



## **VILLAGE OF PEOTONE, ILLINOIS**

### **Business Development District No. 1 Redevelopment Plan, Projects and Area**

*Prepared for*  
**VILLAGE OF PEOTONE**  
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Additional, general information about Business Development Districts may be obtained by contacting Jacob & Klein, Ltd. and The Economic Development Group, Ltd., 1701 Clearwater Avenue, Bloomington, IL 61704 (Ph: 309/664-7777). Specific inquiries about the Peotone Business Development District No. 1 Redevelopment Plan, Projects and Area should be directed to Ms. Aimee Ingalls, Village Administrator, Village of Peotone, 208 E. Main Street, P.O. Box 430, Peotone, IL 60468 (Ph: (708) 258-3279).

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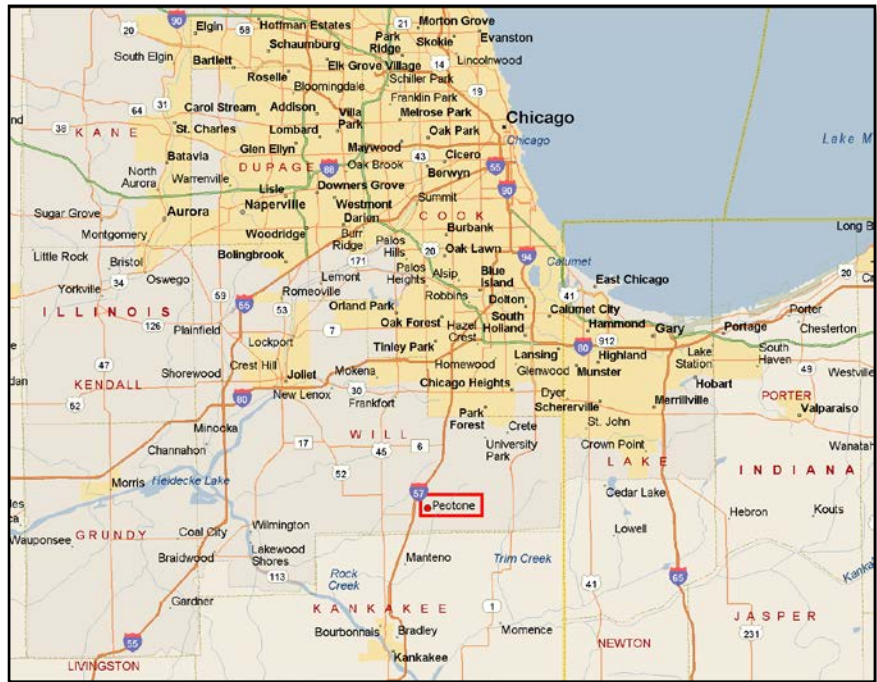
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# VILLAGE OF PEOTONE, ILLINOIS BUSINESS DEVELOPMENT DISTRICT NO. 1 REDEVELOPMENT PLAN, PROJECTS & AREA

## SECTION I. VILLAGE OF PEOTONE COMMUNITY INFORMATION

### *Location and Historical Background*

The Village of Peotone (pop. 4,142) is a Northeastern Illinois Municipality located in Will County along Interstate 57 and IL Route 50. Peotone is 45 miles southwest of Chicago, IL, 100 miles northeast of Champaign-Urbana, IL and 170 miles east of the Quad Cities in Illinois and Iowa (*Fig. 1*).



*Figure 1. Location of Peotone, Illinois*

The area that is now the Village of Peotone was laid out in 1856 after the completion of the Illinois Central Railroad. Peotone's

name is derived from the Potawatomi language meaning “come here.” Around 1860, several families came to the Village, bought lots and constructed dwellings. A small warehouse and two grain elevators were erected, and the Village began to grow. The Village was incorporated in 1869. The Peotone Windmill is one of the few German Style Windmills still standing in America. It was constructed in 1872 and was used for grinding wheat, buckwheat, rye, corn and feed for locals and travelers.

The Village's proximity to active railroad, a four-lane State highway, Interstate Highway 57 and Downtown Chicago, makes Peotone an excellent location for commercial/retail, industrial and residential development.

The Village has undertaken an effort to design a Redevelopment Plan and Projects (the “BDD Plan”) for the proposed Peotone Business Development District No. 1 Redevelopment Area (the “BDD Area”) that includes sites within the Village for which the Village would like to attract new private investment and improve infrastructure over the next 20 years.

## *Peotone Economic Development Tools*

To further improve the economic and social welfare of the community, the Village of Peotone is invoking its statutory authority to undertake a coordinated effort to stimulate new private investment in the community by utilizing several economic development tools that are available to it by law in the State of Illinois. Such economic development tools include:

### General Authority per the Illinois Municipal Code

Pursuant to 65 ILCS 5/8-1-2.5, the Village may appropriate and expend funds for economic development purposes, including without limitation for commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the municipality.

### Economic Incentive Agreements

Pursuant to 65 ILCS 5/8-11-20, the Village has the authority to offer sales tax incentives through an Economic Incentive Agreement to encourage the development or redevelopment of underutilized or undeveloped land within the Village limits.

### Tax Increment Financing

Pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.4 *et seq.* (the “TIF Act”), as amended, the Village has the authority to provide incentives to owners or prospective owners of real property to develop, redevelop, and rehabilitate such property by reimbursing the owners for certain costs from resulting increases in real estate tax revenues.

On April 9, 2018, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or undeveloped, the Village adopted Tax Increment Financing under the TIF Act, approved a Redevelopment Plan (the “Plan”) and designated a TIF Redevelopment Project Area known as the **Peotone Downtown Tax Increment Financing District** (“Downtown TIF District”). Most of the Downtown TIF District Area is contained within the proposed BDD Area.

The Village is also currently in the process of preparing a Redevelopment Plan (the “Plan”) and designating a TIF Redevelopment Project Area for the **Peotone Tax Increment Financing District 2** (“TIF District 2”). A portion of the BDD Area is contained within the TIF District 2 Area. The Downtown TIF District Plan anticipates \$18,550,000 of public improvements and the TIF District 2 Plan anticipates \$33.9 million of public improvements, which include streets, sanitary sewer facilities, water system improvements, storm drainage infrastructure, the extension of utilities, environmental remediation, public park and

greenspace improvements, public safety facility upgrades, land acquisition and the rehabilitation, reconstruction and repair of existing buildings. The TIF District 2 Plan also anticipates the reimbursement of \$21.3 million of private TIF eligible expenses that are in furtherance of the redevelopment goals and objectives described in the TIF District 2 Plan.

### Enterprise Zone

Pursuant to the Illinois Enterprise Zone Act, 20 ILCS 655/1, *et seq. as amended*, the Illinois Enterprise Zone Program is designed to stimulate economic growth and neighborhood revitalization in economically depressed areas of the state. This is accomplished through state and local tax incentives, regulatory relief, and improved governmental services. Businesses located or expanding within a portion of an Enterprise Zone that is located within the Village of Peotone, if any, may be eligible for an exemption on the retailers' occupation tax paid on building materials, and a 5-year property tax abatement for a qualifying project. The Village of Peotone does not currently offer Enterprise Zone benefits.

### Business Development District

Pursuant to 65 ILCS 5/11-74.3-1 *et. seq.* of the Illinois Municipal Code (the "Business District Development and Redevelopment Act" or the "Act", see **Appendix A**), municipalities may exercise certain powers to enhance the local tax base and promote the development and redevelopment of business districts which are declared to be a public use and essential to the public interest. The Village now intends to establish a Business Development District (the "Business Development District" or "BDD" or the "District"), which shall be formally known as "**Peotone Business Development District No. 1**".

Therefore, this Business Development District Redevelopment Plan (the "BDD Plan") sets forth the necessity for **Peotone Business Development District No. 1** and finds herein that the proposed Business Development District *on-the-whole* has not been subject to growth and development through investment by private enterprises and would not reasonably be anticipated to be developed or redeveloped without the adoption of this Business District Redevelopment Plan.

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**SECTION II.**  
**INTRODUCTION TO BUSINESS DEVELOPMENT DISTRICTS**  
**AND THE PEOTONE BDD GOALS, OBJECTIVES AND RATIONALE**

*What is a Business Development District?*

A Business Development District is a special taxing district, authorized to undertake certain public improvements to be financed through the issuance of notes or bonds that are, in turn, retired by the levy of sales tax within the geographic boundaries of the District. When the Village approves this BDD Plan, it may impose a tax, at a rate not to exceed 1.0% of the gross receipts from the sales in 0.25% increments, by ordinance after the date of the approval of the Plan ordinance and until all business district project costs and all municipal obligations financing the business district project costs, if any, have been paid. The municipality may impose this tax if it has a development or redevelopment plan for an area of the municipality that:

1. is contiguous (i.e., the properties within the area border each other);
2. includes only parcels of real property that will directly and substantially benefit from the proposed plan; and
3. is blighted, as defined in the Illinois Municipal Code.

If blighted, business district sales taxes may be imposed by the Village without voter approval in the form of the Business District Retailers' Occupation Tax, Business District Service Occupation Tax and the Hotel Operators' Occupation Tax. Prior to imposing such taxes, the Corporate Authorities of the Village must approve this BDD Plan.

*Powers Granted to the Village within a Business Development District*

With the creation of a Business Development District, Section 11-74.3-3 of the Act specifically provides the Village with the following powers in addition to the powers the Village may already have:

1. To make and enter into all contracts necessary or incidental to the implementation and furtherance of a business district plan. A contract by and between the municipality and any developer or other nongovernmental person to pay or reimburse said developer or other nongovernmental person for business district project costs incurred or to be incurred by said developer or other nongovernmental person shall not be deemed an economic incentive agreement under Section 8-11-20, notwithstanding the fact that such contract provides for the sharing, rebate, or payment of retailers' occupation taxes or service occupation taxes (including, without limitation, taxes imposed pursuant to subsection (10)) the municipality receives from the development or redevelopment of properties in the business district. Contracts entered into pursuant to this subsection shall be binding upon successor corporate



authorities of the municipality and any party to such contract may seek to enforce and compel performance of the contract by civil action, mandamus, injunction, or other proceeding.

2. Within a business district, to acquire by purchase, donation, or lease, and to own, convey, lease, mortgage, or dispose of land and other real or personal property or rights or interests therein; and to grant or acquire licenses, easements, and options with respect thereto, all in the manner and at such price authorized by law. No conveyance, lease, mortgage, disposition of land or other property acquired by the municipality, or agreement relating to the development of property, shall be made or executed except pursuant to prior official action of the municipality. No conveyance, lease, mortgage, or other disposition of land owned by the municipality, and no agreement relating to the development of property, within a business district shall be made without making public disclosure of the terms and disposition of all bids and proposals submitted to the municipality in connection therewith.
3. To acquire property by eminent domain in accordance with the Eminent Domain Act.
4. To clear any area within a business district by demolition or removal of any existing buildings, structures, fixtures, utilities, or improvements, and to clear and grade land.
5. To install, repair, construct, reconstruct, or relocate public streets, public utilities, and other public site improvements within or without a business district which are essential to the preparation of a business district for use in accordance with a business district plan.
6. To renovate, rehabilitate, reconstruct, relocate, repair, or remodel any existing buildings, structures, works, utilities, or fixtures within any business district.
7. To construct public improvements, including but not limited to buildings, structures, works, utilities, or fixtures within any business district.
8. To fix, charge, and collect fees, rents, and charges for the use of any building, facility, or property or any portion thereof owned or leased by the municipality within a business district.
9. To pay or cause to be paid business district project costs. Any payments to be made by the municipality to developers or other nongovernmental persons for business district project costs incurred by such developer or other nongovernmental person shall be made only pursuant to the prior official action of the municipality evidencing an intent to pay or cause to be paid such business district project costs. A municipality is not required to obtain any right, title, or interest in any real or personal property in order to pay business district project costs associated with such property. The municipality shall adopt such accounting procedures as shall be necessary to determine that such business district project costs are properly paid.

10. To apply for and accept grants, guarantees, donations of property or labor or any other thing of value for use in connection with a business district project.
11. If the municipality has by ordinance found and determined that the business district is a blighted area under this Law, to impose a retailers' occupation tax and a service occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for business district project costs as set forth in the business district plan approved by the municipality.
12. If the municipality has by ordinance found and determined that the business district is a blighted area under this Law, to impose a hotel operators' occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for the business district project costs as set forth in the business district plan approved by the municipality.
13. Obligations secured by the Business District Tax Allocation Fund may be issued to provide for the payment or reimbursement of business district project costs. No obligations issued pursuant to this Law shall be regarded as indebtedness of the municipality issuing those obligations or any other taxing district for the purpose of any limitation imposed by law. Obligations issued pursuant to this Law shall not be subject to the provisions of the Bond Authorization Act.

### ***Peotone BDD Goals and Objectives***

The purpose of the Business Development District is to arrest further decline and underutilization of the proposed BDD Redevelopment Area (the “BDD Area”, *Exhibit 1*), which is the subject of this BDD Plan. The Village finds herein that such decline and underutilization is likely to occur and will further impair the value of private investments as well as the sound growth and tax base of affected taxing districts. In addition, the Village finds that the BDD Area, on-the-whole, has not been subject to growth and development through investment by private enterprises and would not reasonably be anticipated to be developed or redeveloped without the adoption of this Plan.

*Peotone BDD Objectives:* The Village of Peotone proposes to use the funds it receives from the development, redevelopment, improvement, maintenance and revitalization of properties in the BDD Area to achieve the following objectives:

1. Attract new commercial businesses, including retail outlets, professional offices, hotel space and related amenities;
2. Encourage the retention and expansion of existing commercial retail businesses located in the BDD Area;

3. Facilitate the construction, improvement and maintenance of public and private infrastructure and other capital projects which the Village finds is in furtherance of this Plan or necessary to attract and support new commercial, commercial-retail and light industrial businesses, encourage the retention and expansion of existing businesses, and improve the provision of housing accommodations in the Village; and
4. Promote the revitalization and historic preservation of older structures located within the Village.

*Peotone BDD Goals:* By improving public infrastructure and encouraging new private investment throughout the BDD Area, the Village expects to achieve the following goals:

1. Eliminate or reduce those conditions which qualify the BDD Area as a blighted area and encourage high-quality building design, landscaping and site improvements which conform to Village land use and zoning requirements;
2. Create new employment opportunities;
3. Increase the availability of commercial goods and services that will help to make Peotone more attractive for residential growth;
4. Reduce the number of underutilized properties by further encouraging commercial and light industrial development that will stimulate the local economy;
5. Enhance the tax base for the Village and other taxing districts through coordinated, comprehensive planning efforts by either the public or private sectors;
6. Preserve historically significant structures, increase local tourism and further increase retail trade activity, thereby generating new retailer's occupation tax, service occupation tax and hotel operator's occupation tax revenues as may be applicable to the Village, the County, School District and the State of Illinois;
7. Encourage public and private projects that will contribute to the public health, safety, morals and general welfare of the Village; and
8. Increase the aesthetic value of the community, improve the overall quality of life for Peotone's residents and promote the type of development and redevelopment that is in furtherance of the Village's vision and design guidelines cited in the *Village of Peotone Comprehensive Plan*.

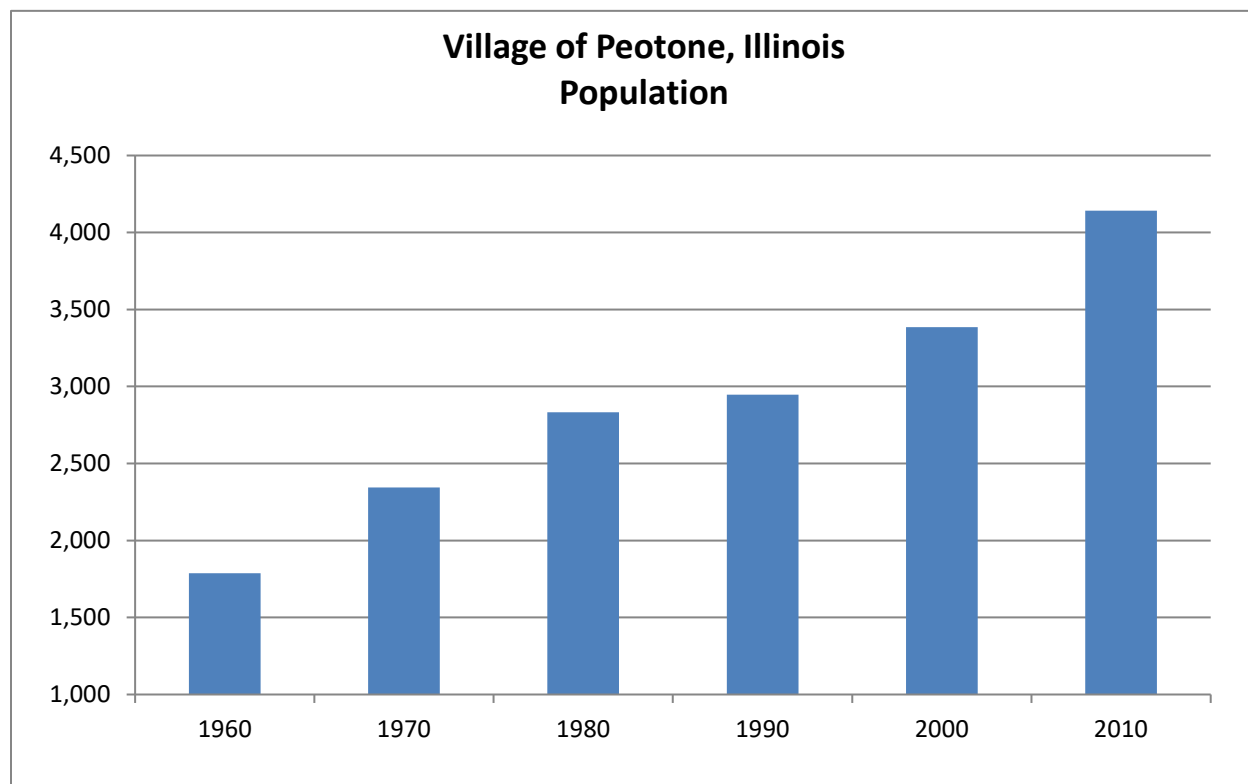
## *Recent Trends and Conditions in Support of the Village's Rationale for the BDD*

### **Population**

In 1960, there were 1,788 persons residing in the Village of Peotone. By 1980, the Village's total population had grown to 2,832. As reported by the U.S. Census Bureau, the Village's population as of 2010 was 4,142. The current population represents an increase of 1,310 residents since 1980 (see *Figure 2*).

The median age of Peotone residents as of the 2010 Census was 37.6 years, which is higher than the U.S. median age of 37.2 years. Approximately 25% of Peotone's residents are 62 years of age or over, which is not uncommon in rural Illinois communities.

The aging population characteristics in Peotone are further reflected by declining enrollment levels reported by the local School District. Historically, a lack of growth in average daily attendance has negatively impacted the financial viability of the School District and the amount of General State Aid the School District receives each year from the Illinois State Board of Education. The Village may use the BDD to encourage the rehabilitation, preservation and redevelopment of existing residential properties, as well as stimulate new housing accommodations to attract new population, encourage residential growth to support new retail trade thresholds, and thereby also help to stabilize future school enrollments.

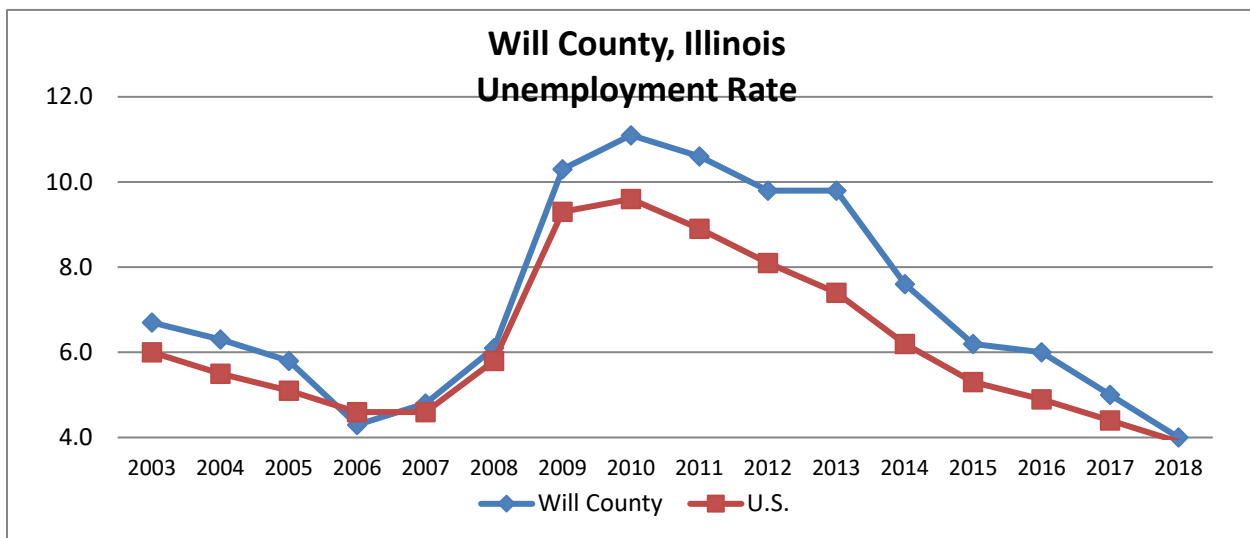


**Figure 2. Village of Peotone, Illinois Total Population, 1960-2010 (source: U.S. Census Bureau).**

## Unemployment

The unemployment rate is the number of people unemployed which is expressed as a percentage of the total civilian labor force. The average annual unemployment rate in Will County increased from 4.3% in 2006 to 11.1% in 2010. As has been reported throughout much of Illinois and the U.S. since the 2009 economic recession, unemployment rates have declined substantially with Will County again approaching its 2006 unemployment level with an average unemployment rate of 4% in 2018 (see *Figure 3*). The U.S. average annual unemployment rate has consistently been lower than Will County and was recorded as 3.9% for 2018. Without further analysis, the downward trend in unemployment rates can make it easy to assume that the U.S. and Will County economies are at or near what many economists regard as “full employment.”

As reported by the Chicago Tribune in December of 2016,<sup>1</sup> U.S. census data indicated that Illinois had lost more residents than any other state for the third consecutive year, losing 37,508 people in 2016, which placed its population at the lowest it has been in nearly a decade. Citing recent research undertaken by the Brookings Institution: “*Illinois is among just eight states to lose residents, putting its population at 12,801,539 people, its lowest since about 2009. Illinois' population first began to drop in 2014, when the state lost 11,961 people. That number more than doubled in 2015, with a loss of 28,497 people, and further multiplied in 2016.*”<sup>2</sup> Based on these population trends, Illinois will likely face a shrinking work force during the next 10 years, thereby making efforts to increase the state’s job base an increasingly more complicated and difficult challenge. As some employers in Illinois may already seriously question whether they can find enough qualified workers to fill job openings to meet the needs of their expanding businesses, the urgency to create new job opportunities and assist potential workers with attaining the educational background and skills necessary to fill those positions has perhaps never been greater.



**Figure 3. Will County, Illinois Average Annual Unemployment Rate as Compared with the U.S. Average Unemployment Rate, 2003-2018 (source: Illinois Department of Employment Security).**

<sup>1</sup> Marwa Eltagouri, Contact Reporter, “Illinois Loses More Residents in 2016 than Any Other State,” *Chicago Tribune*, December 21, 2016 (<http://www.chicagotribune.com/news/local/breaking/ct-illinois-population-decline-met-20161220-story.html>).

<sup>2</sup> Ibid.

Therefore, as the Village of Peotone prepares to undertake a more aggressive approach to attract new economic development over the next 10-20 years, amenities such as housing, a vibrant educational system, advanced health care services and access to broader employment opportunities will be essential for attracting and maintaining a robust workforce.

Addressing these challenges will require, industry leaders, educators and policymakers to focus on:

- Helping K-12 schools, community colleges and universities strengthen career and technical education programs related to skilled trades, design classroom resources that will introduce students to a continuum of competency-based training opportunities, prepare young adults for journeyman programs and apprenticeships, and then guide them toward successfully entering the Illinois workforce;
- Encouraging current skilled trades workers to continuously upgrade the skills they need for emerging new technologies and to remain viable in the marketplace; and
- Facilitating public-private sector partnerships to yield new innovative approaches for producing highly skilled workers through collaborative efforts that are viewed more as an investment, rather than an expense.

Efforts to strengthen local workforce capacities and attract new investments for light industrial and commercial developments within the proposed **Peotone BDD No. 1 Redevelopment Project Area** will help to increase real estate tax revenues for the Village and other taxing bodies while creating an attractive environment for the greater Peotone employment base.

### **Retail Trade**

Due to many of the same economic trends and conditions affecting much of the State of Illinois and the Midwest region, commercial vacancies and underutilized properties exist in the downtown, as well as in existing shopping plazas. The retail space that has been constructed in Peotone over the last 30 years is now being challenged by a dramatic shift in consumer behavior.

Shoppers now expect more from retailers in terms of both their online and physical, in-store experiences. The Internet, home shopping and related new technologies are causing changes to occur in how people acquire their everyday goods and services. The increasing popularity of online retail shopping is causing retailers to redesign store formats and payment methods, as well as adjust to how technology-driven shopping preferences are affecting the inherent value of physical locations in densely populated areas, or along busy transportation corridors. Absent new, innovative approaches, these changes may result in a cascade of effects on communities like Peotone regarding future job creation, population growth and the sustainability of high-quality public services for its residents.

The total retail sales generated in the Village of Peotone during calendar year 2018 were \$91.2 million, as reported by the Illinois Department of Revenue. Although total retail sales expressed in nominal dollars generated in Peotone increased by \$34.7 million between 2004 and 2018, in terms of real, inflation-adjusted dollars, the Village’s total retail sales increased by \$15.8 million over this same 15-year period (see **Figure 4**). These inflation-adjusted retail sales have merely kept pace with inflation and the Village has not experienced substantial expansion of its retail trade.

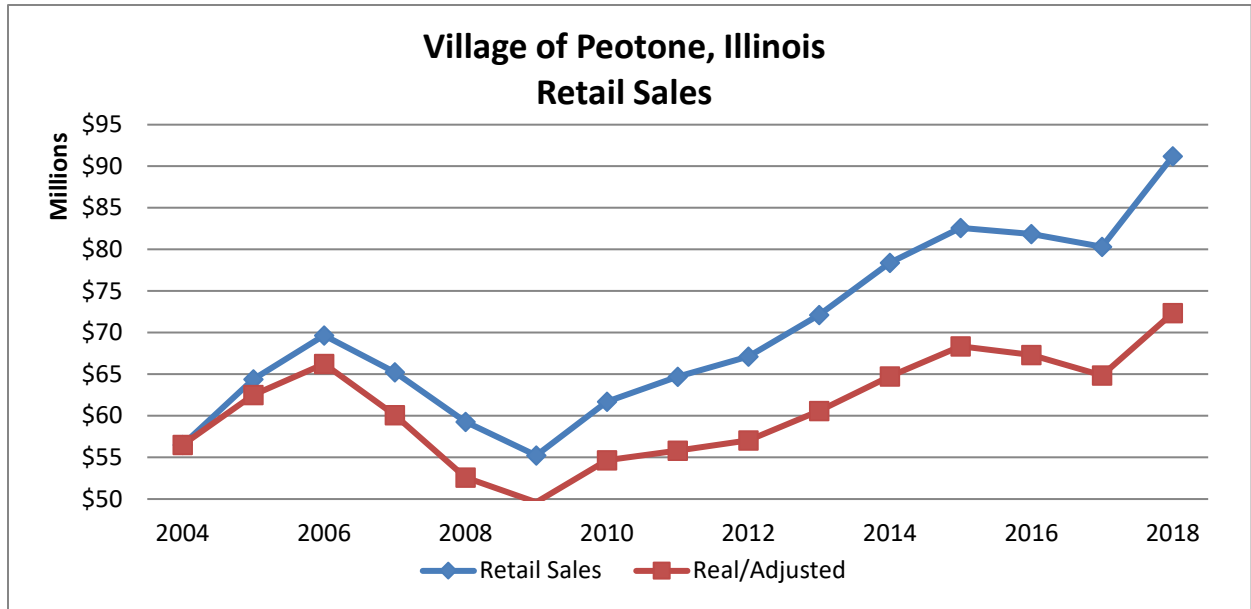


Figure 4. Village of Peotone, Illinois Total Annual Retail Sales by Calendar Year, 2004-2018.

The Village of Peotone receives \$1.00 in municipal sales tax for every \$100 of retail sales. For Fiscal Year 2018, the Village reported that retail sales tax revenues alone accounted for 36.6% of the Village’s total revenues for that year. Therefore, municipal sales tax revenues represent an essential source of funding for the Village as it annually provides increasingly more costly public services to its residents.

As part of an ongoing effort to arrest negative trends, expand retail trade and encourage new economic vitality throughout the community, the Village of Peotone proposes to use the BDD to establish itself as a stronger retail center and further stimulate commercial/retail development within the proposed Redevelopment Project Area. By attracting new private investment and improving infrastructure throughout a designated Redevelopment Project Area, the Village intends to:

- reduce the number of underutilized properties, expand the real estate tax base, and further stimulate the Peotone economy within the Redevelopment Project Area;
- expand and update public infrastructure and related services;
- generate new sales tax revenues for the Village, and Will County;

- create new employment opportunities;
- increase the availability of commercial goods and services to help make Peotone more attractive for developing new housing accommodations, increase population and stabilize local school enrollments; and
- preserve historically significant structures and revitalize existing structures in Peotone;
- improve pedestrian access between residential, recreational and commercial areas; and
- improve the overall aesthetic value of the Peotone community and continue to elevate the quality of life for its residents.

### SECTION III. PEOTONE BUSINESS DEVELOPMENT DISTRICT NO. 1 REDEVELOPMENT AREA

*Description of the BDD Area*

The boundary of the Peotone Business Development District No. 1 Redevelopment Area (the “Area”) is described in *Exhibit 1* and illustrated in the Boundary Map attached hereto as *Exhibit 2*.

The Area is a contiguous boundary which includes only the parcels of real property listed in *Exhibit 3* which are directly and substantially benefited by this BDD Plan. As required by Section 11-74.3-5 of the Act and further described below, the Area is characterized by a predominance of deteriorated site improvements and other blighting factors, which authorizes the Village to impose taxes pursuant to Section 11-74.3-3 (10) and (11) of the Act.

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**SECTION IV.  
ANALYSIS OF CONDITIONS FOUND  
WITHIN THE REDEVELOPMENT AREA**

*Qualification Factors*

As required by Section 11-74.3-5 of the Act, the Village has found the Peotone Business Development District No. 1 Redevelopment Area (the “Area”) qualifies as a blighted area by reason of the predominance of a combination of the following factors:

1. **Defective, nonexistent, or inadequate street layout** is present within the Area. The lack of redevelopment throughout the Area is impeded by non-existent or inadequate street layouts. Existing roadways are inadequate to support current redevelopment that is envisioned by the Village in large sections of the BDD Area. Land within the BDD Area lacks the necessary roadways and related sidewalks to handle vehicular and pedestrian traffic that would result from new commercial and light industrial development in those locations. The anticipated commercial redevelopment of property located at the northwest corner of the I-57 interchange is expected to generate substantially greater vehicular and pedestrian traffic for which the Village and/or private Developers will need to incur substantial costs for new roadway improvements and related amenities to adequately accommodate such growth.
2. **Unsafe conditions** exist within the Area and therefore create a menace to the public health, safety, morals, or welfare of the citizens of Peotone, as well as to potential visitors and tourists visiting the community. The BDD Area includes numerous high-traffic areas characterized by the absence of sidewalks and accessible crosswalks. The Village anticipates using BDD funds to assist with the construction of alternative safe routes and crossings for pedestrians to improve public safety, as well as to provide safe access for children walking to nearby facilities.
3. **Deterioration of site improvements** is found to exist to a meaningful extent and is present throughout the Area. Such deterioration is present on several properties whereby existing structures are physically deteriorated to the extent that new private investment is not reasonably anticipated to occur without the adoption of this Business District Redevelopment Plan. The Area includes very highly visible locations within the Village, however the extraordinary costs of redevelopment render portions of the Area incapable of developing or redeveloping to the best and highest value uses. As a result, the Area is currently incapable of generating the appropriate real estate, sales or hotel tax revenues that would occur if enough, new private investment was possible. Therefore, because the Area *on-the-whole* has not substantially increased retail trade activity in recent years, has not been subject to development through investment by private enterprise, or would not be reasonably anticipated to be redeveloped without the use of Business Development District financing or other sources of public financing (e.g., Tax Increment Financing, Enterprise Zone, Business Incentive

Agreements, etc.), the Area on the whole is found to be underutilized and therefore constitutes an economic liability for the community.

- a. ***Equalized Assessed Value (EAV) History:*** The EAV of the proposed BDD Area increased at a rate that was less than the growth in EAV of the balance of the Village in three (3) of the last four (4) years. The total EAV of the BDD Area also decreased in 2016. Due to insufficient private investment throughout the BDD Area, the Area has not significantly enhanced the tax base of the Village, or that of other affected taxing districts in recent years. This further reflects the Area’s inability to be further developed or redeveloped without the adoption of the Peotone BDD No. 1 Redevelopment Plan.
- b. ***Retail Trade History:*** As previously stated, commercial retail trade activity of the Village in terms of inflation-adjusted sales increased by \$15.8 million from 2004 to 2018. Some of Peotone’s major retail sales tax generators are located within the proposed BDD Area and nearly 36.6% of the Village’s operating budget depends on retail sales tax revenues.

Therefore, this 15-year trend further suggests the BDD Area, *on-the-whole*, is not growing at a rate substantially greater than annual inflation, is currently underutilized, and constitutes an economic liability for the community.

- c. ***Deterioration of Site Improvements:*** In addition, the BDD Area is characterized by the presence of deteriorated structures, aging facilities, deteriorated streets, sidewalks, curbs or other deteriorated, inadequate or absent public infrastructure. These characteristics are present to a meaningful extent throughout the BDD Area and the Village’s findings are summarized in ***Table 1*** below:

<b>Table 1. Peotone BDD No. 1 Parcel Characteristics</b>	
Total vacant and improved parcels	331
Total vacant parcels	60
Total vacant parcels with obsolete platting	4
Total vacant parcels with deteriorated structures on adjacent property	47
Total vacant parcels with chronic flooding/contributes to flooding	17
Total vacant parcels that were blighted before becoming vacant	8

<b>Table 1. Peotone BDD No. 1 Parcel Characteristics</b>	
Total improved parcels	271
Total number of structures on improved parcels	434
Total number of structures that are 35 years of age or older	357
Total number of improved parcels exhibiting dilapidation	8
Total number of improved parcels exhibiting obsolescence	1
Total number of improved parcels exhibiting deterioration	248
Total number of improved parcels with excessive vacancies	5
Total number of improved parcels with deteriorated or inadequate public infrastructure <sup>3</sup>	51
Total number of improved parcels exhibiting overcrowding	32
Total number of improved parcels evidencing a lack of adequate planning <sup>4</sup>	202

4. **Improper subdivision or obsolete platting** exists throughout the Area due, in part, to the absence in earlier years of a formally adopted comprehensive plan for the development of the Village for new commercial, industrial or residential projects. The appropriate platting of real property commonly refers to the subdivision of land into individual lots which are served by adjacent public rights-of-way such as streets, sidewalks, alleys and public easements. Obsolete platting typically refers to parcels of limited or narrow size and configuration, or parcels of irregular size or shape that may be difficult to develop on a planned basis and in a manner, which is compatible with contemporary standards and requirements.

Several properties within the Area are oddly shaped or exhibit narrow configurations which offer inadequate off-street parking, limited visibility or exposure to major streets, poor ingress/egress traffic flow, are difficult to assemble appropriate project sites, or do not otherwise conform to the standards of modern businesses for commercial uses. These factors

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<sup>3</sup> The total number of improved parcels as shown to exhibit deteriorated or inadequate public infrastructure represent visible inadequacies relating to lack of adequate storm water facilities. Though not thoroughly documented as of this BDD Plan, the Village notes that substantial public infrastructure inadequacies exist throughout the BDD Area due to aging water distribution and sanitary sewer lines. Most of the water mains throughout the BDD Area.

<sup>4</sup> The total number of improved parcels as shown to evidence a lack of adequate planning reflect a visible absence of sidewalks, curbs or access alleys. Among the older structures identified within the BDD Area, those properties would have been constructed without the benefit of a formal Comprehensive Plan.

impede the effective development or redevelopment of these properties into the highest and best uses for the Area.

5. **The existence of conditions which endanger life or property by fire or other causes** are present within the Area. Absent substantial new investment, several of the older structures within the BDD Area are underutilized, overcrowded, exhibit deteriorated roofs, lack adequate fire suppression, are at risk of becoming dilapidated, and present higher risks of endangering life or property by fire or other causes.

### *Qualification Summary*

There are multiple “blighting” conditions present within the Peotone Business Development District No. 1 Area that conform to the requirements of the Act. These include:

- Certain site improvements distributed throughout the Area exhibit characteristics of deterioration, a lack of physical maintenance and slow growth in equalized assessed valuation;
  - The existing street layout is deteriorated, inadequate or nonexistent to meet the current or future redevelopment needs of the Area *as-a-whole*;
  - The coordinated development or redevelopment of the Area as envisioned by the Village is impeded by improper subdivision or obsolete platting of certain tracts whereon commercial, retail and light industrial development has not occurred; and
  - Unsanitary and unsafe conditions exist within the BDD Area which endanger the safety and well-being of the public if the Area is not improved and redeveloped.
- ✓ **CONCLUSION:** The combination of the above described qualification factors constitutes an economic or social liability, causes an economic underutilization of properties within the Area, and *on-the-whole*, and exhibits characteristics which create a menace to the public health, safety, morals, or welfare of the citizens of Peotone. Therefore, the Village hereby finds that the BDD Area is a “blighted area” by reason of a predominance of the above described combination of factors.

**SECTION V.**  
**DESIGNATED AND ANTICIPATED PUBLIC AND PRIVATE PROJECTS  
AND RELATED COSTS WITHIN THE BDD AREA**

*BDD Project Costs*

Pursuant to the Act, the Village intends to address the conditions which qualify the BDD Area as a blighted area. The BDD Area has infrastructure inadequacies and will require improvements throughout the life of the business district as projected below. The Village expects that the implementation of the public projects provided herein will help address current needs and attract new private investment within the BDD Area. Pursuant to Section 5/11-74.3-5 of the Act, "Business district project costs" shall mean and include the sum total of all costs incurred by the Village, other governmental entity, or nongovernmental person in connection with a business district, in the furtherance of a business district plan, including, without limitation, the following:

1. Costs of studies, surveys, development of plans and specifications, implementation and administration of a business district plan, and personnel and professional service costs including architectural, engineering, legal, marketing, financial, planning, or other professional services, provided that no charges for professional services may be based on a percentage of tax revenues received by the municipality;
2. Property assembly costs, including but not limited to, acquisition of land and other real or personal property or rights or interests therein, and specifically including payments to developers or other nongovernmental persons as reimbursement for property assembly costs incurred by that developer or other nongovernmental person;
3. Site preparation costs, including but not limited to clearance, demolition or removal of any existing buildings, structures, fixtures, utilities, and improvements and clearing and grading of land;
4. Costs of installation, repair, construction, reconstruction, extension, or relocation of public streets, public utilities, and other public site improvements within or without the business district which are essential to the preparation of the business district for use in accordance with the business district plan, and specifically including payments to developers or other nongovernmental persons as reimbursement for site preparation costs incurred by the developer or nongovernmental person;
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair, or remodeling of any existing buildings, improvements, and fixtures within the business district, and specifically including payments to developers or other nongovernmental persons as reimbursement for costs incurred by those developers or nongovernmental persons;

6. Costs of installation or construction within the business district of buildings, structures, works, streets, improvements, equipment, utilities, or fixtures, and specifically including payments to developers or other nongovernmental persons as reimbursements for such costs incurred by such developer or nongovernmental person;
7. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations issued under this Law that accrues during the estimated period of construction of any development or redevelopment project for which those obligations are issued and for not exceeding 36 months thereafter, and any reasonable reserves related to the issuance of those obligations; and
8. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law.

The public and private projects and related costs described below are anticipated to be undertaken by the Village, private developers or other interested parties. The Village may enter into Redevelopment Agreements with Developers through which the Village can utilize a portion of the BDD funds generated from these projects to reimburse Developers for a portion or all of their BDD eligible private project costs as provided in the Act per Section 65 ILCS 5/11-74.3-5. The Village further plans to use a portion of any BDD funds generated for BDD eligible public project costs as well. The Village may also use tax increment financing funds or any other sources of funds it may lawfully pledge.

All project cost estimates are in year 2019 dollars. In addition to the public and private project costs listed below, developer notes or bonds, if any, that are issued to finance a project may include an amount enough to pay interest, as well as customary and reasonable charges associated with the issuance of such obligations and provide for capitalized interest and reserves as may be reasonably required.

Adjustments to the designated and anticipated line item (public and private) costs provided in this Redevelopment Plan are expected. Each individual project cost and the resulting tax revenues will be re-evaluated as each project is considered for BDD financing under provisions of the Act.

Therefore, totals of line items set forth in this BDD Plan are not intended to place a total limit on the described expenditures or intended to preclude payment of other eligible redevelopment project costs in connection with the redevelopment of the Area, provided the total amount of payment for all eligible redevelopment project costs, public and private, shall not exceed the amount set forth herein or as may be amended in the future. Adjustments may be made to the designated and anticipated line items within the total, either increasing or decreasing line item costs for redevelopment.

The public BDD projects will benefit and be utilized by all owners, users and tenants of real property located in the BDD Area. To the extent that the Village’s BDD projects involve the development or redevelopment of privately-owned property, it is not possible currently to identify or describe all the specific private Developers, users or tenants of such property. As part of the initial establishment of the BDD Area, the Village will provide, in the manner prescribed by the Illinois Department of Revenue (the “IDOR”), the boundaries of the business district and each address in the business district in such a way that IDOR can determine by its address whether a business is in the business district. As the Area develops, the Village will notify the Local Tax Allocation Division at IDOR in writing of any additions, deletions or changes of business addresses within the existing BDD Area. Such written notices of additions, changes or deletions may occur provided any related BDD boundary amendments or tax rate Ordinance changes have been properly completed pursuant to the Act.

***PUBLIC PROJECTS AND RELATED COSTS***

***Designated and Anticipated BDD Eligible Public Redevelopment Projects and Related Costs to be incurred by the Village of Peotone are as follows:***

1. All or any portion of the public redevelopment projects and related costs to be incurred by the Village of Peotone within the boundary of the Peotone Downtown Tax Increment Financing (TIF) District and the Peotone BDD Area and anticipates such costs (see ***Exhibit 4***).....\$18,550,000
2. All or any portion of the public redevelopment projects and related costs to be incurred by the Village of Peotone within the boundary of the Peotone Tax Increment Financing (TIF) District 2 and the Peotone BDD Area and anticipates such costs (see ***Exhibit 4***).....\$33,900,000

*Additional Public Projects and Related Costs within the BDD Area*

3. Public works construction, improvements, upgrades and maintenance or resurfacing of streets, roads, alleys, parking lots and sidewalks, including labor, equipment, parts and materials, including but not limited to the installation of a stoplight and safe-route pedestrian amenities .....\$2,500,000
4. Public works construction, improvements, upgrades and maintenance of sanitary sewer lines, pump and lift stations, manholes and related facilities, including labor, equipment, parts and materials..... \$150,000
5. Public works construction, improvements, upgrades and maintenance of water mains and related lines and hydrants, storage and treatment facilities including labor, equipment, parts and materials .....\$150,000

6. Storm sewer drainage infrastructure, including the construction, improvements, upgrades and maintenance of retention ponds and detention basins, including labor, equipment, parts and materials .....	\$1,500,000
7. Public works or improvements related to utilities, including, but not limited to, gas, electric, cable and telecommunication infrastructure, including labor, equipment, parts and materials.....	\$450,000
8. Public property assembly costs relating to acquisition of land and buildings, demolition, site improvements and clearing and grading of land .....	\$1,500,000
9. Rehabilitation, construction/reconstruction, repairs and maintenance of public facilities, including labor, equipment, parts and materials, including but not limited to public safety, rescue or other emergency services facilities necessary to promote and protect the health, safety, morals and welfare of the public within the BDD Area .....	\$800,000
10. Removal and remediation of environmental contaminants and physical impediments to redevelopment throughout the BDD Area, including but not limited to environmental clean-up.....	\$300,000
11. Professional Services, Administrative Fees & Costs and Planning Costs and BDD-related marketing, signage, website, etc.....	\$150,000
12. Construction, improvements, upgrades and maintenance of public parks, trails, green space and urban forestry improvements, including but not limited to trailhead facilities, landscaping and other amenities relating to improving pedestrian access within the BDD Area .....	\$500,000
13. Costs relating to rehabilitation and revitalization of commercial corridors including, but not limited to redevelopment loans, grants, reimbursements and combinations thereof offered by the Village to commercial owners, tenants or other interested parties relating to commercial properties listed in <i>Exhibit 3</i> .....	\$500,000
14. Public Infrastructure within future contiguous BDD Areas, if any.....	<u>\$100,000</u>
<b>TOTAL DESIGNATED &amp; ANTICIPATED PUBLIC PROJECT COSTS.....</b>	<b>\$61,200,000</b>



## ***PRIVATE PROJECTS AND RELATED COSTS***

The goals and objectives of this BDD Plan as cited above in ***Section II***, are not possible without financial assistance. Without the availability of BDD funds, Developers and/or other interested parties will not be able to undertake the projects described below unless the extraordinary costs and risks associated with such projects can be mitigated, in part, through the use of BDD funds. This “but for BDD funds” has currently been expressed by one private developer with whom the Village plans to enter into an Annexation Agreement and subsequent Redevelopment Agreement to incentivize a new retail business to locate within the BDD Area.

### *Description of First Private Redevelopment Project within BDD Area*

***Developer Name and Contact:*** Bhagwati Properties One, LLC  
% Mr. Suhas Patel  
1445 Sommerfield Drive  
Bolingbrook, IL 60490  
Ph: (630) 947-3125

***Project Description:*** Developer is acquiring PINs 17-20-23-300-014-0000 and 17-20-23-300-016-0000 located at 31053 South 88<sup>th</sup> Avenue, north of the intersection of the I-57 interchange and Wilmington-Peotone Road, Peotone, Illinois. This site will be annexed to the Village of Peotone prior to the establishment of Peotone BDD No. 1. The Developer then intends to proceed with plans to undertake the construction of a Holiday Inn Express Hotel with approximately 70 rooms and a 24-hour Truck Travel Center on the site (the “Hotel & Truck Travel Center Project”).

***Project Background Information:*** The Village is currently in the process of establishing the Peotone Tax Increment Financing (TIF) District 2 Redevelopment Plan, Area and Projects, which Area is included in the proposed Peotone BDD No. 1 Area and overlaps the site intended for the Hotel & Truck Travel Center Project. The TIF District 2 Plan anticipates \$33.9 million of total public improvements, including streets, sanitary sewer and water system improvements, storm drainage infrastructure, the extension of utilities, environmental remediation, public park and greenspace improvements, public safety facility upgrades and land acquisition. The TIF Plan also anticipates the reimbursement of \$21.3 million of private TIF eligible expenses that are in furtherance of the redevelopment goals and objectives described in the TIF Plan.

On May 28, 2019, the Village approved Inducement Resolution No. 19-R03 for the proposed Hotel & Truck Travel Center Project. The Village also plans to enter into a TIF Redevelopment Agreement with Bhagwati Properties One, LLC (the “Developer”) after TIF District 2 is established. That Agreement will outline the total reimbursements that the Developer will be eligible to receive for its TIF eligible redevelopment project costs related to the Hotel & Truck Travel Center Project and the terms for the Developer receiving those reimbursements.

The completion of the Project in its entirety will require substantial private investment that is estimated to exceed \$13.8 million, exclusive of applicable franchise fees, equipment and furnishings. The site location for the Project is shown in *Exhibit 5*.

As of this date, the Developer’s Estimated Eligible Project Costs (current and future phases) include:

1. Property assembly costs .....	\$1,512,500
2. Site preparation/clearing/demolition/grading-leveling .....	\$700,000
3. Professional fees (architectural, engineering, legal, planning, etc.) .....	\$525,000
4. Job Training and retraining services .....	\$25,000
5. Public Infrastructure Improvements.....	\$2,000,000
6. Utilities Extensions .....	\$200,000
7. Long-term interest & financing costs.....	<u>\$4,028,158</u>
<b>Total Estimated Eligible Project Costs .....</b>	<b>\$8,990,658</b>

The amounts shown in the itemized list of Developer’s Estimated Eligible Project Costs above may be reallocated and reassigned to different line items, pursuant to the terms of a TIF Redevelopment Agreement between the Village of Peotone and the Developer.

***Description of Other Private Redevelopment Projects Anticipated within BDD Area***

The Village anticipates using BDD funds to attract additional private development and redevelopment projects including, but not limited to, new commercial retail, professional offices, light industrial, and residential projects as well as hotel/bed & breakfast or other similar accommodations. The Village believes the Redevelopment Project Area will not be developed or redeveloped without the use of BDD Funds. Therefore, the Village intends to offer incentives to potential Developers to encourage commitments for new private investment during the life of the proposed BDD. Examples of additional private redevelopment projects which are likely to occur within the Peotone BDD No. 1 Area include:

1. **Hotel & Conference Center Project**.....\$6,000,000  
 This project includes a 60± room hotel with a conference center and/or small meeting rooms. This hotel is expected to employ approximately 20 persons and will require a total private investment of approximately \$10 million, including \$6 million of BDD eligible project costs.
2. **Commercial/Large Retail Facility I**.....\$1,500,000  
 This project consists of the rehabilitation of a large retail facility requiring a total investment of \$5.0 million, including \$1,500,000 of BDD eligible project costs.

3. **Commercial/Retail Facility I**.....\$900,000  
This project consists of a general merchandise retail facility requiring a total investment of \$2.5 million, including \$900,000 of BDD eligible project costs.
4. **Commercial/Retail Facility II**.....\$450,000  
This project consists of a general merchandise retail facility requiring a total investment of \$1.5 million, including \$450,000 of BDD eligible project costs.
5. **Commercial/Retail Facility III** .....\$250,000  
This project consists of a general merchandise retail facility requiring a total investment of \$1 million, including \$250,000 of BDD eligible project costs.
6. **Commercial Business Office Complex** .....\$450,000  
This project consists of a business center containing a series of units used primarily for commercial office space. The total investment is projected to be \$1.5 million, including \$450,000 of BDD eligible project costs.
7. **Commercial Rehabilitation Project II**.....\$100,000  
This project consists of the rehabilitation and renovation of a commercial or retail-merchandise facility within the BDD requiring a total investment of \$300,000, including \$100,000 of BDD eligible project costs.
8. **Commercial Restaurant Project I** .....\$500,000  
A restaurant is projected to be constructed within the BDD District. The restaurant is expected to employ approximately two supervisory employees and 30-40 food and food service workers. The project is projected to require an investment of \$2 million to construct, including \$500,000 of eligible project costs.
9. **Commercial Restaurant Project II** .....\$400,000  
A restaurant is projected to be constructed within the BDD District. The restaurant is expected to employ approximately two supervisory employees and 30-40 food and food service workers. The project is projected to require an investment of \$1.2 million to construct, including \$400,000 of BDD eligible project costs.

**TOTAL DESIGNATED & ANTICIPATED PRIVATE PROJECT COSTS.....\$10,550,000**

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**SECTION VI.  
ANTICIPATED SOURCES OF FUNDS  
TO PAY BDD PROJECT COSTS**

***Business District Retailers' Occupation Tax***

The corporate authorities of the Village of Peotone, upon designating this business district pursuant to Section 11-74.3-6(b) of the Act, intends to impose a Business District Retailers' Occupation Tax. Such tax shall be imposed upon all persons engaged in the business of selling tangible personal property within the BDD Area, other than an item of tangible personal property titled or registered with an agency of the State of Illinois, at retail in the business district at the rate of **1.0% of the gross receipts** from the sales made in the course of such business. The tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. The tax imposed under this subsection and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the Illinois Department of Revenue.

***Business District Service Occupation Tax***

Pursuant to Section 11-74.3-6(c) of the Act, the corporate authorities of the Village of Peotone may impose a Business District Service Occupation Tax. Such tax be imposed upon all persons engaged, in the business district, in the business of making sales of service, who, as an incident to making those sales of service, transfer tangible personal property within the business district, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. **The tax shall be imposed at the same 1.0% rate as the tax imposed for the Business District Retailers' Occupation Tax** on the selling price of tangible personal property so transferred within the business district. The tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. The tax imposed under this subsection and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the Illinois Department of Revenue.

***Intended uses of the Business District Retailers' Occupation Tax and Business District Service Occupation Tax:***

The Village of Peotone currently projects the base annual Business District Retailers' Occupation Tax and Business District Service Occupation Tax that will be collected from the existing and new

businesses located within the BDD Area, including the proposed *Truck Travel Center Project* will generate approximately Two Hundred Forty Thousand Dollars (\$240,000) per year. Upon receiving such funds from the IDOR, including future BDD funds generated from within the “*Non-Hotel portion*” of the BDD Area, the Village shall deposit such funds to the “*Peotone Business Development District No. 1 Special Tax Allocation Fund*” for the purposes of paying or reimbursing business district project costs and obligations incurred in the payment of those costs.

### ***Business District Hotel Operator’s Occupation Tax***

Pursuant to Section 11-74.3-6(d) of the Act, the corporate authorities of the Village of Peotone, upon designating this business district intends to impose an occupation tax upon all persons engaged in the business district in the business of renting, leasing, or letting rooms in a hotel, as defined in the Hotel Operators' Occupation Tax Act, at a rate not to exceed **1.0% of the gross rental receipts** as defined in the Hotel Operators' Occupation Tax Act, and proceeds from the tax imposed under subsection (c) of Section 13 of the Metropolitan Pier and Exposition Authority Act. The tax imposed by the Village under this subsection and all civil penalties that may be assessed as an incident to that tax shall be collected and enforced by the Village of Peotone. The Village shall deposit funds generated by the BDD Hotel Operators’ Tax to the “*Peotone Business Development District No. 1 Special Tax Allocation Fund*” for the purposes of paying or reimbursing business district project costs and obligations incurred in the payment of those costs.

The Village of Peotone currently anticipates that the annual Business District Hotel Operator’s Occupation Tax to be collected from the proposed *Hotel Project* will amount to approximately \$18,700 per year. Upon receiving such future funds from the IDOR, the Village shall deposit the *Hotel Project’s* BDD funds to a “Pledged Project Revenues” subaccount within the “*Peotone Business Development District No. 1 Special Tax Allocation Fund*” for purposes of reimbursing eligible project costs per the redevelopment agreement discussed in *Section V* above.

### ***Other Sources of Funds for Implementation of this BDD Plan***

Other sources of funds that may be used to pay the costs of implementing this BDD Plan may include, but are not limited to, the following:

1. Private equity capital which is available to private Developers through their own cash reserves or financing sources;
2. Funds available to the Village through tax increment financing;
3. Revenue available because of development assessments, purchase and sale agreements, and leases entered between the Village and other individuals or entities;
4. Improvements by third-party tenants;

5. Special Assessments;
6. Special Service Areas, if any, that the Village may create within the BDD Area and impose additional property taxes upon properties located within such special service areas to pay the costs of providing special services that may be performed from time to time within such special service areas with the BDD Area in support of the goals and objectives of this BDD Plan;
7. Grants and loans from the United States or the State of Illinois, or any instrumentality of the federal or state government;
8. General revenues of the Village, to the extent such revenue is not necessary to fund other operations of the Village;
9. The Village may issue obligations in one or more series in the future, maturing and bearing interest at rates and having such other terms and provisions determined by the Village by Ordinance and in whole or in part secured and/or paid from funds or deposits credited to the "Peotone Business Development District No. 1 Special Tax Allocation Fund"; and
10. Other legally permissible sources of public financing that may be identified at such time in the future that the Village may deem appropriate to fund BDD project costs.

The exact portion of project costs the Village may reimburse from each of the above referenced sources of funds will depend upon the availability of funds from these sources and the approval of written redevelopment agreements with future private Developers, if any, by the Peotone Village Board of Trustees.

## **SECTION VII. OTHER STATUTORY REQUIREMENTS**

***Future Land Use and Zoning.*** The general uses of the land within the BDD Area shall conform to the existing and future land uses as well as current and future zoning and subdivision codes of the Village of Peotone.

***Commitment to Fair Employment.*** The Village of Peotone will comply with fair employment practices and an Affirmative Action Plan in the implementation of this BDD Plan and Projects.

***Amendments to the Peotone Business Development District No. 1 Plan and Area.*** Pursuant to Section 5/11-74.3-2(f) of the Act and other applicable Village Ordinances, the Village may amend the BDD Plan, the boundaries of the BDD Area, and the taxes provided for in subsections (10) and (11) of Section 11-74.3-3 may be imposed or altered.

***Business District Tax Allocation Fund.*** Upon adopting an Ordinance approving this BDD Plan, the Village shall establish the “*Peotone Business Development District No. 1 Special Tax Allocation Fund*” for the purposes of paying or reimbursing business district project costs and obligations incurred in the payment of those costs. The business district tax allocation fund shall be dissolved no later than 270 days following payment to the municipality of the last distribution of taxes as provided in Section 11-74.3-6.

***Term of the Peotone Business Development District No. 1 Taxes, Plan and Projects.*** Upon payment of all business district project costs and retirement of all obligations paying or reimbursing business district project costs, but in no event more than twenty-three (23) years after the date of adoption of the ordinance imposing taxes pursuant to subsection (10) or (11) of Section 11-74.3-3, the Village shall adopt an ordinance immediately rescinding the taxes imposed pursuant to subsection (10) or (11) of Section 11-74.3-3.

***Nature and Term of Bonds or Notes.*** The Village may utilize a “pay-as-you-go” approach to financing private eligible BDD project costs. Pursuant to Section 11-74.3-6(e) of the Act, obligations secured by the “*Peotone Business Development District No. 1 Special Tax Allocation Fund*” may also be issued to provide for the payment or reimbursement of business district project costs. The Village may issue bonds or other obligations to fund public infrastructure or other eligible project costs. The Village may secure such obligations by pledging, for any period of time up to and including the dissolution date, all or any part of the funds in and to be deposited in the Business District Tax Allocation Fund to the payment of business district project costs and obligations which do not exceed 20 years in length, or the term of Peotone Business Development District No. 1, whichever is less. The Village may also issue revenue bonds, notes or other obligations to fund private eligible project costs as well which would also be limited to 20 years in length. The repayment of debt service of these obligations would be limited to the BDD funds generated as permitted by the Act and/or other pledged funds authorized by the Village including, but not limited to, tax increment financing funds, special service area taxes and special assessments.

***BDD Contracts.*** The Village shall have the power to make and enter into all contracts necessary or incidental to the implementation and furtherance of a business district plan. A contract by and between the municipality and any developer or other nongovernmental person to pay or reimburse said developer or other nongovernmental person for business district project costs incurred or to be incurred by said developer or other nongovernmental person shall not be deemed an economic incentive agreement under Section 8-11-20, notwithstanding the fact that such contract provides for the sharing, rebate, or payment of retailers' occupation taxes or service occupation taxes (including, without limitation, taxes imposed pursuant to subsection (10)) the municipality receives from the development or redevelopment of properties in the business district.

***Contiguous BDD Areas.*** The Village may utilize the revenue from a business district retailers' occupation tax and service occupation tax imposed under paragraph (10) and a hotel operators'

occupation tax under paragraph (11) of Section 11-74.3-3 in connection with one business district for eligible costs in another business district that is: (A) contiguous to the business district from which the revenues are received; (B) separated only by a public right of way from the business district from which the revenues are received; or (C) separated only by forest preserve property from the business district from which the revenues are received if the closest boundaries of the business districts that are separated by the forest preserve property are less than one mile apart.

### **SECTION VIII. CONCLUSION**

The Village of Peotone, Will County, Illinois has determined that to promote the health, safety, morals, and welfare of the public, blighted conditions need to be eradicated, conservation measures instituted, and that redevelopment within the Peotone Business Development District No. 1 should be undertaken. In order to remove and alleviate adverse conditions, it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts by the development or redevelopment of the Area.

The Village President and Board of Trustees hereby conclude that it is in the best interest of the Village and that the citizens of Peotone will benefit by the adoption of this Peotone Business Development District No. 1 Plan, Projects and Area.

### **VILLAGE OF PEOTONE, ILLINOIS**

By: \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / 2019  
Village President

Attest: \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / 2019  
Village Clerk



**SECTION IX.**  
**EXHIBITS**

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## EXHIBIT 1

### PEOTONE BDD AREA NO. 1 BOUNDARY DESCRIPTION

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 33 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, VILLAGE OF PEOTONE, COUNTY OF WILL, STATE OF ILLINOIS; THENCE NORTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER OF SECTION 23, TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 23; THENCE EAST ALONG SAID NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 23, TO THE EASTERLY LINE OF INTERSTATE ROUTE 57; THENCE NORTHERLY ALONG SAID EASTERLY LINE OF INTERSTATE ROUTE 57, TO THE NORTHERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE SOUTHEASTERLY ALONG SAID NORTHERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD, TO THE WEST LINE OF PARCEL 17-20-23-300-018-0000; THENCE NORTH ALONG SAID WEST LINE TO THE NORTHWEST CORNER OF SAID PARCEL; THENCE EAST ALONG THE NORTH LINE OF SAID PARCEL TO THE NORTHEAST CORNER OF SAID PARCEL; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL TO THE NORTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE SOUTHEASTERLY ALONG SAID NORTHERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD, TO THE SOUTHWEST CORNER OF LOT 6 IN THE MEADOWS 2<sup>ND</sup> ADDITION (PARCEL 17-20-23-410-003-0000); THENCE NORTHEASTERLY ALONG THE WEST LINE OF SAID LOT 6 TO THE NORTHERLY RIGHT-OF-WAY OF BONNIE LANE; THENCE SOUTHEASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE SOUTHEAST CORNER OF LOT 12 IN THE MEADOWS 2<sup>ND</sup> ADDITION; THENCE SOUTHERLY TO THE NORTHEAST CORNER OF LOT 2 IN THE MEADOWS 2<sup>ND</sup> ADDITION; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LOT 2 TO THE NORTHERLY RIGHT-OF-WAY LINE OF WILMINGTON-PEOTONE ROAD; THENCE EASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE SOUTHWEST CORNER OF LOT 1 IN BATE SUBDIVISION; THENCE NORTHERLY ALONG THE WEST LINE OF SAID LOT 1 AND LOT 2 IN BATE SUBDIVISION TO THE NORTHWEST CORNER OF SAID LOT 2; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 2 TO THE WESTERLY RIGHT-OF-WAY LINE OF RATHJE RD; THENCE NORTHERLY TO THE NORTH RIGHT-OF-WAY LINE OF ROYAL LANE; THENCE EASTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE EXTENDED EASTERLY TO THE EAST RIGHT-OF-WAY LINE OF DIVISION STREET; THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE TO THE SOUTHWEST CORNER OF PARCEL 17-20-24-314-015-0000; THENCE EASTERLY ALONG THE SOUTH LINE OF PARCEL 17-20-24-314-015-0000 TO THE SOUTHEAST CORNER OF PARCEL 17-20-24-314-015-0000 (PART OF LOT 5 IN MILL PARK PLACE) AND THE WEST LINE OF PARCEL 17-20-24-300-028-0000; THENCE NORTHERLY ALONG SAID WEST LINE TO THE NORTHWEST CORNER OF SAID PARCEL 17-20-24-300-028-0000; THENCE WESTERLY TO THE WEST RIGHT-OF-WAY LINE OF DIVISION STREET; THENCE NORTHERLY ALONG SAID WEST RIGHT-OF-WAY LINE TO THE NORTH RIGHT-OF-WAY LINE OF CROWN LANE; THENCE EASTERLY 66 FEET TO THE EAST RIGHT-OF-WAY LINE OF DIVISION STREET; THENCE NORTHERLY 20 FEET ALONG SAID EAST RIGHT-OF-

WAY LINE OF DIVISION STREET; THENCE EASTERLY 209.33 FEET; THENCE NORTHERLY 408.47 FEET; THENCE EASTERLY 25 FEET; THENCE NORTHERLY 149.64 FEET; THENCE EASTERLY 434.08 FEET TO THE WEST RIGHT-OF-WAY LINE OF MILL STREET; THENCE NORTHERLY 60 FEET ALONG SAID RIGHT-OF-WAY LINE TO THE NORTHERLY RIGHT-OF-WAY LINE OF GARFIELD AVENUE EXTENDED WEST; THENCE EASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF GARFIELD AVENUE TO THE WESTERLY RIGHT-OF-WAY LINE OF WEST STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE NORTHERLY RIGHT-OF-WAY LINE OF WILSON STREET EXTENDED WEST; THENCE EASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE WESTERLY RIGHT-OF-WAY LINE OF FIRST STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE NORTHEAST CORNER OF LOT 10 IN BLOCK 16 IN THE VILLAGE OF PEOTONE; THENCE WESTERLY ALONG THE NORTH LINE OF SAID LOT 10 AND LOTS 9, 8, 7 AND 6 IN BLOCK 16 IN THE VILLAGE OF PEOTONE TO THE WESTERLY RIGHT-OF-WAY LINE OF WEST STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 6 IN BLOCK 15 OF THE VILLAGE OF PEOTONE; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 6 AND LOTS 7, 8, 9 AND 10 IN BLOCK 15 ON THE VILLAGE OF PEOTONE TO THE WESTERLY RIGHT-OF-WAY LINE OF FIRST STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE NORTH RIGHT-OF-WAY LINE OF CRAWFORD STREET; THENCE EASTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE TO THE WESTERLY RIGHT-OF-WAY LINE OF WASHINGTON STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE SOUTHERLY RIGHT-OF-WAY LINE OF LINCOLN STREET; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE WESTERLY RIGHT-OF-WAY LINE OF SECOND STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SUMNER AVENUE; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE WESTERLY RIGHT-OF-WAY LINE OF FIRST STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 2 OF THE CRAWFORDS 3<sup>RD</sup> ADDITION TO THE VILLAGE OF PEOTONE; THENCE WESTERLY 165 FEET; THENCE NORTHERLY TO THE NORTHEAST CORNER OF LOT 1 IN BENNETTS SUBDIVISION (PIN 17-20-24-200-017-0000); THENCE EASTERLY 3,342 FEET MORE OR LESS ALONG THE NORTH RIGHT-OF-WAY-LINE OF LOT 1 IN BENNETTS SUBDIVISION EXTENDED EASTERLY TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 1 IN WALNUT CREEK UNIT 1A; THENCE SOUTHERLY ALONG SAID WEST LINE AND THE WEST LINES OF LOTS 2 THROUGH 8 IN WALNUT CREEK UNIT 1A TO THE NORTHEAST CORNER OF LOT 47 IN WALNUT BLUFF UNIT 3; THENCE WESTERLY ALONG THE NORTH LINE OF SAID WALNUT BLUFF UNIT 3 EXTENDED TO THE NORTHWEST CORNER OF LOT 11 OF SAID WALNUT BLUFF UNIT 3; THENCE SOUTHERLY 132 FEET; THENCE EASTERLY 63 FEET MORE OR LESS TO THE WEST LINE OF LOT 35 OF SAID WALNUT BLUFF UNIT 3; THENCE SOUTHERLY ALONG SAID WEST LINE EXTENDED 450.67 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF HAUERT STREET; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE 32 FEET MORE OR LESS; THENCE SOUTHERLY 83 FEET; THENCE EASTERLY 294.05 FEET; THENCE SOUTHERLY 80 FEET; THENCE WESTERLY 496.19 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF HARLEM AVENUE; THENCE SOUTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE 264 FEET; THENCE EASTERLY 534 FEET; THENCE

SOUTHERLY 186 FEET; THENCE WESTERLY 534 FEET TO THE EAST RIGHT-OF-WAY LINE OF HARLEM AVENUE; THENCE SOUTHERLY ALONG SAID RIGHT-OF-WAY LINE 12 FEET; THENCE EASTERLY 1,319.33 FEET TO THE WEST LINE OF LOT 9 IN MEYER GLEN SUBDIVISION; THENCE SOUTHERLY TO THE SOUTHWEST CORNER OF LOT 7 IN MEYER GLEN SUBDIVISION; THENCE WESTERLY TO THE NORTHWEST CORNER OF PARCEL 20-21-19-100-060-0010; THENCE SOUTHERLY ALONG THE WEST LINE OF SAID PARCEL TO THE SOUTHWEST CORNER OF SAID PARCEL; THENCE WESTERLY TO THE NORTHEAST CORNER OF PARCEL 20-21-19-100-016-0000; THENCE SOUTHERLY 82.50 FEET ALONG THE EAST LINE OF SAID PARCEL TO THE SOUTHEAST CORNER OF SAID PARCEL; THENCE WESTERLY 126 FEET ALONG THE SOUTH LINE OF SAID PARCEL TO THE NORTHEAST CORNER OF PARCEL 20-21-19-100-017-0000; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID PARCEL AND THE EAST LINE OF PARCEL 20-21-19-100-018-0000 EXTENDED TO THE SOUTHERLY RIGHT-OF-WAY LINE OF CORNING AVENUE; THENCE WESTERLY TO THE EASTERLY RIGHT-OF-WAY LINE OF HARLEM AVENUE; THENCE SOUTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HARLEM AVENUE AND EXTENDED ALONG THE EASTERLY RIGHT-OF-WAY LINE OF DRECKSLER ROAD TO THE SOUTHERLY RIGHT-OF-WAY LINE OF WILMINGTON-PEOTONE (TUCKER) ROAD; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE NORTHEAST CORNER OF PARCEL 17-20-25-200-018-0020; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID PARCEL TO THE SOUTHEAST CORNER OF SAID PARCEL; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID PARCEL TO THE SOUTHWEST CORNER OF SAID PARCEL; THENCE NORTHERLY ALONG THE WEST LINE OF SAID PARCEL TO THE SOUTHERLY RIGHT-OF-WAY LINE OF WILMINGTON-PEOTONE (TUCKER) ROAD; THENCE WESTERLY ALONG SAID SOUTH RIGHT-OF-WAY LINE TO THE EAST RIGHT-OF-WAY LINE OF PEARL DRIVE; THENCE SOUTHERLY ALONG SAID EAST RIGHT-OF-WAY LINE AND THE SOUTHERLY EXTENSION THEREOF TO THE SOUTHEAST CORNER OF OUTLOT A IN THE PEARL CHRYSLER RESUBDIVISION; THENCE SOUTHWESTERLY ALONG THE SOUTHERLY LINE OF SAID OUTLOT A TO THE SOUTHWEST CORNER OF SAID OUTLOT A; THENCE NORTHWESTERLY ALONG THE WESTERLY LINE OF SAID OUTLOT A AND THE WESTERLY LINES OF LOTS 1 AND 2 IN THE PEARL CHRYSLER RESUBDIVISION TO THE SOUTHERLY RIGHT-OF-WAY LINE OF GOVERNORS HIGHWAY; THENCE NORTHEASTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO ITS INTERSECTION WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF WILMINGTON-PEOTONE (TUCKER) ROAD; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF WILMINGTON-PEOTONE (TUCKER) ROAD TO THE NORTHEAST CORNER OF PARCEL 17-20-25-100-007-0000; THENCE SOUTHERLY 361.50 FEET ALONG THE EAST LINE OF SAID PARCEL; THENCE WESTERLY 361.50 FEET ALONG THE SOUTH LINE OF SAID PARCEL AND PARCEL 17-20-25-100-006-0000 TO THE EASTERLY RIGHT-OF-WAY LINE OF RATHJE ROAD; THENCE SOUTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE EASTERLY EXTENSION OF THE NORTH LINE OF PARCEL 17-20-26-200-013-0000; THENCE WESTERLY ALONG THE NORTH LINE OF SAID PARCEL, ALSO BEING THE SOUTH LINE OF PARCEL 17-20-26-200-015-0000 TO THE SOUTHWEST CORNER OF SAID PARCEL 17-20-26-200-015-0000; THENCE NORTH ALONG THE WEST LINE OF SAID PARCEL TO THE SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE NORTHWESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE NORTHEAST CORNER OF LOT 8 IN GULL LANDING; THENCE SOUTHERLY 123 FEET ALONG THE EAST LINE OF SAID LOT 8 TO THE

SOUTHEAST CORNER OF SAID LOT 8; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID LOT 8 EXTENDED TO THE SOUTHERLY RIGHT-OF-WAY LINE OF MALLARD LANE; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE NORTHWEST CORNER OF LOT 16 IN THE GULL LANDING SUBDIVISION AND THE EASTERLY RIGHT-OF-WAY LINE OF GULL VIEW DRIVE; THENCE SOUTHWESTERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE SOUTHERLY RIGHT-OF-WAY LINE OF TEAL AVENUE; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE NORTHEAST CORNER OF OUTLOT A IN THE RESUBDIVISION OF PART OF GULL LANDING UNIT 4; THENCE SOUTHWESTERLY 456.86 FEET ALONG THE EASTERLY LINE OF SAID OUTLOT A TO THE SOUTHERLY POINT OF SAID OUTLOT A; THENCE NORTHERLY 422.12 FEET ALONG THE WESTERLY LINE OF SAID OUTLOT A TO THE NORTHWEST CORNER OF SAID OUTLOT A AND THE SOUTHERLY RIGHT-OF-WAY LINE OF TEAL AVENUE; THENCE WESTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE WEST LINE OF GULL LANDING UNIT 4, BEING A SUBDIVISION OF PART OF THE NORTH HALF OF SAID NORTHWEST QUARTER AND PART OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 26 ACCORDING TO THE PLAT THEREOF RECORDED AS DOCUMENT NO. R97-072087; THENCE SOUTH ALONG SAID WEST LINE OF GULL LANDING UNIT 4, TO THE SOUTH LINE OF THE NORTH HALF OF SAID NORTHWEST QUARTER OF SECTION 26; THENCE WEST ALONG SAID SOUTH LINE OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 26, TO THE WEST LINE OF SAID NORTHWEST QUARTER OF SECTION 26; THENCE NORTH ALONG SAID WEST LINE OF THE NORTHWEST QUARTER OF SECTION 26, TO THE POINT OF BEGINNING.

**EXCEPTING THEREFROM THE FOLLOWING DESCRIBED TRACTS:**

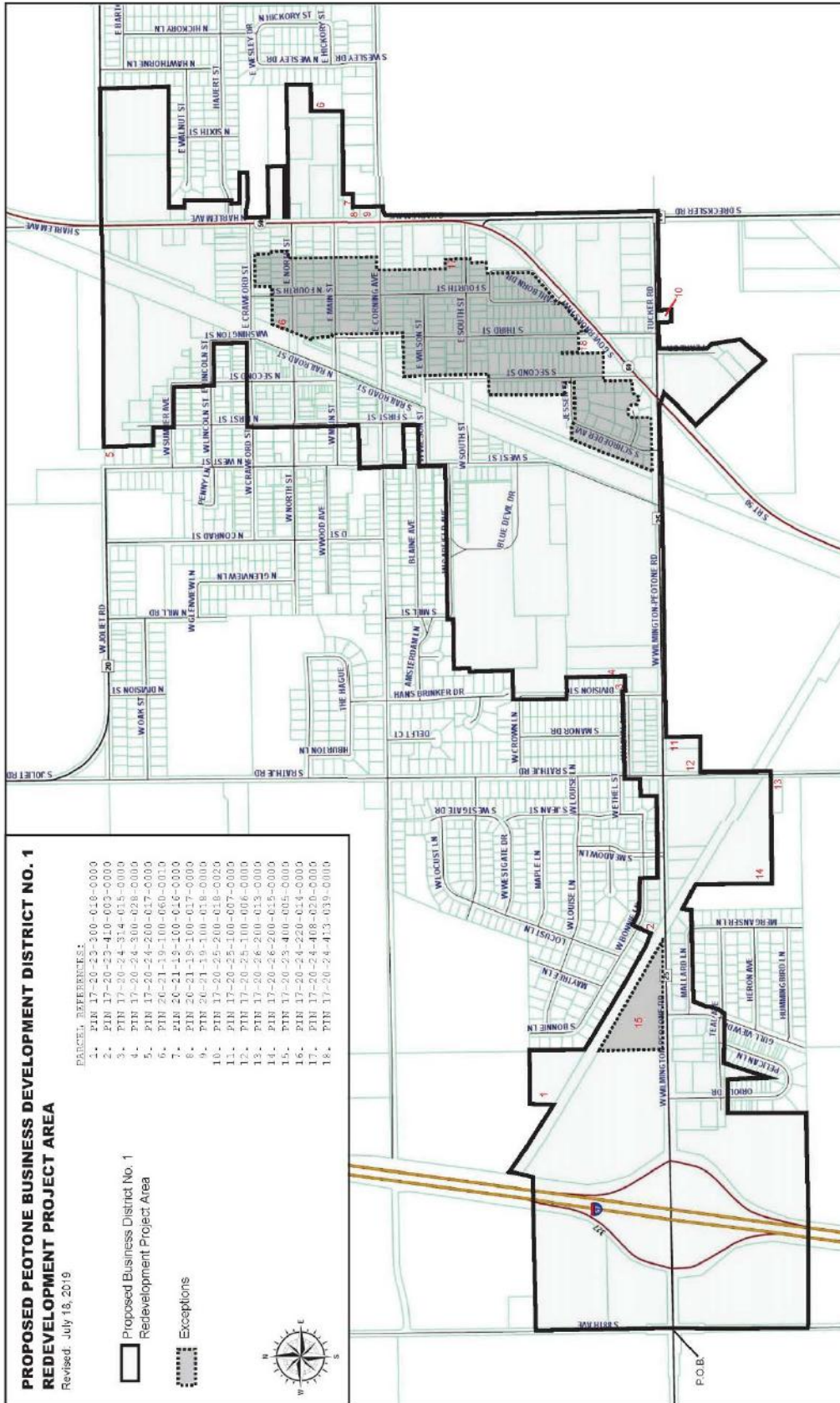
1. PARCEL 17-20-23-400-005-0000, PART OF THE SOUTH ½ OF THE SOUTHEAST ¼ OF SECTION 23, TOWNSHIP 33N, RANGE 12E, LYING SOUTH AND WEST OF THE SOUTHERLY RIGHT-OF-WAY OF THE FORMER CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD, AND NORTH OF THE NORTHERLY RIGHT-OF-WAY LINE OF WILMINGTON-PEOTONE ROAD; AND
2. COMMENCING AT THE SOUTHWEST CORNER OF LOT 10 IN JESSEN'S SUBDIVISION; THENCE NORTHEASTERLY ALONG THE WEST LINE OF SAID JESSEN'S SUBDIVISION TO THE NORTHWEST CORNER OF LOT 1 IN SAID JESSEN'S SUBDIVISION; THENCE EASTERLY TO THE NORTHEAST CORNER OF SAID LOT 1; THENCE SOUTHWESTERLY TO THE WESTERLY EXTENTION OF THE SOUTHERLY RIGHT-OF-WAY LINE OF JESSEN STREET; THENCE EASTERLY ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE TO THE NORTHEAST CORNER OF LOT 22 IN JESSEN'S SUBDIVISION AND THE WESTERLY RIGHT-OF-WAY LINE OF SECOND STREET; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY TO THE SOUTHEAST CORNER OF LOT 11 IN BLOCK 2 IN CLAUD HENRICH'S FIRST SUBDIVISION; THENCE WESTERLY TO THE SOUTHWEST CORNER OF SAID LOT 11 AND THE WEST LINE OF CLAUD HENRICH'S FIRST SUBDIVISION; THENCE NORTHERLY TO THE NORTHWEST CORNER OF LOT 1 IN BLOCK 2 OF SAID CLAUD HENRICH'S FIRST SUBDIVISION; THENCE EAST ALONG THE NORTH LINE OF SAID LOT 1 TO THE EASTERLY RIGHT-OF-WAY LINE OF SECOND STREET; THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE NORTHWEST CORNER OF LOT 7 IN BLOCK 18 IN THE VILLAGE OF PEOTONE; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 7 AND LOTS 8 THROUGH 11 IN BLOCK 18 IN THE VILLAGE OF PEOTONE TO THE EASTERLY RIGHT-OF-WAY LINE OF THIRD STREET; THENCE

NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE NORTHERLY RIGHT-OF-WAY LINE OF MAIN STREET; THENCE EASTERLY 11 FEET; THENCE NORTHERLY 165 FEET; THENCE WESTERLY TO THE NORTHWEST CORNER OF PARCEL 17-20-24-220-014-0000; THENCE NORTHEASTERLY TO THE SOUTHWEST CORNER OF LOT 13 IN PICKERING'S ADDITION; THENCE EASTERLY TO THE EASTERLY RIGHT-OF-WAY LINE OF FOURTH STREET; THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE NORTHWEST CORNER OF LOT 14 IN PICKERING'S ADDITION; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 14 AND LOTS 15 THROUGH 17 IN SAID PICKERING'S ADDITION TO THE NORTHWEST CORNER OF LOT 18 IN PICKERING'S ADDITION; THENCE SOUTH 165 FEET ALONG THE WEST LINE OF SAID LOT 18; THENCE EAST TO THE NORTHEAST CORNER OF THE W 66 FEET OF THE N 165 FEET OF OUTLOT 1 IN THE VILLAGE OF PEOTONE; THENCE SOUTH TO THE NORTHERLY RIGHT-OF-WAY LINE OF NORTH STREET; THENCE WESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE 66 FEET; THENCE SOUTHERLY TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 10 IN THE VILLAGE OF PEOTONE; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LOT 1 AND LOT 10 IN BLOCK 10 IN THE VILLAGE OF PEOTONE; THENCE SOUTHERLY TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 11 IN THE VILLAGE OF PEOTONE; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LOT 1 AND LOT 10 IN BLOCK 11 IN THE VILLAGE OF PEOTONE TO THE NORTHERLY RIGHT-OF-WAY LINE OF CORNING AVENUE; THENCE WESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE SOUTHEAST CORNER OF LOT 8 IN BLOCK 11 IN THE VILLAGE OF PEOTONE; THENCE SOUTHERLY TO THE NORTHEAST CORNER OF LOT 3 IN BLOCK 20 IN THE VILLAGE OF PEOTONE; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LOT 3 AND ITS SOUTHERLY EXTENSION TO THE SOUTHEAST CORNER OF LOT 3 IN BLOCK 21 IN THE VILLAGE OF PEOTONE; THENCE EASTERLY TO THE NORTHEAST CORNER OF PARCEL 17-20-24-408-020-0000 (PART OF LOTS 9 & 10 IN BLOCK 21 IN THE VILLAGE OF PEOTONE); THENCE SOUTHERLY ALONG THE EAST LINE OF SAID PARCEL TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SOUTH STREET; THENCE WEST TO THE NORTHEAST CORNER OF LOT 2 IN BLOCK 30 IN THE VILLAGE OF PEOTONE; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LOT 2 TO THE SOUTHEAST CORNER OF SAID LOT 2; THENCE WESTERLY 116 FEET; THENCE SOUTHERLY TO THE WESTERLY RIGHT-OF-WAY LINE OF AHLBORN DRIVE; THENCE SOUTHERLY AND SOUTHWESTERLY ALONG SAID WESTERLY AND THE NORTHERLY RIGHT-OF-WAY LINE OF AHLBORN DRIVE TO THE EASTERLY RIGHT-OF-WAY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY TO THE NORTHERLY RIGHT-OF-WAY LINE OF GOVERNORS HIGHWAY; THENCE SOUTHWESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE EASTERLY RIGHT-OF-WAY LINE OF THIRD STREET; THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE 125 FEET, MORE OR LESS TO THE NORTH RIGHT-OF-WAY LINE OF PARCEL 17-20-24-413-039-0000 EXTENDED EAST; THENCE WESTERLY TO THE NORTHEAST CORNER OF PARCEL 17-20-24-413-039-0000; THENCE WESTERLY 131.39 FEET; THENCE NORTHERLY 139.64 FEET; THENCE WESTERLY 5.5 FEET; THENCE SOUTHERLY 381 FEET; THENCE WESTERLY 204.5 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF SECOND STREET; THENCE SOUTHERLY TO THE NORTHERLY RIGHT-OF-WAY LINE OF GOVERNORS HIGHWAY; THENCE SOUTHWESTERLY TO THE NORTHEAST CORNER OF LOT 16 IN JESSEN'S SUBDIVISION; THENCE WESTERLY 120 FEET; THENCE SOUTHWESTERLY 90.23 FEET; THENCE NORTHWESTERLY 80 FEET TO A CUL-DE-SAC ON ORCHARD COURT; THENCE NORTHERLY, NORTHWESTERLY, WESTERLY AND SOUTHWESTERLY ON A RADIUS

AROUND SAID CUL-DE-SAC AND ALONG THE SOUTH LINES OF LOT B AND LOT A IN ROBERT'S RESUBDIVISION TO THE NORTHERLY RIGHT-OF-WAY LINE OF ORCHARD COURT; THENCE SOUTHERLY TO THE NORTHEAST CORNER OF LOT 13 IN JESSEN'S SUBDIVISION; THENCE SOUTHERLY TO THE SOUTHEAST CORNER OF SAID LOT 13; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID LOT 13 AND LOTS 12, 11 AND 10 IN JESSEN'S SUBDIVISION TO THE POINT OF BEGINNING.



# EXHIBIT 2



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# EXHIBIT 3

## PEOTONE BDD AREA NO. 1 REAL ESTATE TAX PROPERTY IDENTIFICATION NUMBERS AND COMMERCIAL BUSINESS LISTING

### PEOTONE BUSINESS DEVELOPMENT DISTRICT NO. 1

	Parcel Number	Tax Code			Parcel Number	Tax Code
1	17-20-23-300-014-0000	1706	Annex	47	17-20-24-211-025-0000	1705
2	17-20-23-300-016-0000	1706	Annex	48	17-20-24-211-026-0000	1705
3	17-20-23-300-018-0000	1705		49	17-20-24-211-027-0000	1705
4	17-20-23-300-022-0000	1706	Annex	50	17-20-24-211-028-0000	1705
5	17-20-23-400-005-0000	1706	Annex	51	17-20-24-211-029-0000	1705
6	17-20-23-407-008-0000	1705		52	17-20-24-213-001-0000	1705
7	17-20-23-407-009-0000	1705		53	17-20-24-213-002-0000	1705
8	17-20-23-410-003-0000	1705		54	17-20-24-213-003-0000	1705
9	17-20-23-410-004-0000	1705		55	17-20-24-213-004-0000	1705
10	17-20-23-410-005-0000	1705		56	17-20-24-213-005-0000	1705
11	17-20-23-410-006-0000	1705		57	17-20-24-213-006-0000	1705
12	17-20-23-410-007-0000	1705		58	17-20-24-213-007-0000	1705
13	17-20-24-200-016-0000	1705		59	17-20-24-213-008-0000	1705
14	17-20-24-201-007-0000	1705		60	17-20-24-213-009-0000	1705
15	17-20-24-201-008-0000	1705		61	17-20-24-213-010-0000	1705
16	17-20-24-201-009-0000	1705		62	17-20-24-213-011-0000	1705
17	17-20-24-201-010-0000	1705		63	17-20-24-213-012-0000	1705
18	17-20-24-201-011-0000	1705		64	17-20-24-214-001-0000	1705
19	17-20-24-201-021-0020	1705		65	17-20-24-214-002-0000	1705
20	17-20-24-201-022-0000	1705		66	17-20-24-214-005-0000	1705
21	17-20-24-202-005-0000	1705		67	17-20-24-214-006-0000	1705
22	17-20-24-205-004-0000	1705		68	17-20-24-214-007-0000	1705
23	17-20-24-205-005-0000	1705		69	17-20-24-214-008-0000	1705
24	17-20-24-205-006-0000	1705		70	17-20-24-214-009-0000	1705
25	17-20-24-205-009-0000	1705		71	17-20-24-214-012-0000	1705
26	17-20-24-205-010-0000	1705		72	17-20-24-214-013-0000	1705
27	17-20-24-206-005-0000	1705		73	17-20-24-214-021-0000	1705
28	17-20-24-209-006-0000	1705		74	17-20-24-214-023-0000	1705
29	17-20-24-209-013-0000	1705		75	17-20-24-214-024-0000	1705
30	17-20-24-210-001-0000	1705		76	17-20-24-214-025-0000	1705
31	17-20-24-211-001-0000	1705		77	17-20-24-214-026-0000	1705
32	17-20-24-211-008-0000	1705		78	17-20-24-215-001-0000	1705
33	17-20-24-211-009-0000	1705		79	17-20-24-215-002-0000	1705
34	17-20-24-211-011-0000	1705		80	17-20-24-215-003-0000	1705
35	17-20-24-211-012-0000	1705		81	17-20-24-215-004-0000	1705
36	17-20-24-211-013-0000	1705		82	17-20-24-216-008-0000	1705
37	17-20-24-211-014-0000	1705		83	17-20-24-216-011-0000	1705
38	17-20-24-211-015-0000	1705		84	17-20-24-216-019-0000	1705
39	17-20-24-211-016-0000	1705		85	17-20-24-216-020-0000	1705
40	17-20-24-211-017-0000	1705		86	17-20-24-216-021-0000	1705
41	17-20-24-211-018-0000	1705		87	17-20-24-216-024-0000	1705
42	17-20-24-211-019-0000	1705		88	17-20-24-216-025-0000	1705
43	17-20-24-211-020-0000	1705		89	17-20-24-218-001-0000	1705
44	17-20-24-211-021-0000	1705		90	17-20-24-218-002-0000	1705
45	17-20-24-211-022-0000	1705		91	17-20-24-218-005-0000	1705
46	17-20-24-211-024-0000	1705		92	17-20-24-218-007-0000	1705

	Parcel Number	Tax Code
93	17-20-24-218-009-0000	1705
94	17-20-24-218-010-0000	1705
95	17-20-24-218-011-0000	1705
96	17-20-24-218-012-0000	1705
97	17-20-24-218-013-0000	1705
98	17-20-24-218-014-0000	1705
99	17-20-24-218-015-0000	1705
100	17-20-24-218-016-0000	1705
101	17-20-24-218-017-0000	1705
102	17-20-24-218-018-0000	1705
103	17-20-24-218-019-0000	1705
104	17-20-24-218-020-0000	1705
105	17-20-24-218-021-0000	1705
106	17-20-24-218-022-0000	1705
107	17-20-24-218-023-0000	1705
108	17-20-24-218-024-0000	1705
109	17-20-24-219-002-0000	1705
110	17-20-24-219-003-0000	1705
111	17-20-24-219-004-0000	1705
112	17-20-24-219-005-0000	1705
113	17-20-24-219-006-0000	1705
114	17-20-24-219-007-0000	1705
115	17-20-24-219-008-0000	1705
116	17-20-24-219-009-0000	1705
117	17-20-24-219-010-0000	1705
118	17-20-24-219-011-0000	1705
119	17-20-24-220-013-0000	1705
120	17-20-24-220-014-0000	1705
121	17-20-24-220-023-0004	1705
122	17-20-24-221-006-0000	1705
123	17-20-24-221-007-0000	1705
124	17-20-24-221-008-0000	1705
125	17-20-24-221-009-0000	1705
126	17-20-24-221-015-0000	1705
127	17-20-24-221-016-0000	1705
128	17-20-24-221-017-0000	1705
129	17-20-24-222-021-0000	1705
130	17-20-24-222-022-0000	1705
131	17-20-24-223-002-0000	1705
132	17-20-24-223-003-0000	1705
133	17-20-24-223-004-0000	1705
134	17-20-24-223-005-0000	1705
135	17-20-24-223-006-0000	1705
136	17-20-24-223-007-0000	1705
137	17-20-24-223-008-0000	1705
138	17-20-24-223-009-0000	1705
139	17-20-24-223-010-0000	1705
140	17-20-24-223-011-0000	1705

	Parcel Number	Tax Code
141	17-20-24-224-003-0000	1705
142	17-20-24-224-005-0000	1705
143	17-20-24-224-007-0000	1705
144	17-20-24-224-008-0000	1705
145	17-20-24-226-006-0000	1705
146	17-20-24-226-007-0000	1705
147	17-20-24-226-008-0000	1705
148	17-20-24-226-014-0000	1705
149	17-20-24-226-015-0000	1705
150	17-20-24-226-018-0000	1705
151	17-20-24-226-019-0000	1705
152	17-20-24-227-002-0000	1705
153	17-20-24-227-003-0000	1705
154	17-20-24-300-009-0000	1705
155	17-20-24-300-020-0000	1705
156	17-20-24-300-028-0000	1705
157	17-20-24-300-031-0000	1705
158	17-20-24-300-032-0000	1705
159	17-20-24-304-002-0000	1705
160	17-20-24-305-002-0000	1705
161	17-20-24-305-003-0000	1705
162	17-20-24-305-004-0000	1705
163	17-20-24-305-005-0000	1705
164	17-20-24-305-014-0000	1705
165	17-20-24-305-015-0000	1705
166	17-20-24-305-016-0000	1705
167	17-20-24-305-017-0000	1705
168	17-20-24-305-018-0000	1705
169	17-20-24-305-019-0000	1705
170	17-20-24-305-020-0000	1705
171	17-20-24-305-021-0000	1705
172	17-20-24-305-022-0000	1705
173	17-20-24-306-008-0000	1705
174	17-20-24-306-009-0000	1705
175	17-20-24-306-010-0000	1705
176	17-20-24-310-001-0000	1705
177	17-20-24-310-002-0000	1705
178	17-20-24-310-003-0000	1705
179	17-20-24-310-004-0000	1705
180	17-20-24-310-005-0000	1705
181	17-20-24-310-006-0000	1705
182	17-20-24-310-007-0000	1705
183	17-20-24-310-014-0000	1705
184	17-20-24-310-015-0000	1705
185	17-20-24-310-016-0000	1705
186	17-20-24-310-017-0000	1705
187	17-20-24-310-018-0000	1705
188	17-20-24-310-019-0000	1705

	Parcel Number	Tax Code
189	17-20-24-310-020-0000	1705
190	17-20-24-310-021-0000	1705
191	17-20-24-310-022-0000	1705
192	17-20-24-310-023-0000	1705
193	17-20-24-310-024-0000	1705
194	17-20-24-310-025-0000	1705
195	17-20-24-310-026-0000	1705
196	17-20-24-400-013-0000	1705
197	17-20-24-400-014-0000	1705
198	17-20-24-401-001-0000	1705
199	17-20-24-401-002-0000	1705
200	17-20-24-401-003-0000	1705
201	17-20-24-401-005-0000	1705
202	17-20-24-401-006-0000	1705
203	17-20-24-401-007-0000	1705
204	17-20-24-402-001-0000	1705
205	17-20-24-402-002-0000	1705
206	17-20-24-402-003-0000	1705
207	17-20-24-402-006-0000	1705
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210	17-20-24-402-009-0000	1705
211	17-20-24-402-010-0000	1705
212	17-20-24-402-016-0000	1705
213	17-20-24-402-017-0000	1705
214	17-20-24-402-021-0000	1705
215	17-20-24-404-012-0000	1705
216	17-20-24-404-013-0000	1705
217	17-20-24-404-014-0000	1705
218	17-20-24-405-002-0000	1705
219	17-20-24-405-003-0000	1705
220	17-20-24-405-004-0000	1705
221	17-20-24-408-004-0000	1705
222	17-20-24-408-005-0000	1705
223	17-20-24-408-007-0000	1705
224	17-20-24-408-011-0000	1705
225	17-20-24-408-013-0000	1705
226	17-20-24-408-015-0000	1705
227	17-20-24-408-016-0000	1705
228	17-20-24-408-023-0000	1705
229	17-20-24-408-024-0000	1705
230	17-20-24-408-025-0000	1705
231	17-20-24-408-026-0000	1705
232	17-20-24-408-027-0000	1705
233	17-20-24-408-028-0000	1705
234	17-20-24-408-029-0000	1705
235	17-20-24-408-030-0000	1705
236	17-20-24-409-001-0000	1705

	Parcel Number	Tax Code
237	17-20-24-409-002-0000	1705
238	17-20-24-409-006-0000	1705
239	17-20-24-409-009-0000	1705
240	17-20-24-409-010-0000	1705
241	17-20-24-409-011-0000	1705
242	17-20-24-409-014-0000	1705
243	17-20-24-409-015-0000	1705
244	17-20-24-409-016-0000	1705
245	17-20-24-409-017-0000	1705
246	17-20-24-409-018-0000	1705
247	17-20-24-409-019-0000	1705
248	17-20-24-410-001-0000	1705
249	17-20-24-410-002-0000	1705
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251	17-20-24-410-011-0000	1705
252	17-20-24-411-011-0004	1705
253	17-20-24-412-023-0000	1705
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255	17-20-24-412-025-0000	1705
256	17-20-24-413-039-0000	1705
257	17-20-24-413-046-0000	1705
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259	17-20-24-416-006-0000	1705
260	17-20-24-416-007-0000	1705
261	17-20-24-416-008-0000	1705
262	17-20-24-416-009-0000	1705
263	17-20-24-417-001-0000	1705
264	17-20-24-417-003-0000	1705
265	17-20-24-417-006-0000	1705
266	17-20-24-417-007-0000	1705
267	17-20-24-417-008-0000	1705
268	17-20-24-418-005-0000	1705
269	17-20-24-418-009-0000	1705
270	17-20-24-418-010-0000	1705
271	17-20-24-418-011-0000	1705
272	17-20-24-418-013-0000	1705
273	17-20-24-418-015-0000	1705
274	17-20-24-418-016-0000	1705
275	17-20-24-418-017-0000	1705
276	17-20-24-418-018-0000	1705
277	17-20-24-418-019-0000	1705
278	17-20-24-418-020-0000	1705
279	17-20-24-418-021-0000	1705
280	17-20-24-418-022-0000	1705
281	17-20-24-418-023-0000	1705
282	17-20-24-418-024-0000	1705
283	17-20-24-418-026-0000	1705
284	17-20-24-418-027-0000	1705

	<b>Parcel Number</b>	<b>Tax Code</b>	
	285	17-20-24-418-028-0000	1705
	286	17-20-25-100-003-0000	1705
	287	17-20-25-100-006-0000	1705
	288	17-20-25-100-007-0000	1705
	289	17-20-25-200-018-0020	1705
	290	17-20-25-201-003-0000	1706 Annex
	291	17-20-25-201-004-0000	1706 Annex
	292	17-20-25-201-005-0000	1706 Annex
	293	17-20-26-100-008-0000	1705
	294	17-20-26-100-010-0000	1706 Annex
	295	17-20-26-100-016-0000	1705
	296	17-20-26-101-003-0000	1705
	297	17-20-26-101-004-0000	1705
	298	17-20-26-102-001-0000	1705
	299	17-20-26-102-002-0000	1705
	300	17-20-26-200-009-0000	1705
	301	17-20-26-200-011-0000	1705
	302	17-20-26-200-017-0000	1705
	303	17-20-26-200-018-0000	1705
	304	17-20-26-200-019-0000	1705
	305	17-20-26-201-001-0000	1705
	306	17-20-26-202-001-0000	1705
	307	17-20-26-202-002-0000	1705
	308	17-20-26-202-003-0000	1705
	309	17-20-26-202-004-0000	1705
	310	17-20-26-202-005-0000	1705
	311	17-20-26-202-006-0000	1705
	312	17-20-26-202-007-0000	1705
	313	17-20-26-202-008-0000	1705
	314	17-20-26-202-009-0000	1705
	315	20-21-19-100-002-0000	2008 Annex
	316	20-21-19-100-004-0000	2009
	317	20-21-19-100-007-0000	2009
	318	20-21-19-100-009-0000	2009
	319	20-21-19-100-011-0000	2009
	320	20-21-19-100-013-0000	2009
	321	20-21-19-100-014-0000	2009
	322	20-21-19-100-016-0000	2009
	323	20-21-19-100-017-0000	2009
	324	20-21-19-100-018-0000	2009
	325	20-21-19-100-031-0000	2009
	326	20-21-19-100-033-0000	2009
	327	20-21-19-100-034-0000	2009
	328	20-21-19-100-037-0000	2009
	329	20-21-19-100-048-0000	2009
	330	20-21-19-100-059-0010	2009
	331	20-21-19-100-061-0000	2009

**Parcel Number      Tax Code**

**Peotone Business Development District No. 1  
Initial Business Listing by Street Address**

*[This list being compiled and will be inserted prior to submitting to Village for final approval.]*

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**EXHIBIT 4**

**PEOTONE DOWNTOWN TIF DISTRICT  
ANTICIPATED PUBLIC PROJECTS  
(Per Original TIF Redevelopment Plan, April 28, 2016)**

*The designated and anticipated Tax Increment Financing (TIF) eligible public redevelopment projects and related cost obligations that are described in the original Peotone Downtown TIF District Plan are as follows:*

1. Land Acquisition and Property Assembly Costs .....	\$2,750,000
2. Site Preparation/Environmental Remediation/Demolition.....	\$2,500,000
3. Public Utility Improvements (including, but not limited to, water, storm, sanitary sewer, the service of public facilities, and road improvements) .....	\$4,250,000
4. Rehabilitation of Existing Buildings .....	\$4,550,000
5. Interest Costs pursuant to the TIF Act.....	\$1,500,000
6. Staff and professional service including, but not limited to, planning (including updates of Village’s Comprehensive Plan), legal, engineering, TIF-related public administration necessary for the implementation of the TIF Redevelopment Plan and Projects and other Professional Service Costs .....	\$1,000,000
7. Costs relating to job training and retraining.....	\$500,000
8. Capital Costs/tuition reimbursements to other taxing districts .....	\$1,500,000
<b>TOTAL<sup>5</sup> .....</b>	<b>\$18,550,000</b>

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<sup>5</sup> The projects and related costs described above are eligible for reimbursement pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4.4 *et. seq.*) and the Business District Development and Redevelopment Act (65 ILCS 5/11-74.3-1 *et. seq.*). Not all BDD-eligible costs are TIF-eligible, because the TIF Act is more restrictive in this regard than the BDD Act.

**PEOTONE TIF DISTRICT 2  
ANTICIPATED PUBLIC PROJECTS  
(Per Draft TIF Redevelopment Plan, July, 2019)**

*The designated and anticipated Tax Increment Financing (TIF) eligible public redevelopment projects and related cost obligations that are described in the Draft Peotone TIF District 2 Plan are as follows:*

1. Public works construction, improvements, upgrades and maintenance or resurfacing of streets, roads, alleys, parking lots and sidewalks, including labor, equipment, parts and materials.....\$4,000,000
2. Public works construction, improvements, upgrades and maintenance of sanitary sewer lines, pump and lift stations, treatment plant, lagoons, manholes and related facilities, including labor, equipment parts and materials .....\$3,500,000
3. Public works construction, improvements, upgrades and maintenance of water mains and related lines and hydrants, storage and treatment facilities including labor, equipment, parts and materials .....\$3,000,000
4. Storm sewer drainage infrastructure, including the construction, improvements, upgrades and maintenance of retention ponds and detention basins, including labor, equipment, parts and materials .....\$5,000,000
5. Public works or improvements related to utilities, including, but not limited to, gas, electric, cable and telecommunication infrastructure, including labor, equipment, parts and materials.....\$1,200,000
6. Public property assembly costs relating to acquisition of land and buildings, demolition, site improvements and clearing and grading of land .....\$3,300,000
7. Construction/reconstruction, repairs and maintenance of public facilities, including labor, equipment, parts and materials.....\$500,000
8. Removal and remediation of environmental contaminants and physical impediments to redevelopment.....\$250,000
9. TIF District-related marketing, signage, website, lighting.....\$150,000
10. Construction, improvements, upgrades and maintenance of public parks, trails, green space and urban forestry improvements .....\$200,000
11. Staff and professional service including, but not limited to engineering, architectural, planning (including updates of the Village’s Comprehensive Plan),

legal, financial, accounting, marketing, training, continued education, economic development services and TIF-related public administration necessary for the implementation of the TIF Redevelopment Plan and Projects.....	\$350,000
12. Public safety, fire and rescue and other emergency services training, facilities, equipment and personnel necessary to promote and protect the health, safety, morals and welfare of the public within the Redevelopment Project Area.....	\$400,000
13. Costs relating to job training and retraining, including “welfare to work” programs implemented by businesses located within the Redevelopment Project Area.....	\$50,000
14. Public and Private TIF-eligible project costs within contiguous TIF Districts .....	\$2,000,000
15. Capital Costs/reimbursements to other taxing districts.....	\$10,000,000
<b>TOTAL<sup>6</sup> .....</b>	<b>\$33,900,000</b>

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<sup>6</sup> The projects and related costs described above are eligible for reimbursement pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4.4 *et. seq.*) and the Business District Development and Redevelopment Act (65 ILCS 5/11-74.3-1 *et. seq.*). Not all BDD-eligible costs are TIF-eligible, because the TIF Act is more restrictive in this regard than the BDD Act.

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**EXHIBIT 5**  
**SITE LOCATION FOR PROPOSED**  
**HOTEL & TRUCK TRAVEL CENTER PROJECT**  
**31053 S. 88<sup>TH</sup> AVENUE, PEOTONE, ILLINOIS**



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**SECTION X.**  
**APPENDICES**

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## **APPENDIX A**

### **PROPERTY ANNEXATIONS**

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## APPENDIX B

### **BUSINESS DISTRICT DEVELOPMENT AND REDEVELOPMENT ACT** (65 ILCS 5/11-74.3 *et. seq.*)

**PLEASE NOTE:** The source of the attached copy of the Business District Development and Redevelopment Act (65 ILCS 5/11-74.3 *et. seq.*) is the Illinois General Assembly website: <http://www.ilga.gov/>. This material is provided for informational purposes only and the Village of Peotone assumes no liability or responsibility for the use or misuse of this document.

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**Information maintained by the Legislative Reference Bureau**

Updating the database of the Illinois Compiled Statutes (ILCS) is an ongoing process. Recent laws may not yet be included in the ILCS database, but they are found on this site as [Public Acts](#) soon after they become law.

For information concerning the relationship between statutes and Public Acts, refer to the [Guide](#).

Because the statute database is maintained primarily for legislative drafting purposes, statutory changes are sometimes included in the statute database before they take effect. If the source note at the end of a Section of the statutes includes a Public Act that has not yet taken effect, the version of the law that is currently in effect may have already been removed from the database and you should refer to that Public Act to see the changes made to the current law.

**MUNICIPALITIES  
(65 ILCS 5/) Illinois Municipal Code.**

(65 ILCS 5/Art. 11 Div. 74.3 heading)

DIVISION 74.3. BUSINESS DISTRICT  
DEVELOPMENT AND REDEVELOPMENT

(65 ILCS 5/11-74.3-1) (from Ch. 24, par. 11-74.3-1)

Sec. 11-74.3-1. Division short title; declaration of public purpose. This Division 74.3 may be cited as the Business District Development and Redevelopment Law.

It is hereby found and declared:

(1) It is essential to the economic and social welfare of each municipality that business districts be developed, redeveloped, improved, maintained, and revitalized, that jobs and opportunity for employment be created within the municipality, and that, if blighting conditions are present, blighting conditions be eradicated by assuring opportunities for development or redevelopment, encouraging private investment, and attracting sound and stable business and commercial growth. It is further found and determined that as a result of economic conditions unfavorable to the creation, development, improvement, maintenance, and redevelopment of certain business and commercial areas within municipalities opportunities for private investment and sound and stable commercial growth have been and will continue to be negatively impacted and business and commercial areas within many municipalities have deteriorated and will continue to deteriorate, thereby causing a serious menace to the health, safety, morals, and general welfare of the people of the entire State, unemployment, a decline in tax revenues, excessive and disproportionate expenditure of public funds, inadequate public and private investment, the unmarketability of property, and the growth of delinquencies and crime. In order to reduce threats to and to promote and protect the health, safety, morals, and welfare of the public and to provide incentives which will create employment and job opportunities, will retain commercial businesses in the State and related job opportunities and will eradicate blighting conditions if blighting conditions are present, and for the relief of unemployment and the maintenance of existing levels of employment, it is essential that plans for business districts be created and implemented and that business districts be created, developed, improved, maintained, and redeveloped.

(2) The creation, development, improvement, maintenance, and redevelopment of business districts will stimulate economic activity in the State, create and maintain jobs, increase tax revenues, encourage the creation of new and lasting infrastructure, other improvements, and facilities, and cause the attraction and retention of businesses and commercial enterprises which generate economic activity and services and increase the general tax base, including, but not limited to, increased retail sales, hotel or restaurant sales, manufacturing sales, or entertainment industry sales, thereby increasing employment and economic growth.

(3) It is hereby declared to be the policy of the State, in the interest of promoting the health, safety, morals, and general welfare of all the people of the State, to provide incentives which will create new job opportunities and retain existing commercial businesses within the State and related job opportunities, and it is further determined and declared that the relief of conditions of unemployment, the maintenance of existing levels of employment, the creation of new job opportunities, the retention of existing commercial businesses, the increase of industry and commerce within the State, the reduction of the evils attendant upon unemployment, and the increase and maintenance of the tax base of the State and its political subdivisions are public purposes and for the public safety, benefit, and welfare of the residents of this State.

(4) The exercise of the powers provided in this Law is dedicated to the promotion of the public interest, to the enhancement of the tax base within business districts, municipalities, and the State and its political subdivisions, the creation of employment, and the eradication of blight, if present within the business district, and the use of such powers for the creation, development, improvement, maintenance, and redevelopment of business districts of a municipality is hereby declared to be for the public safety, benefit, and welfare of the residents of the State and essential to the public interest and declared to be for public purposes.

(Source: P.A. 96-1394, eff. 7-29-10.)

(65 ILCS 5/11-74.3-2) (from Ch. 24, par. 11-74.3-2)

Sec. 11-74.3-2. Procedures to designate business districts; ordinances; notice; hearings.

(a) The corporate authorities of a municipality shall by ordinance propose the approval of a business district plan and designation of a business district and shall fix a time and place for a public hearing on the proposals to approve a business district plan and designate a business district.

(b) Notice of the public hearing shall be given by publication at least twice, the first publication to be not more than 30 nor less than 10 days prior to the hearing, in a newspaper of general circulation within the municipality. Each notice published pursuant to this Section shall include the following:

(1) The time and place of the public hearing;

(2) The boundaries of the proposed business district by legal description and, where possible, by street location;

(3) A notification that all interested persons will be given an opportunity to be heard at the public hearing;

(4) A description of the business district plan if a business district plan is a subject matter of the public hearing;

(5) The rate of any tax to be imposed pursuant to subsection (10) or (11) of Section 11-74.3-3;

(6) An invitation for any person to submit alternate proposals or bids for any proposed conveyance, lease, mortgage, or other disposition by the municipality of land or rights in land owned by the municipality and located within the proposed business district; and

(7) Such other matters as the municipality shall deem appropriate.

(c) At the public hearing any interested person may file written objections with the municipal clerk and may be heard orally with respect to any matters embodied in the notice. The municipality shall hear and determine all alternate proposals or bids for any proposed conveyance, lease, mortgage, or other disposition by the municipality of land or rights in land owned by the municipality and located within the proposed business district and all protests and objections at the hearing, provided, however, that the corporate authorities of the municipality may establish reasonable rules regarding the length of time provided to members of the general public. The hearing may be adjourned to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the adjourned hearing. Public hearings with regard to approval of a business district plan or designation of a business district may be held simultaneously.

(d) At the public hearing or at any time prior to the adoption by the municipality of an ordinance approving a business district plan, the municipality may make changes in the business district plan. Changes which do not (i) alter the exterior boundaries of the proposed business district, (ii) substantially affect the general land uses described in the proposed business district plan, (iii) substantially change the nature of any proposed business district project, (iv) change the description of any proposed developer, user, or tenant of any property to be located or improved within the proposed business district, (v) increase the total estimated business district project costs set out in the business district plan by more than 5%, (vi) add additional business district costs to the itemized list of estimated business district costs as proposed in the business district plan, or (vii) impose or increase the rate of any tax to be imposed pursuant to subsection (10) or (11) of Section 11-74.3-3 may be made by the municipality without further public hearing, provided the municipality shall give notice of its changes by publication in a newspaper of general circulation within the municipality. Such notice by publication shall be given not later than 30 days following the adoption of an ordinance approving such changes. Changes which (i) alter the exterior boundaries of the proposed business district, (ii) substantially affect the general land uses described in the proposed business district plan, (iii) substantially change the nature of any proposed business district project, (iv) change the description of any proposed developer, user, or tenant of any property to be located or improved within the proposed business district, (v) increase the total estimated business district project costs set out in the business

district plan by more than 5%, (vi) add additional business district costs to the itemized list of estimated business district costs as proposed in the business district plan, or (vii) impose or increase the rate of any tax to be imposed pursuant to subsection (10) or (11) of Section 11-74.3-3 may be made by the municipality only after the municipality by ordinance fixes a time and place for, gives notice by publication of, and conducts a public hearing pursuant to the procedures set forth hereinabove.

(e) By ordinance adopted within 90 days of the final adjournment of the public hearing a municipality may approve the business district plan and designate the business district. Any ordinance adopted which approves a business district plan shall contain findings that the business district on the whole has not been subject to growth and development through investment by private enterprises and would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district plan. Any ordinance adopted which designates a business district shall contain the boundaries of such business district by legal description and, where possible, by street location, a finding that the business district plan conforms to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the business district plan was approved, the business district plan either (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority or the municipality or (ii) includes land uses that have been approved by the planning commission of the municipality, and, for any business district in which the municipality intends to impose taxes as provided in subsection (10) or (11) of Section 11-74.3-3, a specific finding that the business district qualifies as a blighted area as defined in Section 11-74.3-5.

(f) After a municipality has by ordinance approved a business district plan and designated a business district, the plan may be amended, the boundaries of the business district may be altered, and the taxes provided for in subsections (10) and (11) of Section 11-74.3-3 may be imposed or altered only as provided in this subsection. Changes which do not (i) alter the exterior boundaries of the proposed business district, (ii) substantially affect the general land uses described in the business district plan, (iii) substantially change the nature of any business district project, (iv) change the description of any developer, user, or tenant of any property to be located or improved within the proposed business district, (v) increase the total estimated business district project costs set out in the business district plan by more than 5% after adjustment for inflation from the date the business district plan was approved, (vi) add additional business district costs to the itemized list of estimated business district costs as approved in the business district plan, or (vii) impose or increase the rate of any tax to be imposed pursuant to subsection (10) or (11) of Section 11-74.3-3 may be made by the municipality without further public hearing, provided the municipality shall give notice of its changes by publication in a newspaper of general circulation within the municipality. Such notice by publication shall be given not later than 30 days following the adoption of an ordinance approving such changes. Changes which (i) alter the



exterior boundaries of the business district, (ii) substantially affect the general land uses described in the business district plan, (iii) substantially change the nature of any business district project, (iv) change the description of any developer, user, or tenant of any property to be located or improved within the proposed business district, (v) increase the total estimated business district project costs set out in the business district plan by more than 5% after adjustment for inflation from the date the business district plan was approved, (vi) add additional business district costs to the itemized list of estimated business district costs as approved in the business district plan, or (vii) impose or increase the rate of any tax to be imposed pursuant to subsection (10) or (11) of Section 11-74.3-3 may be made by the municipality only after the municipality by ordinance fixes a time and place for, gives notice by publication of, and conducts a public hearing pursuant to the procedures set forth in this Section.

(Source: P.A. 96-1394, eff. 7-29-10; 96-1555, eff. 3-18-11; 97-333, eff. 8-12-11.)

(65 ILCS 5/11-74.3-3) (from Ch. 24, par. 11-74.3-3)

Sec. 11-74.3-3. Powers of municipalities. In addition to the powers a municipality may now have, a municipality shall have the following powers:

(1) To make and enter into all contracts necessary or incidental to the implementation and furtherance of a business district plan. A contract by and between the municipality and any developer or other nongovernmental person to pay or reimburse said developer or other nongovernmental person for business district project costs incurred or to be incurred by said developer or other nongovernmental person shall not be deemed an economic incentive agreement under Section 8-11-20, notwithstanding the fact that such contract provides for the sharing, rebate, or payment of retailers' occupation taxes or service occupation taxes (including, without limitation, taxes imposed pursuant to subsection (10)) the municipality receives from the development or redevelopment of properties in the business district. Contracts entered into pursuant to this subsection shall be binding upon successor corporate authorities of the municipality and any party to such contract may seek to enforce and compel performance of the contract by civil action, mandamus, injunction, or other proceeding.

(2) Within a business district, to acquire by purchase, donation, or lease, and to own, convey, lease, mortgage, or dispose of land and other real or personal property or rights or interests therein; and to grant or acquire licenses, easements, and options with respect thereto, all in the manner and at such price authorized by law. No conveyance, lease, mortgage, disposition of land or other property acquired by the municipality, or agreement relating to the development of property, shall be made or executed except pursuant to prior official action of the municipality. No conveyance, lease, mortgage, or other disposition of land owned by the municipality, and no agreement relating to the development of property, within a business district shall be made without making public disclosure of the terms and

disposition of all bids and proposals submitted to the municipality in connection therewith.

(2.5) To acquire property by eminent domain in accordance with the Eminent Domain Act.

(3) To clear any area within a business district by demolition or removal of any existing buildings, structures, fixtures, utilities, or improvements, and to clear and grade land.

(4) To install, repair, construct, reconstruct, or relocate public streets, public utilities, and other public site improvements within or without a business district which are essential to the preparation of a business district for use in accordance with a business district plan.

(5) To renovate, rehabilitate, reconstruct, relocate, repair, or remodel any existing buildings, structures, works, utilities, or fixtures within any business district.

(6) To construct public improvements, including but not limited to buildings, structures, works, utilities, or fixtures within any business district.

(7) To fix, charge, and collect fees, rents, and charges for the use of any building, facility, or property or any portion thereof owned or leased by the municipality within a business district.

(8) To pay or cause to be paid business district project costs. Any payments to be made by the municipality to developers or other nongovernmental persons for business district project costs incurred by such developer or other nongovernmental person shall be made only pursuant to the prior official action of the municipality evidencing an intent to pay or cause to be paid such business district project costs. A municipality is not required to obtain any right, title, or interest in any real or personal property in order to pay business district project costs associated with such property. The municipality shall adopt such accounting procedures as shall be necessary to determine that such business district project costs are properly paid.

(8.5) Utilize up to 1% of the revenue from a business district retailers' occupation tax and service occupation tax imposed under paragraph (10) and a hotel operators' occupation tax under paragraph (11) of Section 11-74.3-3 in connection with one business district for eligible costs in another business district that is:

(A) contiguous to the business district from which the revenues are received;

(B) separated only by a public right of way from the business district from which the revenues are received; or

(C) separated only by forest preserve property from the business district from which the revenues are received if the closest boundaries of the business districts that are separated by the forest preserve property are less than one mile apart.

(9) To apply for and accept grants, guarantees, donations of property or labor or any other thing of value for use in connection with a business district project.

(10) If the municipality has by ordinance found and

determined that the business district is a blighted area under this Law, to impose a retailers' occupation tax and a service occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for business district project costs as set forth in the business district plan approved by the municipality.

(11) If the municipality has by ordinance found and determined that the business district is a blighted area under this Law, to impose a hotel operators' occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for the business district project costs as set forth in the business district plan approved by the municipality.  
(Source: P.A. 99-452, eff. 1-1-16.)

(65 ILCS 5/11-74.3-4) (from Ch. 24, par. 11-74.3-4)

Sec. 11-74.3-4. The powers granted to municipalities in this Law shall not be construed as a limitation on the powers of a home rule municipality granted by Article VII of the Illinois Constitution.  
(Source: P.A. 96-1394, eff. 7-29-10.)

(65 ILCS 5/11-74.3-5)

Sec. 11-74.3-5. Definitions. The following terms as used in this Law shall have the following meanings:

"Blighted area" means an area that is a blighted area which, by reason of the predominance of defective, non-existent, or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals, or welfare.

"Business district" means a contiguous area which includes only parcels of real property directly and substantially benefited by the proposed business district plan. A business district may, but need not be, a blighted area, but no municipality shall be authorized to impose taxes pursuant to subsection (10) or (11) of Section 11-74.3-3 in a business district which has not been determined by ordinance to be a blighted area under this Law.

"Business district plan" shall mean the written plan for the development or redevelopment of a business district. Each business district plan shall set forth in writing: (i) a specific description of the boundaries of the proposed business district, including a map illustrating the boundaries; (ii) a general description of each project proposed to be undertaken within the business district, including a description of the approximate location of each project and a description of any developer, user, or tenant of any property to be located or improved within the proposed business district; (iii) the name of the proposed business district; (iv) the estimated business district project costs; (v) the anticipated source of funds to pay business district project costs; (vi) the anticipated type and terms of any obligations to be issued; and (vii) the rate of any tax to be imposed pursuant to subsection (10) or (11) of Section 11-

74.3-3 and the period of time for which the tax shall be imposed.

"Business district project costs" shall mean and include the sum total of all costs incurred by a municipality, other governmental entity, or nongovernmental person in connection with a business district, in the furtherance of a business district plan, including, without limitation, the following:

(1) costs of studies, surveys, development of plans and specifications, implementation and administration of a business district plan, and personnel and professional service costs including architectural, engineering, legal, marketing, financial, planning, or other professional services, provided that no charges for professional services may be based on a percentage of tax revenues received by the municipality;

(2) property assembly costs, including but not limited to, acquisition of land and other real or personal property or rights or interests therein, and specifically including payments to developers or other nongovernmental persons as reimbursement for property assembly costs incurred by that developer or other nongovernmental person;

(3) site preparation costs, including but not limited to clearance, demolition or removal of any existing buildings, structures, fixtures, utilities, and improvements and clearing and grading of land;

(4) costs of installation, repair, construction, reconstruction, extension, or relocation of public streets, public utilities, and other public site improvements within or without the business district which are essential to the preparation of the business district for use in accordance with the business district plan, and specifically including payments to developers or other nongovernmental persons as reimbursement for site preparation costs incurred by the developer or nongovernmental person;

(5) costs of renovation, rehabilitation, reconstruction, relocation, repair, or remodeling of any existing buildings, improvements, and fixtures within the business district, and specifically including payments to developers or other nongovernmental persons as reimbursement for costs incurred by those developers or nongovernmental persons;

(6) costs of installation or construction within the business district of buildings, structures, works, streets, improvements, equipment, utilities, or fixtures, and specifically including payments to developers or other nongovernmental persons as reimbursements for such costs incurred by such developer or nongovernmental person;

(7) financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations issued under this Law that accrues during the estimated period of construction of any development or redevelopment project for which those obligations are issued and for not exceeding 36 months thereafter, and any reasonable reserves related to the issuance of those obligations; and

(8) relocation costs to the extent that a

municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law.

"Business district tax allocation fund" means the special fund to be established by a municipality for a business district as provided in Section 11-74.3-6.

"Dissolution date" means the date on which the business district tax allocation fund shall be dissolved. The dissolution date shall be not later than 270 days following payment to the municipality of the last distribution of taxes as provided in Section 11-74.3-6.

(Source: P.A. 99-452, eff. 1-1-16.)

(65 ILCS 5/11-74.3-6)

Sec. 11-74.3-6. Business district revenue and obligations; business district tax allocation fund.

(a) If the corporate authorities of a municipality have approved a business district plan, have designated a business district, and have elected to impose a tax by ordinance pursuant to subsection (10) or (11) of Section 11-74.3-3, then each year after the date of the approval of the ordinance but terminating upon the date all business district project costs and all obligations paying or reimbursing business district project costs, if any, have been paid, but in no event later than the dissolution date, all amounts generated by the retailers' occupation tax and service occupation tax shall be collected and the tax shall be enforced by the Department of Revenue in the same manner as all retailers' occupation taxes and service occupation taxes imposed in the municipality imposing the tax and all amounts generated by the hotel operators' occupation tax shall be collected and the tax shall be enforced by the municipality in the same manner as all hotel operators' occupation taxes imposed in the municipality imposing the tax. The corporate authorities of the municipality shall deposit the proceeds of the taxes imposed under subsections (10) and (11) of Section 11-74.3-3 into a special fund of the municipality called the "[Name of] Business District Tax Allocation Fund" for the purpose of paying or reimbursing business district project costs and obligations incurred in the payment of those costs.

(b) The corporate authorities of a municipality that has designated a business district under this Law may, by ordinance, impose a Business District Retailers' Occupation Tax upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of this State's government, at retail in the business district at a rate not to exceed 1% of the gross receipts from the sales made in the course of such business, to be imposed only in 0.25% increments. The tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.

The tax imposed under this subsection and all civil penalties that may be assessed as an incident thereof shall be

collected and enforced by the Department of Revenue. The certificate of registration that is issued by the Department to a retailer under the Retailers' Occupation Tax Act shall permit the retailer to engage in a business that is taxable under any ordinance or resolution enacted pursuant to this subsection without registering separately with the Department under such ordinance or resolution or under this subsection. The Department of Revenue shall have full power to administer and enforce this subsection; to collect all taxes and penalties due under this subsection in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty under this subsection. In the administration of, and compliance with, this subsection, the Department and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties, exclusions, exemptions, and definitions of terms and employ the same modes of procedure, as are prescribed in Sections 1, 1a through 1o, 2 through 2-65 (in respect to all provisions therein other than the State rate of tax), 2c through 2h, 3 (except as to the disposition of taxes and penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all provisions of the Uniform Penalty and Interest Act, as fully as if those provisions were set forth herein.

Persons subject to any tax imposed under this subsection may reimburse themselves for their seller's tax liability under this subsection by separately stating the tax as an additional charge, which charge may be stated in combination, in a single amount, with State taxes that sellers are required to collect under the Use Tax Act, in accordance with such bracket schedules as the Department may prescribe.

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified and to the person named in the notification from the Department. The refund shall be paid by the State Treasurer out of the business district retailers' occupation tax fund.

The Department shall immediately pay over to the State Treasurer, ex officio, as trustee, all taxes, penalties, and interest collected under this subsection for deposit into the business district retailers' occupation tax fund.

As soon as possible after the first day of each month, beginning January 1, 2011, upon certification of the Department of Revenue, the Comptroller shall order transferred, and the Treasurer shall transfer, to the STAR Bonds Revenue Fund the local sales tax increment, as defined in the Innovation Development and Economy Act, collected under this subsection during the second preceding calendar month for sales within a STAR bond district.

After the monthly transfer to the STAR Bonds Revenue Fund, on or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the disbursement of stated sums of money to named municipalities from the business district retailers' occupation tax fund, the municipalities to be those from which retailers have paid

taxes or penalties under this subsection to the Department during the second preceding calendar month. The amount to be paid to each municipality shall be the amount (not including credit memoranda) collected under this subsection during the second preceding calendar month by the Department plus an amount the Department determines is necessary to offset any amounts that were erroneously paid to a different taxing body, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department, less 2% of that amount, which shall be deposited into the Tax Compliance and Administration Fund and shall be used by the Department, subject to appropriation, to cover the costs of the Department in administering and enforcing the provisions of this subsection, on behalf of such municipality, and not including any amount that the Department determines is necessary to offset any amounts that were payable to a different taxing body but were erroneously paid to the municipality, and not including any amounts that are transferred to the STAR Bonds Revenue Fund. Within 10 days after receipt by the Comptroller of the disbursement certification to the municipalities provided for in this subsection to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in the certification. The proceeds of the tax paid to municipalities under this subsection shall be deposited into the Business District Tax Allocation Fund by the municipality.

An ordinance imposing or discontinuing the tax under this subsection or effecting a change in the rate thereof shall either (i) be adopted and a certified copy thereof filed with the Department on or before the first day of April, whereupon the Department, if all other requirements of this subsection are met, shall proceed to administer and enforce this subsection as of the first day of July next following the adoption and filing; or (ii) be adopted and a certified copy thereof filed with the Department on or before the first day of October, whereupon, if all other requirements of this subsection are met, the Department shall proceed to administer and enforce this subsection as of the first day of January next following the adoption and filing.

The Department of Revenue shall not administer or enforce an ordinance imposing, discontinuing, or changing the rate of the tax under this subsection, until the municipality also provides, in the manner prescribed by the Department, the boundaries of the business district and each address in the business district in such a way that the Department can determine by its address whether a business is located in the business district. The municipality must provide this boundary and address information to the Department on or before April 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following July 1 and on or before October 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following January 1. The Department of Revenue shall not administer or enforce any change made to the boundaries of a business district or address change, addition, or deletion until the municipality reports the boundary change or address change, addition, or deletion to the Department in the manner prescribed by the Department. The municipality must provide this boundary change information or address change, addition,

or deletion to the Department on or before April 1 for administration and enforcement by the Department of the change beginning on the following July 1 and on or before October 1 for administration and enforcement by the Department of the change beginning on the following January 1. The retailers in the business district shall be responsible for charging the tax imposed under this subsection. If a retailer is incorrectly included or excluded from the list of those required to collect the tax under this subsection, both the Department of Revenue and the retailer shall be held harmless if they reasonably relied on information provided by the municipality.

A municipality that imposes the tax under this subsection must submit to the Department of Revenue any other information as the Department may require for the administration and enforcement of the tax.

When certifying the amount of a monthly disbursement to a municipality under this subsection, the Department shall increase or decrease the amount by an amount necessary to offset any misallocation of previous disbursements. The offset amount shall be the amount erroneously disbursed within the previous 6 months from the time a misallocation is discovered.

Nothing in this subsection shall be construed to authorize the municipality to impose a tax upon the privilege of engaging in any business which under the Constitution of the United States may not be made the subject of taxation by this State.

If a tax is imposed under this subsection (b), a tax shall also be imposed under subsection (c) of this Section.

(c) If a tax has been imposed under subsection (b), a Business District Service Occupation Tax shall also be imposed upon all persons engaged, in the business district, in the business of making sales of service, who, as an incident to making those sales of service, transfer tangible personal property within the business district, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. The tax shall be imposed at the same rate as the tax imposed in subsection (b) and shall not exceed 1% of the selling price of tangible personal property so transferred within the business district, to be imposed only in 0.25% increments. The tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.

The tax imposed under this subsection and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the Department of Revenue. The certificate of registration which is issued by the Department to a retailer under the Retailers' Occupation Tax Act or under the Service Occupation Tax Act shall permit such registrant to engage in a business which is taxable under any ordinance or resolution enacted pursuant to this subsection without registering separately with the Department under such ordinance or resolution or under this subsection. The Department of Revenue shall have full power to administer and



enforce this subsection; to collect all taxes and penalties due under this subsection; to dispose of taxes and penalties so collected in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty under this subsection. In the administration of, and compliance with this subsection, the Department and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties, exclusions, exemptions, and definitions of terms and employ the same modes of procedure as are prescribed in Sections 2, 2a through 2d, 3 through 3-50 (in respect to all provisions therein other than the State rate of tax), 4 (except that the reference to the State shall be to the business district), 5, 7, 8 (except that the jurisdiction to which the tax shall be a debt to the extent indicated in that Section 8 shall be the municipality), 9 (except as to the disposition of taxes and penalties collected, and except that the returned merchandise credit for this tax may not be taken against any State tax), 10, 11, 12 (except the reference therein to Section 2b of the Retailers' Occupation Tax Act), 13 (except that any reference to the State shall mean the municipality), the first paragraph of Section 15, and Sections 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all provisions of the Uniform Penalty and Interest Act, as fully as if those provisions were set forth herein.

Persons subject to any tax imposed under the authority granted in this subsection may reimburse themselves for their serviceman's tax liability hereunder by separately stating the tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax that servicemen are authorized to collect under the Service Use Tax Act, in accordance with such bracket schedules as the Department may prescribe.

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified, and to the person named, in such notification from the Department. Such refund shall be paid by the State Treasurer out of the business district retailers' occupation tax fund.

The Department shall forthwith pay over to the State Treasurer, ex-officio, as trustee, all taxes, penalties, and interest collected under this subsection for deposit into the business district retailers' occupation tax fund.

As soon as possible after the first day of each month, beginning January 1, 2011, upon certification of the Department of Revenue, the Comptroller shall order transferred, and the Treasurer shall transfer, to the STAR Bonds Revenue Fund the local sales tax increment, as defined in the Innovation Development and Economy Act, collected under this subsection during the second preceding calendar month for sales within a STAR bond district.

After the monthly transfer to the STAR Bonds Revenue Fund, on or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the disbursement of stated sums of money to named municipalities from the business district retailers' occupation tax fund, the

municipalities to be those from which suppliers and servicemen have paid taxes or penalties under this subsection to the Department during the second preceding calendar month. The amount to be paid to each municipality shall be the amount (not including credit memoranda) collected under this subsection during the second preceding calendar month by the Department, less 2% of that amount, which shall be deposited into the Tax Compliance and Administration Fund and shall be used by the Department, subject to appropriation, to cover the costs of the Department in administering and enforcing the provisions of this subsection, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department on behalf of such municipality, and not including any amounts that are transferred to the STAR Bonds Revenue Fund. Within 10 days after receipt, by the Comptroller, of the disbursement certification to the municipalities, provided for in this subsection to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in such certification. The proceeds of the tax paid to municipalities under this subsection shall be deposited into the Business District Tax Allocation Fund by the municipality.

An ordinance imposing or discontinuing the tax under this subsection or effecting a change in the rate thereof shall either (i) be adopted and a certified copy thereof filed with the Department on or before the first day of April, whereupon the Department, if all other requirements of this subsection are met, shall proceed to administer and enforce this subsection as of the first day of July next following the adoption and filing; or (ii) be adopted and a certified copy thereof filed with the Department on or before the first day of October, whereupon, if all other conditions of this subsection are met, the Department shall proceed to administer and enforce this subsection as of the first day of January next following the adoption and filing.

The Department of Revenue shall not administer or enforce an ordinance imposing, discontinuing, or changing the rate of the tax under this subsection, until the municipality also provides, in the manner prescribed by the Department, the boundaries of the business district in such a way that the Department can determine by its address whether a business is located in the business district. The municipality must provide this boundary and address information to the Department on or before April 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following July 1 and on or before October 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following January 1. The Department of Revenue shall not administer or enforce any change made to the boundaries of a business district or address change, addition, or deletion until the municipality reports the boundary change or address change, addition, or deletion to the Department in the manner prescribed by the Department. The municipality must provide this boundary change information or address change, addition, or deletion to the Department on or before April 1 for administration and enforcement by the Department of the change beginning on the following July 1 and on or before October 1 for administration and enforcement by the Department of the

change beginning on the following January 1. The retailers in the business district shall be responsible for charging the tax imposed under this subsection. If a retailer is incorrectly included or excluded from the list of those required to collect the tax under this subsection, both the Department of Revenue and the retailer shall be held harmless if they reasonably relied on information provided by the municipality.

A municipality that imposes the tax under this subsection must submit to the Department of Revenue any other information as the Department may require for the administration and enforcement of the tax.

Nothing in this subsection shall be construed to authorize the municipality to impose a tax upon the privilege of engaging in any business which under the Constitution of the United States may not be made the subject of taxation by the State.

If a tax is imposed under this subsection (c), a tax shall also be imposed under subsection (b) of this Section.

(d) By ordinance, a municipality that has designated a business district under this Law may impose an occupation tax upon all persons engaged in the business district in the business of renting, leasing, or letting rooms in a hotel, as defined in the Hotel Operators' Occupation Tax Act, at a rate not to exceed 1% of the gross rental receipts from the renting, leasing, or letting of hotel rooms within the business district, to be imposed only in 0.25% increments, excluding, however, from gross rental receipts the proceeds of renting, leasing, or letting to permanent residents of a hotel, as defined in the Hotel Operators' Occupation Tax Act, and proceeds from the tax imposed under subsection (c) of Section 13 of the Metropolitan Pier and Exposition Authority Act.

The tax imposed by the municipality under this subsection and all civil penalties that may be assessed as an incident to that tax shall be collected and enforced by the municipality imposing the tax. The municipality shall have full power to administer and enforce this subsection, to collect all taxes and penalties due under this subsection, to dispose of taxes and penalties so collected in the manner provided in this subsection, and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty under this subsection. In the administration of and compliance with this subsection, the municipality and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers, and duties, shall be subject to the same conditions, restrictions, limitations, penalties, and definitions of terms, and shall employ the same modes of procedure as are employed with respect to a tax adopted by the municipality under Section 8-3-14 of this Code.

Persons subject to any tax imposed under the authority granted in this subsection may reimburse themselves for their tax liability for that tax by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with State taxes imposed under the Hotel Operators' Occupation Tax Act, and with any other tax.

Nothing in this subsection shall be construed to authorize a municipality to impose a tax upon the privilege of engaging in any business which under the Constitution of the United

States may not be made the subject of taxation by this State.

The proceeds of the tax imposed under this subsection shall be deposited into the Business District Tax Allocation Fund.

(e) Obligations secured by the Business District Tax Allocation Fund may be issued to provide for the payment or reimbursement of business district project costs. Those obligations, when so issued, shall be retired in the manner provided in the ordinance authorizing the issuance of those obligations by the receipts of taxes imposed pursuant to subsections (10) and (11) of Section 11-74.3-3 and by other revenue designated or pledged by the municipality. A municipality may in the ordinance pledge, for any period of time up to and including the dissolution date, all or any part of the funds in and to be deposited in the Business District Tax Allocation Fund to the payment of business district project costs and obligations. Whenever a municipality pledges all of the funds to the credit of a business district tax allocation fund to secure obligations issued or to be issued to pay or reimburse business district project costs, the municipality may specifically provide that funds remaining to the credit of such business district tax allocation fund after the payment of such obligations shall be accounted for annually and shall be deemed to be "surplus" funds, and such "surplus" funds shall be expended by the municipality for any business district project cost as approved in the business district plan. Whenever a municipality pledges less than all of the monies to the credit of a business district tax allocation fund to secure obligations issued or to be issued to pay or reimburse business district project costs, the municipality shall provide that monies to the credit of the business district tax allocation fund and not subject to such pledge or otherwise encumbered or required for payment of contractual obligations for specific business district project costs shall be calculated annually and shall be deemed to be "surplus" funds, and such "surplus" funds shall be expended by the municipality for any business district project cost as approved in the business district plan.

No obligation issued pursuant to this Law and secured by a pledge of all or any portion of any revenues received or to be received by the municipality from the imposition of taxes pursuant to subsection (10) of Section 11-74.3-3, shall be deemed to constitute an economic incentive agreement under Section 8-11-20, notwithstanding the fact that such pledge provides for the sharing, rebate, or payment of retailers' occupation taxes or service occupation taxes imposed pursuant to subsection (10) of Section 11-74.3-3 and received or to be received by the municipality from the development or redevelopment of properties in the business district.

Without limiting the foregoing in this Section, the municipality may further secure obligations secured by the business district tax allocation fund with a pledge, for a period not greater than the term of the obligations and in any case not longer than the dissolution date, of any part or any combination of the following: (i) net revenues of all or part of any business district project; (ii) taxes levied or imposed by the municipality on any or all property in the municipality, including, specifically, taxes levied or imposed by the municipality in a special service area pursuant to the Special Service Area Tax Law; (iii) the full faith and credit

of the municipality; (iv) a mortgage on part or all of the business district project; or (v) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Such obligations may be issued in one or more series, bear such date or dates, become due at such time or times as therein provided, but in any case not later than (i) 20 years after the date of issue or (ii) the dissolution date, whichever is earlier, bear interest payable at such intervals and at such rate or rates as set forth therein, except as may be limited by applicable law, which rate or rates may be fixed or variable, be in such denominations, be in such form, either coupon, registered, or book-entry, carry such conversion, registration and exchange privileges, be subject to defeasance upon such terms, have such rank or priority, be executed in such manner, be payable in such medium or payment at such place or places within or without the State, make provision for a corporate trustee within or without the State with respect to such obligations, prescribe the rights, powers, and duties thereof to be exercised for the benefit of the municipality and the benefit of the owners of such obligations, provide for the holding in trust, investment, and use of moneys, funds, and accounts held under an ordinance, provide for assignment of and direct payment of the moneys to pay such obligations or to be deposited into such funds or accounts directly to such trustee, be subject to such terms of redemption with or without premium, and be sold at such price, all as the corporate authorities shall determine. No referendum approval of the electors shall be required as a condition to the issuance of obligations pursuant to this Law except as provided in this Section.

In the event the municipality authorizes the issuance of obligations pursuant to the authority of this Law secured by the full faith and credit of the municipality, or pledges ad valorem taxes pursuant to this subsection, which obligations are other than obligations which may be issued under home rule powers provided by Section 6 of Article VII of the Illinois Constitution or which ad valorem taxes are other than ad valorem taxes which may be pledged under home rule powers provided by Section 6 of Article VII of the Illinois Constitution or which are levied in a special service area pursuant to the Special Service Area Tax Law, the ordinance authorizing the issuance of those obligations or pledging those taxes shall be published within 10 days after the ordinance has been adopted, in a newspaper having a general circulation within the municipality. The publication of the ordinance shall be accompanied by a notice of (i) the specific number of voters required to sign a petition requesting the question of the issuance of the obligations or pledging such ad valorem taxes to be submitted to the electors; (ii) the time within which the petition must be filed; and (iii) the date of the prospective referendum. The municipal clerk shall provide a petition form to any individual requesting one.

If no petition is filed with the municipal clerk, as hereinafter provided in this Section, within 21 days after the publication of the ordinance, the ordinance shall be in effect. However, if within that 21-day period a petition is filed with the municipal clerk, signed by electors numbering not less than 15% of the number of electors voting for the mayor or president at the last general municipal election,

asking that the question of issuing obligations using full faith and credit of the municipality as security for the cost of paying or reimbursing business district project costs, or of pledging such ad valorem taxes for the payment of those obligations, or both, be submitted to the electors of the municipality, the municipality shall not be authorized to issue obligations of the municipality using the full faith and credit of the municipality as security or pledging such ad valorem taxes for the payment of those obligations, or both, until the proposition has been submitted to and approved by a majority of the voters voting on the proposition at a regularly scheduled election. The municipality shall certify the proposition to the proper election authorities for submission in accordance with the general election law.

The ordinance authorizing the obligations may provide that the obligations shall contain a recital that they are issued pursuant to this Law, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

In the event the municipality authorizes issuance of obligations pursuant to this Law secured by the full faith and credit of the municipality, the ordinance authorizing the obligations may provide for the levy and collection of a direct annual tax upon all taxable property within the municipality sufficient to pay the principal thereof and interest thereon as it matures, which levy may be in addition to and exclusive of the maximum of all other taxes authorized to be levied by the municipality, which levy, however, shall be abated to the extent that monies from other sources are available for payment of the obligations and the municipality certifies the amount of those monies available to the county clerk.

A certified copy of the ordinance shall be filed with the county clerk of each county in which any portion of the municipality is situated, and shall constitute the authority for the extension and collection of the taxes to be deposited in the business district tax allocation fund.

A municipality may also issue its obligations to refund, in whole or in part, obligations theretofore issued by the municipality under the authority of this Law, whether at or prior to maturity. However, the last maturity of the refunding obligations shall not be expressed to mature later than the dissolution date.

In the event a municipality issues obligations under home rule powers or other legislative authority, the proceeds of which are pledged to pay or reimburse business district project costs, the municipality may, if it has followed the procedures in conformance with this Law, retire those obligations from funds in the business district tax allocation fund in amounts and in such manner as if those obligations had been issued pursuant to the provisions of this Law.

No obligations issued pursuant to this Law shall be regarded as indebtedness of the municipality issuing those obligations or any other taxing district for the purpose of any limitation imposed by law.

Obligations issued pursuant to this Law shall not be subject to the provisions of the Bond Authorization Act.

(f) When business district project costs, including, without limitation, all obligations paying or reimbursing business district project costs have been paid, any surplus

funds then remaining in the Business District Tax Allocation Fund shall be distributed to the municipal treasurer for deposit into the general corporate fund of the municipality. Upon payment of all business district project costs and retirement of all obligations paying or reimbursing business district project costs, but in no event more than 23 years after the date of adoption of the ordinance imposing taxes pursuant to subsection (10) or (11) of Section 11-74.3-3, the municipality shall adopt an ordinance immediately rescinding the taxes imposed pursuant to subsection (10) or (11) of Section 11-74.3-3.

(Source: P.A. 99-143, eff. 7-27-15.)

(65 ILCS 5/11-74.3-7)

Sec. 11-74.3-7. Existing business districts. Except as hereinafter provided, business districts that were designated prior to the effective date of this amendatory Act of the 96th General Assembly shall continue to operate and be governed by the terms of this Law in effect prior to the effective date of this amendatory Act of the 96th General Assembly. Any municipality which has designated a business district prior to the effective date of this amendatory Act of the 96th General Assembly may, by ordinance, amend or supplement any proceedings taken in connection with the designation of a business district as shall be necessary to provide that this amendatory Act of the 96th General Assembly shall apply to such business district.

(Source: P.A. 96-1394, eff. 7-29-10.)