



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Planning and Economic Development Division*

### **m e m o r a n d u m**

**TO:** Bruce K. Walden, Chief Administrative Officer

**FROM:** Elizabeth H. Tyler, AICP, Planning Manager

**DATE:** September 20, 2001

**SUBJECT:** North Urbana Tax Increment Financing (TIF) District Status Report

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### **Introduction**

On September 11, 2000, the Urbana City Council passed Resolution No. 2000-08-021R, providing for the preparation of a Feasibility Study for the North Urbana Tax Increment Financing District (also known as TIF District No. 4) and declaring an intent to reimburse certain redevelopment project costs. The Resolution established a mechanism whereby the work completed by the TIF consultant can be reimbursed from early proceeds of the TIF. It also allows for the financial inducement of development within the area consistent with the anticipated redevelopment plan in order to encourage investment in the area that would not otherwise occur. This Resolution was forwarded to all local taxing bodies in the area as an early notification of the feasibility study.

Under the direction of the resolution, the consulting firm of Peckham Guyton Albers & Viets, Inc. ("PGAV") prepared an Eligibility and Financial Feasibility Study for a Potential Tax Increment Finance (TIF) District to be located in north Urbana along the North Lincoln Avenue and Cunningham Avenue corridors. This study was completed on January 23, 2001 and was distributed to Council, affected taxing bodies, and interested property owners. The study concluded that the area would qualify under the eligibility criteria of the Illinois Redevelopment Act. The finding of eligibility was positive for the three subareas studied (i.e., two areas along Cunningham Avenue and one along Lincoln Avenue), both individually and cumulatively.

### **Update**

As noted in the previous Staff Memorandum (dated July 19, 2001), PGAV have been updating the Eligibility Study to reflect a smaller area within the previous study area that is already within the corporate limits or that is expected to be annexed into the City in the next few months. The update also includes a number of properties to the east of Cunningham Avenue that are in existing or future park and recreation use. As shown on the attached exhibit, this update area actually encompasses two separate potential TIF areas, one along Cunningham Avenue and one along Lincoln Avenue. The Eligibility Study update is expected to be completed by September 21, 2001.

Simultaneous with preparation of the Eligibility Study update, planning and economic development staff have been preparing a Draft Redevelopment Plan for the North Cunningham Avenue Corridor Redevelopment Project Area (shown on the attached map as TIF District #4a). Adoption of a TIF district in this area by the end of the calendar year is desirable in order to capture tax increment that may accrue from construction of the Farm and Fleet Store. The possibility for creation of a TIF District in this area was a major factor in the O'Brien Redevelopment project. Adoption of a second TIF District for the Lincoln Avenue corridor (TIF#4B) could then occur in the next calendar year. The Lincoln Avenue Redevelopment Area could utilize the PGAV Eligibility Study update, but would need to be guided by a separate Redevelopment Plan.

As noted in the previous memorandum, funding for the consultant study and preparation of the Redevelopment Plan will be provided by a planning grant that is forthcoming from the Illinois Department of Commerce and Community Affairs, Balanced Growth Capacity Building Program.

The Draft Redevelopment Plan, including the Eligibility Study update as an Appendix, is expected to be completed and available for public review and distribution by September 28, 2001. A draft table of contents for this Plan is attached.

Attached to this memorandum is a list of projects that could be completed under tax increment financing in this area. This project list illustrates the wide range of benefits that tax increment can bring to the area in terms of public infrastructure, community services, urban design improvements, and economic development opportunities.

Also attached to this memorandum is an updated schedule for adoption of TIF in the North Cunningham Avenue Corridor area. This schedule reflects recent amendments to the Illinois Redevelopment Act, with respect to notifications and availability of documentation.

## **Recommendation**

Consistent with the attached schedule and the requirements of the Illinois Redevelopment Act, as amended, staff recommends that a Special Meeting be set for October 8, 2001 for Council adoption of a Resolution establishing **December 3, 2001** as the time and date for a public hearing on the redevelopment plan and adoption of TIF.

Attachments:       Map of Eligibility Study Update Area (TIF 4A and 4B)  
                          Map of North Cunningham Avenue Corridor Redevelopment Project Area  
                          Redevelopment Plan Table of Contents  
                          Redevelopment Project Summary  
                          Proposed Schedule

# **CUNNINGHAM AVENUE CORRIDOR REDEVELOPMENT PLAN**

## **REDEVELOPMENT PROJECT SUMMARY**

September 20, 2001

### **ROADWAY IMPROVEMENTS**

**(May include resurfacing, sidewalk, gutters, lighting)**

Willow Road (Anthony to north of Airport Road)  
Willow Road (Oaks Road to north TIF boundary)  
Airport Road (Cunningham to Willow)  
Airport Road (portion east of Cunningham)  
Oakland Avenue (from Cunningham to Boyden Street)  
Perkins Road Sidewalk/Bridge  
O'Brien Drive  
"Frasca" Road  
Sycamore Street  
Landscape Recycling Center Access Road

### **INTERSECTION IMPROVEMENTS**

Anthony Drive/Cunningham Intersection

### **ADDITIONAL SIDEWALKS/BICYCLE PATHS**

Cunningham Avenue (Perkins to north TIF boundary)  
Pathway to connect Chief Shemauger to proposed Dog Park/Ambucs  
(generally along Kerr Avenue, portion within TIF area)  
Perkins Road Bicycle Route  
University Avenue (in front of AMBUCS)

### **ADDITIONAL STREET LIGHTING**

Cunningham Avenue  
University Avenue

### **DRAINAGE**

Storm drains in areas where currently lacking  
Storm drain improvements in areas with localized flooding problems

Regional stormwater detention (north of I-74)  
Improvements/cleaning along Boneyard Creek/Saline Branch

## **SANITARY SEWERS**

Cunningham Avenue (north of Airport Road)  
Other locations shown in UCSD plan

## **WATER**

Extension along Cunningham Avenue (north of Airport Road)  
Improved hydrant locations and fireflows

## **PARKS/RECREATION**

Judge Webber Site (Dog Park)  
Chief Shemauger  
AMBUCS Park  
Landscape Recycling Center Mountain Bike Trail  
UPD Facilities at UCSD Property

## **EDUCATION**

*Job training funds to USD High School and Adult Education  
to benefit North Urbana businesses and industries*  
Improvements to King School Site (TIF 3 District)

## **ENVIRONMENTAL**

Improvements/enhancement along Boneyard Creek/Saline Branch  
Site clean up  
Contamination removal

## **URBAN DESIGN**

Corridor beautification (Cunningham Avenue, south of I-74)  
Gateway signage/landscaping improvements (Cunningham)  
Removal/improvement of visitor center

## **PRIVATE DEVELOPMENT - GENERAL**

Lot consolidation assistance  
Code upgrade assistance  
Low interest loans for small businesses  
Site Improvement/access assistance  
Curb cut closure (Cunningham Avenue)

## **CONSULTING COSTS**

(TIF, legal, environmental, engineering, etc.)

## **ADMINISTRATION COSTS**

## **MARKETING COSTS**

## SCHEDULE OF REQUIRED ACTIONS FOR ADOPTION OF NORTH CUNNINGHAM AVENUE TIF DISTRICT

September 20, 2001

<u>Date</u>	<u>Required Action</u>
September 5, 2000	Resolution Passed by Council Providing for a Feasibility Study and Declaring Redevelopment Intent
<i>October 12, 2000</i>	<i>Early Notification Sent to Taxing Districts regarding preparation of Feasibility Study</i>
<i>January 23, 2001</i>	<i>PGAV completes Feasibility Study. Final report made available for public inspection</i>
<i>January – August</i>	<i>City staff meets with taxing districts and property owners.</i>
<i>January – August properties.</i>	<i>City completes annexation/pre-annexation process on eligible/interested</i>
<i>August 2001</i>	<i>Revised boundaries for North Cunningham Avenue Redevelopment Project Area set. PGAV begins revised Eligibility Study</i>
<i>September 21, 2001</i>	<i>PGAV to complete work on update of Eligibility Study</i>
<i>September 21, 2001</i>	<i>Draft Redevelopment Plan(s) available for staff review</i>
<i>September 24, 2001</i>	<i>Council Committee review of Interested Parties Registry Ordinance and TIF Adoption Schedule</i>
<i>September 28, 2001</i>	<i>Make available for public inspection a draft of the Redevelopment Plan that provides in reasonable detail the basis for the redevelopment project area qualifying as a blighted area or conservation area (10 days prior to adoption of Resolution on October 8, 2001)</i>
<i>October 1, 2001</i>	<i>Council adoption of Interested Parties Registry Ordinance</i>
<i>October 8, 2001</i>	<i>Adopt Resolution establishing <b>December 3, 2001</b> as the time and date for a public hearing on the redevelopment plan and adoption of TIF. Council Committee review of Redevelopment Plan</i>

*October 10, 2001*      *Send draft of Redevelopment Plan to affected taxing districts by certified mail, including name of person to contact for further information (within reasonable time of adoption of above Resolution).*

*October 10, 2001*      *Send notice of availability of draft Redevelopment Plan and Eligibility Study by mail to all residential addresses within 750 feet of the proposed Redevelopment Project Area*

***Provide notice of public hearing:***

*October 10, 2001 (1) by certified mail to:*

*(a) each affected taxing district and DCCA not less than 45 days prior to the date of the public hearing. Include notice of first meeting of Joint Review Board to eligible districts.*

*No later than  
November 12, 2001*

*(b) to the person(s) in whose name the general taxes for the last preceding year were paid on each parcel within the proposed redevelopment project area, not less than 10 days prior to date of public hearing; and*

*November 5, 2001 for publication  
on November 11, 2001 &  
November 12, 2001 for  
publication on November 18, 2001*

*(2) by publication at least twice in a newspaper of general circulation within the affected taxing district; the first such publication to be no more than 30 nor less than 10 days prior to the date of public hearing*

*October 25, 2001*      *Convene a joint review board consisting of representatives of local taxing bodies. All members of joint review board to be appointed and the first board meeting to be held at least 14 days and no more than 28 days following mailing of notice of public hearing by certified mail to affected taxing districts. Additional meetings to be held upon call of any member.*

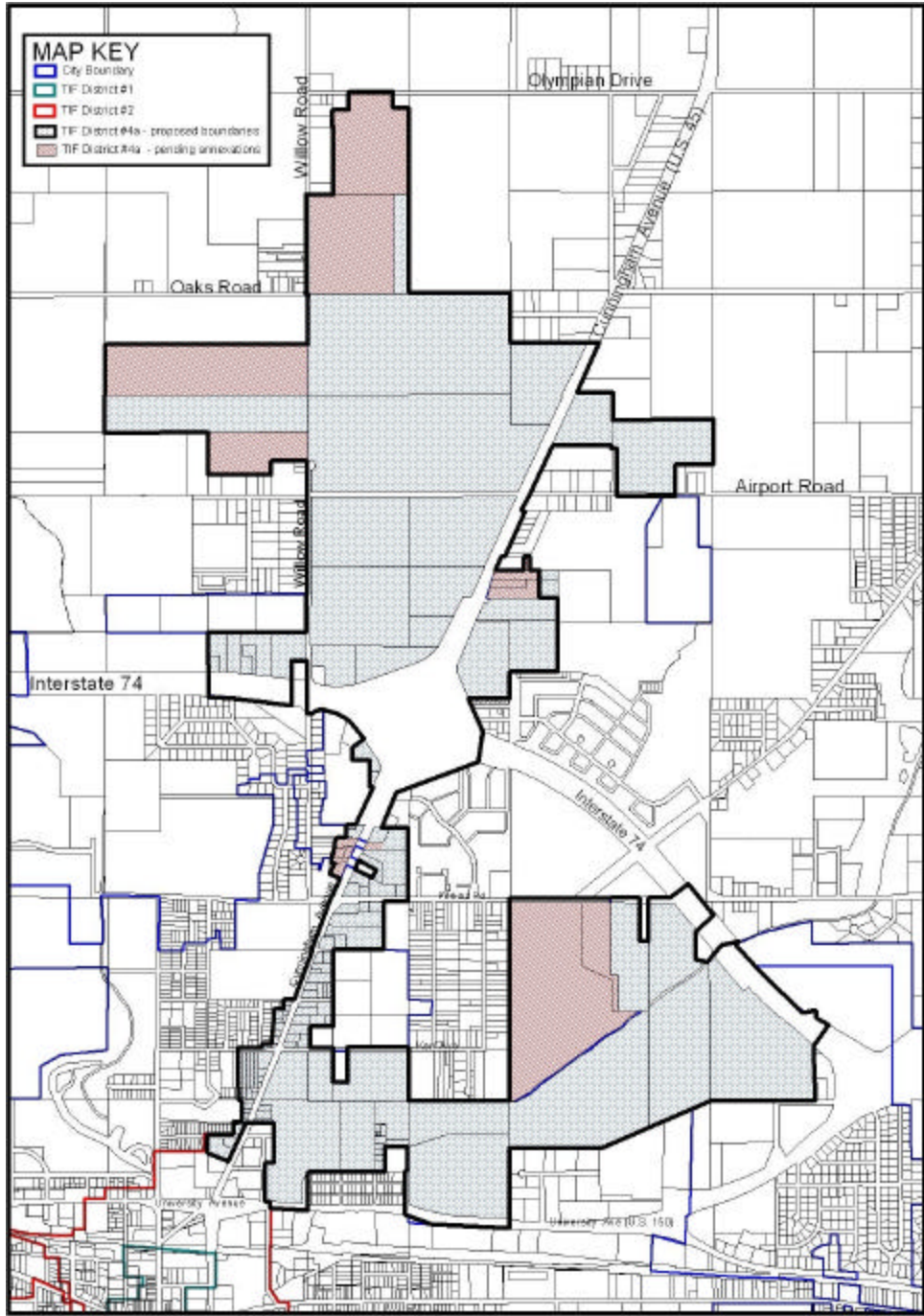
*By November 26, 2001*      *Joint review board submits to the City a written report describing why the redevelopment plan and project area meets or fails to meet one or more of the eligibility criteria.*

*December 3, 2001*      *Conduct public hearing and adjourn or continue such public hearing to another date, if necessary.*

*December 17, 2001*      *Introduce ordinance approving a redevelopment plan or project, designating a redevelopment project area and adopting tax increment financing within 14 to 90 days from completion of public hearing.*

*By December 31, 2001*      *Pass adoption ordinance*





**Cunningham Avenue Corridor Redevelopment Plan**  
**Proposed Tax Increment Finance District 4a**

revised September 18, 2001 - RAB