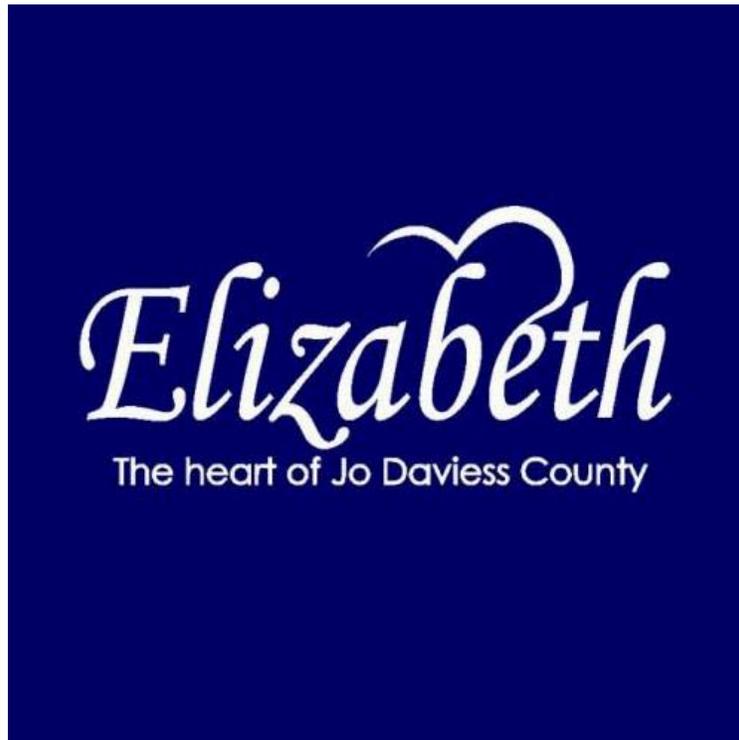


**VILLAGE OF ELIZABETH  
JO DAVIESS COUNTY, ILLINOIS**

**ROUTE 20  
BUSINESS DEVELOPMENT DISTRICT  
DEVELOPMENT PLAN**



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## VILLAGE OF ELIZABETH, JO DAVIESS COUNTY, ILLINOIS

### ROUTE 20 BUSINESS DEVELOPMENT DISTRICT DEVELOPMENT PLAN

#### I. INTRODUCTION

The Business District Development and Redevelopment Law, as from time to time amended (65 ILCS 5/11-74.3-1 *et seq.*) (the “BDD Act”), provides the means for municipalities to revitalize and redevelop commercial areas and has been most successfully used in areas with deteriorated site improvements, with insufficient ingress and egress, and that lack the parking mandated by modern retailing and business operations. The objectives of the BDD Act are to attract sound and stable commercial growth; to reduce or eliminate blighting conditions in order to attract private investment; and, to assure opportunities for development and redevelopment thereby enhancing the tax base of the municipality and all affected taxing districts.

The purpose of this document, entitled “Village of Elizabeth, Jo Daviess County, Illinois, Route 20 Business Development District Development Plan”, is to provide a redevelopment plan (the “*Business District Plan*”), for those properties legally described and as depicted on the map attached hereto as *Exhibit A*, generally located along U.S. Route 20 W. starting at the Village’s western corporate boundaries and ending at E. Sycamore Street to be designated the Route 20 Business Development District (the “*Route 20 Business District*”).

The Village has been advised that the Route 20 Business District qualifies as a business district pursuant to the BDD Act, as stated in the Eligibility Report attached hereto as *Exhibit B*, which report analyzes the blighting factors now found within the proposed Route 20 Business District. The Village believes that this area would benefit from designation as a “business district” as such designation empowers the President and Board of Trustees of the Village of Elizabeth (the “*Corporate Authorities*”) as follows:

- A. To make and enter into all contracts necessary or incidental to the implementation and furtherance of a business district plan. A contract by and between the municipality and any developer or other nongovernmental person to pay or reimburse said developer or other nongovernmental person for business district project costs incurred or to be incurred by said developer or other nongovernmental person shall not be deemed an economic incentive agreement under Section 8-11-20 of the Illinois Municipal Code notwithstanding the fact that such contract provides for the sharing, rebate, or payment of retailers’ occupation taxes or service occupation taxes (including, without limitation, taxes imposed pursuant to

- subsection (10) below) the municipality receives from the development or redevelopment of properties in the business district. Contracts entered into pursuant to this subsection shall be binding upon successor corporate authorities of the municipality and any party to such contract may seek to enforce and compel performance of the contract by civil action, mandamus, injunction, or other proceeding.
- B. Within a business district, to acquire by purchase, donation, or lease, and to own, convey, lease, mortgage, or dispose of land and other real or personal property or rights or interests therein; and to grant or acquire licenses, easements, and options with respect thereto, all in the manner and at such price authorized by law. No conveyance, lease, mortgage, disposition of land or other property acquired by the municipality, or agreement relating to the development of property, shall be made or executed except pursuant to prior official action of the municipality. No conveyance, lease, mortgage, or other disposition of land owned by the municipality, and no agreement relating to the development of property, within a business district shall be made without making public disclosure of the terms and disposition of all bids and proposals submitted to the municipality in connection therewith.
  - C. To acquire property by eminent domain in accordance with the Eminent Domain Act.
  - D. To clear any area within a business district by demolition or removal of any existing buildings, structures, fixtures, utilities, or improvements, and to clear and grade land.
  - E. To install, repair, construct, reconstruct, or relocate public streets, public utilities, and other public site improvements within or without a business district which are essential to the preparation of a business district for use in accordance with a business district plan.
  - F. To renovate, rehabilitate, reconstruct, relocate, repair, or remodel any existing buildings, structures, works, utilities, or fixtures within any business district.
  - G. To construct public improvements, including but not limited to buildings, structures, works, utilities, or fixtures within any business district.
  - H. To fix, charge, and collect fees, rents, and charges for the use of any building, facility, or property or any portion thereof owned or leased by the municipality within a business district.

- I. To pay or cause to be paid business district project costs, as hereinafter defined. Any payments to be made by the municipality to developers or other nongovernmental persons for business district project costs incurred by such developer or other nongovernmental person shall be made only pursuant to the prior official action of the municipality evidencing an intent to pay or cause to be paid such business district project costs. A municipality is not required to obtain any right, title, or interest in any real or personal property in order to pay business district project costs associated with such property. The municipality shall adopt such accounting procedures as shall be necessary to determine that such business district project costs are properly paid.
- J. To apply for and accept grants, guarantees, donations of property or labor or any other thing of value for use in connection with a business district project.
- K. If the municipality has by ordinance found and determined that the business district is a blighted area under this Law, to impose a retailers' occupation tax and a service occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for business district project costs as set forth in the business district plan approved by the municipality.
- L. If the municipality has by ordinance found and determined that the business district is a blighted area under this Law, to impose a hotel operators' occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for the business district project costs as set forth in the business district plan approved by the municipality.
- M. To issue obligations to provide for the payment or reimbursement of business district project costs. Those obligations, when so issued, shall be retired in the manner provided in the ordinance authorizing the issuance of those obligations by the receipts of taxes imposed pursuant to subsections (10) and (11) above and by other revenue designated or pledged by the municipality.

In order to designate a business district, the Corporate Authorities shall undertake the following:

- A. Hold a public hearing prior to the designation of the business district and approval of the business district development plan after notice thereof has been published at least twice, the first publication to be not more than thirty (30) nor less than ten (10) days prior to the hearing.

- B. Make findings that the proposed business district on the whole has not been subject to growth and development through private investment by private enterprises and would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district plan.
- C. Affirm that the area proposed to be designated as a business district is contiguous and includes such parcels of real property as shall be directly and substantially benefitted by the proposed development.
- D. Must find that the proposed Route 20 Business District is a blighted area as hereinafter defined, in order to impose the hotel operators' occupation tax, service occupation tax or retailers' occupation tax.

Upon the finding by the Corporate Authorities that the proposed Route 20 Business District is "blighted," as hereinafter defined, the Retailers' Occupation Tax may be imposed in quarter percent (.25%) increments at a total rate not to exceed one percent (1%) of the gross receipts from such sales made in the Route 20 Business District in the course of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of the State's government. The Retailers' Occupation Tax may not be imposed for more than 23 years and may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and non-prescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. A Service Occupation Tax may be imposed in quarter percent (.25%) increments at a total rate not to exceed one percent (1%) of the selling price of tangible personal property transferred within the Route 20 Business District as an incident to making sales of service. The Corporate Authorities may also impose a Hotel Operators' Occupation Tax in the event a finding of blight is made, in quarter percent (.25%) increments at a total rate not to exceed one percent (1%) of the gross receipts from renting, leasing or letting hotel rooms within the Route 20 Business District.

The Retailers' Occupation Tax, the Service Occupation Tax and the Hotel Operators' Occupation Tax shall hereafter collectively be referred to as "Sales Taxes." The Retailers' Occupation Tax and the Service Occupation Tax, if imposed, shall be collected by the Illinois Department of Revenue and then disbursed to the Village. The Hotel Operators' Occupation Tax, if imposed, shall be collected by the Village.

The BDD Act defines a “blighted area” as:

“Blighted area” means an area that is a blighted area which, by reason of the predominance of defective, non-existent, or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals, or welfare.”

Given the Eligibility Report which concludes that the Route 20 Business District is a blighted commercial area as defined by the BDD Act, the Village desires to proceed with all other actions required under the BDD Act to impose such Sales Taxes as permitted thereby in order to implement this Business District Plan.

## II. THE VILLAGE OF ELIZABETH

The Village of Elizabeth is a community of approximately 761 persons located in the center of Jo Daviess County in the northwest corner of Illinois. The Village is situated in a scenic valley generally along US Route 20 and south of the Apple River. Neighboring communities include the City of Galena, the Village of Stockton, the unincorporated community of Woodbine, the Village of Scales Mound, and the Village of Hanover.

The community of Elizabeth was originally settled in the early 1800s, incorporated in 1868 and platted in 1939. Valuable lead deposits, rich farmland, and a picturesque setting were key natural assets that contributed to the development of the community. The role of the Village as a market center was strengthened when the Great Western Railroad came to Elizabeth in 1888, providing access to surrounding towns as well as to Dubuque, Iowa, Chicago, Illinois, and other cities of the Midwest.

The Village maintained its small town character over the years but its growth and development began to stagnate from the 1980s onward. Today, Elizabeth's economy is based primarily on the tourism industry of Jo Daviess County as well as providing local goods and services to the community and surrounding farms. The Village is known for its historic buildings/features, traditional downtown area, quality and affordable residential neighborhoods, good schools and municipal services, and a desirable natural setting. Similar to other communities of the region, Elizabeth faces the challenges of planning for, achieving and managing growth in order to keep step with the region's 21<sup>st</sup> century demographics and economy. Consideration of incentives to revitalize the Village's commercial districts is essential to the growth of its tax base and the retention of its population.

### III. ROUTE 20 BUSINESS DISTRICT GOALS

General goals for the Route 20 Business District include, but are not limited to, the following:

- To create an environment that will contribute more positively to the health, safety and general welfare of the Village;
- To replat parcels of property thereby permitting modern development and land use;
- To improve infrastructure that will serve the improvements on all of the properties and provide safe and efficient access to the parcels;
- To encourage new investment and development that will increase the value of properties within and adjacent to the Route 20 Business District, improving the real estate and sales tax base;
- To increase construction and part-time and full-time employment opportunities for residents and non-residents of the Village;
- To maintain and enhance the viability of the Village’s commercial corridor on U.S. Route 20;
- To eliminate the factors that qualified the Route 20 Business District as a blighted area;
- To provide a strong, positive visual image of the Route 20 Business District through attractive and high-quality building design, site improvements and landscaping; and,
- To develop a land use pattern which promotes the highest degrees of health, safety and the well-being of the community.

#### IV. ROUTE 20 BUSINESS DISTRICT PROJECTS

The Village proposes to achieve its development and redevelopment goals for the Route 20 Business District through the imposition of Sales Taxes as authorized under the BDD Act to undertake the activities, improvements and projects described below. The Village also maintains the flexibility to undertake additional activities, improvements and projects authorized under the BDD Act and other applicable laws, if the need for activities, improvements and projects changes as redevelopment occurs in the Route 20 Business District, including:

- Redesign and reconstruct roadways to provide safe and improved access to the businesses in the Route 20 Business District;
- Construct buildings and facilities;
- Improve buildings and add enhancements;
- Revitalize and upgrade buildings through site planning, façade improvements, and construction methods that provide cohesive urban design features and provide focus to the streetscape of the area;
- Market sites within the Route 20 Business District to private investors;
- Improve streetscape design, pedestrian access, distinctive lighting, signage, landscaping, and other appropriate site amenities;
- Redesign sites to enhance current uses, which may require the demolition and replacement of buildings and other facilities;
- Provide and upgrade infrastructure to serve the development, including the construction of and improvements to water, sewer and stormwater management infrastructure;
- Create convenient parking areas and parking structures as mandated by building expansion and land uses;
- Study of utility services to the Route 20 Business District and the reconfiguration of such services to sufficiently serve development;

- Construction of streetscape enhancements using trees and ornamental vegetation plantings, add community banners and attractive features to attract pedestrian usage and provide increased safety for both pedestrians and motorists; and,
- Site clearance and site preparation, such as subdividing or combining parcels for commercial use and vacation of unneeded alley ways thereby providing land for development.

V. BUSINESS DISTRICT DEVELOPMENT PROJECT COSTS

A. The BDD Act states:

“Business district project costs” shall mean and include the sum total of all costs incurred by a municipality, other governmental entity, or nongovernmental person in connection with a business district, in the furtherance of a business district plan, including, without limitation, the following:

- (1) Costs of studies, surveys, development of plans and specifications, implementation and administration of a business district plan, and personnel and professional service costs including architectural, engineering, legal, marketing, financial, planning, or other professional services, provided that no charges for professional services may be based on a percentage of tax revenues received by the municipality;
- (2) Property assembly costs, including but not limited to, acquisition of land and other real or personal property or rights or interests therein, and specifically including payments to developers or other nongovernmental persons as reimbursement for property assembly costs incurred by that developer or other nongovernmental person;
- (3) Site preparation costs, including but not limited to clearance, demolition or removal of any existing buildings, structures, fixtures, utilities, and improvements and clearing and grading of land;
- (4) Costs of installation, repair, construction, reconstruction, extension, or relocation of public streets, public utilities, and other public site improvements within or without the business district which are essential to the preparation of the business district for use in accordance with the business district plan, and specifically including payments to developers or other nongovernmental persons as reimbursement for site preparation costs incurred by the developer or nongovernmental person;
- (5) Costs of renovation, rehabilitation, reconstruction, relocation, repair, or remodeling of any existing buildings, improvements, and fixtures within the business district, and specifically including payments to developers or other nongovernmental persons as reimbursement for costs incurred by those developers or nongovernmental persons;

- (6) Costs of installation or construction within the business district of buildings, structures, works, streets, improvements, equipment, utilities, or fixtures, and specifically including payments to developers or other nongovernmental persons as reimbursement for such costs incurred by such developer or nongovernmental person;
- (7) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations issued under this Law that accrues during the estimated period of construction of any development or redevelopment project for which those obligations are issued and for not exceeding 36 months thereafter, and any reasonable reserves related to the issuance of those obligations; and
- (8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law.

B. Estimated Project Costs

(1) Costs of studies, development plans, engineering and professional services	\$ 500,000
(2) Land assembly	\$ 3,000,000
(3) Site preparation, including land clearance, and site improvements	\$ 2,000,000
(4) Repair and remodeling of existing buildings, new construction	\$ 4,000,000
(5) Improvements to public utilities, public streets	\$ 1,000,000
(6) Streetscape improvements	\$ 1,000,000
(7) Interest costs	<u>\$ 7,000,000</u>
	\$ 12,500,000

*The Village reserves the right to exceed budgeted costs in particular estimated development project costs categories so long as the total estimated cost is not exceeded over the 23 year life of the Route 20 Business District, unless otherwise amended.*

## VI. SOURCES OF FUNDS TO PAY DEVELOPMENT PROJECT COSTS

Upon designation of the Route 20 Business District by Village ordinance, the Village intends to impose the Retailers' Occupation Tax within the Route 20 Business District, at a rate of one-half of one percent (0.5%) of the gross receipts from sales made in the course of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of this State's government, at retail within the Route 20 Business District. Such tax shall not be applicable to the sales of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.

The Village also intends to impose a Service Occupation Tax upon all persons engaged within the boundaries of the Route 20 Business District in the business of making sales of service at a rate of one-half of one percent (0.5%) of the selling price of all tangible personal property transferred within the Route 20 Business District by such servicemen either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. Such tax may not be imposed on the sale of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.

The Village shall further impose a Hotel Operators' Occupation Tax at a rate of one-half of one percent (0.5%) of the gross receipts from renting, leasing or letting hotel rooms within the Route 20 Business District.

The proceeds of these Sales Taxes shall be used during the term of the designation of the Route 20 Business District (not to exceed 23 years from the date of adoption of this Business District Plan) for the planning, execution and implementation of the Business District Plan, the payment of business district project costs as set forth in the Business District Plan and permitted by the BDD Act and the payment of obligations of the Village issued to provide for the payment of business district project costs.

A Village ordinance shall also be adopted by the Corporate Authorities to create a separate fund entitled the “Route 20 Business Development District Tax Allocation Fund” in order to receive the revenues generated by the Sales Taxes. Pursuant to the BDD Act, all funds received from the Sales Taxes must be deposited into this special fund.

Funds necessary to pay for business district project costs and to secure municipal obligations issued for such costs are to be derived primarily from the Sales Taxes. Other sources of funds which may be used to pay for business district project costs or to secure municipal obligations are state and federal grants, investment income, private financing and other legally permissible funds the Village may deem appropriate. All such funds shall be deposited in the Route 20 Business Development District Tax Allocation Fund.

## VII. ISSUANCE OF OBLIGATIONS

The Village may issue obligations pursuant to the BDD Act and other authorities in order to pay for business district project costs. The obligations may be secured by the Route 20 Business District Sales Taxes and other sources that the Village may deem appropriate. Additionally, the Village may provide other legally permissible credit enhancements to any obligations issued pursuant to the BDD Act.

All obligations issued by the Village pursuant to this Business District Plan and the BDD Act shall be retired within twenty-three (23) years from the date of adoption of the ordinance approving this Business District Plan. One or more series of obligations may be issued from time to time in order to implement this Business District Plan.

Obligations may be issued on either a taxable or tax-exempt basis, as general obligation bonds, general obligation debt certificates, alternate bonds or revenue bonds, or other debt instruments, with either fixed rate or floating interest rates, with or without capitalized interest, with or without deferred principal retirement, with or without interest rate limits except as limited by law, with or without redemption provisions, and on such other terms, all as the Village may determine and deem appropriate.

VIII. ESTABLISHMENT AND TERM OF THE ROUTE 20 BUSINESS DISTRICT

The establishment of the Route 20 Business District shall become effective upon adoption of an ordinance by the President and Board of Trustees adopting the Route 20 Business District Plan and designating the Route 20 Business District. Development agreements between the Village and any developers or other private parties shall be consistent with the provisions of the BDD Act and this Business District Plan.

Pursuant to the BDD Act, the Route 20 Business District Sales Taxes described in Section VI may not be imposed for more than twenty-three (23) years pursuant to the provisions of the BDD Act. The Route 20 Business District shall expire upon the termination of the imposition of the Route 20 Business District Sales Taxes and the final payout of the same from the Route 20 Business Development District Tax Allocation Fund, which shall be no later than 23 years from the date of adoption of the ordinance approving this Business District Plan.

IX. FORMAL FINDINGS

Based upon the information described in the attached *Exhibit B*, the Village President and Board of Trustees of the Village of Elizabeth, Jo Daviess County, Illinois, find and determine the following:

- A. The Route 20 Business District is a contiguous area and includes only parcels of real property directly and substantially benefitted by the proposed business district development or redevelopment plan;
- B. the Route 20 Business District is a blighted area as defined in the BDD Act by reason of the predominance of defective, non-existent, or inadequate street layout and deterioration of site improvements;
- C. the Route 20 Business District constitutes an economic liability to the Village in its present condition and use; and,
- D. the Route 20 Business District on the whole has not been subject to growth and development by private enterprises or would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district development or redevelopment plan.

X. PROVISIONS FOR AMENDING THE BUSINESS DISTRICT PLAN

The Village President and Board of Trustees of the Village of Elizabeth may amend this Business District Plan from time to time by adopting an ordinance providing for such amendment.

# **EXHIBIT A: Legal Description Map**

August 27, 2015

Village of Elizabeth Legal Description:

A part of the South Half of Section 24, part of the North Half of the North Half of Section 25, and part of the South half of Section 23, all in Township 28 North, Range 2 East of the Fourth Principal Meridian, Jo Daviess County, Illinois, more particularly described as follows: Beginning at the Northeast corner of Lot 12 in Block 9 in the Original Town of Elizabeth; Thence Southwesterly, along the Southeasterly line of said Block 9, 90 feet, more or less, to a point on the Northerly Right of Way line of U.S. Route 20; Thence Northwesterly, along the said Northerly Right of Way line, to the most Westerly corner of the parcel of land described in document number 222116 in the Office of the Jo Daviess County Recorder, having a parcel identification number of 07-001-063-00; Thence Southwesterly, perpendicularly across U.S. Route 20, to a point on the Southerly Right of Way line of said U.S. Route 20; Thence Northwesterly, along the said Southerly Right of Way line to a point on the Northerly Right of Way line of East Myrtle Street, said point also being the most Easterly corner of Lot 1 in Block 17 of the Original Town of Elizabeth; Thence Southwesterly, along the said Northerly Right of Way line of East Myrtle Street, and the Southeasterly line of said Block 17, to the most Southerly corner of said Block 17; Thence Southwesterly across North Madison Street and along the Northerly Right of Way line of East Myrtle Street to the Southeasterly corner of Lot 1 in Block 20 in Reynold's Addition to the Original Town of Elizabeth, said point being the most Easterly corner of said Lot 1, said Lot described in document number 378891 in the Office of the Jo Daviess County Recorder, said Lot having a parcel identification number of 07-001-147-00; Thence Southwesterly, along the Southeasterly line of said Lot 1 and the Southeasterly line of Lot 3 in said Block 20 to the Southern most corner of the parcel of land described in document number 362662 in the Office of the Jo Daviess County Recorder and having a parcel identification number of 07-001-148-00; Thence Northwesterly, along the Southwesterly line of said parcel, to the most Northerly corner of the parcel of land having a parcel identification number of 07-001-150-00; Thence Southwesterly, along the Northerly line of said parcel, and the Southwesterly extension thereof to the point of intersection with the centerline of North Vine Street; Thence Southerly, along the said centerline and the Southerly extension thereof to the intersection of the Southerly Right of Way line of East Myrtle Street with the centerline of now vacated Vine Street, said point being the most Northerly corner of the property described in document number 334270 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-166-03; Thence continuing Southerly, along the Northeasterly boundary of said parcel, a distance of 126.83 feet, more or less to a point; Thence Southeasterly along the Northeasterly boundary of said parcel, said boundary being parallel with the Easterly Right of Way line of Ash Street, a distance of 186.54 feet, more or less to a point on the Northerly Right of Way line of the abandoned Chicago and Northwestern Railway Company, said point being on the Northwesterly line of the parcel of land having a

parcel identification number of 07-001-159-04; Thence Northeasterly along the Northwesterly line of said parcel, to the most Northerly corner of said parcel; Thence Southeasterly along the boundary of said parcel to a point on the Northerly Right of Way line of East Sycamore Street; Thence Southwesterly along the said Northerly Right of Way line to the intersection with the centerline of Ash Street; Thence South 68 degrees 52 minutes 10 seconds East, along the centerline of vacated Ash Street, a distance of 60.58 feet, more or less to a point on the Southerly Right of Way line of vacated Sycamore Street; Thence South 55 degrees 30 minutes 00 seconds West, along the said Southerly Right of Way line, and the Southeasterly line of the parcel of land described in document number 353919 in the Office of the Jo Daviess County Recorder and having a parcel identification number of 07-001-283-04, a distance of 27.11 feet, more or less; Thence South 27 degrees 07 minutes 51 seconds West, along the Southeasterly boundary of said parcel, a distance of 232.49 feet, more or less to a point; Thence South 42 degrees 17 minutes 33 seconds West, along the Southeasterly boundary of said parcel, a distance of 349.06 feet, more or less to a point; Thence North 88 degrees 49 minutes 04 seconds West, along the Southerly boundary of said parcel, a distance of 63.15 feet, more or less, to a point; Thence South 39 degrees 14 minutes 04 seconds West, along the Southeasterly boundary of said parcel, a distance of 264.05 feet, more or less, to the most Southerly corner of "OutLot 1" of Robert's Second Addition to the Village of Elizabeth, according to a plat recorded as document number 359221, in Plat Hold E, Page 185 in the Office of the Jo Daviess County Recorder; Thence Southwesterly, along the Northerly Right of Way line of the abandoned Chicago Great Western Railroad, a distance of 221.18 feet, more or less to a point on the South line of the Southeast Quarter of Section 24, Township 27 North, Range 2 East of the Fourth Principal Meridian, Jo Daviess County, Illinois; Thence West along the said South line to the Northeast corner of Lot 2 of the "Final Plat of Robert's Subdivision" to the Village of Elizabeth, recorded as Document 331944, in Plan Hold E, Page 21 in the Office of the Jo Daviess County Recorder; Thence Southwesterly, along the Easterly line of said Lot 2, to the Southern corner of said Lot 2, said point being the Southeast corner of Lot 1 in the same Subdivision; Thence West, along the South line of said Lot 1, and the Westerly extension thereof, to a point in the centerline of Pleasant Hill Road; Thence North 00 degrees 27 minutes 13 seconds East, along the said centerline, a distance of 189.24 feet, more or less, to the Northwest corner of the Northeast Quarter of Section 25, Township 27 North, Range 2 East of the Fourth Principal Meridian, said point also being the Southeast corner of the Southwest Quarter of Section 24 in the same Township; Thence North along the East line of the Southwest Quarter of said Section 24, a distance of 1150.93 feet, more or less, to the Northeast corner of the parcel of land described in document number 370856 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-002-283-00; Thence Southwesterly, along the North line of said parcel, a distance of 413.82 feet, more or less, to the Northwest corner of said parcel; Thence South along the East line of a parcel of land described in document number 342356 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-002-272-06, a distance of 810.00 feet, more or less, to the Southeast corner of said parcel, said point being on the South line of the Southwest Quarter of said Section 24;

Thence West, along the said South line, to the Southwest corner of the parcel of land having a parcel identification number of 07-002-344-00; Thence North, along the West line of said parcel, to a point on the Southerly Right of Way line of U.S. Route 20; Thence Westerly, along the said Southerly Right of Way line, to the Northeasterly corner of the parcel of land described in document number 324040 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-002-260-00; Thence Southwesterly, along the Southeasterly line of said parcel, a distance of 145.89 feet, more or less, to the Southeasterly corner of said parcel; Thence Northwesterly, along the Southwesterly line of said parcel, a distance of 1150.00 feet, more or less, to the Southwesterly corner of said parcel; Thence Northeasterly, along the Northwesterly line of said parcel, a distance of 128.79 feet, more or less, to the Southerly Right of Way line of said U.S. Route 20; Thence Northwesterly, along the said Southerly Right of Way line, to a point on the Easterly line of the parcel described in document number 258309 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-002-260-04; Thence Southwesterly, along the said Easterly line, to the Southeasterly corner of said parcel; Thence Northwesterly, along the Southerly line of said parcel, to the Southwest corner of said parcel, Thence Northeasterly, along the Westerly line of said parcel, and the Northeasterly extension thereof, to a point on the Northerly Right of Way line of U.S. Route 20; Thence Southeasterly, along the said Northerly Right of Way line, to a point on the Westerly line of the property described in document number 357179 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-002-254-12; Thence North 30 degrees 31 minutes 29 seconds East, along the said West line, a distance of 374.00 feet, more or less, to the Northwest corner of said parcel; Thence South 59 degrees 28 minutes 31 seconds East, along the boundary of said parcel, a distance of 700.00 feet, more or less, to a bend point on said parcel; Thence North 30 degrees 31 minutes 29 seconds East, along the boundary of said parcel, a distance of 327.93 feet, more or less, to a point in the centerline, of Elizabeth-Scales Mound Road; Thence Southeasterly, along the said centerline, to the most Northerly corner of the parcel described in document number 379222 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-002-263-06; Thence South 38 degrees 54 minutes 32 seconds West, along the Westerly line of said parcel, a distance of 65.05 feet, more or less; Thence South 30 degrees 16 minutes 40 seconds East, along the Southerly boundary of said parcel, a distance of 276.50 feet, more or less; Thence South 52 degrees 09 minutes 10 seconds East, along the said Southerly boundary, a distance of 295.73 feet, more or less, to a point on the East line of the parcel described in document number 333614 in the Office of the Jo Daviess County Recorder; Thence South 23 degrees 17 minutes 43 seconds West, along the said East line, a distance of 37.88 feet, more or less, to a point on the North line of the parcel described in document number 347578 in the Office of the Jo Daviess County Recorder; Thence Easterly, along the boundary of the property conveyed to the Jo Daviess County Highway Department in Warranty Deeds, having document numbers 379220 and 379221 in the Office of the Jo Daviess County Recorder, to a point in the centerline of Elizabeth-Scales Mound Road; Thence Southeasterly, along the said centerline, to a point on the Southwesterly extension of the Northerly line of a 10 foot strip of land, Northerly of the North

Right of Way line of U.S. Route 20, as noted in document DOR Docket 87-43-135 in the Office of the Jo Daviess County Supervisor of Assessments; Thence Northeasterly, along the said Northerly line of the 10 foot strip, and the Northeasterly extension thereof, to a point on the West line of the property conveyed to Faith Evangelical Lutheran Church, by a Warranty Deed recorded as Document No. 120888, in Book 186 of Deeds, at Pages 3 and 4 in the Office of the Jo Daviess County Recorder; Thence North, along the West line of said property, to the Northwest corner thereof; Thence Northeasterly, along the Northerly line of said property, to the West line of parcel described in document number 376788 in the Office of the Jo Daviess County Recorder, and having a parcel identification of 07-002-276-00; Thence Westerly, along the South line of said parcel, to the Southwest corner of said parcel, said point also being the Southeast corner of a parcel of land described in document number 374204 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-002-270-00; Thence North, along the West line of the parcel in said document number 376788, 5.72 chains, more or less, to the Northwest corner of said parcel; Thence Northeasterly, along the North line of said parcel, a distance of 791.9 feet, more or less, to the Southwest corner of the tract of land described in document number 174973 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-281-03; Thence Northwesterly, along the West line of said tract, a distance of 331.73 feet, more or less, to the Northwest corner of said tract; Thence Northeasterly, along the North line of said tract, a distance of 490.84 feet, more or less, to a corner on the Southwesterly boundary of parcel of land described in document number 334400 in the Office of the Jo Daviess County Recorder; Thence Southeasterly, along the said Southwesterly line, a distance of 215.44 feet, more or less, to a point; Thence Northeasterly, along the said Southerly boundary line, a distance of 595.66 feet, more or less, to a point; Thence Northeasterly, along the said Southerly boundary line, a distance of 241.27 feet, more or less, to the most Northerly corner of the parcel of land described in document number 308693 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-307-00; Thence Southeasterly, along the Northeasterly boundary of said parcel, to the most Northerly corner of the parcel described in document number 338026 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-275-00; Thence Southerly, along the Southwesterly boundary of said parcel, to the Southeasterly corner of said parcel, said point being on the Northerly Right of Way line of West Street, said point also being the Northeast corner of the parcel of land described in document number 369947 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-307-03; Thence Southwesterly, along the said Northerly Right of Way line, to the intersection with the Northerly Right of Way line of U.S. Route 20; Thence Southwesterly, across U.S. Route 20, to the Northwest corner of Lot 2 in Block 35 of Reynold's Addition to the Village of Elizabeth, said point being on the Southerly Right of Way line of U.S. Route 20; Thence Northeasterly, along the said Southerly Right of Way line, a distance of 150 feet, more or less, to a point on the East line of North Locust Street,

said point being the Northwest corner of Lot 6 in Block 33 of said Reynold's Addition; Thence Southeasterly, along the said East line of North Locust Street, a distance of 305 feet, more or less, to the Southwesterly corner of Lot 11 in Block 32 of said Reynold's Addition; Thence Northeasterly, along the Southerly line of Lots 11, 10, 7, 6, in said Block 32, to a point on the Northwesterly extension of the parcel of land described in document number 330866 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-223-00; Thence Southeasterly, along the Southwesterly boundary of said parcel, to the Southwest corner thereof, said point being on the Southeasterly line of Lot 5 in Block 32; Thence Northeasterly, along the South line of said parcel, and the Southeasterly line of said Block 32, to the Southeasterly corner thereof; Thence Northwesterly, along the Northeasterly line of said Block 32, to the Southeasterly corner of Lot 2 in said Block; Thence Northeasterly along the Northeasterly extension of the Southeasterly line of said Lot 2, and along the Southeasterly line of Lots 11, 10, 7, 6, 3, and 2 in Block 29 in said Reynold's Addition, and the Northeasterly extension thereof, a distance of 400 feet, more or less, to the Southwest corner of Lot 12 in Block 24 of said Reynold's Addition; Thence Northwesterly, along the Westerly line of said Lot 12, a distance of 124 feet, more or less, to the Northwest corner of said Lot 12 in Block 24; Thence Northeasterly, along the North line of said Block 24, a distance of 365 feet, more or less, to the Northeasterly corner of Lot 2 in said Block 24; Thence Northeasterly, along the Westerly Right of Way line of North Vine Street, to the intersection with the North line of North Madison Street, said point being the Southeasterly corner of Lot 12 in Block 19 of the Original Town of Elizabeth; Thence Northwesterly, along the Southerly line of said Block 19, and the Northwesterly extension thereof, to the intersection with the East Right of Way line of Park Street, said point being on the West line of said Block 19; Thence Northeasterly, along the said East Right of Way line, and the West line of said Block 19, a distance of 260 feet, more or less, to the Northwest corner of said Block 19; Thence Southeasterly, along the North line of said Block 19, and the South line of West Main Street, to where it intersects the Northerly Right of Way line of U.S. Route 20; Thence Easterly, along the said Northerly Right of Way line, to the intersection of the said Northerly Right of Way line with the East Right of Way line of East Catlin Street, said point being on the West line of Block 8 of the Original Village of Elizabeth, said point also being the Southwesterly corner of a parcel described in document number 356319 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-049-00; Thence Northeasterly, along the East Right of Way line of said East Catlin Street, and the West line of said Block 8, to the Northwest corner of said parcel; Thence East, along the North line of said parcel, to the a point on the Southerly line of the Alley running Northwesterly and Southeasterly through said Block 8; Thence Southeasterly, along the said Southerly line of the Alley, and the Southeasterly extension thereof, to the intersection with the Southeasterly Right of Way line of East Myrtle Street; Thence Northeasterly, along the said Southeasterly Right of Way line, to the most Northerly corner of the parcel described in document 375929 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-008-00, said point being on the centerline of that portion of Illinois Street now vacated; Thence Southeasterly, along the Northeasterly boundary of said parcel, to the most Easterly

corner of the parcel described in deed number 78042, and having a parcel identification number of 07-001-006-00, said point being on the Southeasterly Right of Way line of the former Minnesota and Northwestern Railroad Company; Thence Southwesterly, along the Southerly boundary line of said parcel, to the Northeasterly Right of Way line of that portion of South Washington Street now vacated; Thence Southerly, along the boundary of said parcel, to the most Northerly corner of a parcel described in document number 222116 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-063-00, said point being on the Northeasterly line of Lot 9 in Block 9 of the Original Village of Elizabeth, 15.00 feet Northwesterly of the Northeasterly corner of said Lot 9; Thence Southeasterly, along the Northeasterly line of Lots 9, 10, 11, and 12 in said Block 9, to the point of beginning.

EXCEPTING THEREFROM, Lots 7 and 8 in Block 30 of Reynold's Addition to the Original Town of Elizabeth, and the Northerly half of the vacated alley South of said Lots, described in document number 381157 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-207-00; ALSO EXCEPTING part of Lot 3, and Lots 4 and 5 in Block 30 of Reynold's Addition to the Original Town of Elizabeth, described in document number 372151 in the Office of the Jo Daviess County Recorder, and having a parcel identification number of 07-001-209-00.

# **EXHIBIT B: Eligibility Study**

**VILLAGE OF ELIZABETH**  
**BUSINESS DEVELOPMENT DISTRICT**  
**ELIGIBILITY REPORT**

I. The Route 20 Business Development District

The Route 20 Business Development District contains a mix of commercial, industrial residential and public uses as well as vacant areas. As a whole, the improved areas are characterized by aging properties, deteriorated buildings and site improvements, obsolete buildings and sites, vacant buildings and spaces within buildings and structures below minimum code standards. The vacant areas also demonstrate obsolete platting and inadequate street layout and have declining or lagging growth in property value.

Overall, the Route 20 Business Development District has not been subject to re-development through investment by private enterprises and constitutes an economic liability on the Village, thereby being a menace to the growth of the business community and potential creation of job opportunity. As found in the Survey of Parcels, the proposed Route 20 Business Development District meets the requirements of the Act as a ‘blighted’ area.

II. Analysis of Blighting Conditions Within the proposed Route 20 Business Development District

A. *Business District Boundaries*

The Business District consists of 133 parcels of which approximately 106 are improved with structures. It is an irregularly shaped area that encompasses primarily the downtown and commercial properties along Route 20 and includes the Roberts Industrial area on the west end of Myrtle Street, and is generally described as:

A subarea incorporating parcels that border and encompass both sides of Route 20 West starting at the Village’s western corporate boundaries then heading east to N. Locust Street;

A subarea incorporating parcels 07-001-307-00, 07-001-307-03, 07-001-307-06, 07-001-307-09, and 07-001-307-12 on the northwest side of N. West Street;

A subarea generally incorporating parcels on the west side of N. Locust Street, including N. Locust Street, from Route 20 (West Madison Street) to W. Myrtle Street;

A subarea generally incorporating parcels south of W. Myrtle Street, including parcels that encompass both sides of W. Myrtle Street, to the Village’s corporate boundaries at the south end, including parcels surrounding Roberts Lane, to S. Ash Street on the east including parcels that are on the east side of S. Ash Street;

A subarea generally incorporating parcels east of N. Ash Street, south of W. Catlin Street, north of E. Myrtle Street and west of N. Vine Street;

A subarea incorporating parcel 07-001-149-00 along W. Catlin Street, and parcels 07-001-148-00 and 07-001-147-00 along E. Myrtle Street;

A subarea primarily in the downtown district generally incorporating parcels north of E. Myrtle Street to parcels east of Park Street, from N. Madison Street to N. Main Street (Route 20 and Diagonal Street), including parcels east of N. Main Street from E. Catlin Street to E. Myrtle Street;

A subarea generally incorporating parcels fronting the east side of S. Main Street (Route 20) from E. Myrtle Street to E. Sycamore Street; and,

A subarea incorporating parcels 07-001-007-00, 07-001-006-00, and 07-001-008-00 including the Great Western Street; covering approximately 143 acres; and including 133 parcels.

#### *B. Analysis Methodology*

In order to determine if the proposed Route 20 Business Development District demonstrated those factors which constitute a “blighted area” are significantly present throughout the area, CFPS conducted an investigation of the existing conditions including:

- 1) a survey of the properties and use of the structures within the proposed district;
- 2) a survey of the adequacy of existing streets, the condition of the streets, traffic patterns, lighting and parking facilities;
- 3) survey of recorded plats and configuration of parcels;
- 4) review of county records as deemed necessary; and,

- 5) discussions with Village officials, property owners and business owners to ascertain the existing conditions acting as hurdles to new development and improvements.

The BDD Act states that a blighted area includes the following negative factors:

- Predominance of defective, non-existent, or inadequate street layout.
- Unsanitary or unsafe conditions.
- Deterioration of site improvements.
- Improper subdivision or obsolete platting.
- Existence of conditions which endanger life or property by fire or other causes, or any combination of those factors.

The existence of the foregoing factors retards the provision of housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals or welfare.

### III. The Findings of the Survey of Parcels

#### A. *Obsolete Platting or Improper Subdivision; Inadequate Street Layout*

Most of the proposed Route 20 Business Development District was developed from the late 1800s through the mid-1900s on a parcel-by-parcel and building-by-building basis. Development occurred prior to the benefit of a comprehensive community plan, or guidelines requiring proper land use arrangements, building setbacks and loading or service requirements. The Village of Elizabeth prepared and adopted a Comprehensive Plan in 2005; a long time after development of the town. The Village's main purpose for creating the Comprehensive Plan was the long-term challenge of dealing with the future realignment of Route 20, which is planned to run approximately 1.5 miles north of its current location. This placement presented multiple challenges to continue to allow Elizabeth to grow, while ensuring that existing downtown businesses are not removed or lost to future strip development along the new Route 20 interchange. The Village of Elizabeth does not have zoning, nor do they have a building inspector. Both of these items can help guide growth and development and also ensure development is done to set standards, thereby protecting property and life.

Of the 133 total parcels within the proposed Route 20 Business Development District, there are 28 parcels that are vacant, eight of which are right-of-way parcels or roadways for which no development can occur. Of the vacant parcels that can be developed, more than 30% have no direct roadway access, which will further deter development.

Excessive land coverage and overcrowding of structures and community facilities is present within the downtown district as indicated primarily by buildings that cover most or all of the parcels upon which they are situated, or have multiple buildings on a single tax parcel. The properties affected are mainly commercial and do not contain adequate setbacks, off-street parking space, access to public right-of-way and adequate loading and service areas. Lack of parking within the downtown district has always been a problem and concern for the Village and its businesses.

Per the survey of properties, improper subdivision, obsolete platting and inadequate street layout are evidenced to a meaningful extent throughout the proposed Route 20 Business Development District. Further supporting these negative factors are two goals that were identified in the Village's Comprehensive Plan: 1) Encourage additional grid construction to ensure that future development will match with the existing areas of the Village and be easy to navigate; and 2) a need to develop parking standards for new or existing businesses to ensure adequate space is available.

*B. Unsafe and Unsanitary Conditions*

A majority of the structures located in the proposed Route 20 Business Development District meet the criteria for ‘deterioration’ and fall below minimum code standards thereby creating unsafe and unsanitary conditions.

Determination of the presence of structures below minimum code standards was based upon visible defects and advanced deterioration of building components from the exterior surveys. Several structures exhibit deterioration, as evidenced by damage to bricks, loose or missing siding and roofing materials, rusted metal and HVAC systems, dented or missing fascia, and broken and missing windows. Building vacancies contribute to deteriorated conditions.

Of the total 106 buildings, 84 (or 80%) exhibited advanced deterioration and defects that are below contemporary standards for buildings. The front access to many of these buildings are not handicap accessible and do not meet the Americans with Disabilities Act standards for commercial properties. Additionally, lack of hand rails, or unsafe / missing handrails were noticed on many of the properties within the proposed Business District.

Of the 106 structures within the Route 20 Business Development District, 91, or 87%, were built more than 50 years ago. This would further indicate that a majority of the structures have deterioration and may require additional care and maintenance as building materials show signs of aging.

All of the structures located within the Village’s downtown district were built right next to each other, with a majority being constructed with a shared (common) wall. In cases with the shared common wall, it’s not uncommon to find a lack of fire protection standards.

Additionally, during the survey, it was noted that some of the buildings on the properties within and surrounding the proposed business development district ladened with trash, discarded electronic equipment and household items and inoperable automobiles and parts in the rear and side yard thereby creating unsafe and unsanitary conditions to area residents and adjacent properties. Some of the items can negatively impact the areas groundwater.

The principal purposes of governmental codes applicable to properties are to require buildings be constructed in such a way as to sustain safety of loads expected from the type of occupancy; to be safe for occupancy against fire and similar hazards; and/or to establish minimum standards as characterized by defects or deficiencies that threaten health and safety.

### *C. Deterioration of Site Improvements.*

Field surveys were conducted to identify the physical condition of buildings, parking lots, service and loading areas, curbing, and sidewalks. A significant number of the properties in the proposed Route 20 Business Development District exhibit deterioration of site improvements.

Parking areas, curbing, and sidewalks throughout the proposed Route 20 Business Development District were found to have deteriorated conditions in the form of cracked pavement and concrete, potholes, loose paving materials, and weeds protruding through paved surfaces. Within the proposed Route 20 Business Development District, sidewalk mainly exists in the downtown district and along Myrtle Street, with sidewalk also being located on some side roads. However, there is no sidewalk west of S. Locust Street, which is needed to connect the downtown district with the commercial district along Route 20. Much of the existing sidewalk in the downtown district is crumbling and deteriorating, with large cracks and depressions that create a hazardous walking environment. The sidewalks have been patched and repaired, creating many small sections with a lot of joints that have become uneven over the years, creating a hazardous walking environment. Many of the concrete light fixtures bases are crumbling, along with some of the curb areas. Some curb areas are not handicap accessible and do not have detectable warning pads.

Route 20 is a State highway that runs through east and west through the heart of the Village. The highway through the downtown district was redone about 10 years ago, and is currently in need of major repair. The other interior roadways within the Village are basically chip-n-seal roadway surfaces. Some of the roadways have many layers of chip-n-seal, creating a very high crown on the roadway and sometimes making the roadway higher than the curb area. Some of the interior roadways within the Roberts Industrial Area are simply gravel roads with no pavement markings, no storm water facilities and limited street lighting.

The Village has recently had to close down a local road to truck traffic due to the number of sink holes that have been occurring. The sink holes are all located along the route of a 30-foot deep sanitary sewer main that's been in the ground for more than 100 years and is starting to fail. Repairs to such a deep sewer main would be considered confined entry and would be next to impossible to complete. However, since a majority of the town's sanitary sewer waste is transported along this line as it crosses Route 20 and heads to the wastewater treatment plant, the Village will need to address this problem in the very near future.

Fences, retaining walls, light poles, and freestanding sign structures were also found to be deteriorated throughout the proposed Route 20 Business Development District area and in need of maintenance and repair.

Substantial investment will be necessary to repair and upgrade the roadways, as well as upgrade utilities, stormwater facilities, and the pedestrian areas. A Village of Elizabeth Board Retreat was held in June 2015, which was well attended by residents and business owners. Some of the main issues identified by those in attendance was the need to repair the streets and sidewalks, and provide needed infrastructure improvements.

The Survey of Parcels identifies parcels with these conditions, and is attached hereto.

#### IV. Conclusion

The proposed Route 20 Business Development District is a 'blighted' area as defined by the Business District and Redevelopment Law (65 ILCS 5/11 – 74.3-1 et. Seq.) as evidenced by the following:

- Obsolete Platting;
- Inadequate Street Layout;
- Unsafe and Unsanitary Conditions; and
- Deterioration of Site Improvements.