Tax Increment Finance

Village of Long Grove

Downtown/IL Rt. 83 Redevelopment Plan and Project

THE VILLAGE OF LONG GROVE

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Prepared by

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LEADERS IN PUBLIC FINANCE

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I. INTRODUCTION

A. Discussion of TIF

Under the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*, as supplemented and amended, the ("Act"), the Village of Long Grove, Illinois (the "Village") anticipates designating the Downtown/IL Rt. 83 Redevelopment Project Area as a "redevelopment project area"(the "Redevelopment Project Area") under the Act, prior to which the Village shall have adopted and approved this "Tax Increment Finance Redevelopment Plan and Project" as a "redevelopment plan" (the "Redevelopment Plan") and the use of tax increment allocation financing ("TIF") in connection with the payment of qualifying "redevelopment project costs" (the "Redevelopment Project Costs") under the Act and implementation of this Redevelopment Plan and Redevelopment Project Area in twenty-three years, but with the receipt of the 23rd year of incremental taxes in the 24th year.

As part of a strategy to encourage managed growth, deter future deterioration, encourage preservation and redevelopment, and stimulate private investment in the Redevelopment Project Area, the Village engaged Ehlers and Associates, Inc. as its "tax increment consultant" (the "Consultant") to investigate whether the Redevelopment Project Area qualifies under the Act as a "conservation redevelopment project area," a "blighted redevelopment project area," or a combination thereof and/or an "industrial conservation area". In this case the developed land qualifies as a conservation area and the vacant land qualifies as a blighted area.

B. Village of Long Grove

Development of the Village of Long Grove started with German immigrants to the area in the mid 1840's. A post office was established in 1847 with the name Muttersholz. Illinois 53 and 83 bypassed the Village at their development which provided some isolation for the development of the community. In the 1950's, area property owners formed an association to oppose a major development plan with the aim of preserving the area's historical character. Following litigation related to development, residents passed a referendum to create the Village of Long Grove.

This desire to preserve the character of the community is evident in the Village's description of itself on its own web page, "The Village of Long Grove is unique among suburban communities—an oasis that the rapid advance of urban sprawl has not penetrated and where residents can enjoy a relaxed and rural lifestyle."

The Village is approximately twenty-eight miles northwest of the City of Chicago in Lake County. It benefits from easy access to the nearby towns and cities in the Chicago metropolitan area. State Route 53 and 83 converge at the southeast border of the Village.

Chicago O'Hare and Midway Airports serve the Village as air carrier airports providing international services. Campbell and Palwaukee Municipal Airports serve as general aviation airports for the community. There is a municipal Helistop in the Village of Schaumburg.

The Village had a population of 6,735 in 2000 Census with 1,962 households. Estimated 2005 population was 7,833 showing a growth of 16.3 percent.

Long Grove's median household income in 2000 was $148,150 and the median family income was $153,966. The median home value in 2000 was $555,400.

The Village is served by three elementary and middle school districts: Fremont School District No. 79, Diamond Lake School District 76, and School District #96. Montessori World of Discovery, Montessori School of Long Grove and Long Grove Country School are similar private schools. The two high school districts that serve the Village are Adlai E. Stevenson High School District #125 and Mundelein High School District #120 .

William Rainey Harper College, College of Lake County, Trinity International University, Oak Community College and DeVry Institute of Technology are within twenty miles of the Village. The Village of Long Grove also has easy access to the major universities within the Chicago metropolitan region.

Condell Memorial Hospital and Northwest Community Hospital are within ten miles of the Village. Lake Forest Hospital is a close eleven miles. World class research hospitals in the metropolitan Chicago area also provide health care service options for residents.

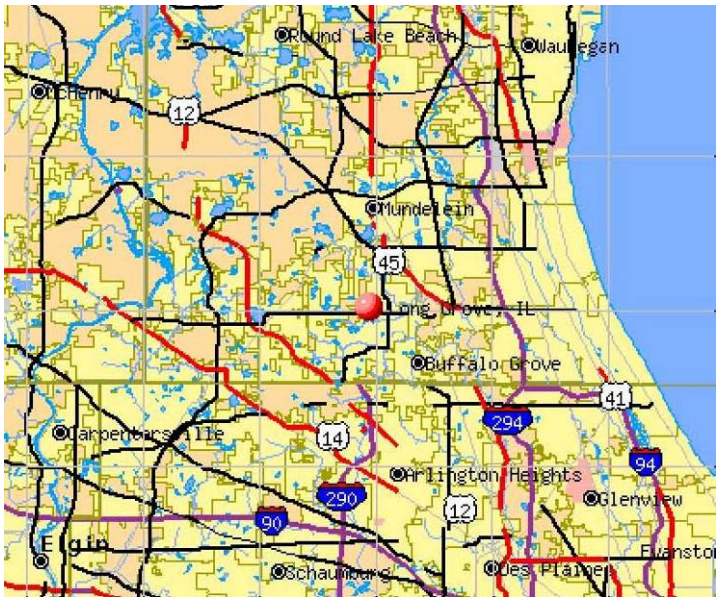
Library services are provided by the Vernon Area Public Library District, Indian Trails Public Library District, and Ela Area Public Library District.

Long Grove Park District provides park and open space services to the Village. Unique among these are the Covered Bridge Trail and the Stockbridge Farm Nature Preserve which had been donated to the Village. Due to its lack of a tax levy, the park district has limited recreational services.

Fire protection is provided by Long Grove Rural Fire Protection District and the Countryside Fire Protection District

Long Grove is governed by a president and six trustees.

As detailed above, the Village is an independent community serving the needs of its residents. It is known for its country atmosphere with no traditional sidewalks, street lights or curbs throughout the Village. Likewise, it is known for its special shops and dining. Visitors travel long distances to spend a day in the Historic Downtown. This area was the first historic district in Illinois, created by ordinance in 1960.



Village of Long Grove

C. Summary of the Village's Problems

Long Grove problems are in many ways a product of its own successes. To a person initially entering the community, it would appear to be an affluent community whose downtown contains quaint historical shops that provide a unique set of retail experiences for the resident and visitor—almost idyllic. This is true. Long Grove fulfills all of the above impressions. However, it is the picture behind the picture that creates the need for action by the community.

First, many of the stores in the downtown area are obsolete. Many of them have additions that have caused them to grow in a topsy-turvy way rather than to be replaced and rebuilt as modern day's standards have changed. As the result, these stores are subject to the whim of leasees, who may or may not be able to use all spaces available and in some cases may not be able to come into the area altogether. Many of these buildings are crowded onto parcels which were not originally designed to have the square footages they now carry. Some parcels have several buildings. Because of the above problems with obsolescent structures that do not meet modern retail standards, finding lessees for the space is difficult. This results in high vacancy rates. Within the parameters of its community's historic character, the community needs to modernize and upgrade its downtown retail space.

While still not desiring traditional sidewalks and modern curbing in its housing areas, the community needs to consider rebuilding and adding to walkways in the downtown area for both the safety and convenience of its shoppers. Utility work also needs to be undertaken. Finally, the area also needs to be landscaped.

Second, there are challenges to the Village to remain as the visitor location for shopping. The community has been and continues to be dependent upon the sales tax created in the downtown area for it operations. It has no property tax. While this allows other taxing districts to maximize the use of the property tax through minimizing overlapping taxation and

debt, it does mean that the Village must maintain and enhance its sales tax. This area must continue to be viable for the sake of the Village and all taxing districts.

There is now competition for sales taxes with the Village. Other downtowns have been redeveloped allowing for similar shopping experiences. Outlet malls have become a shopping destination. To this end, the Village must be vigilant in providing a wide range of shopping and visitors experiences to meet the needs of the modern day specialty shopper. Internal lease improvements and external rehabilitation of buildings may be necessary. Redevelopment of this area is imperative.

Third, this downtown will continue as a unique set of shops and a visitor attraction. However, it will never meet the total commercial needs of the Village. The downtown lacks retail needed for everyday needs such as groceries and pharmaceutical needs. The downtown cannot address the needs that are met by the modern day large retail centers. Likewise, as the community does not have an industrial base, as previously noted, it is dependent upon sales tax. Additional sales tax from new retail facilities is needed. The downtown area can no longer furnish the sales tax necessary to provide for its redevelopment along with the growing operational and infrastructure needs of the community.

Fourth, the community has infrastructure needs. It has been noted that walkways and utility upgrades are needed in the downtown area. However, the most serious need is water supply. Many citizens are on individual wells—many of which would not meet modern day standards. The community is seeking a Lake Michigan water allocation and if it receives this, it will upgrade its municipal system. However, in the mean time the Village must do what it can to supplement and upgrade individual, subdivision and other systems to assure that adequate water is available for both residential and commercial needs.

Infrastructure will also be necessary to serve vacant areas. Most of this land is anticipated to be the location of modern shopping for the everyday needs of citizens. In addition to water and wastewater infrastructure and road improvements, the property east of IL Rt. 83 next to Apakistic Road will need additional stormwater remediation to deal with chronic flooding and wetlands on the property. This chronic flooding currently adversely impacts the ability of this area to develop. Finally, a park also exhibits chronic flooding on its property. Any further development of this park must also address chronic flooding.

Fifth, there are vacancies in the office complexes that are part of the Village.

Finally, road improvements will be necessary to address access to property east of IL Rt. 83. Currently, there is no access to this property except for the office building. Further access will be difficult due to IDOT rules, regulations and requirements relating to IL Rt. 83 and the road extension will need to align with Robert Parker Coffin Road.

D. Tax Increment Financing

In January 1977, the Illinois General Assembly passed the initial version of the present Tax Increment Allocation Redevelopment Act (the "Act"). This legislation was the initial authorization of "tax increment financing" (TIF) in Illinois. The General Assembly amended the Act many times since 1977 and it is now found in 65 ILCS 5/11-74.4-1 et seq. The Act provides a means for municipalities, after the approval of a Redevelopment Plan and Project, designation of a Redevelopment Project Area and adoption of tax increment allocation financing, to redevelop blighted, conservation, or industrial park conservation

redevelopment project areas and to finance "Redevelopment Project Costs" ("Redevelopment Project Costs") with "incremental property tax revenues" ("Incremental Property Taxes"). Incremental Property Taxes are derived from the increase in the current equalized assessed valuation (EAV) of taxable real property within the Redevelopment Project Area over and above the equalized assessed value of such property at the time tax increment allocation financing is adopted ("Initial EAV"). Any increase in EAV over the Initial EAV of such property is then multiplied by the current tax rate, which results in Incremental Property Taxes.

The Act defines a number of eligible items that may be Redevelopment Project Costs under the Act. Incremental Property Taxes may pay for many of these Redevelopment Project Costs or may be pledged to pay bonds, notes or other obligations issued for that purpose. In addition, a municipality may pledge as payment additional revenues including revenues from the Redevelopment Project, municipal property taxes or other non-designated revenue sources, bonds backed by the general obligation of the municipality or payable solely by Incremental Property Taxes.

Tax increment allocation financing does not generate tax revenues by increasing tax rates, but rather through the temporary capture of new tax revenues generated by the increase in the EAV over the Initial EAV. This increased EAV of properties results from a municipality's redevelopment program, improvements and activities, various developments and redevelopment activities, and the reassessment of properties. Under the Act, all taxing districts continue to receive property taxes levied on the Initial EAV of properties within the Redevelopment Project Area. Taxing districts benefit from the increased property tax base after Redevelopment Project Costs and obligations are paid.

E. The Redevelopment Project Area of the Village of Long Grove

At the request of the Village, the Consultant surveyed the area identified by the Village and referred to in this Plan and Project as the Downtown/IL Rt. 83 Redevelopment Project Area to document any blighting or conservation area factors that may exist within the Redevelopment Project Area. The Consultant documented these factors in an analysis entitled the "Village of Long Grove, Downtown/IL Rt. 83 Redevelopment Project Area, Eligibility Report, November 2007" (the "Eligibility Report"), in Attachment 3 to this Redevelopment Plan and Project. This report is made part of this Redevelopment Plan and Project by reference hereto. The Redevelopment Project Area and its existing conditions are briefly described below. However, for greater detail on these factors, refer to the Eligibility Report.

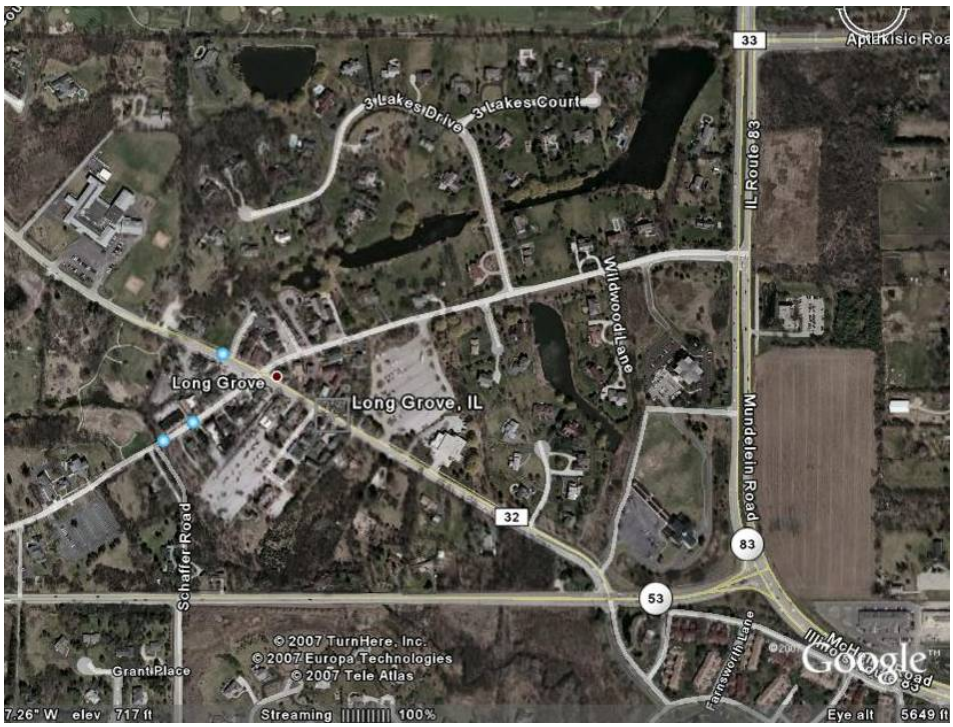
The Redevelopment Project Area is approximately 118 acres.
{New modified description to be entered . . .}

Attachment 1 is the legal description and Attachment 2 is the map depicting the boundaries of the Redevelopment Project Area. Both are made part of this document by reference hereto.

Currently, the improved land is commercial, mixed use and residential in its uses. There are also public uses within the Redevelopment Project Area. The vacant area is zoned residential, but its zoning will likely change to a planned unit development with retail uses being allowed.

There are six large parcels of vacant land. One vacant parcel is a park.

The Redevelopment Project Area includes the downtown shopping area, a park, a few single family residences, several office complexes and vacant land.



Aerial View of Redevelopment Project Area

F. The Village of Long Grove Tax Increment Redevelopment Plan and Project

The Redevelopment Project Area as a whole has not been subject to growth and development through private investment. This is supported by the lack of growth in EAV as compared to the Village as a whole and by the fact that no building permits for construction have been issued in the vacant portion Redevelopment Project Area; and because no recent real estate transactions have occurred within the vacant portions of Redevelopment Project Area. Redevelopment is complicated in the downtown area by historic standards and concern of residents to maintain the character of the village. The Redevelopment Project Area also lacks the infrastructure necessary for redevelopment. Landscaping is needed. Infrastructure is also needed to serve vacant land. Road improvements will be necessary because of access difficulties and improvement requires for IL Rt. 83. Finally, there will need to be infrastructure improvements that are costly and beyond the norm to deal with the chronic flooding in the Redevelopment Project Area. Therefore, it is not reasonable to

expect that the Redevelopment Project Area as a whole will be redeveloped on a comprehensive and coordinated basis without the use of TIF.

This Redevelopment Plan has been prepared in accordance with the provisions of the Act. This Redevelopment Plan is intended to guide improvements and activities within the Redevelopment Project Area in order to stimulate private investment in the Redevelopment Project Area. The goal of the Village, through the implementation of this Redevelopment Plan, is that the Redevelopment Project Area be developed to the extent possible on a comprehensive and planned basis. For this to occur, the Village must foster private investment in the Redevelopment Project Area.

In order for future redevelopment successes to occur, cooperation is necessary between the private sector and the Village. The Redevelopment Project Area is a means of implementing such cooperation. By means of public investment, the Redevelopment Project Area will become a stable environment that will attract private investment. With a sound financial base, the Village will be better able to provide adequate services for its citizens and increase the viability of the Village.

This Redevelopment Plan specifically describes the Redevelopment Project Area and sets forth the factors that qualify the Redevelopment Project Area for designation as a Redevelopment Project Area as defined in the Act.

Successful implementation of the Redevelopment Plan requires that the Village utilize Incremental Property Taxes in accordance with the Act and work cooperatively with the private sector and local governmental agencies. The Village will use Incremental Property Taxes to stimulate the comprehensive and coordinated development of the Redevelopment Project Area. Only through the implementation of this Redevelopment Plan allowed under the Act would the Redevelopment Project Area develop on a comprehensive and coordinated basis, thereby reducing the factors which have precluded substantial development of the Redevelopment Project Area by the private sector. Left on its own, the Redevelopment Project Area, without incentives authorized by the Act, will continue to experience the blighted conditions noted.

The use of Incremental Property Taxes by the Village to pay Redevelopment Project Costs will permit the Village to direct and coordinate public and private improvements and activities to stimulate private investments on a comprehensive basis. These improvements, activities, and investments will benefit the Village, its residents, and all local governments serving the Redevelopment Project Area. The anticipated benefits include:

- Strengthened property tax base for all affected taxing districts;
- Increased sales tax base for the Village;
- Reduced problem conditions in the Redevelopment Project Area as well as general physical improvement and upgrading of properties;
- Enhanced landscaping and visual appearance of the Village;
- Expanded shopping and retail opportunities for the Village;
- Increased numbers of visitors and expanded tourism;
- Access to developable land;
- Reduction of chronic flooding in the community; and
- Stabilization of a portion of the community.

The following is a summary of the key recommendations for the Redevelopment Project Area to achieve the above benefits. To accomplish redevelopment on a comprehensive basis within the Redevelopment Project Area, the following steps should be taken:

1) Additional commercial opportunities that address everyday needs of the Village should be sought and assisted in locating in the Redevelopment Project Area;
2) Coordinate design within the Redevelopment Project Area;
3) Undertake redevelopment of retail facilities in the downtown under the historic and architectural guidelines of the Village;
4) Undertake the development of retail facilities to serve the general populace of the Village;
5) Create public and private facilities and improvements;
6) Improve access and create necessary rights-of-way not present;
7) Undertake a landscaping plan;
8) Provide needed infrastructure improvements;
9) Finance development objectives undertaken in the Redevelopment Project Area;
10) Acquire real estate and personal property, including for disposition at up to 100% write-down for public and/or private development activities, but not including the acquisition through eminent domain properties fronting on Arlington Heights Road (which border bur are outside the Redevelopment Project Area); and
11) Provide financing assistance and interest subsidy for public and private development activities.

II. REDEVELOPMENT PROJECT AREA ELIGIBILITY CONDITIONS

The Redevelopment Project Area's "Conservation" and "Blighted" conditions documented in this section are based on surveys and analyses conducted by the Consultant in November 2007. As set forth in the Act, the Redevelopment Project Area qualifies as a "conservation area" for improved land and a "blighted area" for vacant land.

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 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 Redevelopment Project Area 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. The factors are distributed throughout the Redevelopment Project Area; and
3. The property must equal or exceed 1.5 acres.

The Redevelopment Project Area meets the requirements of Section 11-74.4-3(b) (2), (6), (8), (9), (11), and (13) of the Act for designation of improved land as a Conservation Area. For designation as a Conservation Area for improved land, three criteria are required to be met. The following six criteria are present in the improved area:

- Obsolescence
- Excessive Vacancies
- Inadequate Utilities
- Excessive Land Coverage
- Lack of community planning
- EAV rate of growth is less than the Village's in five (5) of the last five (5) calendar years.

The Redevelopment Project Area is eligible to be designated as a "Conservation Area" in that 50% or more of the structures in the area are 35 years or older, based on visual observations.

The Redevelopment Project Area also meets the requirements of the Act for designation of vacant land as a Blighted Area. For designation as a blighted area for vacant land, there are two sections under which vacant land can be determined to be blighted. One of the two sections must be met in order for a Redevelopment Project Area to qualify as blighted for vacant land. The meeting of two or more of the criteria in one section is required. In the other section, the meeting of one or more of the criteria is required.

Requirements for both sections of the Act are met.

The following parcels constitute vacant land or partially vacant land:

15-30-100-009	15-30-200-030
15-30-200-022	15-30-200-031
15-30-200-024	15-30-200-032
15-30-200-027	

The Redevelopment Project Area meets the requirements of Section 11-74.4-3(a) (2) (A), (D) and (F) of the Act. Two criteria are required for designation of vacant land as a Blighted Area. The following three criteria are present in the vacant area:

- Obsolete Platting
- Deterioration of structures or site improvements in neighboring or adjacent areas.
- The total equalized assessed value of the proposed Redevelopment Project Area in the year in which the Redevelopment Project Area is designated is increasing at an annual rate that is less than the balance of the Village in four (4) of the last five (5) calendar years.

Further, the Redevelopment Project Area meets the requirement of Section 11-74.4-3 (a) (3) (C) of the Act. One criterion is required for designation of vacant land as a Blighted Area. Based on this section of the Act, it was determined that the following criterion was present:

- Vacant property in the Redevelopment Project Area suffers from chronic flooding that impacts real property based on certification by an appropriate regulatory agency or by a certified engineer. Either of these serves as a basis for the finding of chronic flooding.

The regulatory agency that documents flooding is FEMA. FEMA's 100 year floodplain map for the Redevelopment Project Area is attachment 4 of this report. In addition, an engineering certification is also included for one set of parcels.

The land meets the definition of vacant land under the Act in Section 11-74.4-3 (v). The land is not considered vacant land if it has been commercially farmed in the last five years unless it has been subdivided. The land has not been "commercially farmed" in the last five years. In addition, the land has been "subdivided" in accordance with Section 11-74.4-3 (v) of the Act.

There must be a reasonable presence of and distribution of these factors in the Redevelopment Project Area, as stated in the Act. The criteria presented are reasonably present and distributed in the improved portion of the Redevelopment Project Area.

The Redevelopment Project Area is approximately 118 acres, in excess of the required 1 ½ acres.

Surveys and Analyses Conducted

The conditions summarized above are based upon surveys and analyses conducted by the Consultant in October and November 2007. The surveys and analyses conducted include:

1. An 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 tax maps to ascertain platting;
5. Analysis of vacant sites;
6. Review of previously prepared plats, plans and studies;
7. Review of FEMA and Lake County maps;
8. Analysis of water, sewer, gas utilities, etc.; and
9. Contacts with Village officials, county officials and private parties knowledgeable as to area conditions, history, age of buildings and site improvements, real estate matters and related items, as well as examination of existing information related to the Redevelopment Project Area.

III. REDEVELOPMENT PLAN

A. Redevelopment Plan Goals

Listed below are the general goals of this Redevelopment Plan. These goals provide the overall framework for guiding decisions during the implementation of this Redevelopment Plan.

1. An improved quality of life in the Redevelopment Project Area and the Village.
2. An environment within the Redevelopment Project Area that will contribute more positively to the health, safety and general welfare of the Village and preserve or enhance the value of properties in and adjacent to Redevelopment Project Area.
3. An increased property tax base for other local governments having jurisdiction overlapping the Redevelopment Project Area, increased sales tax in the Village.
4. Strengthen the economy of the Village and the larger community.
5. Encourage sound economic development in the Redevelopment Project Area that is consistent with the comprehensive plan for the development of the Village as a whole.

B. Redevelopment Plan Objectives

Listed below are objectives of this Redevelopment Plan, which guide planning decisions to achieve the goals and objectives contained in this Redevelopment Plan.

1. Reduce or eliminate those conditions that qualify the Redevelopment Project Area as a "blighted area." Attachment 4 describes these conditions.
2. Encourage a high-quality appearance of buildings, rights-of-way, and open spaces and encourage high standards of design.
3. Strengthen the economic well-being of the Redevelopment Project Area and the Village by increasing business activity, tax base, and job opportunities.
4. Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with this Redevelopment Plan and contemporary development needs and standards.
5. Stimulate private investment in appropriate new construction.
6. Provide needed public improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities. Facilities will address the problems cited in this report, will provide utilities, will provide flood remediation, and will create rights-of-way and access to the sites.
7. Provide needed incentives to encourage a broad range of improvements.
8. Improve the visual attractiveness of the Village through landscaping.
9. Provide a new retail options for the Village and its visitors.
10. Ensure that new development within the Redevelopment Project Area complies with applicable code requirements of the Long Grove Fire Protection District.

C. Redevelopment Program

The Village may use any program element authorized by the Act including, but not limited to those in the following listing. The Village proposes to achieve its redevelopment goals and objectives for the Redevelopment Project Area through public financing techniques including, but not limited to, tax increment financing and by utilizing such financing techniques to undertake some or all of the following activities and improvements:

1. Analysis, Administration, Studies, Surveys, Legal, etc.

The Village may undertake or engage professional consultants, engineers, architects, attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage the Redevelopment Plan.

2. Property Assembly

The Village, or an agent for the Village, may acquire and assemble land for the purpose of development. Vacant, underutilized or misused property may be acquired by purchase, exchange, up to 100% write down, or long-term lease by private developers or the Village for the purpose of new development.

3. Land Preparation

The Village may assist in the preparation of land.

4. Relocation

The Village may assist in relocation efforts.

5. Rehabilitation and Lease Hold Improvements

The Village may assist in rehabilitation and lease hold improvements.

6. Land Acquisition

The Village may purchase or write down the purchase of land.

7. Development Agreements

The Village may enter into development agreements with private or public entities for the furtherance of this Redevelopment Plan. Such agreements may be for the assemblage of land, construction of improvements or facilities, improvement of access, the provision of services or any other lawful purpose. Agreements may contain terms and provisions that are more specific than the controls that are summarized in this Redevelopment Plan.

8. Provision of Public Works or Improvements

The Village may provide public works and improvements that are necessary to service the Redevelopment Project Area in accordance with the Redevelopment Plan. Public works and improvements may include, but are not limited to, the following:

a) Streets, Sidewalks, Utilities and Parking

Public infrastructure improvements may be necessary to adequately serve the Redevelopment Project Area and potential new development. Improved access will be necessary to develop portions of the Redevelopment Project Area. New and improved pedestrian walkways will be necessary.

Certain infrastructure improvements, in connection with and adjacent to the Redevelopment Project Area, may be necessary to advance the goals and objectives of this Redevelopment Plan.

b) Landscaping

Landscape/buffer improvements, street lighting and general beautification improvements may be provided. Utilities may need to be buried.

c) Stormwater Management

Facilities may be needed to be created to eliminate or reduce stormwater runoff including chronic flooding.

d) Sewage Treatment

Facilities will be needed to collect and treat sewage.

e) Water System

An adequate water supply must be provided.

9. Coordinate Design within the Redevelopment Project Area

Where possible, design elements should be planned in such a way as to make the Redevelopment Project Area aesthetically pleasing. Consistent and coordinated design patterns should be promoted.

10. Job Training

Improve job skills of those working in the Redevelopment Project Area.

11. Interest Subsidy

Funds may be provided to reimburse redevelopers for a portion of interest costs related to the construction of qualifying redevelopment facilities and improvements.

12. Eminent Domain

Should it be necessary, the Village may use the power of eminent domain, as authorized by the Act, to obtain land necessary to achieve the objectives of the Redevelopment Plan, but eminent domain powers should not be used to acquire properties fronting on Arlington Heights Road (which properties are outside the boundaries of the Redevelopment Project Area).

13. Assist in financing Redevelopment Project Area Contiguous TIF's

Funds derived from either this Redevelopment Project Area or others that might be contiguous are eligible to be used for the support of the other redevelopment programs under this Redevelopment Plan.

14. Payment to Schools

Payments will be made according to the Act to the school districts for each student added to the school district based on expenditures in this Redevelopment Project Area. The Redevelopment Plan is not intended to provide assistance for additional residential units in the Redevelopment Project Area. In addition, projections of newly generated student population will be calculated based on the greater of the TIF Act calculation or the Village's current impact fee ordinance.

15. Payment to Libraries

Payments will be made according to the Act to the library district for each resident added to the district based on expenditures in this Redevelopment Project Area, except that in calculating population projections from additional residential units in the Redevelopment Project Area, such projections will be based on the greater of the calculation prescribed in the TIF Act or the Village's current impact fee ordinance.

The Village currently has a number of plans underway to address its needs. These include plans for land and streetscapes, infrastructure, redevelopment of its downtown and updating of other plans. These plans will be more specific and will serve to guide and implement the above activities upon their adoption.

D. Redevelopment Policies

The Village of Long Grove proposes to undertake this Redevelopment Plan and the related Redevelopment Project, which consists of planned economic development and redevelopment activities, sound fiscal policies, marketable land uses, and other private and public activities. Appropriate policies have been or will be developed as required assuring the completion of this Redevelopment Plan and the activities specified.

The Village may also employ other financial incentives for private investment within the Redevelopment Project Area. This includes tax increment financing, which constitutes one of the key financial components for enabling the redevelopment of the Redevelopment Project Area. This portion of the community, the Village as a whole, and all other local taxing bodies, will benefit from the implementation of this Redevelopment Plan. Notwithstanding such benefits, the Redevelopment Project Area should not be enlarged by including those properties fronting on Arlington Heights Road.

E. Redevelopment Implementation Strategy

The implementation and conclusion of a well-devised redevelopment strategy is a key element in the success of this Redevelopment Plan. These strategies and plans are under current development and will be implemented through this Redevelopment Plan and Project. In order to maximize program efficiency and to take advantage of development interest in the Redevelopment Project Area, and with full consideration of available funds, the Village will proceed in an expeditious manner. To this end, the Village should seek to accomplish the objectives of the Redevelopment Plan as promptly as possible, and the Village should not seek to extend the time for implementing the Redevelopment Plan beyond 23 years.

A combination of private investments and public improvements is an essential element of this Redevelopment Plan. In order to achieve this end, the Village may enter into agreements with private developers proposing that TIF assistance may be provided, where deemed appropriate by the Village, to facilitate private projects and development. The Village may also contract with others to accomplish certain public projects as contained in this Redevelopment Plan.

Although there may be strategic needs for focusing TIF incentives initially to stimulate private investment in the vacant property along Rt. 83, TIF support in the conservation areas of the Redevelopment Project Area should be to advance high priorities such as the burial of overhad utility lines and establishment of a communal water system. Such water system in the historic

downtown area should be extended along Old McHenry Road to provide access to such system by the School District 96 property, if feasible.

If bonds are issued to finance activities within the scope of this Redevelopment Plan, such bonds should be backed only by Incremental Property Tax Revenues; no pledge of the Village's full faith and credit should be offered. In addition, and TIF bonds should be callable at some point. If ever there are more Incremental Property Taxes than may be needed to achieve objectives of the Redevelopment Plan, such surplus funds should be returned pro rata to the taxing districts as provided in the TIF Act.

IV. AGREEMENT WITH COMPREHENSIVE PLAN

The Village's Comprehensive Plan is entitled *Comprehensive Plan, The Village of Long Grove*.

The following goals and objectives in the comprehensive plan reflect goals in this Redevelopment Plan and Project:

Community Character

Goal: To protect residents on the fringes of the Village from adverse impacts of greatly differing land use patterns occurring in areas outside the Village's jurisdiction by furthering the intensities and enhancing the quality of development, thus, also protecting the inner areas of the Village.

1. To annex out to the planned boundaries of the Village and, under certain conditions, annex beyond the planned boundaries, in order to promote the characteristics of Long Grove or to ensure that adjoining development does not have adverse impacts on the residents of Long Grove located on the outer edge of the Village

2. To provide a commercial zoning classification that upgrades the quality of area on the edge of the Village which would otherwise develop as typical commercial "strip" development which could potentially destroy the character Long Grove sees to maintain and protect.

Goal: To maintain the 19th century character of the Village Historic Business District as a unique commercial environment and as a regional specialty center.

3. Require the landscaping of parking and other vehicular areas with native plant materials in order to reduce the visual impact of the automobile on the character of the Village Historic Business District.

6. Improve the appearance of areas to the rear of existing shops

7. Provide adequate walkways for pedestrian traffic

8. Provide unobtrusive but adequate parking

Goal: To safeguard and supervise the general appearance of the Village

1. Create distinctive entrances to the Village through proper development and landscaped areas.

2. Eliminate overhead wires in existing areas and promote underground utilities in new developments where human and natural resources might be harmed.

The Environment

Goal: To protect and mange water resources in order to provide high quality surface and sub surface waters to serve the community's needs.

Transportation and Circulation

Goal: Reduce traffic circulation and congestion and provide suitable solutions to transportation requirements in a sensitive fashion to ensure no adverse impacts on the existing environment.

2. Prevent traffic accidents through the elimination of poorly designed and, therefore, dangerous intersections.

3. Improve pedestrian circulation through the promotion of pedestrian walkways and bicycle trails in conjunction with scenic easements which effectively link open space and areas of unique natural value to other areas of the Village.

4. Encourage upgrading to the existing highway system as set forth in the Village Comprehensive Pan

Community Facilities

Goal: Improve the village's community facilities in accordance with the wants and needs of the present and projected population.

V. EVIDENCE SUPPORTING THE NEED FOR THE TIF

The Redevelopment Project Area as a whole is adversely impacted by the presence of conservation and blighted Redevelopment Project Area factors and these factors are reasonably distributed throughout the Redevelopment Project Area.

The flooding of the certain vacant locations complicates the redevelopment of the vacant land. Flooding documented by inclusion in FEMA maps for 100 year flooding requires that extra measures be taken for the development of the vacant land and redevelopment of structures, not only according to municipal regulatory standards, but also to meet bank requirements. Extraordinary expenses will be needed for land preparation. Stormwater and wetlands mitigation will also be necessary.

The Redevelopment Project Area also lacks the infrastructure necessary for development and redevelopment. Water improvements are needed for the entire area. Lighting and walkway improvements are needed for the improved area. Much of the area is served by septic systems.

Access to the vacant land is very difficult because of the presence of IL Rt. 83. In addition, further problems with access are created due to the other arterials. These factors go beyond normal access problems on vacant land as they are related to arterials under the control of the Illinois Department of Transportation.

There have been no recent real estate transactions within the vacant portions of the Redevelopment Project Area except in connection with proposed developments seeking public assistance through this Redevelopment Plan.

The Conservation Area is composed of vacant and obsolete structures, many of which are on overcrowded parcels. Structures will have to be rehabilitated to meet modern day commercial standards. Lease hold improvements will be necessary to accommodate some new types of business as restaurants.

In addition, the EAV in the Redevelopment Project Area has not increased on a par with the rest of the community for five of the last five years.

As described in Attachment 4, the Redevelopment Project Area as a whole is adversely impacted by the presence of conservation and blight factors, and these factors are reasonably distributed throughout the Redevelopment Project Area. The Redevelopment Project Area has not been subject to sound growth and development through investment by private enterprise and the Redevelopment Project Area would not reasonably be anticipated to be developed or redeveloped without TIF assistance.

VI. 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 may be required to implement the Redevelopment Plan. The range of activities and improvements that may be required and their estimated costs (2008 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 intends to be reimbursed from Incremental Property Taxes for such Redevelopment Project Costs to their full extent. Total Redevelopment Project Costs, described in this Redevelopment Plan, are intended to provide an upper estimate of expenditures. Although it is not possible to predict what activities and improvements will need to be implemented with the assistance of TIF financing because of the uncertainty of the timing and extent of private development, it is important to identify the full "menu" of activities and improvements so that the Redevelopment Plan has sufficient flexibility to capitalize on redevelopment opportunities in a timely fashion. Even so, it is not expected that more than $44,400,000.00 (2008) of Incremental Property Tax revenues will be required in furtherance of the Redevelopment Plan.

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 funds.

(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..	$1,000,000
(2)	Costs of marketing sites within the Redevelopment Project Area to prospective businesses, developers, and investors	$500,000
(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.	$5,000,000
(4)	Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the cost of replacing an existing public	$1,000,000

	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.	
(5)	Costs of the construction of public works or improvements.	$18,000,000
(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	$250,000
(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.	$7,400,000
(8)	To the extent the municipality, by written agreement, accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan and Project.	$5,000,000
(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.	n/a
(10)	Payment in lieu of taxes.	$2,000,000
(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	$250,000

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. . . . . .

(12)	Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project.	$1,500,000
(13)	Contributions to Schools for an increased student population as a result of TIF Projects.	$2,000,000
(14)	Contributions to Library for an increased library population as the result of TIF Projects.	$500,000
	TOTAL REDEVELOPMENT PROJECT BUDGET:	$44,400,000

The Village may reimburse developers who incur Redevelopment Project Costs authorized by a redevelopment agreement.

The Village reserves the right to utilize revenues received under the Tax Increment Allocation Redevelopment Act for eligible costs from one Redevelopment Project Area 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.

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 the Redevelopment Projects.

Notes:

1) All costs shown are in 2008 dollars and do not include additional costs to be incurred in future financing (e.g., bond issuance costs, interest payments on obligations and related expenses) or inflationary costs that may be realized.

2) Private redevelopment costs and investment are in addition to the above.

3) To the extent permitted by law, the Village reserves the right to adjust and transfer budgeted amounts within the Total Redevelopment Project Budget among eligible Redevelopment Project Costs.

4) Certain infrastructure work in connection with and appurtenant to the Redevelopment Project Area can be undertaken under the Act.

5) Total budgeted costs exclude any additional financing costs, including interest expense, capitalized interest, and any and all closing costs associated with any obligations issued.

VII. REDEVELOPMENT PROGRAM CERTIFICATIONS

This section reviews the Redevelopment Plan and provides appropriate responses to certifications required in the Act.

"Each Redevelopment Plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:…"

A. An itemized list of estimated Redevelopment Project Costs.

See Section VI. Redevelopment Project Costs.

B. Evidence indicating that the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise.

Evidence appears in Section V.

C. An assessment of any financial impact of the Redevelopment Project Area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand.

It is anticipated that Redevelopment Projects implemented, as part of the Redevelopment Plan and Project, will not cause increased demand for services or capital improvements by any other taxing districts. No current property taxes will be diverted from any taxing district. Taxing districts could benefit from distributions of excess tax increment.

If, however, there are unforeseen impacts to the taxing districts, the Village, at its discretion, can enter into appropriate Intergovernmental Agreements to mitigate those impacts and does not have the obligation to use Tax Increment unless required by the Act.

The following is an assessment by District:

Lake County

There will be no increased demand for services or negative financial impact. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

Lake County Forest Preserve District

There will be no increased demand for services or negative financial impact. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

Vernon Township

There will be no increased demand for services or negative financial impact. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing

districts.

Vernon Township Road & Bridge

There will be no increased demand for services or negative financial impact. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

Vernon Special Road Improvement

There will be no increased demand for services or negative financial impact. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

School District 125

The Redevelopment Project Area has no new residential components. However, if additional students result from activities undertaken in the Redevelopment Project Area, funds are available in project costs for reimbursement according to the Act. In addition, funds are available for capital projects resulting from activities in the Redevelopment Project Area. Funds are also available for job training. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

School District 96

The Redevelopment Project Area has no new residential components. However, if additional students result from activities undertaken in the Redevelopment Project Area, funds are available in project costs for reimbursement according to the Act. In addition, funds are available for capital projects resulting from activities in the Redevelopment Project Area. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

Lake County College District

There will be no unusual increased demand for services or negative financial impact. Funds are also available for job training. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

Village of Long Grove

There will be an increased demand for services. Capital funds are provided to meet these demands.

Long Grove Fire Protection District

This redevelopment project has new development on the vacant land and, therefore, new property is being added to the Fire District. However, the type of property is commercial and will carry with it modern standards for prevention of

fires minimizing impact on the Fire Protection District. Additionally, emergency medical services may be required to serve the new development. Fees for these services should pay for operational costs. Should equipment or capital expenditures be need to serve the new area, funds are available in the budget for capital projects. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

Vernon Area Public Library District

The Redevelopment Project Area does not have a new residential component. If additional patrons result from activities undertaken in the Redevelopment Project Area, funds are available in project costs for reimbursement according to the Act. In addition, funds are available for capital projects resulting from activities in the Redevelopment Project Area. By increasing sales tax for the Village and, therein reducing the need for the Village to look at property tax solutions, it will reduce property tax pressures on other taxing districts.

Long Grove Park District

There will be no increased demand for services. Funds for capital projects are available for capital projects.

D. The sources of funds to pay costs.

The Incremental Property Taxes are the principal source of funds to pay for Redevelopment Project Costs and secure municipal obligations issued for that purpose. Although the Village of Long Grove may pledge as payment additional revenues including revenues from the Redevelopment Project, municipal property taxes or other non-designated revenue sources, bonds backed by the general obligation of the municipality, there is no expectation that any Village pledge of it's full faith and credit will be made. In addition, the Village may utilize State and Federal grants. Finally, the Village may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

E. The nature and term of obligations to be issued.

The Village may issue obligations secured by Incremental Property Taxes pursuant to the Act. To enhance the security of such municipal obligations, the Village may provide legally permissible credit enhancements to any obligations issued pursuant to the Act. All obligations issued by the Village pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the initial ordinances approving the Redevelopment Project Area and Redevelopment Plan, with the Village reserving the right to have obligations maturing in the 24th year and to apply Incremental Property Taxes received in such 24th year pursuant to the Act.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds, and any other lawful purpose. To the extent that Incremental Property Taxes are not needed for these purposes, any excess Incremental Property Taxes may then

become available for distribution annually to taxing districts within the Redevelopment Project Area in the manner provided by the Act.

The scheduled final maturity date of any financial obligation may not exceed 20-years from the date of issuance. One or more series of obligations may be issued to implement the Redevelopment Plan for the Redevelopment Project Area. Subsequent obligations, if any, may be issued as junior lien obligations or as parity obligations.

F. The most recent equalized assessed valuation of the Redevelopment Project Area.

See Table 1.

G. An estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the Redevelopment Project Area.

General Land Uses within the Redevelopment Project Area are according to the Village's Land Use map. A map of the existing Zoning Map is included. Vacant parcels east of IL Rt. 83 will likely be rezoned and developed pursuant to a PUD.

See Table 2 for the estimated EAV after development that is made part of this document by reference hereto**.**

H. A commitment to fair employment practices and an affirmative action plan.

The Village is committed to and will affirmatively implement the assurance of equal opportunity in all personnel and employment actions with respect to this Redevelopment Plan. This includes, but is not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc. without regard to race, color, religion, sex, sexual orientation, age, handicapped status, national origin, creed, or ancestry.

In order to implement this principle for this Redevelopment Plan, the Village shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors. In particular, parties engaged by the Village shall be required to agree to the principles set forth in this section.

I. If it concerns an industrial park conservation Redevelopment Project Area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of employees to be employed in the operation of the facilities to be developed.

This Redevelopment Plan does not concern an Industrial Park Conservation Redevelopment Project Area.

J. If property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.

Property within the Redevelopment Project Area is already within the Village's boundaries.

VIII. FINDINGS

The Village of Long Grove makes the following findings as described in the Act:

1. **According to the Act, the municipality must find that the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan.**

No development has occurred in the Redevelopment Project Area. As described in Section III of this Redevelopment Plan and in Attachment 4, Eligibility Study, the Redevelopment Project Area as a whole is adversely impacted by the presence of conservation and blighted Redevelopment Project Area factors and these factors are reasonably distributed throughout the Redevelopment Project Area. There has been a lack of growth and development through investment by private enterprise.

There have been no building permits for construction issued in the vacant portions of the Redevelopment Project Area. There have been no recent real estate transactions within the vacant portions of the Redevelopment Project Area except in connection with proposed developments seeking public assistance through this Redevelopment Plan. The EAV of the Redevelopment Project Area has increased at a rate which is less than that of the rest of the Village for four of the last five years. Finally, the Redevelopment Project Area also lacks the infrastructure necessary for development and redevelopment. TIF funds will be necessary to finance such infrastructure.

Based on these factors, the Village of Long Grove finds that the Redevelopment Project Area has not been subject to growth and development through private enterprise and would not be reasonably anticipated to be developed without the adoption of the Redevelopment Plan. Private investment and redevelopment has not occurred to eliminate the conservation and blighting influences that currently exist. The Redevelopment Project is not reasonably expected to be developed without the efforts and leadership of the Village, including the adoption of this Redevelopment Plan and the application of Incremental Property Taxes to the Redevelopment Project Area under the Act and this Redevelopment Plan.

Without the adoption of this Redevelopment Plan, the Redevelopment Project Area is not reasonably expected to be redeveloped or developed by private enterprise. In the absence of Village-sponsored redevelopment initiatives, blighting conditions will continue to develop in the improved area and exist in the vacant area. Erosion or lack of appreciation of the assessed valuation of property in and near of the Redevelopment Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

2. **According to the Act, the municipality must find that the Redevelopment Plan and Project conform to the comprehensive plan for the development of the municipality as a whole.**

This Redevelopment Project Area Plan and Project conforms to the

comprehensive plan for the development of the municipality as a whole. Section IV describes how the specific goals and objectives in the Village's Comprehensive Plan are reflected in the goals of the Redevelopment Plan and Project.

3. **According to the Act, the Redevelopment Plan must establish the estimated dates of completion of the redevelopment project and retirement of obligation issues to finance the Redevelopment Project Costs. The act sets the maximum date at not more than 23 years.**

The Redevelopment Project is to be completed in 2031 on or before the 23rd anniversary date of the adoption of the ordinance adopting this Redevelopment Plan and Redevelopment Project. The Village reserves the right under this Redevelopment Plan to receive the 23rd year of Incremental Property Taxes by December 31 of the 24th year, December 31, 2032.

4. **According to the Act, the municipality must find, in the case of an Industrial Park Conservation Redevelopment Project Area, that the municipality is a labor surplus municipality and that the implementation of the Redevelopment Plan will reduce unemployment, create new jobs and by the provision of new facilities, enhance the tax base of the taxing districts that extend into the Redevelopment Project Area.**

The Redevelopment Project Area is not an Industrial Park Conservation Redevelopment Project Area.

5. **According to the Act, the municipality must find that the Redevelopment Project Area would not reasonably be developed without the use of incremental tax revenue.**

Based on the historical lack of private investment without assistance and the documented problems in the Redevelopment Project Area, the Village finds that the Redevelopment Project Area would not reasonably be developed without the use of incremental tax revenue.

This is also noted previously in this section under Redevelopment Program Certification B.

6. **According to the Act, the municipality must determine the need for a housing impact study, based on 10 or more inhabited residential units to be displaced, and certify if the above criteria are not met.**

The Village of Long Grove hereby certifies that this Redevelopment Plan will not result in displacement of residents from 10 or more inhabited residential units.

7. **According to the Act the municipality must determine the number of residences and certify that the area contains 75 or fewer occupied residential units.**

The Village of Long Grove hereby certifies that there are less than 75 occupied residential units in the Redevelopment Project Area.

8. **According to the Act, the municipality must incorporate the housing impact study if required.**

Based on the fact that there are less than 75 occupied residential units within the Redevelopment Project Area and there will be less than ten housing relocations, no impact study is required

9. **When a relocation plan is required, and the residents are low and very low-income households, then the plan must adopt an assistance plan that is not less than the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under the Act.**

As certified above in 7 and 8, the Redevelopment Plan does not require a housing impact study and, therefore no relocation plan is required. As no Relocation Plan is required, no assistance plan is required.

10. **According to the Act, the municipality must indicate the effort to be made for relocation to occur near the Redevelopment Project Area.**

As certified, the Redevelopment Plan does not require a housing impact study and, therefore, requires no relocation plan.

11. **According to the Act, the municipality must indicate how a change in the number of units to be affected in a plan causes the housing provisions to be triggered.**

As certified, the Redevelopment Plan does not require a housing impact study.

12. **According to the Act, the Redevelopment Project Area includes only those contiguous parcels of real property and improvements that will be substantially benefited by the proposed redevelopment project improvements.**

The map of the Redevelopment Project Area is Attachment 2 and is made part of this document by reference hereto.

The Redevelopment Project Area was found to qualify as both blighted and to be in need of action to avoid becoming blighted. The Redevelopment Project Area Program (Section III, C of this report) and the Redevelopment Project Improvements as identified in the Redevelopment Area Program and Budget are specifically geared to remediation or prevention of this. Therefore, the area will substantially benefit from the proposed Redevelopment Project improvements.

The Redevelopment Project Area will substantially benefit from the improved infrastructure investment.

All parcels in the Redevelopment Project Area are contiguous.

13. According to the Act, the plan cannot include the development of vacant land (i) with a golf course or (ii) designated as public land for "outdoor recreational activities" (camping hunting) or for nature preserves used for those purposes within five years prior to the adoption of the plan.

The plan does not include the development of vacant land (i) with a golf course or (ii) designated as public land for "outdoor recreational activities" (i.e. camping, hunting) or for nature preserves used for those purposes within five years prior to the adoption of the plan.

IX. PROVISIONS FOR AMENDING THE REDEVELOPMENT PLAN

This Redevelopment Plan may be amended pursuant to the Act.

TABLES & ATTACHMENTS

Table 1: TIF Base / Five-Year EAV History

DOWNTOWN/IL RT. 83 REDEVELOPMENT PLAN AND PROJECT

PARCEL NO.	2002	2003	2004	2005	2006
15-30-100-006	78,847	85,579	95,345	103,455	104,800
15-30-100-009	-	-	-	-	-
15-30-100-010	114,487	118,356	153,520	158,648	160,711
15-30-100-011	108,042	111,693	115,223	119,071	120,619
15-30-100-012	189,228	195,624	201,806	208,547	211,258
15-30-100-013	204,338	211,245	217,920	225,198	228,126
15-30-100-014	150,054	155,125	160,027	165,372	167,522
15-30-100-015	276,787	286,143	295,185	305,045	309,010
15-30-100-017	164,165	169,714	175,077	180,925	183,277
15-30-100-018	322,588	333,491	344,029	355,519	360,141
15-30-100-019	142,478	147,293	151,948	157,023	159,065
15-30-100-028	133,419	137,928	142,287	147,040	148,951
15-30-100-032	343,305	354,909	366,124	378,352	383,271
15-30-100-033	167,044	172,690	178,147	184,097	186,490
15-30-100-034	12,149	12,560	12,957	13,390	13,564
15-30-100-035	152,655	157,815	162,802	168,240	170,426
15-30-102-021	167,266	172,919	178,384	184,342	186,738
15-30-102-022	214,189	221,428	228,425	236,055	239,124
15-30-102-023	14,810	15,311	15,795	16,323	16,535
15-30-102-024	159,734	165,133	170,352	176,042	178,330
15-30-103-001	177,250	183,241	189,031	195,345	197,885
15-30-103-002	162,059	167,537	172,831	178,604	180,926
15-30-104-001	170,247	176,002	181,564	187,628	190,068
15-30-104-002	158,710	164,075	169,260	174,914	177,188
15-30-105-001	-	-	-	-	-
15-30-105-002	-	-	-	-	-
15-30-105-003	89,368	92,389	95,308	98,491	99,772
15-30-105-004	119,223	123,253	127,148	131,395	133,103
15-30-105-005	127,974	138,900	143,289	155,479	157,500
15-30-105-006	122,670	126,816	130,823	135,192	136,950
15-30-105-007	173,447	179,309	184,975	191,153	193,638
15-30-105-008	212,621	219,808	226,753	234,326	237,372

15-30-106-006	95,214	130,806	145,735	158,131	160,187
15-30-106-007	127,639	138,537	154,348	167,478	169,655
15-30-106-012	-	-	-	-	-
15-30-106-013	-	-	-	-	-
15-30-106-014	243,257	251,480	259,427	268,092	271,578
15-30-106-015	193,685	200,231	206,558	213,457	216,232
15-30-106-016	35,430	36,628	37,785	39,047	39,555
15-30-106-017	145,673	150,597	155,356	160,545	162,632
15-30-106-018	75,340	77,886	80,347	83,031	84,111
15-30-106-020	119,312	129,499	144,278	156,552	158,588
15-30-108-001	-	-	-	-	-
15-30-108-003	-	-	-	-	-
15-30-200-022	752	606	590	811	534
15-30-200-024	342	681	781	830	606
15-30-200-027	969	677	811	853	619
15-30-200-030	66,541	72,222	80,465	87,310	88,445
15-30-200-031	99,716	108,230	120,582	130,840	132,541
15-30-200-032	102,994	111,788	124,546	135,141	136,898
15-30-200-033	44,616	48,425	53,950	58,540	59,301
15-30-200-036	357,365	369,444	381,119	393,848	398,968
15-30-204-002	83,195	90,297	100,602	109,160	110,579
15-30-205-019	1,344,993	1,390,454	1,179,527	1,218,924	1,314,810
15-30-205-023	1,369,220	722,937	745,782	910,252	922,086
Total EAV	**9,135,407**	**8,827,711**	**8,958,924**	**9,458,053**	**9,660,285**
Percent Change	**4.11%**	**-3.37%**	**1.49%**	**5.57%**	**2.14%**
Village Wide	**455,892,869**	**500,038,726**	**540,364,790**	**586,663,715**	**640,168,736**
Balance of Village Wide	**446,757,462**	**491,211,015**	**531,405,866**	**577,205,662**	**630,508,451**
Percent Change	**10.88%**	**9.95%**	**8.18%**	**8.62%**	**9.23%**

Table 2: Projected EAV and Tax Increment in Redevelopment Project Area

DOWNTOWN/IL RT. 83 REDEVELOPMENT PLAN AND PROJECT

Downtown/ IL Rt. 83 Redevelopment Project Area

Base Value	$ 9,660,285	Inflation Factor	2.00%

	Construction Year	Valuation Year	Revenue Year	Inflation Increment	Value Added	Valuation Increment	Tax Rate	Tax Increment
1	2008	2009	2010		0	0	6.837	0
2	2009	2010	2011	193,206	9,000,000	9,193,206	6.837	628,539
3	2010	2011	2012	377,070	765,606	10,335,882	6.837	706,664
4	2011	2012	2013	399,923		10,735,805	6.837	734,007
5	2012	2013	2014	407,922		11,143,727	6.837	761,897
6	2013	2014	2015	416,080		11,559,807	6.837	790,344
7	2014	2015	2016	424,402		11,984,209	6.837	819,360
8	2015	2016	2017	432,890		12,417,099	6.837	848,957
9	2016	2017	2018	441,548		12,858,646	6.837	879,146
10	2017	2018	2019	450,379		13,309,025	6.837	909,938
11	2018	2019	2020	459,386		13,768,411	6.837	941,346
12	2019	2020	2021	468,574		14,236,985	6.837	973,383
13	2020	2021	2022	477,945		14,714,930	6.837	1,006,060
14	2021	2022	2023	487,504		15,202,435	6.837	1,039,390
15	2022	2023	2024	497,254		15,699,689	6.837	1,073,388
16	2023	2024	2025	507,199		16,206,889	6.837	1,108,065
17	2024	2025	2026	517,343		16,724,232	6.837	1,143,436
18	2025	2026	2027	527,690		17,251,922	6.837	1,179,514
19	2026	2027	2028	538,244		17,790,167	6.837	1,216,314
20	2027	2028	2029	549,009		18,339,176	6.837	1,253,849
21	2028	2029	2030	559,989		18,899,165	6.837	1,292,136
22	2029	2030	2031	571,189		19,470,354	6.837	1,331,188
23	2030	2031	2032	582,613		20,052,967	6.837	1,371,021
			Totals		**9,765,606**			**22,007,942**
				Present Value at 7.2%				**$ 9,243,798**

Attachment 1: Legal Description

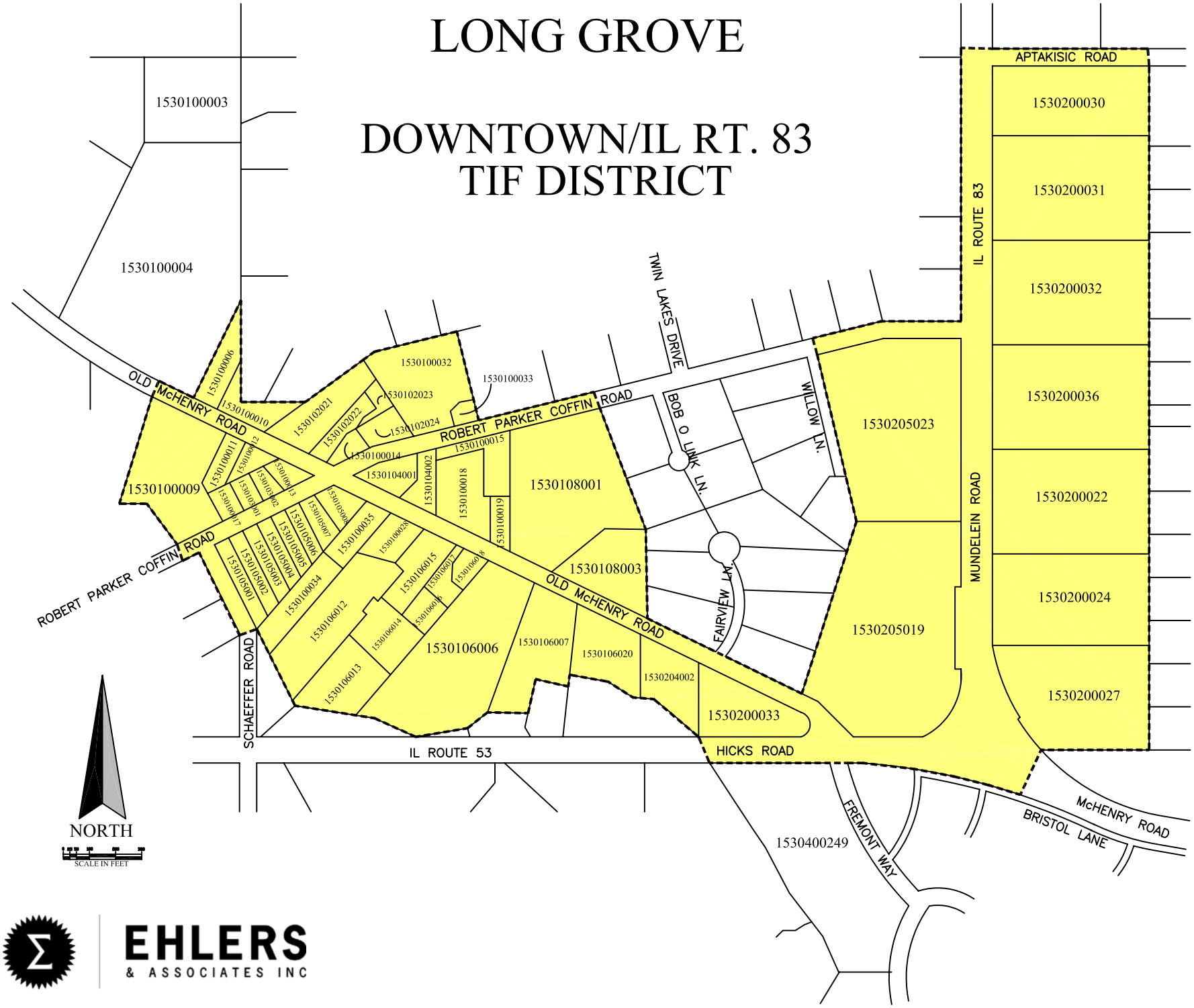
DOWNTOWN/IL RT. 83 REDEVELOPMENT PLAN AND PROJECT

Attachment 2: Redevelopment Project Area Map

DOWNTOWN/IL RT. 83 REDEVELOPMENT PLAN AND PROJECT

LONG GROVE

DOWNTOWN/IL RT. 83 TIF DISTRICT



EHLERS & ASSOCIATES INC

Attachment 3: Existing Zoning Map

DOWNTOWN/IL RT. 83 REDEVELOPMENT PLAN AND PROJECT

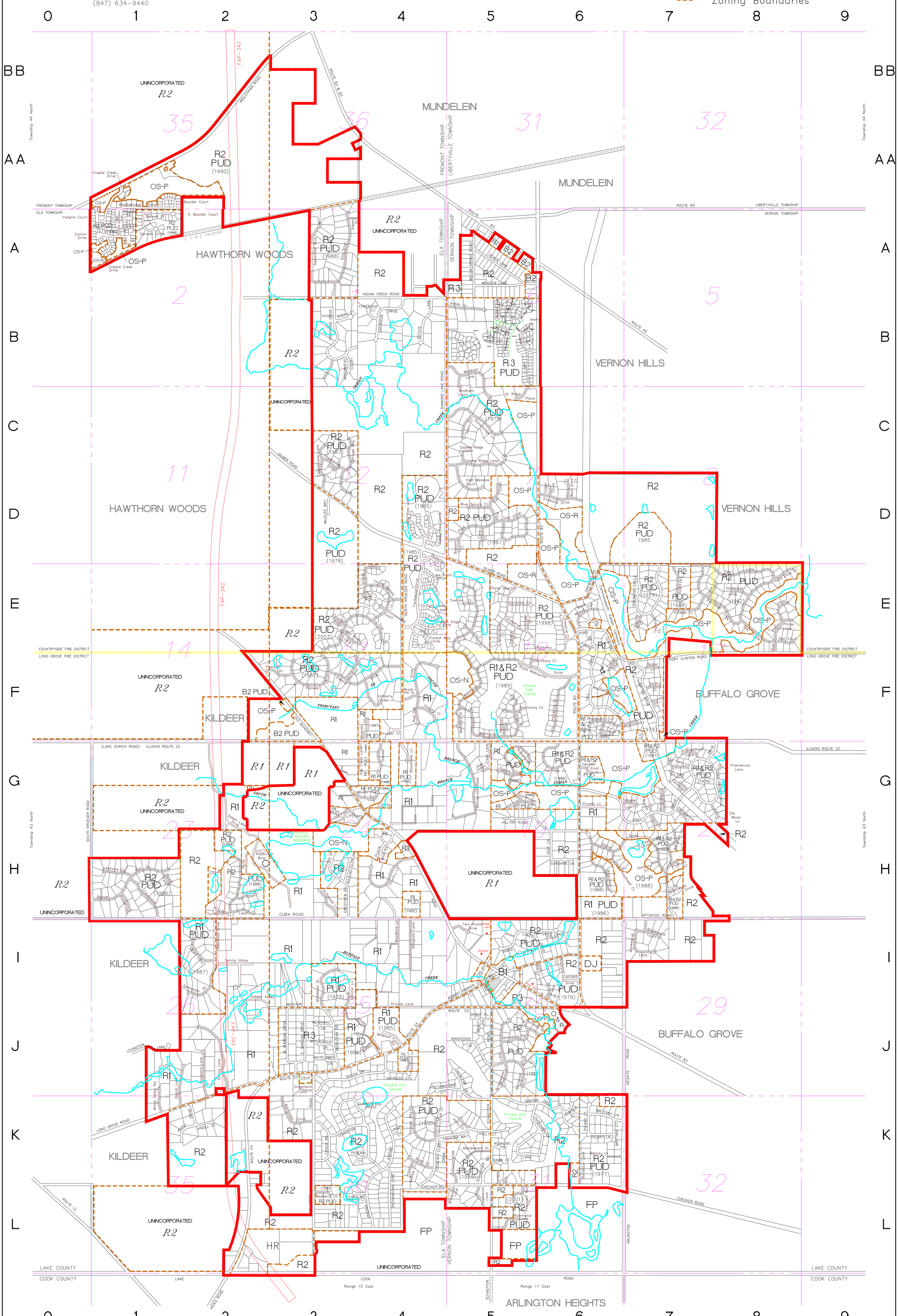
ZONING MAP

VILLAGE OF LONG GROVE
Long Grove, Illinois 60047-9635
(847) 634-9440

Effective as of January 2006

SCALE 1" = 800'

HR	Highway Retail District
R1	Residential Minimum 3 Acre Lots
R2	Residential Minimum 2 Acre Lots
R3	Residential Minimum 1 Acre Lots
B1	Historic Business District
B2	Commercial
O&R	Office and Research
O	Office
PUD	Planned Unit Development
FP	Lake County Forest Preserve
OS-N	Open Space- Natural
OS-P	Open Space - Preservation
OS-R	Open Space - Recreation
DJ	Declaratory Judgement
R1	Planned Zoning if Annexed
R2	Planned Zoning if Annexed
- - -	Zoning Boundaries



STREET INDEX

Albert Lane	I 2	Brookside Lane	L 5	DIAMOND LAKE ROAD	C 4	Hickory Court	F 4	MAYFLOWER LANE	J 3	Patricia Drive	F 3	ROUTE 45 (U.S.)	B 6	Teal Lane	E 8
Allison	J 4	Burnside Court	J 6	Doncaster Court	E 5	Hidden Hills	H 1	MEADOW LANE	A 5	Pebble Creek Lane	G 5	ROUTE 53 (STATE)	L 2	Thimbleweed Court	E 4
Andrew Court	L 4	Butler Lane	I 7	Driftwood Lane	H 3	Hidden Valley	I 3	Meadowlark Drive	K 5	Pheasant Run	L 5	ROUTE 53 (STATE)	J 4	Thimbleweed Trail	E 4
ANTIETAM DRIVE	J 5	Cambury Court	F 5	Edgewood Lane	L 5	High Meadow Court	D 5	MERRIMAC LANE	J 3	PICAROY COURT	K 6	ROUTE 60 (STATE)	AA4	THREE LAKES COURT	I 5
APTAKISIC DRIVE	H 9	Cardinal Way	L 5	Eleanor Drive	F 3	High Point Court	F 6	Middlesex Drive	J 3	PICAROY LANE	K 6	ROUTE 83 (STATE)	D 5	THREE LAKES DRIVE	I 5
ARLINGTON HEIGHTS ROAD	L 6	Carriage Way	C 3	Ellis Drive	A 3	HILLTOP ROAD	G 6	MIDDLESEX DRIVE	J 3	Pine Cone Court	D 5	ROUTE 83 (STATE)	J 7	Tiffany Circle	H 7
ARROWHEAD COURT	B 3	CAVALRY COURT	L 3	Endwood Drive	D 6	Hilltop Road	H 6	Milwood Farm Road	J 4	Pine Tree Court	D 5	Roxbury Court	B 3	Trenton Court	E 3
Ashbury Court	B 5	CHECKER ROAD	L 3	ESTATE LANE	B 4	Holly Court	K 5	Miranda Lane	F 3	Pine Tree Drive	D 5	Royal Melbourne Drive	F 5	TRIBAL COURT	B 3
Ashley	J 4	CHICKAMAUGA LANE	K 5	Fairfield Drive	I 6	HOLLY COURT	K 5	MONITOR LANE	I 3	Pinehurst Court	H 7	Saddle Ridge Court	C 5	Trillium Trail	E 4
Aspen Drive	A 3	Christine Court	E 5	Fairview Lane	I 6	INDIAN CREEK ROAD	A 4	Monitor Lane	I 3	Pintail Lane	E 8	Saddle Ridge Lane	C 5	Turnberry Lane	H 2
Astor Court	E 4	Churchill Court	F 7	Farmstead Lane	C 7	Indian Lane	B 5	MONTICELLO LANE	J 3	Pond View Court	E 5	Sage Lane	E 4	Twin Knolls Drive	I 5
Balsam Court	D 5	Claridge Court	B 5	Farmwood Drive	D 4	Insignia Court	A 1	Muirwood Court	H 2	Popp Lane	L 4	Salem Court	C 5	Twin Lakes Lane	E 4
Barclay Court	E 7	Clearwater	H 1	FEDERAL COURT	K 4	Kathleen Court	E 5	Normandy Court	F 5	PORT CLINTON ROAD	F 7	Salem Lake Drive	G 2	UNION COURT	K 4
Bayberry Lane	L 3	Clover Court	E 4	Fenview Court	G 7	Kettering Drive	F 6	NORTH KRUEGER ROAD	E 4	POTTAWATOMIE COURT	J 4	SCHAEFFER ROAD	L 5	Vail Court	A 1
Beaver Run Drive	H 1	COACH ROAD	K 3	Finch Lane	E 7	Kildeer Court	E 7	North Ridge Place	C 5	Prairie Crossing	C 7	September Boulevard	A 3	Valley View Circle	D 4
Bernoy Lane	K 6	Cobblestone Lane	D 3	Forest Edge Lane	E 4	Kimberly Court	F 4	Nottingham Drive	H 2	Prairie Wind Road	H 4	Shagbark Lane	I 4	Valley View Lane	D 4
Black Walnut Trail	E 6	Colleen Court	A 5	Forest Park	H 1	KNOLL COURT	K 2	Oak Creek Lane	G 4	Prairiemoor Lane	G 8	SHERIDAN COURT	J 4	Victorian	J 4
Blackhawk Lane	C 4	Country Club Drive	K 4	Forest Way Circle	E 4	KNOLL DRIVE	K 2	OAK GROVE CIRCLE	D 8	Preserve Court	E 6	SHERIDAN DRIVE	J 4	Wakefield Lane	H 7
Blue Spruce Court	C 6	COUNTRY CLUB DRIVE	L 4	Forestview Drive	D 6	Lake Cook Road	A 4	OAK GROVE DRIVE	D 8	Prairie Parkway	G 7	SHILOH DRIVE	J 3	Wellington Drive	F 5
Blue Stem Court	D 6	Country Lane	H 4	Forest Trail	F 6	Lake Road Circle	E 4	Oakhill Lane	J 2	Promontory	F 7	SOUTH KRUEGER ROAD	H 1	Westbury Drive	F 5
Bluespruce Court	D 5	Courtyards Lane	I 6	Gentry Court	F 7	LAKERIDGE COURT	B 4	Oakleaf	J 4	Promontory Lane	F 6	South Pointe Court	F 6	Wilderness Court	E 5
Bob-O-Link Lane	I 6	CREEKSIDE DRIVE	B 3	Gettysburg Road	J 6	LAKERIDGE DRIVE	B 4	OAKWOOD CIRCLE	E 7	Providence Court	E 5	Southwell Court	H 6	WILDLIFE WAY	D 3
Bordeaux Lane	K 6	CRESTVIEW DRIVE	B 3	GILMER ROAD	C 2	Lakeview Court	H 1	OAKWOOD ROAD	E 6	Red Oak Drive	F 4	Spring Valley	I 2	Wildspring Lane	B 5
Boulder Court	A 1	CRESTVIEW DRIVE	H 3	Goldenrod Drive	E 8	Lance Court	B 5	Old Field Court	G 7	Redwing Lane	D 4	Stanton Lane	J 4	Wildwood Lane	I 6
Breckenridge Drive	A 1	Crestview Drive	H 3	GOLF LANE	H 6	LEXINGTON DRIVE	K 3	Old Field Lane	G 7	Richmond Lane	L 5	Stockbridge Lane	C 5	WILLOW SPRING ROAD	A 1
Brentwood Circle	H 7	Cripple Creek Drive	A 1	GRANT COURT	J 5	LEXINGTON LANE	J 1	OLD HICKS ROAD	L 3	Ridgewood Lane	C 3	Stonehaven Drive	G 5	Willow Valley Road	A 1
Briarcrest Lane	H 6	CUBA ROAD	H 3	GRANT PLACE	J 5	LINCOLN AVENUE	L 4	OLD McHENRY ROAD	F 2	ROANOKE COURT	K 5	SUMTER COURT	K 6	Windham Road	E 5
Bridgewater Lane	J 5	CUMBERLAND CIRCLE	K 4	Greenbridge Lane	B 5	Litchfield Court	B 5	Old Wood Lane	G 8	ROBERT PARKER COFFIN ROAD	I 5	SUMTER DRIVE	K 5	Windham Court	B 5
Bridlewood Court	I 7	Danbury Court	H 7	Greywalt Court	B 5	LONG GROVE ROAD (WEST)	K 0	Olde Indian Creek Lane	G 5	Robertson Boulevard	H 3	SUNSHINE LANE	H 6	Windham Lane	B 5
Bridlewood Lane	I 7	Dardenel Circle	A 1	Greenland Lane	J 3	Manassas Court	J 6	Orchard Commons East	A 1	Rock Dove Court	E 8	Surrey Lane	J 2	Woodbine Lane	I 4
BRITTANY COURT	K 6	Dennel Court	A 1	Hamilton Court	F 5	MANASSAS LANE	J 5	Orchard Commons West	A 1	ROLLING GLEN DRIVE	H 3	Taggart Court	E 7	Woodland Lane	J 2
BRITTANY LANE	K 6	Darlene Court	E 5	HAMPTON DRIVE	F 7	Manassas Lane	J 6	Orchard Court	A 1	Rosehedge Drive	C 3	TALL OAKS DRIVE	F 6	Woods End Road	G 4
Brookbank Lane	G 7	DAWN COURT	K 5	Heorthmoor Court	G 5	MARDAN DRIVE (EAST)	J 3	OSAGE LANE	A 5	Rosos Parkway	E 7	Tanager Way	K 4	Woodview Court	G 7
Brookfield Court	B 5	Daybreak Lane	B 5	Heather Knoll Court	G 6	MARDAN DRIVE (WEST)	J 3	Pamela Court	F 3	ROUTE 22 (STATE)	F 3	TANGER WAY	K 5	Wyncrest Drive	K 3
Brookhill Drive	F 4	Deerwood Drive	I 2	Hedgewood Court	G 7	Marilynn Drive	F 4	Partridge Lane	E 7	ROUTE 12 (U.S.)	L 6	Teal Court	E 8		
				Heritage Lane	G 6										

UPPER CASE DENOTES PUBLIC ROADS
Lower Case Denotes Private Roads

K-Plus Engineering, Ltd.
1979 N. Mill St., Suite 101
Naperville, IL 60563
16301 420-1700 · www.k-plus.com
ILLINOIS DEPARTMENT OF PROFESSIONAL REGULATION REGISTRATION #184-003685

DATE: FEBRUARY 15TH, 2006
PREPARED BY: BW
CHECKED BY: JY

Revised 02/15/06 Added Highway Retail District and the Menards plat on the NE corner of IL Route 53 and Lake Cook Road
Revised 03/18/05 Added Ravenna Subdivision & Tree Annexation Plats on the SW corner of Old McHenry Rd at IL Rte 22
Revised 2/24/04 Remington Lane was changed to Richmond Lane
Approved by the Village Board January 27, 2004

Base Map Prepared By:
Black Engineering Company, Inc.

K:\Projects\Long Grove\BG 50 2006 Zoning Map Update\2006 version\LGZONE2d.dgn

Attachment 4: Village of Long Grove, Downtown/IL Rt. 83 Redevelopment Project Area Eligibility Report