

STATE OF ILLINOIS)
)
COUNTY OF WINNEBAGO) SS

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting Legal Director and ex officio Keeper of the Records and Seal of the City of Rockford, Winnebago County, Illinois (the "City"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council (the "City Council") thereof.

I do further certify that on the 28th day of March, 2005, there was published in pamphlet form, by authority of the City Council, a true, correct and complete copy of Ordinance No. **2005-45-0**, entitled:

AN ORDINANCE ADOPTING THE LINCOLNWOOD ESTATES II REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT

and said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number, at my office as Legal Director and ex officio Keeper of the Records and Seal located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City, this 28th day of March, 2005.

[SEAL]

Red N. S.
LEGAL DIRECTOR AND EX OFFICIO
KEEPER OF THE RECORDS AND SEAL.

1. The City Council hereby makes the following findings:
 - a. The area constituting the proposed Lincolnwood Estates II Redevelopment Project Area in the City of Rockford, Illinois, is described on Exhibit A, attached hereto and made part hereof.
 - b. There exist conditions which cause the area proposed to be designated as a Redevelopment Project Area to be classified as a “conservation area” as defined in Section 5/11-74.4-3(b) of the Act.
 - c. The proposed Lincolnwood Estates II Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Plan.
 - d. The Plan conforms to the Comprehensive Plan for the development of the municipality as a whole.
 - e. The parcels of real property in the proposed Lincolnwood Estates II Redevelopment Project Area are contiguous and only those contiguous parcels of real property and improvements thereon which will be substantially benefited by the proposed improvement are included in the proposed Lincolnwood Estates II Redevelopment Project area.
 - f. The estimated date for final completion of the Lincolnwood Estates II Redevelopment Project is 2028, which is twenty-three (23) years from the effective date of ordinances adopting the Lincolnwood Estates II Redevelopment Project and designating Lincolnwood Estates II Redevelopment Area.
 - g. The estimated date for retirement of obligations incurred to finance the Lincolnwood Estates II Redevelopment Project costs shall be not later than 2028, which is twenty-three (23) years from the effective date of the ordinance adopting the Plan and designating the Lincolnwood Estates II Redevelopment Area.
2. The Plan which were the subject matter of the hearing held March 3, 2005, is hereby adopted and approved. A copy of the Plan marked Exhibit “B” is attached to and made a part of this Ordinance.

All orders, resolutions, or ordinances in conflict herewith are hereby repealed insofar as such conflict exists, and this Ordinance shall take effect immediately upon its passage, approval, and publication, as required by law.

A full, true and complete copy of this Ordinance shall be published within ten (10) days after passage in pamphlet form by and under authority of the Corporate Authorities.

APPROVED:



MAYOR

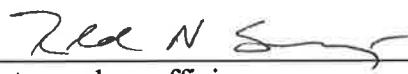
ATTESTED:



LEGAL DIRECTOR

PASSED: MAR 21 2005 APPROVED: MAR 28 2005 PUBLISHED: MAR 28 2005

ATTESTED and FILED in my office this 28 day of MAR, and published in pamphlet form this 28 day of MAR, 2005



Legal Director and ex officio
Keeper of the Records and Seal

Published in pamphlet form this 28 day of MAR, 2005 by order of the City Council of the City of Rockford, Illinois.

LEGAL DESCRIPTION OF THE AREA

Part of the Northwest Quarter (1/4) of Section Twenty-one (21), Township forty-four (44) North, Range One (1) East of the Third (3rd) Principal Meridian, bounded and described as follows, to-wit: Commencing at the Southwest corner of the Northwest Quarter of said Section; thence North 89°-55'03" East, along the South line of the Northwest quarter of said Section, 15.70 feet to its intersection with the East line of Pierpont Avenue as now laid out and used and the point of beginning for the following described tract; thence North 00°-86'-10" West, along said East line of Pierpont Avenue, 686.43 feet to its intersection with the South line of Elm Street as now laid out and used; thence South 89°-46'-59" East, along said South line of Elm Street, 340.40 feet to its intersection with the East line of premises conveyed by Bertha P. Brazell to William S. Burns by Warranty Deed dated September 1, 1950 and recorded in Book 717 of Recorder's records on page 428 in the Recorder's Office of Winnebago County, Illinois; thence South 0°-02'-09" East, along the East line of said premises so conveyed by Bertha P. Brazell to William S. Burns as aforesaid. 684.65 feet to its intersection with the South Line of the Northwest Quarter of said Section; thence South 89"-55'-03" West, along the South line of the Northwest Quarter of said section 339.60 feet to the point of beginning; situated in the County of Winnebago and the State of Illinois.

EXHIBIT

— A —

EXHIBIT

B



Redevelopment Plan and Project

Lincolnwood Estates II

Proposed Redevelopment Project Area

Prepared for the City of Rockford

TABLE OF CONTENTS

I.	Executive Summary	3
II.	Redevelopment Project Area Description	5
III.	Redevelopment Project Area Goals and Zoning	6
IV.	Blighted Conditions in the Area	8
V.	Tax Increment Financing Redevelopment Project	10
VI.	Conformity to Comprehensive Plan	17
VII.	Provisions for Amending the Plan	18
VIII.	Scheduling of Plan	19
IX.	Affirmative Action Plan	20
X.	Lack of Growth Through Private Investment	21
XI.	Financial and Service Impacts on Taxing Districts	22
XII.	Conclusions	23

Appendix

- Table – Parcel Numbers, Owners, Addresses, and 2003 Equalized Assessed Value
- Legal Description

I. EXECUTIVE SUMMARY

The City of Rockford (the “City”) is dedicated to the continued growth and economic development of the City. Rockford’s ability to stimulate growth and development relies on the creation and implementation of government policies that will allow the City to work with the private sector and eliminate blighted areas and ensure sound growth and development of property. Based upon the City’s establishment of this Redevelopment Project Area, it is understood that the City recognizes the necessity of the relationship between continued community growth and public participation. The blighting of communities impairs the value of private investments and threatens the growth of the community’s tax base. Additionally, the City understands the dangers associated with blighting factors and problems arising from blighted conditions. Both of these statements are supported by the City’s establishment of the Redevelopment Project Area.

The Illinois General Assembly passed the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et. seq.*) (the “Act”) to address the growing number of blighted areas in many Illinois municipalities. The blighting of communities impairs the value of private investments and threatens the growth of the community’s tax base. The Act declares that in order to promote the public health, safety, morals, and welfare, blighting conditions must be eliminated.

The City’s Redevelopment Project Area Tax Increment Allocation Redevelopment Plan and Project (the “Plan”) was developed to provide a description of the necessary actions to address existing blighting conditions. The proposed Redevelopment Project Area at Lincolnwood Estates encompasses approximately 6.07 acres of land in the City. The Area is generally bounded by Elm Street to the North, Pierpont Avenue to the west, and Green Street to the South. (Please see legal description and boundary map in the Appendix.) From an economic perspective, the implementation of the Plan through the use of tax increment financing revenues should stimulate private investment in the Area. The combined public and private investment should eliminate the blighting conditions that currently exist in the Area.

The Plan contains the following:

- Redevelopment project area description
- General goals of the City
- Current and Proposed zoning of the Area
- Summary of blighting conditions
- Redevelopment objectives
- Redevelopment plan and project activities
- General land use plan
- Estimated redevelopment project costs
- Sources of funds to pay redevelopment project costs
- Issuance of obligations
- Surplus incremental property tax revenue
- Most recent equalized assessed value
- Conformity to the Comprehensive Plan
- Anticipated equalized assessed value
- Provisions for amending the plan
- Scheduling of the plan
- Affirmative action plan
- Lack of growth through private investment
- Financial and service impacts on taxing districts

II. REDEVELOPMENT PROJECT AREA DESCRIPTION

The Area encompasses approximately 6.07 acres of land in the City. The Area is generally bounded Elm Street to the north, Pierpont Avenue to the west, Green Street to the south, and the city water facility to the east. The Area includes parcels 11-21-154-001 ("001"), 11-21-154-002 ("002"), and 11-21-154-003 ("003"). (Please see legal description in the Appendix.)

Based upon surveys of developers and property history, it is reasonable to assume that, without the establishment of a redevelopment project area and the use of tax increment financing, the Area is not likely to develop.

A. Background of Rockford, Illinois

Rockford is a City located on the Rock River in northern Illinois. It is within sixty-five miles northwest of Chicago, seventy-five miles south of Madison, Wisconsin, and ninety miles east of the Mississippi River. It has grown as an industrial area due in large part to its abundance of water power. Rockford has its own airport and four rail carriers serve the Rockford area.

Rockford is the county seat of Winnebago County. In 1851 the Rockford Water Power Company was organized and in 1852 the Galena & Chicago Union Railroad reached the city. By 1860 Rockford had become a significant, growing industrial center. By the 1880s a furniture industry was begun, using the talents of Swedish craftsmen and capitalists, and in the first half of the 20th century Rockford was the second largest furniture manufacturing center in the United States. The agricultural implement industry was in decline by the First World War, and the furniture industry was severely damaged by the Great Depression and the Second World War. By the end of the 1960s both were extinct in the city.

Rockford's 20th century industry revolved around machine tools, heavy machinery, automotive, aerospace, fastener and cabinet hardware products, and packaging devices and concepts. The city's industrial background has produced many important and interesting inventions. In the last third of the 20th century Rockford dealt with many problems common to northern industrial cities, including tree blight, urban renewal, and, in the early 1980s, severe unemployment. In 1960 Rockford officially became the state's second largest city, with a population of 126,000. In 1990 the population was 140,000.

The area under consideration has been stagnant relative to growth. These parcels have been vacant and void of physical structure for over 15 years. This vacant property contains many of the foundations of the structures that used to be located on the parcels. The parcels also contain various elements of debris from the destruction of the previous structures. Even though the property is currently vacant the foundations and construction debris and the neighboring blighted property have had a negative impact on the City's ability to create and maintain a high-quality environment for development of residential dwelling places and therefore its citizens.

The zoning ordinance will classify the Area as R-1, Residential District. A description of the types of uses deemed acceptable for the Area will be detailed in the following section.

III. REDEVELOPMENT PROJECT AREA GOALS AND ZONING

The Act encourages both public and private sector cooperation to address and resolve issues with deteriorating and declining areas. The Act, as seen in its legislative history, recognizes that the physical and economic decline of properties impairs the value of private investment and threatens the community's health, safety, and welfare. The continued investment in and development of the Area will not only strengthen the Area, but the entire City through sound economic growth, an increased tax base and additional employment opportunities.

The Plan is based on the following redevelopment goals:

General Goals of the City

- Eliminate blighting conditions which prevent further development of the Area;
- Restore and expand the tax base in order to maintain a high level of services, programs, and facilities;
- Stimulate increased private investment;
- Encourage new development and expansion in an orderly manner;
- Encourage productive use of underutilized and vacant property;
- Restore and enhance the property-tax base within the Area;
- Enhance the City's image as a desirable place to live;
- Improve efforts to facilitate and attract new housing development by serving as a catalyst to the private sector;
- Create affordable housing options for residents, and
- Utilize the parcels in the Area and surrounding area for a development that is in conformance with their overall planning efforts.

Zoning for the Area

The Area is currently zoned as L-1, Light Industrial. The Area will be designated as R-1, Single-Family Residential District as identified in the Municipal Code of Rockford. All parcels within the Area will be zoned as R-1. This zoning allows a variety of uses such as:

- One-family attached dwellings,
- Two-family structures,
- Accessory buildings and uses,
- Day-or night-care facilities'
- Community based housing for six (6) residents or less,
- Parks or recreation areas,
- Public education facilities, and
- Home occupations.

For a comprehensive list of the uses of land permitted under an R-1 classification, please see the Municipal Code of Rockford.

These general types of uses are consistent with the overall goals of the Area for the following reasons:

- Through private investment in development and renovation, the tax base of the Area will increase.
- The increased tax base will generate additional incremental property tax revenues which may be used to fund eligible project costs in accordance with the Plan.
- Through private investment and implementation of the Plan, it is reasonably anticipated that the improved land blighting factors will be eliminated.
- Through private investment, productive use of underutilized and vacant land will be achieved.

IV. BLIGHTED CONDITIONS EXISTING IN THE AREA

As set forth in the Act, the Illinois General Assembly has determined that, in order to promote and protect the health, safety, morals, and welfare of the public, blighted conditions need to be eradicated. The Act also states that the eradication of these blighted area is essential to the public interest and that the use of tax increment financing revenues to fund certain redevelopment projects is of benefit to the community.

Prior to the adoption of an ordinance adopting tax increment financing, there are certain statutory requirements that must be met. One of the requirements for eligibility of the area is that the municipality must demonstrate that the Area qualifies as a "blighted area". Based on site inspections, surveys and area analysis, the Area qualifies for designation as a vacant blighted area as defined in the Act.

Vacant Blighted Area

The qualification is based on an analysis performed regarding each of the vacant blighting factors listed in the Act to determine whether each or any are present in the Area and, if so, to what extent and in what locations. The Eligibility Report describes in detail the methodology and analysis performed resulting in the conclusion that the Area qualifies as a **vacant blighted area** under the Act. A summary of the vacant blighting factors present for the vacant parcels in the Area follows:

2 of Factors
Used to
be present.

Vacant Land Criteria 1

1. **Obsolete Platting** - This blighting factor is present. The vacant parcels in their current configurations exhibit irregular sizes and shapes that will make it difficult to develop the area in a manner that is compatible with contemporary standards and requirements.
2. **Diversity of Ownership** – This blighting factor is not present.
3. **Tax and Special Assessment Delinquencies exist** - This blighting factor is not present.
4. **Deterioration of structures or site improvements in neighboring areas** - This blighting factor is present. The property located adjacent to parcel 002 is deteriorated. The parcel was surveyed using the improved blighting criteria. The parcel contains a water storage unit which is dilapidated and severely deteriorated. (For a complete analysis, please see the eligibility report.) The water tank's ironwork is rusted. It is covered in graffiti and uneven paint. Through our finding that the parcel qualifies as a blighted area, we can conclude that the vacant property meets this standard.
5. **The area has incurred Illinois Environmental Protection Agency remediation costs** - This factor is not present.
6. **The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years** – This factor is not present.

Vacant Land Criteria 2

- 1. The area consists of one or more unused quarries, mines, or strip mine ponds – This blighting factor is not present.**

Vacant Land Criteria 3

- 1. The area consists of unused rail yards, rail tracks, or railroad right-of-way. – This blighting factor is not present.**

Vacant Land Criteria 4

- 1. The area prior to its designation, is subject to chronic flooding that adversely impacts real property in the area – This blighting factor is not present.**

Vacant Land Criteria 5

- 1. The area consists of an unused disposal site, containing earth, stone, building debris or similar materials – This blighting factor is present. All the vacant parcels contain dumped asphalt, concrete slabs, unused fence posts, broken concrete bricks, broken glass, and broken foundations from buildings that were located on the site.**

Vacant Land Criteria 6

- 1. The area is not less than 50 nor more than 100 acres, and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in the Act, and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that purpose – This blighting factor is not present.**

Vacant Land Criteria 7

- 1. The area qualified as a blighted improved area immediately prior to becoming vacant – This blighting factor is not present.**

Overall Conclusion for the Vacant Parcels

The vacant parcels clearly demonstrated two (2) of the seven (7), or specifically two of the first criteria and one of the following six criteria, blighting criteria delineated for vacant parcels in the Act. Since only one (1) of seven (7) is necessary, the vacant parcel qualify as blighted under the Act.

V. TAX INCREMENT FINANCING REDEVELOPMENT PROJECT

This section presents the Plan to be implemented by the City and prospective tenants in the Area. The section is divided into the following subsections:

- Redevelopment Objectives
- Redevelopment Plan and Project Activities
- General Land-Use Plan
- Estimated Redevelopment Project Costs
- Sources of Funds to Pay Redevelopment Project Costs
- Issuance of Obligations
- Surplus Incremental Property Tax Revenue
- Most Recent Equalized Assessed Value ("EAV")
- Anticipated EAV

Redevelopment Objectives

The following represent major redevelopment objectives of the City officials:

- Enhance the City's image as a desirable place live;
- Expand the tax base in order to maintain a high level of services, programs, and facilities;
- Encourage productive use of underutilized and/or vacant properties;
- Strengthen the economic well-being of the Area
- Eliminate blighting conditions which prevent further development of the Area;
- Upgrade any public infrastructure, thereby preparing the Area for new private investment;
- Stimulate private investment;
- Increase revenue (e.g., property tax revenue) generation from currently underutilized and/or vacant property within the Area;
- Strengthen the economic well-being of the area, and
- Provide affordable housing options for the City's residents.

Redevelopment Plan and Project Activities

To achieve the goals outlined above, the City proposes to assist with the redevelopment of designated parcels located in the Area through the use of tax increment financing. The actions necessary to implement such a strategy relate to the following:

- Costs of studies, surveys, development and implementation of plans, and professional fees including, but not limited to architectural, engineering, legal, financial, and planning;
- Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, clearing and grading of land, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including parking lots and other concrete or asphalt barriers;

- Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings, fixtures, leasehold improvements, and replacing an existing public building (owned publicly or privately) if the public building is to be demolished and to be used for a private investment or devoted to a different use requiring private investment;
- Costs of job training and retraining;
- Financing costs;
- Relocation costs;
- Payment in lieu of taxes;
- Cost of job training, retraining, advanced vocational education or career education;
- The taxing districts' capital costs related to the implementation of the redevelopment plan and project;
- Interest costs incurred by the redeveloper related to the construction, renovation or rehabilitation of a redevelopment project, subject to the limitation of the Act;
- Make and enter into all contracts necessary or incidental to the implementation and furtherance of a redevelopment plan and project;
- The purchase, donation, lease or possession by eminent domain; owning, conveying, leasing, mortgaging, or disposal of land and other property, real or personal, or rights or interests therein, and granting or acquiring licenses, easements and options with respect thereto, all in the manner and at such price as the municipality determines is reasonably necessary to achieve the objectives of the redevelopment plan and project;
- Clearing any area by demolition or removal of any existing buildings and structures;
- Renovation, or rehabilitation, or construction of any existing structure or building;
- Installation, repair, construction, reconstruction or relocation of streets, utilities and site improvements essential to the preparation of the Plan;
- Fix, charge and collect fees, rents and charges for the use of any building or property owned or leased by the municipality or any part thereof, or facility therein;
- Accept grants, guarantees and donations of property, labor, or other things of value from a public or private source for use within a redevelopment plan and project;

All of the above-mentioned Plan activities would take specific action on the part of the City.

General Land Use Plan

We have determined the planned uses of the land in the Area are in accordance with those permitted in City Ordinance Section 602. The section specifies the permitted activities and special uses, which include, but are not limited to the following:

- One-family attached dwellings;
- Two-family structures,
- Accessory buildings and uses,
- Day-or night-care facilities'
- Community based housing for six (6) residents or less,
- Parks or recreation areas,
- Public education facilities, and
- Home occupations.

For a comprehensive list of the uses of land permitted under Residential District zoning, please see the Municipal Code of Rockford.

Estimated Redevelopment Project Costs

To eliminate the blighting factors present in the Area and to meet the redevelopment objectives, the City plans to make a number of improvements in the Area. Table 1 identifies the eligible redevelopment project costs under the Act that the City may fund to implement the Plan over the Area's twenty-three (23) year life.

Redevelopment projects in the Area would not reasonably be anticipated to be developed without the adoption of the Plan.

Table 1

Estimated Redevelopment Project Costs (3) Redevelopment Project Area

Eligible Activities:

<i>1. Costs of studies, surveys, development and implementation of plans, and professional fees, including but not limited to, architectural, engineering, legal, financial, and planning service fees</i>	<i>\$200,000</i>
<i>2. Property acquisition, site preparation, and demolition costs</i>	<i>\$500,000</i>
<i>3. Rehabilitation, reconstruction or repair and remodeling of existing building and fixtures</i>	<i>\$500,000</i>
<i>4. Costs of construction of public works or improvements</i>	<i>\$750,000</i>
<i>5. Costs of job training and retraining projects, advanced vocational education or career education</i>	<i>\$0</i>
<i>6. Financing costs</i>	<i>\$250,000</i>
<i>7. The taxing districts' capital costs related to the implementation of the Plan</i>	<i>\$400,000</i>
<i>8. Relocation costs</i>	<i>\$500,000</i>
<i>9. Interest costs incurred by the redeveloper related to the construction, renovation or rehabilitation of a redevelopment project</i>	<i>\$200,000</i>
<i>Total Eligible Redevelopment Project Costs (1)(2)</i>	<i><u>\$3,300,000</u></i>

- (1) The City reserves the right to move amounts among the eligible cost categories. Table 1 represents a listing of costs associated with the Area. The budget of the eligible costs does not obligate the City to fund specific levels.
- (2) To the extent that municipal obligations have been issued to pay for redevelopment costs incurred prior to, but in anticipation of, the adoption of tax increment financing, the City shall be reimbursed for such redevelopment project costs. The total redevelopment project costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs.)
- (3) The ability of the City to fund all or a portion of the eligible redevelopment costs is based on the amount of incremental taxes generated over the 23-year life of the Area.

Sources of Funds

Funds necessary to pay for redevelopment project costs and/or municipal obligations which have been issued or incurred to pay for such costs are to be derived principally from tax increment revenues and/or proceeds from municipal obligations which have as their revenue source tax increment revenue. Incremental real property tax revenues will be the principal source of tax increment revenues, but other tax revenues as the City may deem appropriate from time to time may also be used. In accordance with section 11-74.4-4 of the Act, the City may utilize the provisions of the Act in the event there is a contiguous redevelopment project area or if the City adopts tax increment financing with respect to a redevelopment project area which includes contiguous real property. The City may find in the future that it is in the best interests of the City and in furtherance of the purposes of the Act that net revenues from each such redevelopment project area be made available to support the other. The amount of revenues from the Area made available to support such contiguous redevelopment project areas, when added to all amounts used to pay eligible redevelopment project costs within the Area, shall not at any time exceed the total Redevelopment Eligible Costs described in Table 1 (unless otherwise amended).

Issuance of Obligations

According to section 11-74.4-7 of the Act, the City may issue obligations secured by the incremental property tax revenues from the Area. In addition, the City may wish to secure the obligations with other designated revenue, or a pledge of full faith and credit of the municipality, or available increments from adjacent districts. All obligations must be retired by the 23rd year from the date of designation of the Area by the City. The final maturity date of any financial obligation may not exceed 20-years from the date of issuance. One or more series of obligations may be issued to implement the Plan for the Area. Subsequent obligations, if any, may be issued as junior lien obligations or as parity obligations.

Surplus Incremental Tax Revenue

Moneys in the special allocation fund not required for payment and security of the obligations and redevelopment project costs shall be calculated annually and declared surplus. Surplus funds must be distributed to the taxing districts in accordance with the Act.

Most Recent EAV

The purpose of identifying the most recent EAV in the Area is to provide an estimate to the Winnebago County Clerk for purposes of certifying the Base EAV for the Area. The most recent EAV for the Area is based on the 2003 EAV, and is \$10,550. (See Table 2 in Appendix for a detailed description of each parcel.) It should be noted that this EAV is subject to verification by the Winnebago County Clerk. After the Clerk verifies, the EAV will become the Certified Base EAV for which all incremental property taxes in the Area will be calculated.

Anticipated EAV

Based upon the implementation of the Plan, numerous blighting factors will be eliminated and growth and development of the Area will occur in accordance with the Redevelopment Agreement(s) between the City and businesses in the Area and other interested parties. It is estimated that the total EAV of the real property following completion of the redevelopment project will be approximately \$677,000. The EAV estimate assumes that growth from reassessment of existing property is at an annual rate of two percent and that the property is reassessed every year. This EAV estimate assumes that the immediate implementation of the Plan will stimulate approximately \$2,800,000 in real property improvements in the Area during the first four years.

VI. CONFORMITY TO THE COMPREHENSIVE PLAN

The Plan conforms to the City's land use plan for the area. Specifically, the designation of a redevelopment project area and the use of tax increment financing supports protecting Rockford's economic base and financial resources and provides quality housing for its residents which are detailed as City initiatives in the Draft Comprehensive Plan for 2020. The Comprehensive Plan is a plan wherein the City and the expectations of the City Council develop specific actions to help implement these goals, objectives, and policies of the plan. The appropriate City Body will approve all proposed projects. This process ensures that all projects are in conformance with the City's approved land uses for the R-1 Residential District for the Area.

Therefore, the overall proposed land use is consistent with the intent and direction set forth in the Comprehensive Plan.

VII. PROVISIONS FOR AMENDING THE PLAN

The Plan may be amended by the City in accordance with the provisions in the Act.

VIII. SCHEDULING OF PLAN

Over the life of the Area, the timing of business investment cannot be predicted with precision. However, it is reasonable to expect the following public and private investments over the life of the Area. As the Plan is implemented, the numerous blighting factors will be eliminated and the following activities are likely to occur:

- Clearing and grading of the land within the Area
- Provision for adequate water, sewer and electrical power to support residential development
- Construction of new affordable living units in the area
- Implement reconstruction and renovation of public roadways as required to service existing and new businesses
- Private investment in new facilities

The estimated date for completion of the Area shall be no later than 23-years from the adoption of the ordinance of the City Council approving the Area.

IX. AFFIRMATIVE ACTION PLAN

The City is committed to and will affirmatively implement the following principles with respect to the Area:

- The assurance of equal opportunity in all personnel and employment actions with respect to the Plan, including but not limited to, hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age handicapped status, national origin, creed, or ancestry;
- This commitment to affirmative action and non-discrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

X. LACK OF GROWTH THROUGH PRIVATE INVESTMENT

Based on our observations and research of the Area there has been no new construction or significant redevelopment in the Area for the last two decades.

The vacant area located on parcels 001,002, and 003 has been vacant for longer than fifteen years. In addition, the blighting conditions in the area and the buildings and structures adjacent to the area, on parcel 002 are severely deteriorated and no significant effort has been initiated to remedy these severe conditions.

The Area is an excellent representation of the type of area which lacks the requisite private investment to prevent or eliminate blighting factors in the general area and promote business growth and the health, safety, and morals of the community.

In summary, the Area on the whole has not been subject to growth and development through investment by private enterprise, and the Area is not reasonably anticipated to further develop without the direct participation of the City through the implementation of the Plan and the use of tax increment financing.

XI. FINANCIAL AND SERVICE IMPACTS ON TAXING DISTRICTS

The following government entities levy property tax on land located within the Area: Winnebago County, Forest Preserve, Rockford Township, City of Rockford, City of Rockford Park, Rock River Water Reclamation, City of Rockford Library, Greater Rockford Airport, Rockford School District 205, Community College District 511, and Rockford Township Road. These local government entities will continue to receive property tax revenues net of any incremental property tax revenues attributable to new development within the Area during the 23-year life of the Area. It is also reasonable to assume that the economic and financial benefits resulting from redevelopment efforts in the Area will spill into other sections of the community and generate additional revenues for these government entities. In addition, after the 23-year life of the Area, the taxing districts will receive the benefits of an increased property tax base. It is also reasonable to assume that the benefits of the increased property tax base would not occur with the implementation of the Plan and the use of tax increment financing.

The demands that new residential development in the Area will place on local government services should be minimal. The current public service and program capabilities of Rockford (i.e., schools, police, fire, etc.) have enough capacity to meet the demands of new development within the Area. However, the City does recognize that the implementation of the Plan may have some impact on the City and other taxing districts. Given the anticipated scope, timing, and future changes in the market conditions, it is difficult to estimate with any degree of certainty what these impacts may be, if any. However, the City will work with the taxing districts to provide the increase in necessary programs and services including, but not limited to, reasonable measures in any redevelopment agreements entered into with any developers or other entities to mitigate such fiscal impacts. Actions by the City may include, but are not limited to, the following:

- Entering into intergovernmental agreements with taxing districts, as allowed by statute and as is reasonable and necessary.
- Establishing a Special Service Area to provide additional funds, solely from new development, to mitigate increased burden on the taxing districts.

The City may do all or none of these actions as determined solely by the appropriate City officials and City Council.

XII. CONCLUSIONS

The following statements summarize the Plan:

- The Area on the whole has not been subject to growth and development.
- Without the establishment of a redevelopment project area and the use of tax increment financing, the Area is not likely to experience significant private development.
- Implementation of the Plan will meet the City's long-term development objectives, eliminate the blighting conditions which exist, and enhance the morals, safety, and welfare of the City.

APPENDIX

TABLE

Redevelopment Project Area Parcel Numbers, Property Owners, and Addresses and 2003 EAV

Parcel Number	Deed Holder (Owner of Record)	Address	2003 Equalized Assessed Value
11-21-154-001	Judy Schmit	PO Box 5425	\$2,451
11-21-154-002	Judy Schmit	PO Box 5425	\$5,363
11-21-154-003	Judy Schmit	PO Box 5425	\$2,736

LEGAL DESCRIPTION OF THE AREA

Part of the Northwest Quarter (1/4) of Section Twenty-one (21), Township forty-four (44) North, Range One (1) East of the Third (3rd) Principal Meridian, bounded and described as follows, to-wit: Commencing at the Southwest corner of the Northwest Quarter of said Section; thence North 89°-55'03" East, along the South line of the Northwest quarter of said Section, 15.70 feet to its intersection with the East line of Pierpont Avenue as now laid out and used and the point of beginning for the following described tract; thence North 00°-86'-10" West, along said East line of Pierpont Avenue, 686.43 feet to its intersection with the South line of Elm Street as now laid out and used; thence South 89°-46'-59" East, along said South line of Elm Street, 340.40 feet to its intersection with the East line of premises conveyed by Bertha P. Brazell to William S. Burns by Warranty Deed dated September 1, 1950 and recorded in Book 717 of Recorder's records on page 428 in the Recorder's Office of Winnebago County, Illinois; thence South 0°-02'-09" East, along the East line of said premises so conveyed by Bertha P. Brazell to William S. Burns as aforesaid. 684.65 feet to its intersection with the South Line of the Northwest Quarter of said Section; thence South 89°-55'-03" West, along the South line of the Northwest Quarter of said section 339.60 feet to the point of beginning; situated in the County of Winnebago and the State of Illinois.

LINCOLNWOOD ESTATES II TIF AREA

LINCOLNWOOD ESTATES II TIF AREA



LINCOLNWOOD ESTATES II TIF AREA



MAP PREPARED BY:
CITY OF ROCKFORD
COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION
GEORGE G. ADAMS JR.

LINCOLNWOOD ESTATES II TIF AREA