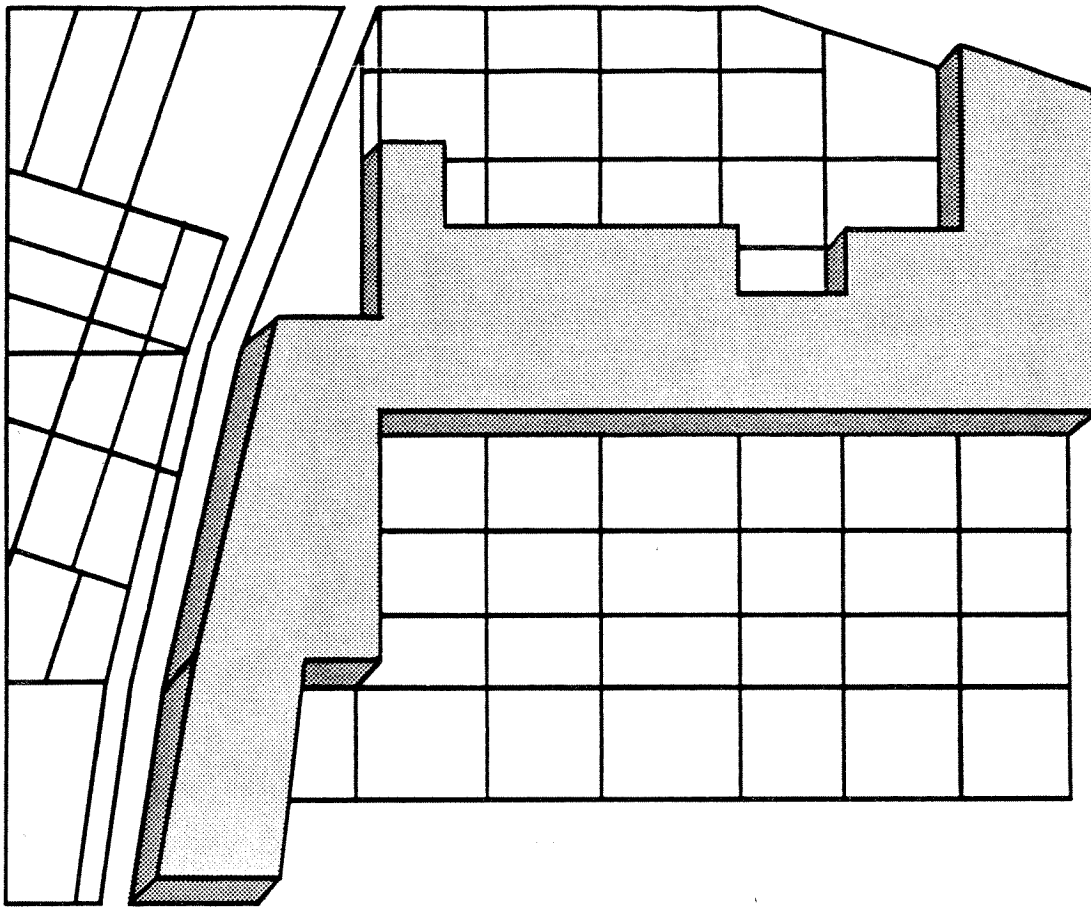

East University Avenue Tax Increment District Redevelopment Plan



City of Champaign, Illinois

EAST UNIVERSITY AVENUE TAX INCREMENT DISTRICT

REDEVELOPMENT PLAN

City of Champaign
Champaign, Illinois
October 1986

Prepared by: Department of Planning and Economic Development
Champaign, Illinois

Assisted by: WVP Corporation
St. Louis, Missouri

TABLE OF CONTENTS

PERSPECTIVE	iii
PURPOSE	1
EAST UNIVERSITY AVENUE REDEVELOPMENT PROJECT AREA: A CONSERVATION AREA	1
BLIGHTING FACTORS	2
Age	2
Dilapidation	3
Building and Site Obsolescence	3
Deterioration	3
Presence of Structures Below Minimum Code Standards	4
Excessive Vacancies	4
Inadequate Utilities	4
Excessive Land Coverage	5
Deleterious Land Use or Layout	5
Depreciation of Physical Maintenance	5
Lack of Community Planning	6
REDEVELOPMENT PLAN	6
FINDINGS	6
Lack of Growth and Redevelopment	7
Conformance with the Comprehensive Plan	7
Estimated Dates for Implementation	8
State Sales Tax Increment Need	8

PROGRAM OBJECTIVES	8
PROGRAM POLICIES	9
DESIGN/DEVELOPMENT GUIDELINES	11
GENERAL LAND USE PLAN	12
PRIVATE REDEVELOPMENT PROJECT DESCRIPTIONS	14
Project 1: Hotel/Office/Medical/Research and Development University and Wright	15
Project 2: Retail/Service Center First and University	16
Project 3: Used Goods, Factory Outlet University between First and Second	16
Project 4: Automotive and Restaurant Expansion Springfield and First	16
Project 5: Retail/Service Center Expansion Springfield - Green	17
PUBLIC REDEVELOPMENT PROJECT ACTIVITIES	18
Land Acquisition/Disposition	18
Relocation	18
Public Improvements	19
Building Rehabilitation Loan Program	20
REDEVELOPMENT PROJECT COSTS	20
SUMMARY OF ESTIMATED REDEVELOPMENT PROJECT COSTS	21
FUNDING	22
Project Funding Scenario	23
PRIORITIES FOR PUBLIC ACTION	24
AMENDING THE REDEVELOPMENT PLAN	26
LIST OF EXHIBITS, PLATES, AND TABLES	27

PERSPECTIVE

In 1854 the Illinois Central Railroad selected a route through Champaign County which passed just two miles west of Urbana, the county seat. Construction workers described the site as "one vast pond . . . whose green, scum-coated surface was crossed by the trail of the water-moccasin." But by July 1854, "a wood-burning locomotive with a balloon-like smoke stack puffed up to the unassuming depot that was to become Champaign." Four years later the little West Urbana village "boasted over thirty business establishments, three mills, Boyden's plow and wagon factory, a newspaper and 3,285 people." The Goose Pond Church, the first in the village, was located at the northwest corner of University and First, the present location of the Champaign Police Facility. The oldest remaining commercial building in Champaign, the Cattle Bank, is located on the opposite corner. The businesses concentrated on the east side of the tracks at First and University. The dividing line between Urbana and West Urbana was drawn midway between them along what is now Wright Street. And in 1861 the village of West Urbana became Champaign.

University Avenue is the historic link between Champaign's early business district and Wright Street, the University, and Urbana. Although it contains within its boundaries the birthplace of the City and connects the modern pulse points of the broader community, the University Avenue corridor is itself but a major arterial street carrying thousands of vehicles to and from schools and homes, hospitals, and other places of work. It has lost the vitality and multi-faceted "sense of place and importance" it once had.

The East University Avenue Tax Increment District, or Redevelopment Project Area, as it is called, capitalizes on the rebirth of downtown to the west, the burgeoning of technological sciences on University's north campus and the expansion of Mercy Hospital to the east, to bring about the revitalization of this half-mile corridor. It is an attempt to recapture the past, overcome a lacklustre present image, and seize opportunities for this corridor to again lead the City into a new century of prosperity.

Excerpts from Corn silk and Chaff of Champaign County, by Richard L. Morgan, Susquicentennial Committee of Champaign County Illinois, Copyright 1969.

EAST UNIVERSITY AVENUE TAX INCREMENT DISTRICT
REDEVELOPMENT PLAN

PURPOSE

The Tax Increment Allocation Redevelopment Act (Illinois Revised Statutes, Chapter 24, Paragraph 11-74.4) provides for the establishment of tax increment districts, also known as redevelopment project areas (Exhibit 1). The purpose of the district or redevelopment project area is to reduce or eliminate blighting conditions, foster improvements, and enhance the tax base of every taxing district which extends into the area. A Redevelopment Plan identifies objectives, policies, redevelopment projects, activities and costs necessary to fulfill this purpose. By committing to the continuing and proactive implementation of an up-to-date Redevelopment Plan, the City Council can accomplish improvements which benefit not only the district, but the City as a whole.

EAST UNIVERSITY AVENUE REDEVELOPMENT PROJECT AREA:

A CONSERVATION AREA

The East University Avenue Redevelopment Project Area (RPA), or tax increment district, is a "conservation area." By statutory definition, conservation areas are "rapidly deteriorating and declining and may soon become blighted if their decline is not checked"; also, at least 50 percent of the buildings

contained within a conservation area are 35 years of age or older and the area exhibits at least three of the fourteen blighting factors:

BLIGHTING FACTORS

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Illegal Use of Individual Structures
5. Presence of Structures Below Minimum Code Standards
6. Abandonment
7. Excessive Vacancies
8. Overcrowding of Structures and Community Facilities
9. Lack of Ventilation, Light, or Sanitary Facilities
10. Inadequate Utilities
11. Excessive Land Coverage
12. Deleterious Land Use or Layout
13. Depreciation of Physical Maintenance
14. Lack of Community Planning

Plate 1 summarizes aggregate blighting influences identified by the City's Department of Planning and Economic Development in surveys conducted during the summer of 1986. These survey data permit classification of the RPA as a conservation area under the statutory definition.

Age

Of the 223 buildings in the RPA, 179 (80 percent) are at least 35 years of age.

Dilapidation

Building conditions are classified as sound, needing minor rehabilitation, needing major rehabilitation, or unsound. Of the 223 structures within the RPA, 6 buildings (3.0 percent) are unsound, i.e., decayed, deteriorated, or in serious disrepair as a result of neglect or misuse. (See Plate 2.)

Building and Site Obsolescence

Most buildings in the RPA exhibit economic or functional obsolescence. Economic obsolescence is the loss of value, desirability, or useful life brought on by deterioration of the immediate environment or other locational factors. Functional obsolescence is the loss of value which is attributable to design features which are no longer useful or desirable or which constrain modern use, such as high ceilings; loss of usable space to hallways and other common areas; inadequate storage areas; floor loading deficiencies for certain types of storage or operation of heavy copying or computer equipment; heating, plumbing, and electrical deficiencies, especially for changes in occupancy; and for upper floors, insufficient exits, freight inaccessibility, and handicapped inaccessibility. Functional obsolescence is a corollary of age.

By virtue of their size and dimensions, many sites are obsolete or unusable unless site assembly and clearance occur. In addition, an angular street pattern in the South First Street and Locust Street area creates irregular lot and building shapes and difficult or impossible access for parking and loading.

Deterioration

Plate 2 shows that 15 (7 percent) of the 223 buildings within the RPA require major rehabilitation, i.e., they are deteriorating due to age, use, abuse, or lack of physical maintenance, and they contain defects in primary, secondary, or minor structural components.

Presence of Structures Below Minimum Code Standards

Over a ten year period, approximately 1,100 code violations, involving 53 of the 209 buildings located in the Redevelopment Project Study Area were reported. Of these violations, 50 were categorized as life safety violations, and 122 resulted in the demolition of 16 buildings. As Plate 1 indicates, at least one code violation has been reported for 87 percent of the blocks in the RPA.

There is no routine inspection of buildings for code violations; inspections follow complaints and change in use. This practice and the large number of buildings greater than 35 years of age suggests that the number of non-compliant structures is actually much higher.

Excessive Vacancies

Plate 1 reflects those blocks containing structures which were vacant in the summer 1986. Of the 223 buildings present within the RPA, 24 (11 percent) buildings were totally vacant; an additional 10 buildings, (4.5 percent) were partially vacant, yielding an overall vacancy rate of 15 percent.

Inadequate Utilities

Water and sanitary sewer services are adequate to serve existing land uses within the district. However, due to the age and sizing of these lines, significant redevelopment to more intense uses may overload these systems. The system relocations and improvements noted in the Redevelopment Plan provide capacities sufficient to support further future growth and development within the Redevelopment Project Area.

Boneyard Creek, the major stormwater outlet for east-central Champaign, runs north and south between First and Third Streets. The Creek bisects properties and is owned by adjacent individual lot owners. Storms often flood adjacent properties and discharge into connecting storm sewers. This condition directly blights adjoining properties. Pending community-wide Creek improvements seek to resolve these problems.

Excessive Land Coverage

Twenty of the 30 blocks which comprise the RPA bear excessive land coverage; buildings occupy 50 percent or more of the available land outside of street rights-of-way, leaving little or no room for parking, loading, and open space amenities (Plate 1). Overbuilding is commonplace in areas which predate or accompany the advent of the automobile. Champaign's earlier zoning regulations encouraged overbuilding by permitting commercial development absent on-site parking and loading, open space or landscaping.

Deleterious Land Use or Layout

Land uses are generally appropriate considering historic development and the uses proposed in the Land Use Element of the Champaign Comprehensive Plan, adopted in March 1980. However, the existing street layout has a deleterious effect on the area especially in the western half of the district. Streets converge at oblique angles resulting in nonrectilinear and irregularly-shaped blocks, inefficient utilization of land, and circuitous and awkward traffic circulation patterns. Short blocks, discontinuous streets and offset intersections contribute to a poor circulation pattern.

Depreciation of Physical Maintenance

The area evinces a decline in property maintenance and private reinvestment; 43

of the 223 buildings in the area require minor rehabilitation; 15 buildings require major rehabilitation, and 6 buildings are unsound. These 64 buildings (29 percent) exhibit a depreciation of physical maintenance.

Lack of Community Planning

The area developed in the late nineteenth century absent a plan. This lack of early community planning contributes to excessive land coverage, deleterious layout, poor traffic circulation, and building and site obsolescence.

REDEVELOPMENT PLAN

FINDINGS

In order to establish a redevelopment project area, otherwise known as a tax increment financing district, the City must find that:

1. The redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan; and
2. That the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole; and
3. The estimated date for completion of the redevelopment project and retirement of obligations incurred to finance redevelopment project costs shall be not more than 23 years from the adoption of the ordinance approving the redevelopment project area; and

4. In the event that sales tax incremental revenues are used,
 - a. The redevelopment project area would not reasonably be developed without the use of such incremental revenues, and
 - b. Such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

Findings for the East University Avenue Redevelopment Project Area or Tax Increment District are set forth below.

Lack of Growth and Redevelopment

On the whole the Redevelopment Project Area is not experiencing growth and development through private investment. A comparison of the equalized assessed valuation (EAV) for the RPA and the EAV for the City evinces this lack of growth. The rate of increase for Redevelopment Project Area EAVs did not keep pace with the rate of increase for overall City EAVs between 1975 and 1985. The area, which is predominately commercial in nature, did not experience new commercial growth. The minimal increase in EAV for the RPA can be attributed to inflation and the construction of new multi-family structures.

The number of building permits issued for new construction in the Redevelopment Project Area as compared to those issued for the entire City further confirms the lack of growth in the area. The area was issued proportionately fewer permits per acre than the City as a whole. These two factors, EAV and building permit issuance, illustrate that the RPA has not experienced growth and development through private investment.

Conformance with the Comprehensive Plan

The Redevelopment Plan conforms to the Land Use Element of the Champaign Comprehensive Plan adopted in March 1980. The Land Use Element is the plan for

the development of the City as a whole; however, the goals, objectives, and policies contained in the Land Use Element provide a strong underpinning for the Redevelopment Plan. The land use categories utilized in the Land Use Element Use Plan Map complement the land use categories proposed in the Redevelopment Plan, although the level of detail varies (Plate 8). In addition, the stormwater drainage improvements proposed in the Redevelopment Plan conform to those proposed in the Comprehensive Drainage Study for the City of Champaign adopted in July of 1979, as well as the Boneyard Creek Master Plan approved in concept in 1978.

Estimated Dates for Implementation

The estimated date for full implementation of the Redevelopment Plan is December 15, 2009. Obligations incurred to finance redevelopment project costs will be retired on or before that date.

State Sales Tax Increment Need

State and local sales tax increments are needed to support the substantial obligation required to implement initial redevelopment projects and complete public improvements. Annual sales tax increment constitutes 53 percent of the anticipated total annual increment. With this additional revenue, the obligation may also be of shorter duration thereby decreasing financing costs.

PROGRAM OBJECTIVES

The following objectives form the basis for the East University Avenue Redevelopment Project Area:

1. Eliminate and/or reduce the substandard conditions and under-utilization factors which qualify the Redevelopment Project Area as "conservation area" under the terms of the statute;

2. Prevent the recurrence of these blighting conditions;
3. Enhance the tax base of the City of Champaign;
4. Enhance the tax base of other taxing districts whose jurisdictions include the Redevelopment Project Area;
5. Stimulate rehabilitation and redevelopment of the Redevelopment Project Area and environs through private investment;
6. Provide incentives for small businesses to expand and locate in the area;
7. Expand opportunities for new commercial development which will support and encourage major development activities and programs of the University of Illinois and nearby health care institutions; and
8. Provide an implementation mechanism which will accelerate the achievement of these objectives and complement other community and economic development tools and programs.

PROGRAM POLICIES

In order to achieve program objectives and implement the Redevelopment Plan, the City of Champaign establishes the following policies:

1. The City may undertake acquisition of individual parcels or site assembly as may be required to implement specific redevelopment projects.
2. The City may prepare and enter into written contracts or agreements with developers with respect to acquisition and/or disposition of parcels or sites within the Redevelopment Project Area.

3. The City may vacate existing street and alley rights-of-way to enhance land assembly efforts and provide for sites of adequate size to implement redevelopment projects.
4. The City may improve, relocate, or reconstruct public improvements to meet the needs of specific redevelopment projects and/or the overall area.
5. The City may demolish and clear buildings which are acquired in order to implement specific redevelopment projects.
6. The City will provide relocation assistance in accordance with established standards, such as those provided for by the Uniform Relocation and Real Property Acquisition Act, for persons or businesses whose property it acquires and/or who are displaced as a result of redevelopment projects.
7. The City may issue revenue bonds or incur other obligations in the appropriate amounts and terms as provided for by the applicable statute for the purposes of land acquisition, rehabilitation or construction of public facilities, demolition of buildings, payment of relocation assistance, or other uses as provided by statute.
8. The City may establish low interest rehabilitation loan programs for businesses located within the Redevelopment Project Area.
9. The City will require that new building construction and rehabilitation or expansion of existing buildings conform to all applicable codes, regulations and design/development guidelines.

10. The City may update this Redevelopment Plan as appropriate and required to reflect changing conditions, market factors, or project requirements.
11. The City will enact or modify ordinances as required to implement the Redevelopment Plan.

DESIGN/DEVELOPMENT GUIDELINES

Design/development guidelines will be implemented through land disposition, rehabilitation loan and other agreements between the City and private parties, as well as through routine zoning and permitting procedures. Private individuals, corporations, partnerships and/or development entities will comply with general design/development guidelines prior to issuance of permits for projects in the Redevelopment Project Area. Projects will:

1. Demonstrate sensitivity to the function, scale, texture, color, style, and other pertinent features of surrounding development.
2. Provide for safe pedestrian and vehicular circulation on-site and in relation to the adjacent streets.
3. Provide for adequate off-street parking in keeping with current ordinances.
4. Contribute to open space, streetscapes, and other amenities and consider the views which may be opened or blocked.
5. Provide for adequate screening from residential uses including effective and appropriate orientation of site lighting so as not to create stray lighting patterns.

6. Consider the architectural and historical character of buildings which are part of the project or those which are adjacent.
7. Provide for utility services to be located underground where possible and economically practical.

GENERAL LAND USE PLAN

Plate 8 depicts the General Land Use Plan for the Redevelopment Project Area. The RPA is generally commercial, except for a commercial/industrial area situated along the railroad tracks to the west and an institutional/public/semi-public area near Wright Street on the east. Generally, the alleys at the rear of University Avenue frontage lots separate commercial and residential uses. Some of these residential properties have been purchased by owners of the University Avenue frontage properties, often to achieve off-street parking. Residential uses are interspersed with parking and commercial and institutional uses along the half-block rear strip on the north. Portions of the southern half-block rear strip contain vacant properties and/or buildings; some of these structures are deteriorated.

The General Land Use Plan (Plate 8) retains the residential/commercial division of half-block segments between First and Sixth Streets. Where these parcels are acquired by owners of University Avenue frontage properties, redevelopment must be based on a unitary site plan which respects adjacent residential areas.

The east end of the RPA contains commercial, institutional/public/semi-public, and some residential uses. Plate 6 indicates the area contains vacant structures and parcels that are undeveloped or used for parking; the area is underutilized. Its proximity to major developments on the University of

Illinois campus and at Mercy Hospital presents opportunities which may be realized through the mechanism of tax increment financing. The General Land Use Plan envisions mixed use/unitary site plan development of this area.

The north First Street frontage between University Avenue and Church Street contains many deteriorating buildings which may not be economically feasible to rehabilitate. The General Land Use Plan proposes mixed use/unitary plan development of this frontage including two additional lots in the Church/Park block. Implementation depends on the future feasibility and marketability of new commercial development at this location.

The General Land Use Plan for the southwestern "leg" of the RPA retains the land use types which presently dominate the area. The projects outlined in the Redevelopment Plan can provide an impetus for existing businesses to remain and expand. The area bounded by University and Springfield Avenues, First Street, and the railroad tracks is presently dominated by retail/wholesale and service uses, particularly auto-related land uses. The General Land Use Plan supports retaining and strengthening these uses and continuing existing commercial/light industrial uses. The Springfield Avenue to Green Street segment is retail/wholesale and services in nature and is highly underutilized. The General Land Use Plan supports the expansion of general commercial uses in this subarea; this development should occur pursuant to a unitary site plan which vacates a portion of Healey Street and allows for access between Springfield Avenue and Green Street.

The General Land Use Plan is based on current conditions and potentials for revitalization and redevelopment through the use of tax increment financing and other economic and community development incentives and programs. The General Land Use Plan is designed to achieve the objectives of the Redevelopment Plan,

while acting in concert with the City's Land Use Plan Element to address overall community goals, objectives, and policies. The General Land Use Plan also recognizes that flexibility is necessary in planning for the future of the East University Avenue Redevelopment Project Area. Private and public/private redevelopment projects are in formative stages; these will evolve and new projects will emerge with changes in attitudes and markets, and through application of the tax increment financing technique. The General Land Use Plan accommodates the evolution of specific projects and developments without requiring amendment.

PRIVATE REDEVELOPMENT PROJECT DESCRIPTIONS

Several factors affect future growth of the Redevelopment Project Area:

1. University of Illinois North Campus expansion: Beckman Institute, Microelectronics Center, Digital Computer Laboratory addition, Supercomputer Research and Development Center, Supercomputer Applications Center, and attendant shifts in campus employment concentration.
2. Increased viability of downtown resulting from reopening Neil Street to vehicular traffic and other private redevelopment investments generated through the City's first tax increment financing district.
3. Enterprise Zone incentives; the Enterprise Zone wholly encompasses the RPA.
4. Pending development of a multi-modal transportation facility centered around the Amtrak Station downtown.
5. Annual state appropriations of state sales taxes needed to provide increments to localities.

6. National and local economic conditions which may affect the real estate market.

However, growth of the RPA will be most strongly influenced by key private or public/private redevelopment projects which are described in the Redevelopment Plan and made possible, in large part, through the mechanism of tax increment financing (Plate 8). The following projects are indicative of the spectrum of private development opportunities which may occur in the area with the encouragement of tax increment financing. Projects evolve and alternative scenarios also develop; the final form of projects may differ from those envisioned in this Plan, but potentials and impacts should be similar.

Project 1 is generally bounded by Wright and Sixth Streets, University Avenue, and the railroad. The project consists of a

- * 400-room hotel (210,000 square feet) and attendant 2-story parking garage for 400 vehicles;
- * 5-story building (135,000 square feet) for commercial/office/medical/research and development uses above a 2-story parking deck;
- * at grade surface parking; and
- * site improvements: street vacations, e.g. Park Street, Sixth Street, alley vacations, pavement demolition, utilities relocation, and necessary improvements reconstruction.

This project requires a unitary site plan, prepared with the involvement of the City and private developers, which produces a campus-like setting complementary of the Mercy Hospital campus and University of Illinois north campus, and respectful of surrounding residential uses. Project 1 can be accommodated through intensive development of an 13.5-acre assembled site inclusive of vacated street and alley rights-of-way and exclusive of St. Mary's Church (See

Plate 8). Alternative building heights and parking solutions can be proposed if additional land assembly occurs.

Total construction cost is \$33 million (1986 dollars). Annual hotel sales are expected to be \$6.4 million. The project may be developed in phases.

Project 2 is a small, unified-plan, commercial center to be developed along the north First Street frontage between University Avenue and Church Street. This redevelopment site can accommodate a small-shop tenant building (10,200 sq. ft.) and parking lot. Estimated construction cost is \$642,000. This center could tie into the restored Cattle Bank building at the corner of University Avenue and First Street through careful attention to architectural style. Associated site improvements include closure and vacation of a short segment of Park Street and two similar alley segments, minor utility relocations, and demolition of structures and old paving. Estimated annual sales from this project are approximately \$714,000.

Project 3 targets the former 20,000 square foot Beatrice/Meadow Gold ice cream plant facility on the south side of University Avenue just east of First Street. The building is suitable for showrooms and shops comprising 10,000 square feet with supporting warehouse facilities. Merchandise may include interior design/home furnishings and accessories, antiques, factory outlet or other wholesale/retail items. The building may be subdivided for multiple uses or operated as a single warehouse/showroom facility. Estimated construction cost is \$330,000. Annual sales are projected to be approximately \$800,000.

Project 4 is bounded by First, Willow, and Locust Streets, and Springfield Avenue. This project expands parking for existing businesses by closing and

vacating Marshall Street between Locust and First Streets. It also permits approximately 4,800 square feet of new construction at a total construction cost of approximately \$228,000. This project is projected to generate \$240,000 in annual sales. Related site improvements include demolition of existing pavement, and construction of new curb, gutter, and access points.

Project 5 provides for expansion of an existing commercial center and related commercial uses. The project area is bounded by Springfield Avenue, Locust and Healey Streets, and the railroad tracks. The commercial expansion (30,250 sq. ft.) follows a unitary site plan which connects existing commercial property on Green Street to underutilized property on Springfield Avenue across vacated Healey Street and two vacated alleys. Access to new and existing uses and through common parking areas is an important aspect of the unitary site plan. Projected construction cost is \$1,906,000. Projected annual sales is \$3,025,000. Site improvements include utility relocations and demolition of pavement and possibly several structures.

The foregoing projects emanate from discussions with area businesses, property owners, institutions, and developers; these projects may reasonably occur in the early years of the Tax Increment District. Other redevelopment and rehabilitation opportunities may exist and still others will emerge during the 23-year life of the District. The East University Avenue Redevelopment Project Area links the downtown area and the University of Illinois north campus. Absent the Redevelopment Plan and Tax Increment District, only limited, small and disjointed improvements will occur. Tax increment financing can stimulate investment interest in projects which are well planned, coordinated with related and affected parties and which involve efficient, sound land uses. Tax increment financing provides another mechanism for public-private partnership

to achieve the best interests of District and the City as a whole, including affected taxing districts.

Table 1 identifies possible acquisition and relocation, engineering and demolition costs, and disposition income associated with the five potential projects; it also projects annual property and sales tax increments which may be derived upon completion of these projects as described. Associated public redevelopment activities are discussed in the following section.

PUBLIC REDEVELOPMENT PROJECT ACTIVITIES

The City of Champaign may undertake the following activities to implement the Redevelopment Plan and achieve its objectives:

Land Acquisition/Disposition

Plate 9 identifies properties which must be acquired and/or assembled to carry out the five projects described in the Redevelopment Plan. The City may assist private developers in the acquisition and assembly of these and other properties needed to carry out redevelopment projects which are consistent with the Redevelopment Plan. The City may also acquire and assemble properties and sell, lease or dedicate those properties to private developers for redevelopment projects which are consistent with the Redevelopment Plan. The City may also acquire and assemble properties for the construction of public improvements needed to implement the Redevelopment Plan. The City may exercise the power of eminent domain if it is necessary to do so.

Relocation

For residents or occupants of properties which it acquires, the City will provide relocation assistance based on such guidelines as the Uniform Relocation and Real Property Acquisition Act of 1970.

Public Improvements

To implement the Redevelopment Plan the City may undertake various public improvements:

1. Street and alley pavement removal, resurfacing, reconstruction, or construction.
2. Sidewalk replacement/construction.
3. Curb and gutter replacement/construction.
4. Replacement and/or upgrading of street lighting.
5. Installation and/or replacement of traffic signals or other traffic control devices.
6. Repair, construction, and/or relocation of sanitary and storm sewers and open drainage ways, such as the Boneyard Creek.
7. Installation of trees, street furniture, parking bays, lots or other "streetscape" related amenities.
8. Development or improvement of park or open space areas and visual enhancement of open drainage ways such as the Boneyard Creek.

The City commits that tax increment revenues will be used to support only those public improvements which are necessary to support redevelopment projects or accomplish other Redevelopment Plan purposes; routine maintenance and improvement projects will be charged to other funds, unless, in rare instances, the District directly benefits from expedited or higher levels of performance of certain activities. Specific projects and funding sources are typically

identified in the annually-updated Five-Year Capital Improvements Program and in the City's annual budget.

Building Rehabilitation Loan Program

As an added inducement to redevelopment the City may establish a building rehabilitation loan program. The City may elect to target a portion of any such loan fund for minority business enterprises.

REDEVELOPMENT PROJECT COSTS

The Tax Increment Allocation Redevelopment Act allows the City to incur redevelopment costs, i.e. all reasonable or necessary costs incurred, and any costs incidental to a redevelopment project. Such costs include, in summary form,

1. Costs of studies, plans, implementation and administration;
2. Property acquisition, assembly, and demolition costs;
3. Rehabilitation, reconstruction, repair and remodeling costs;
4. Costs of public improvements;
5. Job training and retraining costs;
6. Financial costs;
7. Relocation costs;
8. Payments in lieu of taxes;
9. A taxing district's capital costs resulting from a redevelopment project;

10. Site-related private development costs;
11. Certain interest costs incurred by a redeveloper; and
12. In special service areas, other costs associated with purposes permitted in those areas by statute.

A complete description of redevelopment costs is contained in the Tax Increment Allocation Redevelopment Act, Chapter 24, Paragraph 11-74.4-3(1), which is included as Exhibit 1. This exhibit does not include amendments passed after October 1, 1986.

SUMMARY OF ESTIMATED REDEVELOPMENT PROJECT COSTS

Below is a summary of current estimated costs for activities, public improvements, and individual projects specifically described in this Redevelopment Plan.

<u>Redevelopment Project Activity</u>	<u>Estimated Cost</u>
	(1986 Dollars)
Land Acquisition/Assembly and Relocation	\$3,240,000
Site-related Costs	953,000
Other Public Improvements	693,000
Building Rehabilitation Loan Program	<u>414,000</u>
Total	\$5,300,000

Table 1 identifies costs associated with five redevelopment projects described in the Redevelopment Plan.

Estimates are based on 1986 costs compiled by the City's Department of Planning and Economic Development and Department of Public Works, WVP Corporation of St.

Louis, Missouri, and Brown, Brown, & McMurray, Inc. of Urbana, Illinois, using accepted generalized cost estimating techniques.

FUNDING

City-issued obligations are the principal source of funds used to pay redevelopment project costs. Tax increment revenue derived from increases in equalized assessed valuation and increases in sales tax revenue in the RPA can be used to retire such obligations. The term of these obligations shall not exceed 20 years from their date of issue. Land acquired by the City with tax increment revenues for redevelopment project purposes may be sold or leased to project developers; proceeds may also be used to fund redevelopment costs.

Obligations may be secured with any one or a combination of the following:

- * Net revenues of all or part of any redevelopment project;
- * Taxes levied or collected on any or all property in the City;
- * The full faith and credit of the City;
- * A mortgage on part or all of the redevelopment project; or
- * Any other taxes or anticipated receipts that the municipality may lawfully pledge.

If such obligations are secured by the full faith and credit of the City, the ordinance authorizing the obligations may provide for the levy and collection of a direct annual tax upon all taxable property within the City sufficient to pay the principal and interest on the obligations as they mature. Such levy may be in addition to and exclusive of the maximum of all other taxes authorized to be levied by the City which levy, however, shall be abated to the

extent that monies from other sources are available for payment of the obligations and the City certifies to the County Clerk that the amount of said monies is available.

Project Funding Scenario

<u>Source</u>	<u>Estimated Amount</u>
Tax Increment Obligation Proceeds	\$4,000,000
Land Disposition Proceeds	<u>2,800,000</u>
Total	\$6,800,000

Approximately \$4,000,000 in obligations may be needed to provide sufficient funds for initial land acquisition, relocation, and site-related costs associated with Project 1, and to cover initial payments on the obligation, depending on arrangements with project developers, until increment begins to flow. Sizeable income from land disposition (See Table 1) will allow for debt retirement payments until initial increment is accumulated and will provide funds for initiation of other projects and activities within the RPA.

The preceding funding scenario is only one of several options which the City may pursue to generate redevelopment activity. Actual project phasing and public-private participation arrangements may demand different funding splits.

The 1985 equalized assessed valuation (EAV) for the Redevelopment Project Area is shown by block and sum on Plate 7. The total 1985 EAV is \$5,692,430. On completion of the projects outlined in the Redevelopment Plan the EAV is anticipated to be \$17,051,000. This estimate accounts for EAV losses due to clearance projects. This estimate also assumes that the 1985 EAV for properties not included in the five projects will hold constant and that the equalization multiplier will be one (1).

The Illinois Department of Revenue estimates that current annual state and local sales tax receipts from the Redevelopment Project Area are \$810,000. The five redevelopment projects are expected to generate \$933,000 in annual state and local sales taxes. Since individual sales tax receipts are confidentially reported to the Department of Revenue, it is not possible to estimate losses in sales tax revenues which may result from business displacements; however, since no major businesses are being displaced by these projects, the loss is estimated to be small. Annual sales tax revenue after redevelopment is expected to be approximately \$1,700,000.

If tax increment revenues exceed the amount deemed necessary by ordinance to fund redevelopment costs, reserves and sinking funds, and retire obligations, the surpluses will be distributed to the affected taxing districts, with respect to property taxes, and the State of Illinois, with respect to sales taxes, or applied toward an early retirement of obligations, as provided by the Tax Increment Allocation Redevelopment Act.

PRIORITIES FOR PUBLIC ACTION

Project 1 is the driving force behind the success of the entire Redevelopment Project Area. Tax increment revenues generated from this project support other projects including the Redevelopment Loan Program and Boneyard Creek beautification and improvements. Absent the increment from this project, it is unlikely that sufficient increment will be generated to support significant activity in the RPA.

Project 1 requires City Council initiative from the inception of the RPA to:

1. Take such steps as are necessary to option or acquire key properties;

2. Continue cooperating with the Champaign-Urbana Convention and Visitors Bureau for the completion of a needs analysis for hotel and convention space in Champaign-Urbana;
3. Further evaluate the site to define feasible and marketable uses in light of the needs analysis;
4. Coordinate planning with ongoing planning activities at the University of Illinois and Mercy Hospital;
5. Develop a general unitary site plan for development of the project area;
6. Market the site and available incentives;
7. Select one or more developers to develop all or a portion of the site, if phased development is preferred;
8. Enter into public-private agreements to develop the site according to agreed plans, including, but not limited to remaining site assembly, if any, public rights-of-way vacations, utilities relocation, land disposition, public and private improvements;
9. Issue obligations to implement the unitary site plan and agreement(s);
10. Complete phases;
11. Repeat steps, as needed, to complete project, if phased development is pursued.

Although it can be anticipated that some isolated and spotty rehabilitation and redevelopment may occur absent tax increment financing, such development cannot achieve the coordinated, efficient, and highest and best use of land which can be achieved using this technique. Uncoordinated efforts are not likely to overcome corridor-wide image problems, provide mutual benefit or result in sufficient land assembly to produce the tax base which can otherwise be derived

from the activities and combined resources recommended in this Redevelopment Plan.

With increment derived from Project 1, the City Council can take steps to implement remaining projects. Project 2, as described, will require additional study to determine market feasibility and final mix of uses. Projects may be initiated in any order depending on private sector interest, available increment, and other opportunities. The City may take steps to acquire necessary properties as they become available prior to actual commencement of projects.

A rehabilitation loan program will be established as soon as sufficient increment becomes available. Due to the size of the District, this program should be targeted to achieve specific objectives and demonstrate greatest impact.

AMENDING THE REDEVELOPMENT PLAN

Procedures for amending the Redevelopment Plan are set forth in the Tax Increment Allocation Redevelopment Act, as amended, Chapter 24, Paragraph 11-74.4-5, (Exhibit 1).

LIST OF EXHIBITS, PLATES, AND TABLES

- EXHIBIT 1 -- The Real Property Tax Increment Allocation Redevelopment Act
- EXHIBIT 2 -- Legal Description
-
- PLATE 1 -- Blighting Factors Block Summary
- PLATE 2 -- Building Conditions
- PLATE 3 -- Existing Storm Sewer Facilities
- PLATE 4 -- Existing Sanitary Sewer Facilities
- PLATE 5 -- Existing Water Facilities
- PLATE 6 -- Existing Land Use
- PLATE 7 -- Equalized Assessed Valuation 1985
- PLATE 8 -- General Land Use Plan
- PLATE 9 -- Land Acquisition/Disposition
-
- TABLE 1 -- Potential Private Redevelopment Projects Financial Summary

EXHIBIT 2

Legal Description

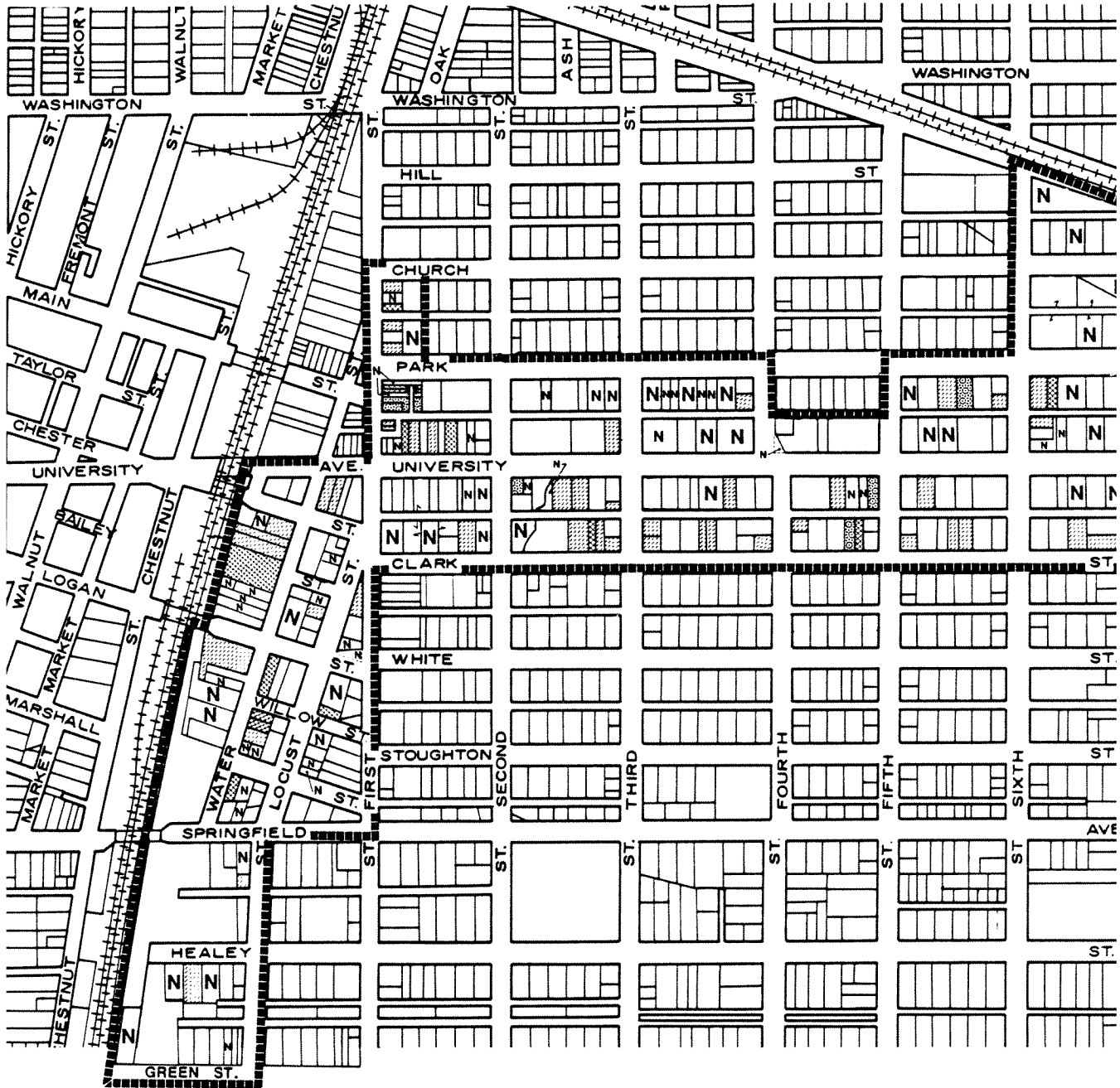
Beginning at the point of intersection of the West right-of-way line of First Street and the North right-of-way line of Church Street; thence East along the North right-of-way line of Church Street to its intersection with the East line of Lot 80 of Master and Chancery Subdivision of the North 1/2 of Lot 2 of Section 7 extended Northerly; thence South along the East line of Lots 80 and 83 of said Subdivision to its intersection with the North right-of-way line of Park Street; thence East along the North right-of-way line of Park Street to its intersection with the East right-of-way line of Fourth Street; thence South along the East right-of-way line of Fourth Street to its intersection with the North line of the East-West alley which lies between Fourth and Fifth Streets; thence East along the North line of said alley to its intersection with the West right-of-way line of Fifth Street; thence North along the West right-of-way line of Fifth Street to its intersection with the North right-of-way line of Park Street; thence East along the North right-of-way line of Park Street to its intersection with the West right-of-way line of Sixth Street; thence North along the West right-of-way line of Sixth Street to its intersection with the South right-of-way line of the Norfolk and Western Railroad; thence Southeastwardly along said railroad right-of-way to its intersection with the East Champaign Corporate Limits; thence South along said limits to the South right-of-way line of Clark Street; thence West along the South right-of-way line of Clark Street to its intersection with the East right-of-way line of First Street; thence South along the East right-of-way line of First Street to its intersection with the South right-of-way line of Springfield Avenue; thence West along the South right-of-way line of Springfield Avenue to its intersection with the East right-of-way line of Locust Street; thence South along the East right-of-way line of Locust Street to its intersection with the South right-of-way line of Green Street; thence West along the South right-of-way line of Green Street to its intersection with the East right-of-way line of the Illinois Central Gulf Railroad; thence Northeastwardly along the East right-of-way line of the Illinois Central Gulf Railroad to its intersection with the South right-of-way line of Logan Street; thence Eastwardly along the South right-of-way line of Logan Street to its intersection with the East right-of-way line of Oak Street; thence Northeastwardly along the East right-of-way line of Oak Street to its intersection with the North right-of-way line of University Avenue; thence East along the North right-of-way line of University Avenue to its intersection with the West right-of-way line of First Street; thence North along the West right-of-way line of First Street to its intersection with the North right-of-way line of Church Street, said intersection being the point of beginning, all within the City of Champaign, Illinois.

BLIGHTING FACTORS - BLOCK SUMMARY

Blighting Factors Present	Block Number																												% of Blocks Exhibiting Blighting Factors		
	229	231	303	304	308	312	329	334	336	337	338	351	355	359	376	380	384	487	488	489	490	491	492	493	494	495	496	497		498	499
¹ 50% or More of Buildings 35 years +		●	●	●	●	●	●	●	●	●	●	●	●		●	●		●	●	●	●	●	●		●	●	●	●			80
Dilapidation				●				●					●		●																13
Obsolescence		●	●	●	●	●	●	●	●	●	●	●	●		●	●		●	●	●	●	●	●		●	●	●	●			80
Deterioration			●	●							●		●		●				●					●	●	●		●			33
Structures Violating Code	●	●	●	●			●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	87
Excessive Vacancies			●	●				●				●	●	●	●	●	●		●		●			●		●		●			47
Excessive Land Coverage		●	●	●	●							●	●	●			●	●		●	●	●	●	●	●	●	●	●	●	●	67
Deleterious Land Use/Layout	●	●	●	●				●	●									●	●	●	●	●	●	●	●	●	●	●	●	●	63
Depreciation of Physical Maintenance	●	●	●	●	●	●	●	●	●		●	●	●	●	●	●	●		●	●	●		●	●	●	●	●	●	●		83
Lack of Community Planning	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	100
Total Number of Blighting Factors Present	4	6	8	9	4	4	4	6	5	4	5	6	8	5	7	5	5	5	7	6	7	5	6	7	7	8	5	7	4	3	

¹ The Statute requires that 50% or more of the structures in a conservation area be 35 years of age or older.

Symbols: Factor not present Factor present

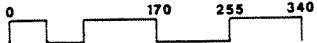



LEGEND

-  REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY
-  SOUND
-  MINOR REHABILITATION
-  MAJOR REHABILITATION
-  UNSOUND
-  NO STRUCTURE


**BUILDING CONDITIONS
 EAST UNIVERSITY AVENUE
 REDEVELOPMENT PROJECT AREA
 CHAMPAIGN, ILLINOIS**

approximate scale

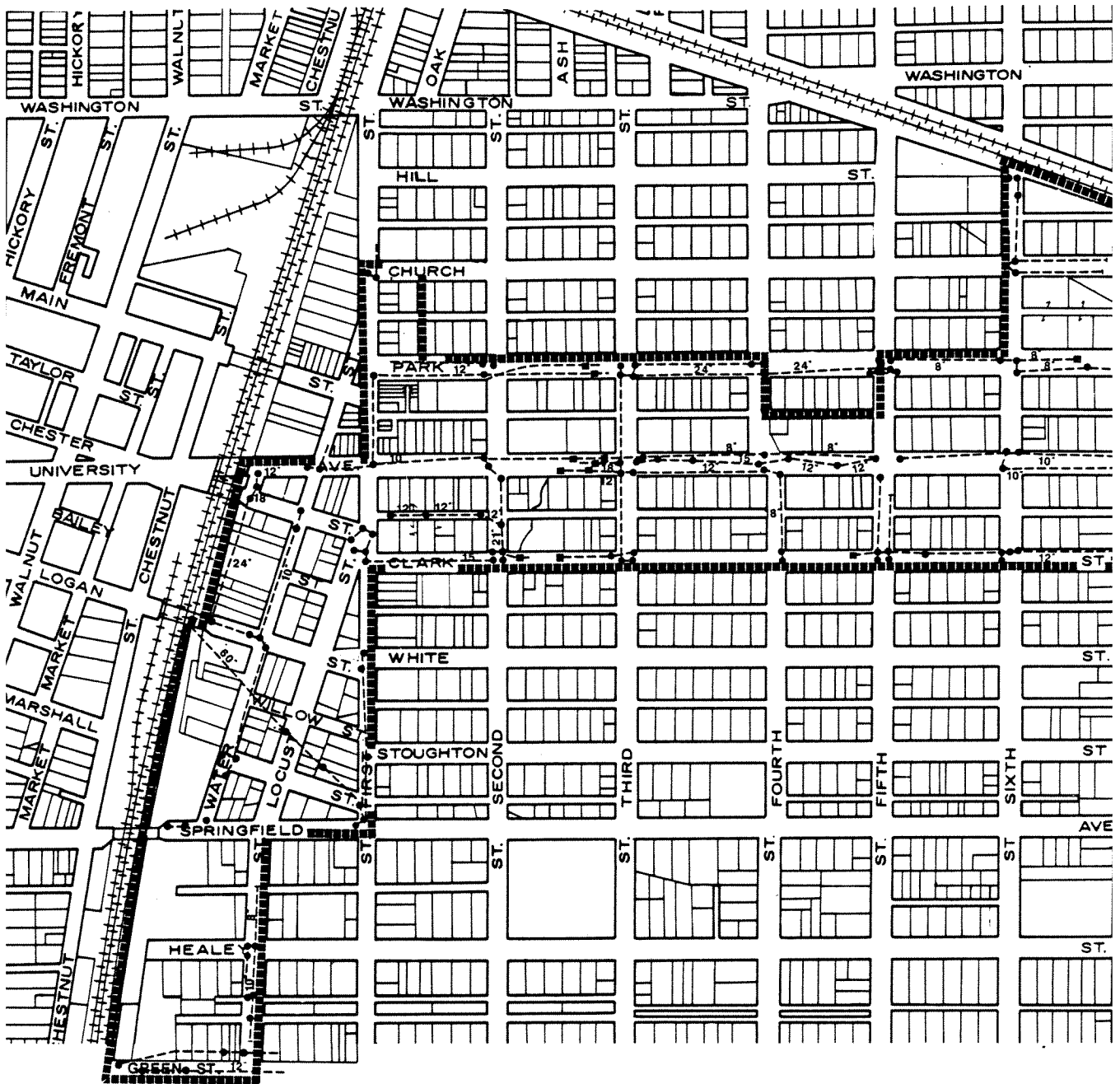








WVP CORPORATION
Engineers Architects Planners



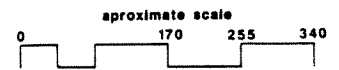
PLATE



LEGEND

-  REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY
-  STORM SEWER
-  STORMWATER INLETS
-  MANHOLES
-  10" PIPE SIZE

**EXISTING STORM SEWER FACILITIES
EAST UNIVERSITY AVENUE
REDEVELOPMENT PROJECT AREA
CHAMPAIGN, ILLINOIS**



WVP CORPORATION
Engineers Architects Planners

PLATE



LEGEND

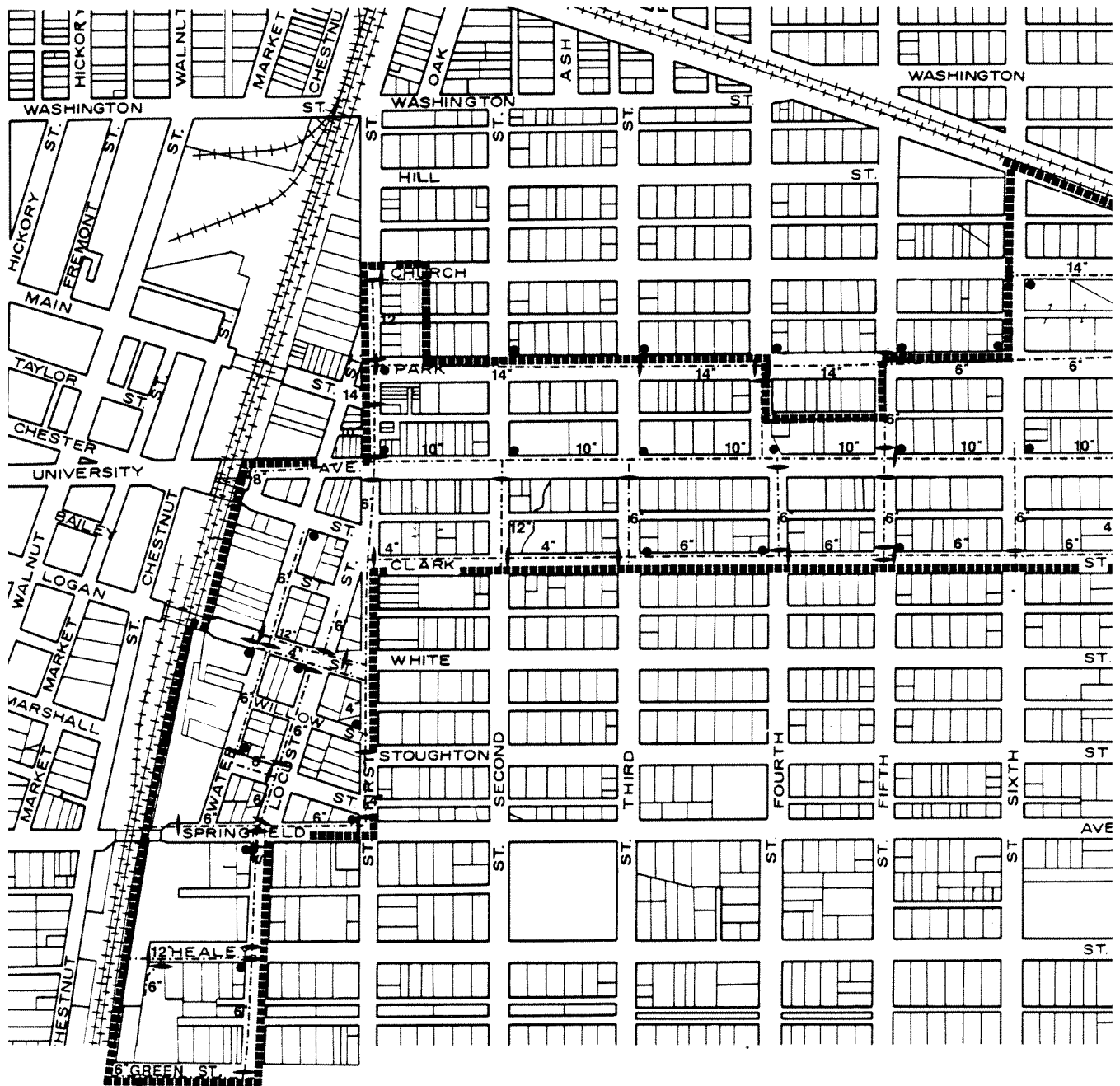
- REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY
- MANHOLES
- SANITARY SEWER
- 12" PIPE SIZE

**EXISTING SANITARY SEWER FACILITIES
EAST UNIVERSITY AVENUE
REDEVELOPMENT PROJECT AREA
CHAMPAIGN, ILLINOIS**

approximate scale

WVP CORPORATION
Engineers Architects Planners

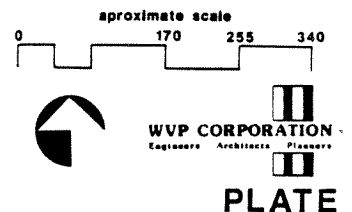
PLATE

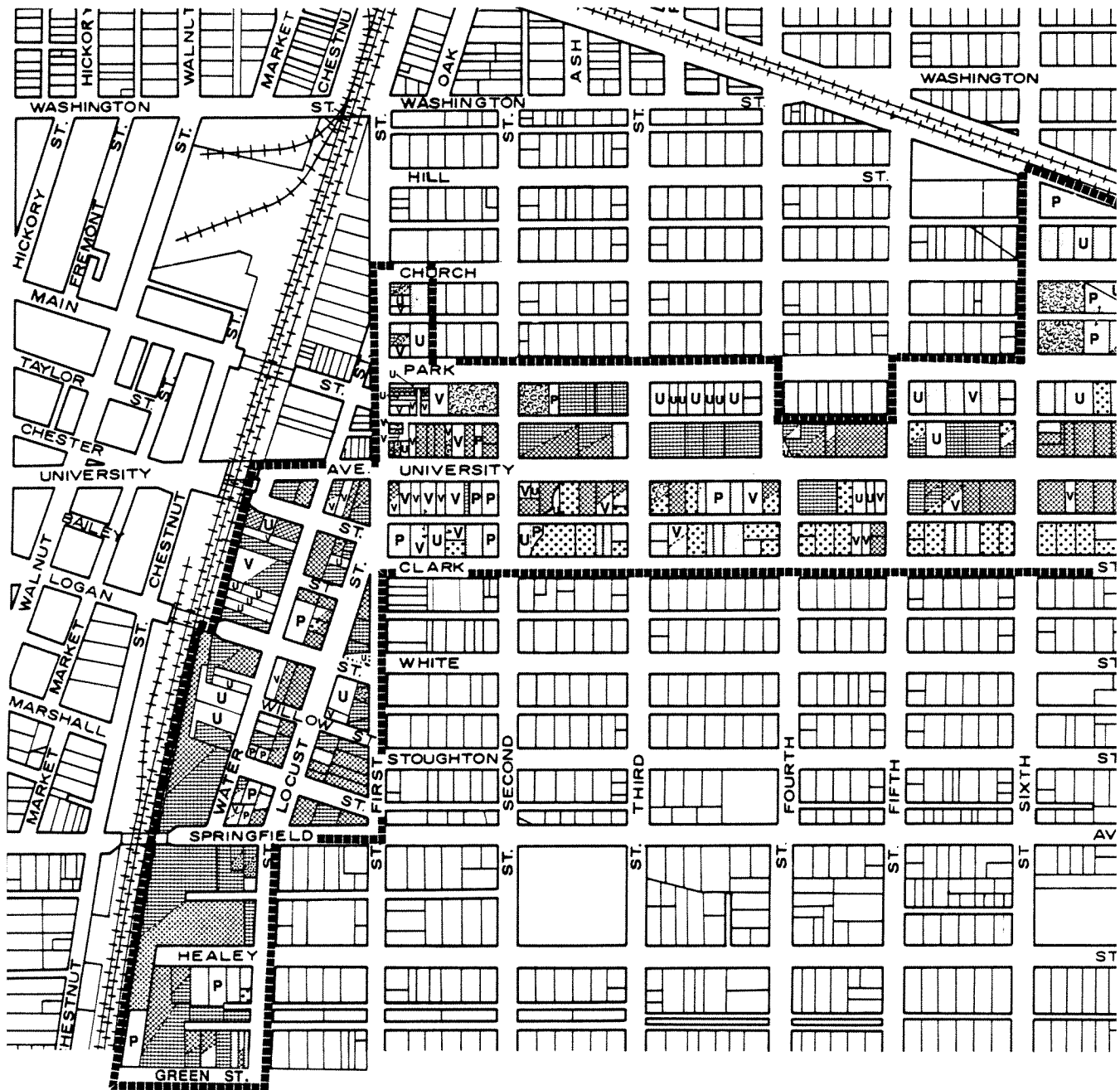


LEGEND










- REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY
- WATER MAIN
- WATER VALVES
- FIRE HYDRANTS
- 12" PIPE SIZES

**EXISTING WATER FACILITIES
 EAST UNIVERSITY AVENUE
 REDEVELOPMENT PROJECT AREA
 CHAMPAIGN, ILLINOIS**

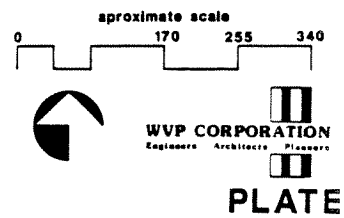




LEGEND

- | | | | | | |
|---|--|---|------------------|---|--------------------------------------|
|  | REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY |  | SERVICES |  | INSTITUTIONAL/
PUBLIC/SEMI-PUBLIC |
|  | SINGLE FAMILY RESIDENTIAL |  | VACANT BUILDING | | |
|  | MULTI-FAMILY RESIDENTIAL |  | PARKING | | |
|  | RETAIL/WHOLESALE |  | UNDEVELOPED LAND | | |

**EXISTING LAND USE
EAST UNIVERSITY AVENUE
REDEVELOPMENT PROJECT AREA
CHAMPAIGN, ILLINOIS**





LEGEND



BLOCK NUMBER

38,680

EQUALIZED ASSESSED VALUATION

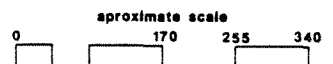


REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY

NOTE: R.P.A. TOTAL = \$5,692,430

EQUALIZED ASSESSED VALUATION 1985

**EAST UNIVERSITY AVENUE
REDEVELOPMENT PROJECT AREA
CHAMPAIGN, ILLINOIS**



WVP CORPORATION
Engineers Architects Planners

PLATE



LEGEND

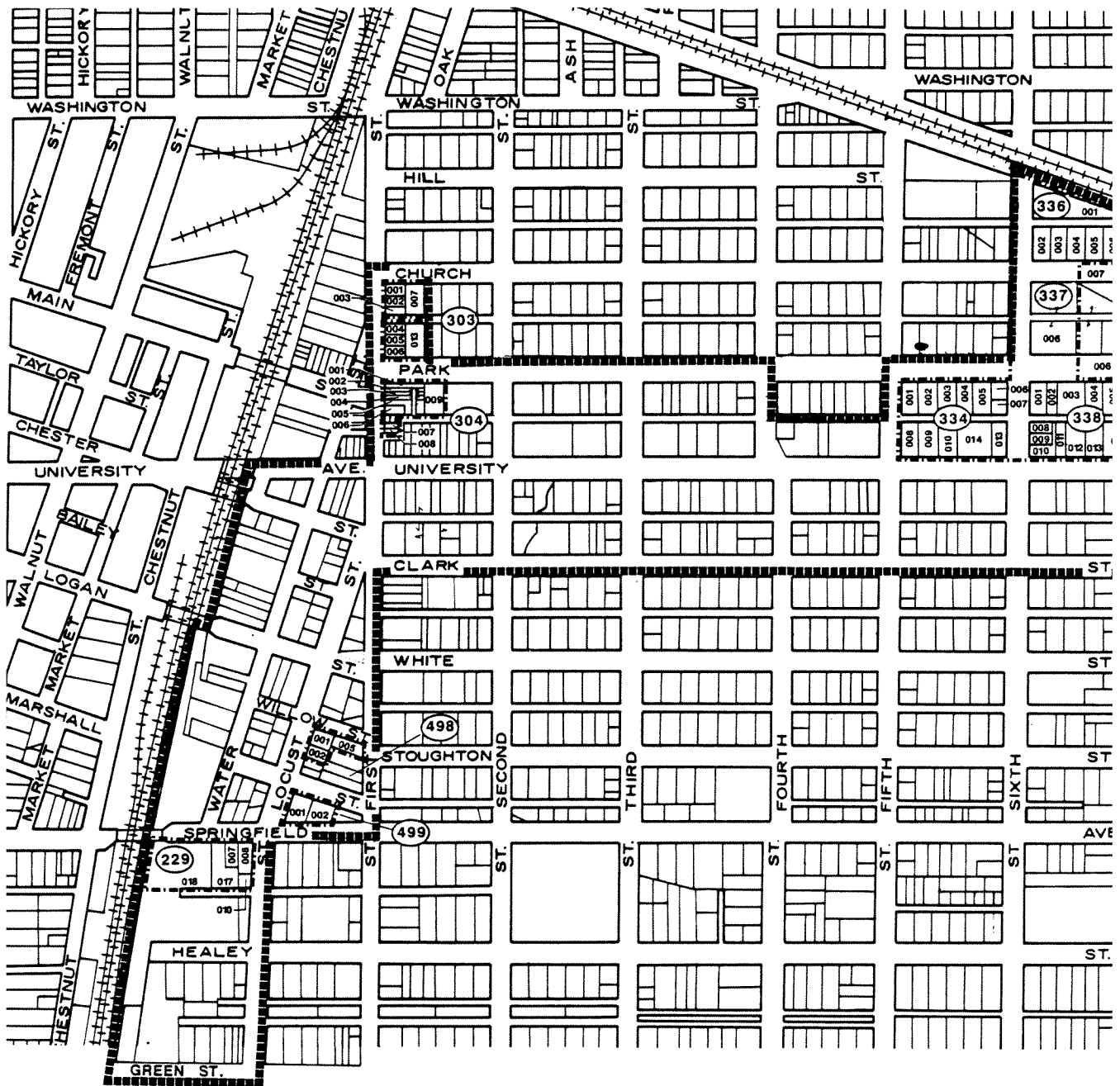
- REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY
 - RESIDENTIAL
 - INSTITUTIONAL/PUBLIC/SEMI-PUBLIC
 - COMMERCIAL
- MIXED USE/UNITARY PLAN
 - COMMERCIAL/LIGHT INDUSTRIAL
 - PRIVATE REDEVELOPMENT PROJECT AREA

**GENERAL LAND USE PLAN
EAST UNIVERSITY AVENUE
REDEVELOPMENT PROJECT AREA
CHAMPAIGN, ILLINOIS**

approximate scale

WVP CORPORATION
Engineers Architects Planners

PLATE



LEGEND

----- REDEVELOPMENT PROJECT AREA (R.P.A.) BOUNDARY

- - - - - ACQUISITION BOUNDARY LINE

⊙ 337 BLOCK NUMBERS

02 PARCEL NUMBERS

**LAND ACQUISITION / DISPOSITION
EAST UNIVERSITY AVENUE
REDEVELOPMENT PROJECT AREA
CHAMPAIGN, ILLINOIS**

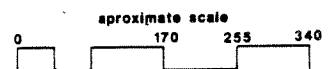


TABLE 1

EAST UNIVERSITY AVENUE TAX INCREMENT FINANCE DISTRICT

POTENTIAL PRIVATE REDEVELOPMENT PROJECTS

FINANCIAL SUMMARY

<u>Area</u>	<u>Proposed Use</u>	<u>Acquisition & Re- Location Costs¹</u>	<u>Engineering and Demolition Costs²</u>	<u>Disposition Income³</u>	<u>Annual Property Tax Increment⁴</u>	<u>Annual Sales Tax Increment⁵</u>	<u>Total Annual Increment⁶</u>
1	Hotel, Office/	2,255,000	616,000	2,800,000	757,000	384,000	1,141,000
2	First Street Commercial Center	505,000	216,000	296,000	11,000	43,000	54,000
3	Warehouse/Showroom/ Factory Outlet	N/A	N/A	N/A	8,000	42,000	50,000
4	Automotive and Restaurant Expansion	289,000	31,000	164,000	4,000	14,000	18,000
5	Commercial Center Expansion	283,000	96,000	392,000	38,000	450,000	488,000
TOTALS		3,332,000	959,000	3,652,000	818,000	933,000	1,751,000

¹ Acquisition costs based on fair market value exterior appraisal.

² Costs include utility relocations, street and structure demolition, reconstruction of any curb and gutter and cul-de-sac construction.

³ Disposition value based on fair market value appraisal.

⁴ Property tax increment based on construction cost of development and a tax rate of 7.2014.

⁵ Based on national market data for comparably sized cities and facilities. Annual sales tax increment is necessarily overstated because it does not reflect loss of sales tax from businesses displaced by new development. Individual sales tax receipts are confidentially reported to the Department of Revenue; only aggregate sales tax receipt information is

An Amendment to the

East University Avenue
Tax Increment District
Redevelopment Plan

City of Champaign
Planning Department
February 1996



Study Area Boundaries

EAST UNIVERSITY AVENUE TIF DISTRICT

Prepared by: City of Champaign Planning Department, 6/94



CREDITS

EAST SIDE PLANNING COMMITTEE

JoLynn Gower
Brian Knox
Frank Lipousky
John Meservey
Barbara Peckham
Mary Wojnar

CITY COUNCIL

Dannel McCollum, Mayor
June Mank, Deputy Mayor
Wend Gibson
Michael LaDue
Maggie Mattingly
J.W. Pirtle
Ed Ryan
Jerry Schweighart
Marty Smith

PLAN COMMISSION

Russell Dankert, Chair
Terol Bilbrey
Clif Carey
Robert Cochran
Pierantonio Faraci
Michael Markstahler
Patrick Moore

CHAMPAIGN PLANNING DEPARTMENT

Bruce Knight, Director
Ivy Lewis
Matthew Flynn
Kevin Phillips
Gale Price
J. Brian Moser
Rajesh Kamak
Cheryl Lewis
Marcia Meriedth
Karen Stonehouse, Project Manager
Anthony Traxler and Christine Newbold, Interns

Special Thanks to David Goldenbaum, Assistant Project Manager

EAST SIDE PLANNING PROCESS PARTICIPANTS

The following citizens attended East Side meetings, provided valuable comments and suggestions on the Plan, and generally made it possible for the East Side Plan and the TIF 2 Plan Update to reflect the wide variety of interests and viewpoints that exist in the East Side. We would like to extend a sincere "Thank you" to everyone who took the time to get involved!

Ernest Adam
Doug Baker
Nathaniel Banks
Carrie Banks
Al Bari
Michelle Bari
Doris Batts
Lula Brize
Mable Brown
Ron Bryant
Susan Bryant
Jo Burgard
Warren Burgard
David Burlingame
Morris Clarkson
Randy Cooper
Dan Crawmer
Barb Dallas
Andy Dallas
Clarence Davidson
Christopher DeSabitt
James Ellis
Susan Freiburg
Dave Frerichs
Council member Wend Gibson
Larry Gray
Mary Gray
James Gray
Lucy J. Gray
Rhonda R. Hall
G. T. Hardwick
Catherine Hogue
Ruth Jackson
Eddie Jackson

Leola Jackson
Carolyn Knox
Council member Michael LaDue
Deputy Police Chief Jim Luecking
Susan Martens
Sister Esther Mathews
Council member Maggie Mattingly
Bud Mesker
Thrifty Nickel
Rob Palmisano
Frances Paul
Chris Peters
Larry L. Peters
Jerry Ragle
Sister Mary Robert
Bob Rundus
Council member Ed Ryan
H. S. Sandhu
Marlin Snodgrass
Jim Spencer
Scott M. Swan
Richard Taylor
Ruby Taylor
Lillie M. Terry
Douglas S. Tiemann
Donald L. Wade
Edith A. Wade
Constane Warren
Bill Warren
Sheila West
Tom West
Sister Beverly A. Wilson
Cindy Wubbolding

TABLE OF CONTENTS

INTRODUCTION	6
EAST UNIVERSITY AVENUE TAX INCREMENT FINANCING DISTRICT AND ITS RELATIONSHIP TO THE EAST SIDE PLAN	6
PURPOSE OF THIS PLAN	6
BACKGROUND	6
BLIGHTING FACTOR AND REDEVELOPMENT PLAN FINDINGS	8
PLAN DEVELOPMENT	12
PARTICIPANTS AND ROLES	12
PLAN PROCESS	13
EXISTING CONDITIONS REPORT SUMMARY	15
USE OF THE EXISTING CONDITIONS REPORT	18
INTERRELATED NATURE OF GOALS, OBJECTIVES, AND ACTIONS	19
GOALS AND OBJECTIVES	20
ACTION PLAN SUMMARY	24
PAYMENT OF PROJECT COSTS	26
IMPACT ON TAXING DISTRICTS	26
POST-REDEVELOPMENT EAV ESTIMATE	27
COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AN AFFIRMATIVE ACTION PLAN	27

INTRODUCTION

EAST UNIVERSITY AVENUE TAX INCREMENT FINANCING DISTRICT AND ITS RELATIONSHIP TO THE EAST SIDE PLAN

The East University Avenue Tax Increment Financing (TIF) District was formed in 1986 to address blighting influences in the area. The TIF boundaries are shown on the map at the front of this document. In 1994, the Champaign City Council established as a high priority goal the creation of plans to spur development and redevelopment in the East University area. The East Side Study Area process started in June 1994 with the appointment of area representatives to form the East Side Planning Committee. **The intent of the East Side Plan is to provide direction for the future development of the East Side/East University Avenue TIF District as a healthy, thriving mixed-use district.** To do this, the Plan identifies a vision for the future in the form of agreed-upon goals and objectives for the area, and proposes a set of activities to achieve them. This Plan will be the blueprint for the East Side's future.

The East Side Study Area included all of the TIF District, plus the east side of First Street between Springfield Avenue and Clark Street. This Study Area was intended to address the changes in the TIF District since its formation, and update the goals and objectives of the existing East University Avenue Tax Increment Redevelopment Plan. The East Side Plan, with the exception of specific action recommendations, will be adopted as an amendment to the TIF Plan. The entire East Side Plan will be adopted as an element of the City's Comprehensive Plan.

BACKGROUND

The Tax Increment Redevelopment Act (65 Illinois Compiled Statutes 5/11-74) provides for the establishment of Tax Increment Financing Districts to reduce or eliminate blighting conditions, foster improvements, and enhance the tax base of every taxing district that covers the area. A Redevelopment Plan is required by the State, and identifies objectives, policies, redevelopment projects, activities, and costs necessary to fulfill this purpose.

The 1986 Redevelopment Plan recommended such private sector-led activities as development of a 400-room hotel, reuse of existing commercial structures, and provision of new parking facilities. Public improvements recommended in the Plan include land acquisition for site assembly, infrastructure repair and replacement, and development of open space areas. Most of the projects described in the Plan, heavily dependent on private enterprise for completion, never occurred. The City did construct some localized improvements, and has recently put into place a Redevelopment Incentive Program, which provides money for permanent building and site improvements. Some small scale redevelopment projects have occurred recently.

BLIGHTING FACTOR AND REDEVELOPMENT PLAN FINDINGS

The East University Avenue TIF District was defined as a conservation area in the 1986 Plan, and remains a conservation area in 1995. By statutory definition, conservation areas are "rapidly deteriorating and declining and may soon become blighted if their decline is not checked". At least 50% of the buildings within the conservation area must be 35 years of age or older, and the area must exhibit three or more of the following 14 blighting factors:

BLIGHTING FACTORS

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Illegal use of individual structures
5. Presence of structures below minimum code standards
6. Abandonment
7. Excessive vacancies
8. Overcrowding of structures and community facilities
9. Lack of ventilation, light, or sanitary facilities
10. Inadequate utilities
11. Excessive land coverage
12. Deleterious land use or layout
13. Depreciation of physical maintenance
14. Lack of community planning

Data used in the 1995 East Side Study Area Existing Conditions Report provided background information from which the following factors were evaluated.

Age

According to the 1990 Census report, 82 percent, or 173 of 212 buildings in the Redevelopment Project Area are over 35 years old.

Dilapidation and Deterioration

Building conditions used to classify this blighting factor include unsound, (i.e., decayed, deteriorated or in serious disrepair as a result of neglect or misuse) and requiring major rehabilitation, i.e., serious building faults in primary or secondary structural components. Fifteen (7 percent) of the 218 buildings in the Redevelopment Project Area were classified as deteriorated or dilapidated in 1995.

minor violations, i.e., unapproved garbage containers, tall weeds, missing address numbers, parking on unapproved surfaces, and/or one major violation, i.e., open garbage, stagnant water, and abandoned or inoperable vehicles.

FINDINGS

According to the State legislation enabling TIF Districts, in order to establish a Redevelopment Project Area or amend a Redevelopment Plan, the City must find that:

- 1. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of a Redevelopment Plan.**

The Redevelopment Project Area on the whole has not experienced growth and development through private investment. The little new construction and redevelopment that has occurred in the Area since its designation as a conservation area has generally occurred only as a result of City assistance through the Tax Increment Financing District revenues. Between the base year (1985) of the Tax Increment Financing District and the current year, (1995), the equalized assessed valuation (EAV) of the area increased by only \$2,055,860 - yielding an annual increase of .04, less than the value of inflation. By contrast, the EAV for the entire City increased from \$366,848,838 in 1985 to an estimated \$583,800,000 in 1995 - an annual increase of .06. [Source: City of Champaign Township Assessor's Office]

Most of the new development in the City over the last decade has been either commercial development on the City's north side, or new residential development to the south and west of the City. In the last few years, the City's TIF District #1, the Downtown area, has seen substantial redevelopment. This is in part due to active implementation of a Plan for the area and programs (including grant fund availability and capital improvement projects) which have spurred private investment in the area. However, the East University Avenue TIF District has seen very little private investment. There are no signs of this trend reversing without the active implementation of an updated Plan for the area; indeed, many inquiries are received by City Staff from people looking for assistance with potential projects. Without the continuation of the Redevelopment Project Area and the update of the Redevelopment Plan, this area can not reasonably be expected to redevelop.

- 2. The Redevelopment Plan and project conform to the Comprehensive Plan for the development of the municipality as a whole.**

The amendment to the East University Avenue Tax Increment District Redevelopment Plan has been derived from the East Side Plan, which will be adopted as an element of the Comprehensive Plan. The East Side Plan considers the broad goals and objectives of the Comprehensive Plan and applies them to the East Side/Redevelopment Area. In this respect, the East Side Plan, and hence

part of Park Street through the East Side. This is consistent with what is currently proposed. Some mixed commercial and residential currently exists along University Avenue. This mix of uses is acknowledged in the Comprehensive Plan.

- 3. The estimated date for completion of the redevelopment project and retirement of obligations incurred to finance redevelopment project costs shall not be more than 23 years from the adoption of the ordinance approving the Redevelopment Project Area.**

The estimated date for full implementation of the Redevelopment Plan is December 2009, less than 23 years from the date of adoption of the ordinance approving the Redevelopment Project Area. No obligations are expected to be issued, however, any obligations that may be incurred to finance redevelopment project costs will be retired on or before that date.

- 4. In the event that sales tax incremental revenues are used,**
 - a. The Redevelopment Project Area would not reasonably be developed without the use of such incremental revenues, and**
 - b. Such incremental revenues will be exclusively utilized for the development of the Redevelopment Project Area.**

State and local sales tax increments are needed to help fund the projects which will further the objectives of the Redevelopment Plan. Significant replacement and repair of public infrastructure is one of the largest costs that will be incurred. Annual sales tax increment constitutes 25 percent of the total increment as of 1995; without this increment, many of the programmed activities will be without a funding source. The sales tax incremental revenues will be used only for project costs related to the Redevelopment Project Area.

PLAN PROCESS

Five major steps were involved in the process used to develop the East Side Plan/TIF 2 Plan amendment:

Plan for Planning

This initial step in the process included drafting the mission of the study, deciding on boundaries, identifying participants and appointing the East Side Planning Committee (all interested persons were included on the Committee), deciding on roles each participant group should play in the formation of the Plan, and developing a detailed schedule of activities and meetings. **Input included:** A meeting with residents and property and business owners to introduce the planning process, and memoranda to the Plan Commission and City Council.

Analysis of Existing Conditions

This step involved extensive field surveys and data gathering to find out as much about the background and current conditions of the East Side/TIF 2 District as possible. The purpose of this part of the process is to become familiar with the area and understand what exists before proposing changes. The following information was gathered and assembled into the East Side Existing Conditions Report: History of the area, business survey results, land use and zoning patterns, population characteristics, property characteristics (such as property values and building conditions), public infrastructure conditions (including sidewalks, streets, sewers, etc.), Boneyard Creek issues, and public safety data. The East Side Planning Committee reviewed the draft Report and made recommendations for its improvement. The result is a snapshot of the East Side (which closely parallels the TIF boundaries) as of 1994. **Input included:** A public input meeting and presentation of the Existing Conditions Report results to the Plan Commission. The City Council received a memorandum describing the content of the Report.

Identification of Goals and Objectives

During this step of the process, the Planning Committee held numerous sessions in which it identified the most important issues and concerns facing the East Side, and translated these issues into goals - broad statements of intent describing ways the area can be improved. There are five major goals for the East Side, in the areas of Communication, Appearance/Functionality, Public Safety, Circulation, and Economic Development. Goals were based on comments heard at previous public input meetings and the East Side Existing Conditions Report, which included a survey of East Side businesses conducted by the East Side Merchants Association (ESMA).

After goals were identified, the Planning Committee added detail by creating objectives. Objectives bring goals one step closer to action; while goals are general statements, the objectives are more specific about what accomplishments are desired.

EXISTING CONDITIONS REPORT SUMMARY

The East Side Existing Conditions Report, a background document to this Plan Amendment, was developed in 1994 and printed in 1995. The Report presented a comprehensive view of the current physical, social, and economic conditions in the East Side Area. **The data in the Report also applies to the TIF 2 District; only about 10 parcels are included in the East Side that are not within TIF District boundaries.** This information has been assembled from the Census Report of 1990 and field surveys from 1994 to provide the necessary background to identify goals, objectives, and actions to promote the revitalization of the East Side.

Background

- Historically, the East Side has played an important role in the prosperity of Champaign.
- Lively commercial and residential areas, which characterized this area for many years, dwindled somewhat as the City grew in other directions.
- A Tax Increment Financing District (TIF2) was created in 1986 in an attempt to address blighting, and disinvestment. Some rehabilitation and infrastructure improvement has occurred, but local residents, property, and business owners are interested in expanding these efforts.

Business Survey Results

- Major issues raised in a 1994 East Side Merchant's Association survey of businesses included changing the overall perception of the area, addressing crime, and making more low interest loans and grants available.
- Other issues noted improving infrastructure and aesthetics, and the development of an implementation plan for funds that have been generated by the TIF District.

Land Use and Zoning

- There are 12 different primary land uses in the East Side: commercial, service, office, single and multi family, manufacturing, non-manufacturing/storage, quasi-public, utilities-communication, parking lots, vacant lots, and open space.
- Of these 12 different primary land uses in the East Side, commercial and service uses prevail, occupying 39% of the total land area. Single and multi-family residential uses, when combined, rank second in total land area, followed closely by vacant lots and parking lots. All other land uses account for only 13% of land area.
- There are six zoning districts in the East Side: medium density single family, medium and high density multi family, general and intensive business, and light and heavy industrial districts.

- Alleys in this area are generally in poor condition and often experience heavy traffic which perpetuates their deteriorated condition.
- Although most of the study area has sidewalks, many are substandard and in poor condition.
- All of the study area has street lights, most of which are owned by the City.
- There are many fully grown trees of various species within the parkway (the area between the street and sidewalk) in the study area.
- All four signalized intersections in the East Side have been identified as needing improvement. Intersection design studies are needed for the intersections on University, at First and Fourth Streets. The intersections of University Avenue and Wright Street and Springfield Avenue and First Street are under the jurisdiction of the State of Illinois.

Boneyard Creek

- The Lower Boneyard Creek enters the study area near Park and Second Streets, and exits at Clark and Second Streets.
- Problems with the Lower Boneyard include flooding, poor water quality, inadequate maintenance, building encroachments into the floodway, and lack of detention.
- An improvement plan for the Lower Boneyard Creek, which will address the above problems, is still in the developmental stages at the City of Champaign. Implementation of this plan will likely affect parts of the study area.

Public Safety

- Fear of crime in the study area is higher than average when compared to the City-wide index.
- Crime data compiled from 1989 through 1994 indicated that vehicular burglary and assault and battery were, by far, the most common crimes committed in and around the study area. Between 1978 and 1994, arson has increased, while accidentally caused fires have decreased in the study area.

USE OF THE EAST SIDE EXISTING CONDITIONS REPORT

The Existing Conditions Report identifies the major issues facing the East Side and the Redevelopment Area. These issues were derived from the results of the business survey and field data collection in the area, as well as extensive input from meeting attendees and the Planning Committee. Five major "issue areas" were found to be prominent during the existing conditions phase of the planning process.

GOALS AND OBJECTIVES FOR THE EAST SIDE

The following goals and objectives are subject to revision as this document is reviewed by citizens, taxing district representatives, City Staff, and members of the Plan Commission and the City Council.

Goal 1. PROMOTE COMMUNICATION AND ORGANIZATION among East Side businesses, property owners, residents, and other groups.

Explanation: Because the East Side is a large (54 acre) and very diverse area in terms of types of businesses and residences, the paths of the people who live, work, and do business in the East Side may not cross frequently enough to allow much day-to-day interaction. Communication among people promotes information sharing, which is considered essential to the achievement of all the goals for the East Side. Promoting a sense of community and partnership by organizing, informing, and motivating people and groups concerned with the East Side is the essence of this goal.

Objectives:

- (a) Work to inform the community about the East Side.
- (b) Create viable business/neighborhood watch areas and other groups as needed to facilitate communication and partnerships.
- (c) Actively recruit more business people, residents, and other interested parties into the East Side Merchants Association.

Goal 2. Improve the APPEARANCE AND FUNCTIONALITY of the East Side.

Explanation: One of the themes that ran through the existing conditions process was how the East Side looks and functions. This goal is intended to promote those improvements on which visitors' perceptions are based; completing recommended actions within this goal will show people that the East Side is cared about. A primary example is the condition of the infrastructure (roads and alleys, traffic signals, sidewalks, trees, sewers, etc.). Many of the infrastructure elements are aging, which generally affects both appearance and efficiency. For instance, unused curb cuts along University Avenue and elsewhere in the East Side are unattractive and can also pose traffic safety hazards. Opportunities exist for a cohesive streetscape design which could improve the appearance and functioning of the area. Private property maintenance and improvement is also at the heart of the appearance and functionality issue. Upgraded building stock promotes good use of space and tends to improve the appearance of the area as well. Collectively, public and private property make up the identity of the East Side, which can be strengthened and enhanced.

traffic. This multitude of circulation-related issues prompted the East Side Planning Committee to develop a goal statement addressing this topic.

Objectives:

- (a) Promote improvements to major intersections to improve traffic safety and circulation.
- (b) Address alley traffic problems.
- (c) Improve the flow of all modes of traffic.
- (d) Identify and address parking needs.

Goal 5. Promote the East Side's ECONOMIC DEVELOPMENT.

Explanation: The input received throughout the data collection phase often included interest in expanding the number and types of businesses in the area. There were many requests for assistance programs to allow property owners to improve buildings and expand or start new businesses. Vacant parcels, especially along University Avenue, have tremendous potential for development, as do many second floor spaces and warehouse buildings in the area. This issue focuses on creating and acting on opportunities for development and redevelopment, working with many groups and agencies in the twin cities that are equipped with resources to assist.

Objectives:

- (a) Attract new business development and redevelopment to the East Side.
- (b) Work with existing agencies and form new groups as needed to create and act on opportunities for development and redevelopment.
- (c) Investigate changes to existing zoning necessary to facilitate appropriate new development.
- (d) Create assistance programs to encourage creation and expansion of businesses.

ACTION PLAN SUMMARY

The following summary provides examples of projects recommended for implementation in connection with the amendment to the Redevelopment Plan. As noted above, a complete list of specific projects will be developed as a separate document; this summary is to lay out the types of projects to be funded from the TIF #2 District Fund. This summary is organized according to furtherance of the goals for the Redevelopment Project Area.

Promote Communication and Organization among East Side businesses, property owners, residents, and other groups.

Projects/actions recommended in the Redevelopment Plan amendment that are related to the furtherance of this goal include: Organization-building activities, including recruitment of members and assistance with formalization (by-laws, incorporation); promotion of partnerships among existing organizations; and use of communications tools like newsletters and business watch district formation.

Project costs are expected to be small relative to overall Redevelopment Plan implementation. Costs will include City Staff time to assist a fledgling business organization; some training materials; and creation, printing, and distribution of communication media. Since these actions are service-oriented rather than capital improvement oriented, costs for time spent will be the major expenditures. The costs of these actions should not be more than \$30,000-50,000 per year. No obligations are expected to be issued.

Improve the Appearance and Functionality of the East Side.

Projects/actions related to this goal include: corridor improvements, such as signage, tree plantings, curb cut removal, and flower islands; public infrastructure improvements, including sidewalk, street, sanitary and storm sewer, alley, and/or lighting repair and replacement; and private property improvement, which may entail loan or grant programs, neighborhood clean-up events, and recognition efforts.

These actions will require the most expenditures of any in the Redevelopment Plan amendment. Many of them were also recommended by the original East University Avenue Tax Increment District Redevelopment Plan, but were never acted upon. Corridor improvements, depending on the scope of the project that is formulated, will include expenditures of at least \$100,000 per year for the next few years. The first of these improvements will be the creation of a mini-park/East University Avenue corridor entrance at the eastern border of the District; a contract with the Champaign Park District in the amount of \$25,000 has already been executed. It is anticipated that a cooperative arrangement will be developed with the Champaign County Design and Conservation Association to prepare a detailed plan for the rest of the major corridors in the Redevelopment Project Area.

Improve Circulation within and through the East Side.

Actions related to this goal are primarily communication-oriented, or involve changes in City regulations which are to be undertaken in connection with the rewrite of the City's Zoning Ordinance (for example, a requirement to screen new parking lots). Also included under the Circulation heading are several studies to determine whether the area's parking and circulation patterns are adequate, and possibly, pursuit of an urban trail segment along the portion of the Boneyard Creek that runs through the East University area.

The only costs anticipated at this time are those for studying the parking and circulation patterns. If these can be done by City Staff, costs will be minimal - Staff time and some printing costs, probably less than \$50,000 total, can be anticipated. If existing Staff can not complete these studies, a Request for Proposals will be developed and a competitive process undertaken to hire a qualified individual or company.

Promote the East Side's Economic Development.

Like the Communication and Organization goal, most of the project costs relating to this goal are service-oriented, i.e. Staff time is likely to be the major cost incurred. Actions include marketing programs, informational packets for interested businesses and individuals, and a possible business incubator; policy clarification to bring the City's policies together as they relate to the Redevelopment Project Area; and review of the area's zoning to ensure that it encourages the best possible development of the area.

Costs to prepare marketing information to retain and recruit businesses may include some assistance from staff at organizations other than City government; for example, the Economic Partnership may be able to provide examples of other communities' brochures. The TIF Fund will be expected to help pay for printing and distribution costs for such materials. This expense should be minimal in the first couple years - less than \$10,000 is expected to be spent. Costs for Staff time incurred will depend on Staff availability.

PAYMENT OF PROJECT COSTS

All project costs are anticipated to be paid by the Tax Increment Financing District #2 Fund.

IMPACT ON TAXING DISTRICTS

The State legislation describing a Redevelopment Plan Amendment requires that the amendment set forth "an assessment of any financial impact of the redevelopment project area on any increased demand for services from any taxing district affected by the Plan and any program to address such financial impact or increased demand". Nine taxing districts are affected