

original for City

CITY OF LeROY

ILLINOIS

ORDINANCE NO. 219

AN ORDINANCE APPROVING THE LEROY 1st TAX INCREMENT REDEVELOPMENT
PLAN AND REDEVELOPMENT PROJECTS.

ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF LeROY

THIS 5th DAY OF November, 1984.

Published in pamphlet form by authority of the
City Council of the City of LeRoy, McLean County,
Illinois, this 5th day of November,
1984.

ORDINANCE NO. 219

AN ORDINANCE APPROVING THE LEROY 1st TAX INCREMENT REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECTS.

WHEREAS, the City of LeRoy, Illinois, desires to implement tax increment financing pursuant to the Real Property Tax Increment Allocation Redevelopment Act, P.A. 79-1525, (Illinois Revised Statutes, Chapter 24, Sections 11-74.4-1 et seq.), hereinafter referred to as the "Act", for the proposed Redevelopment Plan and Redevelopment Projects within the municipal boundaries of the City of LeRoy and within the Redevelopment Project Area described in Section 1(a) of this ordinance, which area constitutes in the aggregate more than 1 1/2 acres of land; and

WHEREAS, pursuant to Section 11-74.4-5 of the Act, the City Council caused a public hearing to be held relative to the Redevelopment Plan and Redevelopment Project and a designation of a Redevelopment Projects Area on October 9, 1984, at the LeRoy City Hall, 111 East Center Street, LeRoy, Illinois; and

WHEREAS, said notice being given to taxing districts by certified mail on August 24, 1984, by publication on September 20, and October 4, 1984, and by certified mail to taxpayers within the redevelopment area on September 26, 1984; and

WHEREAS, the Redevelopment Plan and Projects set forth the factors constituting the proposed redevelopment area as a "Conservation Area" / "Blighted Area" within the meaning of the Act, and the City Council has reviewed the information concerning such conditions presented at the public hearing and has reviewed other studies and is generally informed of the conditions in the proposed Redevelopment Project Area; and

WHEREAS, the City Council has reviewed the conditions pertaining to lack of private investment in the proposed Redevelopment Projects Area to determine whether private development would take place in the proposed Redevelopment Projects Area as a whole without the adoption of the proposed Redevelopment Plan; and

WHEREAS, the City Council has reviewed the conditions pertaining to real property in the proposed Redevelopment Projects Area to determine whether contiguous parcels of real property and improvements thereon in the proposed Redevelopment Projects Area would be substantially benefited by the proposed redevelopment projects improvements; and

WHEREAS, the City Council has reviewed its proposed Redevelopment Plan and Projects and comprehensive plan for development of the municipality as a whole to determine whether the proposed Redevelopment Plan and Projects conform to the Comprehensive plan of the City,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEROY, ILLINOIS, as follows:

Section 1. That the City Council of the City of LeRoy hereby makes the following findings:

a. The area constituting the proposed Redevelopment Projects Area in the City of LeRoy, Illinois, is described as set forth in Exhibit A attached hereto and hereby incorporated by reference.

b. There exist conditions which cause the area proposed to be designated as a Redevelopment Projects Area to be classified as a "Conservation Area" ^{"blighted Area"} as defined in Section 11-74.4-3(b) of the Act.

c. The proposed Redevelopment Projects Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Redevelopment Plan.

d. The Redevelopment Plan and Redevelopment Projects conform to the comprehensive plan for the development of the municipality as a whole.

e. The parcels of real property in the proposed Redevelopment Projects area are contiguous and only those contiguous parcels of real property and improvements thereon which will be substantially benefited by the proposed redevelopment projects improvements are included in the proposed Redevelopment Projects Area.

f. Since the presentation of the proposed Redevelopment Plan and Redevelopment Projects at the aforesaid public hearing, changes have been made in the Redevelopment Plan which changes do not alter the exterior boundaries and do not substantially affect the general land use as established by the plan, and do not substantially change the nature of the Redevelopment Projects, and notice of such changes has been given by mail to each affected taxing district and by publication in a newspaper of general circulation within the taxing districts not less than ten days prior to the adoption of the changes by ordinance.

g. The estimated date for final completion of the Redevelopment Projects is November 1, 1985.

Section 2. The Redevelopment Plan and Redevelopment Projects which were the subject matter of the hearing held October 9, 1984, and continued to October 15, 1984, and concluded on that date, and which Redevelopment Plan and Redevelopment Projects proposal was amended by ordinance duly adopted by the City Council prior to the adoption of this ordinance be and the same are hereby adopted and approved. A copy of such Redevelopment Plan and Redevelopment Projects proposal as amended is attached hereto as Exhibit B and is made a part of this ordinance.

Section 3. That this ordinance shall be in full force and effect from and after its passage by the City Council of the City of LeRoy, Illinois, approval by the Mayor thereof, and publication in pamphlet form as required by law.

PASSED by the Mayor and City Council of the City of LeRoy, Illinois,
on the 5th day of November, 1984.

Aldermen elected 6
Aldermen present 6

AYES Michael Hanafin, Gary Builta, Patrick Derby, David King, Michael Hillard
Jon Winston
NAYS None

Juanita Dagley
Juanita Dagley, City Clerk
of the City of LeRoy, IL

APPROVED by the Mayor of the City of LeRoy, Illinois, this 5th
day of November, 1984.

Jack Moss
Jack Moss, Mayor of the City
of LeRoy, IL

ATTEST:

(seal)

Juanita Dagley
Juanita Dagley, City Clerk
of the City of LeRoy, IL

Exhibit A.

Beginning at the point where the southerly extension of the West right-of-way line of West Street intersects the South right-of-way line of Vine Street, all in the City of LeRoy, McLean County, Illinois, as per the plat of said streets (Point of Beginning); thence northerly along the said West right-of-way line of West Street to the intersection of said right-of-way line with the North right-of-way line of Cherry Street, as platted, in the City of LeRoy, Illinois; thence easterly along the North right-of-way line of Cherry Street to the intersection of that line with the East right-of-way line of Pearl Street, as platted, in the City of LeRoy, Illinois; thence southerly along said East right-of-way line to the intersection of that right-of-way line with the South right-of-way line of Pine Street, as platted, in the City of LeRoy, Illinois; thence westerly along said South right-of-way line of Pine Street to the intersection of that right-of-way line with the East right-of-way line of East Street, as platted, in the City of LeRoy, Illinois; thence southerly along said East right-of-way line to the intersection of that line with the South right-of-way line of Cedar Street, as platted, in the City of LeRoy, Illinois; thence westerly along said South right-of-way line to the intersection of that right-of-way line with the East right-of-way line of Chestnut Street, as platted, in the City of LeRoy, Illinois; thence southerly along the said East right-of-way line to the Northerly right-of-way line of the Conrail railroad; thence Southeasterly along said railroad right-of-way line to the North right-of-way line of Vine Street, as platted, in the City of LeRoy, Illinois; thence easterly along said North right-of-way line to the intersection of that right-of-way line with the southerly extension of the West right-of-way line of East Street, as platted, in the City of LeRoy, Illinois; thence southerly on the West right-of-way line of East Street, as platted, to the northerly right-of-way line of the Conrail Railroad; thence southeasterly on said right-of-way line to the South line of Lot 1 in the Subdivision of part of Section 21, Township 22 North, Range 4 East of the 3rd P.M., McLean County, Illinois; thence westerly on said South line to the southerly right-of-way line of Conrail Railroad; thence southwesterly to a point on the South right-of-way line of the City of LeRoy Waste Treatment Plant "60 foot" Access Road, said point being 676.92 feet east of the West line of the East half of the Southwest Quarter of Section 21, Township 22 North, Range 4 East of the 3rd P.M., thence westerly along said South right-of-way line to the intersection of said right-of-way line with the centerline of East Street; thence southerly on the centerline of East Street to the southerly right-of-way line of State Aid Route 22; thence southeasterly and southerly on the said right-of-way line of State Aid Route 22 to the southerly line of Parcel "C" as shown on the Lawrence Marsh Annexation Plat recorded November 30, 1977, as Document No. 77-18580, in the Office of the Recorder of Deeds of McLean County, Illinois; thence westerly 2,282 feet, more or less, to the East line of Parcel "A" as shown on the said annexation plat; thence South 945 feet on the East line of the said Parcel "A" as shown on the aforesaid annexation plat; thence westerly 853.08 feet on the South line of said Parcel "A" as shown on the aforesaid annexation plat to the East line of Section 29, Township 22 North, Range 4

East of the 3rd P.M., McLean County, Illinois; thence southerly along the East line of the said Section 29 and the East line of Section 32, Township 22 North, Range 4 East of the 3rd P.M., McLean County, Illinois, to the Southeast corner of the Northeast 1/4 of the Northeast 1/4 of the said Section 32; thence westerly on the North line of the Southeast 1/4 of the Northeast 1/4 of the said Section 32 to the East line of the West 1/2 of the Southeast 1/4 of the Northeast 1/4 of the said Section 32; thence South along the said East line to the centerline of the public road; thence southwesterly on the centerline of the public road to a point 67.98 feet West of the West line of the Southeast 1/4 of the Northeast 1/4 of the said Section 32; thence northerly 1,801.08 feet on a line parallel with the said West line; thence easterly 67.98 feet to the West line of Golden Eagle Estates Subdivision to the City of LeRoy, Illinois; thence northerly on the West line of said Golden Eagle Estates Subdivision to the Northwest corner of Lot 98 (City Park) in said Golden Eagle Estates Subdivision thence southeasterly on the northerly line of said Lot 98 to the Southeast corner of Lot 30 in said Golden Eagle Estates Subdivision; thence northerly on the East line of the said Lot 30 to the intersection of that line with the South right-of-way line of the cul-de-sac at the South end of Mockingbird Lane, as platted in Golden Eagle Estates Subdivision in the City of LeRoy, Illinois; thence westerly and northerly along the West right-of-way line of said Mockingbird Lane to the intersection of said right-of-way line with the westerly extension of the North boundary line of Lot 46 in the aforesaid Golden Eagle Estates Subdivision; thence easterly along the westerly extension of the North boundary line of the aforesaid Lot 46, the North line of the said Lot 46 and the Easterly extension of the said North line to the East line of Section 29, Township 22 North, Range 4 East of the 3rd P.M., McLean County, Illinois; thence southerly on said East section line 50.66 feet, more or less, to a point 1,329.12 feet North of the Southeast corner of the said Section 29; thence North 89 degrees, 50' East, 587.08 feet; thence North to the northerly right-of-way line of State Aid Route 22; thence easterly on the said right-of-way line to a point 100 feet West of the centerline of the aforesaid East Street right-of-way, in the City of LeRoy, Illinois; thence northerly on a line parallel and 100 feet West of said centerline of the right-of-way of the aforesaid East Street to a point 50 feet South of the southerly right-of-way line of F.A.I. Route 74; thence northwesterly parallel with and 50 feet South of the southerly right-of-way line of F.A.I. Route 74 to a point 233.5 feet East of the West line of the Northwest 1/4 of the aforesaid Section 29; thence North to the southerly right-of-way line of F.A.I. Route 74; thence southwesterly on the said right-of-way line to the East line of the East 1/2 of the Northeast 1/4 of Section 29, Township 22 North, Range 4 East of the 3rd P.M.; thence South on the said East line to the intersection of said East line of the East 1/2 of the Northeast 1/4 of Section 29 with the southerly right-of-way line of Bicentennial Drive (also known as State Aid Route 22), as platted, in the City of LeRoy, Illinois; thence northerly and westerly along the southerly right-of-way line of the aforesaid State Aid Route 22 to the Southeast corner of Lot 1 in Central Prairies Commercial Park Subdivision, as platted, in the City of LeRoy, Illinois; thence Westerly 199.32 feet, Southwesterly 134.47 feet, Westerly 75 feet, and Northwesterly 302.78 feet on the boundary of the aforesaid Lot 1 to the Northwest corner of

Lot 2 in the aforesaid Central Prairies Commercial Park Subdivision; thence southwesterly 180 feet to the Southeast corner of the said Lot 2; thence northwesterly 153.4 feet to the East boundary of Lot 3 in the said Central Prairies Commercial Park Subdivision; thence southerly along the East boundary of Lot 3 in the said Central Prairies Commercial Park Subdivision to the intersection of that line with the South boundary line of said lot; thence northwesterly along said South boundary line to the East right-of-way line of F.A. Route 119 Spur; thence northeasterly along said right-of-way line to the West line of the East 1/2 of the Northeast 1/4 of the aforesaid Section 29; thence northerly on the West line of the East 1/2 of the Northeast 1/4 of the aforesaid Section 29 to the northerly and easterly right-of-way line of F.A.I. Route 74, being also the intersection of the West boundary of the corporate limits of the City of LeRoy, Illinois, with the said right-of-way line of F.A.I. Route 74; thence southeasterly to the Southwest corner of Lot 4 in the Oakcrest Resubdivision of Part of Lot 1 in the Sunnyside Subdivision to the City of LeRoy, Illinois; thence easterly along the South boundary line of said Lot 4, and of Lots 20, 43, 63, 62, 61, 60, 59, 58, 57, 56, 55 and 54 in Sunnyside Subdivision to the City of LeRoy, Illinois, being also the South boundary line of the aforesaid Sunnyside Subdivision; to the Southeast corner of the said Lot 54; thence northerly along the East boundary line of Lots 54 and 53 in said Sunnyside Subdivision, being also the East boundary line of said subdivision, and along the East boundary line of Outlot Z in Bel-Vue Subdivision of the City of LeRoy, Illinois, to the Southwest corner of Lot 6 in the Subdivision of Lot 7 of the Southwest Quarter of the Southwest Quarter of Section 21, Township 22 North, Range 4 East of the 3rd P.M., according to the Plat recorded in Book 2 of Plats, page 516, Office of the Recorder of Deeds of McLean County, McLean County, Illinois; thence easterly along the South boundary line of the aforesaid Lot 7 to the Southeast corner of Lot 1 in the said Subdivision of Lot 7; thence northerly along the East boundary line of the said Lot 1 in the said Subdivision of Lot 7 308.6 feet, more or less; thence easterly 208.5 feet, more or less, to the West boundary line of McConnell Bros. Subdivision of Part of the Southwest Quarter of the Southwest Quarter of the aforesaid Section 21; thence northerly along the said West boundary line and along the McConnell Bros. Subdivision, and along the northerly extension of the West boundary line of the said McConnell Bros. Subdivision to the intersection of that line with the South right-of-way line of Vine Street, as platted, in the City of LeRoy, Illinois; thence westerly along the said right-of-way line to the Point of Beginning; all in McLean County, Illinois; also a strip of land 945 feet in width lying immediately South of Parcel "C" as shown on the Lawrence Marsh Annexation Plat, recorded on November 30, 1977, as Document No. 77-18580, in the Office of the Recorder of Deeds of McLean County, Illinois, and extending from the East line of Parcel "A" as shown on said plat to the West line of State Aid Route 22, in McLean County, Illinois;

EXCEPT the following parcels:

(a). That part of Lots 5 and 6 in Block 26 of the Original Town of LeRoy, Illinois, lying South of the Conrail Railroad right-of-way;

(b). The South 105 feet of Lot 5 and the South 105 feet of Lot 6, except the East 5 feet thereof, in Block 20 of the Original Town of LeRoy, Illinois;

(c). Lots 15, 16 and 17 in McConnell Brothers Subdivision to the City of LeRoy, Illinois, except that portion taken for road purposes;

(d). That part of the Northeast 1/4 of the Northeast 1/4 of Section 29, Township 22 North, Range 4 East of the 3rd P.M., McLean County, Illinois, lying North of the Northerly right-of-way line of F.A.I. Route 74, all in McLean County, Illinois;

(e). The East 22 feet of Lot 8 in Block 16 of the Original Town of LeRoy, Illinois;

(f). The East 22 feet, Except the North 50 feet thereof, of Lot 1 in Block 17 of the Original Town of LeRoy, Illinois;

(g). The West 22 feet of the East 44 feet of Lot 1 in Block 17 of the Original Town of LeRoy, Illinois;

all of the aforesaid parcels of real estate being located in McLean County, Illinois.

A REDEVELOPMENT PROPOSAL FOR
LEROY, ILLINOIS
THROUGH TAX INCREMENTAL FINANCING

I. The Problem

Many people find that living in a small town is attractive and fits within an almost idyllic life style for them. For these people who find such an environment so satisfying, it may be a surprise to find that there are forces at work in the nation which threaten the very survival of many small towns. The cost of supplying municipal services, the difficulty of maintaining a commercial core, the almost roulette game of establishing and keeping industrial jobs and the difficulty that many find in supplying land for residential development, seem to conspire to threaten the very life of some communities.

Years ago the needed municipal services were adequately supplied by a modest real estate tax and some surplus income from enterprise funds. These services were limited to streets, water, a magistrate and a marshal. Only about 20% of the real estate levy went to the town and this was supplemented by profit the city made on selling water. Capital expenses were supplied by special assessments or general obligation bonds bearing an interest rate of 1½ to 3%. As life became more complicated--more people, more cars and more gadgets--services expanded and costs increased at a phenomenal rate.

The rise in the use of automobiles created the need to turn dirt streets into gravel, then brick, then asphalt or cement roads. With this came the need for surface drainage systems. The invention of gadgets such as the flush toilet, the washing machine and hot water systems pushed the per capita use of water from two gallons per person per day to an astounding quantity of 68 gallons per person per day. The "throw away society" produced such quantities of trash that disposal became big business. With the new volume of traffic, policing became a round-the-clock necessity.

The pressure to meet these needs resulted in seeking assistance from state and federal governments. The federal government motor fuel tax was soon followed by an Illinois motor fuel tax and this built the road system. Now, however, municipalities are finding it difficult to maintain the system because of two converging forces. The shortage of oil on the world market has made fuel so expensive that auto makers are producing more fuel efficient autos, thereby reducing the amount of motor fuel tax money available. Likewise, the increased use of heavy trucks has greatly intensified repair and maintenance needs.

Years ago, state governments, driven to find new revenues, invented the "sales tax." In Illinois, during the late fifties, the state needed additional revenue from this source, so to make it more politically acceptable to push the rate from 3% to 4%, its statute allowed united of local government to levy first ½% and soon thereafter a full 1%. This source of revenue became the largest single factor in most municipal budgets. Once again, though, the fates conspired. Recession cannot be anticipated or easily handled by small town budgetary means. This short-term cyclical problem is minor when compared to the drain which regional shopping centers place upon municipal incomes. Once again, on a per capita basis, the regional center wins at the expense of the small towns, whether they are "suburb" or "satellite communities."

During the term of Gov. Richard Ogilvie, the State of Illinois solved its financial crisis by passing a state income tax. The Springfield leaders made this step more acceptable by sharing the new-found resource with units of local government on a per capita basis with no bias toward small communities. Today in Illinois this source of income is reduced by the recession and also since the method of figuring tax liability is related to the federal income tax and with the reduction enacted by the Congress and signed into law by the President, once again cities lose.

Ex-President Richard Nixon announced that some of the monies collected by Uncle Sam ought to be returned to their local source, so "revenue sharing" was an idea whose time had come. The tug between this executive and the legislature was over the amount and the designated versus the undesignated--the results: a general sharing of undesignated funds upon a per capita basis, but by far the lion's share was in the "entitlement program." The implication here is that cities in a S.M.S.A. receive funds allotted to them almost automatically. All they must do is fill out the appropriate forms. The small communities receive the left overs and must compete with each other to be granted a share. If the general federal revenue sharing is eliminated, it will further compound the small community's problem of getting its share of the pie.

Specifically this means for the City of LeRoy that the Retailers Occupational Service Tax ("sales" tax), the single largest source of income, has been hit hard. Seven years ago the annual sales tax income was \$86,000; it peaked at \$140,000 in 1979; last year (1983) it was \$91,000; and, the anticipated revenue for 1984 is below the 1977 level. At the same time the cost of living has increased over 70%. The drop from \$140,000 was caused primarily by the loss of sales at Permabilt, the closing of Shieldoor Factory, closing of The How and loss of local grocery store sales to the regional shopping centers in Bloomington and Normal.

In the same time frame, the equalized assessed valuation has gone from \$7,278,025 to \$12,294,036. Again this increase of 68.9% has not kept pace with inflation. While the City was fortunate in getting \$1,500,000 of E.P.A. grant money, it required the citizens to tax themselves an additional \$500,000 to meet the needs of the Clean Water Act. In the meantime, the General Revenue Sharing Funds have declined 42%. There is great need to expand the City's tax bases--both real estate and sales--and created new jobs to stabilize the community.

II. The Redevelopment Plan

In the early thirties the Federal Government in recognition of such needs established the Department of Housing and Urban Development. HUD's first attempts were to provide funds to areas where demolition and rebuilding was the only option. In succeeding years, HUD provided new programs allowing "rehabing". The State of Illinois in Public Act No. 79-1525 implemented the Real Property Tax Increment Allocation Redevelopment Act as a welcome extension of these and other programs. This approach, commonly called "Tax-Incremental Financing, allows a municipality to take actions which help shape its own future in dealing with the forces of blight. It allows the city a mechanism to "conserve" what it has and stabilize itself by redevelopment projects in a TIF Area which will stimulate private investment without increasing taxes.

The City of LeRoy has a very active Zoning Board and the T.I.F. would conform to their Comprehensive Plan as embodied in the Zoning Ordinances. The only change would be a proposed expansion of the I2 Zoning in Larry Marsh's property known as Marsh Stud Farm.

In considering the redevelopment plan for the T.I.F. the guidelines which seem most reasonable, both from the standpoint of successfully inducing new development and rehabing of existing property, and also of meeting the City's needs by creating new jobs, expanding the tax base and continuing growth are:

1. Where structures exist within the redevelopment area the city through the T.I.F. Commission will upgrade utilities and public properties in order to encourage repair and expansion.
2. Purchase vacant land or build buildings on vacant land as further incentives.
3. Accept grants, guarantees and donations of property, labor, or other things of value from a public or private source for use within the redevelopment area.
4. Do studies and surveys to establish priorities for upgrading utilities and public area as well as marketing.
5. Make payment in lieu of taxes of surplus funds to taxing bodies.

The Plan has two major elements:

1. To encourage private investment in the district, public services and utilities will be upgraded and expanded. These will include, but not be limited to: sanitary and storm sewer; streets and sidewalks; parks and public buildings; water mains and a water holding tower, and a marketing program.

2. Direct incentives are offered to private developers in order to secure their projects in the area. These include: an Ethanol production plant, an Agricultural Pharmaceutical Company, the LeRoy Implement Company, Mini-Warehouses and a Truck Stop.

The total equalized assessed evaluation in the district presently is approximately \$2,018,000 and when all projects are finished it will be \$4,994,446.

III. Redevelopment Area

The Redevelopment Area is outlined on the City map, attached as Exhibit A, and is legally described in the attached Exhibit B.

The Illinois Supreme Court in its ruling on the City of Canton's appeal concerning the Real Property Tax Increment Allocation Redevelopment Act, (68 Illinois 2nd 346,354) set forth a germane comment: "We explicitly concluded that 'the application of the public-purpose doctrine to sanction urban redevelopment can no longer be restricted to areas where crime, vacancy, or physical decay produce undesirable living conditions or imperil public health. Stimulation of commercial growth and removal of economic stagnation are also objectives which enhance the public weal.'"

In this proposed Tax Increment District such stagnation is evidenced by the lack of an increase in the Equalized Assessed Evaluation for the past five years.

This lack of development buttresses the Real Property Tax Increment Allocation Redevelopment Acts enabling statutes which outlines the guidelines for creating such a conservation/blighted area.

Within this proposed district, the majority of buildings are more than 35 years old, there is a lack of adequate utilities and community planning. There are excessive vacancies in the existing commercial district. The original platting, adequate for its time, is now functionally obsolete for many uses with respect to parking, traffic flow and competitive commercial ventures. In the older buildings, there is delapidation, depreciation of physical appearances and deterioration. Inappropriate zoning mixes result in deleterious land use.

Vacant land which is included in the proposed district has either been cleared of blighted buildings or is adjacent to blighted areas. In addition, there is a need to consolidate several smaller parcels which have resulted from obsolete platting. In addition to the above items, taxes remain unpaid on several parcels.

These conditions merit including the described land in a T.I.F. Conservation/Blighted District.

IV. Redevelopment Projects

The Redevelopment has two distinct phases. In Phase One the offer is made to purchase land to encourage building in the Redevelopment area. Presently five units are proposed. These developments would increase the E.A.V. by \$2,976,446.

A. Private Development

The proposed private industry redevelopment projects as listed hereafter are to be developed in two or more stages, with the first stage being comprised of the LeRoy Truck Stop and Repair Shop as detailed hereafter. The Agricultural Pharmaceutical Company and Mini-Warehouse projects are not under firm commitment by the developers at this point and may not be undertaken if any public funds are to be committed to the development of the same without further hearing and amendment of this plan. The Ethanol Project is not intended at this time, according to the proposals of the developer, to require any public funding and is set forth in this list as an example of the future development that is anticipated within the district. The LeRoy Implement Company project has been withdrawn by the developer insofar as its potential location within the Tax Increment Financing District development area was originally proposed.

The LeRoy Truck Stop and Repair Shop development proposals must be carried out and the projects substantially completed, as to the obligations of the developer in each instance, within one year from the date of establishment of the Tax Increment Financing District as proposed in this plan, otherwise the City of LeRoy hereby reserves the right to terminate the Tax Increment Financing District, if then in existence. Further, the City of LeRoy also reserves the right to terminate the Tax Increment Financing District in the event the Community Development Action Program Grant to be made by the State of Illinois to the City and then to be made available to the LeRoy Truck Stop developer in the manner of a loan has been withdrawn or terminated by action of the State of Illinois, or there has been a default by the developer under the agreements to be entered into between the developer and the City, and the City and the State. In the event the Tax Increment Financing District has not been terminated at such time in the future as the Agricultural-Pharmaceutical Company project proposal may be undertaken, or the Mini-Warehouse project proposal may be undertaken, by the respective developers thereof, or any other project which may be made a part of this plan in the future by amendment of the plan, should such development projects, or any of them, not be completed within one year from the date the agreement to assist such development projects through the use of public funds is made by the City of LeRoy, the City may terminate its obligation to commit public funds to the completion of the project, and the City hereby reserves the right to terminate the Tax Increment Financing District within one year from the date of its establishment, as to any of these projects, in the event that the Truck Stop and Repair Shop projects are not substantially completed by one year from the date of the establishment of the district.

At this time the City has no project available or proposed to it which would require the purchase of vacant land or the construction of buildings with the use of public funds, as incentives to redevelopment. In the event that any project, either now proposed or to be proposed in the future, by amendment to this plan would require expenditure of public funds to assist in the development of the project, either through the purchase of vacant land by the City to be made available to a developer at lower cost, or the construction of buildings to be leased to a developer, such use of public funds shall be made only after amendment to this plan and appropriate and required hearings having been held in regard to the proposed amendments to this plan.

The proposed private industry redevelopment costs are estimated as follows:

Ethanol Project

Two private firms are interested in building an Ethanol Plant on property owned by Larry Marsh at Marsh Stud. The present E.A.V. of the land is now at \$30,000. The total cost of the project would be \$13,000,000. The property would have an E.A.V. of \$2,530,000. The project cost would be \$1,000,000 paid over a period of 10 years, and would be used to purchase land and extend utilities to the site.

There would be no T.I.F. bonds requested, but an inducement resolution would be presented to Illinois Development Fund Authority for Industrial Development Bonds.

Thirty-six new jobs would be created at the plant and six more full time equivalent jobs would be needed for transportation of product to and from the plant. Additional construction jobs would also be created.

Agricultural Pharmaceutical Company

Discussions have begun with a potential combination warehouse and retail agricultural pharmaceutical sales operation to be located in a 4,800 square foot building in Demma Industrial Park.

It is estimated that the total project will cost \$100,000 with assessed value at \$30,000. The current assessed valuation is \$2,500. Redevelopment costs will approximate \$40,000 with repayment in 4-5 years from Retailers Occupation and Use Taxes as well as a pledge of Tax Incremental Financing. No bonds have been asked to be issued but annual payments from these sources will amortize the redevelopment costs.

Expected annual sales are in the \$1-2 million range.

LeRoy Implement Company

Private developers using the combined benefits of the TIF District (Development Area), Retailers Occupation and Use Tax rebate and City-authorized Industrial Revenue Bonds plan a 6,800 square foot commercial building for the retail sale and repair of farm implements.

The total cost of the project is expected to be over \$360,000. Presently the land is assessed at \$12,078. Through a sales tax pledge of TIF incremental funds, the redevelopment costs will total approximately \$150-175,000. The developers have asked the City to impose an optional 1% sales tax against all of its sales to help repay the development costs over a period of 8-10 years.

This new development will provide 4-8 full time jobs.

LeRoy Truck Stop

Private developers have recently purchased the former Shaner Implement building located in the Southwest corner of the I-74, Rt. 136 Spur Interchange. The former implement dealership had gone out of business resulting in the loss of 6 full time jobs.

The new developers plan to renovate the existing building into an Auto/Truck Stop Restaurant and Fuel Center. The economics of this \$1,200,000 improvement require the inclusion of the property in the TIF with a combination of incremental tax revenues, Industrial Revenue Bonds, and sales tax to assist in public and private improvements to the property and acquisition of additional necessary adjacent land also in the district. City water and sewer also must be extended to the site. The estimated redevelopment project cost for this project is \$400,000. No TIF bond issue is requested, but rather, repayments for developer costs of improvements and acquisitions are contemplated over a period of 10-11 years.

The existing equalized assessed valuation of this tract is presently \$50,000 and, it is estimated with this development the assessed valuation will total \$300,000.

The land is presently properly zoned for this use and conforms to the City's designated land use in the development area.

The Truck Stop should generate \$5 million in gross sales annually and create 97 new full and part-time jobs. It would be the largest employer in the City of LeRoy.

Mini-Warehouses

Tentative plans are being developed for a number of mini-warehouses and outdoor secure storage areas to be constructed in Demma Industrial Park.

The total cost of the project would approximate \$100,000 with \$35,000 included as project development costs. The actual eligible figure would be amortized by TIF revenues over a period of 5 years and, therefore, no bonds are requested.

The land is currently assessed at \$2,309.

Repair Shop

Developers of a Truck and Agricultural Repair Shop will build a facility which will be 60 x 100 feet and be valued at \$162,000. The present E.A.V. of the site, Demma IB is \$12,000.

The only inducement requested is \$175,000 of Illinois Development Bonds.

This operation will employ 14 full time people.

It is anticipated under the present projects that no bond obligations will be required and any obligation of the City by way of contracts will be no longer than 10 years. The length of the obligation will be determined by the funds necessary to amortize the inducements offered to private investors.

B. Public Development

The proposed public redevelopment projects and costs over the life of the Tax Increment Financing District are estimated as follows:

1. The Survey, Rehabilitation, Construction, Repair and Maintenance of public sewers presently located within the redevelopment area of the Tax Increment Financing District as shown on the map attached hereto as Exhibit A and as described in the legal description attached hereto as Exhibit B, and Construction and Maintenance of new sewers, including Survey and ongoing repairs of same, within the geographical area of the district, including extension of existing sewers and engineering work required in regard to the Survey, Rehabilitation, Construction, Repair and maintenance of existing sewers and new sewers, all said work to be restricted to the geographical area of the district, including separation of sanitary and surface water drainage - storm sewer major outlets to run northwest to southeast in the vicinity of Conrail Railroad -

\$800,000.00

2. Street construction, including resurfacing, extension and expansion, and repair and maintenance to streets, all such work to be done on streets and roadways located within the district or to be built within the geographical area of the district, including engineering and survey work necessary in regard to the same (at present the majority of said work deemed to be necessary in the portion of the district located north of I-74) -

\$300,000.00

3. Sidewalk construction, including resurfacing, extension and expansion, and repair and maintenance to sidewalks, all such work to be done on sidewalks located within the district or to be built within the geographical area of the district, including engineering and survey work necessary in regard to the same (at present the majority of said work deemed to be necessary in the portion of the district located north of I-74) -

\$50,000.00

4. Construction and maintenance and repair of an elevated water tower to be located south of I-74, including engineering work as necessary in regard to the construction of the same, and all necessary piping from the edge of the district to water tower in order to connect the same to the existing City water treatment plant (said tower to serve primarily the area adjacent to I-74 and south of I-74), said tower to be located within the geographical area of the district -

\$200,000.00

5. Upgrade existing public parks and improve same, develop public park areas (primarily five acre public park located at south end of Golden Eagle Estates Subdivision and city land fill which has been tentatively set aside as city park area); improvements to include access roads, parking areas, ball diamonds, landscaping, playground equipment, water main and sewer main construction, public restroom facilities, pavillion areas, picnic and grill areas and facilities. Such work to include planning, engineering and construction (all such work to be done on only those public park areas located within the geographical area of the district) -

\$150,000.00

6. Repair and improve existing public buildings located within the geographical area of the district, including remodeling, heating and air conditioning improvements (primarily the city hall and police station) -

\$200,000.00

7. Water main construction and improvements (on existing and mains to be constructed all within the geographical area of the district), to include construction and engineering and any necessary acquisition of easements or other right-of-ways, and legal fees for same -

\$ 80,000.00

8. Development of a marketing program to attract new development within the tax increment finance District geographical area, and operation of same -

\$ 50,000.00

9. Maintenance and repair of all public improvements and facilities, including streets, buildings, parks, water mains & sewer mains within the geographical area of the district -

\$200,000.00

10. Legal, accounting, engineering and planning services for organization and continuance of the tax increment financing plan and district (LeRoy 1st Tax Increment Finance District) -

\$ 35,000.00

11. Payment of funds to developers for LeRoy Auto/Truck Plaza development over 10 years to enable repayment of CMAP Grant of \$200,000.00 as per annexation agreement entered into with developers of LeRoy Auto/Truck Plaza -

\$300,000.00

All of the above costs will be paid for out of the incremental tax revenues from the Tax Increment Financing District, and to the extent that such costs are incurred and tax increment financing revenues from the district are not sufficient in any one year to complete a project already undertaken, the City may make one or more loans to the Tax Increment Financing District and governing authorities from other City revenues to be repaid within the immediate years thereafter from future revenues of the Tax Increment Financing District.

Sewer main extension, construction, repair and maintenance; water main extension, construction, repair and maintenance; street and sidewalk extension, construction, repair and maintenance; development of new parks, and upgrading of existing parks; construction of a new public building and upgrading, repair and maintenance of existing public buildings, in the area located outside the Tax Increment Financing District geographical area shall be accomplished by means of revenues generally available to the City, and such revenues are hereby committed, as a matter of policy, to be expended on such costs outside of the Tax Increment Financing District only unless a matter of an emergency or the previously stated loan procedure should be required from time to time in order to complete a project or to undertake a public development project within the Tax Increment Financing District.

To the extent that public development projects for the improvement of the public facilities located within the tax increment financing district geographical area will entail construction of companion facilities or similar facilities in the geographical portion of the City located outside of the Tax Increment Financing District the expenditure of funds from the various revenue sources will be coordinated in order to accomplish the construction or improvement of a public facility within a given time period where such facility tends to involve the construction or improvement of a facility the usage of which is common to both the Tax Increment Financing District and the other parts of the City. For example, extension of sewer mains in parts of the Tax Increment Financing District may require construction of sewer mains and related facilities between the district areas and the City Sewage Treatment Plant, or may, for purposes of economy of scale, require certain sewer main facilities to be constructed at the same time in areas adjoining the district. If such is the case, tax increment financing district revenues would be utilized for the parts of the system improvement located within the TIF district and other city revenues, as required by law, would be committed to the improvements outside the district.

Present Equalized Assessed Valuation

The most recent E.A.V. in the T.I.F. is \$2,018,000. At the end of the redevelopment period (21 years), when all of the redevelopment has taken place, it is estimated that the E.A.V. will be increased by \$2,976,446.

City Comprehensive Plan

As stated earlier, this plan will conform to the overall Comprehensive Plan for the City of LeRoy as exemplified in its Zoning Ordinance. The City finds the Redevelopment area on the whole has not been subject to growth and development through investment by private enterprise and without the redevelopment would not be reasonably anticipated to do so.

CERTIFICATE

I, Juanita Dagley, certify that I am the duly elected and acting municipal clerk of the City of LeRoy, McLean County, Illinois.

I further certify that on November, 1984, the Corporate Authorities of such municipality passed and approved Ordinance No. 219, entitled:

AN ORDINANCE APPROVING THE LEROY 1st TAX INCREMENT DEVELOPMENT PLAN AND REDEVELOPMENT PROJECTS,

which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 219, including the Ordinance and a cover sheet thereof was prepared, and a copy of such Ordinance was posted in the municipal building, commencing on November 5, 1984, and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the municipal clerk.

Dated at LeRoy, Illinois, this 5th day of November, 1984.

(seal)

Juanita Dagley
Municipal Clerk

