

**INDUSTRIAL PARK
TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AND PLAN**

City of Mascoutah, Illinois

This Redevelopment Plan is subject to review
and comment and may be revised
after comment and hearing.

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December 14, 1995

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I. INTRODUCTION

The City of Mascoutah (the "City") is a community of approximately 5,500 persons located in the County of St. Clair Illinois and approximately 25 miles southeast of downtown East St. Louis and is generally at the crossroads of Illinois Routes 4 and 177. The City was incorporated in 1883 and is essentially a rural community which contains a range of residential, commercial, industrial, agriculture and public land uses.

Overall, the Mascoutah region has not been subject to growth and development by the private sector. Since 1970, the City's population has grown from 5,045 to 5,511 in 1990, an average annual change of approximately 0.4 percent. Current City plans and policies are to encourage growth north of the original Mascoutah settlement. Recently, the City annexed property to its north, extending the corporate limits north of Interstate 64. The City's objective is to encourage growth and development in this area as well as expand employment opportunities on a coordinated and comprehensive land-use and development basis.

As part of a strategy to encourage managed growth and stimulate private industrial investment, the City engaged Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") to investigate whether an area generally lying north of Fuesser Road qualifies for the use of tax increment financing ("TIF"). The area identified by the City is described in greater detail in Section I.B., *Industrial Park Tax Increment Redevelopment Project Area*.

A. TAX INCREMENT FINANCING

In January 1977, TIF was made possible by the Illinois General Assembly through passage of the *Tax Increment Allocation Redevelopment Act* (the "Act") 65 ILCS 5/11-74,4-1, *et seq.*, as amended and supplemented from time to time. The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation, or industrial park conservation areas and to finance "Project Costs" with incremental property tax revenues. "Incremental Property Tax" or "Incremental Property Taxes" are derived from the increase in the current equalized assessed valuation ("EAV") of real property within the Project Area over and above the "Certified Initial EAV" of the real property. Any increase in EAV is then multiplied by the current tax rate which results in Incremental Property Taxes. A decline in current EAV does not result in a negative Incremental Property Tax.

To finance Project Costs, a municipality may issue obligations secured by estimated Incremental Property Taxes generated within the Project Area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the

municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge, including sales taxes.

Tax increment financing does not generate tax revenues by increasing tax rates, but rather through the temporary capture of new tax revenues generated by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. Under TIF, all taxing districts continue to receive property taxes levied on the initial valuation of properties within the Project Area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and expected redevelopment project expenditures necessary to implement the Redevelopment Plan. Taxing districts also benefit from the increased property tax base after Project Costs and obligations are paid.

B. INDUSTRIAL PARK TAX INCREMENT REDEVELOPMENT PROJECT AREA

At the request of the City, TPAP surveyed the area identified by the City to determine whether it qualifies for designation as a TIF redevelopment project area. The area contains approximately 1,350 acres and is generally bounded on the north by the Southern Railroad right-of-way; on the south by Fuesser Road; on the east by Illinois Route 4 and Machine Shop Road; and on the west by Lake Road south of Illinois Route 161 and Illinois Route 4 north of IL-161. This area is referred to as the Industrial Park Tax Increment Financing Redevelopment Project Area (the "Project Area"). TPAP documented the factors which qualify the Project Area for designation as a TIF redevelopment project area in a study entitled "Industrial Park Tax Increment Financing Redevelopment Project Area Eligibility Report" (the "Eligibility Report"). The factors that qualify the Project Area for designation as a redevelopment project area are briefly described below. For greater detail on the conditions of conservation, please refer to Section III, *Project Area Eligibility*.

The Project Area, including the improved areas and the industrial park conservation area, meets the requirements of the Act for designation as a combination "conservation area" and "industrial park conservation area." Summarized below are the conservation area and industrial park conservation factors contained in the Project Area.

1. Conservation Areas

Of the total 47 buildings contained in the improved portions of the Project Area, 43, or 91 percent are 35 years of age or older. Additionally, there is a reasonable presence and distribution of seven of the additional fourteen conservation factors listed in the Act, including:

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Structures below minimum code standards
5. Deleterious land use or layout
6. Depreciation of physical maintenance
7. Lack of community planning

2. Industrial Park Conservation Areas

For industrial park conservation areas and the City of Mascoutah, the following factors are present:

1. The industrial park conservation areas are contained within the boundaries of a redevelopment project area;
2. The industrial park conservation areas consists of vacant land suitable for use as an industrial park;
3. Blighted areas or conservation areas are contiguous to the industrial park conservation areas;
4. The industrial park conservation areas will be zoned for industrial no later than at the time the City designates the Project Area; and
5. The City is a labor surplus municipality.

3. General Conclusion

The eligibility findings indicate that the Project Area, including the improved and industrial park conservation area, is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the City. All factors

indicate that the Project Area has not been subject to sound growth and development through investment by private enterprise, and will not be developed without public action.

C. INDUSTRIAL PARK TAX INCREMENT REDEVELOPMENT PROJECT AND PLAN

The Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area will be redeveloped on a comprehensive and coordinated basis without the use of TIF.

This Industrial Park Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") has been prepared in accordance with the provisions of the Act. The Redevelopment Plan is intended to guide improvements and activities within the Project Area in order to stimulate private investment in the Project Area. The goal of the City, through the implementation of this Redevelopment Plan, is that the entire Project Area be revitalized on a comprehensive and planned development basis in order to ensure that private investment in new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land use, vehicular circulation, parking, pedestrian walkways, service and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that the factors of conservation are eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the City and other taxing agencies; and
4. In a manner which supports and utilizes local labor as well as provides new and expanded employment opportunities.

The Redevelopment Plan sets forth the overall Redevelopment Project to be undertaken to accomplish the above-stated goal. During the Redevelopment Project implementation, the City may, from time to time, (i) undertake or cause to be undertaken public improvements and activities and (ii) enter into redevelopment agreements with private entities to construct private improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

Section II of the Redevelopment Plan contains the legal description and map depicting the boundaries of the Project Area. Section III of the Redevelopment Plan describes the existing conditions within the Project Area and sets forth the factors which qualify the Project Area for designation as a redevelopment project area pursuant to the Act.

Successful implementation of the Redevelopment Plan requires that the City utilize Incremental Property Taxes and other lawful revenue (collectively, "Incremental Taxes") in accordance with the Act and work cooperatively with the private sector and local governmental agencies. Incremental Property Taxes will be utilized to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of TIF will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the conditions which have precluded its comprehensive and coordinated development by the private sector.

The use of Incremental Taxes by the City will permit the City to direct and coordinate public improvements and activities to stimulate private investments on a comprehensive basis. These improvements, activities and investments will benefit the City, its residents, and all taxing districts having jurisdiction over the Project Area. The anticipated benefits include:

- A strengthened non-residential tax base for affected taxing agencies;
- Elimination of problem conditions in the Project Area as well as general physical improvement and upgrading of properties; and
- An increased employment base for the City.

II. LEGAL DESCRIPTION

The boundaries of the Project Area have been carefully drawn to include only those contiguous parcels of real property substantially benefited by the proposed Redevelopment Program to be undertaken by the City as part of this Redevelopment Plan. The boundaries are shown in Figure 1, *Project Boundary*, and legally described as follows:

Six tracts of land in Sections 16, 17, 18, 19, 20 and 30, Township 1 North, Range 6 West of the Third Principal Meridian, St. Clair County, Illinois and more particularly described as follows, to wit:

Sections 17 and 18, Township 1 North, Range 6 West of the Third Principal Meridian lying southerly of the southerly right-of-way line of the Southern Railroad, easterly of the westerly right-of-way line of Old Illinois Route 4 and westerly of the easterly right-of-way of Machine Shop Road except the northeast quarter of the southeast quarter of said Section 17.

Also, all of Section 19, Township 1 North, Range 6 West of the Third Principal Meridian.

Also, all of the southwest quarter of the southwest quarter of Section 16, Township 1 North, Range 6 West of the Third Principal Meridian lying within the right-of-way of Machine Shop Road.

Also, all of Section 30, Township 1 North, Range 6 West of the Third Principal Meridian lying within the right-of-way of Fuesser Road.

Also, all of the north half of Section 20, Township 1 North, Range 6 West of the Third Principal Meridian except Lot 1 of the northeast quarter of said Section 20; also excepting the southeast quarter of the northeast quarter, the south half of the southwest quarter of the northeast quarter and the south half of the southeast quarter of the northwest quarter of said Section 20; also excepting the south 32 acres of the southwest quarter of the northwest quarter of said Section 20.

Also, all of the right-of-way of Illinois Route 4 adjacent to the north 12 acres of the south 32 acres of the southwest quarter of the northwest quarter of Section 20, Township 1 North, Range 6 West of the Third Principal Meridian.

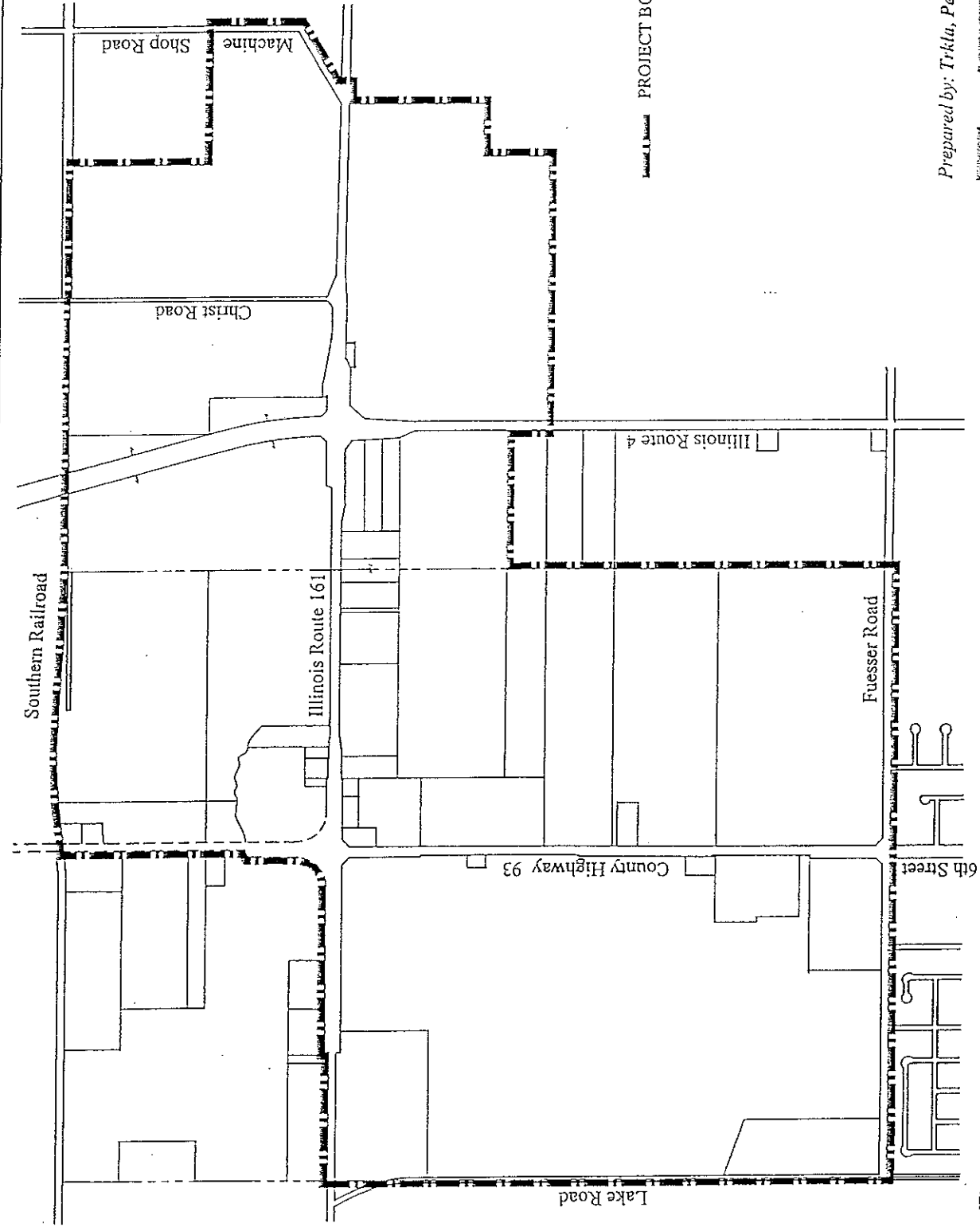


Figure 1
Project Boundary

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

III. PROJECT AREA ELIGIBILITY

This section documents the conditions and factors which qualify all or any portion of the Project Area for designation as a combination of a "Conservation Area" and an "Industrial Park Conservation Area" within the definitions set forth in the Act. These definitions are provided below.

While it may be concluded that the mere presence of the minimum number of conservation factors within an improved area may be sufficient to make a finding of conservation for an improved area, the evaluation contained in this section has been made on the basis that the conservation factors must be present to an extent which would lead reasonable persons to conclude that the property contains a sufficient number and distribution of conservation factors to consider public intervention appropriate or necessary. In addition, the evaluation of unemployment in St. Clair County was made on the basis that St. Clair County's unemployment rate exceeded six percent and 100 percent of the national average in a relatively consistent manner during calendar years 1994 and 1995 and not just for one (1) month during the last six (6) months as required by the Act.

On the basis of this approach, the Project Area is eligible as a combination of a "conservation area" and an "industrial park conservation area" within the requirements of the Act. In addition to age, of the fourteen other factors for conservation areas set forth in the Act, seven are found to be present within the improved areas contained in the Project Area. Additionally, during the last six (6) months the City's unemployment rate exceeded six (6) percent during at least one (1) of the last six (6) months and was also 100 percent or more of the national average during that same month. Moreover, during the last two calendar years, the City's unemployment rate has exceeded six percent during eighteen (18) months out of twenty-four (24) months and was also 100 percent or more of the national average unemployment rate during eighteen (18) of those same months.

Finally, the Project Area includes only real property and improvements that would substantially benefit by the Redevelopment Project and private investment.

A. CONSERVATION AREA FACTORS

Based on the survey undertaken by TPAP, the conservation factors summarized below are found to be present in the improved areas contained in the Project Area. These factors and their distribution are illustrated in Figure 2, *Distribution of Conservation Factors*. Additional documentation regarding the conservation factors is also contained in TPAP's Eligibility Report.

As set forth in the Act, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50 percent or more of the structures in the area have an age of 35 years or more. Such an area is not yet blighted, but because of a combination of 3 or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning, is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area.

On the whole, all or any part of the improved areas contained in the Project Area are found to be eligible conservation areas within the definition set forth in the Act. Specifically for the improved areas:

- Of the total 47 buildings contained in the improved portions of the Project Area, forty-three (43) or 91 percent are 35 years of age or older.
- Of the additional fourteen factors set forth in the Act for conservation areas, seven are present in the improved areas.
- The factors present are reasonably distributed throughout the improved areas.
- All blocks with improved areas show the presence of conservation factors.
- The area includes only real property and improvements thereon substantially benefited by the proposed redevelopment improvements and activities.

Conservation Area Factors

1. Age

Age as a factor is present to a major extent. Age is a primary and prerequisite factor in determining whether an area qualifies as a conservation area. Forty-three (43) or 91 percent of the 47 buildings are 35 years of age or older.

2. Dilapidation

Dilapidation as a factor is present to a major extent. Of the forty-seven buildings, 28 are accessory and related storage buildings of which 14, or 50 percent, are in substandard (dilapidated) condition.

3. **Obsolescence**
Obsolescence as a factor is present to a major extent. Conditions contributing to this factor include obsolete buildings and obsolete platting.
4. **Deterioration**
Deterioration as a factor is present to a major extent throughout the area and includes deterioration of the structures and deteriorated site surfaces, including parking, loading and service areas.
5. **Existence of Structures Below Minimum Code**
Existence of structures below minimum code standards as a factor is present to a major extent, affecting twenty-eight of the 47 buildings with advanced defects which are below the City's code standards for existing buildings and property maintenance.
6. **Deleterious Land Use or Layout**
Deleterious land use or layout as a factor is present to a major extent throughout the area. Conditions contributing to this factor include incompatible residential uses in areas zoned for heavy commercial or industrial use, improper platting and layout, including parcels of limited size and irregular shape.
7. **Depreciation of Physical Maintenance**
Depreciation of physical maintenance as a factor is present to a major extent. Conditions contributing to this factor include deferred maintenance and lack of maintenance of buildings, site parking and storage areas.
8. **Lack of Community Planning**
Lack of community planning as a factor is present to a major extent throughout the area. The area was developed without the benefit of community planning guidelines and standards. Conditions contributing to this factor include parcels of inadequate size or irregular shape for development in accordance with current-day needs and standards; the presence of building sites with mixed residential and commercial activity and the presence of randomly located and poorly constructed accessory buildings, building conversions and additions within occupied sites; and the lack of related building and zoning controls and standards throughout the built-up portions of the area.

B. INDUSTRIAL PARK CONSERVATION AREA

Industrial Park Conservation Area Factors

Based on unemployment data provided by the City, field surveys of the areas subject to redevelopment and the definitions contained in the Act related to an industrial park conservation area, the vacant areas of land contained in the Project Area qualify for designation as an industrial park conservation area. Summarized below are the definitions contained in the Act followed by an analysis and conclusion of the Project Area's qualification for designation as an industrial park conservation area.

"Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

"Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6 percent and was also 100 percent or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal county in which the municipality is located.

"Industrial park" means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but not be limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.

Summarized below is TPAP's analysis and conclusion of each of the three factors related to an industrial park conservation area as defined in the Act.

1. Industrial Park

The area contained in the Industrial Park Conservation Area consists of vacant land (as defined in the Act) suitable for use by any manufacturing, industrial, research or transportation enterprise for the construction of industrial-type facilities.

2. Industrial Park Conservation Area

The area contained within the Industrial Park Conservation Area will be zoned as industrial no later than at the time the City designates the Project Area. Additionally, the industrial park conservation area contains both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land. Additionally, "contiguous" is read to mean adjacent and is limited to land adjacent to the blighted or conservation area and generally under one ownership. Where ownership changes adjacency ends, except in three isolated instances where portions of the project are brought to a sound boundary for present-day planning standards for an industrial park. These three areas include: (1) the northeast corner of Lake and Fuesser Roads; (2) the northwest corner of 6th Street and Fuesser Road; and (3) a parcel south of IL-161 and between 6th Street and IL-4 all of which, by their exclusion, would disrupt planning of an industrial park to meet present day-design standards.

3. Labor Surplus Municipality

Unemployment rate statistics for the City are not available and, according to the Act, the unemployment rate in the City shall be deemed to be the same as the unemployment rate in the County. Accordingly, during the last six (6) months the City's unemployment rate exceeded six (6) percent during at least one (1) of the last six (6) months and was also 100 percent or more of the national average during that same month. Moreover, during the last two calendar years, the City's unemployment rate has exceeded six percent during eighteen (18) months out of twenty-four (24) months and was also 100 percent or more of the national average unemployment rate during eighteen (18) of those same months.

C. GENERAL CONCLUSION

The conditions summarized above are based upon surveys and analyses conducted by TPAP. The surveys and analyses conducted include:

1. Exterior survey of the condition and use of each building within an improved area;

2. Analysis of existing uses and their relationships;
3. Site conditions survey of streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
4. Comparison of current land use to the current City zoning ordinance and zoning map;
5. Comparison of building conditions to property maintenance codes of the City;
6. Comparison of the Project Area's existing platting, building sizes and land use layout with present-day platting, building and land use layout standards;
7. Analysis of real estate tax payments;
8. Analysis of building floor area and site coverage; and
9. Review of previously prepared plans, studies and data.
10. Analysis of unemployment rate data obtained by the City for use by TPAP.

IV. GOALS AND POLICIES

Properly guided investment in new public and private improvements and facilities is essential for the successful managed growth of the Project Area and the elimination of conservation factors. Redevelopment of the Project Area will enhance the overall City through environmental improvements, an increased tax base and additional employment opportunities.

The Act encourages public and private sectors to work together to address and solve the problems associated with urban growth and development. Cooperation between the City and the private sector to redevelop all or portions of the Project Area will receive significant support from the financing methods made available by the Act.

This section of the Redevelopment Plan identifies the goals, objectives and development and design policies adopted by the City for the Project Area. Section V of this Redevelopment Plan identifies redevelopment improvements and activities the City plans to undertake consistent with the redevelopment goals and policies contained in this Redevelopment Plan.

A. OVERALL GOAL

The overall goal of the City is to revitalize the entire Project Area on a comprehensive and planned development basis in order to ensure that new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land-use, vehicular circulation, parking, service and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that the conservation factors are eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the City and other taxing agencies; and
4. In a manner which supports and utilizes local labor as well as provides new and expended employment opportunities.

B. GENERAL GOALS

Listed below are the general goals of this Redevelopment Plan. These goals provide the overall framework for guiding decisions during the implementation of this Redevelopment Plan.

1. Strengthen the economy of the City.
2. Expand the employment base of the City, and reduce the unemployment rate.
3. Encourage planned industrial development by eliminating the impediments to growth and development within the Project Area.
4. Create an environment within the Project Area which will contribute to the health, safety and general welfare of the City, and enhance the value of properties within and adjacent to the Project Area.
5. Encourage sound economic development in the Project Area, thereby creating employment opportunities commensurate with the capacity of the area.
6. Provide an increased real estate tax base for the City and other taxing districts having jurisdiction over the Project Area.

C. REDEVELOPMENT OBJECTIVES

Listed below are objectives of this Redevelopment Plan which guide planning decisions to achieve the goals and objectives contained in this Redevelopment Plan.

1. Reduce or eliminate those conditions which qualify the Project Area as a combination conservation area and industrial park conservation area. Section III, Project Area Eligibility, describes these conditions.
2. Encourage a high-quality appearance of buildings, rights-of-way, and open spaces and encourage high standards of design.
3. Strengthen the economic well-being of the Project Area and the City by increasing business activity, taxable values, and job opportunities.
4. Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with the Redevelopment Plan, the City's current plans and policies and contemporary development needs and standards.
5. Stimulate private investment in appropriate new construction.

6. Achieve development which is integrated both functionally and aesthetically, and which contains a complementary mix of uses within the Project Area.
7. Provide needed improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities.
8. Provide needed incentives to encourage a broad range of improvements.

D. DEVELOPMENT AND DESIGN POLICIES

Listed below are development and design policies of this Redevelopment Plan which will assist the City in directing and coordinating public improvements and activities with private investment in order to achieve the goals and objectives stated in the Redevelopment Plan.

1. Enhance and diversify the City's industrial and employment base.
2. Encourage investment, modernization, and expansion by providing for stable and predictable commercial and industrial environments.
3. Establish a pattern of land use activities arranged in compatible groupings to increase efficiency of operation and economic relationships.
4. Encourage new development that meets present-day design standards in terms of size, scale, intensity and appearance, and is integrated, both functionally and aesthetically with other new development.
5. Encourage coordinated development of parcels and structures in order to achieve efficient building design and unified off-street parking, trucking and service facilities.
6. Foster the reuse or redevelopment of vacant properties.
7. Encourage land uses and improvements which buffer commercial and industrial area traffic from adjacent or nearby residential neighborhoods.
8. Encourage the redevelopment or intensification of marginal and underutilized properties.
9. Encourage parcel consolidation in order to achieve sufficient land mass to permit efficient layout of an industrial park which accommodates present-day building design and unified off-street parking and service facilities.
10. Ensure that stormwater drainage is properly designed to mitigate potential flooding.
11. Ensure that adjacent residential areas are not adversely affected by commercial activities or operations.

12. Encourage high-quality site and building design and construction.
13. Provide safe and efficient vehicular and pedestrian circulation systems which will enable adequate access to, movement within and connections between Redevelopment Projects.
14. Provide an adequate supply of conveniently located parking spaces within the Project Area.
15. Provide that all parking areas are paved, striped, lighted, well-maintained, and properly drained.
16. Provide adequate screening and buffering around all new parking areas.
17. Where possible, provide for consolidated off-street loading and service facilities which are screened and buffered from adjacent development areas and public streets.
18. Provide an overall system of signage which will establish visual continuity and promote a positive overall image and sense of place for the area.
19. Provide gateway and entranceway features which promote a strong sense of arrival in the industrial park.
20. Undertake landscaping, lighting and signage improvements to upgrade the appearance of public rights-of-way within and adjacent to the Project Area.

V. REDEVELOPMENT PROJECT

This section presents the Redevelopment Project to be undertaken by the City and by private entities on behalf of the City as part of the Redevelopment Plan. The Redevelopment Project contained in this Redevelopment Plan and pursuant to the Act includes redevelopment objectives, a description of redevelopment improvements and activities, a general land use plan, estimated Project Costs, a description of sources of funds to pay estimated Project Costs, a description of obligations that may be issued, identification of the most recent EAV of properties in the Project Area, and an estimate of future EAV. Figure 3, *Redevelopment Project*, illustrates the location of the public improvements and activities to be undertaken by or on behalf of the City as part of the Redevelopment Plan.

In the event the City determines that implementation of certain public improvements or activities is not feasible, the scope of this Redevelopment Plan may be altered.

A. REDEVELOPMENT IMPROVEMENTS AND ACTIVITIES

The City proposes to achieve its redevelopment goals and objectives for the Project Area through public financing techniques including, but not limited to, tax increment financing, and by utilizing such financing techniques to undertake some or all of the following activities and improvements:

1. Analysis, Administration, Studies, Surveys, Legal, etc.

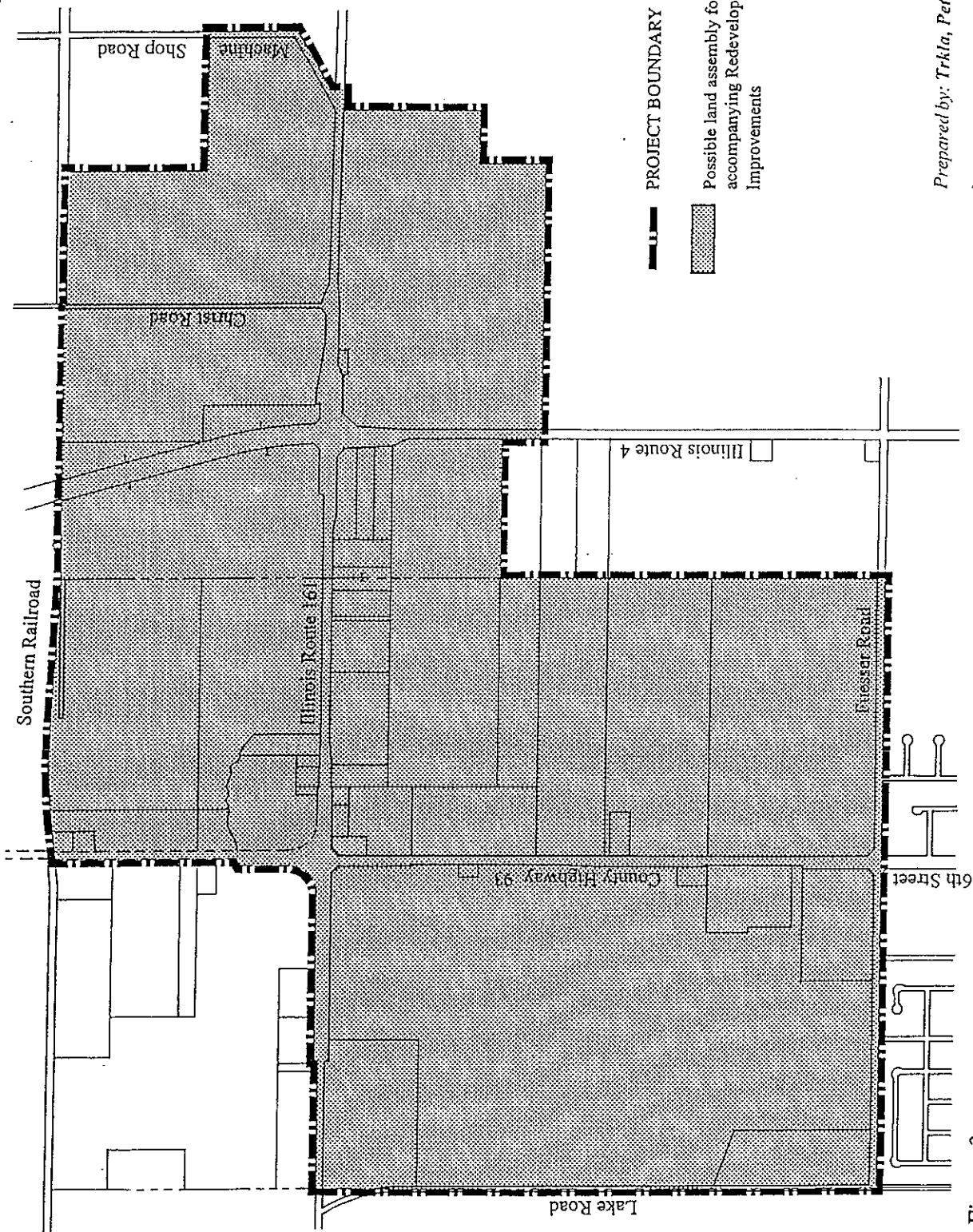
The City may undertake or engage professional consultants, engineers, architects, attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage the Redevelopment Plan.

2. Property Assembly

The City, or an agent for the City, may acquire and assemble land for the purpose of redevelopment. Vacant or underutilized property may be acquired by purchase, exchange or long-term lease by private developers or the City for the purpose of new development.

3. Redevelopment Agreements

The City may enter into redevelopment agreements with private entities for the furtherance of this Redevelopment Plan. Such redevelopment agreements may be for the assemblage of land, construction of improvements or facilities, the provision of services or any other lawful purpose. Redevelopment agreements may contain terms and provisions which are more specific than the controls which guide this Redevelopment Plan.



PROJECT BOUNDARY

Possible land assembly for new development and accompanying Redevelopment Activities and Improvements

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

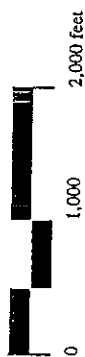


Figure 3
Redevelopment Project

Mascoutah Redevelopment Project Area

City of Mascoutah, Illinois

4. **Provision of Public Works or Improvements**

The City may provide public improvements and facilities that are necessary to service the Project Area in accordance with the Redevelopment Plan and the City's current plans and policies. Public improvements and facilities may include, but are not limited to, the following:

a) Roadways, Public Infrastructure, Utilities, etc.

It is anticipated that a wide range of public infrastructure improvements will be necessary to adequately serve the Project Area and stimulate potential new development, including, but not limited to the following: arterial roads, feeder roads, electric lines, water lines and water towers, sewer trunk lines, drainage improvements, streetscape and landscape improvements and planning, engineering, legal and financial consulting services.

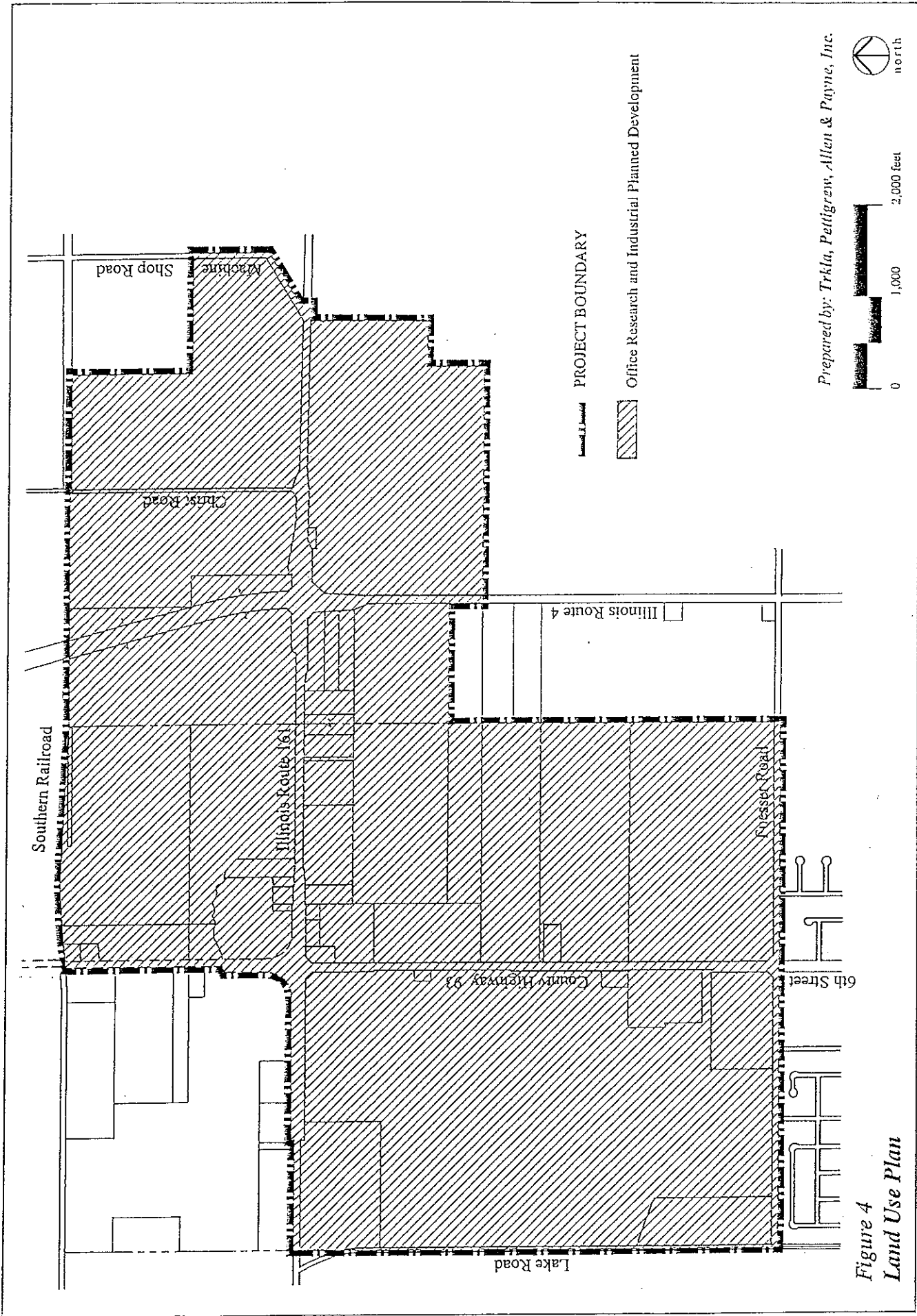
B. GENERAL LAND USE PLAN

The Redevelopment Plan and the Redevelopment Project described herein conforms to the City's current land use development policies and standards.

Figure 4, *Land Use Plan*, identifies the land use to be in effect upon adoption of this Redevelopment Plan. The location of all major thoroughfares and major street rights-of-way are subject to change and modification. The primary land use category within the Project Area is Office Research and Industrial Plan Development. This land use and its permitted uses are described and listed below.

1. **Office Research and Industrial Planned Development**

The Office Research and Industrial Plan Development includes manufacturing, assembly and processing uses which cause limited environmental impacts to surrounding areas due to noise, light, vibration, etc. Generally, uses might include research and development, warehouse and distribution, technology, and other operations which can be conducted wholly within an enclosed building or structure. Additionally, commercial service uses and some heavy manufacturing uses are permitted as special uses to complement the office research and industrial uses. Commercial service uses may include, but are not limited to, hotels and restaurants. Listed below are general permitted uses and special uses.



Permitted Uses

Apparel and other products manufactured from textile
Automobile and major truck repair (outdoor storage prohibited)
Bakeries, wholesale
Bedding manufacturing
Bicycle manufacturing
Boot and shoe manufacturing
Bottling works
Boat building and repair
Brooms and brushes manufacturing
Building equipment and yards for manufacturing
Cabinet manufacturing
Candle manufacturing
Carpet and rug cleaning
Canvas products manufacturing
Cleaning, pressing and dying plants
Cold storage plants
Contractors, architects and engineers offices, shops and yards
Cork producing manufacturing
Cosmetics manufacturing
Electronic component manufacturing
Food manufacturing, packaging and processing
Fuel and ice plants
Glass products form previously manufactured glass
Kennels and veterinary hospitals and clinics
Light steel fabrication
Medical and dental clinics
Metal polishing and plating
Moving and storage facilities
Musical instruments manufacturing
Orthopedic and medical appliance manufacturing
Paper products manufacturing
Plumbing and metal shops
Precision instruments manufacturing
Printing and publishing
Processing of water softening equipment and appliances
Public utility and public service uses

Radio and television studios

Research and development and testing facilities

Retail sales of commodities manufactured or processed, fabricated, or assembled on the premises not to exceed ten (10) percent of the gross floor area nor exceed a total of five thousand (5,000) square feet.

Rope, cord and twine manufacturing

Seasonal or temporary Uses

Self service storage facility

Veterinary hospitals and clinics

Warehousing and distributions

Watchman's quarters

Woodworking and wood products manufacturing

Accessory uses

Special Uses

Heliport

Hotels

Other manufacturing, processing and storage uses in compliance with the performance standards.

Parking structure or lot

Parks and recreational areas

Planned unit developments

Restaurants

Retail

Storage and distributions of flammable liquids, fats or oils

Truck terminal or cartage express facility

Accessory uses

C. REDEVELOPMENT PROJECT COSTS

Reviewed below are the various redevelopment expenditures and project costs which are eligible for reimbursement under the Act. Following this review is a list of estimated expenditures and Project Costs which are deemed to be necessary to implement the Redevelopment Plan.

1. Eligible Redevelopment Expenditures and Project Costs

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
- c) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures;
- d) Costs of the construction of public works or improvements;
- e) Costs of job training and retraining projects;
- f) Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;
- g) All or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan to the extent the municipality by written agreement accepts and approves such costs;

- h) 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;
- i) Payment in lieu of taxes;
- j) Costs of job training, advanced vocational education or career education including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment which are incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;
- k) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - 1. such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
 - 2. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 - 3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - 4. the total of such interest payments incurred pursuant to this Act may not exceed 30 percent of the total: (i) costs paid or incurred by the redeveloper for such redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act.

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

2. Estimated Expenditures and Project Costs

A range of redevelopment activities and improvements will be required to implement the Redevelopment Plan. The activities and improvements and their estimated costs (1995 dollars) are summarized below and shown in Table 1, *Estimated Project Costs*. To the extent that the City incurs Project Costs prior to, and in anticipation of, the adoption of TIF, the City shall be reimbursed from Incremental Property Taxes for such Project Costs. The total Project Costs estimated below is intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

The estimate of Project Costs listed below excludes financing costs, including any interest expense or subsidy, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to the Project Costs listed below. The issuance of TIF revenue bonds to fund any or all of the following estimated costs is predicated upon a feasibility report indicating sufficient Incremental Taxes are estimated to be available at times and in amounts sufficient to secure the proposed debt service.

a) *Planning, Legal, Survey, Architecture, engineering and Other Fees*

Estimated Cost: \$350,000

This includes expenditures for survey and study costs, legal services, survey, architecture, engineering and other professional services associated with implementing the Redevelopment Plan and providing a secure environment for private investment in accordance to the Act.

b) *Administration, staff and annual implementation of the Redevelopment Plan*

Estimated Cost: \$100,000

This includes expenditures for accounting and administrative services, and other professional and service fees associated with implementing the Redevelopment Plan over the twenty-three (23) year duration of the Redevelopment Project.

c) *Roadways, Public Infrastructure and Utility Improvements*

Estimated Cost:

<i>Roadways:</i>	\$2,000,000
<i>Electrical:</i>	\$1,100,000
<i>Water Distribution and Reservoirs:</i>	\$2,000,000
<i>Storm and Sanitary Sewers:</i>	\$1,500,000
<i>Streetscape and Landscaping:</i>	\$500,000

This expenditure provides for the construction or reconstruction of roadways; the construction or extension of electric lines; the construction or extension of water mains, sewers and stormwater detention improvements; the construction or improvement of landscaping and buffers, streetscapes, street lighting and general beautification improvements; and the construction or improvement of public parks and open space.

d) *Property Assembly and Interest Cost Reimbursement*

Estimated Cost: \$1,500,000

This includes expenditures for land acquisition, demolition of buildings, site preparation and interest cost related to the construction of a redevelopment project.

e) *Job Training*

This expenditure provides for the cost of job training and retraining projects.

Estimated Cost: \$900,000

f) *Contingencies*

Estimated Cost: \$900,000

This expenditure is to fund possible unexpected cost over-runs which may delay or impede the successful implementation of the Redevelopment Plan.

TOTAL ESTIMATED PROJECT COST ***\$10,850,000***

TABLE 1: ESTIMATED PROJECT COST

Planning, Legal, Survey, Arch, Eng. and Other Fees	\$350,000
Administration, Staff and Annual Implementation	100,000
Roadways, Public Infrastructure and Utility Improvements	
<i>Roadways:</i>	\$2,000,000
<i>Electrical:</i>	1,100,000
<i>Water Distribution and Reservoirs:</i>	2,000,000
<i>Storm and Sanitary Sewers:</i>	1,500,000
<i>Streetscape and Landscaping:</i>	500,000
<i>Sub-Total:</i>	7,100,000
Property Assembly and Interest Cost Reimbursement	1,500,000
Job Training	900,000
Contingencies	<u>900,000</u>
TOTAL ESTIMATED PROJECT COST	\$10,850,000 ⁽¹⁾

1. *Total Estimated Project Costs excludes financing costs, including any interest expense or subsidy, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Estimated Project Costs. The total estimated Project Cost is intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan. The issuance of TIF revenue bonds to fund any or all estimated Project Costs is predicated upon a feasibility report indicating sufficient Incremental Taxes are estimated to be available at times and in amounts sufficient to secure the proposed debt service.*

D. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for Project Costs and secure municipal obligations issued for such costs are to be derived principally from Incremental Taxes. Other sources of funds which may be used to pay for Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, and other legally permissible funds the municipality may deem appropriate. Also, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

E. PROJECT ADVANCES AND ISSUANCE OF OBLIGATIONS

Initially, the City expects to fund portions of the Redevelopment Activities and Improvements with advances from available City funds ("Project Advances"). Project Advances will be reimbursed, with interest, from Incremental Taxes or from bond proceeds as bonds are issued for the Redevelopment Project.

As redevelopment agreements are being negotiated, or private improvements are approved or constructed, the City expects to fund Redevelopment Activities and Improvements from the proceeds of municipal obligations. The City may issue obligations secured by Incremental Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation the City may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

- All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Project Area and Redevelopment Plan, such ultimate retirement date occurring in the year 2018. The estimated completion date for the Redevelopment Project is no later than 2018. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. Obligations may be of a parity or senior/junior lien natures.

In addition to paying Project Costs, Incremental Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds and any other lawful purpose. To the extent that Incremental Property Taxes are not needed for these purposes, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the Project Area in the manner provided by the Act.

F. VALUATION OF THE PROJECT AREA

1. Most Recent EAV of Properties in the Project Area

The most recent EAV of all taxable parcels in the Project Area is estimated to total \$989,368. This EAV is based on 1994 assessed valuations and is subject to verification by the County Clerk of St. Clair County, Illinois. After verification, the final figure shall be

certified by the County Clerk. This certified amount shall become the Certified Initial EAV from which all Incremental Property Taxes will be calculated by the County. The 1994 EAV of the Project Area is summarized in Table 2, *1994 EAVs by Section and Block Number*.

Table 2
1994 EAVs BY SECTION AND BLOCK
INDUSTRIAL PARK REDEVELOPMENT PROJECT AREA
MASCOUTAH, ILLINOIS

SECTION AND BLOCK	1994 EAV
17-300	\$ 14,518
18-200	236
18-400	122,539
19-100	92,614
19-200	119,559
19-300	382,843
19-400	68,310
20-100	99,068
20-200	89,681
TOTAL	\$989,368

This 1994 estimate of \$989,368 is subject to verification by the County Clerk, after which the verified amount shall be certified by the County Clerk of St. Clair County.

2. Anticipated Equalized Assessed Valuation

By the year 2019 (Collection Year 2020) and following the completion of all potential Redevelopment Projects, the EAV of the Project Area is estimated to total approximately \$115,200,000. This estimate is based on several key assumptions, including: 1) approximately 8,230,000 square feet of industrial uses and other permitted uses will be constructed by the year 2019 and will have an EAV per square foot of \$14.00 (1995 dollars); 2) redevelopment of the Project Area will occur in a timely manner; and 3) the state equalization factor of 1.0000 is used in all years to calculate estimated EAV.

VI. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in Section III of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous conservation factors and industrial park conservation area factors, and these factors are reasonably distributed throughout the area.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. Blighting factors within the Project Area are widespread and represent major impediments to sound growth and development. The lack of private investment is evidenced by the following:

- Improved areas characterized by age, obsolescence, deterioration, structures below minimum code standards, deleterious land-use and layout, depreciation of physical maintenance and an overall lack of community planning.
- Large quantities of vacant land zoned industrial and suitable for use as an industrial park, but which land has not developed with such uses.
- During the last six months the City's unemployment rate has exceeded six (6) percent during at least one (1) of the last six (6) months and was also 100 percent or more of the national average unemployment rate during that same month.

It is clear that private investment and redevelopment has not occurred on a comprehensive and coordinated manner to eliminate the conservation factors that currently exist and to reduce the unemployment rate. The Project Area is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of this Redevelopment Plan, and the adoption of TIF.

VII. FINANCIAL IMPACT

Without the adoption of this Redevelopment Plan, and TIF, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment initiatives there is a prospect that conservation conditions will continue to exist and spread, the unemployment rate will continue to exceed 6 percent and 100 percent of the national average and the Project Area on the whole and adjacent properties will become less attractive for development as an industrial park. In the absence of City-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Section V of this Redevelopment Plan describes the comprehensive Redevelopment Program proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Program will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various Redevelopment Improvements and Activities as well as Redevelopment Projects set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new private investment in rehabilitation of buildings and new construction on a scale sufficient to eliminate deteriorating problem conditions, reduce unemployment and return the area to a long-term sound condition.

The Redevelopment Program is expected to have both short- and long-term positive financial impacts on the taxing districts affected by the Redevelopment Plan. In the short-term, the City's strategic use of TIF can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long-term, after the completion of all Redevelopment Improvements and Activities, Redevelopment Projects and the payment of all Project Costs and municipal obligations, the taxing districts will benefit from an enhanced tax base which results from the increase in EAV caused by the Redevelopment Projects.

VIII. DEMAND ON TAXING DISTRICT SERVICES

The Redevelopment Plan provides for commercial and industrial type development activity within the Project Area. While the number and type of new development is not known at this time, it is anticipated that redevelopment projects implemented as part of the Redevelopment Project and Plan will not cause increased demand for services or capital improvements on most of the taxing districts.

Non-residential development (*i.e.*, commercial and industrial) should not cause increased demand for services or capital improvements on any of the following taxing districts: St. Clair County, BAC District 522, Mascoutah Unit 19, City of Mascoutah Library, Mascoutah Rural Fire, Emerald Mound Fire, Mascoutah Township and Mascoutah Road. Following the annexation of all property to the City, fire prevention services will be provided by the City and no longer by rural fire prevention districts. Principal access to and from the industrial park is expected to occur along State routes.

Replacement of vacant land with industrial and commercial buildings will result in additional demands on services and facilities provided by the City of Mascoutah and Mascoutah Surface Water. It is expected that any increase in demand for the treatment of sanitary sewage and mitigation of stormwater drainage associated with the Project Area can be adequately handled by existing facilities or new facilities within the Project Area, the cost of which will be paid for through Incremental Taxes.

Since there does not appear to be any reasonable prospect of adverse financial impact or increased demand on the services of the affected taxing districts, no programs are currently proposed.

IX. PHASING AND SCHEDULING

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area.

It is anticipated that City expenditures for Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Taxes by the City.

X. PROVISIONS FOR AMENDING THE REDEVELOPMENT PLAN

This Redevelopment Plan may be amended pursuant to the Act.

XI. AFFIRMATIVE ACTION PLAN

The City is committed to and will affirmatively implement the following principles with respect to the Redevelopment Plan:

A) The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment Plan, including, but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.

B) This commitment to affirmative actions will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

In order to implement these principles for this Redevelopment Plan, the City shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors. In particular, parties engaged by the City shall be required to agree to the principles set forth in this section.

XII. PROPOSED DEVELOPER, USER AND TENANT

The City anticipates issuing request for proposals (RFP) to solicit various qualified developers, users and potential tenants interested in developing the industrial park. Upon selecting a developer(s) for the industrial park, a description of the types, structures and general character of the facilities to be developed will be made available by the City. Additionally, a more detailed description of the type, class and number of new employees to be employed in the operation of the facilities to be developed will be available.

In the interim, based on the holding capacity of the industrial park conservation area, approximately 8,230,000 square feet of improvements may be constructed in the industrial park. Based upon the general rule of one employee per 1,000 square feet of industrial improvements, the industrial park may employ as many as 8,230 persons in varying skilled positions.

XIII. PROPERTY TO BE ANNEXED

One parcel located at the southwest corner of Illinois Route 161 and Lake Road is to be annexed into the City. The terms of the annexation agreement are attached to the Redevelopment Plan in Appendix B.

XIV. APPENDIX A

DEFINITIONS

"Act" means the *Tax Increment Allocation Redevelopment Act* (65 ILCS 5/11-74.4-1, *et seq.*), as adopted by the State and amended and supplemented from time to time, and specifically as supplemented by the *Local Government Debt Reform Act* (30 ILCS 350/1 *et seq.*).

"Assessor" means the County Assessor's Office.

"Certified Initial EAV" means the EAV of all taxable real property within the Project Area at the time the Redevelopment Plan is adopted and which is certified by the County Clerk.

"City" means the City of Mascoutah, Illinois.

"County" means St. Clair County, Illinois.

"EAV" means Assessed Valuation as equalized by the State Equalization Factor for the County.

"Eligibility Study" means the Industrial Park Tax Increment Financing Redevelopment Area Eligibility Study prepared by TPAP and dated December 14, 1995.

"Incremental Property Tax" or "Incremental Property Taxes" means the portion of property taxes estimated to be generated from EAV over and above the Certified Initial EAV as a result of the Redevelopment Project, Redevelopment Projects and the reassessment of land and improvements following the implementation of the Redevelopment Plan.

"Incremental Tax" or "Incremental Taxes" means Incremental Property Taxes and any other lawful taxes estimated to be generated within the Project Area including, but not limited to, incremental sales taxes and incremental hotel taxes.

"Project Area" means the approximately 1,350 acre area which is to be redeveloped by the Redevelopment Plan and is legally described in Section III, *Legal Description*.

"Project Costs" means the estimated eligible public redevelopment expenditures the City expects to incur or has incurred to implement the Redevelopment Plan and which are permitted by the Act.

"Redevelopment Activities and Improvements" means the various public activities and improvements outlined in Section Village. A. which the City may undertake in order to stimulate private investment within the Project Area.

"Redevelopment Plan" means this report, entitled "Industrial Park Tax Increment Financing Redevelopment Plan and Project" dated December 14, 1995, the comprehensive program of the City for the development or redevelopment of the Project Area through the payment of Project Costs to stimulate private investment and eliminate those conditions which qualify the Project Area as a conservation area, and thereby enhance the tax bases of the taxing districts which extend into the Project Area.

"Redevelopment Project" means any public and private development project or activity in furtherance of the Redevelopment Plan, the principal elements of which are outlined in Section V.

"State" means the State of Illinois.

"State Equalization Factor" means a multiplication factor issued by the Illinois Department of Revenue to the County which is applied to assessed valuations and designed to make all real estate valuations state-wide 33 1/3 percent of FMV.

"TIF" means tax increment financing pursuant to the Act..

"TPAP" means Trkla, Pettigrew, Allen & Payne, Inc., located at 222 South Riverside Plaza, Chicago, Illinois.

XV. APPENDIX B

TERMS OF ANNEXATION AGREEMENT

PETITION FOR ANNEXATION

TO: THE MAYOR AND CITY COUNCIL OF THE CITY OF MASCOUTAH, ST.
CLAIR COUNTY, ILLINOIS

The petitioner, The Mascoutah Chapter of the Illinois Federation of Sportsmen's Club, Incorporated, (herein referred to as Sportsmen's Club) owner of said premises, for its petition to annex the premises described herein to the City of Mascoutah, St. Clair County, Illinois, say as follows:

1. The premises sought to be annexed to the City of Mascoutah are legally described in ADDENDUM A.
2. The petitioner, Sportsmen's Club, owner of said premises.
3. This tract of land is not situated within the limits of any municipality but is contiguous to the City of Mascoutah, St. Clair County, Illinois.
4. Melvin Schinzing, only elector, resides on said premises.
5. The premises described herein are included within the boundaries of the MASCOUTAH RURAL FIRE PROTECTION DISTRICT.
6. The premises described herein are adjacent to public roadways under the jurisdiction of the Township of Mascoutah and the State of Illinois.

The petitioners respectfully request:

1. That the lands described herein be annexed into the City of Mascoutah by ordinance duly adopted pursuant to the provisions of 65 ILCS 5/7-1-8 according to the following terms and conditions:
 - (a) That said premises be zoned I-1 after annexation.
 - (b) That said premises shall remain at currently assessed use until such time as the premises are sold and/or developed with improvements situated thereon.
 - (c) That the owner of any portion of said premises, shall be entitled to a rebate of the City of Mascoutah Library taxes paid. Said rebate shall exist as long as the portion of said premises remains at currently assessed use or until it changes ownership.
2. That such other actions be taken as are appropriate in the premises.