

**Memorandum  
Community and Economic Development**

**To:** Thomas Thomas, City Manager  
**Subject:** Watchtower TIF  
**Date:** March 12, 2014



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In moving forward with the redevelopment of Watchtower Plaza, the next step is the creation of the new Watchtower Plaza TIF district. To accomplish the task three ordinances need to be approved as three separate action items. They are as follows:

- An ordinance of the City of Rock Island, Rock Island County, Illinois, approving a tax increment redevelopment plan and redevelopment project for the Watchtower redevelopment project area
- An ordinance of the City of Rock Island, Rock Island County, Illinois, designating the Watchtower redevelopment project area of said city a redevelopment project area pursuant to the tax increment allocation redevelopment act
- An ordinance of the City of Rock Island, Rock Island County, Illinois, adopting tax increment allocation financing for the watchtower redevelopment project area

The Watchtower Plaza TIF not only is supporting the redevelopment of Watchtower Plaza but also several other properties along 11<sup>th</sup> Street which are included in the TIF district. This allows staff to work with businesses to redevelop a large section of the 11<sup>th</sup> Street corridor.

**RECOMMENDATION:**

The Community and Economic Development Department recommends the Council adopt Ordinance No. \_\_\_\_\_ (An ordinance of the City of Rock Island, Rock Island County, Illinois, approving a tax increment redevelopment plan and redevelopment project for the Watchtower redevelopment project area) and authorize its execution by the City Manager.

The Community and Economic Development Department recommends the Council adopt Ordinance No. \_\_\_\_\_ (An ordinance of the City of Rock Island, Rock Island County, Illinois, designating the Watchtower redevelopment project area of said city a redevelopment project area pursuant to the tax increment allocation redevelopment act) and authorize its execution by the City Manager.

The Community and Economic Development Department recommends the Council adopt Ordinance No. \_\_\_\_\_ (An ordinance of the City of Rock Island, Rock Island County, Illinois, adopting tax increment allocation financing for the watchtower redevelopment project area) and authorize its execution by the City Manager.

**Submitted by:** Jeffery A. Eder, Assistant City Manager / CED Director

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**Approved by:** Thomas Thomas, City Manager

CITY OF ROCK ISLAND

ORDINANCE NO. O-\_\_\_\_\_-2014

**AN ORDINANCE OF THE CITY OF ROCK ISLAND,  
ROCK ISLAND COUNTY, ILLINOIS, APPROVING A TAX INCREMENT REDEVELOPMENT PLAN AND  
REDEVELOPMENT PROJECT FOR THE  
WATCHTOWER  
REDEVELOPMENT PROJECT AREA**

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**WHEREAS**, it is desirable and in the best interest of the citizens of the City of Rock Island, Rock Island County, Illinois (the “City”), for the City to implement tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code, as amended (the “Act”), for a proposed redevelopment plan and redevelopment project (the “Plan and Project”) within the municipal boundaries of the City and within a proposed redevelopment project area (the “Area”) described in Section 1(a) of this Ordinance, which Area constitutes in the aggregate more than one and one-half acres; and

**WHEREAS**, pursuant to Section 11-74.4-5 of the Act, the Mayor and City Council of the City (the “Corporate Authorities”) called and conducted a public hearing relative to the Plan and Project and the designation of the Area as a redevelopment project area under the Act on February 10, 2014; and

**WHEREAS**, due notice with respect to such hearing was given pursuant to Section 11-74.4-5 of the Act, said notice being given to taxing districts by certified mail on December 17, 2013 and to the Illinois Department of Commerce and Economic Opportunity (f.k.a. Department of Commerce and Community Affairs of the State of Illinois) by certified mail on

December 23, 2013, by publication on January 19, 2014 and January 26, 2014 and by certified mail to taxpayers within the Area on January 21, 2014; and

**WHEREAS**, on January 22, 2014, notice was provided by mail to all residential addresses that, after a good faith effort, the City determined were located within 750 feet of the Area; and

**WHEREAS**, the City did heretofore convene a Joint Review Board as required by and in all respects in compliance with the provisions of the Act; and

**WHEREAS**, the Joint Review Board met on January 9, 2014 to review the public record, planning documents and proposed ordinances approving the Plan and Project and consider whether the Plan and Project and Area satisfy the requirements of the Act; and

**WHEREAS**, on January 9, 2014, the Joint Review Board considered and approved a resolution recommending approval of the Plan and Project and the designation of the Area by the City; and

**WHEREAS**, the Plan and Project set forth the factors that caused the proposed Area to qualify as a “blighted area” and the Corporate Authorities have reviewed the information concerning such factors presented at the public hearing and have reviewed other studies and are generally informed of the conditions in the proposed Area that have caused the proposed Area to qualify as a “blighted area” as defined in the Act; and

**WHEREAS**, the Corporate Authorities have reviewed the conditions pertaining to lack of private investment in the proposed Area to determine whether private development would take place in the proposed Area as a whole without the adoption of the proposed Plan and Project; and

**WHEREAS**, the Corporate Authorities have reviewed the conditions pertaining to real property in the proposed Area to determine whether contiguous parcels of real property and improvements thereon in the proposed Area would be substantially benefited by the redevelopment of the Area pursuant to the Plan and Project; and

**WHEREAS**, the Corporate Authorities have reviewed the proposed Plan and Project and also the existing comprehensive plan for development of the City as a whole to determine whether the proposed Plan and Project conforms to the comprehensive plan of the City.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Rock Island, Rock Island County, Illinois, as follows:

**Section 1.** Findings. That the Corporate Authorities hereby make the following findings:

a. The Area is legally described in Exhibit A attached hereto and incorporated herein as if set out in full by this reference. The general street location for the Area is described in Exhibit B attached hereto and incorporated herein as if set out in full by this reference. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein as if set out in full by this reference.

b. Conditions exist which cause the Area to be subject to designation as a redevelopment project area under the Act and to be classified as a “blighted area” and as defined in the Act.

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

d. The Plan and Project conform to the comprehensive plan for the development of the City as a whole.

e. As set forth in the Plan and Project it is anticipated that the redevelopment of the Area will be completed within twenty-three (23) years after the Area is designated and that all obligations incurred to finance redevelopment project costs, if any, as defined in the Plan and Project shall be retired not later than December 31 of the year in which payment to the municipal treasurer is made with respect to ad valorem taxes levied in the 23<sup>rd</sup> calendar year after the year in which this Ordinance approving the Plan and Project is adopted by the Corporate Authorities.

f. The parcels of real property in the proposed Area are contiguous, and only those contiguous parcels of real property and improvements thereon that will be substantially benefited by the proposed redevelopment of the Area pursuant to the Plan and Project are included in the proposed Area.

g. The implementation of the Plan and Project will not result in the displacement of residents from 10 or more inhabited residential dwelling units.

h. The Area does not contain 75 or more inhabited residential dwelling units.

**Section 2. Plan and Project Approved.** That the Plan and Project, which were the subject matter of the public hearing held February 10, 2014 are hereby adopted and approved. A copy of the Plan and Project is set forth in Exhibit D attached hereto and incorporated herein as if set out in full by this reference.

**Section 3. Invalidity of Any Section.** That if any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or

unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

**Section 4. Superseder and Effective Date.** All ordinances, resolutions, motions, or orders in conflict herewith shall be, and the same hereby are, repealed to the extent of such conflict, and this Ordinance shall be in full force and effect immediately upon its passage and approval in the manner provided by law.

ADOPTED this 17th day of March, 2014, pursuant to a roll call vote as follows:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTENTION: \_\_\_\_\_

APPROVED by me this 17<sup>th</sup> day of March, 2014.

\_\_\_\_\_  
Mayor

ATTESTED and filed in my office,  
this 17<sup>th</sup> day of March, 2014.

\_\_\_\_\_  
City Clerk

## EXHIBIT A

### Legal Description

Beginning at the northwest corner of Lot 2 in Watch Hill Tower Addition to the City of Rock Island, recorded in Plat Book 45, page 242;

Thence east along the north line of said Lot 2, a distance of 443 feet more or less to the northeast corner of said Lot 2;

Thence north along the east line of Lot 1 in said Watch Hill Tower Addition, a distance of 304 feet more or less to the south line of Edison Court Addition to the City of Rock Island, recorded in Plat Book 27, page 11;

Thence east along said south line and the easterly extension of said south line, a distance of 465 feet more or less to the east Right of Way line of 11<sup>th</sup> Street;

Thence south along said east Right of Way line, a distance of 2,492 feet more or less to the north line of Lot 36 in Rodman Heights addition to the City of Rock Island, recorded in Plat Book 12, page 9;

Thence east along said north line and the easterly extension of said north line, a distance of 155 feet more or less to the east Right of Way line of the public alley as platted in said Rodman Heights addition;

Thence south along said east Right of Way line, and the east Right of Way line of the public alley as platted in Charles H. Dibbern's Subdivision to the City of Rock Island, recorded in Plat Book 58, page 106, and along the west line of the east 140 feet of Block 27 of the original town of Sears, recorded in Plat Book 2, page 8, a distance of 677 feet more or less to the north line of Tax Parcel 3444-1;

Thence east along said north line, and the north line of Tax Parcel 3444, and the easterly extension of said north line, a distance of 220 feet more or less to the east Right of Way line of 12<sup>th</sup> Street;

Thence south along said east Right of Way line, a distance of 557 feet more or less;

Thence southeasterly along said east Right of Way line, a distance of 194 feet more or less;

Thence southwesterly, a distance of 165 feet more or less to the southerly Right of Way line of 49<sup>th</sup> Avenue;

Thence southwesterly along said southerly line, a distance of 248 feet more or less to the easterly line of the Chicago, Rock Island and Pacific Rail Road;

Thence northwesterly along said easterly line, a distance of 1,760 feet more or less to the north line of Tax Parcel 4895;

Thence east along said north line, a distance of 284 feet more or less to the west line of Tax Parcel 369;

Thence north along said west line, a distance of 150 feet more or less to the north line of said Tax Parcel 369;

Thence east along said north line, a distance of 192 feet more or less to the westerly Right of Way line of 9<sup>th</sup> Street;

Thence northwesterly along said westerly line, a distance of 580 feet more or less to the intersection of said westerly line and the westerly extension of the south line of W.R. Well's Addition to the City of Rock Island, recorded in Plat Book 19, page 52;

Thence east along said westerly extension and the south line of said W.R. Wells Addition, a distance of 425 feet more or less to the west line of Tax Parcel 3975;

Thence north along said west line, a distance of 105 feet more or less to the south Right of Way line of 43<sup>rd</sup> Avenue;

Thence northerly, a distance of 42 feet more or less to the southwest corner of Lot 30 in said W.R. Well's Addition;

Thence north along the west line of said Lot 30 and the west line of Lot 6 in said W.R. Well's Addition, a distance of 221 feet to the south Right of Way line of 42<sup>nd</sup> Avenue;

Thence northerly, a distance of 52 feet more or less to the east line of Tax Parcel 348-5;

Thence north along said east line, a distance of 527 feet more or less to the south line of Lot 2 in Watch Tower Hill 3<sup>rd</sup> Addition to the City of Rock Island, recorded as Document Number 2003-44441;

Thence west along said south line, and along the south line of Tax Parcel 348-2, and along the westerly extension of said south lines, a distance of 581 feet more or less to the west Right of Way line of 9<sup>th</sup> Street;

Thence north along said west line, a distance of 1066 feet more or less to the intersection of said west line and the westerly extension of the north line of Lot 2 in Watch Hill Tower addition;

Thence east along said westerly extension, a distance of 66 feet more or less to the POINT OF BEGINNING.

## **EXHIBIT B**

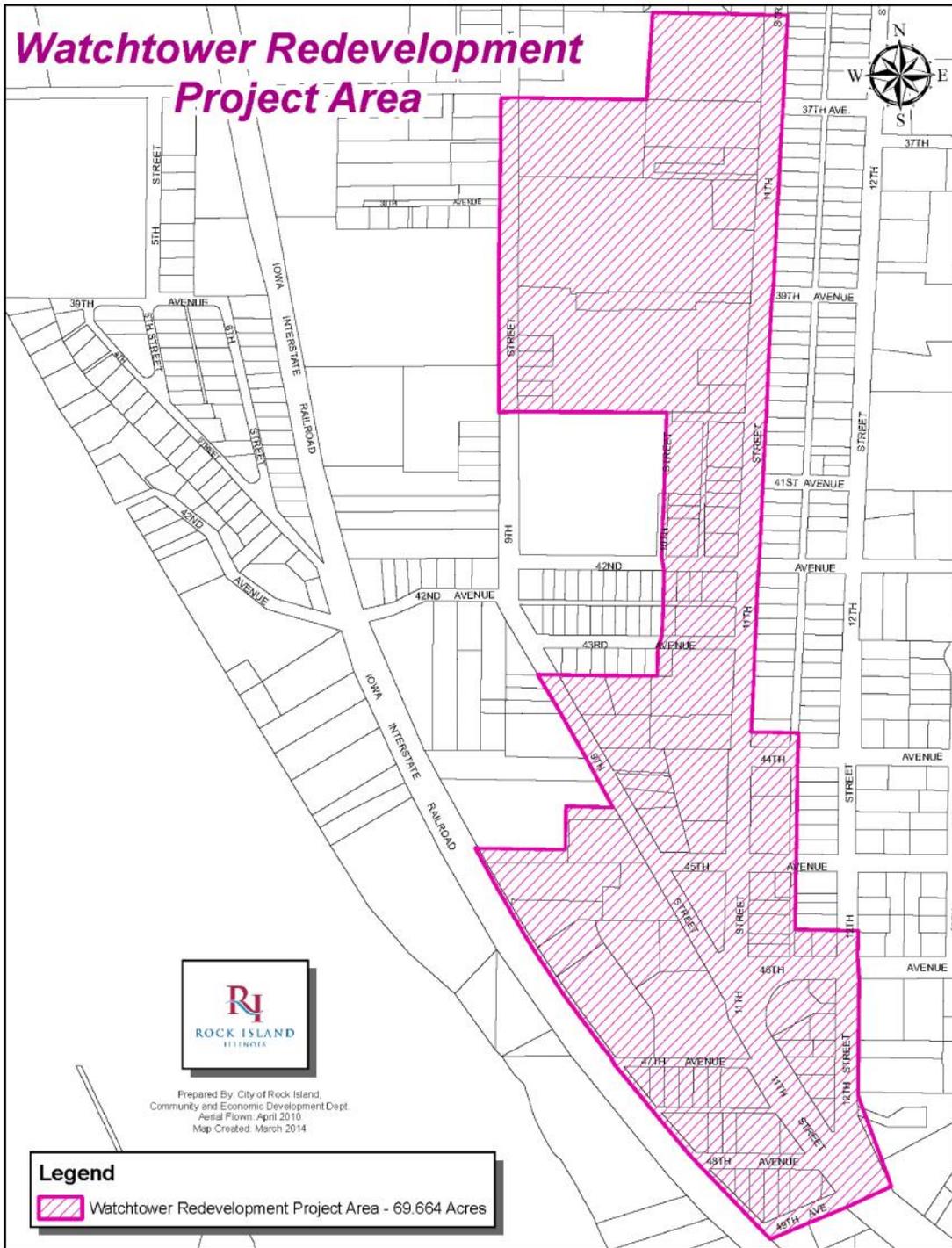
### **General Street Location**

The proposed Redevelopment Project Area is generally described as a contiguous area the boundaries of which are generally described as the area along 9<sup>th</sup> and 11<sup>th</sup> Streets from about the 3600 Block on the north to 49<sup>th</sup> Avenue on the south, starting at 3636 11<sup>th</sup> Street, the boundary goes south along the east side of the 11<sup>th</sup> Street right-of-way to one parcel north of 44<sup>th</sup> Avenue, where the boundary turns east to the alley between 11<sup>th</sup> and 12<sup>th</sup> Streets, the boundary then turns south along the east side of the alley between 11<sup>th</sup> and 12<sup>th</sup> Streets, crossing 44<sup>th</sup> and 45<sup>th</sup> Avenues, the boundary then turns east to take in the two parcels which front on 46<sup>th</sup> Avenue between said alley and 12<sup>th</sup> Street, the boundary then turns southerly along the east side of the 12<sup>th</sup> Street right-of-way to the south side of the 49<sup>th</sup> Avenue right-of-way, the boundary then turns southwesterly along the south side of the 49<sup>th</sup> Avenue right-of-way to the Iowa Interstate Railroad, the boundary then turns northwesterly along the east side of the Iowa Interstate Railroad, near 45<sup>th</sup> Avenue, the boundary then turns east to include Parcels 104895 and 10369 and those properties to the south of said parcels, the boundary then turns northwesterly along the west side of the 9<sup>th</sup> Street right-of-way, the boundary then turns east along the southern property lines of the western-most eight parcels that front on the south side of 43<sup>rd</sup> Avenue between 9<sup>th</sup> and 11<sup>th</sup> Streets, the boundary then turns north along the east-west property lines of parcels mid-block, continues north mid-block to cross 43<sup>rd</sup> and 42<sup>nd</sup> Avenues, and continues north to the northern property line of what is currently the Edison Junior High School property, the boundary then turns west along the northern property line of what is currently the Edison Junior High School property to 9<sup>th</sup> Street, the boundary then turns north along the west side of the 9<sup>th</sup> Street right-of-way to about 37<sup>th</sup> Avenue, where the boundary then turns east along the northern property line of Parcel Number 104815, the boundary then turns north and east along the western and northern property lines of 3636 11<sup>th</sup> Street to include all of said property, the boundaries contain all adjoining rights-of-ways.

**EXHIBIT C**

**Boundary Map**

# Watchtower Redevelopment Project Area



**EXHIBIT D**

**Redevelopment Plan and Project**

Tax Increment Finance  
City of Rock Island  
Watchtower Redevelopment Project Area

Redevelopment Plan and Project  
March 2014



Prepared by



# Tax Increment Finance City of Rock Island Watchtower Redevelopment Project Area Redevelopment Plan and Project

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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 City of Rock Island, Illinois (the “City”) anticipates designating the Watchtower Redevelopment Project Area as a “redevelopment project area” (the “Redevelopment Project Area”) under the Act, prior to which the City shall have adopted and approved this “Tax Increment Finance, City of Rock Island, Watchtower Redevelopment Project Area, Redevelopment Plan and Project, March 2014” as a “Redevelopment Plan” (the “Redevelopment Plan”) and “redevelopment project” (the “Redevelopment Project”) 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 for the Redevelopment Project Area for twenty-three years after the year in which the Redevelopment Project Area is approved, but with the receipt of the 23<sup>rd</sup> year of incremental taxes in the 24<sup>th</sup> 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 City engaged Ehlers and Associates, Inc. as its “tax increment Consultant” (the “Consultant”) to assist the City in determining 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 Redevelopment Project Area qualifies as a Blighted Area for improved land and for vacant land.

## B. City of Rock Island

The City of Rock Island, the county seat of Rock Island County, is located in northwestern Illinois along the Mississippi River. Along with the communities of Moline, Illinois, and Davenport and Bettendorf, Iowa, the City is part of the Davenport-Rock Island-Moline Metropolitan Statistical Area (the “MSA”), also commonly referred to as the “Quad Cities” area.

The City was incorporated in 1841, and today the City of Rock Island is a home rule municipality organized under the Council-Manager form of government. Council members are elected from wards to staggered four-year terms. The Mayor and City Clerk are elected at-large and also serve four-year terms. A City Manager oversees the day-to-day operations of the City.

As of the 2010 census, Rock Island had a population of 39,018 persons, which is a decrease of 1.68% in population since the 2000 census. There are 15,660 households residing in the City. The average household size is 2.32 persons. The median income for a household is \$41,915.

Rock Island is home to the Rock Island Arsenal, the largest government-owned weapons manufacturing arsenal in the United States. The Rock Island Arsenal is on an island in the Mississippi River that is three miles long, and  $\frac{3}{4}$  of a mile wide. The federal complex occupies about 867 acres and has over 70 federal and private tenants. The balance of the island consists of the Veterans Administration with a National Cemetery, a Confederate Cemetery, and the headquarters of the Rock Island District Army Corps of Engineers.

One public school district, Rock Island School District No. 41 (Rock Island/Milan) School District, serves the City and its residents. Currently, District 41 operates one high school, two middle schools, ten elementary schools, and one pre-school. Private primary and secondary schools are also available. Black Hawk Community College District No. 501 serves Rock Island, along with other communities in nine counties in northwestern Illinois. It currently has a facility located within the Redevelopment Project Area. There are several four-year colleges in the Quad Cities, including Augustana College, St. Ambrose University, and Western Illinois University.

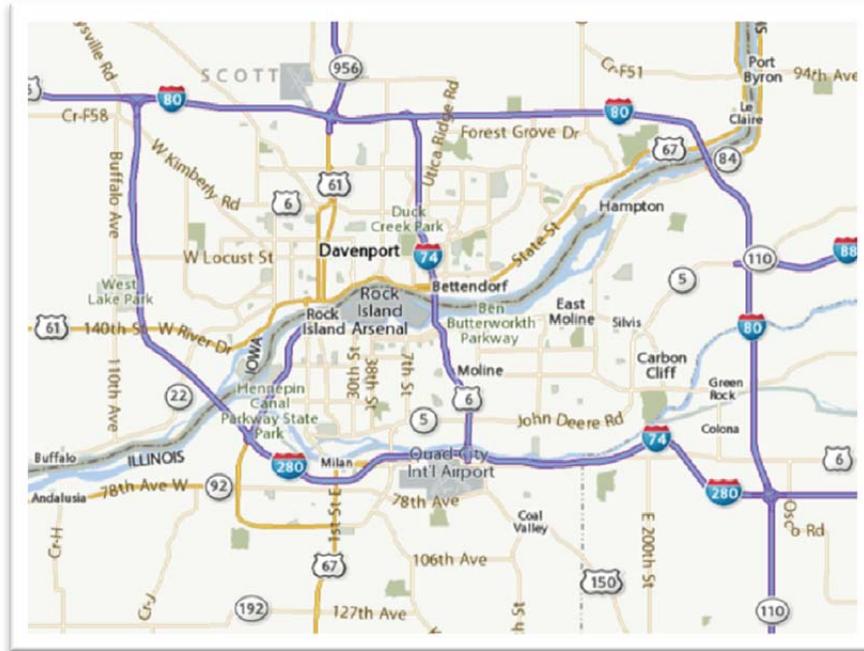
The Rock Island City Library serves the community through a main library and two branch libraries. The library also provides services on a contractual basis to Blackhawk Township and the Village of Milan.

The City has convenient access to major interstates, including I-80, I-88, I-280 and I-74. Five interstate bridges connect the Illinois and Iowa portions of the Quad Cities. Metro Link is the public transportation system that links Rock Island and the other communities in the Quad Cities area.

Air transportation in the area is provided by the Quad Cities International Airport, in Moline, Illinois, which has regularly scheduled jet service by American Eagle and United Express, as well as charter and commuter air lines. Adjacent to the airport is a U.S. Customs port of entry and a designated foreign trade zone. There are many port facilities along the Mississippi River in the Quad Cities area. Barge traffic via the Mississippi River is connected to the Illinois, Ohio, and Missouri Rivers, and the Gulf of Mexico. Railroad freight service is made available by the main line of the Burlington/Northern Santa Fe (BNSF) and the Iowa Interstate Railroad.

The primary hospitals providing major medical care to Rock Island residents are Trinity Rock Island (Unity Point Health System) in Rock Island, and Genesis Medical Center (formerly Illini Hospital) facilities in Silvis, Illinois and Davenport, Iowa. Trinity Medical Center in Moline is also available. Advanced medical and research medical facilities are located in the metropolitan Chicago and St. Louis areas.

Rock Island residents have many recreational opportunities. The City of Rock Island provides park and recreational services through its Department of Parks and Recreation. It operates 26 parks on 850 acres, including two golf courses, a marina, an aquatic center, and the Rock Island Fitness and Activity Center (RIFAC). The City's parks are supplemented by 2,292 acres owned by the Rock Island County Forest Preserve District. The district operates four forest preserves and the 228-acre Niabi Zoological Preserve. The Great River Tail system, which runs along the Mississippi River, runs through Rock Island.



*City of Rock Island*

### **C. Summary of the City's Problems**

At one time, manufacturing thrived in the Quad Cities area, providing jobs to residents in Rock Island and the region. While manufacturing still exists in the region, much of this work has moved outside of the region or has been eliminated altogether. Some manufacturing jobs have been replaced with lower paying service jobs. The Rock Island Arsenal is a major economic force in the area. It currently employs over 7,900 people. With federal spending cuts, the total Arsenal workforce is down from its peaks of around 9,000. The tax base of the City and its redevelopment have suffered as a result of these declines.

Rock Island is a mature community and has many older commercial and residential developments. Buildings and paved areas are deteriorated. Building vacancies contribute to deteriorated conditions. There is little or no screening between residential and more intense uses. Properties must be upgraded in order to compete against new developments in “green grass” areas. Renovation and demolition of older facilities are too costly without assistance.

These factors go beyond normal development costs and TIF funds will be necessary to finance related infrastructure, land preparation, and building rehabilitation.

The City has recognized and is dealing with its problems. The City of Rock Island has other active TIF Districts, an Enterprise Zone, a Commercial/Industrial Revolving Loan Fund, a Façade Improvement Program, a Sales Tax Rebate Program, and other programs to spur economic development. It is creating this Redevelopment Project Area to spur residential, commercial, and industrial development and redevelopment, as well as upgrade and improve its infrastructure and recreational opportunities. The City has already acquired some properties in the Redevelopment Project Area to achieve its vision for the area.

A part of that vision is making the area a vibrant commercial corridor that provides retail goods and services to serve the immediate market area as well as destination shopping for more distant customers. The City is partnering with a developer to redevelop the Watchtower Shopping Center. The use of TIF as a financial tool will help encourage private development and redevelopment in the Watchtower Shopping Center and elsewhere within the Redevelopment Project Area, as well as outside of the Redevelopment Project Area.

#### **D. Tax Increment Financing**

In January 1977, the Illinois General Assembly passed the initial version of what is now the present Tax Increment Allocation Redevelopment Act (the “Act”). This 1977 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 Redevelopment 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 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 year-to-year 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 revenue sources, and may issue bonds backed by the general obligation of the municipality or payable solely from Incremental Property Taxes and other sources.

Tax increment allocation financing generates Incremental Property Taxes through the temporary capture of new tax revenues generated by the increase in the EAV over the Initial EAV. This increased EAV of properties can result from a municipality’s redevelopment program, improvements, various developments and redevelopment activities, and the reassessment of properties. Under the Act, all taxing districts continue to receive property taxes levied by application of their ordinary tax rates 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. If the taxing districts have buildings and structures in the Redevelopment Project Area, those facilities are eligible for repair, remodeling, and rehabilitation, if funds are available and such activities are provided for in the Redevelopment Plan.

## **E. The Redevelopment Project Area of the City of Rock Island**

At the request of the City, the Consultant surveyed the area identified by the City and referred to in this Redevelopment Plan and Project as the Watchtower Redevelopment Project Area to document any blight or conservation area factors that may exist within the Redevelopment Project Area. The Consultant documented these factors in an analysis entitled the “Tax Increment Finance, City of Rock Island, Watchtower Redevelopment Project Area, Eligibility Report, March 2014” (the “Eligibility Report”), in **Attachment 4** to this Redevelopment Plan. The Eligibility Report is made part of this Redevelopment Plan by reference hereto. The Redevelopment Project Area and its existing conditions are briefly described below. For greater detail on these factors, refer to the Eligibility Report.

The Redevelopment Project Area is approximately 70 acres.

The improved land consists of residential, commercial, industrial, and institutional uses. The vacant land is surrounded by these uses.

A general description of the boundaries is the area along 9<sup>th</sup> and 11<sup>th</sup> Streets from about the 3600 Block on the north to 49<sup>th</sup> Avenue on the south. Starting at 3636 11<sup>th</sup> Street, the boundary goes south along the east side of the 11<sup>th</sup> Street right-of-way to one parcel north of 44<sup>th</sup> Avenue, where the boundary turns east to the alley between 11<sup>th</sup> and 12<sup>th</sup> Streets. The boundary then turns south along the east side of the alley between 11<sup>th</sup> and 12<sup>th</sup> Streets, crossing 44<sup>th</sup> and 45<sup>th</sup> Avenues. The boundary then turns east to take in the two parcels which front on 46<sup>th</sup> Avenue between said alley and 12<sup>th</sup> Street. The boundary then turns southerly along the east side of the 12<sup>th</sup> Street right-of-way to the south side of the 49<sup>th</sup> Avenue right-of-way. The boundary then turns southwesterly along the south side of the 49<sup>th</sup> Avenue right-of-way to the Iowa Interstate Railroad. The boundary then turns northwesterly along the east side of the Iowa Interstate Railroad. Near 45<sup>th</sup> Avenue, the boundary then turns east to include Parcels 104895 and 10369 and those properties to the south of said parcels. The boundary then turns northwesterly along the west side of the 9<sup>th</sup> Street right-of-way. The boundary then turns east along the southern property lines of the western-most eight parcels that front on the south side of 43<sup>rd</sup> Avenue between 9<sup>th</sup> and 11<sup>th</sup> Streets. The boundary then turns north along the east-west property lines of parcels mid-block, continues north mid-block to cross 43<sup>rd</sup> and 42<sup>nd</sup> Avenues, and continues north to the northern property line of what is currently the Edison Junior High School property. The boundary then turns west along the northern property line of what is currently the Edison Junior High School property to 9<sup>th</sup> Street. The boundary then turns north along the west side of the 9<sup>th</sup> Street right-of-way to about 37<sup>th</sup> Avenue, where the boundary then turns east along the northern property line of Parcel Number 104815. The boundary then turns north and east along the western and northern property lines of 3636 11<sup>th</sup> Street to include all of said property. The boundaries contain all adjoining rights-of-ways.

**Attachment 1** is the legal description and **Attachment 2** is the map depicting the boundaries of the Redevelopment Project Area. **Attachment 2** illustrates that all parcels in the Redevelopment Project Area are contiguous. Both **Attachment 1** and **Attachment 2** are made part of this document by reference hereto.

The Redevelopment Project Area as a whole is adversely impacted by the presence of blighted 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.

Properties suffer from obsolescence. Some buildings have been converted from their original uses into new uses. These converted properties do not have adequate parking and loading for the new uses. Some commercial buildings built for their intended use do not have adequate parking and loading facilities for large vehicles, which leads to further damage to parking lots, fences, and roadways. Additional expenses will be necessary to remedy parking and loading issues, as well as to upgrade or redevelop converted properties to meet modern day standards. Demolition and replacement of structures may be necessary to accommodate new development.

Numerous buildings and parking lots throughout the Redevelopment Project Area suffer from deterioration. The field survey of exterior conditions found deterioration present in both the improved and vacant portions of the Redevelopment Project Area. The majority of the buildings in the Redevelopment Project Area are more than 35 years of age, and older buildings generally require more upkeep and maintenance. There are a number of buildings that are completely vacant or have vacant tenant spaces. Lack of maintenance of these unoccupied areas adds to the deteriorated conditions. Substantial investment will be necessary to repair or demolish these buildings and parking areas.

The Redevelopment Project Area has a mix of land uses with residential, commercial, industrial, and institutional uses. There are no buffers between these uses. A lack of community planning is also evidenced by the fact that many properties in the Redevelopment Project Area are completely covered with structures and pavement, with little or no pervious surface or green space. Extraordinary expenses will be needed to develop and redevelop properties with appropriate buffering between conflicting land uses and provide additional landscaping materials.

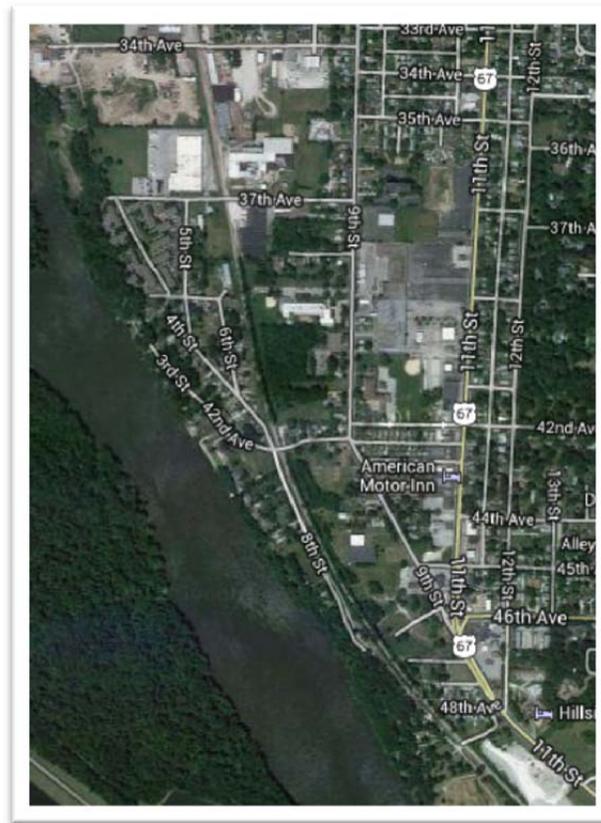
Many of the vacant parcels would need to be consolidated in order for development and redevelopment to occur. Some vacant parcels do not front on public right-of-way, and therefore do not have access to public roadways. Others are small and irregularly shaped, which cannot accommodate contemporary standards for most uses. Subdivisions, road improvements and new construction will be necessary to consolidate smaller parcels and dedicate appropriate easements and rights-of-way, resulting in sizeable additional costs for development and redevelopment. City involvement will be required to create appropriate and efficient street and lot layout.

The vacant parcels in the Redevelopment Project Area have multiple owners. The City owns many of the vacant and partially vacant parcels and hopes to make these properties available for redevelopment. However, all of the properties the City owns are not contiguous to each other. There are other owners of the remaining vacant properties. Continued participation of the City will be necessary to make the remaining parcels available for consolidation and redevelopment.

Finally, in examining the EAV of the area, the EAV for the entire Redevelopment Project Area as a whole has declined for four (4) of the last five (5) years (see **Table 1**). Additionally, the EAV of the entire Redevelopment Project Area has not increased on par with the balance of the City for five (5) of the last five (5) years. Further, the EAV of the entire Redevelopment Project Area has not increased on par with the Consumer Price Index for All Urban Consumers for five (5) of the last five (5) calendar years. These conditions demonstrate the lack of investment in the Redevelopment Project Area.

These factors go beyond normal development costs and TIF funds will be necessary to finance such infrastructure, land preparation, and building rehabilitation.

The Redevelopment Project Area as a whole 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 without TIF assistance.



*Aerial View of Redevelopment Project Area*

## **F. The City of Rock Island Tax Increment Redevelopment Plan and Project**

The City intends that the Redevelopment Project Area will redevelop with commercial, office, industrial, residential, governmental, institutional, and recreational uses, including mixed uses.

Development in the Redevelopment Project Area may cause impacts on other taxing districts. These impacts will also need to be addressed.

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 City, 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 City must foster private investment in the Redevelopment Project Area.

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 City utilize Incremental Property Taxes in accordance with the Act and work cooperatively with the private sector and local governmental agencies. With a sound financial base, the City will be better able to provide adequate services for its citizens and increase the economic viability of the City. Only through the implementation of this Redevelopment Plan under the Act will the Redevelopment Project Area develop on a comprehensive and coordinated basis, thereby reducing the factors that 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 likely continue to experience the blight conditions or those conditions that will lead to blight. TIF is a means of implementing such cooperation. By means of public investment through the TIF, the Redevelopment Project Area will become an environment that will attract private investment.

The use of Incremental Property Taxes by the City to pay Redevelopment Project Costs will permit the City to participate in and coordinate public and private improvements and activities to stimulate private investments on a comprehensive basis. These improvements, activities, and investments will benefit the City, 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 for the City;
- Increased job opportunities;
- Reduced problem conditions in the Redevelopment Project Area, as well as general physical improvement and upgrading of properties;
- Remediated environmental problems;

- Enhanced visual appearance and landscaping within the City;
- Increased commercial and business opportunities, including those for retail, industrial, office, and mixed-uses;
- Improved residential opportunities, including a variety of housing types for various needs and income levels;
- Increased recreational opportunities;
- Improved community sustainability;
- Improved economic conditions; and
- Stabilized 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. Acquire and prepare land for redevelopment;
2. Create development, including commercial, office, industrial, residential, institutional, and recreational uses, including mixed uses;
3. Create employment opportunities for the community and surrounding area;
4. Coordinate design within the Redevelopment Project Area;
5. Create public and private facilities and improvements;
6. Provide access and creation of necessary rights-of-way not present;
7. Implement a landscaping plan;
8. Repair, remodel, rehabilitate, or replace some obsolete and/or deteriorating structures;
9. Provide needed infrastructure improvements;
10. Acquire real estate and personal property, including for disposition at up to 100% write-down for public and/or private development activities;
11. Provide write-down of up to 50% of construction costs for low-income housing;
12. Address environmental problems that may be associated with properties;
13. Address flooding and drainage issues;
14. Prepare land for development;
15. Provide adequate parking and loading facilities;
16. Provide financing assistance and interest subsidy for public and private development activities;
17. Provide for impacts on other taxing bodies, including school payments according to the Act; and
18. Assist redevelopment goals and objectives in adjacent Redevelopment Project Areas.

## II. Redevelopment Project Area Eligibility Conditions

The Redevelopment Project Area's "Blighted" conditions documented in this section are based on surveys and analyses initially conducted by the Consultant in December 2012 and reviewed again in the fall of 2013. As set forth in the Act, the Redevelopment Project Area qualifies as a "blighted area" for improved land and for vacant land.

1. The area must meet the criteria under one of three categories if it is determined to be blighted. One set of the criteria for both the Conservation and Blighted designations deals with improved property. Two sets within the Blighted designation deal with vacant property. The minimum number of required factors must be present in one of these categories and the presence of each must be documented;
2. Each factor present must be reasonably 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;
3. The property must equal or exceed 1½ acres; and
4. The Redevelopment Project Area must meet the "but for" requirement of the Act in that development and redevelopment would not occur without financial assistance and intervention by the municipality.

The criteria presented are reasonably present to a meaningful extent and reasonably distributed in the improved portions of the Redevelopment Project Area.

The Redevelopment Project Area is approximately 70 acres, in excess of the required 1½ acres.

The Redevelopment Project Area as a whole is adversely impacted by the presence of blighted 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 in the Redevelopment Project Area, showing that development will not occur without financial assistance by the City.

## **A. Surveys and Analyses Conducted**

The conditions summarized above are based upon initial surveys and analyses conducted by the Consultant in December 2012 and reviewed again in the fall of 2013. The surveys and analyses conducted include:

1. Exterior survey of the condition and use of each building;
2. Field survey of conditions, including streets, 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 Federal Emergency Management Agency (FEMA) flood maps;
8. Review of Environmental Protection Agency (EPA) and Illinois Environmental Protection Agency (IEPA) compliance lists;
9. Analysis of water, sewer, gas utilities, etc.;
10. Review of County and Township Tax Records; and
11. Contacts with City officials, county officials, other taxing bodies as appropriate, 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.

The improved portion of the Redevelopment Project Area meets the requirements of Section 11-74.4-3 (a) (1) (B), (C), (I), (J), (L), and (M) of the Act for designation of improved land as a Blighted Area. For designation as a Blighted Area for improved land five (5) criteria are to be met, and in this case six (6) criteria have been met.

The following six (6) Blighted Area criteria are present in the improved land:

- Obsolescence;
- Deterioration;
- Excessive Land Coverage;
- Deleterious Land Use or Layout;
- Lack of Community Planning; and
- Lagging EAV.

The following parcels constitute improved land in the Redevelopment Project Area:

IMPROVED LAND PARCEL NUMBERS			
10356	103938	103453-B	105053
104896	103935	103453-1	104025
10355	103964	103453-A	104024
104815	103965	103452-1	104023
105018	103975	103449	104022
105017	103970	103436	104028
105122	10350	103437	104030
105123	102248	103438	104031
10348-4	102252	103439-1	104033
10348-3	102253	103439	104035
10348-1	102254	103440	104052
10348-2	102255	103444-1	104043
10349	102257	103444	104042
10453	104734	103445	104041
105009	104734-1	103446-1	104040
103992	104736	103446-2	104039
103991	101302	103446	104038
103940	101306	105048	
103939	103165	105049	

The vacant portion of 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 of the Act under which vacant land can be determined to be blighted. Two or more of the criteria in one section are required to be met. In the other section, one or more of the criteria is required to be met. In this case, the vacant land meets the requirements for the first section of the Act.

The Redevelopment Project Area meets the requirements of Section 11-74.4-3(a) (2) (A), (B), (D), and (F) of the Act. In this section of the Act, two (2) criteria are required for designation of vacant land as a Blighted Area. In this case, four (4) criteria have been met.

The following four (4) Blighted Area criteria are present in the vacant area:

- Obsolete platting;
- Diversity of ownership of parcel of vacant land;
- Deterioration of structures or site improvements in neighboring or adjacent areas; and
- Lagging EAV.

The following parcels constitute vacant land and partially vacant land in the Redevelopment Project Area:

VACANT OR PARTIALLY VACANT LAND PARCEL NUMBERS			
10233-5	10356-1	103452	104019
10234	104895	103448	104051
10369	104896	104027	104049
10356	103453	104026	104037

These parcels meet the definition of vacant land under the Act in Section 11-74.4-3 (v), as any parcel or combination of parcels without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area. The vacant land has not been “commercially farmed” in the last five (5) years.

A restaurant building straddles a common property line between Parcel Numbers 10356 and 104896. The structure has a small footprint as compared to the overall size of the respective properties. For purposes of this report, these two parcels are both improved parcels and “partially vacant” parcels.

The Redevelopment Project Area qualifies for “Conservation Area” designation, as it meets the age criteria and six (6) of the Conservation Area factors as defined in the Act. However, there are adequate criteria to qualify the Redevelopment Project Area as a “Blighted Area”, and therefore, the “Conservation Area” designation will not be applied.

There must be a reasonable presence of and distribution of these factors in the Redevelopment Project Area, as stated in the Act. These factors are not required to be present in every parcel. The above factors are distributed throughout the Redevelopment Project Area and are present to a meaningful extent such that a local governing body may reasonably find that the factors are clearly present within the intent of the Act. **Table 2** and **Table 3** in the Eligibility Report (**Attachment 4** of this report) contain the results of various research, field survey, and analysis of existing conditions in the Redevelopment Project Area, which demonstrates that the above criteria are present to a meaningful extent and distributed throughout the Redevelopment Project Area.

The Redevelopment Project Area is approximately 70 acres, in excess of the required minimum 1½ acres required by the Act.

The Redevelopment Project Area as a whole is adversely impacted by the presence of blighted factors and conservation 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.

These factors go beyond normal development needs and TIF funds will be necessary to finance redevelopment activities.

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 without TIF assistance.

Based on these factors, the Consultant has recommended that the City conclude that property within the Redevelopment Project Area qualifies as a Blighted Area for improved land and for vacant land as defined in State statute and is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the City.

### 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 City.
2. An environment within the Redevelopment Project Area that will contribute more positively to the health, safety and general welfare of the City and preserve or enhance the value of properties in and adjacent to Redevelopment Project Area.
3. An increased sales tax base for the City and an increased property tax base for all local governments having jurisdiction overlapping the Redevelopment Project Area.
4. A strengthened economy of the City and the larger community.
5. A stabilized business area for the City.
6. A wider variety of housing types available to new and current residents.
7. An improved physical condition of the Redevelopment Project Area and the City.

#### 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 are or causing blight and 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 City 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 and redevelopment.
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 the Eligibility Report, provide utilities, and create rights-of-way and access to the sites.
7. Provide needed incentives to encourage a broad range of improvements.
8. Create additional recreational opportunities that coordinate and build upon those within the Redevelopment Project Area and other parts of the City.

9. Improve the visual attractiveness of the City through landscaping and coordination of design in the Redevelopment Project Area.
10. Address any flooding/stormwater management problems that may result from redevelopment.
11. Provide write down of up to 50% of construction costs for low-income housing.
12. Enhance the sustainability of the community.
13. Increase commercial, office, industrial, residential, governmental, institutional, and recreational, and mixed use development and redevelopment.

### **C. Redevelopment Program**

The City may use any program element authorized by the Act including, but not limited to, those in the following listing. The City proposes to achieve the redevelopment goals and objectives of this Redevelopment Plan 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 City 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 City, or an agent for the City, 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 City for the purpose of new development.

3. Land Preparation

The City may assist in the preparation of land to include demolition, environmental remediation and flood mitigation.

4. Relocation

The City may assist in relocation efforts.

5. Rehabilitation and Lease Hold Improvements

The City may assist in rehabilitation, remodel, repair, and lease hold improvements.

6. Land Acquisition

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

## 7. Development Agreements

The City may enter into development and redevelopment 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.

In the case where a private individual or entity received benefits under the Act for the purpose of originating, locating, maintaining, rehabbing, or expending a business facility abandons or relocates its facility in violation of a redevelopment agreement, the City of Rock Island reserves the right to collect reimbursement for funds extended in accordance with the Act.

## 8. Provision of Public Works or Improvements

The City 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, Lighting, 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. 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. It is expected that streets, sidewalks, utilities (including any electrical or data upgrades needed for use by current technology), and parking improvement will be part of any redevelopment activity.

### b. Landscaping

Landscape/buffer improvements, street lighting and general beautification improvements may be provided.

### c. Stormwater Management

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

### d. Sewage Treatment

Facilities may be needed to collect and treat sewage.

### e. Water System

An adequate water supply may 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 City may use the power of eminent domain, as authorized by the Act, to obtain land necessary to achieve the objectives of the Redevelopment Plan.

#### 13. Assist in Financing Redevelopment Project Area Contiguous TIFs

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.

### **D. Redevelopment Policies**

The City of Rock Island 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 City may employ the use of 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 City as a whole, and all other local taxing bodies, will benefit from the implementation of this Redevelopment Plan.

## **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 City intends to proceed in an expeditious manner.

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

## IV. Agreement with Comprehensive Plan

The City's Comprehensive Plan for this area is entitled "Making Cents of 11<sup>th</sup> Street" and dated June 1999. A separate Future Land Use map is also in place.

The following Vision Statements in the "Making Cents of 11<sup>th</sup> Street" reflect those goals in the Redevelopment Plan:

- An attractive and inclusive atmosphere that is inviting to consumers, residents and visitors.
- A safe place to live and shop.
- A commercial corridor that provides retail goods and services to the immediate market area as well as destination shopping for more distant customers.
- A collection of commercial, industrial, office, and residential neighborhoods that recognizes and celebrates diversity of income, race, gender, age, education and other human qualities.
- A safe and efficient place to walk and drive.

In addition, the City's Future Land Use Map, as shown in **Attachment 3** of this report, shows properties in the Redevelopment Project Area as being for General Commercial and Medium Density Residential Uses. This generally corresponds to the land uses outlined in this Redevelopment Plan.

In summary, the above Vision Statements in the City's Comprehensive Plan and the land uses identified in the City's Future Land Use Map reflect the goals and land uses in this Redevelopment Plan.

## V. Evidence Supporting the Need for the TIF

The Redevelopment Project Area as a whole is adversely impacted by the presence of blighted 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.

Properties suffer from obsolescence. Some buildings have been converted from their original uses into new uses. These converted properties do not have adequate parking and loading for the new uses. Some commercial buildings built for their intended use do not have adequate parking and loading facilities for large vehicles, which leads to further damage to parking lots, fences, and roadways. Additional expenses will be necessary to remedy parking and loading issues, as well as to upgrade or redevelop converted properties to meet modern day standards. Demolition and replacement of structures may be necessary to accommodate new development.

Numerous buildings and parking lots throughout the Redevelopment Project Area suffer from deterioration. The field survey of exterior conditions found deterioration present in both the improved and vacant portions of the Redevelopment Project Area. The majority of the buildings in the Redevelopment Project Area are more than 35 years of age, and older buildings generally require more upkeep and maintenance. There are a number of buildings that are completely vacant or have vacant tenant spaces. Lack of maintenance of these unoccupied areas adds to the deteriorated conditions. Substantial investment will be necessary to repair or demolish these buildings and parking areas.

The Redevelopment Project Area has a mix of land uses with residential, commercial, industrial, and institutional uses. There are no buffers between these uses. A lack of community planning is also evidenced by the fact that many properties in the Redevelopment Project Area are completely covered with structures and pavement, with little or no pervious surface or green space. Extraordinary expenses will be needed to develop and redevelop properties with appropriate buffering between conflicting land uses and provide additional landscaping materials.

Many of the vacant parcels would need to be consolidated in order for development and redevelopment to occur. Some vacant parcels do not front on public right-of-way, and therefore do not have access to public roadways. Others are small and irregularly shaped, which cannot accommodate contemporary standards for most uses. Subdivisions, road improvements and new construction will be necessary to consolidate smaller parcels and dedicate appropriate easements and rights-of-way, resulting in sizeable additional costs for development and redevelopment. City involvement will be required to create appropriate and efficient street and lot layout.

The vacant parcels in the Redevelopment Project Area have multiple owners. The City owns many of the vacant and partially vacant parcels and hopes to make these properties available for redevelopment. However, all of the properties the City owns are not contiguous to each other. There are other owners of the remaining vacant properties. Continued participation of the City will be necessary to make the remaining parcels available for consolidation and redevelopment.

Finally, in examining the EAV of the area, the EAV for the entire Redevelopment Project Area as a whole has declined for four (4) of the last five (5) years (see **Table 1**). Additionally, the EAV of the entire Redevelopment Project Area has not increased on par with the balance of the City for five (5) of the last five (5) years. Further, the EAV of the entire Redevelopment Project Area has not increased on par with the Consumer Price Index for All Urban Consumers for five (5) of the last five (5) calendar years. These conditions demonstrate the lack of investment in the Redevelopment Project Area.

As described in **Attachment 4** of this report, the Redevelopment Project Area as a whole is adversely impacted by the presence of Blighted factors, and these factors are reasonably distributed throughout 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.

## 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.

### A. Estimated Redevelopment Project Costs

A wide range of redevelopment activities and improvements will be required to implement the Redevelopment Plan. The activities and improvements and their estimated costs (2014 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 TIF and designation of the Redevelopment Project Area, the City may directly pay or be reimbursed from Incremental Property Taxes for such Redevelopment Project Costs to their fullest extent. These costs are subject to prevailing market conditions and are in addition to total Redevelopment Project Costs.

Total Redevelopment Project Costs, described in this Redevelopment Plan, are intended to provide an upper estimate of expenditures and does not commit the City to undertake any particular 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 City to finance all these costs with TIF funds.

(See also notes for additional information regarding Redevelopment Project Costs.)

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. \$3,000,000
2. Costs of marketing sites within the Redevelopment Project Area to prospective businesses, developers, and investors. \$1,000,000
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. \$20,000,000

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 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 investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification. \$20,000,000
  
5. Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or constructions elements with an equivalent certification. \$30,000,000
  
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. \$1,000,000
  
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 including interest accruing during the estimated period of construction of the Redevelopment Project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto. \$10,000,000
  
8. To the extent the City, 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 (impacts such as those on the City may be addressed through these funds). \$1,000,000
  
9. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or in order to satisfy subparagraph (7) of subsection (n) of Section 11-74.4-3 of the Act. \$15,000,000
  
10. Payment in lieu of taxes. \$1,000,000

<p>11. Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including, but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code.</p>	\$1,000,000
<p>12. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project.</p>	\$10,000,000
<p>13. Contributions to Schools as required by the Act for an increased student population as a result of TIF Projects.</p>	\$3,000,000
<p>14. Contributions to contiguous TIF's.</p>	\$10,000,000
<p><b>TOTAL ESTIMATED COSTS</b></p>	<b>\$126,000,000</b>

Notes regarding Redevelopment Project Costs:

- a. All costs shown are in 2014 dollars.
- b. Private redevelopment costs and investment are in addition to the above.
- c. To the extent permitted by law, the City reserves the right to adjust and transfer budgeted amounts within the Total Redevelopment Project Budget among eligible Redevelopment Project Costs.
- d. Certain infrastructure work in connection with and appurtenant to the Redevelopment Project Area can be undertaken under the Act.
- e. Total budgeted costs exclude any additional financing costs, including interest expense, capitalized interest, and any and all closing costs associated with any obligations issued.
- f. In the case where a private individual or entity received benefits under the Act for the purpose of originating, locating, maintaining, rehabilitating, or expanding a business facility abandons or relocates its facility in violation of a redevelopment agreement, the City of Rock Island reserves the right to collect reimbursement for funds extended in accordance with the Act.
- g. Inflationary costs may be realized according to the Act.

The City may pay directly or reimburse developers who incur Redevelopment Project Costs authorized by a redevelopment agreement.

The City 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 City may choose to stage City 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.

## VII. Redevelopment Project 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. Evidence Supporting the Need for the TIF.**

### **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.

The following is an assessment of the impact on each individual District:

#### Rock Island County

There is expected to be minimal impact and minimal expected increase in demand for services or negative financial impact.

#### Black Hawk Community College District 503

There is expected to be minimal impact and minimal expected increase in demand for services. Funds are also available for job training.

#### Rock Island School District No. 41

Residential development is not expected to be a major component of the Redevelopment Project Area. If additional students enter the system 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 and for job training.

South Rock Island Township

There is expected to be minimal impact and minimal expected increase in demand for services or negative financial impact.

Metropolitan Airport Authority of Rock Island County

There is expected to be minimal impact and minimal expected increase in demand for services or negative financial impact. Funds are available for capital needs should any impact be determined.

Rock Island County Metropolitan Mass Transit District

There is expected to be minimal impact and minimal expected increase in demand for services or negative financial impact. Funds are available for capital needs should any impact be determined.

City of Rock Island

There is expected to be minimal impact and minimal expected increase in demand for services or negative financial impact. Funds are available for capital needs should any impact be determined.

**D. The sources of funds to pay costs.**

The Incremental Property Taxes are expected to be a principal source of funds to pay Redevelopment Project Costs and secure municipal general and revenue obligations issued for that purpose. Funds may also be derived from Incremental Property Taxes from contiguous Redevelopment Project Areas. The City of Rock Island may pledge as payment additional revenues including revenues from the Redevelopment Project, municipal property taxes or other revenue sources, and bonds backed by the general obligation of the municipality. In addition, the City may utilize state and federal grants. Finally, the City 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 City may issue obligations secured by or payable from Incremental Property Taxes pursuant to the Act. To enhance the security of such municipal obligations, the City may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act. All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired by the end of the 24<sup>th</sup> year after the year of adoption of the initial ordinances approving the Redevelopment Project Area and Redevelopment Plan. That date is December 31, 2038.

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** for the most recent EAV of the Redevelopment Project Area, as well as a five year EAV history.

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

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

General land uses within the Redevelopment Project Area as shown in the Future Land Use Map (see **Attachment 3**).

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

The City 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, gender, sexual orientation, age, handicapped status, national origin, creed, or ancestry.

In order to implement this principle for this Redevelopment Plan, the City 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 City 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 annexed.

**K. 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 City of Rock Island hereby certifies that this Redevelopment Plan will not result in the displacement of residents from 10 or more inhabited residential units.

**L. 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 City of Rock Island hereby certifies that there are less than 75 occupied residential units in the Redevelopment Project Area.

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

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

## VIII. Findings

The City of Rock Island makes the following findings as described in the Act:

**A. 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.**

Minimal re/development has occurred in the Redevelopment Project Area. As described in **Section II.** of this Redevelopment Plan and provided in more detail in the Eligibility Report (**Attachment 4** of this report) the Redevelopment Project Area as a whole is adversely impacted by the presence of 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.

Many buildings and parking areas throughout all portions of the Redevelopment Project Area are unsightly and deteriorated. Landscaping and improved buffering is needed. There are a number of obsolete uses and vacant buildings and tenant spaces in commercial areas. Substantial renovation or demolition will be needed to accommodate future uses. Subdivisions, road improvements, and new construction will be necessary to consolidate vacant parcels and dedicate appropriate easements and rights-of-way, resulting in sizeable additional costs for development and redevelopment. City involvement will be required to create appropriate and efficient street and lot layout.

Infrastructure development, such as water, sewer, storm drainage, and any other needed utilities will require extraordinary expenditures, as will work in flood prone areas along the Rock River. Road and alley improvements, along with sidewalks, curbs and gutter, and streetlights will be needed to improve access within the Redevelopment Project Area. Redevelopment of the Redevelopment Project Area will not occur without private investment and assistance with extraordinary expenses will be needed to obtain private investment.

The Redevelopment Project Area, as a whole, has declined for four (4) of the last five (5) years (see **Table 1**). Additionally, the EAV of the entire Redevelopment Project Area has not increased on par with the rest of the municipality for five (5) of the last five (5) years (see **Table 1**). Further, the EAV of the Redevelopment Project Area has not increased on par with the CPI for five (5) of the past five (5) years. These conditions demonstrate the lack of investment in the Redevelopment Project Area.

Based on these factors, the City of Rock Island 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 blighting influences that currently exist. The Redevelopment Project is not reasonably expected to be developed without the efforts and leadership of the City, 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.

In the absence of City-sponsored redevelopment initiatives, blighted conditions are expected to continue in the Redevelopment Project 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.

**B. 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 Plan and Project conforms to the comprehensive plan for the development of the municipality as a whole. **Section IV** of this report describes how the specific goals and objectives in the City's Comprehensive Plan for this area are reflected in the goals of the Redevelopment Plan and Project.

**C. 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 latest date as December 31 of the 24<sup>th</sup> year after the year in which the ordinance approving the Redevelopment Project Area is approved.**

The Redevelopment Project is to be completed and all obligations issued to finance Redevelopment Project Costs are to be retired by December 31, 2038.

**D. 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.

**E. 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 City of Rock Island 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.

**F. According to the Act, the municipality must certify that such incremental revenues will be exclusively utilized for the development of the Redevelopment Project Area.**

The City of Rock Island hereby certifies that incremental revenues will be exclusively utilized for the development of the Redevelopment Project Area or in a contiguous Redevelopment Project Area as allowed by the Act. Certain infrastructure work in connection with and appurtenant to the Redevelopment Project Area can be undertaken under the Act. Incremental Property Taxes will be used according to the budget and estimated Redevelopment Project Area set forth in this Plan for the development of the Redevelopment Project Area.

**G. 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 City of Rock Island hereby certifies that this Redevelopment Plan will not result in the displacement of residents from 10 or more inhabited residential units.

**H. 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 City of Rock Island hereby certifies that there are less than 75 occupied residential units in the Redevelopment Project Area.

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

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

**J. 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 in subsections G and H above, 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.

**K. 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.

**L. 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.

**M. 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. It illustrates that all parcels in the Redevelopment Project Area are contiguous.

The Redevelopment Project Area was found to qualify as a Blighted Area according to the Act. 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. Therefore, the area will substantially benefit from the proposed Redevelopment Project improvements.

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

**N. According to the Act, no Redevelopment Plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county or municipal government as public land for “outdoor recreational activities” or for nature preserves and used for that purpose within five years prior to the adoption of the Redevelopment Plan. For the purpose of this subsection, “recreational activities” is limited to camping and hunting.**

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” or for nature preserves used for those purposes within five years prior to the adoption of the plan.

**O. According to the Act, no cost shall be a redevelopment project cost in a Redevelopment Project Area if used to demolish, remove, or substantially modify a historic resource, unless no prudent and feasible alternative exists. “Historic resource” means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This item does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.**

This plan hereby certifies that Redevelopment Project Costs relating to the demolition, removal, or substantial modification of historic resources, if present, will be utilized in conformance with the Act.

## IX. Provisions for Amending the Redevelopment Plan

This Redevelopment Plan may be amended pursuant to the Act.

# Tables

**Table 1: Watchtower Redevelopment Project Area Most Recent EAV and Five Year EAV History**

PARCEL NUMBER	TAX YEAR					
	2007 EAV	2008 EAV	2009 EAV	2010 EAV	2011 EAV	2012 EAV
10233-5	269,005	274,385	277,129	273,102	85,059	82,933
10234	37,994	38,754	39,142	39,357	37,870	36,923
104815	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
105018	51,725	52,759	53,286	53,579	53,579	52,239
105017	264,979	270,279	272,981	89,792	89,792	87,548
105122	Split from 105031				103,835	101,240
105123	Split from 105031				14,975	EXEMPT
10348-4	545	-	8,951	9,033	9,033	8,658
10348-3	11,841	11,678	11,350	11,446	11,446	11,010
10348-1	15,188	15,492	15,647	15,733	15,733	15,340
10348-2	11,522	11,352	11,021	17,115	17,115	16,687
10349	9,674	9,467	9,116	9,199	9,199	8,984
10453	133,302	135,968	137,327	138,082	138,082	134,630
10369	19,091	9,813	EXEMPT	EXEMPT	EXEMPT	EXEMPT
10355	9,987	9,787	9,440	15,525	15,525	15,137
10356	46,026	46,946	47,415	47,676	150,999	147,224
10356-1	4,103	4,185	110	EXEMPT	EXEMPT	EXEMPT
105009	81,533	83,163	83,995	84,457	84,457	82,346
103992	8,492	8,662	8,749	8,797	9,501	9,263
103991	1,712	1,746	1,763	1,773	1,915	1,867
103940	15,938	15,857	15,571	15,690	17,425	16,839
103939	19,211	19,195	18,942	13,970	15,567	15,028
103938	27,340	27,887	28,166	28,321	28,321	27,613
103935	48,733	49,708	50,205	50,481	50,481	49,219
103964	10,725	10,540	10,201	10,291	11,593	11,153
103965	5,732	5,847	5,906	5,938	5,938	5,790
103975	EXEMPT	104	253	254	274	267
103970	156,469	159,599	161,195	162,082	162,082	158,030
10350	130,058	132,660	133,987	134,721	134,724	131,356
102248	37,767	38,522	38,908	39,122	39,122	38,144
102252	26,721	27,255	27,527	27,679	27,679	26,987
102253	25,398	25,906	26,165	26,309	26,309	25,652
102254	31,431	32,060	32,380	32,558	32,558	31,744
102255	48,146	49,109	49,600	49,873	49,873	48,626
102257	42,593	43,445	43,880	44,122	44,122	43,019
104734	125,700	128,214	129,496	130,209	130,209	126,954
104734-1	132	135	136	137	137	134
104736	25,174	25,278	25,128	25,300	28,144	27,290
104895	5,818	5,934	5,993	6,026	6,026	5,875
104896	158,175	161,339	5,050	EXEMPT	EXEMPT	EXEMPT
101302	20,029	19,029	18,529	18,529	18,529	73,760
101306	20,758	20,773	20,536	20,682	20,682	137,420
103165	16,526	16,857	17,026	17,120	17,120	8,192
103453-B	14,800	14,696	14,398	14,510	14,510	18,529
103453-1	13,469	13,738	13,875	13,951	13,951	20,015

PARCEL NUM BER	TAX YEAR					
	2007 EAV	2008 EAV	2009 EAV	2010 EAV	2011 EAV	2012 EAV
103453-A	97,104	99,046	100,036	100,586	100,586	13,997
103453	22,126	22,569	22,795	22,920	22,920	13,602
103452-1	259,112	264,295	266,938	268,406	240,330	98,072
103452	22,126	22,569	22,795	22,920	22,920	22,347
103449	259,112	264,295	266,938	268,406	240,330	234,322
103448	52,500	53,550	2,704	EXEMPT	EXEMPT	EXEMPT
103436	38,802	39,578	39,974	40,194	40,194	39,189
103437	8,154	8,318	8,401	8,447	8,447	3,594
103438	9,557	9,349	8,998	9,081	9,081	8,704
103439-1	8,965	17,451	17,181	17,308	17,308	16,725
103439	13,367	13,634	13,770	13,846	13,846	13,500
103440	30,864	31,481	31,795	31,970	31,970	31,170
103444-1	43,960	44,839	45,287	45,536	45,536	44,398
103444	51,970	53,009	53,539	53,834	53,834	52,488
103445	45,384	46,292	46,755	47,012	47,012	45,837
103446-1	16,966	17,305	17,478	17,574	17,574	17,135
103446-2	27,573	28,124	28,405	28,561	28,561	27,847
103446	49,413	50,401	50,905	51,185	51,185	29,901
105048	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
105049	382,677	390,330	394,233	396,402	396,402	386,492
105053	24,040	24,520	24,765	24,902	24,902	24,279
104027	395	403	407	409	434	423
104026	1,321	1,347	1,360	1,367	1,449	1,413
104025	11,112	11,334	11,448	11,511	12,202	5,897
104024	13,625	13,897	14,036	14,113	14,959	8,585
104023	12,499	12,749	12,877	12,947	13,724	13,381
104022	12,499	12,749	12,877	12,947	13,724	7,381
104019	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
104028	23,370	23,837	24,075	24,207	25,660	25,018
104030	18,055	18,416	18,600	18,702	19,824	13,328
104031	35,130	35,833	36,191	36,390	38,574	31,609
104033	30,557	31,169	31,480	31,653	33,552	22,713
104035	13,888	20,400	20,604	20,717	21,960	15,411
104052	33,911	34,589	34,935	35,127	35,127	34,249
104051	4,866	4,963	5,013	5,041	5,343	5,209
104049	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
104043	14,043	14,324	14,467	14,546	15,419	9,033
104042	12,499	12,749	12,877	12,947	13,724	3,381
104041	12,499	12,749	12,877	12,947	13,724	13,381
104040	13,888	14,166	14,308	14,386	15,249	14,868
104039	18,900	23,460	23,695	23,825	25,254	24,622
104038	17,850	18,207	18,389	18,490	19,600	19,111
104037	505	515	520	523	554	540
105031	232,675	237,328	239,701	241,020	PIN CANCELLED	PIN CANCELLED
<b>TOTAL EAV - Entire RPA</b>	<b>4,001,421</b>	<b>4,084,262</b>	<b>3,904,904</b>	<b>3,735,446</b>	<b>3,496,485</b>	<b>3,252,817</b>
<b>Percent Change</b>		<b>2.07%</b>	<b>-4.39%</b>	<b>-4.34%</b>	<b>-6.40%</b>	<b>-6.97%</b>
<b>City Wide EAV</b>	<b>455,471,305</b>	<b>466,098,588</b>	<b>468,682,434</b>	<b>472,035,055</b>	<b>475,940,130</b>	<b>505,436,557</b>
<b>Balance of City Wide EAV</b>	<b>451,469,884</b>	<b>462,014,326</b>	<b>464,777,530</b>	<b>468,299,609</b>	<b>472,443,645</b>	<b>502,183,740</b>
<b>Percent Change</b>		<b>2.34%</b>	<b>0.60%</b>	<b>0.76%</b>	<b>0.88%</b>	<b>6.29%</b>
<b>CPI</b>		<b>3.8%</b>	<b>-0.4%</b>	<b>1.6%</b>	<b>3.2%</b>	<b>2.1%</b>

**Table 2: Watchtower Redevelopment Project Area Projected EAV and Tax Increment**

<b>Watchtower Redevelopment Project Area</b>								
<b>Base Value</b>		<b>\$ 3,252,817</b>		<b>Inflation Factor</b>		<b>2.00%</b>		
<b>Construction Year</b>	<b>Tax Year</b>	<b>Collection Year</b>	<b>Inflation Increment</b>	<b>Value Added</b>	<b>Valuation Increment</b>	<b>Tax Rate</b>	<b>Tax Increment</b>	
1	2014	2015	2016		0	0	9.54730	0
2	2015	2016	2017	65,056	0	65,056	9.54730	6,211
3	2016	2017	2018	66,357	2,000,000	2,131,414	9.54730	203,492
4	2017	2018	2019	107,685	500,000	2,739,098	9.54730	261,510
5	2018	2019	2020	119,838	500,000	3,358,937	9.54730	320,688
6	2019	2020	2021	132,235	1,000,000	4,491,172	9.54730	428,786
7	2020	2021	2022	154,880	500,000	5,146,052	9.54730	491,309
8	2021	2022	2023	167,977	500,000	5,814,029	9.54730	555,083
9	2022	2023	2024	181,337	500,000	6,495,366	9.54730	620,132
10	2023	2024	2025	194,964	0	6,690,330	9.54730	638,746
11	2024	2025	2026	198,863	0	6,889,192	9.54730	657,732
12	2025	2026	2027	202,840	0	7,092,033	9.54730	677,098
13	2026	2027	2028	206,897	0	7,298,930	9.54730	696,851
14	2027	2028	2029	211,035	0	7,509,965	9.54730	716,999
15	2028	2029	2030	215,256	0	7,725,220	9.54730	737,550
16	2029	2030	2031	219,561	0	7,944,781	9.54730	758,512
17	2030	2031	2032	223,952	0	8,168,733	9.54730	779,893
18	2031	2032	2033	228,431	0	8,397,164	9.54730	801,702
19	2032	2033	2034	233,000	0	8,630,164	9.54730	823,948
20	2033	2034	2035	237,660	0	8,867,823	9.54730	846,638
21	2034	2035	2036	242,413	0	9,110,236	9.54730	869,782
22	2035	2036	2037	247,261	0	9,357,497	9.54730	893,388
23	2036	2037	2038	252,206	0	9,609,703	9.54730	917,467
<b>Totals</b>				<b>5,500,000</b>				<b>13,703,516</b>
<b>Present Value</b>				<b>6.50%</b>				<b>\$ 5,749,363</b>

# Attachments

## Attachment 1: Watchtower Redevelopment Project Area Legal Description

### Watchtower Redevelopment Project Area

Beginning at the northwest corner of Lot 2 in Watch Hill Tower Addition to the City of Rock Island, recorded in Plat Book 45, page 242;

Thence east along the north line of said Lot 2, a distance of 443 feet more or less to the northeast corner of said Lot 2;

Thence north along the east line of Lot 1 in said Watch Hill Tower Addition, a distance of 304 feet more or less to the south line of Edison Court Addition to the City of Rock Island, recorded in Plat Book 27, page 11;

Thence east along said south line and the easterly extension of said south line, a distance of 465 feet more or less to the east Right of Way line of 11<sup>th</sup> Street;

Thence south along said east Right of Way line, a distance of 2,492 feet more or less to the north line of Lot 36 in Rodman Heights addition to the City of Rock Island, recorded in Plat Book 12, page 9;

Thence east along said north line and the easterly extension of said north line, a distance of 155 feet more or less to the east Right of Way line of the public alley as platted in said Rodman Heights addition;

Thence south along said east Right of Way line, and the east Right of Way line of the public alley as platted in Charles H. Dibbern's Subdivision to the City of Rock Island, recorded in Plat Book 58, page 106, and along the west line of the east 140 feet of Block 27 of the original town of Sears, recorded in Plat Book 2, page 8, a distance of 677 feet more or less to the north line of Tax Parcel 3444-1;

Thence east along said north line, and the north line of Tax Parcel 3444, and the easterly extension of said north line, a distance of 220 feet more or less to the east Right of Way line of 12<sup>th</sup> Street;

Thence south along said east Right of Way line, a distance of 557 feet more or less;

Thence southeasterly along said east Right of Way line, a distance of 194 feet more or less;

Thence southwesterly, a distance of 165 feet more or less to the southerly Right of Way line of 49<sup>th</sup> Avenue;

Thence southwesterly along said southerly line, a distance of 248 feet more or less to the easterly line of the Chicago, Rock Island and Pacific Rail Road;

Thence northwesterly along said easterly line, a distance of 1,760 feet more or less to the north line of Tax Parcel 4895;

Thence east along said north line, a distance of 284 feet more or less to the west line of Tax Parcel 369;

Thence north along said west line, a distance of 150 feet more or less to the north line of said Tax Parcel 369;

Thence east along said north line, a distance of 192 feet more or less to the westerly Right of Way line of 9<sup>th</sup> Street;

Thence northwesterly along said westerly line, a distance of 580 feet more or less to the intersection of said westerly line and the westerly extension of the south line of W.R. Well's Addition to the City of Rock Island, recorded in Plat Book 19, page 52;

Thence east along said westerly extension and the south line of said W.R. Wells Addition, a distance of 425 feet more or less to the west line of Tax Parcel 3975;

Thence north along said west line, a distance of 105 feet more or less to the south Right of Way line of 43<sup>rd</sup> Avenue;

Thence northerly, a distance of 42 feet more or less to the southwest corner of Lot 30 in said W.R. Well's Addition;

Thence north along the west line of said Lot 30 and the west line of Lot 6 in said W.R. Well's Addition, a distance of 221 feet to the south Right of Way line of 42<sup>nd</sup> Avenue;

Thence northerly, a distance of 52 feet more or less to the east line of Tax Parcel 348-5;

Thence north along said east line, a distance of 527 feet more or less to the south line of Lot 2 in Watch Tower Hill 3<sup>rd</sup> Addition to the City of Rock Island, recorded as Document Number 2003-44441;

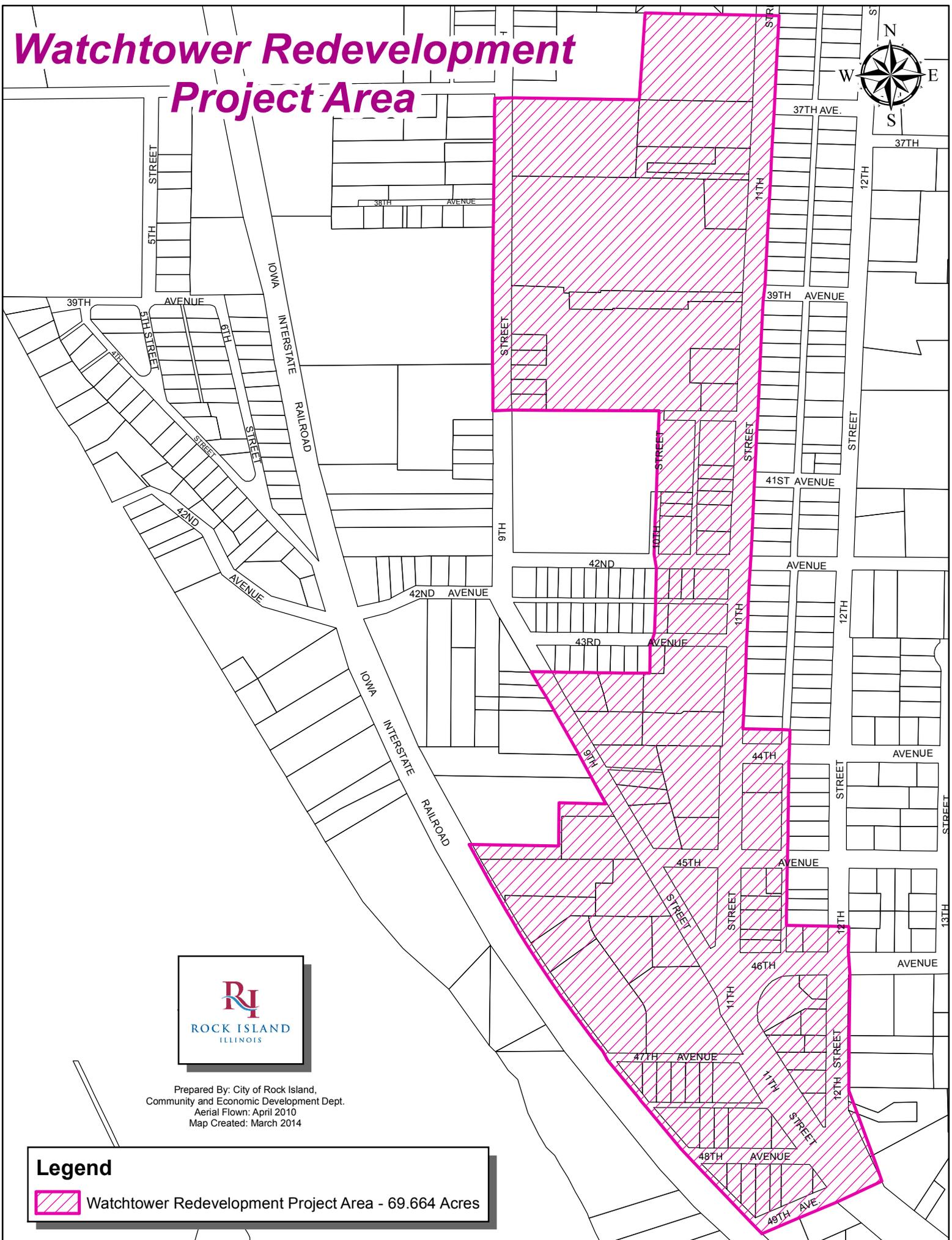
Thence west along said south line, and along the south line of Tax Parcel 348-2, and along the westerly extension of said south lines, a distance of 581 feet more or less to the west Right of Way line of 9<sup>th</sup> Street;

Thence north along said west line, a distance of 1066 feet more or less to the intersection of said west line and the westerly extension of the north line of Lot 2 in Watch Hill Tower addition;

Thence east along said westerly extension, a distance of 66 feet more or less to the POINT OF BEGINNING.

**Attachment 2: Watchtower Redevelopment Project Area Map**

# Watchtower Redevelopment Project Area



Prepared By: City of Rock Island,  
Community and Economic Development Dept.  
Aerial Flown: April 2010  
Map Created: March 2014

**Legend**

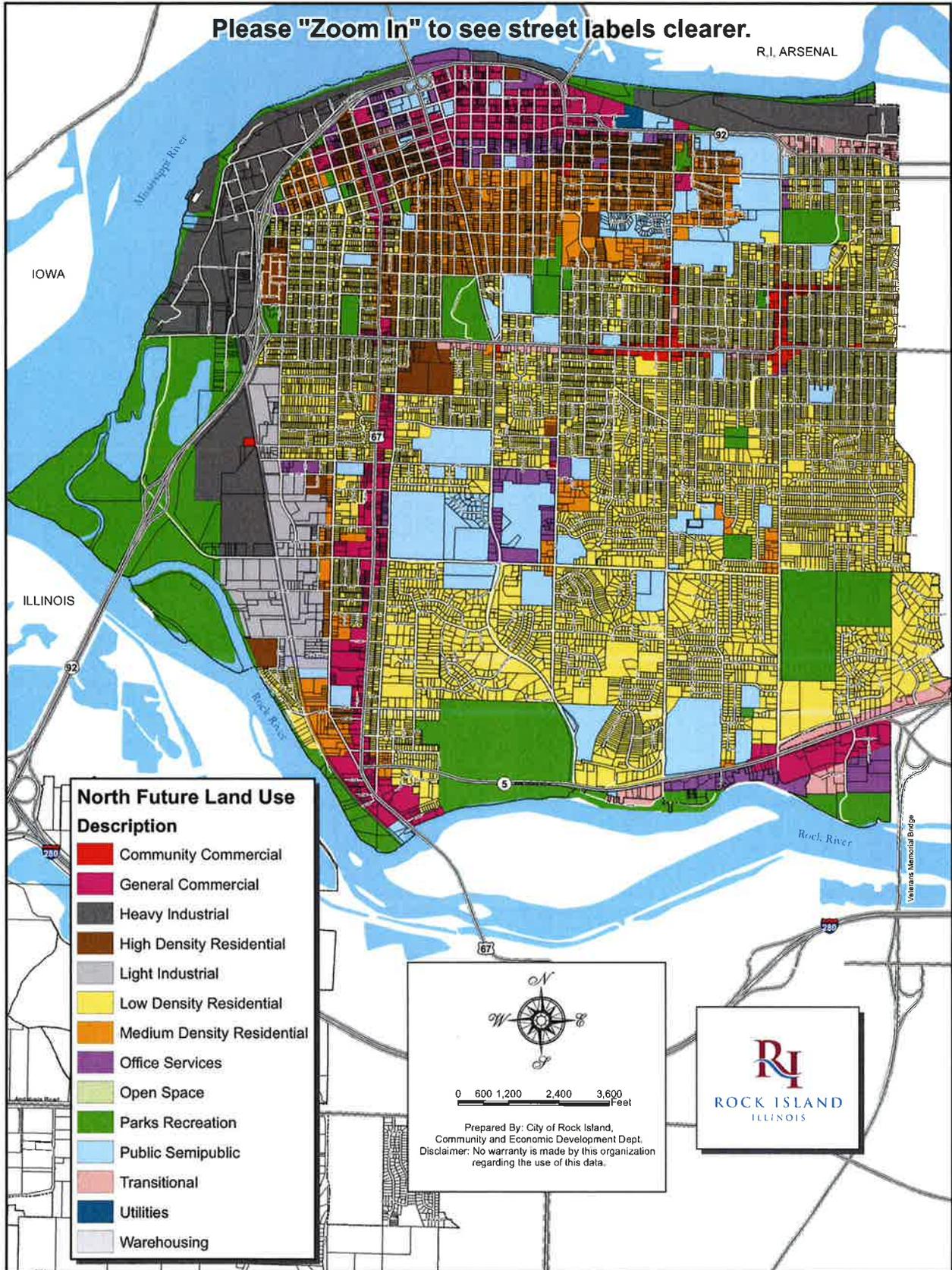
 Watchtower Redevelopment Project Area - 69.664 Acres

**Attachment 3: Future Land Use Map**

# City of Rock Island, Illinois

## Future Land Use, North of Rock River

Please "Zoom In" to see street labels clearer.



**Attachment 4: Watchtower Redevelopment Project Area Eligibility Report**

Tax Increment Finance  
City of Rock Island  
Watchtower Redevelopment Project Area

Eligibility Report  
March 2014



Prepared by



# Tax Increment Finance City of Rock Island Watchtower Redevelopment Project Area Eligibility Report

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# I. Executive Summary

This “Tax Increment Finance, City of Rock Island, Watchtower Redevelopment Project Area, Eligibility Report, March 2014” (the “Eligibility Report”), among other things, documents the eligibility and qualifications of the Watchtower Redevelopment Project Area (the “Redevelopment Project Area”) in the City of Rock Island, Illinois (the “City”) for designation as a “Blighted Area” pursuant to the definition contained in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the “Act”).

As set forth in the Act, “Redevelopment Project Area” (Redevelopment Project Area) means an area designated by a municipality, which is not less in the aggregate than 1½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as “an industrial park conservation area” (an “Industrial Park Conservation Area”) or a blighted area (“Blighted Area”) or a conservation area (“Conservation Area”), or a combination of both “Conservation Area” and “Blighted Area.” The definitions of each of these areas are in **Appendix A: Definitions**.

The Blighted Area provisions apply separately to the improved land and to the vacant land in the Redevelopment Project Area. This Eligibility Report documents the relevant statutory requirements and how the Redevelopment Project Area meets the eligibility criteria.

## II. Basis for Redevelopment

### A. Statutory Findings

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

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

These findings were made on the basis that the presence of blight, or of conditions that lead to blight, is detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that each prospective redevelopment project area qualifies either as a “Blighted Area” or as a “Conservation Area” or a combination of Blighted Area and Conservation Area or an “Industrial Park Conservation Area” within the definitions set forth in the Act. The definitions of each of these areas are found in **Appendix A: Definitions**.

### B. Eligibility

Each Redevelopment Project Area must meet the requirements for designation as Blighted, Conservation, Blighted and Conservation or Industrial Park Conservation Area. The criteria for each of these requirements are listed in **Appendix B: Eligibility Categories**.

### C. Conclusions and Findings

1. The area must meet the criteria under one or more of three categories if it is determined to be blighted. One set of the criteria for both the Blighted Area and Conservation Area designation deals with developed property. Two sets of criteria within the blighted designation deal with vacant property. The minimum number of factors must be present in at least 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;
3. The property must equal or exceed 1½ acres; and
4. The Redevelopment Project Area must meet the “but for” requirements in that development and redevelopment would not occur without financial assistance and intervention by the municipality.

This report concludes that the Watchtower Redevelopment Project Area is eligible for Tax Increment Finance (“TIF”) designation as a Blighted Area for improved land and for vacant land.

The improved portion of the Redevelopment Project Area meets the requirements of Section 11-74.4-3 (a) (1) (B), (C), (I), (J), (L), and (M) of the Act for designation of improved land as a Blighted Area. For designation as a Blighted Area for improved land five (5) criteria are to be met, and in this case six (6) criteria have been met.

The following six (6) Blighted Area criteria are present in the improved land:

- Obsolescence;
- Deterioration;
- Excessive Land Coverage;
- Deleterious Land Use or Layout;
- Lack of Community Planning; and
- Lagging EAV.

The following parcels constitute improved land in the Redevelopment Project Area:

<b>IMPROVED LAND PARCEL NUMBERS</b>			
10356	103938	103453-B	105053
104896	103935	103453-1	104025
10355	103964	103453-A	104024
104815	103965	103452-1	104023
105018	103975	103449	104022
105017	103970	103436	104028
105122	10350	103437	104030
105123	102248	103438	104031
10348-4	102252	103439-1	104033
10348-3	102253	103439	104035
10348-1	102254	103440	104052
10348-2	102255	103444-1	104043
10349	102257	103444	104042
10453	104734	103445	104041
105009	104734-1	103446-1	104040
103992	104736	103446-2	104039
103991	101302	103446	104038
103940	101306	105048	
103939	103165	105049	

The vacant portion of 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 of the Act under which vacant land can be determined to be blighted. Two or more of the criteria in one section are required to be met. In the other section, one or more of the criteria is required to be met. In this case, the vacant land meets the requirements for the first section of the Act.

The Redevelopment Project Area meets the requirements of Section 11-74.4-3(a) (2) (A), (B), (D), and (F) of the Act. In this section of the Act, two (2) criteria are required for designation of vacant land as a Blighted Area. In this case, four (4) criteria have been met.

The following four (4) Blighted Area criteria are present in the vacant area:

- Obsolete platting;
- Diversity of ownership of parcel of vacant land;
- Deterioration of structures or site improvements in neighboring or adjacent areas; and
- Lagging EAV.

The following parcels constitute vacant land and partially vacant land in the Redevelopment Project Area:

<b>VACANT OR PARTIALLY VACANT LAND PARCEL NUMBERS</b>			
10233-5	10356-1	103452	104019
10234	104895	103448	104051
10369	104896	104027	104049
10356	103453	104026	104037

These parcels meet the definition of vacant land under the Act in Section 11-74.4-3 (v), as any parcel or combination of parcels without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area. The vacant land has not been “commercially farmed” in the last five (5) years.

A restaurant building straddles a common property line between Parcel Numbers 10356 and 104896. The structure has a small footprint as compared to the overall size of the respective properties. For purposes of this report, these two parcels are both improved parcels and “partially vacant” parcels.

The improved portion of the Redevelopment Project Area also qualifies for “Conservation Area” designation, as it meets the age criteria and six (6) of the Conservation Area factors as defined in the Act. However, there are adequate criteria to qualify the improved portion of the Redevelopment Project Area as a “Blighted Area”, and therefore, the “Conservation Area” designation will not be applied.

There must be a reasonable presence of and distribution of these factors in the Redevelopment Project Area, as stated in the Act. These factors are not required to be present in every parcel. The above factors are distributed throughout the Redevelopment Project Area and are present to a meaningful extent such that a local governing body may reasonably find that the factors are clearly present within the intent of the Act. **Table 2** and **Table 3** of this Eligibility Report contain the results of various research, field survey, and analysis of existing conditions in the Redevelopment Project Area, which demonstrates that the above criteria are present to a meaningful extent and distributed throughout the Redevelopment Project Area.

The Redevelopment Project Area is approximately 70 acres, in excess of the minimum 1½ acres required by the Act.

The Redevelopment Project Area as a whole is adversely impacted by the presence of blighted 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.

These factors go beyond normal development needs and TIF funds will be necessary to finance redevelopment activities.

### III. The Redevelopment Project Area

The Redevelopment Project Area is approximately 70 acres.

The improved land consists of residential, commercial, industrial, and institutional uses. The vacant land is surrounded by these uses.

A general description of the boundaries is the area along 9<sup>th</sup> and 11<sup>th</sup> Streets from about the 3600 Block on the north to 49<sup>th</sup> Avenue on the south. Starting at 3636 11<sup>th</sup> Street, the boundary goes south along the east side of the 11<sup>th</sup> Street right-of-way to one parcel north of 44<sup>th</sup> Avenue, where the boundary turns east to the alley between 11<sup>th</sup> and 12<sup>th</sup> Streets. The boundary then turns south along the east side of the alley between 11<sup>th</sup> and 12<sup>th</sup> Streets, crossing 44<sup>th</sup> and 45<sup>th</sup> Avenues. The boundary then turns east to take in the two parcels which front on 46<sup>th</sup> Avenue between said alley and 12<sup>th</sup> Street. The boundary then turns southerly along the east side of the 12<sup>th</sup> Street right-of-way to the south side of the 49<sup>th</sup> Avenue right-of-way. The boundary then turns southwesterly along the south side of the 49<sup>th</sup> Avenue right-of-way to the Iowa Interstate Railroad. The boundary then turns northwesterly along the east side of the Iowa Interstate Railroad. Near 45<sup>th</sup> Avenue, the boundary then turns east to include Parcels 104895 and 10369 and those properties to the south of said parcels. The boundary then turns northwesterly along the west side of the 9<sup>th</sup> Street right-of-way. The boundary then turns east along the southern property lines of the western-most eight parcels that front on the south side of 43<sup>rd</sup> Avenue between 9<sup>th</sup> and 11<sup>th</sup> Streets. The boundary then turns north along the east-west property lines of parcels mid-block, continues north mid-block to cross 43<sup>rd</sup> and 42<sup>nd</sup> Avenues, and continues north to the northern property line of what is currently the Edison Junior High School property. The boundary then turns west along the northern property line of what is currently the Edison Junior High School property to 9<sup>th</sup> Street. The boundary then turns north along the west side of the 9<sup>th</sup> Street right-of-way to about 37<sup>th</sup> Avenue, where the boundary then turns east along the northern property line of Parcel Number 104815. The boundary then turns north and east along the western and northern property lines of 3636 11<sup>th</sup> Street to include all of said property. The boundaries contain all adjoining rights-of-ways.

**Attachment 1** is the legal description of the Redevelopment Project Area. **Attachment 2** is the Map of the Redevelopment Project Area. **Attachment 2** illustrates that all parcels in the Redevelopment Project Area are contiguous. Both **Attachment 1** and **Attachment 2** are made part of this document by reference hereto.

## IV. Analysis of Conditions in the Redevelopment Project Area

In determining whether the proposed Redevelopment Project Area meets the eligibility requirements of the Act, at the City's direction, Ehlers & Associates, Inc. (the "Consultant") conducted research and field surveys.

A survey and analysis of existing conditions within the Redevelopment Project Area were completed in December 2012 and reviewed again in the fall of 2013 by the Consultant to document the extent to which each blighted factor and conservation factor are present within the Redevelopment Project Area. Various research and field surveys were undertaken, including:

1. Exterior survey of the condition and use of each building;
2. Field survey of conditions, including streets, 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, if any;
6. Review of previously prepared plats, plans, and studies;
7. Review of Federal Emergency Management Agency (FEMA) flood maps;
8. Review of Environmental Protection Agency (EPA) and Illinois Environmental Protection Agency (IEPA) compliance lists;
9. Analysis of water, sewer, gas utilities, etc.;
10. Review of County and Township Tax Records; and
11. Contacts with City officials, county officials, other taxing bodies as appropriate, 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.

### A. Eligibility Survey and Analysis

#### 1. Building Components Evaluated

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

##### a. Primary Structure

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

b. Secondary Structure

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

2. Building Components Evaluated

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

a. Sound Structures

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

b. Deteriorated

Buildings where deterioration factors were present from a major to extreme extent. Usually these buildings contain defects that are not easily correctable through normal maintenance or required contracted skills to accomplish the level of improvements as part of maintenance or correction of defects. These buildings are noted as being deteriorated on the survey.

c. Dilapidated

Buildings appear to be so severely defective as to need demolition. Structural integrity, however, was not documented. While these dilapidation factors were reviewed, the Consultant did not conduct a documented building condition analysis to reveal major structural problems.

## **B. Presence of Eligibility Factors**

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

## **C. Eligibility of a Blighted Area**

As defined in the Act, “blighted area” means any improved or vacant area within the boundaries of a Redevelopment Project Area located within the territorial limits of the municipality where: if improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health or welfare based on the documentation of five (5) of thirteen (13) specific factors that are reasonably distributed throughout the improved part of the Redevelopment Project Area. If vacant, the sound growth of the redevelopment project area is impaired by two or more specific factors in one section of the Act or one or more in a second section of the Act.

The following is an analysis of the Blighted Area eligibility factors:

1. **If improved**, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five (5) or more of the following factors (Blighted Area), each of which is (i) present, with that presence documented, to a meaningful extent, so that a municipality may reasonably find that the factor is clearly present within the intent of the Act, and (ii) reasonably distributed throughout the improved part of the Redevelopment Project Area:

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

*An assessment of the structural state was not done as part of this report. As such, this factor will not be used for qualification. Adequate criteria for designation exist without using this factor.*

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

*Approximately 35% of the improved parcels in the Redevelopment Project Area have structures that meet this criterion. According to Rock Island County tax records, City of Rock Island records, and visual observation, over 50% of the structures in the Redevelopment Project Area are more than 35 years of age. Many of these older buildings no longer meet modern day standards.*

*Several structures throughout the Redevelopment Project Area are completely vacant or have vacant tenant spaces. Several single-family home structures have been converted from their original uses into multi-family and commercial uses. In addition, commercial buildings designed and constructed for certain types of retail uses have been converted to completely different uses. For example, two former fast food restaurants with drive-thru windows have been converted to a pay day loan store and to a bait shop. While some of the Watchtower Shopping Center still has retail uses, some of the retail spaces are vacant and a portion is being used for a community college facility. Another portion is an industrial bakery. These properties, buildings and tenant spaces are no longer suitable for their original uses. They do not have adequate parking, loading, and storage facilities now, and would need substantial renovation and on-site improvements for any new or future uses.*

*Some commercial parcels have no loading facilities. Ehlers observed deliveries being unloaded in parking areas in front of the buildings and in fire lanes.*

*The properties suffering from obsolescence do not have modern upgrades that are present in competing shopping centers, industrial and office buildings, and residential buildings in the vicinity, such as cohesive building and signage design, distinctive lighting, high ceilings, landscaping, accessible parking areas and ingress/egress, loading areas, and defined pedestrian access.*

**Table 2** documents parcels with this factor.

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

*Over 75% of the improved parcels in the Redevelopment Project Area meet this factor.*

*Buildings have damaged gutters, downspouts and fascia, missing mortar and bricks, and broken windows and doors, as well as rusting HVAC equipment. Metal buildings are rusted and missing siding. Building age and vacancies contribute to this condition.*

*Deterioration was observed in the paved areas in both the improved and vacant portions of the Redevelopment Project Area. Parking lots, drive lanes, and loading areas have cracked pavement, pot holes, loose pavement materials, damaged curbs, and weeds protruding through paved surfaces. Many of the single-family homes have unpaved driveways. Many parking lots are gravel areas and lack any kind of permanent paving materials. In some areas of the Redevelopment Project Area, public sidewalks are lacking. Where there are public sidewalks, they are cracked and uneven. The few private walkways that separate pedestrians from vehicular traffic in parking lots are cracked, uneven, and do not provide handicap accessibility.*

*There are many pole signs and light poles that have rusting and dented metal. Awning signs are ripped and worn. Fences, retaining walls, and bollards are dented, rusted, and have other damage.*

**Table 2** documents parcels with this factor.

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

*Structures below minimum code standards are not apparent. Therefore, this factor does not apply.*

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

*Illegal use of individual structures was not apparent. Therefore, this factor does not apply.*

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

*About 14% of the improved parcels have vacant buildings or tenant spaces. Most of the vacancies are concentrated along 11<sup>th</sup> Street north of 46<sup>h</sup> Avenue. Because this factor is not distributed throughout the Redevelopment Project Area, this factor will not be used to qualify the area.*

*However, it is important to note that the area where vacancies are concentrated has been identified by the City as a major commercial/retail area for the community. Excessive vacancies can be an indicator that the unoccupied building space is difficult to market and income from these spaces may not be sufficient to cover regular, routine maintenance and upgrades. City participation will be necessary to provide incentives to help finance the gap.*

- g. **Lack of ventilation, light, or sanitary facilities.** The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refer to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

*Lack of ventilation, light, or sanitary facilities is not apparent. Therefore, this factor does not apply.*

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

*While this factor will not be used to qualify the Redevelopment Project Area, it should be noted that funds are included in the Redevelopment Project Costs to assist with utility and drainage issues that exist or may need to be addressed in the course of implementing the Redevelopment Plan and Project.*

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

*Approximately 50% of the improved parcels in the Redevelopment Project Area meet this factor.*

*Excessive land coverage exists in the Redevelopment Project Area on lots occupied by commercial, industrial, institutional, and residential properties. Entire properties are covered by buildings and pavement with no buffer or landscaping between uses. Buildings are located on parcels of inadequate size and shape in relation to present-day standards of development. There are inadequate loading areas and there is a lack of on-site parking for many commercial establishments.*

*Excessive land coverage contributes to drainage and stormwater management issues within the Redevelopment Project Area and in surrounding areas.*

**Table 2** documents parcels with this factor.

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

*Approximately 40% of the improved parcels in the Redevelopment Project Area meet this factor.*

*The parcels are almost completely covered with structures and pavement, with little pervious surface or green space. There are no buffers between the existing residential and the adjoining commercial and industrial uses in the Redevelopment Project Area.*

*Examples of this factor are in the Watchtower Shopping Center (Parcels Numbers 105017, 105048, and 105049). The Watchtower Shopping Center building has seen several additions over the years. While a portion of the building is still being used for retail purposes, there is no anchor retail tenant. The remaining portion of the building is being used as a community college facility and as an industrial bakery. Adjacent to these shopping center parcels are single family residential properties and a junior high school. There is no buffering, solid fencing, or landscaping to screen the less intense uses from the more intense industrial truck traffic, the commercial and college traffic, noise, and outdoor storage.*

**Table 2** documents parcels with this factor.

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

*Parcel Number 101306 is currently a gas station. According to Illinois Environmental Protection Agency (IEPA) records, this property has experienced a leaking underground storage tank. Also according to the IEPA records, corrective action has been taken and a “No Further Remediation Letter” was issued in March 2013.*

*Because environmental issues do not appear to be distributed throughout the improved portions of the Redevelopment Project Area, this factor will not be used to qualify the area. However, environmental clean-up and worker precautions may be necessary if redevelopment or other improvements occur on Parcel Number 101306 or if environmental issues are found in the Redevelopment Project Area in the future. Funds are included in the Redevelopment Project Costs to assist with any environmental clean-up in the Redevelopment Project Area.*

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

*All of the improved parcels in the Redevelopment Project Area meet this factor. Much of the area was developed prior to the City's current plan for the 11<sup>th</sup> Street corridor, entitled "Making Cents of 11<sup>th</sup> Street," dated June 1999.*

*There are residential, commercial, institutional, and industrial uses next to each other with no buffering or divide between land uses. In the Watchtower Shopping Center, the expanse of asphalt could benefit from landscaped islands to improve its visual image. Other commercial and multi-family uses in the Redevelopment Project Area do not have adequate off-street parking and loading. Parking overflows in to the right-of-way and onto the street.*

*There are multiple buildings on lots of record. Some lots are not of adequate shape and size to accommodate the necessary parking and loading for future redevelopment.*

**Table 2** documents parcels with this factor.

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

*EAV for the entire Redevelopment Project Area is shown in **Table 1**. The table below illustrates that the total EAV of the improved parcels within the Redevelopment Project Area has declined for four (4) of the last five (5) calendar years. Additionally, the total EAV of the improved parcels within the Redevelopment Project has increased at an annual rate which is less than the balance of the City for four (4) of the last five (5) calendar years. Further, the total EAV of the improved parcels in the Redevelopment Project Area increased at an annual rate that is less than the Consumer Price Index for All Urban Consumers for five (5) of the last five (5) calendar years. Therefore, this criterion applies.*

	TAX YEAR					
	2007 EAV	2008 EAV	2009 EAV	2010 EAV	2011 EAV	2012 EAV
TOTAL EAV - Improved Parcels	3,561,571	3,645,275	3,526,936	3,363,781	3,313,910	3,083,552
Percent Change		2.35%	-3.25%	-4.63%	-1.48%	-6.95%
City Wide EAV	455,471,305	466,098,588	468,682,434	472,035,055	475,940,130	505,436,557
Balance of City Wide EAV	451,909,734	462,453,313	465,155,498	468,671,274	472,626,220	502,353,005
Percent Change		2.33%	0.58%	0.76%	0.84%	6.29%
CPI		3.8%	-0.4%	1.6%	3.2%	2.1%

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

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

*Over half of the vacant and partially vacant parcels in the Redevelopment Project Area meet this factor. The platting of Parcel Number 10369 created an irregularly-shaped flag lot, which is not compatible with contemporary planning standards. Parcel Numbers 104895, 10356-1, and 10356 were platted in such a*

way that Parcel Numbers 104895 and 1356-1 do not front on dedicated right-of-way, limiting access to them. Parcel Number 104037 is a nonconforming lot, as the R4 District, its current zoning designation, requires a minimum lot size of 5,000 square feet. This lot is only 2,342 square feet. There is not enough room for a modern single-family home without consolidating it with another parcel.

A significant portion of the vacant and partially vacant parcels were developed for specific uses, such as a bowling alley and a mobile home park. The buildings on these properties have since been demolished or removed, and the properties will need to be consolidated and resubdivided to accommodate future uses.

**Table 3** documents parcels with this factor.

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

There are multiple owners on 68% of the vacant and partially vacant parcels in the Redevelopment Project Area. The vacant and partially vacant parcels west of 9<sup>th</sup> Street between about 45<sup>th</sup> Avenue on the north and 48<sup>th</sup> Avenue on the south, in particular, are adjacent to each other and would be appropriate for consolidation and new development. The City owns five (5) of the nine (9) vacant and partially vacant parcels here and hopes to make these properties available for redevelopment. However, all of the properties the City owns are not contiguous to each other. There are three (3) other owners of the remaining four (4) properties. Continued participation of the City will be necessary to make the remaining parcels available for consolidation and redevelopment.

Two (2) other properties on the east side of 9<sup>th</sup> Street are vacant and have two (2) different owners. These properties could be made part of the redevelopment on the west side 9<sup>th</sup> Street and provide a gateway to any new development to the west. City participation will be necessary to foster cooperation between the multiple parties involved.

**Table 3** documents parcels with this factor.

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

*This criterion will not be used to qualify the Redevelopment Project Area.*

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

*All of the vacant and partially vacant parcels in the Redevelopment Project Area meet this criterion. Structures and facilities surrounding these parcels were found to have deterioration. Section IV. C. 1. (c) of this Eligibility Report describes this deterioration. Additionally, some of these vacant parcels previously had structures on them, and their parking lots still remain. These parking lots suffer from deterioration, as evidenced by cracked pavement, pot holes, and weeds protruding through the surface.*

**Table 3** documents parcels with this factor.

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

*Parcel 104896 and some surrounding parcels were a former mobile home park. The property is now mostly vacant. According to IEPA records, the former mobile home park property has had environmental issues related to groundwater contamination. Also according to IEPA records, a “No Further Remediation” was issued in December 2000.*

*Because environmental issues do not appear to be distributed throughout the vacant portions of the Redevelopment Project Area, this factor will not be used to qualify the area. However, environmental clean-up and worker precautions may be necessary if redevelopment or other improvements occur on Parcel Number 104896 or if environmental issues are found in the Redevelopment Project Area in the future. Funds are included in the Redevelopment Project Costs to assist with environmental clean-up in the Redevelopment Project Area.*

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

*EAV for the entire Redevelopment Project Area is shown in **Table 1**. The table below illustrates that the total EAV of the vacant and partially vacant parcels within the Redevelopment Project Area has declined for four (4) of the last five (5) calendar years. Additionally, the total EAV of the vacant and partially vacant parcels within the Redevelopment Project has increased at an annual rate which is less than the balance of the City for five (5) of the last five (5) calendar years. Further, the total EAV of the vacant and partially vacant parcels in the Redevelopment Project Area increased at an annual rate that is less than the Consumer Price Index for All Urban Consumers for five (5) of the last five (5) calendar years. Therefore, this criterion applies.*

	TAX YEAR					
	2007 EAV	2008 EAV	2009 EAV	2010 EAV	2011 EAV	2012 EAV
TOTAL EAV - Vacant Parcels	644,051	647,272	430,433	419,341	333,574	316,489
Percent Change		0.50%	-33.50%	-2.58%	-20.45%	-5.12%
City Wide EAV	455,471,305	466,098,588	468,682,434	472,035,055	475,940,130	505,436,557
Balance of City Wide EAV	454,827,254	465,451,316	468,252,001	471,615,714	475,606,556	505,120,068
Percent Change		2.34%	0.60%	0.72%	0.85%	6.21%
CPI		3.8%	-0.4%	1.6%	3.2%	2.1%

3. **If vacant**, the sound growth of the Redevelopment Project Area is impaired by one (1) of the following factors that (i) is present, with that presence documented, to a meaningful extent, so that a municipality may reasonably find that the factor is clearly present within the intent of the Act, and (ii) is reasonably distributed throughout the vacant part of the Redevelopment Project Area to which it pertains:

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

*There are no quarries, mines, or strip mine ponds in the Redevelopment Project Area. Therefore, this factor does not apply.*

- b. **The area consists of unused rail yards, rail tracks, or rights-of-way.**

*There are no unused rail yards, rail tracks, or right-of-way in the Redevelopment Project Area. Therefore, this factor does not apply.*

- c. **The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area, as certified by a registered**

**professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.**

*While this factor will not be used to qualify the Redevelopment Project Area, it should be noted that funds are included in the Redevelopment Project Costs to assist with utility and drainage issues to remedy storm water and drainage issues should it be necessary.*

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

*There are no unused or illegal disposal sites in the Redevelopment Project Area. Therefore, this factor does not apply.*

- e. **Prior to the effective date of the applicable amendatory Act of the 91<sup>st</sup> General Assembly, the area is not less than fifty (50), nor more than one hundred (100) acres, and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area), and the area meets at least one of the factors itemized in paragraph (1) above, the area has been designated as a town or City center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.**

*This factor does not apply.*

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

*This factor does not apply.*

## D. Eligibility of Conservation Area

“Conservation Area” means any improved area within the boundaries of a Redevelopment Project Area located within the territorial limits of the City in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a Blighted Area, but because of a combination of three (3) or more of the conservation factors as defined in the Act is detrimental to the public safety, health, morals or welfare, and such an area may become a Blighted Area.

The improved portion of the Redevelopment Project Area qualifies for “Conservation Area” designation, as it meets the age criteria and six (6) of the Conservation Area factors as defined in the Act.

A review of information provided by the City of Rock Island and Rock Island County tax records, as well as and visual observation, indicate that more than 50% of the structures in the Redevelopment Project Area are 35 years of age or older. There are 94 structures in the Redevelopment Project Area, and about 60% are 35 years of age or more.

The improved portion of the Redevelopment Project Area meets the requirements of Section 11-74.4-3 (b) (2), (3), (9), (10), (11), and (13) of the Act for designation of improved land as a Conservation Area. For designation as a Conservation Area for improved land five (5) criteria are to be met, and in this case six (6) criteria have been met.

The following six (6) Conservation Area criteria are present in the improved land:

- Obsolescence;
- Deterioration;
- Excessive Land Coverage;
- Deleterious Land Use or Layout;
- Lack of Community Planning; and
- Lagging EAV.

**Section IV. C. 1.** of this Eligibility Report further describes these conditions.

However, there are adequate criteria to qualify the improved portion of the Redevelopment Project Area as a “Blighted Area”, and therefore, the “Conservation Area” designation will not be applied.

## **E. Eligibility of an Industrial Park Conservation Area**

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

The Redevelopment Project Area does not qualify as an Industrial Park Conservation Area.

## V. Eligibility Conclusions

This report concludes that the Watchtower Redevelopment Project Area is eligible for Tax Increment Finance (“TIF”) designation as a Blighted Area for improved land and for vacant land.

The improved portion of the Redevelopment Project Area meets the requirements of Section 11-74.4-3 (a) (1) (B), (C), (I), (J), (L), and (M) of the Act for designation of improved land as a Blighted Area. For designation as a Blighted Area for improved land five (5) criteria are to be met, and in this case six (6) criteria have been met.

The following six (6) Blighted Area criteria are present in the improved land:

- Obsolescence;
- Deterioration;
- Excessive Land Coverage;
- Deleterious Land Use or Layout;
- Lack of Community Planning; and
- Lagging EAV.

The following parcels constitute improved land in the Redevelopment Project Area:

<b>IMPROVED LAND PARCEL NUMBERS</b>			
10356	103938	103453-B	105053
104896	103935	103453-1	104025
10355	103964	103453-A	104024
104815	103965	103452-1	104023
105018	103975	103449	104022
105017	103970	103436	104028
105122	10350	103437	104030
105123	102248	103438	104031
10348-4	102252	103439-1	104033
10348-3	102253	103439	104035
10348-1	102254	103440	104052
10348-2	102255	103444-1	104043
10349	102257	103444	104042
10453	104734	103445	104041
105009	104734-1	103446-1	104040
103992	104736	103446-2	104039
103991	101302	103446	104038
103940	101306	105048	
103939	103165	105049	

The vacant portion of 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 of the Act under which vacant land can be determined to be blighted. Two or more of the criteria in one section are required to be met. In the other section, one or more of the criteria is required to be met. In this case, the vacant land meets the requirements for the first section of the Act.

The Redevelopment Project Area meets the requirements of Section 11-74.4-3(a) (2) (A), (B), (D), and (F) of the Act. In this section of the Act, two (2) criteria are required for designation of vacant land as a Blighted Area. In this case, four (4) criteria have been met.

The following four (4) Blighted Area criteria are present in the vacant area:

- Obsolete platting;
- Diversity of ownership of parcel of vacant land;
- Deterioration of structures or site improvements in neighboring or adjacent areas; and
- Lagging EAV.

The following parcels constitute vacant land and partially vacant land in the Redevelopment Project Area:

<b>VACANT OR PARTIALLY VACANT LAND PARCEL NUMBERS</b>			
10233-5	10356-1	103452	104019
10234	104895	103448	104051
10369	104896	104027	104049
10356	103453	104026	104037

These parcels meet the definition of vacant land under the Act in Section 11-74.4-3 (v), as any parcel or combination of parcels without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area. The vacant land has not been “commercially farmed” in the last five (5) years.

A restaurant building straddles a common property line between Parcel Numbers 10356 and 104896. The structure has a small footprint as compared to the overall size of the respective properties. For purposes of this report, these two parcels are both improved parcels and “partially vacant” parcels.

The Redevelopment Project Area qualifies for “Conservation Area” designation, as it meets the age criteria and six (6) of the Conservation Area factors as defined in the Act. However, there are adequate criteria to qualify the Redevelopment Project Area as a “Blighted Area”, and therefore, the “Conservation Area” designation will not be applied.

There must be a reasonable presence of and distribution of these factors in the Redevelopment Project Area, as stated in the Act. These factors are not required to be present in every parcel. The above factors are distributed throughout the Redevelopment Project Area and are present to a meaningful extent such that a local governing body may reasonably find that the factors are clearly present within the intent of the Act. **Table 2** and **Table 3** of this Eligibility Report contain the results of various research, field survey, and analysis of existing conditions in the Redevelopment Project Area, which demonstrates that the above criteria are present to a meaningful extent and distributed throughout the Redevelopment Project Area.

The Redevelopment Project Area is approximately 70 acres, in excess of the minimum 1½ acres required by the Act.

The Redevelopment Project Area as a whole is adversely impacted by the presence of blighted 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.

Properties suffer from obsolescence. Some buildings have been converted from their original uses into new uses. These converted properties do not have adequate parking and loading for the new uses. Some commercial buildings built for their intended use do not have adequate parking and loading facilities for large vehicles, which leads to further damage to parking lots, fences, and roadways. Additional expenses will be necessary to remedy parking and loading issues, as well as to upgrade or redevelop converted properties to meet modern day standards. Demolition and replacement of structures may be necessary to accommodate new development.

Numerous buildings and parking lots throughout the Redevelopment Project Area suffer from deterioration. The field survey of exterior conditions found deterioration present in both the improved and vacant portions of the Redevelopment Project Area. The majority of the buildings in the Redevelopment Project Area are more than 35 years of age, and older buildings generally require more upkeep and maintenance. There are a number of buildings that are completely vacant or have vacant tenant spaces. Lack of maintenance of these unoccupied areas adds to the deteriorated conditions. Substantial investment will be necessary to repair or demolish these buildings and parking areas.

The Redevelopment Project Area has a mix of land uses with residential, commercial, industrial, and institutional uses. There are no buffers between these uses. A lack of community planning is also evidenced by the fact that many properties in the Redevelopment Project Area are completely covered with structures and pavement, with little or no pervious surface or green space. Extraordinary expenses will be needed to develop and redevelop properties with appropriate buffering between conflicting land uses and provide additional landscaping materials.

Many of the vacant parcels would need to be consolidated in order for development and redevelopment to occur. Some vacant parcels do not front on public right-of-way, and therefore do not have access to public roadways. Others are small and irregularly shaped, which cannot accommodate contemporary standards for most uses. Subdivisions, road improvements and new construction will be necessary to consolidate smaller parcels and dedicate appropriate easements and rights-of-way, resulting in sizeable additional costs for development and redevelopment. City involvement will be required to create appropriate and efficient street and lot layout.

The vacant parcels in the Redevelopment Project Area have multiple owners. The City owns many of the vacant and partially vacant parcels and hopes to make these properties available for redevelopment. However, all of the properties the City owns are not contiguous to each other. There are other owners of the remaining vacant properties. Continued participation of the City will be necessary to make the remaining parcels available for consolidation and redevelopment.

Finally, in examining the EAV of the area, the EAV for the entire Redevelopment Project Area as a whole has declined for four (4) of the last five (5) years (see **Table 1**). Additionally, the EAV of the entire Redevelopment Project Area has not increased on par with the balance of the City for five (5) of the last five (5) years. Further, the EAV of the entire Redevelopment Project Area has not increased on par with the Consumer Price Index for All Urban Consumers for five (5) of the last five (5) calendar years. These conditions demonstrate the lack of investment in the Redevelopment Project Area.

These factors go beyond normal development costs and TIF funds will be necessary to finance such building rehabilitation, land preparation, and infrastructure.

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

Based on these factors, the Consultant recommends that the City conclude that the property within the Redevelopment Project Area qualifies as a Blighted Area for improved land and vacant land as defined in State statute and is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the City.

This report concludes that the Watchtower Redevelopment Project Area is eligible for Tax Increment Finance (“TIF”) designation as a Blighted Area for improved land and for vacant land.

# Tables

**Table 1: Watchtower Redevelopment Project Area Parcel Numbers and Five Year EAV History**

PARCEL NUMBER	TAX YEAR					
	2007 EAV	2008 EAV	2009 EAV	2010 EAV	2011 EAV	2012 EAV
10233-5	269,005	274,385	277,129	273,102	85,059	82,933
10234	37,994	38,754	39,142	39,357	37,870	36,923
104815	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
105018	51,725	52,759	53,286	53,579	53,579	52,239
105017	264,979	270,279	272,981	89,792	89,792	87,548
105122	Split from 105031				103,835	101,240
105123	Split from 105031				14,975	EXEMPT
10348-4	545	-	8,951	9,033	9,033	8,658
10348-3	11,841	11,678	11,350	11,446	11,446	11,010
10348-1	15,188	15,492	15,647	15,733	15,733	15,340
10348-2	11,522	11,352	11,021	17,115	17,115	16,687
10349	9,674	9,467	9,116	9,199	9,199	8,984
10453	133,302	135,968	137,327	138,082	138,082	134,630
10369	19,091	9,813	EXEMPT	EXEMPT	EXEMPT	EXEMPT
10355	9,987	9,787	9,440	15,525	15,525	15,137
10356	46,026	46,946	47,415	47,676	150,999	147,224
10356-1	4,103	4,185	110	EXEMPT	EXEMPT	EXEMPT
105009	81,533	83,163	83,995	84,457	84,457	82,346
103992	8,492	8,662	8,749	8,797	9,501	9,263
103991	1,712	1,746	1,763	1,773	1,915	1,867
103940	15,938	15,857	15,571	15,690	17,425	16,839
103939	19,211	19,195	18,942	13,970	15,567	15,028
103938	27,340	27,887	28,166	28,321	28,321	27,613
103935	48,733	49,708	50,205	50,481	50,481	49,219
103964	10,725	10,540	10,201	10,291	11,593	11,153
103965	5,732	5,847	5,906	5,938	5,938	5,790
103975	EXEMPT	104	253	254	274	267
103970	156,469	159,599	161,195	162,082	162,082	158,030
10350	130,058	132,660	133,987	134,721	134,724	131,356
102248	37,767	38,522	38,908	39,122	39,122	38,144
102252	26,721	27,255	27,527	27,679	27,679	26,987
102253	25,398	25,906	26,165	26,309	26,309	25,652
102254	31,431	32,060	32,380	32,558	32,558	31,744
102255	48,146	49,109	49,600	49,873	49,873	48,626
102257	42,593	43,445	43,880	44,122	44,122	43,019
104734	125,700	128,214	129,496	130,209	130,209	126,954
104734-1	132	135	136	137	137	134
104736	25,174	25,278	25,128	25,300	28,144	27,290
104895	5,818	5,934	5,993	6,026	6,026	5,875
104896	158,175	161,339	5,050	EXEMPT	EXEMPT	EXEMPT
101302	20,029	19,029	18,529	18,529	18,529	73,760
101306	20,758	20,773	20,536	20,682	20,682	137,420
103165	16,526	16,857	17,026	17,120	17,120	8,192
103453-B	14,800	14,696	14,398	14,510	14,510	18,529
103453-1	13,469	13,738	13,875	13,951	13,951	20,015

PARCEL NUMBER	TAX YEAR					
	2007 EAV	2008 EAV	2009 EAV	2010 EAV	2011 EAV	2012 EAV
103453-A	97,104	99,046	100,036	100,586	100,586	13,997
103453	22,126	22,569	22,795	22,920	22,920	13,602
103452-1	259,112	264,295	266,938	268,406	240,330	98,072
103452	22,126	22,569	22,795	22,920	22,920	22,347
103449	259,112	264,295	266,938	268,406	240,330	234,322
103448	52,500	53,550	2,704	EXEMPT	EXEMPT	EXEMPT
103436	38,802	39,578	39,974	40,194	40,194	39,189
103437	8,154	8,318	8,401	8,447	8,447	3,594
103438	9,557	9,349	8,998	9,081	9,081	8,704
103439-1	8,965	17,451	17,181	17,308	17,308	16,725
103439	13,367	13,634	13,770	13,846	13,846	13,500
103440	30,864	31,481	31,795	31,970	31,970	31,170
103444-1	43,960	44,839	45,287	45,536	45,536	44,398
103444	51,970	53,009	53,539	53,834	53,834	52,488
103445	45,384	46,292	46,755	47,012	47,012	45,837
103446-1	16,966	17,305	17,478	17,574	17,574	17,135
103446-2	27,573	28,124	28,405	28,561	28,561	27,847
103446	49,413	50,401	50,905	51,185	51,185	29,901
105048	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
105049	382,677	390,330	394,233	396,402	396,402	386,492
105053	24,040	24,520	24,765	24,902	24,902	24,279
104027	395	403	407	409	434	423
104026	1,321	1,347	1,360	1,367	1,449	1,413
104025	11,112	11,334	11,448	11,511	12,202	5,897
104024	13,625	13,897	14,036	14,113	14,959	8,585
104023	12,499	12,749	12,877	12,947	13,724	13,381
104022	12,499	12,749	12,877	12,947	13,724	7,381
104019	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
104028	23,370	23,837	24,075	24,207	25,660	25,018
104030	18,055	18,416	18,600	18,702	19,824	13,328
104031	35,130	35,833	36,191	36,390	38,574	31,609
104033	30,557	31,169	31,480	31,653	33,552	22,713
104035	13,888	20,400	20,604	20,717	21,960	15,411
104052	33,911	34,589	34,935	35,127	35,127	34,249
104051	4,866	4,963	5,013	5,041	5,343	5,209
104049	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT	EXEMPT
104043	14,043	14,324	14,467	14,546	15,419	9,033
104042	12,499	12,749	12,877	12,947	13,724	3,381
104041	12,499	12,749	12,877	12,947	13,724	13,381
104040	13,888	14,166	14,308	14,386	15,249	14,868
104039	18,900	23,460	23,695	23,825	25,254	24,622
104038	17,850	18,207	18,389	18,490	19,600	19,111
104037	505	515	520	523	554	540
105031	232,675	237,328	239,701	241,020	PIN CANCELLED	PIN CANCELLED
<b>TOTAL EAV - Entire RPA</b>	<b>4,001,421</b>	<b>4,084,262</b>	<b>3,904,904</b>	<b>3,735,446</b>	<b>3,496,485</b>	<b>3,252,817</b>
<b>Percent Change</b>		<b>2.07%</b>	<b>-4.39%</b>	<b>-4.34%</b>	<b>-6.40%</b>	<b>-6.97%</b>
<b>City Wide EAV</b>	<b>455,471,305</b>	<b>466,098,588</b>	<b>468,682,434</b>	<b>472,035,055</b>	<b>475,940,130</b>	<b>505,436,557</b>
<b>Balance of City Wide EAV</b>	<b>451,469,884</b>	<b>462,014,326</b>	<b>464,777,530</b>	<b>468,299,609</b>	<b>472,443,645</b>	<b>502,183,740</b>
<b>Percent Change</b>		<b>2.34%</b>	<b>0.60%</b>	<b>0.76%</b>	<b>0.88%</b>	<b>6.29%</b>
<b>CPI</b>		<b>3.8%</b>	<b>-0.4%</b>	<b>1.6%</b>	<b>3.2%</b>	<b>2.1%</b>

**Table 2: Conditions Survey of Improved Parcels in Watchtower Redevelopment Project Area**

The table below documents parcels with the Improved Blighted Area qualifying factors at the time of this report.

Parcel Number	IMPROVED PARCELS							
	Obsolescence	Deterioration	Excessive Vacancies	Excessive Land Coverage / Overcrowding of Bldgs	Deleterious Land Use or Layout	Environmental Clean Up	Lack of Community Planning	Lagging EAV*
10356 **	X	X					X	X
104896 **	X	X					X	X
10355	X	X		X			X	X
104815		X			X		X	X
105018								X
105017	X	X	X	X	X		X	X
105122				X				X
105123				X				X
10348-4		X						X
10348-3		X						X
10348-1								X
10348-2		X						X
10349	X	X					X	X
10453	X	X	X	X			X	X
105009	X	X		X			X	X
103992	X	X					X	X
103991	X	X					X	X
103940							X	X
103939							X	X
103938		X		X	X		X	X
103935	X	X		X	X		X	X
103964		X					X	X
103965		X		X			X	X
103975		X		X	X		X	X
103970	X	X		X	X		X	X
10350		X		X	X		X	X
102248	X	X		X	X		X	X
102252	X	X	X	X	X		X	X
102253	X	X	X	X	X		X	X
102254	X	X	X	X	X		X	X
102255	X	X	X	X	X		X	X
102257	X	X	X	X	X		X	X
104734		x		x	x		x	x
104734-1		x		x	x		x	x
104736								x
101302	X	X		X	X		X	X
101306				X		X		X
103165								X
103453-B								X
103453-1								X
103453-A								X
103452-1	X	X		X	X		X	X
103449		X		X			X	X
103436		X		X	X		X	X
103437	X	X					X	X

Parcel Number	IMPROVED PARCELS							
	Obsolescence	Deterioration	Excessive Vacancies	Excessive Land Coverage / Overcrowding of Bldgs	Deleterious Land Use or Layout	Environmental Clean Up	Lack of Community Planning	Lagging EAV*
103438								X
103439-1								X
103439								X
103440	X	X		X	X		X	X
103444-1		X		X	X		X	X
103444		X		X	X		X	X
103445	X	X		X	X		X	X
103446-1	X	X		X	X		X	X
103446-2				X	X		X	X
103446	X	X		X	X		X	X
105048	X	X	X	X	X		X	X
105049	X	X	X	X	X		X	X
105053	X	X	X	X	X		X	X
104025		X					X	X
104024		X					X	X
104023		X					X	X
104022		X					X	X
104028		X					X	X
104030		X						X
104031		X						X
104033		X						X
104035		X						X
104052				X	X		X	X
104043		X						X
104042		X						X
104041		X						X
104040		X						X
104039		X						X
104038		X						X

\* Lagging EAV is measured as a whole rather than by parcel. The total EAV of the improved parcels within the Redevelopment Project Area has declined for four (4) of the last five (5) calendar years. Additionally, the total EAV of the improved parcels within the Redevelopment Project has increased at an annual rate which is less than the balance of the City for four (4) of the last five (5) calendar years. Further, the total EAV of the improved parcels in the Redevelopment Project Area increased at an annual rate that is less than the Consumer Price Index for All Urban Consumers for five (5) of the last five (5) calendar years.

\*\* A restaurant building straddles a common property line between Parcel Numbers 10356 and 104896. The structure has a small footprint as compared to the overall size of the respective properties. For purposes of this report, these two parcels are both improved parcels and “partially vacant” parcels.

**Table 3: Conditions Survey of Vacant Parcels in Watchtower Redevelopment Project Area**

The table below documents parcels with the Vacant Blighted Area qualifying factors at the time of this report.

Parcel Number	VACANT AND PARTIALLY VACANT PARCELS				
	Obsolete Platting	Diversity of Ownership	Deterioration of Structures or Site Improvements Adjacent to Vacant Land	Environmental Clean Up	Lagging EAV *
10233-5	X		X		X
10234	X		X		X
10369	X	X	X		X
10356 **	X	X	X		X
10356-1	X	X	X		X
104895	X	X	X		X
104896 **	X	X	X	X	X
103448	X	X	X		X
104027		X	X		X
104026		X	X		X
104019		X	X		X
103453		X	X		X
103452		X	X		X
104051			X		X
104049			X		X
104037	X		X		X

\* Lagging EAV is measured as a whole rather than by parcel. The total EAV of the vacant and partially vacant parcels within the Redevelopment Project Area has declined for four (4) of the last five (5) calendar years. Additionally, the total EAV of the vacant and partially vacant parcels within the Redevelopment Project has increased at an annual rate which is less than the balance of the City for five (5) of the last five (5) calendar years. Further, the total EAV of the vacant and partially vacant parcels in the Redevelopment Project Area increased at an annual rate that is less than the Consumer Price Index for All Urban Consumers for five (5) of the last five (5) calendar years.

\*\* A restaurant building straddles a common property line between Parcel Numbers 10356 and 104896. The structure has a small footprint as compared to the overall size of the respective properties. For purposes of this report, these two parcels are both improved parcels and “partially vacant” parcels.

# Attachments

## Attachment 1: Watchtower Redevelopment Project Area Legal Description

### Watchtower Redevelopment Project Area

Beginning at the northwest corner of Lot 2 in Watch Hill Tower Addition to the City of Rock Island, recorded in Plat Book 45, page 242;

Thence east along the north line of said Lot 2, a distance of 443 feet more or less to the northeast corner of said Lot 2;

Thence north along the east line of Lot 1 in said Watch Hill Tower Addition, a distance of 304 feet more or less to the south line of Edison Court Addition to the City of Rock Island, recorded in Plat Book 27, page 11;

Thence east along said south line and the easterly extension of said south line, a distance of 465 feet more or less to the east Right of Way line of 11<sup>th</sup> Street;

Thence south along said east Right of Way line, a distance of 2,492 feet more or less to the north line of Lot 36 in Rodman Heights addition to the City of Rock Island, recorded in Plat Book 12, page 9;

Thence east along said north line and the easterly extension of said north line, a distance of 155 feet more or less to the east Right of Way line of the public alley as platted in said Rodman Heights addition;

Thence south along said east Right of Way line, and the east Right of Way line of the public alley as platted in Charles H. Dibbern's Subdivision to the City of Rock Island, recorded in Plat Book 58, page 106, and along the west line of the east 140 feet of Block 27 of the original town of Sears, recorded in Plat Book 2, page 8, a distance of 677 feet more or less to the north line of Tax Parcel 3444-1;

Thence east along said north line, and the north line of Tax Parcel 3444, and the easterly extension of said north line, a distance of 220 feet more or less to the east Right of Way line of 12<sup>th</sup> Street;

Thence south along said east Right of Way line, a distance of 557 feet more or less;

Thence southeasterly along said east Right of Way line, a distance of 194 feet more or less;

Thence southwesterly, a distance of 165 feet more or less to the southerly Right of Way line of 49<sup>th</sup> Avenue;

Thence southwesterly along said southerly line, a distance of 248 feet more or less to the easterly line of the Chicago, Rock Island and Pacific Rail Road;

Thence northwesterly along said easterly line, a distance of 1,760 feet more or less to the north line of Tax Parcel 4895;

Thence east along said north line, a distance of 284 feet more or less to the west line of Tax Parcel 369;

Thence north along said west line, a distance of 150 feet more or less to the north line of said Tax Parcel 369;

Thence east along said north line, a distance of 192 feet more or less to the westerly Right of Way line of 9<sup>th</sup> Street;

Thence northwesterly along said westerly line, a distance of 580 feet more or less to the intersection of said westerly line and the westerly extension of the south line of W.R. Well's Addition to the City of Rock Island, recorded in Plat Book 19, page 52;

Thence east along said westerly extension and the south line of said W.R. Wells Addition, a distance of 425 feet more or less to the west line of Tax Parcel 3975;

Thence north along said west line, a distance of 105 feet more or less to the south Right of Way line of 43<sup>rd</sup> Avenue;

Thence northerly, a distance of 42 feet more or less to the southwest corner of Lot 30 in said W.R. Well's Addition;

Thence north along the west line of said Lot 30 and the west line of Lot 6 in said W.R. Well's Addition, a distance of 221 feet to the south Right of Way line of 42<sup>nd</sup> Avenue;

Thence northerly, a distance of 52 feet more or less to the east line of Tax Parcel 348-5;

Thence north along said east line, a distance of 527 feet more or less to the south line of Lot 2 in Watch Tower Hill 3<sup>rd</sup> Addition to the City of Rock Island, recorded as Document Number 2003-44441;

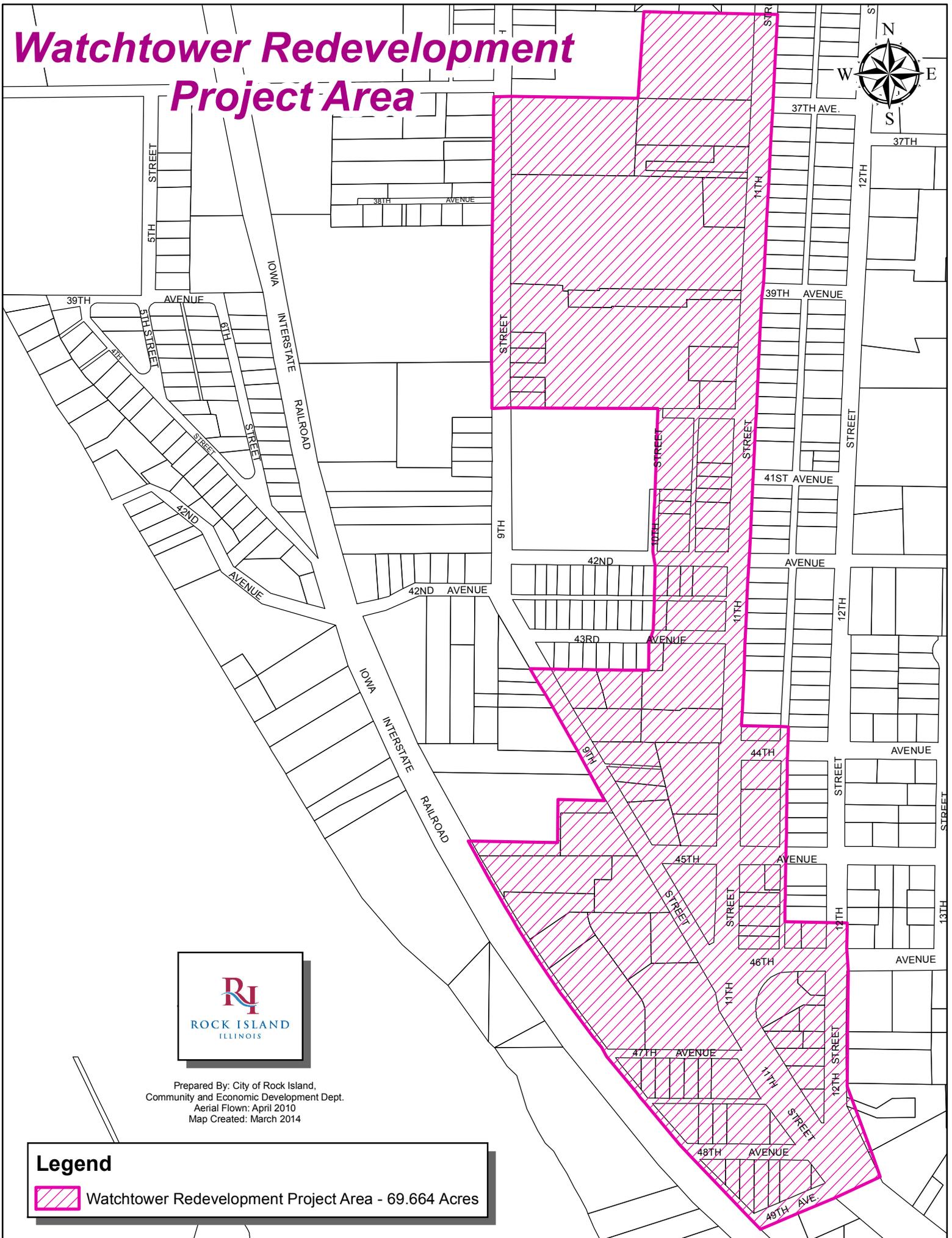
Thence west along said south line, and along the south line of Tax Parcel 348-2, and along the westerly extension of said south lines, a distance of 581 feet more or less to the west Right of Way line of 9<sup>th</sup> Street;

Thence north along said west line, a distance of 1066 feet more or less to the intersection of said west line and the westerly extension of the north line of Lot 2 in Watch Hill Tower addition;

Thence east along said westerly extension, a distance of 66 feet more or less to the POINT OF BEGINNING.

## Attachment 2: Watchtower Redevelopment Project Area Map

# Watchtower Redevelopment Project Area



Prepared By: City of Rock Island,  
Community and Economic Development Dept.  
Aerial Flown: April 2010  
Map Created: March 2014

**Legend**

 Watchtower Redevelopment Project Area - 69.664 Acres

### Attachment 3: Representative Photographs of Conditions in the Watchtower Redevelopment Project Area

The photographs below are graphic examples of the Blighted Area qualifying factors found in the Watchtower Redevelopment Project Area at the time of this report.







# Appendices

## **Appendix A: Definitions**

As defined in the Act “blighted area” means any improved or vacant area within the boundaries of a Redevelopment Project Area located within the territorial limits of the municipality where: if improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health or welfare based on the documentation of five of thirteen specific factors that are reasonably distributed throughout the improved part of the Redevelopment Project Area. If vacant, the sound growth of the redevelopment project area is impaired by two or more specific factors in one section of the Act or one or more in a second section of the Act.

As defined in the Act “conservation area” means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of thirteen specific factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area.

As defined in the Act “[i]ndustrial park conservation area’ means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 ½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.”

## Appendix B: Eligibility Categories

### Eligibility of a Blighted Area

There are three categories under which an area can be determined to meet the “Blighted area” criteria. The area must meet the criteria under one of the following three categories.

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

1. If improved, industrial commercial and residential building or improvements are detrimental to the public safety, health, or welfare because of a combination of five or more of the following factors, each of which is (i) present, with the presence documented, to a meaningful extent, so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the Redevelopment Project Area:

- Dilapidation
- Obsolescence
- Deterioration
- Presence of structures below minimum code standards
- Illegal use of individual structures
- Excessive vacancies
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage
- Deleterious land use or layout
- EPA remediation finding
- Lack of community planning
- Lagging EAV

*OR*

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

- Obsolete platting
- Diversity of ownership

- Tax sale and special assessment delinquencies
- Deterioration of structures or site improvements in neighboring or adjacent areas
- The Redevelopment Project Area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs
- Lagging EAV

*OR*

3. If vacant (Vacant Land), the sound growth of the Redevelopment Project Area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent, so that a municipality may reasonably find that the factor is clearly present within the intent of the Act, and (ii) is reasonably distributed throughout the vacant part of the area to which it pertains:
  - The area consists of one or more unused quarries, mines or strip mine ponds.
  - The area consists of unused rail yards, rail tracks, or railroad rights-of-way.
  - The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area, as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.
  - The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.
  - Prior to the effective date of the applicable amendatory Act of the 91<sup>st</sup> General Assembly, the area is not less than fifty (50), nor more than one hundred (100) acres, and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area, and the area meets at least one of the factors itemized in paragraph (1) above, the area has been designated as a town or City center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.
  - The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding.

### **Eligibility of a Conservation Area**

“Conservation area” means any improved area within the boundaries of a Redevelopment Project Area located within the territorial limits of the City in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area, but because of a combination of three (3) or more of the following factors is detrimental to the public safety, health, morals or welfare, and such an area may become a blighted area:

- Dilapidation
- Obsolescence
- Deterioration
- Presence of structures below minimum code standards
- Illegal use of individual structures
- Excessive vacancies
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage
- Deleterious land use or layout
- Lack of community planning
- EPA Remediation Finding
- Lagging EAV

### **Eligibility of an Industrial Park Conservation Area**

“Industrial Park Conservation Area” means an area within the boundaries of a Redevelopment Project Area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 ½ miles of the territorial limits of a municipality that is a labor surplus area if the area is annexed to the municipality; which area is zoned industrial no later than at the time the municipality by ordinance designates the Redevelopment Project Area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.