

Memorandum

Community and Economic Development Department

To: Randall Tweet, City Manager

Subject: Downtown TIF Allocation Resolution

Date: December 21, 2020



City Staff presented plans for final allocations of Downtown TIF dollars to City Council in a study session on December 14, 2020. Hearing no objection to the plan from Council members, Staff presents the attached resolution for allocation of Downtown TIF funding.

The proposed allocations are consistent with the objectives of the 1984 Downtown Area Tax Increment District Redevelopment Plan in that the projects will address the following objectives:

- To assist in the rehabilitation and reuse of existing buildings which are presently vacant, underutilized or obsolete in their present state.
- To prevent the recurrence of blighting conditions and to preserve and enhance the value of properties adjacent to the District, as well as the value of new construction occurring, or soon to occur.
- To improve the appearance of buildings, right-of-way and open spaces and to encourage high standards of design and maintenance to create an attractive, desirable environment.

The attached resolution outlines the expenditures and will allow the City of Rock Island to spend the funds as detailed in the resolution.

Recommendation:

The Community and Economic Development Department recommends that City Council approve the recommended allocations and authorize the Mayor to execute the attached resolution subject to minor attorney modifications.

Submitted by: Tarah Sipes, Economic Development Manager
Colleen Small-Vollman, Budget and Grants Manager

Approved by: Randall Tweet, City Manager

RESOLUTION NO. _____

**A RESOLUTION PROPOSING ALLOCATION OF TAX INCREMENT
FINANCING BALANCE WITHIN THE DOWNTOWN
REDEVELOPMENT PROJECT AREA, OF THE CITY OF ROCK
ISLAND**

WHEREAS, on February 12, 1985, pursuant to the Tax Increment Allocation Redevelopment Act, as supplemented and amended (the “Act”), the City of Rock Island, Rock Island County, Illinois (the “City”), by ordinance has heretofore approved a redevelopment plan and project (the “Original Redevelopment Plan and Project”) for and has designated a redevelopment project area known as the Downtown Redevelopment Project Area of the City (the “Original Redevelopment Project Area”) and has adopted tax increment allocation financing for the Original Redevelopment Project Area; and

WHEREAS, on October 3, 2000, pursuant to the Act, the City did heretofore amend the Original Redevelopment Plan and Project and Original Redevelopment Project Area to include additional property and to describe a redevelopment project (i.e., the Murphy House Project) (the “First Amendment”); and

WHEREAS, on February 11, 2008, pursuant to the Act, the City did heretofore amend the Original Redevelopment Plan and Project, as amended by the First Amendment, to extend the estimated date of completion of the redevelopment project or obligations issued to not later than December 31 of the year in which payment to the City Treasurer is to be made with respect to ad valorem taxes levied in the 35th calendar year after the calendar year in which the Original Redevelopment Plan and Project was adopted (the “Second Amendment”); and

WHEREAS, on July 26, 2010, pursuant to the Act, the City did heretofore amend the Original Redevelopment Plan and Project, as amended by the First Amendment and Second

Amendment, to increase the budget for redevelopment costs, as well as to comply with the provisions of the Act at that time and address the estimated completion of the redevelopment project or retirement of obligations issued, as made by the Second Amendment (the “Third Amendment”); and

WHEREAS, the Original Redevelopment Plan and Project, the First Amendment, the Second Amendment, and the Third Amendment are collectively defined as and referred to herein as the “Original Redevelopment Plan and Project As Amended”; and

WHEREAS, the Original Redevelopment Project Area, as amended by the First Amendment is defined as and referred to herein as the “Current Redevelopment Project Area”; and

WHEREAS, the term of the “Original Redevelopment Plan and Project As Amended” will come to an end on December 31, 2020; and

WHEREAS, the Mayor and City Council of the City (the “Corporate authorities”) have determined that it is in the best interests of the City to allocate the remaining Tax Increment Financing fund balance to projects in the “Current Redevelopment Project Area”; and

WHEREAS, the proposed allocations were presented to City Council at a study session on December 14, 2020 and no objection was raised.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Rock Island, Rock Island County, Illinois, as follows:

Section 1. That the foregoing recital clauses to this Resolution are adopted as findings of the Corporate Authorities of the City and are incorporated herein by specific reference.

Section 2. The fund balance of the special tax allocation fund for the “Current Redevelopment Project Area”, shall be allocated and used for the projects itemized on Exhibit A attached hereto and made part hereof.

Section 3. This Resolution shall be in full force and effect upon its passage and approval in accordance with law.

Section 4. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Michael Thoms, Mayor

ATTEST:

City Clerk

PASSED: This 21st day of December, 2020.

APPROVED: This __th day of December, 2020.

EXHIBIT “A”

Downtown TIF (201) Fund Balance Allocations

- Parking Garage (16th Street & 3rd Avenue) - \$1,000,000
 - Funds will be used either to repair and renovate or remove and replace the existing parking garage.
- Schwiebert Park Boat Dock (101 17th Street) - \$120,000
 - Funds will be used to upgrade/repair the existing dock.
- Library Streetscape Project (401 19th Street) - \$17,000
 - Funds will be used to remove a portion of the existing pavement and existing trees on the 4th Avenue side. Funds will also be used to replace the removed pavement and trees in a manner that better matches the existing streetscaping of the corridor.
- A & A Muffler (600 17th Street & 1520 6th Avenue) - \$35,000
 - Funds will be used to assist in facility improvements to include roof replacement, signage replacement, parking lot and facade improvements.
- Dan Vinar Furniture (500 20th Street) - \$54,000
 - Funds will be used to assist in facility repairs to include roof replacement/repair, tuck pointing, and parapet repair.
- American Bank Project (1600 5th Avenue) - \$200,000
 - Funds will be used to assist in rehabilitation/renovation of a vacant downtown property. The project includes pavement repair/replacement, mechanical improvements, and other updates.
- 400 16th Street - \$190,000
 - Funds will be used to assist in a complete renovation of a currently vacant building. The project includes HVAC, plumbing, and electrical upgrades, window replacement, ADA accessibility improvements, roof repair/replacement, and interior rehabilitation.
- 2425 5th Avenue - \$80,000
 - Funds will be used for an environmental assessment and remediation of a city-owned property with the end goal of obtaining a No Further Remediation letter from the IEPA so that the property can be sold to an appropriate party.
- Downtown Facade Improvement Program - \$50,000
 - Funds will be used to provide grant assistance for facade improvements to downtown businesses.

- Sala Flats, LLC (320 19th Street) - \$230,056
 - Funds will be used to assist in repair and stabilization of an existing historic building. The project will include tuckpointing, replacement of stone and brick, painting, and steel repair.
- YWCA (1694 5th Avenue) - \$150,000
 - Funds will be used to assist in site preparation for the new facility. The work will include architectural plans, environmental studies, and concrete removal.
- Best Building Repair (100 17th Street) - \$27,000
 - Funds will be used to address the failure of masonry that is impacting adjacent downtown businesses.
- Downtown Manager - \$250,000
 - Funds will be used to hire staff to facilitate the Downtown Organization for two years. The funds also include an allocation for an office space in downtown Rock Island.
- Downtown Infrastructure - \$1,519,331
 - Funds will be used to repair, replace, enhance, and improve public infrastructure and streetscape elements including but not limited to storm sewers, sanitary sewers, water services, gas services, electrical services, data services, pavement, lighting, street trees, and street furniture in the downtown area. The downtown area is defined as all public right-of-ways, both streets and alleys, within the following boundaries: Beginning at the northwestern corner of the 15th Street and 2nd Avenue intersection heading south along the western edge of 15th Street to the southwestern corner of the 15th Street and 5th Avenue intersection, then heading east along the southern edge of 5th Avenue to the northwestern corner of the 24th Street and 5th Avenue intersection, then heading north along the eastern edge of 24th Street to the 24th Street and Arsenal Bridge intersection, then heading west along the northern edge of 1st Avenue to the northwestern corner of the 16th Street and 1st Avenue intersection, then south along the western edge of 16th Street to the northwestern corner of the 16th Street and 2nd Avenue intersection, then back to the place of beginning at the northwestern corner of the 15th Street and 2nd Avenue intersection.