

VILLAGE OF WHEELING, ILLINOIS
FURTHER EXPANDED
REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCE



NORTH MILWAUKEE AVENUE/LAKE COOK ROAD AREA TIF
(NORTH TIF)
FURTHER AMENDED REDEVELOPMENT PLAN
AND PROJECT

ORIGINAL
February 2003
AMENDED 2004
AMENDED 2007
AMENDED
May 2008

Original Document Prepared by: Kane, McKenna and Associates, Inc.
Amended Documents Prepared by: Ehlers & Associates, Inc.

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I. FURTHER AMENDMENT TO EXPANDED REDEVELOPMENT PLAN AND PROJECT

This report is a further amendment to the Village of Wheeling Tax Increment Redevelopment Area, North Milwaukee Avenue/Lake Cook Road (North TIF) Area TIF Redevelopment Plan and Project as amended in 2004 and 2007. It adds additional parcels to the Expanded Redevelopment Project Area. The addition of these parcels in no way alters the Village of Wheeling, Tax Increment Redevelopment Area, North Milwaukee Avenue/Lake Cook Road (North TIF) Area TIF Redevelopment Plan and Project as amended in 2004 and 2007, except to add additional parcels.

The following parcels, constituting the Further Expansion Area, will be added to the Expanded Redevelopment Project Area to create the Further Expanded Redevelopment Project Area:

PARCEL NUMBER
03-02-100-021
03-02-100-022
03-02-100-027
03-02-100-031
03-02-100-032
03-02-100-036
03-02-100-037
03-02-100-038
03-02-100-039
03-02-100-043
03-02-100-049
03-02-103-034

The Further Expansion Area includes all parcels north of Meadow Lane from parcel 03-02-100-036 to parcel 03-02-100-037. South of Meadow Lane, two parcels are included: parcels 03-02-100-049 and 03-02-103-034. (Meadow Lane is a small alley-like street that provides access to the parcels with structures. It is not located on tax maps.)

These parcels are being added to the Expanded Redevelopment Project Area based on the finding that they constitute a combination of a “blighted area” and a “conservation area.” This finding is corroborated by the Further Amendment to the Eligibility Section, Exhibit E of the Village of Wheeling, Tax Increment Redevelopment Area, North Milwaukee Avenue/Lake Cook Road (North TIF) Area TIF, Amended May 2008.

The findings in this report conclude that the Further Expansion Area of the Further Expanded Redevelopment Project Area is eligible for Tax Increment Finance (“TIF”) designation as a “conservation area” for improved land and a “blighted area” for vacant land.

The improved land constitutes around two acres of the approximate 43 acres in the Further Expansion Area. For improved land, three criteria of thirteen criteria are required for designation as conservation when structures are present. The following three criteria are present and distributed throughout the Further Expansion Area to a meaningful extent.

- Inadequate utilities
- Land Use
- Lack of community planning

In addition, a “conservation area” requires that fifty percent (50%) or more of the structures must be 35 years of age or older. In this case one hundred percent (100%) of the structures are 35 years of age or older.

The improved land includes only three parcels. These are 03-02-100-021, 03-02-100-022, and 03-02-100-032.

The following are vacant parcels:

PARCEL NUMBER
03-02-100-027
03-02-100-031 *
03-02-100-036 *
03-02-100-037
03-02-100-038
03-02-100-039
03-02-100-043
03-02-100-049
03-02-103-034

* It should be noted that parcels 30-02-100-036 and 100-031 were occupied by a house and an apartment complex at the last assessment. However, that land is now vacant and will be adjusted at the next assessment.

There are two sections of the Act that address vacant land eligibility. The criteria for only one section must be met. In this case both sections are met, as described below:

1. For vacant land, under one section of the Act, two criteria must be met. In this section the parcels in the Further Expansion Area meet the following criteria:

- Obsolete Platting
- Rate of increase of EAV in the Expansion Area is less than the rate of increase for the remainder of the Village for a minimum of three (3) of the last five (5) years.

The vacant land which occupies 98% of the Further Expansion Area shows a rate of increase in EAV less than the remainder of the Village in three (3) of the last five (5) years.

2. For vacant land, under another section of the Act, the minimum of one criterion is required for designation as blighted land when land is vacant. In this section the parcels in the Further Expansion Area meet the following criteria:

- Flooding as certified by regulatory agency.

The above factors are distributed throughout the Further Expansion Area and are present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act.

The property must equal or exceed 1½ acres. The Expanded Redevelopment Project Area met this criterion. The Further Expansion Area is approximately 43 acres, which also meets this criterion by exceeding the 1½ acres required.

The Further Expanded Redevelopment Project Area has not been subject to development through investment by private enterprise and the Further Expanded Redevelopment Project Area would not reasonably be anticipated to be developed without TIF assistance.

Evidence also exists that the area will not develop without intervention by the Village. This evidence is as follows:

- There is substantial flood plain in the Further Expansion Area that will require expensive stormwater remediation and land preparation that will not be possible without the intervention of the Village and the use of TIF funds.
- Wetlands are present that will reduce the amount of available land or will require special remediation that will not be possible without the intervention of the Village and the use of TIF funds.
- The vacant land occupies a large majority of the Further Expansion Area. It shows a decrease in EAV in three (3) of the last five (5) years.
- The vacant land will need infrastructure to develop.
- Building debris will be required to be removed from two parcels.
- Access will have to be provided to the vacant land. Access should be improved in the improved land.
- Vacant land will need to be platted and rights-of-ways created.

All of the above are conditions that create development costs beyond the norm. These costs cannot be expected to be met without assistance through this Redevelopment Plan and Project.

II. EXPANDED REDEVELOPMENT PLAN AND PROJECT

The following pages contain the Redevelopment Plan and Project for the Village of Wheeling, Illinois, North Milwaukee Avenue/Lake-Cook Road (North TIF) Area as amended in 2004 and 2007. The original document was published by Kane, McKenna and Associates, Inc. in February 2003. Ehlers and Associates prepared amendments to this document in 2004 and 2007, which the Village of Wheeling subsequently adopted.

VILLAGE OF WHEELING, ILLINOIS
EXPANDED NORTH REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCE



NORTH MILWAUKEE AVENUE/LAKE COOK ROAD AREA TIF
(NORTH TIF)
AMENDED REDEVELOPMENT PLAN AND PROJECT

ORIGINAL
February 2003

AMENDED
July 2007

Original Document Prepared by: Kane, McKenna and Associates, Inc.
Amended Document Prepared by: Ehlers & Associates, Inc.

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Report for the Expanded Area

I. AMENDMENT TO REDEVELOPMENT PLAN AND PROJECT

This report is an amendment to the Village of Wheeling Tax Increment Redevelopment Area, North Milwaukee Avenue/Lake Cook Road (North TIF) Area TIF Redevelopment Plan and Project. It adds additional parcels to the original Redevelopment Project Area. The addition of these parcels in no way alters the Original Village of Wheeling, Tax Increment Redevelopment Area, North Milwaukee Avenue/Lake Cook Road (North TIF) Area TIF Redevelopment Plan and Project as previously amended except to add additional parcels.

The following parcels, constituting the Expansion Area, will be added to the Original Redevelopment Project Area to create the Expanded Redevelopment Project Area:

03-02	100-050
03-03	203-002
03-03	203-003
03-03	203-004
03-03	203-005
03-03	203-006
03-03	203-007
03-03	203-008
03-03	203-009

The Expanded Redevelopment Project Area within this boundary is industrial in characteristic. It is the former site of the Wieland Metals Building(s) and an open field.

The Expansion Area of the Redevelopment Project Area lies west of Northgate Parkway and south of Lake Cook Road. It is bounded on the east by a retention area and by wetlands. The west border of the current North Redevelopment Project Area is the west boundary. The south boundary is parcel 03-03-203-009, two parcels south and east of Quail Hollow Drive.

These parcels are being added to the Redevelopment Project Area based on the finding that they constitute a “blighted area.” This finding is corroborated by the Amendment to the Eligibility Section, Exhibit E of the Village of Wheeling, Tax Increment Redevelopment Area, North Milwaukee Avenue/Lake Cook Road (North TIF) Area TIF, July 2007.

The findings in this report conclude that the Expanded Area of the North Redevelopment Project Area is eligible for Tax Increment Finance (“TIF”) designation as blighted for both improved and vacant land.

For improved land, five criteria of thirteen criteria are required for designation as blighted land when structures are present. The following five criteria are present and distributed throughout the Expanded Redevelopment Project Area to a meaningful extent. These same criteria are applied to the qualification of a conservation area:

- Obsolescence
- Excessive vacancies
- Inadequate utilities
- Excessive land coverage
- Lack of community planning

One portion of a parcel is vacant land. This parcel is 03-02-100-050. Approximately two thirds of the parcel is vacant. It is a large open field and the parcel is not currently being farmed.

For vacant land, the minimum of one criterion is required for designation as blighted land when land is vacant. The following one criterion is present and distributed throughout the Expanded Redevelopment Project Area to a meaningful extent.

- Flooding as certified by regulatory agency. FEMA (FEMA maps are part of discussion of vacant land criteria).

For designation as a blighted area, only one of the two sets of criteria needs to be met. In this case, the Expanded Redevelopment Project Area meets both sets of criteria. The above factors are distributed throughout the Expanded Redevelopment Project Area and are present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act.

The property must equal or exceed 1½ acres. The Original North Redevelopment Project Area met this criterion. The Expansion Area is approximately 24 acres, which also meets this criterion by exceeding the 1 ½ acres required.

The Expanded Redevelopment Project Area is also eligible to be designated as a “conservation area” because 65% of the structures in the Expanded Redevelopment Project Area, (in excess of the required 50%), are 35 years or older, and five of thirteen eligibility factors for improved land as described for blighted, are present and distributed to a major extent.

II. ORIGINAL REDEVELOPMENT PLAN AND PROJECT

The following pages contain the Original Redevelopment Plan and Project for the Village of Wheeling, Illinois, North Milwaukee Avenue/Lake-Cook Road (North TIF) Area TIF. This document was published by Kane, McKenna and Associates, Inc. in February 2003. We have scanned and inserted the original document, so as to keep the integrity of the document and findings.

VILLAGE OF WHEELING, ILLINOIS
TAX INCREMENT REDEVELOPMENT AREA (TIF)
NORTH MILWAUKEE AVENUE/ LAKE-COOK ROAD AREA TIF
REDEVELOPMENT PLAN AND PROJECT

FEBRUARY, 2003

Prepared for: The Village of Wheeling

Prepared by: Kane, McKenna and Associates, Inc.

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I. INTRODUCTION AND BACKGROUND

Background

The Village of Wheeling's (the "Village") designation of land in the North Milwaukee Avenue/ Lake-Cook Road area as a Redevelopment Project Area (the "North Milwaukee RPA" or the "RPA") is part of a continuation of the Village's long-term planning effort to revitalize its entire Milwaukee Avenue corridor. This overall redevelopment strategy includes not only properties located adjacent to the entire Village portion of the corridor, but also areas adjacent to the corridor to both the east and west of Milwaukee Avenue (collectively referred herein as the "Corridor Redevelopment Strategy"). Previous actions taken by the Village towards the implementation of the Corridor Redevelopment Strategy was its 1985 designation of the Crossroads Redevelopment Area (the "Crossroads RPA") and the 2000 designation of the South Milwaukee Avenue/ Manchester Drive Redevelopment Area (the "South Milwaukee RPA"). The North Milwaukee RPA represents the final segment required to put into place all components of the Corridor Redevelopment Strategy.

The RPA includes certain land parcels within an area generally described as follows:

Certain properties located in an approximate area, inclusive of certain parcels located between Wolf Road and Milwaukee Avenue, (all as legally described in Exhibit A and as outlined by map in Exhibit B) that is generally located either west of the Des Plaines River or adjacent to land excluded from the RPA that is located west of the Des Plaines River; south of Lake-Cook Road; east of and adjacent to certain land bounded by Northgate Parkway; and alternatively north of Meadow Lane (exclusive of the single-family residential located on Meadow Lane), Mayer Avenue and Strong Avenue (inclusive of only tax parcels adjacent to Milwaukee Avenue).

The RPA not only serves as a highly visible gateway from the north into the Village in general and the Crossroads RPA in particular, but also contains a number of parcels with substantial potential for economic redevelopment. However, to date that potential has not been realized due in large measure to blighting influences that have development there over the last several decades.

The RPA contains a mix of improved and vacant land. The Village has long been concerned with the overall lack of private sector investment needed to upgrade the condition of many of the improved parcels and to attract new development to key vacant parcels. The result of this lack of development for the area, as a whole, over a long-term period is that the RPA has shown increased evidence of deteriorating into a blighted state. The purpose of the designation of the RPA is to allow the Village to put into place a plan and redevelopment strategies to help attract into the area private sector investment as a means to reverse blighting influences that detract from the overall attractiveness of the Wheeling community. Designation of the RPA will provide the Village with increased capacity to address declining economic problems along the important North Milwaukee Avenue corridor that leads into the community. The redevelopment of this area is a primary goal of the Village as stated in its Comprehensive Plan for the Wheeling community.

Village Background and the RPA

The Village is primarily located in northwestern Cook County (except a smaller portion of the Village extends into southwestern Lake County). The RPA is located entirely within the Cook County portion of the Village. The Village is generally bounded on the north by the Village of Buffalo Grove, on the east by Cook County Forest Preserves (and Pal-Waukee Airport at southeast border of the Village), on the south by the Village of Prospect Heights and certain unincorporated Cook County properties, and on the west by the Village of Arlington Heights. The Village is considered as one of Northwest Cook County more mature and prominent communities. Yet, in spite of its maturity it has enjoyed dramatic economic and demographic growth over the last three decades.

Prior to the 1970's, the Village was considered one of many Chicago area suburban "bedroom" communities. Up to that time, the Village had relatively little in the way of a diverse economic development base of its own. As late as 1970, the Village had a population that was less than 15,000. This contrasts with a 2000 population of 34,496. Over the same time period, the Village's strategic position within the Chicago Metropolitan Area, and its progressive posture toward promotion of economic development, has transformed an economic and tax base that was once chiefly dependent upon residential development to a more diverse and dynamic base today. For example, the number of businesses, especially manufacturing, has more than doubled since the early 1980's.

The Village has been successful in attracting all forms of newer development during the last quarter of the 1900's. This has included a diverse mix of residential, commercial and industrial development types spurred by private sector investments within the Village (Although many portions of the RPA have not greatly benefited from this surge in private investment into the Village, and are showing signs of accelerated economic decline). Much of this private sector driven development has been made possible through well-planned land annexations, guided by the vision of both elected and voluntary officials, and implemented by a highly professional staff. The Village has now reached a stage in its development in which opportunities for growth through annexations have started to diminish. At the same time, some of its older area have experienced both economic and physical decline. The most prominent of these older areas are pockets of older development along the entire length of the Milwaukee Avenue corridor. In recent years, the Village has gradually shifted its economic development thrust away from new growth based on controlled growth via annexations (due to limited unincorporated land adjacent to Village boundaries) to increased focus on revitalization of older, obsolete uses in its most established areas. This trend is somewhat evidenced by the Village's intensified and, so far successful, efforts to implement projects within both the Crossroads and South Milwaukee RPAs.

Although the Crossroads RPA (which includes key portions of the Dundee Road corridor as well as that along Milwaukee Road) was established in 1985, the efforts to redevelop that TIF District has only begun to show dramatic success over the last few years. Today, this redevelopment success along Milwaukee Avenue (from Strong Avenue to Manchester Drive) is readily apparent, and in the Village's view has only been possible with the active support of the community utilizing TIF resources as an economic development tool.

Overall, however, the Village has remained disappointed that this revitalization powered by private sector investment has not, to a meaningful extent, carried over to the areas outside Crossroads RPA to the north and south along Milwaukee Avenue. The Village addressed its concerns with this lack of development in part with the designation of the South Milwaukee RPA. This area, located along Milwaukee Road south of Manchester Drive, is seeing the early signs of the Village's successful redevelopment strategy through new residential redevelopment on the former Wheeling Nursery property. The project is considered a key anchor development along the westside of South Milwaukee Road and is being followed by actions by the Village to address redevelopment needs on the eastside of the corridor. Now, equally important to the Village is it desires to encourage redevelopment projects along North Milwaukee Avenue (and along Wolf Road) north of Strong Avenue. The purpose of this Plan and Project is to address the redevelopment needs for the northernmost portion of the area targeted by the Village as part of its Corridor Redevelopment Strategy.

Redevelopment Plan

The RPA as constituted would be difficult to redevelop solely through investment by private enterprise. It is not reasonable to anticipate substantial improvements to existing sites or reuse of sites within the RPA without the adoption of a redevelopment plan that offers an effective strategy for its revitalization. The Village has prepared this redevelopment plan to address needs of the Milwaukee Avenue corridor (and its adjacent areas), and to meet the Village's redevelopment goals and objectives relating to the RPA through the use of tax increment financing.

The RPA, when compared to the overall Village of Wheeling in particular, has not been subject to significant, consistent or coordinated redevelopment through investment by private enterprise and it is not reasonably anticipated to be redeveloped in a comprehensive manner without the adoption of a Redevelopment Plan and Project.

The Village recognizes the need for developing and implementing a strategy for overcoming existing area deficiencies and lack of competitiveness with other Village or suburban locations. The strategy will be coordinated by the Village in conjunction with newly invited developers and businesses, as well as existing local businesses and property owners (As well as consistent coordination with the ongoing redevelopment efforts connected to the Crossroads and South Milwaukee RPAs). The needed public investment will be possible only if tax increment financing is adopted pursuant to the terms of the Tax Increment Allocation Redevelopment Act, Illinois Compiled Statutes, Chapter 65, Section 5/11-74.4-1, et. seq., as amended (the "Act"). Incremental real estate tax revenue generated within the RPA will play a decisive role in encouraging the needed private development for both improved and vacant parcels within the North Milwaukee RPA.

Existing conditions that have precluded coordinated redevelopment in the past will be eliminated. Through this Redevelopment Plan and Project, the Village will serve as the central force for marshaling the assets and energies of the private sector for a unified cooperative public-private redevelopment effort. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the Village and all the taxing districts that rely on the RPA for tax revenues in the form of a significant stabilization, expansion and diversification of the community's real estate tax base. Implementation of the Redevelopment Plan and Project will also help facilitate the elimination of blighted conditions along the riverfront and to promote redevelopment of parcels within the area to a standard of quality consistent with the community as a whole.

The adoption of this Redevelopment Plan and Project will make possible the implementation of a comprehensive program for the economic redevelopment of the RPA. By means of public investment, the RPA will become an improved, more viable environment that will attract private investment. Public investment and financial incentives will set the stage for the redevelopment of the area primarily with private capital

Pursuant to the requirements of the Act, the RPA includes only those contiguous parcels of real property and improvements thereon, which are substantially benefited by the Redevelopment Plan and Project. Also in accordance with the Act, the RPA is not less than 1 and 1/2 acres in aggregate size.

II. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

The legal description for the RPA is included in Exhibit A.

III. BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Eligibility Survey

The Kane, McKenna and Associates, Inc. conducting ongoing evaluation the entire designated Redevelopment Project Area, with assistance by Village staff at various points during the process, from November 1999 through September 2002. The eligibility criteria set forth in Exhibit E are based upon the most recent evaluations of the area undertaken by Kane, McKenna and Associates, Inc. during a period from June-September 2002.

Findings

The Redevelopment Project Area was studied to determine its qualification in part as a "conservation area" and in part as a "blighted area" as such terms are defined in the Act. A review of the qualification factors is found in Exhibit E. In summary, for the conservation area, the following factors were found within the RPA: Deleterious Layout and Land Use, Lack of Community Planning, Deterioration of Buildings and Site Improvements, Excessive Land Coverage and Overcrowding of Structures and Community Facilities, Obsolescence, Inadequate Utilities and Declining or Stagnant EAV.

The blighted area was broken into the sections, vacant land area 1 and vacant land area 2. For vacant land area 1, the following qualification factors were found: Chronic Flooding, Obsolete Platting, Deterioration of Structures or Site Improvements in neighboring areas and Declining or Stagnant Equalized Assessed Valuation. For vacant land area 2, the following qualification factors were found: Unused Disposal site, Obsolete Platting, Deterioration of Structures or Site Improvements in neighboring areas and Declining or Stagnant Equalized Assessed Valuation.

IV. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

The following goals and objectives are presented for the RPA in accordance with the Village's Comprehensive Plan, as such plan has and will be amended from time to time.

General Goals of the Redevelopment Plan

- 1) Strengthen and expand the RPA's contribution to the overall tax base for the Village and the overlapping taxing districts.
- 2) Anchor the north portion of the community with new, high quality land development.
- 3) Coordinate redevelopment activities along all portions of the Milwaukee Avenue Corridor so that development is managed in a consistent and controlled manner.
- 4) Upgrade the physical environment of the RPA in order to make the area more attractive so to diminish the negative impact caused by the nature and appearance large parcels located within the RPA.
- 5) Utilized redevelopment activities within the RPA to contribute to the Village ongoing efforts to manage flood and storm management problems.
- 6) Eliminate inappropriate land uses within the RPA and promote public access to as much of the riverfront as feasible.

Specific Objectives of the Redevelopment Plan

- 1) Upgrade and created open public areas (including promotion of public parks and extension of river walk plans) for the areas located along the Des Plaines River.
- 2) Work with the existing owner (and/or any and all perspective buyers) of the existing parcels within the RPA to create new mixed-use residential/commercial developments. In undertaking this objective the Village is desirous of eliminating inappropriate industrial uses, and current uses that under-utilize parcels that are targeted by the Comprehensive Plan for such new developments
- 3) Encourage clean up of adverse environmental conditions, located on certain portions within the RPA, so to eliminate such conditions as a barrier to attraction of the private investments needed to realize new mixed-use residential/ commercial developments.
- 4) Eliminate blighted vacant properties through the initiation of flood and storm management programs along the northwest branch of the diversion channel (drainage ditch) as a means to mitigate chronic flooding conditions on key vacant land located within the RPA.

- 5) Encourage new mixed-use residential/ commercial development of certain vacant properties that had on them improvements that were previously condemned by the Village, but which have to date remained absent of new improvements.
- 6) Complete public improvements along certain portions of Milwaukee Avenue as a means to eliminate inadequate water and sewer facilities that are a barrier to new development.
- 7) Provide for extensive landscape treatments along the south Milwaukee Avenue corridor within the RPA; increase attractive open space to compliment new mixed-use residential/ commercial developments planned for the RPA.
- 8) Create programs to encourage the rehabilitation of certain existing improved parcels located within the RPA.
- 9) Finance certain of the a forementioned improvements through the use of tax increment finance (TIF) and any other available and appropriate financing sources (including encouragement and leverage of private sector investments).

RPA Redevelopment Goals

The purpose of the RPA designation will allow the Village to:

- a) Coordinate redevelopment activities within the RPA in order to provide a positive marketplace signal;
- b) Reduce or eliminate impediments to redevelopment activities;
- c) Accomplish redevelopment over a reasonable time period;
- d) Stimulate investment in the surrounding Village areas while, at the same time, alleviating negative impacts on adjacent residential areas; and
- e) Include the participation of the local businesses, other taxing districts and community residents in achieving redevelopment of the entire RPA.

The Redevelopment Project's implementation will serve to continue the Village's efforts to improve the physical appearance of the entire Milwaukee Avenue corridor (and adjacent areas) and contribute to the economic development of the area, arresting decline and stabilizing the areas tax base. The redevelopment of the RPA will serve as a catalyst for eventual success of the Village's overall Corridor Redevelopment Strategy.

V. EVIDENCE OF LACK OF DEVELOPMENT AND GROWTH WITHIN RPA AND ASSESSMENT OF FISCAL IMPACT ON AFFECTED TAXING DISTRICTS

Historically, the RPA has suffered from a lack of coordinated development and growth. A significant portion of the area has never been developed in part due to its location within a chronic flooding area. Other portions of the area suffer from advance age and declining conditions caused by the lack of private development. Additionally, some portions of the RPA have been made vacant property through actions forced upon the Village to condemn blighted property that was deemed deleterious to the well being of the community.

There also exist portions of the RPA that are the location of uses that are deemed by the Village to be inappropriate given the Village's desire to promote modern mix-use residential/commercial developments into the northern portion of the community. Such existing development, as present on this land, would not be permitted to occur under the Village's more modern development standards.

Additionally, there are large tracts of land within the RPA that either completely lack development and/or are underutilized, but suitable for the needed promotion of a large-scale development projects within the Village. This is important because the Village has essentially exhausted its ability to annex undeveloped land as a means to promote growth. In response, the Village has intensified its efforts to target for redevelopment properties that are both commercially unattractive vacant land and/or land that is occupied by obsolete and/or blighted uses. The type of desired redevelopment activities, as discussed above, have not to date occurred within the RPA via the efforts of and investments by the private sector. Positioning the RPA for attraction of private sector investment and improvements will require a comprehensive approach in order to achieve the goal of the Village to substantially upgrade the image and entrance to the northern portion of the Wheeling community.

The RPA represents a symbolic and important reference point associated with the image of the community. Yet, the RPA has been a hindrance to that image and has represented a burden to the strength of the overall local economy. In comparison to the Village wide growth trends, the RPA has evidenced a lack of growth and development. This assertion is supported by the fact that substantial portions of the RPA have never been developed, and other portion, while development, have not been subject to significant private sector investment over an extended period of time dating back to the 1960's and 1970's. Long-term prospects for the RPA are viewed as problematic, unless certain coordinated improvements and actions are undertaken in order to revitalize the RPA and thereby reverse the relative absence of private sector investment for the area as a whole.

It is not anticipated that the implementation of this Plan will have a negative financial impact on the affected taxing districts. Instead, action taken by the Village to stabilize and cause growth of its tax base through the Plan's implementation will have an overall positive impact on the affected taxing districts. The RPA does not currently constitute a substantial amount of the Village's overall tax base. In tax year 2001 the EAV related to the RPA made up less than 2% of the Village's overall tax base. However, with the successful attraction of private sector investment into the RPA the Village anticipates that the proportion of contribution to its overall tax base will be substantially higher. That will also translate substantial growth in the tax base of the other taxing districts upon completion of the Redevelopment Project Plan.

Given that there is the potential that the Village may permit new residential development to occur within the RPA, there could be an exception to the above statement regarding no negative impact to certain taxing districts. To the extent that such development does occur, and school age children result from new community arrivals into new homes, the unit and high school taxing districts could be affected. The Village has made allowances in this Plan and Project for revenue distributions to such taxing districts and will follow the guidelines provided by the Act to compensate the districts at levels dictated by the precise increase in student population. Additionally, should the Village achieve success in attracting private investment which does result in the demonstrated need for increased services from any taxing districts, the Village would consider declaring sufficient TIF-related surpluses, which funds are neither expended or obligated for redevelopment activities, as provided by the Act, to assist such taxing districts in paying the costs for any increased services.

Any surplus Special Tax Allocation Fund, to the extent any surplus exists, will be proportionately shared, based on the appropriate tax rates for a given year, with the various taxing districts, including the Village, after all TIF eligible costs either expended or incurred as an obligation by the Village have been duly accounted for through administration of the Special Tax Allocation Fund to be established by the Village as provided by the Act.

The Village will, in part, provide for the costs of the Plan's implementation through the growth of incremental tax revenues achieved by its efforts. By making this public investment the Village will assist itself, and the other taxing districts, to help maintain their ability to deliver services to the Wheeling community as a whole through a stabilized, and ultimately an increased, contribution by the RPA to tax base.

VI. REDEVELOPMENT

A. Village Redevelopment Plan and Project Objectives

The Village proposes to realize its goals and objectives of encouraging development of the Redevelopment Project Area through public finance techniques including, but not limited to, Tax Increment Financing:

- (1) By providing public improvements which may include:
 - i. Relocation of utilities (sewers, water lines, power and telecommunications, etc.);
 - ii. Utility improvements and expansion (including curbs and sidewalks);
 - iii. Street improvements and expansion;
 - iv. Traffic signalization and intersection improvements;
 - v. Landscaping and signage on public ways;
 - vi. Streetlighting;
 - vii. Construction and/or rehabilitation of public facilities, including open land, park areas, riverfront walk improvements, and associated off-street parking.
- (2) Assembly of property, as necessary and desired to further RPA objectives.
- (3) Parking facilities reconfiguration and redesign.
- (4) By providing for demolition, site preparation, environmental remediation, clearance and grading of redevelopment sites, removal of foundation material, and site compaction, as well as appropriate relocation.
- (5) By reducing private interest costs of redevelopment associated with the construction, expansion or rehabilitation of redevelopment projects.
- (6) Exploration and review of job training programs in coordination with Village, federal, state, and county programs, as well as allowances to school districts for increased students resulting from residential developments.
- (7) Rehabilitation of structures and/or facades, as appropriate.

B. General Land Use Plan

Existing land use for the RPA, as described in Exhibit C, consists primarily of industrial and commercial uses, with large tracts of vacant parcels. Exhibit D attached hereto and made a part of this Plan designates intended general land uses in the RPA as designated within the Village Comprehensive Plan. The proposed land uses are anticipated to primarily include mixed-use residential/ commercial and public open space/ riverfront areas.

All redevelopment projects shall be subject to the provisions of the Village's Comprehensive Plan and Zoning Ordinances, as each may be amended from time to time.

C. Redevelopment Program

Pursuant to the foregoing objectives, the Village will implement a coordinated program of actions to facilitate redevelopment, which may include, but are not limited to, provision of interest rate writedown, acquisition and assembly, land disposition, infrastructure and utility improvements, demolition and/or clearance, and environmental remediation.

Infrastructure, Utility Improvements, and Public Improvements

The Village may provide public improvements in the RPA to enhance the RPA as a whole, to support the Redevelopment Project Plan and Project, and to serve the needs of Village and area residents. Appropriate public improvements may include, but are not limited to:

- Relocation of utilities (sewer, water lines) as required to enhance to complement flood and storm water management systems;
- Burial of overhead utility lines within the RPA, if applicable;
- New construction and improvements of streets, alleys, curbs, sidewalks/ pedestrian ways and street intersections;
- Improvement and extension of public utilities;
- Uniform landscaping/beautification, lighting, and signage;
- Traffic signalization;
- Parking improvements and construction of public parking facilities; and
- Streetlighting improvements.

Acquisition

Property may be acquired by the Village in order to further the objectives of this Plan and enhance development alternatives for appropriate users.

Clearance of existing structures on properties to be acquired will, to the greatest extent possible, be scheduled to coincide with redevelopment activities so that parcels do not remain vacant for extended periods of time and so that the adverse effects of clearance activities may be minimized.

Property, when acquired, may be made available for temporary public or private revenue producing uses which will not have adverse impacts on the redevelopment area, until such time as they are needed for planned development. Such revenues, if any, would accrue to the Village's Special Tax Allocation Fund for the redevelopment project.

Land Disposition

Property may be acquired by the Village and may be assembled into appropriate redevelopment sites. These properties may be sold or leased by the Village to a private developer or developers, in whole or in part, for redevelopment subject to the Act.

Terms of conveyance shall be incorporated into appropriate disposition agreements, and may include more specific restrictions than contained in this Redevelopment Plan or in other Village codes and ordinances governing the use of land.

Interest Rate Writedown

The Village may enter into agreements with private entities whereby a portion of the interest cost of a construction, renovation or rehabilitation project is paid for on an annual basis out of the Special Tax Allocation Fund of the RPA, in accordance with the Act.

Demolition and Site Preparation

Demolition may include removal of any asbestos insulation in conformance with all environmental requirements. Certain sites may also require the removal of foundation materials and compaction of fill for such sites in order to accommodate new development. Again, all removal would conform to environmental requirements. Other site preparation for reuse would also conform to appropriate environmental and other governmental regulations.

Relocation

The Village may, but is not required to, provide for relocation conformant with its policies and regulations in order to accomplish the goals and objectives of the Plan, using Federal, State or municipal criteria.

Job Training

The Village may assist business located within the RPA to obtain job training assistance. Job training and retraining programs currently available from or through other governments include, but are not limited to:

- State of Illinois programs;
- Applicable local vocational or related educational programs;
- Other Federal, State, county or non-profit programs that are currently available or will be developed and initiated over time.

The Village may also provide revenue support, pursuant to the Act, to schools for educational support for students brought into the RPA as the result of redevelopment activities.

Rehabilitation

The Village may undertake the rehabilitation of certain structures in order to provide for the market reuse of the structures and to improve the appearance of the RPA.

D. Estimated Redevelopment Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan and Project. Eligible costs permitted by the Act pertinent to this Redevelopment Plan and Project are:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan, including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected;
2. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
3. Costs of the construction of public works or improvements;
4. Costs of job training and retraining projects;
5. Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and not exceeding thirty-six (36) months thereafter, including reasonable reserves related thereto;
6. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the Village by written agreement accepts and approves such costs (and the tuition reimbursement costs to qualifying school districts, as permitted by the Act, due as a result of increases in students resulting from redevelopment projects);
7. Relocation costs to the extent that the Village determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or Illinois law;
8. Payment in lieu of taxes;

9. Costs of job training, advanced vocational education or career education, including, but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the RPA; and (ii) when incurred by a taxing district or taxing districts other than the Village, are set forth in a written agreement by or among the Village and the taxing district or taxing districts, which agreement describes the program to be undertaken, including, but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Illinois Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The Illinois School Code;
10. 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 the Act; and
 - (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; and
 - (c) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (10), then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - (d) the total of such interest payments incurred pursuant to the Act may not exceed 30% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to the Act.

Estimated project costs are shown in Table 1. To the extent that the Village or a developer has incurred redevelopment project costs prior to, but in anticipation of, the adoption of tax increment financing, the Village or a developer may be reimbursed for such costs pursuant to the Act. Adjustments to the cost items listed in Table 1 are anticipated without amendment to the Redevelopment Plan.

TABLE 1
REDEVELOPMENT PROJECT – ESTIMATED PROJECT COSTS

<u>Program Action/Improvements</u>	<u>Estimated Cost(s) (A)</u>
Acquisition and Assembly of Land and Relocation	\$ 14,000,000
Utility (including line burials) Improvements, Street Rehabilitation and/or Extension, Curb and Sidewalk Construction, Flood/Storm Water Control, Water Main, Sanitary Sewer Improvements, Parking Improvements	11,000,000
Streetscape Improvements, Riverfront Parks, Including Landscaping Signage, and Streetlights; Intersection and Traffic Signalization Improvements; Street lights	4,000,000
Demolition, Site Preparation, Environmental Cleanup and related costs	15,000,000
Interest Costs (pursuant to the Act)	1,000,000
Planning, Legal, Architectural, Engineering Administrative and Other Professional Service Costs	1,100,000
School Taxing District Costs	<u>1,000,000</u>
ESTIMATED TOTAL COSTS	\$ 47,100,000

(A) All cost estimates are in 2003 dollars. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The amounts described above do not include capitalized interest or costs of issuance associated with the issuance of any bonds. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing made in line items within the total, either increasing or decreasing line item costs for redevelopment project costs.

E. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for redevelopment project costs are anticipated to be derived, to a significant extent, from real property tax incremental revenues and proceeds from any municipal obligations (the Village's preference will run toward non-general obligation type securities) to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Project.

The tax increment revenues which will be used to pay debt service on the tax increment obligations and to directly pay redevelopment project costs shall be the incremental real property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, etc. in the RPA.

Other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are: the proceeds of real property sales, real property tax receipts, certain land lease payments, certain County, State and Federal grants, certain investment income, private sector development investments and such other sources of funds and revenues as the Village may, from time to time, deem appropriate.

The Village may use its general fund and utilize its taxing power to sustain redevelopment projects and pay debt service on obligations issued in connection therewith to be reimbursed, if possible, from tax increment financing revenues.

F. Nature and Term of Obligations to be Issued

The Village may issue obligations secured by the tax increment special tax allocation fund established for the RPA pursuant to the Act or such other funds or security as are available to the Village by virtue of its home rule powers provided by the Constitution of the State of Illinois.

All obligations issued by the Village pursuant to this Redevelopment Plan and Project and the Act shall not exceed twenty-three year (23) years from the date of a doption o f t he o r d i n a n c e approving the RPA, or such later time permitted pursuant to the Act and to the extent such obligations are reliant upon the collections of incremental tax revenues from the tax year to be completed for the twenty-third year. However, the final maturity date of any obligation issued pursuant to the Act may not be later than twenty (20) years from its respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. All obligations are to be repaid after issuance by projected and actual tax increment, other tax revenue and by such debt service revenues and sinking funds as may be provided by ordinance. The total principal and interest payable in any year on all obligations shall not exceed the amounts available in that year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, required reserves, bond sinking funds, redevelopment project costs and required reserves, early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the redevelopment plan, may be declared surplus and shall then become available for distribution annually to the taxing districts overlapping the RPA in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed interest rates or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits, and with or without redemption provisions.

G. Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area

The total estimated 2001 tax data release equalized assessed valuation for the RPA was approximately \$17,647,159. The Boundary Map, Exhibit B, shows the location of the RPA.

H. Anticipated Equalized Assessed Valuation

Upon completion of the anticipated public/private development, assuming a 2001 Cook County, Illinois equalization factor (multiplier) of 2.3098 and assuming triennial-related adjustments, it is estimated that the equalized assessed valuation of real property within the RPA will be approximately \$71.1 million stated in Year 2002 dollars.

VII. DESCRIPTION OF COMPONENTS OF REDEVELOPMENT PROJECT

A. Description of Redevelopment Project

The Village will employ an implementation strategy that stresses economic feasibility whereby tax increment funds will not be initially pledged unless corresponding private investment is reasonably projected to be sufficient to generate equal or greater return of future tax revenues. Such strategy will contribute to a realistic approach in funding projects while assuring that the Village has the flexibility to continue to prioritize among possible projects in meeting both Village and private sector goals. The redevelopment projects contemplated by the Village include, but are not limited to, the following:

Utility Improvements: The Village may make improvements, extension and adjustment in water, storm sewer, sanitary sewer, electric lighting and other utility systems. Relocation of existing utility services may also be undertaken.

Public Improvements: The Village may improve, construct, reconstruct or extend primary and secondary street right-of-ways and other such territory located on public land, on private land or through public easement on private land. Curbs and sidewalks may also be improved or reconstructed. Signalization, landscaping, signage, or related streetscape improvements may also be undertaken by the Village. Parking structures or parking lot improvements may also be undertaken by the Village.

Property Acquisition and Assembly: The Village may acquire land within the RPA for the purpose of facilitating the assembly and preparation of property.

Demolition, Site Preparation and Clearance: The Village may remove building debris, other disposal material, and excavate foundation material from sites and/or grade and compact such sites as part of its redevelopment activities. The Village may also be required to undertake environmental remediation of certain sites targeted for redevelopment.

Interest Cost Coverage: The Village may pay for certain interest costs incurred by a redeveloper for construction, renovation or rehabilitation of a redevelopment project which shall include costs incurred by a developer pertaining to the redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the RPA as allowed under the Act.

Professional Services: The Village may use tax increment financing to pay necessary architectural, engineering, planning, legal, administrative and financial costs.

Relocation: The Village may provide for appropriate relocation conformant to its policies and practices, on a case-by-case basis.

Rehabilitation: The Village may provide for the rehabilitation of certain structures in order to enhance area revitalization efforts; including facade improvements or upgrades.

Costs of Job Training: The Village may implement job-training programs.

B. Commitment to Fair Employment Practices and Affirmative Action

As part of any Redevelopment Agreement entered into by the Village and any private developers, both will agree to establish and implement an honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the Village. The program will conform to the most recent Village policies, plans and purchasing practices.

With respect to each development's internal operations, each entity will pursue employment practices that provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The Village and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, all participating entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

Finally, the entities will utilize affirmative action in an attempt to increase the availability of business opportunities to minority and female-owned businesses and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

VIII. SCHEDULING OF THE REDEVELOPMENT PROJECT

A. Completion of Redevelopment Project and Retirement of Obligations to Finance Redevelopment Costs

This Redevelopment Project will be completed on or before a date 23 years from the adoption of an ordinance designating the RPA (although certain obligations may extend into the tax collection year for that twenty-third year assessed valuation cycle). The Village expects that the Redevelopment Project activities will be completed sooner than the maximum time limit set by the Act, but depending on the incremental tax yield, may still require the Village to keep the RPA intact until all related obligations are paid. Actual public and/or private construction activities are anticipated to be completed within seven to ten years from the adoption of this Redevelopment Plan.

IX. PROVISIONS FOR AMENDING THE TAX INCREMENT REDEVELOPMENT PLAN AND PROJECT

This Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

EXHIBIT A

Legal Boundary

LEGAL DESCRIPTION

Village of Wheeling

MILWAUKEE AVENUE NORTH TIF DISTRICT

That part of Section 2, Township 42 North, Range 11, East of the 3RD Principal Meridian described as follows:

Commencing at the Northeast corner of the Northeast Quarter of said Section 2; thence West along the North line of said Northeast Quarter, 1296.60 feet; thence Southerly along a line hereinafter referred to as Line "A", 974.00 feet to a point 926.93 feet due South of the North line of said Section 2 and 1009.80 feet West of the East line of said Section 2, said point being the Place of Beginning; thence Southerly along the Westerly line of Cook County Forest Preserve, 322.76 feet; thence Southerly along said Westerly line, 376.55 feet; thence Westerly to a point on the South line of Lot 3 in G. Hechinger's Farm Subdivision and its intersection with the Easterly right of way line of Milwaukee Avenue recorded in June 16, 1994 as Document No. 3556168 in Lake County, Illinois; thence Southerly to the Northwest corner of Equestrian Grove Subdivision recorded in November 6, 1995 as Document 95761684; thence Easterly along the North line of said Subdivision, 152.57 feet; thence Southerly to a point on the North line of Forest Edge Addition to Wheeling Subdivision recorded December 1, 1953 as Document No. 15782079 and its intersection with the extension of the East line of Lot 1 of Equestrian Grove Subdivision; thence Easterly to the Northwest corner of Lot 19 of Forest Edge Addition to Wheeling Subdivision; thence Southeasterly to the Southwest corner of said Lot; thence Southeasterly to the Northwest corner of Lot 9 of said Subdivision; thence Southeasterly to the Southwest corner of said Lot; thence Southeasterly to the Southwest corner of Lot 4 of Kraus' Subdivision recorded October 21, 1960 as Document No. 17996913; thence Westerly to the Northwest corner of Outlot 1 of Shadow Bend Phase II Subdivision recorded May 19, 1973 as Document 22320740 and corrected June 22, 1973 as Document No. 22372150; thence Southeasterly to a point on the Easterly right of way line of Milwaukee Avenue recorded March 25, 1981 as Document No. 25816992 and its intersection with the extension of the South right of way line of Strong Avenue; thence West to a point on the South right of way line of Strong Avenue and its intersection with the extension of the East line of Lot 15 of Wm. Zelosky's Milwaukee Avenue Addition to Wheeling Subdivision recorded February 13, 1925 as Document No. 8773829; thence Northwesterly to the Southeast corner of said Lot; thence Northeasterly to the Northeast corner of said Lot; thence Easterly to a point on the center line of vacated alley recorded May 7, 2002 as Document No. 0020519802 and its intersection with a line hereinafter referred as Line "B", a straight line between

Northeast corner of Lot 15 of said Subdivision and Southwest corner of Lot 10 (before said alley vacation) of said Subdivision; thence Northerly along said center line to a point on the South right of way line of Mayer Avenue and its intersection with said center line; thence West to the Northwest corner of Lot 80 of Wm. Zelosky's Milwaukee Avenue Addition to Wheeling Subdivision; thence West to a point on the North line of Lot 81 of said Subdivision and its intersection with the Westerly right of way line of Wolf Road; thence Northerly to the Southeast point of Lot 9 of Wolf Pointe Subdivision recorded December 3, 1997 as Document No. 97734683; thence Northerly to the Southeast point of Lot 8 of said Subdivision; thence Northerly to the Northeast point of Lot 1 of Picardy Place Subdivision recorded July 10, 1991 as Document No. 91342748; thence Northerly to the Southeast corner of Lot 39 of said Subdivision; thence Northerly to the Northeast point of Outlot A of said Subdivision; thence Northerly to the Northeast corner of Outlot E of Picardy Place Unit No. 2 Subdivision recorded April 14, 1993 as Document No. 93273829; thence Northerly to the Southeast corner of Lot 70 of said Subdivision; thence Northerly to the Northeast corner of said Lot; thence West to a point on North line of said Subdivision and its intersection with the West line of East 812.00 feet of Lot 2 in G. Hechinger's Farm Subdivision in Section 2; thence Northerly 643.76 feet along said West line; thence Westerly 512.00 feet along the South right of way line of Diversion Channel recorded December 26, 1986 as Document 86619028; thence South to a point on the East line of West Half of Northwest Quarter of Section 2 and its intersection with the North line of South 160 feet of said Lot; thence West to a point on said North line and its intersection with West line of East 1524 feet of said Lot; thence South 100.00 feet to a point on the South line of said Lot; thence West 100.00 feet along said South line; thence North 300.00 feet along the West line of East 1624 feet of said Lot; thence West 300.00 feet along the North line of South 300 feet of said Lot; thence North to the Northeast Corner of Northgate Industrial Center Subdivision recorded February 16, 1978 as Document No. 24329400; thence Westerly along the South line of Lot 2 in Wieland Subdivision recorded October 3, 1997 as Document No. 97734683 to the Southwest corner of said Lot; thence Northerly along the Westerly line of said Lot to the Northwest corner of said Lot; thence Easterly along the South right of way line of Lake Cook Road to the Northeast corner of said Lot; thence Easterly to a point on the Easterly right of way line of Milwaukee Avenue recorded June 16, 1994 as Document No. 3556168 in Lake County, Illinois and its intersection with the Southerly right of way line of Lake Cook Road in said Document; thence Easterly along said Southerly right of way line to an intersection with the herein described Line "A"; thence Southerly along said Line "A" to the Place of Beginning, in Cook County, Illinois:

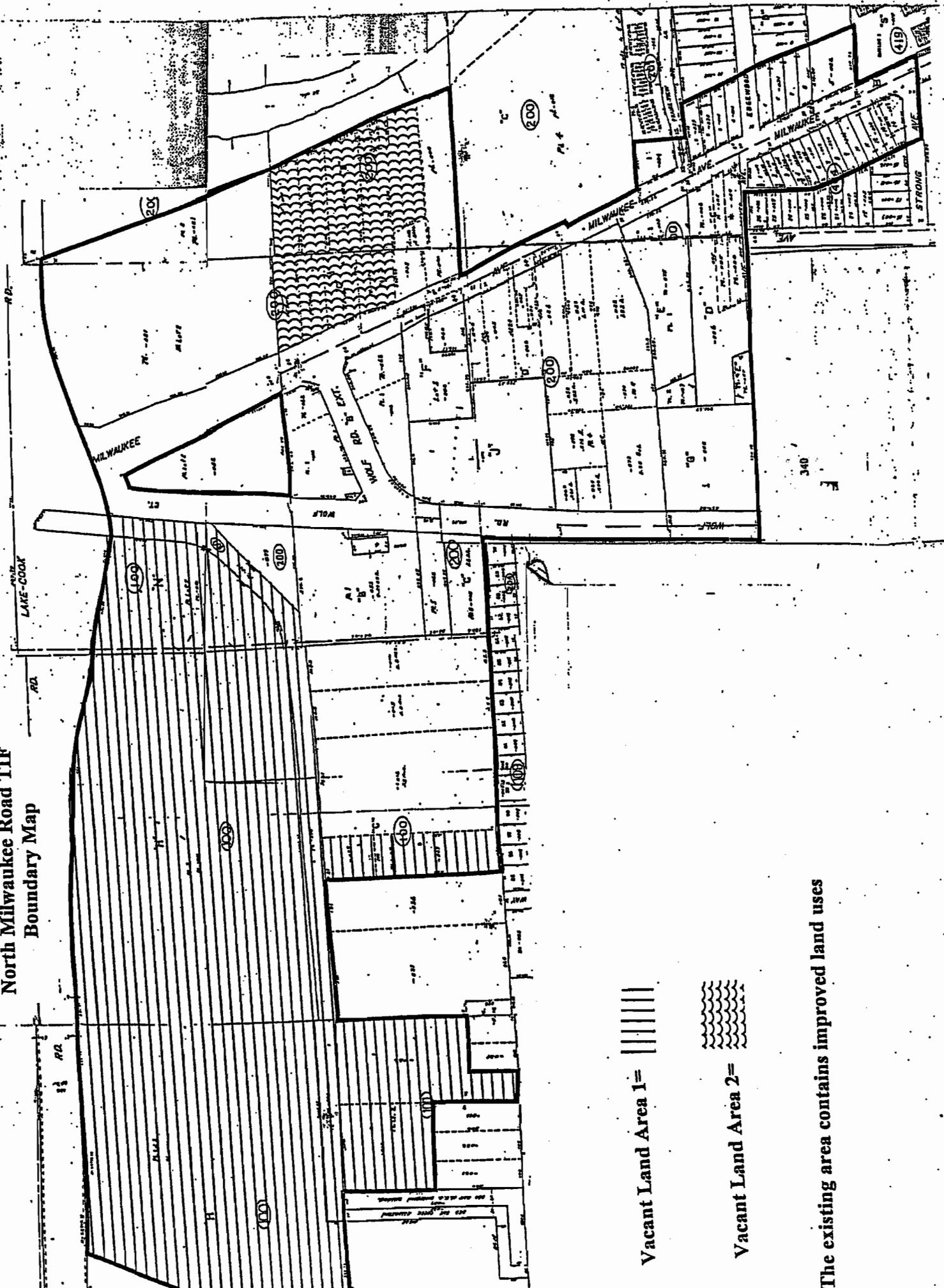
(Except that part described as follows: Commencing at the intersection of the North line of the Northeast Quarter of Section 2, Township 42 North, Range 11, East of the 3RD Principal Meridian and the Centerline of Milwaukee Avenue as

existed on November 1, 1999; thence South 21 Degrees 37 Minutes 26 Seconds East along said Centerline, a distance of 1039.57 feet (1036.89 feet deeded); thence South 88 Degrees 6 Minutes 28 Seconds West, a distance of 74.69 feet to the Point of Beginning of the hereinafter described tract of land; thence continuing South 88 Degrees 6 Minutes 28 Seconds West, a distance of 357.06 feet to the Easterly right of way line of Wolf Court as existed on November 1, 1999; thence North 5 Degrees 44 Minutes 45 Seconds East along said Easterly right of way line, a distance of 590.24 feet; thence North 68 Degrees 21 Minutes 9 Seconds East, a distance of 50.93 feet to the Westerly right of way line of said Milwaukee Avenue; thence South 22 Degrees 51 Minutes 05 Seconds East along said Westerly right of way line, a distance of 293.27 feet; thence South 26 Degrees 18 Minutes 38 Seconds East along said Westerly right of way line, a distance of 143.40 feet; thence South 20 Degrees 28 Minutes 32 Seconds East along said Westerly right of way line, a distance of 208.66 feet to the Point of Beginning, containing 2.809 acres, more or less, in the Village of Wheeling, Cook County, Illinois)

EXHIBIT B

Boundary Map

Village of Wheeling
 North Milwaukee Road TIF
 Boundary Map



Vacant Land Area 1= |||||

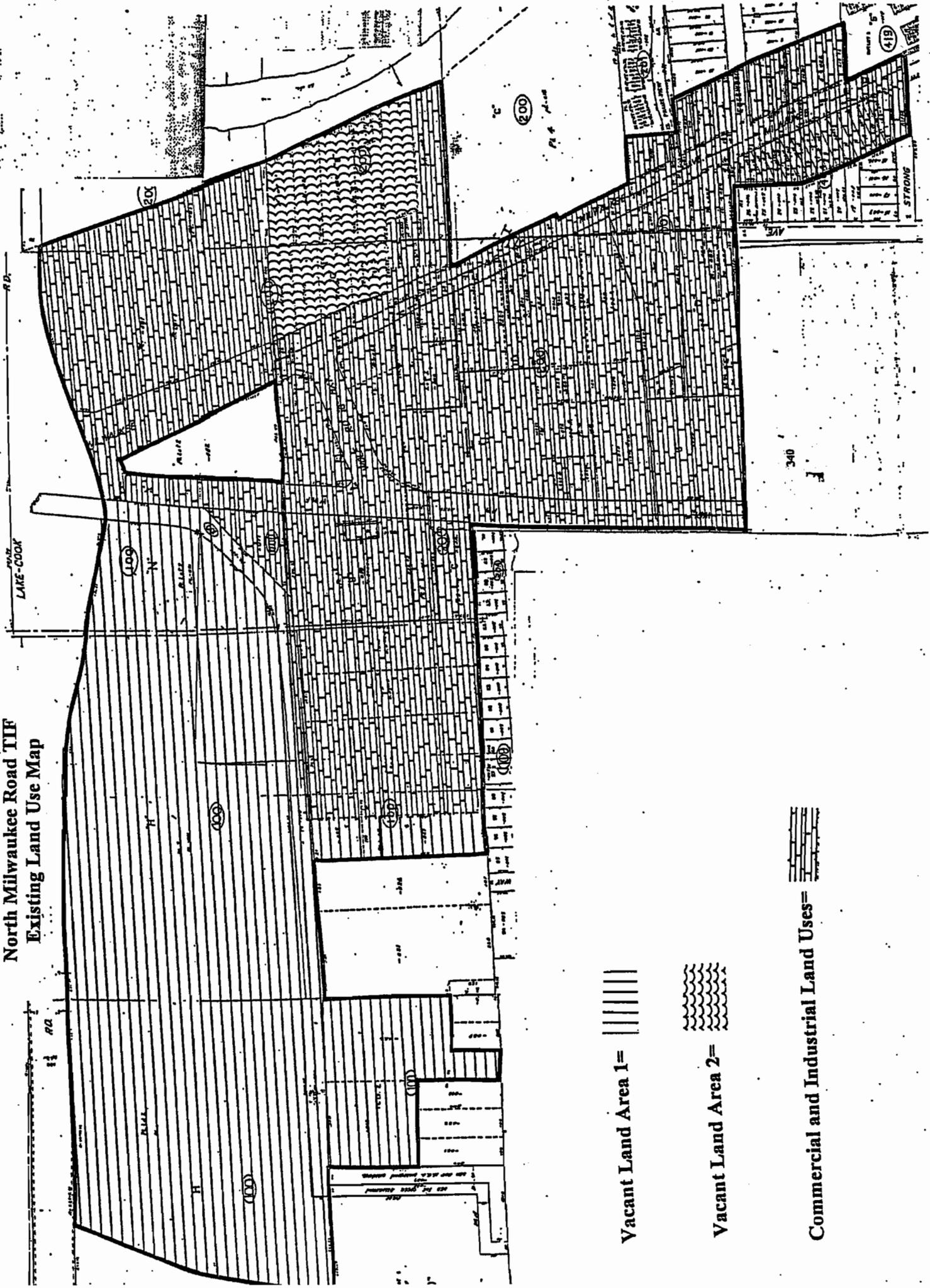
Vacant Land Area 2= ~~~~~

The existing area contains improved land uses

EXHIBIT C

Existing Land Use Map

**Village of Wheeling
North Milwaukee Road TIF
Existing Land Use Map**



Vacant Land Area 1= 

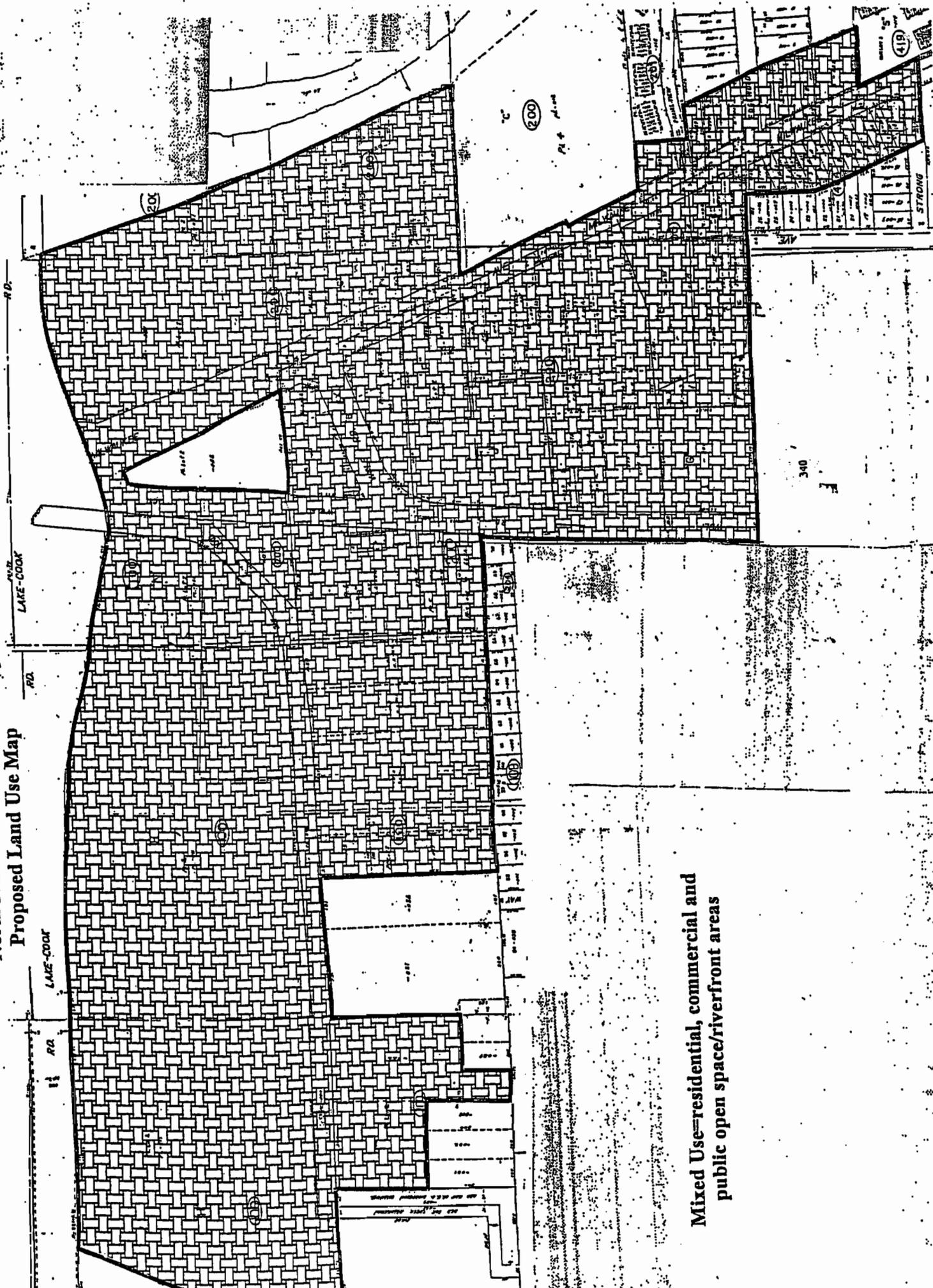
Vacant Land Area 2= 

Commercial and Industrial Land Uses= 

EXHIBIT D

Proposed Land Use Map

**Village of Wheeling
North Milwaukee Road TIF
Proposed Land Use Map**



**Mixed Use=residential, commercial and
public open space/riverfront areas**

TABLE 1
VILLAGE OF WHEELING
NORTH MILWAUKEE AVENUE/LAKE COOK ROAD (NORTH TIF) AREA TIF
AMENDED REDEVELOPMENT PLAN AND PROJECT

AMENDED REDEVELOPMENT PROJECT COSTS

**VILLAGE OF WHEELING
COUNTIES OF COOK AND LAKE, ILLINOIS**

**NORTH MILWAUKEE AVENUE/LAKE COOK ROAD
REDEVELOPMENT PROJECT AREA**

REDEVELOPMENT PLAN AND PROJECT AMENDMENT

TABLE 1

REDEVELOPMENT PROJECT COSTS

Redevelopment Project Costs are defined within the Act and all costs to be paid or reimbursed in the Redevelopment Project Area will conform to this definition.

Estimated Redevelopment Project Costs

A wide range of redevelopment activities and improvements will be required to implement the Redevelopment Plan. The activities and improvements and their estimated costs (2004 dollars) are summarized below. To the extent that obligations are issued to pay for such Redevelopment Project Costs prior to, and in anticipation of, the adoption of the Redevelopment Project Area, the Village shall be reimbursed from Incremental Property Taxes for such Redevelopment Project Costs. Redevelopment Project Costs, described in this Redevelopment Plan, are intended to provide an upper estimate of expenditures.

These costs are subject to prevailing market conditions and are in addition to total Redevelopment Project Costs. While all of the costs in the budget are eligible Redevelopment Project Costs under the Act and this Redevelopment Plan, inclusion herein, does not commit the Village to finance all these costs with TIF.

- | | |
|--|-------------|
| (1) Costs of studies, surveys, development of plans and specifications, implementation and administration (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) of the Redevelopment Plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services | \$1,100,000 |
| (2) Costs of marketing sites within the Redevelopment Project Area to prospective businesses, developers, and investors..... | \$0 |
| (3) Property assembly costs, including, but not limited to, acquisition of | |

land and other property, real or personal, or rights or interests herein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to, parking lots and other concrete or asphalt barriers, and the clearing and grading of land	\$55,000,000
(4) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, and 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 investments.....	\$0
(5) Costs of the construction of public works or improvements	\$15,000,000
(6) Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the Redevelopment Project Area.....	\$25,000
(7) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto	\$0
(8) To the extent the Village, 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. In addition, if the project creates students for the primary and secondary education districts, the Village will reimburse the taxing districts according to the provisions of the Act.	\$1,000,000
(9) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law or in order to satisfy subparagraph (7) of subsection (n) of Section 11-74.4-3 of the Act	\$0
(10) Payment in lieu of taxes	\$0
(11) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment,	

incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including, but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code

	\$25,000
(12) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project	\$5,000,000
(13) Contributions to School for additional students created from TIF Projects	\$1,000,000

The Village reserves the right to utilize revenues received under the Tax Increment Allocation Redevelopment Act from one for eligible costs in another Redevelopment Project Area that is either contiguous to, or is separated only by a public right-of-way from, the Redevelopment Project Area from which the revenues are received. In regard to the Crossroads Redevelopment Project Area any of the foregoing budgeted amounts may be transferred to a contiguous TIF District for authorized expenditures within that contiguous TIF District.

It is anticipated that the Village will carefully stage Village expenditures for Redevelopment Project Costs on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of revenues from Redevelopment Project Costs.

Notes:

1. All costs shown are in 2004 dollars and do not include additional costs to be incurred in future financing (e.g., bond issuance costs, capitalized interest, interest payments on obligations and related expenses).
2. Private redevelopment costs and investments are in addition to the above.
3. If allowed by the Act, adjustments to line items costs above will be expected. Adjustments to line items may be made within the total budget.

EXHIBIT A

**VILLAGE OF WHEELING
NORTH MILWAUKEE AVENUE/LAKE COOK ROAD (NORTH TIF) AREA TIF
AMENDED REDEVELOPMENT PLAN AND PROJECT**

AMENDMENT TO LEGAL DESCRIPTION

**Redevelopment Project Area
Expansion Area**

Village of Wheeling

North (Milwaukee Avenue/Lake-Cook Road) TIF District

Lot 1 in Wieland Subdivision of parts of Lots 1, 2 and 15 in the Subdivision of Section 3, Township 42 North, Range 11, East of the Third Principal Meridian; Lots 2 through 9, inclusive, in Northgate Industrial Center Subdivision of part of Lot 2 in the Subdivision of Section 3, Township 42 North, Range 11, East of the Third Principal Meridian, and also part of Lots 1 and 2 in Subdivision of G. Hechinger's Farm, being a subdivision in Sections 1, 2 and 3, Township 42 North, Range 11, East of the Third Principal Meridian, and also Lot 1 in Guardite Co.'s Resubdivision of Lots 1, 2 and 3 and that part of Lot 4 lying South of a line described as follows: Commencing at a point 2.42 chains North of the Southwest corner of the Northeast $\frac{1}{4}$ of Section 3, Township 42 North, Range 11, East of the Third Principal Meridian; thence North $88^{\circ} 00' 20''$ East 40.58 chains to the East line of Section 3, all in Owners Division of Buffalo Creek Farm, according to the plat thereof recorded as Doc. No. 9195785, in Section 3, Township 42 North, Range 11, East of the Third Principal Meridian; all in Cook County, Illinois; along with those portions of Northgate Parkway located adjacent thereto.

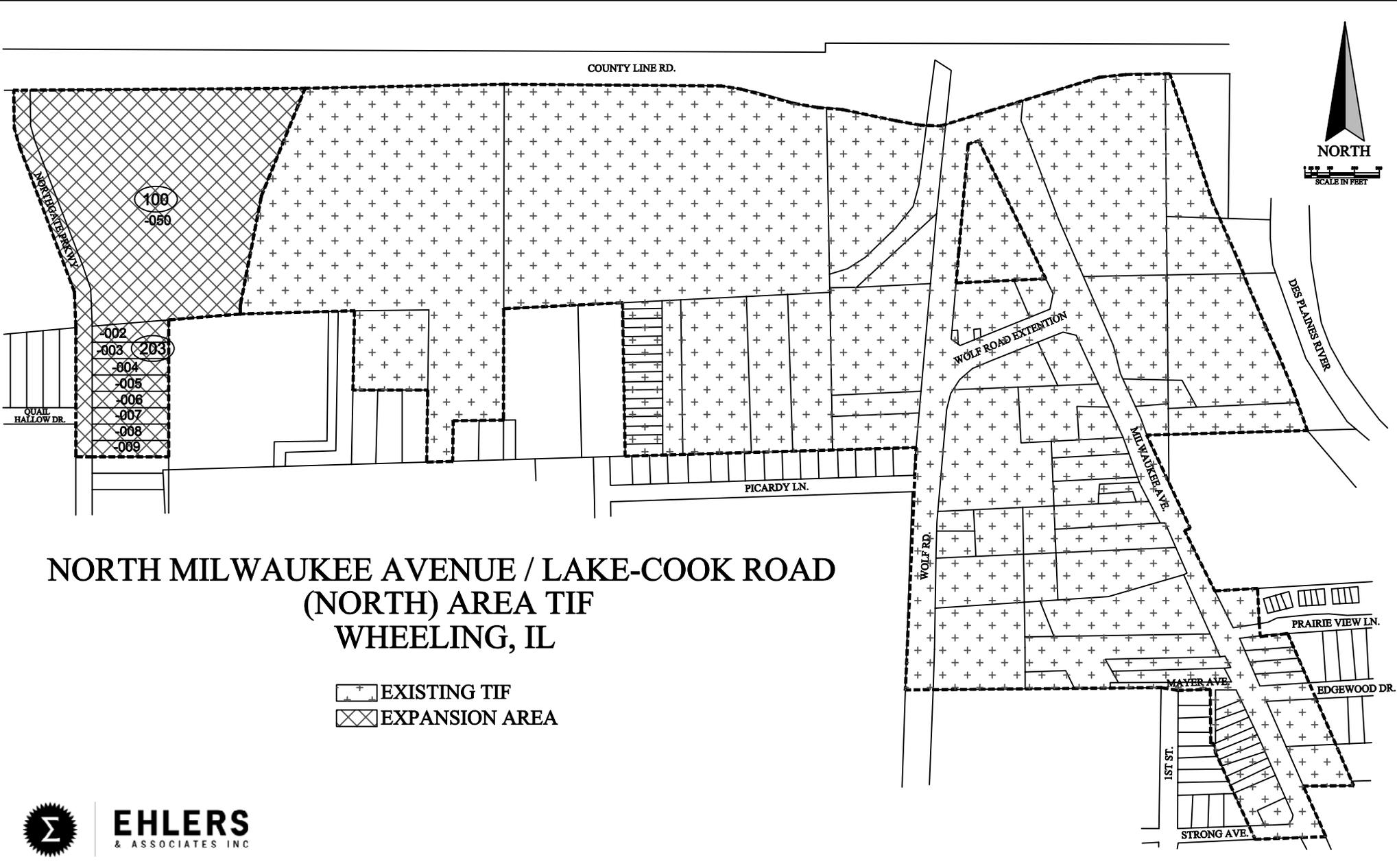
P.I.N.s: 03-02-100-050; 03-03-203-002, -003, -004, -005, -006, -007, -008 and -009;

Street Location: Properties along the East side of Northgate Parkway, from Lake-Cook Road South to just South of Quail Hollow Drive, Wheeling, Illinois.

EXHIBIT B

**VILLAGE OF WHEELING
NORTH MILWAUKEE AVENUE/LAKE COOK ROAD (NORTH TIF) AREA TIF
AMENDED REDEVELOPMENT PLAN AND PROJECT**

AMENDED MAP



**NORTH MILWAUKEE AVENUE / LAKE-COOK ROAD
(NORTH) AREA TIF
WHEELING, IL**

-  EXISTING TIF
-  EXPANSION AREA



EHLERS
& ASSOCIATES INC

EXHIBIT C

**VILLAGE OF WHEELING
NORTH MILWAUKEE AVENUE/LAKE COOK ROAD (NORTH TIF) AREA TIF
AMENDED REDEVELOPMENT PLAN AND PROJECT**

**CRITERIA FOR QUALIFICATION OF ADDITIONAL PARCELS/ TIF ELIGIBILITY
REPORT FOR THE EXPANDED AREA
ELIBIGILITY REPORT – JULY 2007**

(Attached)

VILLAGE OF WHEELING, ILLINOIS
EXPANDED NORTH REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCE
ELIGIBILITY REPORT



Amendment to:
Eligibility Section, Exhibit E of the Village of Wheeling, Tax
Increment Redevelopment Area, North Milwaukee
Avenue/Lake Cook Road (North TIF) Area TIF

July 2007

Prepared by:



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& ASSOCIATES INC

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**Village of Wheeling
Expanded North Redevelopment Project Area
Eligibility Report**

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EXECUTIVE SUMMARY

This report is an amendment to Village of Wheeling, Illinois Original North Redevelopment Project Area Eligibility Section, Exhibit E of the Village of Wheeling, Tax Increment Redevelopment Area, North Milwaukee Avenue/Lake Cook Road (North TIF) Area TIF (the “Eligibility Report Amendment”). It assesses the eligibility of additional parcels in order to add them to the original Redevelopment Project Area.

The Village of Wheeling, Illinois Original North Redevelopment Project Area Eligibility Section (the “Eligibility Report”), among other things, documented the eligibility and qualifications of the Original Redevelopment Project Area (the “Original Redevelopment Project Area”) in the Village of Wheeling, Illinois (the “Village”) for designation as a blighted area, a conservation area or industrial park conservation area or combination of pursuant to the definition contained in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the “Act”). This amendment to the Eligibility Report documents the eligibility of the parcels being added to the Original Redevelopment Project Area and, therefore the entire Expanded Redevelopment Project Area.

The following parcels, constituting the Expansion Area, will be added to the Original Redevelopment Project Area to create the Expanded Redevelopment Project Area:

03-02	100-050
03-03	203-002
03-03	203-003
03-03	203-004
03-03	203-005
03-03	203-006
03-03	203-007
03-03	203-008
03-03	203-009

Attachment 1 is the legal descriptions of the Original Redevelopment Project Area and the Expansion Area. Attachment 2 is the Original and Expansion Area maps for the Expanded Redevelopment Project Area. Attachment 4 consists of photographs of the Expansion Area portion of the Expanded Redevelopment Project Area. Attachment 5 is the Village of Wheeling Original North Redevelopment Project Area Eligibility Report. All attachments are incorporated into this report by this reference thereto.

As set forth in the Act, redevelopment project area “Redevelopment Project Area” means an area designated by a municipality, which is not less in the aggregate than 1½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as “an industrial park conservation area” (an “Industrial Park Conservation Area”), a blighted area (“Blighted Area”), a conservation area (“Conservation Area”), or a combination of both a Blighted Area and a Conservation Area. “Conservation Areas” provisions apply to both the Expansion Area and the Expanded Redevelopment Project Area, as was the case for the Original Redevelopment Project Area.

As defined in the Act “...'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:” industrial, commercial, and residential buildings or improvements are

detrimental to the public safety, health or welfare based on the documentation of five of thirteen specific factors that are reasonably distributed throughout the improved part of the Redevelopment Project Area.

As defined in the Act "...'conservation' area means any improved or vacant 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 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area..."

As defined in the Act "...'industrial park conservation area' means an area within the boundaries of a Redevelopment Project Area located within the territorial limits of a municipality that is a labor surplus municipality or within 1½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the Redevelopment Project Area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land."

The Redevelopment Project Area, according to the Act, is that area designated by the municipality in which findings are made that there exist conditions which cause the area to be classified as a blighted area, conservation area, combination of blighted and conservation areas, or an industrial park conservation area. The criteria and individual factors defining each of these categories of eligibility are defined in the Act. The Conservation Area provisions apply to the Original Redevelopment Project Area. The Blighted Area provisions apply to the Expansion Area and the Expanded Redevelopment Project Area. This Eligibility Report Amendment documents the relevant statutory requirements and how the Expansion Area and the Expanded Redevelopment Project Area meet the eligibility criteria.

I. BASIS FOR REDEVELOPMENT

A. Findings

The Illinois General Assembly made two key findings in adopting the Act:

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

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 also specifies certain requirements, which must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that each prospective redevelopment project qualifies either as a Blighted Area or as a Conservation Area or a Combination of Blighted and Conservation Area or an Industrial Park Conservation Area within the definitions set forth in the Act. These definitions are paraphrased below:

B. Eligibility of a Blighted Area

“Blighted area,” means any improved or vacant area within the boundaries of a Redevelopment Project Area located within the territorial limits of the municipality where:

1. **If improved**, industrial commercial and residential building or improvements are detrimental to the public safety, health, or welfare because of a combination of **five or more of the following factors**, each of which is **(i)** present, with the presence documented, to a meaningful extent so that the Village 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:
 - Dilapidation
 - Obsolescence
 - Deterioration
 - Presence of structures below minimum code standards
 - Illegal use of individual structures
 - Excessive vacancies
 - Lack of ventilation, light, or sanitary facilities
 - Inadequate utilities
 - Excessive land coverage
 - Deleterious land use or layout
 - Lack of community planning
 - EPA Remediation Finding
 - Declining EAV

The Expansion Area does meet the qualifications for designation as blighted for improved land. Five criteria are required and five are met.

2. **If vacant (Vacant Land)**, 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 the Village may reasonably find that the factor is clearly present with the intent of the Act, and **(ii)** reasonably distributed throughout the vacant part of the Redevelopment Project Area to which it pertains:

- Obsolete platting
- Diversity of ownership
- Tax sale and special ownership
- Deterioration of structures or site improvements in neighboring or adjacent areas
- The Redevelopment Project Area has incurred Illinois Environmental Protection Agency or United States Environmental Protection remediation costs.
- The Total EAV of the proposed area has declined or not appropriately appreciated for (3) of the last (5) calendar years.

The Expansion Area does not meet the qualifications for designation as blighted for vacant land using these criteria.

3. **If vacant (Vacant Land)**, 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 Village 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 area to which it pertains:

- The area consists of one or more unused quarries, mines, or strip mine ponds.
- The area consists of unused rail yards, rail tracks, or railroad rights-of-way.
- 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 that 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.
- 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.
- Prior to the effective date of the applicable 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 (1) above, 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.

- 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.

The Expansion Area does meet the criteria for designation as blighted for vacant land using these criteria. One criterion is required and one is met.

C. Eligibility of a Conservation Area

“**Conservation area**” means any improved area within the boundaries of a Redevelopment Project Area located within the territorial limits of the Village 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 factors is detrimental to the public safety, health, morals or welfare, and such an area may become a blighted area:

The factors are the same factors listed for developed land in a **Blighted Area**.

The Expansion Area does not meet the criteria for designation as a conservation area. However, the Expanded Redevelopment Project Area does meet the qualifications for this designation, having sixty-five percent (65%) of the structures being 35 years or older (fifty percent are required). Both areas meet the Blighted Area designation.

D. Eligibility of an Industrial Park Conservation Area

In order to be determined to be an **Industrial Park Conservation Area**, vacant property must meet the following requirements and definitions:

- Within the Boundaries of the Village
- Industrial Zoning
- Property is Vacant
- Labor Surplus Municipality
- Property is to become part of an industrial park
- Contiguous to blighted area

The Expansion Area does not meet the criteria for designation as an Industrial Park Conservation Area.

E. Presence of Eligibility Factors

Summarized below are the conclusions of the surveys and analyses completed for each eligibility factor based on existing conditions within the Expansion Area. In order to qualify the Expansion Area and the Expanded Redevelopment Project Area, they must meet criteria set forth in the Act. The specific criteria, as defined by the Act, precede each finding. The conclusions indicate whether the factor is found to be present within the Expansion Area and the Expanded Redevelopment Project Area.

F. Investigation Analysis of Blighted / Conservation Factors

In determining whether or not the proposed Expansion Area and the Expanded Redevelopment Project Area meet the eligibility requirements of the Act, various research and field surveys were undertaken including:

- Contacts with Village officials, county officials, and private parties knowledgeable as to area conditions and history, age of buildings and site improvements, real estate matters, and related items, as well as examination of existing information related to the Expansion Area and the Expanded Redevelopment Project Area.
- On site field examination of conditions within the Expansion Area and the Expanded Redevelopment Project Area.
- Application of definitions related to Blighted Area, Conservation Area and Industrial Park Conservation contained in the Act.
- Review of FEMA maps.

G. Conclusions and Findings

1. There are three categories under which an area can be determined to meet the blight criteria. The area must meet the criteria under one of these categories if it is determined to be blighted. One set of the criteria for both the Blighted and Conservation designation deals with improved land / developed property. Two sets within the blighted designation deal with vacant property. The minimum number of factors must be present in one of these categories and the presence of each must be documented;
2. Each factor to be claimed must be distributed throughout the district and should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act;
3. The property must equal or exceed 1½ acres. The Original North Redevelopment Project Area met this criterion. The Expansion Area is approximately 24 acres, which also meets this criterion by exceeding the 1 ½ acres required.

Eligibility Findings

This report concludes that the Expanded Area of the North Redevelopment Project Area is eligible for Tax Increment Finance ("TIF") designation as blighted for both improved and vacant land.

For improved land, five criteria of thirteen criteria are required for designation as blighted land when structures are present. The following five criteria are present and distributed throughout the Expanded Redevelopment Project Area to a meaningful extent. These same criteria are applied to the qualification of a conservation area:

- Obsolescence
- Excessive vacancies
- Inadequate utilities
- Excessive land coverage
- Lack of community planning

One portion of a parcel is vacant land. This parcel is 03-02-100-050. Approximately two thirds of the parcel is vacant. It is a large open field and is not currently being farmed.

For vacant land, the minimum of one criterion is required for designation as blighted land when land is vacant. The following one criterion is present and distributed throughout the Expanded Redevelopment Project Area to a meaningful extent.

- Flooding as certified by regulatory agency. FEMA (FEMA maps are part of discussion of vacant land criteria).

For designation as a blighted area, only one of the two sets of criteria needs to be met. In this case, the Expanded Redevelopment Project Area meets both sets of criteria. The above factors are distributed throughout the Expanded Redevelopment Project Area and are present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act.

The property must equal or exceed 1½ acres. The Original North Redevelopment Project Area met this criterion. The Expansion Area is approximately 24 acres, which also meets this criterion by exceeding the 1 ½ acres required.

The Expanded Redevelopment Project Area is also eligible to be designated as a “conservation area” because 65% of the structures in the Expanded Redevelopment Project Area, (in excess of the required 50%), are 35 years or older, and five of thirteen eligibility factors for improved land as described for blighted, are present and distributed to a major extent.

II. THE EXPANDED REDEVELOPMENT PROJECT AREA

The Expansion Area of the Redevelopment Project Area lies west of Northgate Parkway and south of Lake Cook Road. It is bounded on the east by a retention area and by wetlands. The west border of the current North Redevelopment Project Area is the west boundary. The south boundary is parcel 03-03-203-009, two parcels south and east of Quail Hollow Drive.

The following parcels constitute the Expansion Area:

03-02	100-050
03-03	203-002
03-03	203-003
03-03	203-004
03-03	203-005
03-03	203-006
03-03	203-007
03-03	203-008
03-03	203-009

The Expanded Redevelopment Project Area within this boundary is industrial in characteristic. It is the former site of the Wieland Metals Building(s) and an open field.

The legal description of the Expanded Redevelopment Project Area is Attachment 1.

The maps of the Original Redevelopment Project Area and the Expanded Redevelopment Project Area, are set forth in Attachment 2.

III. ANALYSIS OF CONDITIONS IN THE EXPANDED REDEVELOPMENT PROJECT AREA

In determining whether or not the Expansion Area meets the eligibility requirements of the Act, at the Village's direction, Ehlers & Associates, Inc. (the "Consultant") conducted various researches and undertook field surveys.

The Consultant surveyed the Expansion Area multiple times in 2007 with final review occurring April. The survey and analysis of existing conditions within the Expansion Area were completed by the Consultant to document the extent to which each blighted factor is present within the Expansion Area. The surveys and analyses included:

1. Exterior survey of the condition and use of each building;
2. Field survey of environmental conditions covering street, sidewalks, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Analysis of vacant sites;
5. Review of previously prepared plats, plans and studies;
6. Analysis of water, sewer, gas utilities, etc. and
7. Analysis of FEMA maps.

A. Eligibility Survey and Analysis

1. Building Components Evaluated

During the field survey, each component of a subject building was examined to determine whether it was in sound condition or had minor, major, or critical defects. Building components examined were of two types:

a. Primary Structure

These components are the basic structural elements of any building, including foundation walls, load-bearing walls and columns, roof structure, and roof.

b. Secondary Structure

These components are generally added to the primary structural components and are necessary parts of the building, including porches and steps, windows and window units, doors and door units, chimneys, gutters and down spouts.

2. Final Building Rating

After completing the review of the exterior building condition survey, each individual building was placed in one of three categories based on the combination of defects found in various primary and secondary building components. Each final rating is described below.

a. Sound Structures

Sound buildings kept in a standard condition, requiring no maintenance at present. These buildings so classified have defects so minor as to not impact the area.

b. Deteriorated

Buildings where factors were present from a major to extreme extent. These buildings contain defects that are not easily correctable through normal maintenance or required

contracted skills to accomplish the level of improvements as part of maintenance or correction of defects. These buildings are noted as being deteriorated on the survey.

c. Dilapidated

Buildings appear to be so severely defective as to need demolition. Structural integrity, however, was not documented. While these factors were reviewed, the Consultant did not conduct a documented building condition analysis, as the visual survey did not detect such levels of defects. Had these conditions been identified, such analysis would have been done.

B. Presence of Blight Factors

Summarized below are the conclusions of the surveys and analyses completed for each blight factor based on existing conditions within the Expansion Area. In order to qualify the Expansion Area for a TIF, the Expansion Area must meet criteria set forth in the Act. The specific criteria as defined by the Act precede each finding. The conclusions indicate whether the factor is found to be present within the Expansion Area, and the relative extent to which the factor is present. The Rating Survey showing the conditions in each block is found in Table 2, Rating Survey.

These factors will be documented in the study.

- The blight factors, which are present, are reasonably distributed throughout the Expansion Area.
- The entire Expansion Area is impacted by and shows the presence of blight factors.

C. Eligibility of a Blighted Area

The land in the Expansion area qualifies as both “blighted” for improved and vacant land areas.

“Blighted Area” means any improved or vacant area within the boundaries of the Expanded Redevelopment Project Area located within the territorial limits of the Village where:

1. **If improved**, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five (5) or more of the following factors, each of which is (i) present, with that presence documented to a meaningful extent, so that a City 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 Expansion Area:

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

An ascertainment of the structural state was not done as part of this study. As such, these findings will not be used for qualification. Adequate criteria for designation exist without using this criterion.

- (b) **Obsolescence.** The condition or process of falling into disuse. Structures have become ill-suited for the original use.

The structure(s) in the Expansion Area meets this criterion. There is an existing industrial building(s) on the property. It is soon to be vacant. Its size and construction will make it very difficult to redevelop without substantial rehabilitation. In order to provide for either the rehab or demolition and replacement of the building Tax Increment funds will be necessary. It is likely at least part of the structure will need to be replaced. The building was built in segments adding one section on to the other.

- (c) **Deterioration.** With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters, and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Deterioration was not present to a substantial extent in the Expansion Area.

- (d) **Presence of structures below minimum code standards.** All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

There is not adequate documentation present for this criterion in the Expansion Area.

- (e) **Illegal use of individual structures.** The use of structures in violation of applicable Federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

Illegal structures are not apparent in the Expansion Area.

- (f) **Excessive vacancies.** The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

The industrial building(s) within the Expansion Area is to be vacated.

- (g) **Lack of ventilation, light, or sanitary facilities.** The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious 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.

The above characteristics were not noted.

- (h) **Inadequate utilities.** Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the Redevelopment Project Area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the Redevelopment Project Area.

Most of the property with structures is within the 100 year flood plain. It will be necessary to develop additional detention and retention facilities with redevelopment to address potential flooding problems. In addition, the segmented structure of the building(s) will require the development of utilities to serve the building(s) necessary with rehabilitation or demolition or replacement of the existing building(s).

- (i) **Excessive land coverage and overcrowding of structures and community facilities.** The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of building, 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.

Excessive land coverage exists in the area with structures. There are parcels of inadequate size and shape related to present day standards of development of health and safety. The segmented nature of the building(s) creates inadequate access to public rights of way.

- (j) **Deleterious land use or layout.** The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

The Expanded Redevelopment Project Area does not exhibit this criterion.

- (k) **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 City 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.

Many parcels are of inadequate shape and size. Access to the parcels is difficult because of the limited access of Lake Cook Road and the existence of wetlands and retention on one side of the Expanded Area. The parcels in the proposed Expansion Area were developed prior to or without the benefit of guidance of an adopted comprehensive plan covering that area.

- (l) **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.

There were no parcels within the Expansion Area containing leaking underground storage tanks and therefore no environmental remediation is required. Should problems be identified, funds will be available in the budget for remediation.

- (m) **The total equalized assessed value of the proposed Redevelopment Project Area has declined for three (3) of the last five (5) calendar years** prior to the year in which the Redevelopment Project Area is designated, or is increasing at an annual rate that is less than the balance of the City 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.

EAV must increase at a rate that is less than the balance of the Village for three of the last five calendar years to meet this criterion. EAV is documented in Table 1 which is incorporated by reference in this report. The table below provides a comparison of the increase in EAV by year for both the Village and the Expansion Area.

The additional parcels do not meet this criterion.

Total Assessed Value	\$ 1,902,038	\$ 2,276,112	\$ 2,228,679	\$ 2,822,142	\$ 2,475,513	\$ 2,475,513
Total EAV	\$ 4,229,181	\$ 5,257,363	\$ 5,502,386	\$ 6,941,905	\$ 6,376,179	\$ 6,763,102
Percent Change		24.31%	4.66%	26.16%	-8.15%	6.07%
Villagewide EAV	\$ 780,293,723	\$ 900,246,070	\$ 953,308,489	\$ 941,702,835	\$1,101,641,089	\$1,166,555,624
Balance	\$ 776,064,542	\$ 894,988,707	\$ 947,806,103	\$ 934,760,930	\$1,095,264,910	\$1,159,792,522
Percent Change		15.32%	5.90%	-1.38%	17.17%	5.89%

- 2. **If vacant**, the sound growth of the Redevelopment Project Area is impaired by a combination of **two (2) or more of the following factors**, each of which is (i) present, with that presence documented to a meaningful extent, so that the Village may reasonably find that the factor is clearly present with the intent of the Act, and (ii) reasonably distributed throughout the vacant part of the Redevelopment Project Area to which it pertains:

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

This criterion is present in the vacant portion of parcels within the Expansion Area. Rights of ways for streets or alleys have not been created.

- b) **Diversity of ownership** of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

This criterion is not present.

- c) **Tax and special assessment delinquencies** exist, or the property has been the subject of sales tax under the Property Tax Code within the last five (5) years.

This criterion is not present.

- d) **Deterioration of structures or site improvements** in neighboring areas adjacent to the vacant land

This criterion is not present.

- e) **The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs** for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or Federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the Redevelopment Project Area.

This criterion is not present.

- f) **The total equalized assessed value of the proposed Redevelopment Project Area has declined for three (3) of the last five (5) calendar years** prior to the year in which the **Redevelopment Project Area** is designated, or is increasing an annual rate: that is less than the balance of the city 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 year in which the **Redevelopment Project Area** is designated.

This criterion is not present; the parcels within the Expansion Area are improved, not vacant land.

3. **If vacant**, the sound growth of the Redevelopment Project Area is impaired by **one of the following factors** that **(i)** is present, with that presence documented to a meaningful extent, so that a Village may reasonably find that the factor is clearly present within the intent of the Act, and **(ii)** is reasonably distributed throughout the vacant part of the Redevelopment Project Area to which it pertains:

(a) The area consists of one or more unused quarries, mines, or strip mine ponds.

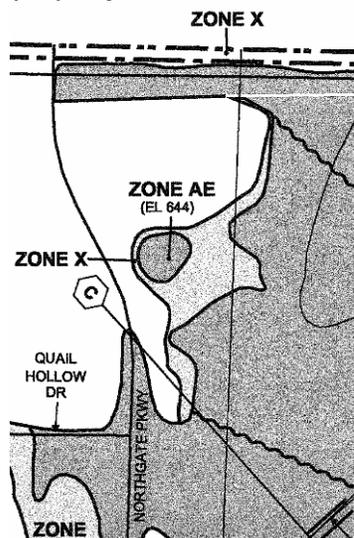
This criterion is not present.

(b) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.

This criterion is not present.

(c) 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 that 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.

This criterion is present. Most of the vacant land and structures in the Expanded Area are found in the 100 year flood plain as documented in FEMA flood map 17031C0068G. Presence of 100 year flood plain as documented by FEMA is considered documentation of this criterion. The Village also concurs that flooding occurs on the property.



Portion of FEMA Map 17031C0068G Covering Expansion Area

- (d) **The area consists of an unused or illegal disposal site** containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

This criterion is not present.

- (e) **Prior to the effective date of the applicable 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 (1) above, 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.

This criterion is not present.

- (f) **The area qualified as a blighted improved area immediately prior to becoming vacant**, unless there has been substantial private investment in the immediately surrounding area.

This criterion is not present.

D. Eligibility of a Conservation Area

The thirteen criteria for improved land for determination of Conservation Area are the same as the criteria for Blighted. However, an additional criterion of age of structure is applied.

“Conservation Area” means any improved area within the boundaries of a Redevelopment Project Area located within the territorial limits of the Village 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 following (above) factors is detrimental to the public safety, health, morals or welfare, and such an area may become a blighted area:

The Expansion Area does not meet the criteria for designation as a conservation area. However, the Expanded Redevelopment Project Area does meet the criteria for designation as a conservation area, as sixty five percent (65%) of the structures are 35 years or older (fifty percent are required). Both areas also meet the Blighted Area designation.

IV. ELIGIBILITY CONCLUSIONS

This report concludes that the Expanded Area of the North Redevelopment Project Area is eligible for Tax Increment Finance (“TIF”) designation as blighted for both improved and vacant land.

For improved land, five criteria of thirteen criteria are required for designation as blighted land when structures are present. The following five criteria are present and distributed throughout the Expanded Redevelopment Project Area to a meaningful extent. These same criteria are applied to the qualification of a conservation area:

- Obsolescence
- Excessive vacancies
- Inadequate utilities
- Excessive land coverage
- Lack of community planning

One portion of a parcel is vacant land. This parcel is 03-02-100-050. Approximately two thirds of the parcel is vacant and has been platted. It is a large open field and is not currently being farmed.

For vacant land, the minimum of one criterion is required for designation as blighted land when land is vacant. The following one criterion is present and distributed throughout the Expanded Redevelopment Project Area to a meaningful extent.

- Flooding as certified by regulatory agency. FEMA (FEMA maps are part of discussion of vacant land criteria).

The vacant property in the Expanded Redevelopment Project Area suffers from chronic flooding that impacts real property based on determination of a regulatory agency in this case Federal Emergency Management Agency. Land in the 100 year flood plain has been determined to have chronic flooding.

For designation as a blighted area, only one of the two sets of criteria needs to be met. In this case, the Expanded Redevelopment Project Area meets both sets of criteria. The above factors are distributed throughout the Expanded Redevelopment Project Area and are present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act.

The property must equal or exceed 1½ acres. The Original North Redevelopment Project Area met this criterion. The Expansion Area is approximately 24 acres, which also meets this criterion by exceeding the 1 ½ acres required.

The Expanded Redevelopment Project Area is also eligible to be designated as a “conservation area” because 65% of the structures in the Expanded Redevelopment Project Area, (in excess of the required 50%), are 35 years or older, and five of thirteen eligibility factors for improved land as described for blighted, are present and distributed to a major extent. Visual review of the area substantiates that it is eligible.

Based on these factors, the Consultant has recommended that the Village could conclude that property within the Expanded Redevelopment Project Area qualifies as “Blighted” and “Conservation” areas defined in State statute and is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the Village.

The Expanded Redevelopment Project Area has not been subject to development through investment by private enterprise and the Expanded Redevelopment Project Area would not reasonably be anticipated to be developed without TIF assistance.

Evidence also exists that the area will not develop without intervention by the Village. This evidence is as follows:

- There is substantial flood plain in the vacant area that will require expensive remediation that will not be possible without the intervention of the Village and the use of TIF funds.
- The existing industrial buildings will require expensive rehabilitation or replacement due to obsolescence.
- Redevelopment of the industrial building will require extensive infrastructure and utility development
- The building will become vacant.

TABLE 1
VILLAGE OF WHEELING
EXPANDED NORTH REDEVELOPMENT PROJECT AREA

EXPANSION AREA - PARCEL NUMBERS AND FIVE-YEAR EAV HISTORY

PIN		2000	2001	2002	2003	2004	2005
03-02	100-050	498,296	831,732	784,299	1,297,014	1,075,206	1,075,206
03-03	203-002	108,553	111,604	111,604	192,352	160,595	160,595
03-03	203-003	221,481	228,729	228,729	228,729	212,002	212,002
03-03	203-004	221,481	228,729	228,729	228,729	212,002	212,002
03-03	203-005	221,481	228,729	228,729	228,729	212,002	212,002
03-03	203-006	221,481	228,729	228,729	228,729	212,002	212,002
03-03	203-007	204,009	210,310	210,310	210,310	195,233	195,233
03-03	203-008	139,570	141,241	141,241	141,241	132,347	132,347
03-03	203-009	65,686	66,309	66,309	66,309	64,124	64,124
Total Assessed Value		\$ 1,902,038	\$ 2,276,112	\$ 2,228,679	\$ 2,822,142	\$ 2,475,513	\$ 2,475,513
Total EAV		\$ 4,229,181	\$ 5,257,363	\$ 5,502,386	\$ 6,941,905	\$ 6,376,179	\$ 6,763,102
Percent Change			24.31%	4.66%	26.16%	-8.15%	6.07%
Villagewide EAV		\$ 780,293,723	\$ 900,246,070	\$ 953,308,489	\$ 941,702,835	\$1,101,641,089	\$1,166,555,624
Balance		\$ 776,064,542	\$ 894,988,707	\$ 947,806,103	\$ 934,760,930	\$1,095,264,910	\$1,159,792,522
Percent Change			15.32%	5.90%	-1.38%	17.17%	5.89%

TABLE 2
VILLAGE OF WHEELING
EXPANDED NORTH REDEVELOPMENT PROJECT AREA

EXPANSION AREA – RATING SURVEY

Improved			Land	Below		Lack of	Land
Block	Obsolescence	Deterioration	Coverage	Minimum	Vacant	Utilities	Plan
				Code			
100	X		X		X	X	X
203	X		X		X	X	X

ATTACHMENT 1

**VILLAGE OF WHEELING
EXPANDED NORTH REDEVELOPMENT PROJECT AREA**

**ORIGINAL REDEVELOPMENT PROJECT AREA AND EXPANSION AREA
LEGAL DESCRIPTION**

LEGAL DESCRIPTION

Village of Wheeling

MILWAUKEE AVENUE NORTH TIF DISTRICT

That part of Section 2, Township 42 North, Range 11, East of the 3RD Principal Meridian described as follows:

Commencing at the Northeast corner of the Northeast Quarter of said Section 2; thence West along the North line of said Northeast Quarter, 1296.60 feet; thence Southerly along a line hereinafter referred to as Line "A", 974.00 feet to a point 926.93 feet due South of the North line of said Section 2 and 1009.80 feet West of the East line of said Section 2, said point being the Place of Beginning; thence Southerly along the Westerly line of Cook County Forest Preserve, 322.76 feet; thence Southerly along said Westerly line, 376.55 feet; thence Westerly to a point on the South line of Lot 3 in G. Hechinger's Farm Subdivision and its intersection with the Easterly right of way line of Milwaukee Avenue recorded in June 16, 1994 as Document No. 3556168 in Lake County, Illinois; thence Southerly to the Northwest corner of Equestrian Grove Subdivision recorded in November 6, 1995 as Document 95761684; thence Easterly along the North line of said Subdivision, 152.57 feet; thence Southerly to a point on the North line of Forest Edge Addition to Wheeling Subdivision recorded December 1, 1953 as Document No. 15782079 and its intersection with the extension of the East line of Lot 1 of Equestrian Grove Subdivision; thence Easterly to the Northwest corner of Lot 19 of Forest Edge Addition to Wheeling Subdivision; thence Southeasterly to the Southwest corner of said Lot; thence Southeasterly to the Northwest corner of Lot 9 of said Subdivision; thence Southeasterly to the Southwest corner of said Lot; thence Southeasterly to the Southwest corner of Lot 4 of Kraus' Subdivision recorded October 21, 1960 as Document No. 17996913; thence Westerly to the Northwest corner of Outlot 1 of Shadow Bend Phase II Subdivision recorded May 19, 1973 as Document 22320740 and corrected June 22, 1973 as Document No. 22372150; thence Southeasterly to a point on the Easterly right of way line of Milwaukee Avenue recorded March 25, 1981 as Document No. 25816992 and its intersection with the extension of the South right of way line of Strong Avenue; thence West to a point on the South right of way line of Strong Avenue and its intersection with the extension of the East line of Lot 15 of Wm. Zelosky's Milwaukee Avenue Addition to Wheeling Subdivision recorded February 13, 1925 as Document No. 8773829; thence Northwesterly to the Southeast corner of said Lot; thence Northeasterly to the Northeast corner of said Lot; thence Easterly to a point on the center line of vacated alley recorded May 7, 2002 as Document No. 0020519802 and its intersection with a line hereinafter referred as Line "B", a straight line between

Northeast corner of Lot 15 of said Subdivision and Southwest corner of Lot 10 (before said alley vacation) of said Subdivision; thence Northerly along said center line to a point on the South right of way line of Mayer Avenue and its intersection with said center line; thence West to the Northwest corner of Lot 80 of Wm. Zelosky's Milwaukee Avenue Addition to Wheeling Subdivision; thence West to a point on the North line of Lot 81 of said Subdivision and its intersection with the Westerly right of way line of Wolf Road; thence Northerly to the Southeast point of Lot 9 of Wolf Pointe Subdivision recorded December 3, 1997 as Document No. 97734683; thence Northerly to the Southeast point of Lot 8 of said Subdivision; thence Northerly to the Northeast point of Lot 1 of Picardy Place Subdivision recorded July 10, 1991 as Document No. 91342748; thence Northerly to the Southeast corner of Lot 39 of said Subdivision; thence Northerly to the Northeast point of Outlot A of said Subdivision; thence Northerly to the Northeast corner of Outlot E of Picardy Place Unit No. 2 Subdivision recorded April 14, 1993 as Document No. 93273829; thence Northerly to the Southeast corner of Lot 70 of said Subdivision; thence Northerly to the Northeast corner of said Lot; thence West to a point on North line of said Subdivision and its intersection with the West line of East 812.00 feet of Lot 2 in G. Hechinger's Farm Subdivision in Section 2; thence Northerly 643.76 feet along said West line; thence Westerly 512.00 feet along the South right of way line of Diversion Channel recorded December 26, 1986 as Document 86619028; thence South to a point on the East line of West Half of Northwest Quarter of Section 2 and its intersection with the North line of South 160 feet of said Lot; thence West to a point on said North line and its intersection with West line of East 1524 feet of said Lot; thence South 100.00 feet to a point on the South line of said Lot; thence West 100.00 feet along said South line; thence North 300.00 feet along the West line of East 1624 feet of said Lot; thence West 300.00 feet along the North line of South 300 feet of said Lot; thence North to the Northeast Corner of Northgate Industrial Center Subdivision recorded February 16, 1978 as Document No. 24329400; thence Westerly along the South line of Lot 2 in Wieland Subdivision recorded October 3, 1997 as Document No. 97734683 to the Southwest corner of said Lot; thence Northerly along the Westerly line of said Lot to the Northwest corner of said Lot; thence Easterly along the South right of way line of Lake Cook Road to the Northeast corner of said Lot; thence Easterly to a point on the Easterly right of way line of Milwaukee Avenue recorded June 16, 1994 as Document No. 3556168 in Lake County, Illinois and its intersection with the Southerly right of way line of Lake Cook Road in said Document; thence Easterly along said Southerly right of way line to an intersection with the herein described Line "A"; thence Southerly along said Line "A" to the Place of Beginning, in Cook County, Illinois:

(Except that part described as follows: Commencing at the intersection of the North line of the Northeast Quarter of Section 2, Township 42 North, Range 11, East of the 3RD Principal Meridian and the Centerline of Milwaukee Avenue as

existed on November 1, 1999; thence South 21 Degrees 37 Minutes 26 Seconds East along said Centerline, a distance of 1039.57 feet (1036.89 feet deeded); thence South 88 Degrees 6 Minutes 28 Seconds West, a distance of 74.69 feet to the Point of Beginning of the hereinafter described tract of land; thence continuing South 88 Degrees 6 Minutes 28 Seconds West, a distance of 357.06 feet to the Easterly right of way line of Wolf Court as existed on November 1, 1999; thence North 5 Degrees 44 Minutes 45 Seconds East along said Easterly right of way line, a distance of 590.24 feet; thence North 68 Degrees 21 Minutes 9 Seconds East, a distance of 50.93 feet to the Westerly right of way line of said Milwaukee Avenue; thence South 22 Degrees 51 Minutes 05 Seconds East along said Westerly right of way line, a distance of 293.27 feet; thence South 26 Degrees 18 Minutes 38 Seconds East along said Westerly right of way line, a distance of 143.40 feet; thence South 20 Degrees 28 Minutes 32 Seconds East along said Westerly right of way line, a distance of 208.66 feet to the Point of Beginning, containing 2.809 acres, more or less, in the Village of Wheeling, Cook County, Illinois)

**Redevelopment Project Area
Expansion Area**

Village of Wheeling

North (Milwaukee Avenue/Lake-Cook Road) TIF District

Lot 1 in Wieland Subdivision of parts of Lots 1, 2 and 15 in the Subdivision of Section 3, Township 42 North, Range 11, East of the Third Principal Meridian; Lots 2 through 9, inclusive, in Northgate Industrial Center Subdivision of part of Lot 2 in the Subdivision of Section 3, Township 42 North, Range 11, East of the Third Principal Meridian, and also part of Lots 1 and 2 in Subdivision of G. Hechinger's Farm, being a subdivision in Sections 1, 2 and 3, Township 42 North, Range 11, East of the Third Principal Meridian, and also Lot 1 in Guardite Co.'s Resubdivision of Lots 1, 2 and 3 and that part of Lot 4 lying South of a line described as follows: Commencing at a point 2.42 chains North of the Southwest corner of the Northeast $\frac{1}{4}$ of Section 3, Township 42 North, Range 11, East of the Third Principal Meridian; thence North $88^{\circ} 00' 20''$ East 40.58 chains to the East line of Section 3, all in Owners Division of Buffalo Creek Farm, according to the plat thereof recorded as Doc. No. 9195785, in Section 3, Township 42 North, Range 11, East of the Third Principal Meridian; all in Cook County, Illinois; along with those portions of Northgate Parkway located adjacent thereto.

P.I.N.s: 03-02-100-050; 03-03-203-002, -003, -004, -005, -006, -007, -008 and -009;

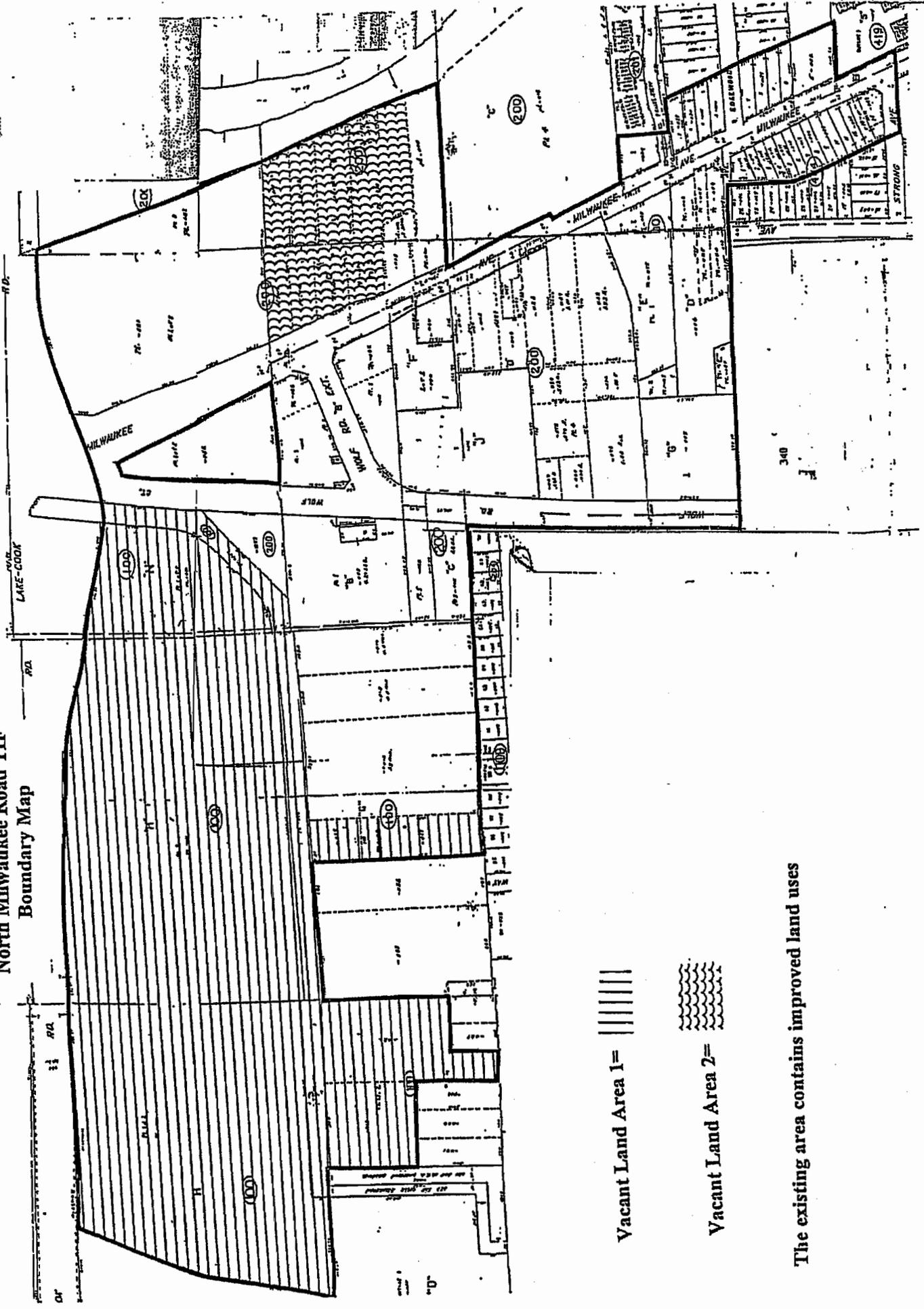
Street Location: Properties along the East side of Northgate Parkway, from Lake-Cook Road South to just South of Quail Hollow Drive, Wheeling, Illinois.

ATTACHMENT 2

**VILLAGE OF WHEELING
EXPANDED NORTH REDEVELOPMENT PROJECT AREA**

**ORIGINAL REDEVELOPMENT PROJECT AREA AND EXPANSION AREA
PARCEL MAPS**

Village of Wheeling
 North Milwaukee Road TIF
 Boundary Map



Vacant Land Area 1= |||||

Vacant Land Area 2= ~~~~~

The existing area contains improved land uses



EHLERS
& ASSOCIATES INC

ATTACHMENT 3
VILLAGE OF WHEELING
EXPANDED NORTH REDEVELOPMENT PROJECT AREA

FEMA FLOOD MAP 17031C0068G

ATTACHMENT 4
VILLAGE OF WHEELING
EXPANDED NORTH REDEVELOPMENT PROJECT AREA

EXPANSION AREA PHOTOGRAPHS





ATTACHMENT 5
VILLAGE OF WHEELING
EXPANDED NORTH REDEVELOPMENT PROJECT AREA

ORIGINAL ELIGIBILITY STUDY

(Attached)

EXHIBIT E

**Criteria for Qualification/
TIF Eligibility Report**

**VILLAGE OF WHEELING, ILLINOIS
NORTH MILWAUKEE AVENUE/ LAKE-COOK ROAD
TIF QUALIFICATION STUDY**

FEBRUARY, 2003

A study to determine whether certain properties within the Village of Wheeling located within the Milwaukee Avenue/LakeCook Road area qualifies in part as a conservation improved area and in part as a blighted vacant area as set forth in the definition in the Real Property Tax Increment Allocation Redevelopment Act of Chapter 65, 5/1174.4-1, et. seq., as amended of the Illinois Compiled Statutes.

Prepared for: Village of Wheeling, Illinois

Prepared by: Kane, McKenna and Associates, Inc.

**Village of Wheeling
TIF Qualification Report
Milwaukee Ave./Wolf Road/Lake-Cook Road Area**

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EXECUTIVE SUMMARY

Kane, McKenna and Associates, Inc. (KMA) has been retained by the Village of Wheeling to conduct an analysis of the potential qualification and designation of a Tax Increment Finance District (TIF) for the North Milwaukee Ave./Wolf Road/LakeCook Road area. The Village is pursuing the TIF designation as part of its overall strategy to promote the revitalization of key underutilized properties generally located along the east and west sides of Milwaukee Avenue near its intersections with LakeCook and Wolf Roads extending south to Mayer Avenue and Strong Avenue.

The Village has expressed three major motivations in pursuing this potential North Milwaukee Avenue TIF District. The first is to promote redevelopment of certain parcels, especially those located along the southeast side of Milwaukee Avenue and LakeCook Road that have experienced a decline in physical condition and assessed value in recent years. The second relates to limited opportunities the Village has to encourage new commercial and residential growth due to absence of remaining developable land within its boundaries. This leaves the Village with a limited strategy for the encouragement of new growth through the reuse and redevelopment of older, underutilized properties. The third involves the Village's effort to mitigate long-standing flood control problems for properties located in the area southwest of the Milwaukee Avenue and Lake-Cook Road intersection, which would open certain long standing vacant parcels for economic development.

KMA formally began its analysis by conducting a series of meetings and discussions with Village staff, starting in mid 1999 and continuing periodically through the present. The purpose of the meetings has been to establish preliminary, and then final, boundaries for a study area and to gather data related to qualification criteria for properties included in the study area. These meetings were complemented by a series of field surveys over time for the entire study area. The field surveys and data collected have been utilized to test the likelihood of the various sub-areas, as described herein, located within the study area, qualifying for TIF designation.

During the course of its work, KMA reported to key Village officials its findings regarding TIF qualification and feasibility prospects for the study area. Based on these findings the Village directed refinements to the study area boundaries and directed KMA to complete this TIF Qualification Report (the "Report") and to move forward with the preparation of a Redevelopment Plan and Project for the area.

For purposes of this Report, KMA has subdivided the study area into two major classifications to assist its analysis. The first classification is for all the land within the proposed TIF District that is primarily vacant of structures and/or improvements (the "vacant land"), while the second major classification is for all land that are primarily occupied by structures and/or other improvements (the "improved land"). These separate classes of land are further described as follows:

- **The vacant land** consists of the approximately 60-acre parcel commonly known as the Johnson Property (of which 13-acres is an existing pond area), certain Village owned properties of approximately 4acres in size that is proposed for use in flood control management, a small parcel located at the southwest corner of Milwaukee Avenue and Wolf Road (formerly the location of a condemned structure), and certain vacant parcels located on the east side of Milwaukee Avenue immediately north of the existing Wonder Bread parcel. The Johnson parcel is located immediately south of LakeCook Road, west of Wolf Road (as extended), east of existing pond and north of the proposed flood control drainage channel. The Village owned properties are located adjacent to the south of the Johnson parcel and the proposed drainage channel, and west of the Merchants Metal complex. The vacant property located north of the existing Wonder Bread parcel (and south of the existing horse stables property) formerly had structures on them including older improvements utilized as a motel, an auto auction and other uses no longer present.
- **The improved land** consists of all remaining parcels located within the proposed TIF District, portions of which are on the west side of Milwaukee Avenue and portions on the east side of Milwaukee Avenue. On the west side of Milwaukee Avenue these include several parcels fronting on the east and west of Wolf Road (including certain parcels south of the existing drainage channel) and includes the Snow Systems (located on Wolf Road extension, just west of Milwaukee Avenue) and all of the Merchants Metal complex (formerly the Semmerling Fence properties) and includes parcels currently used as residential (these parcels also extend south from the drainage channel to a point parallel with Meadow Lane). The balance of the improved parcels in the area is located directly along Milwaukee Avenue and Wolf Road. Generally, the parcels are bounded by LakeCook Road on the north (inclusive of the existing horse stables property but excluding the Ram Restaurant parcel), the Des Plaines River on the east, Wolf Road on the west (including existing mixed-use industrial/commercial parcels between Wolf Road extension south to Mayer Avenue) and Mayer Avenue and Strong Avenue on the south (except, as previously noted, these improved parcels surround certain vacant land parcels that are described above).

Based upon the analysis completed to date, KMA has reached the following conclusions regarding the potential TIF qualification for the vacant land and the improved land within the area:

- 1) KMA has concluded that the vacant land qualifies as a "blighted area" and the improved land within the proposed TIF District qualifies as a "conservation area" under the Act. The designation for each type of land is treated separately as part of this Report because, although each have been found to qualify. Each Sub-Area must demonstrate its own separate criteria as cited within the Act (and as described in detail later in this Report).

- 2) KMA has concluded that the vacant land within the proposed TIF District qualifies as a blighted vacant area pursuant to the Act. Portions of the vacant land have never been developed, while other portions have previously been the location of improvements that have been condemned by the Village and demolished. This vacant land has proven to be lacking economic viability for development due to certain adverse conditions (such as, chronic flooding, obsolete land platting, unused dumping site for construction debris, or other poor pre-development factors); or the improved area that has or is declining toward a deteriorated condition that prevents or threatens to prevent the healthy economic and physical development of properties the community deems essential to its overall economic health. In the view of KMA the subject vacant land meets the requirements for designation as a blighted vacant area under the Act parcels.
- 3) KMA has concluded that all of the described improved parcels within the proposed TIF District also qualify as a "conservation area" under the Act. These parcels are deemed to evidence sufficient factors that meet the conditions of the conservation area criteria pursuant to the Act (50% of the area's structures are over 35 years age and three or more qualification factors are present). Overall, the improved land within the proposed TIF District either has declined, or is in danger of declining, toward a deteriorated condition that prevents, or threatens to prevent, the healthy economic and physical development of properties in a manner that the community deems essential to its overall economic health.
- 4) The existence of the blighting conditions found within the proposed TIF District presents a serious barrier to the area's successful redevelopment. This is because the factors negatively impact coordinated and substantial private sector investment in overall North Milwaukee Avenue area. Without Village planning involvement and use of economic development resources in eliminating such factors, potential redevelopment projects, along with other activities that require private sector investment, are not likely to be economically feasible.
- 5) There are several potential redevelopment sites that could produce sufficient incremental property tax revenue that, if used in combination with other Village resources for redevelopment incentives or public improvements, would likely stimulate private investment and reinvestment in these sites and ultimately throughout the study area.
- 6) To eliminate the existing blighting conditions (thereby promoting the economic viability of the North Milwaukee Avenue area) and to promote private sector investment and development efforts, KMA recommends that the Village proceed with the formal TIF designation process for the entire study area.

The subject of this Report is that portion of the Village of Wheeling that is shown in the Exhibit A to this Report. This area represents the proposed Redevelopment Project Area (the "RPA") as the term is defined by the Tax Increment Allocation Redevelopment Act, Illinois Compiled Statutes Chapter 65, 5/1-74.4-1, et. seq., as amended (the "Act"). The Act also provides direction on the criteria under which an RPA may be qualified as a TIF District. The KMA analysis of the proposed RPA in conjunction with this criteria is outlined in the following pages.

I. INTRODUCTION AND BACKGROUND

Background

The purpose of this report is to provide a summary of factors that qualify the vacant area in part as a "blighted area" based on vacant land and in part as a "conservation area" based on improved land. The area under study is generally described herein as the North Milwaukee Avenue/Lake-Cook Road study area of the Village of Wheeling, Illinois. The study seeks to determine the potential eligibility and feasibility of this area for such status pursuant to the Tax Increment Allocation Redevelopment Act, Illinois Compiled Statutes, Chapter 65, 5/114-1, et. seq., as amended (the "Act").

The Act addresses the elimination or reduction of factors that will cause an area to be either in a blighted state, or in danger of declining into a blighted state. The Act authorizes the use of tax increment revenues derived from the tax rates of various taxing districts in a Redevelopment Project Area (the "RPA" or, alternatively the "Study Area" or the proposed TIF District) for the payment of redevelopment project costs. For redevelopment eligibility under this legislation (in connection to this Report), the subject area must contain conditions that warrant its designation as a "blighted and conservation area". The following sections of this report will describe physical and economic conditions that appear to conform to the provisions of the Act.

The proposed RPA (within irregular boundaries) is generally described as follows:

Certain properties located in an approximate area, inclusive of certain parcels located between Wolf Road and Milwaukee Avenue, (all as legally described in Exhibit A and as outlined by map in Exhibit B) that is generally located either west of the Des Plaines River or adjacent to land excluded from the RPA that is located west of the Des Plaines River; south of LakeCook Road; east of and adjacent to certain land bounded by Northgate Parkway; and alternatively north of Meadow Lane (exclusive of the single-family residential located on Meadow Lane), Mayer Avenue and Strong Avenue (inclusive of only tax parcels adjacent to Milwaukee Avenue).

A map of the RPA is attached as Exhibit A to this Report.

Surveys of building conditions and site characteristics of the area were originally undertaken in period between mid-January and early March 2000, and reviewed again in August 2001, and in March, April and September, 2002. Additionally, other Village plans and records that included the Milwaukee Ave./Wolf Road/LakeCook Road area were reviewed to aid in the KMA's analysis of the area.

The RPA study area is comprised of a combination of a improved and vacant land. The RPA is located at a strategic intersection atthe northeast portion of the Village. From the Village's perspective, many of the improved parcels within the RPA are underutilized and the vacant parcels have either never attracted development or are newly vacated and in need of redevelopment. Taken together, these parcels represent for the Village an opportunity to encourage land uses that will draw increased private sector investment into the area, which in turn will result in a stronger overall tax base for the community.

The parcels located west of Milwaukee Avenue suffer from instances of chronic flood conditions, poor lot configurations and limited access, while the parcels on the east side of Milwaukee Avenue are detracted by lack of public utilities and poor land platting subdivision of many parcels. These problems are further aggravated by the growing functional obsolescence of key structures and potential development sites, as well as by uneven landuse patterns in close proximity to newer residential development and stronger industrial and commercial development to the south of the RPA.

KMA, on behalf of the Village, for TIF designation, has evaluated the proposed RPA for examination of factors and conditions that justify its further consideration for that purpose. KMA has determined through this examination that sufficient evidence exists to recommend that the Village proceed with this designation process, including the creation and adoption of a Redevelopment Plan and Project as permitted by the Act.

It has been determined that this TIF Qualifications Report will not require a Housing Impact Study, pursuant to the Act. This is because the final boundaries selected by the Village will not include more than 10-inhabited residential units that may be subject to removal or relocation during the life of the proposed TIF District. The Village has certified this fact in the Redevelopment Plan required for preparation as part of the TIF District adoption process. However, should such a study be required in the future, due to the Village's decision to alter the TIF boundaries to include such defined residential units, pursuant to the Act KMA will prepare on behalf of the Village a housing impact analysis based upon data collected that would include, but is not limited to, the following:

- (a) Data that states whether any building contains single-family or multi-family units.
- (b) The number and type of rooms within the units, if that information is available.
- (c) Whether the units are inhabited or uninhabited, as determined not less than 45 days before the anticipated date that the TIF ordinances required are passed.
- (d) Data as to the racial and ethnic composition of the residents in the inhabited residential units. (Census data will satisfy this requirement.)
- (e) The number and location of those units.

- (f) The municipality's plans for relocation assistance.
- (g) The availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location and costs of such housing.
- (h) The type and extent of relocation assistance to be provided.
- (i) The Housing Impact Study will be incorporated into the redevelopment plan and the redevelopment project area to be prepared in association with the potential creation of the TIF District.

II. QUALIFICATION CRITERIA USED

With the assistance of Village staff, Kane, McKenna and Associates, Inc. ("KMA") originally examined a portion of the proposed Study Area from mid-January, 2000 to early March, 2000 and reviewed information collected for the area to determine the presence or absence of appropriate qualifying factors listed in the Illinois Tax Increment Redevelopment Allocation Act (hereinafter referred to as "the Act") Ch. 65 ILCS Section 5/1174.4-1 et. seq. of the Illinois Compiled Statutes, as amended. The Study Area was reviewed again in August 2001, and March, April and September, 2002 to determine if the factors and conditions first witnessed in 2000 were still present, and to test the qualifying factors to a wider study area added by the Village in mid-2002.

KMA has determined that the preliminary findings made in early 2000 are still valid as of November, 2002. Also, KMA has determined that additional parcels added since 2000 qualify under the Act.

The relevant sections of the Act are found below.

The Act sets out specific procedures that must be adhered to in designating a redevelopment project area. By definition, a "Redevelopment Project Area" is:

"an area designated by the municipality, which is not less in the aggregate than 1 ½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area or a conservation area, or a combination of both blighted area and conservation area."

(1) **Under the Act, "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 3 or more of the following factors, may be considered as a "conservation area":**

(A) Dilapidation: An advanced state of disrepair or neglect of necessary repairs to the primary structural components of building or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence: The condition or process of falling into disuse. Structures have become ill suited for the original use.

(C) Deterioration: With respect to buildings, defects including, but not limited to major defects in the secondary building components such as doors, windows, porches, gutters and downspouts and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas evidence deterioration, including, but limited to, surface cracking, crumbling, potholes, depressions, loose paving material and weeds protruding through paved surfaces.

(D) Presence of Structures Below Minimum Code Standards All structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal Use of Individual Structures The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive Vacancies: The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

(G) Lack of Ventilation, Light, or Sanitary Facilities The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke or other noxious 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 refer to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate Utilities: Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area; (ii) deteriorated, antiquated, obsolete or in disrepair; or (iii) lacking within the redevelopment project area.

(I) Excessive Land Coverage and Overcrowding of Structures and Community Facilities: The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to presentday 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 service.

(J) Deleterious Land-Use or Layout: The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed uses or uses considered to be noxious, offensive or unsuitable for the surrounding area.

(K) Environmental Clean-Up: The Proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

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

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

(2) If vacant, the sound growth of the redevelopment project area is impaired by a combination of two (2) or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create right-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.

(B) Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

(C) Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.

(D) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

(E) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

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

(3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains (included in part):

(A) The area consists of one or more unused quarries, mines or strip mine ponds.

(B) The area consists of unused railyards, rail tracks or railroad right-of-way.

(C) The area, prior to its designation, is subject to chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency.

(D) The area consists of an unused or illegal disposal site containing earth, stone, building debris or similar materials that were removed from construction, demolition, excavation or dredge sites.

(E) Prior to the effective date of this amendatory Act of the 9th General Assembly, the area is not less than fifty (50) nor more than one hundred (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 one (1) 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 the designated purpose.

(F) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

The RPA is considered to consist of a combination of improved property and vacant properties for purposes of examination under the criteria for blighted vacant findings and conservation area findings under the Act. The land described herein met eligibility for the requirements for designation as either a conservation area or blighted vacant area. The vacant land was reviewed under the criteria for blighted vacant property under the Act. The vacant land was divided into two (2) sections, vacant land area 1 and vacant land area 2. All of the vacant parcels evaluated as part of this Report were found to have met at least one of the criteria for such status as a result of KMA's site and research analysis for the affected land. All of the improved land was examined to determine the number of structures aged 35 years or greater, as under the conservation area criteria of the Act. It was determined by site surveys, Cook County data and an aerial photographic analysis that 61% of the structures in the area were 35 years or greater. Furthermore, the area as a whole was found to evidence at least seven (7) qualification factors, the minimum required for a finding of a conservation area is three (3) factors dictated by the Act provided that over 50% of the improved structures are 35 years old or greater. It was further found that in both the cases for the vacant land and the improved land that the required qualifying factors are reasonably distributed throughout the Proposed RPA. KMA and the Village reserve the right to make additional findings in connection with this report prior to the adoption of the TIF District. Thus, it is subject to additional revisions to the extent such revisions are allowable prior to any action by the Village to adopt the TIF District, as permitted in the manner cited within the Act.

III. THE STUDY AREA

The Study Area is as generally described in Section I and can be reviewed through the attached Exhibit.

The Study Area consists of a mix of commercial, industrial-related, and motel/restaurant uses, except that substantial portions of the area are vacant of land uses. The vacant parcels are described above and include land located west of Wolf Road extension (Vacant Land Area 1) and land located along the east side of Milwaukee Avenue (Vacant Land Area 2). In all cases, the vacant land was reviewed within the context of the blighted vacant properties under the Act. The industrial-related properties are generally contained in the improved area located on the west of Milwaukee Avenue (including parcels located west of and along Wolf Road, the commercial, motel and restaurant uses are generally located on the improved land located both on the westside and eastside of Milwaukee Avenue. The vacant portion was evaluated in relation to the vacant area TIF qualification factors, and the improved portions were evaluated in relation to the conservation area TIF qualification factors.

IV. METHODOLOGY OF EVALUATION

In evaluating the Study Area's qualification as a TIF District, the following methodology was utilized:

- 1) Exterior site surveys of the proposed TIF District were undertaken by representatives from Kane, McKenna and Associates, Inc. Site surveys were completed for each parcel and structure within the proposed Study Area.
- 2) Exterior evaluation of structures and site improvements including right-of-ways including efforts to note deterioration, or other blighting factors.
- 3) The area was studied in relation to review of available economic development and planning reports, Village ordinances, 1996 through 2001 tax information from the Cook County Clerk's Office; Sidwell parcel tax maps, floodplain maps engineering studies, available Village Building Department records regarding age of structures and history of parcel uses, serial aerial photos, site data, local history (extensive interviews with Village officials and staff), and an evaluation of areawide factors that have affected the area's development (e.g., insufficient utilities, lack of community planning, deleterious land use and layout, obsolete platting, etc.). Kane, McKenna reviewed the area in its entirety. Village redevelopment goals and objectives for the area were also reviewed with Village officials.
- 4) Individual structures and/or parcels were reviewed only in the context of checking, to the best and most reasonable extent available, the criteria factors of specific structures and/or site conditions on particular parcels, as well as areawide factors for the entire Study Area.
- 5) The Study Area was examined to assess the applicability of the different factors, required for qualification for TIF designation under the TIF Act. Evaluation was completed by reviewing each source of data and determining how each measured when analyzed within the context of the relevant factors.

Improved and vacant property within the proposed Study Area were examined to determine the applicability of either conservation qualification factors or blighted/vacant qualification factors for TIF designation under the TIF Act.

Summary of Area Findings

The following is a summary of relevant qualification findings required under the Act:

- 1) The area is contiguous and is greater than 1 and 1/2 acres in size.
- 2) Portions of the area can be categorized as a "blighted vacant area" and portions as a "conservation area". Factors necessary to make these findings are present to a meaningful extent and are reasonably distributed throughout the RPA.

- 3) All property in the area would benefit by any proposed redevelopment project improvements.
- 4) The sound growth of the taxing districts that are applicable to this area, including the Village of Wheeling, has been impaired by the factors found present in the area.
- 5) The area as a whole would not be subject to redevelopment without the establishment of an RPA, and investment of public funds, including property tax increments.

V. TIF QUALIFICATION FACTORS

As a result of KMA's evaluation of the Study Area, and analysis of each of the eligibility factors summarized in Section II, the following factors are presented to support the qualification of the Study Area as a TIF district.

A. Study Area as a Whole

The vacant land and the improved land are found to exhibit blighted or conservation factors, respectively, as defined within the Act. As previously noted, the vacant land is presented below under separate review from the improved land. First, this Report will review the findings for all the vacant land. These, once again, will be examined under the blighted criteria for vacant property. Next, this Report will present the findings for improved parcels located within the RPA. That presentation will focus on examination of the parcels contained within each as improved property under the conservation definition of the Act.

B. Blighted Vacant Qualification Factors – Vacant Land

The following is an evaluation and statement of findings on the presence of certain factors, as described in the previous section, for the vacant land located within RPA.

Vacant Land Area 1

1. Chronic Flooding

The Johnson and Village owned properties, located in the furthestmost north and southwest portion of the RPA are encumbered by both floodplain and wetland conditions. To remove portions of the site from chronic flooding conditions, engineers state that it will be necessary to raise ground levels above the 100-year flood elevation. This will be required because most of this area is in the 10-year to 100-year elevations. If any of the vacant land is to be developed (most notably the Johnson parcel), this can only be accomplished by the provision of substantial storm water compensatory storage (the Village owned properties are a potential site to relieve some of the flooding problems within the area). In addition to such storage, the area will also require storm water detention storage to meet conditions for development approvals. The vacant property (particularly the Johnson property) within this area is also burdened, from a land development viewpoint, with significant areas of wetlands. As a result, the area will require, extensive wetlands mitigation as a pre-condition to commercial redevelopment and/or residential reuse. It is estimated by engineers that only approximately 20% of the non-pond portion of the Johnson property is usable for real property redevelopment due issues related to chronic flooding of the site.

Findings of the chronic flooding conditions associated with this vacant property is provided in the attached analysis (Exhibit B), dated February 18, 2002, which was prepared by EnCap, Inc. Western Engineering, P.C., via a member of its registered professional engineers team, certified these findings.

2. Obsolete Platting

The Johnson property is deemed to suffer from obsolete platting due to the lack of road access directly onto Wolf Road. This situation combined with the apparent lack of transportation access to the north due to the immediately adjacent Lake Cook Road deceleration lane, creates a significant development barrier for this vacant land. The problem of direct access to and from the land is also negatively impacted by the necessary presence of the diversion channel, which is located to the south and west of the site (this problem also applies to the Village owned property located south of the Johnson property). Development of the site will require a bridge across the diversion channel to connect the parcel to public roadway access to Wolf Road, and/or construction of road access from the west via construction of a roadway from the west side of the existing lake. However, the existing plat lacks the dedication of public right-of-ways that will be required for roadway access to this vacant area.

3. Deterioration of Structures or Site Improvements in Neighboring Areas

Substantial portions of the vacant land within the RPA are adjacent to areas that displayed evidence of deteriorated site improvements. The vacant properties located west of Milwaukee Avenue are adjacent to deteriorated conditions found primarily on the Merchants Metal properties, especially on the parcels containing onsite storage yards for the complex. Additionally, deteriorated site improvements were found along parcels adjacent to the Wolf Road extension (and to a lesser extent on site improvements on the Snow System parcel at its west property line with the Wolf Road extension).

4. Declining or Stagnant Equalized Assessed Valuations

The total equalized assessed valuation (EAV) for the vacant property in Vacant Land Area 1 has declined for three (3) of the last five (5) years. Also, the EAV for the Vacant Land Area 1 has increased at an annual rate that is less (and/or decreased at a greater rate) than the balance of the Village for three (3) of the last five (5) calendar years as evidenced by the data presented in the table below.

Vacant Area	2001	2000	1999	1998*	1997	1996
Total EAV for Vacant Area	98,473	83,654	84,460	854,095	159,463	159,666
Percentage of Change	17.71%	-0.95%	-90.11	435.61%	-0.13%	--
Total Village EAV	900,246,070	780,293,723	778,744,725	750,994,063	703,140,930	691,648,107
Less Proposed TIF EAV	900,147,597	780,210,069	778,660,265	750,139,968	702,981,467	691,488,441
Percentage of Change	15.37%	0.20%	3.80%	6.71%	1.66%	--

*In tax year 1998, parcel identified herein as the Johnson parcel briefly was reclassified as vacant land instead of "farmland under use value pricing." As a result, there was a one-year rise in assessed valuation that caused the dramatic one-year increase shown in the table.

Additionally, the annual rate of growth in total EAV for the vacant property in vacant land area 1 has also lagged behind the annual rate of the Consumer Price Index for the All Urban Consumers for three (3) of the last five (5) years. These measures, pursuant to the Act, point to an additional blighting condition retarding growth in development and tax base growth within the RPA.

Vacant Land Area 2

1. Unused Disposal Site

Portions of the subject vacant property located on the eastside of Milwaukee Avenue contain on site earth and building debris related to removal of materials from site demolitions and road improvements in the area. This vacant land is not currently in use for any other purpose and is, therefore deemed an unused disposal site for purposes of this Report.

2. Obsolete Platting

The existing parcels that make up vacant land on the eastside of Milwaukee Avenue also suffer from obsolete platting. The parcels are characterized by limited and narrow configurations that will make their redevelopment for modern land development difficult. Viable redevelopment of the these parcels will require updated platting (in concert with the improved properties to the north and the south) in order to create land parcels suitable for development under contemporary standards.

3. Deterioration of Structures or Site Improvements in Neighboring Areas

The vacant land located on the eastside of Milwaukee Avenue is adjacent to parcels that also evidenced deterioration. The horse stables to the north of the vacant land exhibits site improvements that evidence deteriorated conditions, including the fencing and driveway which show signs of deterioration. The Wonder Bread property located to the south of the vacant land also exhibits deteriorated conditions. The property exhibited damaged brick, windows and gutters, as well as deteriorated parking areas and driveway.

4. Declining or Stagnant Equalized Assessed Valuations

The total equalized assessed valuation (EAV) for Vacant Land Area 2 has increased at an annual rate that is less (and/or decreased at a greater rate) than the balance of the Village for five (5) of the last five (5) calendar years as evidenced by the data presented in the table below.

Vacant Area	2001	2000	1999	1998	1997	1996
Total EAV for Vacant Area	483,608	432,647	437,900	424,164	405,240	405,313
Percentage of Change	11.78%	-1.20%	3.24%	4.67%	-0.02%	--
Total Village EAV	900,246,070	780,293,723	778,744,725	750,994,063	703,140,930	691,648,107
Less Proposed TIF EAV	899,762,462	779,861,076	718,306,825	750,569,899	702,735,690	691,242,794
Percentage of Change	15.37%	0.20%	3.70%	6.81%	1.66%	--

This measure, pursuant to the Act, point to an additional blighting condition retarding growth in development and tax base growth within the RPA.

B. Conservation Area Qualification Factors – Improved Land

The following is an evaluation and statement of findings on the presence of certain factors, as described in the previous section, for the improved land located within RPA.

1. Age

Based upon site surveys, aerial photographic analysis and Cook County data, 63% (or 29 of the 46 structures) were found to be 35 years of age or greater.

OTHER CONSERVATION AREA FACTORS (MUST INCLUDE THREE OR MORE ADDITIONAL FACTORS)

2. Deleterious Layout and Land-Use

According to Cook County records, construction of the majority of the improvements found within the Study Area occurred during a period 30 to 50 years ago. This applies to the majority of the buildings in the area. For example, the Merchant Metals property, located on the westside of Milwaukee Avenue, and the Wonder Bread and Triple A Auto properties, located on the eastside of Milwaukee Avenue, which were all developed, in whole or part, nearly 50 years ago. All of these facilities, including the existing stables property and all of the existing industrial/commercial property located between Wolf Road extension and Mayer Avenue, were constructed at a time prior to the attention rendered today for land development planning that discourages incompatible land-uses within close proximity of one and another. The primary structure on Semmerling/Merchant property was developed for industrial use, and has continued to be utilized in a related manner in recent years (though part of its properties contain inconsistent residential structures). This use is essentially incompatible with the singlefamily development located adjacent to that property on the south and west. Several of these single-family homes have back yards that are directly adjacent to the industrial property, with no transitional, and less intense, land uses between them

to act as a buffer. The same lack of transition in uses exist with reference to the industrial condo complex which is located directly west of the same singlefamily homes.

In a similar manner, the above-mentioned properties located on the eastside of Milwaukee Avenue are adjacent to the north and south to properties the Village wishes to encourage for low intensity residential uses (The existing stables property, which is classified as a form of commercial use, is in direct conflict with both the Village existing zoning map and comprehensive plan requirements for residential development). These properties were developed during a period time when commercial-related businesses were more consistent with the surrounding land uses of the time.

However, since that time period over which these properties were developed, the Village's planning focus for this area has shifted toward the encouragement of less commercial uses for the parcels on the eastside of Milwaukee Avenue. The emergence of Lake-Cook Road, and the substantial improvements made to Milwaukee Avenue in recent years, since those properties were originally developed, have created traffic patterns today that make it increasingly important to the Village that future development take into account the need for modern day land setback standards and on site parking needs. None of the improved properties, including the stables property located at the furthestmost north portion of the RPA, were developed in a manner that is consistent with such modern day planning and land development standards.

A related issue contributing to deleterious land use and layout for the land on the eastside of Milwaukee Avenue (extending south to Strong Avenue) relates to inconsistent building (and non-existent) setbacks and overcrowding of lots with buildings and/or parking lot improvements that are too intense in land use given the size and configurations of the parcels that they occupy.

The presence of all the factors described above contributes to the finding of deleterious layout and land use for the improved land within the RPA.

3. Lack of Community Planning

The majority of the improved property, on both sides of Milwaukee Avenue, were developed prior to the Village's adoption of its modern comprehensive plan (this includes improvements formerly located on land within now vacant land on the eastside of Milwaukee Avenue, and that on the southwest corner of Wolf Road and Milwaukee Avenue prior to that land becoming vacant). As a result, the conflicts in land-uses described above, and the construction of improvements on irregular-shaped parcels with narrowly platted lots were permitted without the benefit of contemporary development standards. Modern development of the improved areas within the RPA would discourage the mixing of conflicting and diverse land-uses without sufficient land platting, land development ratios and other restrictions to prevent problems that arise out of conflicting uses.

4. Deterioration of Buildings and Site Improvements

Deterioration of buildings and site improvements were also evidenced within the improved properties on both sides of Milwaukee Avenue. Of the approximate 47 structures located within these RPA, 62% of the structures exhibited deteriorated conditions. These conditions were characterized by occurrences that included the following:

- damaged brick
- rusted/damaged gutters
- broken windows
- cracked fascia
- damaged metal frames on structures

Certain site improvements displayed signs of deteriorated conditions requiring repairs or replacement of construction elements. These conditions were characterized by occurrences that included the following:

- Severe cracked pavement and potholes
- Buckled and caved in asphalt (or gravel based) and concrete driveways/parking/storage areas

In summary, a majority of parcels of the parcels located within the RPA exhibited various degrees of deterioration of structures and/or site improvements.

Portions of these parcels exhibited deterioration to actual structures and adjacent site improvements, while others exhibited only deteriorated conditions to site improvements.

5. Excessive Land Coverage and Overcrowding of Structures and Community Facilities

Certain properties located on both sides of Milwaukee Avenue and Wolf Road contain existing land uses that are overintensive given the Village's plans for future development within the area. The factors and conditions that make the existing land uses too intense for the area have been previously described within the Report. Additionally, structures on the majority of the properties within the RPA are improperly situated on their parcels when compared to modern day use of land with stricter building set back requirements, building space to parking space ratio, and open space standards. This is especially true given that the majority of the improved properties were developed under more relaxed development standards in the periods prior to the 1960's. This factor can also be applied to the existing stables property which has the majority of its structures crowded to the south portion of its parcel only. Additionally, the Wonder Bread, Triple A Auto parcels, Wishingwell Motel, Dan Horcher's Auto repair and the Old Court Inn have structures and site improvements that would be considered as having greater land coverage than would be suitable or acceptable for today's development standards. Many of these users within the area have multiple buildings on single parcel lots. These conditions have occurred because the buildings were permitted on narrowly platted parcels with relatively little street frontage (and poor vehicle access) when compared to the long depth (and lack of width) of the parcels.

This factor compounds the problem of deleterious layout/land use and obsolescence (discussed below) found within the RPA. The general lack of land area reduces the viability of economic reuse of these sites for their current uses.

In summary, current Village building and zoning standards call for much lower (and more uniformed) floor area to building lot ratios than are apparent on most parcels within the RPA. The results are that current land uses in the area are over intensive when compared with modern zoning and building standards.

6. Obsolescence

Many of the parcels within the RPA suffer from areawide functional obsolescence connected in part to the factors of deleterious layout, obsolete platting, advanced age (of structures, site improvements and infrastructure) and excessive land coverage as discussed above. In particular, the advanced age of the existing structures on the Merchant Metals (which declining economic and functional uses are evidenced by the relatively long time periods that the property remains on the market for leasing and re-use), Wonder Bread, RSVP Printing, Deerfield Moving & Storage, Dan Horcher's Auto Service and Triple A Auto properties suggest they are not well suited to function efficiently compared to parcels platted and structures constructed under modern-day business use standards.

The Wishing Well Motel and the Old Court Inn also show signs of obsolescence in part due to their deleterious layout and deteriorated conditions, and also in part due to their lack of modern amenities.

The area also contains two (2) condominium-type industrial buildings. Both facilities lack suitable truck access, contain minimal loading provisions and have poor ingress and egress. In general, these buildings also lack the modern amenities found in current day commercial facilities.

There also exists throughout the area a large degree of obsolete platting in that many of the parcels are irregular (and/or narrow) in size and/or shape (which tends to make them less economically valuable and viable for redevelop into more modern land-uses).

7. Inadequate Utilities

According to Village officials, portions of the RPA are not adequately served by water, sanitary or storm sewer services. The insufficiency of such utilities is a severe hindrance to the Village's plans to promote comprehensive redevelopment of the RPA.

8. Declining or Stagnant Equalized Assessed Valuations

The total equalized assessed valuation (EAV) for the improved parcels located within the proposed RPA has increased at an annual rate that is less (and/or decreased at a greater rate) than the balance of the Village for three (3) of the last five (5) calendar years as evidenced by the data presented in the table below.

Improved Area	2001	2000	1999	1998	1997	1996
Total EAV for TIF Area	17,065,078	14,054,176	14,333,479	14,944,133	12,855,097	12,741,385
Percentage of Change	21.42%	-1.95%	-4.09%	16.25%	0.89%	--
Total Village EAV	900,246,070	780,293,723	778,744,725	750,994,063	703,140,930	691,648,107
Less Proposed TIF EAV	883,180,992	766,239,547	764,411,246	736,049,930	690,285,833	678,906,722
Percentage of Change	15.26%	0.24%	3.85%	6.63%	1.68%	--

Additionally, the annual rate of growth in total EAV for the improved land within the RPA has also lagged behind the annual rate of the Consumer Price Index for the All Urban Consumers for three (3) of the last five (5) years. These measures, pursuant to the Act, point to an additional blighting condition retarding growth in development and tax base growth within the RPA.

VI. OVERALL ASSESSMENT OF QUALIFICATION

The vacant portions of the proposed RPA are found to be a "blighted vacant area" and the improved portions are found to be a "conservation area" due to the presence to a meaningful extent of the factors described in the previous section. This is because the conditions identified will qualify the RPA for such a designation under the Act.

The TIF findings described in this report pertain to those properties located within the boundaries shown in the exhibit pages. The following blighted vacant qualification factors are distributed throughout the RPA. For vacant land area 1, the following qualification factors were distributed evenly throughout the RPA: chronic flooding, obsolete platting, deterioration of structures or site improvements in neighboring areas, and declining or stagnant EAV. For vacant land area 2, the following qualification factors were distributed evenly throughout the RPA. Unused disposal site, obsolete platting, deterioration of structures or site improvements in neighboring areas and declining or stagnant EAV. The following conservation area qualification factors are distributed throughout the area for the improved portion of the RPA: deleterious land use or layout, obsolescence, excessive land coverage, deterioration on parcels, inadequate utilities, lack of community planning and declining or stagnant EAV.

These factors combine to create market-related problems for properties within the RPA and place the area in danger of further economic decline if the factors are not addressed. Conditions in the area, especially due to deleterious layout/land use and obsolescence, may make it difficult for the Milwaukee Ave./Wolf Road/LakeCook Road area to reach its potential for substantial new development within the community, and the source of future major new real estate tax generator for the affected tax districts.

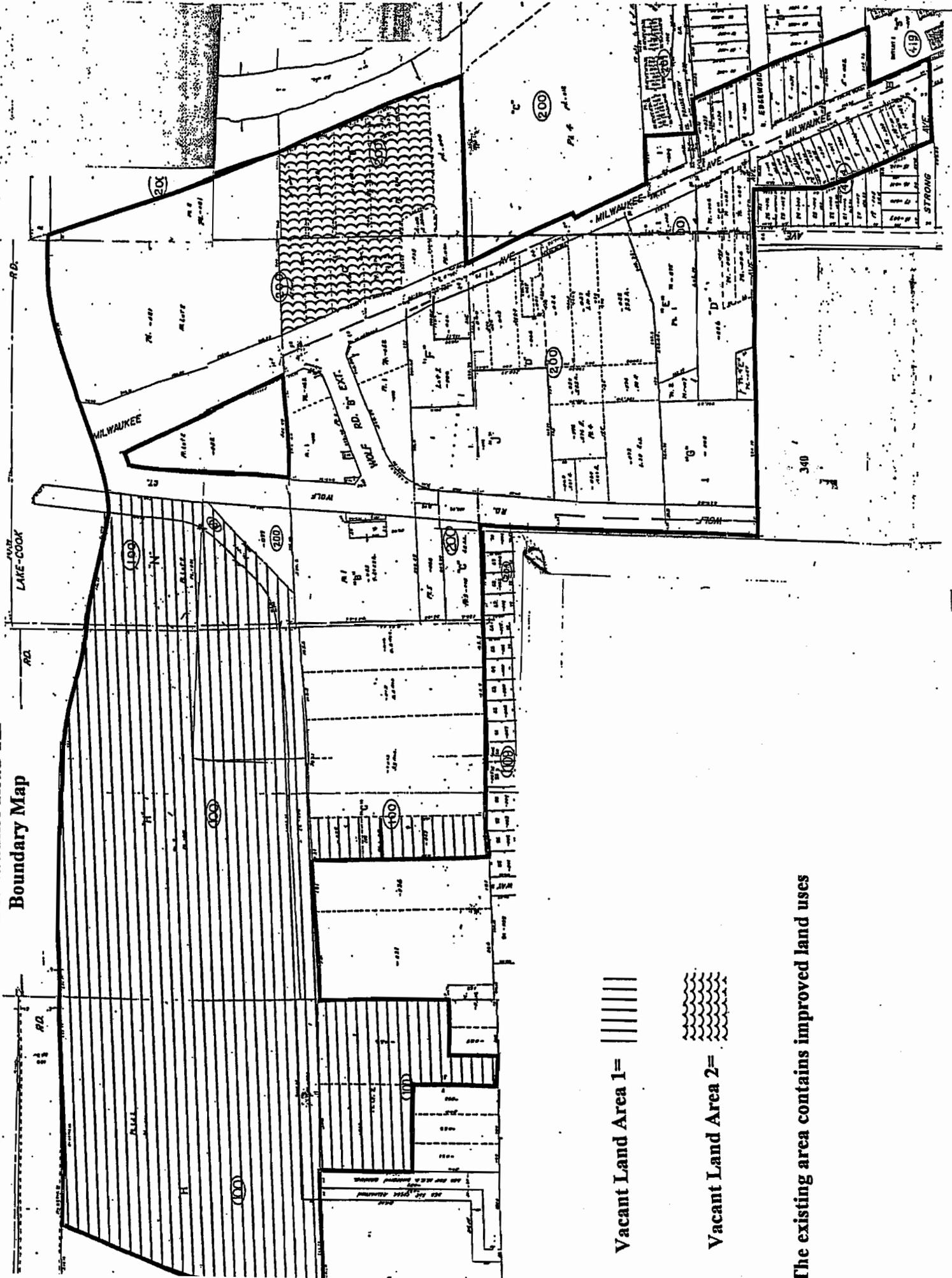
The proposed RPA, as it exists today has conditions that endangers its successful redevelopment. There is a need for actions and activities to promote its economic redevelopment, and to eliminate blighting conditions evident today throughout the RPA.

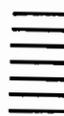
Without the benefits available through designation as a RPA, the presence of factors outlined above threaten to endanger existing private investments and injure the potential for sound growth and the existing and future tax base for the area's taxing bodies. Designation of the proposed RPA as a TIF District by the Village would be consistent with the overall intent of the TIF Act. It is recommended, therefore, that the Village proceed with the TIF designation process and enact a Redevelopment Plan and Project Area for the proposed RPA.

*From Chapter 65, 5/11-74.4-2 of the Act.

EXHIBIT A

**Village of Wheeling
North Milwaukee Road TIF
Boundary Map**



Vacant Land Area 1= 

Vacant Land Area 2= 

The existing area contains improved land uses

ENCAP, Inc.

Environmental Consultants and Prairie Landscape Specialists

12950 STATE ROUTE 38, SUITE 3
DEKALB, IL 60115-8536
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224 S. MAIN ST.
WHEATON, ILLINOIS 60187
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February 18, 2002

Mr. Craig G. Anderson, Village Manager
Village of Wheeling
255 West Dundee Road
Wheeling, Illinois 60090-2676

Re: Chronic Flooding Study for the Village of Wheeling Proposed North Milwaukee Avenue/Lake-Cook Road TIF District, an approximately 64 acre parcel located in Illinois, Cook County, Wheeling Township, City of Wheeling, T42N R11E Part of the N1/2 of Section 2
ENCAP, Inc. Project No. C-01-1114B

Dear Mr. Anderson:

The following information is being provided as a result of an ENCAP, Inc. investigation into the extent of chronic flooding located on the above referenced property. The project area (approximately 64 acres in size) is located within the Village of Wheeling, Cook County, Illinois (See Exhibit A: location map). It is bounded by Lake-Cook Road to the north, residential, commercial, and vacant properties to the south, Wolf Road to the East, and commercial property to the west. The project area is comprised of parcels owned by the Johnson family and the Village of Wheeling.

The project area consists of vacant land occupied by a mixture of woods, wetland, and land used for the agricultural production of row crops. The topography of the site is generally flat. A large open water pond is located in the western portion of the project area. A recently created channel extends through the southern portion of the site, to the northeastern corner of the site. The channel was created to divert high flows from the Wheeling Drainage Ditch to the Des Plaines River.

PROJECT PURPOSE

The purpose of the ENCAP, Inc. investigation was to determine if any areas within the project area are subject to chronic flooding. Chronically flooded areas are those areas that are intermittently inundated on a constant basis and/or undergo long lasting periods of inundation. The presence of chronically flooded areas was determined through an examination of existing data, interviews with people familiar with the site, and a field inspection of the site for hydrology indicators (i.e. water marks, drift lines, sediment deposits, drainage patterns, water-stained leaves, buttressed roots, etc.).

Approximate boundaries of chronically flooded areas are identified on a 1998 aerial photograph included with this report (Exhibit H, 6 of 6). Staking of the flood boundaries was not included in the scope of this project. The information presented here is to be used by the Village of Wheeling for the creation of a Tax Increment Financing (TIF) District, and is not suitable for permitting or development purposes.

METHODS

A site inspection was performed by ENCAP, Inc. on December 6, 2001. Prior to a field investigation of the project area, a preliminary site evaluation was performed using the National Wetland Inventory (NWI) map, Natural Resources Conservation Service (NRCS - formerly the Soil Conservation Service) soil map, United States Geological Survey (USGS) Topographic Map, NRCS Wetland Inventory Map, Federal Emergency Management Agency Flood Insurance Rate Map, USGS Flood Map, and a review of historic aerial photographs. Potential flood prone areas identified by these resources were field investigated to determine if evidence of persistent hydrology was present.

In an attempt to gather additional information about the project area, ENCAP, Inc. interviewed people familiar with the site. This line of investigation produced limited information. Interviews were conducted by telephone and are summarized below:

January 2 and 3, 2002 - the following employees of the Village of Wheeling were contacted; Mr. Rick Glenz - Village Engineer, Mr. Bill Whitmer - Director of Economic Development, Mr. Craig Anderson - Village Manager. None of these gentlemen had knowledge whether or not the project area is subject to flooding.

January 4, 2002 - property owner, Mr. Bill Johnson, indicated that water ponds for short periods of time within low areas of the site after significant storm events.

January 8, 2002 - Crawford, Murphy & Tilly, Inc. performed engineering for the diversion channel that extends through the southern portion of the project area. According to Mr. Chris Dagiantis of Crawford, Murphy & Tilly, Inc. an investigation into flooding within the project area was not conducted as part of the diversion channel project. The diversion channel project focused on diverting high flows from the Wheeling Drainage Ditch.

January 10, 2002 - Mr. Jed Anderson of Christopher B. Burke Engineering, Ltd. (CBBEL) stated that CBBEL has performed some hydrological investigations on the Bill Johnson property, however, Mr. Johnson is not willing to release that information at this time.

FINDINGS

- The National Wetland Inventory identifies three wetlands within the project area. A palustrine, broad-leaved deciduous, scrub/shrub wetland with a seasonal water regime (PSS1C) is identified in the eastern portion of the site. An excavated,

palustrine, open water pond with an intermittently exposed water regime (POWGx) is identified in the western portion of the site. A palustrine, broad-leaved deciduous, forested wetland with a temporary water regime (PFO1A) is identified in the southwestern portion of the site (Exhibit B).

- The Natural Resources Conservation Service (NRCS) Wetland Inventory identifies the majority of the project area as Wetland (W). Wetlands are areas that meet jurisdictional wetland criteria including wetlands farmed under natural conditions (Exhibit C).

- The NRCS Soil Survey identifies the following soils within the project area:

Drummer silty clay loam (152) – This soil mapping unit is known to occasionally flood for brief periods during the months of March through June.

Mundelein silt loam (442) – This soil mapping unit is not known to be flood prone.

Peotone silty clay loam (330) – This soil mapping unit is known to occasionally flood for long periods during the months of February through July.

Peotone silty clay loam, wet (1330) - This soil mapping unit is known to frequently flood for long periods during the months of February through July.

Grays silt loam (698B) - This soil mapping unit is not known to be flood prone.

Urban land - Orthents complex (392) – This soil mapping unit consists of altered land. Due to its disturbed nature, flooding frequencies are variable.

According to the Soil Survey, flooding is the temporary covering of soil with water from overflowing streams and runoff from adjacent slopes. Frequency, duration, and probable dates of occurrence are estimated. Frequency is expressed as none, rare, occasional, and frequent. *None* means that flooding is not probable; *rare* that it is unlikely but possible under unusual weather conditions; *occasional* that it occurs on an average of once or less in 2 years; and *frequent* that it occurs on an average of more than once in 2 years. Duration is expressed as *very brief* if less than 2 days, *brief* if 2 to 7 days, and *long* if more than 7 days.

Hydric soils are those that are sufficiently saturated, flooded, or ponded during the growing season (about March to October) to develop anaerobic (lacking oxygen) conditions which favor the growth, reproduction and persistence of hydrophytic (water-loving) vegetation. Of these six soil mapping units, only Drummer and Peotone are considered hydric in Cook County. However, Mundelein, is known to sometimes contain inclusions of hydric soils (Exhibit D).

- The United States Geologic Service (USGS) Topographic Map identifies a blue line stream extending to and from an open water pond located in the western portion

of the project area. A wetland is identified in the eastern portion of the site (Exhibit E).

- The Flood Insurance Rate Map identifies 100 year flood plain throughout the majority of the project area (Exhibit F).
- The U.S.G.S. Floods in Wheeling Quadrangle Map identifies historically flooded areas in the western portions of the project area (Exhibit G).
- Historic Aerial Photographs for the years 1967, 1970, 1980, 1988, 1997, and 1998 were reviewed (Exhibit H). Dark areas, indicating standing water, are visible on the aerial photographs. Apparently ponded areas observed on the photographs were field investigated.

In addition to the above aerial photographs, slides of aerial photography for the years 1991 to 1998 were reviewed at the Farm Service Agency located in Woodstock, Illinois. Indications of ponded water were not observed in the photographs. Copies of the slides are not available for inclusion in this report.

Based on the above map review and the ENCAP, Inc. field investigation, six (6) areas totaling 16.95 acres were identified on the project area that are believed to be subject to chronic flooding. This is in addition to the existing 13.5 acre pond located in the western portion of the site. These areas exhibited evidence of persistent hydrology such as standing water, water marks on trees, drift lines, sediment deposits, drainage patterns, water-stained leaves, and buttressed roots. The approximate boundaries of each flood prone area are identified on the attached aerial photograph (Exhibit H, 6 of 6).

The largest area measuring approximately 14.5 acres, is located in the north-central portion of the site. This area consists of wooded, scrub-shrub, and emergent vegetation. The majority of this area is subject to flooding, however, the topography within it is uneven. Small areas located at higher elevations may not become inundated, however, these areas are too small to be separated out. Two depressional, farmed areas approximately 0.15 acres and 0.2 acres in size were identified in the north-central portion of the site. An approximate 1.5 acre area is located in the eastern portion of the site. This depressional area consists of wooded and emergent vegetation. Two wooded, depressional areas measuring approximately 0.5 acres and less than 0.1 acre are located in the southwestern portion of the site.

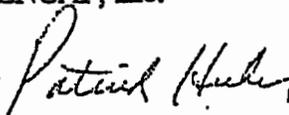
CONCLUSIONS

Approximately 16.95 acres of flood prone areas and a 13.5 acre open water pond were identified on the project area. All the identified areas fall within wetland boundaries. The approximate boundaries of wetlands located on the project area were identified by ENCAP, Inc. in a separate report prepared for the Village of Wheeling. In general, the areas subject to flooding are smaller than the areas identified as wetland because wetlands may exist in areas that periodically contain saturated soils. Standing water is not necessary for wetland development.

The Wheeling Drainage Ditch diversion channel was created in 2001. The channel extends through the project area. Flows diverted from the Wheeling Drainage Ditch are designed to be contained within the channel. The berm located along the channel may have minimally affected the tributary areas of the flood prone areas. However, significant changes in the locations and sizes of the flood prone areas are not expected.

If you should have any questions regarding this information, please do not hesitate to call.

Sincerely,
ENCAP, Inc.

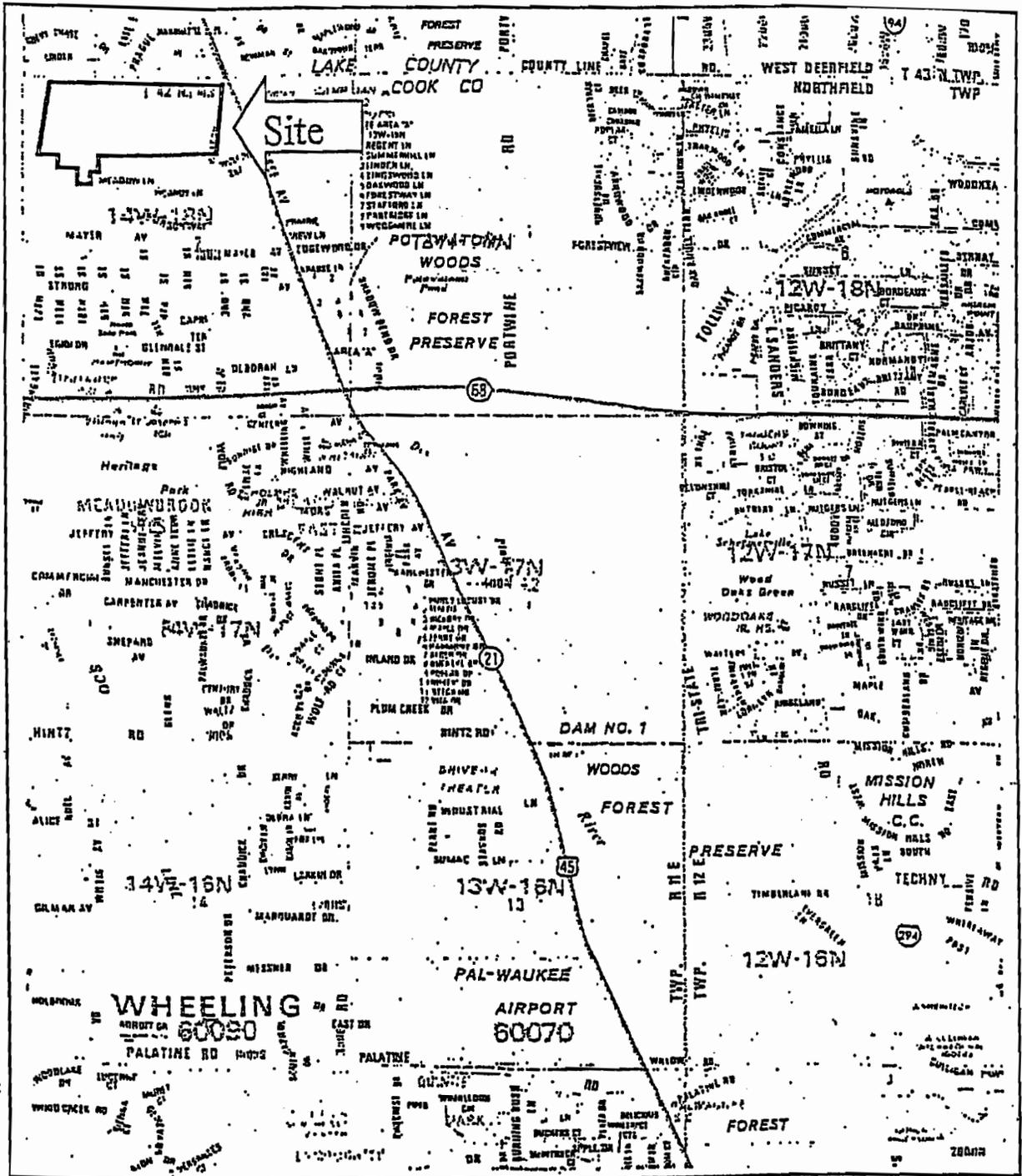


Patrick Hickey *EC*
Senior Staff Ecologist



Carl Peterson *ED*
Vice President

Attachments



Site Location Map

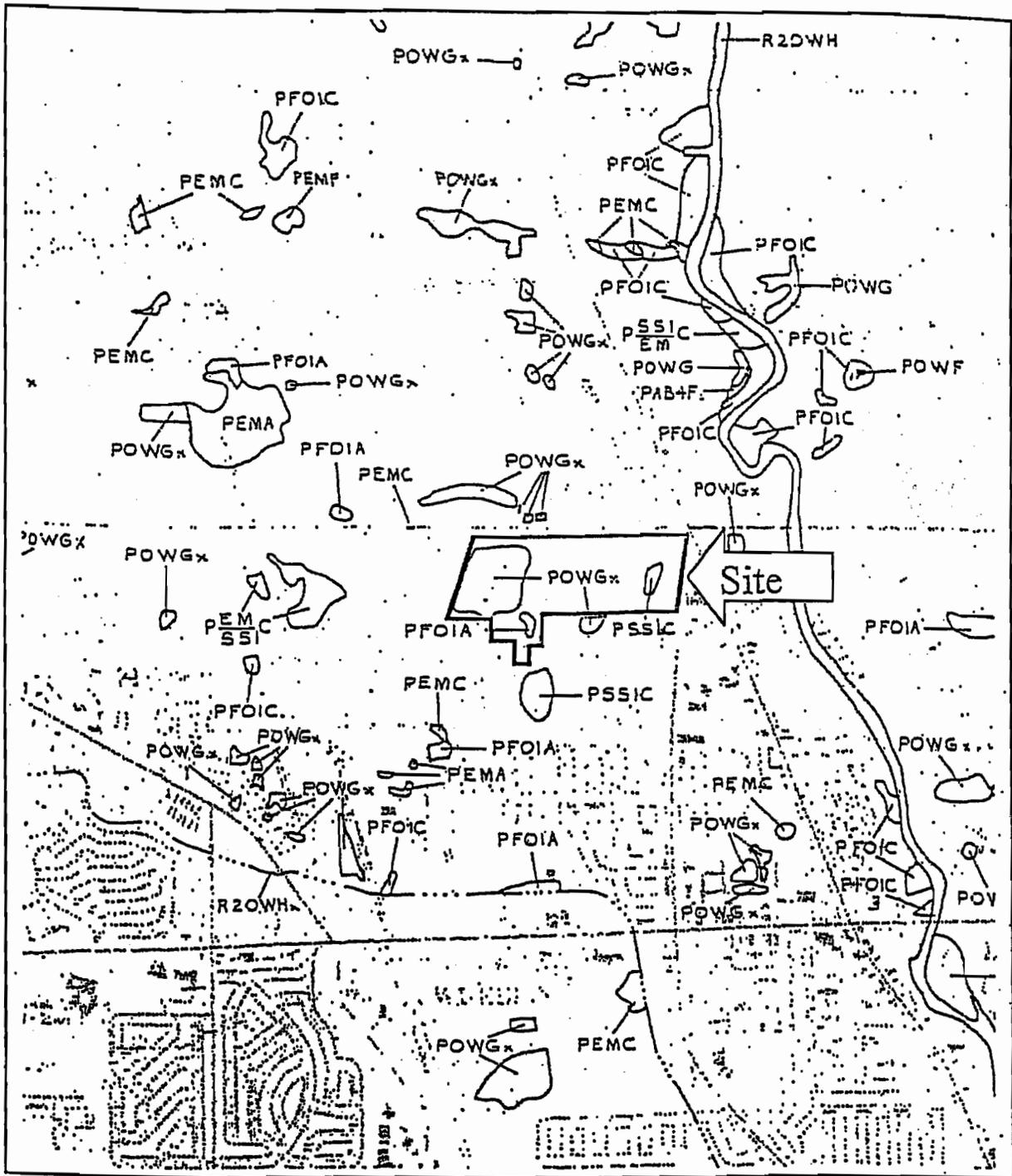
Source: Rand McNally

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 2,640'



North



National Wetlands Inventory

Source: U. S. Department of the Interior

Fish and Wildlife

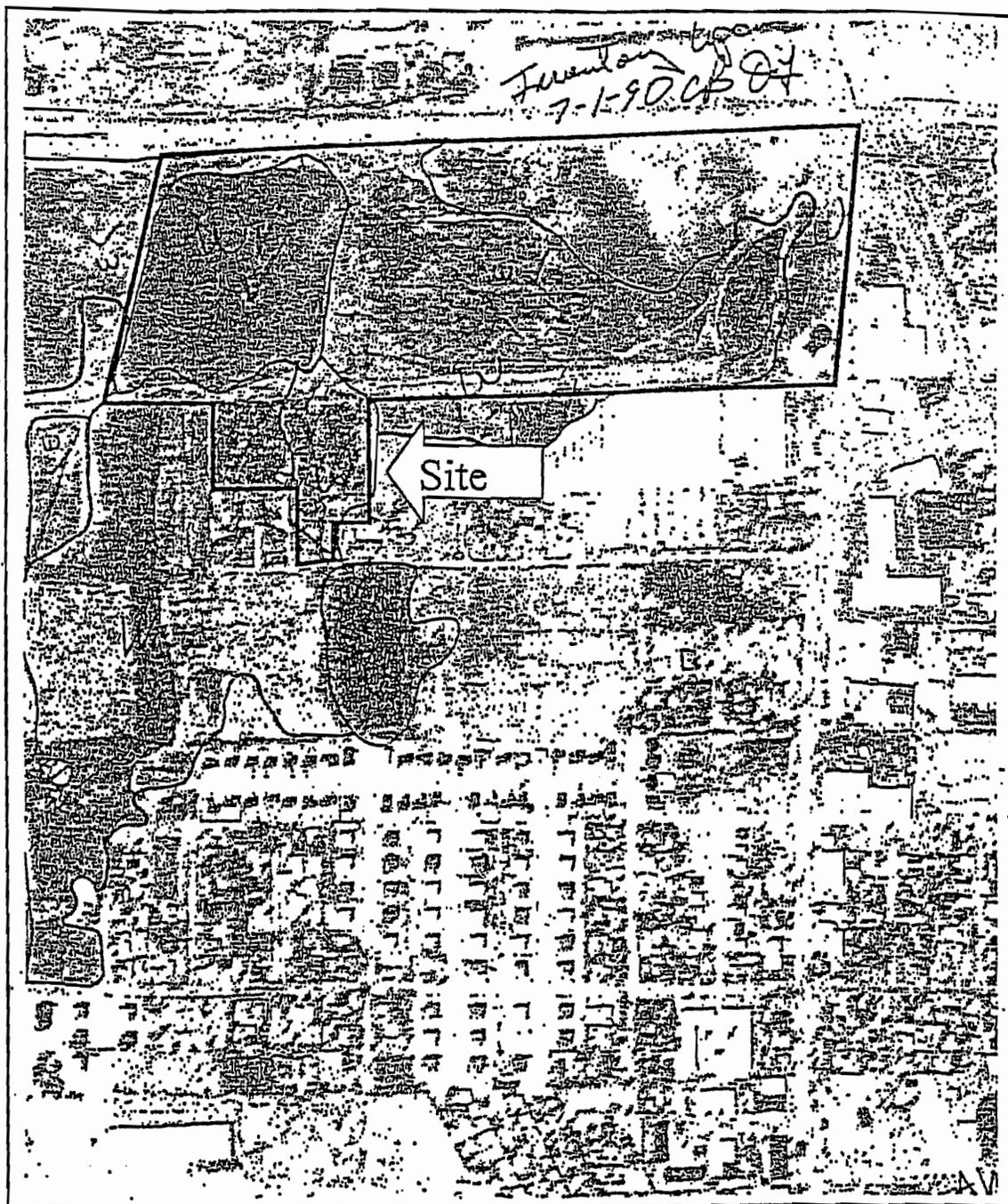
Wheeling Quadrangle

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 2,000'



North



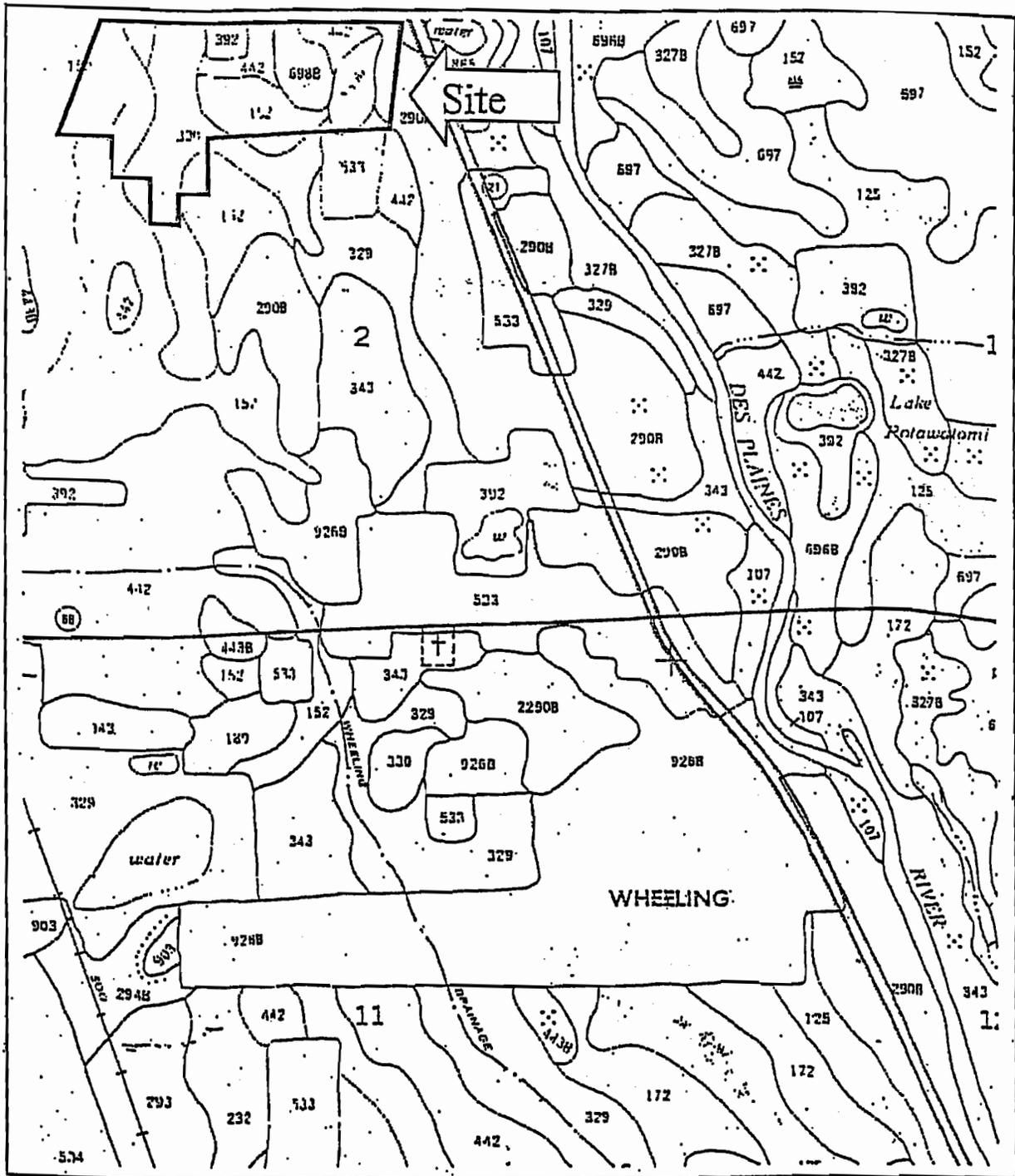
NRCS Wetland Inventory

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 660'



North

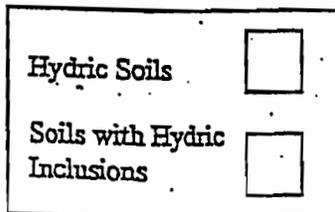


Soil Map

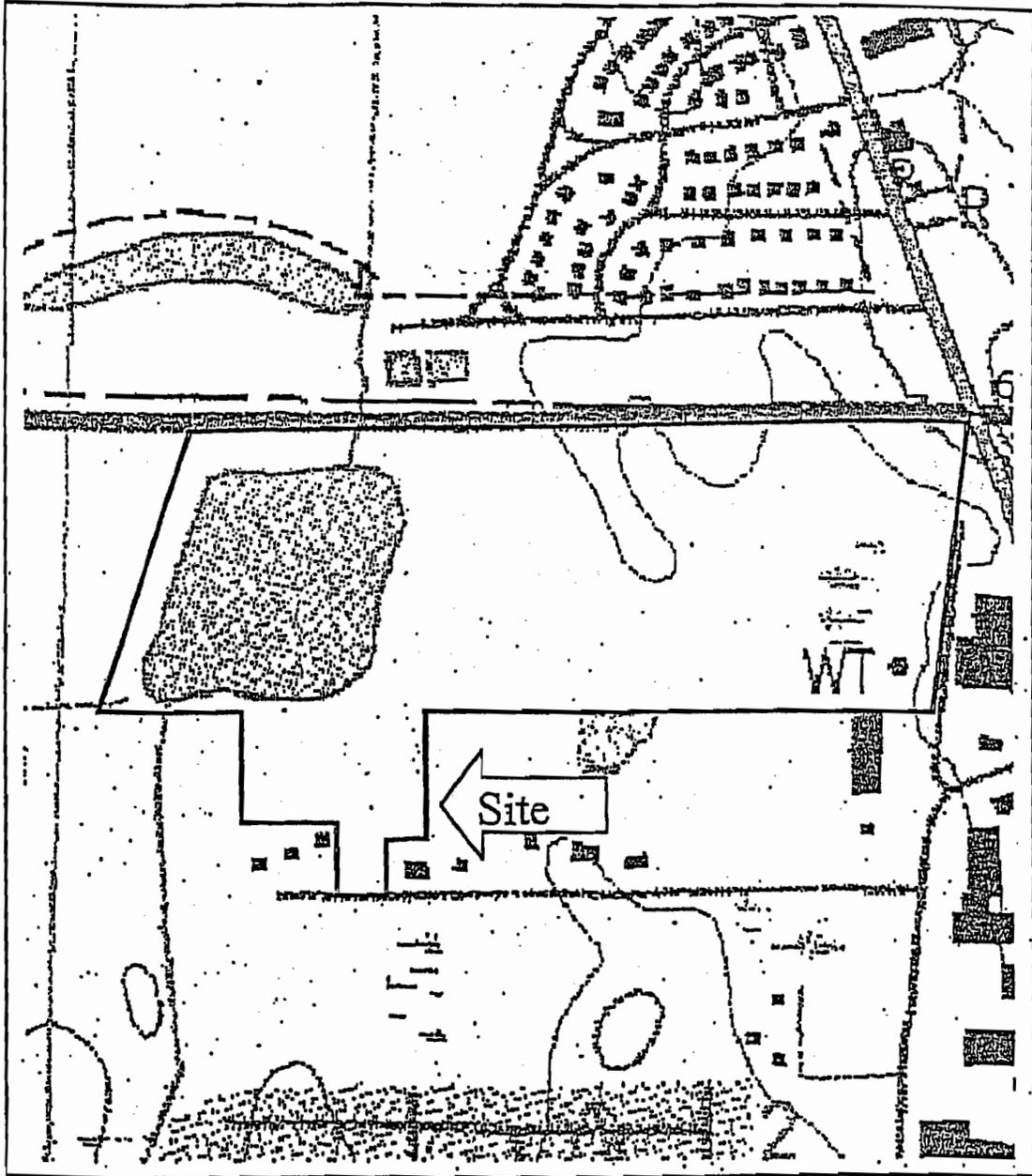
Source: U.S. Department of Agriculture Natural Resources
Conservation Service

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 1,320'



North



Topographical Map

Source: U.S. Department of the Interior

Geological Survey

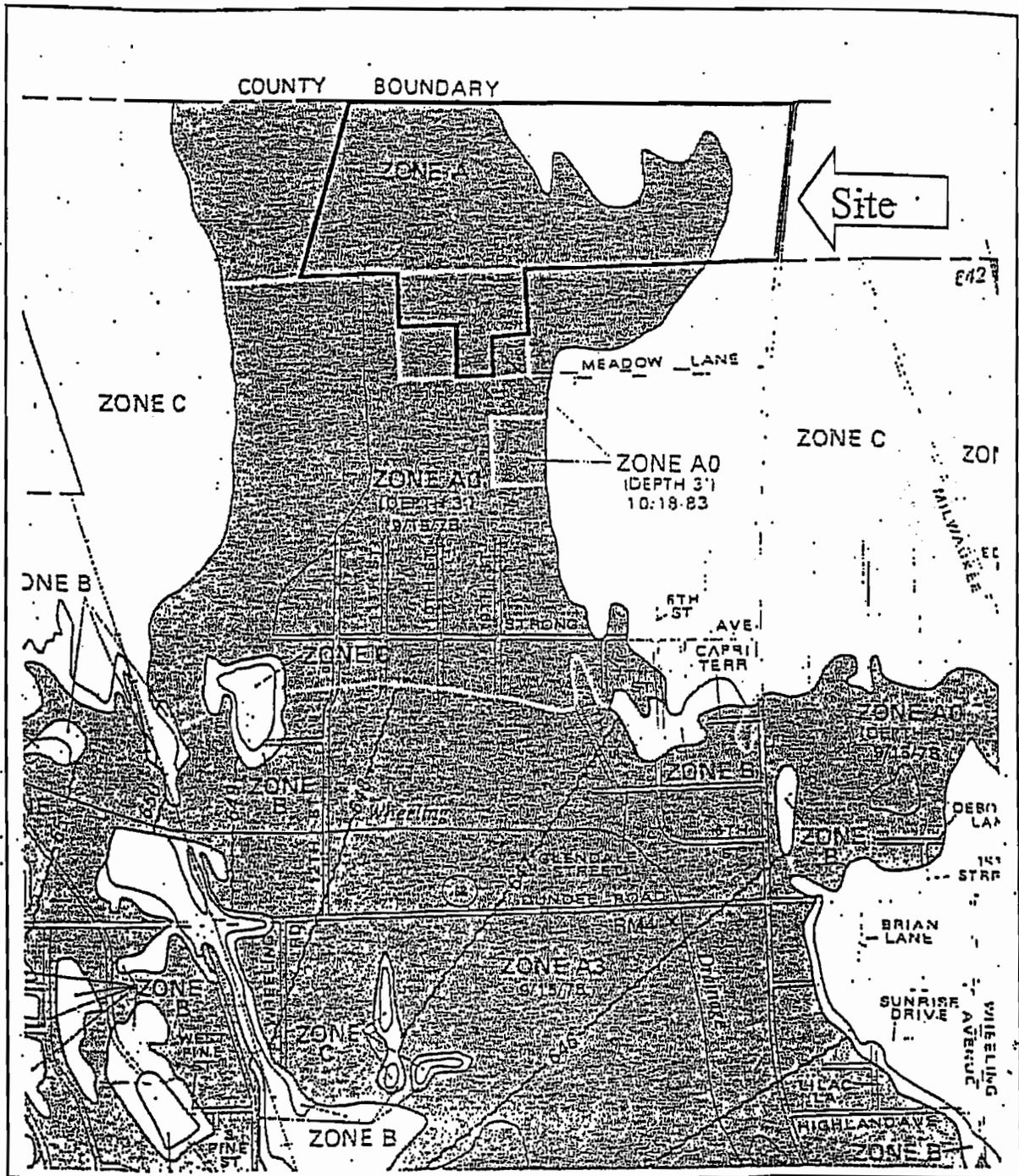
Wheeling Quadrangle

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 600'



North



Flood Insurance Rate Map

Source: Federal Emergency Management Agency

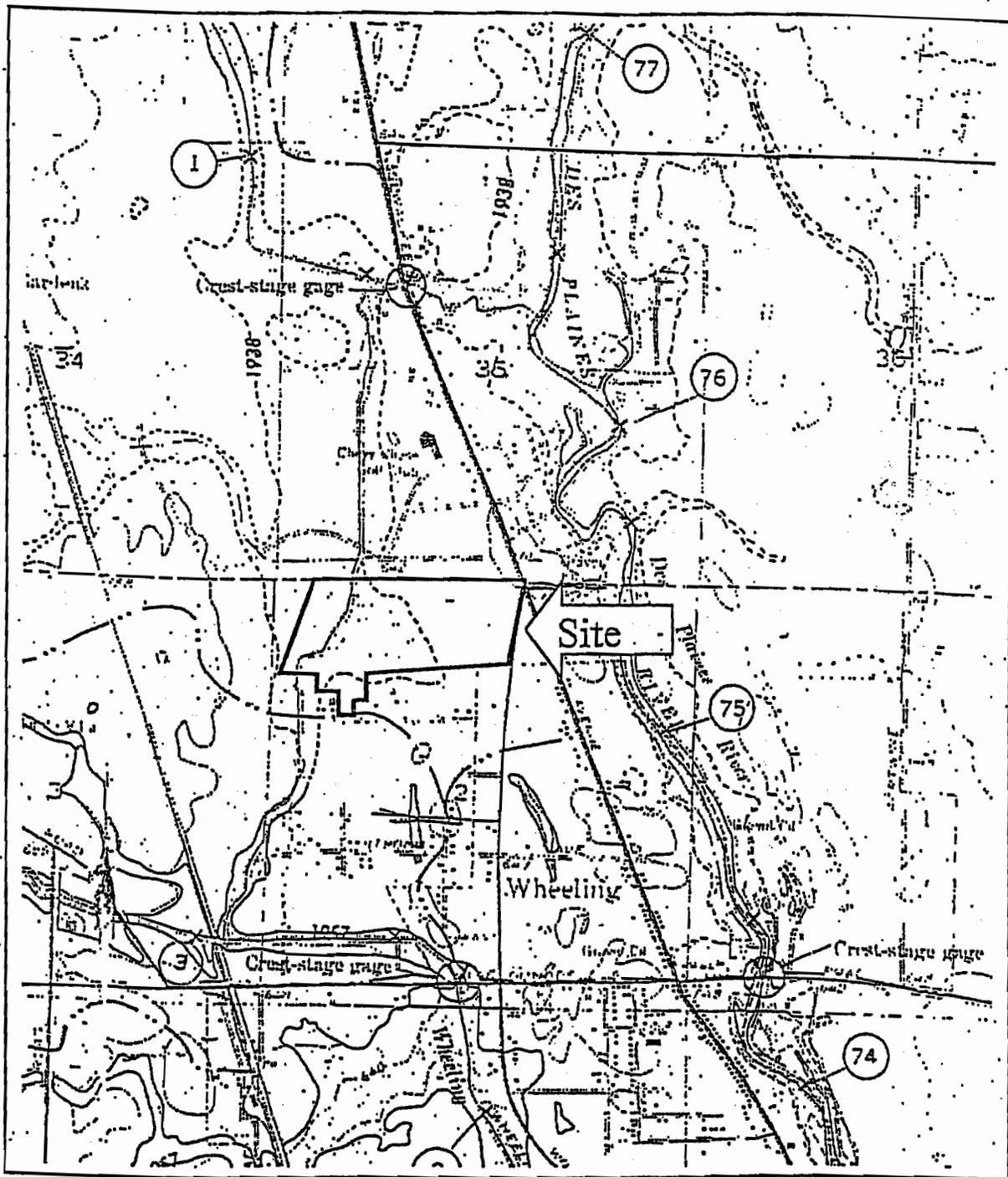
Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 500'



North

ZONE A	No base flood elevations determined.
ZONE AE	Base flood elevations determined.
ZONE AH	Flood depths of 1 to 3 feet (usually areas of parking); base flood elevations determined.
ZONE AO	Flood depths of 1 to 3 feet (usually street flow on sloping terrain; average depths determined). For areas of flood lot flooding, velocities also determined.



Floods in Wheeling Quadrangle

Source: U.S. Department of the Interior

Geological Survey

Date: 1963

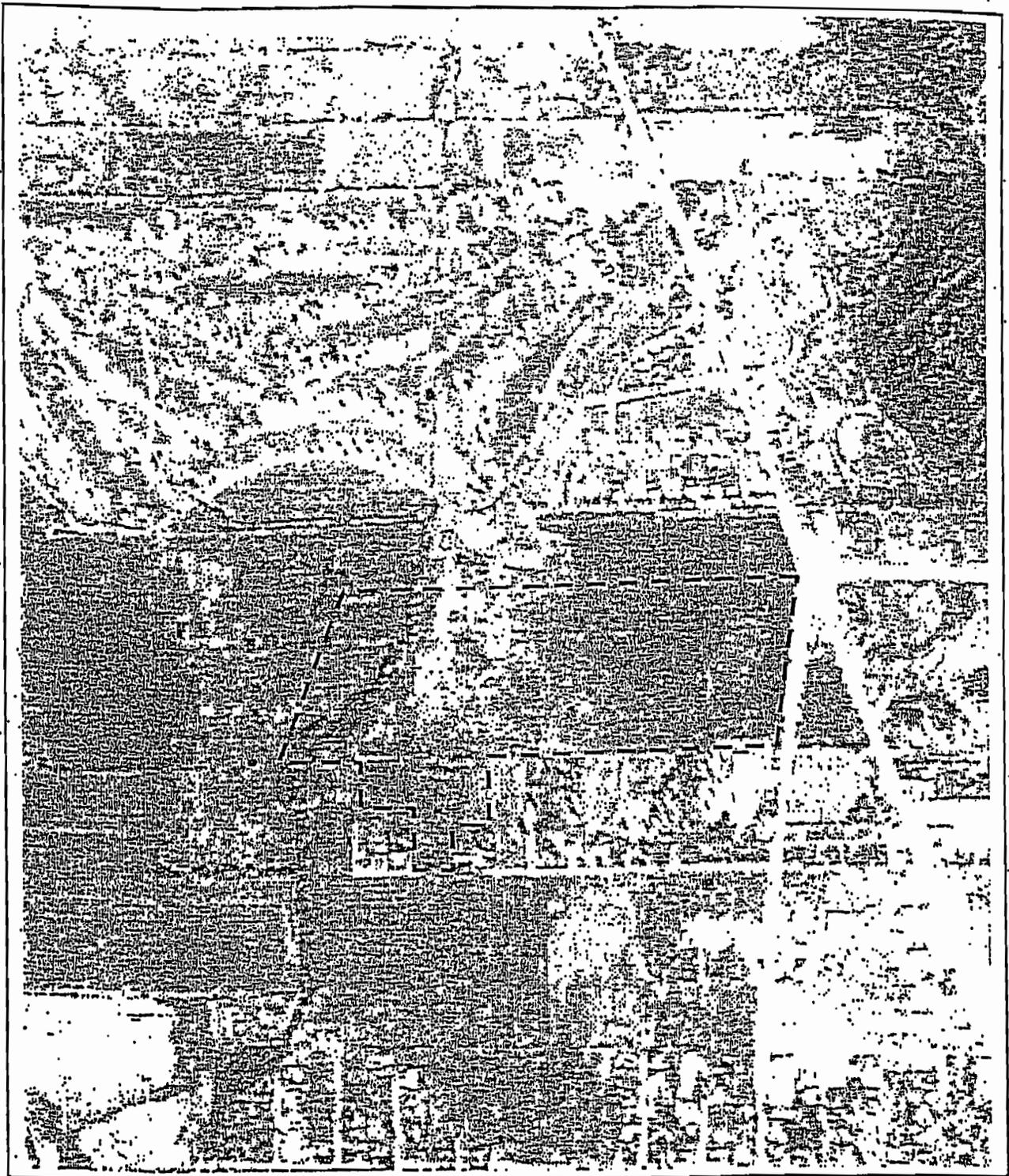
Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 2,000'

Shaded Areas = Flooded 1938, 1957 and 1960



North



1967 AERIAL PHOTOGRAPH

Source: North Cook County NRCS

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

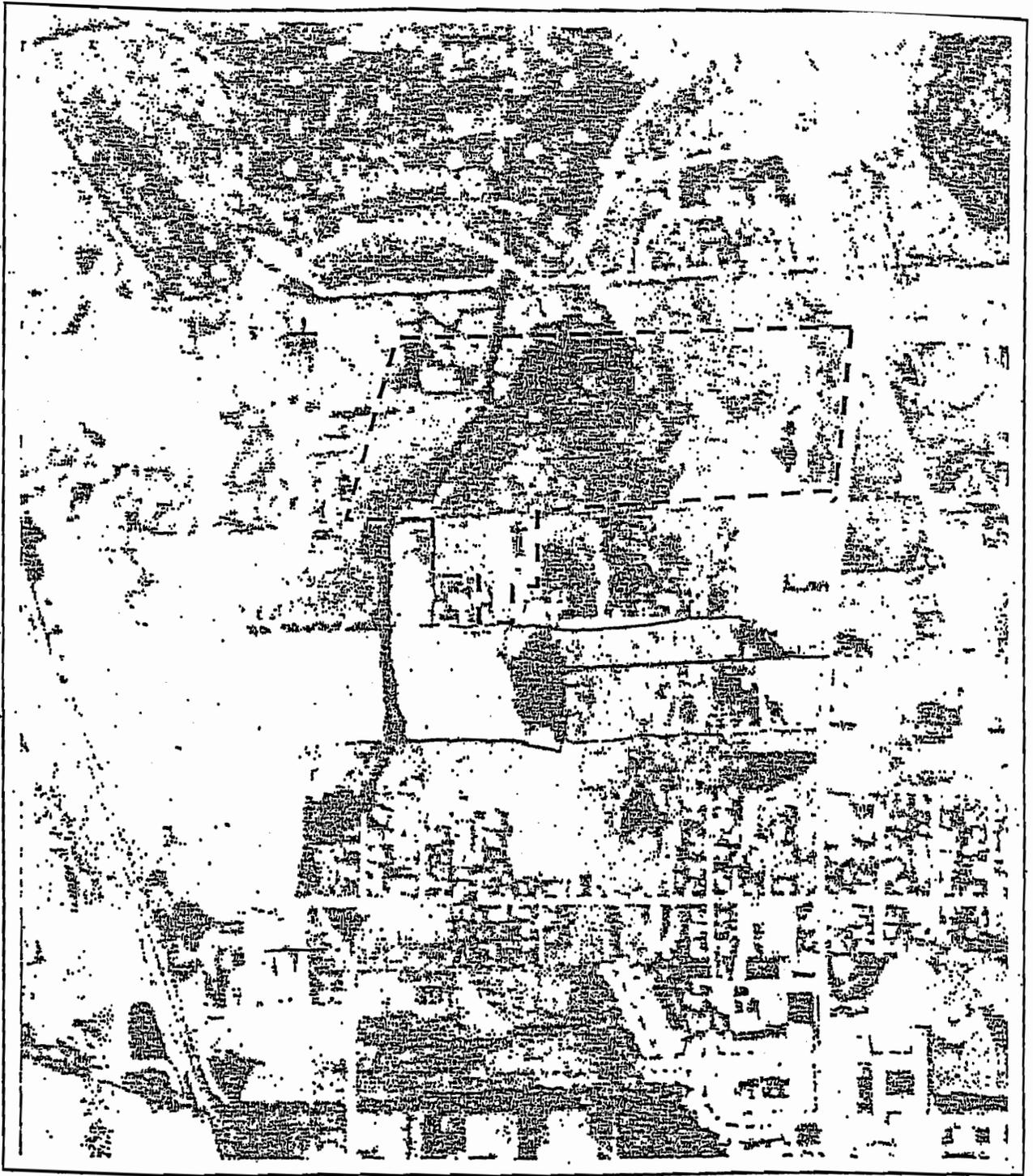
Not to Scale

LEGEND

Property Boundary - - -



North



1970 AERIAL PHOTOGRAPH

Source: North Cook County NRCS

Village of Wheeling – Lake Cook Road & Milwaukee Avenue

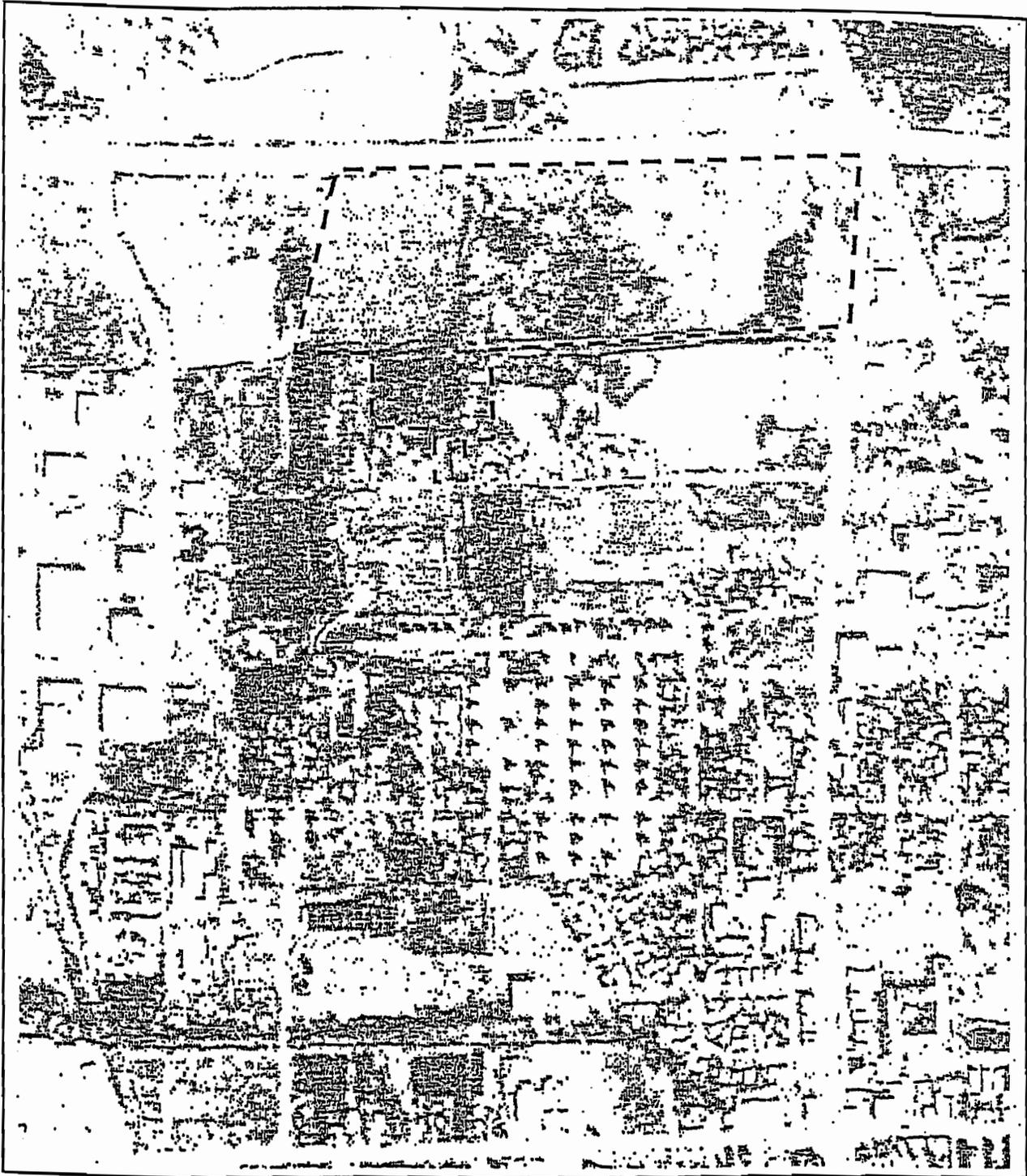
Not to Scale



North

LEGEND

Property Boundary — — —



1980 AERIAL PHOTOGRAPH

Source: North Cook County NRCS

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

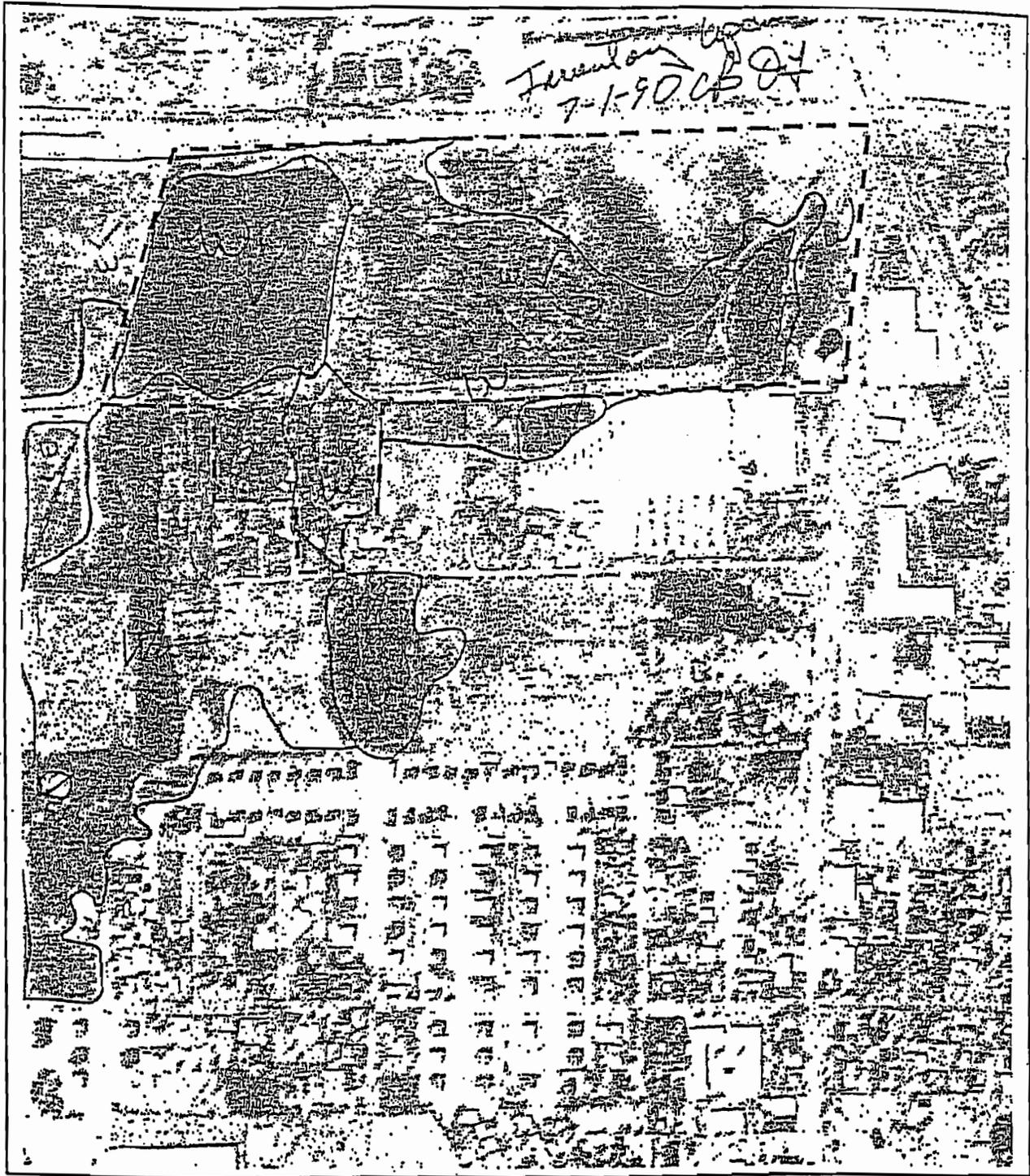
Not to Scale

LEGEND

Property Boundary - - -



North



1988 AERIAL PHOTOGRAPH

Source: North Cook County NRCS

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Not to Scale

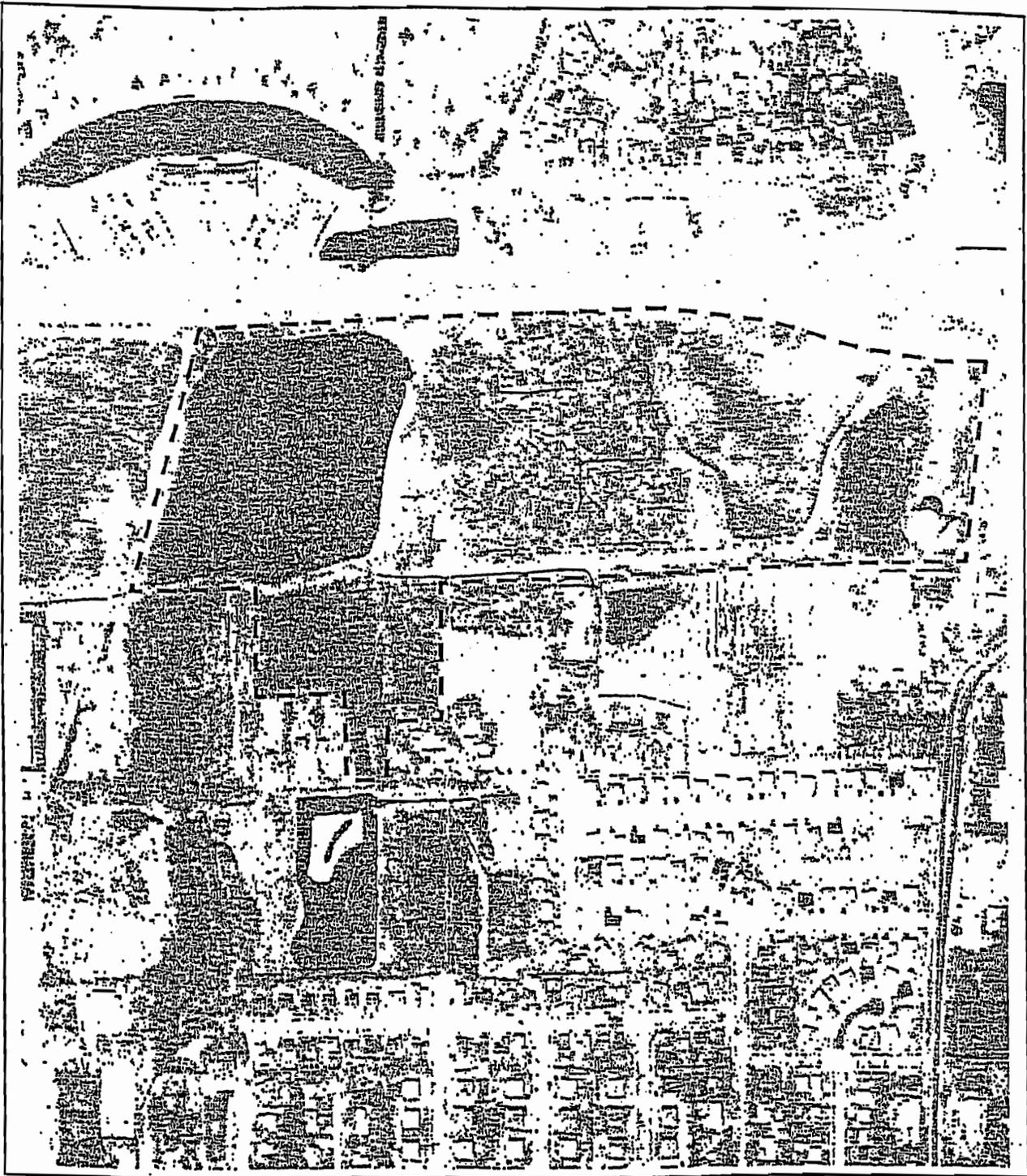
LEGEND

Property Boundary - - -



North

EXHIBIT H



1997 AERIAL PHOTOGRAPH

Source: North Cook County NRCS

Village of Wheeling – Lake Cook Road & Milwaukee Avenue

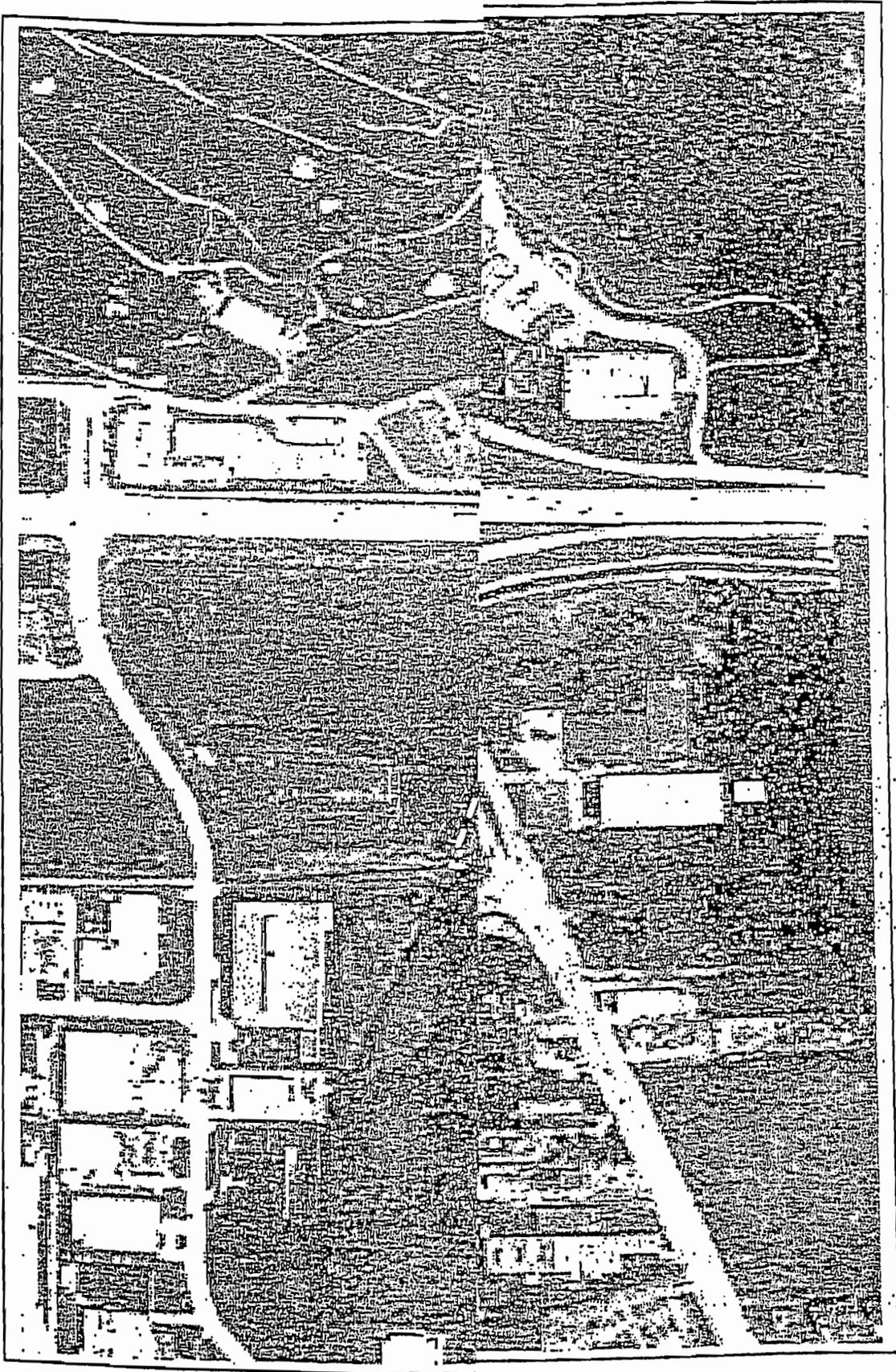
Not to Scale

LEGEND

Property Boundary — —



North



Project Area Boundary



Diversion Channel



EXHIBIT H



WESTERN ENGINEERING, P.C.

CONSULTING ENGINEERS
LAND SURVEYING
HYDROLOGY & HYDRAULICS
TRAFFIC ENGINEERING

1 WEST ILLINOIS STREET, SUITE 230
ST. CHARLES, ILLINOIS 60174
PHONE - (630) 443-8161 FAX - (630) 443-6954
(800) 677-7988

February 14, 2002

ENCAP, Inc.
12950 State Route 38, Suite 3
DeKalb, IL 60115-8536

Attention: Mr. Patrick Hickey

Reference: Chronic Flooding Study for the Village of Wheeling
ENCAP, Inc. Project No. C-01-1114B
329.002

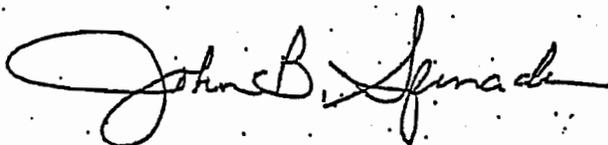
Dear Mr. Hickey:

I am in receipt of your report, referenced above and have reviewed both your narrative and the attached exhibits.

It is my opinion that the methodology you employed is appropriate for a study of this type. Your selection of record information was thorough and exhaustive. The interview subjects were the people most likely to have useful observations to report. Your on-site observations focused on the correct indicators.

Based upon my review of your report and exhibits and our personal discussions regarding this site I concur with your findings and conclusions.

Sincerely,
Western Engineering, P.C.



John B. Spenader, P.E.
President

ENCAP, Inc.

Environmental Consultants and Prairie Landscape Specialists

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TELEPHONE: 815-758-1621
FAX: 815-758-6821

February 18, 2002

224 S. MAIN ST.
WHEATON, ILLINOIS 60187
TELEPHONE: 630-690-0500
FAX: 630-690-0800

Mr. Craig G. Anderson, Village Manager
Village of Wheeling
255 West Dundee Road
Wheeling, Illinois 60090-2676

Re: Wetland determination for the Village of Wheeling Proposed North Milwaukee Avenue/Lake-Cook Road TIF District, an approximate 64 acre parcel located in Illinois, Cook County, Wheeling Township, City of Wheeling, T42N R11E Part of the N1/2 of Section 2
ENCAP, Inc. Project No. C-01-1114B

Dear Mr. Anderson:

The following information is being provided as a result of an ENCAP, Inc. investigation into the presence of wetlands located on the above referenced property. The project area (approximately 64 acres in size) is located within the Village of Wheeling, Cook County, Illinois (See Exhibit A: location map). It is bounded by Lake-Cook Road to the north, residential, commercial, and vacant properties to the south, Wolf Road to the East, and commercial property to the west. The project area is comprised of parcels owned by the Johnson family and the Village of Wheeling.

The project area consists of vacant land occupied by a mixture of woods, wetland, and land used for the agricultural production of row crops. The topography of the site is generally flat. A large open water pond is located in the western portion of the project area. A recently created channel extends through the southern portion of the site, to the northeastern corner of the site. The channel was created to divert high flows from the Wheeling Drainage Ditch to the Des Plaines River.

PROJECT PURPOSE

The purpose of the ENCAP, Inc. investigation was to determine if any wetlands exist within the project area, and if so, their approximate size and location. The presence of wetlands was determined using standard methods sanctioned by the United States Army Corps of Engineers in their Corps of Engineers Wetland delineation Manual (1987).

Approximate wetland boundaries are identified on an aerial photograph included with this report (Exhibit H, Wetland Location Map). Staking of wetland boundaries was not included in the scope of this project. The information presented here is to be used by the Village of Wheeling for the creation of a Tax Increment Financing (TIF) District, and is not suitable for wetland permitting.

METHODS

A site inspection was performed by ENCAP, Inc. on December 6, 2001. Prior to a field investigation of the project area, a preliminary site evaluation was performed using the National Wetland Inventory (NWI) map, Natural Resources Conservation Service (NRCS - formerly the Soil Conservation Service) soil map, United States Geological Survey (USGS) Topographic Map, NRCS Wetland Inventory Map, Federal Emergency Management Agency Flood Insurance Rate Map, and USGS Flood Map. Potential wetland areas identified by these resources were field investigated to determine if they meet wetland criteria based on the 1987 U.S. Army Corps of Engineers Wetland Delineation Manual.

To be considered a wetland, an area must meet minimum criteria in three parameters. These parameters are soils, hydrology, and vegetation. In general, positive indication of each of the three parameters must be demonstrated to classify an area as wetland. Each of these parameters is discussed below.

Soils - To be considered a hydric soil, sufficient saturation, flooding or ponding must occur during the growing season (about March to October) to develop anaerobic (lacking oxygen) conditions which favor the growth, reproduction and persistence of hydrophytic (water-loving) vegetation. Field indicators of hydric soils include presence of a histic epipedon, soil color (e.g., dark-colored soils, presence of bright-colored mottles, gleyed soil), high organic content in the surface horizon, and the presence of sulfidic material (e.g., rotten egg odor indicating reducing conditions typical of wetlands). Field indicators are usually examined in the top 20 inches of the soil.

Hydrology - The hydrology criterion for a wetland is met when inundation or saturation occurs for more than 5% of the growing season (about 9-12 days in northern Illinois). Soil is considered to be saturated when a pit dug to a depth of 16 inches accumulates standing water within the root zone or 12 inches below the ground surface after an acceptable period of time. Both primary and secondary indicators of wetland hydrology are field investigated. Seasonal factors are considered when evaluating hydrology.

Vegetation - To be considered a wetland, more than 50% of the dominant plant species must be hydrophytic. The U.S. Fish Wildlife Service (USFWS) has prepared a regional list of plants occurring in wetlands. Wetland plants fall into three classes based on differing tolerances to soil saturation; these are obligate wetland species (OBL), facultative wet species (FACW), or facultative species (FAC).

FINDINGS

- The National Wetland Inventory identifies three wetlands within the project area. A palustrine, broad-leaved deciduous, scrub/shrub wetland with a seasonal water regime (PSS1C) is identified in the eastern portion of the site. An excavated, palustrine, open water pond with an intermittently exposed water regime (POWGx) is identified in the western portion of the site. A palustrine, broad-

leaved deciduous, forested wetland with a temporary water regime (PFO1A) is identified in the southwestern portion of the site (Exhibit B).

- The Natural Resources Conservation Service (NRCS) Wetland Inventory identifies the majority of the project area as Wetland (W). Wetlands are areas that meet jurisdictional wetland criteria including wetlands farmed under natural conditions (Exhibit C).

Through a memorandum of agreement, the U.S. Army Corps of Engineers recognizes the Natural Resources Conservation Service as the lead agency in identifying wetland within agricultural land. Since the project area contains agricultural land, a certified wetland determination must be performed by the Cook County NRCS. A certified wetland determination consists of an evaluation of aerial photographs to identify areas that exhibit wetland signatures such as wetland vegetation, surface water, drowned-out crops, patches of greener vegetation and avoided areas. Areas exhibiting wetland signatures will be considered farmed wetlands.

The NRCS requires the property owners authorization in order to perform a Certified Wetland Determination. Given the fact that the majority of the project area is within private ownership, a Certified Wetland Determination could not be obtained in the course of this wetland study. Therefore, ENCAP, Inc. performed its own Preliminary Wetland Determination based on NRCS standards. Aerial photographs for the years 1991 to 1998 were reviewed at the NRCS office located in Woodstock, Illinois. The results of the Preliminary Wetland Determination were discussed with Mr. Dave Brandt, District Conservationist of the NRCS. Mr. Brandt concurred with the ENCAP, Inc. findings. Please note, the ENCAP, Inc. findings regarding farmed wetlands are preliminary only, the NRCS must make a final determination regarding farmed wetlands through a Certified Wetland Determination.

- The NRCS Soil Survey identifies the following soils within the project area:

Drummer silty clay loam (152)	Mundelein silt loam (442)
Peotone silty clay loam - wet (1330)	Peotone silty clay loam (330)
Grays silt loam (698B)	Urban land - Orthents complex (392)
Warsaw silt loam (290B)	

Of these seven soil mapping units, only Drummer and Peotone are considered hydric in Cook County. However, Mundelein, is known to sometimes contain inclusions of hydric soils. These units are usually too small to be mapped by the NRCS. Field evaluations of soil texture and matrix color are used to determine if a hydric inclusion may be present (Exhibit D).

- The United States Geologic Service (USGS) Topographic Map identifies a blue line stream extending to and from an open water pond located in the western portion of the project area. A wetland is identified in the eastern portion of the site (Exhibit E).

- The Flood Insurance Rate Map identifies a 100 year flood plain throughout the majority of the project area (Exhibit F).
- The U.S.G.S. Floods in Wheeling Quadrangle Map identifies historically flooded areas in the western portion of the project area (Exhibit G).

Based on the above map review and the ENCAP, Inc. field investigation, four (4) wetlands totaling 25.7 acres were identified on the project area. The approximate boundaries of each wetland are identified on the attached aerial photograph (Exhibit H). Wetland 1 (approximately 24.7 acres in size) is located within the northern portion of the project area. It consists of a complex of wooded, scrub/shrub, emergent, and farmed wetlands. Wetland 2 (approximately 0.7 acres in size) and Wetland 3 (approximately 0.1 acre in size) are located in the southwestern portion of the site. These two wetlands consist of depressional areas within a wooded portion of the project area. Wetland 4 (approximately 0.2 acres in size) is located in the north-central portion of the site. This wetland consists of depressional area within the farmed portion of the project area.

CONCLUSIONS

Approximately 25.7 acres of wetland were identified on the project area. Impacts to wetlands are regulated by the U.S. Army Corps of Engineers (ACOE). The ACOE has the final authority in determining the presence of wetlands on the subject property.

Wetlands provide valuable functions such as stormwater storage and filtration, groundwater recharge, wildlife habitat, recreational and educational opportunities, and may contain endangered or threatened plant species. In general, the ACOE promotes the conservation and protection of these valuable resources. The filling of wetlands for development purposes is greatly discouraged and often not permitted unless no alternative to wetland impact exists. Wetlands avoided by development often require protection through the establishment of buffer zones around their perimeters.

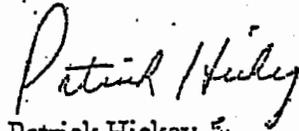
The Request for Proposal that ENCAP, Inc. received from the Village of Wheeling, dated October 30, 2001, states that the Village needs to determine the actual buildable area on the Johnson property. The size of the buildable area can vary depending on what factors are considered such as wetland buffer zone requirements, building setback requirements, the odd shape of the non-wetland portion of the project area, soil limitations, the presence of floodplain on the site, and the possibility of mitigating for wetland impacts. It is our understanding that a Christopher Burke Engineering, Ltd. study determined the buildable area to be 8.5 acres and later revised that number to 5.8 acres. Either of these numbers are accurate depending on which of the above referenced factors are considered.

The Wheeling Drainage Ditch diversion channel was created in 2001. The channel extends through the project area. Flows are designed to be contained within the channel, however, the berm located along the channel has likely affected the tributary areas of the surrounding wetlands. The extent of future effects the channel may have on wetlands identified

in this report is uncertain, however, significant changes in the sizes of the wetlands are not expected.

If you should have any questions regarding this information, please do not hesitate to contact me at (815) 758-1621.

Sincerely,
ENCAP, Inc.

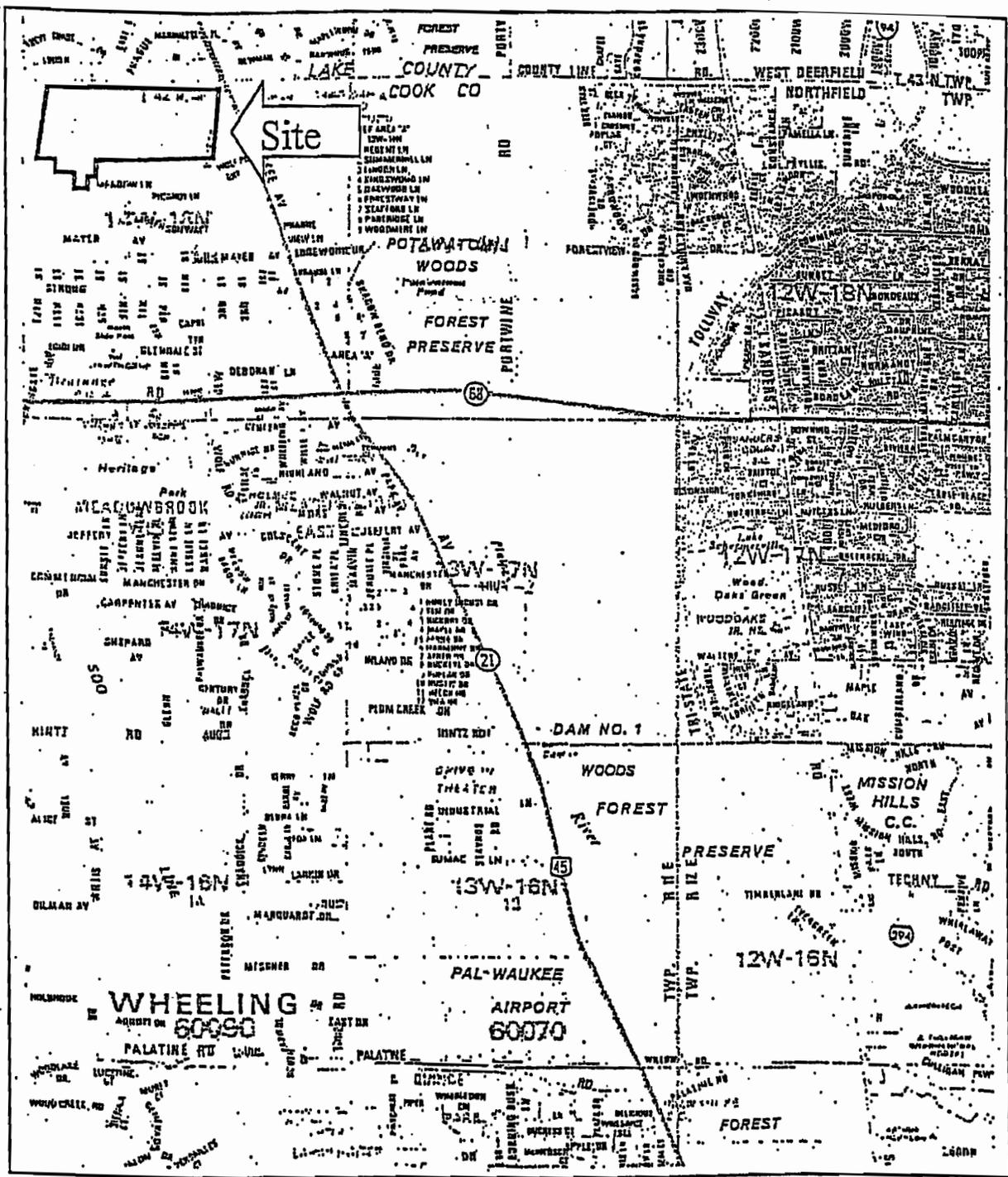


Patrick Hickey *is*
Senior Staff Ecologist



Carl Peterson *is*
Vice President

Attachments



Site Location Map

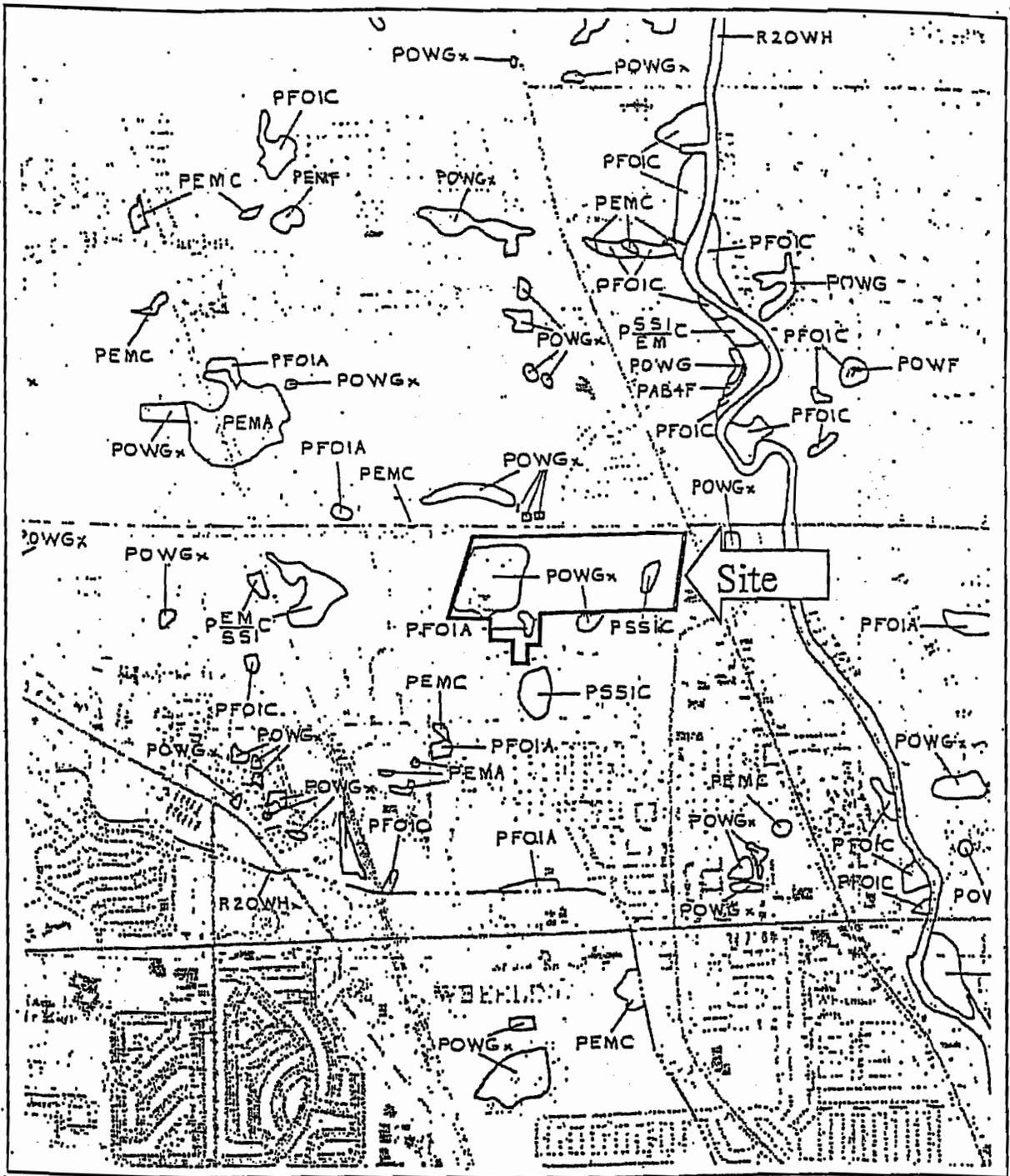
Source: Rand McNally

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 2,640'



North



National Wetlands Inventory

Source: U. S. Department of the Interior
Fish and Wildlife

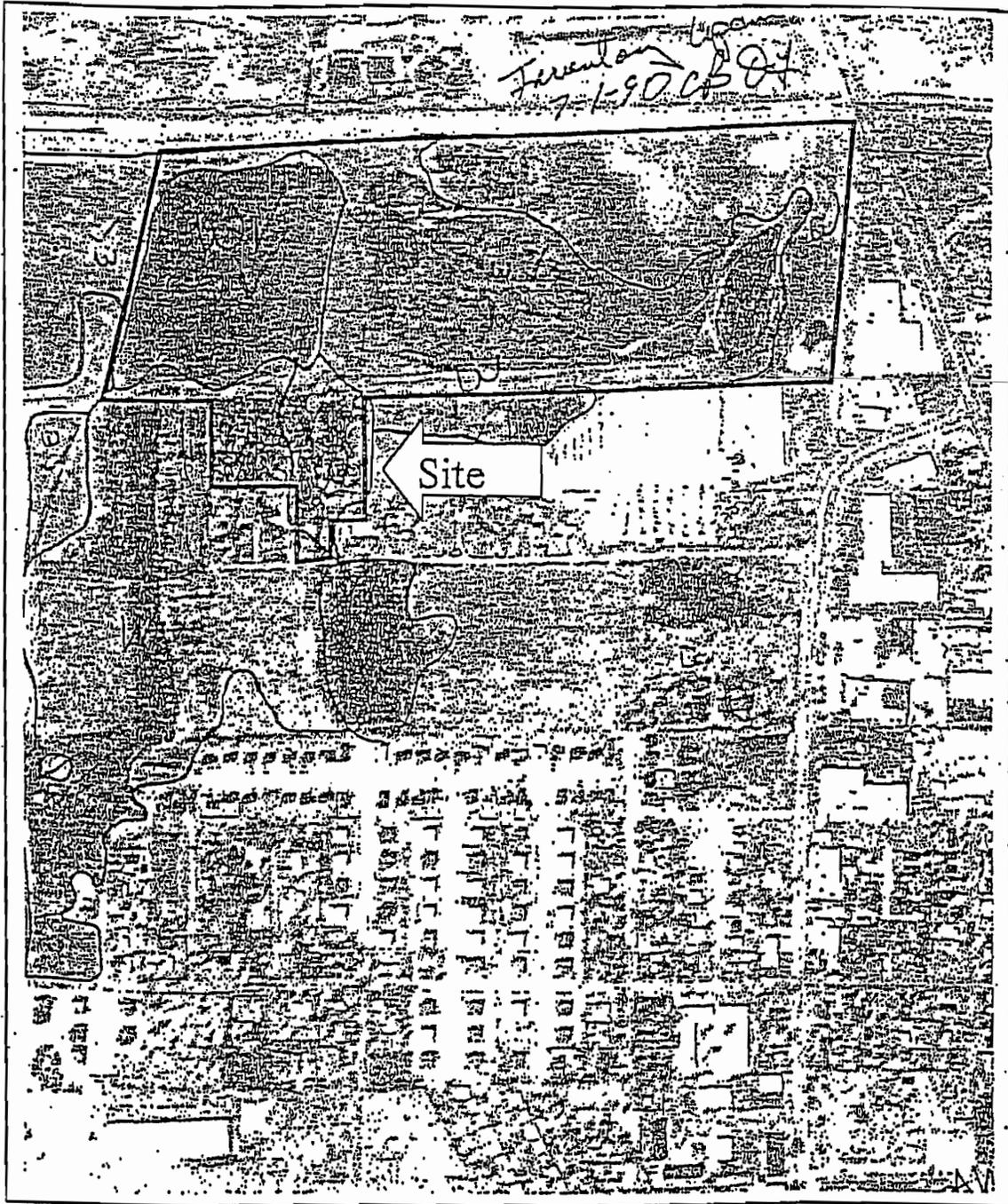
Wheeling Quadrangle

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 2,000'



North



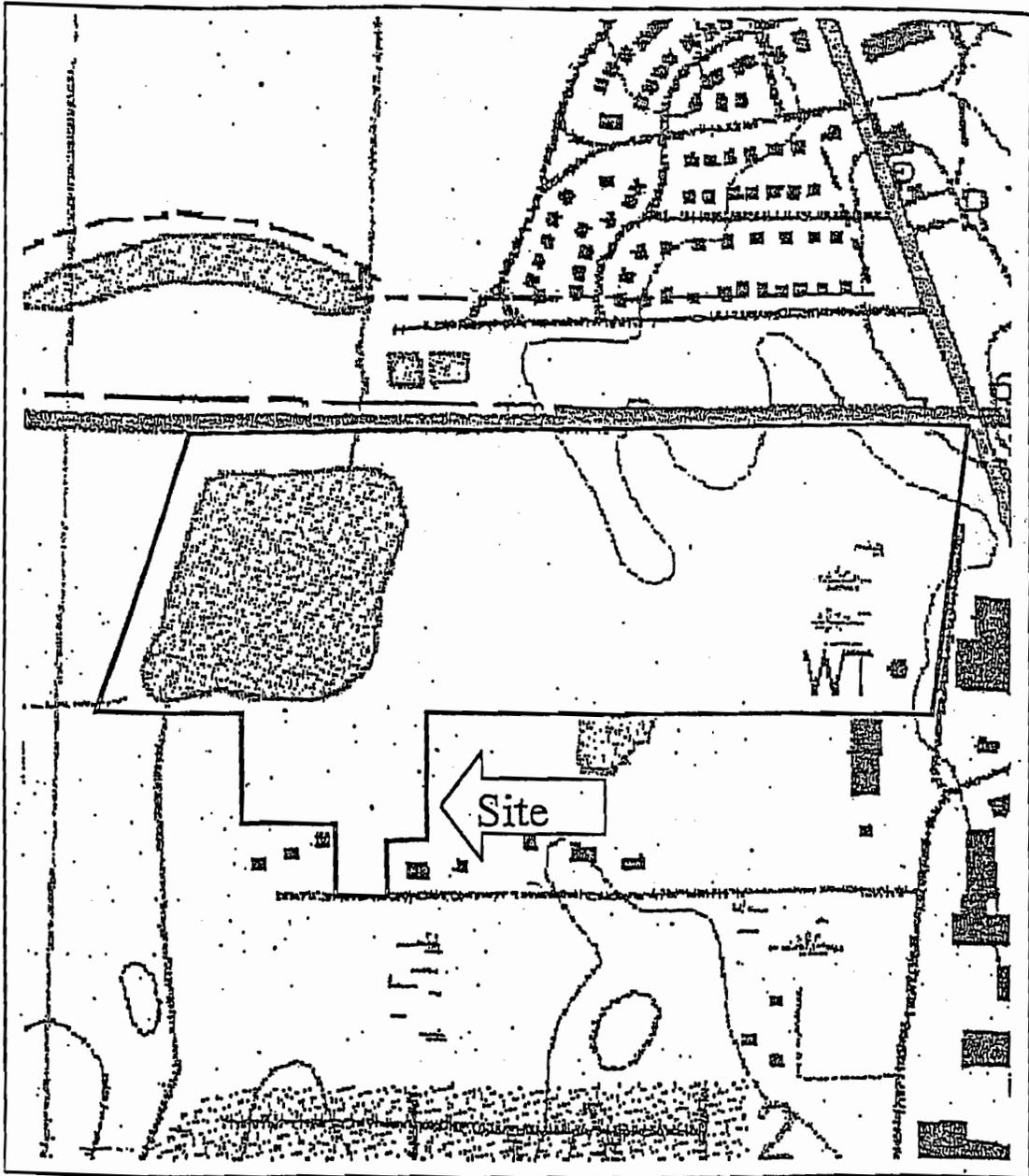
NRCS Wetland Inventory

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 660'



North



Topographical Map

Source: U.S. Department of the Interior

Geological Survey

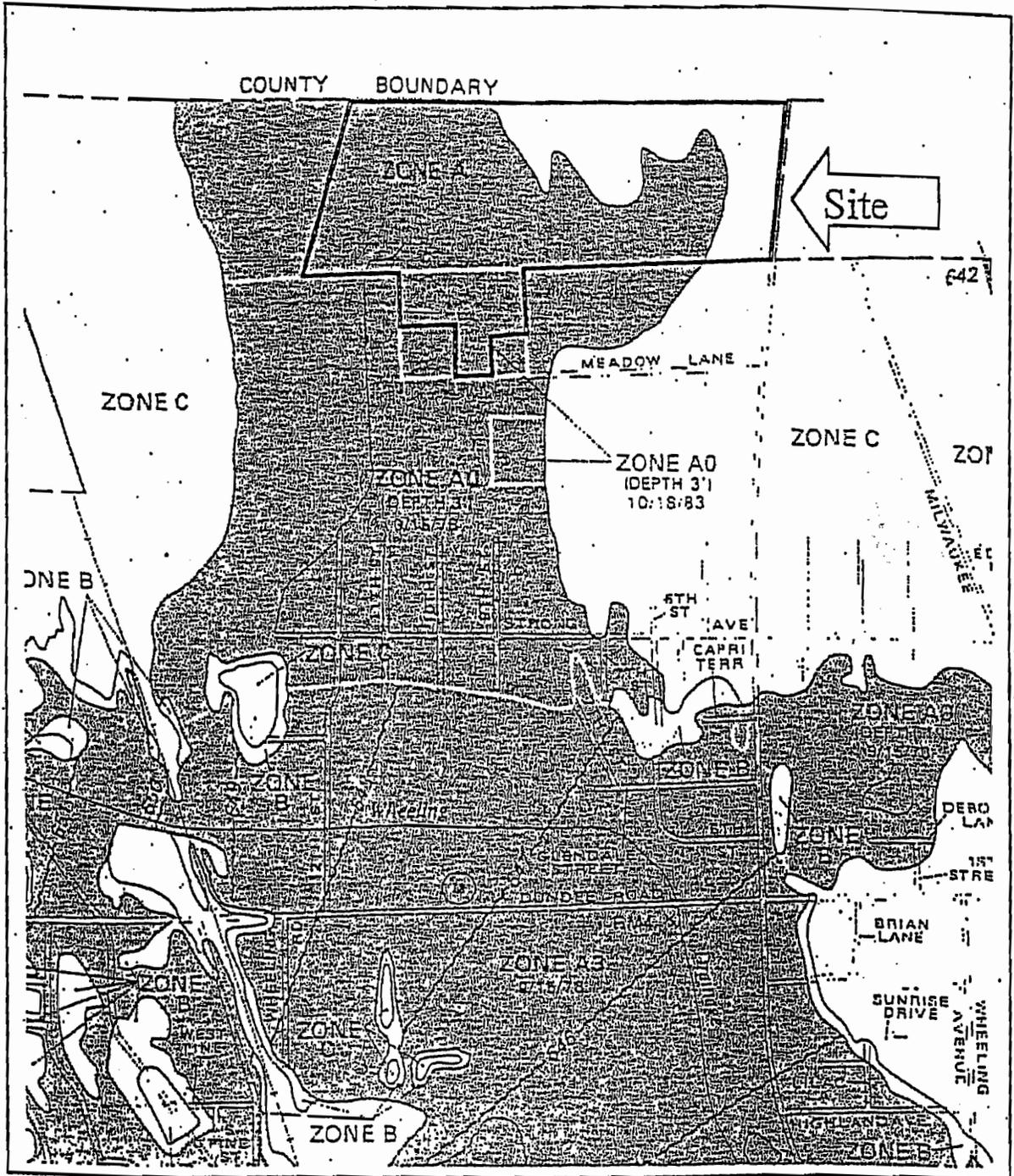
Wheeling Quadrangle

Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 600'



North



Flood Insurance Rate Map

Source: Federal Emergency Management Agency

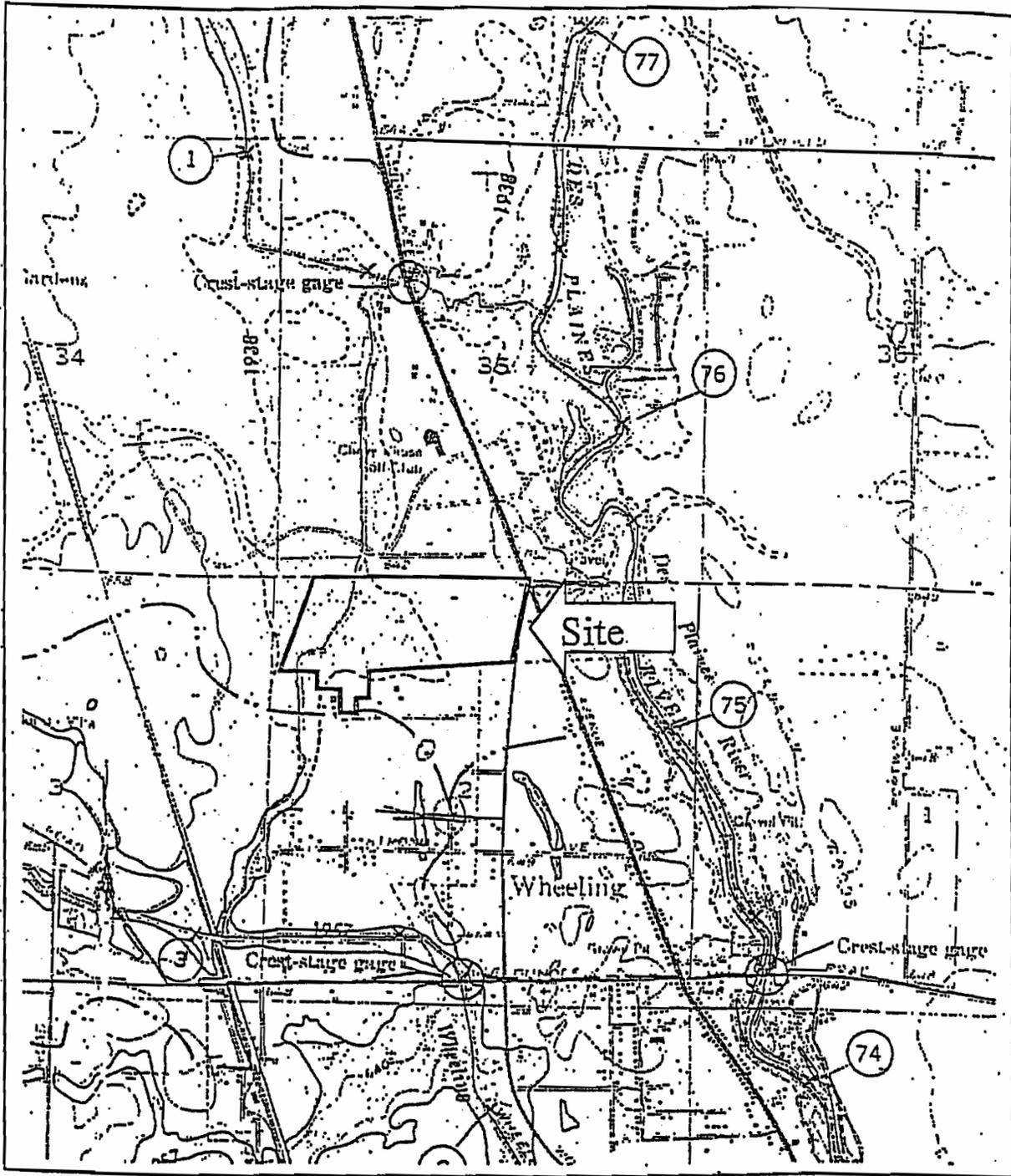
Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 500'

ZONE A	No base flood elevations determined.
ZONE AE	Base flood elevations determined.
ZONE AH	Flood depths of 1 to 3 feet usually occur on ponding; base flood elevations determined.
ZONE AD	Flood depths of 1 to 3 feet usually occur on low-lying terrain; average depths determined. For areas of unusual low flooding, velocities also determined.



North



Floods in Wheeling Quadrangle

Source: U.S. Department of the Interior

Geological Survey

Date: 1963

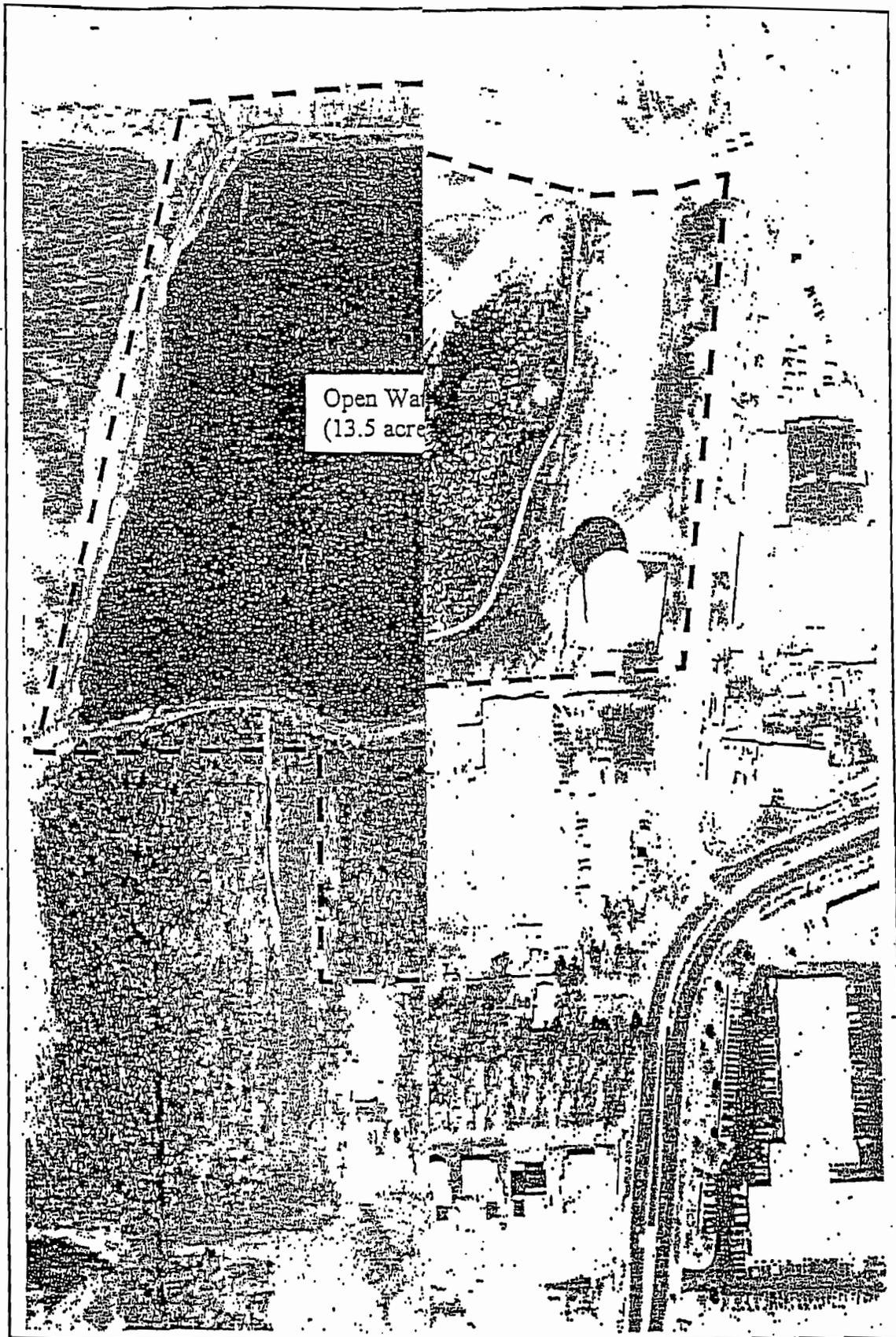
Village of Wheeling - Lake Cook Road & Milwaukee Avenue

Scale: 1" = 2,000'

Shaded Areas = Flooded 1938, 1957 and 1960

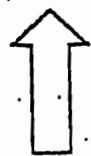


North



Approximate Locations
Project Area Boundary

Wetland Boundary



NORTH

EXHIBIT H

EXHIBIT A

**VILLAGE OF WHEELING
NORTH MILWAUKEE AVENUE/LAKE COOK ROAD (NORTH TIF) AREA TIF
FURTHER AMENDED REDEVELOPMENT PLAN AND PROJECT**

AMENDMENT TO LEGAL DESCRIPTION

Further Expansion Area

Village of Wheeling North (Milwaukee Avenue/Lake-Cook Road) TIF District

All that area bounded by the following described line:

Beginning at the Northwest corner of Lot 1 in Prairie Park at Wheeling Subdivision of part of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian; thence West along the North line of Lot 2 in the Subdivision of G. Hechinger's Farm, a subdivision of part of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian, to its intersection with the East line of the West $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian; thence South along the East line of the West $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian, to a point located 160 feet North of the South line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid; thence West along a line parallel with the South line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid, a distance of 200 feet; thence South along a line parallel with the East line of the West $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian, a distance of 160 feet to the South line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid; thence West along the South line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid, a distance of 100 feet; thence North, along a line parallel with the East line of the West $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian, a distance of 300 feet; thence West along a line parallel with the South line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid, a distance of 300 feet to the West line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid (said West line also being the East line of the Metropolitan Water Reclamation District of Greater Chicago's Diversion Channel); thence North along said West line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid (and the East line of the Metropolitan Water Reclamation District of Greater Chicago's Diversion Channel) to the Northwest corner of said Lot 2; thence West along a line parallel with the Westerly extension of the South line of Lot 2 in the Subdivision of G. Hechinger's Farm, aforesaid, a distance of 100 feet to the Northeast corner of Outlot 1 in Northgate Industrial Center Subdivision of part of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian; thence West along the North line of Outlot 1 in Northgate Industrial Center Subdivision, aforesaid, to its intersection with the West line of the West $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian; thence South along the West line of the West $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian, to its intersection with the South line of Lot 14 in the

Subdivision of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian; thence East along the South line of Lot 14 in the Subdivision of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian and the South line of Outlot D in Picardy Place Unit No. 2, a Subdivision of part of the Northwest ¼ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian, to the Southwest corner of Lot 20 in Picardy Place, a subdivision of part of the Northwest ¼ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian; thence North along the West lines of Lots 20, 21, 22 and 23 in Picardy Place, aforesaid, and the West lines of Lots 52, 53 and 54 in Picardy Place Unit No. 2, aforesaid, to the Northwest corner of Lot 54 in Picardy Place Unit No. 2, aforesaid; thence East along the North line of Lot 54, the Easterly extension of the North line of Lot 54 and the North line of Lot 55 in Picardy Place Unit No. 2, aforesaid, to the Southwest corner of Lot 1 in Prairie Park at Wheeling Subdivision, aforesaid; thence North along the West line of Lot 1 in Prairie Park at Wheeling Subdivision, aforesaid, to the point of beginning, being the Northwest corner of Lot 1 in Prairie Park at Wheeling Subdivision, aforesaid; all being located in the Northwest ¼ of Section 2, Township 42 North, Range 11, East of the Third Principal Meridian; all in Cook County, Illinois;

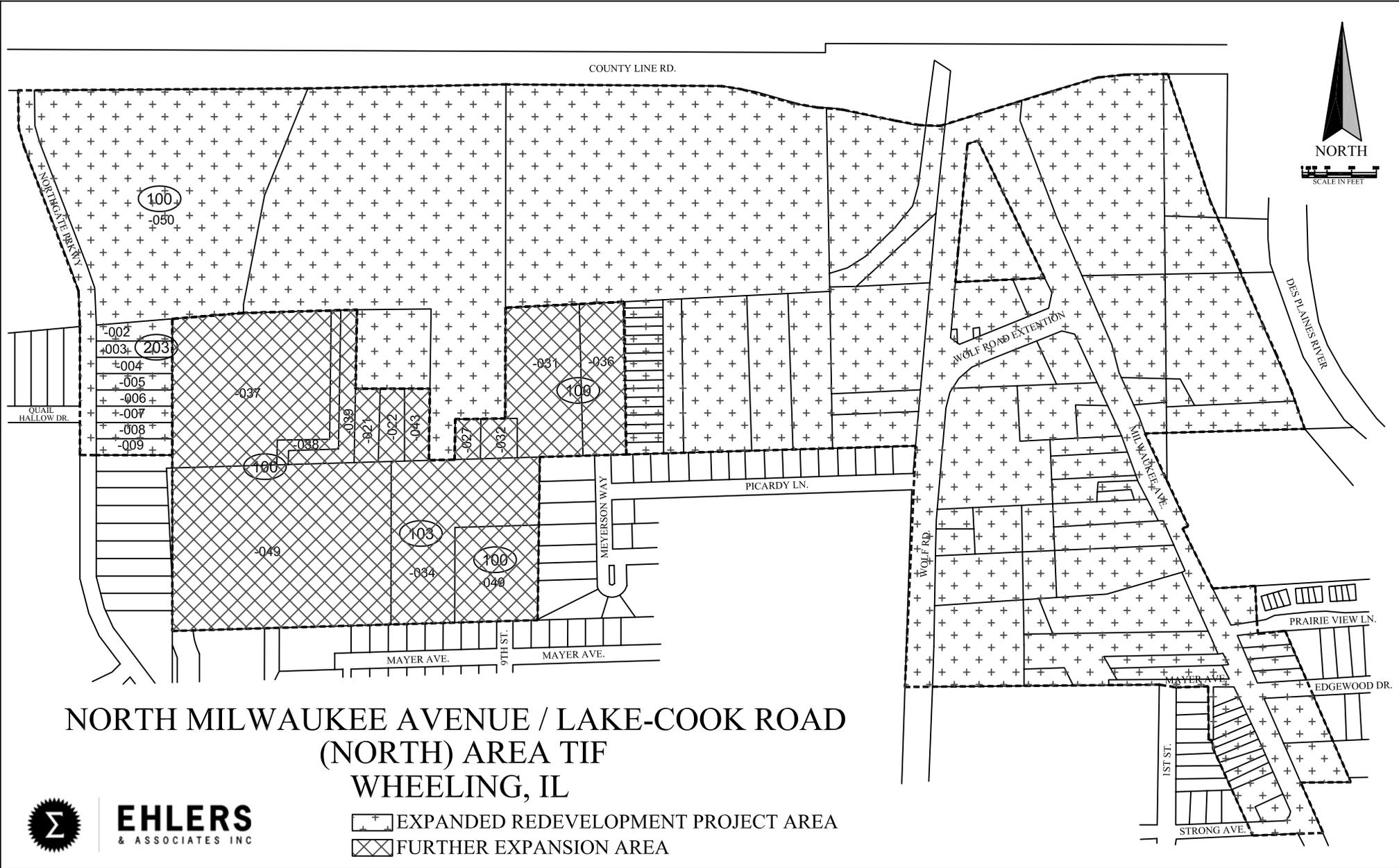
P.I.N.s: 03-02-100-021, -022, -027, -031, -032, -036,
-037, -038, -039, -043 and -049; 03-02-103-034;

Common Addresses: 2, 5, 6, 7, 8, 9, 11, 13 and 200 Meadow Lane;
250 Northgate Parkway; and
1 and 109 Meyerson Way, Wheeling, Illinois.

EXHIBIT B

**VILLAGE OF WHEELING
NORTH MILWAUKEE AVENUE/LAKE COOK ROAD (NORTH TIF) AREA TIF
FURTHER AMENDED REDEVELOPMENT PLAN AND PROJECT**

AMENDED MAP
(Expanded and Further Expansion Area)



**NORTH MILWAUKEE AVENUE / LAKE-COOK ROAD
(NORTH) AREA TIF
WHEELING, IL**



-  EXPANDED REDEVELOPMENT PROJECT AREA
-  FURTHER EXPANSION AREA

EXHIBIT C

**VILLAGE OF WHEELING
NORTH MILWAUKEE AVENUE/LAKE COOK ROAD (NORTH TIF) AREA TIF
FURTHER AMENDED REDEVELOPMENT PLAN AND PROJECT**

**TIF ELIGIBILITY REPORT
FOR THE FURTHER EXPANDED REDEVELOPMENT PROJECT AREA
MAY 2008**