

WHEATON MAIN STREET REDEVELOPMENT AREA PROJECT AND PLAN

City of Wheaton, Illinois

November, 1999
As Amended January 2, 2002
As Amended September 7, 2004
As Amended February 7, 2005

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INTRODUCTION

In 1993, the City of Wheaton established the first Tax Increment Financing (TIF) district in downtown Wheaton. Intended to arrest conditions of decline in the historic heart of the City, the TIF district spurred redevelopment on two primary redevelopment sites. As a result of these mixed use developments, an urban village is emerging in conjunction with the Metra commuter train station.

However, the properties surrounding the first TIF district are still subject to decline. While the age and character of many buildings in downtown makes the area physically attractive, there are offsetting problems with physical maintenance and obsolescence. The 1998 Comprehensive Plan Update for the City of Wheaton recognized the need for rehabilitation and re-use of existing buildings. A second TIF district was recommended as an implementation tool for the revitalization objectives identified in the 1998 Update.

In accordance with Wheaton's economic development goals, upgrading public improvements and offering other incentives will be required to encourage the type of private investment that will allow the City to achieve its objectives for the downtown area. Tax increment financing is a mechanism by which public improvements and incentives can be funded to achieve the desired planning objectives. Tax increment financing can be used to make the downtown feasible for redevelopment by eliminating the conditions which inhibit private investment, weaken the City's tax base, affect the safety of community residents, and hinder the City's ability to promote a cohesive development of compatible land uses.

On December 6, 1999, the City of Wheaton, by Ordinance No. F-0418, approved a tax increment redevelopment plan and project, and by Ordinance No. F-0419, designated the City of Wheaton Main Street Redevelopment Project Area (the "Project Area"). The plan approved by Ordinance No. F-0418 contained certain revisions to a previous draft which were made subsequent to the notice and the public hearing regarding the Project Area. Such changes did not alter the exterior boundaries of the Project Area, did not substantially affect the general land use established in the plan or substantially change the nature of the Project. This plan was amended in 2002, and consisted of the terms contained in the November 1999 plan approved by Ordinance No. F-0418, including the revisions made subsequent to the notice and the public hearing, and certain other changes which were the subject of a public hearing held on December 10, 2001, pursuant to the Tax Increment Allocation Redevelopment Act 65 ILCS 5/11-74.4-1, et. seq. (the "Act"). The second amendment included additional changes which were the subject of a public hearing held on August 23, 2004, pursuant to the Act and approved by City Ordinance No. F-0941. This third amendment includes changes to project costs and associated final values that were the subject of a January 24, 2005 public hearing pursuant to the Act. This amended plan shall be referred to herein as the "Redevelopment Plan" or "Plan".

REDEVELOPMENT PROJECT AREA DESCRIPTION

The Project Area consists of a portion of the downtown area both north and south of the railroad tracks (see Exhibit 1). Bounded roughly by Wesley Street on the north, Washington Street on the east, Illinois Street on the south, and Hale Street on the west, the Project Area contains 133 parcels on 17 blocks. The Metra commuter rail line bisects the district in an east-west direction. The total area is approximately 40 acres.

Most of the properties in the district contain commercial uses (see Exhibit 2). Ground floor retail with office or apartments above is particularly prevalent. Large financial institutions, a grocery store, cultural and entertainment uses constitute the other major uses.

As detailed in the Appendix to this report, the Project Area is eligible for designation as a conservation area, due to the predominance and extent of the following blighting factors: age, deterioration, depreciation of physical maintenance, obsolescence, presence of structures below minimum code standards, excessive vacancies, and excessive coverage.

The legal description of the Project Area boundary is as follows:

THAT PART OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF WESLEY STREET WITH THE WEST LINE OF WASHINGTON STREET; THENCE SOUTH ALONG SAID WEST LINE TO THE NORTHERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE SOUTHWESTERLY ALONG SAID NORTHERLY LINE TO THE EAST LINE OF CROSS STREET; THENCE SOUTH ALONG SAID EAST LINE TO THE NORTH LINE OF WILLOW AVENUE; THENCE SOUTHWESTERLY TO THE NORTHEASTERN CORNER OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-324-008; THENCE SOUTH ALONG THE EAST LINE OF SAID PROPERTY AND SAID EAST LINE EXTENDED SOUTH TO THE SOUTH LINE OF ILLINOIS STREET; THENCE WEST ALONG SAID SOUTH LINE TO THE WEST LINE OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-323-024 EXTENDED SOUTH; THENCE NORTH ALONG SAID WEST LINE EXTENDED SOUTH AND SAID WEST LINE TO THE SOUTH LINE OF THE EAST AND WEST PUBLIC ALLEY IN BLOCK 323; THENCE WEST ALONG SAID SOUTH LINE AND SAID SOUTH LINE EXTENDED WEST TO THE WEST LINE OF HALE STREET; THENCE NORTH ALONG SAID WEST LINE TO THE SOUTH LINE OF WILLOW AVENUE; THENCE WEST ALONG SAID SOUTH LINE TO THE WEST LINE EXTENDED SOUTH OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-314-021; THENCE NORTH ALONG SAID WEST LINE EXTENDED SOUTH AND EXTENDED NORTH TO THE NORTH LINE OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-314-009; THENCE EAST ALONG SAID NORTH LINE TO THE WEST LINE OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-314-008; THENCE NORTH ALONG SAID WEST LINE TO THE SOUTH LINE OF LIBERTY DRIVE; THENCE EAST ALONG SAID SOUTH LINE TO THE WEST LINE OF HALE STREET; THENCE NORTH ALONG SAID WEST LINE TO THE NORTHERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE WEST ALONG SAID NORTHERLY LINE TO THE WEST LINE OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-307-005; THENCE NORTH ALONG SAID WEST LINE AND SAID WEST LINE EXTENDED NORTH TO THE NORTH LINE OF FRONT STREET; THENCE EAST ALONG SAID NORTH LINE TO THE WEST LINE OF HALE STREET; THENCE NORTH ALONG SAID WEST LINE TO THE SOUTH LINE OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-301-029; THENCE WEST ALONG SAID SOUTH LINE TO THE WEST LINE OF SAID PROPERTY; THENCE NORTH ALONG SAID WEST LINE AND SAID WEST LINE EXTENDED NORTH TO THE SOUTH LINE OF WESLEY STREET; THENCE EAST ALONG SAID SOUTH LINE TO THE EAST LINE OF HALE STREET; THENCE NORTH ALONG SAID EAST LINE TO THE NORTH LINE OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-133-006; THENCE EAST ALONG SAID NORTH LINE AND SAID NORTH LINE EXTENDED EAST TO THE EAST LINE OF THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-133-009; THENCE SOUTH ALONG SAID EAST LINE TO THE NORTH LINE OF

THE PROPERTY HAVING A PERMANENT INDEX NUMBER 05-16-133-010; THENCE EAST ALONG SAID NORTH LINE AND SAID NORTH LINE EXTENDED EAST TO THE EAST LINE OF MAIN STREET; THENCE SOUTH ALONG SAID EAST LINE TO THE NORTH LINE OF WESLEY STREET; THENCE EAST ALONG SAID NORTH LINE TO THE POINT OF BEGINNING, ALL IN DUPAGE COUNTY, ILLINOIS.

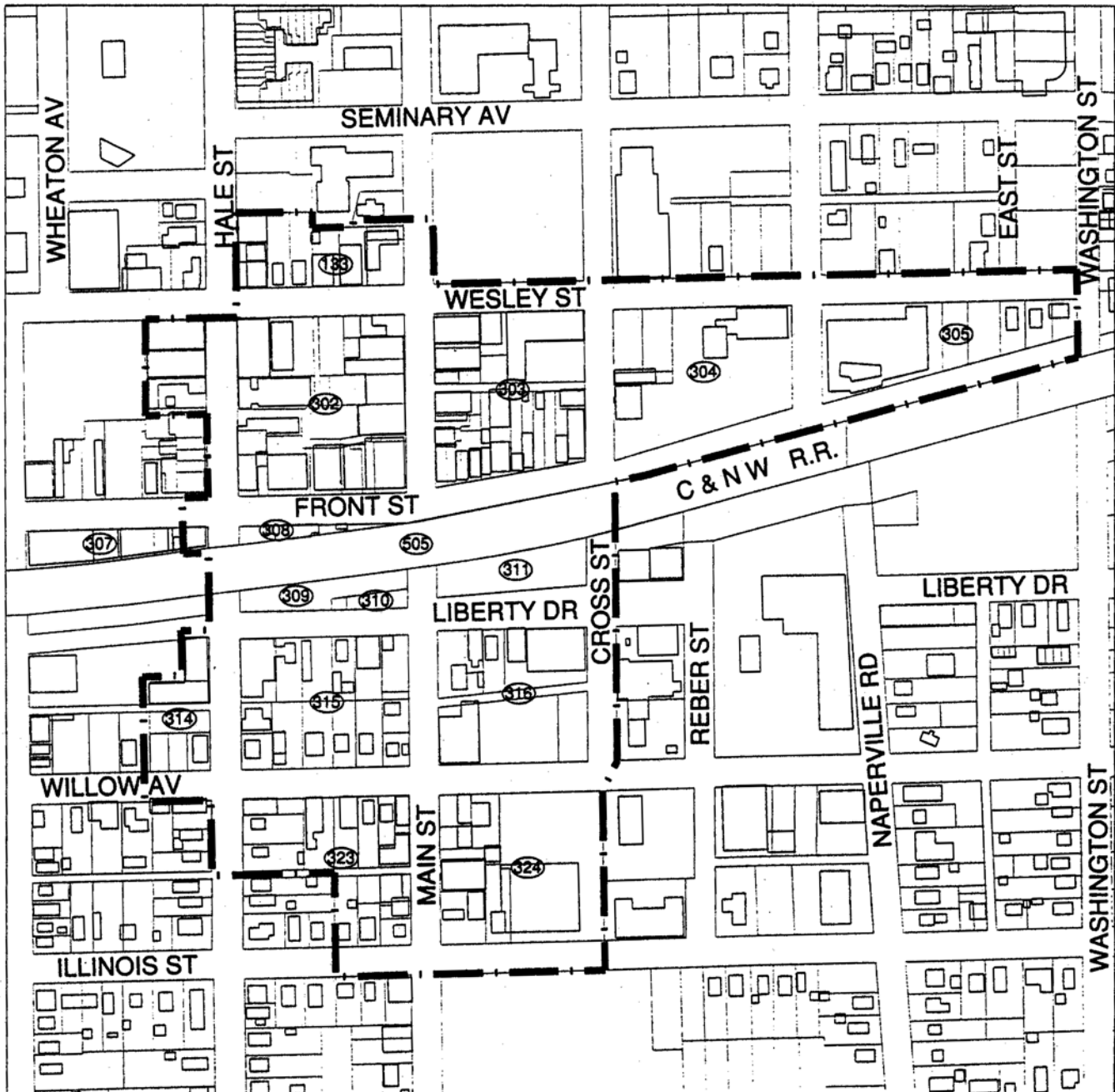
Project Area

Exhibit 1




Main Street Redevelopment Project

Downtown Wheaton

0 175' 350'



LEGEND

-  Existing Building
-  TIF 2 Redevelopment Area Boundary
-  Block Number



**TESKA
ASSOCIATES
INC.**

627 Grove Street
Evanston, Illinois 60201
847.869.2015

August 12, 1999

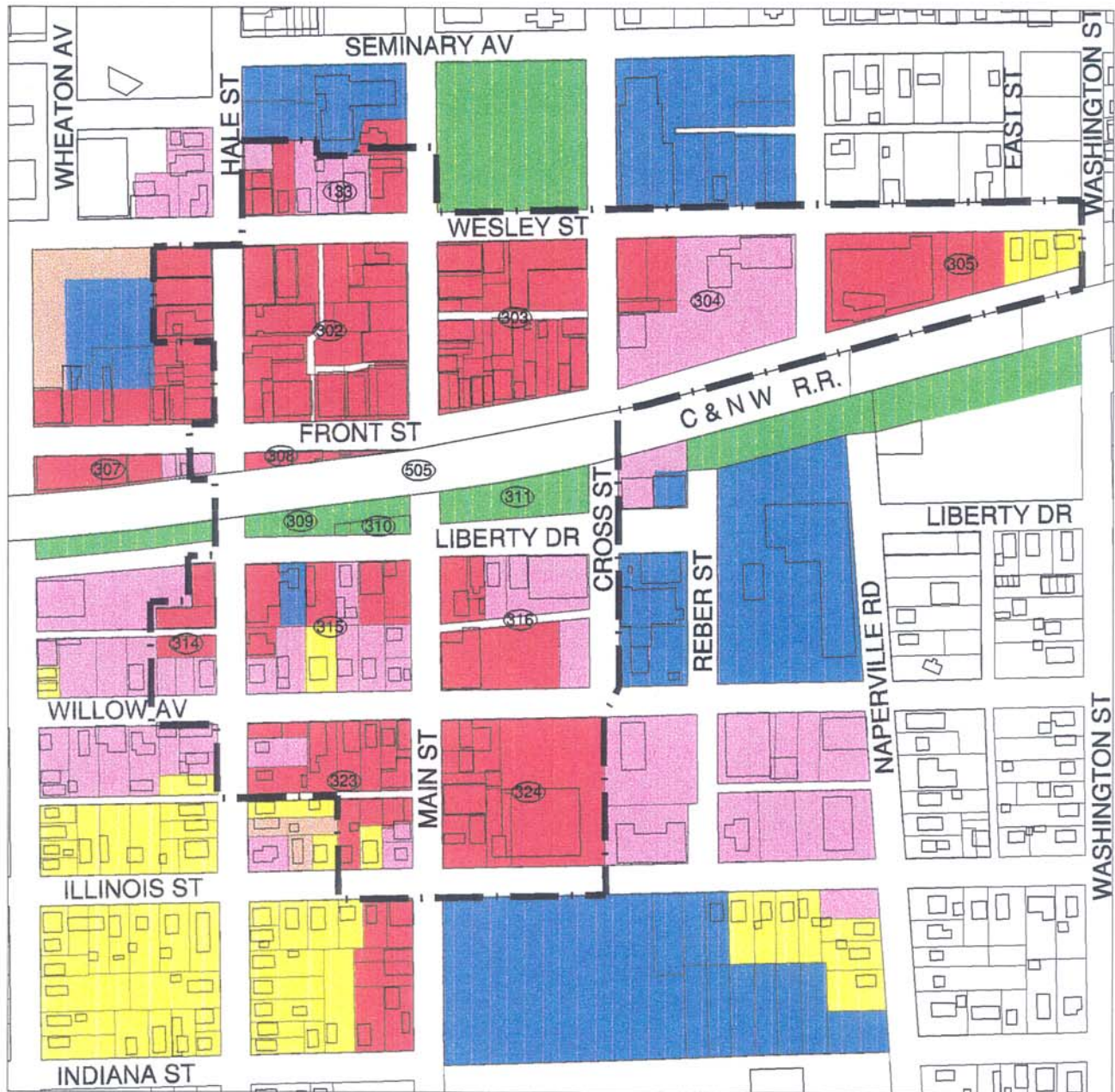
Existing Land Use

Exhibit 2

Main Street Redevelopment Project

Downtown Wheaton

0 175' 350'



LEGEND

- | | | |
|-----------------------------------|---------------------|---------------|
| Existing Building | Single Family Res. | Institutional |
| TIF 2 Redevelopment Area Boundary | Medium Density Res. | Public Use |
| Block Number | Commercial | Office |



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ASSOCIATES
INC.**

627 Grove Street
Evanston, Illinois 60201
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August 12, 1999

REDEVELOPMENT PLAN

Purpose of the Redevelopment Plan

Pursuant to the Act, the purpose of a Redevelopment Plan for a Project Area is to promote the health, safety, morals, and welfare of the general public by:

1. Eradicating blighting conditions and instituting conservation measures;
2. Removing and alleviating adverse conditions by encouraging private investment of underutilized and vacant properties which will strengthen the economy, tax base, business environment, and living environment;
3. Improving existing public utilities within the area; and
4. Enhancing the overall quality of the City of Wheaton.

Overall Development Plan Goals

These overall goals and objectives are intended to guide redevelopment decisions within the Redevelopment Project Area. These goals and objectives have been adapted from those established in the 1998 Comprehensive Plan Update which are applicable to the Project Area.

Neighborhood Character

Goal: To ensure that existing and new developments reflect the high quality character of the City.

Objectives:

1. Establish standards to minimize land use conflicts between different land use types.
2. Control or limit access to non-residential uses from residential neighborhood streets.
3. Enhance the character of commercial areas.
4. Prepare commercial corridor improvement plans that establish streetscape and facade design elements that can unify the image of public and private properties.
5. Identify responsibilities for making corridor improvements and funding sources.
6. Protect natural resources that contribute to the City's character.
7. Ensure that the design of all new development minimizes disturbance to natural drainage patterns, soil stability and the natural landscape; prevents obstructions which impede the flow of flood waters or causes an increase in predicted flood elevations; and, reduces the ability of the land to absorb rainfall.
8. Identify historic structures worthy of special designation and protection.

Housing

Goal: Maintain and expand the range of quality housing available to all residents of Wheaton.

Objectives:

1. Maintain Wheaton's housing stock at an acceptable level of repair and upkeep.
2. Enforce uniform building and property maintenance codes.
3. Include all housing in a code compliance program in order to protect the quality of the housing stock and guard against deterioration due to age of housing and deferred maintenance.
4. Explore modification of building codes to reduce housing costs.
5. Sustain the diversity of the housing supply as to types and cost of dwellings.
6. Explore participation in state and federal housing programs which provide rehabilitation services and rental for low and moderate-income families.
7. Explore housing options for senior citizens, "empty nesters," and young families for all income levels.
8. Evaluate barriers that may exist which limit the market from responding to housing needs in Wheaton.
9. Guide the natural growth, change and renewal of residential neighborhoods.
10. Preserve the quality and integrity of residential areas through devices such as zoning, code enforcement and landmark designation.
11. Preserve natural features and significant existing trees, vegetation, and protect natural drainage systems, where possible.
12. Consider how to ensure that the density and intensity of infill and small subdivisions complement adjacent developments.
13. Consider new land use regulations to control the extent and impact of "tear-downs" of existing homes in established neighborhoods.

Economy

Goal: Maintain and diversify the existing economic base of the community.

Objectives:

1. Use and develop incentive programs to stimulate private development as necessary.

2. Target resources to those activities which have the highest potential for leveraging funds.
3. Support public/private partnerships to promote economic development in Wheaton.
4. Develop programs to respond to technological and market changes in business and the workplace.
5. Explore the needs of small businesses and home-based businesses, and encourage the development of support services and programs.
6. Plan for new office development in or near the Wheaton Central Planning Area.
7. Expand second floor office development opportunities in the central business district and surrounding Wheaton Central Planning Area through the continued use of mixed use planned development and incentive zoning.
8. Strengthen and preserve the central business district as an important focal point for a wide variety of compatible uses uniquely suited to a “central place” location, and which benefit from an interchange of people, ideas, and business.
9. Additional multiple family development should be encouraged within the Wheaton Central Planning Area.
10. Retail, restaurant and entertainment activities should be strengthened throughout the downtown/central business district, especially north of the railroad.
11. Provide more accessible and useable open spaces, such as “pocket parks” and public plazas that serve as activity places and focal points in the central business district.
12. Continue and expand programs to retain and improve existing businesses.
13. Extend and enhance downtown character improvements, and identify appropriate forums for public art.
14. Incorporate business retention programs into City, Downtown Wheaton Association (DWA) and Chamber of Commerce planning and economic development activities.
15. Encourage development through the availability of financial incentive programs, when appropriate.
16. Identify redevelopment options.
17. Develop a program to improve existing properties and businesses in the central business district area.
18. Identify program elements, funding options and explore joint efforts with the DWA
19. Work with the DWA and Chamber of Commerce to offer training programs, marketing and operational assistance to central business district business owners.

Transportation

Goal: An efficient and safe transportation network.

Objectives:

1. Maintain areas and improve the system of arterial, collector, and minor streets to serve existing businesses and neighborhoods.
2. Evaluate the potential of directional improvements to enhance 'way finding' in the central business district area.
3. Periodically evaluate the demand and availability of parking spaces in the downtown area for long-term commuters and short-term shoppers.
4. Provide a complete system of pedestrian facilities to encourage walking and enhance safety in neighborhood areas, and between neighborhoods and neighborhood commercial areas.

Community Facilities and Resources

Goal: A high-quality and dependable system of public improvements to support development and protect the investment of residents and businesses.

1. Improve water quality through the use of natural stormwater drainage/storage facilities that will reduce sediment discharge to natural watercourses.
2. Continue to evaluate implementation options for the flood control study of the North Main Street commercial area to determine the best approach to resolving flooding conditions.

Community Institutions

Goal: Weave Wheaton's institutions into the fabric of the community.

Objectives:

1. Establish an ongoing dialogue and working relationship between the City and Wheaton's institutions.
2. Anticipate the possible discontinuation of existing institutional uses and develop alternatives for their reuse.

Redevelopment Project Activities

The focus of the Redevelopment Plan is the revitalization of the Project Area into a vibrant mixed-use center which contributes to the health and vitality of Wheaton's Central Area and to the Community as a whole. The various public improvements and project activities required to implement the Redevelopment Plan are discussed elsewhere in this report. To achieve the goals and objectives of the Redevelopment Plan, the City of Wheaton will encourage and facilitate private investment through the adoption of tax increment financing.

This section of the report describes a limited number of redevelopment opportunities for the blocks located in the Project Area. These redevelopment plans, which must be considered among a broader set of alternative redevelopment options, include projects that may require assemblage of property, the demolition of existing buildings and/or the construction of new buildings. Other rehabilitation and project area enhancements not targeted to specific sites must accompany these site specific project activities. This report does not specifically call out sites and properties that may require direct assistance for facade improvements, interior remodeling or building rehabilitations. Opportunities for these types of public and private efforts will be found throughout the Project Area.

Block 324/Jewel Opportunity Site

The Block 324/Jewel Opportunity Site is bounded on the north by Willow Avenue, on the east by the Cross Street right of way, on the south by Illinois Street and on the west by Main Street. The site is currently improved with an existing Jewel/Osco store, the Jewel/Osco parking lot, and other individual retail and service uses fronting on Main Street or Illinois Street. During the first adoption of this plan in 1999, the Jewel-Osco store was one of the oldest and smallest, yet reportedly one of the most profitable per square foot, of any of the stores in the chain. The grocery store is a considerable resource and attraction of living in or near the CBD.

Block 324 is part of the Main Street gateway to the CBD, being the principal approach to the downtown from the south. The block's Main Street frontage suffers from unattractive building architecture, an inefficient siting of buildings, and a predominance of automotive and other service uses which have neither a consistent pedestrian nor roadway orientation. These buildings also create a visual and physical barrier from Main Street to the Jewel/Osco store to the west.

Alternative A

This alternative is based upon a scenario in which the Jewel/Osco rebuilds and expands its building using all of the block for the new building, parking and circulation. The existing Jewel/Osco building contains approximately 19,600 sq. ft. of floor area, with 12,600 sq. ft. used by Jewel and 7,000 sq. ft. used by Osco. Based on experience in other suburban Chicago markets, it is believed that Jewel could successfully operate a 25,000 - 40,000 sq. ft. expanded store on this site, maximizing efficiency by reconfiguring the interior circulation and combining grocery and drug store check-out counters.

The redevelopment program for this alternative includes the following elements:

- Assembly of the entire Block 324 for Jewel use.

- Encouraging the relocation of existing viable businesses to other sites within Wheaton.
- Demolish the existing Jewel building and construct a new 25,000 sq. ft. Jewel/Osco facility.
- Orient the new Jewel building with its face to Main Street, but setback from Main Street by a new surface parking lot. Landscaping should be installed along the Main Street property line and around the perimeter of the parking area.
- The site would accommodate sufficient parking for a medium-sized grocery store.
- Truck circulation would run along or adjacent to Cross Street, with access from Illinois Street and Willow Avenue.

Alternative B

This alternative suggests that the Jewel building is renovated on its existing site, with little or no expansion. However, to increase visibility and accessibility from Main Street, at least one property near the center of the Main Street block would be razed to create a new Main Street entrance to the Jewel.

The redevelopment program for this alternative includes the following elements:

- Renovate the existing Jewel building, maintaining the existing site configuration.
- Assemble one or more properties near the center of the Main Street block for the purpose of demolition.
- Encourage the relocation of existing viable businesses to other sites within Wheaton.
- Create a new, landscaped access to the Jewel property at the newly created Main Street site to provide access and increased visibility to the Jewel building.

Alternative C

The third alternative for Block 324 would be to take little action, resulting in little or no change on the Jewel property. The City can continue to encourage Main Street property owners to renovate existing buildings including the option of re-tenanting or redeveloping with traditional downtown mixed uses, including retail, office, or upper level residential. However, the City may also consider the acquisition of property to advance the redevelopment of traditional downtown mixed uses along Main Street.

Block 316/Old Chicago Title Opportunity Site

The Block 316/Old Chicago Title Opportunity Site is bounded on the north by Liberty Drive, on the east by Cross Street, on the south by Willow Avenue and on the west by Main Street. The site currently contains retail and service uses along the length of Main Street and the western half of Liberty Drive. An office building at the corner of Liberty Drive and Cross Street is being temporarily used by the DuPage County Forest Preserve District as part of a short-term lease agreement. Parking for that office building is situated along Cross Street and Willow Avenue. The remainder of the Willow Avenue frontage contains an employee parking for the Jewel/Osco building on Block 324.

Along with Block 324, Block 316 is part of the southern gateway to the downtown. The Main Street frontage of this block also presents inconsistent building facades and contains primarily service uses, neither of which is conducive to desired gateway character of Main Street.

As shown in Exhibit 3, a traditional downtown mix of uses, including retail, service, parking, upper level residential, or office would be appropriate for the block. Along Main Street a higher percentage of retail storefronts would be more in keeping with the commercial nature along the corridor. A varied mix of retail or service or office would be appropriate for the remaining street fronts of Block 316.

Redevelopment Opportunities: Alternative project activities could focus on the partial or complete redevelopment of the block. Acquisition and removal of buildings to allow for the placement of new structures would enhance the ability to draw uses that require a larger square footage. However, such uses would have to be designed to be compatible with the higher density, pedestrian nature of the Main Street Area. Property acquisition and assembly of smaller parcels could also enhance the ability of the site to attract a master developer. Multi-story buildings would allow for greater opportunity to increase the density in the area. Multi-story buildings should be in scale and character with adjacent structures that will remain and the block could have a mix of building heights, if needed, to complement the area.

Block 305/Toms-Price Opportunity Site

The Block 305/Toms-Price Opportunity Site is bounded on the north by Wesley Street, on the east by Washington Street, on the south by Front Street, and on the west by Scott Street. The block currently contains the Toms-Price furniture store, associated parking areas, and three residential buildings.

This block, on the eastern edge of the study area, does not have a particularly strong pedestrian connection with the downtown core. New or expanded development should take advantage of the location, which is centrally located but not constrained by the pedestrian orientation of the rest of downtown. Currently, the site is home to a successful retail enterprise which makes a substantial contribution to the fiscal health of the downtown area. However, these retail facilities have been added on incrementally, making for an undersized and functionally obsolete facility. If the furniture store is unable to successfully expand, additional commercial development or mid-sized office uses would be an appropriate alternative.

Alternative A

This alternative considers the expansion of the existing Toms-Price store in the current location. The redevelopment program for Block 305 includes the following elements:

- Expand Toms-Price store to include approximately 20,000 square feet of additional retail space. The expansion would be accommodated on the existing site.
- Install landscaping in the parking areas and around the perimeter of the site.

Alternative B

This alternative considers the redevelopment of the entire block for predominantly office use. All existing buildings would be removed and replaced by a new commercial development, with the potential for multi-family residences on the eastern end of the block.

Block 304/First Chicago Opportunity Site

The Block 304/First Chicago Opportunity Site is bounded on the north by Wesley Street, on the east by Scott Street, on the south by Front Street and on the west by Cross Street. The site currently contains two office buildings, a drive-thru banking facility and parking lots for the First Chicago Bank. The site also contains two separately owned office buildings that front on Cross Street and associated parking.

This block does not function as part of the pedestrian core of the downtown due to its predominant function as a drive-thru banking facility and off-street parking area for the separate First Chicago Bank buildings. As such, the block functions as a visual and perceived edge of the CBD. Although not contemplated as a retail block in the Comprehensive Plan, the block could be enhanced with ground floor retail uses if the drive-thru bank is relocated.

Exhibit 3 illustrates the planned uses for the block, a traditional downtown mixed use. This block represents an opportunity to extend the core of the downtown to the extent that the market at the time would dictate. Traditional downtown mixed use includes retail, service, parking, upper level residential, or office. Given the block's nature along the edge of the CBD, the percentage mix of uses between retail, service, office and residential could vary greatly. However, any proposed project activity should result in an increase in density, through either additional square footage, number of residential units, or a combination of both. Since Block 305 serves more as the transition block between the CBD and the residential area, the uses for Block 304 could vary from a predominately retail atmosphere, to a predominately residential one, to a diverse mix of commercial, residential, or office.

Rehabilitation Opportunities: Given the existing structures, rehabilitation of the Block would be limited to the two office buildings on the site to mixed use structures. The existing bank could be enhanced with facade improvements, but proposed project activities should result in the redevelopment of the block that improves the opportunities for a mix of traditional downtown uses. Potential uses include retail, service or office space, with a mix of upper level residential or possibly structures that are completely residential in use.

Redevelopment Opportunities: Alternative project activities could focus on the partial or complete redevelopment of the block. The removal of the existing bank and the development of new mixed use structures could complement the existing CBD core to the west. Project activities that result in the complete removal of existing structures and the development of new mixed use structures would have to ensure compatibility with the adjacent uses to the west while still not creating conditions that make the use of Block 305 as a transition area difficult.

Block 303/First Chicago Drive-Thru Opportunity Site

The Block 303/First Chicago Drive-Thru Opportunity Site is bounded on the north by Wesley Street, the east by Cross Street, the south by Front Street and the west by Main Street. The reconfiguration of Block 303 is contemplated to occur in connection with the redevelopment of Block 304. Block 303 is in the core pedestrian area of the downtown, and is improved with a variety of retail, service and office uses. Many existing buildings also provide parking areas in the rear, which are accessed from the alley which intersects the block.

Block 303 is part of the pedestrian core of the CBD, but needs to have the retail character of ground floor spaces strengthened. Highly visible buildings, including those along Main Street and at the corner of Main and Front Streets, suffer from vacancies, underutilization and deterioration of both building facades and interiors. Building gaps exist along Front Street which impedes a continuous streetscape and the desired pedestrian experience. The block would also benefit from a consolidation of parking areas internal to the block.

Alternative A

This scenario is driven by the relocation of the First Chicago Bank drive-thru facility from Block 304 to the rear of the First Chicago building located at the corner of Wesley Street and Cross Street.

The redevelopment program for Block 303 consists of the following elements:

- The existing First Chicago Building at Wesley and Cross Streets is remodeled so that the southwestern wing accommodates a new drive-thru banking facility.
- The existing Cellular One and Marshall's Pizza buildings at the alley entrance along Main Street would be assembled and razed to create an automobile entry to the bank facility from Main Street
- The functions of the outbuildings located off the alley would be relocated to the main business facilities on the block or to existing facilities elsewhere in the downtown. The outbuildings would be razed to provide for a reconfiguration of the interior of the block.
- The existing garden center associated with Carlson True Value could provide a location for new construction to replace the Carlson outbuilding which would be demolished as part of the alley reconfiguration.
- The interior of Block 303 would be reconfigured to provide access to the drive-thru banking facility and off-street parking for the businesses on the block.

Alternative B

If the First Chicago drive thru facility on block 304 cannot be relocated to block 303, this alternative suggests that all bank functions from Block 303 are moved to Block 304. The northeast corner of Block 303 would therefore be available as a redevelopment site for retail use.

Alternative C

This alternative simply focuses on the strengthening of ground floor retailing on the entire block and encouraging facade rehabilitations as appropriate. Specific sites to focus re-tenanting efforts on include the first three buildings on the east side of Main Street north of Front Street and the first building south of the DuPage County Historical Museum on Main Street.

Block 302/Theater Opportunity Site

The Block 302/Theater Opportunity Site includes all property on Block 302 with the exception of the recently rehabilitated Knippen property, and is bounded by Wesley Street on the north, Main Street on the east, Front Street on the south, and Hale Street on the west. The block currently

contains the Wheaton Theater, the Masonic Temple, a variety of retail and office uses, and off-street parking areas at the center of the block.

Block 302 is part of the pedestrian core of the CBD, but the pedestrian nature is compromised by ground floor vacancies, underutilized ground floor space and ineffective use of second floor space. The age and character of buildings on this block makes it a physically attractive, yet the difficulty to maintain old buildings is obvious in the physical decay of structures and in building obsolescence. Most importantly, the chronic vacancy that occurs on this prominent downtown block is a strong threat to the health of the entire central business district. It is necessary to encourage private investment and participation in the strengthening of this block. It is also necessary for the City to identify and pursue the specific tools that it may use to encourage redevelopment and enhancement of the block. These tools may range from providing financial assistance to property owners and developers, to property acquisition.

Alternative A

This alternative focuses on the rehabilitation of the Wheaton Theater and the Masonic Temple buildings for combined use as a quality, multi-screened general cinema.

Alternative B

This alternative is based on the rehabilitation of existing buildings and the re-tenanting of first floor storefronts with retail uses as space becomes available. Opportunities for strengthening ground-floor retailing activities currently exist in the first two buildings along Main Street north of Front Street and the Masonic Temple. A long-term opportunity may also include the storefront currently used as office space south of the Theater on Hale Street. While this space currently functions well as a law office, at such time as the current tenant may no longer occupy the building, the storefront should be filled with a retail user.

Blocks 314, 315 and 323

All of Block 315 and parts of Blocks 314 and 323 have been included in the Main Street Project Area for the purpose of addressing potential future conditions. These blocks are generally divided into unassembled lots and improved largely with single-user, owner occupied buildings. Many of the commercial buildings are conversions of older single-family homes, although three of the most prominent buildings on these blocks, to the southwest and southeast of the intersection of Hale Street and Liberty Drive, are of more recent commercial construction. However, facades of these buildings have a dated appearance.

Although these three blocks are outside of the retail core of downtown, they predominantly contain retail businesses. Although most of the buildings and businesses function in today's environment, if chronic vacancies occur in the future, property owners should re-tenant or redevelop the existing buildings with a mix of uses that may include retail, office, or upper level residential.

Block 133

Most of the Wesley Street frontage of Block 133 has been included in the Main Street Project Area for the purpose of addressing potential future conditions. This portion of the block includes unassembled lots and single-user buildings that are either converted single-family homes or newer

commercial construction. The frontage of Block 133 is an extension of the downtown retail core, yet the businesses on this block are comprised mainly of office and service uses. While the block is currently functioning in its existing condition and the buildings appear to be in good condition, the current siting and uses of the buildings do not contribute to the desired pedestrian nature of the area. Consideration should be given in the future to re-tenant existing buildings or redevelop new buildings to contain retail businesses.

The Land Use Plan (Exhibit 3) shows the anticipated land uses at completion of project activities. The Development Characteristics and Opportunities for Change map (Exhibit 4) describes the specific development issues and opportunities throughout the proposed district.

Successful completion of the City's efforts will allow for the redevelopment of the downtown area as a mixed use institutional, residential, and commercial area. Undertaking the redevelopment program as currently planned will generate increased tax revenues, create housing opportunities, expand the availability of high quality retail space in Wheaton, and provide a stimulus for additional development in surrounding areas.

Redevelopment Project Evaluation

Based on the recommendations of the Wheaton Chamber of Commerce and the Downtown Wheaton Association, the City will seek to evaluate proposed TIF projects on the basis of the following objectives:

1. Enhancement of the economic viability of the business community. Activities should be based on market analysis or demonstrated financial success. Projects should be considered based upon their ability to contribute to the overall “synergy” of downtown.
2. Assistance to viable businesses displaced by project activities. All efforts should be made to relocate businesses within their existing market area, and particularly, at an acceptable location within downtown Wheaton.
3. Encouragement of remodeling or adaptive reuse of buildings. Wheaton’s distinctive turn-of-the-century commercial brick architecture should be strongly encouraged in redevelopment plans to ensure compatibility of character with existing structures.
4. Positive aesthetic contribution. The character and design quality of both public and private development should make a positive visual/aesthetic impact.
5. Creation of an attractive pedestrian system. Pedestrian links throughout the downtown and surrounding neighborhoods should utilize distinctive paving, public art, landscaping and signage.
6. Promotion of uses which have a positive functional relationship with existing public use areas. Efforts should be focused on attracting shops for the ease and convenience of the everyday shopper/commuter, adjacent to such entities as the commuter station, parks, public events, library, museum, City Hall, etc.
7. Focus on retail uses. Development should ensure the continuous flow of interesting window displays in the historic “retail core” which provide opportunities for face-to-face exchange of goods and services.
8. Minimization of pedestrian obstructions. Redesign curb cuts, parking lots and dumpster access which interrupt pedestrian movement within the retail core.

Future Land Use

Exhibit 3

Main Street Redevelopment Project

Downtown Wheaton

0 175 Ft 350 Ft



LEGEND

- | | |
|---|---|
| ----- TIF 2 Redevelopment Area Boundary | Medium Density Residential |
| Existing Building | Commercial |
| (123) Block Number | Traditional Downtown Mixed Use (Retail, Service, Office, Residential) |

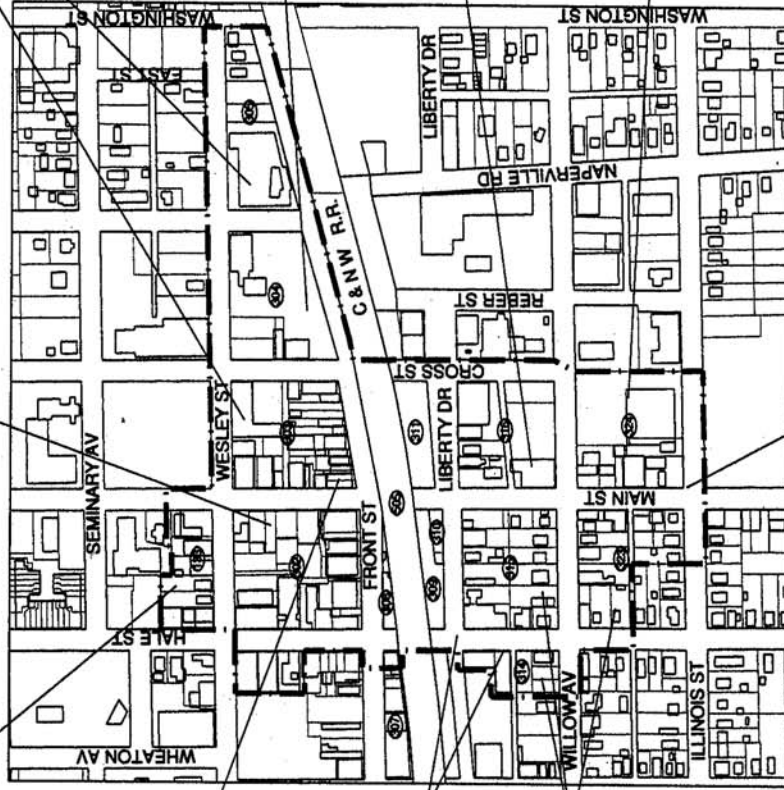
Development Characteristics and Opportunities for Change

Exhibit 4

TIF 2 Redevelopment Project

Downtown Wheaton

- Part of the pedestrian core of the CBD
- Many existing buildings provide parking areas in the rear
- Opportunity exists to fill in building gaps along the streetscape and enhance the pedestrian experience
- Opportunity exists to consolidate parking areas internal to the block to create shared internal parking areas
- Opportunity for consolidated banking and drive through site
- Outside of the pedestrian core of the CBD
- Successful retail store has been built incrementally, making for an undersized and functionally obsolete facility
- Opportunity for expansion of existing retail store in current location, or redevelopment of the block for predominately office use if the store expansion is unsuccessful.
- Drive-thru banking and off-street parking does not contribute to the pedestrian core of the downtown
- Opportunity for enhancement, consolidation, or relocation of bank functions to accommodate a redevelopment site
- Part of southern gateway to downtown
- Inconsistent building facades and primarily service uses, which are not conducive to the desired gateway character
- Opportunity for redevelopment with new mixed uses
- Jewel/Osco store is a considerable resource and attraction to those living in or near the CBD
- Opportunity for enhancement or redevelopment of Jewel/Osco with greater visibility to Main Street
- Part of the pedestrian core of the CBD
- Ground floor vacancies, underutilized ground floor space and ineffective use of second floor space
- The age and character of buildings makes it physically attractive, yet difficult to maintain
- Opportunity exists to enhance the first floor spaces by re-tenanting with retail uses
- Opportunity also exists for combined or individual reuse of the Wheaton Theater and Masonic Temple building
- Unassembled lots and single-user buildings
- Businesses are comprised mainly of office and service uses.
- Functioning in its existing condition, the siting and uses of the buildings do not contribute to the desired pedestrian nature of the area.
- Opportunity exists for enhancing pedestrian nature of the area by re-tenanting first floor spaces with retail uses
- Highly visible buildings suffer from the vacancies, underutilization and deterioration of both building facades and interiors
- Building gaps along Front Street impede a continuous streetscape and the desired pedestrian experience.
- Commercial construction with dated appearance
- Opportunity for facade improvements
- Unassembled lots and single-user, owner occupied buildings
- Many commercial buildings are conversions of older single-family homes
- Opportunity for re-tenanting with retail or office rather than service uses
- Main Street gateway to the CBD and the principal approach to the downtown from the south
- Unattractive architecture, inefficient siting of buildings, and predominance of automotive and other service uses
- These buildings also create a visual and physical barrier from Main Street to the Jewel/Osco store
- Opportunity for enhancement of gateway features, uses, and appearance



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May 2004

Eligible Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs may include, without limitation, the following:

1. 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;
2. 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;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
6. 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 not exceeding 36 months thereafter and including reasonable reserves related thereto;
7. All or a portion of the taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent that the City by written agreement, accepts and approves such costs;
8. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
9. Payment in lieu of taxes;
10. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical field leading directly to employment, incurred by one or more taxing districts, as provided by the Act; and
11. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project, as provided by the Act.

Acquisition and Clearance

To meet redevelopment objectives, it may be necessary for the City of Wheaton to acquire properties in the Project Area. Ideally, redevelopment or rehabilitation can be encouraged to be undertaken by the private market. In addition, the City may elect to acquire property through a direct market transaction. However, under exceptional circumstances, the City Council may choose to exercise its power of eminent domain, including appropriate compensation for property acquisition. It is not the intent of the City to acquire properties unless, on a site-by-site basis, the City Council determines acquisition to be necessary to implement this Redevelopment Plan. Such determination may be made without further amendment to this Plan.

Land Disposition

Property, which may be acquired by the City, may be assembled into appropriate redevelopment or rehabilitation sites. These properties may be sold or leased by the City to other public bodies or to private developers, in whole or in part. Terms of conveyance may be incorporated into appropriate disposition documents or agreements, and may include more specific restrictions than contained in this Redevelopment Plan or in other municipal codes and ordinances governing the use of the land.

No conveyance, lease, mortgage, disposition of land or other property, or agreement relating to the development of property will be made except upon the adoption of an ordinance by the City. Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating to the development of property shall be made without providing reasonable opportunity for the submission of alternative proposals or bids.

Housing and Relocation Assistance

On August 21, 2000, the City of Wheaton passed Ordinance No. F-0504 adopting a policy regarding residential relocation assistance. A copy of said ordinance is attached hereto as Appendix II and incorporated herein.

With respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria, shall be provided. For purposes of this paragraph, “low-income households”, “very low-income households”, and “affordable housing” have the meanings set forth in the Illinois Affordable Housing Act. The City shall make a good faith effort to ensure that this affordable housing is located in or near the Project Area.

Public Improvements

The City of Wheaton will provide public improvements in the Project Area to facilitate redevelopment and support the Redevelopment Plan, and to serve the needs of Wheaton residents. Appropriate public improvements may include, but are not limited to, the following:

1. street extension, right-of-way vacation, removal, resurfacing, widening, reconstruction, and other improvements to roads, alleys, pedestrian bridges, pedestrian ways, and pathways;

2. development of or improvements to public open space;
3. relocation expenses;
4. improvement of public utilities such as sewer and water lines, sidewalks, curbs and gutters, storm water detention facilities;
5. beautification, lighting, signage, and landscaping of public properties; and
6. demolition of obsolete structures.

Recommended public improvements anticipated to be undertaken may include streetscape and infrastructure improvements as well as assistance to property owners for facade improvements and building rehabilitation. The costs associated with these improvements may be shared by the City of Wheaton and individual developers, pursuant to an agreement between the parties. The City may determine at a later date that certain listed improvements are no longer needed or appropriate and may remove them from the list, or may add new improvements to the list which are consistent with the objectives of this Redevelopment Plan.

Phasing of Project

The Redevelopment Projects anticipated in this plan may commence immediately. The major projects may be completed within seven years. Facade improvements, building rehabilitations, and other activities on individual properties may occur throughout the life of the Tax Increment Financing District. The City may undertake additional public improvements as necessary throughout the life of the project.

Estimated Project Costs

Table 1 outlines the estimated costs of the Redevelopment Project:

Estimated Redevelopment Project Costs	
Property assembly	\$18,000,000
Environmental mitigation	\$1,575,000
Environmental and planning studies, surveys, development of engineering and architectural plans, specifications, implementation and administration fees	\$525,000
Rehabilitation, reconstruction, repair, or remodeling of existing public or private buildings and fixtures through loans, grants, interest subsidy or other financial assistance	\$2,100,000
Construction or improvement of public improvements	\$2,100,000
Total Estimated Project Costs¹	\$24,300,000

Financing costs during construction (not to exceed 36 months) may also be included.

Note:

1. Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs. Total Project Costs are inclusive of redevelopment project costs in contiguous project areas or those separated by only a public right-of-way that are permitted under the Act to be paid from incremental property taxes generated in the Project Area, but do not include redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous project areas or those separated only by a public right-of-way. The amount of revenue from the Project Area made available to support such contiguous project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in the Redevelopment Plan.

Sources of Funds

Funds necessary to pay redevelopment project costs may be derived from a number of authorized sources. These may include, but are not limited to, the following:

1. Real property tax increment revenues from the Project Area;
2. Tax revenues resulting from the establishment of any Special Service Area districts within the Project Area;
3. Interest earned on temporary investments;
4. Gifts, grants, and contributions;
5. Sale or lease of land proceeds; and
6. User fees.

The principal source of funds will be the incremental increase in real property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the project area over the initial equalized assessed value of each such lot, block, tract or parcel.

There may be other eligible local sources of revenue that the City determines are appropriate to allocate to the payment of redevelopment project costs.

The Project Area may, in the future, be contiguous to, or separated only by a public right-of-way from, other redevelopment project areas created under the Act. The City may utilize net incremental property taxes received from the Project Area to pay eligible Redevelopment Project Costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or other project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area, made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible

redevelopment project costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in this Redevelopment Plan.

Nature and Term of Obligations to Be Issued

The financial plan of this Redevelopment Plan is intended to establish a conservative public expenditure approach. Revenues will be accumulated in the special tax allocation fund to pay for public purpose expenditures identified in this Redevelopment Plan, and whenever practical, expenditures will be made on a cash basis. This method of financing shall not preclude the City from undertaking initiatives designed to stimulate appropriate private investment in the Project Area.

Certain redevelopment projects may be of such a scale or on such a timetable as to preclude financing on a cash basis. These projects may be funded by the use of tax increment revenue obligations issued pursuant to the Act for a term not to exceed 20 years. Consistent with the conservative nature of the financial plan for this Redevelopment Program, the highest priority for the issuance of tax increment revenue obligations shall occur when the commitment is in place for private sector investment necessary to fund the amortization of such obligations.

All obligations are to be covered after issuance by projected and actual tax increment revenues and by such debt service reserved and sinking funds as may be provided by ordinance. Revenues not required for the retirement of obligations providing for reserves, sinking funds, and anticipated redevelopment project costs may be declared surplus and become available for distribution annually to the taxing districts in the Project Area.

One or more issues of obligations may be sold at one or more times in order to implement this plan, as now or hereafter amended, in accordance with law.

The City may, by ordinance, in addition to obligations secured by the special tax allocation fund provided by law, pledge for a period not greater than the term of the obligations any part or any combination of the following:

1. net revenues of all or part of the Redevelopment Project;
2. taxes levied and collected on any or all property in the municipality;
3. the full faith and credit of the municipality;
4. a mortgage on part or all of the Redevelopment Project;
5. any other taxes or anticipated receipts that the municipality may lawfully pledge.

Equalized Assessed Valuation

Table 2 lists the most recent (1998) equalized assessed valuation of properties in the Project Area by block. The total 1998 equalized assessed valuation of the Project Area is \$11,512,070.

Block	1998 Equalized Assessed Value
133	\$793,160
301	\$627,250
302	\$2,132,110
303	\$1,925,980
304	\$1,659,370
305	\$684,360
307	\$270,530
308	\$76,270
309	\$0
310	\$10,450
311	\$0
314	\$297,230
315	\$1,012,170
316	\$631,930
323	\$761,360
324	\$629,900
505	\$0
Total	\$11,512,070

Upon the completion of the Redevelopment Project it is estimated that the equalized assessed valuation of real property within the Project Area will be in excess of \$53 million in 1999 dollars. This figure is based upon estimates of value for the rehabilitation and redevelopment projects which are anticipated.

Financial Impact of Redevelopment

Without the adoption of the Redevelopment Plan and Project, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment, there is a prospect that blighting factors will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. 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.

Implementation of the Redevelopment Project is expected to have significant short and long term positive financial impacts on the taxing districts affected by this Redevelopment Plan. In the short term, the City's effective use of tax increment financing 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, the completion of Redevelopment Projects and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from any enhanced tax base which results from the increase in equalized assessed valuation caused by the Redevelopment Project.

Specifically, the following taxing districts cover the proposed redevelopment project area:

1. County of DuPage
2. County Health Department
3. Forest Preserve District
4. DuPage Airport Authority
5. DuPage Water Commission
6. Milton Township
7. Milton Township Road
8. City of Wheaton
9. Wheaton Special Service Area 2
10. Wheaton Special Service Area 5
11. Wheaton Park District
12. Wheaton Sanitary
13. Wheaton Mosquito
14. Unit School District 200
15. College of DuPage 502

Impact on County of DuPage

Alternative A for Block 316 contemplates some new residential development. If this alternative is realized, approximately 80 new residents may live in the Project Area at full build out. Some of these residents may take advantage of programs offered by the County. However, it is likely that many of these residents already live in the County, and these new residents are not a significant increase in the total population of the County. Therefore, there will be minimal increased demand for services from or financial impact upon DuPage County, and no program is set forth in the Redevelopment Plan.

Impact on County Health Department

Approximately 80 new residents may live in the Project Area if residential development occurs. Some of these residents may seek health services from the County Health Department. The impact on the department will be incidental, as it is likely that most of these residents already reside in the service area. Further, this increase in population is only a small percentage of the total population served by the department. No program is set forth in the Redevelopment Plan.

Impact on Forest Preserve District

Approximately 80 new residents may live in the Project Area if residential development occurs. Some of these residents may seek recreational opportunities in Forest Preserve facilities. The impact on the Forest Preserve will be incidental, as it is likely that most of these residents already reside in the Forest Preserve District and this increase in population is only a small percentage of the total population served by the District. No program is set forth in the Redevelopment Plan.

Impact on DuPage Airport Authority

New residential and commercial development is anticipated in the Project Area. However, the anticipated demand for airport services is not expected to increase by any appreciable amount. No program is set forth in the Redevelopment Plan.

Impact on DuPage Water Commission

New construction may occur under some redevelopment alternatives. However, the increase in demand for Water Commission services above demand by existing businesses is projected to be minimal in relation to the total operations of the Commission. Therefore no program is set forth in this Redevelopment Plan.

Impact on Milton Township and Milton Township Road

Milton Township offers some social services, and the associated Road district maintains and repairs Township roads. The increased demand for social services by potential new residents will be incidental in relation to the total operations. No new roads are contemplated in the Redevelopment Plan. Therefore, no program is set forth in the Redevelopment Plan.

Impact on City of Wheaton

Some of the Redevelopment Alternatives identified in the Redevelopment Plan may include new development. Such new development may increase demand for services provided by the City of Wheaton, specifically by the Police and Fire Departments. However, the extent of new demand depends upon the type of development that occurs. No program is set forth in the Redevelopment Plan.

Impact on Special Service Areas

Any new construction which occurs in the Project Area may take place within one or more special service areas, and may increase the demand for services provided. However, public improvements contemplated by the Redevelopment Plan may in fact undertake some improvements which the Special Service Areas might otherwise have done. Therefore, no program is set forth in the Redevelopment Plan.

Impact on Wheaton Park District

Approximately 80 new residents may live in the Project Area if residential development occurs. Some of these residents may seek recreational opportunities in Park District facilities. The impact on the Park District will be incidental, as this increase in population is only a small percentage of the total population served by the District. No program is set forth in the Redevelopment Plan.

Impact on Wheaton Sanitary

The Redevelopment Plan may cause new construction under some alternatives. However, the increase in demand for Sanitary services above demand by existing businesses is projected to be minimal in relation to the total operations. Therefore no program is set forth in this Redevelopment Plan.

Impact on Wheaton Mosquito

Potential new development in the Project Area will not increase the mosquito population which requires abatement. Therefore no program is set forth in this Redevelopment Plan.

Impact on Unit School District #200

Approximately 7 new school-aged children may live in the Project Area if residential development occurs. These new students will not have a substantial impact upon enrollment in Unit District #200 schools. No program is set forth in the Redevelopment Plan.

Impact on DuPage College District #502

Approximately 70 new adult residents may live in the Project Area if residential development occurs. The impact on College District #502 will be incidental, as it is likely that these residents already reside within the service area of the District. No program is set forth in the Redevelopment Plan.

Affirmative Action

The City of Wheaton will require each private developer entering into an agreement with the City, in connection with the Redevelopment Project Area, to utilize fair employment practices, including an affirmative action program.

Payment in Lieu of Taxes

No payments in lieu of taxes are anticipated for this project.

Provision for Amending the Redevelopment Plan Objectives and Project

The Redevelopment Plan objectives and project may be amended pursuant to provisions of the Act.

FINDINGS OF NEED FOR TAX INCREMENT FINANCING

On the basis of the Wheaton Main Street Redevelopment Area Eligibility Findings and this Redevelopment Plan and Project, the Mayor and the City Council of Wheaton, Illinois, can adopt the following findings pursuant to Section 11-74.4-3(n) of the Act.

Project Area Not Subject to Growth

The Project Area on the whole has not been subject to appropriate growth and redevelopment through investment by private enterprise, and would not reasonably be anticipated to be developed consistent with City policies without adoption of this Redevelopment Plan. Over the period from 1993 to 1998, the Equalized Assessed Value of the City of Wheaton as a whole grew by 23%. By contrast, the Equalized Assessed Value of those properties in the Project Area decreased by 1% during the same time period. Thus the level of investment and property appreciation within the Project is substantially lower than the City as a whole.

Conformance with Comprehensive Plan

This Redevelopment Project conforms to the Comprehensive Plan of the City of Wheaton. The 1998 Comprehensive Plan Update identified a need for detailed study of four Special Focus Areas, one of which was the Central Business District (CBD). This CBD Special Focus Area plan identified sub-areas and opportunity sites, which served as a starting point for the planning of redevelopment projects and public improvements contemplated in this Redevelopment Plan. Further, a second downtown TIF district was recommended as an implementation tool for the revitalization objectives identified in the 1998 Update.

Date of Completion

The estimated year of completion of the redevelopment project under no circumstances shall extend beyond the year 2022 (23 years from the date of adoption of the ordinance approving the Project Area)

HOUSING IMPACT STUDY

The housing impact study required by the Act is set forth in Appendix III and is hereby incorporated herein.

APPENDIX I - ELIGIBILITY FINDINGS REPORT

INTRODUCTION

In 1993, the City of Wheaton established the first Tax Increment Financing (TIF) district in downtown Wheaton. Intended to arrest conditions of decline in the historic heart of the City, the TIF district spurred redevelopment on two primary redevelopment sites. As a result of these mixed-use developments, an urban village is emerging in conjunction with the Metra commuter train station.

However, the properties surrounding the first TIF district are still subject to decline. While the age and character of many buildings in downtown makes the area physically attractive, there are offsetting problems with physical maintenance and obsolescence. The 1998 Comprehensive Plan Update for the City of Wheaton recognized the need for rehabilitation and re-use of existing buildings. A second TIF district was recommended as an implementation tool for the revitalization objectives identified in the 1998 Update.

TAX INCREMENT FINANCING

The Tax Increment Allocation Redevelopment Act (65 ILCS 5/11 - 74.4 - 1, et seq.) (the "Act") stipulates specific procedures which must be adhered to in designating a Redevelopment Project Area. By definition, a Redevelopment Project Area is:

"...an area designated by the municipality, which is not less in the aggregate than 1 ½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area, or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas (Section 11-74.4-3)."

Section 11-74.4-3 defines a conservation area as:

"...any improved area within the boundaries of a Redevelopment Project Area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area, but because of a combination of three 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; lack of community planning; is detrimental to the public safety, health, morals, or welfare and such an area may become a blighted area."

Determination of eligibility of the Wheaton Main Street Redevelopment Project Area for tax increment financing is based on a comparison of data gathered through field observation, document and archival research, and information provided by the City of Wheaton against the eligibility criteria set forth in the Act. The eligibility criteria identified in the Act are supplemented by the definitions prepared by the Illinois Department of Revenue in its 1988 TIF Guide, as revised April 6, 1989.

The Wheaton Main Street Redevelopment Project Area (the "Project Area") is eligible for designation as a "conservation area" based on the predominance and extent of parcels exhibiting the following characteristics: **age, deterioration, depreciation of physical maintenance, obsolescence, presence of structures below minimum code standards, excessive vacancies**, and

excessive coverage. Each of these factors contribute significantly towards the decline of the Project Area as a whole.

DESCRIPTION OF THE PROJECT AREA

The Project Area consists of a portion of the downtown area both north and south of the railroad tracks (see Exhibit 1). Bounded roughly by Wesley Street on the north, Washington Street on the east, Illinois Street on the south, and Hale Street on the west, the Project Area contains 133 parcels on 17 blocks. The total area is approximately 40 acres.

EXISTING CONDITIONS

Overall, the present condition of the Project Area inhibits redevelopment potential. Many structures are in poor physical condition or are deteriorating towards such a state. A high number of vacancies in visible locations inhibits investment and dampens the economic vitality of the area. The next section elaborates further on the specific conditions which contribute to this decline.

ELIGIBILITY FINDINGS

Teska Associates, Inc. conducted a field survey of every property in the Project Area. Based on an inspection of the exteriors of buildings and grounds, field notes were taken to record the condition for each parcel. This survey occurred on three days in August and September 1998. Photographs further document the observed conditions.

In order to be designated as a conservation area, at least 50% of the structures must be 35 years or more in age. Additionally, a combination of at least three of the other blighting factors must be present to a meaningful extent and reasonably distributed throughout the Project Area.

Age of Buildings

The characteristic of age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures and exposure to the elements over a period of many years. As a rule, older buildings typically exhibit more problems than buildings constructed in later years because of longer periods of active usage (wear and tear) and the impact of time, temperature and moisture. Additionally, older buildings tend not to be well suited for modern-day uses because of contemporary space and development standards.

Based on the observed style and construction methods of the structures, 86 out of 133 buildings (77%) in the Project Area are more than 35 years old.

Dilapidation

Dilapidation refers to an advanced state of disrepair of buildings or improvements or the neglect of necessary repairs, causing the building or improvement to fall into a state of decay. At a minimum, dilapidated buildings should be those with critical defects in primary structural components (roof, bearing walls, floor structure, and foundation), building systems (heating, ventilation, lighting, and plumbing), and secondary structural components in such combination and extent that (i) major repair is required or, (ii) the defects are so serious and so extensive that the buildings must be removed.

Currently, no structures in the Project Area display this extreme physical state. This factor does not contribute to blight in the Project Area.

Deterioration

Deterioration refers to physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair.

Deterioration of Buildings

Buildings in a state of deterioration exhibit defects which are not easily correctable in the course of normal maintenance. Such buildings may be classified as deteriorating or in an advanced stage of deterioration, depending upon the degree or extent of defects. This would include buildings with major defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and major defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.

Deterioration of structures occurs on 25 of 133 buildings (23%), and is found throughout the Project Area (8 of 17 blocks). Deterioration occurs on both residential and industrial properties. Examples of problematic conditions in the Project Area include damaged roofs, broken and missing windows, and cracks or holes in foundations and load bearing walls. The extent and distribution of deterioration causes it to be a major contributing factor towards designation as a conservation area.

Deterioration of Surface Improvements

The conditions of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas may also evidence deterioration through surface cracking, crumbling, potholes, depressions, loose paving materials, and weeds protruding through the surface. Seventeen properties (13%) show signs of deteriorated surface improvements.

Depreciation of Physical Maintenance

This factor considers the effects of deferred maintenance and the lack of maintenance of buildings, improvements and grounds comprising the proposed redevelopment area. Evidence to show the presence of this factor in buildings may include, but is not limited to, the following: unpainted or unfinished surfaces; paint peeling; loose or missing materials; sagging or bowing walls, floors, roofs, and porches; cracks; broken windows; loose gutters and downspouts; and loose or missing shingles; and damaged building areas still in disrepair.

Signs of depreciation of maintenance are present throughout the entire Project Area, on 10 of 17 blocks. Sixty-two of 133 buildings (56%) in the Project Area are characterized by this factor. Deferred maintenance indicates a substantial risk for increased deterioration and blight if present trends continue. Given the prevalence of this characteristic throughout the Project Area, this factor is a major contributor to the designation of the entire Project Area as a conservation area.

Obsolescence

According to Illinois Department of Revenue definitions, an obsolete building or improvement is one which is becoming obsolete or going out of use - not entirely disused, but gradually becoming so. Thus, obsolescence is the condition or process of falling into disuse.

Obsolescence, as a factor, should be based upon the documented presence and reasonable distribution of buildings and other site improvements evidencing such obsolescence. Examples include the following sub-categories:

Functional Obsolescence

Structures are typically built for specific uses or purposes with design, location, height and space arrangement each intended for a specific occupancy at a given time. Buildings are obsolete when they contain characteristics or deficiencies which limit the re-use and marketability of such buildings. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor or out-dated design or layout, improper orientation of building on site, etc., which detracts from the overall usefulness or desirability of a property. Obsolescence in such buildings is typically difficult and expensive to correct.

Seventeen of 133 buildings in the Project Area (15%), display characteristics of functional obsolescence. The most frequent examples of functional obsolescence are single-family homes which have been converted to other uses. Conversions to multifamily use indicate obsolescence and may also cause overcrowding and other safety issues. Conversions to business uses are much more prevalent. Adaptive re-use of these structures is a positive step, and commercial uses are the better use of the structures in those particular locations. However, the fact remains that the structures are no longer marketable or appropriate for the originally intended use - single-family residence - and therefore the buildings are functionally obsolete. The Jewel grocery store is also of such a small size and orientation, relative to modern standards, as to be rendered functionally obsolete.

Obsolete Site Improvements

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, etc., may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of this obsolescence may include inadequate utility capacities, outdated designs, etc. Obsolete site improvements are not found in the Project Area.

Obsolete Platting

Obsolete platting would include parcels of limited or narrow size and configuration or parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements. Platting that created inadequate right-of-way widths for streets, alleys and other public rights-of-way or which omitted easements for public utilities, should also be considered obsolete. Obsolete platting is found on 8 properties in the Project Area.

Overall, improved parcels in the Project Area show a significant degree and distribution of obsolescence, the majority of which is functional obsolescence. Twenty-two of 133 parcels (17%) show some type of obsolescence. These instances of obsolescence are both prevalent and visible. Therefore, obsolescence makes a major contribution towards the need for designation as a conservation area.

Illegal Use of Individual Structures

This factor applies to the use of structures in violation of applicable national, state, or local laws, and not to legal, nonconforming uses. Examples of illegal uses may include, but not be limited to the following:

- Illegal home occupations;
- Conduct of any illegal vice activities such as gambling, drug manufacture or dealing, prostitution, sale and/or consumption of alcohol by minors;
- Uses not in conformance with local zoning codes and not previously grandfathered in as legal nonconforming uses;
- Uses in violation of national, state or local environmental and occupational safety and health regulations;
- Uses involving manufacture, sale, storage or use of dangerous explosives and firearms.

The exterior field survey identified one building characterized by an illegal use. This factor does not significantly contribute to the designation as a conservation district.

Presence of Structures Below Minimum Code Standards

Structures below minimum code standards include all structures which do not meet the standards of zoning, subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property. The principal purposes of such codes are to require buildings to be constructed in such a way as to sustain safety of loads expected from this type of occupancy, to be safe for occupancy against fire and similar hazards, and/or establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies which presume to threaten health and safety.

The exterior field survey conducted by Teska Associates, Inc. noted 21 buildings with structures which are below code. Among the substandard conditions were violations of Americans with Disability Act requirements. A large number of shops and offices, which are open to the public, make no provision for handicap accessibility. The prevalence of this condition makes a minor contribution toward designation as a conservation district.

Excessive Vacancies

Establishing the presence of this factor requires the identification, documentation, and mapping of the presence of vacant buildings and vacant portions of buildings. Excessive vacancy refers to the presence of buildings which are unoccupied or underutilized and which represent an adverse influence on the area because of the frequency, extent, or duration of such vacancies. It includes properties which evidence no apparent effort directed toward their occupancy or utilization and vacancies within buildings.

Thirteen of 133 buildings are presently vacant or partially vacant. A prominent example is the building at the corner of Main and Front Streets. The extent and visibility of these vacancies is a drain upon the vitality of the area and makes a minor contribution towards the designation of the Project Area.

Overcrowding of Structures and Community Facilities

Overcrowding of structures refers to the overutilization of private or public structures beyond a reasonable or safe capacity. Conversions from one use to another are the typical cause. No structures in the Project Area exhibit visible overcrowding and therefore this factor is not a significant concern for the Project Area as a whole.

Lack of Ventilation, Light, or Sanitary Facilities

Many older structures fail to provide adequate ventilation, light or sanitary facilities as required by local building or housing codes. This is also a characteristic often found in illegal or improper building conversions. The criterion used for determining the presence of this factor can be found in local codes and ordinances, or in locally adopted national codes such as the Uniform Building Code, Building Officials Code of America (BOCA), and the Model Housing Code of the American Public Health Association (APHA). Lack of ventilation, light, or sanitary facilities is presumed to adversely affect the health and building occupants, e.g., residents, employees, or visitors.

Typical requirements for ventilation, light, and sanitary facilities include:

- Adequate mechanical ventilation for air circulation in spaces/rooms without windows, i.e., bathrooms, and dust, odor or smoke-producing activity areas;
- Adequate natural light and ventilation by means of skylights or windows for interior rooms/spaces, and proper window sizes and amounts by room area to window area ratios;
- Adequate sanitary facilities, i.e., garbage storage/enclosure, bathroom facilities, hot water, and kitchens; and
- Adequate ingress and egress to and from all rooms and units.

One structure displays this characteristic, and therefore this factor does not significantly contribute to blighting conditions within the Project Area as a whole.

Inadequate Utilities

This factor relates to all underground and overhead utilities, including, but not limited to, storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electric service which may be shown to be inadequate. Inadequate utilities would include those which are (i) of insufficient capacity to serve the uses in the redevelopment project and surrounding areas, (ii) deteriorated, antiquated, obsolete, or are in disrepair or are lacking.

The field survey conducted by Teska Associates, Inc. found no visible cases of inadequate utilities. This factor is not significant in the designation of the Project Area as a conservation district.

Excessive Land Coverage

This factor may be documented by showing all instances where building coverage is excessive. Zoning ordinances commonly contain standards for residential, commercial, and industrial properties which relate floor area to lot area. In residential districts a lower ratio is usually required. Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Problem conditions include buildings either improperly situated on the parcel or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety, and multiple buildings on a single parcel. The resulting inadequate conditions include such factors as insufficient provision for light and air, increased threat of spread of fires due to close proximity to nearby buildings, lack of adequate or proper access to a public right-of-way, lack of required off-street parking, and inadequate provision for loading and service. Excessive land coverage conditions are presumed to have an adverse or blighting effect on nearby development. This characteristic is viewed relative to its urban context, common practice, and contemporary development standards.

Relative to the urban downtown nature of the area, there are 16 properties which display excessive coverage. Eight of 17 blocks in the proposed district contain properties characterized by this factor. In general, excessive coverage occurs where the property is completely paved around the structure, with no green space or accommodation for public plaza. A prominent example is the Jewel. This store has inadequate loading facilities, and along with its off-site parking area, is paved from property line to property line without any landscaping. This factor makes a minor contribution to the classification of the Project Area as a conservation district.

Deleterious Land Use or Layout

Deleterious land uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses which may be considered noxious, offensive or environmentally unsuitable.

Ten properties in the Project Area display deleterious land uses or layouts. The most common examples are automotive or other semi-industrial uses which would be better located elsewhere. Other problems include poor or dangerous layouts for parking and circulation areas. However, due to the limited extent of this problem, deleterious land use or layout does not make a significant contribution to classification of the entire Project Area as a conservation district.

Lack of Community Planning

Lack of community planning may be a significant factor if the proposed Project Area developed prior to or without the benefit or guidance of a community plan. This means that no community plan existed or it was considered inadequate, and/or was virtually ignored during the time of the area's development. This, of course, may be documented by establishing the date of adoption of the City's master plan (or other plans which may be relevant) and determining whether the area developed before or after that date. This finding may be amplified by other evidence which shows the deleterious results of the lack of community planning, including cross-referencing other factors cited in the blight finding. This may include, but is not limited to, adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, and parcels of inadequate size or shape to meet contemporary development standards. Lack of planning does occur on 7 parcels in the Project Area, but is not a significant contributor to the present condition of the entire Project Area and to its designation as a conservation area.

CONCLUSION

The Project Area as a whole qualifies as a conservation area according to the criteria established by the Act, based on the predominance and extent of parcels exhibiting the following characteristics:

1. Age
2. Deterioration of buildings and surface improvements
3. Depreciation of physical maintenance
4. Obsolescence
5. Presence of structures below minimum code
6. Excessive vacancies
7. Excessive coverage

Each of these factors contributes significantly to the eligibility of the Project Area as a conservation area. Sixty-seven of the parcels in the Project Area (50%) contain at least one defect as defined by the criteria established for conservation areas within the Act (a summary table is attached). All of these factors point to the need for designation of the Wheaton Main Street Redevelopment Area as a conservation area.