

City of Evanston Proposed Five-Fifths TIF



Public Hearing July 12, 2021

City of Evanston

Proposed Five-Fifths TIF

Overview:

- I. Background on TIF District
- II. Factors Qualifying Area for Inclusion in TIF District
- III. Key Elements of TIF Plan

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I. Background on Proposed Five-Fifths TIF District

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I. Background

The Five-Fifths TIF Area:

- The proposed TIF is located in the north central portion of Evanston
- This area has been home to Evanston's African-American business and residential community since the late 1800s.
- The area is characterized by several commercial corridors including Church Street, Emerson Street, Simpson Street, and Green Bay Road, and residential neighborhoods composed of single-family homes, two-flats, and apartment buildings occupied by lower and middle-income householders.

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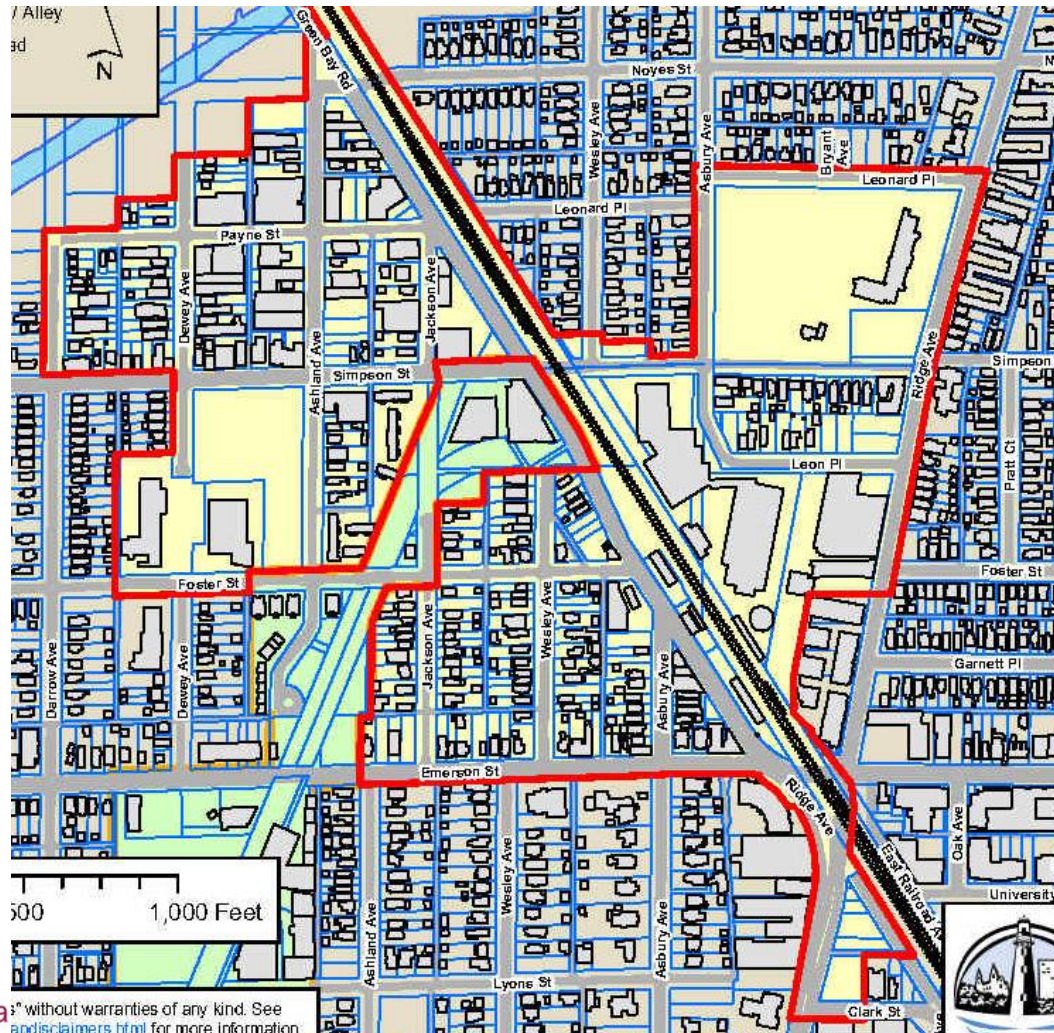
Strategic Importance:

- Given that the City of Evanston is land locked with limited opportunities for new development, the City continues to focus attention on redevelopment of areas that can enhance the local tax base and provide revenues (including sales taxes) to the community.
- Historically the center of African-American commerce and the home of Evanston's African American residents, the RPA has often been overlooked by market driven new development.
- The City's Comprehensive Plan states " "Development within low- and moderate-income neighborhoods especially Evanston's west side, should be a priority for private and public investment to enhance the investments of current residents.

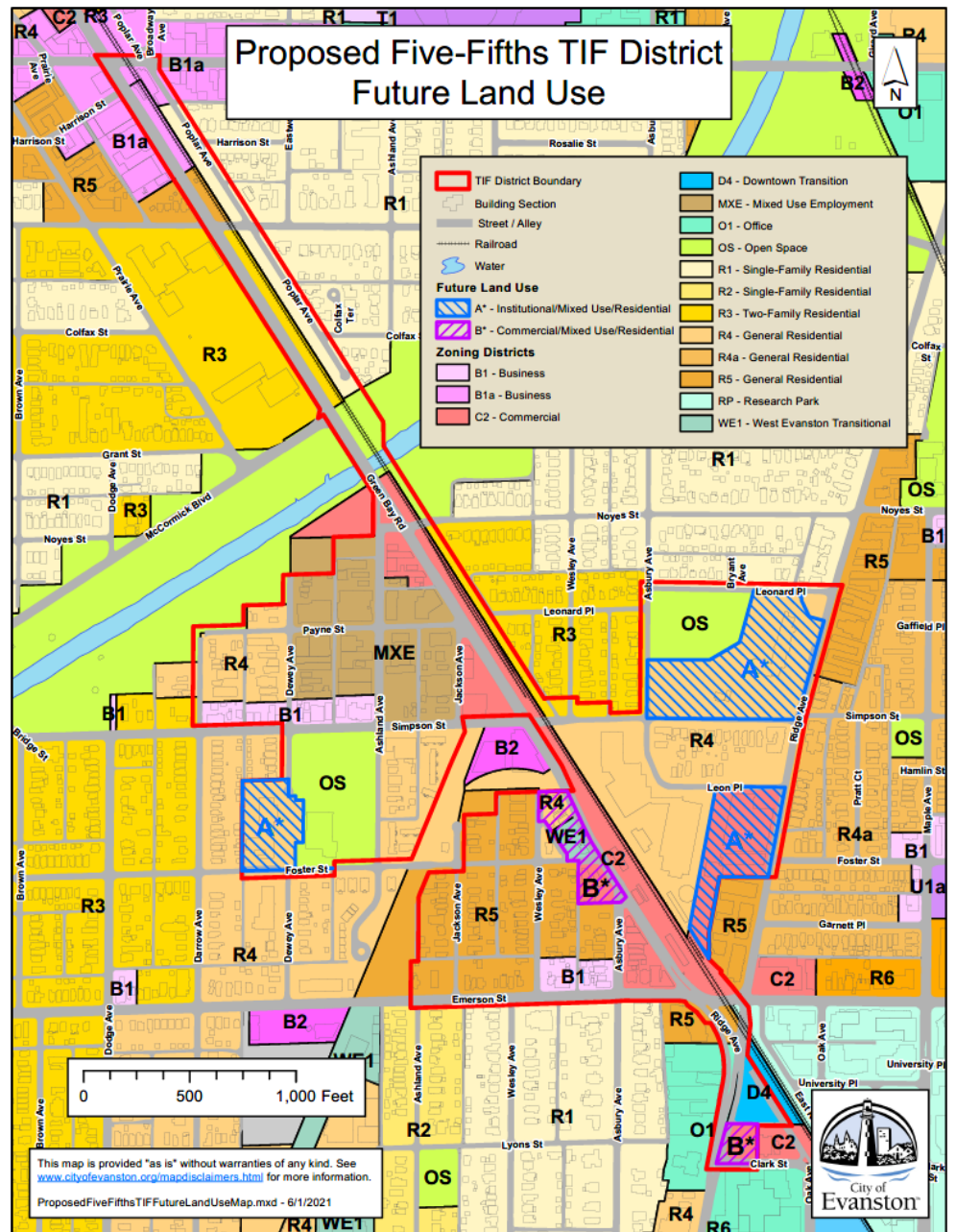


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The Five-Fifths TIF Area



The Five-Fifths TIF Area Future Land Uses



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TIF Adoption Process to Date:

- **March 22, 2021** – City Council adopted Public Meeting Resolution
- **Week of March 22, 2021** – City published Notice of Interested Parties Registry
- **March 23, 2021** – Notices of Public Meeting sent to residential addresses within the proposed TIF and registered Interested Parties, and taxing districts
- **April 15, 2021** - City held Public Meeting
- **April 29, 2021** – TIF Plan was put on file with City Clerk and City website for public inspection
- **May 10, 2021** – City Council adopted resolution setting JRB meeting and Public Hearing dates
- **May 11, 2021** – Notice of Public Hearing was sent to residential addresses within 750’ of proposed TIF District, and affected taxing districts
- **June 1, 2021** – JRB Meeting agenda was posted at City Hall
- **June 3, 2021** – JRB (taxing districts) Meeting was held with unanimous vote to recommend approval of TIF
- **Week of June 21, 2021** – City published Notice of Public Hearing twice in local newspaper
- **June 28, 2021** – Notice of Public Hearing was sent to taxpayers of record and residential addresses within the TIF

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EVANSTON TIF PERFORMANCE HISTORY					
Name of TIF	Year Terminated	Cum. Incremental Tax Revenues	Base EAV	FINAL EAV	EAV Growth
Washington National (TIF 4)	2018	62,283,748	25,727,379	90,140,588	64,413,209
Howard Hartrey (TIF 3)	2016	22,770,695	8,537,528	20,537,528	12,000,000
Southwest (TIF 2)	2014	596,020	1,007,606	7,231,065	6,223,459
Downtown TIF (TIF 1)	2009	75,268,826	1,835,672	137,198,906	135,363,234

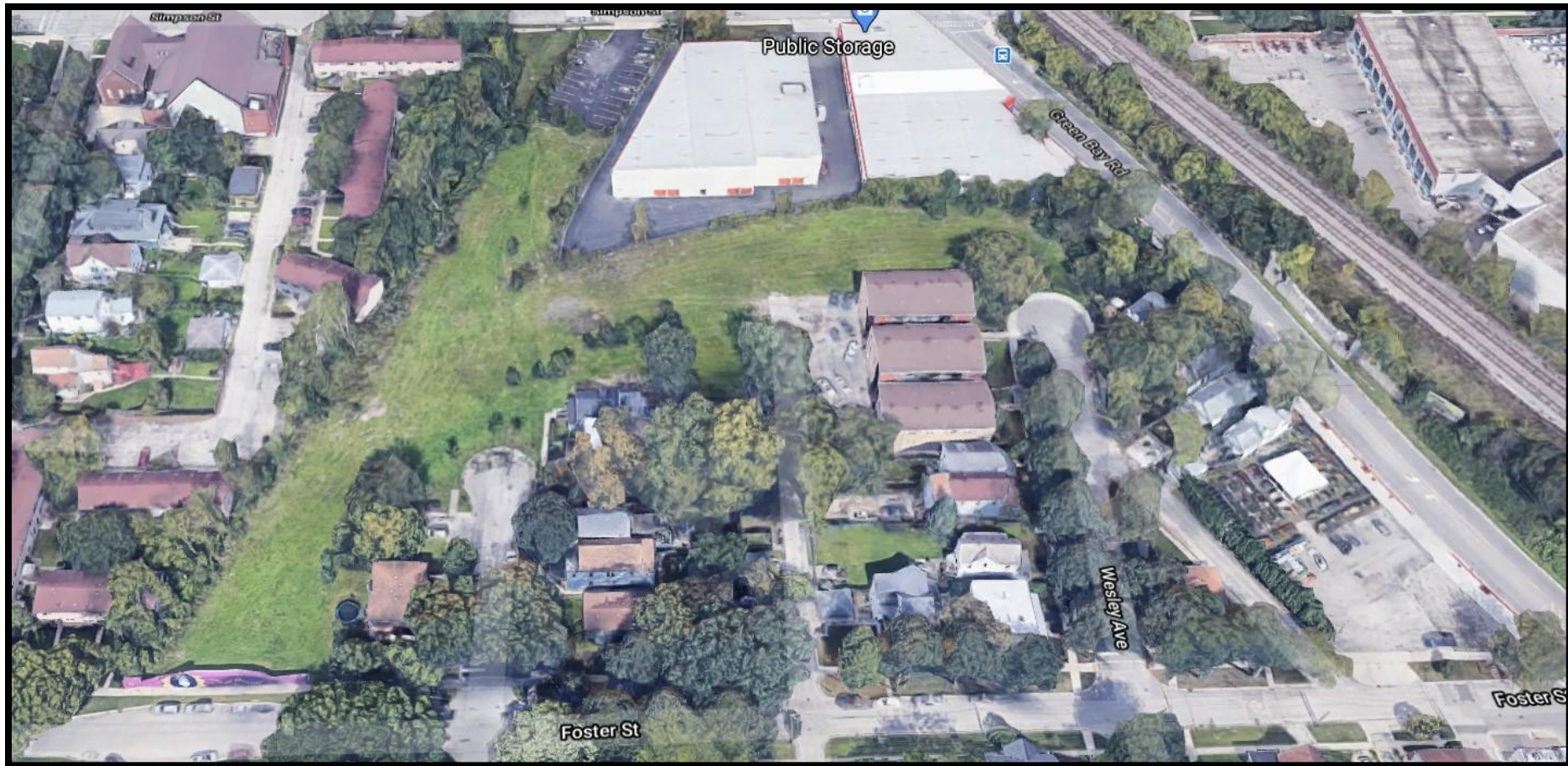


TIF Projects and Local Investment





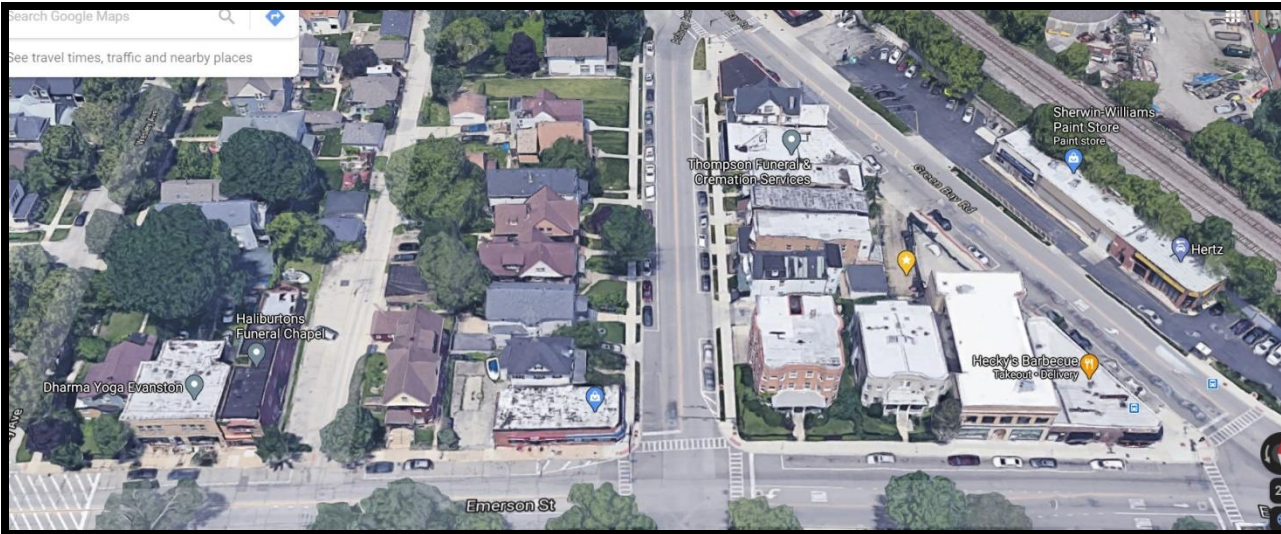
TIF Projects and Local Investment





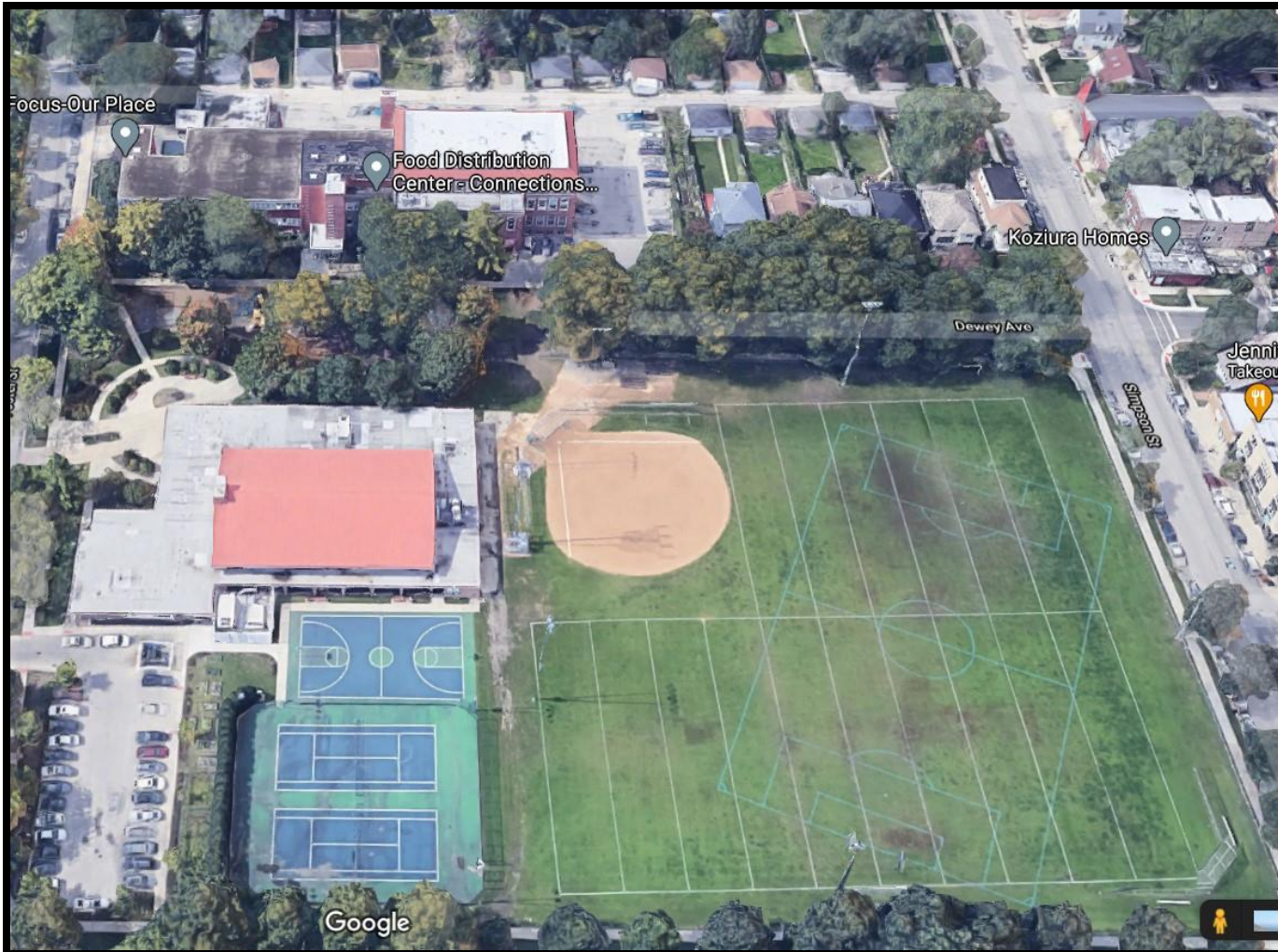
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TIF Projects and Local Investment





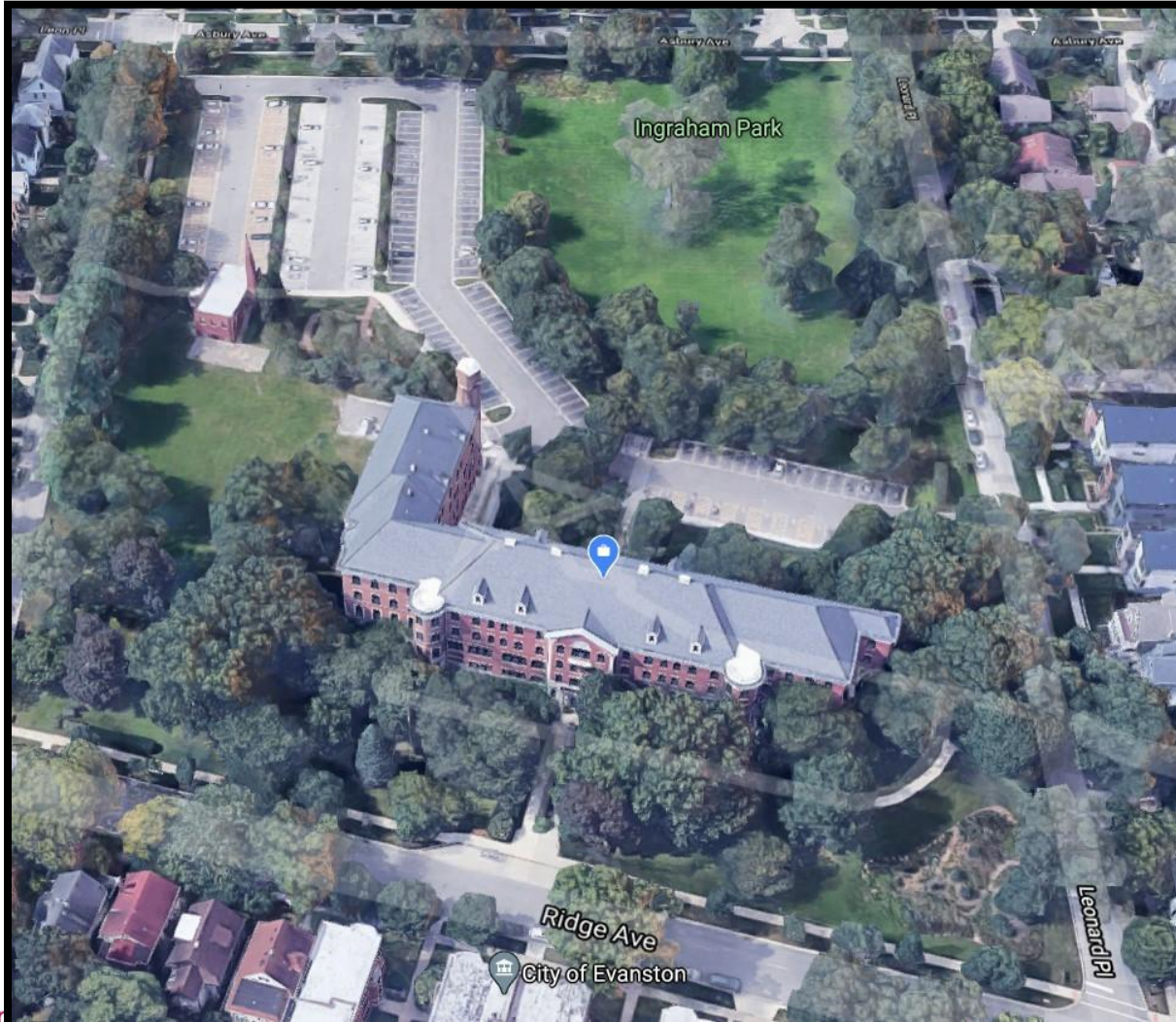
TIF Projects and Local Investment





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TIF Projects and Local Investment



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II. Factors Qualifying Proposed Five-Fifths TIF Area for Inclusion in TIF District

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II. Qualification Factors

The proposed TIF District is found to qualify under the following criteria:

- The proposed TIF area consists of approximately 280 contiguous tax parcels and is not less than 1 ½ acres
- TIF Plan is in conformance with the City's *Comprehensive Plan*
- Without the development focus and resources provided for under the Act and in this Plan, growth and development would not reasonably be expected to be achieved
- As a “conservation area”, based upon the finding that at least 3 of the 13 factors set forth in the TIF Act are present in the area

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II. Qualification Factors

The proposed TIF District is found to qualify under the following criteria (continued):

- Approximately 84% of the buildings are 35 years or older – pursuant to the TIF Act at least 50% of the buildings must be more than 35 years old
- Pursuant to the Act, the eligibility factors are consistent with the proposed redevelopment activities and the City's Comprehensive Plan

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II. Qualification Factors

(“Conservation Area” findings (3 are required by TIF Act)

The Five-Fifths TIF area meets 6 qualification factors
(underlined)

- 1) Dilapidation
- 2) Obsolescence
- 3) Deterioration
- 4) Presence of Structures Below Code
- 5) Illegal Uses
- 6) Excessive Vacancies
- 7) Lack of Ventilation and Sanitary Facilities
- 8) Inadequate Utilities
- 9) Excessive Lot Coverage
- 10) Deleterious Layout
- 11) Environmental Clean-up
- 12) Lack of Community Planning
- 13) Lagging EAV

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III. Key Elements of TIF Plan

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III. Key Elements of TIF Plan

Priority Goals and Objectives:

- Affordable Housing (e.g. infill, Emerson Square II, etc.)
- Housing Repairs (e.g. roofing, electrical, HVAC, plumbing, etc)
- Infrastructure (e.g. water, sewer, sidewalks, alleys, etc.)
- Workforce Development
- Facilities Improvements (e.g. Fleetwood-Jourdain, Family Focus, etc.)
- Business District Improvements

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III. Key Elements of TIF Plan

- **Proposed Land Uses:** Commercial, light industrial, residential, mixed-use, institutional and recreational uses.
- **Proposed TIF Budget:** \$ 89,250,000. Budget sized to accommodate potential development requirements. The TIF Budget is a maximum amount which does not obligate the City to expend such amounts.
- **Base EAV (2019):** \$ 34,446,678. Base EAV will be updated to reflect 2020 EAVs as certified by Cook County in June, 2020.
- **Projected EAV:** Upon completion of redevelopment activities, estimated at \$85,000,000 to \$100,000,000 (this is predicated on a number of assumptions, including an assumed absorption schedule, assumed market factors, and assumed redevelopment costs)

Program Actions/Improvements	Estimated Costs
Land Acquisition, Assembly Costs, Relocation	\$ 2,500,000
Demolition, Site Preparation, Environmental Cleanup and Related Costs	\$ 6,200,000
Public Improvements and Infrastructure Improvements	\$13,000,000
Public Facilities/Improvements (including capital costs for City related improvements and taxing districts capital costs)	\$24,000,000
Construction and Relocation of Public Buildings Pursuant to the Act	\$10,000,000
Rehabilitation Costs and Affordable Housing Construction Costs	\$9,750,000
Interest Costs Pursuant to the Act	\$3,000,000
Planning, Legal, Engineering, Administrative and Other Professional Service Costs	\$9.800,000
Job Training	\$1,000,000
Statutory School Payments (pursuant to the TIF Act)	\$10,000,000
TOTAL ESTIMATED COSTS	\$89,250,000

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III. Key Elements of TIF Plan

Further Public Consideration Required by City Council:

- Any use of public funds to purchase property
- Any expenditure of TIF funds in excess of \$25,000.
- Any rehab or construction of public buildings
- Any consideration of any Redevelopment Agreement with a private party
- Any infrastructure improvements
- Any material changes to the TIF Plan
- Any zoning/entitlements within TIF
- Annual reporting and audit required to be presented to taxing districts

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NEXT STEPS:

- City elected officials review public input
- Ordinances establishing TIF to be introduced at a City Council meeting
- TIF designation ordinances may be introduced 14 to 90 days after the Public Hearing
- If the TIF ordinances are approved, they are then filed with the County Clerk