

CITY OF JOLIET, ILLINOIS

TAX INCREMENT FINANCING DISTRICT ELIGIBILITY STUDY AND REDEVELOPMENT PLAN & PROJECT

ROCK RUN CROSSINGS REDEVELOPMENT PROJECT AREA

February 21, 2020



TABLE OF CONTENTS

SECTION

I.	Introduction.....	2
II.	Summary of the Redevelopment Procedure Under the TIF Act.....	4
III.	Basis for Eligibility of the Redevelopment Project Area (Including Statutorily Required Findings).....	5
IV.	Redevelopment Plan & Project.....	15

EXHIBITS

A.	Legal Description of Rock Run Crossings Redevelopment Project Area (showing Tax Identification Numbers)
B.	Redevelopment Project Area Boundary Map
C.	Current Land Use Conditions & Zoning (as of January 2020)
D.	EAV Growth in the Redevelopment Project Area
E.	Future Land Use Plan
F.	Preliminary Parcel & Right of Way Plan
G.	V3 Storm Water Drainage Report (February 20, 2020)

Miller, Hall & Triggs, LLC

416 Main Street, Suite 1125 | Peoria, Illinois 61602
(309) 671-9600 | mhtlaw@mhtlaw.com | www.mhtlaw.com

February 21, 2020

CITY OF JOLIET
ROCK RUN CROSSINGS REDEVELOPMENT PROJECT AREA
ELIGIBILITY STUDY / REDEVELOPMENT PLAN & PROJECT

I. INTRODUCTION

As the City of Joliet (the “City”) has grown over the past several decades in a westerly direction along U.S. Interstate 80 and U.S. Interstate 55, the area located at the northeast quadrant of the intersection of Interstate 80 and Interstate 55 remains in the same undeveloped condition. Thus, despite this close proximity to the intersection of Interstate 80 and Interstate 55, this large area in the northeast quadrant of this intersection has not developed in a manner that is beneficial to the City or its citizens. This lack of development in this northeast quadrant is the result of several factors that have proven difficult to address over the years.

As recently as 2008, the City entered into a development agreement for this northeast quadrant area of the Interstate 80 and Interstate 55 intersection. The developers for this project and the City expended considerable resources in an effort to make this project succeed, but due to the numerous challenges for this large-scale project – financial, geographic, and logistical – this project did not move forward, and the developer withdrew from the 2008 development agreement in 2015. As a result of the inability to get this 2008 development project established, the property in this northeast quadrant area of the Interstate 80 and Interstate 55 intersection remains undeveloped and mostly in the same condition as it has been for many decades.

The City has successfully used the authority granted by the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, *et seq.*) (the “TIF Act”) to form tax increment redevelopment project areas (also known as Tax Increment Financing districts or “TIF districts”) in the past that have brought significant benefit to the City and its citizens. Similar to the City’s past use of the TIF Act when promoting controlled and beneficial development within the City, this site presents challenges to potential developers. Therefore, the City is exploring whether to establish a TIF district to serve as an economic development tool and promote development and revitalization of the site.

In accordance with the TIF Act, this document serves as the Eligibility Study and Redevelopment Plan and Project report (the “Report”) and documents the conditions which qualify the site for designation as a redevelopment project area within the meaning of the TIF

Act. The site is legally described in Exhibit A and depicted in Exhibit B. Additionally, the Report proposes to designate this site as the Rock Run Crossings Redevelopment Project Area (the “Rock Run Crossings RPA” or the “RRC RPA”) in accordance with the provisions of the TIF Act. For reasons hereinafter described and discussed, this Report concludes that development of the Rock Run Crossing RPA would not occur without the creation of a TIF district.

As noted above, the RRC RPA has not been subject to successful growth and development through investment by private enterprise, and such private investment is not reasonably anticipated to occur in the RRC RPA without public assistance. The public assistance necessary to bring about redevelopment of the RRC RPA could include any form of assistance authorized by the TIF Act, including installation and repair of streets, installation and extension of utilities, and demolition and clearance of improvements. Further, this Report, which includes the redevelopment plan and project for the RRC RPA (the “Plan and Project”), will serve as a guide to elimination of the conditions which qualify the area for such designation, while providing substantial development and economic growth within the RRC RPA.

II. SUMMARY OF THE REDEVELOPMENT PROJECT AREA DESIGNATION PROCEDURES UNDER THE TIF ACT

The TIF Act establishes a procedure by which municipalities may designate a “redevelopment project area.” A municipality may not designate a redevelopment project area unless the improved or vacant parcels within the area qualify as either a “blighted area” or a “conservation area” as defined in the TIF Act. The qualifying criteria for blighted and conservation areas are found in the TIF Act at 65 ILCS 5/11-74.4-3(a) and (b). After designating a redevelopment project area, the municipality must also adopt a redevelopment plan and project for the purpose of eliminating the factors that qualify the territory as either a blighted area or a conservation area.

Prior to designating a redevelopment project area and adopting a redevelopment plan and project, a municipality must seek input from a joint review board consisting of representatives of affected taxing districts and also a public member. The municipality must conduct a public hearing regarding the proposal to designate the redevelopment project area and adopt a redevelopment plan and project. The City must also give notice of its proposals to the public and to affected individuals and taxing districts. More specific information concerning these and other procedural requirements may be found in the TIF Act.

After designation of a redevelopment project area and adoption of a redevelopment plan and project, the municipality may adopt tax increment financing. Thereafter, as the assessed value of property within a redevelopment project area increases, the municipality has the power to use the property tax revenue generated by that increased assessed value to pay a wide variety of costs associated with bringing the redevelopment plan and project to fruition.

The foregoing summary describes the redevelopment procedure as authorized by the TIF Act in only the most general terms. As already noted, the TIF Act describes the procedure in great detail.

III. BASIS FOR ELIGIBILITY OF THE REDEVELOPMENT PROJECT AREA (INCLUDING STATUTORILY REQUIRED FINDINGS)

A. Review of the Redevelopment Project Area

The firm of Miller, Hall & Triggs LLC (“MH&T”) has undertaken the preparation of this Report. In doing so, MH&T has taken the following actions in order to determine whether the property comprising the Rock Run Crossing RPA qualifies as a blighted area within the meaning of the TIF Act, while also analyzing and developing proposed remedial action to see improvement and development of this blighted area as set forth later in this Report:

1. MH&T received and analyzed information regarding the potential development and revitalization of the RRC RPA received from entities specializing in commercial and residential development and redevelopment of challenging project areas.
2. Reviewed analysis by V3 Company Ltd., a professional firm offering engineering and surveying services and environmental and urban planning services, regarding the condition of the RRC RPA. V3 Company Ltd. has demonstrated expertise in analyzing hydrologic and flooding conditions of property, as well as the design of public infrastructure improvements, including streets, sanitary sewers, water mains, public utilities, and other related types of improvements.
3. Reviewed property records maintained by the Will County Recorder’s Office regarding property ownership and platting of the property within the RRC RPA.
4. Reviewed records in the Office of the Will County Supervisor of Assessments and the Office of the Kendall County Supervisor of Assessments to determine the equalized assessed value (EAV) for both the current and preceding tax years for the City and the RRC RPA.
5. Because the City does not currently have a comprehensive plan or other similar plan document that addresses or covers the property comprising the RCC RPA, MH&T

examined the City's other more recent land use strategic planning efforts and the City's zoning ordinance, as the zoning ordinance applies to property within the RRC RPA.

B. TIF Act Requirements

In order to establish that the Rock Run Crossing RPA is eligible for designation as a TIF district for redevelopment as permitted under the TIF Act, the RRC RPA must qualify under the provisions of the TIF Act. The applicable provisions of the TIF Act are as follows:

1. **Definition of Vacant Land:** As provided in the TIF Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act.

2. **Definition of Blighted Area:** As provided in the TIF Act, vacant area within the boundaries of a redevelopment project area can qualify as a "blighted area" under either or both of the following two tests:

a. If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the listed statutory factors, each of which is (i) present, with that presence documented, to a meaningful extent so that the City may reasonably find that the factor is clearly present within the intent of the TIF Act, and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains; and two of the six such qualifying factors are as follows:

- Obsolete Platting: Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

- Lack of Growth in EAV: The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for U.S. City Average, All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

b. If vacant, the sound growth of the redevelopment project area is impaired by one of the listed statutory factors that (i) is present, with that presence documented, to a meaningful extent so that the City may reasonably find that the factor is clearly present within the intent of the TIF Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains; and one of the six such qualifying factors is as follows:

- Flooding: The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency, or (ii) surface water that discharges from all or a part of the area and contributes

to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

C. Analysis of Information

Exhibit B shows the boundary of the Rock Run Crossing RPA, and Exhibit C shows current land uses and zoning within the RRC RPA. MH&T has made the following determinations based upon a review and analysis of this information and the information collected and reviewed under part A above:

1. **Qualification as Vacant Land:** The RRC RPA has an area of approximately 263 acres. The property comprising the RRC RPA is unimproved, contains no structures, and a large percentage of the RRC RPA was used for many years for commercial agricultural purposes.

As noted above, the definition of “vacant land” under Section 11-74.4-3 of the TIF Act includes property that does not have any industrial, commercial, or residential buildings and that has not been used for commercial agricultural operations within five years of being designated a redevelopment project area. However, this definition of “vacant land” under Section 11-74.4-3 of the TIF Act also includes an exception for property that is part of a larger tract that has been divided into three or more parcels during the time period of 1950 to 1990.

The RCC RPA was subdivided and transferred ownership in the 1980’s such that most of the property comprising the RCC RPA was subdivided into three or more smaller parcels during the 1980’s. Thus, the property comprising the RCC RPA was divided into at least three smaller tracts through deeds accepted for recording during the period from 1950 to 1990. Therefore, pursuant to the exception provided in the definition of “vacant land” under Section 11-74.4-3 of the TIF Act, MH&T has determined that the property comprising the RCC RPA qualifies as vacant land.

2. **Eligibility of the Vacant Land:** As noted previously, vacant land is eligible for designation as a TIF district if such land can be characterized as a “blighted area”

within the meaning of the TIF Act. Vacant land is considered blighted within the meaning of the TIF Act if the sound growth of the vacant land is impaired within the meaning of one or both of the qualifying tests as set forth above.

a. Under the first test, vacant land is impaired if a combination of two or more of six factors exist on the vacant land (the “two-factor” test). The following two conditions were noted to a meaningful extent across the RRC RPA and reasonably distributed throughout the RRC RPA, which includes all the parcels within the RRC RPA as such parcels are considered vacant under the TIF Act:

- **Obsolete Platting:** Those factors which characterize obsolete platting as set forth in the TIF Act are present throughout the RRC RPA. The current platting of the RRC RPA fails to create rights of ways for streets and otherwise creates inadequate right-of-way widths for streets and other public rights-of-way across the entire RRC RPA. The current platting of the RRC RPA also omits useful easements for public utilities throughout the RRC RPA. The inadequate rights-of-way and lack of useful utility easements throughout the RRC RPA constitute obsolete platting as defined under the TIF Act. Thus, this lack of platted right-of-way and useful public utility easements hinders the effective use or development of the RRC RPA beyond its current use and particularly creates significant impediments for purposes of development. Furthermore, the platting of the property comprising the RRC RPA cannot in its current form be effectively utilized to develop this property in a manner compatible with contemporary standards and requirements. As a result, the current configuration of the parcels comprising the RRC RPA territory are obsolete and unusable, thereby making the RRC RPA suffer from obsolete platting.
- **Lack of Growth in EAV:** The TIF Act establishes three different tests for establishing the lack of growth in EAV for vacant land, and if any one

of the three tests is met, the RRC RPA will be considered to have lack of growth in EAV under the TIF Act. The RRC RPA meets two of these three tests, and therefore demonstrates a lack of growth in EAV as defined by the TIF Act.

One of the three tests relating to the EAV of vacant land provides that a blighting factor exists if the total EAV of the proposed TIF district is increasing at an annual rate that is less than the balance of the City for three of the last five year-to-year periods. As indicated in the chart in Exhibit D, the annual rate of increase in the EAV of the RRC RPA was less than the annual rate of increase in the EAV for the balance of the City in the 2014-2015, 2015-2016, 2016-2017, and 2017-2018 year-to-year periods. Thus, this test supports the existence of the lack of growth in EAV for the RRC RPA.

Under a second of the three tests, the growth of the EAV of the RRC RPA is compared to the annual rate of change in the Consumer Price Index U.S. City Average, for all Urban Consumers published by the United States Department of Labor (“CPI”). If the total EAV of the RRC RPA is increasing at an annual rate that is less than the CPI for three of the last five calendar years prior to the year in which the redevelopment project area is designated, then the EAV of the RRC RPA is determined to have a lack of growth in EAV. As also shown in Exhibit D, the EAV of the RRC RPA changed at an annual rate that is less than the CPI in the 2013-2014, 2016-2017, and 2017-2018 year-to-year periods. Thus, this test also supports the existence of lack of growth in EAV for the RRC RPA.

Because the RRC RPA meets two of the statutory tests to demonstrate lack of growth in EAV, this blighting factor of lack of growth in EAV – in addition to the blighting factor of obsolete platting – qualifies the RRC RPA for designation as a redevelopment project area under the TIF Act.

b. Under the second test, the sound growth of vacant land is impaired if a one of six factors exists on the vacant land (the “one-factor” test). The following condition was noted to be present to a meaningful extent across the RRC RPA and reasonably distributed throughout the RRC RPA, which includes all the parcels within the RRC RPA as such parcels are considered vacant under the TIF Act:

- **Contribution to Flooding:** As set forth in a study and analysis performed by V3 Company Ltd. (“V3”), a copy of which is attached hereto as Exhibit G, V3 has concluded that all surface water that discharges from the RRC RPA currently flows into and contributes to downstream flooding within Rock Run Creek and then the larger Des Plaines River watershed. Thus, this condition has been determined to exist to a meaningful extent across the RRC RPA and is reasonably distributed across the RRC RPA.

Because the RRC RPA meets this contribution to flooding factor under the one-factor test, this blighting factor also qualifies the RRC RPA for designation as a redevelopment project area under the TIF Act provided that the mitigation of the contribution to the storm water runoff and flooding from the RRC RPA is planned to be addressed by improvements and facilities set forth in the Plan and Project.

D. Findings and Conclusions Regarding Redevelopment Project Area

MH&T’s foregoing determinations support the following required findings and conclusions under the TIF Act relative to establishing the Rock Run Crossing RPA as a TIF district:

1. **The RRC RPA qualifies as a Blighted Area:** Initially, the RRC RPA must qualify as a “blighted area” under the TIF Act. The required number of at least two qualifying factors are present to a meaningful extent and reasonably distributed within the RRC RPA, thereby supporting the conclusion that this area can be identified as “blighted” under the two-factor test. Additionally, the single required qualifying factor is

present to a meaningful extent and reasonably distributed within the RRC RPA, thereby also supporting the conclusion that this area qualifies under the one-factor test. Based upon the prevalence of blighting factors across all of the parcels within the redevelopment project area, MH&T concludes that those factors are present to a meaningful extent throughout the RRC RPA as well as reasonably distributed throughout the RRC RPA.

2. **Growth within the RRC RPA:** Next, the redevelopment project area must exhibit a lack of growth and development through private investment. Moreover, a finding must be made that, but for the designation of the redevelopment area as a TIF district and use of the public resources and tools afforded the City under the TIF Act, private investment and development is not reasonably expected to occur. The RRC RPA has shown a lack of growth in the past and is unlikely to grow in the future. In the past, no growth through private investment has occurred within the RRC RPA despite demonstrated efforts by the City and at least one past private developer. Future development through investment by private enterprise is not reasonably anticipated to occur without the adoption of this Plan and Project for the following reasons:

- a. The roadway infrastructure necessary to support traffic generated both by connection to existing heavily traveled roadways and by businesses which could potentially locate within the redevelopment project area would be prohibitively expensive for private enterprise without public assistance.
- b. The water and sewer infrastructure necessary to support development within the redevelopment project area would be prohibitively expensive for private enterprise without public assistance.
- c. The infrastructure for other utilities and storm water retention and drainage necessary to support development within the redevelopment project area would be prohibitively expensive for private enterprise without public assistance.

For all of these reasons, none of the development or other activities identified in this Plan and Project (as set forth in Part IV hereafter) will occur but for the creation of the Rock Run Crossings RPA and the adoption of this Plan and Project. This Plan and Project will promote the orderly development of the RCC RPA by eliminating the blighting conditions found to exist in the RRC RPA. Further, the establishment of the RRC RPA and adoption of tax increment financing for the RRC RPA will provide the means to allow the use of public resources to assist with and support public infrastructure improvements and related project development costs that will be essential to leveraging private investment and creating new business enterprises that will facilitate redevelopment in the RRC RPA. Therefore, but for the adoption of this Plan and Project, the critical resources necessary to support redevelopment of the RCC RPA will not exist, and the RRC RPA cannot be reasonably expected to develop.

3. **Conformance with Comprehensive Plan:** Additionally, the Plan and Project needs to conform to the most recent comprehensive plan for the City. The City does not currently have a comprehensive plan or other similar plan document that addresses or covers the property comprising the RCC RPA. The City's last comprehensive plan was completed in 1959 and does not extend to the property comprising the RCC RPA.

At this point in time, the only effort by the City to define land use policy for the area comprising the RRC RPA has been to designate the area with a B-2 Central Business District zoning classification, as shown in Exhibit C. The permitted uses in the B-2 Central Business District include many types of retail establishments, as well as hotels, professional offices, and governmental offices. Additionally, by special use, high-density and low-density multi-family residential units can be permitted in the B-2 Central Business District.

Thus, as set forth hereafter in Part IV hereafter, the Plan and Project do comply with the City's zoning for the area designated herein as the RRC RPA. Accordingly, the Plan and Project are primarily aligned with the City's development strategy for this area of the City.

4. **Other Considerations:** Under the TIF Act, the redevelopment project area must be no less than 1.5 acres in size and shall contain only contiguous parcels of real property that will be substantially benefitted by the proposed redevelopment project improvements. As noted above, The RRC RPA has an area of approximately 263 acres, thereby meeting the minimum acreage requirement under the TIF Act. Moreover, the parcels of property comprising the RRC RPA are contiguous parcels, all of which are expected to substantially benefit from the proposed Plan and Project (as set forth in Part IV hereafter).

Further, if the proposed redevelopment plan for the redevelopment project area displaces residents from ten or more inhabited residential units, or the redevelopment plan area contains 75 or more inhabited residential units and the City is unable to certify that no displacement will occur, a housing impact study must be prepared and incorporated into the proposed redevelopment plan and project. No residential units are located in the RRC RPA as it is entirely comprised of vacant land, and accordingly a housing impact study is not required for the Plan and Project.

E. Summary

MH&T has determined that the Rock Run Crossing RPA qualifies to be designated as a “blighted area” under both of the applicable two-factor and one-factor tests set forth in the TIF Act. MH&T has further determined that the RRC RPA is of sufficient size in acreage to establish a TIF district under the TIF Act, and that all parcels or property comprising the RRC RPA are contiguous and will substantially benefit under this Plan and Project. Moreover, the development and potential growth of the RRC RPA is impaired by the lack of public infrastructure necessary to encourage and support development within the RRC RPA. The City’s current planning – as evidenced by the current zoning classification – supports commercial, retail, and residential development in the RRC RPA. However, but for the adoption of this Plan and Project and creation of the RRC TIF District, the RRC RPA will not reasonably develop in a manner that is desired by the City.

IV. REDEVELOPMENT PLAN & PROJECT

A. **Introduction**

As noted in the preceding section of this Report, the Rock Run Crossing RPA qualifies as a blighted area within the meaning of the TIF Act. Accordingly, the TIF Act authorizes the City to propose a comprehensive program designed to eliminate the conditions which qualify the RRC RPA as a blighted area. This Plan and Project will allow the City to work in conjunction with private enterprise to implement a redevelopment plan for the RRC RPA through a comprehensive redevelopment project. The Plan and Project includes those components hereinafter described.

B. **Goals and Objectives**

1. **Goal:** The overall goal of the Plan and Project is to reduce or eliminate conditions that qualify the RRC RPA as a blighted area, and to provide the direction and mechanisms necessary to establish the RRC RPA as a vibrant mixed-use district. Redevelopment of the RRC RPA is intended to promote growth in the area, strengthen the economic base, and enhance the City's overall quality of life.
2. **Objectives:**
 - a. Facilitate and encourage the construction of new commercial, residential, institutional, civic/cultural and recreational development within the RRC RPA where appropriate;
 - b. Foster the construction of public infrastructure to create an environment within the RRC RPA conducive to private investment;
 - c. Provide resources for streetscaping, landscaping and signage to market the image, attractiveness, and accessibility of the RRC RPA, create a cohesive identity for the RRC RPA and surrounding area, and provide, where appropriate,

for buffering between different land uses and screening of unattractive service facilities such as parking lots and loading areas;

d. Facilitate the marketing of available sites in the RRC RPA for redevelopment and new development by providing resources as allowed by the Act; and

e. Support the goals and objectives of other overlapping or nearby plans and other TIF redevelopment plans, and coordinate available local, state, and federal resources for furthering the goals of the Plan and Project

C. Proposed Land Uses

The future uses proposed for the RRC RPA are shown in Exhibit E. For the purposes of this Plan and Project, the mixed-use designation is meant to allow for a variety of uses throughout the RRC RPA, in a manner that is in conformance with the strategic plans for the area. The mixed-use designation allows for the following land uses within the RRC RPA:

- Commercial
- Residential
- Public / Private Institutional
- Park / Open Space
- Community Facilities
- Utilities
- Right-of-Way

D. Affirmative Action Plan

The City shall not in connection with the implementation of this Plan and Project discriminate against any person or organization on the basis of race, national origin, sex, age or any other suspect classification identified in the Illinois Human Rights Act. The City will welcome and encourage participation by all persons and organizations at all levels of the Plan and Project, including the planning stages, construction of improvements, and occupation of facilities within the RRC RPA.

E. Alleviation of Flooding

As a qualifying factor demonstrating that the RRC RPA is a blighted area, the Plan and Project must include improvements or facilities that will assist with the mitigation of all or part of the flooding concerns identified for the RRC RPA. The improvements set forth in the Plan and Project, specifically including storm water control facilities and systems, will contribute to the mitigation of the flooding concerns that have been identified for the RRC RPA.

F. Public Infrastructure

Currently, the RRC RPA is only accessible by vehicular traffic by two roads. One is a frontage road along the western side of the RRC RPA, and the second is Rock Run Drive that runs for a short distance along the northeast side of the RRC RPA. However, these roads provide very limited access to the RRC RPA and are not designed to handle moderate or high levels of traffic or loading, which limits development potential with the RRC RPA.

Also, no infrastructure currently exists within the RRC RPA for supporting sanitary systems, storms water drainage systems, or water and other public utilities. Consequently, the City intends to construct or facilitate the construction within the RRC RPA of the following new infrastructure improvements to support the redevelopment of the RRC RPA potentially including: (1) public streets and rights-of-way, (2) sanitary sewer facilities and systems, (3) storm water control facilities and systems, (4) water delivery systems, and (5) other public utility services and systems. Additionally, the infrastructure improvements should be designed to allow ease of pedestrian, biking, and vehicular access within and throughout the RRC RPA.

One potential plan for the location of the proposed public streets and rights-of-way in the RRC RPA is depicted in Exhibit F (the “Preliminary Parcel and Right of Way Plan”). The City reserves the right to vary the composition and location of the infrastructure improvements and facilities depicted in Exhibit F at any time. Furthermore, the City may construct or facilitate the construction by others of such additional or subsidiary streets and infrastructure improvements as are necessary to serve any parcels or developments created under this Plan and Project.

G. Acquisition of Property and Creation of Parcels

The City may acquire such property within the RRC RPA as it deems necessary to facilitate the creation of parcels suitable for modern commercial uses and residential uses. Accordingly, the City reserves the right to acquire such parcels and right-of-way as it deems necessary to serve the needs of those entities that choose to locate within the RRC RPA. In lieu of acquiring title to property within the RRC RPA, the City may also, to the extent that it deems appropriate, facilitate the assembly or subdivision of property by private entities or persons. The City further reserves the right where necessary to acquire property through the power of eminent domain as authorized by the TIF Act.

H. Disposition of Property

The City may utilize such property within the RRC RPA for various municipal purposes including, without limitation, public buildings and other facilities, public gathering areas or parks, street right-of-way, and parking facilities. The City shall dispose of property in accordance with procedures prescribed by the TIF Act.

I. Eligible Project Costs

The City may incur any and all categories of expenses as set forth in this Plan and Project as necessary to bring about the completion of this Plan and Project, as those categories are defined as “redevelopment project costs” under the TIF Act as it currently exists or may from time to time in the future be amended.

J. Exercise of Other Authority

In implementing this Plan and Project, the City may utilize any and all authority of any nature whatsoever which is not inconsistent with the TIF Act. In particular and without limitation, the City may utilize any authority provided to it by the Joliet City Code and any statute, regulation, or order of either the state or federal government.

K. Estimated Redevelopment Project Costs

Implementation of this Plan and Project will require the investment of both public and private funds. The total estimated TIF-eligible redevelopment project costs to be expended (most likely over an extended period of time) for the Project and Plan are as follows:

Description of Activity	<u>Estimated Cost</u>
A. Public Works or Improvements	\$91,000,000
B. Property Assembly & Site Preparation Costs	38,000,000
C. Costs of Building Rehabilitation	5,000,000
D. Site Marketing Costs	700,000
E. Administration & Professional Service Costs	5,200,000
F. Taxing District Capital Costs	250,000
G. Costs of Job Training or Retraining (Businesses)	250,000
H. Costs of Job Training (Community College)	250,000
I. Financing Costs	7,000,000
J. Payment in lieu of Taxes	250,000
K. Interest Costs	14,000,000
	<hr/>
Total estimated redevelopment project cost	\$161,650,000

Notes:

1. All costs are in 2020 dollars. Amounts may be increased by 5% after adjusting for the annual rate of inflation as measured by the United States Department of Labor.

2. The amount of the total redevelopment project costs that can be incurred in the RRC RPA may be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the RRC 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 RRC RPA, but may not be reduced by the amount of redevelopment project costs incurred in the RRC RPA that are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the RRC RPA only by a public right-of-way.
3. Estimated costs may be shifted among line items to reflect actual experience in the implementation of the Plan and Project.
4. Total estimated redevelopment project costs exclude any additional municipal 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.

L. Source of Funds

The City may utilize any lawful method of incurring municipal indebtedness including, without limitation, tax increment bonds, general obligation bonds, alternate revenue bonds, and revenue bonds. Accordingly, the City may incur such indebtedness as necessary to ensure the completion of the infrastructure improvements contemplated under this Plan and Project. Obligations issued pursuant to this Plan shall have a term not to exceed 20 years and shall bear interest at a rate not to exceed the maximum permitted by law. The terms of these obligations may be staged and staggered to utilize the entire duration of the RRC RPA. The City may pledge as security for the repayment of any such obligation any source of revenue authorized by law including, without limitation, those authorized by the TIF Act or the Local Government Debt Reform Act as such statutes now exist or are hereafter amended.

Additionally, under Illinois law, the City has the authority to require adjacent property owners who directly benefit from public infrastructure improvements made in a defined area to pay a proportionate share of the cost of the public infrastructure improvements through a recapture agreement when their property is annexed into the City and connected to such infrastructure improvements. The public infrastructure improvements contemplated by this Plan and Project will likely create access for and foster the development of property located immediately adjacent to the Rock Run Crossing RPA that has not been annexed into the City. Thus, this adjacent property will likely directly benefit from the public infrastructure improvements made in the RRC RPA. The City may enter into recapture agreements with any property owner or developer of the adjacent property for those infrastructure improvement made in the RRC RPA that are either directly used in the development of the adjacent property or directly used by any property owner, developer, tenant, or user of the adjacent property, including any guests or invitees of the property owner, developer, tenant, or user of the adjacent property. Therefore, roadways or other public infrastructure may not be extended from the RRC RPA to this adjoining property unless the owner or developer of such adjoining property (or any portion thereof) enters into a recapture agreement with the City.

M. Completion of Redevelopment Project and Retirement of Obligations

The estimated date for the completion of the redevelopment project and the retirement of obligations issued to finance redevelopment project costs shall be December 31, 2044, being the year in which the payment to the treasurer of the City as provided in subsection (b) of Section 11-74.4-8 of the TIF Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after 2020, the year in which the ordinance approving the RRC RPA is anticipated to be adopted.

N. Assessment of Financial Impact of Plan on Taxing Districts

Given the preliminary nature of this Plan and Project, specific fiscal impacts on the taxing districts and increases in demand for services provided by those taxing districts cannot accurately be assessed within the scope of this Plan. The creation of the RRC RPA, adoption of tax increment financing, and implementation of this redevelopment Plan and Project are not

anticipated to have a meaningful adverse financial impact on any taxing district or to create an increased demand for services from any taxing district other than the City.

However, should a taxing district suffer adverse fiscal impacts as a result of development in the RRC RPA, the City shall work with the impacted taxing district to determine ways to alleviate such impacts.

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

- Will County
- Will County Forest Preserve District
- Will County Building Commission
- Troy Township Town Funds
- Troy Township Road Funds
- Joliet Park District
- City of Joliet
- City of Joliet Road and Bridge District
- City of Joliet Public Library District
- City of Joliet Fire Department
- Joliet Junior Community College District 525
- Troy School District 30-C
- Minooka High School District 111
- Joliet Township High School District 204

O. Anticipated Equalized Assessed Valuation

The current EAV for the RRC RPA for the 2018 tax year is \$207,169 (see Exhibit D). Based upon an analysis of the potential development within the RRC RPA, it is estimated that upon the expiration of this plan and project, the EAV of the RRC RPA will be \$81,000,000.

P. Amendment of Plan and Project

The City reserves the right to amend this Plan and Project as it deems necessary from time to time. The City shall make all such amendments in accordance with the requirements of the TIF Act.

EXHIBIT A

**LEGAL DESCRIPTION OF
ROCK RUN CROSSINGS REDEVELOPMENT PROJECT AREA:**

LOTS 1, 2, 3, 4 AND 5 IN ROCK RUN CROSSINGS, BEING A SUBDIVISION OF PART OF THE WEST HALF OF SECTION 22 AND PART OF THE NORTHWEST QUARTER OF SECTION 27, IN TOWNSHIP 35 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 19, 2018 AS DOCUMENT NO. R2018073972, IN WILL COUNTY, ILLINOIS.

BEING THE SAME AS DESCRIBED AS FOLLOWS:

PART OF THE WEST HALF OF SECTION 22 AND PART OF THE NORTHWEST QUARTER OF SECTION 27, IN TOWNSHIP 35 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 22; THENCE SOUTH 01 DEGREES 49 MINUTES 05 SECONDS EAST ALONG THE EAST LINE OF SAID SOUTHWEST QUARTER, 2654.31 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST QUARTER BEING ALSO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 27; THENCE SOUTH 01 DEGREES 33 MINUTES 47 SECONDS EAST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, 1322.88 FEET TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27; THENCE SOUTH 89 DEGREES 06 MINUTES 11 SECONDS WEST ALONG THE SOUTH LINE OF SAID QUARTER QUARTER SECTION, 1323.67 FEET TO THE SOUTHWEST CORNER OF SAID QUARTER QUARTER SECTION; THENCE NORTH 01 DEGREES 37 MINUTES 28 SECONDS WEST ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27, A DISTANCE OF 660.21 FEET TO THE SOUTHEAST CORNER OF THE NORTH HALF OF SAID QUARTER QUARTER SECTION; THENCE SOUTH 89 DEGREES 02 MINUTES 58 SECONDS WEST ALONG SAID SOUTH LINE, 1208.19 FEET TO THE EAST RIGHT-OF-WAY LINE OF FAI ROUTE 55 PER DOCUMENT R2007-093676; THENCE NORTHERLY ALONG SAID EAST RIGHT-OF-WAY LINE OF FAI ROUTE 55 PER DOCUMENTS R2007-093676, 784006, 79984 AND R2007-79054 THE FOLLOWING SIX (6) COURSES AND DISTANCES: 1) NORTH 04 DEGREES 33 MINUTES 26 SECONDS WEST, 149.57 FEET; 2) NORTH 01 DEGREES 46 MINUTES 50 SECONDS WEST, 509.80 FEET; 3) NORTH 01 DEGREES 45 MINUTES 54 SECONDS WEST, 1992.07 FEET; 4) ALONG AN ARC OF A CURVE CONCAVE TO THE EAST, HAVING A RADIUS OF 1090.15 FEET, HAVING A CHORD BEARING OF NORTH 10 DEGREES 37 MINUTES 00 SECONDS EAST, 258.42 FEET TO A POINT OF TANGENCY; 5) NORTH 17 DEGREES 24 MINUTES 28 SECONDS EAST, 572.63 FEET TO A POINT OF CURVATURE; 6) ALONG AN ARC OF A CURVE CONCAVE TO THE WEST, HAVING A RADIUS OF 1132.08 FEET, HAVING A CHORD BEARING OF NORTH 07 DEGREES 57 MINUTES 42 SECONDS EAST, 373.28 FEET TO THE NORTH LINE OF THE SOUTH 500.00 FEET OF THE NORTHWEST QUARTER OF SAID SECTION 22; THENCE NORTH 89 DEGREES 00 MINUTES 56 SECONDS EAST ALONG SAID NORTH LINE, 63.88 FEET; THENCE NORTH 01 DEGREES 45 MINUTES 54 SECONDS WEST, 500.05 FEET TO THE NORTH LINE OF THE SOUTH 1000.00 FEET OF SAID NORTHWEST QUARTER; THENCE NORTH 89 DEGREES 00 MINUTES 56 SECONDS EAST ALONG SAID NORTH LINE, 2175.08 FEET TO THE EAST LINE OF SAID NORTHWEST QUARTER; THENCE SOUTH 01 DEGREES 27 MINUTES 45 SECONDS EAST ALONG SAID EAST LINE OF THE NORTHWEST QUARTER, 1000.03 FEET TO

THE PLACE OF BEGINNING, IN WILL COUNTY, ILLINOIS.

2019 Property Tax Identification Numbers (PINs):

Lot 1: 05-06-22-101-001-0000

Lot 2: 05-06-22-301-001-0000

Lot 3: 05-06-22-301-002-0000

Lot 4: 05-06-22-301-003-0000

Lot 5: 05-06-27-101-001-0000

EXHIBIT B

**BOUNDARY MAP: ROCK RUN CROSSINGS
REDEVELOPMENT PROJECT AREA**



EXHIBIT C

**ROCK RUN CROSSINGS REDEVELOPMENT PROJECT AREA:
CURRENT LAND USE & ZONING**



EXHIBIT D

EAV GROWTH IN THE REDEVELOPMENT PROJECT AREA

REDEVELOPMENT PROJECT AREA PROPERTY – HISTORY OF CHANGES IN EAV

Levy Year	2013	2014	2015	2016	2017	2018
TOTAL EAV	530,403	535,591	545,992	563,145	360,785	207,169
% change over prior year		+ .98%	+1.94%	+3.14%	-35.93%	-42.58%

CITY OF JOLIET – HISTORY OF CHANGE IN EAV

Levy Year	2013	2014	2015	2016	2017	2018
Amount *	2,543,389,640	2,506,270,842	2,561,064,280	2,707,937,017	2,899,523,847	3,091,782,690
% change over prior year		-1.46%	+2.19%	+5.74%	+7.08%	+6.63%

* This "Amount" figure is the total EAV for the City of Joliet from the Will County extension reports less the value of the TIF District property; this "Amount" figure includes the EAV for property within the City of Joliet located in both Will County and Kendall County.

CHANGE IN CPI **

Levy Year	2013	2014	2015	2016	2017	2018
% change over prior year		1.64%	0.17%	1.29%	2.15%	2.44%

** From U.S. Department of Labor Bureau of Labor Statistics – Consumer Price Index for All Urban Consumers, U.S. City Average for all items, not seasonally adjusted (CPI-U-RS)

EXHIBIT E

ROCK RUN CROSSINGS REDEVELOPMENT PROJECT AREA:
FUTURE LAND USE PLAN

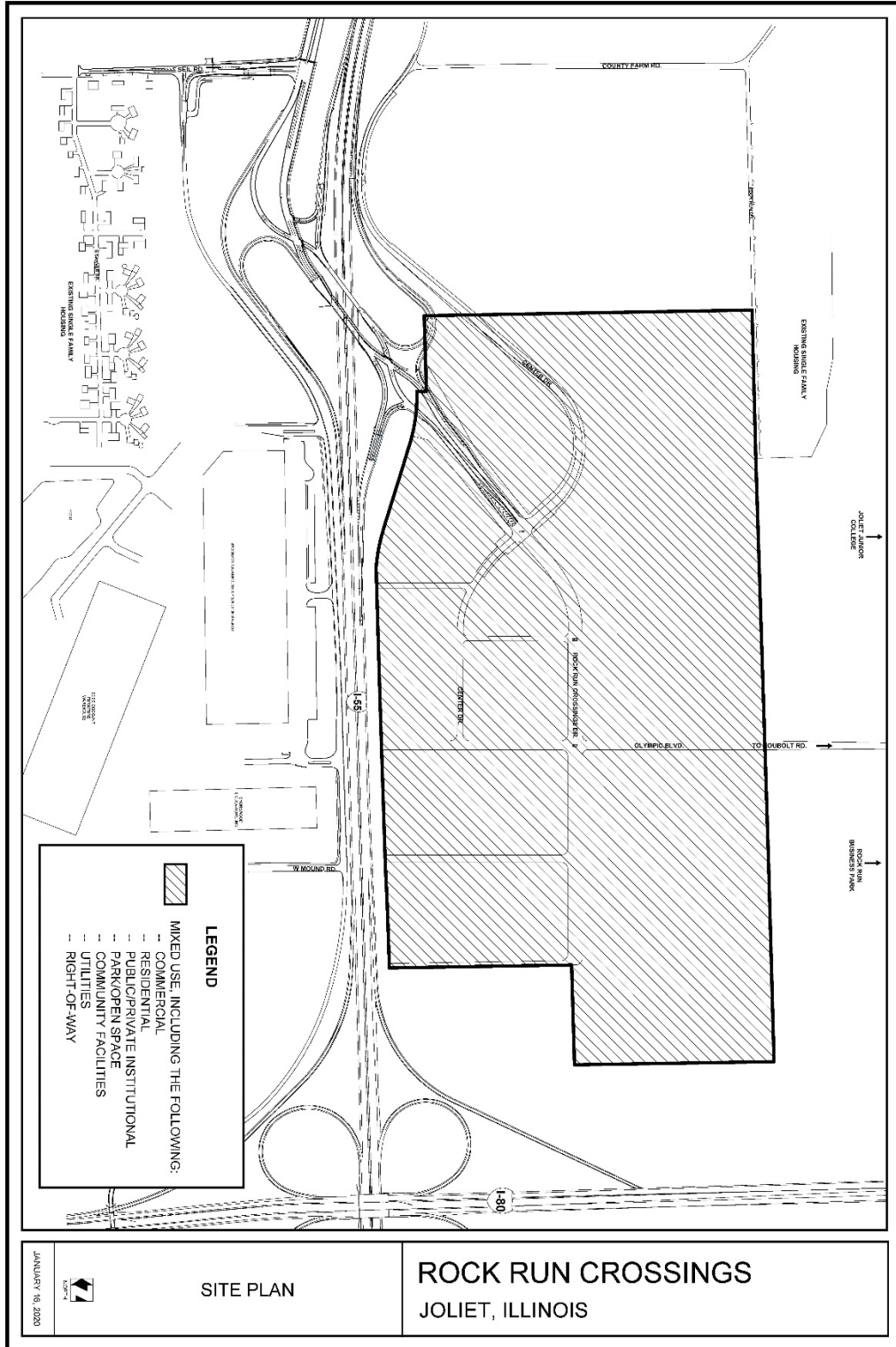


EXHIBIT F

**ROCK RUN CROSSINGS REDEVELOPMENT PROJECT AREA:
PRELIMINARY PARCEL & RIGHT-OF-WAY PLAN**

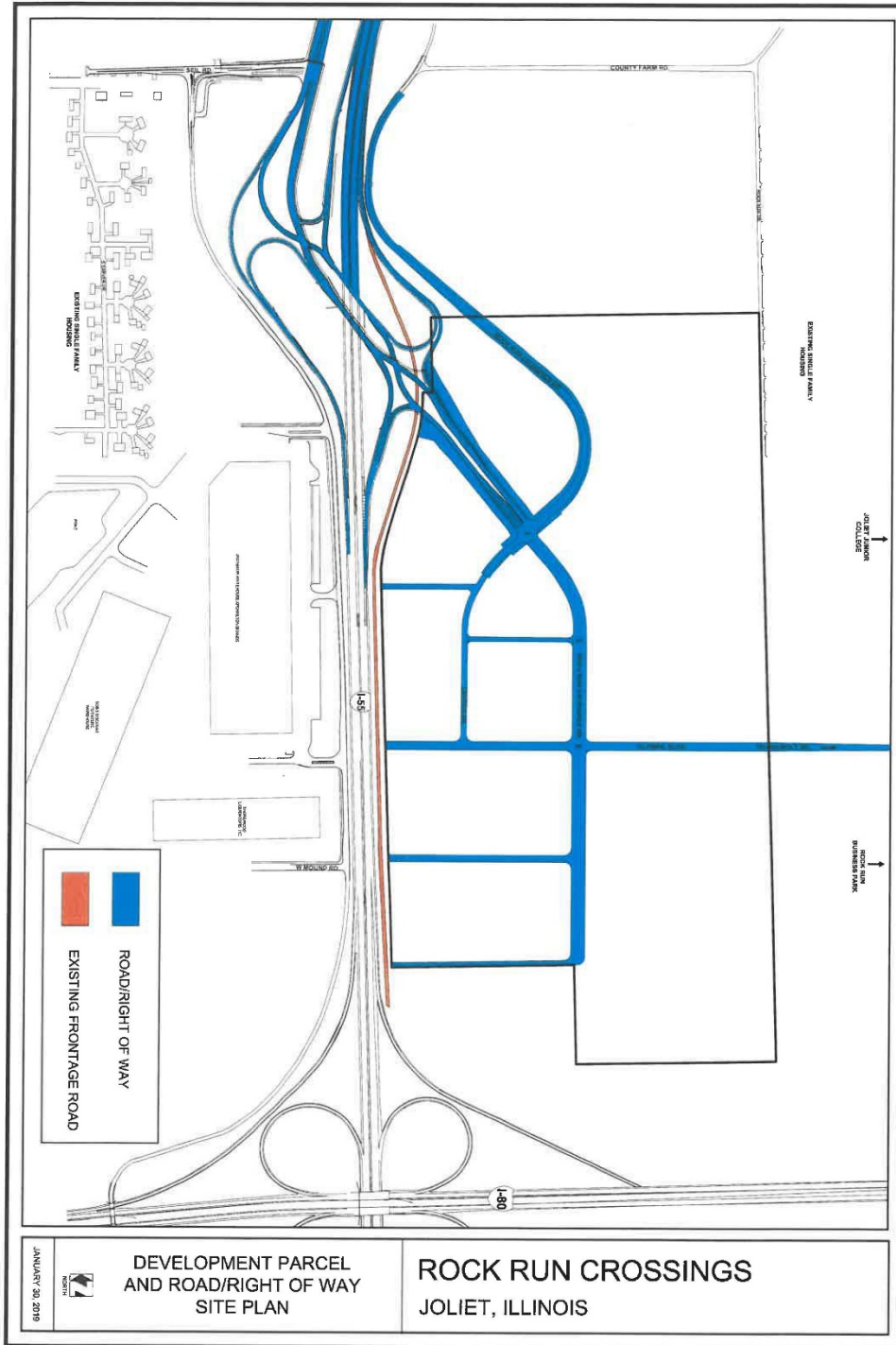


EXHIBIT G

V3 STORM WATER DRAINAGE REPORT (February 20, 2020)



June 6, 2018

Revised January 21, 2020
Revised February 12, 2020
Revised February 17, 2020
Revised February 20, 2020

Mr. Richard M. Joseph
Attorney for Cullinan Joliet, LLC
Miller, Hall & Triggs, LLC
416 Main Street, Suite 1125
Peoria, Illinois 61602

Re: T.I.F. Drainage Statement
Rock Run Crossings T.I.F. District
Joliet, Will County, Illinois

Dear Mr. Joseph:

V3 has completed our review of the drainage for the proposed Rock Run Crossings T.I.F. District. As part of our review, we analyzed the potential for the project site to contribute to flooding within the Des Plaines River Watershed and performed a technical review of the stormwater management and floodplain downstream of the project area. The enclosed Drainage Statement and Existing Drainage Exhibits provide support for our conclusion. In my professional opinion, all of the Rock Run Crossings property drains into Rock Run Creek which is ultimately tributary to the Des Plaines River watershed.

As you will see in the enclosed Drainage Statement, runoff from the proposed T.I.F. District contributes to downstream flooding and future development would result in additional downstream flooding. Stormwater detention facilities with outlet structures that control discharge rates should be incorporated into the proposed development within the proposed T.I.F. District to prevent increased downstream flooding.

If you have any questions please do not hesitate to contact me.

Sincerely,
V3 COMPANIES, LTD.

A handwritten signature in blue ink that reads "Andrew Uttan".

Andrew Uttan, P.E.
Project Manager

Attachments



DRAINAGE STATEMENT

Project Description

The proposed Rock Run Crossing T.I.F. District consists of approximately 263 acres of land located immediately east of Interstate I-55 and approximately 700 feet north of Interstate I-80 in Joliet, Will County, Illinois. The proposed development is currently intended to be a mixed of commercial, residential, entertainment, and hospitality uses. The site is bounded on the east side by Rock Run Drive and Rock Run Creek (with its associated floodway / floodplain). Upon review of available maps in conjunction with a recently prepared Topographic Survey by CEMCON, dated August 5, 2019, it appears that all runoff from the site drains into Rock Run Creek and then the Des Plaines River Watershed. Maps of the proposed T.I.F. District boundary within the drainage area, along with the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM) and the USGS (US Geological Survey) Hydrologic Atlas are enclosed for reference.

Existing Site Conditions

The current land used is primarily agricultural; however, a few parcels along the west property line previously contained a few residential houses. Approximately 25 acres in the middle of the site appears to have been previously planted for a tree farm and other undeveloped wooded areas. The site currently drains from west to east into Rock Run Creek near the eastern property line. Rock Run Creek is tributary to the Des Plaines River and ultimately the Illinois River. According to the attached FEMA FIRM exhibit, there is mapped Zone AE Floodplain and Floodway in the southeast corner of the property. The associated floodplain downstream has areas of mapped Zone X, A and AE.

FEMA Floodplain Definitions

Moderate to low risk areas:

Zone X (shaded) – Areas of 0.2% chance flood; areas of 1% chance flood with average depths less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood. This area is often referred to as the 500-year floodplain.

Zone X (unshaded) - Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level.

High risk areas:

Zone A – Area of 100-year flooding probability. These areas have a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage. Because detailed analyses have not been performed for such areas; no depths or base flood elevations are shown within these areas.

Zone AE - Area of 100-year flooding probability with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage. This area has been studied and Base Flood Elevations have been determined.



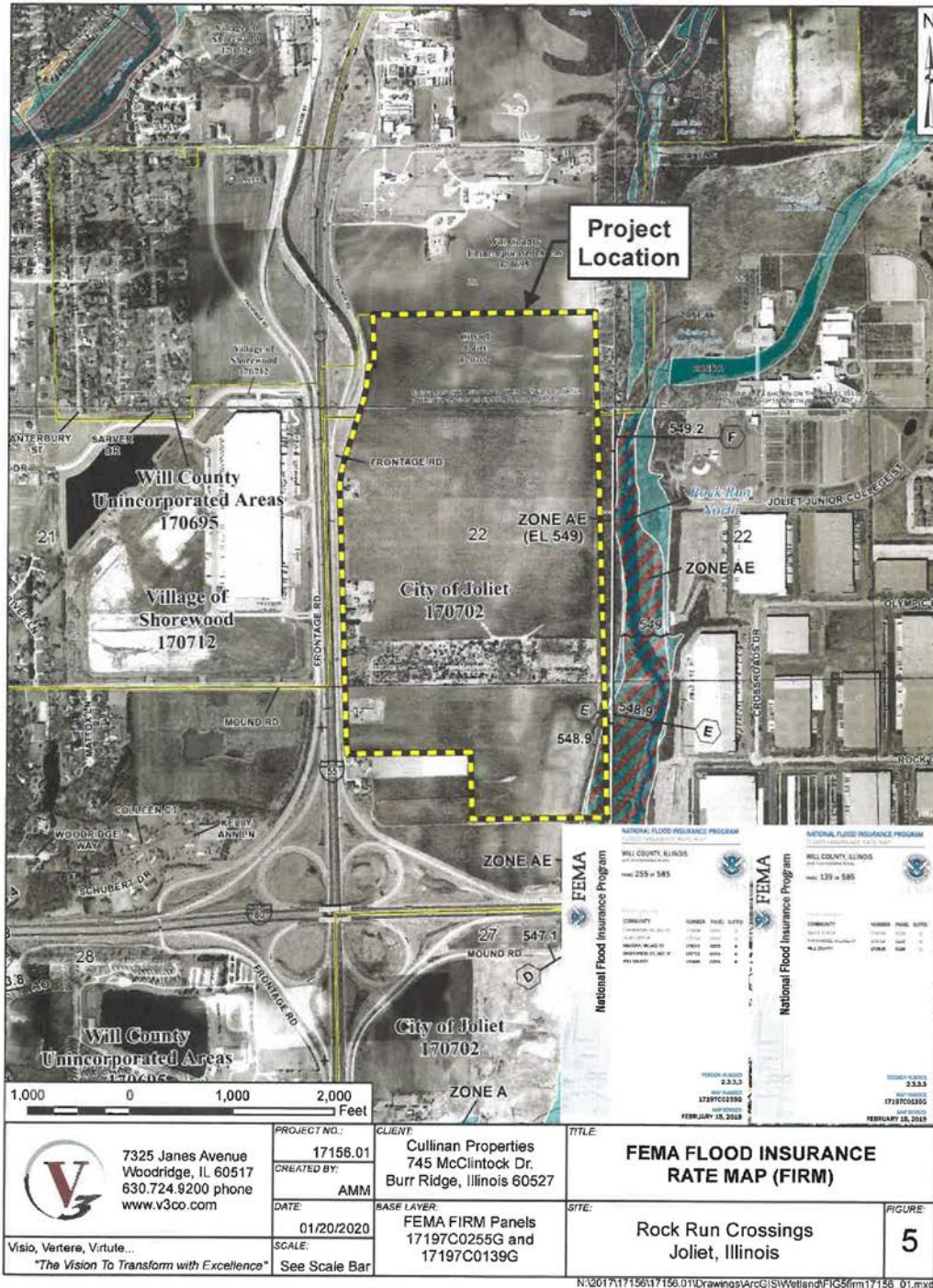
DRAINAGE STATEMENT

Existing Drainage Areas

Drainage from the existing site, which is primarily agricultural land, flows overland to the east into Rock Run Creek, which is tributary to the Des Plaines River Watershed. The FIRM map depicts the site contains a small amount of Zone AE in the southeast corner of the site, which is considered a high-risk area. Within the proposed T.I.F. District, this drainage contributes to downstream flooding along Rock Run Creek.

Conclusion

It appears that all runoff from the study area currently contributes to downstream flooding within Zone X, Zone A, and Zone AE areas of Rock Run Creek and then the Des Plaines River. Future development in the proposed T.I.F. District would result in additional downstream flooding with a detrimental effect. The construction of stormwater management facilities, such as detention and/or infiltration basins, could mitigate these effects. Stormwater detention facilities with outlet structures that control discharge rates should be incorporated into the proposed development within the proposed T.I.F. District to reduce the possibility of increased downstream flooding.



NATIONAL FLOOD INSURANCE PROGRAM FEMA National Flood Insurance Program			NATIONAL FLOOD INSURANCE PROGRAM FEMA National Flood Insurance Program		
WILL COUNTY, ILLINOIS Panel 235 of 585	NUMBER	PANEL	DATE	DATE	DATE
17197C0255G	235	585	01/20/2020	01/20/2020	01/20/2020
17197C0139G	139	585	01/20/2020	01/20/2020	01/20/2020

 7325 Janes Avenue Woodridge, IL 60517 630.724.9200 phone www.v3co.com	PROJECT NO.: 17156.01	CLIENT: Cullinan Properties 745 McClintock Dr. Burr Ridge, Illinois 60527	TITLE: FEMA FLOOD INSURANCE RATE MAP (FIRM)	
	CREATED BY: AMM	DATE: 01/20/2020	BASE LAYER: FEMA FIRM Panels 17197C0255G and 17197C0139G	SITE: Rock Run Crossings Joliet, Illinois
Visio, Vertere, Virtute... "The Vision To Transform with Excellence"	SCALE: See Scale Bar	N:\2017\17156\17156.01\Drawings\ArcGIS\Wetland\FIGS\firm\17156_01.mxd		

