

Village of Clarendon Hills, Illinois

Proposed 55th Street TIF Redevelopment Project Area & Plan

Public Hearing
September 16, 2024



AGENDA

I. Redevelopment Project and Plan

II. Village Strategic Planning

III. TIF District Qualifying Factors

IV. Key Elements of the TIF Plan

I. REDEVELOPMENT PROJECT AND PLAN

Background:

- In 2017, the Village adopted its 55th Street Sub Area Plan to “provide long range guidance and actions for the near term, that spell out a measured approach to servicing areas south of 55th Street,”
- 2017 Sub Area Plan identified certain challenges facing the area including inadequate transportation access, the condition of infrastructure, variable quality of public services, and lack of a sense of place..
- The 2017 Sub Area Plan also identified certain opportunities to address these challenges including “partnerships with residents, institutions, and communities, clarifying a character and identity, and fiscal predictability for the Village and area residents.”
- The SubArea Plan also “identifies opportunities along 55th Street and in the rest of the sub-area related to economic development, effective public services, and community character.”

I. REDEVELOPMENT PROJECT AND PLAN

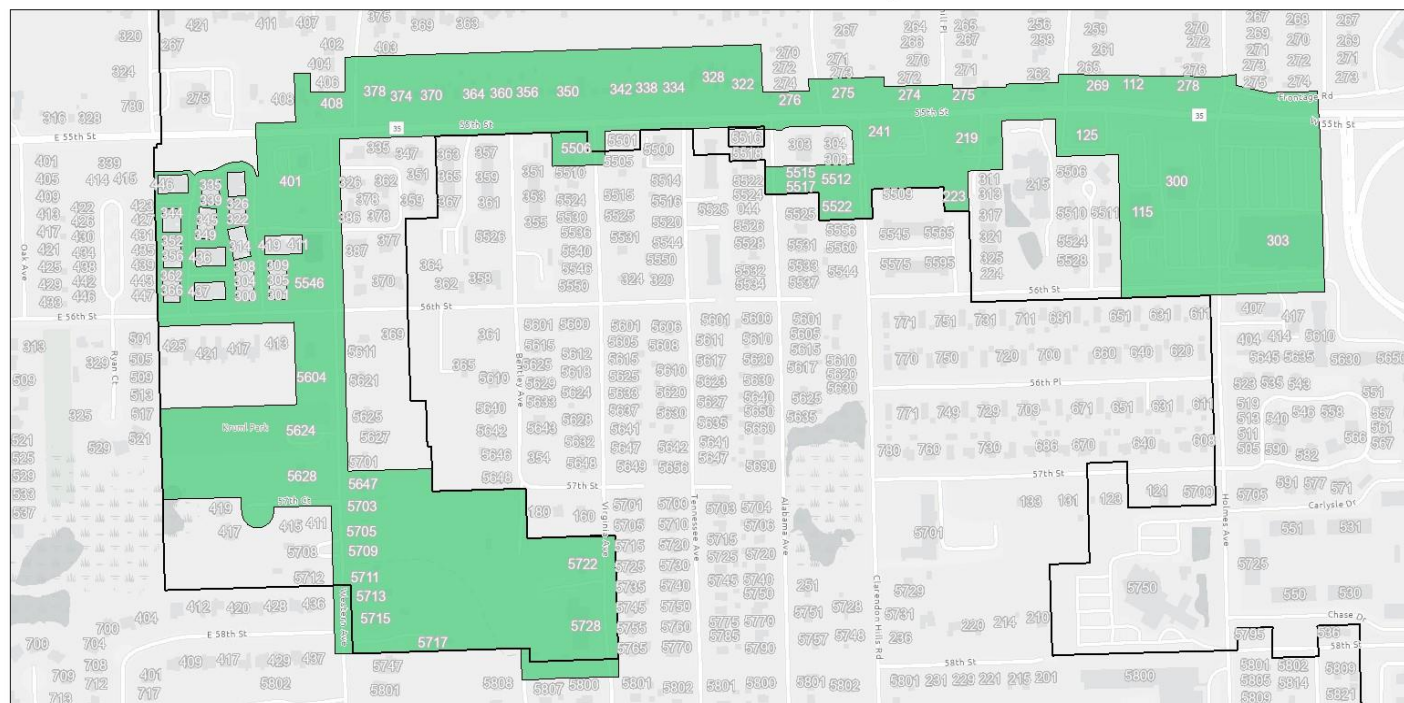
TIF Project Plan and Objectives:

- Encourage redevelopment of obsolete and/or underutilized buildings or sites.
- Reduce or eliminate impediments to private development within the area.
- Coordinate redevelopment activities within the proposed TIF District to provide a positive market signal to private investors.
- Further the goals and objectives of the Village's comprehensive planning efforts.

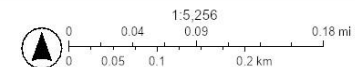
I. REDEVELOPMENT PROJECT AND PLAN

THE PROPOSED TIF CONSISTS OF SEVENTY (70) TAX PARCELS GENERALLY LOCATED ALONG THE NORTH AND SOUTH SIDES OF 55TH STREET BETWEEN WESTERN AVENUE TO THE WEST AND HOLMES AVENUE TO THE EAST, INCLUDING CERTAIN PARCELS ON THE EAST AND WEST SIDES OF WESTERN AVENUE AND BENTLEY AVENUES, THE WEST SIDE OF VIRGINIA AND CLARENDON HILLS AVENUES ALL SOUTH OF 55TH STREET.

Clarendon Hills TIF Boundary



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II. VILLAGE STRATEGIC PLANNING

Village Planning and Objectives:

The Village's important underlying planning documents are its 1991 Comprehensive Plan and its 2017 55th Street Sub Area Plan, and include, among others, the following objectives:

- Ensure that new development/redevelopment is compatible with existing uses on adjacent land.
- Develop and put into place revenue-generating mechanisms that assure adequate funding to carry out the Goals and Objectives of the Plan without placing an unreasonable tax burden on the citizens.
- Complete annexation of all incorporated areas south of 55th Street, consistent with existing boundary agreements (on a voluntary basis as water infrastructure allows).
- Improve both vehicular and pedestrian circulation.
- Develop a program for coordinating the rehabilitation or replacement of storm sewers and water mains with the improvement of street pavements.
- Develop a systematic infrastructure repair, preventative maintenance and extension programs.

II. VILLAGE STRATEGIC PLANNING

Village Strategies:

The TIF designation would allow the Village to pursue the following strategies within the RPA:

- Promotion of the redevelopment of underutilized property located within the RPA
- Provision for the assembly or coordination of private and public property for viable redevelopment projects
- Improvement of existing rights-of-way and infrastructure including, but not limited to, roadways, water mains, sanitary and storm sewers, sidewalks, streetscape, traffic signalization and parking improvements
- Provision of necessary site preparation including, but not limited to, grading, demolition and environmental remediation
- Provision of public investment that improves the physical condition and visual aesthetic of the area including those in the public realm (e.g., streetscaping and recreational areas) and the private realm (e.g., facades and signage).

II. VILLAGE STRATEGIC PLANNING

TIF Designation:

- Pursuant to its 1991 Comprehensive Plan, and its 2017 55th Street Sub Area Plan, the Village is proposing the redevelopment of a strategically important economic area for the Village.
- The TIF designation is needed in order to address disincentives associated with ongoing and prospective vacancies within the proposed TIF District.
- The TIF designation is key to:
 - repositioning and revitalizing existing properties within proposed TIF District
 - long-term financial stability for the proposed TIF District
 - achieving the economic development goals of the Village

III. TIF DISTRICT QUALIFYING FACTORS

TIF Designation:

The proposed TIF District is found to qualify under the TIF Act, as follows:

- The proposed TIF District meets the criteria for designation as a “Conservation Area”
- 52 of the 65 structures (or 80%) of the structures in the proposed TIF District are 35-years of age or older
- At least 3 of the 13 qualifying factors for “conservation area” set forth in the TIF Act (Illinois State Statute) are present in the proposed TIF District.

III. TIF DISTRICT QUALIFYING FACTORS

The 13 “Conservation” Statutory Qualification Factors:

- 1) Lag or decline in EAV
- 2) Obsolescence
- 3) Deterioration
- 4) Deleterious land use or layout
- 5) Excessive vacancies
- 6) Inadequate utilities
- 7) Lack of community planning
- 8) Dilapidation
- 9) Excessive land coverage
- 10) Environmental clean up
- 11) _Code violations
- 12) Illegal uses
- 13) Lack of ventilation or sanitary facilities

III. TIF DISTRICT QUALIFYING FACTORS

Lag in EAV:

The Act states that if the total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 years or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 years or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 years.

- ▶ The table below indicates that the total EAV of the Redevelopment Project Area has been increasing at an annual rate that is less than the annual CPI for three (3) of the last five (5) calendar years for which information is available.

III. QUALIFICATION FACTORS

Lag in EAV (Cont'd):

	2023	2022	2021	2020	2019	2018
Total EAV	14,333,261	14,017,502	13,657,061	13,202,061	12,749,492	13,115,322
% Change	<u>2.25%</u>	<u>2.64%</u>	<u>3.45%</u>	3.55%	<u>-2.79%</u>	
Village EAV	677,322,225	639,287,457	626,662,133	613,352,479	594,274,371	589,886,781
Village EAV (excluding area)	662,988,964	625,269,955	613,005,071	600,150,417	581,524,879	576,771,449
% Change	6.03%	2.00%	2.14%	3.20%	0.82%	
CPI- All Urban Consumers	<u>4.10%</u>	<u>8.0%</u>	<u>4.7%</u>	1.2%	<u>1.8%</u>	

III. QUALIFICATION FACTORS

Obsolescence:

Obsolescence is defined as the condition or process of falling into disuse. This can also be defined as a structure(s) that has become ill-suited for its original use.

- Functional obsolescence can be found at the Jewel retail center which is 57 years old and is no longer consistent with today's development commercial/retail development standards. In the last decade, sustainability and energy efficiency have become of increasing importance for built properties. Obsolescence can be related to such factors as unattractiveness and/or the availability of more attractive alternative options.

III. QUALIFICATION FACTORS

Obsolescence:

Obsolescence is defined as the condition or process of falling into disuse. This can also be defined as a structure(s) that has become ill-suited for its original use.

- Obsolescence can also be seen at the parcels that formerly contained the Tracy's Tavern, built in 1912. The recent demolition of these building and site improvements are a consequence of these parcels' obsolescence. The property had been vacant for approximately six years and was found to be unsafe prior to its demolition, including having many code violations.
- Country House is not ADA code compliant, and the vast majority of structures within the proposed TIF district are not compliant with current building codes due to sprinkler requirements in the international building code.

III. QUALIFICATION FACTORS

Deleterious Land Use or Layout:

Pursuant to the Act, deleterious layout consists of 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.

- According to the SubArea Plan Report “55th Street stands as a barrier between the Village and the sub-area” which serves to “hinder the cohesiveness of the sub area with the rest of the Village.” This “disconnect” is partly attributable to:
 - Many streets within the sub-area have dead-ends making the sub-area tough to navigate
 - Streets in the subarea are generally narrow and lack curb and gutter pursuant to rural cross sections, and roadside ditches are in poor condition.
 - 55th Street is a four-lane road with no center turning lane, and has a high vehicular travel speed, with only one traffic signal at Clarendon Hills Road.
 - streets that cross 55th Street from south to north do not align, making for awkward and even sometimes dangerous turns.

III. QUALIFICATION FACTORS

Deleterious Land Use or Layout (cont'd):

- ▶ Another example of deleterious layout can be found in the Study Area's land uses
 - The mix of incorporated and unincorporated properties in the sub-area causes confusion as sub-area residents aren't always sure if they live in the Village or not.
 - Building setbacks throughout the sub-area vary greatly, due to the different zoning districts of various governments in the area, as well as the historical zoning of DuPage County."
 - The frontages of some lots have been enclosed with culverts where others remain open and appear to be poorly graded.
 - The zoning nearby the sub-area is primarily single-family, low density residential while the zoning inside the sub-area is a mix of single-family, low density residential, and multi-family, medium density residential.
 - Sidewalks within the Study Area are inconsistent – they are not found on every street which, according to the SubArea Plan Report, "leads to lack of connectivity throughout the sub-area and to surrounding areas, as well as differences of street appearance throughout the neighborhoods

III. QUALIFICATION FACTORS

Inadequate Utilities:

Under the Act, underground and overhead utilities are inadequate if they 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.

- According to the Village's consulting engineers, there is not adequate Village storm sewer within the proposed TIF boundaries of the Study Area.
- The storm sewers are aging and lack sufficient capacity to accommodate new development in accordance with current stormwater management standards.
- According to Village staff, nearly all the single-family residences on the north side 55th have storm water issues in rear yards
- Quality of water, water pressure, and limited pressure and availability that could impact fire suppression are issues
- A recent study of the Village's current water distribution system revealed pressure deficiencies for the area south of 55th Street and an area on the north side of the Village.

III. QUALIFICATION FACTORS

Inadequate Utilities (cont'd):

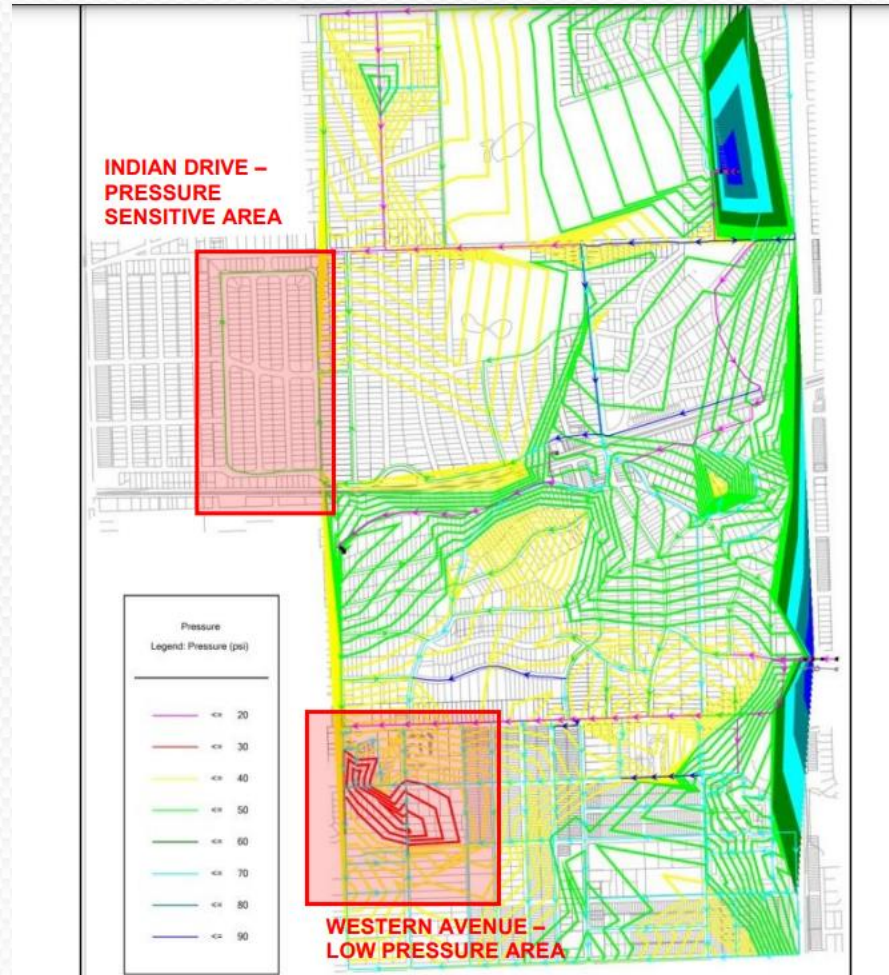


Figure 4.10: Pressure Sensitive Areas

III. QUALIFICATION FACTORS

Inadequate Utilities (cont'd):

Table 4.6: Emergency Storage Volume Calculation – Existing Condition

Volume / Demand	Calculation
Average Daily Demand	0.778 MGD
2 x Average Daily Demand	1.556 MG
Existing Storage Volume	1.250 MG
Emergency Volume Shortfall	(0.306 MG)

This calculation was also completed based on the Village's current operating settings, taking into account elevated reservoir set points, and pump limitations as discussed in **Section 2.3.2**.

Table 4.7: Emergency Operating Volume Calculation – Existing Condition

Volume / Demand	Calculation
Average Daily Demand	0.778 MGD
2 x Average Daily Demand	1.556 MG
Existing Operating Volume	0.580 MG
Emergency Volume Shortfall	(0.976 MG)

Table 4.9: Emergency Operating Volume Calculation – Future Condition

Volume / Demand	Calculation
Average Daily Demand	0.854 MGD
2 x Average Daily Demand	1.708 MG
Existing Operating Volume	0.580 MG
Emergency Volume Shortfall	(1.128 MG)

III. QUALIFICATION FACTORS

Lack of Community Planning:

The Act provides that lack of community planning exists if the proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan.

- The Study Area was developed prior to adoption of the Village's first comprehensive plan. In 1987.
- The subsequent 1991 Comprehensive Plan emphasized that over the prior several years, the Village had undertaken several planning studies, *"none of which have been fully implemented"*, and that "the Village must take action on unresolved issues."
- In addition, most of the Study Area was annexed to the Village *after* the 1991 Plan and had been developed pursuant to DuPage County development regulations, regulations which do not necessarily align with the Village's own development standards.
- The Study Area, has several zoning districts consisting of low density residential, single-family and multi-family residential, and medium density residential. Some of these uses were legislated by the jurisdictions in which they were located prior to their annexation

III. QUALIFICATION FACTORS

Lack of Community Planning (cont'd):

- The annexation of DuPage County residential parcels, over time, were subject to the zoning of DuPage County. Many as “farmettes,” making them larger than typical lot sizes in the area today. In addition to changing lot sizes, the setbacks within them change from street to street, and occasionally on the same street.
- Sidewalks within the sub-area are inconsistent, not found on every street, leading to lack of connectivity throughout the area and to surrounding areas, and differences in street appearance .
- The SubArea Plan Report observes that residents living in the 55th Street sub-area “note feeling separated physically by 55th Street . . .” and lack a “sense of connection to Clarendon Hills . . .”.

IV. KEY ELEMENTS OF THE TIF PLAN

- The Base EAV for the TIF District is the \$14,017,502 (2022)
- The projected EAV upon completion is approximately \$30,000,000 to \$40,000,000
- The maximum proposed TIF budget is \$29,157,000 over the 23-year TIF term

IV. KEY ELEMENTS OF THE TIF PLAN

Program Actions/Improvements	Estimated Costs
Land Acquisition and Relocation	\$ 6,875,000
Site Preparation, Including Environmental Remediation, and Site Grading	\$ 2,250,000
Utility Improvements (Including Water, Storm, Sanitary Sewer, Service of Public Facilities, and Road Improvements)	\$ 17,682,000
Rehabilitation of Existing Structures	\$ 1,325,000
Interest Costs Pursuant to the Act	\$ 350,000
Professional Service Costs (Including Planning, Legal, Engineering, Administrative, Annual Reporting, and Marketing)	\$ 425,000
Job Training	\$ 100,000
Statutory School District Payments and Taxing District Capital Costs	\$ 150,000
TOTAL ESTIMATED TIF BUDGET	\$29,157,000

IV. KEY ELEMENTS OF THE TIF PLAN

The TIF Budget:

- Represents the maximum possible expenditures by the Village
- Sized to accommodate potential redevelopment requirements
- 23-year budget, not annual budget
- TIF eligible costs include public improvements as well as potential incentives for private redevelopment

IV. KEY ELEMENTS OF THE TIF PLAN

Process and Next Steps:

- **September 16, 2024:** Public Hearing will commence for input from the general public
- 14-90 days after the close of the Public Hearing the Village may adopt the TIF ordinances and then file the ordinances with DuPage County
- Annual JRB meeting to review annual TIF report filed with the State of Illinois pursuant to the Act