

SOUTH WESTMONT BUSINESS DISTRICT TAX INCREMENT FINANCING DISTRICT ELIGIBILITY FINDINGS

Village of Westmont, Illinois



FINAL DRAFT

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INTRODUCTION

Village efforts to address the revitalization of the South Westmont Business District began in 2004 with the adoption of an ordinance creating the South Westmont Business District and adopting a development plan pursuant to the Business Development and Redevelopment Act, 65 ILCS 5/11-74.3-1 which provides the Village with additional taxing authority and the ability to pursue redevelopment. However, as noted in the South Westmont Market Study in 2004, the South Westmont Business District lacks the kind of investment that experienced along Ogden Avenue; with several large parcels either undeveloped or experiencing high vacancies. Specifically, the market study notes, "... the performance of the corridor located along Ogden Avenue suggests the present uses of the site (*South Westmont Business District*) are underperforming and that a potential exists within the area to generate greater revenues." The proposed TIF District serves to enhance the developmental potential of the South Westmont Business District, and as a result further attracting office and business interests to the area. New development as a result of TIF assistance creates synergies that further encourage people to visit Westmont for other commercial purposes, and which leads to a stronger and more diversified economic base.

The South Westmont Business District Plan recommended numerous public and private development activities to arrest and reverse trends that have resulted in disinvestment. Acknowledging the deteriorated condition of the District, and to encourage revitalization and development of a second strong commercial corridor to diversify the Village's tax base, Village officials determined that, without direct municipal involvement and financial assistance, planning objectives for this area could not be met. To encourage new investment in the South Westmont Business District, the Business District plan and market study recommended the use of additional financial tools, such as Tax Increment Financing (TIF) as a method to facilitate redevelopment.

Tax Increment Financing can be used to make the South Westmont Business District area attractive for redevelopment by eliminating the conditions which inhibit private investment, weaken the Village's tax base, affect the safety of community residents, and hinder the Village's ability to promote a cohesive development of compatible land uses. In accordance with the TIF Act public improvements may be constructed and incentives provided to encourage the type of private investment that will allow the Village to achieve its goals for this area. These goals include:

- Promote the development of large format commercial projects to provide a strong anchor to this District, generate substantial sales tax revenues, and spur additional growth and redevelopment.
- Pursue the acquisition of properties within the District, if needed, for redevelopment.
- Encourage private purchase of properties within the District for redevelopment.
- Promote and encourage retail development and redevelopment in District.
- Amend the Village's Comprehensive Plan to reference this District and to promote its redevelopment with primarily retail use.
- Establish guidelines for a cohesive and comprehensive streetscape within the District, including but not limited to, sidewalks, street lights, common signage requirements, public and private landscape improvements and landscape design criteria.
- Assist and encourage private developer improvement of roadways, including requests for left

turn lanes, traffic lights and stop signs, where necessary to promote the public health, safety and welfare.

- Study the need and feasibility of pedestrian access to the District from adjacent residential areas primarily to the north, south and east, by way of sidewalks and/or special pedestrian walkways and paths.
- Consider appropriate economic incentives to spur private redevelopment within the District on a case by case basis, subject to the restrictions of State Statute.

Establishing the South Westmont TIF District can help the Village meet these goals by facilitating physical improvements, removing blighted conditions, and providing funding sources for improvement projects. These improvements will not only help improve the physical conditions and economic development of the South Westmont Business District, but also enhance the quality-of-life of adjacent neighborhoods and for all Westmont residents.

TAX INCREMENT FINANCING

The Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11 - 74.4 - 1, et seq., as amended (the "Act"), stipulates specific procedures which must be adhered to in determining the eligibility of a Project Area. A Redevelopment Project Area is defined as:

"...an area designated by the municipality, which is not less in the aggregate than 1 ½ 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, or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas" (65 ILCS 5/11-74.4-3(p)). (emphasis added)

Section 5/11-74.4-3(a) defines a "blighted area" as:

"...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:" 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 and overcrowding of structures and community facilities; deleterious land use or layout; lack of community planning; need for environmental remediation; or declining total equalized assessed value."

Section 5/11-74.4-3(a) defines a "conservation area" as:

"...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 three 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 and overcrowding of structures and community facilities; deleterious land use or layout; lack of community planning; need for environmental remediation; or declining total equalized assessed value.

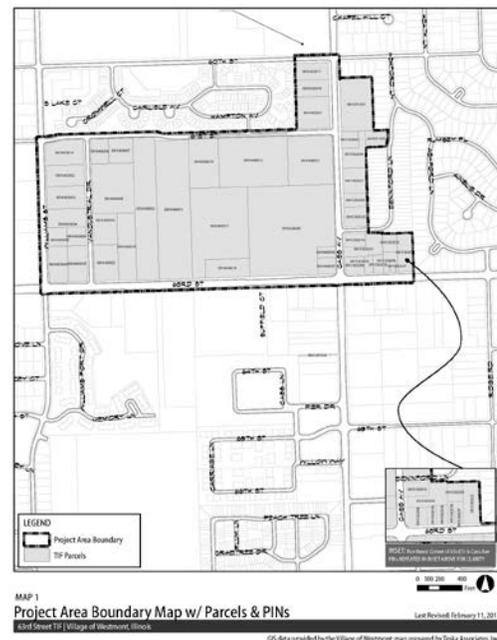
Determination of eligibility of the South Westmont TIF Redevelopment Project Area for tax increment financing is based on a comparison of data gathered through field observations by Teska Associates, Inc. (Teska), document and archival research, and information provided by the Village of Westmont against the eligibility criteria set forth in the Act.

This report summarizes the analyses and findings of the consultant's work, which is the responsibility of Teska. Teska has prepared this report with the understanding that the Village would rely on: (1) the findings and conclusions of this report in proceeding with the designation of the Study Area as a Redevelopment Project Area under the Act; and (2) the fact that Teska has obtained the necessary information to conclude that the Study Area can be designated as a Redevelopment Project Area in compliance with the Act.

The South Westmont TIF Redevelopment Project Area (the Project Area) is eligible for designation as a blighted area based on the predominance and extent of parcels exhibiting the following characteristics:

1. **Age of Buildings**
2. **Structures below minimum code standards**
3. **Obsolescence**
4. **Deterioration**
5. **Excessive vacancies**
6. **Inadequate utilities**
7. **Lack of community planning**
8. **Decline in equalized assessed value (EAV)**

Each of these factors contributes significantly towards the eligibility of the Project Area as a whole.



DESCRIPTION OF THE PROJECT AREA

The Project Area is located north of the 63rd Street corridor, extending north along Cass Avenue, generally between 61st Street on the north, Williams Street on the west, 63rd Street on approximately 600 feet of Case Avenue. The Project Area includes primarily commercial and industrial uses. Covering approximately 90 acres, the Project Area contains 52 structures on 43 parcels, and covers 5 blocks or parts thereof. Map 1 illustrates the boundaries of the Project Area.

EXISTING CONDITIONS

Overall, the present condition and mix of land uses, and configuration of parcels within the Project Area contributes to the decline of the Village's tax base, inhibits redevelopment potential, and negatively impacts on properties within and near the Project Area. Lack of adequate maintenance of properties and excessive vacancies have a blighting influence on properties within the Project Area, resulting in limited investment, and large commercial parcels that remain either under-utilized or vacant. Due to their age many deteriorated buildings fall below modern building code standards and require costly rehabilitation. As such, many buildings have outlived their useful life and are obsolete for modern uses. Further, the presence of vacant lots, some on large sites and in visible locations, contribute to an overall poor image and have a negative impact on nearby properties. These conditions if not corrected will contribute to the continued decline of the Project Area, which further inhibits investment, resulting in future decline. The next section elaborates further on the nature and extent of the specific conditions which contribute to the decline of the area.



ELIGIBILITY FINDINGS

Teska conducted a field survey of every property in the Project Area. Based on an inspection of the exteriors of structures and grounds, field notes and photographic Images were taken to record the condition for each parcel. This survey occurred on June 3, 2011 and November 8, 2012 and the findings cited in this report reflect the existing conditions on these dates. Field observations were supplemented with information provided by Village officials on building code violations, age, utilities, and property assessed value. The following is a summary of the findings for each of the factors established by the TIF Act as qualifying the study area as a Redevelopment Project Area in accordance with the definition for a 'blighted area.'

Age of Structures

The characteristic of age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures and exposure to the elements over a period of many years. As a rule, older structures typically exhibit more problems than structures constructed in later years because of longer periods of active usage (wear and tear) and the impact of time, temperature and moisture. Additionally, older structures tend not to be well suited for modern-day uses because of contemporary space and development standards.

Based on historical and property records provided by the Village of Westmont and Downers Grove North Township, 30 out of 52 (58%) of the structures in the Project Area are more than 35 years old. Map 2 illustrates the distribution of structures that are more than 35 years old. **Therefore, the Project Area meets the age factor as more that 50% of the structures are 35 years old or older.**

Dilapidation

Section 5/11-74.4-3(a) of the Act defines "dilapidation" as:

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

Dilapidation refers to an advanced state of disrepair of structures or improvements or the neglect of necessary repairs, causing the building or improvement to fall into a state of decay. At a minimum, dilapidated structures should be those with critical defects in primary structural components (roof, bearing walls, floor structure, and foundation), building systems (heating, ventilation, lighting, and plumbing), and secondary structural components in such combination and extent that major repair is required or, the defects are so serious and so extensive that the structures must be removed.



Currently, 5 structures (12%) in the Project Area display this extreme physical state. As illustrated in Map 3, these structures are characterized by severe deficiencies in structural systems, such that re-use is likely possible only by extensive renovation. Therefore, additional building analysis will be needed to determine if dilapidation contributes to the designation of the Project Area.

Obsolescence

Section 5/11-74.4-3(a) of the Act defines "obsolescence" as:

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



Structures are typically built for certain uses or purposes with design, location, height and space arrangement each intended for a specific occupancy at a given time. Structures are obsolete when they are designed for uses no longer desirable or consistent with current development trends; contain characteristics or deficiencies that limit the re-use and marketability of such structures for their original intended or contemporary purposes. These characteristics may include an inherent deficiency existing from poor or out-dated design or layout, improper orientation of building on site, inability to accommodate contemporary amenities or facilities, etc., which detract from the overall usefulness or desirability of a property. Obsolescence in such structures is typically not easily corrected or economically feasible.

Within the Project Area, 20 buildings (47%) are functionally obsolete, involving 8 blocks (80%). These structures were generally found to no longer have the capacity to function effectively for their original intended use, are not consistent with current development trends or zoning, nor do they conform to current business requirements. **The number of blocks and parcels exhibiting this condition establishes obsolescence as a contributing factor towards designation of the Project Area as a blighted area.** Map 4 illustrates the presence and distribution of the obsolescence eligibility factor.

Deterioration

Section 5/11-74.4-3(a) of the Act defines "deterioration" as:

"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."

Deterioration refers to physical deficiencies or disrepair in structures or site improvements requiring treatment or repair.

Deterioration of Structures

Structures in a state of deterioration exhibit defects which are not easily correctable in the course of normal maintenance. Such structures may be classified as deteriorating or in an advanced stage of deterioration, depending upon the degree or extent of defects. This would include structures with major defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and major defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.



Deterioration of structures occurs on 21 of 43 parcels (49%), and is found throughout the Project Area, including all blocks (100%). Often the age of the structure is a primary factor in the deterioration of many structures, as the effects of time have not been arrested by private investment in maintenance. While the lack of property maintenance has contributed to deterioration of certain structures, vacancies in some structures also contribute to the deteriorated state, as tenants are not available to effect improvements.

Deterioration of Surface Improvements

The conditions of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas may also evidence deterioration through surface cracking, crumbling, potholes, depressions, flooding, loose paving materials, and weeds protruding through the surface. Deteriorated surface improvements are apparent on 35 of 43 parcels (81%) and all blocks (100%). Broken and cracked sidewalks and deterioration of surface improvements occurs on individual properties, particularly in parking lots with degraded pavement and drainage systems.



As illustrated on Map 6, the widespread extent and distribution of deterioration of both structures and surface improvements creates a significant blighting effect upon the entire Project Area.

Deterioration is a contributing factor towards designation of the Project Area as a blighted area.

Presence of Structures Below Minimum Code Standards

Section 5/11-74.4-3(a) of the Act defines “presence of structures below minimum code standards” as:

“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.”

The principal purposes of such codes are to require structures to be constructed in such a way as to sustain safety of loads expected from this type of occupancy, to be safe for occupancy against fire and similar hazards, and/or establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies which presume to threaten health and safety.

According to information provided by the Village of Westmont, 35 of 43 parcels (81%), and all blocks (100%) in the Project Area are not in compliance with Village or other government codes. Map 6 illustrates the location and distribution of this factor. Most non-compliant structures contain significant structural and site deficiencies. **The extent and distribution of structures below minimum code standards make a significant contribution to the designation of the Project Area as a blighted area.**

Illegal Use of Individual Structures

Section 5/11-74.4-3(a) of the Act defines “illegal use of individual structures” as:

“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.”

This factor applies to the use of structures in violation of applicable national, state, or local laws, exclusive of those applicable to the presence of structures below minimum code standards. Examples of illegal uses may include, but not be limited to the following:

- Illegal home occupations;
- Conduct of any illegal vice activities such as gambling, drug manufacture or dealing, prostitution, sale and/or consumption of alcohol by minors;
- Uses not in conformance with local zoning codes and not previously grandfathered in as legal nonconforming uses;
- Uses in violation of national, state or local environmental and occupational safety and health regulations;
- Uses involving manufacture, sale, storage or use of dangerous explosives and firearms.

According to information provided by the Village of Westmont, 2 of 43 parcels (5%), and 1 of blocks (20%) in the Project Area are not in compliance with Village or other government regulations. Map 7 illustrates the location and distribution of this factor. The extent and distribution of structures exhibiting illegal use within buildings does make a significant contribution to the designation of the Project Area as a blighted area.

Excessive Vacancies

Section 5/11-74.4-3(a) of the Act defines “excessive vacancies” as:

“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.”

Establishing the presence of this factor requires the identification, documentation, and mapping of the presence of vacant structures and vacant portions of structures. Excessive vacancy refers to the presence of structures which are unoccupied or underutilized and which represent an adverse influence on the area because of the frequency, extent, or duration of such vacancies. It includes properties which evidence no apparent effort directed toward their occupancy or utilization and vacancies within structures.



Within the Project Area 12 of 43 parcels (28%) and 4 of 5 blocks (80%) include structures that are presently vacant or partially vacant. Furthermore, vacancies occur within several large developments within the Project Area. Deterioration, code violations, and the age of structures are often associated with vacant structures. Continued vacancies are often related to the expense and difficulty of renovations that would be required in order to occupy these structures again.

The extensive presence of vacant buildings and portions thereof, and the amount land involved establish that vacancies are a significant contributor to the eligibility of the Project Area being designated as a blighted area. Although the presence and distribution of vacant lots do not contribute to TIF eligibility, the conditions of many of the vacant lots help qualify the Project Area as a blighted area by way of site deterioration, as noted above. If left untended, other vacant lots could also deteriorate. Map 8 illustrates the presence and distribution of the vacancy eligibility factor.

Lack of Ventilation, Light, or Sanitary Facilities

Section 5/11-74.4-3(a) of the Act defines “lack of ventilation, light, or sanitary facilities” as:

“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 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."

Many older structures fail to provide adequate ventilation, light or sanitary facilities as required by local building or housing codes. This is also a characteristic often found in illegal or improper building conversions. The criterion used for determining the presence of this factor can be found in local codes and ordinances, or in locally adopted national codes such as the Uniform Building Code, International Code Council, and the Model Housing Code of the American Public Health Association (APHA). Lack of ventilation, light, or sanitary facilities is presumed to adversely affect the health of building occupants, e.g., residents, employees, or visitors.

Typical requirements for ventilation, light, and sanitary facilities include:

- Adequate mechanical ventilation for air circulation in spaces/rooms without windows, i.e., bathrooms, and dust, odor or smoke-producing activity areas;
- Adequate natural light and ventilation by means of skylights or windows for interior rooms/spaces, and proper window sizes and amounts by room area to window area ratios;
- Adequate sanitary facilities, i.e., garbage storage/enclosure, bathroom facilities, hot water, and kitchens; and
- Adequate ingress and egress to and from all rooms and units.

Only four structures display this characteristic, therefore this factor does not significantly contribute to blighting conditions within the Project Area.

Inadequate Utilities

Section 5/11-74.4-3(a) of the Act defines "inadequate utilities" as:

"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."

This factor relates to all underground and overhead utilities, including, but not limited to, storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electric service which may be shown to be



inadequate. Inadequate utilities would include those which are: (1) of insufficient capacity to serve the uses in the redevelopment project and surrounding areas, (2) deteriorated, antiquated, obsolete, or are in disrepair or are lacking.

According to information provided by the Village of Westmont, most of the Project Area lacks adequate stormsewer and stormwater detention facilities, thereby contributing to flooding in area. Specifically, most of 63rd Street remains in rural cross section, lacking required curb and gutter and stormsewer to reduce flooding in the area. Existing detention facilities tributary to St. Joseph creek are insufficient and must be expanded/improved to reduce flooding. Several parcels along Vandustrial Drive lack adequate stormwater detention, including several large vacant parcels the Village is currently marketing for redevelopment. Inadequate stormwater facilities also occur on the Anchor Rock industrial park site on 65th Street causing flooding on streets. Therefore, much of the Project Area lacks adequate stormsewers and stormwater management facilities due to age of the area. New water service improvements are required along 63rd Street to improve services to businesses and other uses south of 63rd Street. The Village plans to provide a parallel water main on the south side of 63rd Street to improve and upgrade services for properties south of 63rd Street. **The lack of adequate stormwater and water main services impacts the entire Project Area, and therefore the lack of adequate utilities is a significant factor in the designation of the Project Area as a blighted area.**

Excessive Land Coverage and Overcrowding of Structures and Community Facilities

Section 5/11-74.4-3(a) of the Act defines "excessive land coverage and overcrowding of structures and community facilities" as:

"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."

This factor may be documented by showing all instances where building coverage is excessive. Zoning ordinances commonly contain standards for residential, commercial, and industrial properties which relate floor area to lot area. In residential districts a lower ratio is usually required. Excessive land coverage and overcrowding refers to the over-intensive use of property and the crowding of structures and accessory facilities onto a site. Problem conditions include structures either improperly situated on the parcel or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and multiple structures on a single parcel.

The resulting inadequate conditions include such factors as insufficient provision for light and air, increased threat of spread of fires due to close proximity to nearby structures, lack of adequate or proper access to a public right-of-way, lack of required off-street parking, and inadequate provision for loading and service. Excessive land coverage and overcrowding conditions are presumed to have an adverse or blighting effect on nearby development. This characteristic is viewed relative to its urban context, common practice, and contemporary development standards.

Excessive land coverage and overcrowding is not present and therefore does not contribute to the eligibility of the Project Area as a blighted area.

Deleterious Land Use or Layout

Section 5/11-74.4-3(a) of the Act defines "deleterious land use or layout" as:

"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."

Deleterious land uses include all instances of incompatible land-use relationships, structures occupied by inappropriate mixed-uses, or uses which may be considered noxious, offensive or environmentally unsuitable.

No parcels within the Project Area exhibit this condition, therefore deleterious land use or layout does not make a significant contribution to the classification of the entire Project Area as a blighted area.

Lack of Community Planning

Section 5/11-74.4-3(a) of the Act defines "deleterious land use or layout" as:

"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."

Lack of community planning may be a significant factor if the proposed Project Area developed prior to or without the benefit or guidance of a community plan. This means that no community plan existed or it was considered inadequate, and/or was virtually ignored during the time of the area's development. This, of course, may be documented by establishing the date of adoption of the Village's master plan (or other plans which may be relevant) and determining whether the area developed before or after that date. This finding may be amplified by other evidence which shows the deleterious results of the lack of community planning, including cross-referencing other factors cited in the blight finding. This may include, but is not limited to, adverse or incompatible land-use

relationships, inadequate street layout, improper subdivision, and parcels of inadequate size or shape to meet contemporary development standards.



The Comprehensive Plan for the Village of Westmont was not adopted until 1982. As previously discussed, many properties developed prior to the adopted plan.

As shown in the Existing Land Use Map 10, the Project Area is characterized by a prominent mix of uses, including some that are incompatible with adjacent uses. For example, large format industrial sites were developed adjacent to residential neighborhoods. Currently, industrial uses do not conform to Village plans and commercial zoning for the Project Area that promotes expanding retail uses. Furthermore, many parcels are of irregular size and shape and are inadequate to meet needs of current businesses, providing further evidence of the lack of logical planning. Within the Project Area 30 of 43 parcels (70%) and 4 of 5 blocks (80%) contain parcels that exhibit lack of planning.

Given the presence of these factors, lack of community planning is a contributing factor to the blighted area designation of the Project Area. Map 9 illustrates the presence and distribution of lack of planning.

Environmental Clean-up

Section 5/11-74.4-3(a) of the Act defines “environmental clean-up” as:

“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.”

This factor may be documented by determining if any requirements by the Illinois Environmental Protection Agency (IEPA), the United States Environmental Protection Agency (EPA), or any study conducted by a recognized independent expert consultant has resulted in the need to incur remediation costs for a site that have resulted in impeding further site redevelopment. Such remediation costs may be related to the need for the clean-up of hazardous waste, hazardous substances, or underground storage tanks as required by State or Federal law.

Based on available data, there does not appear to be any confirmed environmental remediation projects required within the Project Area. Furthermore, Village records are not sufficient to determine if environmental remediation is required, or if costs associated with a remediation project would impede the redevelopment of a site. Environmental remediation is not considered to be a significant contributing factor to the status of the Project Area as a blighted area.

Decline or Minimal Marginal Increase in the Equalized Assessed Value

Section 5/11-74.4-3(a) of the Act defines “environmental clean-up” as:

“The total equalized assessed value of the proposed redevelopment project area has declined 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 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 for which information is available.”

The EAV of the Project Area has declined in two of the past five years, and the annual rate of change in EAV of the Project Area was less than the Village for one of the past five years. For three of the past five years the growth of the Project Area has been less than the CPI. **Thus, decline and limited growth in equalized assessed value compared to the CPI is a contributing factor towards designation as a blighted area.**

Year	2006	2007	2008	2009	2010	2011
Total EAV of the Project Area	\$16,867,200	\$19,454,510	\$18,493,300	\$21,233,680	\$20,383,090	\$20,378,940
% Change in Project Area EAV from Prior Year	NA	15.3%	-4.9%	14.8%	-4.0%	-0.02%
Decrease in Project Area EAV	NA	No	Yes	No	Yes	Yes
EAV of the Village of Westmont (excluding the Project Area)	\$819,614,614	\$886,376,470	\$951,088,411	\$942,799,150	\$881,941,859	\$855,439,627
% Change in City EAV from Prior Year	NA	8.1%	7.3%	-0.9%	-6.5%	-3.0%
Growth in Project Area less than the City?	NA	No	Yes	No	No	No
Consumer Price Index	201.6	207.342	215.303	214.537	218.056	224.939
% Change	N/A	2.85%	3.84%	-0.36%	1.64%	3.16%
Growth in Project Area less than the CPI?	NA	No	Yes	No	Yes	Yes

Source: Downers Grove Township

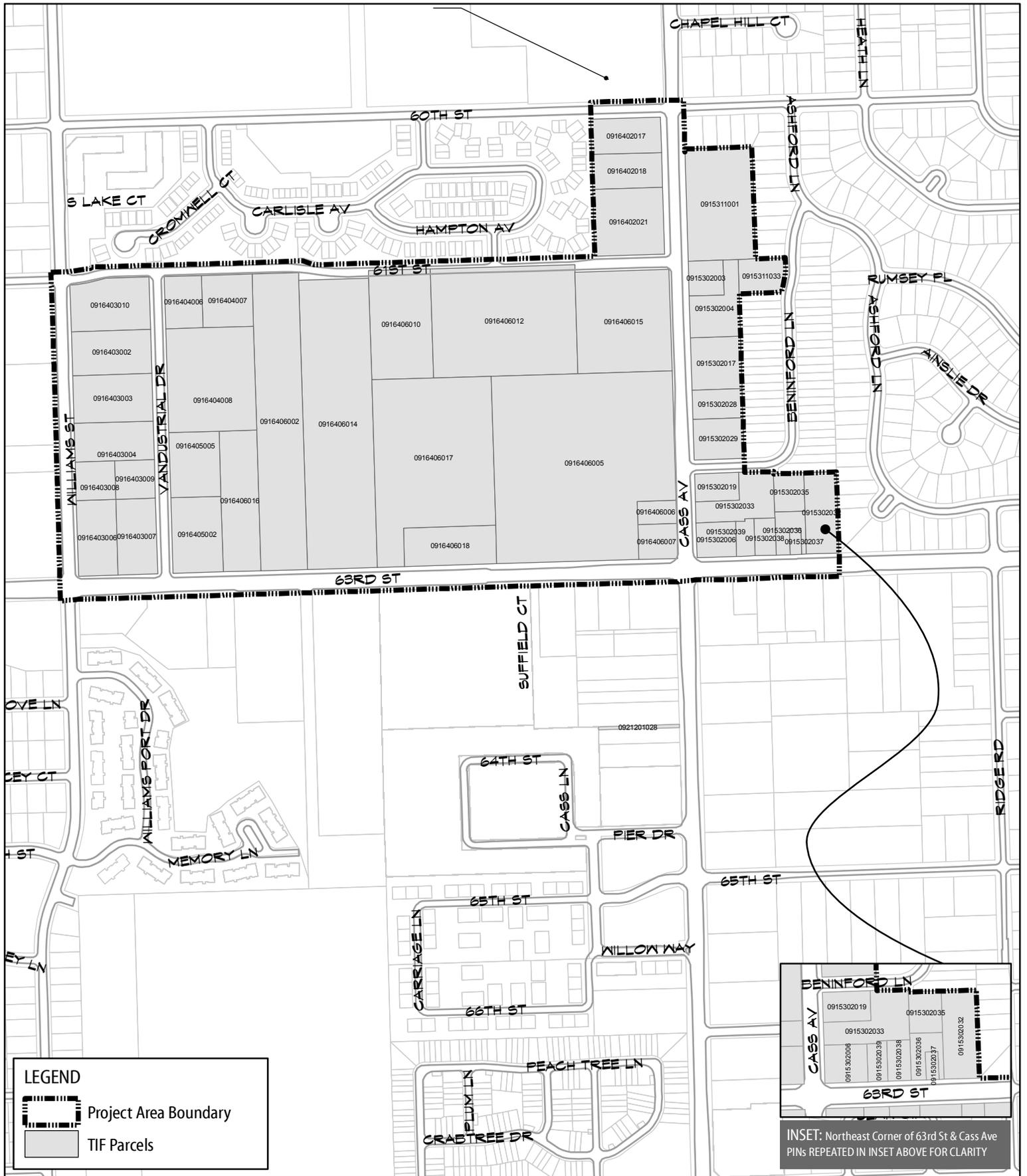
CONCLUSION

Based on the findings contained herein, **the Project Area as a whole qualifies as a blighted area according to the criteria established by the Act, based on the predominance and extent of parcels exhibiting the following characteristics:**

1. **Age of Buildings**
2. **Obsolescence**
3. **Structures below minimum code standards**
4. **Deterioration**
5. **Excessive vacancies**
6. **Lack of community planning**
7. **Inadequate utilities**
8. **Decline in equalized assessed value (EAV)**

In addition, all of the parcels in the Project Area exhibit at least one defect as defined by the criteria established in the Act. As a result, these factors act in combination with one another, reinforce the negative effects of the other factors. For example, a property owner may be less likely to invest in maintenance for an obsolete building, which may lead to deterioration, which further inhibits investment. In turn, investment in neighboring properties is inhibited in this environment of decay.

Therefore, while not every parcel or block exhibits every factor, the combination of the factors throughout the Project Area has a significant impact. Due to the negative effect on the public safety and welfare caused by these factors, the Project Area is eligible as a blighted area providing the conditions necessary for public intervention in order that redevelopment might occur.



MAP 1
Project Area Boundary Map w/ Parcels & PINs

63rd Street TIF | Village of Westmont, Illinois

Last Revised: February 11, 2013

GIS data provided by the Village of Westmont; map prepared by Teska Associates, Inc.



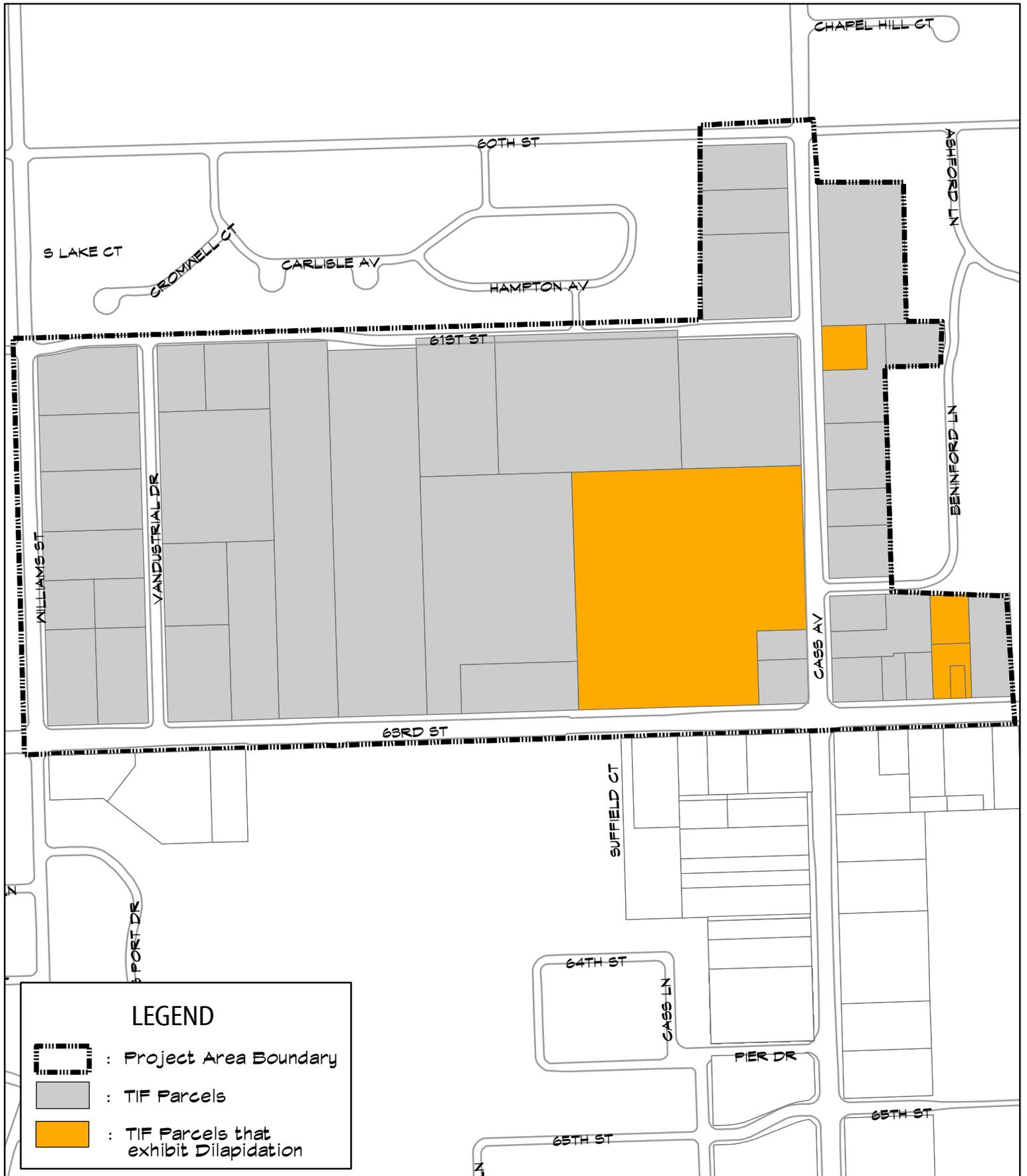
LEGEND

-  : Project Area Boundary
-  : TIF Parcels
-  : TIF Parcels that have structure(s) constructed in 1975 or earlier (i.e. age of structure of 35 years or older)



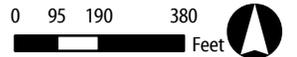
Map 2
TIF Eligibility Factor: Age of Structures
 SWBD TIF | Village of Westmont, Illinois

Last Revised: February 19, 2013



Map 3
TIF Eligibility Factor: Dilapidation

SWBD TIF | Village of Westmont, Illinois



Last Revised: February 19, 2013



Map 4
TIF Eligibility Factor: Obsolescence

SWBD TIF | Village of Westmont, Illinois

Last Revised: February 19, 2013

GIS data provided by the Village of Westmont; map prepared by Teska Associates, Inc.



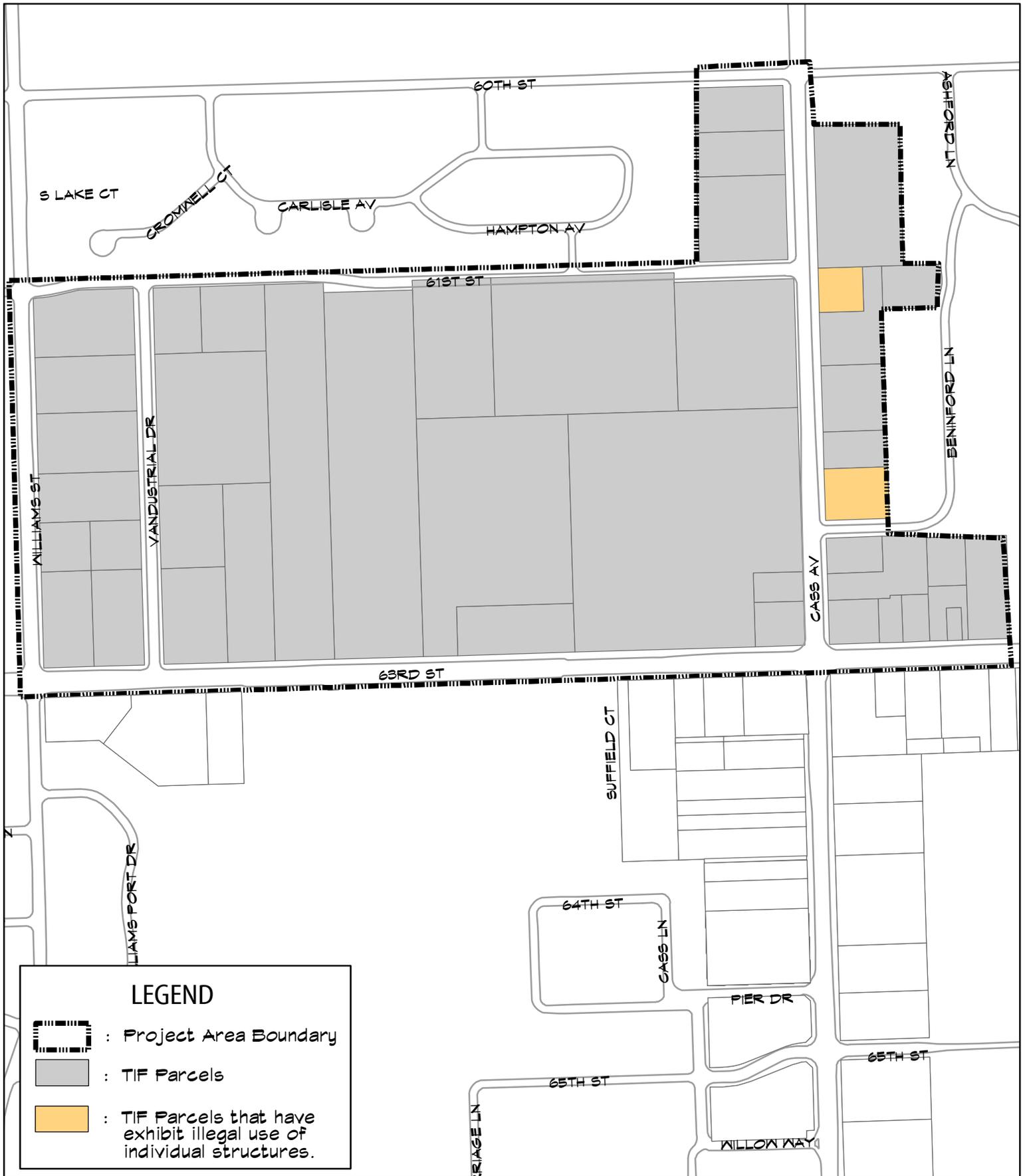
Map 5
TIF Eligibility Factor: Deterioration

Last Revised: February 19, 2013



Map 6
TIF Eligibility Factor: Structures Below Minimum Code Standards

Last Revised: February 19, 2013



Map 7

TIF Eligibility Factor: Illegal Use of Individual Structures

Last Revised: February 19, 2013

SWBD TIF | Village of Westmont, Illinois

GIS data provided by the Village of Westmont; map prepared by Teska Associates, Inc.



Map 8
TIF Eligibility Factor: Vacancies

SWBD TIF | Village of Westmont, Illinois

Last Revised: February 19, 2013

GIS data provided by the Village of Westmont; map prepared by Teska Associates, Inc.

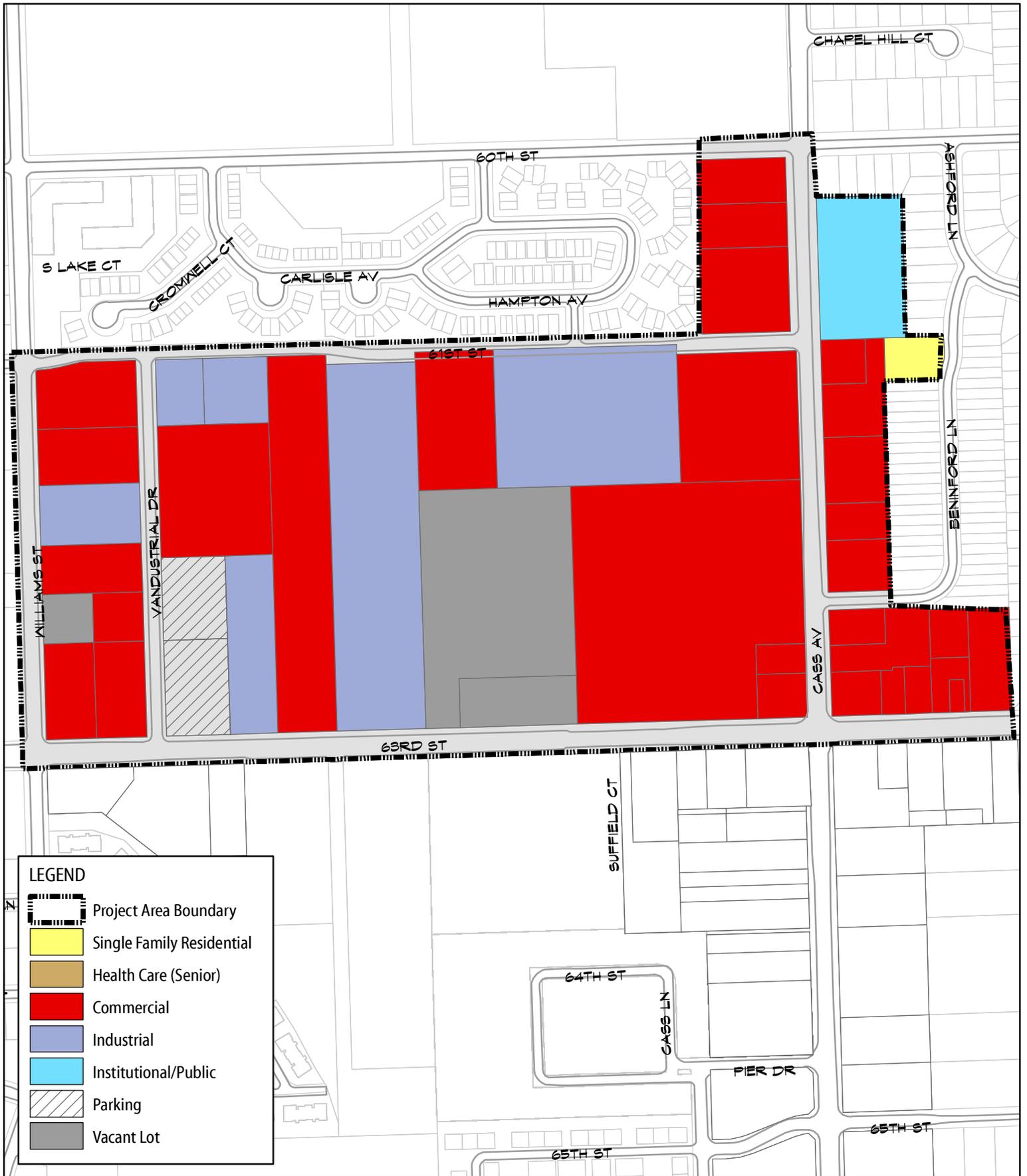


Map 9
TIF Eligibility Factor: Lack of Planning

SWBD TIF | Village of Westmont, Illinois

Last Revised: February 19, 2013

GIS data provided by the Village of Westmont; map prepared by Teska Associates, Inc.



Map 10
Existing Land Use

SWBD TIF | Village of Westmont, Illinois

Last Revised: February 19, 2013

GIS data provided by the Village of Westmont; map prepared by Teska Associates, Inc.