	Owner Address	Owner City	ZIP Code	2011 EAV
1716200009	07360-1	JJZ DEVELOPMENT	1505 46TH AVE	MOLINE IL	61265	\$ 30,199
1716200001	07354-C	DENGLER RONALD/MARY LOU	4589 PEPPERWOOD LN	BETTENDORF IA	52722	\$ 180,481
1716200002	07354	GEN LEASEWAYS/G EHLERS	450 W 76TH ST	DAVENPORT IA	52806	\$ 117,483
1716200005	07354-A-1	GUMBIN NEAL M	PO BOX 110	TUCSON AZ	85702	\$ 226,094
1716107002	0714988	DSS NEIL PROPERTIES LLC	4501 N BEACH ST	FORT WORTH TX	76137	\$ 1,983,796
1716107006	0714989 (part) ²	SDG MACERICH PROP/TAXDEPT	PO BOX 6120	INDIANAPOLIS IN	46206	\$ 14,609,976
1716100020	07347-4	VON MAUR INVESTMENT	6565 N BRADY ST	DAVENPORT IA	52806	\$ 1,545,264
TOTAL						\$ 18,693,293

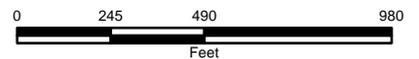
¹ See map for location within Redevelopment Project Area

² Excludes improvement values associated with buildings not located within the Project Area, but included in the Assessor's records for Parcel 0714989.



Attachment E Parcel Identification Map

SouthPark Redevelopment Project Area
City of Moline, Illinois



May 2012



EXHIBIT A

TIF DESCRIPTION SOUTHPARK REDEVELOPMENT PROJECT AREA

Part of the southwest quarter and southeast quarter of Section 9, and part of the northwest quarter and northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows;

Beginning at a point on the north line of Ekhco 5th Addition which is 37 feet more or less west of the northeast corner of Lot 1 in said Ekhco 5th Addition;

Thence northerly, a distance of 287 feet more or less;

Thence westerly, a distance of 333 feet more or less to the intersection of the south right of way line of 47th Avenue and the west right of way line of 16th Street;

Thence northerly along said west right of way line, a distance of 1,201 feet more or less to the north line of Lot 3 in Town & Country Addition;

Thence westerly along said north line and said west right of way line, a distance of 9 feet more or less;

Thence northerly along said west right of way line, a distance of 251 feet more or less;

Thence easterly along said west right of way line, a distance of 3 feet more or less;

Thence northerly along said west right of way line, a distance of 235 feet more or less to the north line of Lot 1 in Town & Country Addition;

Thence westerly along said north line and said west right of way line, a distance of 5 feet more or less;

Thence northerly along said west right of way line, a distance of 100 feet more or less;

Thence northerly along said west right of way line, a distance of 157 feet more or less;

Thence northwesterly along said west right of way line, a distance of 65 feet more or less to the south right of way line of John Deere Road;

Thence northerly, a distance of 239 feet more or less to the north right of way line of John Deere Road;

Thence northeasterly along said north right of way line, a distance of 79 feet more or less to the west right of way line of 16th Street;

Thence easterly, a distance of 157 feet more or less to the intersection of the north right of way line of John Deere Road and the east right of way line of 16th Street;

Thence southeasterly along said north right of way line, a distance of 36 feet more or less;

Thence easterly along said north right of way line, a distance of 339 feet more or less;

Thence northerly along said north right of way line, a distance of 9 feet more or less;

Thence easterly along said north right of way line, a distance of 364 feet more or less;

Thence northerly along said north right of way line, a distance of 8 feet more or less;

Thence easterly along said north right of way line, a distance of 236 feet more or less;

Thence southerly along said north right of way line, a distance of 8 feet more or less;

Thence easterly along said north right of way line, a distance of 399 feet more or less;

Thence northerly along said north right of way line, a distance of 46 feet more or less;

Thence easterly along said north right of way line, a distance of 639 feet more or less to the west right of way line of 27th Street;

Thence easterly along said north right of way line, a distance of 93 feet more or less to the east right of way line of 27th Street;

Thence southeasterly, a distance of 515 feet more or less to the intersection of the south right of way line of John Deere Road and the east line of South Moline Township Tax Parcel No. 354-C;

Thence southerly along the east line of South Moline Township Tax Parcel No. 354-C and South Moline Township Tax Parcel No. 354, a distance of 441 feet more or less to the south line of South Moline Township Tax Parcel No. 354;

Thence westerly along said south line, a distance of 318 feet more or less to the east right of way line of 27th Street;

Thence southerly along said east right of way line, a distance of 135 feet more or less;

Thence westerly along said east right of way line, a distance of 17 feet more or less;

Thence southerly along said east right of way line, a distance of 385 feet more or less to the north right of way line of 46th Avenue;

Thence easterly along said north right of way line, a distance of 300 feet more or less to the northerly extension of the east line of South Moline Township Tax Parcel No. 360-1;

Thence southerly along said east line and its northerly extension, a distance of 325 feet more or less to the south line of South Moline Township Tax Parcel No. 360-1;

Thence westerly along said south line, a distance of 300 feet more or less to the east right of way line of 27th Street;

Thence southerly along said east right of way line, a distance of 801 feet more or less to the easterly extension of the north line of Ekhco 5th Addition;

Thence westerly along said north line and its easterly extension, a distance of 1,964 feet more or less to the Point of Beginning.

The above described parcel contains 119.227 acres, more or less excluding the following 3 exceptions.

Exception 1

Lots 1, 2 and 6 of SouthPark Mall Subdivision Second Addition, all of Nellis First Addition, and part of Lot 4 SouthPark Mall Subdivision First Addition, all located in the northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian, in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows:

Beginning at the at the southwest corner of Nellis First Addition;

Thence northerly along the east right of way line of 16th Street, a distance of 358 feet more or less;

Thence northerly along said east right of way line, a distance of 209 feet more or less;

Thence northeasterly along said east right of way line, a distance of 83 feet more or less to the south right of way line of John Deere Road;

Thence easterly along said south right of way line, a distance of 640 feet more or less;

Thence northerly along said south right of way line, a distance of 5 feet more or less;

Thence easterly along said south right of way line, a distance of 277 feet more or less;

Thence easterly along said south right of way line, a distance of 503 feet;

Thence southerly, a distance of 315 feet more or less to the easterly projection of the south line of Lots 1 and 2 in SouthPark Mall Subdivision Second Addition;

Thence westerly along said south line and its easterly projection, a distance of 1,259 feet more or less to the southwest corner of said Lot 1;

Thence westerly, a distance of 56 feet more or less to the northeast corner of Nellis First Addition;

Thence southerly along the east line of Nellis First Addition and the east line of Lot 6 in in SouthPark Mall Subdivision Second Addition, a distance of 329 feet more or less;

Thence southwesterly along the east line of said Lot 6, a distance of 32 feet more or less;

Thence westerly along the south line of said Lot 6, a distance of 46 feet more or less;

Thence westerly along said south line, a distance of 96 feet more or less to the west line of said Lot 6;

Thence northerly along said west line, a distance of 178 feet more or less to the south line of Nellis First Addition;

Thence westerly along said south line, a distance of 40 feet more or less to the Point of Beginning.

Exception 2

Part of Lot 4 in SouthPark Mall Subdivision First Addition, in the northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian, in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows:

Commencing at the northwest corner of Lot 5 in SouthPark Mall Subdivision Second Addition;

Thence northerly, a distance of 250 feet more or less to the Point of Beginning;

Thence northerly, a distance of 210 feet more or less;

Thence easterly, a distance of 155 feet more or less;

Thence southerly, a distance of 210 feet more or less;

Thence westerly, a distance of 153 feet more or less to the Point of Beginning.

Exception 3

All of Lot 5 in SouthPark Mall Subdivision Second Addition in the northeast quarter of Section 16, Township 17 North, Range 1 West of the 4th Principal Meridian, in the City of Moline, County of Rock Island, State of Illinois.

EXHIBIT A

**TIF DESCRIPTION
ROUTE 6 / 150 REDEVELOPMENT PROJECT AREA**

Part of the northwest quarter and northeast quarter of Section 22, Township 17 North, Range 1 West of the 4th Principal Meridian in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows;

Commencing at the southeast corner of the northwest quarter of said Section 22;

Thence north along the east line of the northwest quarter of said Section 22, 690 feet more or less to the Point of Beginning;

Thence westerly, a distance of 633 feet more or less to the easterly line of Coal Valley Township Tax Parcel No. 11-2;

Thence southwesterly along said easterly line, a distance of 337 feet more or less to the south line of Coal Valley Township Tax Parcel No. 11-2;

Thence westerly along said south line and its westerly projection, a distance of 751 feet more or less to the west right of way line of U.S. Route 150;

Thence northerly along said west right of way line, a distance of 322 feet more or less;

Thence northwesterly along said west right of way line, a distance of 301 feet more or less to the south right of way line of U.S. Route 6;

Thence westerly along said south right of way line, a distance of 359 feet more or less to the southerly projection of the west line of Coal Valley Township Tax Parcel No. 12-5, (also known as 36th Street);

Thence northerly along said west right of way line and its southerly projection, a distance of 941 feet more or less to the north line of Coal Valley Township Tax Parcel No. 12-4;

Thence westerly along said north line and the north line of Coal Valley Township Tax Parcel No. 12-1, a distance of 501 feet more or less to the east line of Coal Valley Township Tax Parcel No. 12;

Thence northerly along said east line, a distance of 466 feet more or less to the southerly right of way line of Interstate Route 280 & 74;

Thence southeasterly along said southerly right of way line, a distance of 329 feet more or less;

Thence southeasterly along said southerly right of way line, a distance of 662 feet more or less to the east line of Coal Valley Township Tax Parcel No. 12-2;

Thence southerly along said east line, a distance of 758 feet more or less to the northerly right of way line of U.S. Route 6;

Thence easterly along said northerly right of way line, a distance of 215 feet more or less;

Thence northeasterly along said northerly right of way line, a distance of 611 feet more or less;

Thence easterly along said northerly right of way line, a distance of 550 feet more or less;

Thence southerly along said northerly right of way line, a distance of 103 feet more or less;

Thence easterly along said northerly right of way line, a distance of 353 feet more or less to the northerly projection of the west line of Coal Valley Township Tax Parcel No. 15-1;

Thence southerly along said west line and its northerly projection, a distance of 456 feet more or less;

Thence westerly, a distance of 230 feet more or less to the Point of Beginning.

The above described parcel contains 41.916 acres, more or less.

Tax Increment Financing Redevelopment Plan & Project

.....
Route 6/150
Redevelopment Project Area
.....

Prepared for
City of Moline, Illinois

Prepared by
PGAV PLANNERS

July 25, 2012

CITY OF MOLINE, ILLINOIS

MAYOR

Donald P. Welvaert

CITY COUNCIL

Stephanie Acri

John Knaack

Sean Liddell

Richard Meredith

J. Scott Raes

Ted Ronk

Kevin Schoonmaker

Lori Turner

CITY CLERK

Tracy A. Koranda

FINANCE OFFICER

Kathleen Carr

DIRECTOR OF PLANNING & ECONOMIC DEVELOPMENT

Ray Forsythe

CITY ATTORNEY

Maureen E. Riggs

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APPENDIX

- Attachment A - Resolution No. 1032-2011
- Attachment B - Boundary Description
- Attachment C - Existing Conditions Photos
- Attachment D - Letter from Miller Trucking & Excavating
- Attachment E - Parcel Identification Numbers, Property Owner and 2011 EAV

SECTION I

INTRODUCTION

On February 8, 2011, the Moline City Council passed **Resolution 1032-2011** stating the City's intent to designate a portion of the City as a tax increment finance (TIF) Redevelopment Project Area and to induce development interest within such area (see **Attachment A** in the Appendix). The area being considered for designation as a TIF area generally includes parcels of property located both north and southeast of the intersection of U.S. Route 6 and U.S. Route 150, including the mostly vacant Horace Mann Elementary School. The area is referred to herein as the Route 6/150 Redevelopment Project Area (the "Area"). The boundaries of the Area are as shown on **Exhibit A - Redevelopment Project Area Boundary**. Refer also to the **Boundary Description** contained in the **Appendix** as **Attachment B**.

The Area contains approximately 42 acres, including public rights-of-way (27.5 acres net of rights-of-way). Three of the four vacant parcels contain fill material consisting of busted up concrete and earth material from road construction sites. The conditions that qualify both improved and vacant land for tax increment financing are documented in **Section III** of this Plan.

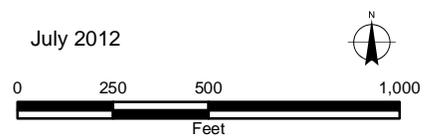
The City may consider the use of tax increment financing, as well as other economic development resources as available, to facilitate private investment within the Area. It is the intent of the City to induce the investment of significant private capital in the Area, which will also induce spillover investment in neighboring areas. A housing impact study need not be performed since there are no residential units within the Area (per Section 11-74.4-3(n) (5) of the Illinois Tax Increment Allocation Redevelopment Act).

The Act sets forth the requirements and procedures for establishing a Redevelopment Project Area and a Redevelopment Plan. The following sections of this report present the findings of eligibility and the Redevelopment Plan and Project for the Area, as well as other findings, evidence, and documentation required by the Act.



Legend

 Route 6 / 150 Redevelopment Project Area Boundary



Redevelopment Project Area Boundary Map

Exhibit A

Route 6 / 150 Redevelopment Project Area
City of Moline, Illinois



SECTION II

STATUTORY BASIS FOR TAX INCREMENT FINANCING AND SUMMARY OF FINDINGS

A. Introduction

Tax increment financing (TIF) is a local funding mechanism created by the "Tax Increment Allocation Redevelopment Act" (the "Act"). The Act is found at 65 ILCS 5/11-74.4-1 *et. seq.*

As used, herein, the term **Redevelopment Project** means any public and private development project in furtherance of the objectives of a Redevelopment Plan. The term **Redevelopment Project Area** means an area designated by the municipality, which is not less in the aggregate than 1-1/2 acres and in respect to which the municipality has made a finding that there exist conditions that cause the area to be classified as an industrial park conservation area, a blighted area or a conservation area, or a combination of both blighted areas and conservation areas. **Redevelopment Plan** 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.

The concept behind the tax increment law is straightforward and allows a municipality to carry out redevelopment activities on a local basis. Redevelopment that occurs in a designated Redevelopment Project Area results in an increase in the equalized assessed valuation (EAV) of the property and, thus, generates increased real property tax revenues. This increase or "increment" can be used to finance "redevelopment project costs" such as land acquisition, site clearance, building rehabilitation, interest subsidy, construction of public infrastructure, and other redevelopment project costs as permitted by the Act.

The Illinois General Assembly made various findings in adopting the Act; among them were:

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

These findings were made on the basis that the presence of blight, or conditions that lead to blight, is detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act specifies certain requirements that must be met before a municipality can proceed with implementing a Redevelopment Plan. One of these requirements is that the municipality must demonstrate that a Redevelopment Project Area qualifies under the provisions of the Act. With the definitions set forth in the Act, a Redevelopment Project Area may qualify either as a blighted area, a conservation area, or a combination of both blighted area and conservation area, or an industrial park conservation area.

B. Summary of Findings

The following findings and evidentiary documentation is made with respect to the proposed Redevelopment Project Area:

1. The Area as a whole meets the statutory requirements as a ***combination blighted area and conservation area***. Furthermore, the factors necessary to make these findings exist to a meaningful extent and are distributed throughout the Area.
2. The Area exceeds the statutory minimum size of 1-1/2 acres.
3. The Area contains contiguous parcels of real property.
4. If this Plan is adopted and implemented by the City, it is reasonable to say that all properties included in the Area would benefit substantially from being included in the Area.
5. The Redevelopment Project Area, as a whole, has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to occur without public assistance. Further evidence of this is presented in **Section III** and throughout this document.

SECTION III

BASIS FOR ELIGIBILITY OF THE AREA AND FINDINGS

A. Introduction

A Redevelopment Project Area, according to the Act, is that area designated by a municipality in which the finding is made that there exist conditions that cause the area to be classified as a blighted area, conservation area, or combination thereof, or an industrial park conservation area. The criteria and the individual factors defining each of these categories of eligibility are defined in the Act.

This Section documents the relevant statutory requirements and how the subject area meets the eligibility criteria.

B. Statutory Qualifications

The Act defines the factors that must be present in order for an area to qualify for TIF. The following provides the statutory definitions of the qualifying factors relating to a blighted area and a conservation area:

1. Eligibility of a Blighted Area

The Act states that a "...**“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:" *[Emphasis with bold text added.]*

- a. **“If improved**, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five (5) or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent, so that a 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:" *[Emphasis with bold and underlined text added.]*

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

- (2) “Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use. *[Emphasis with underlined text added.]*”
- (3) “Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters, and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.” *[Emphasis with underlined text added.]*”
- (4) “Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.” *[Emphasis with underlined text added.]*”
- (5) “Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.” *[Emphasis with underlined text added.]*”
- (6) “Excessive vacancies. The presence of buildings that are unoccupied or underutilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.” *[Emphasis with underlined text added.]*”
- (7) “Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.” *[Emphasis with underlined text added.]*”
- (8) “Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelop-

ment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.” *[Emphasis with underlined text added.]*

- (9) “Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.” *[Emphasis with underlined text added.]*
- (10) “Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.” *[Emphasis with underlined text added.]*
- (11) “Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.” *[Emphasis with underlined text added.]*
- (12) “Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the 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.” *[Emphasis with underlined text added.]*

- (13) “The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.” *[Emphasis with underlined text added.]*
- b. **“If vacant**, the sound growth of the Redevelopment Project Area is impaired by a combination of two (2) or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent, so that 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:” *[Emphasis with bold text added.]*
- (1) “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.”
- (2) “Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.”
- (3) “Tax and special assessment delinquencies exist, or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.”
- (4) “Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.”
- (5) “The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the Redevelopment Project Area.”

- (6) “The total equalized assessed value of the proposed Redevelopment Project Area has declined for three (3) of the last five (5) calendar years prior to the year in which the Redevelopment Project Area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the Redevelopment Project Area is designated.”
- c. **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:
- (1) The area consists of one or more unused quarries, mines, or strip mine ponds.
 - (2) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.
 - (3) The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area, as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.
 - (4) The area consists of an **unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.**
 - (5) Prior to the effective date of this amendatory Act of the 91st General Assembly, the area is not less than 50, nor more than 100 acres, and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (a) of this subsection, the area has been designated as a town or Village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.
 - (6) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

2. Eligibility of a Conservation Area

The Act further states that a “... “conservation area” means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which **50% or more of the structures in the area have an age of 35 years or more**. Such an area is not yet a blighted area, but because of a combination of three (3) or more of the [13 factors applicable to the improved area] is detrimental to the public safety, health, morals or welfare, and such an area may become a blighted area.” *[Emphasis with bold and underlined text added. Bracketed text replaces “following factors” from the Act.]*

C. Investigation and Analysis of Blighting Factors

In determining whether or not the Area meets the eligibility requirements of the Act, research and field surveys were conducted by way of:

- Contacts with City of Moline officials and the current owner of properties located south of U.S. Route 6 who are knowledgeable of Area conditions and history.
- On-site field examination of conditions within the Area by experienced staff of PGAV.
- Use of definitions contained in the Act.
- Adherence to basic findings of need as established by the Illinois General Assembly in establishing tax increment financing, which became effective January 10, 1977.
- Examination of Rock Island County real property tax assessment records.

To ensure that the exercise of these powers is proper and in the public interest, the Act specifies certain requirements that must be met before a municipality can proceed with implementing a redevelopment project. One of these is that the municipality must demonstrate that the Area qualifies. An analysis of the physical conditions and presence of blighting factors relating to the Area was commissioned by the City. The result and documentation of this effort are summarized below.

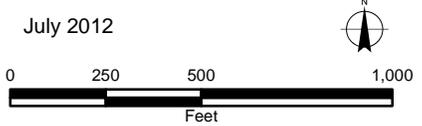
D. Analysis of Conditions in the Area

PGAV staff conducted field investigations to document existing conditions in the Area on April 5, 2012. This field work was supplemented with discussions with City staff and analysis of property assessment data from Rock Island County. **Exhibit B - Blighting Factors Map** provides a graphic depiction of certain blighting factors that were determined to exist within the Area. A blighting factor that relates to property valuation trends is presented later in this Section.



Legend

- Route 6 / 150 Redevelopment Project Area Boundary
- Unused Areas Containing Disposed Earth, Stone, Concrete and Similar Materials
- + Deteriorated Structures or Site Improvements in Neighboring Areas
- * Building is Greater Than 35 Years of Age
- V Excessive Vacancies



Blighting Factors Map

Route 6 / 150 Redevelopment Project Area
City of Moline, Illinois

Exhibit B



1. Findings on Improved Area

- a. Summary of Findings on Age of Structures: Age is a prerequisite factor in determining if all or a portion of a redevelopment project area qualifies as a "conservation area". As is clearly set forth in the Act, 50% or more of the structures in the redevelopment project area must have an age of 35 years or greater in order to meet this criteria. The only building in the Area is the now vacant Horace Mann Elementary School. The fact that this building was constructed over 35 years ago was derived from a U.S. Geological Survey Map of the Coal Valley (7.5 minute series quadrangle, dated 1970). This map shows the footprint of the school building and, therefore, provides evidence that the building is at least 42 years old.
- b. Summary of Findings on Deterioration: Deteriorating conditions were recorded on the school building. The field survey of exterior building condition found deteriorated/failing brick veneer and failing drive isle and parking area pavement. **Attachment C** in the **Appendix** provides **photos** of examples of the conditions found on the school property.

Deteriorated building conditions are indicative of deferred maintenance and a lack of investment. The extent to which a structure and the associated site improvements are deteriorated is a measure of the property's stability and market value for its potential reuse.

- c. Summary of Findings on Obsolescence: In this instance, due to enrollment shifts and efforts to increase operational efficiencies within the District, the Moline School Board decided to consolidate facilities. Horace Mann Elementary building was determined not to be strategically located for efficient operations and no longer suited the needs of the School District.
- d. Summary of Findings Regarding Excessive Vacancies: Except for a small portion of school building being used as storage for the District, the Horace Mann Elementary School is vacant.
- f. Summary of Findings Regarding Declining or Lagging Rate of Growth of Total Equalized Assessed Valuation: This factor is applicable to vacant areas as well as improved areas. The total equalized assessed valuation (EAV) for the Area has not kept pace with the balance of the City for four (4) of the last five (5) calendar years. A comparison of EAV for the Area and the balance of the City is shown as **Exhibit C, Comparison of EAV Growth Rates (2006-2011)** on the following page. While this trend clearly meets the eligibility criteria, the Area has also declined significantly in total assessed value between 2006 and 2011. This was due to the demolition of an existing building located on the southern parcel fronting U.S. Route 150 (PIN 1722100011).

Exhibit C

COMPARISON OF EAV GROWTH RATES (2006 - 2011)

Route 6/150 Redevelopment Project Area
City of Moline, Illinois

Assessment Year	EAV		Area Growth Rate Less Than Balance of City?
	Project Area ¹	Balance of City ²	
2006	\$ 139,145	\$ 778,837,114	
2007	\$ 148,885	\$ 844,874,491	
Annual Percent Change	7.0%	8.5%	YES
2008	\$ 69,003	\$ 868,975,658	
Annual Percent Change	-53.7%	2.9%	YES
2009	\$ 71,072	\$ 881,528,712	
Annual Percent Change	3.0%	1.4%	NO
2010	\$ 71,072	\$ 886,478,819	
Annual Percent Change	0.0%	0.6%	YES
2011	\$ 71,072	\$ 890,207,394	
Annual Percent Change	0.0%	0.4%	YES

¹ Equalized Assessed Valuation (EAV) for the Project Area. Source: Rock Island County property assessment data.

² Total EAV for the City less the EAV for the Project Area.

2. Findings on Vacant Land

There are 3 vacant parcels that constitute 16.3 of the 27.5 net acres of land within the Area. Several blighting factors, as they are applied to vacant land, are present.

Before documenting the presence of these factors, evidence is presented to prove that the **Area can be considered vacant land pursuant to the definition of “vacant land”** in the Act, to wit:

“(v) As used in subsection (a) of Section 11-74.4-3 of this Act, “vacant land” means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the Redevelopment Project Area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided;...”

The current property owner of the subject vacant tracts of land stated that the properties have not been used for agricultural purposes for many years. Also a review of historical aerial photography available from Google Earth doesn't show any evidence of raising of crops or livestock grazing on any of the vacant tracts. Six different images on six different dates, from 2006, 2007, 2009, 2010, 2011 and ending May 20, 2012, indicate fallow land and wetlands for two of the parcels and occasional semi-trailer storage for the southern tract fronting U.S. Route 150. Therefore, the properties in question can be considered vacant pursuant to the Act.

The statutory definition of a "blighted area" is satisfied with respect to how this definition is applied to vacant land under two subsections of the Act. First, subsection 11.74.4-3 (a) (2) of the Act states that "[i]f vacant, the sound growth of the Redevelopment Project Area is impaired by **2 or more of the following factors** each of which is (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:..." (emphasis added).

For the eastern most vacant parcel, the factors present include **deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, and the total equalized assessed valuation (EAV) of the proposed Area has increased at a rate that is less than the balance of the City for four (4) of the last five (5) years.** With respect to the deteriorated structures or site improvements, the parcel adjacent to the eastern boundary of the Area and south of U.S. Route 6 contains the ABC Supply Company operations. This site has deteriorated parking areas in the front and unpaved areas in the rear of the parcel where derelict semi-trailers have been stored for years. Photos of these conditions are located in **Attachment C** in the **Appendix**. These conditions are a deterrent to the desirability of many potential business uses for the eastern most property in the Area.

Secondly, subsection 11.74.4-3 (a) (3) of the Act states that "[i]f 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:..." (emphasis added). The factor present in this case is that the three vacant parcels **consists of an unused disposal site containing earth, stone building debris, or similar materials that were removed from a demolition site.** The current owner has stated that each of the vacant parcels contain fill material consisting of excess street demolition and construction debris from several City of Moline street improvement projects (see **letter from Miller Trucking & Excavating** in the **Appendix as Attachment D**). The general locations of this fill material are as highlighted on **Exhib-**

it B, Blighting Factors Map. For the two parcels fronting Route 6, the current owner extracted and recycled (crushed) the chunks of concrete and interspersed earthen material. The recycled material was layered and compacted on site. There remain questions as to whether or not this fill material is suitable for all building foundation types. In addition, the sites need to be elevated further to raise building elevations out of the floodplain. These two factors, combined, have hindered the ability to market the parcels for commercial development. The current owner estimates that the remaining site work will cost approximately \$1.5 million, which includes raising the sites out of the floodplain.

E. Summary of Eligibility Factors for the Area

The study found that the Area contains conditions that qualify it as a *combination blighted area and conservation area*. The following summarizes the existence of the most predominant blighting/conservation factors existing within the Area:

- **Age** - The one building located in the Area is greater than 35 years old, which exceeds the statutory threshold of 50% (prerequisite for a “conservation area”).
- **Deterioration** - The single building and the site improvements on the school building lot exhibit signs of deterioration as defined in the Act.
- **Obsolescence** - The Horace Mann Elementary School building is no longer of use to the Moline School District. It is questionable if the building can be reused for another purpose.
- **Excessive Vacancies** - The Horace Mann Elementary School building is almost entirely vacant.
- **Declining EAV** - The conditions summarized above help explain, in part, why the growth in the Area’s equalized assessed valuation has failed to keep pace with balance of the City for four (4) of the last five (5) years. In fact, the Area has declined in EAV, from 2006 to 2011, by over \$68,000 or 49%. This factor applies to both improved and vacant land.
- **Deteriorated Buildings or Site Improvements in Neighboring Areas** - The eastern most vacant tract is negatively impacted by the condition of the property adjacent to the east of it.
- **Vacant Parcels Consist of an Unused Disposal Site** - A significant portion of all three of the vacant tracts located within the Area contain disposed fill material consisting of excess street demolition and construction debris from several City of Moline street improvement projects.

The study found that the Redevelopment Project Area contains conditions that qualify it as a combination blighted area and conservation area, as these terms are defined in the Act, and that these parcels will likely continue to exhibit blighted conditions or conditions that may lead to blight without a program of intervention to induce private and public investment in the Area. These findings were made considering the qualifying factors that are present to a meaningful extent and distributed throughout the Area. The qualifying conditions that exist in the Redevelopment Project Area are detrimental to the Area, as a whole, and the long-term interests of the taxing districts. The various projects contemplated in this tax increment program will serve to reduce or eliminate these deficiencies and enhance the tax base of all overlapping taxing authorities.

Therefore, it is concluded that public intervention is necessary because of the conditions documented herein and the lack of private investment in the Area. The City Council should review this analysis and, if satisfied with the findings contained herein, proceed with the adoption of these findings in conjunction with the adoption of the Redevelopment Plan and establishment of the Redevelopment Project Area.

SECTION IV

REDEVELOPMENT PLAN

A. Introduction

This section presents the Redevelopment Plan and Project for the Route 6/150 Redevelopment Project Area. Pursuant to the Tax Increment Allocation Redevelopment Act, when the finding is made that an area qualifies as a conservation, blighted, combination of conservation and blighted areas, or industrial park conservation area, a Redevelopment Plan must be prepared. A **Redevelopment Plan** is defined in the Act as "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".

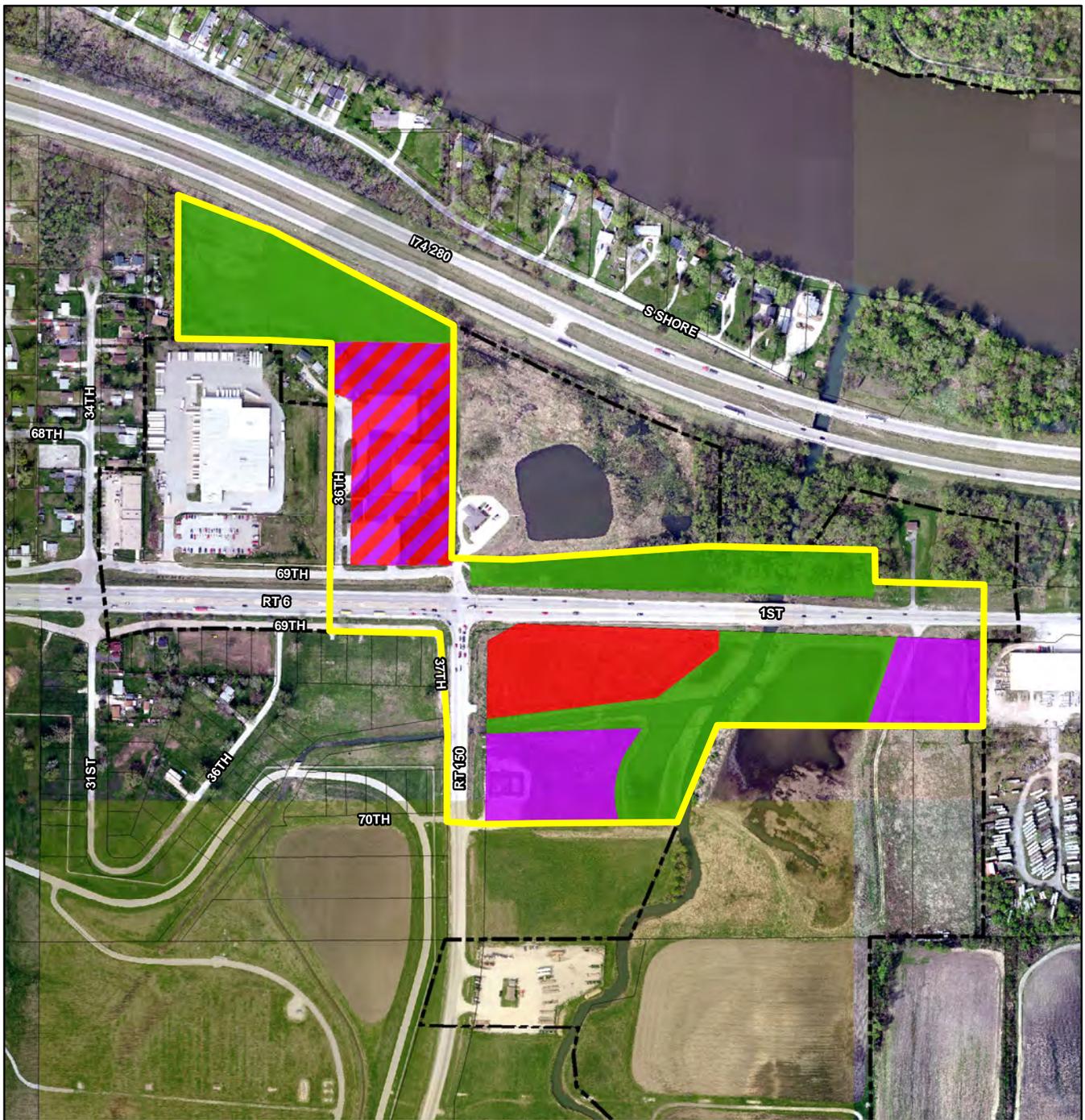
B. General Land Uses to Apply

The proposed general land uses to apply to the Area is presented on **Exhibit D**, entitled **General Land Use Plan**. The General Land Use Plan proposes uses that are consistent with the 2001 Comprehensive Plan for the City of Moline and its environs. For the school property, it is envisioned that the facilities be reused or redeveloped for commercial use that could include office. As an alternative, this General Land Use Plan would support light industrial use, given the Federal Express facility immediately to the west of the school property and the industrial designations proposed by the Comprehensive Plan south of U.S. Route 6 and east of U.S. Route 150. The parcel at the southeast corner of Route 6 and 150 is well located for commercial use that would serve the immediate trade area of residents and businesses, along with the traveling public, on these two arterial streets. The balance of the Area that can be raised to meet flood-plain regulations is proposed for light industrial use, including a proposed concrete recycling facility on the eastern most parcel of land (PIN 1722100013). Coal Creek and its tributary and the balance of low lying areas are proposed to remain as open space and drainage.

C. Objectives

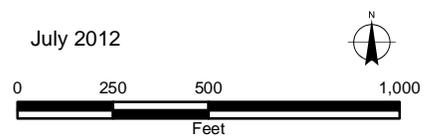
The objectives of the Redevelopment Plan are:

1. Reduce or eliminate those conditions that qualify the Area as eligible for tax increment financing by carrying out the Redevelopment Plan.
2. Prevent the recurrence of blighting conditions.



Legend

-  Route 6 / 150 Redevelopment Project Area Boundary
-  Commercial
-  Commercial / Light Industrial Alternate
-  Light Industrial
-  Open Space / Drainage



General Land Use Plan

Route 6 / 150 Redevelopment Project Area
City of Moline, Illinois

Exhibit D



3. Enhance the real estate tax base for the City and all overlapping taxing districts through the implementation and completion of the activities identified herein.
4. Encourage and assist private investment, redevelopment and building rehabilitation within the Area through the provision of financial assistance as permitted by the Act.
5. Provide for safe and efficient traffic circulation within the Area.
6. Complete all public and private actions required in this Redevelopment Plan in an expeditious manner.

D. Program Policies to Accomplish Objectives

The City has determined that it is appropriate to provide limited financial incentives for private investment within the Area. It has been determined, through redevelopment strategies previously utilized by the City and communications between property owners and the City, that tax increment financing constitutes a key component of leveraging private investment within the Area. The City will incorporate appropriate provisions in any redevelopment agreement between the City and private investors to assure that redevelopment projects achieve the objectives stated herein and accomplish the various redevelopment projects described below.

E. Redevelopment Projects

To achieve the Plan objectives and the overall project proposed in the Plan, a number of public and private activities will need to be undertaken, including a combination of private developments and public investment in infrastructure improvements. Improvements and activities necessary to implement the Plan may include the following:

1. Private Redevelopment Activities:

- a. *Rehabilitation or demolition of existing building.* If it is determined to be feasible, rehabilitation and retrofitting of the vacant Horace Mann Elementary School to accommodate another use could occur. If not feasible or the building does not suit the future user, then demolition and redevelopment of the property would be an acceptable alternative.
- b. *Construction of private buildings.* New buildings are proposed for the portions of the properties south of Route 6 that can be raised to meet floodplain regulations.

2. Public Redevelopment Activities:

Public improvements and support activities will be used to induce and complement private investment. These may include, but are not limited to, the following activities:

- a. *Land assembly and site preparation.* In order to facilitate redevelopment, it may be necessary for TIF to help finance land acquisition or to assist in site preparation, including building demolition and other steps to prepare sites for development.
- b. *Marketing of properties and promoting development opportunities.* The City will help to promote the opportunities available for investment in the Area.
- c. *Other programs of financial assistance as may be provided by the City.* The Act defines eligible redevelopment project costs that are summarized in **Section F**. The City's involvement with redevelopment activities may include all those authorized by the Act, as needed.

3. Land Assembly, Displacement Certificate & Relocation Assistance:

To achieve the objectives of the Plan, land assembly by the City and eventual conveyance to private entities may be necessary to attract private development interest. Therefore, property located within the Area may be acquired by the City, as necessary, to implement a specific public or private redevelopment project. Since there are no housing units within the Area, no displacement of inhabited housing units will be involved with this Redevelopment Plan.

F. Estimated Redevelopment Project Costs

The estimated costs associated with the eligible public redevelopment activities are presented in **Exhibit E**, on the following page, entitled **Estimated Redevelopment Project Costs**. This estimate includes reasonable or necessary costs incurred, or estimated to be incurred, in the implementation of this Redevelopment Plan. These estimated costs are subject to refinement as specific plans and designs are finalized and experience is gained in implementing this Redevelopment Plan and do not include financing costs or interest payments that may be incurred in conjunction with redevelopment projects.

In addition to the proposed TIF funding, the City may seek the assistance of various State of Illinois Departments (Department of Transportation, Department of Commerce and Economic Opportunity, etc.), or appropriate agencies of the Federal Government to assist in funding site preparation, infrastructure, or other required projects or improvements. To the extent additional funds can be secured from the State of Illinois, or any Federal program or other public or private sources, the City may use such funding sources in furtherance of the Redevelopment Plan and Project.

Exhibit E

ESTIMATED REDEVELOPMENT PROJECT COSTS

Route 6/150 Redevelopment Project Area
City of Moline, Illinois

Description	Estimated Cost
A. Public Works or Improvements <i>(Improvement of streets, curb and gutters, utilities, and other public improvements)</i>	\$100,000
B. Property Assembly <i>(Acquisition of land, building demolition and site preparation)</i>	\$2,000,000
C. Taxing District Capital Costs	\$10,000
D. Job Training	\$10,000
E. Interest Costs Incurred by Developers <i>(30% of interest costs)</i>	\$1,400,000
F. Planning, Legal & Professional Services	\$100,000
G. General Administration	\$50,000
H. Financing Costs	See Note 3
I. Contingency	\$200,000
Total Estimated Costs	\$3,870,000

Notes:

1. All costs shown are in 2012 dollars.
2. Adjustments may be made among line items within the budget to reflect program implementation experience.
3. Municipal financing costs such as interest expense, capitalized interest and cost of issuance of obligations are not quantified herein. These costs are subject to prevailing market conditions and will be considered part of the total redevelopment pro
4. Private redevelopment costs and investment are in addition to the above.
5. The total estimated redevelopment project costs shall not be increased by more than 5% after adjustment for inflation from the date of the Plan adoption, per subsection 11-74.4.5 (c) of the Act.

G. Description of Redevelopment Project Costs

Costs that may be incurred by the City in implementing the Redevelopment Plan may include project costs and expenses as itemized in **Exhibit E**, subject to the definition of “redevelopment project costs” as contained in the Act, and any other costs that are eligible under said definition included in the “Contingency” line item. Itemized below is the statutory listing of “redevelopment project costs” currently permitted by the Act [bold typeface added for emphasis]. Note that some of the following narrative has been paraphrased (see full definitions in the Act).

1. **Costs of studies, surveys, development of plans and specifications, wetland mitigation plans, implementation and administration** of the Redevelopment Plan, including but not limited to staff and professional service costs for architectural, engineering, legal, environmental, financial, planning or other services, subject to certain limitations:

- a. There are limitations on contracts for certain professional services with respect to term, services, etc.
 - b. 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.
 - c. Marketing costs are allowable if related to 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 interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground level 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 or 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.
 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 of the Act unless either
 - a. 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
 - b. 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. **Cost 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** (see definition of “obligations” in the Act), and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter, and including reasonable reserves related thereto.
7. 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.
 - a. For Redevelopment Project Areas designated (or Redevelopment Project Areas amended to add or increase the number of tax-increment-financing assisted housing units), 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 and agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvement projects within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by the Act, shall be paid by the municipality from the Special Tax Allocation Fund under certain conditions. For specific conditions and formulae used to determine payments due to a school district, see Subsection 11-74.4-3 (q) (7.5) of the Act.
8. **Relocation costs** to the extent that a municipality determines that relocation costs shall be paid or it is required to make payment of relocation costs by Federal or State law or in order to satisfy Subsection 11-74.4-3 (n) (7) of the Act (re: federal Uniform Relocation Assistance and Real Property Acquisition Policies Act requirements).
9. **Payments in lieu of taxes** (not common; see definition in Act).
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:
 - a. are related to the establishment and maintenance of additional job training, advanced vocational education or career education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; and

- b. when incurred by a taxing district(s) other than the municipality, are set forth in a written agreement between the municipality and the taxing district or taxing districts, which agreement describes the programs 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 types of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the terms 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 costs 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, 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;
 - e. the cost limits set forth in subparagraphs (b) and (d) above shall be modified for the financing of rehabilitation 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) above;
 - f. Instead of the eligible costs provided by subparagraphs (b) and (d) above, as modified in this subparagraph, and notwithstanding any other provision of the 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. For further provisions on financing and eligible costs, see Subsection 11-74.4-3 (q) (11) of the Act.

12. Unless explicitly stated herein, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.
13. None of the redevelopment project costs enumerated above 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 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.
14. No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008 (the effective date of Public Act 95-934), unless no prudent and feasible alternative exists. "Historic resource" for the purpose of this item (14) means
 - a. place or structure that is included or eligible for inclusion on the National Register of Historic Places or
 - b. contributing structure in a district on the National Register of Historic Places.

This item (14) does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

SECTION V OTHER FINDINGS AND REQUIREMENTS

A. Conformance with Comprehensive Plan

Development projects proposed to be undertaken in implementing this Redevelopment Plan conform to the City of Moline’s Comprehensive Plan adopted November 13, 2001. In addition, all development in the Area will comply with applicable codes and ordinances.

B. Area, on the Whole, not Subject to Growth and Development

Having a vacant school and vacant land within the Area is sufficient enough to support the finding that the Area has not been subject to growth and development through investment by private enterprise. Underscoring this fact is that the tax base of the Area has fallen since 2006 by \$68,000 or nearly in half. **Exhibit F, EAV Trends (2006-2011)** provides a comparison of property value trends in the Area to the balance of the City and the Consumer Price Index.

Exhibit F

EAV TRENDS (2006 - 2011)
Route 6/150 Redevelopment Project Area
City of Moline, Illinois

	EAV				Avg. Annual Percent
	2006	2010	Change	Percent	
Route 6/150 RPA ¹	\$139,145	\$71,072	-\$68,073	-49%	-12.6%
CPI - All Urban Consumers ²	201.6	224.939	23.339	12%	2.2%
Balance of City ³	\$778,837,114	\$890,207,394	\$111,370,280	14%	2.7%

¹ Equalized Assessed Valuation (EAV) of the Redevelopment Project Area.

² Consumer Price Index for All Urban Consumers. Source: U.S. Bureau of Labor Statistics.

³ Total City EAV minus Project Area EAV.

C. Would Not be Developed “but for” Tax Increment Financing

The City has found that the Area would not reasonably be developed without the use of tax increment revenues. The City further commits that such incremental revenues will be utilized for the development and revitalization of the Area as provided in the Act. Underscoring the economic need for municipal financial assistance in the form of tax increment financing is the certainty that there will not be commitments for private development and revitalization without the City’s commitment to provide such municipal financial assistance.

Furthermore, the eligibility factors documented in this Plan contribute to the “but for” argument. These conditions discourage private investment, as the potential return on investment in the Area is too small relative to the risk or simply does not make economic sense. This is the argument that the current owner of the vacant parcels is making, as documented in a letter to the City (see letter from Miller Trucking & Excavating in the Appendix as **Attachment D**). Re-use of schools is typically very limited for private sector reuse. Extensive renovation/retrofit would be necessary. Redevelopment of the site will more likely be the case. Without financial incentives to overcome these barriers, investment by private enterprise will not take place within the Area.

D. Assessment of Financial Impact

The City finds adoption of this Redevelopment Plan will not place significant additional demands on facilities or services for any local taxing body. Police and fire services and facilities appear to be adequate for the foreseeable future.

The City and Joint Review Board will monitor the progress of the TIF program and its future impacts on all local taxing bodies. In the event significant adverse impediments are identified that increase demands for facilities or services in the future, the City will consider utilizing tax increment proceeds or other appropriate actions, to the extent possible, to assist in addressing the needs.

E. Estimated Date for Completion of the Redevelopment Projects

The estimated date for completion of the Redevelopment Project or retirement of obligations issued shall not be later than December 31st of the year in which the payment to the City Treasurer, as provided in subsection (b) of Section 11-74.4-8 of the Act, is to be made with respect to ad valorem taxes levied in the 23rd calendar year after the year in which the ordinance approving the Area is adopted.

F. Most Recent Equalized Assessed Valuation

The most recent total EAV for the Area has been estimated by the City to be \$71,072. A table with **Parcel Identification Numbers and 2011 EAV** is located in the **Appendix as Attachment E**. This is accompanied by a map showing the location of the parcels within the Redevelopment Project Area. The County Clerk of Rock Island County will verify the base EAV for each parcel after adoption of the City ordinances approving the Redevelopment Plan and establishing the Area.

G. Redevelopment Valuation

Contingent on the adoption of this Plan and commitment by the City to the redevelopment program described herein, the City anticipates that the private redevelopment investment in the Area will increase the EAV of the Area by \$2.5 to \$3 million (2012 dollars) upon completion of the redevelopment projects, including reuse or redevelopment of the vacant school.

H. Source of Funds

The primary source of funds to pay for redevelopment project costs associated with implementing this Plan shall be funds collected pursuant to tax increment financing to be adopted by the City. Under such financing, tax increment revenue resulting from an increase in the EAV of property in the Area shall be allocated to a special fund each year (the "Special Tax Allocation Fund"). The assets of the Special Tax Allocation Fund shall be used to pay redevelopment project costs and retire any obligations incurred to finance redevelopment project costs.

In order to expedite implementation of this Redevelopment Plan and construction of the public improvements, the City, pursuant to the authority granted to it under the Act, may issue bonds or other obligations to pay for the eligible redevelopment project costs. These obligations may be secured by future revenues to be collected and allocated to the Special Tax Allocation Fund.

If available, revenues from other economic development funding sources, public or private, may be utilized. These may include State and Federal programs, local retail sales tax, applicable revenues from any adjoining tax increment financing areas, and land disposition proceeds from the sale of land in the Area, as well as other revenues. The final decision concerning redistribution of yearly tax increment revenues may be made a part of a bond ordinance.

I. Nature and Term of Obligations

Without excluding other methods of City or private financing, the principal source of funding will be those deposits made into the Special Tax Allocation Fund of monies received from the taxes on the increased EAV (above the initial EAV) of real property in the Area. These monies may be used to reimburse private or public entities for the redevelopment project costs incurred or to amortize obligations issued pursuant to the Act for a term not to exceed 20 years bearing an annual interest rate as permitted by law. Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the bonds and not needed for any other redevelopment project costs or early bond retirements shall be declared as surplus and become available for distribution to the taxing bodies to the extent that this distribution of surplus does not impair the financial viability of the any projects. One or more bond issues may be sold at any time in order to implement this Redevelopment Plan.

J. Fair Employment Practices and Affirmative Action

The City will insure that all private and public redevelopment activities are constructed in accordance with fair employment practices and affirmative action by any and all recipients of TIF assistance.

K. Reviewing and Amending the TIF Plan

This Redevelopment Plan may be amended in accordance with the provisions of the Act. Also, the City shall adhere to all reporting requirements and other statutory provisions.

APPENDIX

ATTACHMENT A

**Moline City Council Resolution No. 1032-2011
Route 6/150 Redevelopment Project Area**

Council Bill/Resolution No. 1032-2011

Sponsor: _____

A RESOLUTION

PROVIDING for a feasibility study on the designation of a portion of the City of Moline as a redevelopment project area (Route 6 and 150) and to induce development interest within such area; and

AUTHORIZING expenditures in the course of planning and redevelopment, prior to a redevelopment project area being established, that may be reimbursable from TIF proceeds.

WHEREAS, the City of Moline (the "City") is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, *65 ILCS 5/11-74.4-1, et seq.* as amended ("the TIF Act"), to finance redevelopment project costs in connection with redevelopment project areas established in accordance with the conditions and requirements set forth in the Act; and

WHEREAS, pursuant to the Act, to implement tax increment financing (TIF), it is necessary for the City to adopt a redevelopment plan and redevelopment project, designate a redevelopment project area on the basis of finding that the area qualifies pursuant to statutory requirements, and make a finding that the redevelopment project area on the whole has not been subjected to growth and development through private enterprise and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan, which plan contains a commitment to use public funds; and

WHEREAS, the City desires to undertake a feasibility study to determine whether findings may be made with respect to an area of the City, generally described herein, which may be designated as a redevelopment project area, to qualify the area as a blighted area or a conservation area or a combination thereof as defined in the Act, and other research necessary to document the lack of growth and development through private enterprise; and

WHEREAS, the boundaries of the redevelopment project area being considered are delineated on Exhibit A attached hereto, provided that the actual redevelopment project area to be established may contain more or less land than that shown on Exhibit A; and

WHEREAS, the City will be expending certain funds to determine eligibility of the proposed redevelopment project area and to prepare the required redevelopment plan if the City decides to implement tax increment financing for all or a portion of the proposed TIF area; and

WHEREAS, the City may expend other funds in furtherance of the objectives of the anticipated redevelopment plan; and

WHEREAS, it is the intent of the City to recover these expenditures from the first proceeds of the TIF program, if established; and

WHEREAS, the City wishes to encourage developers to pursue plans for the redevelopment of the area and make such expenditures as are reasonably necessary in that regard with confidence that said expenditures may be allowable redevelopment project costs under the plan once adopted and subject to a redevelopment agreement between the City and the developers/property owners; and

WHEREAS, the purpose of the proposed redevelopment plan and project is to generate private investment in the targeted area, thereby eliminating or reducing blighted conditions or conditions that may lead to blight and provides for the long-term sound growth of the community; and

WHEREAS, tax increment allocation financing utilizes the increase in real estate taxes (“tax increment”) resulting from the increase in value of properties located in a redevelopment project area to pay for certain redevelopment projects costs as provided for in the Act; and

WHEREAS, of the purposes of the proposed redevelopment plan or proposed redevelopment project area, none are reasonably expected to result in the displacement of residents from ten (10) or more inhabited residential units within the area; therefore, the feasibility study is not required to include the preparation of any housing impact study as described in Section 11-74.4-4.1 (b) of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the City Council has examined the proposed area and circumstances and at this time finds that it is reasonable to believe that a tax increment financing plan can be adopted for said area and expenditures of development costs in furtherance of the plan, and potential development should be allowable project costs under the plan, provided that this resolution is not a guarantee that any such plan will be adopted, but rather an expression of the sense of the City at this time.

BE IT FURTHER RESOLVED that the person to contact for additional information about the proposed redevelopment project area and who should receive all comments and suggestions regarding the redevelopment of the area shall be:

Ray Forsythe
Planning & Development Director
City of Moline
619 16th St.
Moline, IL 61265
Telephone (309) 524-2032

CITY OF MOLINE, ILLINOIS



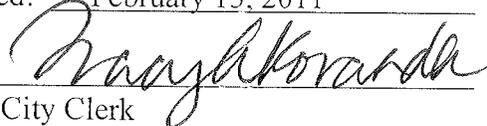
Mayor

February 8, 2011

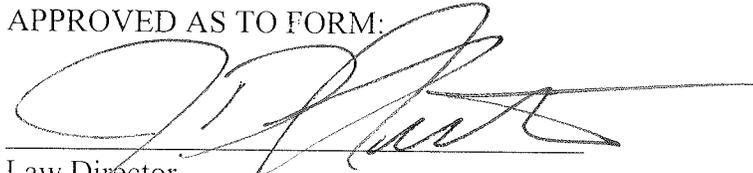
Date

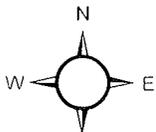
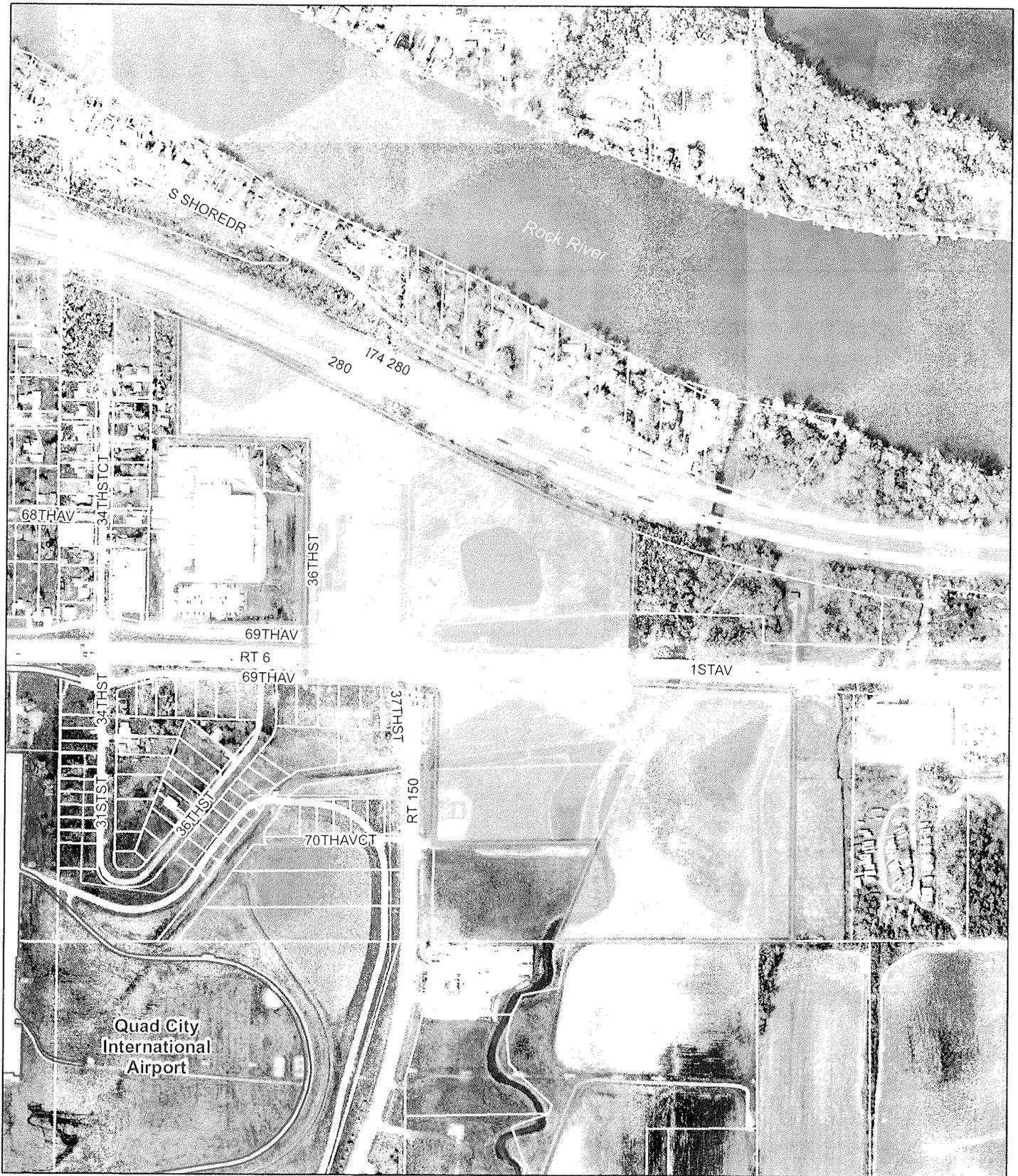
Passed: February 8, 2011

Approved: February 15, 2011

Attest: 
City Clerk

APPROVED AS TO FORM:


Law Director



1 inch = 500 feet

TIF Study Area U.S. Route 150 and Route 6

City of Moline, Illinois
Planning & Development Department
Land Development Division
January 27, 2011

ATTACHMENT B

**Boundary Description
Route 6/150 Redevelopment Project Area
(To be provided by City)**

ATTACHMENT C
Existing Conditions Photos



Step cracks in brick veneer of Horace Mann Elementary School.



Dark patches of brick mortar indicative of repetitive overflowing of gutters.



Slabs of concrete pavement and curb & gutter disposed of on rear portion of east parcel (PIN 1722100013). Similar material crushed and used as fill in other parts of the RPA.



Severe alligator cracking and patched pot holes on School access drive (formerly 36th St.).



Looking east from raised portion of eastern most parcel (PIN 1722100013) towards ABC Supply property.



Looking west from ABC Supply property towards the Redevelopment Project Area.

ATTACHMENT D

Letter from Miller Trucking & Excavating

July 24, 2012

Mr. Ray Forsythe
Economic Development Director
City of Moline
619 16th St.
Moline, IL 61265-2121

Re: Proposed TIF District at U.S. Route 6 and U.S. Route 150

Dear Mr. Forsythe:

I am writing to you to explain our need for TIF assistance and to confirm our understanding of the history of disposed fill material on portions of the properties, located east of U.S. Route 50 and south of U.S. Route 6. Our company, Miller Trucking & Excavating, acquired title to the following parcels of real estate, for which we propose to redevelop:

1. County PIN 1722100010 containing approximately 26.73 acres, acquired 12/16/2003.
2. County PIN 1722100011 containing approximately 4.75 acres, acquired 12/16/2003.
3. County PIN 1722100013 containing approximately 5.12 acres, acquired 12/16/2003.

When we purchased these properties we knew that each had fill material consisting of excess street demolition and construction debris from various City of Moline street improvement projects. The general locations of this fill material are as highlighted on the map marked as Exhibit A attached hereto.

When phase 1 environmental reviews for PINs 010 and 013 indicated the fill material was inert and without hazardous substances, the condition of fill material was unsuitable for developing the properties. For these two parcels, my company extracted and recycled (crushed) the chunks of concrete and interspersed earthen material. The recycled material was layered and compacted on site. Further, the placement of recycled fill and the inclusion of additional earthen fill material were accomplished under the regulatory standards of the U.S. Army Corp of Engineers. I understand that similar efforts were undertaken on the parcel identified by PIN 011 to our purchase.

Even with the site preparation to date, the surface elevations of the properties remain below the 100-year flood hazard elevation as identified on FEMA Flood Insurance Rate Map No. 17161C0328F. Thus, we will have to elevate the area further, which is complicated by the floodway of the adjoining Coal Creek. This will add extraordinary redevelopment costs in the amount of approximately \$1,500,000. This is in addition to the costs incurred to date to deal with the unsuitable fill material.



With these obstacles we are unable to attract end users/tenants for the sites. Without the ability to recoup the aforementioned excess costs we cannot move forward with the projects. If we are able to reach an agreement with the City to receive TIF assistance, we would pursue our plans to build projects that would have a positive long-term benefit to the City.

If you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

Justin Miller, Partner

Jarrold Miller, Partner

ATTACHMENT E

**Parcel Identification Numbers,
Property Owner and 2011 EAV**

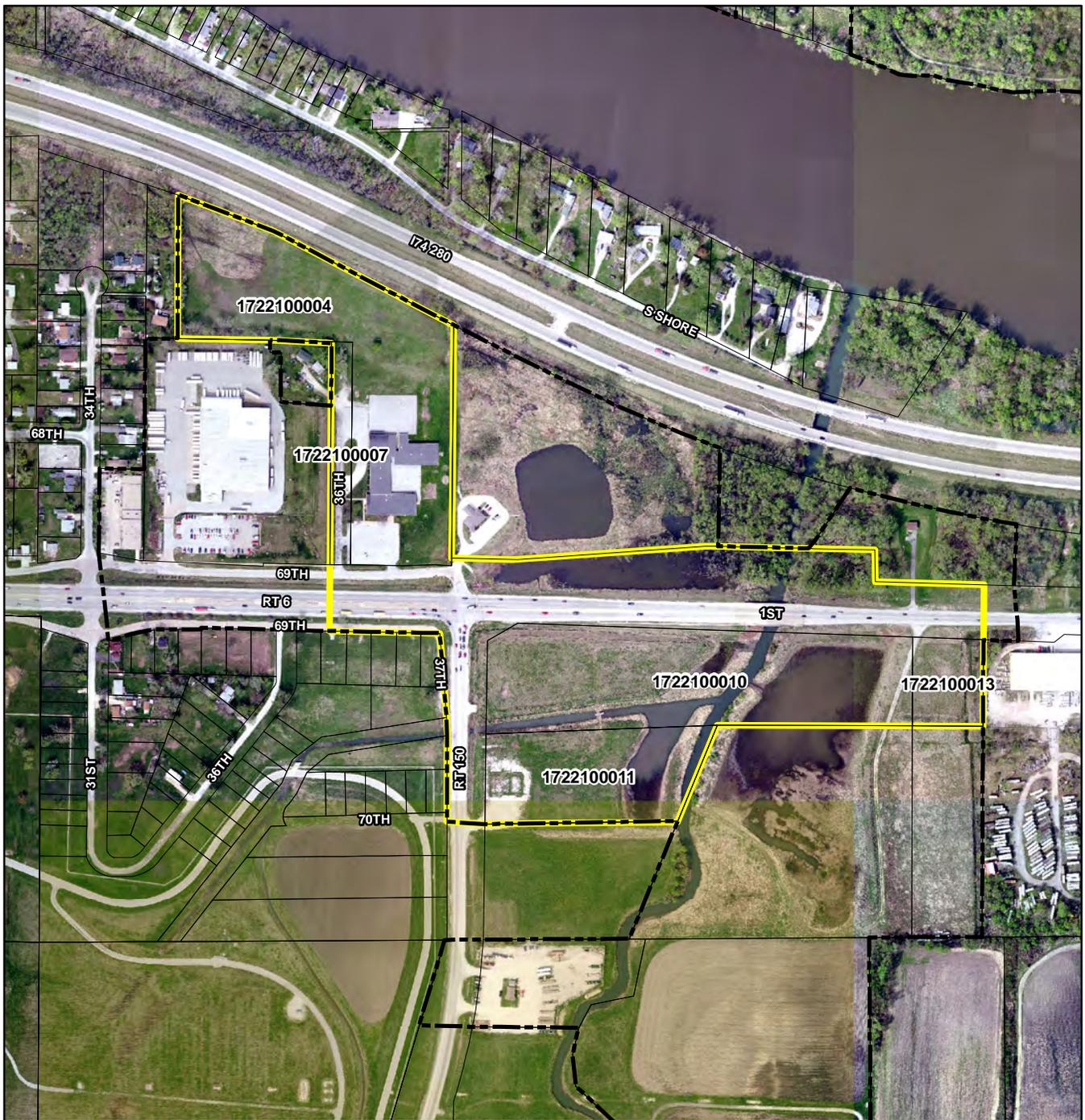
PIN, OWNER & 2011 EAV

Route 6/150 Redevelopment Project Area

City of Moline, Illinois

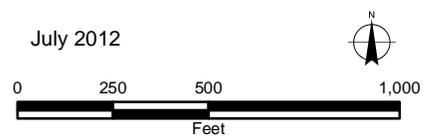
County PIN ¹	Owner	Owner Address	Owner City	ZIP Code	2011 EAV
1722100011	MILLER LEASING LLC	3303 JOHN DEERE RD	SILVIS IL	61282	\$ 23,223
1722100013	MILLER LEASING LLC	3303 JOHN DEERE RD	SILVIS IL	61282	\$ 4,066
1722100010	MILLER LEASING LLC	3303 JOHN DEERE RD	SILVIS IL	61282	\$ 43,782
1722100007	BOARD OF EDUCATION	1619 11TH AVE	MOLINE IL	61265	\$ -
1722100004	BOARD OF EDUCATION	1619 11TH AVE	MOLINE IL	61265	\$ -
TOTAL					\$ 71,072

¹ See map for location within Redevelopment Project Area.



Legend

 Route 6 / 150 Redevelopment Project Area Boundary



Parcel Locator Map

Route 6 / 150 Redevelopment Project Area
City of Moline, Illinois



EXHIBIT A

**TIF DESCRIPTION
ROUTE 6 / 150 REDEVELOPMENT PROJECT AREA**

Part of the northwest quarter and northeast quarter of Section 22, Township 17 North, Range 1 West of the 4th Principal Meridian in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows;

Commencing at the southeast corner of the northwest quarter of said Section 22;

Thence north along the east line of the northwest quarter of said Section 22, 690 feet more or less to the Point of Beginning;

Thence westerly, a distance of 633 feet more or less to the easterly line of Coal Valley Township Tax Parcel No. 11-2;

Thence southwesterly along said easterly line, a distance of 337 feet more or less to the south line of Coal Valley Township Tax Parcel No. 11-2;

Thence westerly along said south line and its westerly projection, a distance of 751 feet more or less to the west right of way line of U.S. Route 150;

Thence northerly along said west right of way line, a distance of 322 feet more or less;

Thence northwesterly along said west right of way line, a distance of 301 feet more or less to the south right of way line of U.S. Route 6;

Thence westerly along said south right of way line, a distance of 359 feet more or less to the southerly projection of the west line of Coal Valley Township Tax Parcel No. 12-5, (also known as 36th Street);

Thence northerly along said west right of way line and its southerly projection, a distance of 941 feet more or less to the north line of Coal Valley Township Tax Parcel No. 12-4;

Thence westerly along said north line and the north line of Coal Valley Township Tax Parcel No. 12-1, a distance of 501 feet more or less to the east line of Coal Valley Township Tax Parcel No. 12;

Thence northerly along said east line, a distance of 466 feet more or less to the southerly right of way line of Interstate Route 280 & 74;

Thence southeasterly along said southerly right of way line, a distance of 329 feet more or less;

Thence southeasterly along said southerly right of way line, a distance of 662 feet more or less to the east line of Coal Valley Township Tax Parcel No. 12-2;

Thence southerly along said east line, a distance of 758 feet more or less to the northerly right of way line of U.S. Route 6;

Thence easterly along said northerly right of way line, a distance of 215 feet more or less;

Thence northeasterly along said northerly right of way line, a distance of 611 feet more or less;

Thence easterly along said northerly right of way line, a distance of 550 feet more or less;

Thence southerly along said northerly right of way line, a distance of 103 feet more or less;

Thence easterly along said northerly right of way line, a distance of 353 feet more or less to the northerly projection of the west line of Coal Valley Township Tax Parcel No. 15-1;

Thence southerly along said west line and its northerly projection, a distance of 456 feet more or less;

Thence westerly, a distance of 230 feet more or less to the Point of Beginning.

The above described parcel contains 41.916 acres, more or less.

NORTH IS BASED ON THE ILLINOIS STATE PLANE COORDINATE SYSTEM,
WEST ZONE, NORTH AMERICAN DATUM OF 1983 (1997 ADJUSTMENT)



150' 0 150' 300'

SCALE: 1" = 150'

THIS PLAT PRESENTED BY:
THE CITY OF MOLINE, ILLINOIS
ECONOMIC DEVELOPMENT DIRECTOR
MR. RAY FORSYTHE
619 16th STREET
MOLINE, IL 61265
PHONE: (309) 524-2032

TIF BOUNDARY = 41.916 AC.±
Part the the Northwest Quarter and Northeast Quarter of Section 22,
Township 17 North, Range 1 West of the Fourth Principal Meridian,
City of Moline, Rock Island County, Illinois

REVISIONS

DESCRIPTION

DATE

No.



ROUTE 6 / 150 REDEVELOPMENT PROJECT
MOLINE, ILLINOIS

TIF EXHIBIT

Missman Project No:
C12S022

File Name:
C12S022 TIF BOUNDARY.dwg

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Field Book No:

Drawn By: DAB

Checked By: DAB

Date: 10/09/2012

Sheet 1 of 1

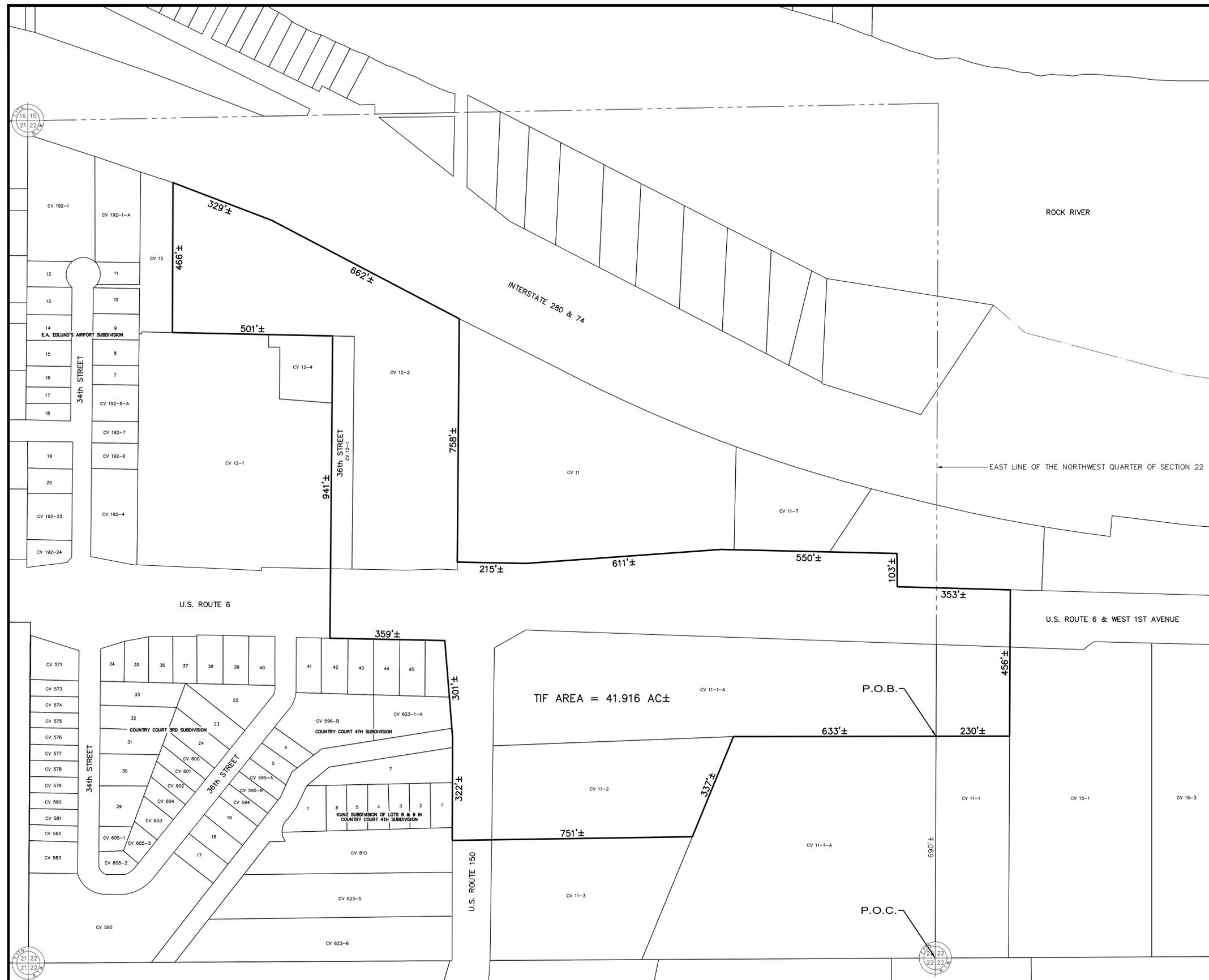


EXHIBIT A

TIF DESCRIPTION 41ST STREET REDEVELOPMENT PROJECT AREA

Part of the southwest quarter of Section 3 and part of the northwest quarter and northeast quarter of Section 10, Township 17 North, Range 1 West of the 4th Principal Meridian in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows;

Beginning at the at the northwest corner of Ferry's Office Addition recorded as Doc. No. 96-03124 in the Rock Island County Recorder's Office;

Thence South 00 degrees 37 minutes 55 seconds West along the west line of said Ferry's Office Addition, a distance of 175.00 feet to the south line of the northeast quarter of the northwest quarter of said Section 10;

Thence North 89 degrees 53 minutes 14 seconds West along said south line, a distance of 980.86 feet to the southwest corner of the northeast quarter of the northwest quarter of said Section 10;

Thence South 89 degrees 45 minutes 54 seconds West along the south line of the northwest quarter of the northwest quarter of said Section 10, a distance of 444.26 feet to the east line of South Moline Township Tax Parcel No. 11858;

Thence North 00 degrees 11 minutes 38 seconds East along said east line and the east line of South Moline Tax Parcel No. 11857 and 11856, a distance of 219.51 feet to the north line of South Moline Tax Parcel No. 11856;

Thence North 89 degrees 55 minutes 13 seconds West along said north line, a distance of 50.00 feet to the east line of Rolling Hills Addition as recorded in Plat Book 40 at Page 259 in said Recorder's Office;

Thence North 00 degrees 11 minutes 38 seconds East along said east line, a distance of 469.91 feet to the north right of way line of 26th Avenue B;

Thence North 89 degrees 47 minutes 35 seconds West along said north right of way line, a distance of 269.22 feet to the west line of South Moline Tax Parcel 208;

Thence North 00 degrees 10 minutes 24 seconds West along said west line and its northerly projection, a distance of 657.23 feet to the north right of way line of 26th Avenue;

Thence South 89 degrees 29 minutes 54 seconds East along said north right of way line, a distance of 792.16 feet to the northerly projection of the east right of way line of 38th Street;

Thence South 00 degrees 01 minutes 10 seconds East along said east right of way line and its northerly projection, a distance of 348.28 feet to the northerly line of Genesis 41st Street Addition recorded as Doc. No. 2012-24254 in said Recorder's Office;

Thence South 89 degrees 45 minutes 15 seconds East along said northerly line, a distance of 962.65 feet;

Thence North 00 degrees 37 minutes 55 seconds East along said northerly line, a distance of 149.14 feet;

Thence South 89 degrees 29 minutes 54 seconds East along said northerly line and its easterly projection, a distance of 321.80 feet to the east right of way line of 41st Street;

Thence South 00 degrees 17 minutes 38 seconds West along said east right of way line, a distance of 800.26 feet;

Thence southerly 160.49 feet along said east right of way line and the arc of a curve to the left having a radius of 1,392.69 feet, a chord bearing of South 03 degrees 00 minutes 27 seconds East, and a chord distance of 160.40 feet to the easterly projection of the north line of said Ferry's Office Addition;

Thence North 89 degrees 53 minutes 14 seconds West along said north line and its easterly projection, a distance of 336.72 feet to the Point of Beginning.

The above described parcel contains 48.815 acres, more or less.

Tax Increment Financing Redevelopment Plan & Project

.....
41st Street
Redevelopment Project Area
.....

Prepared for
City of Moline, Illinois

Prepared by
PGAV PLANNERS

August 16, 2012

CITY OF MOLINE, ILLINOIS

MAYOR

Donald P. Welvaert

CITY COUNCIL

Stephanie Acri
John Knaack
Sean Liddell
Richard Meredith
J. Scott Raes
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CITY CLERK

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FINANCE OFFICER

Kathleen Carr

DIRECTOR OF PLANNING & ECONOMIC DEVELOPMENT

Ray Forsythe

CITY ATTORNEY

Maureen E. Riggs

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APPENDIX

- Attachment A - Resolution 1115-2012
- Attachment B - Boundary Description - 41st Street Redevelopment Project Area
- Attachment C - PIN List, Property Owners & 2011 EAV

SECTION I

INTRODUCTION

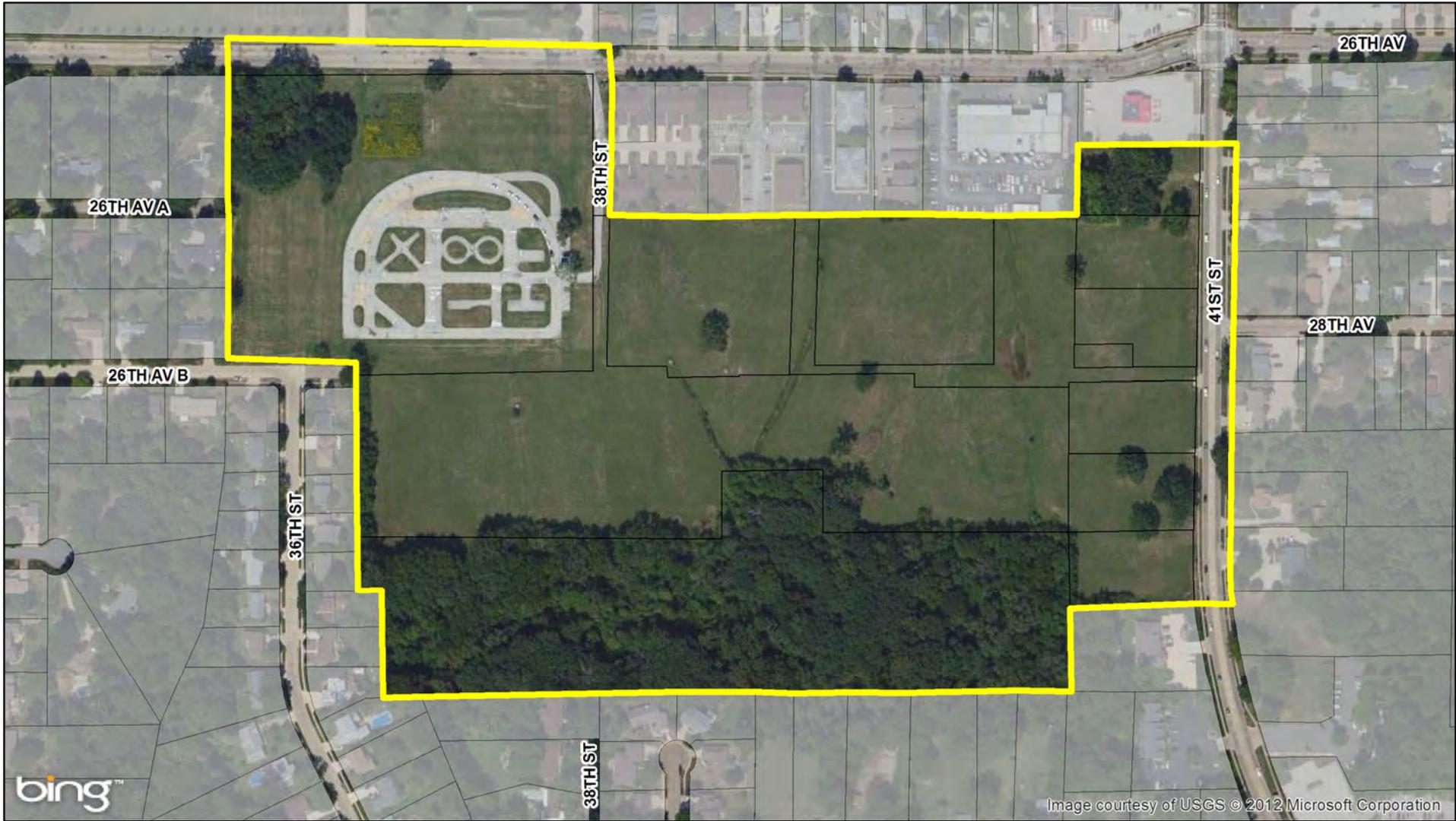
On January 10, 2012 the Moline City Council passed **Resolution 1115-2012** initiating a feasibility study to determine the eligibility of establishing a tax increment finance (“TIF”) district for a portion of the City and to induce development interest within such area (see **Attachment A** in the Appendix). The area being considered for designation as a TIF district includes the now vacant properties west of 41st Street and south of the commercial properties fronting 26th Avenue and the Moline High School driver’s education facility located on the south side of 26th Avenue. The area is referred to herein as the 41st Street Redevelopment Project Area (the “Area”). This document represents the Redevelopment Plan and Redevelopment Project (the “Plan”) for this proposed TIF district.

The proposed TIF district, legally defined as a “Redevelopment Project Area”, is comprised of approximately 48.8 acres, inclusive of existing street rights-of-way (45.7 acres net of streets). The geographic location of this Area is illustrated on **Exhibit A, Redevelopment Project Area Boundary Map**, and a **boundary description** is located in the **Appendix as Attachment B**.

A significant portion of the vacant properties within the Area are part of an Illinois Environmental Protection Agency (IEPA) Brownfield remediation site that has been subject to remediation activities. About 44% percent of the vacant portion of the Area has below the ground surface a former City landfill. The portion of this landfill not currently covered by woodlands has been capped in accordance with EPA regulations, and the affected parcels have received “No Further Remediation” (NFR) letters from the IEPA. According to representations made by the current owner of these properties, significant expense has been incurred with this remediation effort. While a portion of the former landfill has been capped, the landfill in its entirety still constitutes an unused disposal site as defined in the Illinois Tax Increment Allocation Act (the “TIF Act” - 65 ILCS 5/11.74.4-1 et seq.). Furthermore, the capping and NFR determination doesn’t remove the risk and added cost that may be incurred with the installation of utilities to serve redevelopment of the Area.

The City is proposing the use of tax increment financing, as well as other economic development resources, as available, to facilitate redevelopment of the privately owned properties in the Area. Upgrades to or redevelopment of the driver’s education facility by the School District are anticipated as well. It is the intent of the City to induce the investment of significant private capital in the Area, which is expected to have a positive economic impact on the community as a whole. The proposed medical office development is a key component of the City’s overall economic development program.

The aforementioned Act permits the use of tax increment financing to address the presence of blight or conditions that lead to blight. The Act sets forth the requirements and procedures for establishing a Redevelopment Project Area and a Redevelopment Plan. This report presents the findings of eligibility, the Redevelopment Plan and Project for the Area as well as other findings, evidence and documentation required by the Act.

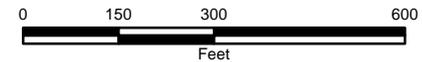


**Exhibit A
Redevelopment Project
Area Boundary Map**

41st Street Redevelopment Project Area
City of Moline, Illinois

Legend

 Redevelopment Project Area Boundary



August 2012



SECTION II

STATUTORY BASIS FOR TAX INCREMENT FINANCING AND SUMMARY OF FINDINGS

A. Introduction

Tax increment financing (TIF) is a local funding mechanism created by the TIF Act. The concept behind the tax increment law is straightforward and allows a municipality to carry out redevelopment activities. Redevelopment that occurs in a designated Redevelopment Project Area results in an increase in the equalized assessed valuation (EAV) of the property and, thus, generates increased real property tax revenues. This increase or "increment" can be used to finance "Redevelopment Project costs" such as land acquisition, site clearance, building rehabilitation, interest subsidy, construction of public infrastructure and other items as permitted by the Act.

As used herein, the term **Redevelopment Project** means any public or private development project in furtherance of the objectives of a redevelopment plan. The term **Redevelopment Project Area** means an area designated by the municipality, which is not less in the aggregate than 1-1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area, a blighted area, a conservation area, or a combination of both blighted areas and conservation areas. **Redevelopment plan** 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.

The Illinois General Assembly made various findings in adopting the TIF Act and among them were:

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

These findings were made on the basis that the presence of blight, or conditions that lead to blight, is detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the TIF Act specifies certain requirements that must be met before a municipality can proceed with implementing a redevelopment plan. One of these requirements is that the municipality must demonstrate that a Redevelopment Project Area qualifies under the definitions set forth in the Act.

B. Summary of Findings

The following findings and evidentiary documentation is made with respect to the proposed Redevelopment Project Area:

1. The Area as a whole meets the statutory definition for *a combination conservation area and blighted area*. Certain conservation area criteria are applicable to the improved land within the Area and certain blighted area criteria to the vacant land. Furthermore, the factors necessary to make this finding are present to a meaningful extent and are reasonably distributed throughout the Area.
2. The Redevelopment Project Area encompasses approximately 46 acres of land and, therefore, exceeds the statutory minimum size of 1-1/2 acres.
3. The Redevelopment Project Area contains contiguous parcels of real property.
4. If this Redevelopment Plan and Project is adopted and implemented by the City, it is reasonable to say that all properties included in the Redevelopment Project Area would substantially benefit from being included in the Area.
5. The Redevelopment Project Area, as a whole, has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to occur without public assistance.

SECTION III

BASIS FOR ELIGIBILITY OF THE AREA AND FINDINGS

A. Introduction

A Redevelopment Project Area, according to the TIF Act, is that area designated by a municipality in which the finding is made that there exist conditions which cause the area to be classified as a blighted area, conservation area, combination of blighted and conservation areas, or an industrial park conservation area. This report documents the relevant statutory requirements and how the Area meets the eligibility criteria.

B. Statutory Definitions

The Act defines the factors that must be present in order for an area to qualify for TIF. The following provides the statutory definitions of the qualifying factors relating to a blighted area:

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

1. **If improved**, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five (5) or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent, so that a 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:
 - a. Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings, or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.
 - b. Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.
 - c. Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters, and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

- d. Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.
- e. Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.
- f. Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.
- g. Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious air-borne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.
- h. Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the Redevelopment Project Area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the Redevelopment Project Area.
- i. Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

- j. Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.
 - k. Environmental clean-up. The proposed Redevelopment Project Area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the Redevelopment Project Area.
 - l. Lack of community planning. The proposed Redevelopment Project Area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the 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.
 - m. The total equalized assessed value of the proposed Redevelopment Project Area has declined for three (3) of the last five (5) calendar years prior to the year in which the Redevelopment Project Area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the Redevelopment Project Area is designated.
2. **If vacant**, the sound growth of the Redevelopment Project Area is impaired by a combination of two (2) or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent, so that 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:
- a. **Obsolete platting** of vacant land that results in parcels of limited or narrow size, or **configurations of parcels of irregular size or shape that would be**

- difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements**, or platting that failed to create rights-of-ways for streets or alleys, or that created inadequate rights-of-way widths for streets, alleys, or other public rights-of-way, or that omitted easements for public utilities.
- b. Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.
 - c. Tax and special assessment delinquencies exist, or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.
 - d. Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.
 - e. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the Redevelopment Project Area.
 - f. **The total equalized assessed value of the proposed Redevelopment Project Area has declined for three (3) of the last five (5) calendar years** prior to the year in which the Redevelopment Project Area is designated, **or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available, or is increasing at an annual rate that is less than the Consumer Price Index** for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the Redevelopment Project Area is designated.
3. **If vacant**, the sound growth of the Redevelopment Project Area is impaired by **one of the following factors** that (i) is present, with that presence documented to a meaningful extent, so that a 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:

- a. The area consists of one or more unused quarries, mines, or strip mine ponds.
- b. The area consists of unused rail yards, rail tracks, or railroad rights-of-way.
- c. The area, prior to its designation, is subject to chronic flooding that adversely impacts on real property in the area, as certified by a registered professional engineer or appropriate regulatory agency.
- d. **The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.**
- e. Prior to the effective date of this amendatory Act of the 91st General Assembly, the area is not less than 50, nor more than 100 acres, and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area), and the area meets at least one of the factors itemized in paragraph (a) of this subsection, the area has been designated as a town or City center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.
- f. The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

C. Investigation and Analysis of Blighting Factors

To ensure that the exercise of these powers is proper and in the public interest, the Act specifies certain requirements that must be met before a municipality can proceed with implementing a Redevelopment Project. One of these is that the municipality must demonstrate that the Redevelopment Project Area qualifies for TIF. In this situation, several blighting factors, as they are applied to vacant land, are present.

1. Findings on Improved Area

The only improved parcel within the Area is the Moline High School's driver's education facility. The property consists largely of an asphaltic concrete paved driving course. Also, there is a small lookout observation building. According to City staff, the lookout building was in existence in 1977 and therefore the building is at least 35 years old. The paved surfaces are in deteriorated condition with considerable "alligator" cracking due to its age and exposure to the elements. According to City staff the building is not compliant with City

codes, albeit the deficiencies are “grandfathered” and allowed to exist as non-conforming. In addition, the total equalized assessed valuation (EAV) for the Area has not kept pace with the balance of the City for four (5) of the last five (5) calendar years. A comparison of EAV for the Area and the balance of the City are shown in **Exhibit B, Comparison of EAV Growth Rates (2006-2011)**. Given the age of the lookout building and the three eligibility factors described above, the improved portion of the Area qualifies as a “conservation area”.

Exhibit B

COMPARISON OF EAV GROWTH RATES (2006 - 2011)

41st Street Redevelopment Project Area
 City of Moline, Illinois

EAV			
Assessment Year	Project Area ¹	Balance of City ²	Area Growth Rate Less Than Balance of City?
2006	\$ 532,049	\$ 778,444,210	
2007	\$ 545,350	\$ 844,478,026	
Annual Percent Change	2.5%	8.5%	YES
2008	\$ 556,256	\$ 868,488,405	
Annual Percent Change	2.0%	2.8%	YES
2009	\$ 561,820	\$ 881,037,964	
Annual Percent Change	1.0%	1.4%	YES
2010	\$ 561,820	\$ 885,988,071	
Annual Percent Change	0.0%	0.6%	YES
2011	\$ 561,820	\$ 889,716,646	
Annual Percent Change	0.0%	0.4%	YES

¹ Equalized Assessed Valuation (EAV) for the Project Area. Source: Rock Island County property assessment data.

² Total EAV for the City less the EAV for the Project Area.

2. Findings on Vacant Area

Before documenting the presence of these factors, evidence is presented to prove that the **Area can be considered vacant land pursuant to the definition of “vacant land”** in the Act, to wit:

“(v) As used in subsection (a) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the Redevelopment Project Area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided;...”

Aerial photographs of the Area, available from Google Earth, were examined to see if there was any evidence of agricultural use, such as the presence of crops or the raising of livestock. The first aerial photographs examined were from August 11, 2006. Subsequent to this photography, five more aerial shots were taken in 2007, 2009, 2010 and 2011, with the latest being taken November 16, 2011. None of this photography indicated the presence of any commercial agricultural activity.

Even if the Area was used for commercial agricultural purposes within the last five years, the Area has been subdivided. Much of the vacant portion of the Area was platted as the “Ferry’s Subdivision”.¹ The balance of the vacant land has been subdivided, as evidenced by Supervisor of Assessment Maps, Sheet 24, Lots 105-1, 106, 107 108, 108-1, 109, 113, 114 and 115. Lots 105-1, 109, 114 and 115 constituted re-subdividing of the Ferry’s Subdivision. Thus, the vacant parcels located within the Area have been “subdivided”.

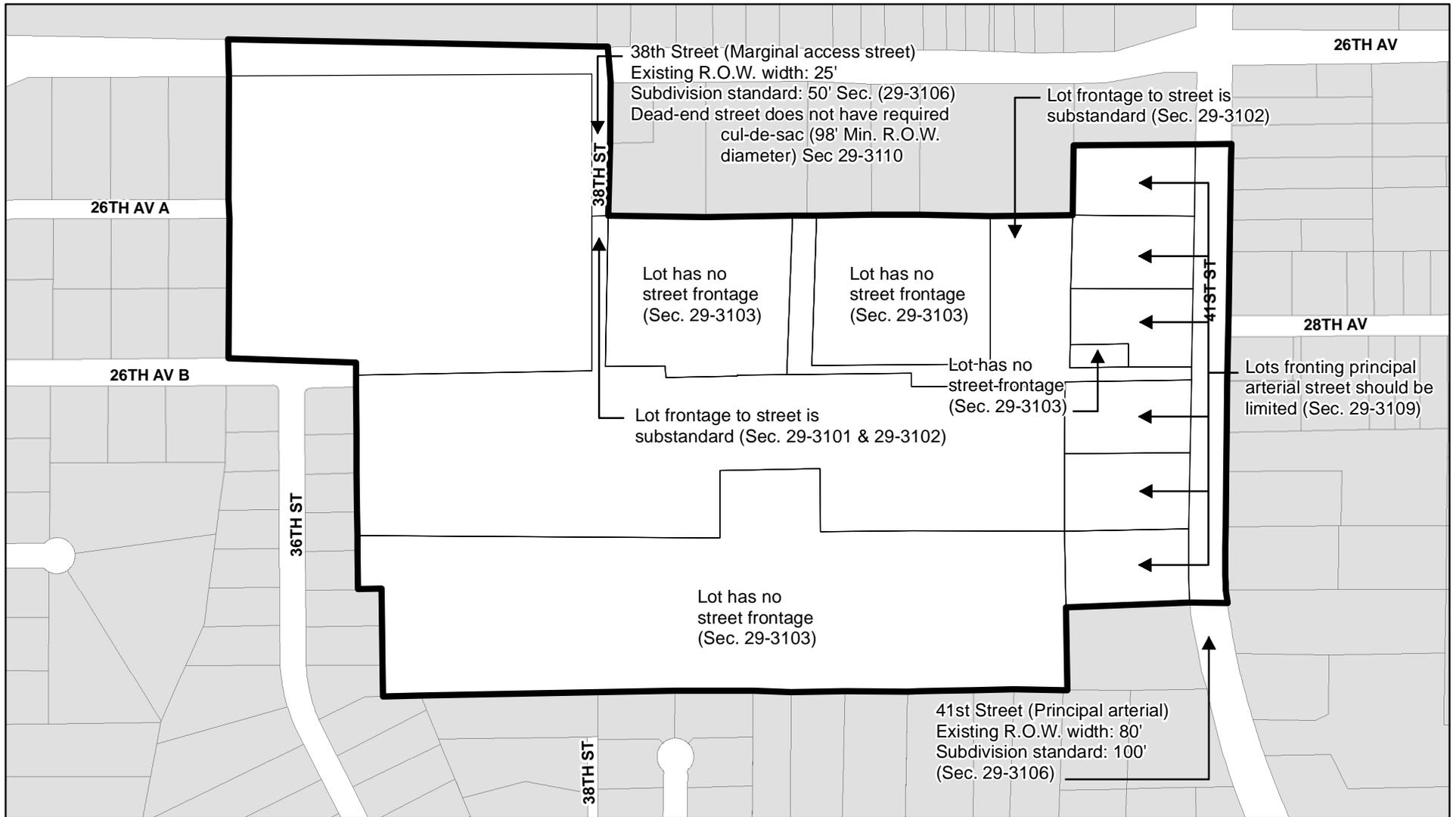
The statutory definition of a “blighted area” is satisfied with respect to how this definition is applied to vacant land under two subsections of the Act. First, subsection 11.74.4-3 (a) (2) of the Act states that “[i]f vacant, the sound growth of the Redevelopment Project Area is impaired by **2 or more of the following factors** each of which is (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:...” (emphasis added). The factors present in this case is that the total equalized assessed valuation (EAV) of the proposed Area has increased at a rate that is less than the balance of the City for 5 of the last 5 years and obsolete platting.

¹ Per Plat of Survey prepared by Missman, Stanley & Associates, P.C., March 1999.

- a. **EAV Trends:** This factor is applicable to vacant land as well as improved land. The total equalized assessed valuation (EAV) for the Area has not kept pace with the balance of the City for all five (5) of the last five (5) calendar years. A comparison of EAV for the Area and the balance of the City are shown in **Exhibit B, Comparison of EAV Growth Rates (2006-2011)**.
- b. **Obsolete Platting:** As noted previously, much of the vacant portion of the Area was platted as the Ferry's Subdivision. This subdivision created some very unusual parcel configurations, which some would not meet the City's current Subdivision Code. Subsequent subdivisions of property also would not be compliant with the current Subdivision Code. A **Description of Obsolete Platting** is provided on **Exhibit C**. The applicable Subdivision Code sections are cited with respect to each substandard condition.

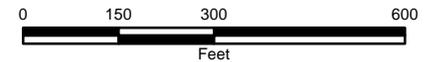
Another subset of qualification factors under the definition of blight, as it is applied to vacant land, is subsection 11.74.44-3 (a) (3) of the Act. It states that “[i]f vacant, the **sound growth of the Redevelopment Project Area is impaired by one of the following factors** that (i) is present, with 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...” (emphasis added). **The factor present in this case is that 44% of the vacant portion of the Area consists of an unused disposal site** containing earth, stone, building debris or similar materials that were removed from construction, demolition, excavation, or dredge sites. Evidence of these types of disposed materials was revealed in a comprehensive Site Investigation/Remedial Objectives (SI/RO) Report completed with respect to this site identified by the IEPA Inventory Number 1610455202.² Research contained in this report revealed that a portion of the now vacant area was used as a City of Moline landfill between approximately 1940 and 1960. **Exhibit D - Former City Landfill** shows the location of the landfill based on information provided in the previously referenced Missman Report. As part of the site investigation, approximately 75 boreholes were made, along with six trenches excavated through the filled areas. Where borings penetrated the landfill, materials found included “glass, brick, wire, paper, and other miscellaneous inert material.” Fill material encountered in the excavated trenches consisted of “glass, wood, tires and metal debris.” A 55 gallon drum of solidified paint was also discovered. While material within the landfill included typical municipal waste, it also contained what can be described as building debris (e.g., brick and wood) removed from construction or demolition sites.

² Site Investigation/Remedial Objectives Report, Missman, Stanley & Associates, P.C., March 2, 1999 & Addendum, May 12, 1999. Approved by the IEPA Jun 21, 1999.



Legend

 Redevelopment Project Area Boundary



August 2012

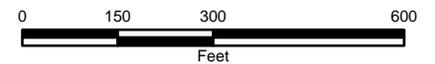
Exhibit C
Description of Obsolete Platting
 41st Street Redevelopment Project Area
 City of Moline, Illinois

Note: Section references are from
 Chapter 29, "Subdivisions"
 of the Moline Code of Ordinances
 Committee-of-the-Whole
 Page 225 of 269



Legend

-  Redevelopment Project Area Boundary
-  Location of Landfill*



August 2012

**Exhibit D
Former City Landfill**

41st Street Redevelopment Project Area
City of Moline, Illinois

* Source: Landfill Location Map,
Ferry Property, January 1990.
Committee-of-the-Whole
Page 226 of 269

D. Conclusion of Investigation of Blighting Factors for the Redevelopment Project Area

It is found that the Redevelopment Project Area contains conditions that qualify it as a combination *conservation area and blighted area* as these terms are applied to improved land and vacant land in the TIF Act. The qualifying factors are present to a meaningful extent and distributed sufficiently throughout the Area.

Although it may be concluded that the mere presence of the stated eligibility factors might be sufficient to make a finding of qualification as a blighted area, this evaluation was made on the basis that the factors must be present to an extent that would lead reasonable persons to conclude that public intervention is appropriate or necessary. It can be concluded that public intervention is necessary because of the conditions documented herein and that private investment in the Area is lacking. The City Council should review this analysis and, if satisfied with the findings contained herein, proceed with the adoption of these findings in conjunction with the adoption of the Redevelopment Plan and establishment of the Redevelopment Project Area.

SECTION IV

REDEVELOPMENT PLAN

A. Introduction

This section presents the Redevelopment Plan and Project for the 41st Street Redevelopment Project Area. A **Redevelopment Plan** is defined in the Act as "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".

B. General Land Uses to Apply

The Plan proposes redeveloping the vacant portion of the Area into a medical/wellness center campus. Concept plans for the Area, prepared on behalf of Genesis Medical Center, resolves the obsolete platting issues and provides for an effective reuse of a former landfill. With respect to the existing improved property, the School District intends to upgrade the driver's education facility and may consider redeveloping the site at some time in the future.

C. Objectives

The objectives of the Redevelopment Plan are:

1. Reduce or eliminate those conditions that qualify the Redevelopment Project Area as eligible for tax increment financing by carrying out the Redevelopment Plan. These improvements may include other actions permitted by the Act and infrastructure needs as identified during the implementation of the Redevelopment Plan.
2. Enhance the real estate tax base for the City and all other taxing districts, which extend into the Redevelopment Project Area through the implementation and completion of the activities identified herein.
3. Encourage and assist private investment in redevelopment projects within the Redevelopment Project Area through the provision of financial assistance for new development as permitted by the Act.
4. Provide for safe and efficient traffic circulation, both to and from the Area and within the Area.

5. Complete all public and private actions required in this Redevelopment Plan in an expeditious manner.

D. Program Policies to Accomplish Objectives

The City of Moline has determined that it is appropriate to provide limited financial incentives for private investment within the Redevelopment Planning Area. It has been determined through discussions with the developer that tax increment financing constitutes a key component of leveraging private investment within the Redevelopment Project Area. The City will incorporate appropriate provisions within any redevelopment agreement entered into between the City and private parties to achieve the successful completion of the redevelopment project described below.

E. Redevelopment Project

To achieve the Plan objectives and the overall project proposed in the Plan, a number of public and private activities will need to be undertaken. This includes a combination of private developments and public investment to leverage this private development. Improvements and activities necessary to implement the Plan may include the following:

1. Private Redevelopment Activities:

The developer plans to construct, in phases, approximately 188,000 gross square feet of principally medical office buildings and other wellness related services. Also incorporated in the campus plan are walking trails.

2. Public Redevelopment Activities:

Public improvements and support activities will be used to induce and complement private investment. These may include, but are not limited to, land assembly and site preparation, public utilities, interest write-down, and marketing of properties, as well as other programs of financial assistance, as may be provided by the City. In addition, public investment to upgrade the driver's education facility is planned for the time being, but the School District and may consider redeveloping the site at some time in the future.

3. Land Assembly, Displacement Certificate & Relocation Assistance:

This Plan will not include the displacement of inhabited housing units because there are no housing units located within the Project Area.

F. Estimated Redevelopment Project Costs

The estimated costs associated with the eligible public redevelopment activities are presented in **Exhibit E** entitled **Estimated Redevelopment Project Costs**. This estimate includes reasonable or necessary costs incurred, or estimated to be incurred, in the implementation of this Redevelopment Plan. These estimated costs are subject to refinement as specific plans and designs are finalized and experience is gained in implementing this Redevelopment Plan and do not include financing costs or interest payments that may be incurred in conjunction with redevelopment projects.

Exhibit E
ESTIMATED REDEVELOPMENT PROJECT COSTS
 41st Street Redevelopment Project Area
 City of Moline, Illinois

Description	Estimated Cost
A. Public Works or Improvements <i>(Improvement of streets, curb and gutters, utilities and other public improvements)</i>	\$1,750,000
B. Property Assembly <i>(Site preparation)</i>	\$1,800,000
C. Relocation	\$200,000
D. Taxing District Capital Costs	\$100,000
E. Job Training	\$100,000
F. Interest Costs Incurred by Developers <i>(30% of interest costs)</i>	\$2,000,000
G. Planning, Legal and Professional Services	\$500,000
H. General Administration	\$150,000
I. Financing Costs	See Note 3
J. Contingency	\$500,000
Total Estimated Costs	\$7,100,000

Notes:

1. All costs shown are in 2012 dollars.
2. Adjustments may be made among line items within the budget to reflect program implementation experience.
3. Municipal financing costs such as interest expense, capitalized interest and cost of issuance of obligations are not quantified herein. These costs are subject to prevailing market conditions and will be considered part of the total redevelopment project cost if and when such financing costs are incurred.
4. Private redevelopment costs and investment are in addition to the above.
5. The total estimated redevelopment project costs shall not be increased by more than 5% after adjustment for inflation from the date of the Plan adoption, per subsection 11-74.4.5 (c) of the Act.

In addition to the proposed TIF funding, the City may seek the assistance of various State of Illinois Departments (Illinois EPA, Department of Commerce and Economic Opportunity, etc), or appropriate agencies of the Federal Government to assist in funding site preparation, infrastructure, or other required projects or improvements. To the extent additional funds can be secured from the State of Illinois, or any federal program or other public or private sources, the City may use such funding sources in furtherance of the Redevelopment Plan and Projects.

G. Description of Redevelopment Project Costs

Costs that may be incurred by the City in implementing the Redevelopment Plan may include project costs and expenses as itemized in **Exhibit E**, on the previous page, subject to the definition of “redevelopment project cost” as contained in the TIF Act, and the “Contingency” line item may include any other costs that are eligible under said definition. Itemized below is the statutory listing of “redevelopment project costs” currently permitted by the TIF Act [bold typeface added for emphasis]. Note that some of the narrative below has been paraphrased (see full definitions in the TIF Act).

1. **Costs of studies, surveys, development of plans and specifications**, wetland mitigation plans, implementation and administration of the Redevelopment Plan, including but not limited to staff and professional service costs for architectural, engineering, legal, environmental, financial, planning or other services, subject to certain limitations:
 - a. There are limitations on contracts for certain professional services with respect to term, services, etc.
 - b. 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.
 - c. Marketing costs are allowable so long as they relate to 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 interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground level 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 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 of the Act unless either
 - a. 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
 - b. 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.
4. **Cost of job training** and retraining projects, including the cost of “welfare to work” programs **implemented by businesses** located within the redevelopment project area.
5. **Financing costs**, including but not limited to, all necessary and incidental expenses related to the issuance of obligations by the City, and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter, and including reasonable reserves related thereto.
6. 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. **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 Subsection 11-74.4-3 (n) (7) of the TIF Act (re: federal Uniform Relocation Assistance and Real Property Acquisition Policies Act requirements).

8. **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:
 - a. are related to the establishment and maintenance of additional job training, advanced vocational education or career education or career education programs for persons employed or to be employed by employers located in a redevelopment project area: and
 - b. 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 programs 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 types of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the terms 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.

9. **Interest costs 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, 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;

10. None of the redevelopment project costs enumerated above 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 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.

SECTION V

OTHER FINDINGS AND REQUIREMENTS

A. Conformance with Comprehensive Plan

The proposed Genesis medical wellness campus conforms to the City of Moline’s Comprehensive Plan adopted November 13, 2001. The Future Land Use Plan for the Highland Planning Districts proposes that the vacant portion of the Project Area be developed for office uses. The School District property is shown as Public and Semi-Public use.

B. Area, on the Whole, not Subject to Growth and Development

Other than private expenditures to mitigate the former City landfill and to obtain a No Further Remediation letter from the Illinois Environmental Protection Agency, the Area has not been subject to growth and investment by private enterprise. This is also evident by the lack of growth in property values as shown in **Exhibit F, EAV Trends (2006 – 2011)**. The data shows that the Area has only grown in assessed value at a compounded annual rate of 1.1% over the last five years. By comparison, the Consumer Price Index during this same period was double this rate and the balance of the City was 2.7%

Exhibit F

EAV TRENDS (2006 - 2011)
 41st Street Redevelopment Project Area
 City of Moline, Illinois

	EAV				Avg. Annual Percent
	2006	2011	Change	Percent	
41st Street RPA ¹	\$532,049	\$561,820	\$29,771	6%	1.1%
CPI - All Urban Consumers ²	201.6	224.939	23.339	12%	2.2%
Balance of City ³	\$778,444,210	\$889,716,646	\$111,272,436	14%	2.7%

¹ Equalized Assessed Valuation (EAV) of the Redevelopment Project Area.

² Consumer Price Index for All Urban Consumers. Source: U.S. Bureau of Labor Statistics.

³ Total City EAV minus Project Area EAV.

C. Would Not be Developed "but for" TIF

The City has found that the Redevelopment Project Area would not reasonably be developed without the use of tax increment revenues. The City further commits that such incremental revenues will be utilized for the development and revitalization of the Redevelopment Project Area as provided in the Act. Underscoring the economic need for municipal financial assistance in the form of tax increment financing is the fact that without the City's commitment to provide such municipal financial assistance, there will not be commitments for private development and revitalization.

Genesis Medical Center - Illinois, the developer proposing to develop the Area, has provided the City with a financial pro-forma analysis which shows that the project is not feasible without TIF to reimburse the developer for certain TIF eligible redevelopment project costs. Cost estimates for the initial phase indicates that the net rental rate for the medical office buildings would need to be approximately \$22.50 per square foot. However, according to Genesis, the Moline market will only support \$14.00 to \$16.00 per square foot. It is the intent of this TIF Redevelopment Plan to help overcome the extraordinary cost of redevelopment so as to close or significantly reduce this economic gap. Without financial incentives to overcome these barriers, investment by private enterprise will not take place to redevelop this Area.

D. Assessment of Financial Impact

The City finds that the financial impact of the Redevelopment Area on or increased demand for facilities or services from any taxing district affected by the Plan will be limited. Currently, community services (fire, police, and utility) and facilities appear to be adequate for the foreseeable future to support the proposed development. Nonetheless, the City commits to a pass-through of up to 25% of the revenues generated by the Project to the affected taxing jurisdictions on an annual basis. After recovering the cost of preparing the TIF Plan and establishing the Project Area and accounting for annual implementation expenses (e.g., audit and related fees, annual notices and annual reports to the Illinois Comptroller and taxing districts) the City will return, as surplus, up to 25% of the tax increment proceeds to Rock Island County for distribution on a pro-rata basis back to the affected local taxing bodies. It is anticipated that the annual costs of implementation will be relatively small and, therefore, the annual declared surplus will be close to, if not equal to, 25% of the total property tax increment. Furthermore, it is anticipated that this annual pass-through will be sufficient to cover any additional costs that may be incurred by the various taxing districts as a result of the Project.

The City and Joint Review Board will monitor the progress of the TIF program and its future impacts on all local taxing bodies. In the event significant adverse impacts are identified that increase demands for facilities or services in the future, the City will consider utilizing tax increment proceeds or other appropriate actions, to the extent possible, to assist in addressing the needs.

E. Estimated Date for Completion of the Redevelopment Projects

The estimated date for completion of the Redevelopment Project or retirement of obligations issued shall not be later than December 31st of the year in which the payment to the City Treasurer, as provided in subsection (b) of Section 11-74.4-8 of the 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.

F. Most Recent Equalized Assessed Valuation

The most recent total equalized assessed valuation (EAV) for the Redevelopment Project Area is \$561,820. A listing of the **parcels of real property located in the Project Area, and the 2011 Assessment Year EAV**, is located in the **Appendix as Attachment C**. The County Clerk of Rock Island County will verify the base EAV amount of each property after adoption of the City ordinance approving the Redevelopment Plan and establishing the Redevelopment Project Area.

G. Redevelopment Valuation

Contingent on the adoption of this Tax Increment Redevelopment Plan and commitment by the City to the redevelopment program, it is anticipated that the redevelopment investment in this Redevelopment Project Area will amount to over \$24 million. Based on this level of investment, the equalized assessed valuation is estimated to increase by approximately \$8 million (2012 dollars) upon completion of the redevelopment project. It is anticipated that the redevelopment project will occur in phases and, therefore, it will take years to reach these total values. A five year build-out is planned, but is contingent on market conditions.

H. Source of Funds

The primary source of funds to pay for Redevelopment Project Costs associated with implementing the Redevelopment Plan and Projects shall be funds collected pursuant to tax increment allocation financing to be adopted by the City of Moline. Under such financing, tax increment revenue resulting from increases in the EAV of property in the Redevelopment Project Area shall be allocated to a special fund each year (the "Special Tax Allocation Fund"). The assets of the Special Tax Allocation Fund shall be used to pay Redevelopment Project Costs and retire any obligations incurred to finance Redevelopment Project Costs.

In order to expedite the implementation of the Redevelopment Plan and Projects and construction of the public improvements, the City of Moline, pursuant to the authority granted to it under the TIF Act, may issue bonds or other obligations to pay for the eligible Redevelopment Project Costs. These obligations may be secured by future revenues to be collected and allocated to the Special Allocation Fund.

If available, revenues from other economic development funding sources, public or private, will be utilized. These may include State and Federal programs, local retail sales tax, applicable revenues from any adjoining Tax Increment Financing Areas, and land disposition proceeds from the sale of land in the Redevelopment Project Area, as well as other revenues. The final decision concerning redistribution of yearly tax increment revenues may be made a part of a bond ordinance.

I. Nature and Term of Obligations

Without excluding other methods of City or private financing, the principal source of funding will be those deposits made into the Special Allocation Fund of monies received from the taxes on the increased value (above the initial equalized assessed value) of real property in the Area. These monies may be used to repay private or public sources for the expenditure of funds made as “Redevelopment Project Costs” for applicable public or private redevelopment activities noted above, or may be used to amortize Tax Increment Revenue obligations issued pursuant to this Redevelopment Plan and Project for a term not to exceed 20 years, bearing an annual interest rate as permitted by law. Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the bonds and not needed for other redevelopment project costs or early bond retirements may be declared as surplus and become available for distribution annually to the taxing bodies to the extent that this distribution of surplus does not impair the financial viability of the project.

J. Fair Employment Practices and Affirmative Action

The City of Moline will insure that all private and public redevelopment activities are constructed in accordance with fair employment practices and affirmative action by any and all recipients of Tax Increment Financing assistance.

K. Reviewing and Amending the TIF Plan

This Redevelopment Plan may be amended in accordance with the provisions of the TIF Act. Also, the City shall adhere to all reporting requirements and other statutory provisions.

APPENDIX

ATTACHMENT A

Resolution 1115-2012

Sponsor: _____

A RESOLUTION

PROVIDING for a feasibility study related to a proposed redevelopment project area and redevelopment area (west of 41st Street south of 26th Avenue and east of 36th Street) and to induce development interest within such area; and

AUTHORIZING expenditures in the course of planning and redevelopment, prior to a redevelopment project area being established, that may be reimbursable from TIF proceeds.

WHEREAS, the City of Moline (the “City”) is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq. as amended (“the TIF Act”), to finance redevelopment project costs in connection with redevelopment project areas established in accordance with the conditions and requirements set forth in the Act; and

WHEREAS, pursuant to the Act, to implement tax increment financing (TIF), it is necessary for the City to adopt a redevelopment plan and redevelopment project, designate a redevelopment project area on the basis of finding that the area qualifies pursuant to statutory requirements, and make a finding that the redevelopment project area on the whole has not been subjected to growth and development through private enterprise and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan, which plan contains a commitment to use public funds; and

WHEREAS, the City desires to undertake a feasibility study to determine whether findings may be made with respect to an area of the City, generally described herein, which may be designated as a redevelopment project area, to qualify the area as a blighted area or a conservation area or a combination thereof as defined in the Act, and other research necessary to document the lack of growth and development through private enterprise; and

WHEREAS, the boundaries of the redevelopment project area being considered is delineated on Exhibit A attached hereto, provided that the actual redevelopment project area to be established may contain more or less land than that shown on Exhibit A; and

WHEREAS, the City will be expending certain funds to determine eligibility of the proposed redevelopment project area and to prepare the required redevelopment plan if the City decides to implement tax increment financing for all or a portion of the proposed TIF area; and

WHEREAS, the City may expend other funds in furtherance of the objectives of the anticipated redevelopment plan; and

WHEREAS, it is the intent of the City to recover these expenditures from the first proceeds of the TIF program, if established; and

WHEREAS, the City wishes to encourage developers to pursue plans for the redevelopment of the area and make such expenditures as are reasonably necessary in that regard with confidence that said expenditures may be allowable redevelopment project costs under the plan once adopted and subject to a redevelopment agreement between the City and the developers/property owners; and

WHEREAS, Genesis Health System, an Iowa/Illinois Corporation, and Frauenshuh Health Care Real Estate Solutions, LLC, a Minnesota Limited Liability Company (the "Developer"), propose to redevelop a portion of the area as set forth in the form of the Pre-Funding Agreement between the City and the Developer; and

WHEREAS, the purpose of the proposed redevelopment plan and project is to generate private investment in the targeted area, thereby eliminating or reducing blighted conditions or conditions that may lead to blight and provides for the long-term sound growth of the community; and

WHEREAS, tax increment allocation financing utilizes the increase in real estate taxes ("tax increment") resulting from the increase in value of properties located in a redevelopment project area to pay for certain redevelopment projects costs as provided for in the Act; and

WHEREAS, of the purposes of the proposed redevelopment plan or proposed redevelopment project area, none are reasonably expected to result in the displacement of residents from ten (10) or more inhabited residential units within the area; therefore, the feasibility study is not required to include the preparation of any housing impact study as described in Section 11-74.4-4.1 (b) of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the City Council has examined the proposed area and circumstances and at this time finds that it is reasonable to believe that a tax increment financing plan can be adopted for said area and expenditures of development costs in furtherance of the plan, and potential development should be allowable project costs under the plan, provided that this resolution is not a guarantee that any such plan will be adopted, but rather an expression of the sense of the City at this time.

BE IT FURTHER RESOLVED that the person to contact for additional information about the proposed redevelopment project area and who should receive all comments and suggestions regarding the redevelopment of the area shall be:

Ray Forsythe
Planning & Development Director
City of Moline, 619 16th Street, Moline, IL 61265
Telephone (309) 524-2032

CITY OF MOLINE, ILLINOIS



Mayor

January 10, 2012

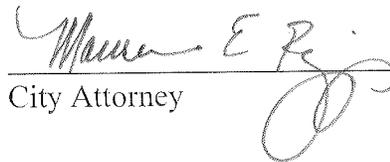
Date

Passed: January 10, 2012

Approved: January 17, 2012

Attest: 
City Clerk

APPROVED AS TO FORM:


City Attorney

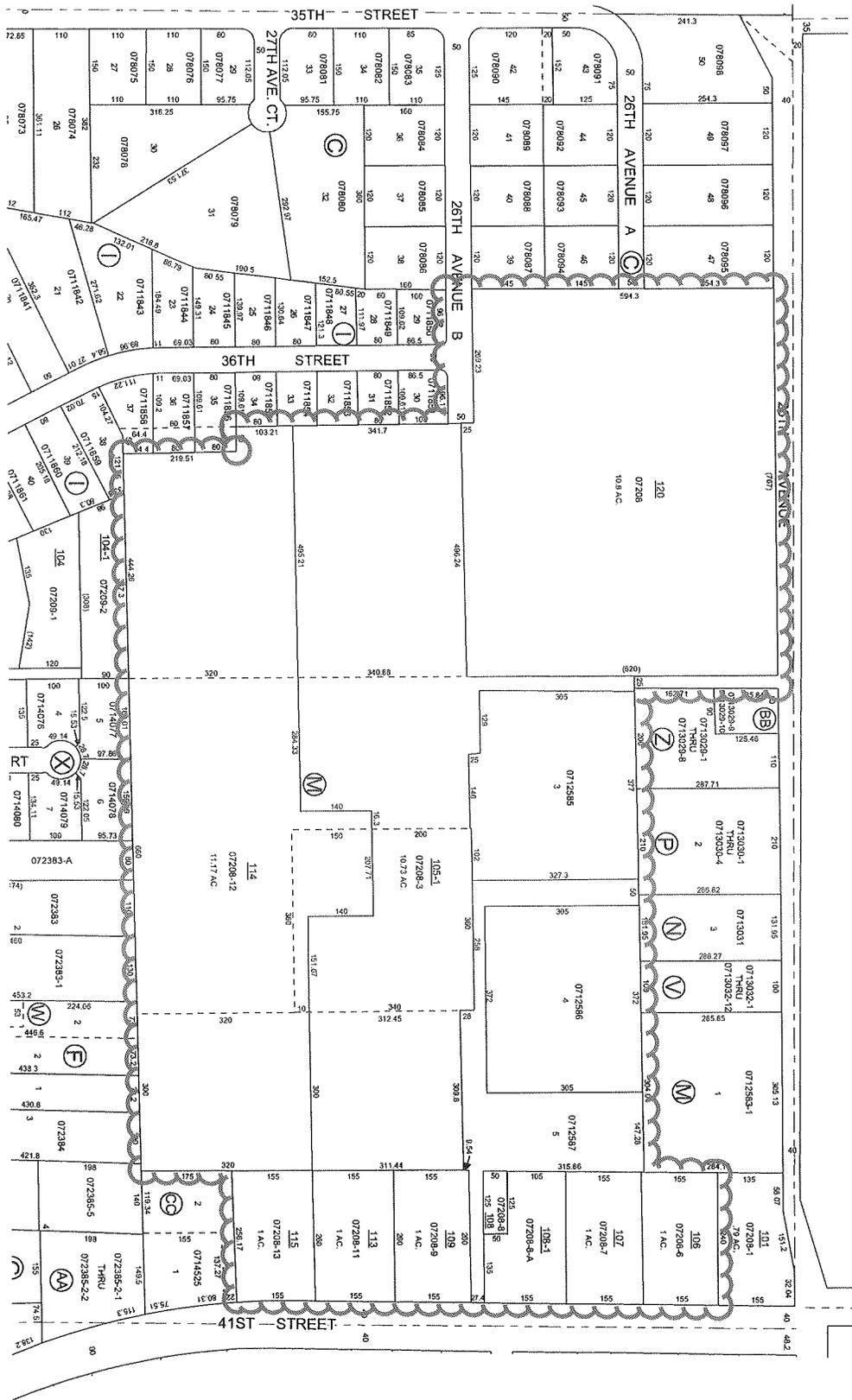
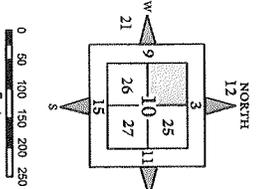


Exhibit A

NOTE: STARTING IN 2002, PARCEL NUMBERS WILL NOT REFLECT THE TOWNSHIP ABBREVIATIONS, BUT THE 2-DIGIT TOWNSHIP NUMBER.



GIS DEPARTMENT
ROCK ISLAND COUNTY,
ILLINOIS

FOR SUBDIVISION
INFORMATION SEE
SHEET 24-S

ATTACHMENT B

**Boundary Description
41st Street Redevelopment Project Area**

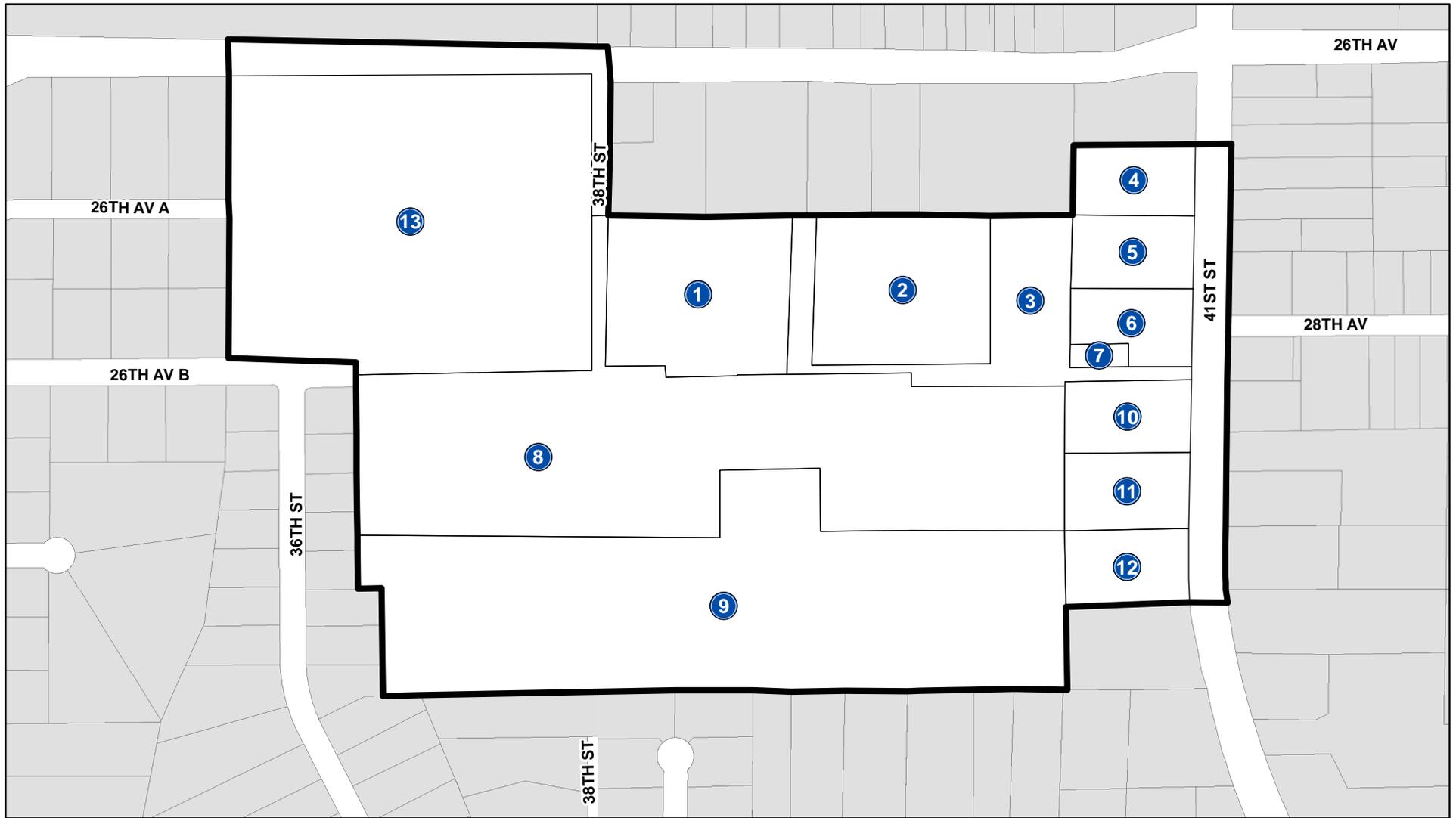
ATTACHMENT C

PIN LIST, PROPERTY OWNERS & 2011 EAV

Parcel Identification Numbers (PIN), Owner and 2011 EAV
 41st Street Redevelopment Project Area
 City of Moline, Illinois

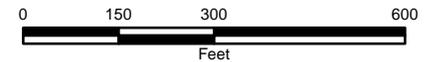
TIF Map	Locator	Parcel ID No.	County ID No.	Owner	Owner Address	Owner City	ZIP	2011 EAV	
ID No.¹	(PIN)						Code		
1	1710108002	0712585	GENESIS IL PROP/ACCT PAY	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	25,258	
2	1710108004	0712586	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	22,336	
3	1710108005	0712587	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	35,294	
4	1710100006	07208-6	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	62,399	
5	1710100007	07208-7	GENESIS HEALTH SYSTEMS	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	62,396	
6	1710100010	07208-8-A	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	58,122	
7	1710100009	07208-8	GENESIS IL PROP L C	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	9,698	
8	1710100003	07208-3	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	92,177	
9	1710100004	07208-12	GENESIS IL PROP %ACCOUNTG	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	6,951	
10	1710100011	07208-9	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	62,396	
11	1710100012	07208-11	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	62,396	
12	1710100013	07208-13	GENESIS IL PROP	1227 E RUSHOLME ST	DAVENPORT IA	52803	\$	62,396	
13	1710100002	07208	Board of Education	1619 11th AVE	MOLINE IL	61265	\$	-	
TOTAL								\$	561,820

¹ See corresponding map.



Legend

-  Redevelopment Project Area Boundary
-  Moline_Parcels_8162012
-  Parcel Locator Number



August 2012

Parcel Locator Map

41st Street Redevelopment Project Area
City of Moline, Illinois



EXHIBIT A

**TIF DESCRIPTION
41ST STREET REDEVELOPMENT PROJECT AREA**

Part of the southwest quarter of Section 3 and part of the northwest quarter and northeast quarter of Section 10, Township 17 North, Range 1 West of the 4th Principal Meridian in the City of Moline, County of Rock Island, State of Illinois, more particularly described as follows;

Beginning at the at the northwest corner of Ferry's Office Addition recorded as Doc. No. 96-03124 in the Rock Island County Recorder's Office;

Thence South 00 degrees 37 minutes 55 seconds West along the west line of said Ferry's Office Addition, a distance of 175.00 feet to the south line of the northeast quarter of the northwest quarter of said Section 10;

Thence North 89 degrees 53 minutes 14 seconds West along said south line, a distance of 980.86 feet to the southwest corner of the northeast quarter of the northwest quarter of said Section 10;

Thence South 89 degrees 45 minutes 54 seconds West along the south line of the northwest quarter of the northwest quarter of said Section 10, a distance of 444.26 feet to the east line of South Moline Township Tax Parcel No. 11858;

Thence North 00 degrees 11 minutes 38 seconds East along said east line and the east line of South Moline Tax Parcel No. 11857 and 11856, a distance of 219.51 feet to the north line of South Moline Tax Parcel No. 11856;

Thence North 89 degrees 55 minutes 13 seconds West along said north line, a distance of 50.00 feet to the east line of Rolling Hills Addition as recorded in Plat Book 40 at Page 259 in said Recorder's Office;

Thence North 00 degrees 11 minutes 38 seconds East along said east line, a distance of 469.91 feet to the north right of way line of 26th Avenue B;

Thence North 89 degrees 47 minutes 35 seconds West along said north right of way line, a distance of 269.22 feet to the west line of South Moline Tax Parcel 208;

Thence North 00 degrees 10 minutes 24 seconds West along said west line and its northerly projection, a distance of 657.23 feet to the north right of way line of 26th Avenue;

Thence South 89 degrees 29 minutes 54 seconds East along said north right of way line, a distance of 792.16 feet to the northerly projection of the east right of way line of 38th Street;

Thence South 00 degrees 01 minutes 10 seconds East along said east right of way line and its northerly projection, a distance of 348.28 feet to the northerly line of Genesis 41st Street Addition recorded as Doc. No. 2012-24254 in said Recorder's Office;

Thence South 89 degrees 45 minutes 15 seconds East along said northerly line, a distance of 962.65 feet;

Thence North 00 degrees 37 minutes 55 seconds East along said northerly line, a distance of 149.14 feet;

Thence South 89 degrees 29 minutes 54 seconds East along said northerly line and its easterly projection, a distance of 321.80 feet to the east right of way line of 41st Street;

Thence South 00 degrees 17 minutes 38 seconds West along said east right of way line, a distance of 800.26 feet;

Thence southerly 160.49 feet along said east right of way line and the arc of a curve to the left having a radius of 1,392.69 feet, a chord bearing of South 03 degrees 00 minutes 27 seconds East, and a chord distance of 160.40 feet to the easterly projection of the north line of said Ferry's Office Addition;

Thence North 89 degrees 53 minutes 14 seconds West along said north line and its easterly projection, a distance of 336.72 feet to the Point of Beginning.

The above described parcel contains 48.815 acres, more or less.

NORTH IS BASED ON THE ILLINOIS STATE PLANE COORDINATE SYSTEM,
WEST ZONE, NORTH AMERICAN DATUM OF 1983 (1997 ADJUSTMENT)



SCALE: 1" = 100'

THIS PLAT PRESENTED BY:
THE CITY OF MOLINE, ILLINOIS
ECONOMIC DEVELOPMENT DIRECTOR
MR. RAY FORSYTHE
619 16th STREET
MOLINE, IL 61265
PHONE: (309) 524-2032

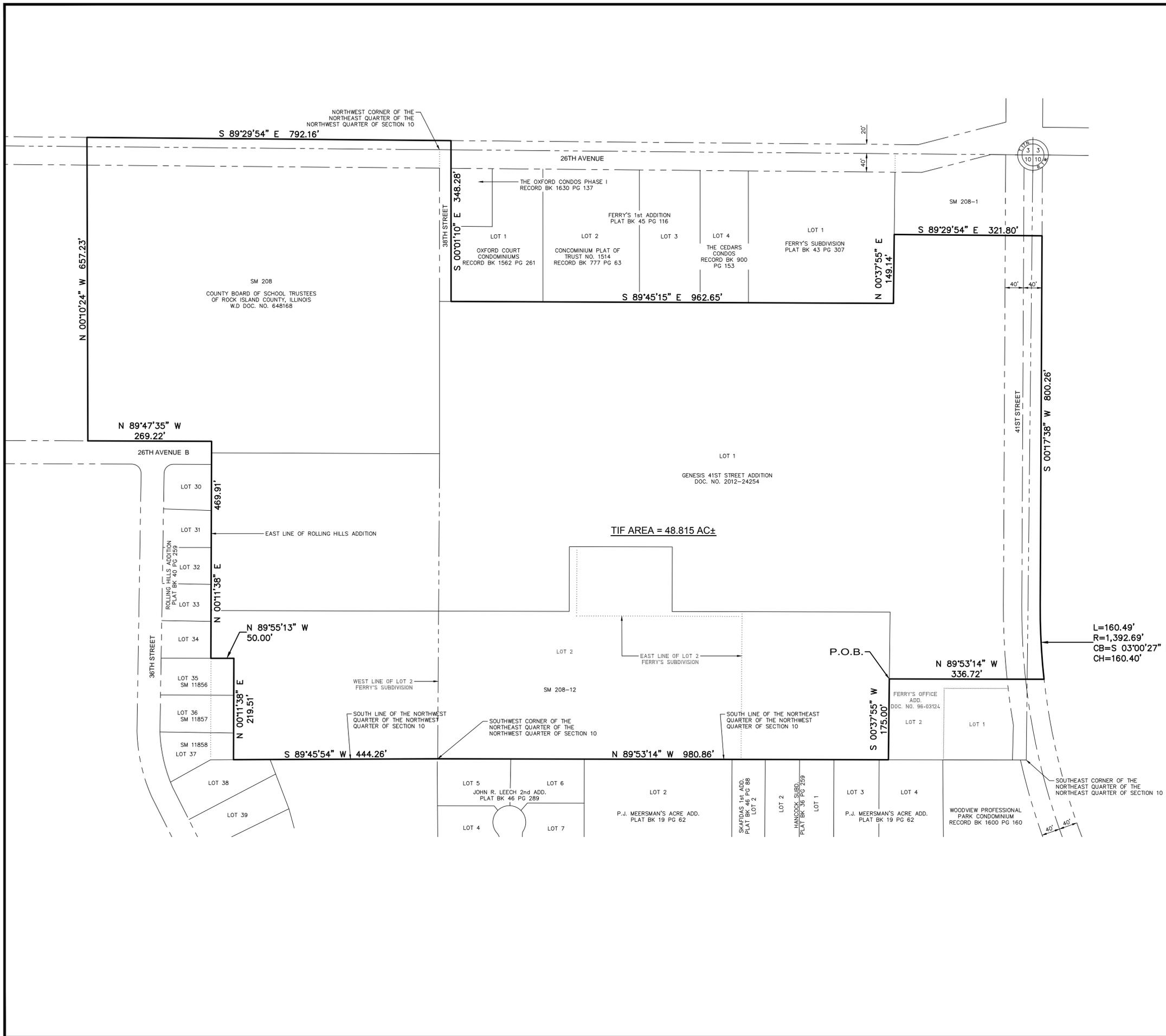
TIF BOUNDARY = 48.815 AC.±
Part the the Southwest Quarter of Section 3 and part of the
Northwest Quarter and Northeast Quarter of Section 10, Township 17
North, Range 1 West of the Fourth Principal Meridian, City of Moline,
Rock Island County, Illinois

REVISIONS	DESCRIPTION	DATE
No.		

Rock Island, IL • Bettendorf, IA • Rockford, IL • Sycamore, IL
(309) 788-7644 • (563) 344-0260 • (815) 965-6400 • (815) 895-3825
www.missman.com

41st STREET REDEVELOPMENT PROJECT
MOLINE, ILLINOIS
TIF EXHIBIT

Missman Project No:
C12S021
File Name:
C12S021-TIF BOUNDARY.dwg
© COPYRIGHT 2012
ALL RIGHTS RESERVED
Field Book No:
Drawn By: DAB
Checked By: DAB
Date: 10/09/2012



DEVELOPMENT AGREEMENT

Between the

CITY OF MOLINE

and

GENESIS HEALTH SYSTEMS

THIS INDENTURE ("Agreement") made and entered into on this _____ day of _____, 2012, by and between the City of Moline, an Illinois Municipal Corporation ("City"), and Genesis Health Systems, an Illinois Corporation ("Developer").

WITNESSETH:

WHEREAS, the City wishes to engage in certain lawful activities authorized by applicable law to assist private persons and entities in carrying out certain redevelopment activities which are identified in the Project Plan for the City's proposed Genesis/41st Street Tax Incremental Financing District (TIF) enacted pursuant to the Tax Increment Allocation Redevelopment Act, found generally at 65 ILCS 5/11-74.4-1 et. seq. (the "Act"); and

WHEREAS, the City wishes to enter into this Development Agreement with the Developer in order to facilitate redevelopment of the Property (as defined below) located at the 2700 – 2800 block of 41st Street and

WHEREAS, the Entire Redevelopment Project shall consist of the following elements, to-wit:

- i. Installation of public improvements including but not limited to streets and street improvements such as turning lanes, traffic signals and signage, sidewalks, public utilities (sewer, water, storm water), public walking trails, and community gathering areas;
- ii. Construction of up to 5 buildings ranging in size from 18,000 gsf to 50,000 gsf with adequate parking to serve each perspective phase as well as the public amenities;
- iii. It is anticipated that the Genesis 41st Street Wellness Campus Attributes are as follows:
 - Welcoming, easy to navigate site layout and way finding.
 - Site and buildings designed to promote healthy living.
 - Multiple building sites in their own peaceful setting.
 - Reduced views of large parking lots with generous landscaping and healing areas.

- Upscale design elements including signage, walking areas and community gathering places.

The foregoing elements of the Genesis 41st Street Wellness Campus shall hereinafter be collectively referred to as the “Redevelopment Project” unless individually identified; and identified in Exhibit D.

WHEREAS, the Redevelopment Project is to take place upon that certain real property described above as parcel numbers 07-12585, 07-12586, 07-12587, 07-208-6, 07-208-7, 07-208-8-A, 07-208-8, 07-208-3, 07-208-12, 07-208-9, 07-208-11, 07-208-13, which is more particularly described in Exhibit A, “Legal Description,” attached hereto and incorporated herein by this reference thereto (“Property”); and

WHEREAS, the City wishes to assist private developers in carrying out projects that expand employment opportunities and create commercial enterprises in the City; and

WHEREAS, the City believes that the Redevelopment Project to be located on the Property and the fulfillment generally of the terms of this Agreement are in the vital and best interests of the City and its residents, and are in accord with its duty, authority, and the public purposes and conditions arising under the Act and all applicable state and local laws and requirements.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby stipulate, covenant, contract and agree as follows, to-wit:

I. CITY’S AGREEMENT TO PROVIDE ASSISTANCE.

The following sets forth the intentions, undertakings and contractual obligations and responsibilities of the City under this Agreement in accordance with the Development Timetable contained in Exhibit B, attached hereto and incorporated by reference herein:

- A. Complete the Elements of the Prefunding Agreement and Inducement Resolution 1115-2012. The City of Moline passed Council Bill/Resolution No. 115-2012 on January 17, 2012 which provided for the completion of a feasibility study related to the proposed redevelopment and to induce development interest within the subject area. The City contracted with PGAV Planners to complete the Redevelopment Plan which is on file with the City Clerk and the process to create the Tax Increment Financing district is underway.
- B. Maximum TIF Payment. The City’s total payment paid from the net incremental real estate tax generated by the Redevelopment Project under this Section I shall not exceed fifteen percent (15%) of the

estimated total costs for Phase I of the Redevelopment Project and shall not extend beyond December 31, 2035, which is the maximum length of the proposed TIF district.

The estimated total project cost for Phase I of the Redevelopment Project is separated into two (2) categories as follows:

Building I (Frauenshuh Building):	\$ 8,310,240
Genesis Health Systems Site Improvements:	<u>\$ 2,063,500</u>
Total Phase I Project Cost:	\$10,373,740

for a total of Ten Million Three Hundred Seventy Three Thousand Seven Hundred Forty Dollars (\$10,373,740). Fifteen percent (15%) of such estimated total project cost equals One Million Five Hundred Fifty Six Thousand and Sixty One Dollars (\$1,556,061) to be rebated from the net incremental annual real estate taxes ("Maximum TIF Payment"). In the event that the total project cost is less than the amount shown above, then fifteen percent (15%) of the reduced project cost will be the maximum amount paid to the Developer through the term of this Agreement. If, for example, the total project costs are twenty percent (20%) less than the amount shown above, then the total City rebate will be reduced by twenty percent (20%). In no case shall the Maximum TIF Payment be greater than \$1,556,061.

- C. Property Tax Rebate. The City shall pay through its TIF Fund to Developer 75% of the net incremental annual real estate taxes until the Maximum TIF Payment is reached. If, in the final year of payments, the balance owed to Developer is less than 75% of the net incremental annual real estate taxes, City shall pay only the amount necessary to reach the Maximum TIF Payment.

The net incremental annual real estate taxes shall be used by the Developer only to pay for eligible redevelopment costs allowed under the Act (65 ILCS 5/11-74.4-3) as illustrated in Exhibit B, "Redevelopment Project Costs," attached hereto and incorporated herein by this reference, subject to the Maximum TIF Rebate identified in I.B. above. The base year for computation purposes of the net annual increment is agreed to be the annual real estate taxes for parcels 07-12585, 07-12586, 07-12587, 07-208-6, 07-208-7, 07-208-8-A, 07-208-8, 07-208-3, 07-208-12, 07-208-9, 07-208-11, and 07-208-13; the base Equalized Assessed Valuation (EAV) for the base year 2012 is \$561,820. The property tax rebate period will start with assessment year 2014 and payment year 2015. An illustrative example of the payments called for under this paragraph is shown in Exhibit C attached hereto and incorporated by reference herein. The percentage payment shall be from the incremental property tax generated solely by the Property, and paid to the City's TIF Account; the

City shall remit to the Developer within thirty-days (30) after receipt of total annual payment into said City's TIF Account from Rock Island County. In the event that the Incremental Real Estate Taxes generated are less than the amount shown on Exhibit C, then 75% of net Incremental Real Estate Taxes generated by the Redevelopment Project will be paid to the Developer for the particular year in question as set forth above, and the term of payments shall be extended as needed to reach Maximum TIF Rebate as long as said term is equal to or less than the life of the TIF district. The parties agree that the figures shown in Exhibit C are for illustrative purposes, and the actual annual payments to be made in any given year may be more or less than the amount shown or may be \$0 depending upon the actual experience.

- D. Maximum Amount of Property Tax Rebate. Pursuant to 65 ILCS 5/11-74.4-3(q), the maximum amount of rebate shall not exceed the sum of all reasonable or necessary eligible costs (see Exhibit B) incurred or incidental to the Redevelopment Plan and Redevelopment Project.
- E. Final Payment. Upon final payment to reach the Maximum TIF Payment or upon expiration of the TIF district, the City's obligations under this Agreement shall be fully paid and satisfied regardless of the total amount of payments actually received by the Developer.
- F. Interest. There shall be no interest charged to the City or due to the Developer pursuant to this Agreement at any time, and no interest shall ever be paid to the Developer from the City pursuant to this Agreement, irrespective of whether or not the City is delinquent or otherwise tardy in making payments required hereunder.
- G. Grants and Loan Applications. The City agrees to use its best efforts to support the Developer in applying to state and federal grant or loan programs that will enhance the Redevelopment Project.
- H. TIF Amendments. The parties expressly understand and agree that all payments provided for in the paragraphs set forth above shall be at all times subject to the requirements and restrictions of the Act.

II. DEVELOPER AGREEMENT TO DEVELOP PROPERTY.

- A. Upon the execution of this Agreement, the Developer shall complete the Redevelopment Project substantially in accordance with the plans and specifications for the Redevelopment Project, which plans and specifications must be approved by the City prior to commencement of the Redevelopment Project (such approval may not unreasonably be withheld), as may be normal, customary or required in order to proceed with the Redevelopment Project, in accordance with all applicable rules, codes, regulations, ordinances and laws.

- B. Developer agrees to complete the following Phase I project elements:
- i. Genesis Health Systems shall complete the Site Work including all Earthwork, Foundation & Load-bearing Elements, Utility Services, Drainage and Containment, Pavements & Appurtenances, Landscaping, Electrical;
 - ii. Frauenshuh HealthCare Real Estate Solutions shall construct a 50,000 square foot Medical Office Building.
- C. Code Compliance. To the best of the Developer's knowledge, the Redevelopment Project, as designed, is and shall be in full compliance with all applicable state and local laws and ordinances, including the conditions of the rezoning ordinance, General Ordinance 98-7-4, for the subject property, a copy of which is attached hereto and incorporated herein by reference as Exhibit E. Further, Developer warrants that the City Code Compliance Manager or Building Official shall have approved all building plans submitted and agrees to follow all requirements of the City Code and the City Code Compliance Manager or Building Official.
- D. Assessed Valuation. Developer agrees to a minimum equalized assessed value of Two Million Nine Hundred Thirty Nine Thousand Two Hundred Twenty Six Dollars (\$2,939,226) and a minimum fair market value of Eight Million Eight Hundred Seven Teen Thousand Six Hundred Seventy Nine Dollars (\$8,817,679). Developer agrees not to appeal the annual assessed valuation of the Property as determined by the South Moline Township Assessor until the expiration of this TIF district, provided that any such assessment is consistent with that of comparable properties.

III. CONDITIONS PRECEDENT TO CITY'S INCENTIVE PAYMENTS HEREUNDER.

A. The Parties agree that the performance of their respective obligations set forth herein is specifically contingent upon the satisfaction and performance of the Developer having obtained debt and equity financing, or commitments for the same, in such amounts and having such financial terms as are reasonable and related to a fair market financing subject to the exercise of the Developer's discretion within sixty (60) days of the execution of this Agreement.

B. Prior to the disbursement of any TIF rebate payments, Developer shall provide documentation of the actual project cost incurred, which have been independently verified by a third party mutually agreed to by City and Developer, at Developer's expense. Failure to provide an independently verified accounting of project costs for purposes of calculating the TIF rebate payments pursuant to paragraphs I. A

and I. B, preceding, shall constitute a breach of this Development Agreement and relieve the City of its obligation to make payments hereunder.

IV. WARRANTIES OF THE CITY.

The City represents and warrants to the Developer that it is empowered and authorized to execute and deliver this Agreement and to lend and deliver the assistance described herein upon proof of eligible “redevelopment project costs” pursuant to Section 5/11-74.4-3(q) of the Act, and to execute and deliver all other agreements and documents, if any, required hereunder to be executed and delivered by the City. This Agreement has been, and each such document at the time it is executed and delivered will be, duly executed and delivered on behalf of the City pursuant to its legal power and authority to do so. When executed and delivered to the Developer, all such agreements shall constitute a legal, valid, and binding obligation of the City, enforceable in accordance with the terms of all such agreements.

V. WARRANTIES OF THE DEVELOPER.

A. The Developer represents and warrants to the City that the Developer is an Illinois Limited Liability Company duly organized and existing under the laws of the State of Illinois and that all proceedings of the Developer necessary to authorize the negotiation and execution of this Agreement and the consummation of the transaction contemplated by this Agreement have been taken in accordance with applicable law.

B. The Developer represents and warrants to the City that this Agreement has been duly authorized, executed, and delivered by the Developer, and will be enforceable against the Developer by its terms, except to the extent that such enforceability shall be limited by bankruptcy, or solvency, or similar laws of general application affecting the enforcement of creditor rights, and by equitable principles.

C. The Developer represents and warrants to the City that the execution and delivery of this Agreement, and the consummation of the transactions contemplated in this Agreement will not violate any provision of its operating agreement or any other contract, agreement, court order or decree to which the Developer may be a party or to which the Developer may be subject, or any applicable federal or state law or municipal ordinance.

VI. DEVELOPER'S INDEMNIFICATION.

The Developer shall indemnify and hold harmless the City, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise directly or indirectly from the failure of the Developer or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee thereof is hired by the Developer) to timely pay any contractor, subcontractor, laborer or materialman, from any default or breach of the terms of this Agreement by the Developer, or from any negligence or reckless or willful misconduct of the Developer or any contractor, subcontractor agent or employee thereof (so long as such contractor, subcontractor or

agent or employee is hired by the Developer or Developer's contractor). The Developer shall, at the Developer's sole cost and expense, appear, defend and pay all charges, attorneys' fees of attorney(s) mutually agreed upon by the City and Developer, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the City, its agents, officers, officials or employees in any such action, the Developer shall, at the Developer's sole cost and expense, satisfy and discharge the same. This paragraph shall not apply, and the Developer shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the City or any of its officers, agents, employees or contractors.

VII. ENTIRE AGREEMENT.

This document and exhibits hereto contain the entire agreement between the Developer and the City as to this Agreement and its burdens and benefits shall inure to the benefit of, and shall be binding upon the parties hereto or a memorandum thereof and their respective heirs, executors, successors, and assigns. This Agreement or a memorandum thereof shall be recorded as set forth below, and may be modified only by written amendment signed by the Developer and the City, which amendment shall become effective upon recording by either party in the Recorder's Office in Rock Island County, Illinois.

VIII. ASSIGNMENT.

The Developer hereunder may assign the rights, duties, and obligations of the Developer only with the prior written consent of the City (which consent may not unreasonably be withheld). For the purposes of this paragraph, consent shall be deemed given by the City upon execution of this Agreement for any assignment to any person or entity having a verified net worth of not less than Five Million and No/100 Dollars (\$5,000,000.00). If a request for consent is not denied in writing on or before thirty (30) days after written request, such consent shall be deemed given.

IX. SURVIVAL OF WARRANTIES AND REPRESENTATIONS.

Any warranty, representation, or agreement herein contained shall survive the execution of the Agreement.

X. NOTICE OF DEFAULT.

In the event either party is in default hereunder (the "Defaulting Party"), the other party (the "Non-Defaulting Party") shall be entitled to take any action allowed by applicable law by virtue of said default provided that the Non-Defaulting Party first gives the Defaulting Party written notice of default describing the nature of the default, what action, if any, is deemed necessary to cure the same and specifying a time period of not less than thirty (30) days in which the default may be cured by the Defaulting Party.

XI. REMEDIES UPON DEFAULT.

A. If, in the City's judgment, the Developer is in default of this Agreement, the City shall provide the Developer with a written statement indicating in adequate detail any failure on the Developer's part to fulfill its obligations under this Agreement. Except

as required to protect against further damages, the City may not exercise any remedies against the Developer in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the Developer diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the City in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

B. If the Developer materially fails to fulfill its obligations under this Agreement after notice is given by the City and any cure periods described in Paragraph A above have expired or if all or a portion of any such agreement is terminated, the City may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including without limitation the right to specifically enforce the terms and conditions of this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by or against the Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare the Developer insolvent or unable to pay the Developer's debts, or the Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for the Developer or for the major part of the Developer's property, the City may elect, to the extent such election is permitted by law and is not unenforceable under applicable federal bankruptcy laws, but is not required, with or without notice of such election and with or without entry or other action by the City, to forthwith terminate this Agreement. To effect the City's termination of this Agreement under this Section XI.B., the City's sole obligation shall be to record, in the office of the Rock Island County Recorder, a Certificate of Default executed by the Mayor of the City or such other person as shall be designated by the City, stating that this Agreement is terminated pursuant to the provisions of this Section XI.B., in which event this Agreement by virtue of the recording of such certificate, shall *ipso facto* automatically become null and void and of no further force and effect.

C. If, in the Developer's judgment, the City is in material default of this Agreement, the Developer shall provide the City with a written statement indicating in adequate detail any failure on the City's part to fulfill its obligations under this Agreement. The Developer may not exercise any remedies against the City in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the City diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any right or remedy as to

any default or any alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

D. In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct or remedy any default, or to obtain any other remedy consistent with the purpose of this Agreement, either at law or in equity, including, but not limited to the equitable remedy of an action for specific performance. Notwithstanding the foregoing, in the event either party shall institute and complete legal action against the other party because of a breach of any agreement or obligation contained in this Agreement, the substantially prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.

E. The rights and remedies of the parties are cumulative and the exercise by a party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or for any other default by the other party.

XII. NON-DISCRIMINATION.

The Developer agrees that neither the Property nor any portion thereof, shall be sold to, leased, or used by the Developer in a manner to permit discrimination or restriction on the basis of race, creed, ethnic origin or identity, color, gender, sexual orientation, religion, marital status, age, handicap, or national origin, and that the development of and construction and operations on the Property shall be in compliance with all effective laws, ordinances, and regulations relating to discrimination on any of the foregoing grounds.

XIII. NOTICES.

Any notice required or permitted hereunder shall be in writing, signed by the party giving the notice, and shall be deemed given when (a) hand delivered to the party to whom the notice is addressed; (b) mailed by certified mail, return receipt requested, United States mail, postage prepaid; or (c) delivered by overnight courier delivery service (i.e. Federal Express, UPS, etc.) and addressed to the party at the address shown as follows:

TO CITY: City Administrator and City Clerk
619 16th Street
Moline, IL 61265

WITH A COPY TO: City Attorney
619 16th Street
Moline, IL 61265

TO DEVELOPER: Florence Spyrow
Genesis Health Systems
1228 East Rusholme Street
Davenport, IA 52803

WITH A COPY TO: Ronald S. Cope
Ungaretti & Harris
Three First National Plaza
70 West Madison
Chicago, IL 60602

Any party may change the address to which notices shall be sent by notice given in accordance with the terms of this paragraph.

XIV. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

XV. HEADINGS.

Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

XVI. APPLICABLE LAW.

This Agreement, and each of its subparts and incorporated items thereto shall be interpreted under the laws of the State of Illinois and any action brought to enforce or interpret any of its provisions or otherwise involving this Agreement must be filed in a Rock Island County, Illinois, court of competent jurisdiction.

XVII. SEVERABILITY.

Should any part of this Agreement be determined to be illegal, invalid, or otherwise unenforceable, then all such remaining parts not so affected by such illegality, invalidity, or unenforceability shall continue in full force and effect, fully binding both parties, their respective heirs and assigns, as to such remaining terms.

XVIII. NO JOINT VENTURE, AGENCY OR PARTNERSHIP CREATED.

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

XIX. ASSURANCE OF FURTHER ACTION.

From time to time hereafter and without further consideration, each of the parties to this Agreement shall execute and deliver, or cause to be executed and delivered, such recordable memoranda, further instruments, and agreements, and shall take such other actions, as any other party may reasonably request, in order to more effectively

memorialize, confirm, and effectuate the intentions, undertakings, and obligations contemplated by this Agreement.

XX. DELAYED EXECUTION.

After this Agreement is approved by the Moline City Council and duly signed by the Mayor and attested by the City Clerk, the Developer shall have up to ten days (10) from that date to execute this Agreement, and this Agreement shall not be binding on the parties until duly executed by both parties.

XXI. DISCLAIMER OF THIRD PARTY BENEFITS.

The intentions, affirmations, authorizations and agreements between the parties hereto as expressed herein are approved solely by and between the parties hereto and no other; and provided further, however, that neither and none of such intentions, affirmations, authorizations or agreements may be relied upon by any person or entity, to such entity or person(s) detriment, or for any reason whatsoever, whether third person or otherwise. Any such reliance or purported reliance as a third party beneficiary to this Agreement or predicated upon any other relationship to any of the parties hereto and each of them, whether real or alleged, is specifically disclaimed by the parties herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth above their respective signatures.

THE CITY OF MOLINE, ILLINOIS

GENESIS HEALTH SYSTEMS

DATED: _____

DATED: _____

By: _____
Donald Welvaert, Mayor

By: _____
Florence Spyrow

Attest: _____
Tracy Koranda, City Clerk

Approved as to form:

Maureen E. Riggs, City Attorney

STATE OF ILLINOIS)
) SS:
COUNTY OF ROCK ISLAND)

On this _____ day of _____, 2012, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **DONALD WELVAERT** and **TRACY KORANDA** to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the **CITY OF MOLINE**, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

NOTARY PUBLIC

STATE OF _____)
) SS:
COUNTY OF _____)

On this _____ day of _____, 2012, before me, a Notary Public in and for said County and State aforesaid, personally appeared Florence Spyrow to me personally known, who being by me duly sworn (or affirmed) did say that she is a Vice President of **GENESIS HEALTH SYSTEMS**, and that said instrument was signed on behalf of the Corporation; Florence Spyrow acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by it and by her voluntarily executed.

(seal)

NOTARY PUBLIC

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
REDEVELOPMENT COSTS

Costs as Permitted Pursuant to Section 5/11-74.4-3(q) of the Act:

- Acquisition and other Property Assembly Costs

- Development Services Design and Engineering Services

- Legal/Appraisal

- Surveys and Environmental Reports Related to Property Assembly or Reconstruction, Remodeling, Repair, or Rehabilitation

- Reconstruction, rehabilitation, repair or remodeling

- And other items permitted by the Act

EXHIBIT C
ILLUSTRATIVE EXAMPLE OF FINANCIAL ASSISTANCE

Genesis 41st Street Phase I TIF Worksheet			Construction	Estimated	Estimated	New Taxes			
Payable	Number	Base	Value	Taxable	New	Using	15% Rebate	75 % Rebate*	25% To City
Year	of	EAV	in Taxable	Value	Construction	Current	of Total	to Genesis	and/or Surplus
	Years		Year	85%	EAV	Rate of \$8.8503	Project Cost		
						Per \$100 EAV			
2012		\$ 561,820							
2013		\$ 561,820							
2014	1	\$ 561,820	\$10,373,740	\$ 8,817,679	\$2,939,226	\$249,922	\$1,556,061	\$187,442	\$62,480.60
2015	2	\$ 561,820				\$249,922		\$187,442	\$62,480.50
2016	3	\$ 561,820				\$249,922		\$187,442	\$62,480.50
2017	4	\$ 561,820				\$249,922		\$187,442	\$62,480.50
2018	5	\$ 561,820				\$249,922		\$187,442	\$62,480.50
2019	6	\$ 561,820				\$249,922		\$187,442	\$62,480.50
2020	7	\$ 561,820				\$249,922		\$187,442	\$62,480.50
2021	8	\$ 561,820				\$249,922		\$187,442	\$62,480.50
2022	9	\$ 561,820				\$249,922		\$56,527	\$193,395.00
Total			\$10,373,740	\$ 8,817,679	\$2,939,226	\$ 2,249,298	\$1,556,061	\$1,556,059	\$693,239.10
* Last year of rebate is = to final payment only									

EXHIBIT D
SCHEMATIC OF PHASE I &
SCHEMATIC OF TOTAL PROJECT



LANDSCAPE THEME AREAS
 Genesis Medical Center - Illinois
 41st Street Campus

08.20.2012
 11781-00



WELLNESS CAMPUS MASTER PLAN
 Genesis Medical Center - Illinois
 41st Street Campus

08.20.2012
 11781-00

Exhibit E
General Ordinance 98-7-4