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# VIRGINIA STREET CORRIDOR TAX INCREMENT FINANCING REDEVELOPMENT PLAN AND PROGRAM

City of Crystal Lake, Illinois



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February 2005



## TABLE OF CONTENTS

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<b>INTRODUCTION</b>	1
<b>REDEVELOPMENT PROJECT AREA DESCRIPTION</b>	2
Legal Description of TIF District	3
<b>REDEVELOPMENT PLAN AND PROGRAM</b>	8
Purpose of the Redevelopment Plan	8
Redevelopment Plan Objectives	9
Redevelopment Land Use Plan	10
Development Opportunity Sites	11
Eligible Project Costs	17
Acquisition and Clearance	18
Land Disposition	18
Public Improvements	19
Phasing of Project	20
Estimated Project Costs	20
Sources of Funds	21
Nature and Terms of Obligations to be Issued	21
Equalized Assessed Valuation	22
Affirmative Action	23
Payment in Lieu of Taxes	23
Provisions for Amending the Redevelopment Plan and Program	23
<b>FINDINGS OF NEED FOR TAX INCREMENT FINANCING</b>	23
Project Area Not Subject to Growth	23
Conformance with the 2020 Vision Comprehensive Plan	24
Date of Completion	25
<b>FINANCIAL IMPACT OF REDEVELOPMENT</b>	25
<b>APPENDIX A – VIRGINIA STREET CORRIDOR TIF ELIGIBILITY STUDY</b>	

## **LIST OF EXHIBITS**

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<b>TIF REDEVELOPMENT PROJECT AREA</b>	7
<b>EXISTING LAND USE MAP</b>	14
<b>REDEVELOPMENT PLAN</b>	15
<b>REDEVELOPMENT ACTIVITIES</b>	16

# **INTRODUCTION**

## **BACKGROUND**

This report presents the Tax Increment Redevelopment Plan and Program (the “Redevelopment Plan”) for the Virginia Street Corridor Redevelopment Project Area (“the Project Area”). The Redevelopment Plan has been prepared by Teska Associates, Inc. (“TAI”) for the use of the City of Crystal Lake (the “City”). The proposed Redevelopment Plan seeks to respond to a number of problems and needs within the Project Area that have contributed to the inability of the Corridor to achieve the vision established by the City in its recently prepared Virginia Street Corridor Project Report. This Redevelopment Plan is also indicative of a strong commitment and desire on the part of the City to maintain and revitalize the Project Area as an essential part of Crystal Lake’s economic development and fiscal health. The goal of the Redevelopment Plan is to strengthen the employment, office, and commercial components of the Project Area, through the maintenance and improvement of existing facilities, and redevelopment of existing obsolete and blighted buildings or vacant land for new and expanded uses. This plan is intended to provide a framework for improvements within the Project Area over the 23-year life of the TIF, including redevelopment goals, recommended land uses, and a budget of estimated project costs.

In 2003 and 2004, TAI initiated a feasibility study, performed site evaluations, and identified public improvement deficiencies to determine the eligibility of the Project Area for TIF. The feasibility study documented the presence of at least 50% of the structures within the Project Area over 35 years of age; the obsolescence of structures; the deterioration of structures; the presence of structures below minimum code standards; the general lack of community planning within the Project Area; and lag in growth of Equalized Assessed Value (“EAV”) as principal factors contributing to the eligibility of the Project Area. This evidence enabled TAI to conclude in the Eligibility Study that the Project Area meets the statutory requirements for a “Conservation Area” and could be designated as a “redevelopment project area” under the Illinois TIF Act.

## **TAX INCREMENT FINANCING**

Tax increment financing is permitted in Illinois under the “Tax Increment Allocation Redevelopment Act” (Chapter 65 ILCS 5/11-74.4-1, et seq.) of the Illinois Statutes, as amended (hereinafter the “Act”). Only areas which meet certain specifications outlined in the Act are eligible to use this financing mechanism. This document has been prepared in accordance with the provisions of the Act in effect after the effective date of Public Act No. 91-478, known as the TIF Reform Law. It shall serve as a guide to all proposed public and private actions in the Redevelopment Project Area (see Figure A). Besides describing the redevelopment objectives, this Redevelopment Area Plan and Program sets forth, in general terms, the overall program to be undertaken to achieve these objectives.

The Act permits municipalities to improve eligible “conservation” or “blighted” areas in accordance with an adopted redevelopment plan over a period not to exceed 23 years. The municipal cost of certain public improvements and programs can be repaid with the revenues generated by increased assessed values of private real estate within a designated project area. The key to this financing tool is that funding does not rely on the taxing power of the municipality alone. The property taxing power of all taxing districts with jurisdiction over the land within the project area can be employed to retire the necessary financial obligations. This

taxing power is only applied to the increase in equalized assessed valuation generated within the designated project area during the limited term of the redevelopment Plan and Program, principally increased equalized assessed valuation from new private development.

## **ELIGIBILITY OF THE PROPOSED TIF DISTRICT**

Commencing in December 2003, a study was undertaken, consistent with the Act and related procedural guidelines, to determine the eligibility of the proposed redevelopment project area. The results of the study indicate that the Project Area meets the Act's requirements for a "conservation area," and is eligible to be designated by the City Council of the City of Crystal Lake as a "Tax Increment Financing Redevelopment Project Area." The detailed findings of this study are described in Appendix "A" of this report.

The Project Area qualifies as a "conservation area" under the Act because at least 50% of the structures in the Project Area are at least 35 years old, and because of the presence of at least three (3) of the qualifying conditions. Within the Project Area, the following qualifying conditions are present:

- o Obsolescence
- o Deterioration
- o Presence of Structures Below Minimum Code Standards
- o Lack of Community Planning
- o Decline in Equalized Assessed Value

Each of these factors, to a meaningful extent, contributes to the eligibility of the Project Area as a "Conservation Area" and each factor is reasonably distributed throughout the study area.

## **REDEVELOPMENT PROJECT AREA DESCRIPTION**

The boundaries of the Virginia Street Corridor Project Area (hereinafter referred to as the "Project Area") were carefully established in adherence to the eligibility criteria and include those parcels that would benefit by the proposed Redevelopment Plan and Program. The Project Area generally consists of all the parcels fronting the segment of Virginia Street (or Route 14) bound by the Crystal Lake Motel to the north (approximately 130 feet north of Carpenter Street) and the Midas to the south (approximately 670 feet south of Linn Street). Also included are several properties fronting McHenry Avenue, King Street, and Florence Street. Exhibit "A" illustrates the boundaries of the Redevelopment Area.

The delineated Project Area contains 74 structures on 77 parcels, and consists of approximately 38.4 acres within 13 legal blocks or portions thereof. A mixture of land use types are currently contained within the Project Area, including single-family and multiple-family residential, retail, restaurants, institutional/civic, office, and mixed-use developments. Also contained within the Project Area are the Chamber of Commerce and one of the City's water tower facilities. A total of 26 dwelling units are located within the Project Area.

The largest portions of property within the Project Area are zoned B-2: *Highway Service Business District*, which is intended for general commercial economic uses located along major streets and highways of the City. A majority of the adjacent properties surrounding the Corridor contain residential zoning classifications and support detached single-family residential uses.

The legal description of the Project Area is as follows:

**VIRGINIA STREET CORRIDOR TIF DISTRICT DESCRIPTION**

Point of Beginning: The Southwest corner of Lot 68 in Kellog's Subdivision of Pt. Block 13 of Pierson's Addition of Crystal Lake being on the North line of the Carpenter Street right-of-way.

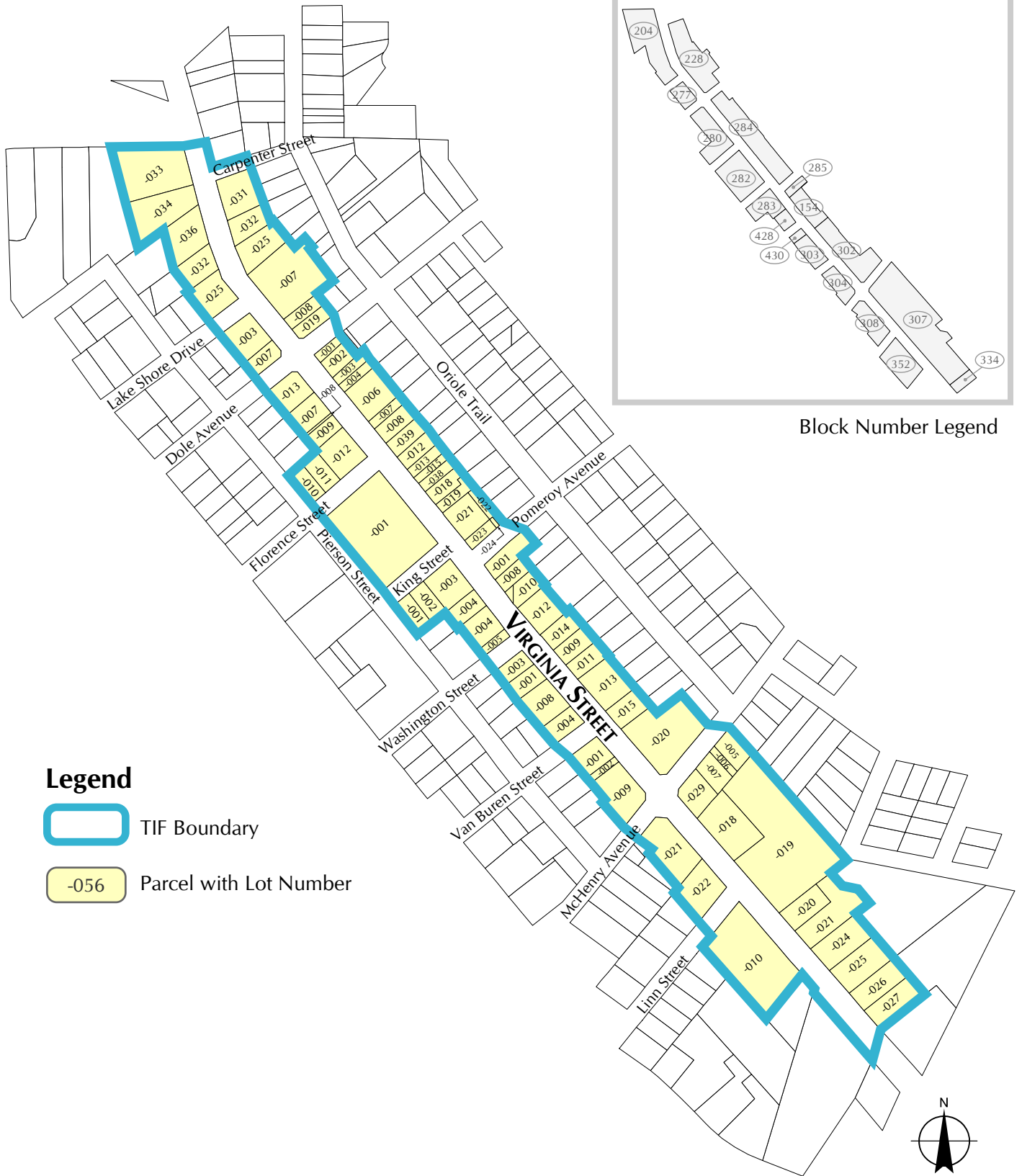
1. Thence easterly along the South line of Lot 68 to the Southeast corner of Lot 68 in Kellog's Subdivision of Pt. Block 13 of Pierson's Addition to Crystal Lake.
2. Thence southerly along a line extended from the Southeast corner of Lot 68 to the North corner of Lot 66 in Kellog's Subdivision of Pt. Block 13 of Pierson's Addition to Crystal Lake.
3. Thence in a southeasterly direction along the easterly lot lines of Lots 66, 65, 64, 63 and 62 to the Southeast corner of Lot 62 in Kellog's Subdivision of Pt. Block 13 of Pierson's Addition of Crystal Lake.
4. Thence in a northeasterly direction along the South property line of Lot 61 in Kellog's Subdivision of Pt. Block 13 of Pierson's Addition of Crystal Lake to the Northwest corner of Lot 8 in Hobart's Subdivision (a distance of about 11 feet).
5. Thence southeasterly along the Southwest property line of Lot 8 to the Southeast corner of Lot 8 continuing along the most westerly line of Lot 7 to a point on said line that is 38 feet from the Southeast corner of Lot 7.
6. Thence continuing on the line that is perpendicular from the last described point in a northeasterly direction a distance of 49 feet to a point on said line so extended in Hobart's Subdivision.
7. Thence continuing on the line that is perpendicular from the last described point in a southeasterly direction a distance of 43.2 feet to the southerly line of Lot 7 in Hobart's Subdivision.
8. Thence southwesterly from the last described point on the southerly lot line of Lot 7 in Hobart's Subdivision along a line extended a distance of 14.25 feet.
9. Thence southeasterly to a point on the north property line of Lot 6 in Hobart's Subdivision said point being 81 feet along the Northwest property line of Lot 6 from its West corner.
10. Thence southwesterly along the northwesterly line of Lot 6 to the West corner of Lot 6 in Hobart's Subdivision.
11. Thence in a southeasterly direction along the Southwest property lines of Lots 6 and 5 in Hobart's Subdivision to a point where said line intersects the northerly right-of-way line of Dole Avenue.
12. Thence in a southerly direction from the last described point along a line to a point where said line intersects the North corner of Lot 2 Block 9 Pierson's Addition.
13. Thence in a southeasterly direction along the northeast property lines of Lots 2 and 3 in Block 9 Pierson's Addition a distance of 99 feet to a point on the Northeast property line of Lot 3 in Block 9.
14. Thence continuing in a northeasterly direction along a line that is extended perpendicular from the last described point a distance of 32.5 feet to a point in Pierson's Addition.
15. Thence continuing along a line extended southeasterly and perpendicular from the last described point that is parallel with the U.S. 14 right-of-way to a point where said line so extended intersects the Northwest property line of Lot 9 Block 9 in Pierson's Addition.
16. Thence northeasterly along the Northwest property line of Lot 9 Block 9 a distance of .5 feet to a point in Pierson's Addition.

17. Thence southeasterly along a line extended from the last described point that is parallel to the Southwest property line of Lot 9 Block 9 to a point where said line intersects the Southeast property line in Lot 9 Block 9 in Pierson's Addition.
18. Thence northeasterly along the Southeast property line of Lot 9 Block 9 a distance of 3.5 feet to a point in Pierson's Addition.
19. Thence southeasterly along a line extended from the last described point that is parallel with the Southwest property lines of Lots 10 and 11 Block 9 in Pierson's Addition to a point on the Southeast property line in Lot 11 Block 9 in Pierson's Addition.
20. Thence southwesterly along the Southeast property line to the Southeast corner of Lot 11 Block 9 in Pierson's Addition.
21. Thence southeasterly along the Southwest property lines of Lots 12, 13, 14, 15, and 16 of Block 9 in Pierson's Addition to a point where said line intersects the northerly right-of-way line of Pomeroy Avenue.
22. Thence easterly along a line extended from the last described point to a point on the northwesterly property line of Lot 1 Block 10 in Pierson's Addition that is a distance of 100 feet southwesterly of the North corner of Lot 1.
23. Thence in a southeasterly direction along a line that is parallel to the northeast property line of Lot 1 Block 10 Pierson's Addition for a distance of 47 feet to a point.
24. Thence southwesterly along a line that is parallel to the northwesterly property line of Lot 2 Block 10 in Pierson's Addition a distance of 65 feet to a point.
25. Thence southeasterly along a line that is parallel to the Southwest property lines of Lots 2, 3 and 4 Block 10 in Pierson's Addition a distance of 132 feet to a point.
26. Thence southwesterly along a line that is parallel to the Northwest lot line of Lot 4 Block 10 in Pierson's Addition a distance of 16.5 feet to a point on the Southwest lot line of Lot 4 Block 10 in Pierson's Addition.
27. Thence southeasterly along the Southwest property lines of Lots 4 and 5 a distance of 120 feet to a point 6 feet northeasterly from the south corner of Lot 5.
28. Thence northeasterly along a line extended parallel to the Southeast property line of Lot 5 Block 10 in Pierson's Addition a distance of 20 feet to a point.
29. Thence southeasterly along a line extended parallel to the Southwest property lines of Lots 6, 7 and 8 Block 10 in Pierson's Addition to a point on the Southeast property line of Lot 8, said point being 20 feet from the South corner of Lot 8 Block 10 in Pierson's Addition.
30. Thence southwesterly along the Southeast property line of Lot 8 a distance of 3.5 feet to a point.
31. Thence southeasterly along a line extended from the last described point that is parallel with the Southwest property lines of Lots 9, 10, 11 and 12 Block 10 Pierson's Addition to a point on the Southeast property line of Lot 12, said point being 16.5 feet from the South property corner of Lot 12.
32. Thence northeasterly along the northwesterly property lines of Lots 2 and 3 in Buehler's Subdivision to the North corner of Lot 2 in Buehler's Subdivision.
33. Thence southeasterly along the northeasterly property line of Lot 2 in Buehler's Subdivision to a point where the East corner of Lot 2 intersects the northerly right-of-way line of McHenry Avenue.
34. Thence along a line extended from the East corner of Lot 2 in Buehler's Subdivision to a point where said line intersects the North corner of Lot 5 of Uteg's 2<sup>nd</sup> Addition.
35. Thence southeasterly along the northeast property line of Lot 5 Uteg's 2<sup>nd</sup> Addition to a point where said line so extended intersects the South corner of Lot 4 of Uteg's 2<sup>nd</sup> Addition.


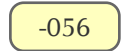
36. Thence southeasterly along the Southwest property lines of Lots 1, 2, 3 and 8 of Owner's Resubdivision to the South corner of Lot 8 of Owner's Resubdivision.
37. Thence continuing in a southeasterly direction along a line extended from the Southwest property line of Lot 8 a distance of 51.1 feet to a point.
38. Thence South 49 degrees 45 minutes West from the last described point a distance of 69.57 feet.
39. Thence southeasterly along a line that is parallel with the centerline of U.S. Route 14 a distance of 59.89 feet.
40. Thence East 79 degrees 27 minutes from the last described point a distance of 64.83 feet.
41. Thence southeasterly along a line that is parallel with the centerline of U.S. Route 14 a distance of 59.89 feet.
42. Thence Southwest 49 degrees 45 minutes West from the last described point a distance of 68.97 feet to the North corner of Lot 1 in Johnson Kreitzer Subdivision.
43. Thence southeasterly along the northeasterly property lines of Lots 1 and 2 along a line extended to the East corner of Lot 2 in Johnson Kreitzer Subdivision.
44. Thence southeasterly from the last described point along a line that is parallel with the centerline of U.S. Route 14 to the East corner of Lot 2 in James E. Collins Addition.
45. Thence southwesterly along the Southeast property line of Lot 2 to the South corner of Lot 2 James E. Collins Addition.
46. Thence southwesterly along a line extended from the South corner of Lot 2 in James E. Collins Addition to the North corner of Lot 1 in Lindahl's Subdivision where said line so extended intersects the South right-of-way line of U.S. Route 14.
47. Thence northwesterly along the South right-of way line of U.S. Route 14 to the North corner of Lot 5 Block 2 Douglass Addition.
48. Thence northwesterly along the South right-of-way of U.S. Route 14 a distance of 2.58 feet.
49. Thence southwesterly along a line parallel to the Southeast property line of Lot 4 Block 2 in Douglass Addition to a point where said line intersects the Southwest property line of Lot 4 Block 2 in Douglass Addition.
50. Thence northwesterly along the Southwest property line of Lot 4 Block 2 in Douglass Addition extended to where said line intersects the south right-of-way line of Linn Avenue.
51. Thence northerly along a line extended from the last described point to the South corner of Lot 2 Pfeiffer's Resubdivision.
52. Thence northwesterly along the Southwest property lines of Lots 1 and 2 of Pfeiffer's Resubdivision to the West corner of Lot 1 in Pfeiffer's Resubdivision.
53. Thence northeasterly along the northwest line of Lot 1 in Pfeiffer's Resubdivision a distance of 21.5 feet to a point on said line.
54. Thence northwesterly along a line parallel to the southerly right-of-way line of U.S. Route 14 a distance of 162.66 feet.
55. Thence northeasterly at an angle to the Northeast of 77°-01'-30" from the last described point a distance of 20.43 feet.
56. Thence northwesterly along a line parallel to the southwesterly line of Lot 27 Block 1 in Douglass Addition to a point of said line so extended that intersects the South right-of-way line of McHenry Avenue.
57. Thence northwesterly along a line extended from the last described point to the East corner of Lot 8 of the Replat of Pingry's Resubdivision.
58. Thence northwesterly along the northeasterly property lines of Lots 8, 7, 6 and 5 to the North corner of Lot 5 of the Replat of Pingry's Resubdivision.

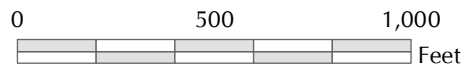
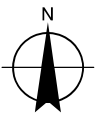


59. Thence northwesterly along a line extended from the last described point to the South corner of Lot 9 Block 9 in Original Town Crystal Lake.
60. Thence northwesterly along the Southwest property lines of Lots 9, 8, 5, 4, and 1 Block 9 in Original Town Crystal Lake.
61. Thence northwesterly along a line extended from the last described point to the South corner of Lot 10 Block 6 in Original Town Crystal Lake.
62. Thence northwesterly along the Southwest property lines of Lots 10 and 7 Block 6 to the West corner of Lot 7 Block 6 in Original Town Crystal Lake.
63. Thence southwesterly along the northwesterly property line of Lot 8 Block 6 of Original Town Crystal Lake a distance of 8 feet.
64. Thence northwesterly along a line that is parallel to the Southwest property line of Lot 6 Block 6 to a point where said line so extended intersects the Northwest property line of Lot 5 Block 6 in Original Town Crystal Lake.
65. Thence southwesterly along the Northwest property line of Lot 5 Block 6 to a point where said line intersects the South corner of Lot 4 Block 6 in Original Town Crystal Lake.
66. Thence northwesterly along the North right-of-way line of Pierson Street to the West corner of Lot 3 Block 2 in Original Town Crystal Lake.
67. Thence northeasterly along the Northwest property lines of Lots 3 and 4 Block 2 to the North corner of Lot 4 in Original Town Crystal Lake.
68. Thence northwesterly along the Southwest property lines of Lot 1 Block 2 in Original Town Crystal Lake and Lots 6, 5 and 1 Block 7 of Pierson's Addition to the West corner of Lot 1 Block 7 of Pierson's Addition.
69. Thence northwesterly along a line extended from the West corner of Lot 1 Block 7 of Pierson's Addition to the South corner of Lot 3 Block 8 Pierson's Addition.
70. Thence northwesterly along the Southwest property lines of Lot 3, 2 and 1 Block 8 to the West corner of Lot 1 Block 8 Pierson's Addition.
71. Thence northwesterly along a line extended from the West corner of Lot 1 Block 8 to the East corner of Lot 5 Lake Acres Subdivision.
72. Thence northwesterly along the Northeast property line of Lot 5 to the North corner of Lot 5 Lake Acres Subdivision.
73. Thence northeasterly along the southerly property line of Lot B to the East corner of Lot B Lake Acres Subdivision.
74. Thence northwesterly along the Northeast property line of Lot B to the North corner of Lot B Lake Acres Subdivision.
75. Thence northerly along the easterly line of Lot A to the North corner of Lot A Lake Acres Subdivision.
76. Thence southwesterly along the northerly property line of Lot A to the South corner of Lot A Crystal Lake Motel Subdivision.
77. Thence northwesterly along the westerly property lines of Lots A & B to the Northwest corner of Lot B Crystal Lake Motel Subdivision.
78. Thence easterly along the northerly property line of Lot B to the Northeast corner of Lot B crystal Lake Motel Subdivision.
79. Thence easterly along a line extended from the Northeast corner of Lot B Crystal Lake Motel Subdivision to a point where the Northwest corner of Lot 69 Kellog's Subdivision intersects the easterly right-of-way of U.S. Route 14.
80. Thence southeasterly along the easterly right-of-way of U.S. Route 14 to the place of beginning.



**Legend**

-  TIF Boundary
-  Parcel with Lot Number



**EXHIBIT A:**  
**TIF REDEVELOPMENT PROJECT AREA**  
 VIRGINIA STREET CORRIDOR TIF - City of Crystal Lake, Illinois



## **REDEVELOPMENT PLAN AND PROGRAM**

The revitalization of the Redevelopment Project Area is a large and complex undertaking that presents many challenges and opportunities for the City. The success of this effort will depend on the cooperation between the private sector and the local government. Public and private development efforts have not, as yet, been able to stimulate the comprehensive revitalization of the designated Project Area. The adoption of this Redevelopment Area Plan and Program will aid in the implementation of the goals and objectives identified in the City of Crystal Lake, Illinois 2020 Vision Comprehensive Land Use Plan (hereinafter the "Comprehensive Plan") and the Virginia Street Corridor Project Report (hereinafter the "VSC Report") and will assist in stimulating redevelopment and rehabilitation in this area which otherwise could not reasonably be anticipated to develop without the adoption of this Plan and Program. Through public investment, the area will become an environment and setting that will attract private investment.

The Act describes the Redevelopment Plan as "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 ..., and thereby serves to enhance the tax bases of the taxing districts which extend into the redevelopment project area."

The successful implementation of the Redevelopment Area Plan and Program requires that the City take full advantage of the real estate tax increment attributed to the Project Area as provided for by the Act. The Redevelopment Area would not reasonably be developed and improved without the use of such incremental revenues.

### **PURPOSE OF THE REDEVELOPMENT PLAN**

Pursuant to the "Tax Increment Allocation Redevelopment Act," the purpose of a Redevelopment Plan and Program is to promote the health, safety, morals, and welfare of the general public by:

1. Eradicating blighting conditions and instituting conservation measures;
2. Removing and alleviating adverse conditions by encouraging private investment of underutilized and vacant properties which will strengthen the economy, tax base, business environment, and living environment;
3. Improving existing public utilities within the area; and
4. Enhancing the overall quality of the City of Crystal Lake.

## REDEVELOPMENT PLAN OBJECTIVES

The goals and objectives of the Redevelopment Plan are both those articulated in the Illinois Tax Allocation Redevelopment Act, and those stated in the Comprehensive Plan and the VSC Report. They are summarized below:

- *Promote Crystal Lake as a center of business activity and economic growth both locally and regionally.* The Virginia Street Corridor is a major highway corridor that provides regional access and supports the economic needs of many communities. The City should capitalize on this through the promotion of increased economic activity along the Corridor that not only concentrates on the local needs of the Community, but also has the ability to attract regional customers.
- *Promote and enhance the Virginia Street Corridor as a viable commercial district.* A concentrated effort should be made to encourage aesthetic improvements and to attract appropriate land uses along the Corridor. The public sector should work with business owners, community residents, and the private sector to overcome the identified constraints and to capitalize on the identified opportunities and strengths of the Virginia Street Corridor.
- *Strengthen the Virginia Street Corridor's commercial function and encourage business development that maximizes links to related businesses, infrastructure, and customers.* New and expanded commercial uses along Virginia Street should accommodate a variety and mix of commercial and office uses that are compatible and complement the existing uses along the Corridor. Direct competition between like use should be kept to a minimum in order to help assure the success and longevity of each use.
- *Enhance the marketability of vacant and underutilized properties and encourage private investment to strengthen the community's tax base.* To minimize the existing negative image of the Corridor, the City should work internally, or with a private agency, to effectively market all vacant or underutilized properties in an effort to attract new commercial investment. Additionally, efforts should also be made to retain the existing uses that contribute to the desired quality and the ultimate vision of the Virginia Street Corridor.
- *Enhance the overall quality of the City of Crystal Lake and the welfare of its residents.* The Virginia Street Corridor is part of one of the City's major commercial corridors. Through appropriate planning efforts, the City should work with other public agencies and the private sector to eliminate or mitigate deteriorated or blighted conditions within the Project Area.
- *Create a safe, attractive pedestrian environment.* Improvements to the visual character, comfort, and convenience of the pedestrian experience will help to draw increasing numbers of people to the Corridor. Streetscape and public space improvements should include adequate walkway widths, improved crosswalks, quality paving, clear signage, and appropriate lighting.

- *Develop a distinctive image and identity.* A unified approach to design and development should be encouraged along the Virginia Street Corridor, which creates a unique and positive community identity, fosters community pride, reinforces its unique character, and distinguishes it from other commercial corridors within the City and adjacent communities. Unique corridor design guidelines should be established that promote both a sound economic and a sound physical design approach for Virginia Street. This design approach should not be so unified that it appears “forced” or monotonous.
- *Encourage public/private partnerships.* The success of the plan for Virginia Street is dependent on cooperation between both the private and public sectors working together toward revitalization of the Corridor as a whole, eliminating conditions which, if continued, may result in a lack of investment or disinvestment. Beyond cost-sharing for infrastructure, partnerships can be applied to joint-venture developments, decision-making, education, marketing, maintenance, and implementation of new projects.
- *Emphasize action and tangible results.* Tangible results can ensure continued interest and enthusiasm both by the citizens of Crystal Lake as well as the development community. Specific short-term, highly visible projects will demonstrate the commitment of the public sector to the revitalization of the Virginia Street Corridor.

## REDEVELOPMENT LAND USE PLAN

The aim of the Redevelopment Plan is the revitalization of the Project Area as a vibrant commercial corridor, supporting retail, restaurant, and office uses, that contributes to the long-term economic health and vitality of the City of Crystal Lake. The recommended land uses, redevelopment opportunities, and public improvements of this Redevelopment Plan are largely based upon the guidelines and development opportunities presented in the Comprehensive Plan and VSC Report, except as amended herein.

Exhibit “B” depicts current land uses. Exhibit “C” shows anticipated land uses at completion of project activities. Key redevelopment sites along the Corridor are shown as either *Commercial/Retail*, *Office*, or *Mixed-Use*. Properties designated for “**Commercial/Retail**” uses are anticipated to support new retail uses in single-level structures oriented towards Virginia Street. Properties designated for “**Office**” uses are anticipated to support both single and multi-level professional office activities. Properties identified for “**Mixed-Use**” are anticipated to support multi-level structures with street level space occupied by either retail, restaurant, or other commercial activities which serve the public with upper stories occupied by offices. In keeping with the scale and existing development character of the Corridor, all new structures are not anticipated to exceed two (2) stories with parking primarily being located within the development lot, unless otherwise approved by the City.

The Redevelopment Land Use Plan shall serve as a guideline for the Project Area. It is not meant to establish specific requirements and should not be rigidly interpreted. Adjustments may be made in response to market conditions and other key factors as long as they remain consistent with the City’s overall goals and objectives for the Virginia Street Corridor. This Redevelopment Plan is consistent with both the Comprehensive Plan and the VSC Report, and is intended to be the primary vehicle for implementing the goals and objectives of these Plans.

## DEVELOPMENT OPPORTUNITY SITES

Exhibit “D” identifies ten (10) key development opportunity sites within the Project Area. Recommendations for these sites, including land uses and design guidelines, will be described in this Plan. It should be noted that these recommendations may not be the only appropriate redevelopment opportunities for each individual site and throughout the Corridor, nor should they be viewed as a limitation to redevelopment potential. They are posed here as a guide to suggest the anticipated intent and scale of each identified redevelopment project site.

1. *Virginia Street Development Site A; New Office Development:* This redevelopment site, which is located to the northwest of the “T” intersection of Virginia Street and Carpenter Street, consists of two (2) parcels which are currently occupied by the Crystal Lake Motel, an adjacent apartment complex, and a parking lot. A new, two (2) story office structure has been identified as an appropriate future land use at this location. All required off-street parking should be accommodated on the development site as well. If appropriately designed and situated on the site, there is the potential for the site to support up to three (3) levels of office use, however, this should only be considered if all parking requirements can be accommodated and exemplary architectural design is utilized.
2. *Virginia Street Development Site B; New Commercial/Retail Development:* This redevelopment site, which is located at the northwest corner of the intersection of Virginia Street and Lake Shore Drive, consists of one (1) parcel which is currently occupied by an automobile service shop. In order to better complement the existing adjacent commercial uses and overall character of the Corridor, the prescribed use is a new, one (1) story commercial/retail development use with off-street parking provided on the site. If exemplary architecture is used, and it can be determined that it will minimally impact the overall functioning of the Corridor, on-street parking should be utilized as a means to lessen the required off-street parking standards.
3. *Virginia Street Development Site C; New Office Development:* This redevelopment site, which is located at the northeast corner of the intersection of Virginia Street and Dole Avenue, consists of two (2) parcels currently occupied by a couple of older single-family residences converted to office uses. Based upon the desired character of the Corridor, it has been determined that a new office development would be more beneficial to the long-term success of the Virginia Street Corridor. Along with the development of a new, one (1) level office structure, the site should accommodate all off-street parking towards the rear of the site. Due to its corner location and frontage along two (2) well-traveled roads, the architecture of the new structure should be designed to respect both roadways – high quality architecture and details should be used on all elevations that front a roadway.

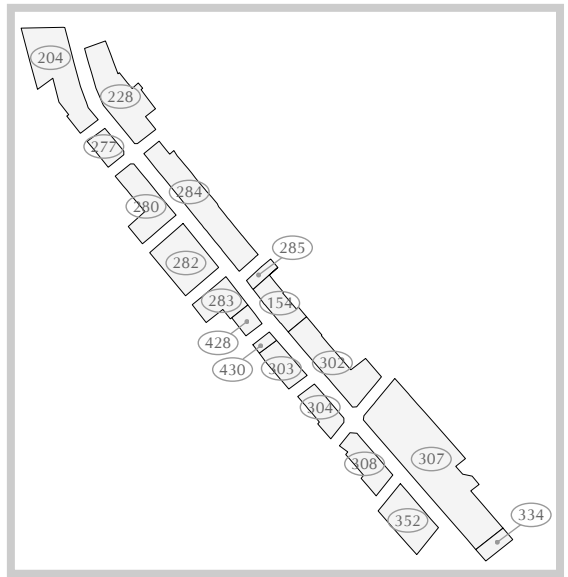
4. *Virginia Street Development Site D; New Mixed-Use Development:* Redevelopment Site D is located at the southwest corner of Virginia Street and King Street. This site contains three (3) parcels which currently house a gas station, an animal shelter, and a mortgage company. The recommended redevelopment of this site should consist of the construction of a new, two (2) level mixed-use structure that supports first level retail with second level office space. The new use should be located towards the front of the lot (fronting Virginia Street) with all parking located behind the structure. Principal access to the accompanying off-street parking should come from King Street with on-street parking provided along King Street.
5. *Virginia Street Development Site E; New Commercial/Retail Development:* Redevelopment Site E contains the two (2) parcels located to the immediate southeast of the intersection of Virginia Street and Pomeroy Avenue. This site currently contains several uses, which include a cleaner and a retail store. In order to better meet the stated development objectives of the Corridor, a new, single-level commercial/retail structure has been identified as an appropriate future land use at this location. The new use should be located towards the front of the lot (fronting Virginia Street) with all parking located behind the structure. Principal access to the accompanying off-street parking should come from Pomeroy Avenue, and, parallel on-street parking should be provided along Virginia Street. On-street parking should also be provided along Pomeroy Avenue.
6. *Virginia Street Development Site F; New Commercial/Retail Development:* This redevelopment site, which is located at the northwest corner of the intersection of Virginia Street and Van Buren Street, consists of one (1) parcel which is currently occupied by an office structure. In order to better compliment the existing adjacent commercial uses and overall character of the Corridor, the prescribed use is a new, one (1) story commercial/retail development use with off-street parking provided on the site. Principal access to the accompanying off-street parking should come from Van Buren Street with on-street parking provided along Van Buren Street.
7. *Virginia Street Development Site G; New Commercial/Retail Development:* Redevelopment Site H consists of an existing two (2) structure commercial use on one (1) parcel located at the southwest corner of the intersection of Virginia Street and Van Buren Street. It has been determined that the redevelopment of this site with a new, one (1) level commercial/retail use would better reflect the long-term goals and objectives of the Virginia Street Corridor. The new use should be located towards the front of the lot (fronting Virginia Street) with all parking located behind the structure. Principal access to the accompanying off-street parking should come from Van Buren Street with on-street parking provided along Van Buren Street.

8. *Virginia Street Development Site H; New Commercial/Retail Development:* Redevelopment Site H contains one (1) parcel currently occupied with a commercial use specializing in home furnishings. The site is located at the northeast corner of the intersection of Virginia Street and McHenry Avenue. In order to create a more unified commercial corridor, a new commercial/retail use has been identified on this site. Due to its corner location and frontage along two (2) well-traveled roads, the architecture of the new structure should be designed to respect both roadways – high quality architecture and details should be used on all elevations that front a roadway. Principal access to the accompanying off-street parking should come from McHenry Avenue and parallel, on-street parking should be provided along Virginia Street.
9. *Virginia Street Development Site I; New Commercial/Retail Development:* This redevelopment site, which is located at the southeast corner of the intersection of Virginia Street and McHenry Avenue, consists of three (3) parcels which are currently occupied by an automobile dealer, a cleaner, and a driveway. Redevelopment of this site consists of the development of a new, one (1) story commercial/retail use with associated off-street parking.
10. *Virginia Street Development Site J; New Commercial/Retail Development:* This redevelopment site, which is located in the southeastern portion of the TIF Project Area, consists of three (3) parcels currently occupied by an older multiple-family residence containing two (2) units, an animal emergency office, and a single-family residence converted to a mortgage office use. Based upon the redevelopment objectives discussed in this Plan, it has been determined that a new commercial/retail development would be more beneficial to the long-term success of the Virginia Street Corridor. The new use should be oriented towards the front of the lot with all parking located either behind or to the side of the structure.

In addition to these “opportunity sites,” the Redevelopment Plan also anticipates activities to be undertaken by the public sector, which are identified in the Public Improvements section of this report. All of the redevelopment opportunities and public improvements should be conducted under the guidance of the City’s Comprehensive Plan and the VSC Report, including the development guidelines and recommendations contained therein.








Undertaking these redevelopment activities will generate increased tax revenues through the expansion of the availability of high quality retail and office space in Crystal Lake, and provide a stimulus for additional development in surrounding areas.

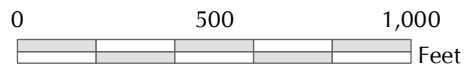
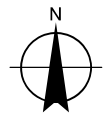




Block Number Legend

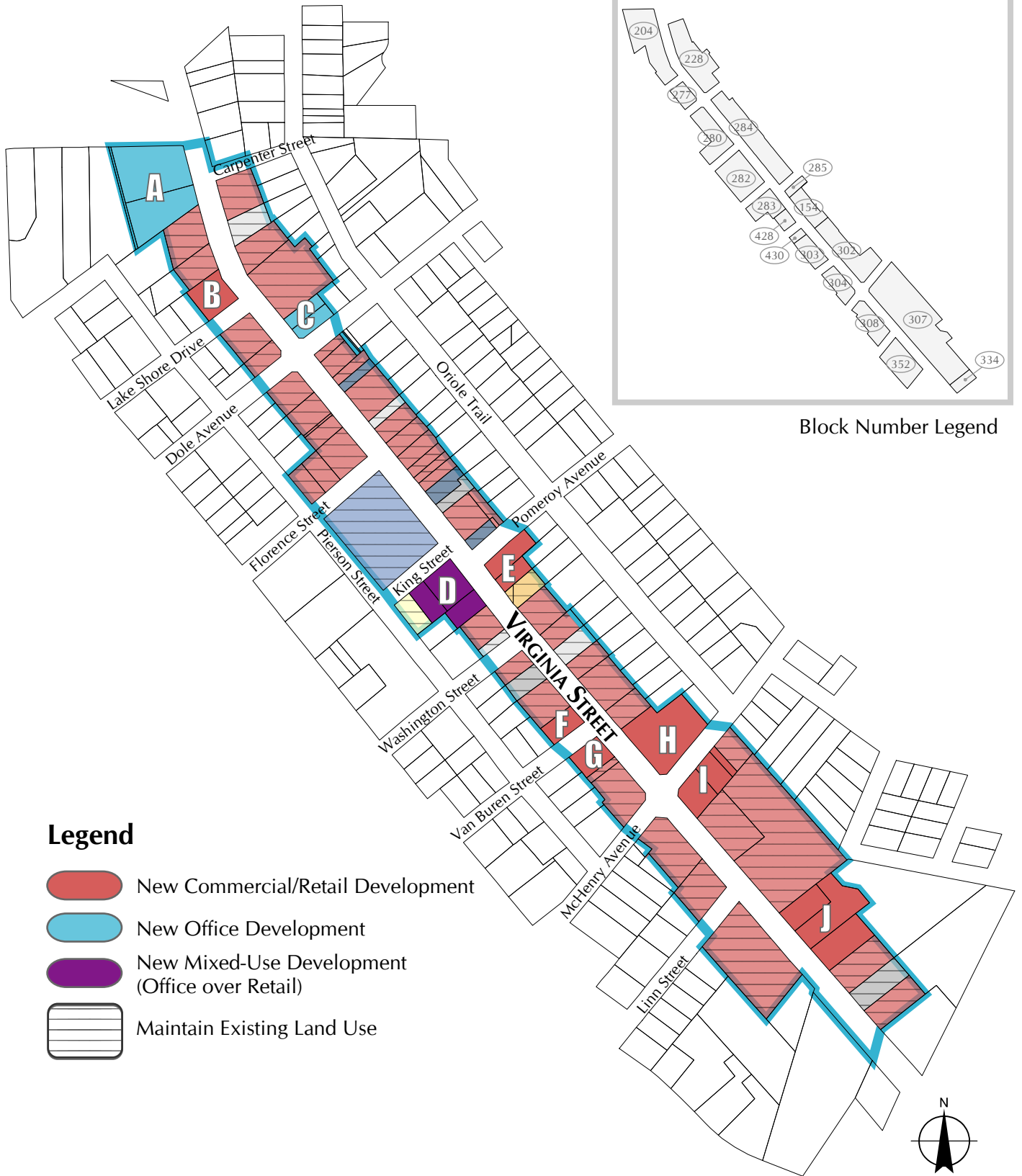
**Legend**

-  Single-Family Residential
-  Multi-Family Residential
-  Commercial
-  Institutional
-  Mixed-Use
-  Parking
-  Vacant

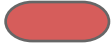





**EXHIBIT B:**  
**EXISTING LAND USE MAP**  
 VIRGINIA STREET CORRIDOR TIF - City of Crystal Lake, Illinois



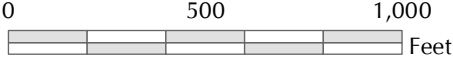
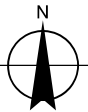


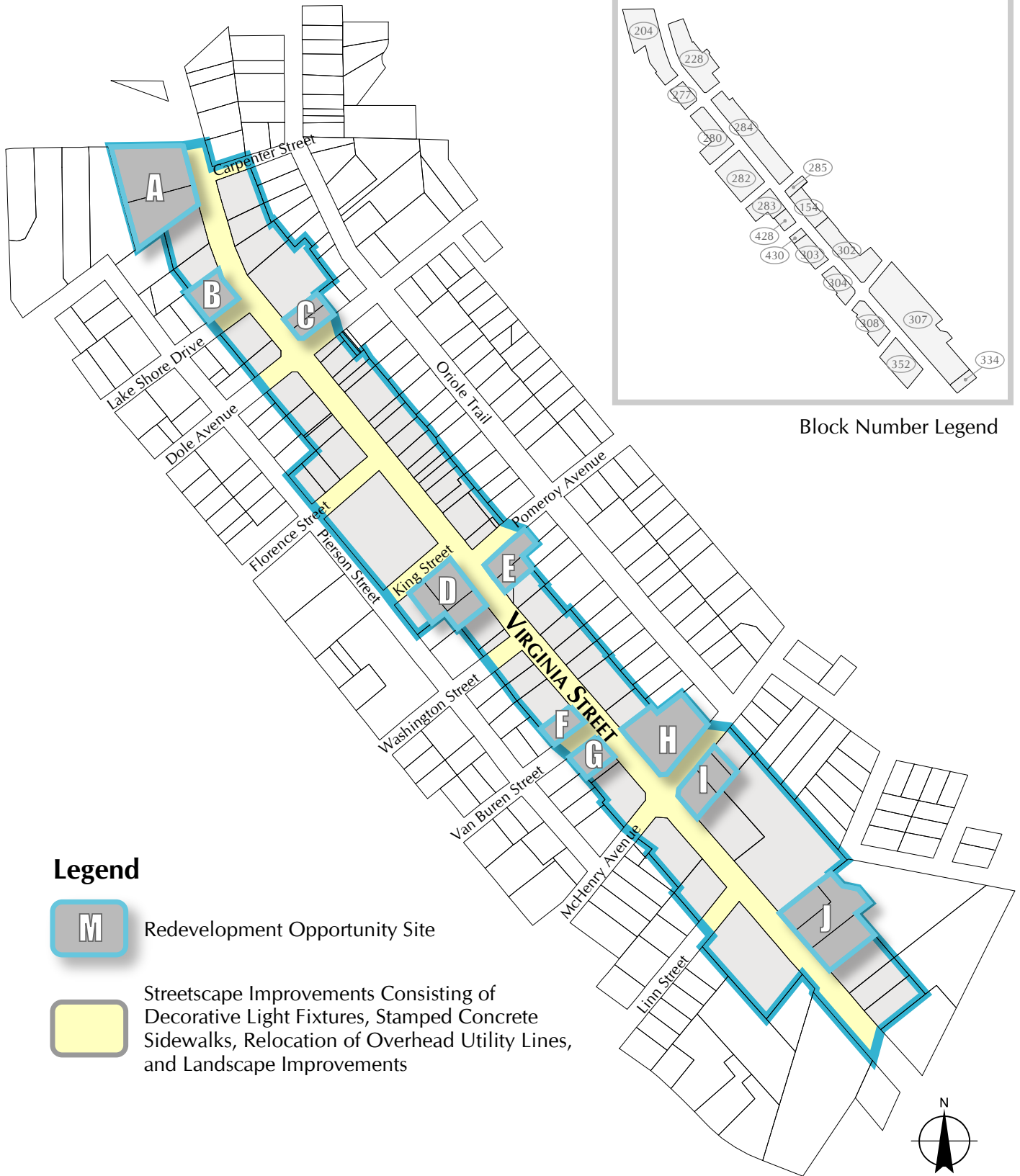
**Legend**

-  New Commercial/Retail Development
-  New Office Development
-  New Mixed-Use Development (Office over Retail)
-  Maintain Existing Land Use

Block Number Legend

**EXHIBIT C:  
REDEVELOPMENT PLAN  
VIRGINIA STREET CORRIDOR TIF - City of Crystal Lake, Illinois**





Block Number Legend

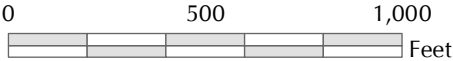
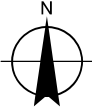
**Legend**



Redevelopment Opportunity Site



Streetscape Improvements Consisting of Decorative Light Fixtures, Stamped Concrete Sidewalks, Relocation of Overhead Utility Lines, and Landscape Improvements



**EXHIBIT D:  
REDEVELOPMENT ACTIVITIES  
VIRGINIA STREET CORRIDOR TIF - City of Crystal Lake, Illinois**



## **ELIGIBLE PROJECT COSTS**

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to the Redevelopment Plan and Program. Such costs may include, without limitation, the following:

- 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;
- The cost of marketing sites within the Project Area to prospective businesses, developers, and investors;
- Property assembly costs including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation and 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;
- Costs of rehabilitation, reconstruction, repair, or remodeling of existing private or public 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;
- Costs of the construction of public works or improvements;
- Costs of job training and retraining projects, including the cost of “welfare to work” programs implemented by businesses located within the Project Area, and costs of 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, as provided in the Act;
- 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 under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued, and not exceeding 36 months thereafter and including reasonable reserves related thereto;
- To the extent the City by written agreement accepts and approves the same, all or a portion of a taxing district’s capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan;
- An elementary, secondary, or unit school district’s increased costs attributable to assisted housing units as provided in the Act;

- Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law;
- Payment in lieu of taxes;
- Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project, as provided by the Act;
- Up to 50% of the cost of construction, renovation, and/or rehabilitation of all low- and very low-income housing units as defined in Section 3 of the Illinois Affordable Housing Act, as provided by the Act;

## **ACQUISITION AND CLEARANCE**

To meet redevelopment objectives, it may be necessary for the City of Crystal Lake to assemble properties in the Project Area. At this time, the City does not intend to acquire, clear, or assemble any properties within the Project Area. Acquisition, clearance, and assembly of properties within the Project Area will likely result from the actions of the private sector. The City will help to market and promote such redevelopment opportunities. The City does, however, reserve the right to acquire, clear, or assemble any properties within the TIF District during the 23-year duration of the TIF. In order to support the increased parking demands of the Corridor, the City may determine the need to acquire property for new parking facilities. All action(s) will be consistent with the stated intent of the TIF and should not result in the need for additional amendments to this Plan. Any clearance of existing structures will be scheduled to coincide with redevelopment activities so that facilities do not remain unused for extended periods of time, and to minimize the adverse effects of rehabilitation or clearance activities.

## **LAND DISPOSITION**

Per the TIF Statute, property acquired by a municipality may be assembled into appropriate redevelopment sites. These properties may be sold or leased by said municipality to other public bodies or to private developers, in whole or in part. The City of Crystal Lake has no current intentions of acquiring and/or assembling any property within the Project Area for the purpose of selling or leasing to other public bodies or to private developers. The City does, however, reserve the right to sell or lease any property acquired within the TIF District during the 23-year duration of the TIF. Any future modifications to the stated disposition actions of this Plan will be in accordance with the objectives of this Redevelopment Plan and Program, and will not require any amendment to the Plan. Terms of conveyance may be incorporated into appropriate disposition documents or agreements, and may include more specific restrictions than contained in this Redevelopment Plan or in other municipal codes and ordinances governing the use of the land.

No conveyance, lease, mortgage, disposition of land or other property, or agreement relating to the development of property will be made except upon the adoption of an ordinance by the City. Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating to the development of property shall be made without providing reasonable opportunity for the submission of alternative proposals or bids.

## **PUBLIC IMPROVEMENTS**

The City of Crystal Lake will continue to provide public improvements in the Project Area to stimulate development and redevelopment in a manner consistent with this Redevelopment Plan. Public improvements may include, but are not limited to, the following:

- Vacation, removal, resurfacing, widening, reconstruction, and other improvements to rights-of-way, streets, alleys, pedestrianways, and pathways.
- Development of or improvements to public open space.
- Construction of off-street parking facilities and structures.
- Improvement or replacement of public utilities such as sewer and water lines, sidewalks, curbs and gutters, stormwater detention facilities.
- Demolition and rehabilitation of obsolete structures.
- Beautification improvements, including streetscape, lighting, signage, and landscaping of public properties.
- Grants or loans to private property owners for eligible property improvements, including building rehabilitation, façade restoration or enhancements.
- Business relocation expenses.

Public improvement activities which are planned as part of this Redevelopment Plan and Program are illustrated in Exhibit D. These activities are based upon recommendations contained in the Comprehensive Plan and the VSC Report, and include the following:

1. *Streetscape*: Streetscape improvements are planned for all street segments located within the Project Area. Streetscape enhancements include, but are not limited to, the following: street trees, sidewalks, benches, bike racks, lighting, flower beds/planters, special paving, pedestrian lighting, decorative street lighting, banners and kiosks.
2. *Utility Relocation*: To improve the appearance of the Virginia Street Corridor, existing powerlines are planned to be relocated to the alley behind the structures fronting Virginia Street. This relocation effort has already occurred in other sections of the Corridor and should help to remove some of the clutter along the Virginia Street Corridor streetscape.
3. *Public Parking*: In order to meet the increased demands and requirements for parking, the City may plan and design for additional customer parking spaces behind the businesses fronting Virginia Street by eliminating current fences and obstacles and procuring cross-access easements. Additionally, improvements to on-street parking options within the Project Area may be included.
4. *Utility Improvements*: Watermains and the sewer system servicing the Redevelopment Plan Area may need to be upgraded to accommodate future uses.

The costs associated with the aforementioned improvements may be shared by the City and individual developers, pursuant to an agreement between both parties. The City may determine at a later date that certain listed improvements are no longer needed or appropriate and may remove them from the list, or may add new improvements to the list which are consistent with the objectives of this Redevelopment Plan.

## PHASING OF PROJECT

Redevelopment projects anticipated in this Plan may commence immediately. Major development and redevelopment projects may be completed within ten (10) years. Any facade improvements, building rehabilitations, and other activities on individual properties will be encouraged during the first ten (10) years of the Tax Increment Finance District, but may occur throughout the life of the TIF. The City may undertake additional public improvements or development projects as appropriate throughout the life of the Redevelopment Plan and Program.

## ESTIMATED PROJECT COSTS

Estimated public project costs are listed in Table 1. These costs are based on 2004 dollars and are therefore subject to inflation.

*Table 1: Estimated Redevelopment Project Costs*

<b>Category</b>	<b>Cost</b>
Property Assembly and Acquisition	\$3,000,000
Environmental, Market and Planning Studies, Surveys, Development of Engineering and Architectural Plans, Specifications, Implementation and Administration Fees	\$825,500
Sidewalk Improvements	\$530,000
Decorative Lighting	\$410,500
Streetscape Improvements, Including but Not Limited to Landscaping, Street Furniture, Trash Receptacles, Bike Racks, Banners, and Bollards	\$515,000
Utility Line Relocation	\$760,000
Building Rehabilitation, Repair, and/or Remodeling	\$750,000
Parking Improvements	\$2,500,000
<b>Total Estimated Project Costs:</b>	<b>\$9,291,000</b>

Note: Actual costs for each category identified above may vary. In addition, this table does not include costs associated with the issuance of municipal obligations, capitalized interest, reimbursement for a portion of privately issued obligations, financing costs during construction (not to exceed 36 months), or other eligible project costs. Such additional costs may or may not be incurred and cannot be estimated at this time.

## **SOURCES OF FUNDS**

The Act provides a way for municipalities to finance public redevelopment costs with incremental real estate tax revenues. Incremental tax revenue is derived from the increase in the current equalized assessed valuation (EAV) of real property within the Project Area over and above the certified initial EAV of the real property. Any increase in EAV is then multiplied by the current tax rate, resulting in the tax increment revenue.

Funds necessary to pay redevelopment project costs may be derived from a number of authorized sources. These may include, but are not limited to, the following:

- Real property tax increment revenues from the Project Area.
- Tax revenues resulting from the establishment of any Special Service Area districts within the Project Area.
- Interest earned on temporary investments.
- Gifts, grants, and contributions.
- Sale or lease of land proceeds.
- User fees.
- Municipal sales taxes.
- The City's general revenue fund.

The principal source of funds to undertake redevelopment activities will be the incremental increase in real property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the project area over the initial equalized assessed value of each such lot, block, tract or parcel. It is estimated that the incremental increase in property taxes over the term of the TIF District in 2003 dollars will be **\$12,085,875**. There may also be other eligible local sources of revenue, such as the sale or lease of City owned property that the City determines are appropriate to allocate to the payment of redevelopment project costs.

## **NATURE AND TERM OF OBLIGATIONS TO BE ISSUED**

The financial plan of this Redevelopment Plan is intended to establish a conservative public expenditure approach. Revenues will be accumulated in the special tax allocation fund to pay for public purpose expenditures identified in this Redevelopment Plan, and whenever practical, expenditures will be made on a cash basis. This method of financing shall not preclude the City from undertaking initiatives designed to stimulate appropriate private investment in the Project Area.

Certain redevelopment projects may be of such a scale or on such a timetable as to preclude financing on a cash basis. These projects may be funded by the use of tax increment revenue obligations issued pursuant to the Act for a term not to exceed twenty (20) years. Consistent with the conservative nature of the financial plan for this Redevelopment Program, the highest priority for the issuance of tax increment revenue obligations shall occur when the commitment is in place for private sector investment necessary to fund the amortization of such obligations.



All obligations are to be covered after issuance by projected and actual tax increment revenues and by such debt service reserved and sinking funds as may be provided by ordinance. Revenues not required for the retirement of obligations providing for reserves, sinking funds, and anticipated redevelopment project costs may be declared surplus and become available for distribution annually to the taxing districts in the Project Area.

One or more issues of obligations may be sold at one or more times in order to implement this plan, as now or hereafter amended, in accordance with law.

The City may, by ordinance, in addition to obligations secured by the special tax allocation fund provided by law, pledge for a period not greater than the term of the obligations any part or any combination of the following:

- o Net revenues of all or part of a Redevelopment Project,
- o Taxes levied and collected on any or all property in the municipality.
- o The full faith and credit of the municipality.
- o A mortgage on part or all of a Redevelopment Project.
- o Any other taxes or anticipated receipts that the municipality may lawfully pledge.

## EQUALIZED ASSESSED VALUATION

Table 2 lists the most recent (2003) equalized assessed valuation of properties in the Project Area by block. The total 2003 equalized assessed valuation of the Project Area is **\$9,845,120**.

*Table 2: 2003 Equalized Assessed Valuations*

Section-Block	2003 Equalized Assessed Value	Section-Block	2003 Equalized Assessed Value
05-154	\$360,720	06-228	\$1,365,317
05-302	\$922,753	06-277	\$270,650
05-303	\$282,417	06-280	\$703,586
05-304	\$397,527	06-282	\$120
05-307	\$1,349,194	06-283	\$261,031
05-308	\$513,176	06-284	\$1,680,136
05-334	\$175,723	06-285	\$98,366
05-352	\$360,160	06-428	\$180,877
06-204	\$793,437	06-430	\$129,930

**Total: \$9,845,120**

Upon the completion of anticipated redevelopment projects it is estimated that the equalized assessed valuation of real property within the Project Area will be in excess of **\$26,080,000**. This represents an approximate **165%** increase in the total equalized assessed valuation. This

figure is based upon estimates of value for the anticipated rehabilitation and redevelopment projects described in the Redevelopment Project Plan section of this report.

### **AFFIRMATIVE ACTION**

The City of Crystal Lake will require each private developer entering into an agreement with the City, in connection with development in the Project Area, to utilize fair employment practices, including an affirmative action program.

### **PAYMENT IN LIEU OF TAXES**

No payments in lieu of taxes are anticipated as part of the Redevelopment Plan and Program.

### **PROVISION FOR AMENDING THE REDEVELOPMENT PLAN AND PROGRAM**

The Redevelopment Plan and Program may be amended pursuant to provisions of the Act.

## **FINDINGS OF NEED FOR TAX INCREMENT FINANCING**

On the basis of the Virginia Street Corridor TIF Eligibility Study and this Redevelopment Plan and Program, the City Council of Crystal Lake, Illinois, can adopt the following findings pursuant to Section 11-74.4-3(n) of the Act.

### **PROJECT AREA NOT SUBJECT TO GROWTH**

The Project Area on the whole has not been subject to appropriate growth and redevelopment through investment by private enterprise, and would not reasonably be anticipated to be developed consistent with City policies without adoption of this Redevelopment Plan.

First, the City finds that the Project Area on the whole has not been subject to growth and redevelopment through investment by private enterprise, based on the physical condition and the lag in growth in property values as follows:

- o As described in the Eligibility Study, the physical condition of the Project Area testifies to the lack of maintenance and improvement activities. In particular, the Eligibility Study identifies a prevalence of deterioration both of buildings and surface improvements. Such deterioration is a direct consequence of a lack of investment in the Project Area. While each individual property may not be deteriorated, the Project Area as a whole is characterized by a reasonable extent and meaningful distribution of this lack of investment.
- o The total Equalized Assessed Value (EAV) of the Project Area has consistently lagged that of the balance of the City of Crystal Lake between 1999 and 2003. Relative to the immediate surroundings, the Project Area has not experienced appropriate growth in the tax base or shown evidence of private investment which increases the value of properties. Further, this is a significant trend that has persisted over a majority of the time period under analysis.

Second, the City finds that the Project Area would not reasonably be anticipated to be developed without adoption of this Redevelopment Plan. This conclusion is based upon the findings in the 2020 Vision Comprehensive Land Use Plan and the Virginia Street Corridor Project Report, a study conducted by the City of Crystal Lake, and information provided by private property owners in the Project Area, as follows:

- The 2020 Vision Comprehensive Land Use Plan was formally adopted by the City in 2001. Referenced within this document is the Virginia Street Corridor Project Report, a study conducted and completed by the City in 2001. This document identifies the presence of deteriorated and blighted conditions within the project area and identifies the anticipated improvements that would be needed to encourage increased private development interest along the Corridor. The primary impetus for preparation of this plan was the belief (of the City) that appropriate development and investment, consistent with the goals and objectives of the City, would not take place without specific planning attention to the area.
- The Virginia Street Corridor Project Report, which is referenced in the Comprehensive Plan, specifically recommends the use of Tax Increment Financing as a financial tool to implement the land use and redevelopment recommendations of that document. The VSC Project Report emphasizes that redevelopment of the area will require Tax Increment Financing to make the area attractive for development and redevelopment by eliminating the conditions which inhibit private investment.
- Development that is consistent with the recommendations of the Comprehensive Plan is not anticipated to occur without financial and other incentives through Tax Increment Financing. An assessment of the development and redevelopment opportunities discussed in the Comprehensive Plan and VSC Project Report, determined that the significant disadvantages suggest that achieving the City goals and objectives for the Corridor will not be easy to accomplish. The market influencing disadvantages cited will tend to reduce the revenues obtainable from the development alternatives under the present conditions - in other words, hinder feasibility. The conclusion of the assessment was that in the absence of municipal subsidy, redevelopment of the area, particularly in the fashion envisioned, would not be feasible.

Therefore, the City of Crystal Lake finds that the Project Area is not subject to appropriate growth and development, and is not reasonably anticipated to be developed without adoption of this Redevelopment Plan.

### **CONFORMANCE WITH THE 2020 VISION COMPREHENSIVE PLAN**

This Redevelopment Plan and Program conforms to the City of Crystal Lake Comprehensive Plan, which was adopted by the Mayor and City Council in August of 2001. Within the Comprehensive Plan, the Virginia Street Corridor is identified as a "Unique Area," with special design and development objectives identified. The stated goal is... "To promote and enhance the Corridor as a viable commercial district, through encouraging aesthetic improvements and appropriate land uses, while maintaining the unique character of the Corridor." Specific objectives and recommended actions for enhancing the Corridor are identified as well, and have served as the basis for many of the redevelopment efforts identified in this Redevelopment Plan.

Furthermore, the Comprehensive Plan references the Virginia Street Corridor Project Report, which was completed in 2001. Along with identifying constraints, opportunities, and improvements to the Corridor, this document offers a list of the estimated costs associated with the identified public improvements to the Corridor. In order to implement many of the identified improvements, this document recommends the establishment of a TIF District for the Virginia Street Corridor.

## **DATE OF COMPLETION**

The estimated year of completion of the redevelopment projects is the year 2028 (23 years from the date of adoption of the ordinance approving the Redevelopment Plan and Program).

## **FINANCIAL IMPACT OF REDEVELOPMENT**

Without the adoption of the Redevelopment Plan and Program, development and redevelopment projects within the Project Area are not reasonably expected to be undertaken by private enterprise. In the absence of City-sponsored redevelopment, there is a prospect that blighting factors will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. Erosion of the assessed valuation of property in and outside of the Project Area has already occurred, and could lead to further reductions of real estate tax revenue to all taxing districts.

Implementation of the Redevelopment Plan and Program is expected to have significant short and long-term positive financial impacts on the taxing districts affected by this Redevelopment Plan. In the short term, the City's effective use of tax increment financing can be expected to arrest the ongoing decline of existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long term, after the completion of all redevelopment improvements and activities, the completion of redevelopment projects and the payment of all redevelopment project costs and municipal obligations, the taxing districts will benefit from any enhanced tax base which results from the increase in equalized assessed valuation caused by the Redevelopment Plan and Program.

The following taxing districts cover the proposed Project Area:

- Algonquin Township
- Algonquin Township Road and Bridge
- City of Crystal Lake Fire
- Crystal Lake Library
- Crystal Lake Park District
- College District #528
- McHenry County
- McHenry County Conservation District
- School District #47
- School District #155
- City of Crystal Lake

### **IMPACT ON ALGONQUIN TOWNSHIP**

The proposed Plan is not anticipated to increase the demands of the current services that the Township offers. The increased demand for any Township provided services resultant from the development plan set forth in this document will be incidental in relation to the total operations of the Township. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON ALGONQUIN TOWNSHIP ROAD AND BRIDGE DISTRICT**

The Algonquin Township Road and Bridge District maintains township roads and bridges. No new township roads or bridges are anticipated as a result of this Redevelopment Plan. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON CITY OF CRYSTAL LAKE FIRE DISTRICT**

New and expanded commercial, office, and mixed-use development in the Project Area may increase demand for fire protection. However, this will be balanced by the rehabilitation and removal of hazardous buildings which currently exhibit deterioration and code violations. No redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON CRYSTAL LAKE LIBRARY DISTRICT**

Whereas new commercial development may increase demand for facilities and programs offered by the Library, this increased demand is only related to a small percentage of the total population served by the Library District. No redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON CRYSTAL LAKE PARK DISTRICT**

The increased demands for recreational services resultant from the anticipated commercial and office development should have minimal impacts on the Park District – any increase would only account for a small percentage of the total demands required of the District. No redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON COLLEGE DISTRICT #528**

No new residential development is planned for the Project Area. Therefore, there is no anticipated increase in services and no new capital expenditures required to support the change in population resultant from the proposed development. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON MCHENRY COUNTY**

No new residential development is planned for the Project Area and no new demands are anticipated for County Services. Therefore, there will be minimal financial impacts upon the County, and no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON MCHENRY COUNTY CONSERVATION DISTRICT**

No new residential development, and no overall increase in the City's population is anticipated within the Project Area. Furthermore, there are no anticipated increased demands for recreational activities due to the proposed development. Any impacts on the McHenry County Conservation District will be incidental. No redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON SCHOOL DISTRICT #47 AND #155**

No new residential development is planned to occur within the Project Area. Therefore, there is no anticipated increase in services and no new capital expenditures required to support the change in population resultant from the proposed development. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

### **IMPACT ON CITY OF CRYSTAL LAKE**

As a result of new development in the Project Area, the City of Crystal Lake may experience increased demand for services such as police protection and fire protection. This increased demand should not be so substantial that, on its own, warrants the hiring of additional police officers or the purchasing of additional fire trucks and related equipment. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

## APPENDIX A – VIRGINIA STREET CORRIDOR TIF ELIGIBILITY STUDY

## Table of Contents

Introduction	2
Tax Increment Financing	2
Description of Project Area	4
Eligibility Findings	4
Age of Buildings	4
Dilapidation	5
Obsolescence	5
Deterioration	5
Presence of Structures Below Minimum Code Standards	6
Illegal Use of Individual Structures	6
Excessive Vacancies	6
Lack of Ventilation, Light, or Sanitary Facilities	7
Inadequate Utilities	7
Excessive Land Coverage	8
Deleterious Land Use or Layout	8
Lack of Community Planning	9
Environmental Clean-Up	9
Decline in Equalized Assessed Value	10
Conclusion	11
Appendix	12
Maps	13



## **Introduction**

The Crystal Lake area's first European settlers arrived in February 1836 and discovered a sparkling clear lake, tall timber, and vast prairies. By August 1836, the U.S. government had granted homestead rights and an old trail, forged by the Sac and Fox tribes, extended from Fort Dearborn in Chicago to northwest Wisconsin; the portion through Crystal Lake became known as Virginia Street. A log cabin inn, the Lyman-King House, stood on Virginia Street near Pomeroy Avenue and served as a stagecoach stop and trading post. The Village of Crystal Lake was platted in 1840. At the time, the surveyors determined the boundaries to be Virginia Street to the north, Lake Avenue to the south; McHenry Avenue to the east; and Dole Avenue to the west. The adjacent Village of Nunda became North Crystal Lake in 1908. Consolidation of Crystal Lake and North Crystal Lake occurred on April 28, 1914; later that year the City of Crystal Lake Charter was adopted. Since World War II, the population and boundaries of the City of Crystal Lake have changed dramatically.

In 1998, the City's Planning Department surveyed businesses along the Virginia Street corridor to gather their opinions regarding opportunities and constraints confronting the Project Area. Following that effort, the City of Crystal Lake prepared the Virginia Street Corridor Project Report in August of 2001. The report stated that opportunities exist to improve the commercial corridor through promotion of a greater compatibility of uses, improvement of building aesthetics, landscaping, streetscape, and signage, and the creation of shared parking among various properties. The study identified the following community development goals for the project area:

1. Eliminate or mitigate deteriorated or blighted conditions within the project area;
2. Enhance the marketability of vacant and underutilized properties and encourage private investment to strengthen the community's tax base;
3. Improve aesthetics of the buildings and public places within the project area; and
4. Enhance the overall quality of the City of Crystal Lake and the welfare of its residents.

Cost estimates for work associated with the goals (sidewalk improvements, decorative lighting, overhead utility line relocation, etc.) exceeded \$875,000 not including land acquisition for and construction of shared parking facilities. Tax increment financing was identified as one source of funds that could pay for improvement projects.

## **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 designating a Redevelopment Project Area. A redevelopment project area is defined as:

*■.an area designated by the municipality, which is not less in the aggregate than 1 . 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)).*

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: dilapidation; obsolescence; deterioration, illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light, or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning; is detrimental to the public safety, health, morals, or welfare and such an area may become a blighted area.*

Determination of eligibility of the Virginia Street Corridor (the ■Project Area●) for tax increment financing is based on a comparison of data gathered through property-by-property field observation, document and archival research of City, County, and Township records, and information provided by McHenry County, Algonquin Township, and the City of Crystal Lake (the ■City●) against the eligibility criteria set forth in the Act. The eligibility criteria identified as part of the Act are the basis for the evaluation. Those factors named by statute are as follows:

- 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,
- Environmental clean-up, and
- Decline of equalized assessed value (“EAV”).

The Project Area is eligible for designation as a ■conservation area● based on the initial threshold criteria that 50% of the buildings in the Project Area are 35 years of age or more (see **Figure 2** – Structures over 35 Years in Age in the Appendix). Having met that threshold, the Project Area further has a predominance and extent of parcels exhibiting the following characteristics: obsolescence, deterioration, presence of structures below minimum code standards, lack of community planning, and decline in equalized assessed value. Each of these factors contributes significantly towards the decline of the Project Area. Under the Act, at least three (3) of the above-listed conservation area factors must be present in and reasonably distributed throughout the Project Area for it to be considered a conservation area.

## **Description of Project Area**

The City of Crystal Lake is located approximately 50 miles northwest of the City of Chicago in McHenry County. The Virginia Street Corridor in the center of the City is a commercial area along Route 14 (extending roughly from Coventry Lane (north of 5/3 Bank) to Carpenter Street (at the Crystal Lake Motel). This section of Route 14, like other portions through Crystal Lake, is maintained by the Illinois Department of Transportation and is designated a strategic regional arterial. As an original business district in the community, the Project Area is largely built-out and faces unique challenges concerning its physical redevelopment. The area contains a mix of retail, office, and restaurant uses. Some housing still exists while other older residential structures have been converted to commercial use.

The boundaries of the Project Area have been carefully established to include those properties that will gain an immediate and substantial benefit from the Redevelopment Plan. The Project Area contains 74 buildings and 77 parcels, and consists of approximately 38.4 acres within 13 legal blocks or portions thereof. The Project Area contains a total of 26 dwelling units. **Figure 1** (see Appendix) delineates the precise boundaries of the Project Area.

## **Eligibility Findings**

TAI conducted two (2) field surveys of the subject properties in December of 2003 and December of 2004. Based on inspections of the improvements and grounds, field notes were taken which recorded the condition of each parcel. Photographs (taken March 1, 2004 and December 2004) further document the observed conditions. Additional research was conducted through the McHenry County Clerk's office, the Algonquin Township Assessor's office, and the City of Crystal Lake.

## **Age of Buildings**

For any redevelopment project area to be designated as a conservation area, 50% or more of the structures in the area must have an age of 35 years or more. 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 buildings or improvements typically exhibit more problems than buildings constructed in later years because of longer periods of active usage (wear and tear) and the impact of time, temperature and moisture. Additionally, older buildings tend not to be well suited for modern-day uses because of contemporary space and development standards.

Based on the observed style and construction methods of the buildings within the Project Area as well as historic records provided by the City of Crystal Lake, 48 of 74 buildings (64.9%) are more than 35 years old. This exceeds the statutory requirement that at least 50% of the buildings in a conservation area must be 35 years of age or older. These buildings are well-distributed throughout the district as a whole (see **Figure 2** for distribution of Structures Over 35 Years in Age). Therefore, age is a contributing factor in the eligibility of the Project Area as a TIF District.

Having met the threshold criteria of Age of Buildings, the Project Area must exhibit three (3) or more of the following factors to such a degree that they are detrimental to the public safety, health, morals, or welfare and may lead to "blighting" of the Project Area. The Project Area characteristics under each of the criteria required by statute are described below. For each factor that contributes to the designation of the Project Area as a conservation area, a map has been prepared that illustrates the distribution of such factor. The maps (shown in the Appendix) represent parcels in which the consultant team

perceives the characteristic to be present to the degree that it represents a significant influence on the character, vitality, and value of properties.

### **Dilapidation**

Per State statute, dilapidation is “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 conditions analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.” At a minimum, dilapidated buildings 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: (i) major repair is required or; (ii) the defects are so serious and extensive that the buildings must be removed. The exterior survey conducted by TAI found that three (3) structures displayed characteristics of dilapidation. However, at only 4.1% of all structures in the Project Area, dilapidation is not a contributing factor toward the designation as a conservation area.

### **Obsolescence**

Per State statute, obsolescence is “the condition or process of falling into disuse” and conditions in which “structures have become ill-suited for their original use.” The Project Area shows signs of obsolescence – particularly in the southern half of the corridor. Approximately one-quarter of buildings (17 of 74) in the Project Area exhibit obsolescence. Additionally, these buildings are located throughout the corridor (see **Figure 3** for distribution of obsolescence) to the extent that they have an impact on adjacent properties, adversely impacting the overall marketability of the area for investment. Due to such factors, obsolescence does contribute to the designation as a conservation area.

### **Deterioration**

With respect to buildings, State statute defines deterioration as “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, butters, 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 though paved surfaces.”

TAI’s field survey found deterioration in 32 of 74 buildings (43.2%) in the Project Area (see **Figure 4** for distribution of deterioration), meaning that nearly one in two buildings contain defects that cannot be corrected with normal maintenance. Such buildings create a visible environment of deterioration throughout the Project Area, causing owners of other nearby properties to be less inclined to invest in their own buildings.

Deterioration of structures occurs throughout the Project Area. More importantly, such deterioration has depressing effects on investment in neighboring properties, to a much greater extent than the proportion of properties exhibiting this factor might suggest. Therefore, deterioration is a contributing factor in the designation of the Project Area as a conservation area.

## **Presence of Structures Below Minimum Code Standards**

A structure is understood to be below minimum code standards if it does “not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to the property, but not including housing and property maintenance codes,” according to State statute. The principal purposes of such codes are to require buildings 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 City Planning review of applicable Zoning in the area, almost all parcels do not meet one or more of the conditions required for lot area, width, building setback, parking lot setback, and landscaping. Seventy-two (72) parcels of the total 77 parcels within the district (93.5%) exhibit conditions that are inconsistent with applicable Zoning (see **Figure 5** for distribution of structures below minimum code standards); as such, presence of structures below minimum code standards is a contributing factor to the designation of the district as a conservation area.

## **Illegal Use of Individual Structures**

Per State statute, a structure that is “in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards” is classified under the category of illegal use of individual structures. 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 City Planning staff, there are not a lot of structures that violate local Zoning codes as they relate to land use; therefore, this criteria does not contribute to the designation of the district as a conservation area.

## **Excessive Vacancies**

Per State statute, excessive vacancy is defined 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.” This criterion includes properties which evidence no apparent effort directed toward their occupancy or utilization and vacancies within buildings.

Out of 74 buildings in the Project Area, only three (3) are partially or entirely vacant. There are three (3) vacant parcels (3.9% of all parcels). The presence of vacancies and vacant parcels is

confined to only a few structures and lots and, therefore, does not significantly contribute to the designation of the district as a conservation area.

### **Lack of Ventilation, Light, or Sanitary Facilities**

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. State statute defines this criteria in the following way: “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 buildings.” Lack of ventilation, light, or sanitary facilities is presumed to adversely affect the health and building occupants, e.g., residents, employees, or visitors.

Only three (3) properties were identified in the Project Area that were obviously inadequately lit or ventilated. As a result, this factor does not significantly contribute to the eligibility of the Project Area as a whole.

### **Inadequate Utilities**

The presence of inadequate utilities is characterized, by statute, 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.”

The City of Crystal Lake Engineering and Utilities Departments came to the conclusion that there are no water main capacity issues in the area. However, given the age (roughly 70 years old) of the mains, they are scheduled to be replaced in roughly 10 years. Similarly, although the sewer system in the area is outdated and will require some maintenance in the future, there is not currently a capacity problem; although defects in the sewer line between Carpenter Street and McHenry Avenue were identified in a 1988 report prepared by Crystal Lake Engineering Department. Because no formal plans for updating these systems have been made that would indicate an immediate adverse influence on the project area, this factor does not contribute to the eligibility of the Project Area as a conservation area.

## **Excessive Land Coverage and Overcrowding of Structures and Community Facilities**

Per State statute, excessive land coverage and overcrowding of structures and community facilities is defined as:

“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.”

Excessive land coverage conditions are presumed to have an adverse or blighting effect on nearby development and were identified on four (4) of 77 properties in the Project Area (5.2%). As a result of this infrequent occurrence, excessive site coverage does not appear as a significant contributor to conditions in the Project Area, and is therefore not a factor in the designation of the Project Area as a conservation area.

## **Deleterious Land Use or Layout**

State statute 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.”

Ten (10) parcels (13.0% of all parcels) are characterized by deleterious land use or layout. These layouts pose circulation and safety hazards in the immediate vicinity. However, because this problem occurs on only an isolated number of parcels, deleterious land use and layout is not a contributing factor in the designation of the Project Area as a conservation area.

## **Lack of Community Planning**

Lack of community planning may be evident, according to statute, “when 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, development standards, or other evidence demonstrating an absence of effective community planning.” This finding may be amplified by 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 City of Crystal Lake’s first Comprehensive Plan was adopted in December of 1958, well after 1935 which is when most of the buildings (64.9%) in the Project Area were constructed (see **Figure 6** – Buildings Constructed Prior to 1958). Additionally, neither the 1958 nor the 1988 Comprehensive Plans addressed the Virginia Street corridor with any specificity other than to classify it as a commercial area. No guidance was given in regard to the unique conditions and historic structures on the street. The most problematic results of this situation are incompatible land uses as were described under deleterious land use and layout that create circulation and safety hazards and lot depths along the northern three-quarters of the corridor that limit redevelopment potential by today’s standards. Thirty-two buildings (41.6%) show evidence of a lack of community planning either because of potential land use conflicts that are created or constrained site arrangements due to lot configuration. Many of the shallow lots along the corridor are directly adjacent to residential properties and have limited value and usefulness. As such, there is evidence of a lack of community planning (see **Figure 7** for distribution of lack of community planning) that contributes to the Project Area’s designation as a conservation area.

## **Environmental Clean-Up**

This factor is relevant, per State statute, “when the area has incurred Illinois Environmental Protection Agency or United States Environmental Protection 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.

Properties in the Project Area are not known to display an obvious need for environmental clean-up; however, appropriate environmental audits should be performed prior to significant redevelopment – particularly given the presence of a number of gas stations and automobile service centers along the corridor. This factor does not make a contribution to the designation of the Project Area as a conservation area.



## Decline in Equalized Assessed Value

This factor can be cited if, according to State statute, “the total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years for which information is available; or is increasing at an annual rate that is less than the balance of the municipality for three (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 three (3) of the last five (5) calendar years for which information is available.”

Overall, the EAV of the Project Area does not indicate substantial growth or investment. Most significantly, the percent changes in the EAV of the Project Area were less than the percent changes in the EAV of the balance of the City of Crystal Lake in 1999, 2000, 2001, 2002, and 2003. Relative to the immediate surroundings, the Project Area has not experienced appropriate growth to the tax base or shown evidence of private investment which increases the value of properties. Based on this evidence, a lagging growth in EAV is a contributing factor to the designation of the Project Area as a conservation area.

CITY OF CRYSTAL LAKE EAV DATA: YEARS 1999 - 2004						
Year	2003	2002	2001	2000	1999	1998
Total Equalized Assessed Value of the Project Area	\$9,845,120	\$9,066,282	\$8,780,497	\$8,561,574	\$8,219,126	\$8,259,113
Percent Change in Project Area EAV from Prior Year	8.59%	3.25%	2.56%	4.17%	-0.48%	-
Equalized Assessed Value of the City of Crystal Lake (excluding Project Area)	\$1,008,256,324	\$922,234,565	\$844,574,757	\$789,191,860	\$737,622,463	\$683,925,911
Percent Change in City EAV from Prior Year	9.33%	9.20%	7.02%	6.99%	7.85%	-
Growth Less than City?	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	-

## **Conclusion**

The Project Area as a whole qualifies as a conservation area according to the criteria established by the Act, based on the fact that more than 50% of the buildings are more than 35 years of age and the predominance and extent of parcels exhibiting the following characteristics:

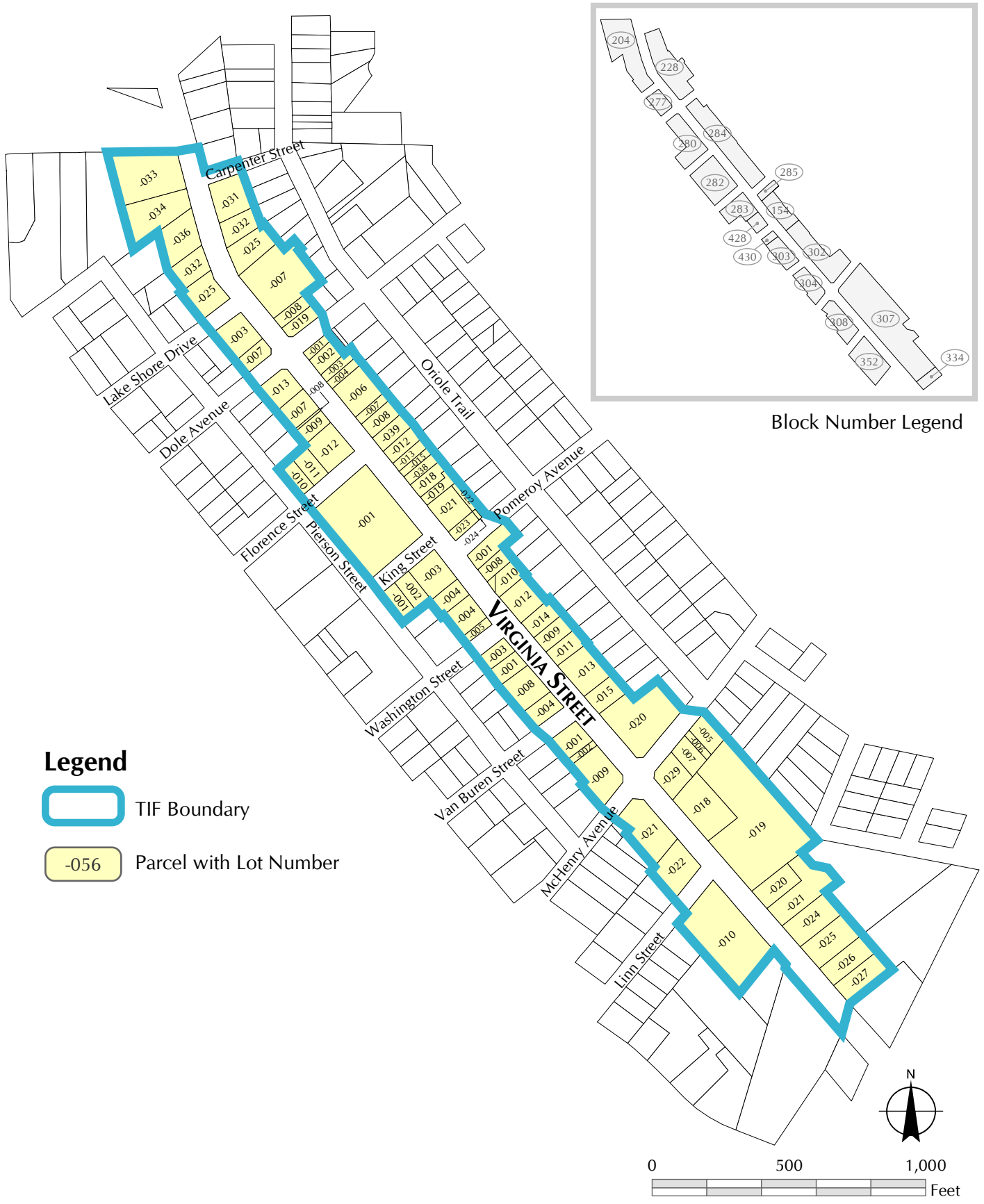
1. Obsolescence
2. Deterioration
3. Presence of Structures Below Minimum Code Standards
4. Lack of Community Planning
5. Decline in Equalized Assessed Value

Each of these factors is present to a significant degree and distributed throughout the Project Area. Further, these factors act in combination with one another, reinforcing the negative affects 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 block exhibits every factor, the combination of the factors throughout the Project Area has significant impact. Due to the negative effect on the public safety and welfare caused by these factors, the Project Area is eligible as a conservation area. All of these characteristics point to the need for this designation to be followed by public intervention in order that redevelopment might occur.

## **Appendix**

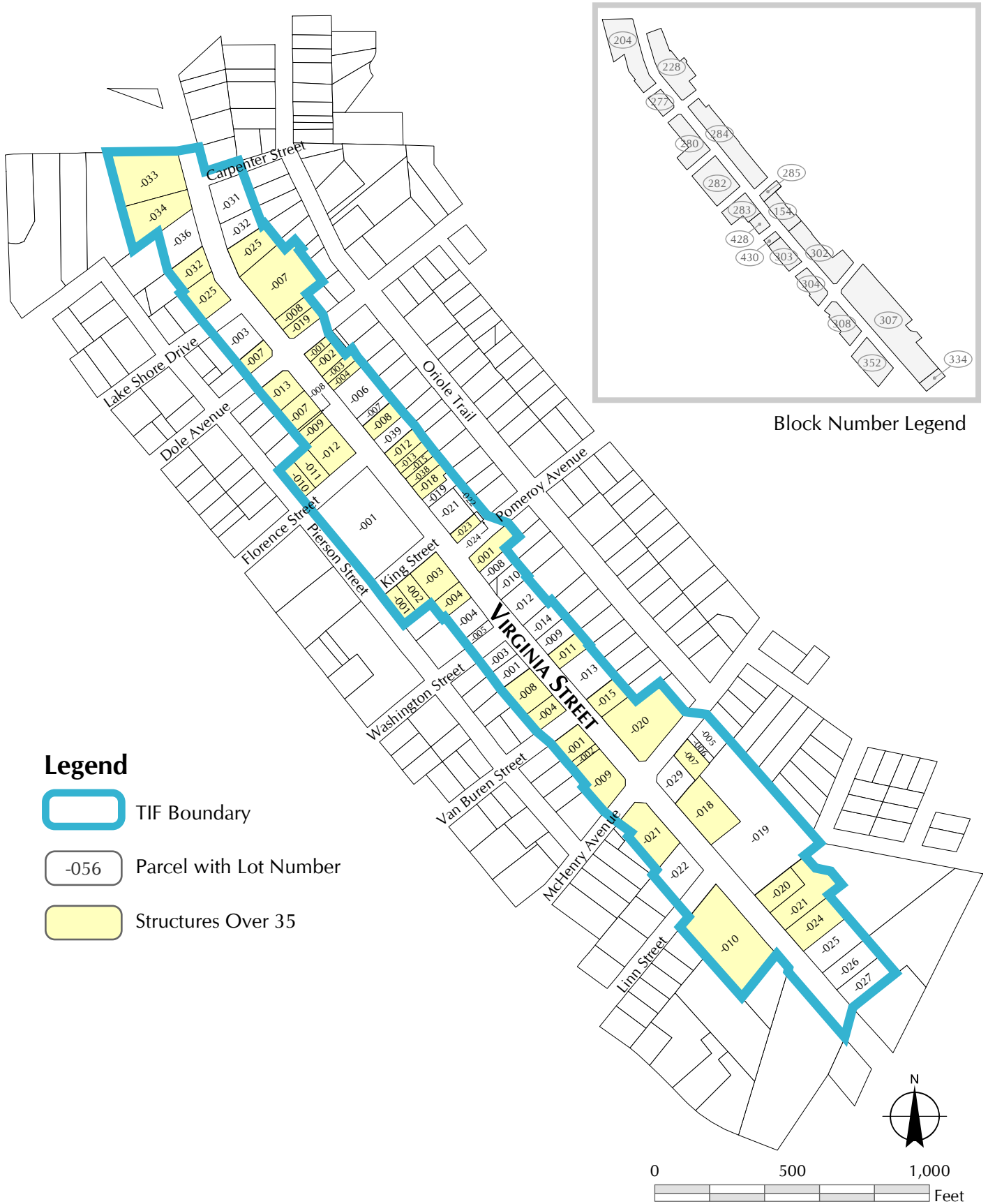
### Maps

- Figure 1 – Project Area
- Figure 2 – Structures Over 35 Years in Age
- Figure 3 – Obsolescence
- Figure 4 – Deterioration
- Figure 5 – Structures Below Minimum Code Standards
- Figure 6 – Buildings Constructed Prior to 1958
- Figure 7 – Lack of Community Planning



**FIGURE 1: TIF Project Area**  
**VIRGINIA STREET CORRIDOR TIF ELIGIBILITY STUDY**  
 City of Crystal Lake, Illinois

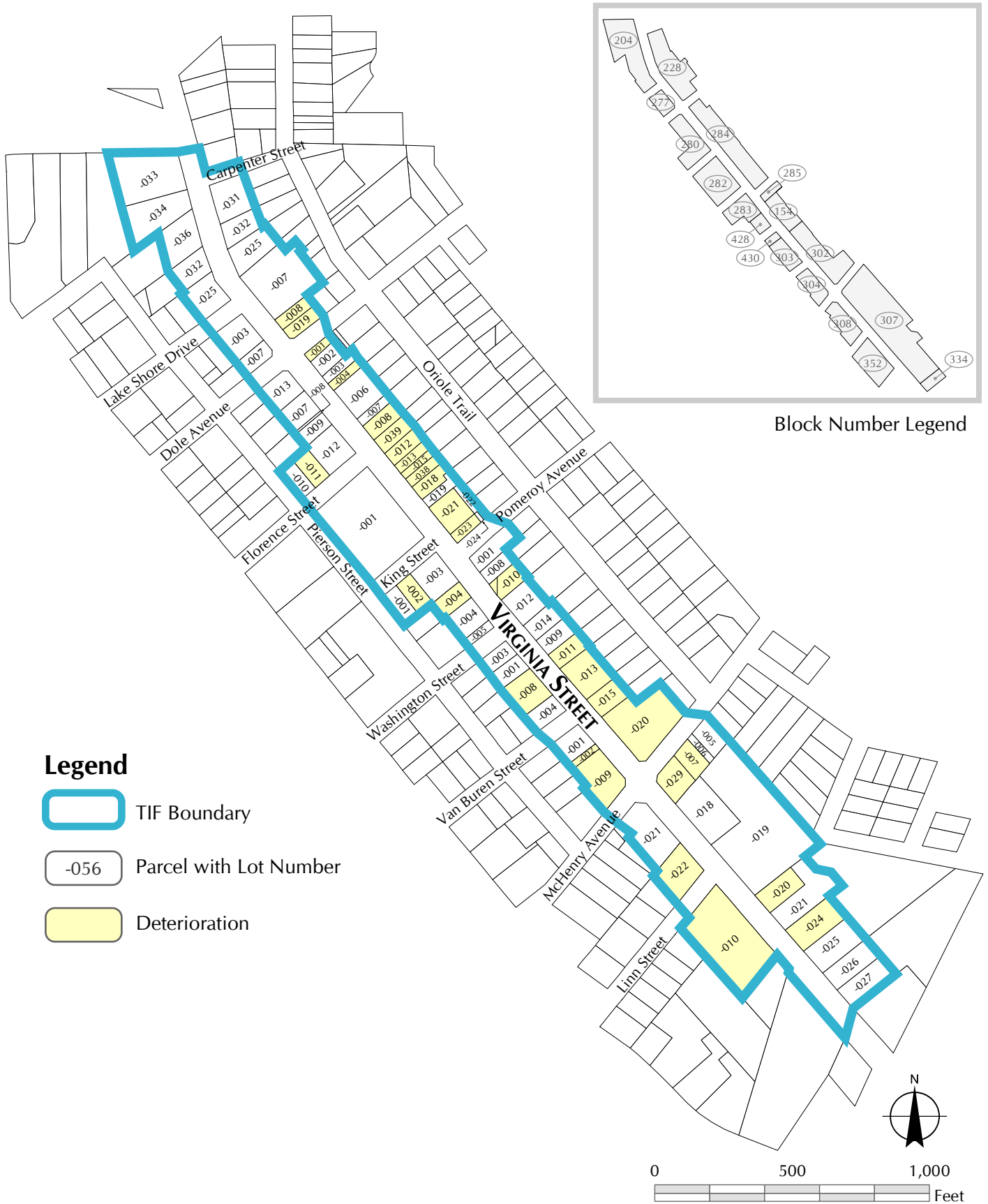




**FIGURE 2: Structures Over 35 Years of Age**  
**VIRGINIA STREET CORRIDOR TIF ELIGIBILITY STUDY**  
 City of Crystal Lake, Illinois

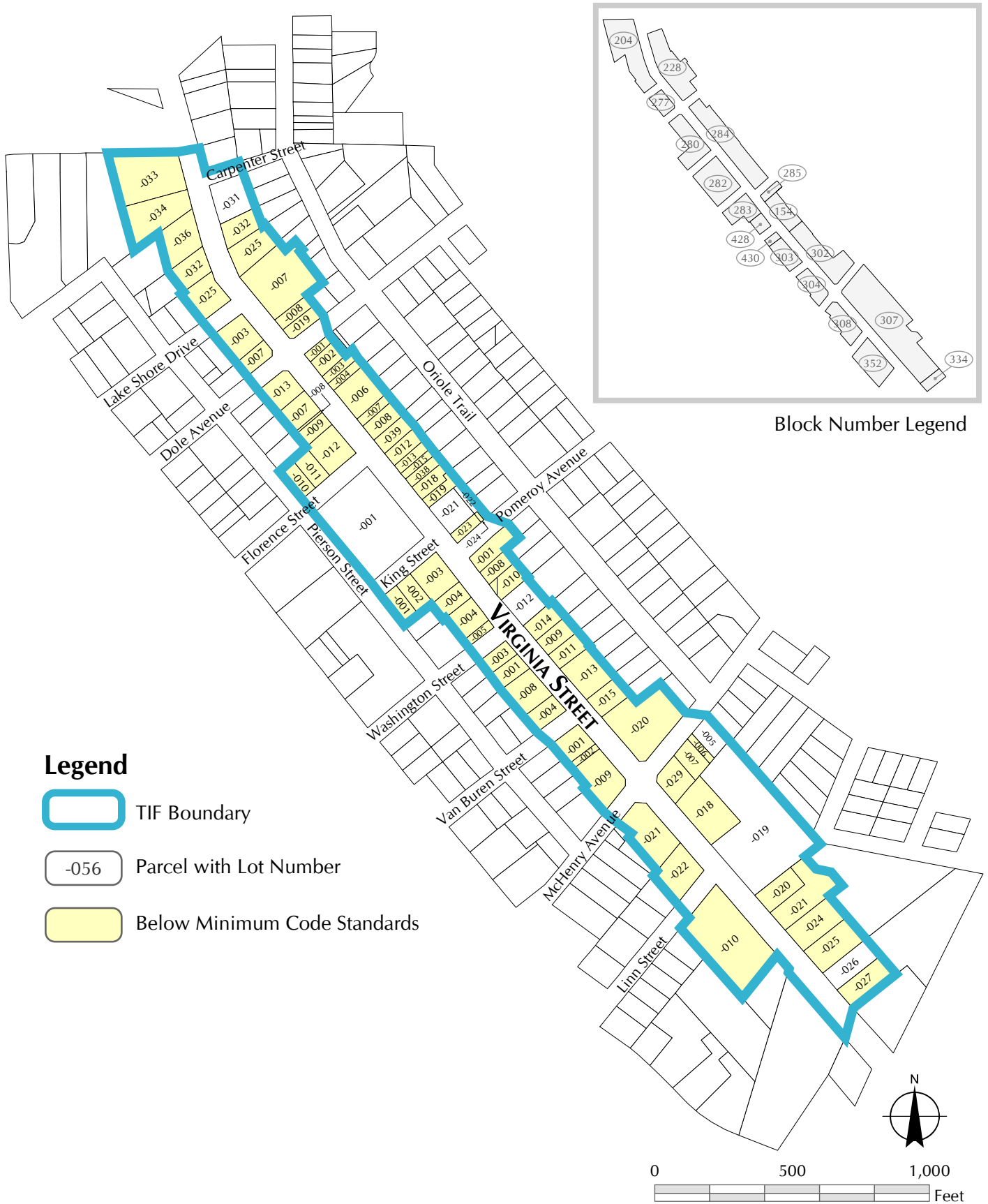






**FIGURE 4: Deterioration**  
**VIRGINIA STREET CORRIDOR TIF ELIGIBILITY STUDY**  
 City of Crystal Lake, Illinois

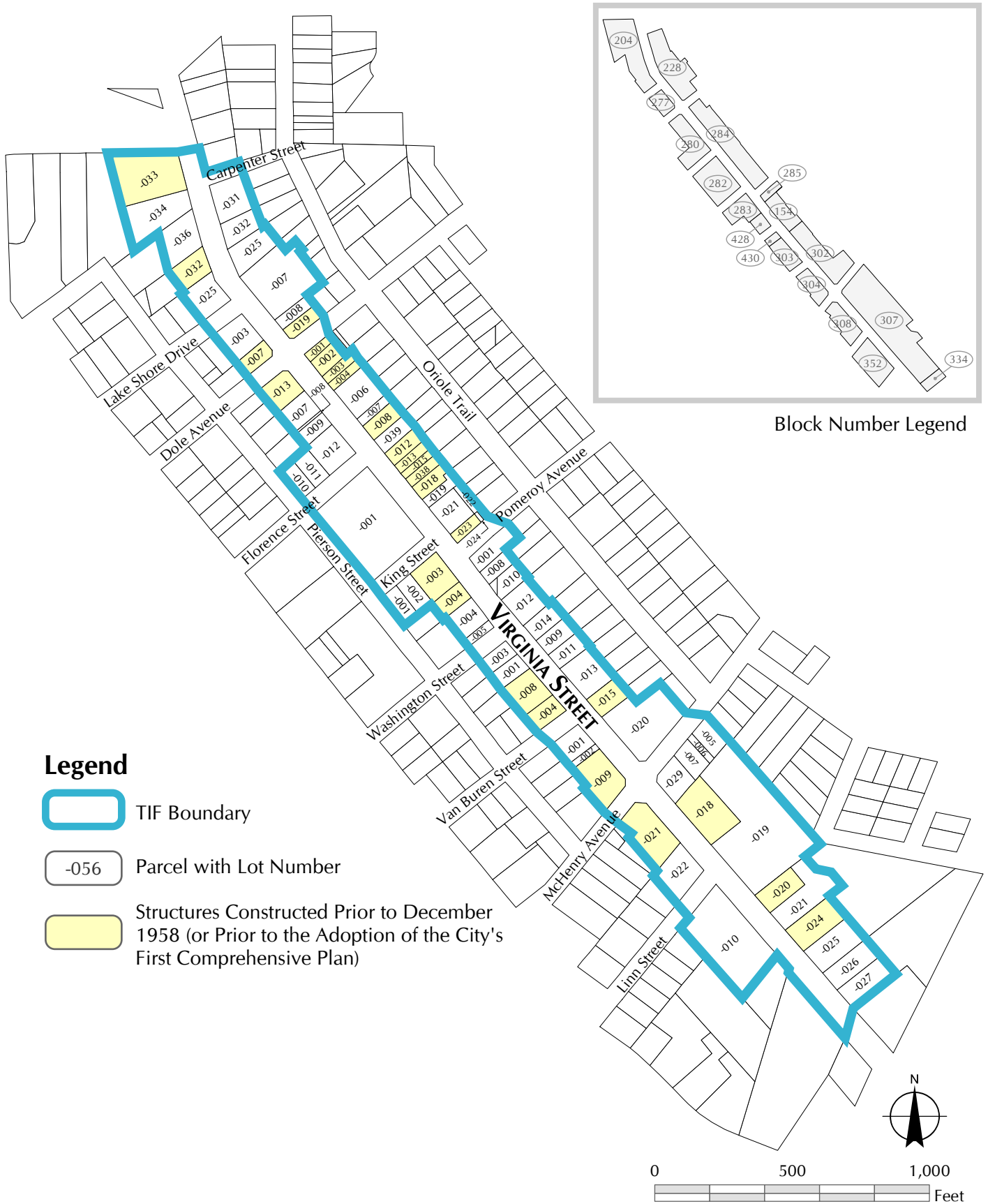




**FIGURE 5: Structures Below Code**  
**VIRGINIA STREET CORRIDOR TIF ELIGIBILITY STUDY**  
 City of Crystal Lake, Illinois







**FIGURE 6: Constructed Prior to 1958**  
**VIRGINIA STREET CORRIDOR TIF ELIGIBILITY STUDY**  
 City of Crystal Lake, Illinois

