

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

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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.

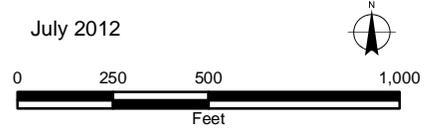
The City may consider the use of tax increment financing, as well as other economic development resources as available, to facilitate private investment within the Area. It is the intent of the City to induce the investment of significant private capital in the Area, which will also induce spillover 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

Route 6 / 150 Redevelopment Project Area
City of Moline, Illinois

Exhibit A



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.

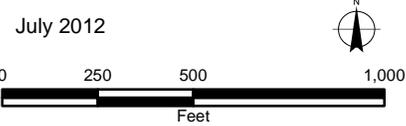
D. Analysis of Conditions in the Area

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".

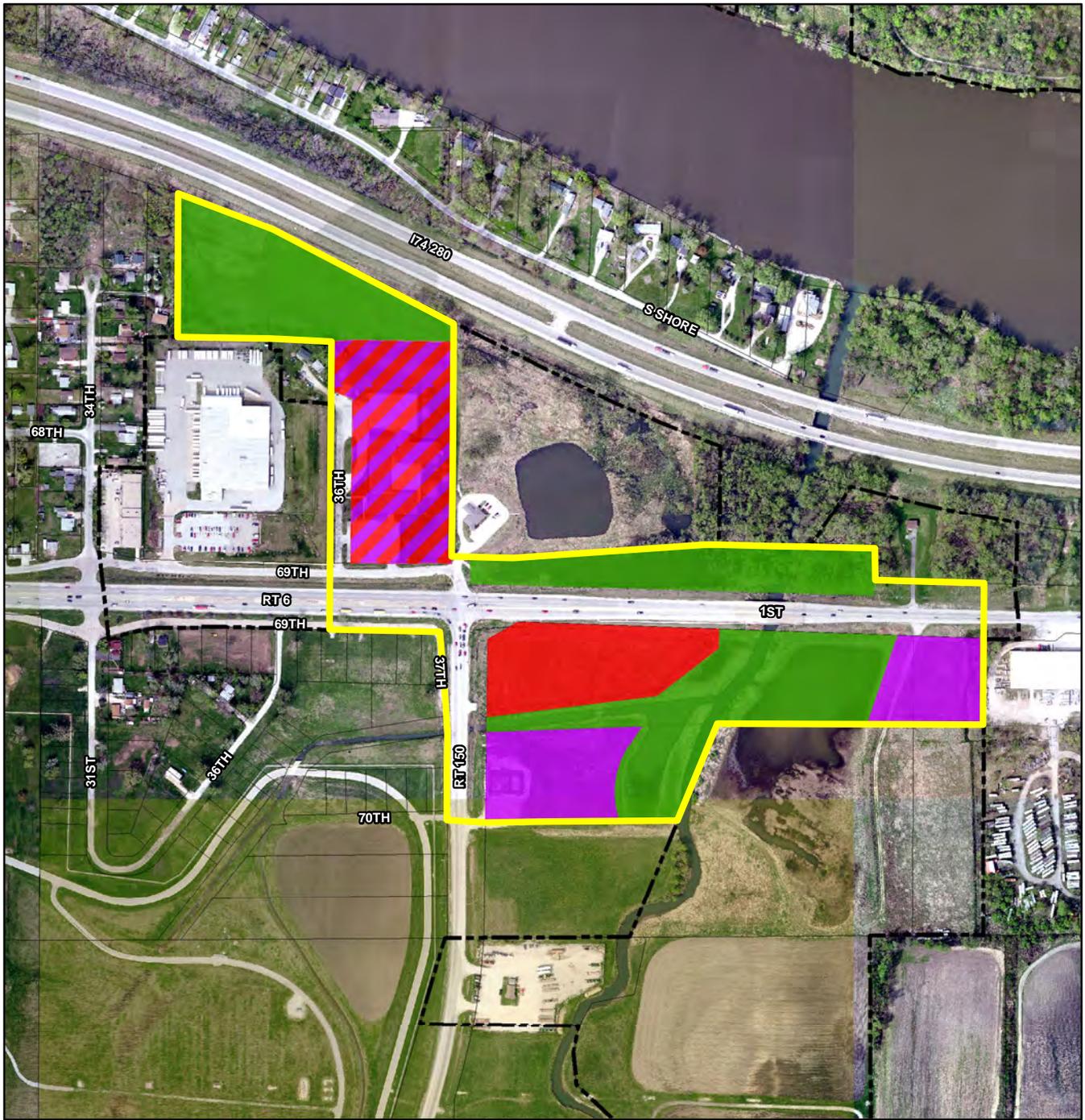
B. General Land Uses to Apply

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

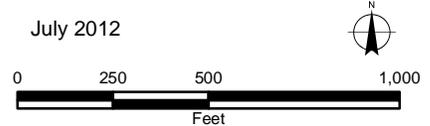
The objectives of the Redevelopment Plan are:

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



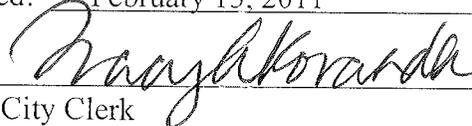
Mayor

February 8, 2011

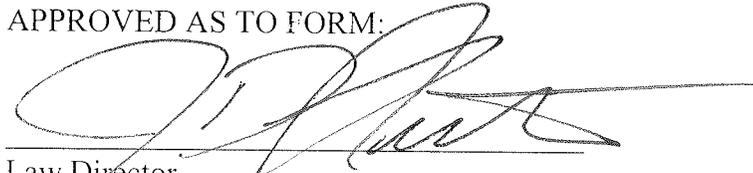
Date

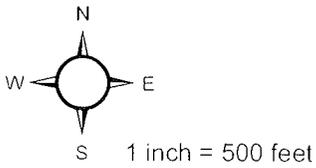
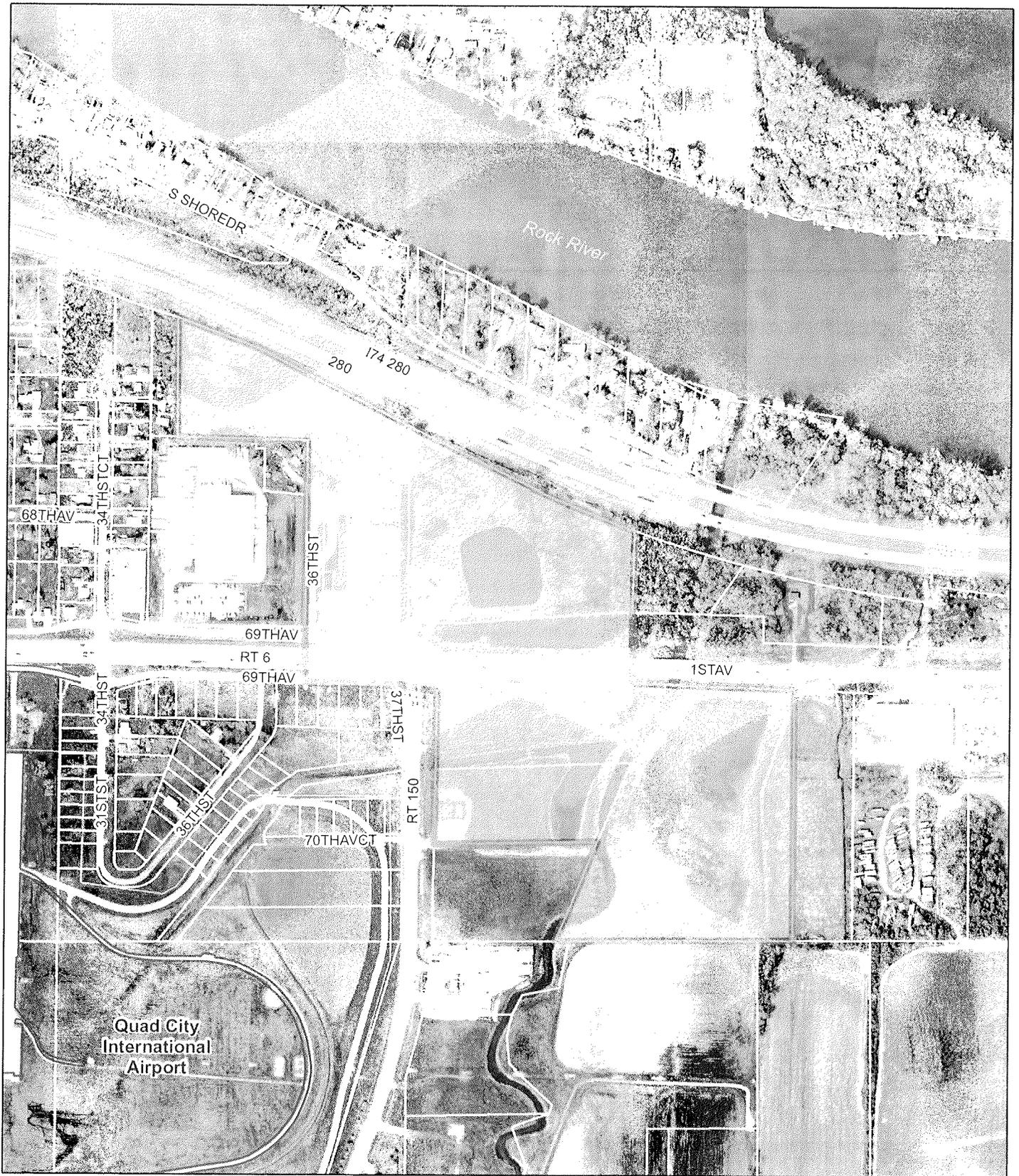
Passed: February 8, 2011

Approved: February 15, 2011

Attest: 
City Clerk

APPROVED AS TO FORM:


Law Director



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

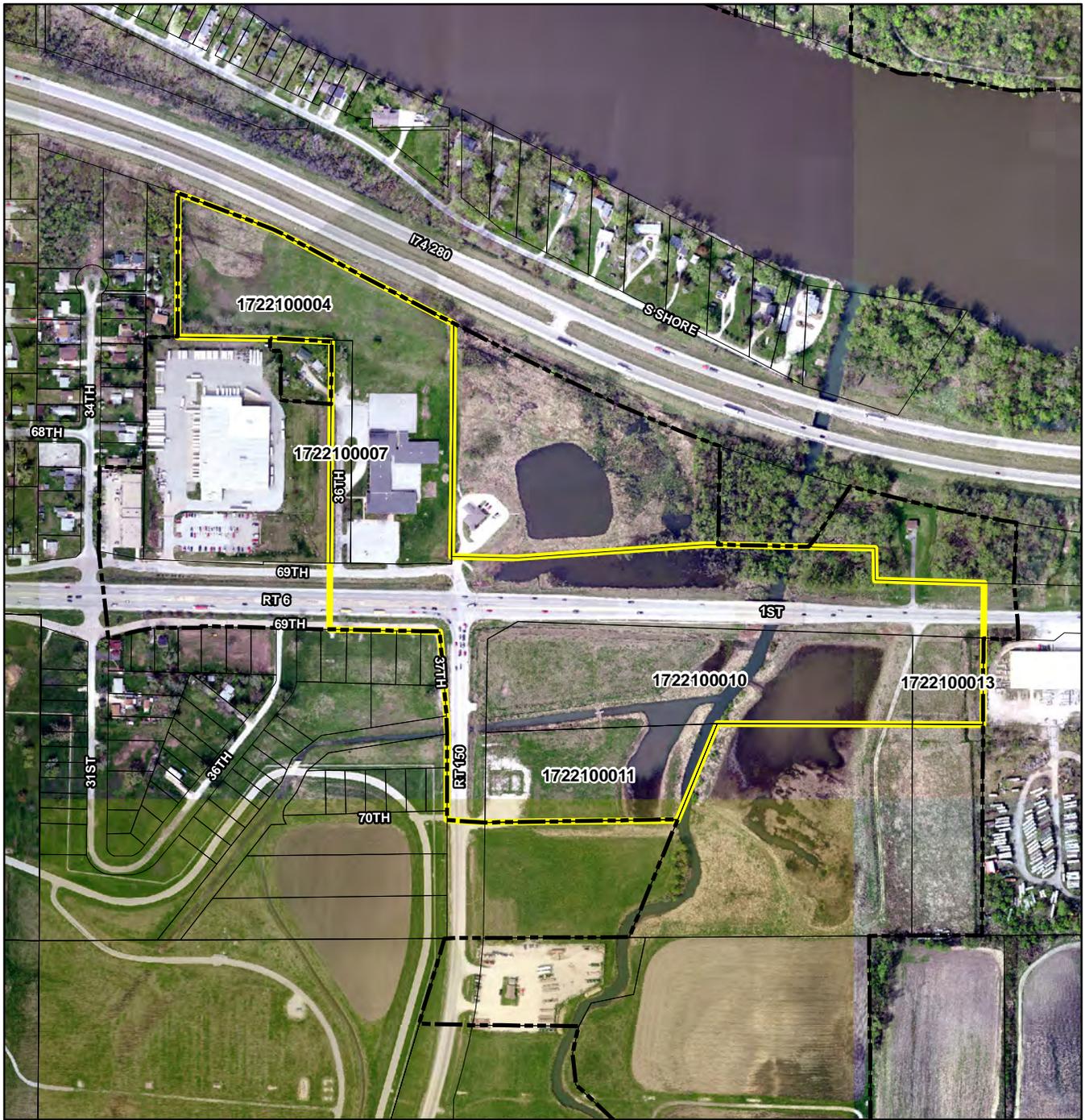
ATTACHMENT E

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

PIN, OWNER & 2011 EAV
Route 6/150 Redevelopment Project Area
City of Moline, Illinois

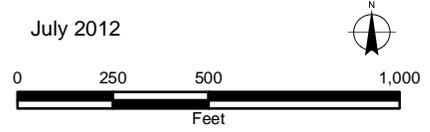
County PIN ¹	Owner	Owner Address	Owner City	ZIP Code	2011 EAV
1722100011	MILLER LEASING LLC	3303 JOHN DEERE RD	SILVIS IL	61282	\$ 23,223
1722100013	MILLER LEASING LLC	3303 JOHN DEERE RD	SILVIS IL	61282	\$ 4,066
1722100010	MILLER LEASING LLC	3303 JOHN DEERE RD	SILVIS IL	61282	\$ 43,782
1722100007	BOARD 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