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**CITY OF TROY**

**ORDINANCE 2023-45**

140<sup>00</sup> CTY

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**ORDINANCE APPROVING THE TROY FORMOSA TAX INCREMENT FINANCING  
REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT**

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**ADOPTED BY THE CITY COUNCIL OF THE CITY OF TROY, ILLINOIS  
THIS 21ST DAY OF AUGUST 2023**

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DR

**ORDINANCE 2023-45**

**ORDINANCE APPROVING THE TROY FORMOSA TAX INCREMENT FINANCING  
REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT**

WHEREAS, the City of Troy, Illinois desires to implement tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74,4-1 et. seq., as amended, hereinafter referred to as the "Act" for the proposed Troy Formosa TIF Redevelopment Plan and Redevelopment Project within the municipal boundaries of the City of Troy and within the Redevelopment Project Area as described in Section 1(a) of this ordinance, which constitutes in the aggregate more than 1 1/2 acres.

WHEREAS, pursuant to Section 11-74.4-5 of the Act, the City Council caused a Public Hearing to be held relative to the Redevelopment Plan and Redevelopment Project and a designation of a Redevelopment Project Area on August 7, 2023, at Troy City Hall; and

WHEREAS, due notice with respect to such hearing was given pursuant to Section 11-74.4-5 and 6 of the Act, said notice having been given to taxing districts and to the State of Illinois by certified mail on and around June 20, 2023 and by publication on July 20, 2023 and July 27, 2023 and by certified mail to taxpayers on and around July 20, 2023; and

WHEREAS, at the Public Hearing, any interested person or affected taxing district was permitted to file with the City Clerk written objections and was heard orally in respect to any issues embodied in the notice of said Public Hearing, and the City heard and determined all protests and objections at the Public Hearing; and

WHEREAS, the Public Hearing was adjourned on August 7, 2023; and,

WHEREAS, notice of the availability of the Report and the Plan, including how to obtain this information, was provided by mail on and around June 20, 2022 to all residential addresses that, after a good faith effort, the City determined are located outside the boundaries of the proposed Redevelopment Project Area which are within 750 feet of the boundaries of the Proposed Area; and

WHEREAS, the City has established and given public notice of an "interested parties registry" for the Proposed Area in compliance with the requirements of the Act; and,

WHEREAS, the City has given such notice to all persons and organizations who have registered for information with such registry, all in the manner and at the times as provided in the Act; and

WHEREAS, the City has heretofore convened 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 has met at the time and as required by the TIF Act and has reviewed the public record, planning documents and a form of proposed ordinance approving the Plan and Project; and

WHEREAS, the Joint Review Board has approved by a majority vote an advisory, non-binding recommendation that the City proceed to implement the Redevelopment Plan and Project and to designate the Proposed Area as a redevelopment project area under the Act; and,

WHEREAS, the City held a Joint Review Board Hearing on July 18, 2023 at Troy City Hall; and

WHEREAS, at the Joint Review Board Hearing, any interested person or affected taxing district was permitted to file with the City Clerk written objections and was heard orally in respect to any issues embodied in the notice of said hearing, and the City heard and determined all protests and objections at the hearing; and

WHEREAS, the Joint Review Board Hearing was adjourned on July 18, 2023; and,

WHEREAS, the Redevelopment Plan and Project set forth the factors constituting the need for conservation in the proposed redevelopment area, and the City Council has reviewed testimony concerning such need presented at the Joint Review Board Hearing and has reviewed other studies and is generally informed of the conditions in the proposed Troy Formosa TIF Redevelopment Area as said terms "conservation" and "blighted" are used in the Act; and

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

WHEREAS, the City Council has reviewed the conditions pertaining to real property in the proposed Troy Formosa TIF Redevelopment Project Area to determine whether contiguous parcels of real property and improvements thereon in the proposed Redevelopment Project Area are substantially benefited by the proposed redevelopment project improvements; and

WHEREAS, the City Council has reviewed its proposed Redevelopment Plan and Project Area and the Plan for the development of the City as a whole to determine whether the proposed Troy Formosa TIF Redevelopment Plan and Project conforms to the community plans of the City:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TROY, ILLINOIS, that:

1. The City Council of Troy hereby makes the following findings:
  - a. The area constituting the proposed Troy Formosa TIF Redevelopment Project Area in the City of Troy, Illinois is described in **Exhibit A**.
  - b. There exist conditions which cause the area to be designated as a Redevelopment Project Area be classified as a combination "Conservation Area" and "Blighted Area" as defined in Section 11-74.4-3 (b) of the Act.
  - c. The proposed Troy Formosa TIF Redevelopment Project Area as a 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 Troy Formosa TIF Redevelopment Plan.
  - d. The Troy Formosa TIF Redevelopment Plan and Redevelopment Project Area conform to the plan for the development of the City as a whole.
  - e. The parcels of real property in the proposed Troy Formosa TIF Redevelopment Project Area are contiguous and only those contiguous parcels of real property and improvements

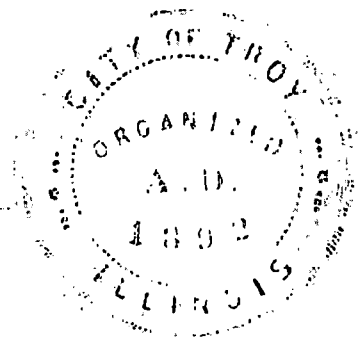
thereon which will be substantially benefited by the proposed redevelopment project improvement are included in the Troy Formosa TIF Redevelopment Project Area.

- f. The estimated date for final completion of the Troy Formosa TIF Redevelopment Plan is twenty-three (23) years from the effective date of this ordinance.
  - g. The estimated date for retirement of obligations incurred to finance the Troy Formosa TIF Redevelopment Plan costs shall be not later than twenty-three (23) years from the effective date of this ordinance.
2. The Troy Formosa TIF Redevelopment Plan and Redevelopment Project Area which was the subject matter of the public hearing held August 7, 2023, is hereby adopted and approved. A copy of the Troy Formosa TIF Redevelopment Plan and Project Area marked **Exhibit B** is attached to and made a part of this ordinance.
  3. All ordinances and parts of ordinances in conflict herewith are hereby repealed.
  4. This ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

Aldermen Vote:

Dan Dawson	<u>AYE</u>	Sam Italiano	<u>AYE</u>	Ayes:	<u>8</u>
Tim Flint	<u>AYE</u>	Debbie Knoll	<u>AYE</u>	Nays:	<u>0</u>
Elizabeth Hellrung	<u>AYE</u>	Tony Manley	<u>AYE</u>	Absent:	<u>0</u>
Nathan Henderson	<u>AYE</u>	Troy Turner	<u>AYE</u>	Abstain:	<u>0</u>

PASSED this 21<sup>st</sup> day of August, 2023.



APPROVED:

*David Nonn*  
 \_\_\_\_\_  
 DAVID NONN, Mayor  
 City of Troy, Illinois

ATTEST:

*Kimberly Thomas*  
 \_\_\_\_\_  
 KIMBERLY THOMAS, Clerk  
 City of Troy, Illinois

Recorded in the Municipality's Records on August 21st, 2023.

MAPS & PLATS

Survey Required  
For Recording

Initials NE

Date 8/29/23

**Exhibit A**  
**LEGAL DESCRIPTION**

Part of Section 5, the East Half of Section 6, the East Half of Section 7, and Section 8, all in Township 3 North, Range 7 West of the Third Principal Meridian, Madison County, Illinois, AND part of the Southeast Quarter of Section 31, and the Southwest Quarter of Section 32, all in Township 4 North, Range 7 West of the Third Principal Meridian, Madison County, Illinois, described as follows:

Beginning at the point of intersection of the southwesterly right of way line of Illinois Route 162 with the west line of "Carrollwood 3<sup>rd</sup> Addition", reference being had to the plat thereof recorded in the Recorder's Office of Madison County, Illinois in Plat Book 51 on Page 93; thence northwesterly on said southwesterly right of way line of Illinois Route 162 to the southerly extension of the west line of a tract of land described as Parcel 2 in the deed to Yiu Kai Chiu and Yee Hing Chiu, trustees as recorded in said Recorder's Office, in Book 3782 on Page 1200; thence northerly on said west line, its southerly extension and the west line of a tract of land described in the deed to SMAG Property Development, LLC as recorded in said Recorder's Office as Document 2018R23770 to the north line of said SMAG Property Development, LLC tract; thence easterly on said north line to the west line of "Waterford Place Industrial Park", reference being had to the plat thereof recorded in said Recorder's Office in Plat Cabinet 66 on Page 71; thence northerly on said west line to the south right of way line of Bouse Road; thence westerly on said south right of way line to the southerly extension of the east line of "Seasons Village", reference being had to the plat thereof recorded in said Recorder's Office in Plat Cabinet 65 on Page 188; thence northerly on said east line and its southerly extension to the north line of a tract of land described as Parcel 2 in the deed to Clarence A Adelhart, trustee as recorded in said Recorder's Office, in Book 4061 on Page 343; thence easterly on said north line to the northerly extension of the west right of way line of Formosa Road, reference being had to the right of way dedication recorded in said Recorder's Office as Document 2002R50568; thence southerly on said west right of way line and its northerly extension to the north right of way line of Formosa Road; thence easterly on said north right of way line to the northerly line of a tract of land described in the deed to Quad County Ready Mix Corporation as recorded in said Recorder's Office, as Document 2002R11881; thence easterly on said northerly line and its easterly extension to the easterly right of way line of Federal Aid Interstate 55 / Federal Aid Interstate 70; thence southerly on said easterly right of way line to the north line of a tract of land described in the deed to Roserock Holdings, LLC as recorded in said Recorder's Office, as Document 2018R34785; thence easterly on said north line to the east line of said Roserock Holdings, LLC tract; thence southerly on said east line and the east line of a tract of land described in the deed to Barco Investments, LLC as recorded in said Recorder's Office, in Book 4258 on Page 697 to the north line of a tract of land described in the deed to CIT Trucks, LLC as recorded in said Recorder's Office, as Document 2016R01107; thence easterly on said north line to the east line of said CIT Trucks, LLC tract; thence southerly on said east line to the south line of a tract of land described as Tract 4 in the deed to Edna C. Meier, trustee as recorded in said Recorder's Office, as Document 2002R05056; thence easterly on said south line to the east line of a tract of land described in the deed to Osborn Development, LLC as recorded in said Recorder's Office, as Document 2009R21850; thence southerly on said east line to the north line of "Troy Town Centre", reference being had to the plat thereof recorded in said Recorder's Office, in Plat Cabinet 65 on Page 242; thence westerly on said north line to the easterly right of way line of Troy Boulevard; thence southerly on said easterly right of way line, its southerly extension and the east right of way line of SRA Bradley R. Smith Drive to the south line of "One Sixty Two West Subdivision", reference being had to the plat thereof in said Recorder's Office, in Plat Book 40 on Page 108; thence easterly on said south line to the easterly right of way line of Dorothy Drive; thence southerly on said easterly right of way line to the easterly line of Lot 10 of "The Greens of Troy-No. 4", reference being had to the plat thereof recorded in said Recorder's Office, in Plat Cabinet 57 on Page 66; thence southerly on said easterly line and the east lines of Lots 9, 8, and 7 of said "The Greens of Troy-No. 4" to the north line of Lot 6 of said "The Greens of Troy-No. 4"; thence easterly on said north line and the north line of a tract of land described as Parcel 1 in the deed to the City of Troy as recorded in said Recorder's Office, as Document 2019R35231 to the

east line of said City of Troy tract; thence southerly on said east line and its southerly extension to the southeasterly right of way line of Collinsville Road; thence southwesterly on said southeasterly right of way line to the southerly extension of the westerly line of said City of Troy tract; thence northerly on said westerly line and its southerly extension to the southerly line of said City of Troy tract; thence westerly on said southerly line to the east line of Lot 3 of "The Greens of Troy-No. 2", reference being had to the plat thereof recorded in said Recorders Office, in Plat Cabinet 65 on Page 346; thence southerly on said east line to the south line of the Northeast Quarter of said Section 8; thence westerly on said south line to the east line of the Southwest Quarter of said Section 8; thence southerly on said east line to the southeasterly right of way line of Collinsville Road; thence southwesterly on said southeasterly right of way line to the west right of way line of Formosa Road; thence northerly on said west right of way line to the south line of the Northeast Quarter of said Section 7; thence westerly on said south line to the westerly right of way line of Federal Aid Interstate 55 / Federal Aid Interstate 70; thence northerly on said westerly right of way line to the southwesterly right of way line of Illinois Route 162; thence northwesterly on said southwesterly right of way line to the Point of Beginning.

Excepting the following Parcel:

Part of the Northeast Quarter of Section 6, Township 3 North, Range 7 West of the Third Principal Meridian, Madison County, Illinois, more particularly described as follows:

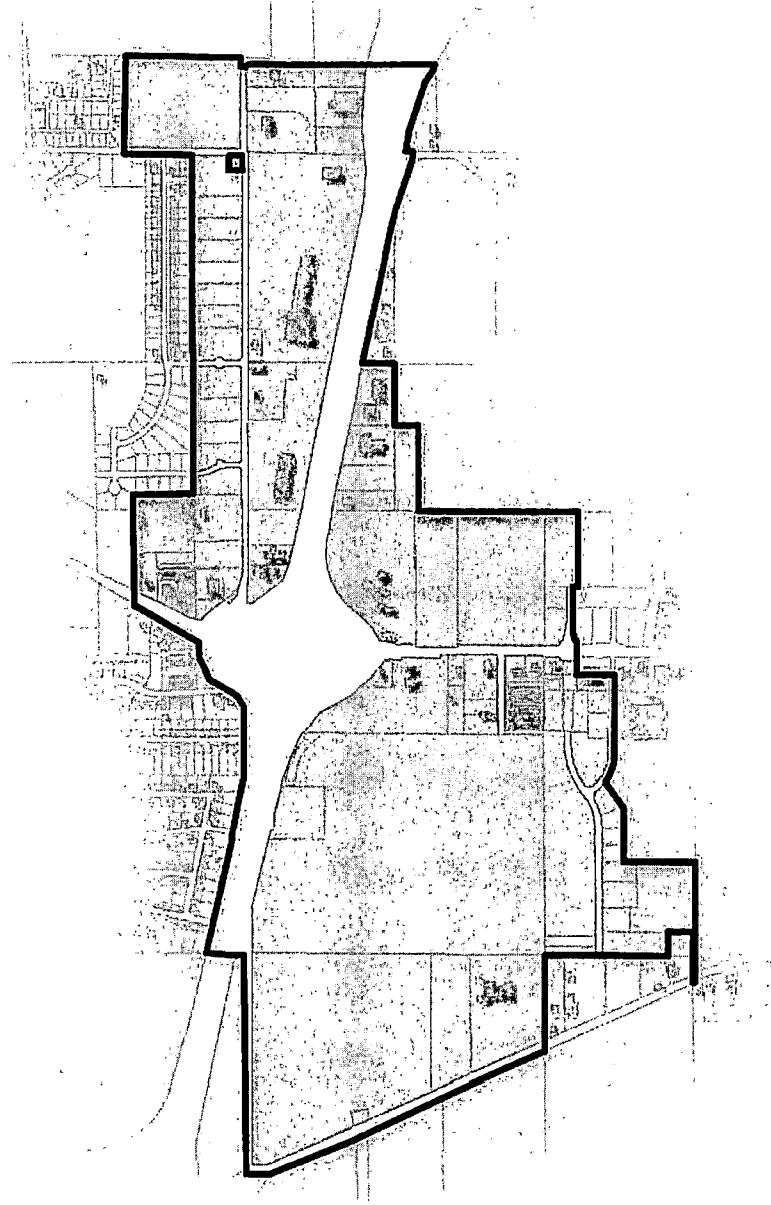
Beginning at the Northeast corner of said Section 6; thence South 0 degrees 00 minutes East (assumed bearing) along the east line of said Section 6, a distance of 167.00 feet; thence North 89 degrees 02 minutes 40 seconds West a distance of 146.00 feet; thence North 0 degrees 00 minutes East, a distance of 167.00 feet to the north line of said Section 6; thence South 89 degrees 02 minutes 40 seconds East along said North line, a distance of 146.00 feet to the Point of Beginning and containing 0.56 acres.

Except coal, gas and other mineral rights conveyed, excepted or reserved in prior conveyances.

**Exhibit B**  
**REDEVELOPMENT PLAN & PROJECT**

# FORMOSA ROAD TIF DISTRICT

## TAX INCREMENT FINANCING REDEVELOPMENT PLAN & PROJECT



The City of  
**TROY, IL**  
June 5, 2023





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## SECTION I. INTRODUCTION

Tax Increment Financing is permitted by the Illinois Tax Increment Allocation Redevelopment Act (the "Act" or the "TIF Act"), which is found at 65 ILCS 5/11-74.4-1 et. seq. The Act sets forth the requirements and procedures for establishing a tax increment redevelopment project area and a tax increment financing redevelopment plan. On June 5, 2023, the Eligibility Study for the City of Troy (the "City") Formosa Road Tax Increment Financing ("TIF") District Area (the "Area"), was reviewed and placed on file by the City Council. The Study outlined the qualifying factors found in the Area, and this information is referenced within this Redevelopment Plan ("Plan"). Additionally, the Study provided details as to how tax increment allocation financing would be appropriate for effective redevelopment of the proposed redevelopment project area. At that meeting on June 5, 2023, the City Council approved measures in accordance with the Act to continue the TIF process and to complete this document, the Redevelopment Plan for the Area.

The City of Troy intends to use tax increment financing to facilitate development in the Area and to stimulate private investment. The proposed Redevelopment Project Area as a whole has not been subject to economic growth relative to the rest of the City, and the properties within the Area will not likely develop or redevelop to their highest and best use without the implementation of a tax increment financing program. The goal of the Redevelopment Plan is to provide a resource for necessary infrastructure and utility upgrades throughout the Area, including improvements to the existing systems and the extension of those systems to properties that are currently not being served. Additionally, improving the internal street network throughout the Area is a priority to facilitate the full development of the property within the boundary. Some redevelopment activities associated with the plan include, but are not limited to:

- Facilitate new development through the extension of utilities and infrastructure to sites currently underserved.
- Repairing and remodeling existing structures throughout the Redevelopment Project Area.
- Infrastructure and utility improvements throughout the Area, including upgrading the existing water and sanitary sewer systems.
- General street and right-of-way improvements, including maintenance and surface improvements.
- Marketing of properties within the Area for new development.
- Extension of the existing street network to provide access to right-of-way to facilitate the development of property within the Area.

The Area is identified on various exhibits and descriptions in the following sections. It also should be noted at this time that this Plan does not constitute a suggestion of every allocation of TIF Revenue, nor does it represent or constitute an inference as to the content of any "Redevelopment Agreements" that may be negotiated between the City and any developer.

## SECTION II. ELIGIBILITY FINDINGS FOR THE AREA

### A. Introduction

In order to establish tax increment financing properties slated for inclusion in the TIF Area must be found to be eligible. The following sections report on the eligibility of these parcels.

### B. Statutory Requirements

According to the Act, in order for a municipality to qualify properties for tax increment financing, a finding must be made that conditions exist which allow the Area to be classified as a blighted area, a conservation area, a combination of both blighted and conservation areas, or an industrial park conservation area. A map of the area of study (the "Area" or the "Proposed Area") has been attached as Exhibit A – Boundary Map. Moran Economic Development conducted an evaluation of the physical conditions in the Area, and the findings of this evaluation are outlined below.

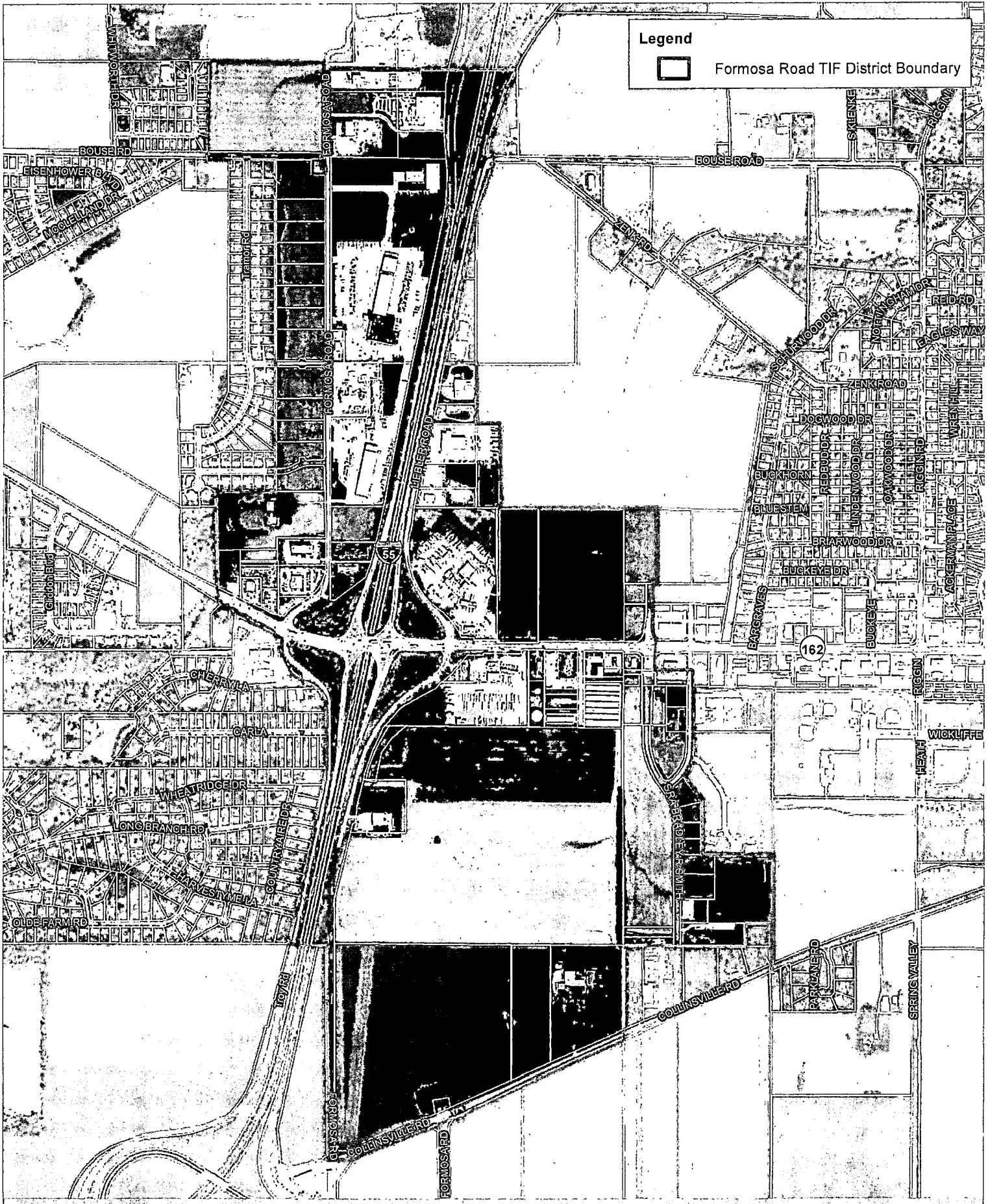
The definitions used for qualifying this Area, as defined in the Act, follows:

"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 buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the 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.
  - b) Obsolescence - The condition or process of falling into disuse. Structures have become ill-suited for the original use.
  - c) Deterioration - With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.
  - d) Presence of structures below minimum code standards - All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.
  - e) Illegal use of individual structures - The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.
  - f) Excessive vacancies - The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.
  - g) Lack of ventilation, light or 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 or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. "Inadequate

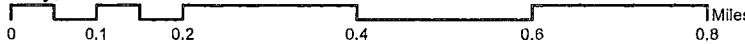
sanitary facilities" refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

- h) Inadequate Utilities - Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.
  - i) Excessive land coverage and overcrowding of structures and community facilities - The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: 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 the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.
  - j) Deleterious land use or layout - The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.
  - k) 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 standards, or other evidence demonstrating an absence of effective community planning.
  - l) 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.
  - m) The total equalized assessed value of the Proposed Redevelopment Project Area has declined for 3 of the last 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 3 of the last 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 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.
2. If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:
- a) Obsolete platting of vacant land - that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a



**Legend**  
 □ Formosa Road TIF District Boundary

**EXHIBIT A - BOUNDARY MAP**  
**FORMOSA ROAD TIF DISTRICT**  
 Troy, IL



manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-way for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

- b) Diversity of ownership - of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.
  - c) Tax and special assessment delinquencies - exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.
  - d) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.
  - e) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation - costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.
  - f) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 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 3 of the last 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 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.
3. If vacant, the sound growth of the redevelopment areas 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 with 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.
  - b) The area consists of an unused rail yards, rail tracks or railroad rights-of-way.
  - c) The area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency.
  - d) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.
  - e) Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 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) of this subsection, 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.
  - 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.

### C. Methodology of Investigation

Various techniques and methods of research were utilized in determining the eligibility of the properties in question, including:

- Examination of the Proposed Area by experienced property inspectors on the staff of Moran Economic Development. These personnel are trained in techniques and procedures of determining conditions of properties, buildings, streets, utilities, etc. and the subsequent use and analysis of this research to determine TIF eligibility.
- Discussions with City staff and engineers regarding utility and infrastructure improvements in the Proposed Area.
- Examination of maps, aerial photographs, and historic data related to the proposed Area including Madison County real property tax assessment records and equalized assessed value ("EAV") information.
- Review of Illinois State Geological Survey ("ISGS") maps and data.
- Use of Illinois Department of Transportation ("IDOT") average annual daily traffic ("AADT") counts and data.
- Review of the Madison County Multi-Hazard Mitigation Plan ("Hazard Plan").
- Use of definitions contained in the Act.
- Adherence to basic findings of need as established by the Illinois General Assembly in establishing tax increment financing, which became effective on January 10, 1977 and has been subsequently amended.

#### **D. Eligibility Findings for the Area**

In making the determination of eligibility for an Area, it is not required that each and every property and/or building individually qualify, but it is the Area as a whole that must be determined to be eligible. An analysis of the physical conditions and presence of qualifying factors within the Area was performed. In addition to the analysis an inventory of existing land use was determined and outlined in the attached Exhibit B – Existing Land Use.

The Area encompasses 90 parcels of property and rights-of-way in the City of Troy. Generally, this Area encompasses parcels along Formosa Road and adjacent to I-55, on both the north and south side of IL-162. Parcels north of Bouse Road make up the northernmost portion of the boundary, and the Area continues south taking in property adjacent to Formosa Road and I-55. South of IL-162 the Area takes in property east of I-55 to Collinsville Road, which makes up the southernmost portion of the boundary.

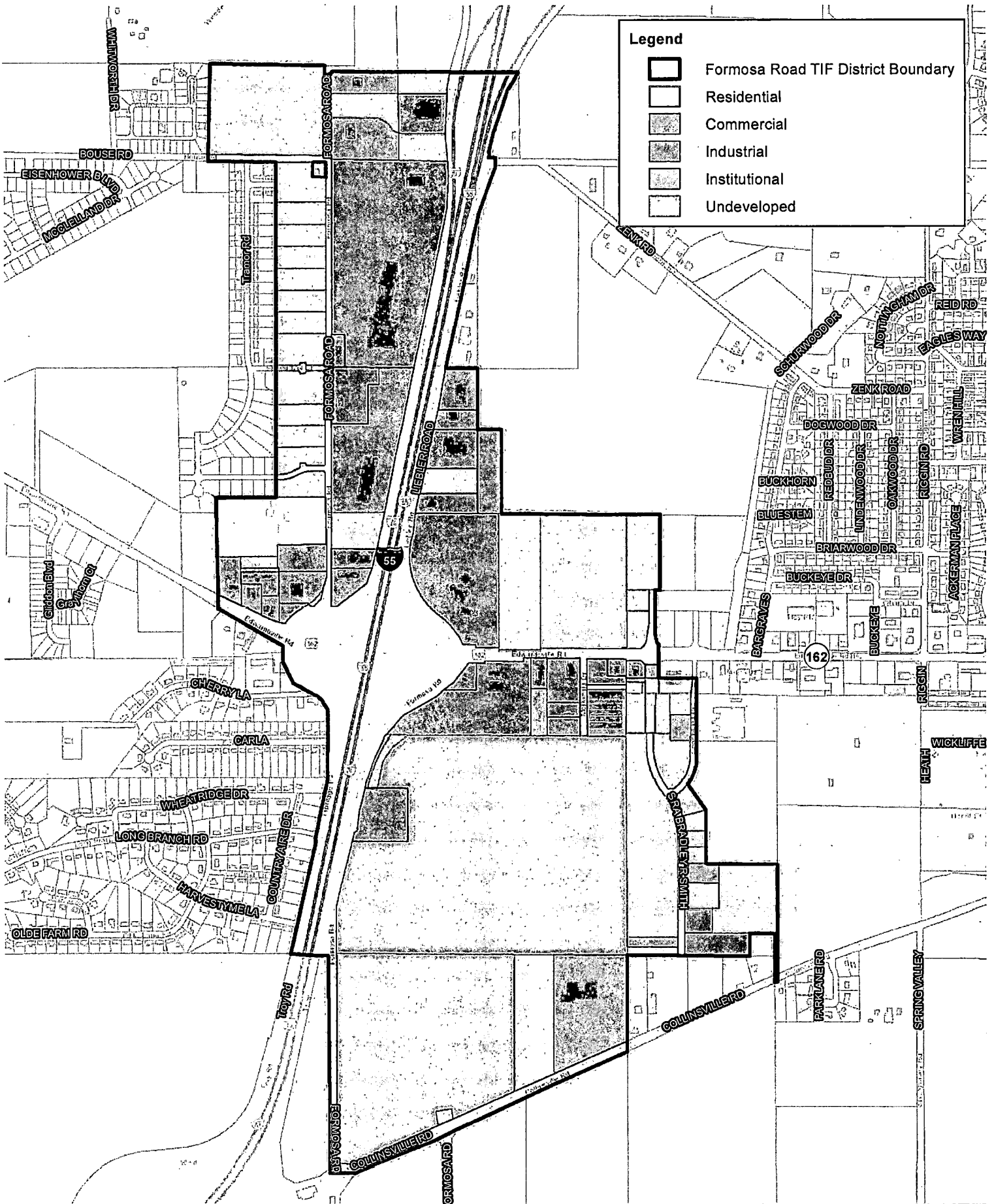
The findings of this analysis, outlined and detailed below, demonstrate that the Area is found to be a "blighted area" as defined within the Act. While the Area was reviewed for all of the factors listed above in Section B, the following summarizes only the factors that exist within the Area:

#### **QUALIFICATIONS OF THE DEVELOPED PORTION OF THE AREA**

The qualifying factors for developed land found in the Act were researched to determine eligibility for these properties, and the following is the review of existing factors in the 38 parcels which make up the developed portion of the Area:

- **Deterioration**

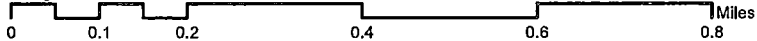
General deterioration of site and surface improvements were noted throughout the Area. In terms of structural deterioration, there were buildings having notable defects in the secondary structural components, including roofs, windows, foundations, and fascia materials. Per Madison County property tax records, the average age of the structures in the Area is 26.9 years, and these types of conditions are not uncommon in buildings of this age. Much of the noted conditions which would be considered deteriorated could be attributed to general wear over time. Deteriorated surface improvements were also noted throughout the Area, with parcels exhibiting conditions such as cracked and deteriorated roadway, parking, and right-of-way surfacing. Per IDOT the stretch of I-55 in the Area has an AADT count of approximately 43,000, with counts of 14,200 on the east side of the IL-162 interchange and 10,200 on the west side. These types of traffic volumes, along with the nature of some of the larger truck traffic, can create significant strains on the roadways and other surface improvements serving the developed properties.



**Legend**

- Formosa Road TIF District Boundary
- Residential
- Commercial
- Industrial
- Institutional
- Undeveloped

**EXHIBIT B - EXISTING LAND USE**  
**FORMOSA ROAD TIF DISTRICT**  
 Troy, IL





▪ **Inadequate Utilities**

The Area is impacted by inadequate utilities in some form. One of the primary goals of the Redevelopment Project is to make requisite utility upgrades to adequately serve existing and future development in the Area through extension of the existing infrastructure network to underserved properties, as well as to upgrade the level of service of the current systems. These are costly improvements that are a barrier to the development and redevelopment of the parcels in this portion of the City, and without economic resources to provide for these improvements it is unlikely the property would ever be utilized to its highest and best use.

▪ **Deleterious Land Use or Layout**

This factor was found in the Area, primarily in the form of the intermixing of incompatible land uses. These types of uses were industrial properties adjacent to some residential areas, including future planned industrial uses in areas adjacent to residential uses without an adequate buffer between the two uses. Land use relationships of this type could have a noxious effect on the adjacent properties as the characteristics of a certain use, such as hours of operation, increased vehicle traffic, increased noise, etc., could be undesirable for the area's other uses. Future development in the Area should be carefully planned to locate levels of density in appropriate areas, with adequate visual and other buffers between any uses that may not be directly compatible with one another.

▪ **Lack of Community Planning**

In addition to the deleterious land use or layout, other conditions indicative of a lack of community planning were found in the parcels which make up the Area. Much of the Area is not part of a platted subdivision, being divided using various plat exemptions instead. These types of property divisions can have implications on providing adequate access to right-of-way, developing ingress/egress points for the property, general traffic circulation, stormwater management infrastructure, and other factors which can create issues for property development. Specific issues noted in the Area indicative of a lack of community planning include:

- Parcels 10-1-16-32-00-000-009.002, 10-1-16-31-00-000-013.004, 10-1-16-31-00-000-013.007, 10-1-16-32-00-000-009.003, 10-1-16-32-00-000-009.001, 10-1-16-31-00-000-013.003 were divided using plat act exemptions and not with a subdivision plat. Additionally, the roadway is private rather than public. Some of the businesses located on these parcels span two parcels and should technically be consolidated. This consolidation should be an actual lot consolidation opposed to simply a combination of the parcels into a single consolidated property tax record. Because these lots were not platted, a stormwater plan likely does not exist to mitigate any issues with water management.
- Parcel 09-1-22-05-00-000-011.009 contains the stormwater detention pond and back portion of the lot for the business located primarily on parcel 09-2-22-05-00-000-016. These two parcels were divided using a plat act exemption and are not part of a subdivision. These properties would ideally be consolidated via a consolidation plat to prevent the sale of parcel 09-1-22-05-00-000-011.009, which is currently a landlocked lot containing the detention basin. Based on these factors it is unlikely there is an easement for the rear lot and no agreement for stormwater detention/retention maintenance.
- Parcels 09-1-22-05-00-000-010.001 and 09-1-22-05-00-000-010 are also divided using plat act exemptions. It appears that a roadway is constructed between the two parcels, however, it is unclear as to whether the parcels share an access easement for this roadway. Further, it is unclear if the retention pond located on parcel 09-1-22-05-00-000-011.009 contains the stormwater runoff from these two parcels.
- Parcels 09-1-22-06-04-401-003 and 09-2-22-06-04-401-011 are landlocked and do not meet current subdivision/zoning standards.
- The development on the northwest corner of the intersection of I-55 and IL-162 allows access points along Formosa Road and IL-162 for each lot and does not include a planned parking or traffic circulation plan for the development, which would not be considered a best practice in planning for a commercial area.
- Parcel 09-1-22-08-00-000-001.003 is landlocked and would not meet current zoning/subdivision standards.

▪ **Stagnant or Declining Property Values**

Current and historic equalized assessed valuation information was researched to determine whether the Area qualifies for this factor. Table A depicts the annual growth rates both for the Area as a whole and the balance of the City, which is the total EAV of Troy minus the EAV of the parcels in the Area, dating back to assessment year 2017.

TABLE A - PROJECT AREA & CITY BALANCE GROWTH RATES

YEAR	TROY <sup>1</sup>	PROJECT AREA <sup>2</sup>	%	BALANCE <sup>3</sup>	%
2022	\$286,503,840	\$20,259,070	4.95%	\$266,244,770	8.80%
2021	\$264,022,683	\$19,303,110	2.91%	\$244,719,573	5.83%
2020	\$249,997,934	\$18,757,370	3.75%	\$231,240,564	4.30%
2019	\$239,790,805	\$18,079,050	5.26%	\$221,711,755	5.90%
2018	\$226,530,701	\$17,176,280	3.98%	\$209,354,421	6.01%
2017	\$214,010,953	\$16,518,610	-	\$197,492,343	-

<sup>1</sup>Total City Equalized Assessed Value (EAV). Source: Madison County Clerk.

<sup>2</sup>Total EAV of the Parcels in the Project Area. Source: Madison County Property Tax Records.

<sup>3</sup>Total City EAV Minus the EAV of the Parcels in the Project Area.

This analysis shows that the parcels in the Area have been relatively stagnant and have had a lower annual EAV growth rate than the balance of the City for the last five years. Thus, the Area meets the requirements set forth for this factor, as it is increasing at an annual rate that is less than the balance of the municipality for at least three of the last five calendar years.

**QUALIFICATIONS OF THE VACANT PORTIONS OF THE AREA**

In addition to the developed parcels, the qualifying factors for undeveloped land found in the Act were researched to determine eligibility for these properties. The first step towards establishing eligibility in an undeveloped portion of a municipality is to determine whether or not such undeveloped property is considered vacant. "Vacant land" is defined in the Act (also Sec. 11-74.4-2) as follows:

*...any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950-1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designed redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act. For the purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.*

Once undeveloped property is found to be "vacant," such vacant area may be found to be a blighted area based on certain factors. Researching various records using the Madison County Assessment and Tax Information System, it has been determined that there are 52 parcels of land in the Area found to be vacant. These are parcels of real property without industrial, commercial, or residential buildings. Since a portion of the Area was found to be vacant, the qualifying factors for vacant land found in the Act were researched to determine eligibility for these properties. The following is a review of qualifying factors in this portion of the Area.

▪ **Obsolete Platting**

Similar to some of the conditions noted in the lack of community planning section for the developed portion of the Area, the vacant portion exhibits conditions that are indicative of obsolete platting.

Examples of this factor would be parcels suffering from platting in shapes or sizes that would make them unlikely to be utilized properly due to their incompatibility with contemporary standards and requirements for development. Some specific issues noted as it relates to obsolete platting include:

- Ideally the property south of IL-162 and east of Formosa Road would be part of a planned commercial/industrial subdivision with proper stormwater management and infrastructure considerations in mind, as currently the property lacks detention/retention areas.
- Most of the lot sizes in Waterford Place Industrial Park are less than three acres in size, and, unless the development was approved as a planned unit development, existing code requires a minimum lot size of three acres for I-1 lots. If in fact these were not done as part of a PUD, these lots would be non-conforming. Additionally, based on the current design of the lots, it appears that each lot will have its own ingress/egress point. At minimum, there should be a limitation of one point of ingress/egress per lot. At best, the lots would have been designed so that shared points of ingress/egress, with proper access easements, would have aligned with the existing ingress/egress points across Formosa Road.

▪ **Deterioration of Structures or Site Improvements in Neighboring Areas**

Deterioration was evident during field investigations of the neighboring areas adjacent to the undeveloped properties in the proposed Area, as well as with some of the surface improvements serving these undeveloped properties. The deteriorated conditions noted in the developed properties affect the undeveloped portion of the Area as well, as many of the undeveloped parcels are adjacent to developed parcels exhibiting deterioration in some form.

▪ **Stagnant or Declining Property Values**

The stagnant or declining property values, as described in the developed portion prior, applies to both developed and undeveloped properties in the Redevelopment Project Area. As such, the undeveloped portion of the Area also qualifies for this factor.

In addition to the above qualifications for vacant property, the Act finds that the presence of certain "stand-alone" factors may cause the undeveloped portion of the Area to qualify under an additional set of eligibility criteria. One of these factors is the presence of unused mines, quarries, or strip mine ponds, as detailed below.

▪ **The Area Consists of One or More Unused Quarries, Mines, or Strip Mine Ponds**

The ISGS maintains records of active and abandoned coal mines in the state. Data from the ISGS was utilized in creating Exhibit C, which shows portions of the Area that are undermined. The Area is undermined primarily by a single mine of the Herrin seam, IGSG Index 644. The ISGS No. 644 mine was operated by three companies (Donk Brothers Coal & Coke Co., Troy Coal Co., Chicopee Coal Co. and Troy Domestic Mining Co.) from 1900-1953. This was mined in a room and pillar panel method, with a shaft opening.

The undermined area is shown in addition to the mine proximity zone, per the ISGS. The proximity zone includes the land over or adjacent to the mines that, on the basis of the mapped extent and general depth of the mine, could be affected by subsidence. Mine subsidence is the downward movement of rocks and soils triggered by a structural failure in an active or abandoned underground mine. Subsidence generally manifests in two forms, either pit or sag. Pit subsidence results in moderate depressions (six to eight feet) and range from 20 to 40 feet in diameter. Pit subsidence occurs when the roof of a mine collapses and the void reaches up through the bedrock to the surface, where a hole eventually forms. Sag subsidence forms a general depression over a large area, originating in places where mine pillars have failed (disintegrated, collapsed, or settled into the mine floor). Sag sites can be quite large, spanning areas of several hundred feet in diameter. Pit subsidence is generally found in shallow mines (less than 60 feet), whereas sag subsidence is found in deeper mines.

These conditions pose a potential barrier to future development, and mine subsidence could threaten any of the existing structural improvements over undermined areas. The Multi-Hazard Mitigation Plan

for Madison County identifies the City as being highly susceptible to subsidence, and details the potential damage to structures built over mined areas, as well as roadways, utility lines/pipes, railroads, and bridges. The Plan establishes that planned construction should be reviewed with mining maps to minimize potential subsidence-related structural damage.

#### **E. Summary of Factors**

It is found that the Area contains conditions that qualify it as a "blighted area." The developed portion of the Area contains an incidence of at least five qualifying factors:

- Deterioration
- Inadequate Utilities
- Deleterious Land Use or Layout
- Lack of Community Planning
- Stagnant or Declining Property Values

The undeveloped portion of the Area exhibits an incidence of three qualifying factors present to a qualifying extent:

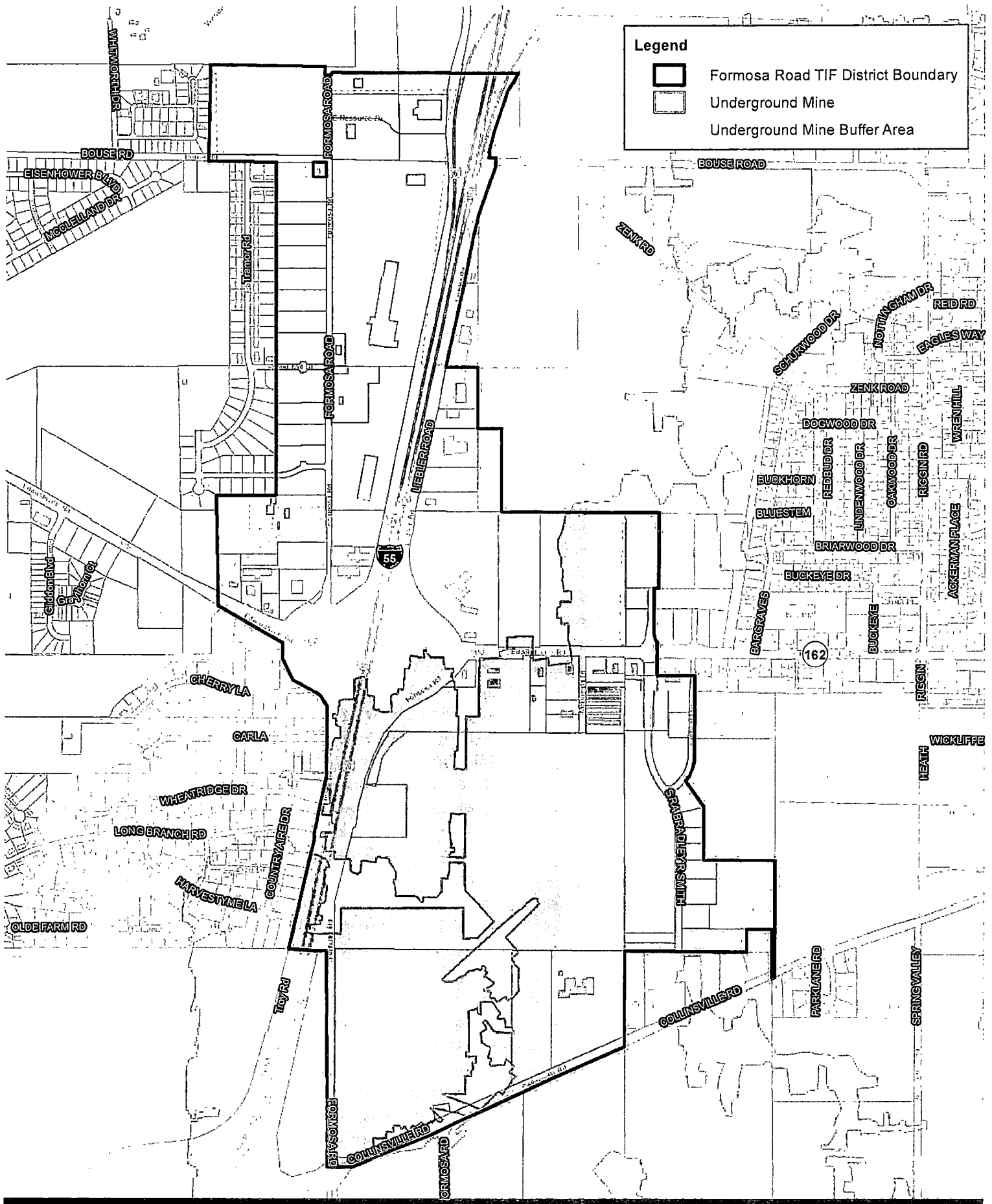
- Obsolete Platting
- Deterioration of Adjacent Parcels
- Stagnant or Declining Property Values

Additionally the Area contains an incidence of a "stand-alone" factor:




- The Area Consists of One or More Unused Quarries, Mines, or Strip Mine Ponds

#### **F. Conclusion**

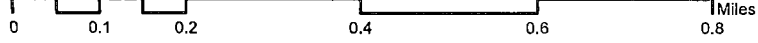
The eligibility finding for the Area is found to exceed the threshold required to be a considered "blighted area," as both the developed and undeveloped portions meet or exceed the minimum criteria outlined in the Act, and that these parcels will continue to exhibit conditions that will worsen without a program of intervention to induce private and public investment in the area. The conditions that exist are detrimental to the Area as a whole, to the long-term interests of the City, and to the other taxing districts. This tax increment program should serve to reduce or eliminate the factors which cause the Area to qualify under the TIF Act.



**Legend**

-  Formosa Road TIF District Boundary
-  Underground Mine
-  Underground Mine Buffer Area

**EXHIBIT C - UNDERMINED AREA**  
**FORMOSA ROAD TIF DISTRICT**  
 Troy, IL



### **SECTION III. FINDINGS OF NEED FOR TAX INCREMENT FINANCING**

The above study determined that the Area qualifies for tax increment financing as a "blighted area." In addition to this determination, the Act requires that additional criteria be met before adopting a Redevelopment Plan. These additional findings follow.

#### **A. The Redevelopment Area Exceeds the Statutory Minimum Size**

The Area proposed for tax increment financing encompasses 90 parcels of developed and undeveloped property, rights-of-way, and City property totaling approximately 643.2 acres. The City, therefore, meets this requirement, as the Area contains more than the required 1 ½-acre minimum as defined in the Act. The full description of the Area is written in Appendix A – Legal Description.

#### **B. The Redevelopment Project Area is Contiguous**

The Troy Formosa Road TIF Redevelopment Area is contiguous and contained within a single perimeter boundary. Therefore, the City meets this requirement. The Area as is fully described in the attached Legal Description – Appendix A.

#### **C. All Properties Included will Substantially Benefit**

The City believes that the implementation of tax increment financing will substantially benefit all properties included in the Redevelopment Project Area.

#### **D. The Area, on the Whole, is not Subject to Growth**

The Area has generated little growth in real property taxes, and there has been insignificant private investment in the Area, as a whole, to enhance the tax base of the City or of the other affected taxing districts as compared to the balance of the City. From 2017-2022 the Project Area had a lower annual average growth rate than the balance of the City every year. These parcels cannot reasonably be anticipated to develop on par with the balance of the City without the adoption of tax increment financing. Therefore, this requirement is met.

#### **E. The TIF Plan and Project Conform with the City's Comprehensive Plan**

The City has determined that this Redevelopment Plan is consistent with the goals and objectives of the City's comprehensive plan. All future development in the Redevelopment Project Area will conform to applicable codes and ordinances as may be in effect at that time.

#### **F. The Redevelopment Plan Meets the Statutory Timeframe**

The estimated date for the completion of the Redevelopment Plan and retirement of obligations issued to finance redevelopment project costs (including refunding bonds under Section 11-74.4-7 of the Act) may not be later than December 31 of the year in which the payment to the municipal treasurer, as provided in subsection (b) of Section 1174.4-8 of the Act, is to be made with respect to ad valorem taxes levied in the 23<sup>rd</sup> calendar year after the year in which the ordinance approving the Redevelopment Project Area is adopted. If available and deemed appropriate by the City, obligations incurred to finance improvements in the Area will be repaid by incremental revenues, which may be supplemented with funds from other sources such as local taxes, State or Federal loans or grants.

#### **G. The Area Would not be Developed But For Tax Increment Financing**

The City finds that the Area has not currently, nor would reasonably be, developed without the use of tax increment revenues. The City pledges that such incremental revenues will be obligated for the development and revitalization of the Redevelopment Area as provided in the Act. The positions of those expressed in the private sector indicate that the activities outlined for the Area cannot be expected to occur "but for" assistance from tax increment financing.

#### **H. The Assessment of Financial Impacts on Taxing Districts is Outlined**

The City of Troy will find that the financial impact or increased demand for facilities or services resulting from the implementation of the Redevelopment Project on local taxing districts is minimal. Potential negative impact upon local taxing districts due to the proposed area is expected to be minimal since this Plan does not include high-service uses, and due to the fact that the Area is not now creating significant

incremental revenue compared to the City. Although the projected impact is minimal, the negative effects upon said districts will also be minimized through the inclusion of projects that will benefit them. Utility, roadway, and access improvements will be beneficial to emergency service providers, as well as the general public in and around the Redevelopment Project Area. In addition, project funds may also be utilized to assist in other public infrastructure and capital projects of other units of local government as permitted by the Statute within or outside the Project Area.

The City intends to monitor development in the Project Area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development. The estimated nature of these increased demands for services on these taxing districts, and the activities to address increased demand, are described below.

#### Triad Community Unit #2

It is not anticipated that any development that is a result of the Redevelopment Plan will have a direct and substantial increase on the services of the school district. Should any costs for the school district arise that are directly attributable to the Redevelopment Project the use of financial assistance through the TIF District Program would be appropriate. The City will work closely with the school district to assess any impact of future developments, including any potential new residential development. In terms of assessed valuation, the Project Area's total EAV is approximately 3% of that of the school district, and the properties in the Area have had relatively stagnant growth. As such the financial impact on the school district is expected to be minimal.

#### Madison County

The nature of anticipated development and/or redevelopment within the Project Area is anticipated to have minimal to no impact on demand for County Services. Any increase in demand should not be so substantial as to warrant the hiring of additional staff or the need to increase services. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan. Regarding the impact on the County's tax base, the Project Area's total assessed value is 0.3% of the County as a whole, so any financial impact will be minimal.

#### Pin Oak/Jarvis Township, Road & Bridge

The development of the Project area is not anticipated to impact the road districts or townships, as there will be no direct increase in demand for any service from either. The total EAV of the proposed TIF District within Jarvis Township/Road & Bridge is approximately 4%, and the portion located in Pin Oak Township/Road & Bridge makes up just 0.7% of the total, so the financial impact associated with any potential incremental revenues would be minimal.

#### Southwestern Illinois College #522

Any increase in enrollment as a direct result of the redevelopment project is expected to be insignificant and should not have an effect on the community college district. Regarding the impact on the District's tax base, the Project Area's total assessed value is 0.2% of the District as a whole, so any financial impact will be minimal.

#### Troy Fire District

It is not anticipated that any service provided by the fire districts serving the Area will be impacted by the Redevelopment Project. However, should demand for staffing and equipment be needed to provide adequate protection for new development the City would provide assistance, as if there are costs directly attributable to the Redevelopment Project they are appropriate for funding through the TIF District Program. In terms of relative EAV, the Area is approximately 4% of the fire protection district's tax base, and thus any financial impact will be minimal.

#### Tri-Township Park District

It is not anticipated that any development that is a result of the Redevelopment Plan will increase any need for services from the park district. Also, the Project Area is approximately 4% of the library's total tax base, and considering the lack of EAV growth of the parcels in the Area relative to the City any projected impact is expected to be minimal.

Tri-Township Library District

It is not anticipated that any development that is a result of the Redevelopment Plan will have a significant impact on the services offered by the library district. Also, the Project Area is approximately 4% of the library's total tax base, and considering the relative lack of EAV growth of the parcels in the Area any projected impact is expected to be minimal.

Once this Plan and related projects have been implemented, and the anticipated development has occurred, the resulting EAV increases will generate a far higher level of property tax revenues to the local taxing districts than would otherwise have occurred. The City, to the extent that surplus revenues become available, will distribute such revenues on a pro-rata basis to local taxing bodies whenever possible.



## SECTION IV. REDEVELOPMENT PLAN

### A. Introduction

This section presents the Redevelopment Plan for the Troy Formosa Road TIF Redevelopment Project Area. Pursuant to the Tax Increment Allocation Redevelopment Act, when the finding is made that an Area qualifies as either a conservation area, a blighted area, a combination of both conservation and blighted areas, or an industrial park conservation area, a Redevelopment Plan must be prepared. A Redevelopment Plan is defined in the Act in the following manner:

*...the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a blighted area or conservation area or combination thereof or industrial park conservation area, and thereby to enhance the tax bases of the taxing districts which extend into the Redevelopment Project Area.*

### B. General Use Plan

The General Land Use Plan for the Redevelopment Project Area is shown in Exhibit D. All Redevelopment Projects shall be subject to the provisions of the City's ordinances and other applicable codes as may be in existence and may be amended from time to time.

### C. Objectives

The objectives of the Redevelopment Plan are to:

1. Reduce or eliminate those conditions that qualify the Redevelopment Area as eligible for tax increment financing.
2. Prevent the recurrence of those qualifying conditions which exist within the Area.
3. Enhance the real estate tax base for the City of Troy and all other taxing districts which extend into the Area.
4. Encourage and assist private development within the Redevelopment Project Area through the provision of financial assistance for new development as permitted by the Act.
5. Complete all public and private actions required in this Redevelopment Plan in an expeditious manner so as to maximize TIF opportunities.

### D. Policies

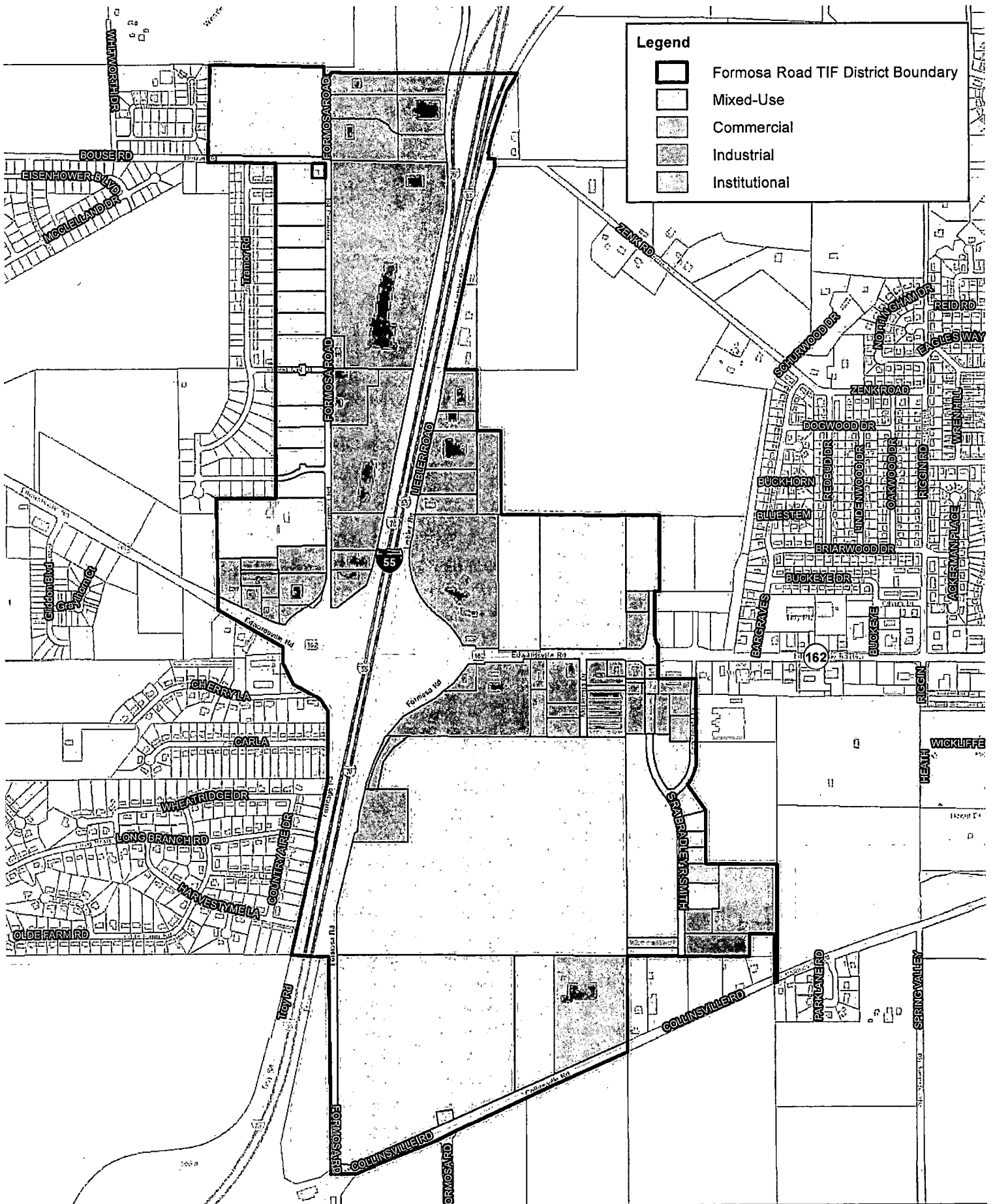
Appropriate policies have been, or will be, developed by the City of Troy regarding this Redevelopment Plan and Project. These policies include, but are not limited to, the following:

1. Use TIF-derived revenues to accomplish the specific public-side activities and actions outlined in the Implementation Strategy of the Plan.
2. Utilize City staff and consultants to undertake those actions necessary to accomplish the specific public-side activities as outlined in the Implementation Strategy of the Plan.
3. Actively market the Redevelopment Project Area to private-side developers.
4. Provide financial assistance, as permitted by the Act, to encourage private-side developers to complete those certain private actions and activities as outlined in this Plan.
5. Seek out additional sources of revenue to help "kick start" development and redevelopment activities in the Redevelopment Project Area.
6. Monitor the public and private actions and activities occurring within the Area.
7. Complete the specified actions and activities in an expeditious manner.

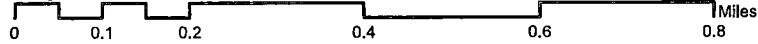
These policies may be additionally amended from time to time as determined by the City.

### E. Redevelopment Project

To achieve the objectives of the TIF redevelopment project, a number of activities will need to be undertaken. An essential element of the Redevelopment Plan is a combination of private developments in conjunction with public investments and infrastructure improvements. Improvements and activities necessary to implement the Redevelopment Plan may include, but are not limited to, the following:



**EXHIBIT D - GENERAL LAND USE PLAN**  
**FORMOSA ROAD TIF DISTRICT**  
 Troy, IL



## 1. Private Redevelopment Activities

The private activities proposed for the Troy Formosa Road TIF Redevelopment Project Area may include, but are not limited to:

- Infrastructure and utility improvements throughout the Area.
- Repairing and remodeling of existing structures throughout the Redevelopment Project Area.
- Site and surface improvements, including construction and resurfacing of roadways.
- Extension of infrastructure and utilities to areas currently underserved.
- Land assembly and site preparation.

## 2. Public Redevelopment Activities

Public improvements and support activities will be used to induce and complement private investment. These may include, but are not limited to:

- Facilitate new development through the extension of utilities and infrastructure to sites currently underserved.
- Repairing and remodeling existing structures throughout the Redevelopment Project Area.
- Infrastructure and utility improvements throughout the Area, including upgrading the existing water and sanitary sewer systems.
- General street and right-of-way improvements, including maintenance and surface improvements.
- Marketing of properties within the Area for new development.
- Extension of the existing street network to provide access to right-of-way to facilitate the development of property within the Area.
- Financing costs, including those related to the issuance of obligations.
- Interest cost incurred by a redeveloper related to the construction, renovation, or rehabilitation of a redevelopment project.
- 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.

## **SECTION V. IMPLEMENTATION STRATEGY**

### **A. Introduction**

The development and follow-through of a well-devised implementation strategy is an essential element in the success of any Redevelopment Plan. In order to maximize program efficiency, take advantage of both current and future interest in the Area, and with full consideration of available funds, a phased implementation strategy will be employed. This will allow the City to better manage public expenditures used to spur development within the Area by addressing public concerns.

In order to maintain an appropriate balance between private investment and public improvements, the City will work to adopt the Redevelopment Plan. Once the Plan is adopted, the City will negotiate redevelopment agreements with private developers who will propose the use of tax increment funds to facilitate a Redevelopment Project.

### **B. Estimated Redevelopment Project Costs**

Costs that may be incurred by the City as a result of implementing a Redevelopment Plan may include, without limitation, project costs and expenses and any other costs that are eligible under the Act. Such itemized costs include the following:

1. The costs of studies, surveys, development of plans, and specifications, implementation and administration of the Redevelopment Plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services.
2. The cost of marketing sites within the Redevelopment Project Area to prospective businesses, developers, and investors.
3. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site preparations, 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.
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.
5. Cost of construction of public works or improvements, not to include the cost of constructing a new municipal building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building unless the municipality makes a reasonable determination in the Redevelopment Plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the Redevelopment Plan.
6. Cost of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the Redevelopment Project Area.
7. Financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued there under accruing during the estimated period of construction of any Redevelopment Project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter, and including reasonable reserves related thereto.

8. To the extent the municipality by written agreement 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. These costs include fire protection district, school district, and library district capital costs.
9. An elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the Area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing.
10. 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.
11. Payments in lieu of taxes.
12. 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.
13. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a Redevelopment Project provided that:
  - i. Such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
  - ii. Such payments in any one-year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the Redevelopment Project during that year;
  - iii. If there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
  - iv. The total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the Redevelopment Project plus (ii) Redevelopment Project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act;
14. Unless explicitly stated within the Act, the cost of construction of new privately-owned buildings shall not be an eligible Redevelopment Project cost.
15. None of the Redevelopment Project costs enumerated above shall be eligible redevelopment costs if those costs would provide direct financial support to a retail entity initiating operations in the Redevelopment Project Area while terminating operations at another Illinois location within 10 miles

of the Redevelopment Project Area but outside the boundaries of the Redevelopment Project Area municipality.

**C. Estimated Budget for Redevelopment Project Costs**

The estimated costs associated with the eligible public redevelopment activities are presented in Table B. This estimate includes reasonable and necessary costs incurred or estimated to be incurred during the implementation of the Plan. The estimated costs are subject to change as specific plans and designs are themselves subject to change.

TABLE B - ESTIMATED BUDGET FOR REDEVELOPMENT PROJECT COSTS

DESCRIPTION	ESTIMATED COST
Costs of studies, surveys, development of plans and specifications, including staff and professional service costs for architectural, engineering, legal, environmental, marketing, or other services.	\$5,250,000
Property assembly costs, including acquisition of land and other property, real or personal. Demolition of structures, site preparation, and the clearing and grading of land.	\$5,840,000
Costs of rehabilitation, reconstruction, repair, or remodeling of existing public or private buildings, fixtures, or leasehold improvements.	\$6,325,000
Costs of the construction of public works or improvements (construction or reconstruction of rights of way, streets, roadways, curbs and gutters, street lighting, sidewalks, and public utilities, including water and sewer system improvements).	\$13,650,000
Financing costs, including those related to the issuance of obligations. Interest cost incurred by a redeveloper related to the construction, renovation, or rehabilitation of a redevelopment project. Taxing district capital costs incurred as a result of the implementation of the Redevelopment Plan.	\$5,560,000
Relocation costs to the extent that the municipality determines that these costs shall be paid or is required to make payment of relocation costs by federal or state law.	\$875,000
<b>TOTAL ESTIMATED BUDGET</b>	<b>\$37,500,000</b>

Expenditures in individual categories may differ from those shown above; however, the total amount of the Estimated Redevelopment Project Costs will not exceed \$37,500,000 plus any additional interest and financing costs as may be required.

**D. Most Recent Equalized Assessed Valuation**

The most recent total equalized assessed valuation for the Redevelopment Project Area is approximately \$20,259,070. The County Clerk of Madison County will verify the Base EAV amount upon the adoption of the City ordinances approving tax increment financing, creating the Redevelopment Project Area, and approving the Troy Formosa Road TIF Redevelopment Plan and Project. A list of all parcels within the Area is attached as Appendix B – Parcel ID Numbers.

**E. Redevelopment Valuation**

Contingent on the adoption of the Troy Formosa Road TIF Redevelopment Plan and Project, and commitment by the City to the Redevelopment Program, it is anticipated that private developments and/or improvements will occur within the Redevelopment Project Area. Based on the proposed projects and nature of the redevelopment planned for the Area, it has been estimated that private investment will increase the EAV by approximately \$35,000,000. This figure is in present day dollars and takes into account only the investment driven valuation increase. Therefore, after redevelopment, the total estimated EAV, in present day dollars, will be approximately \$55,000,000.

**F. Source of Funds**

The primary source of funds to pay for Redevelopment Project costs associated with implementing the Redevelopment Plan shall be funds collected pursuant to tax increment allocation financing to be adopted by the City. Under such financing, tax increment revenue, in the form of increases in the equalized assessed value EAV of property in the Redevelopment Project Area, shall be allocated to a special fund each year (the "Special Tax Allocation Fund"). The assets of the Special Tax Allocation Fund shall be used to pay Redevelopment Project Costs within the entire Area, and retire any obligations incurred to finance Redevelopment Project Costs.

In order to expedite the implementation of the Redevelopment Plan and construction of the public improvements, the City of Troy, pursuant to the authority granted to it under the Act, may issue bonds or

other obligations to pay for eligible Redevelopment Project Costs. These obligations may be secured by future revenues to be collected and allocated to the Special Tax Allocation Fund.

If available, revenues from other public and private economic development funding sources will be utilized. These may include state and federal programs, local retail sales tax, land disposition proceeds from the sale of land in the Area, and applicable revenues from any abutting tax increment financing areas in the City. In turn, this tax increment financing Area may also provide monies to abutting tax increment financing areas in the City.

#### **G. Nature and Term of Obligation**

The principal source of funding for the Redevelopment Project will be the deposits into the Special Tax Allocation Fund of monies received from taxes on the increased value of real property in the Area. If any obligations secured by future amounts to be collected and allocated to the Special Allocation Fund are issued pursuant to this Redevelopment Plan, they are to be issued for a term not to exceed 20 years, bearing an annual interest rate as permitted by law.

Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the obligations, and not earmarked for other Redevelopment Project Costs or early retirement of such obligations, may be declared as surplus and become available for pro rata distribution annually to the taxing bodies to the extent that this distribution of surplus does not impair the financial viability of the Redevelopment Project.

#### **H. Fair Employment Practices and Affirmative Action**

The City of Troy will ensure that all public and private redevelopment activities are constructed in accordance with fair employment practices and affirmative action. The City will additionally ensure that all recipients of tax increment financing assistance adhere to these policies.

#### **I. Certifications**

The Illinois TIF statute declares that if a redevelopment project area contains 75 or more inhabited residential units then a municipality shall prepare a separate housing impact study. The City of Troy hereby certifies that the Troy Formosa Road TIF Redevelopment Plan and Project will not result in the displacement of residents from 10 or more inhabited residential units. The City hereby certifies that this Plan will not result in the removal of inhabited housing units which contain households of low-income or very low-income persons as these terms are defined in the Illinois Affordable Housing Act. If the removal of inhabited housing units which contain households of low-income or very low-income persons were to occur, the City would first be required to prepare a separate housing impact study and provide affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Act of 1970 and the regulations under the Act, including the eligibility criteria, as required by 65 ILCS 11-74.4-3(n)(7).

**SECTION VI. AMENDING THE TIF PLAN**

The Troy Formosa Road TIF Redevelopment Plan and Project may be amended in accordance with the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et. seq



**SECTION VII. REPORTING AND MEETING**

The City shall adhere to all reporting and meeting requirements as provided for in the Act.

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# APPENDIX A

# LEGAL DESCRIPTION

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APPENDIX A – LEGAL DESCRIPTION

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# APPENDIX B

## PARCEL ID LIST

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APPENDIX B - PARCEL ID LIST

09-1-22-05-00-000-001	09-1-22-08-00-000-009.008	09-2-22-06-04-401-010
09-1-22-05-00-000-001.001	09-1-22-08-00-000-009.009	09-2-22-06-04-401-011
09-1-22-05-00-000-007.001	09-1-22-08-00-000-009.010	09-2-22-06-04-401-012
09-1-22-05-00-000-007.003	09-1-22-08-00-000-009.011	09-2-22-06-04-401-013
09-1-22-05-00-000-008	09-1-22-08-00-000-009.012	09-2-22-08-00-000-003
09-1-22-05-00-000-008.001	09-1-22-08-00-000-015	09-2-22-08-00-000-004
09-1-22-05-00-000-008.002	09-1-22-08-00-000-015.001	09-2-22-08-00-000-005
09-1-22-05-00-000-009	09-1-22-08-00-000-015.002	09-2-22-08-00-000-006
09-1-22-05-00-000-010	09-1-22-08-00-000-015.003	09-2-22-08-00-000-007
09-1-22-05-00-000-010.001	09-1-22-08-02-201-021	09-2-22-08-00-000-008
09-1-22-05-00-000-010.002	09-2-22-05-00-000-015	09-2-22-08-00-000-023
09-1-22-05-00-000-011.006	09-2-22-05-00-000-016	09-2-22-08-00-000-024
09-1-22-05-00-000-011.009	09-2-22-05-00-000-021	09-2-22-08-00-000-025
09-1-22-05-00-000-012	09-2-22-05-00-000-022	09-2-22-08-00-000-026
09-1-22-05-00-000-012.001	09-2-22-06-02-203-004	09-2-22-08-00-000-027
09-1-22-06-00-000-002	09-2-22-06-02-203-005	09-2-22-08-00-000-028
09-1-22-06-04-401-002	09-2-22-06-02-203-006	09-2-22-08-00-000-029
09-1-22-06-04-401-003	09-2-22-06-02-203-007	09-2-22-08-00-000-030
09-1-22-06-04-401-003.001	09-2-22-06-02-203-008	09-2-22-08-00-000-031
09-1-22-08-00-000-001	09-2-22-06-02-203-009	09-2-22-08-00-000-032
09-1-22-08-00-000-001.001	09-2-22-06-02-203-010	09-2-22-08-00-000-033
09-1-22-08-00-000-001.002	09-2-22-06-02-203-011	09-2-22-08-02-201-001
09-1-22-08-00-000-001.003	09-2-22-06-02-203-012	09-2-22-08-02-201-003
09-1-22-08-00-000-002	09-2-22-06-02-203-013	10-1-16-31-00-000-013
09-1-22-08-00-000-002.001	09-2-22-06-02-203-014	10-1-16-31-00-000-013.003
09-1-22-08-00-000-002.002	09-2-22-06-02-203-015	10-1-16-31-00-000-013.004
09-1-22-08-00-000-002.004	09-2-22-06-02-203-016	10-1-16-31-00-000-013.007
09-1-22-08-00-000-003.001	09-2-22-06-04-401-004	10-1-16-32-00-000-009.001
09-1-22-08-00-000-009	09-2-22-06-04-401-004.003	10-1-16-32-00-000-009.002
09-1-22-08-00-000-009.003	09-2-22-06-04-401-009	10-1-16-32-00-000-009.003