

CITY OF DEKALB, IL

DEKALB CENTRAL BUSINESS DISTRICT Redevelopment Project Area

**Tax Increment Financing District
Eligibility Study, Redevelopment Plan and Project, and
Housing Impact Study**

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Introduction

The City of DeKalb (the “City”) seeks to establish a Tax Increment Financing (TIF) district to serve as an economic development tool and promote development within the City’s downtown core, located generally along Lincoln Highway/Illinois Route 38 from the Kishwaukee River west of downtown to the railroad tracks on the east end of downtown. The City engaged SB Friedman Development Advisors (“SB Friedman”) in December 2017 to conduct a TIF District Eligibility Study (the “Eligibility Study”) and prepare a Redevelopment Plan and Project (the “Redevelopment Plan” or “Plan”).

This document serves as the Eligibility Study, Redevelopment Plan and Project, and Housing Impact Study (the “Report”) for the proposed DeKalb Central Business District Redevelopment Project Area (“CBD RPA” or the “RPA”). The Eligibility Study details the eligibility factors found within the proposed RPA in support of its designation as a “conservation area,” within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the “Act”). The Redevelopment Plan outlines the comprehensive program to revitalize the RPA, as required by the Act. The Housing Impact Study evaluates the impact the Redevelopment Plan may have on currently inhabited residential units within the CBD RPA.

Redevelopment Project Area

The proposed CBD RPA is located within the City of DeKalb in DeKalb County (the “County”), as shown on **Map 1**. The proposed CBD RPA consists of approximately 281 tax parcels and 182 buildings. It comprises approximately 125 acres of land, of which approximately 80 acres are improved and approximately 44 acres are right-of-way (numbers do not sum due to rounding). The parcels included in the proposed RPA are located generally along Lincoln Highway/Illinois Route 38 from the Kishwaukee River west of downtown to the railroad tracks on the east end of downtown, as illustrated in **Map 2**. Based upon SB Friedman’s research, the RPA is entirely improved and currently consists of a mix of primarily commercial, industrial, institutional, residential, and mixed land uses, as shown in **Map 3**.

Determination of Eligibility

CONSERVATION AREA FINDINGS – IMPROVED PARCELS

This Report concludes that the proposed CBD RPA is eligible for designation as a “conservation area” under the Act. SB Friedman’s analysis indicated that 79 percent (79%) of primary structures on the RPA’s improved land are aged 35 years or older and the following four (4) eligibility factors have been found to be present to a meaningful extent and reasonably distributed throughout the RPA:

1. Lack of Growth in Equalized Assessed Value (EAV);
2. Deterioration;
3. Presence of Structures below Minimum Code Standards; and
4. Inadequate Utilities.

These factors are defined under the Act at 65 ILCS 5/11-74.4-3 (a) and (b) and are more fully described in **Appendix 2**.

SUMMARY OF ELIGIBILITY FINDINGS

These conditions hinder the potential to attract substantial new investment to revitalize the downtown. The RPA will benefit from a strategy that addresses the conditions of aged buildings and infrastructure and impeded growth in EAV while improving its overall physical condition.

Redevelopment Plan Goal, Objectives and Strategies

GOAL. The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the proposed RPA as a conservation area, and to provide the direction and mechanisms necessary to re-establish the RPA as a vibrant mixed-use downtown area. Redevelopment of the RPA is intended to revitalize the area, strengthen the economic base and enhance the City's overall quality of life.

OBJECTIVES. The following twelve (12) objectives support the overall goal of revitalization of the RPA:

1. Assist in the comprehensive rehabilitation of existing structures in the Central Business District (CBD), bringing buildings, including historically-significant and century-old buildings, up to current building code standards.
2. Leverage private investment to assemble obsolete and blighted properties for the purpose of constructing high-quality mixed-use developments to attract new commercial and residential tenants.
3. Support the development of attractions and amenities to draw visitors and increase overall foot traffic in the CBD.
4. Physically connect the CBD with the eastern entry to Northern Illinois University's campus through the development of vacant parcels on West Lincoln Highway and enhanced pedestrian/bike-friendly streetscapes.
5. Incentivize new businesses to occupy vacant or underutilized buildings in the CBD that will contribute to a healthy mix of retail, entertainment and professional service businesses.
6. Assemble and develop consolidated community spaces that can be used for special events and enhance the vibrancy of the CBD.
7. Upgrade utilities and infrastructure that can support desired growth in the CBD.
8. Aggressively market properties and programs to businesses and developers to expedite the realization of desired outcomes, grow the CBD and increase alternate revenue streams to reduce City dependence on property tax revenue.
9. Remediate contaminated properties to provide clean sites for private development.
10. Enable redevelopment of City-owned parcels that are not currently viable for redevelopment without incentives.
11. Support the inclusion of affordable housing units within the CBD RPA.

12. Support the goals and objectives of other overlapping plans, including the current citywide comprehensive plan (the “2005 Comprehensive Plan”), the most recent downtown plan (the “2007 Downtown Plan”) and its subsequent update (the “2013 Downtown Plan Update”), the City’s most recent strategic plan (“DeKalb 2025”), and other TIF redevelopment plans, and coordinate available federal, state and local resources to further the goals of this Redevelopment Plan.

STRATEGY. Rehabilitation and redevelopment of the RPA is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use TIF, as well as other funding sources, to reinforce and encourage further private investment.

Financial Plan

ELIGIBLE COSTS. The Act outlines several categories of expenditures that can be funded using incremental property taxes. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan pursuant to the Act.

ESTIMATED REDEVELOPMENT PROJECT COSTS. The estimated eligible costs of this Redevelopment Plan are approximately \$85 million. The total of eligible redevelopment costs provides an upper limit on expenditures that are to be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest, and other financing costs.

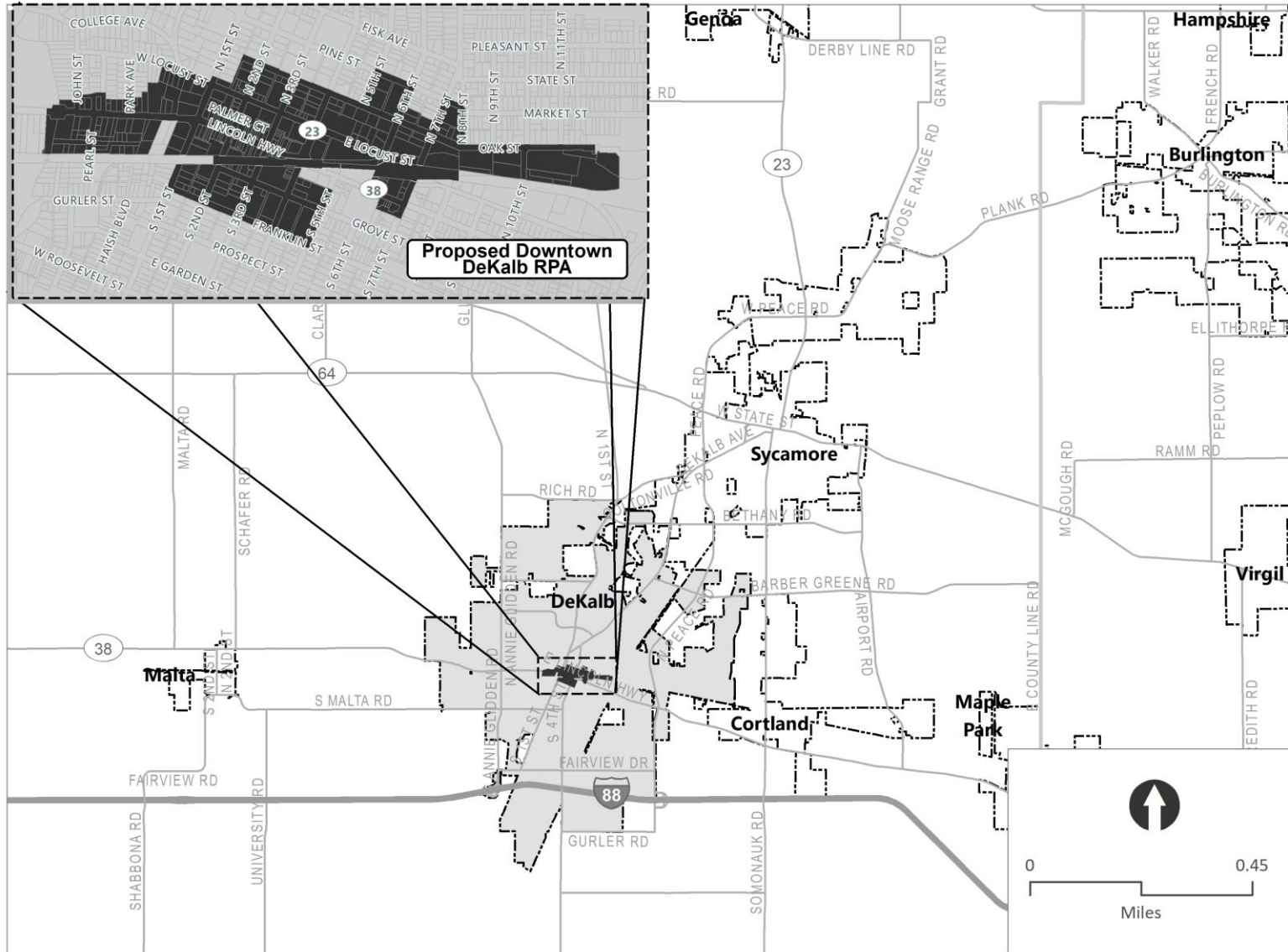
EQUALIZED ASSESSED VALUE OF PROPERTIES IN THE RPA. The 2017 EAV (the most recent year in which assessed values and the equalizer were available) of all taxable parcels in the RPA is \$12,617,841. By tax year 2041 (for which taxes are collected in 2042), the total taxable EAV for the RPA is anticipated to be approximately \$58 million.

Required Findings and Tests

The required conditions for adoption of a redevelopment plan are found to be present within the CBD RPA:

1. Limited private investment has occurred in the CBD RPA over the last five years.
2. Without the support of public resources, the redevelopment objectives for the RPA would most likely not be realized. Accordingly, “but for” the designation of a TIF district, these projects would be unlikely to occur on their own.
3. The CBD RPA includes only those contiguous parcels of real property that are expected to benefit substantially from the proposed Redevelopment Plan.
4. The Redevelopment Plan conforms to and proposes land uses that are consistent with the 2005 Comprehensive Plan, the 2007 Downtown Plan, and the 2013 Downtown Plan Update.
5. A Housing Impact Study was completed and found no displacement was likely to occur as a result of redevelopment associated with the Plan; however, should displacement occur the local for-sale and rental residential market appears to be adequate to furnish any needed replacement housing.
6. The Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs shall be retired no later than December 31, 2042, if the ordinances establishing the RPA are adopted during 2018.

Map 1: Context Map



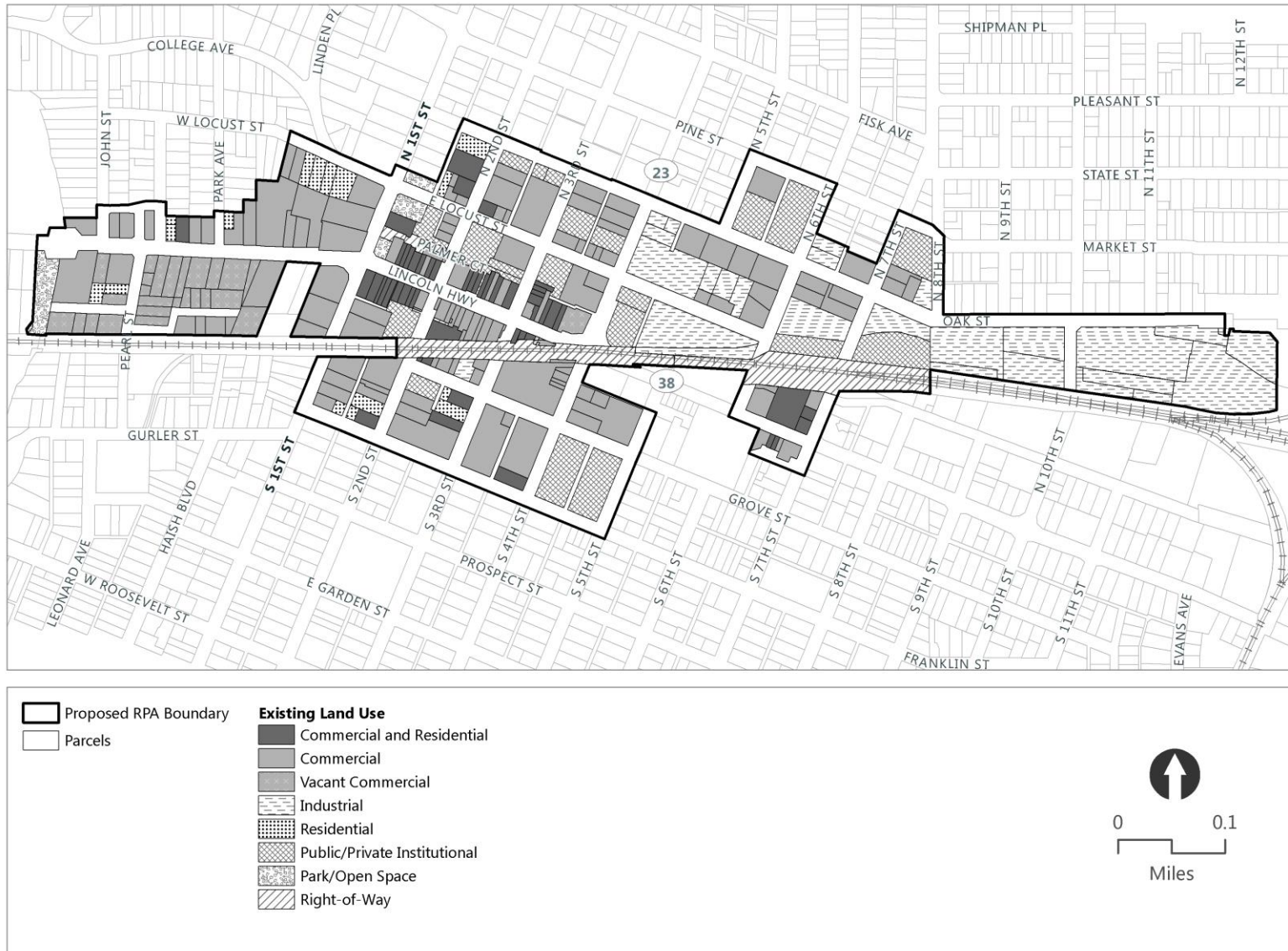
Source: City of DeKalb, DeKalb County, Esri, SB Friedman

Map 2: Proposed RPA Boundary Map



Source: City of DeKalb, DeKalb County, Esri, SB Friedman

Map 3: Existing Land Use



Source: City of DeKalb, DeKalb County, Esri, SB Friedman

Eligibility Analysis

Provisions of the Illinois Tax Increment Allocation Redevelopment Act

Under the Act, two (2) primary avenues exist to establish eligibility for an area to permit the use of TIF for area redevelopment: declaring an area as a “blighted area” and/or a “conservation area.” “Blighted areas” are those improved or vacant areas with blighting influences that are impacting the public safety, health, morals, or welfare of the community, and are substantially impairing the growth of the tax base in the area. “Conservation areas” are those improved areas that are deteriorating and declining and soon may become blighted if the deterioration is not abated. A description of the statutory provisions of the Act is provided below.

Factors for Improved Areas Land

According to the Act, “blighted areas” for improved land must demonstrate at least five (5) of the following eligibility factors, which threaten the health, safety, morals or welfare of the proposed district. “Conservation areas” must have a minimum of 50% of the total structures within the area aged 35 years or older and demonstrate three (3) or more eligibility factors that are detrimental to the public safety, health, morals or welfare, and that could result in such an area becoming a “blighted area.” The following are eligibility factors for improved areas:

- 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
- Environmental Clean-Up
- Lack of Community Planning
- Lack of Growth in Equalized Assessed Value

A definition of each factor is provided in **Appendix 2**.

Methodology Overview

SB Friedman conducted the following analyses to determine whether the proposed RPA qualifies for TIF designation:

- Review of building age data from the DeKalb Township Assessor’s Office;
- Review of parcel-level GIS shapefile data provided by the City;
- Building permit records (2012-2016) provided by the City;
- Parcel-by-parcel field observations and photography documenting external property conditions conducted from January 31, 2018 to February 2, 2018;
- Review documentation from City staff regarding the presence of building code violations;
- Review documentation from City’s engineering consultant regarding the condition of existing utilities;
- Analysis of historical EAV trends for the last six years (five year-to-year periods) for which data are

- available and final (2012-2017), provided by the County Clerk¹; and
- Review of the 2005 Comprehensive Plan, as well as the 2007 Downtown Plan, the 2013 Downtown Plan Update, and the City’s most recent strategic plan, DeKalb 2025.

SB Friedman examined all properties for qualification factors consistent with requirements of the Act. SB Friedman calculated the number of eligibility factors present on a building-by-building or parcel-by-parcel basis and analyzed the spatial distribution of the eligibility factors. The information was then plotted on a parcel map of the RPA to establish the distribution of eligibility factors, and to determine which factors were present to a meaningful extent and reasonably distributed throughout the RPA.

Conservation Area Findings: Improved Parcels

Based upon the conditions found within the RPA at the completion of SB Friedman’s research, it has been determined that the RPA meets the eligibility requirements of the Act as a “conservation area” for improved land. Based on the review of GIS data and field observations, all parcels are considered improved, either with buildings or site improvements. Of the 182 buildings in RPA, 150 buildings (82%) are 35 years of age or older, as they were constructed in or before 1983. Exempt buildings for which the County did not provide ages were assumed for the purposes of this analysis to be less than 35 years old. **Map 4** shows the location of buildings that are 35 years or older. SB Friedman’s research indicates that the following four (4) factors are present to a meaningful extent and reasonably distributed throughout the RPA:

1. Lack of Growth in Equalized Assessed Value (“EAV”);
2. Deterioration;
3. Presence of Structures below Minimum Code Standards; and
4. Inadequate Utilities.

Maps 5A through **5D** illustrate the distribution of eligibility factors found within the RPA by highlighting each parcel where the respective factors were found to be present to a meaningful degree. Each eligibility factor that is present to a meaningful extent is summarized below:

1. Lack of Growth in EAV

Total EAV is a measure of the property value in the RPA. SB Friedman tabulated the EAV history of all tax parcels within the RPA for the previous six years (five year-to-year periods) using EAV data provided by the County Clerk. The most recent year for which final information was available was 2017. SB Friedman’s analysis identified a lack of EAV growth within the RPA in accordance to the following criteria, as defined in the Act:

1. The total EAV of improved parcels within the area has declined for four (4) of the last five (5) year-to-year periods;
2. The EAV growth rate of the RPA parcels has been less than the growth rate of the balance of the City for five (5) of the last five (5) year-to-year periods; and
3. The EAV growth rate has been less than the growth rate of the Consumer Price Index (CPI) for four (4) of the last five (5) year-to-year periods.

¹ 2017 EAV data acquired in May 2018, subsequent to the conclusion of the parcel-by-parcel field observations in January-February 2018.

Lack of growth in EAV within the RPA is one of the strongest indicators that the RPA has lacked growth and investment. A lack of growth in EAV has been identified for the RPA in that the EAV has declined, has been less than the balance of the City and has been less than CPI a majority of the last five year-to-year periods. This eligibility factor is present to a meaningful extent throughout the CBD RPA. A summary of our findings is presented in **Table 1**.

Table 1: Percentage Change in Annual EAV, 2012-2017

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
RPA Parcels	-10.1%	-6.4%	-0.7%	8.0%	-0.5%
Decline?	YES	YES	YES	NO	YES
City EAV less RPA Parcels	-9.7%	-4.7%	0.6%	8.2%	5.3%
RPA Parcels Growth Less than City?	YES	YES	YES	YES	YES
Consumer Price Index (CPI)	1.1%	1.7%	-0.3%	0.7%	1.9%
RPA Parcels Growth Less than CPI?	YES	YES	YES	NO	YES

Source: DeKalb County Clerk; SB Friedman; U.S. Bureau of Labor Statistics CPI data for Chicago-Gary-Kenosha, IL-IN-WI metropolitan area

2. Deterioration

The Act defines building 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, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration including but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Deterioration was found to be present to a meaningful extent and reasonably distributed throughout the RPA. Physical deterioration was observed on 240 parcels of 279 parcels (86% of RPA parcels). The most common form of deterioration was on surface improvements, including streets, parking lots and alleys. Catalogued surface improvement deterioration included cracks in public and private infrastructure, alligating of pavement, and cracking or crumbling curbs, sidewalks and driveways. Building deterioration included stairstepping or other deterioration in cinderblock, brick or mortar, and cracked foundations. Deterioration of buildings and surface improvements can make it appear as though the RPA lacks investment and can make it more difficult to attract new businesses or consumers. This factor was found to be meaningfully present and reasonably distributed throughout the RPA.

3. Inadequate Utilities

The Act defines inadequate utilities as underground and overhead utilities, such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone and electrical services, which are:

1. Of insufficient capacity to serve the uses in the redevelopment project area;
2. Deteriorated, antiquated, obsolete, or in disrepair; or
3. Lacking within the redevelopment project area.

Based on a memo provided by WBK Engineering, LLC dated May 29, 2018, stormwater runoff controls throughout the entire CBD RPA are deficient to mitigate stormwater flows generated by impervious surfaces. In addition, data from the Kishwaukee Water Reclamation District indicates obsolete sanitary sewer

infrastructure, including 72% of manholes and 59% of sanitary sewer pipe throughout the RPA in need of rehabilitation or replacement. Additional detail is provided **Appendix 5**.

Based on these conditions, the inadequate utilities factor was found to be present to a meaningful extent and reasonably distributed throughout the RPA.

4. Presence of Structures Below Minimum Code Standards

Per the Act, structures below minimum code standards are those that do not meet applicable standards of zoning, subdivision, building, fire and other governmental codes. The principal purpose of such codes is to protect the health and safety of the public as to safeguard the health and safety of building occupants, pedestrians, or occupants of neighboring structures.

In February 2017, the City of DeKalb adopted the 2015 complement of codes from the International Code Council (ICC), the NFPA 70 2014 National Electric Code (NEC), and the State of Illinois Department of Public Health Plumbing Code. According to the City's Chief Building Officer, 98.9% (180 of 182) buildings within the CBD RPA do not meet all of the codes as adopted. Only two of buildings in the CBD RPA have been built or rehabilitated since the most recent code adoption. Though existing buildings may be "grandfathered," with no immediately required updates to meet current codes, such buildings must often be brought up to compliance with new construction codes for when rehabilitation work is undertaken. According to the City's Chief Building Officer, examples of deficiencies which exist in the existing building stock and which would not meet current codes include the absence of fully accessible entry/exit routes including elevators, fully accessible restrooms, energy compliant building systems and thermal envelope, fire suppression systems which may be required for new construction, and adequate widths or sizes of circulation paths and stairs.

The presence of structures below minimum code standards, and the cost to upgrade "grandfathered" structures to meet modern codes may reduce the overall competitiveness and economic viability of the area. Based on information provided by the City, this factor is present to a meaningful extent and is reasonably distributed throughout the RPA.

Summary of Eligibility Findings

SB Friedman has found that the RPA qualifies to be designated as a "conservation area," with 50% or more of the structures within the RPA at least 35 years of age or older, and at least four (4) of the thirteen (13) eligibility factors present to a meaningful extent and reasonably distributed within the RPA.

Map 4: Age



Source: City of DeKalb, DeKalb County, DeKalb County Assessor, Esri, SB Friedman

Map 5A: Lack of Growth in Equalized Assessed Value



Source: City of DeKalb, DeKalb County, DeKalb County Clerk, Esri, SB Friedman

Map 5B: Deterioration



Source: City of DeKalb, DeKalb County, Esri, SB Friedman

Map 5C: Presence of Structures below Minimum Code Standards



Source: City of DeKalb, DeKalb County, Esri, SB Friedman

Map 5D: Inadequate Utilities



Source: City of DeKalb, DeKalb County, Esri, Kishwaukee Water Reclamation District, SB Friedman, WRT Engineering, LLC

Redevelopment Plan and Project

This section describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can reasonably occur. The redevelopment program will proceed gradually over the life of the RPA. If a redevelopment project is successful, various new projects will be undertaken that will assist in alleviating blighting conditions and promoting rehabilitation and development in the RPA.

Redevelopment Needs of the RPA

Currently, the RPA is comprised of aging buildings that are characterized by a lack of growth in property values, deterioration, inadequate utilities and failure to meet current building codes. These conditions inhibit the value of the commercial, industrial, residential and mixed-use properties in the area and make the RPA less competitive overall, limiting redevelopment potential and contributing to the lack of new investment in the RPA.

The existing conditions suggest six (6) major redevelopment needs of the RPA:

1. Rehabilitation of existing buildings;
2. Site preparation, environmental remediation and stormwater management;
3. Streetscape and infrastructure improvements, including utilities and burying overhead power lines;
4. Capital improvements that further the objectives set forth in this Redevelopment Plan;
5. Redevelopment of underutilized parcels; and
6. Resources for commercial, residential and public development.

The goals, objectives and strategies discussed below have been developed to address these needs and facilitate the sustainable redevelopment of the RPA.

GOALS, OBJECTIVES AND STRATEGIES

Goals, objectives and strategies, designed to address the needs of the community, form the overall framework of this Redevelopment Plan.

GOAL. The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the proposed RPA as a conservation area, and to provide the direction and mechanisms necessary to establish the RPA as a vibrant mixed-use downtown area. Redevelopment of the RPA is intended to revitalize the area, strengthen the economic base, and enhance the City's overall quality of life.

OBJECTIVES. The following 12 objectives support the overall goal of revitalization of the RPA:

1. Assist in the comprehensive rehabilitation of existing structures in the Central Business District (CBD), bringing buildings, including historically-significant and century-old buildings, up to current building code standards.

2. Leverage private investment to assemble obsolete and blighted properties for the purpose of constructing high-quality, mixed-use developments to attract new commercial and residential tenants.
3. Support the development of attractions and amenities to draw visitors and increase overall foot traffic in the CBD.
4. Physically connect the CBD with the eastern entry to Northern Illinois University's campus through the development of vacant parcels on West Lincoln Highway and enhanced pedestrian/bike-friendly streetscapes.
5. Incentivize new businesses to occupy vacant or underutilized buildings in the CBD that will contribute to a healthy mix of retail, entertainment and professional service businesses.
6. Assemble and develop consolidated community spaces that can be used for special events and enhance the vibrancy of the CBD.
7. Upgrade utilities and infrastructure that can support desired growth in the CBD.
8. Aggressively market properties and programs to businesses and developers to expedite the realization of desired outcomes, grow the CBD and increase alternate revenue streams to reduce City dependence on property tax revenue.
9. Remediate contaminated properties to provide clean sites for private development.
10. Enable redevelopment of City-owned parcels that are not currently viable for redevelopment without incentives.
11. Support the inclusion of affordable housing units within the CBD RPA.
12. Support the goals and objectives of other overlapping plans, including the 2005 Comprehensive Plan, the 2007 Downtown Plan and 2013 Downtown Plan Update, DeKalb 2025, and other TIF redevelopment plans, and coordinate available federal, state and local resources to further the goals of this Redevelopment Plan.

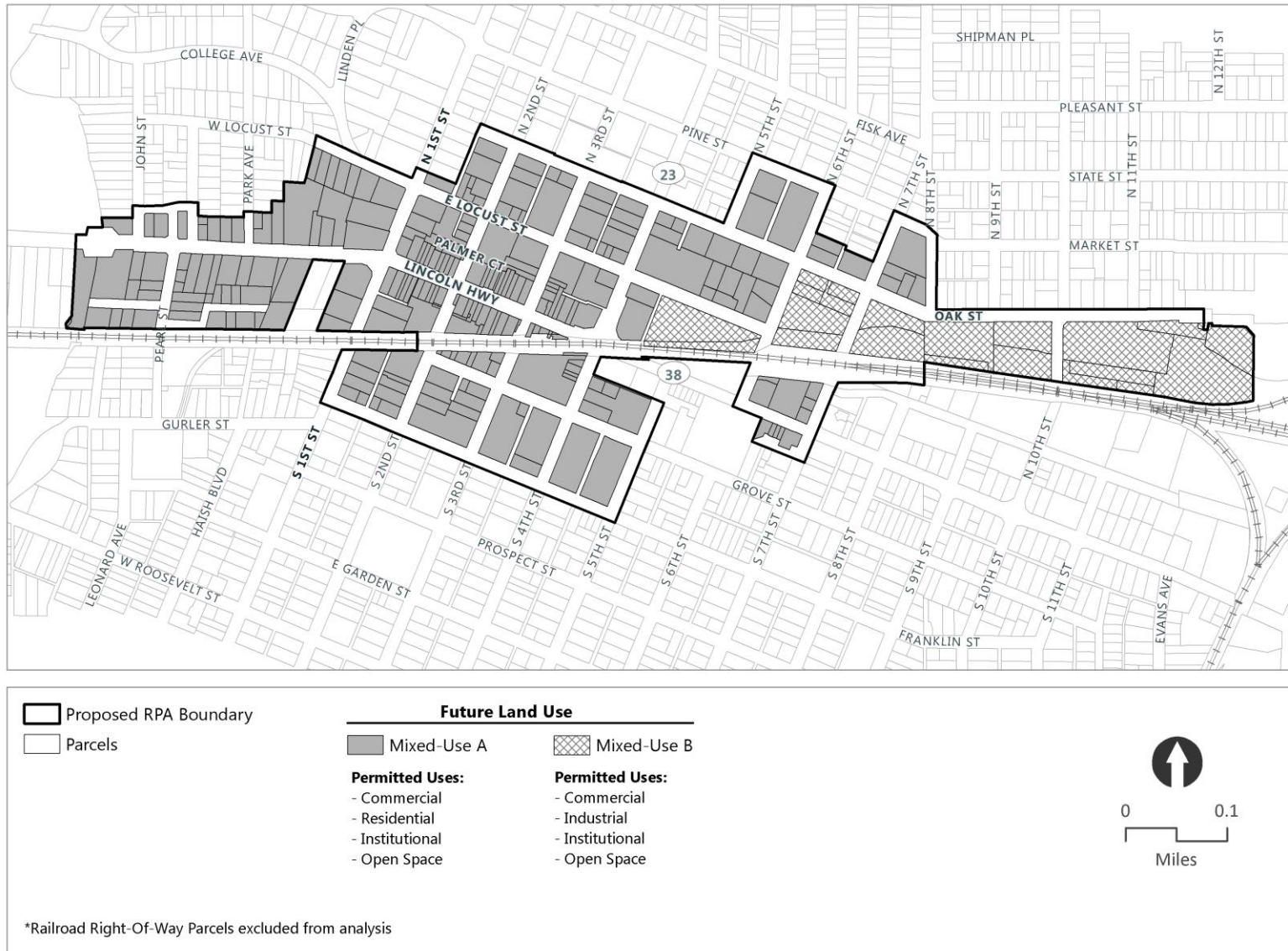
STRATEGIES. Rehabilitation and redevelopment of the RPA is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use TIF, as well as other funding sources, to reinforce and encourage further private investment.

Proposed Future Land Use

The proposed future land use of the RPA, as shown in **Map 6**, reflects the objectives of this Redevelopment Plan. For the purposes of this Redevelopment Plan, two mixed-use designations are used to allow for a variety of uses appropriate to a downtown setting in conformance with the 2005 Comprehensive Plan, 2007 Downtown Plan, and 2013 Downtown Plan Update. The Mixed-Use A designation covers a majority of the RPA (257 of 279 parcels), including the downtown core, and allows for a mix of commercial, institutional, residential and open space uses. The Mixed-Use B designation includes 22 of 279 parcels at the east end of the RPA, and

allows a mix of commercial, industrial, institutional and open space uses. Two parcels are anticipated to remain railroad parcels in the future land use plan.

Map 6: Proposed Future Land Use



Source: City of DeKalb, DeKalb County, Esri, SB Friedman

Financial Plan

ELIGIBLE COSTS

The Act outlines several categories of expenditures that can be funded using tax increment revenues. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan pursuant to the Act. The City may also reimburse private entities for certain costs incurred in the development and/or redevelopment process. Such costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans and specifications, and 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 (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(1).
2. The costs of marketing sites within the RPA to prospective businesses, developers and investors.
3. Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground-level or below-ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land as more fully set forth in 65 ILCS 5/11-74.4-3(q)(2).
4. Costs of rehabilitation, reconstruction, or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(3); and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project, the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.
5. Costs of the construction of public works or improvements, subject to the limitations in Section 11-74.4-3(q)(4) of the Act.
6. Costs of job training and retraining projects, including the costs of “welfare to work” programs implemented by businesses located within the RPA, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(5).
7. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto.
8. To the extent the municipality 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 this Redevelopment Plan.

9. An elementary, secondary or unit school district's increased per pupil tuition costs attributable to net new pupils added to the district living in assisted housing units will be reimbursed, as further defined in the Act.
10. A library district's increased per patron costs attributable to net new persons eligible to obtain a library card living in assisted housing units, as further defined in the Act.
11. Relocation costs to the extent that the municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law, or by Section 11-74.4-3(n)(7) of the Act.
12. Payment in lieu of taxes, as defined in the Act.
13. Costs of job training, retraining, advanced vocational education or career education, including, but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(10).
14. Interest costs incurred by a developer, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(11), related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a. Such costs are to be paid directly from the special tax allocation fund established, pursuant to the Act;
 - b. Such payments in any one year may not exceed thirty percent (30%) of the annual interest costs incurred by the developer with regard to the development project during that year;
 - c. If there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 - d. The total of such interest payments paid, pursuant to the Act, may not exceed thirty percent (30%) of the total of: (i) cost paid or incurred by the developer for the redevelopment project; and (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the municipality, pursuant to the Act;
 - e. For the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, the percentage of seventy-five percent (75%) shall be substituted for thirty percent (30%) in subparagraphs 12b and 12d above; and
 - f. Instead of the interest costs described above in paragraphs 12b and 12d, a municipality may pay from tax incremental revenues up to fifty percent (50%) of the cost of construction, renovation and rehabilitation of new housing units (for ownership or rental) to be occupied by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, as more fully described in the Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-

income households, only the low- and very low-income units shall be eligible for this benefit under the Act.

Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

If a Special Service Area is established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01 et seq., then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the RPA for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

ESTIMATED REDEVELOPMENT PROJECT COSTS

The total eligible redevelopment project costs define an upper expenditure limit that may be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest, and other financing costs. The totals of line items are not intended to place a limit on the described expenditures. Adjustments to the estimated line item costs are expected and may be made by the City without amendment to this Redevelopment Plan, either increasing or decreasing line item costs because of changed redevelopment costs and needs. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The estimated eligible costs of this Redevelopment Plan are shown in **Table 2**.

Additional funding in the form of state and federal grants, private developer contributions, and other outside sources may be pursued by the City as a means of financing improvements and facilities within the RPA.

Table 2: Estimated TIF-Eligible Redevelopment Project Costs

Eligible Expense [1]	Estimated Project Costs
Administration Costs	\$2,500,000
Professional Service Costs	\$13,000,000
Site Marketing Costs	\$100,000
Property Assembly and Site Preparation Costs	\$20,000,000
Costs of Building Rehabilitation	\$30,000,000
Costs of Construction of Public Works or Improvements	\$13,000,000
Costs of Job Training or Retraining (Businesses)	\$100,000
Financing Costs	\$1,000,000
Taxing District Capital and Increased Operating Costs [2]	\$3,000,000
Relocation Costs	\$100,000
Payments in Lieu of Taxes	\$100,000
Costs of Job Training (Community College)	\$100,000
Interest Costs (Developer or Property Owner)	\$2,000,000
TOTAL REDEVELOPMENT PROJECT COSTS [3] [4] [5]	\$85,000,000

[1] Described in more detail in Eligible Costs Section.

[2] 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 this Redevelopment Plan, increased per pupil tuition costs attributable to net new pupils added to the district living in assisted housing units, and increased per patron costs attributable to net new persons eligible to obtain a library card, all as defined in the Act.

[3] Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest, costs of issuance, and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

[4] The amount of the Total Redevelopment Project Costs that can be incurred in the RPA may be reduced by the amount of redevelopment project costs incurred in contiguous RPAs, or those separated from the RPA only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the RPA, but may not be reduced by the amount of redevelopment project costs incurred in the RPA that are paid from incremental property taxes generated in contiguous RPAs or those separated from the RPA only by a public right-of-way.

[5] All costs are in 2018 dollars and may be increased by 5% after adjusting for annual inflation reflected in the Consumer Price Index (CPI), published by the U.S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

PHASING, SCHEDULING OF THE REDEVELOPMENT, AND ESTIMATED DATES OF COMPLETION

Each private project within the RPA receiving TIF benefits shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City. This Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs are estimated to be retired, no later than December 31 of the year in which the payment to the City Finance Director provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving this RPA is adopted. This Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs shall be retired no later than December 31, 2042, if the ordinances establishing the RPA are adopted during 2018.

SOURCES OF FUNDS TO PAY COSTS

Funds necessary to pay for redevelopment project costs and/or municipal obligations, which may be issued or incurred to pay for such costs, are to be derived principally from tax increment revenues and/or proceeds from municipal obligations, which have as a repayment source tax increment revenue. To secure the issuance of these obligations and the developer's performance of redevelopment agreement obligations, the City may

require the utilization of guarantees, deposits, reserves, and/or other forms of security made available by private sector developers. The City may incur redevelopment project costs that are paid from the funds of the City other than incremental taxes, and the City then may be reimbursed for such costs from incremental taxes.

The tax increment revenue, which will be used to fund tax increment obligations and eligible redevelopment project costs, shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase of the current EAV of each taxable lot, block, tract, or parcel of real property in the RPA over and above the certified initial EAV of each such property.

Other sources of funds, which may be used to pay for development costs and associated obligations issued or incurred, include land disposition proceeds, state and federal grants, investment income, private investor and financial institution funds, and other sources of funds and revenues as the municipality and developer from time to time may deem appropriate.

The RPA may be or become contiguous to, or be separated only by a public right-of-way from, other redevelopment areas created under the Act (65 ILCS 5/11 74.4 4 et. seq.). The City may utilize net incremental property tax revenues received from the RPA to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the RPA made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible redevelopment project costs within the RPA, shall not at any time exceed the Total Redevelopment Project Costs described in **Table 2** of this Redevelopment Plan.

ISSUANCE OF OBLIGATIONS

To finance project costs, the City may issue bonds or obligations secured by the anticipated tax increment revenue generated within the RPA, or such other bonds or obligations as the City may deem as appropriate. The City may require the utilization of guarantees, deposits or other forms of security made available by private sector developers to secure such obligations. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within the timeframe described under “Phasing and Scheduling of the Redevelopment” above. Also, the final maturity date of any such obligations that are issued may not be later than 20 years from their respective dates of issue. One or more of a series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City shall not exceed the amounts available from tax increment revenues, or other sources of funds, if any, as may be provided by ordinance. Obligations may be of parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund or optional redemptions.

In addition to paying redevelopment project costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, and for reserves and bond sinking funds.

MOST RECENT EQUALIZED ASSESSED VALUE OF PROPERTIES IN THE RPA

The purpose of identifying the most recent EAV of the RPA is to provide an estimate of the initial EAV for the purpose of annually calculating the incremental EAV and incremental property taxes of the RPA. The 2017 EAV

(the most recent year in which final assessed values and the equalizer were available) of all taxable parcels in the RPA is \$12,617,841. This total EAV amount by PIN is summarized in **Appendix 4**. The EAV is subject to verification by the DeKalb County Assessor. After verification, the final figure shall be certified by the DeKalb County Clerk, and shall become the “Certified Initial EAV” from which all incremental property taxes in the RPA will be calculated by the County.

ANTICIPATED EQUALIZED ASSESSED VALUE

By tax year 2041 (for which taxes are collected in 2042), the total taxable EAV for the RPA is anticipated to be approximately \$58 million.

Impact of the Redevelopment Project

This Redevelopment Plan is expected to have short- and long-term financial impacts on the affected taxing districts. During the period when TIF is utilized, real estate tax increment revenues from the increases in EAV over and above the Certified Initial EAV (established at the time of adoption of this document) may be used to pay eligible redevelopment project costs for the RPA. To the extent that real property tax increment is not required for such purposes, revenues shall be declared surplus and become available for distribution annually to area taxing districts in the manner provided by the Act. At the time when the RPA is no longer in place under the Act, the real estate tax revenues resulting from the redevelopment of the RPA will be distributed to all taxing district levying taxes against property located in the RPA. These revenues will then be available for use by the affected taxing districts.

DEMAND ON TAXING DISTRICT SERVICES AND PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACT

In 1994, the Act was amended to require an assessment of any financial impact of a redevelopment project area on, or any increased demand for service from, any taxing district affected by the Redevelopment Plan, and a description of any program to address such financial impacts or increased demand.

Replacement of vacant and underutilized buildings and sites with active and more intensive uses or changes in land use may result in additional demands on services and facilities provided by the districts. Given the preliminary nature of this Redevelopment Plan, specific fiscal impacts on the taxing districts and increases in demand for services provided by those districts cannot accurately be assessed within the scope of this Plan. At this time, no special programs are proposed for these taxing districts. The City intends to monitor development in the area and should demand increase, the City intends to work with the affected taxing districts to determine what, if any, program is necessary to provide adequate services.

The following major taxing districts presently levy taxes on properties within the RPA:

- DeKalb County
- Forest Preserve District
- DeKalb Township
- DeKalb Road & Bridge
- City of DeKalb
- DeKalb Library
- DeKalb Park District

- School District 428
- Community College District 523 Kishwaukee
- Kishwaukee Water Reclamation District

Required Tests and Findings

In order to establish the RPA as a TIF district, the municipality must comply with all of the following requirements:

FINDING 1: LACK OF GROWTH AND DEVELOPMENT THROUGH PRIVATE INVESTMENT

The City is required to evaluate whether or not the RPA has been subject to growth and development through private investment and must substantiate a finding of lack of such investment prior to establishing a TIF district. Limited private investment has occurred in the CBD RPA during the past five years (2012-2017), as demonstrated by the following:

- **Declining EAV in RPA.** Change in property value is one of the strongest indicators that an area is suffering from decline and a lack of private investment. As outlined in the preceding sections and shown in **Table 1**, EAV in the RPA as a whole has declined for four of the last five year-to-year periods.
- **City overall outperforming RPA.** SB Friedman also analyzed growth in property taxable value in the rest of the City and compared that growth to the trends within the RPA. Between 2012 and 2017, EAV decreased 10.1% across all properties within the RPA. Within the City, excluding the RPA, values decreased only 1.3% over the last five years.
- **Limited construction-related permit activity.** Building permit data provided by the City indicates that there was a total of approximately \$1.7 million in investment in new construction or substantial rehabilitation projects over the past five years from 2012 to 2016. This investment has primarily been in the form of renovations to properties. Two more recent redevelopment projects that did not appear in the City's building permit data are currently underway. Both of these projects received substantial public financial assistance and are unlikely to have occurred without public assistance. They therefore do not represent true market-driven private investment. Investments in the CBD area in recent years have been insufficient to reverse the trends in declining EAV for the RPA overall.

***Finding:** The RPA on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of this Redevelopment Plan.*

FINDING 2: "BUT FOR..." REQUIREMENT

The City is required to find that, but for the designation of the TIF district and the use of TIF, the CBD RPA is not reasonably anticipated to be developed.

Without the support of public resources, the redevelopment objectives for the RPA would most likely not be realized. The investments required to update and maintain buildings exhibiting deterioration and/or which are below current building code throughout the CBD RPA are extensive and costly, and the private market, on its own, has shown little ability to absorb all of these costs. Similarly, costs to upgrade or replace utilities which are of insufficient capacity or which are deteriorated, antiquated, obsolete, or in disrepair are public sector

costs which must be invested to support the economic viability of the RPA. Based on the number of permits for new construction received and the level of private investment taking place in the RPA over the past five years, it appears that the level of private investment needed to reverse declining EAV trends is unlikely to occur without public investment. Public resources to assist with public improvements and project-specific development costs are essential to leverage private investment and facilitate area-wide redevelopment.

Finding: *But for the adoption of this Redevelopment Plan, critical resources will be lacking to support the redevelopment of the RPA, and the RPA would not reasonably be anticipated to be developed on their own.*

FINDING 3: CONTIGUITY

No redevelopment project area can be designated unless a redevelopment plan and project are approved prior to the designation of the area; and the area can only include those contiguous parcels that are to be substantially benefited by the proposed redevelopment project improvements.

Finding: *The RPA includes only those contiguous parcels of real property that are expected to benefit substantially from the proposed Redevelopment Plan.*

FINDING 4: CONFORMANCE TO THE PLANS OF THE CITY

The Redevelopment Plan and project must conform to the comprehensive plan for the development of the municipality as a whole.

The 2005 Comprehensive Plan identified multiple areas of the City, including the RPA, which require specialized sub-area plans to identify specific needs, opportunities and strategies. The 2007 Downtown Plan is the sub-area plan for the CBD and envisions “a rejuvenated historic retail core that is compact and walkable,” with “high quality residential on infill sites surrounding the historic core” and “new mixed use retail/residential along Lincoln Highway west of 1st Street.” Further key recommendations included:

- Promoting mixed use redevelopment of DeKalb’s historic core along Lincoln Highway;
- Business recruitment;
- Streetscape improvements and traffic calming on Lincoln Highway;
- Expanded parking options;
- Mixed-use infill development along Locust Street;
- Relocation of City Hall to the core retail area; and
- Conversion of municipal sites to high-quality residential.

The 2013 Downtown Plan Update accounts for implementation that has occurred since the 2007 Downtown Plan and presents the following vision for the CBD: “DeKalb City Center will be a regional destination for culture, learning, dining and entertainment, joined with a world class university and surrounded by well connected, desirable neighborhoods.” The 2013 Downtown Plan Update recommends encouraging the development of “traffic generators with catalytic economic potential” (including through the use of TIF) and “[facilitating] residential development and redevelopment in the underutilized lands adjoining the retail core of City Center and in adjoining neighborhoods.”

Additionally, the City’s “DeKalb 2025” Strategic Plan, a document setting the direction of policy, budgeting and program development for the City, identifies “A Sense of Place” and “Community Vitality and a Vibrant Downtown” as visions to work toward in the coming decade. These visions included goals such as place-making

in appropriate locations throughout DeKalb, connecting the City to Northern Illinois University where feasible, supporting existing businesses while attracting new investment, and creating an attractive climate for commercial and industrial investment.

Finding: *The CBD RPA Redevelopment Plan conforms to and proposes predominant land uses that are consistent with the 2005 Comprehensive Plan, 2007 Downtown Plan, and 2013 Downtown Plan Update.*

FINDING 5: HOUSING IMPACT AND RELATED MATTERS

As set forth in the Act, if a redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study into the redevelopment plan and project document.

The CBD RPA contains approximately 160 residential units, of which 137 are estimated to be inhabited. The Plan provides for the development or redevelopment of several portions of the RPA that may contain occupied residential units. It is possible that displacement of residents from inhabited residential units in the CBD RPA could occur over the 23-year term of the RPA as redevelopment projects occur, though the City anticipates a net increase in residential units within the CBD RPA. A Housing Impact Study has therefore been prepared for the CBD RPA and is included in this report.

Finding: *SB Friedman’s field survey identified approximately 160 housing units within the CBD RPA, of which 137 are estimated to be inhabited. Potential redevelopment projects through 2042 may result in the displacement of existing housing units. In the event that housing units are removed for redevelopment, the Study suggests that the rental and for-sale residential markets in and around the CBD RPA should be adequate to furnish needed replacement housing. No specific relocation plan has been prepared by the City as of the date of this report, but relocation assistance will be provided as required under the Act and described further in Housing Impact Study Part II.*

FINDING 6: ESTIMATED DATES OF COMPLETION

As set forth in the Act, the redevelopment plan must establish the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs.

Finding: *The estimated dates of completion of the Plan and retirement of obligations are described in “Phasing and Scheduling of the Redevelopment” above. This Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs shall be retired no later than December 31, 2042, if the ordinances establishing the RPA are adopted during 2018.*

Provisions for Amending Action Plan

This Redevelopment Plan document may be amended pursuant to the provisions of the Act.

Commitment to Fair Employment Practices and Affirmative Action Plan

The City of DeKalb hereby affirms its commitment to fair employment practices and an affirmative action plan.

Housing Impact Study

Introduction

SB Friedman conducted a housing impact study for the CBD RPA as set forth in the Tax Increment Allocation Redevelopment Act 65 ILCS 5/11-74.4-1 et seq. (the “Act”). The Act, as amended, states that, if the redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and the City is unable to certify that no displacement of residents will occur, the municipality shall prepare a housing impact study and incorporate the study in the separate feasibility report required by subsection (a) of Section 11-74.4-5(A), which for the purposes hereof is the “DeKalb Central Business District Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project, and Housing Impact Study.”

The primary goals of the Redevelopment Plan are to foster redevelopment in DeKalb’s CBD through the rehabilitation and construction of high-quality mixed-use projects on currently underutilized sites, attract new businesses to the City’s core, upgrade utilities and infrastructure, and enable redevelopment of City-owned parcels. It is not the City’s intent to displace existing residential units, and it is unlikely that any inhabited residential units will be removed. However, since the CBD RPA contains more than 75 inhabited residential units and future redevelopment activity could conceivably result in the removal of inhabited residential units over the 23-year life of the RPA, a housing impact study is required.

COMPONENTS OF THE HOUSING IMPACT STUDY

Part I: Housing Survey

As set forth in the Act at 65 ILCS 5/11-74.4-3(N)(5), Part I of the housing impact study shall include:

- i. Data as to whether the residential units are single-family or multi-family units;
- ii. The number and type of rooms within the units, if that information is available;
- iii. Whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 of the Act is passed; and
- iv. Data as to the racial and ethnic composition of the residents in the inhabited residential units, which data requirement shall be deemed to be fully satisfied if based on data from the most recent federal census.

Part II: Potential Housing Impact

Part II of the housing impact study identifies the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited residential units are to be removed, then the housing impact study shall identify:

- i. The number and location of those units that will be or may be removed;
- ii. The municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed;
- iii. The availability of replacement housing for those residents whose residences are to be removed, and identification of the type, location and cost of the replacement housing; and
- iv. The type and extent of relocation assistance to be provided.

Part I: Housing Survey

I. NUMBER AND TYPE OF RESIDENTIAL UNITS

The number and type of residential buildings in the CBD RPA was identified during the building condition and land use survey, conducted as part of the eligibility analysis for the CBD RPA. In cases where the number of units was unclear during the survey, unit counts were confirmed via the United States Postal Service's (USPS) ZIP Code look-up tool. This survey, completed from January 31 to February 2, 2018, indicated that the CBD RPA contains approximately 54 residential or mixed-use buildings comprising a total of approximately 160 residential units. In this survey, SB Friedman conservatively assumed upper stories of downtown buildings to be residential units, though some units could be occupied by commercial uses. The number of existing residential units by building type is illustrated in **Table 3** below.

Table 3: Residential Units within the CBD RPA [1]

	Residential Buildings	Units
Single-Family	10	10
Multifamily [2]	44	150
Total	54	160

Source: SB Friedman; USPS

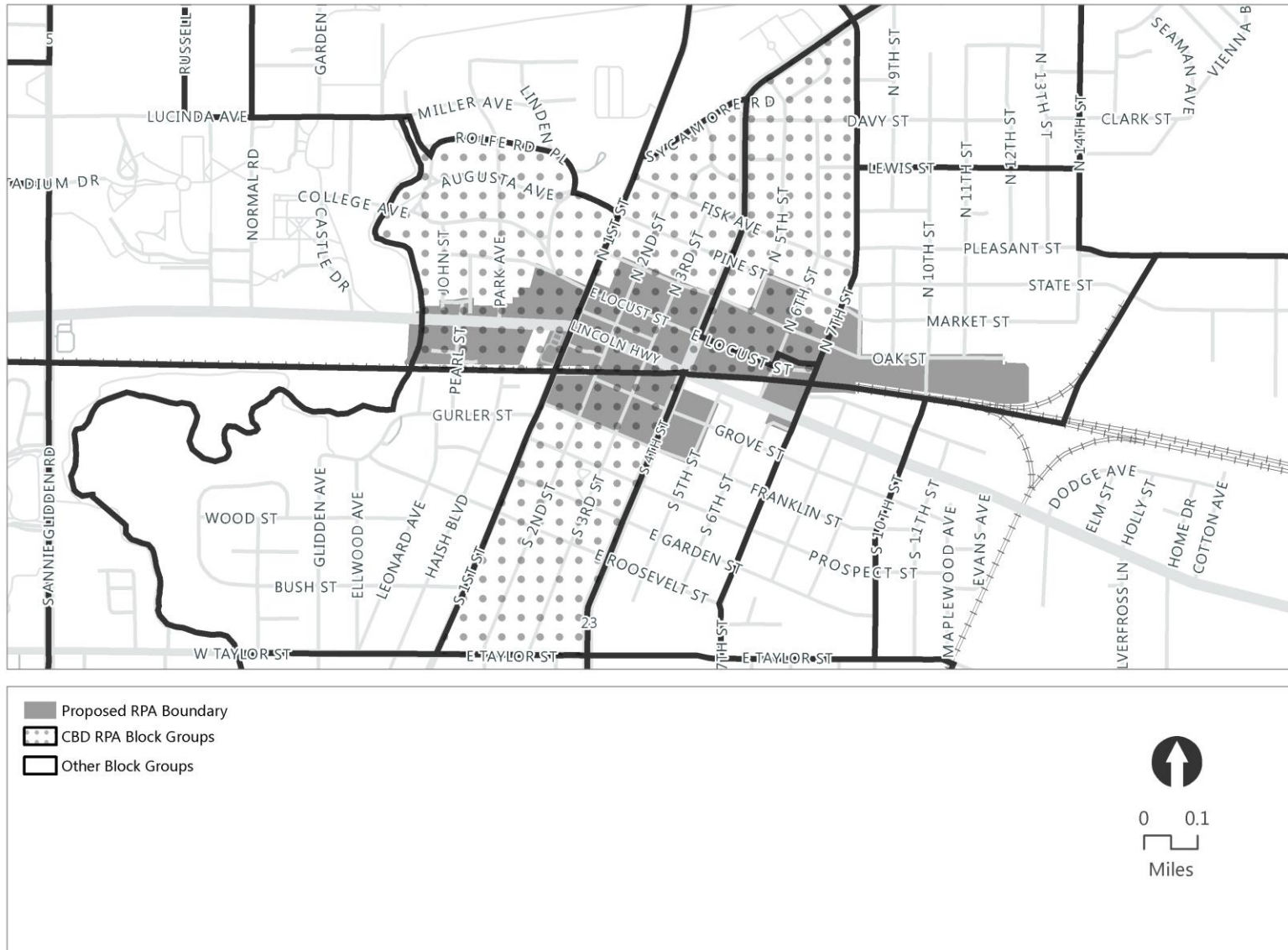
[1] As identified January 31-February 2, 2018

[2] Residential multifamily and mixed-use buildings

II. NUMBER AND TYPE OF ROOMS WITHIN UNITS

In order to describe the distribution of residential units by number and type of rooms within the CBD RPA, SB Friedman analyzed 2016 American Community Survey (ACS) five-year estimates for four Census block groups primarily overlapping the CBD RPA (the "CBD RPA Block Groups"). A map of the CBD RPA Block Groups is available below as **Map 7**. The distribution of housing unit sizes and bedroom types within these block groups was then applied to the total number of units in the CBD RPA identified by the survey. While the slightly different makeup of housing types in the CBD RPA Block Groups relative to the CBD RPA as a whole (i.e., greater proportion of single-family homes) may introduce a slightly different mix of room and bedroom counts, this methodology should produce a reasonable approximation of the vacancy, unit mix and other characteristics of the housing units within the CBD RPA. The estimated distribution of units by number of rooms and number of bedrooms is summarized in **Tables 4 and 5**.

Map 7: CBD RPA Block Groups



Source: City of DeKalb, DeKalb County, SB Friedman, U.S. Census Bureau

Table 4: Estimated CBD RPA Housing Units by Number of Rooms [1]

	Number of Units	Percent
1 room	8	5.0%
2 rooms	6	3.8%
3 rooms	19	11.9%
4 rooms	54	33.8%
5 rooms	13	8.1%
6 rooms	29	18.1%
7 rooms	7	4.4%
8 rooms	15	9.4%
9+ rooms	8	5.0%
Total	160	100.0%

Source: 2016 American Community Survey five-year estimates; SB Friedman

[1] Counts may not sum to total due to rounding.

Table 5: Estimated CBD Housing Units by Number of Bedrooms [1]

	Number of Units	Percent
No bedroom	10	6.3%
1 bedroom	24	15.0%
2 bedrooms	64	40.0%
3 bedrooms	43	26.9%
4 bedrooms	9	5.6%
5+ bedrooms	9	5.6%
Total	160	100.0%

Source: 2016 American Community Survey five-year estimates; SB Friedman

[1] Counts may not sum to total due to rounding.

III. NUMBER OF INHABITED UNITS

According to the survey completed by SB Friedman from January 31 to February 2, 2018, the CBD RPA contains an estimated 160 residential units. According to 2016 American Community Survey data of the CBD RPA Block Groups, the area including the CBD RPA has an overall residential vacancy rate of 14.2%. Based on this estimate, there are approximately 23 vacant units and 137 total inhabited units within the CBD RPA. As required by the Act, this information was ascertained not less than 45 days prior to the date that the resolution required by subsection (a) of Section 11-74.4-5 of the Act was, or will be, passed (the resolution setting the public hearing and Joint Review Board meeting dates).

IV. RACE AND ETHNICITY OF RESIDENTS

According to the 2016 American Community Survey five-year estimates, there were an estimated 3,491 residents in the CBD RPA Block Groups. The racial and ethnic composition of these residents is described in **Table 6**.

Table 6: Race and Ethnicity of Residents in the CBD RPA Block Groups, 2016

Race/Ethnicity	Number of Residents	Percent
White Alone	2,513	72.0%
Black or African American alone	0	0.0%
American Indian and Alaska Native alone	0	0.0%
Asian alone	272	7.8%
Native Hawaiian and Other Pacific Islander alone	0	0.0%
Some other race alone	465	13.3%
Two or more races	241	6.9%
Total	3,491	100.0%
Hispanic or Latino of Any Race	491	14.1%

Source: 2016 American Community Survey five-year estimates; SB Friedman

The distribution of moderate-, low-, very low-, and extremely low-income households residing in the CBD RPA was also compiled based on data from the 2016 ACS five-year estimates. As determined by the United States Department of Housing and Urban Development (HUD), the definitions of the above-mentioned income categories are as follows:

- An extremely low-income household has an adjusted income of less than 30% of the Area Median Income (AMI);
- A very low-income household earns between 30% and 50% of the AMI;
- A low-income household earns between 50% and 80% of the AMI; and
- A moderate-income household earns between 80% and 120% of the AMI.

Income ranges for each of these income categories was provided by the Illinois Housing Development Authority (IHDA) for 2018 for DeKalb County. Counts of households by income category were approximated using data from the 2016 ACS, as shown in **Table 7**. Income ranges specified by the 2016 ACS were inflated to 2018 values and approximately aligned to the income categories provided by IHDA.

Table 7: Income Level of Households within the CBD RPA Block Groups, 2016

	Number of Households	Percent of Households	Household Income Range (3-Person Household)
Extremely Low (up to 30% AMI) [1]	317	21.8%	\$0 to \$20,220
Very Low (30% - 50% AMI) [2]	220	15.1%	\$20,221 to \$33,700
Low (50% - 80% AMI) [3]	385	26.5%	\$33,701 to \$53,900
Moderate (80% - 120% AMI) [4]	273	18.8%	\$53,901 to \$80,880
Over 120% AMI [5]	260	17.9%	\$80,881 or Greater
Total	1,455	100.0%	

Source: 2016 American Community Survey five-year estimates; IHDA; SB Friedman

[1] 2016 ACS income of \$0 - \$19,999, \$0 - \$21,500 (2018 \$s)

[2] 2016 ACS income of \$20,000 - \$294,999, \$21,501 - \$32,200 (2018 \$s)

[3] 2016 ACS income of \$30,000 - \$49,999, \$32,201 - \$53,800 (2018 \$s)

[4] 2016 ACS income of \$50,000 - \$74,999, \$53,801 - \$80,800 (2018 \$s)

[5] 2016 ACS income of \$75,000 or greater, \$80,801 or greater (2018 \$s)

Part II: Potential Housing Impact

(I) NUMBER AND LOCATION OF UNITS TO BE REMOVED

The primary goals of the Redevelopment Plan are to foster redevelopment in DeKalb's CBD through the rehabilitation and construction of high-quality mixed-use projects on currently under-utilized sites, attract new businesses to the City's core, upgrade utilities and infrastructure, and enable redevelopment of City-owned parcels. While the City does not expect to displace inhabited residential units, it is conceivable that during the 23-year life of the RPA, some displacement may occur that is not currently anticipated.

Therefore, SB Friedman has conducted the remainder of Part II of the housing impact study, assuming that all current residential units could be displaced. Based on the income distributions in the CBD RPA, it is reasonable to assume that approximately 82.1% of households that may be displaced due to redevelopment activities in the CBD RPA are of moderate, low, very low, or extremely low incomes. However, it is possible that up to 100% of potentially displaced households lie within these income brackets. Part II, subpart (III) of this section discusses in detail the availability of replacement housing for households with moderate to extremely low incomes.

(II) RELOCATION PLAN

The City's plan for relocation assistance for those qualified residents in the CBD RPA whose residences may be removed shall be consistent with the requirements set forth in Section 11-74.4-3(N)(7) of the Act. The terms and conditions of such assistance are described in subpart (IV) below. No specific relocation plan has been prepared by the City as of the date of this report.

(III) REPLACEMENT HOUSING

In accordance with Subsection 11-74.4-3(N)(7) of the Act, the City shall make a good faith effort to ensure that affordable replacement housing located in or near the CBD RPA is available for any qualified displaced residents.

In order to determine the availability of replacement housing for those residents who may potentially be displaced by redevelopment activity, SB Friedman examined several data sources, including vacancy data from the American Community Survey, and housing sales and rental listings data from the Multiple Listing Service ("MLS") of Northern Illinois and Craigslist.

VACANCY DATA

According to the 2016 American Community Survey (ACS) five-year estimates, the CBD RPA Block Groups contained 1,695 housing units, of which 240 (14.2%) were vacant. According to ACS data, approximately 49 of these vacant units were available for rent. **Table 8** shows the distribution of vacant residential units in the CBD RPA Block Groups by vacancy status, using the ACS distribution data, compared to the vacancy rates in the City of DeKalb.

The overall rate of residential vacancy in the CBD RPA Block Groups is above that of the City. Approximately 2.9% of units within the CBD RPA Block Groups (49 units) are vacant and awaiting rental or sale. Widening that geography to the surrounding eight (8) Census block groups raises the number of vacant and available units to 734. An additional 6.4% of units (109 units) in the CBD RPA Block Groups labeled as Other Vacant in the ACS data may have been undergoing renovation, repair or foreclosure at the time of the ACS estimate, and

could also be available for occupancy in the future. This suggests there is an available inventory of replacement rental and for-sale housing in the area surrounding the CBD RPA.

Table 8: Vacant Units by Vacancy Status

	CBD RPA Block Groups	City of DeKalb
Total Units	1,455	17,045
Vacant Units	240	2,088
Vacancy Status as a Percent of Total Units		
For Rent	2.9%	3.3%
For Sale	0.0%	0.6%
Rented/Sold, Not Occupied	0.0%	1.9%
Seasonal/Recreational/Occasional/Migrant	4.8%	1.7%
Other Vacant	6.4%	4.8%
Overall Vacancy Rate	14.2%	12.2%

Source: 2016 American Community Survey Estimates; SB Friedman

REPLACEMENT RENTAL HOUSING

The Plan provides for the development or redevelopment of several portions of the RPA that may contain occupied residential units. It is possible that displacement of residents from inhabited residential units in the CBD RPA could occur over the 23-year term of the RPA as redevelopment projects occur, though the City anticipates a net increase in residential units within the CBD RPA. In the event that residents are displaced, SB Friedman has defined a sample of possible replacement rental housing units located within the City of DeKalb. This sample is based on MLS data pulled in May 2018, including active listings and units listed since the beginning of January 2017, as well as active listings found on Craigslist. **Table 9** summarizes these residential rental listings as well as the DeKalb County maximum affordable monthly rents for 2018.

Table 9: Rental Units Listed or Recently Rented Near the DeKalb CBD RPA

Number of Bedrooms	DeKalb Area Maximum Monthly Gross Rent Affordable to Income Bracket (% of AMI)				Observed Range of Rents [1]			Units in Sample
	30%	50%	80%	120%				
Studio	\$393	\$655	\$1,047	\$1,572	\$508	to	\$933	7
1	\$421	\$701	\$1,122	\$1,684	\$425	to	\$891	25
2	\$505	\$842	\$1,347	\$2,022	\$710	to	\$1,600	81
3	\$583	\$972	\$1,556	\$2,334	\$899	to	\$2,035	53
4	\$651	\$1,085	\$1,736	\$2,604	\$1,022	to	\$1,969	16
5	\$718	\$1,197	\$1,916	\$2,874	\$1,119	to	\$2,198	4
Total in Sample								186

Source: Craigslist; Housing Authority of DeKalb County; Illinois Housing Development Authority; MLS of Northern Illinois; SB Friedman

[1] Adjusted by SB Friedman to account for utility costs in gross rents

Table 10 provides a detailed summary of rental listings active as of May 2018. Since HUD affordability standards state that monthly rent, including utilities, should equal no more than 30% of gross household income, SB

Friedman has adjusted the monthly rents listed below to include utility costs using the Housing Authority of DeKalb County's 2017 Utility Allowance Schedule for appropriate unit types and sizes and utility costs.

Table 10: Currently Active Rental Listings near the CBD RPA

Address	Bedrooms	Adjusted Gross Monthly Rent
Units Affordable at 50% AMI		
1110-1120 Varsity Blvd	Studio	\$569
829 W Taylor Street	Studio	\$598
807 Ridge Drive	Studio	\$627
807 Ridge Drive	Studio	\$632
807 Ridge Drive	Studio	\$643
639 1/2 E Lincoln Highway	1	\$425
1115 N Annie Glidden RD	1	\$550
451 College Ave	1	\$623
659 1/2 East Lincoln Highway	1	\$623
1110-1120 Varsity Blvd	1	\$663
451 College Ave	1	\$663
451 College Ave	1	\$663
1254 Short Court	2	\$710
921 Normal Road	2	\$731
Blackhawk at Hill Crest	2	\$781
829 W Taylor Street	2	\$784
N 5th near Fisk	2	\$785
517 Lucinda Ave	2	\$794
807 W Taylor Street	2	\$815
1110-1120 Varsity Blvd	2	\$826
829 W Taylor Street	2	\$830
1110-1120 Varsity Blvd	2	\$837
1004-1010 W Lincoln Highway	3	\$899
829 W Taylor Street	3	\$900
1110-1120 Varsity Blvd	4	\$1,022
Old Orchard Townhouses	5	\$1,119
Units Affordable at 80% AMI		
823 W Lincoln Highway	1	\$706
829 W Taylor Street	1	\$706
829 W Taylor Street	1	\$721
807 W Taylor Street	1	\$731
1600 N 14th Street	1	\$760
Prospect at 4th	1	\$771

2509-2632 N First St	1	\$786
807 Ridge Drive	1	\$819
807 Ridge Drive	1	\$819
807 Ridge Drive	1	\$841
807 Ridge Drive	1	\$891
807 Ridge Drive	1	\$891
807 W Taylor Street	2	\$845
1115 E Grove	2	\$860
823 W Lincoln Highway	2	\$890
807 Ridge Drive	2	\$901
2509-2632 N First St	2	\$905
1025 Arcadia Drive	2	\$913
713 N Tenth St	2	\$962
1110-1120 Varsity Blvd	3	\$974
2509-2632 N First St	3	\$1,055
807 Ridge Drive	3	\$1,187
807 Ridge Drive	3	\$1,187
No address provided	3	\$1,325
1031 S 5th St	3	\$1,390
1531 Stonefield Dr	3	\$1,375
East Lincoln Hwy at 8th Street	5	\$1,446
Units Affordable at 120% AMI		
1376 Moluf St	2	\$1,350
330 Barberry Ct	2	\$1,350
763 Ridge Dr	2	\$1,512
Deerpath Lane	4	\$1,759
513 Normal Road	4	\$1,869
2589 Soros Ct	4	\$1,969

Source: Craigslist; Housing Authority of DeKalb County; Illinois Housing Development Authority; MLS of Northern Illinois; SB Friedman

Overall, the sample indicates that there is an inventory of available rental housing that is affordable to very-low, low- and moderate-income households of varying sizes. However, market-rate rental units within the area of the CBD RPA may not be affordable to extremely low-income households without additional rental assistance.

To evaluate the availability of housing affordable to extremely low-income households within and around the CBD RPA, SB Friedman considered the presence of subsidized and income-restricted housing developments in this area. According to data provided by the Illinois Housing Development Authority (“IHDA”), there are at least 1,198 units of IHDA-supported, affordable rental housing in DeKalb, including at least 824 family units, 524 units accepting Section 8 housing vouchers, 336 affordable age-restricted units, and 200 units for residents with special needs. In addition, according to the Housing Authority of DeKalb County, Housing Choice

Vouchers are accepted at a number of complexes and privately-owned or managed properties in DeKalb County.

REPLACEMENT FOR-SALE HOUSING

In order to determine the availability of replacement for-sale housing for those homeowners who may potentially be displaced, SB Friedman reviewed MLS of Northern Illinois data, which lists many of the currently active for-sale properties in the Northern Illinois region, as well as historical data on housing sales within the region. **Table 11** summarizes housing sales for detached and attached (condominium and townhome) residential units within the DeKalb area since the beginning of 2016. The number of units recently sold in or near the CBD RPA may indicate that there is sufficient market activity to accommodate potentially displaced homeowners.

Table 11: Completed Sales of Single-Family Housing in/near the CBD RPA

	Completed Sales, January 2016 to May 2018 [1]	
	<i>Detached</i>	<i>Attached</i>
Number of Sales	592	126
Median Sale Price	\$148,072	\$128,260

Source: MLS of Northern Illinois; SB Friedman

[1] As of May 15, 2018

In addition, SB Friedman compiled MLS data on properties currently listed for sale in the DeKalb area. **Table 12** summarizes these active listings and their asking prices.

Table 12: Active Listings of For-Sale Single-Family Housing in/near the CBD RPA

Price Range	Currently Active Listings [1]	
	<i>Detached</i>	<i>Attached</i>
Less than \$50,000	0	0
\$50,000 - 99,999	8	2
\$100,000 - 149,999	39	22
\$150,000 - 199,999	36	5
\$200,000 - 299,999	20	0
\$300,000 or Greater	13	0
Total	116	29

Source: MLS of Northern Illinois; SB Friedman

[1] As of May 15, 2018

Based on the available data, it appears that there is a wide range of for-sale housing options available at a variety of price points in the vicinity of the CBD RPA. Therefore, it can be reasonably assumed that the rental and for-sale residential markets for the areas in and around the CBD RPA should be adequate to furnish needed replacement housing for those residents that may potentially be displaced because of redevelopment activity within the CBD RPA.

Planned redevelopment projects may remove existing residential units within the CBD RPA, though there may be new affordable and market-rate residential development projects in accordance with the Redevelopment Plan that would increase the number of residential units available within the RPA. As a result, there could potentially be a net gain of residential units within the CBD RPA. Furthermore, it is likely that any displacement

of units would occur incrementally over the 23-year life of the RPA as individual development projects are initiated.

(IV) RELOCATION ASSISTANCE

In the event that the implementation of the Redevelopment Plan results in the removal of residential housing units in the CBD RPA occupied by low-income households or very low-income households, or the displacement of low-income households or very low-income households from such residential housing units, such households shall be provided affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. The City shall make a good faith effort to ensure that this affordable housing is located in or near the CBD RPA.

As used in the above paragraph, “low-income households,” “very low-income households” and “affordable housing” have the meanings set forth in Section 3 of the Illinois Affordable Housing Act, 310 ILCS 65/3 et seq., as amended. As of the date of this study, these statutory terms are defined as follows:

- "Low-income household" means a single person, family or unrelated persons living together whose adjusted income is more than 50%, but less than 80%, of the median income of the area of residence, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937.
- "Very low-income household" means a single person, family or unrelated persons living together whose adjusted income is not more than 50% of the median income of the area of residence, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937.
- "Affordable housing" means residential housing that, so long as the same is occupied by low-income households or very low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than 30% of the maximum allowable income as stated for such households as defined in this section.

The City will make a good faith effort to relocate these households to affordable housing located in or near the CBD RPA, and will provide relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Policies Act of 1970.

Appendix 1: Limitations of the Eligibility Study and Consultant Responsibilities

The Eligibility Study covers events and conditions that were determined to support the designation of the RPA as a “conservation area” under the Act at the completion of our field research in January-February 2018 and not thereafter. These events or conditions include, without limitation, governmental actions and additional developments.

This Eligibility Study, Redevelopment Plan and Project, and Housing Impact Study document (the “Report”) summarizes the analysis and findings of the consultant’s work, which, unless otherwise noted, is solely the responsibility of SB Friedman. The City is entitled to rely on the findings and conclusions of the Report in designating the RPA as a redevelopment project area under the Act. SB Friedman has prepared the Report with the understanding that the City would rely: (1) on the findings and conclusions of this Redevelopment Plan in proceeding with the designation of RPA and the adoption and implementation of this Redevelopment Plan; and (2) on the fact that SB Friedman has obtained the necessary information including, without limitation, information relating to the equalized assessed value of parcels comprising the RPA, so that the Report will comply with the Act and that the RPA can be designated as a redevelopment project area in compliance with the Act.

The Report is based on estimates, assumptions, and other information developed from research of the market, knowledge of the industry, and meetings during which we obtained certain information. The sources of information and bases of the estimates and assumptions are stated in the Report. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur. Therefore, actual results achieved will necessarily vary from those described in our Report, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise the Report to reflect events or conditions which occur subsequent to the date of the Report. These events or conditions include, without limitation, economic growth trends, governmental actions, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in economic or market factors.

Preliminary Tax Increment Financing (TIF) projections were prepared for the purpose of estimating the approximate level of increment that could be generated by proposed projects and other properties within the proposed TIF district boundary and from inflationary increases in value. These projections were intended to provide an estimate of the final equalized assessed value (EAV) of the TIF district.

As such, our report and the preliminary projections prepared under this engagement are intended solely for your information, for the purpose of establishing a TIF district.. These projections should not be relied upon for purposes of evaluating potential debt obligations or by any other person, firm or corporation, or for any other purposes. Neither the Report nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors, without prior written consent.

Appendix 2: Glossary

Factors for Improved Areas

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

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

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

Presence of Structures below Minimum Code Standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

Illegal Use of Individual Structures. The use of structures in violation of the applicable federal, state or local laws, exclusive of those applicable to the *Presence of Structures below Minimum Code Standards*.

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

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

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

Excessive Land Coverage and Overcrowding of Structures and Community Facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and (ii) the presence of multiple buildings on

a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of 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.

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

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

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

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated; or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available; or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

Appendix 3: CBD RPA Boundary Legal Description

OF PROPERTY DESCRIBED AS:

THAT PART OF SECTIONS 22 AND 23 IN TOWNSHIP 40 NORTH, RANGE 4 EAST OF THE THIRD PRINCIPAL MERIDIAN IN DEKALB COUNTY, ILLINOIS, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 10 IN BROUGHTON'S ADDITION TO THE CITY OF DEKALB, AS RECORDED IN BOOK "D" ON PAGE 95 IN THE RECORDER'S OFFICE OF DEKALB COUNTY, IN THE NORTHEAST QUARTER IN SAID SECTION 22, SAID SOUTHEAST CORNER ALSO BEING A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD);

THENCE NORTHWESTERLY AT AN ANGLE OF 29 DEGREES 10 MINUTES 39 SECONDS TO THE LEFT FROM THE EASTERLY LINE OF SAID LOT 10, 17.94 FEET;

THENCE NORTHEASTERLY AT AN ANGLE OF 154 DEGREES 34 MINUTES 10 SECONDS TO THE LEFT FROM THE LAST DESCRIBED COURSE, 51.01 FEET TO A POINT ON THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 2 IN SAID BROUGHTON'S ADDITION TO THE CITY OF DEKALB, SAID POINT BEING 34.63 FEET NORTH OF THE INTERSECTION OF SAID SOUTHERLY EXTENSION AND THE EASTERLY LINE OF SAID LOT 10 (THE LAST THREE COURSES ARE DESCRIBED IN A CONVEYANCE TO THE CITY OF DEKALB IN DOCUMENT NUMBER 2017001231, RECORDED FEBRUARY 14, 2017);

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION, THE EAST LINE OF LOT 2 AND THE NORTHERLY EXTENSION THEREOF TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF LINCOLN HIGHWAY (AKA IL. RTE. 38), AS WIDENED;

THENCE EASTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE OF LINCOLN HIGHWAY TO A POINT ON THE WEST LINE OF SPANGENBERG'S ADDITION TO THE CITY OF DEKALB, AS RECORDED SEPTEMBER 11, 1895 IN BOOK "C" OF PLATS, PAGE 9;

THENCE NORTH ALONG SAID WEST LINE OF SPANGENBERG'S ADDITION TO THE CITY OF DEKALB TO A POINT ON THE NORTH LINE OF LOT 2 IN SAID SPANGENBERG'S ADDITION TO THE CITY OF DEKALB;

THENCE EAST ALONG SAID NORTH LINE OF LOT 2 TO THE NORTHEAST CORNER THEREOF, SAID NORTHEAST CORNER ALSO BEING A POINT ON THE WEST RIGHT-OF-WAY LINE OF JOHN STREET;

THENCE NORTH ALONG SAID WEST RIGHT-OF-WAY LINE OF JOHN STREET TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTHERLY RIGHT-OF-WAY LINE OF LINCOLN WAY;

THENCE EASTERLY ALONG SAID WESTERLY EXTENSION, THE NORTHERLY RIGHT-OF-WAY LINE OF LINCOLN WAY AND THE EASTERLY EXTENSION THEREOF TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF HARRISON STREET;

THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE OF HARRISON STREET TO THE SOUTHWEST CORNER OF LOT 7 IN BLOCK 2 IN SAMUEL PETERSON'S ADDITION TO THE CITY OF DEKALB, RECORDED IN BOOK "B" OF PLATS, PAGE 110 ON APRIL 20, 1892;

THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 7 TO THE SOUTHEAST CORNER THEREOF, SAID SOUTHEAST CORNER ALSO BEING THE SOUTHWEST CORNER OF LOT 2 IN BLOCK 2 OF MAYO'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED MAY 24, 1900 IN BOOK "C" OF PLATS, PAGE 25;

THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 2 TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF PARK AVENUE;

THENCE NORTH ALONG SAID WEST RIGHT-OF-WAY LINE OF PARK AVENUE TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE CENTERLINE OF A PRIVATE ALLEY, ADJOINING LOT 1 IN BLOCK 1 IN SAID MAYO'S SUBDIVISION TO THE NORTH;

THENCE EAST ALONG SAID WESTERLY EXTENSION OF THE CENTERLINE OF THE PRIVATE ALLEY AND THE SOUTH LINE OF SAID LOT 1 IN BLOCK 1 TO THE SOUTHEAST CORNER THEREOF;

THENCE NORTH ALONG THE EAST LINE OF SAID LOT 1 IN BLOCK 1 TO A POINT ON THE NORTH LINE OF THE SOUTH 2 FEET OF LOT 2 IN SAID BLOCK 1;

THENCE EAST ALONG THE EASTERLY EXTENSION OF SAID NORTH LINE OF THE SOUTH 2 FEET OF LOT 2 TO A POINT ON THE WESTERLY LINE OF LOT 4 IN KENNEDY'S ADDITION TO THE CITY OF DEKALB, AS RECORDED MARCH 21, 1904 IN BOOK "D" OF PLATS, PAGE 29;

THENCE NORTH ALONG SAID WESTERLY LINE OF LOT 4 TO THE NORTHWEST CORNER THEREOF;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 4 TO THE NORTHEAST CORNER THEREOF, SAID NORTHEAST CORNER ALSO BEING THE SOUTHEAST CORNER OF LOT 1 IN SAID KENNEDY'S ADDITION;

THENCE NORTHEASTERLY ALONG THE EAST LINE OF SAID LOT 1 AND THE NORTHEASTERLY EXTENSION THEREOF TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF LOCUST STREET;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF LOCUST STREET TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF 1ST STREET;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF 1ST STREET TO A POINT OF INTERSECTION WITH THE NORTHWESTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 6 FEET OF LOT 5 IN BLOCK A IN THE ORIGINAL TOWN (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF, RECORDED DECEMBER 19, 1853 IN BOOK "A" OF PLATS, PAGE 8 ¼;

THENCE SOUTHEASTERLY ALONG SAID NORTHWESTERLY EXTENSION AND THE SOUTH LINE OF THE NORTH 6 FEET OF LOT 5 IN BLOCK A TO A POINT ON THE NORTHWESTERLY LINE OF AN 18-FOOT-WIDE ALLEY LYING EAST OF SAID 1ST STREET;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE OF THE 18-FOOT-WIDE ALLEY AND THE NORTHEASTERLY EXTENSION THEREOF TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF OAK STREET;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF OAK STREET TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF 5TH STREET;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF 5TH STREET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF PINE STREET;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF PINE STREET TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF 6TH STREET;

THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF 6TH STREET TO THE SOUTHWEST CORNER OF LOT 3 IN BLOCK 39 IN SAID ORIGINAL TOWN (NOW CITY) OF DEKALB;

THENCE SOUTHEASTERLY ALONG THE SOUTHERLY LINE OF SAID LOT 3 AND THE SOUTHEASTERLY EXTENSION THEREOF TO A POINT ON THE SOUTHEASTERLY LINE OF AN 18-FOOT-WIDE ALLEY LYING EASTERLY OF 6TH STREET;

THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF THE 18-FOOT-WIDE ALLEY TO A POINT ON THE NORTH LINE OF THE SOUTH 44 FEET OF LOT 7 IN SAID BLOCK 39;

THENCE SOUTHEASTERLY ALONG SAID NORTH LINE OF THE SOUTH 44 FEET OF LOT 7 TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF 7TH STREET;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF 7TH STREET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF PINE STREET;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF PINE STREET AND THE SOUTHEASTERLY EXTENSION THEREOF TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF 8TH STREET;

THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE OF 8TH STREET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF SAID OAK STREET;

THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE OF OAK STREET TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF A LINE THAT IS 30 FEET EASTERLY OF AND PARALLEL TO AN EAST LINE OF LOT "B" IN F.E. SCHUNDLER PROPERTY PLAT, AS RECORDED SEPTEMBER 24, 1974 IN BOOK "Q" OF PLATS, PAGE 73 AS DOCUMENT NUMBER 382380, SAID EAST LINE OF LOT "B" BEING A NORTHERLY-SOUTHERLY LINE BEGINNING 101.42 FEET EAST OF THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 23;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE LINE THAT IS 30 FEET EASTERLY OF AND PARALLEL TO AN EAST LINE OF LOT "B" TO A POINT ON THE NORTH LINE OF SAID LOT "B";

THENCE EASTERLY ALONG SAID NORTH LINE OF LOT "B" TO THE NORTHEAST CORNER THEREOF, SAID NORTHEAST CORNER ALSO BEING A POINT ON THE WEST LINE OF LOT "E" IN SAID F.E. SCHUNDLER PROPERTY PLAT;

THENCE NORTHERLY ALONG SAID WEST LINE OF LOT "E" TO THE NORTHWEST CORNER THEROF;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT "E", 27.11 FEET;

THENCE SOUTH ALONG A LINE THAT IS EAST OF AND PARALLEL TO THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 23, 4.08 FEET;

THENCE EAST AT AN ANGLE OF 90 DEGREES 00 MINUTES 06 SECONDS TO THE RIGHT FROM THE LAST DESCRIBED COURSE, 177.37 FEET;

THENCE SOUTHEASTERLY AT AN ANGLE OF 224 DEGREES 53 MINUTES 26 SECONDS TO THE RIGHT FROM THE LAST DESCRIBED COURSE, 56.68 FEET TO A POINT ON THE EAST LINE OF SAID LOT "E", SAID POINT BEING 45.13 FEET SOUTH OF THE NORTHEAST CORNER OF SAID F.E. SCHUNDLER PROPERTY PLAT (THE LAST THREE COURSES ARE DESCRIBED IN A CONVEYANCE TO COLE PALLET PROPERTIES, LLC IN DOCUMENT NUMBER 2015007579, RECORDED AUGUST 11, 2015);

THENCE SOUTH ALONG THE EAST LINE OF SAID F.E. SCHUNDLER PROPERTY PLAT TO THE SOUTHEAST CORNER THEREOF, SAID SOUTHEAST CORNER ALSO BEING A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD);

THENCE WESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD) TO A POINT ON THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 23;

THENCE SOUTH ALONG SAID EAST LINE OF THE NORTHWEST QUARTER AND THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 23 TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD);

THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD) TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF 7TH STREET;

THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF 7TH STREET TO A POINT OF INTERSECTION WITH THE SOUTHEASTERLY EXTENSION OF THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF GIRARD STREET;

THENCE NORTHWESTERLY ALONG SAID SOUTHEASTERLY EXTENSION AND THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF GIRARD STREET TO A POINT OF INTERSECTION WITH THE SOUTHWESTERLY EXTENSION OF THE WESTERLY LINE OF THE EAST 0.59 FEET OF LOT 3 IN BLOCK 36 IN THE ORIGINAL TOWN (NOW CITY) OF DEKALB;

THENCE NORTHEASTERLY ALONG SAID SOUTHWESTERLY EXTENSION AND THE WESTERLY LINE OF THE EAST 0.59 FEET OF LOT 3 IN BLOCK 36 TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF LINCOLN HIGHWAY (AKA IL. RTE. 38);

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF LINCOLN HIGHWAY (AKA IL. RTE. 38) TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF 6TH STREET;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF 6TH STREET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD);

THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD) TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF 4TH STREET;

THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF 4TH STREET TO A POINT ON THE NORTHEASTERLY LINE OF A PUBLIC ALLEY IN BLOCK 23 IN THE MAP OF THE ALTERATIONS IN BLOCK 23, 29, 30, 31 AND 42 AS RECORDED IN BOOK "A" OF PLATS, PAGE 31, SAID ALLEY LYING NORTHEASTERLY OF GROVE STREET;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE PUBLIC ALLEY IN BLOCK 23 AND THE SOUTHEASTERLY EXTENSION THEREOF TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF 5TH STREET;

THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF 5TH STREET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF FRANKLIN STREET;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF FRANKLIN STREET AND THE NORTHWESTERLY EXTENSION THEREOF TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF 1ST STREET;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF 1ST STREET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD);

THENCE EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD) TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 22;

THENCE NORTH ALONG SAID EAST LINE OF THE NORTHEAST QUARTER TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD);

THENCE WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD) TO THE SOUTHWEST CORNER OF LOT 5 IN BLOCK "C" IN THE ORIGINAL TOWN (NOW CITY) OF DEKALB;

THENCE NORTHEASTERLY ALONG THE WESTERLY LINE OF SAID LOT 5 AND CONTINUING ALONG THE WESTERLY LINES OF LOT 4 AND 3 TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF LINCOLN HIGHWAY (AKA IL. RTE. 38);

THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF LINCOLN HIGHWAY (AKA IL. RTE. 38) TO THE NORTHWEST CORNER OF LOT 2 IN SAID BLOCK "C";

THENCE SOUTHWESTERLY ALONG THE WESTERLY LINE OF SAID LOT 2 AND THE SOUTHWESTERLY EXTENSION THEROF TO A POINT ON SAID NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD);

THENCE WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD (AKA U.P. RAILROAD) TO THE POINT OF BEGINNING.

Appendix 4: List of PINs in CBD RPA

Record #	PIN	2017 EAV
1	08-22-251-024	\$44,833
2	08-22-252-040	\$0
3	08-22-252-042	\$45
4	08-22-253-002	\$9,348
5	08-22-253-004	\$45,948
6	08-22-253-005	\$26,676
7	08-22-253-006	\$6,938
8	08-22-253-007	\$190,193
9	08-22-253-008	\$55,315
10	08-22-254-002	\$7,857
11	08-22-254-003	\$3,928
12	08-22-254-004	\$3,928
13	08-22-254-005	\$8,510
14	08-22-276-009	\$81,078
15	08-22-276-024	\$49,628
16	08-22-276-031	\$6,504
17	08-22-277-009	\$21,105
18	08-22-277-010	\$20,533
19	08-22-277-011	\$57,646
20	08-22-277-019	\$17,595
21	08-22-277-020	\$46,870
22	08-22-278-007	\$13,485
23	08-22-278-008	\$14,075
24	08-22-278-009	\$46,548
25	08-22-278-010	\$55,000
26	08-22-278-011	\$33,851
27	08-22-278-014	\$75,817
28	08-22-278-015	\$81,409
29	08-22-278-024	\$30,935
30	08-22-278-027	\$98,121
31	08-22-278-031	\$16,409
32	08-22-278-032	\$19,054
33	08-22-278-033	\$351,758

Record #	PIN	2017 EAV
34	08-22-278-034	\$105,099
35	08-22-278-038	\$104,394
36	08-22-278-039	\$491,982
37	08-22-278-042	\$58,670
38	08-22-279-002	\$0
39	08-22-279-005	\$43,684
40	08-22-279-006	\$0
41	08-22-280-001	\$6,494
42	08-22-280-002	\$4,842
43	08-22-280-003	\$6,585
44	08-22-280-004	\$5,955
45	08-22-280-005	\$5,955
46	08-22-280-006	\$5,955
47	08-22-280-007	\$7,449
48	08-22-280-008	\$7,449
49	08-22-280-010	\$74,347
50	08-22-280-011	\$21,177
51	08-22-280-013	\$42,356
52	08-22-280-020	\$2,141
53	08-22-280-021	\$4,886
54	08-22-280-022	\$4,604
55	08-22-280-023	\$4,566
56	08-22-280-024	\$29,106
57	08-22-280-034	\$77,177
58	08-22-280-035	\$43,138
59	08-22-280-036	\$12,110
60	08-22-280-037	\$9,045
61	08-22-280-039	\$56,735
62	08-22-280-040	\$367,553
63	08-22-280-041	\$8,651
64	08-22-281-001	\$52,391
65	08-22-281-002	\$4,468
66	08-22-281-003	\$8,949
67	08-22-281-004	\$3,843
68	08-22-282-001	\$28,203
69	08-22-282-002	\$24,995

Record #	PIN	2017 EAV
70	08-22-282-003	\$19,385
71	08-22-282-004	\$31,380
72	08-22-282-005	\$62,059
73	08-22-282-006	\$2,499
74	08-22-282-007	\$76,975
75	08-22-282-010	\$0
76	08-22-285-003	\$69,662
77	08-22-285-008	\$0
78	08-22-428-001	\$14,087
79	08-22-428-002	\$9,708
80	08-22-428-003	\$23,258
81	08-22-428-004	\$32,968
82	08-22-428-005	\$41,225
83	08-22-428-006	\$79,863
84	08-22-428-010	\$24,792
85	08-22-428-011	\$48,008
86	08-23-155-005	\$0
87	08-23-155-006	\$152,319
88	08-23-155-007	\$0
89	08-23-155-011	\$77,104
90	08-23-155-012	\$45,533
91	08-23-155-013	\$59,486
92	08-23-155-014	\$33,024
93	08-23-155-015	\$1,246
94	08-23-156-003	\$78,350
95	08-23-156-006	\$64,801
96	08-23-156-009	\$9,274
97	08-23-156-010	\$10,824
98	08-23-156-013	\$200,483
99	08-23-156-014	\$9,061
100	08-23-156-015	\$12,052
101	08-23-156-016	\$0
102	08-23-156-017	\$0
103	08-23-157-001	\$73,096
104	08-23-157-002	\$57,168
105	08-23-157-007	\$23,595

Record #	PIN	2017 EAV
106	08-23-157-008	\$68,369
107	08-23-157-009	\$75,253
108	08-23-157-010	\$13,070
109	08-23-157-011	\$55,973
110	08-23-157-012	\$7,061
111	08-23-157-014	\$11,361
112	08-23-157-015	\$37,720
113	08-23-157-016	\$0
114	08-23-157-017	\$97,601
115	08-23-158-003	\$114,559
116	08-23-158-005	\$0
117	08-23-158-010	\$77,216
118	08-23-158-017	\$50,752
119	08-23-158-018	\$47,640
120	08-23-158-019	\$46,415
121	08-23-158-020	\$47,599
122	08-23-158-022	\$32,495
123	08-23-158-023	\$32,495
124	08-23-158-024	\$37,930
125	08-23-158-025	\$68,178
126	08-23-158-026	\$0
127	08-23-158-028	\$46,974
128	08-23-158-029	\$50,990
129	08-23-158-030	\$95,651
130	08-23-158-033	\$1,029
131	08-23-158-034	\$0
132	08-23-159-024	\$29,963
133	08-23-159-025	\$84,624
134	08-23-159-029	\$90,184
135	08-23-159-033	\$33,135
136	08-23-159-035	\$68,226
137	08-23-159-037	\$34,969
138	08-23-159-042	\$27,552
139	08-23-159-043	\$27,007
140	08-23-159-046	\$25,894
141	08-23-159-050	\$27,743

Record #	PIN	2017 EAV
142	08-23-159-051	\$24,587
143	08-23-159-052	\$182,141
144	08-23-159-053	\$0
145	08-23-160-003	\$43,519
146	08-23-160-004	\$45,454
147	08-23-160-005	\$50,901
148	08-23-160-018	\$21,979
149	08-23-160-019	\$9,419
150	08-23-160-020	\$53,486
151	08-23-160-021	\$32,633
152	08-23-160-022	\$21,203
153	08-23-160-028	\$49,961
154	08-23-160-031	\$77,933
155	08-23-160-034	\$0
156	08-23-160-035	\$40,636
157	08-23-160-037	\$118,942
158	08-23-160-040	\$0
159	08-23-161-001	\$0
160	08-23-161-007	\$294,488
161	08-23-161-009	\$4,354
162	08-23-161-010	\$0
163	08-23-162-001	\$57,870
164	08-23-162-002	\$63,662
165	08-23-162-003	\$33,478
166	08-23-162-004	\$33,478
167	08-23-162-005	\$0
168	08-23-162-009	\$0
169	08-23-162-010	\$0
170	08-23-163-001	\$64,003
171	08-23-163-002	\$48,265
172	08-23-163-004	\$27,939
173	08-23-163-007	\$106,561
174	08-23-163-008	\$32,830
175	08-23-163-011	\$82,505
176	08-23-163-012	\$0
177	08-23-163-013	\$49,798

Record #	PIN	2017 EAV
178	08-23-163-014	\$1,602
179	08-23-163-015	\$89,020
180	08-23-163-016	\$51,886
181	08-23-163-017	\$3,081
182	08-23-163-018	\$2,052
183	08-23-163-019	\$76
184	08-23-163-020	\$24,467
185	08-23-164-002	\$34,672
186	08-23-164-003	\$35,647
187	08-23-164-004	\$0
188	08-23-164-007	\$16,129
189	08-23-164-009	\$45,812
190	08-23-164-010	\$41,372
191	08-23-164-011	\$0
192	08-23-165-001	\$13,712
193	08-23-165-002	\$20,313
194	08-23-165-003	\$9,546
195	08-23-165-004	\$25,184
196	08-23-165-005	\$17,214
197	08-23-165-006	\$35,879
198	08-23-165-007	\$21,902
199	08-23-165-008	\$31,064
200	08-23-181-001	\$67,724
201	08-23-181-011	\$281,074
202	08-23-181-012	\$385,169
203	08-23-182-006	\$0
204	08-23-182-007	\$112,293
205	08-23-182-014	\$53,407
206	08-23-183-007	\$70,623
207	08-23-183-008	\$47,937
208	08-23-183-010	\$28,904
209	08-23-183-011	\$63,898
210	08-23-183-013	\$0
211	08-23-184-001	\$16,615
212	08-23-184-002	\$12,183
213	08-23-184-003	\$28,797

Record #	PIN	2017 EAV
214	08-23-184-011	\$38,216
215	08-23-184-015	\$67,481
216	08-23-184-016	\$48,527
217	08-23-184-018	\$29,247
218	08-23-184-019	\$63,139
219	08-23-184-020	\$143,240
220	08-23-184-022	\$10,998
221	08-23-184-024	\$61,816
222	08-23-184-026	\$21,201
223	08-23-184-027	\$25,588
224	08-23-184-028	\$37,394
225	08-23-184-029	\$3,805
226	08-23-185-001	\$17,975
227	08-23-185-002	\$17,975
228	08-23-185-003	\$17,975
229	08-23-185-004	\$91,549
230	08-23-185-005	\$132,209
231	08-23-185-006	\$0
232	08-23-186-004	\$0
233	08-23-186-005	\$61,282
234	08-23-260-002	\$8,308
235	08-23-260-003	\$41,805
236	08-23-261-003	\$290,131
237	08-23-261-004	\$50,085
238	08-23-281-010	\$87,415
239	08-23-281-011	\$16,943
240	08-23-281-012	\$46,776
241	08-23-281-015	\$832
242	08-23-281-016	\$40,461
243	08-23-281-017	\$76,933
244	08-23-281-018	\$1
245	08-23-281-019	\$4,804
246	08-23-301-004	\$18,482
247	08-23-301-005	\$53,176
248	08-23-301-006	\$36,877
249	08-23-301-007	\$38,723

Record #	PIN	2017 EAV
250	08-23-301-011	\$3,730
251	08-23-301-013	\$0
252	08-23-302-010	\$40,455
253	08-23-302-013	\$24,892
254	08-23-302-023	\$23,398
255	08-23-302-024	\$106,861
256	08-23-303-001	\$0
257	08-23-303-003	\$9,362
258	08-23-303-005	\$27,291
259	08-23-303-006	\$50,761
260	08-23-303-007	\$44,295
261	08-23-303-008	\$56,148
262	08-23-303-012	\$47,903
263	08-23-303-014	\$71,813
264	08-23-304-001	\$3,888
265	08-23-304-002	\$144,350
266	08-23-304-006	\$52,064
267	08-23-304-007	\$0
268	08-23-305-013	\$0
269	08-23-327-003	\$160,758
270	08-23-327-004	\$44,422
271	08-23-327-005	\$30,194
272	08-23-327-006	\$55,573
273	08-23-327-007	\$3,167
274	08-23-327-008	\$88,707
275	08-23-332-007	\$32,456
276	08-23-332-008	\$31,230
277	08-23-332-009	\$22,084
278	08-23-332-019	\$94,584
279	08-23-332-020	\$0
280	08-23-502-009	\$0
281	08-23-502-010	\$0
TOTAL		\$12,617,841

Source: DeKalb County

Appendix 5: Documentation of Inadequate Utilities

May 29, 2018

Mr. Tim Holdeman
City of DeKalb
Director of Public Works
1216 Market Street
DeKalb, IL 60115

RE: City of DeKalb TIF Utility Evaluation
WBK Project #17-0177.00033

Dear Mr. Holdeman:

As requested the following memo evaluates the condition and adequacy of utilities to serve a proposed TIF District within the City of DeKalb.

The proposed TIF District is generally located adjacent to IL Route 38 (Lincoln Highway) from the west bank of the South Branch of the Kishwaukee River to 7th Street on the east at which point the TIF boundary extends further east to 12th Street between the UPRR tracks and Oak Street. The TIF boundary includes portions of the downtown central business district between Pine Street on the north to Franklin Street on the South and between the South Branch of the Kishwaukee River on the west to 7th Street on the east (see attached map for more detail).

The existing municipal utilities are derived from the City's GIS utility mapping system. These utilities have been reviewed to determine if the utilities are adequate to serve the proposed use, or if inadequate utilities exist in and adjacent to the proposed TIF District. Inadequate utilities are defined in the TIF Act (65 ILCS 5/11-74.4-3 (a)(1)(H), as follows:

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

STORMWATER DRAINAGE

Storm Sewer / Floodplain:

There is a storm sewer network currently serving the areas within the proposed TIF District. All areas drain to the South Branch of the Kishwaukee River. Areas west of the River drain directly to an existing floodplain. Areas east of the River and south of IL 38 drain through a network of collector storm sewers running along Franklin Street and then Grace Street to the River. Areas east of the River and north of IL 38 drain through a network of collector storm sewers running either along Locust Street or north along 8th to First Street and ultimately to the River. The entire area is deficient of stormwater runoff controls to mitigate the additional flows generated by impervious surfaces. Portions of the storm sewer conveyance system do not appear capable of conveying the 10 year design event; the typical standard for municipal storm sewer designs in northeastern Illinois. The prevalence of either two or three parallel sewers is indicative of relief sewer construction to help mitigate drainage problems (see Locust Street for an example). Pipe materials are predominantly clay or reinforced concrete pipe. Clay pipe is an obsolete material and any sewers constructed with clay pipe are likely reaching the end of their useful life. Dye testing of storm sewers has identified inflow of runoff into adjacent sanitary sewers when in close proximity.

The western edge of the TIF, namely properties adjacent to the South Branch of the Kishwaukee River lie within a 100 year floodplain based on the FEMA Flood Insurance Rate Maps. It is also noted that portions of IL 38 also lie within the 100 year floodplain.

WATER DISTRIBUTION:

The following is a synopsis of various areas and streets within the proposed TIF boundary:

The water mains on Locust St. and Oak St. are 10" and are cast iron installed in 1952. Cast iron water main have an estimated useful service life estimated between 85 to 100 years. Although these mains are at 65% to 75% of their useful life they are not exhibiting excessive break failures and can be expected to last another 20 years. However, the City should begin planning for water main replacement within the next 10 years and may want to incorporate infrastructure replacement with a sizeable redevelopment project.

The water main on IL 38, Lincoln Highway is a 12" ductile iron water main installed in 1975. Although this main is at 60% of its service life (75 years for ductile iron pipe) there have been 22 water main breaks reported on

this section of the water main since installation. A section of the IL 38 Lincoln Highway water main was replaced in 2007 near the NIU's East Lagoon along with the crossing of the Kishwaukee River

The water main on streets crossing IL 38 from 1st Street to 10th Street do not have a history of main failures. However, there are sections of 4" water main on 1st Street, 4th Street and 7th St. that are undersized for proper fire protection. This is especially prevalent around City Hall and 4th Street. Replacing any water main under 8 inches in diameter would be beneficial to future redevelopment opportunities as well as the water supply system.

The City has undertaken several water main improvement projects in the downtown area as well with a replacement and upsizing of the water main on S. First St., Franklin as well as on North 3rd St within the last 10 years.

Water main crossings under the UPRR railroad tracks on South First Street, South Third Street, North Sixth Street and North Seventh Street have all been abandoned due to water main breaks. While the City believes it is best to minimize the number of crossings under the railroad tracks the limited crossings may have an impact on fire/water flow between the north and south side of the proposed TIF boundary. The City should explore reconnection of at least one or two segments of water main that have been abandoned under the UPRR railroad tracks.

While the exact types of developments proposed in the proposed TIF district are unknown, we recommend the water distribution network be improved to support commercial uses where the fire flow requirements are the greatest. This includes the potential for multi-story buildings.

SANITARY SEWER:

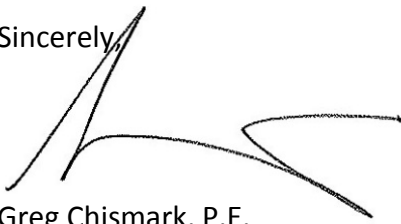
Approximately 26,353 lineal feet of sanitary sewer pipe and 144 manholes lie within the proposed TIF boundary. Pipe sizes range from 6 inch diameter to 24 inch diameter. A majority of the sanitary sewer system within the proposed TIF boundary is constructed with outdated material (clay pipe and brick manholes dating back to the 1920s-40s) and has reached the end of its service life. The age of the pipe combined with the frequency of joins in old clay pipe allows runoff to easily infiltrate into the sewer system creating sewer backups into buildings and excessive treatment requirements. There is also significant inflow from private services (footing tiles, etc.) which create wet weather challenges for the Kishwaukee Water Reclamation District (KWRD). The Franklin/Grove area is very problematic during wet weather

events. Accordingly the KWRD has initiated efforts to replace manholes and performed pipe lining. Of the 144 manholes in the TIF boundary only 28% have been replaced leaving 103 (72%) manholes in need of replacement or rehabilitation. Similarly the District has lined 41% of the sewer pipe within the TIF boundary leaving 15,150 lineal feet (59%) of the sanitary sewer pipe in need of rehabilitation or replacement. The need to replace sanitary sewer infrastructure based on current conditions has been identified. The effort to replace or rehabilitate the system has been initiated however a majority of the sanitary sewer system (103 manholes and 15,150 lineal feet of sewer) remains deficient and in need of replacement or repair.

CONCLUSIONS:

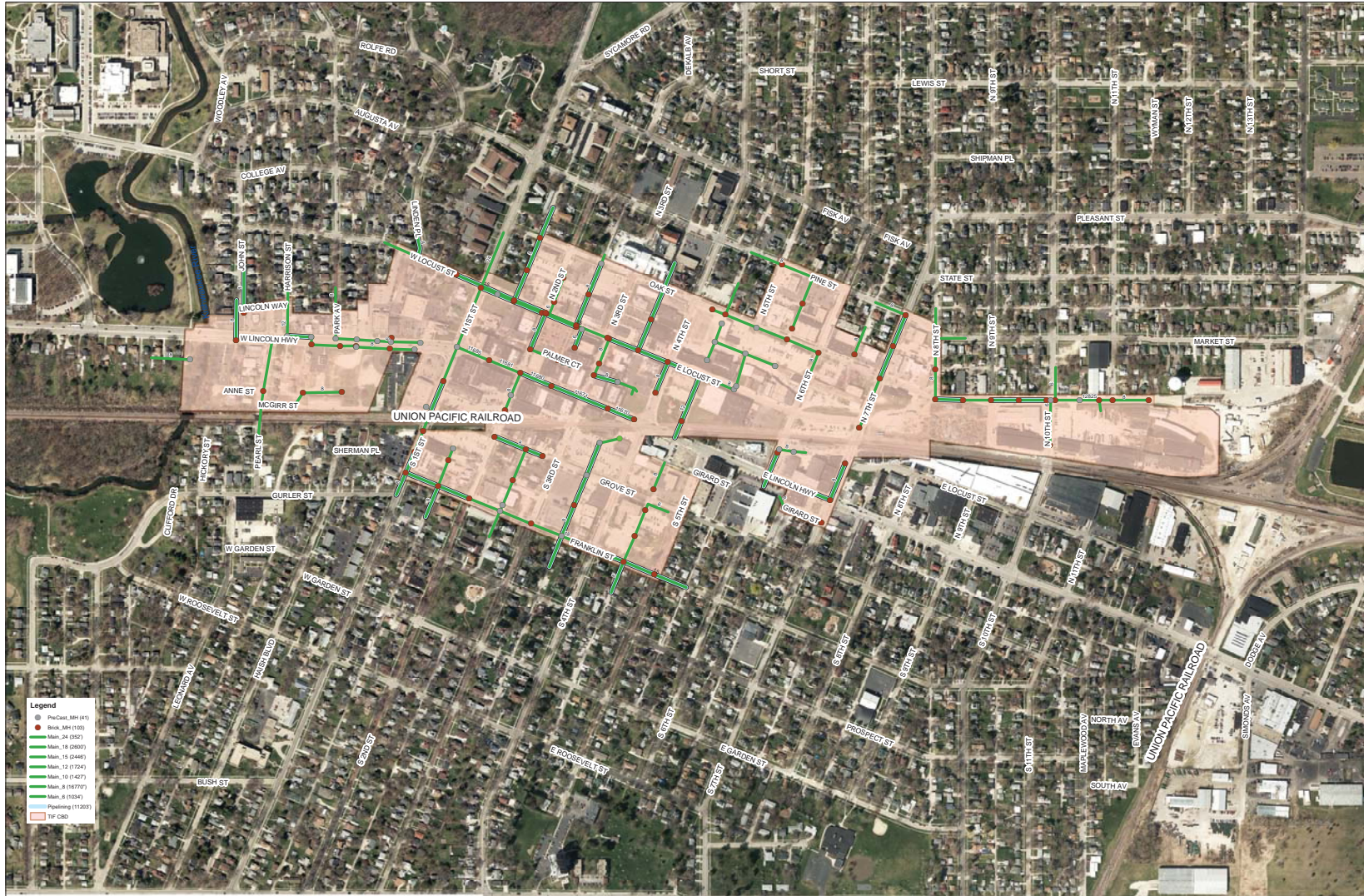
In summary, the inadequate capacity of water distribution system, stormwater conveyance network and floodplain encumbrances, along with major necessary rehabilitation to the sanitary sewer system results in a finding of “inadequate utilities” as the term is defined under the TIF Act. Should you have any questions or require additional information, please contact me directly at 630-443-7755.

Sincerely,

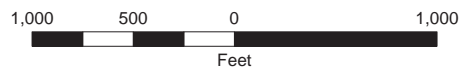


Greg Chismark, P.E.
Municipal Practice Principal
WBK Engineering LLC

Proposed Downtown TIF District - Collection System Utilities



Kishwaukee Water Reclamation District
303 Hollister Av
DeKalb, IL 60115
815-758-3513
www.kishwrd.com



Document Path: S:\GIS\GIS Workspace\Esr\MXDs\TIF Downtown Proposed - Final Boundary.mxd

Date: 5/29/2018