



MAIN STREET BUSINESS DISTRICT REDEVELOPMENT PLAN & PROJECT SYNOPSIS

Municipalities are authorized to create Business Districts by the Illinois Municipal Code, specifically in 65 ILCS 5/11-74.3 et seq. (the “Act”). The Act sets forth the requirements and procedures for establishing a Business District Redevelopment Project. The proposed Main Street Business District (the “District”) encompasses 615 parcels of property and rights-of-way in the City. Generally, the Area includes the properties in the central downtown portions of the City along IL-4 and Main Street/IL-177. The boundary map for the Area is attached as Exhibit A.

ELIGIBILITY STUDY

In order to impose the retailers’ occupation tax and service occupation tax, the corporate authorities of the municipality shall make a formal finding that the Project Area is a “Blighted Area”, as defined as follows: *“Blighted area” means an area that is a blighted area which, by reason of the predominance of defective, non-existent, or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals, or welfare.*

Much of the Area exhibits deteriorated site improvements in some form, which can be generally classified as either structural or surface improvements. Approximately 64% of the 448 structures in the Area show some sort of notable defects in the structural components, which were common in foundations, exterior walls, roofs, doors, windows, gutters, downspouts, siding, and other fascia materials. Generally, much of the deteriorated conditions noted could be attributed to the age of the structures, as per Claritas approximately 52% of the structures in the Area were built prior to 1980, with a median year of construction being 1978. Further, approximately 21% of the structures were built prior to 1940. Additionally, 67% of the parcels exhibit deteriorated surface improvements. Common forms of this include deteriorated sidewalks, unkempt gravel areas, cracked and deteriorated roadway surfacing, potholes, crumbling asphalt, and grass or weed growth in some of the surface improvements. In other portions of the proposed district parking lots, entry ways, alleyways, and driveways lack proper pavement and exhibit signs of deterioration. Similarly to the structural deterioration much of the surface deterioration can be attributed to general age, as over time vehicular wear and exposure to the elements degrades the improvements. Conditions such as these were present in 308 of the 458 parcels which make up the Area.

The ISGS maintains records of active and abandoned coal mines in the state. Data from the ISGS was utilized to determine portions of the Area are either directly over an underground mine or within the mine proximity region. These conditions pose a potential barrier to future development, as mine subsidence could threaten any of the existing structural improvements over undermined areas. The Multi-Hazard Mitigation Plan for St. Clair County identifies the City as being potentially susceptible to subsidence and details the types of damage to structures built over mined areas, as well as roadways, utility lines/pipes, railroads, and bridges. The Hazard Mitigation Plan notes prior occurrences of ground failure in the county and how those events have caused damage to site improvements. The Plan considers all buildings located in or around undermined areas to be vulnerable to ground failure due to subsidence events.

There are issues with improper subdivision and obsolete platting throughout the Area. Some of the existing platting does not meet the needs of the contemporary standards, exhibited by characteristics such as being too large, too small, or in a size or shape that would not comply with guidelines for development. These types of issues can be hurdles to the development or redevelopment of an Area, as the need for parcel combinations or splits can be difficult with multiple property owners or other stakeholders involved.

The presence of these factors, in combination, creates conditions which constitute an economic liability to the City. Additionally, these factors combine to contribute to the economic underutilization of the Area.

The presence of deteriorated structures and conditions can create a perception of localized economic decline, which in turn deters future investment in the neighboring properties. Additionally, conditions such as obsolete platting can make coordinating development difficult. In order to determine whether properties in a project Area could be considered to be stagnant or in decline, the growth rates of the EAVs of the parcels can be compared to the growth rates of the balance of the City, which is the total value of Mascoutah minus the value of the properties which make up the Area. Approximately 85% of the 458 parcels in the Area have had at least three years where the annual EAV growth rates are less than the balance of the City from 2017-2022.

The Area could also be considered to be economically underutilized. There have been developments in the Area, but the vast majority of the parcels are underperforming when compared to the balance of the City. Not including the I-64 interchange, the proposed Business District Area encompasses the most trafficked areas in the City, including the main thoroughfares of IL-4 and Main Street, in addition to the City's downtown area. The Area has an AADT count of nearly 8,000 and Main Street nearly 7,000. This is an indication that the uses in the Area are failing to capitalize on the visibility of these properties, both in the form of undeveloped properties not being utilized to their highest and best uses.


Another indication of the economic underutilization of the Area is in the form of the Retail Opportunity Gap that exists for the City. Retail Market Power shows an Opportunity Gap of over \$75M in the City across all retail trade sectors. This data provides an analysis of the existing demand for certain retail store types amongst residents in the City, along with the existing expenditures of the residents for those same retail store types. What this means is that residents are having to leave the City to purchase goods, with the City's existing supply of these retail store types meeting only 57% of the resident's demand. If the properties in the Area were being utilized to their highest and best uses the Opportunity Gap across all of these sectors would potentially be met, which would in turn keep resident's expenditures local and also create additional property tax revenues through the development of new retail and commercial properties.

REDEVELOPMENT PLAN

The primary goal of the plan is to provide a resource for economic development throughout the Area. Some of the objectives of the Redevelopment Plan include, but are not limited to, the following:

- Upgrade the utilities and infrastructure throughout the Area, including sewer system improvements.
- Improve the sidewalks throughout the Area, including reconstructing/repairing those exhibiting deteriorated conditions along Main Street and neighboring areas.
- Facilitate requisite infrastructure improvements in accordance with IDOT requirements for the redevelopment of the Main Street corridor.
- Resurface roadways, construct curb and gutter, make parking lot improvements, and provide resources for other general site improvements.
- Redevelop those properties exhibiting deteriorated conditions, and other general site improvements.
- Enhance the sales tax base of the District.
- Facilitate streetscape and façade improvements for commercial properties in the Area.
- Recruit new retail businesses to promote future sales tax growth.
- Retain small businesses to the community, and assist with business development and expansion.
- Enhance the property tax base of the District.
- Provide assistance for the redevelopment of residential properties, including interior and exterior rehabilitation and renovation projects.
- Facilitate new development and encourage redevelopment to increase the EAV of the properties in the Area, which in turn creates new property tax revenues for all associated taxing districts.

Legend

 Main Street Business District Boundary

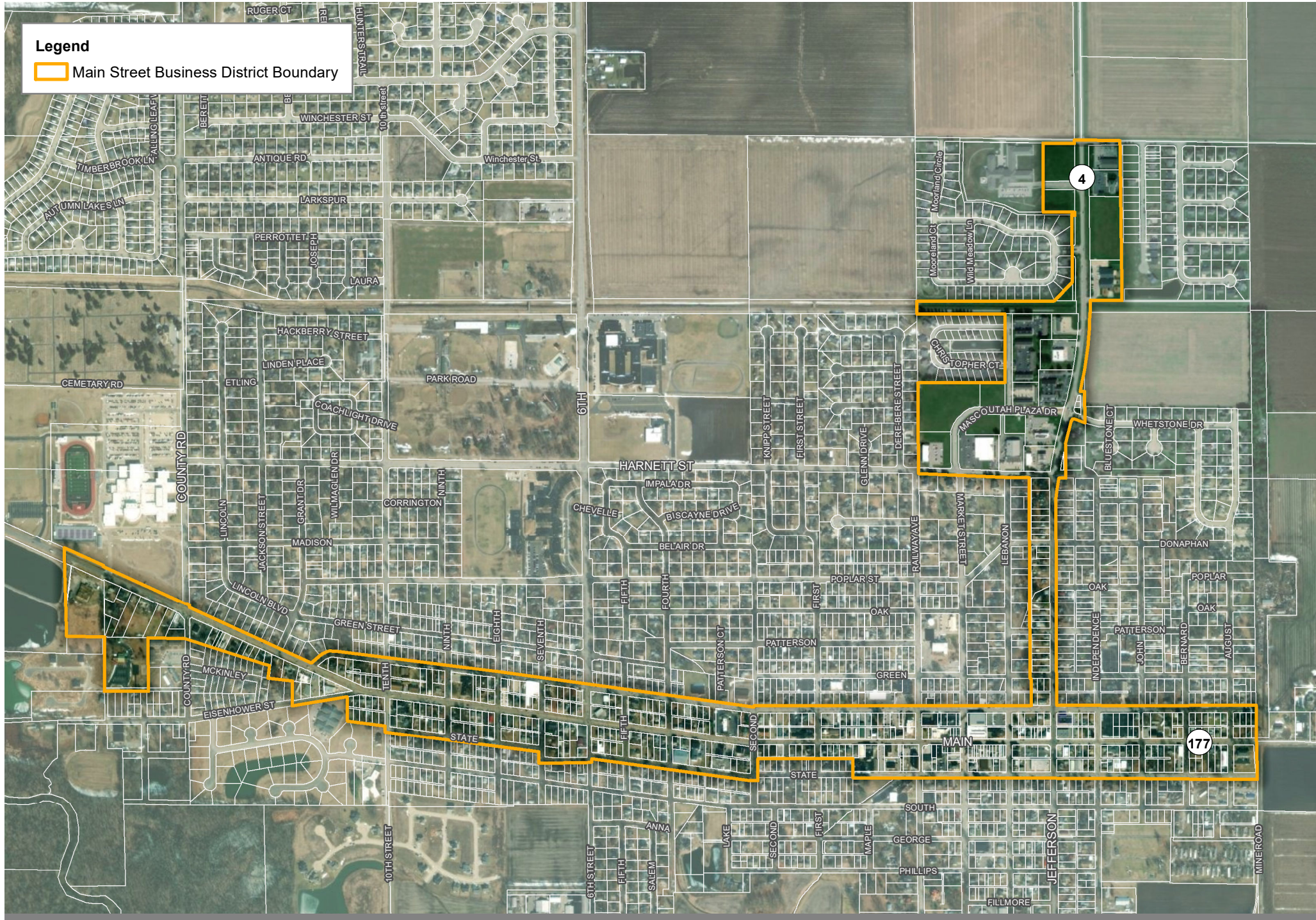


EXHIBIT A - BOUNDARY MAP
MAIN STREET BUSINESS DISTRICT
Mascoutah, IL

