
**CITY OF OAK FOREST, ILLINOIS
FIRST AMENDMENT TO THE TIF #6 TIF DISTRICT
REDEVELOPMENT PLAN AND PROJECT**

Prepared By:

**City of Oak Forest, Illinois
&
Ryan, LLC.**



March, 2025

**FIRST AMENDMENT TO THE CITY OF OAK FOREST
TIF #6 TAX INCREMENT FINANCE DISTRICT
REDEVELOPMENT PLAN AND PROJECT**

TABLE OF CONTENTS

<u>SECTION</u>	<u>TITLE</u>	<u>PAGE</u>
I.	Introduction	1
II.	First Amendment to the TIF Plan and Project	2
	Appendix 1c – “First Amended Legal Description of Project Area”	
	Appendix 2c – “First Amended Boundary Map of RPA”	
	Appendix 3c - “First Amended Existing and Future Land Use Maps of RPA”	
	Appendix 4c – “TIF Eligibility Report for the First Amendment Area”	

I. INTRODUCTION FOR FIRST AMENDMENT

In September 2013, the City of Oak Forest, Illinois (the “City”) adopted the City of Oak Forest TIF #6 *TIF Redevelopment Area Redevelopment Project and Plan* (the “Original TIF Plan,”). The purpose of the report herein is to amend the Original TIF Plan by City adoption of a First Amendment to the City of Oak Forest TIF #6 TIF Redevelopment Project Area Redevelopment Plan and Project. This First Amendment is intended to add certain parcels located at the intersection of Kilpatrick and Waverly Avenues immediately north of 156th Street (the “First Amendment Area”).

The City is enacting this First Amendment as part of its overall strategy to promote the continued economic revitalization of key blighted and/or under-utilized properties located throughout the existing City of Oak Forest TIF #6 Project Area (the “RPA). Additionally, the Original TIF Plan, as part of this First Amendment, is being amended to reflect the legislative approval of the Illinois General Assembly to extend the life of the RPA by an additional 12-years. This First Amendment is being adopted by the City in conformance with the Illinois Tax Increment Allocation Redevelopment Act, (the “Act”) 65 ILCS 5/11-74.4-3, et. seq., as amended.

Unless expressly stated herein, all sections, statements, conclusions, and findings contained within the Original TIF Plan, except as such is modified or amended by this First Amendment, remain in effect as adopted by the City.

II. AMENDMENTS TO THE TIF PLAN

The Original City of Oak Forest’s TIF #6 TIF Redevelopment Plan and Project, is amended as follows:

1. Section I “Introduction” Page 1 is amended by adding a new paragraph following the third paragraph on that page to read as follows:

“The Redevelopment Plan of the TIF #6 TIF District is amended to include certain tax parcels (the “First Amendment Area”) to the east of its boundaries. The inclusion of these tax parcels is also intended to further the TIF District’s two fundamental goals of promoting redevelopment and securing new economically productive uses for key parcels located within the central core of the City and diversifying the City’s tax base.”

2. Section I “Introduction” Page 1 is amended by replacing the fourth paragraph following on that page to read as follows:

The proposed TIF District contains approximately 156 tax parcels and 68 structures located along Cicero Avenue. Parcels are generally located south of 151st Street, east and west on Cicero and north of the Metra right of way.

3. Section II “RPA Legal Description,” Page 4, is amended by adding an additional new paragraph following the first paragraph on that page to read as follows:

“The Redevelopment Project Area legal description is amended by this First Amendment and is attached as Appendix 1c and is made part of this Redevelopment Plan.”

4. Section IV “Evidence of the Lack of Development and Growth; Fiscal Impact on Taxing Districts” Page 8 is amended by adding a new paragraph following the second paragraph of that page to read as follows:

“As part of the First Amendment to the TIF #6 TIF Redevelopment Plan and Project, the First Amendment Area was studied in order to determine its qualifications under the Act. It was determined that the Amendment Area qualifies under the Act as a blighted vacant area. The TIF Eligibility Report for the First Amendment Area is attached as Appendix 4c and is made part of this Redevelopment Plan.”

5. Section V.A. ”TIF Qualification Factors Present in the RPA - Findings” Page 9 is amended by adding a new sentence to the end of the first paragraph to read as follows:

“Refer to the TIF Eligibility Report for the Amendment Area, attached as Appendix 4c to this Plan.”

and; by adding a new paragraph to Section V.B. “TIF Qualification Factors Present in the RPA – Eligibility Survey” Page 9 following the first paragraph of that page to read as follows:

“In addition to initial evaluations, representatives of Ryan and City staff evaluated the First Amendment Area beginning in February 2024 to the date of this First Amendment to the TIF #6 TIF Redevelopment Plan and Project. Analysis was aided by certain reports obtained from City staff and a proposed developer for the included parcels, as well as on-site due diligence and other sources.”

6. Section VII “Redevelopment Project” Page 22 is amended by replacing the second paragraph in the following section on that page with the following:

“Nature and Term of Obligations to be Issued. Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than the amended thirty-five (35) years after the date of adoption of the ordinance approving the Redevelopment Project Area. The actual date for such retirement of obligations shall not be later than December 31 of the year in which the payment to the municipal treasurer, pursuant to the Act, is to be made with respect to ad valorem taxes levied in the 35th calendar year, occurring after adoption of the Ordinance which establishes the RPA. However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year on all obligations shall not exceed the amount available in that year or projected to be available in that year, may be payable from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds, and all other sources of funds as may be provided by ordinance.”

7. Section VII “Redevelopment Project” Page 23 is amended by replacing the third and fourth paragraphs of that page with the following:

“Most Recent Equalized Assessed Valuation (EAV) for the RPA. The most recent EAV for the First Amendment Area is based on the 2023 tax year EAV and is estimated to be \$126,462. It is anticipated the base equalized assessed value of the First Amendment Area will be the 2023 tax year.”

The base equalized assessed value of the original RPA has been set by the Cook County Clerk's office at an amount of \$12,874,681 based on tax year 2023. That amount and tax year will not be affected by the First Amendment.

Anticipated Equalized Assessed Valuation for the RPA. Upon completion of the anticipated private development of the RPA over an amended 35-year period, it is estimated that the EAV of the property within the RPA as amended will be approximately \$57,000,000 to \$80,000,000 million depending upon market conditions and the scope of redevelopment projects.”

- 8. Section VII “**Description and Scheduling of Redevelopment Project**” Page 26 is amended by replacing the first paragraph in the following section on that page with the following:

Completion of Redevelopment Project and Retirement of Obligations to Finance Redevelopment Costs. This Redevelopment Plan and Project and retirement of all obligations to finance redevelopment costs will be completed within the amended thirty-five (35) years after the year of adoption of an ordinance designating the Redevelopment Project Area. The actual date for such completion and retirement of obligations shall not be later than December 31 of the year in which the payment to the municipal treasurer pursuant to the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year that the ordinance approving the RPA is adopted.”

APPENDIX 1c: First Amended Legal Description of Project Area

**City of Oak Forest, Illinois
Cicero Avenue Tax Increment Financing District
(TIF District #6)**

TIF District #6 Amended Legal Description

THAT PART OF THE WEST HALF OF THE NORTHWEST QUARTER AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 15 AND THE EAST HALF OF THE NORTHEAST QUARTER AND THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF 155TH STREET AND THE WEST RIGHT-OF-WAY LINE OF CICERO AVENUE, SAID POINT BEING ALSO THE NORTHEAST CORNER OF BLOCK 28 IN ARTHUR T. MCINTOSH & CO.'S CICERO AVENUE SUBDIVISION; THENCE WEST ALONG SAID SOUTH RIGHT-OF-WAY LINE TO THE INTERSECTION OF SAID SOUTH RIGHT-OF-WAY LINE AND THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 12 OF BLOCK 26 IN SAID SUBDIVISION; THENCE NORTH TO THE SOUTHWEST CORNER OF SAID LOT 12; THENCE NORTH ALONG THE WEST LINE OF LOTS 1 THROUGH 12, INCLUSIVE, OF SAID BLOCK 26 TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE NORTH TO THE SOUTHWEST CORNER OF LOT 12 OF BLOCK 19 IN SAID SUBDIVISION; THENCE NORTH ALONG THE WEST LINE OF LOTS 3 THROUGH 12, INCLUSIVE, OF SAID BLOCK 19 TO THE NORTHWEST CORNER OF SAID LOT 3, SAID CORNER BEING ALSO THE SOUTHEAST CORNER OF LOT 23 OF SAID BLOCK 19; THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 23 TO THE EAST LINE OF THE WEST 150 FEET OF SAID LOT 23; THENCE NORTH ALONG SAID EAST LINE TO THE NORTH LINE OF SAID LOT 23; THENCE EAST ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID LOT 23, SAID CORNER BEING ALSO THE SOUTHWEST CORNER OF LOT 1 OF SAID BLOCK 19; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 1 TO THE NORTHWEST CORNER OF SAID LOT 1, SAID CORNER BEING ALSO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 153RD STREET; THENCE WEST ALONG SAID SOUTH RIGHT-OF-WAY LINE TO THE INTERSECTION OF SAID SOUTH RIGHT-OF-WAY LINE AND THE SOUTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY LINE OF LACROSSE AVENUE; THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST RIGHT-OF-WAY LINE OF SAID LACROSSE AVENUE TO THE NORTHWEST CORNER OF LOT H IN SABRE RESUBDIVISION; THENCE EAST ALONG THE NORTH LINE OF SAID LOT H TO THE NORTHEAST CORNER OF SAID LOT H; THENCE NORTH TO THE SOUTHWEST CORNER OF LOT 6 IN ARTHUR T. MCINTOSH & CO.'S FOREST HILLS SUBDIVISION; THENCE NORTH ALONG THE WEST LINE OF LOTS 1 THROUGH 6, INCLUSIVE, IN SAID SUBDIVISION TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE NORTH TO THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF 151ST STREET AND THE NORTHERLY EXTENSION OF SAID WEST LINE OF LOT 1; THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE OF 151ST STREET TO THE INTERSECTION OF SAID NORTH RIGHT-OF-WAY LINE AND THE NORTHERLY

EXTENSION OF THE EAST LINE OF THE WEST 150.00 FEET OF LOTS 15 THROUGH 17 OF BLOCK 6 IN ARTHUR T. MCINTOSH & CO.'S CICERO AVENUE SUBDIVISION; THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND SAID EAST LINE TO THE SOUTHEAST CORNER OF THE WEST 150.00 FEET OF SAID LOT 15, SAID CORNER BEING ALSO A POINT ON THE NORTH LINE OF LOT 14 OF SAID BLOCK 6 IN ARTHUR T. MCINTOSH & CO.'S CICERO AVENUE SUBDIVISION; THENCE EAST ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID LOT 14; THENCE SOUTH ALONG THE EAST LINE OF LOTS 7 THROUGH 14, INCLUSIVE, OF SAID SUBDIVISION TO THE SOUTHEAST CORNER OF SAID LOT 7; THENCE SOUTH TO THE NORTHEAST CORNER OF LOT 18 OF BLOCK 11 IN SAID SUBDIVISION; THENCE SOUTH ALONG THE EAST LINE OF LOTS 9 THROUGH 18, INCLUSIVE, OF SAID BLOCK 11 TO THE SOUTHEAST CORNER OF SAID LOT 9, SAID CORNER BEING ALSO THE NORTHWEST CORNER OF LOT 6 OF SAID BLOCK 11; THENCE EAST ALONG THE NORTH LINE OF SAID LOT 6 TO THE WEST LINE OF THE EAST 270 FEET OF SAID LOT 6; THENCE SOUTH ALONG SAID WEST LINE TO THE SOUTH LINE OF SAID LOT 6, BEING ALSO THE NORTH RIGHT-OF-WAY LINE OF 153RD STREET; THENCE WEST ALONG SAID SOUTH LINE OF LOT 6 TO THE SOUTHWEST CORNER THEREOF; THENCE SOUTH TO THE NORTHWEST CORNER OF LOT 7 IN BARNARD'S RESUBDIVISION; THENCE SOUTH ALONG THE WEST LINE OF LOTS 1, 2, 3 AND 7 OF SAID RESUBDIVISION TO THE SOUTHWEST CORNER OF SAID LOT 1, SAID CORNER BEING ALSO A POINT ON THE NORTHERLY LINE OF LOT 40 OF BLOCK 18 IN ARTHUR T. MCINTOSH & CO.'S CICERO AVENUE SUBDIVISION; THENCE EAST ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID LOT 40; THENCE SOUTH ALONG THE EAST LINE OF LOTS 21 THROUGH 40, INCLUSIVE, OF SAID BLOCK 18 TO THE SOUTHEAST CORNER OF SAID LOT 21; THENCE SOUTH TO THE NORTHEAST CORNER OF LOT 24 OF BLOCK 29 IN ARTHUR T. MCINTOSH & CO.'S CICERO AVENUE SUBDIVISION; THENCE SOUTH ALONG THE EAST LINE OF LOTS 17 THROUGH 24, INCLUSIVE, OF SAID BLOCK 29 TO THE SOUTHEAST CORNER OF SAID LOT 17, SAID CORNER BEING ALSO THE NORTHWEST CORNER OF LOT 9 IN SAID BLOCK 29, THENCE EAST ALONG THE NORTH LINE OF SAID LOT 9 TO THE NORTH EAST CORNER OF SAID LOT 9, BEING ALSO A POINT ON THE WEST RIGHT OF WAY LINE OF KILPATRICK AVENUE; THENCE SOUTH ALONG THE EAST LINE OF LOTS 9 AND 10 IN SAID BLOCK 29 TO A POINT OF INTERSECTION WITH THE NORTHWESTERLY LINE OF WAVERLY AVENUE; SAID POINT OF INTERSECTION BEING ALSO THE SOUTH EASTERLYMOST CORNER OF SAID LOT 10; THENCE SOUTHWESTERLY ALONG THE SOUTHEASTERLY LINE OF LOTS 10 THROUGH 12, INCLUSIVE, IN SAID BLOCK 29 TO THE SOUTHEAST CORNER OF SAID LOT 12, BEING ALSO THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF WAVERLY AVENUE AND THE NORTH LINE OF 156th STREET; THENCE SOUTHEASTERLY TO THE NORTHERLY MOST CORNER OF SAID LOT 20 OF BLOCK 31 IN ARTHUR T. MCINTOSH & CO.'S CICERO AVENUE SUBDIVISION; THENCE SOUTHWESTERLY ALONG THE NORTHWESTERLY LINE OF LOTS 20 THROUGH 31, INCLUSIVE, OF SAID BLOCK 31, BEING ALSO THE SOUTHERLY RIGHT-OF-WAY LINE OF WAVERLY AVE. TO THE WESTERLY MOST CORNER OF SAID LOT 31; THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY LINE OF SAID LOT 31 TO THE SOUTHERLY MOST CORNER OF SAID LOT 31, SAID CORNER BEING ALSO THE EASTERLY MOST CORNER OF LOT 32

OF SAID BLOCK 31 AND POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF CHICAGO, ROCK ISLAND & PACIFIC RAILWAY; THENCE SOUTHWESTERLY ALONG THE SOUTHEASTERLY LINE OF LOTS 32 THROUGH 34, INCLUSIVE, OF SAID BLOCK 31 TO THE SOUTHERLY MOST CORNER OF SAID LOT 34; THENCE SOUTHWESTERLY TO THE INTERSECTION OF THE WEST RIGHT-OF-WAY LINE OF CICERO AVENUE AND THE SOUTHWESTERLY EXTENSION OF THE SOUTHEASTERLY LINE OF SAID LOT 34; THENCE NORTH ALONG THE WEST RIGHT-OF-WAY LINE OF CICERO AVENUE TO THE POINT OF BEGINNING.

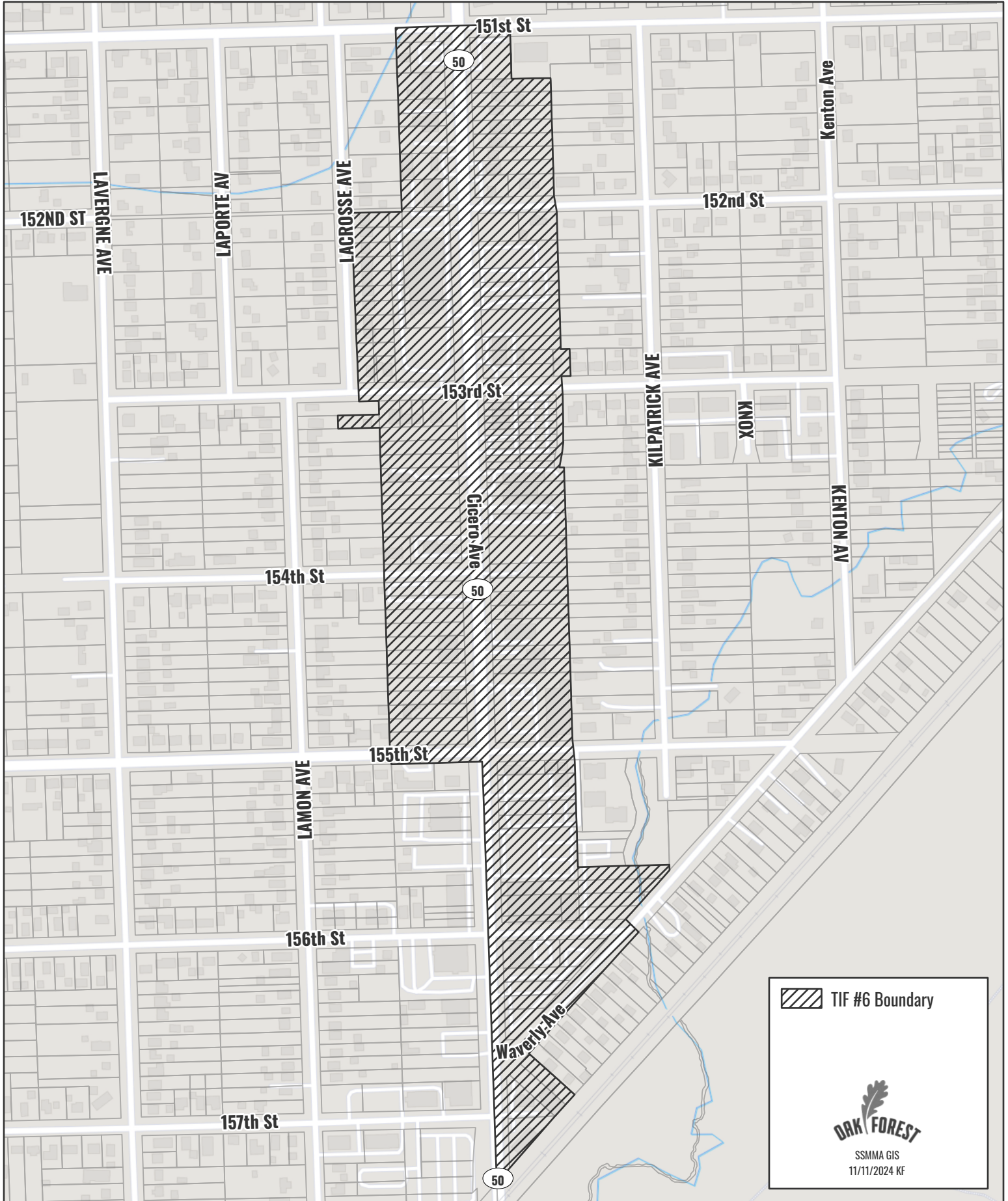
PINs: 28-15-100-004, -005, -006, -007, -008, -009, -010, -024, -030, -031; 28-15-104-003, -004, -005, -006, -007, -010, -019, -020, -021, -032, -033, -040; 28-15-109-023, -024, -025, -026, -027, -028, -029, -030, -031, -032, -033, -034, -035, -036, -037, -038, -039, -040, -041, -042, -043, -044; 28-15-117-001, -002, -006, -007, -008, -009, -010, -013, -014, -046, -047, -048, -049; 28-15-300-004, -005, -010, -021, -022, -023, -024, -025, -026, -027, -028, -044-1001, -044-1002, -044-1003, -044-1004, -044-1005, -044-1006, -044-1007, -044-1008, -044-1009, -044-1010, -044-1011, -045, -046, -047; 28-15-302-003, -004, -005, -006, -008, -009-1001, -009-1002, -009-1003, -009-1004; 28-15-303-032, -035, -036, -038; 28-16-208-014, -015, -016, -017, -018, -019, -020, -021, -026, -027, -028, -029, -030, -031, -033; 28-16-212-012, -013, -014, -015, -016, -017, -018, -019, -020, -021, -022, -023, -024; 28-16-215-012, -014, -034, -035, -038, -039, -040, -041, -042, -043, -044, -045, -046, -047, -050, -051, -052, -053, -054, -055, -056, -057, -058, -059, -060, -061, -062, -063, -064, -065, -066, -067, -068, -069;

Common Boundary Description: That part of the City of Oak Forest generally bounded by 151st Street on the North; the Rock Island Railroad (Metra) tracks and Waverly Avenue on the South; the Westerly line of those properties abutting the West side of Cicero Avenue between 151st Street and 152nd Street, and between 153rd Street and 155th Street, LaCrosse Avenue from 152nd Street to 153rd Street, and the West line of Cicero Avenue, from 155th Street to the Rock Island Railroad (Metra) tracks, on the West; and the East line of those properties abutting the East side of Cicero Avenue, from 151st Street South to the Rock Island Railroad (Metra) tracks, on the East.

APPENDIX 2c: First Amended Boundary Map of RPA

City of Oak Forest - Cicero Ave Tax Increment Financing (TIF) District

TIF District #6 - Amended Map



 TIF #6 Boundary

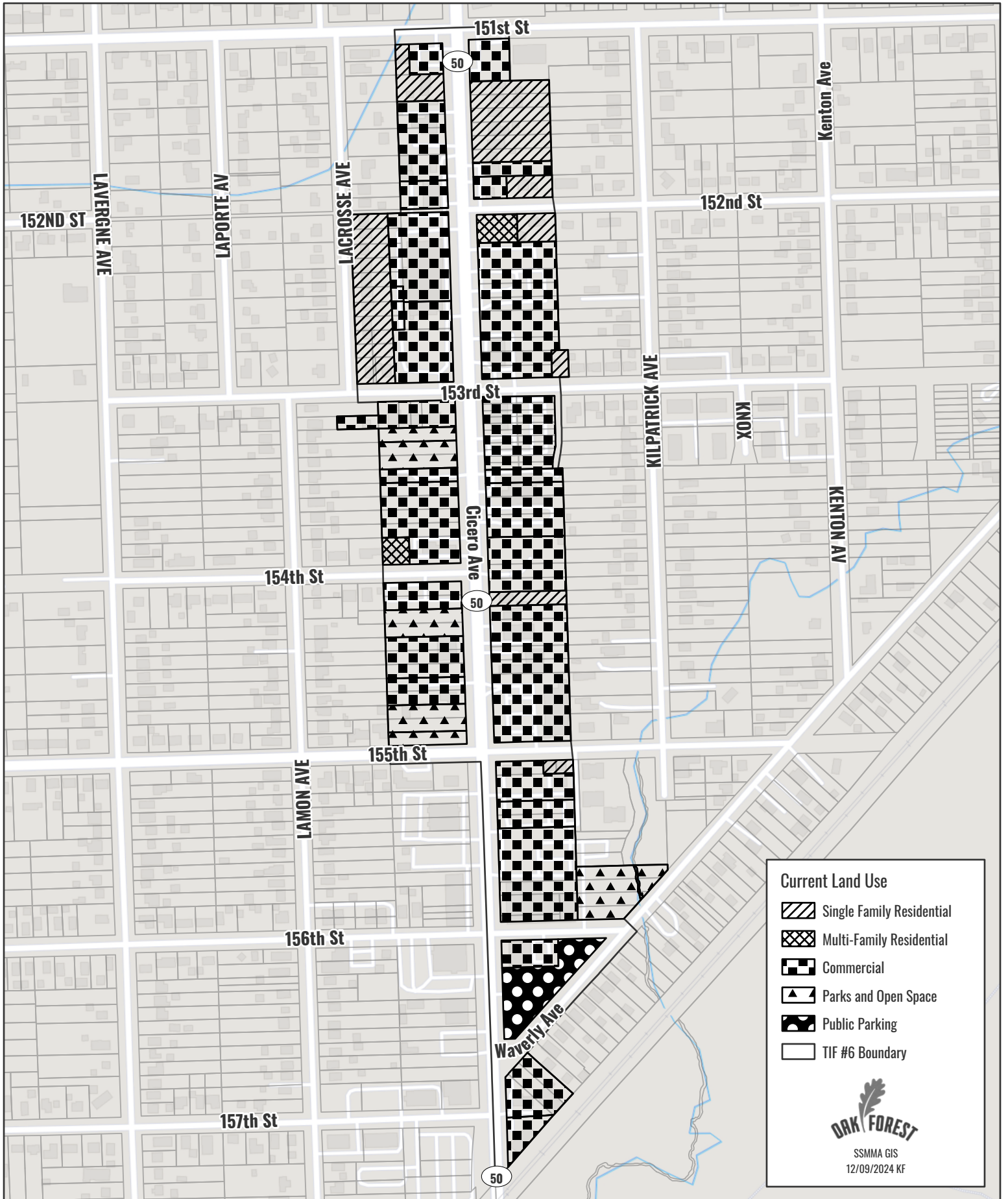


SSMMA GIS
11/11/2024 KF

APPENDIX 3c: First Amended Existing and Future Land Use Maps of RPA

City of Oak Forest - Cicero Ave Tax Increment Financing (TIF) District

Amended TIF District #6 - Current Land Use



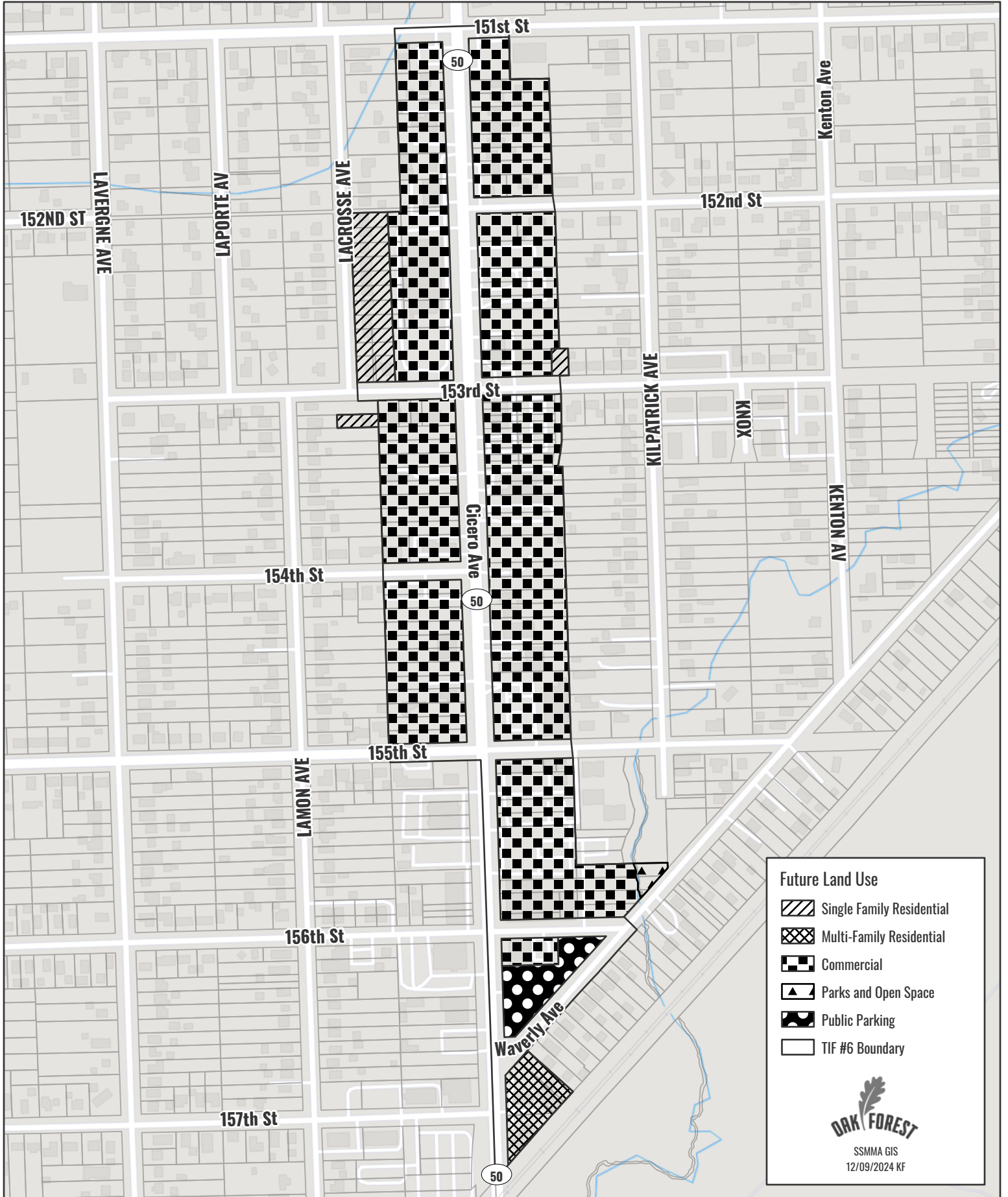
Current Land Use

- Single Family Residential
- Multi-Family Residential
- Commercial
- Parks and Open Space
- Public Parking
- TIF #6 Boundary

SSMMA GIS
12/09/2024 KF

City of Oak Forest - Cicero Ave Tax Increment Financing (TIF) District

Amended TIF District #6 - Future Land Use



APPENDIX 4c: Eligibility Report for First Amendment Area

**CITY OF OAK FOREST, ILLINOIS
FIRST AMENDMENT TO THE TIF #6 TIF DISTRICT
ELIGIBILITY REPORT**

Prepared By:

**City of Oak Forest, Illinois
&
Ryan, LLC.**



March, 2025

TABLE OF CONTENTS

EXECUTIVE SUMMARY i

I. INTRODUCTION 1

II. QUALIFICATION CRITERIA 4

III. METHODOLOGY OF EVALUATION 6

IV. QUALIFICATION FINDINGS FOR STUDY AREA 7

V. SUMMARY 10

APPENDIX A: Boundary Map of Study Area

APPENDIX B: Engineer's Chronic Flooding Support Letter

EXECUTIVE SUMMARY

The City of Oak Forest, Illinois (the “City”) is pursuing a first amendment (“First Amendment”) to its existing TIF District #6 Tax Increment Finance District (the “TIF District”, “Redevelopment Project Area” or “RPA”) to continue the promotion and revitalization of underutilized properties in the City’s Cicero Avenue corridor, a priority area for the City’s economic development objectives. Toward this end, the City has also sought and received a legislative 12-year extension to the life of TIF District #6 as allowed by the TIF Act and as authorized by the Illinois Legislature with the passage of Public Act ___ which was signed by Governor JP Pritzker on ___ 2024. In the context of planning for this First Amendment of the RPA, the City has initiated the study of certain additional tax parcels, located at the intersection of Kilpatrick and Waverly Avenues immediately north of 156th Street. (as further describe herein) for consideration of its addition to the TIF District (the “Study Area”)

More specifically, this study is to determine whether the Study Area qualifies for inclusion in TIF District #6 pursuant to the Tax Increment Allocation Redevelopment Act, 65ILCS 5/11-74.4-3, et seq., as amended (the “TIF Act” or “Act”). Ryan, LLC. (“Ryan”) has been retained by the City to conduct this study on the City’s behalf.

Ryan has reached the following conclusions regarding the qualification of the Study Area based upon the analysis completed to date:

- 1) The Study Area qualifies as a “blighted vacant area” – The Study Area qualifies as a “blighted-vacant area” pursuant to the TIF Act. Currently, the vacant land lacks economic viability for development due to certain adverse conditions identified in Section IV of this report. As a result, these conditions prevent or threaten to prevent the beneficial economic and physical development of properties the community deems essential to its overall economic health. In the opinion of Ryan, the subject vacant land meets the requirements for designation as a blighted-vacant area under the TIF Act.
- 2) Current conditions impede redevelopment – The existence of certain conditions found within the Study Area present a barrier to the area’s successful redevelopment. The current conditions in the Study Area are impediments to redevelopment, creating an environment where it is reasonable to conclude redevelopment would not take place “but for” the use of the TIF Act. The factors present on the ground negatively impact coordinated and consequential private sector investment in the overall area. Without the use of City planning and economic development resources to mitigate such factors, potential redevelopment projects and other activities that require private sector investment are not likely to be economically feasible.
- 3) Viable redevelopment sites could produce incremental revenue - The Study Area potentially could, with TIF-related assistance, be redeveloped and thereby produce incremental property tax revenue. Such revenue, used in combination with other City resources for redevelopment incentives or public improvements, would likely stimulate private investment and reinvestment in these sites in the Study Area.

- 4) TIF amendment is recommended - To mitigate blighted vacant area conditions, promote private sector investment, and foster the economic viability of the Study Area, Ryan recommends that the City proceed with the formal TIF amendment process to include the properties described within this report in the existing TIF District #6.

I. INTRODUCTION

Description of the Study Area

The Study Area is located at the intersection of Kilpatrick and Waverly Avenues immediately north of 156th Street. More specifically, the Study Area parcels are located along the west side Waverly Avenue immediately north of 156th Street. The Study Area is approximately 1.2 acres and is made up of four tax parcels currently designated as follows:

- Tax Parcel 28-15-300-021 15532 Kilpatrick Avenue
- Tax Parcel 28-15-300-022 15539 Cicero Avenue
- Tax Parcel 28-15-300-023 15539 Cicero Avenue
- Tax Parcel 28-15-300-024 15539 Cicero Avenue.

The Study Area is also located adjacent to TIF District #6 (along its east boundary near its south end) as required pursuant to the Act to allow for implementation of the First Amendment. The four parcels within the Study Area consist of vacant land, each with a creek running through them. The City is currently working with EM-8 Properties, LLC (together, the “Proposed Developer”) in an attempt to redevelop the four parcels, along with other adjoining parcels (including the former Ace Hardware site) already located within TIF District #6.

Please see Appendix A for a map of the Study Area as it is proposed for inclusion into the TIF District.

Background

The four parcels in the Study Area, along with adjacent parcels, have been the subject of unsuccessful redevelopment proposals over the past twenty years.

The Proposed Developer has approached the City with a plan for the redevelopment of certain parcels within TIF District #6 but has made the case that the mixed-use project proposed for those properties is only economically feasible with the addition of the four additional Study Area parcels as part of the TIF District. The conditions that currently exist within the Study Area work to impede such private sector reinvestment.

Given the continued importance of TIF District #6 in fulfilling the City’s economic and community development goals, along with the Proposed Developer’s need to add the Study Area to TIF District #6 for redevelopment of these and the some of the other TIF District #6 parcels, the City has determined that the area be analyzed, pursuant to the TIF Act, for proposed inclusion into the existing TIF District.

Overview of Tax Increment Financing (TIF)

Tax Increment Financing (or “TIF”) is an economic development tool which uses future revenues to finance redevelopment activity. In the State of Illinois an area can be designated as a TIF district if it faces certain impediments to redevelopment. At the time of designation, the equalized assessed value of tax parcels within the boundaries of the district are “frozen” for the term of the TIF district. Taxing jurisdictions that overlap that district continue to receive property taxes, but those revenues generated from increase in equalized assessed value relative to the frozen values are deposited in a special tax allocation fund. This revenue is then used to finance redevelopment activities within the district to accomplish community and economic development goals.

The Eligibility Report

The TIF Act enables Illinois municipalities to establish and amend TIF districts either to eliminate the presence of blight or to prevent its onset. The Act finds that municipal TIF authority serves a public interest in order to, “promote and protect the health, safety, morals and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken; that to remove and alleviate adverse condition sit is necessary to encourage private investment and restore and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas” (65 ILCS-5/11-74.4-2(b)).

To establish a TIF district, Illinois municipalities must adopt several documents including a Redevelopment Plan and an Eligibility Report. An Eligibility Report is a document which provides the basis for the RPA’s qualification under the TIF Act in reasonable detail. If a TIF district is amended by adding tax parcels to the existing TIF district, Illinois municipalities must adopt an Eligibility Report for those additional tax parcels and adopt an amendment to the existing Redevelopment Plan.

The City has authorized Ryan to evaluate the Study Area in relation to its inclusion into the existing TIF District #6, to prepare a TIF Eligibility Report for the Study Area and to prepare a First Amendment to the TIF District #6 Redevelopment Plan for the amended RPA.

Determination of the “But-For”

The City has determined that planned redevelopment of the Study Area is feasible only with public financial assistance. The creation and utilization of a TIF redevelopment plan and redevelopment agreements is intended by the City to help provide the assistance required to eliminate conditions detrimental to successful redevelopment of the Study Area, strengthen the tax base and improve resident quality of life.

General Scope and Methodology

Ryan formally began its analysis by conducting a series of discussions with City staff and the Proposed Developer starting in February 2024 and continuing up to the date of this report's issuance. The purpose of the discussions was to establish boundaries for initial analysis and to gather data related to the qualification criteria for parcels included in the Study Area. These discussions were complemented by a field survey for the four Study Area parcels to evaluate their conditions pursuant to the TIF Act. Ryan also analyzed the City's most recent comprehensive plan and other reports relevant to the Study Area.

Properties within the Study Area were examined in the context of the TIF Act governing improved areas (separate provisions of the Act address non-improved or vacant areas). The qualification factors discussed in this report qualify the area as a "vacant blighted area," as the term is defined pursuant to the TIF Act.

During the course of its work, Ryan reported findings to City staff regarding TIF qualification, and the feasibility of redevelopment within the Study Area. Based upon these findings the City directed Ryan to complete this report and move forward with the preparation of a first amendment to the existing Redevelopment Plan and Project for the RPA.

For additional information about Ryan's data collection and evaluation methods refer to Section IV of this report.

II. QUALIFICATION CRITERIA

The TIF Act sets out specific procedures for qualifying and amending an RPA. By definition, an RPA is:

“An area designated by the municipality, which is not less in the aggregate than 1½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.”

Under the TIF Act, “blighted vacant area” means any vacant area, the sound growth of which is impaired by a combination of two (2) or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area:

A) Obsolete Platting. Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

B) Diversity of Ownership. Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

C) Delinquencies. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.

D) Adjacent Deterioration. Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

E) Environmental Deficiencies. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for – or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for – the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

F) Lagging or Declining EAV. The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that

is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last (5) calendar years prior to the year in which the redevelopment project area is designated.

Additionally, one (1) or more of the following stand-alone factors may be present in the area under study:

- (A) The area consists of one or more unused quarries, mines, or strip mine ponds.
- (B) The area consists of unused rail yards, rail tracks, or railroad rights of way.
- (C) The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.
- (D) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

III. METHODOLOGY OF EVALUATION

The following method was applied to evaluate the Study Area's qualification as a TIF district.

1. Ryan representatives collected primary data during site visits to the Study Area. These site visits consisted of visual observation of the area which included, but was not limited to, tax parcel counts, address matches and the identification of current land uses, building conditions, lot conditions and traffic flows. Ryan documented these observations via notes and photography.
2. Ryan representatives collected secondary data including, but not limited to, 2018 to 2023 tax information, tax parcel maps, site data, planning documents and information related to local history and context from interviews with City staff and other stakeholders.
3. Ryan also utilized the collected data to conduct an evaluation of the presence and extent of the aforementioned eligibility factors that would qualify the Study Area as a blighted vacant area as defined by the TIF Act.

IV. QUALIFICATION FINDINGS FOR STUDY AREA

Summary of Factor Findings for a Blighted Vacant Area

Ryan analyzed the Study Area in relation to the six aforementioned eligibility factors. As noted previously, at least two of these factors must be present and distributed to a meaningful extent within the Study Area to qualify the area as a blighted vacant area under the TIF Act. Ryan determined that at least three of the six possible factors were present and distributed to a meaningful extent within the Study Area.

Table 2. Summary of Factor Findings for Blighted Vacant Area

Total number of possible factors per TIF Act	6
Minimum factors needed to qualify per TIF Act	2
Factors present in Study Area	3

The three factors found to be present and distributed to a meaningful extent within the Study Area are:

1. Lagging/Declining EAV
2. Adjacent Deterioration
3. Obsolete Platting

These factors are summarized as follows:

1. Lagging/Declining Equalized Assessed Value (EAV): This factor is present if the total equalized assessed value (EAV) of the Study Area has either: (i) declined for three of the last five calendar years prior to the year in which the area is to be designated; (ii) changed at an annual rate that is less than the annual rate of change (i.e. lagged) of the balance of the municipality's EAV for three of the last five calendar years prior to the year in which the area is to be designated; or (iii) changed an annual rate that is less than the annual rate of change (i.e. lagged) of the Consumer Price Index for All Urban Consumers (CPI-U) as published by the United States Department of Labor or successor agency for three of the last five calendar years prior to the year in which the area is to be designated.

It can be seen in the table, below, that the total Equalized Assessed Value ("EAV") of the four Study Area parcels lagged behind the Consumer Price Index ("CPI") for four of the last five years.

PIN	2023 EAV	2022 EAV	2021 EAV	2020 EAV	2019 EAV	2018 EAV
28-15-300-021	\$37,505	\$38,564	\$39,606	\$42,517	\$36,258	\$36,194
28-15-300-022	\$35,303	\$36,266	\$37,245	\$39,983	\$34,129	\$34,069
28-15-300-023	\$29,587	\$30,398	\$31,219	\$33,514	\$28,603	\$28,553
28-15-300-024	\$24,067	\$24,729	\$25,397	\$27,264	\$23,267	\$23,226
TOTAL EAV	\$126,462	\$129,957	\$133,467	\$143,278	\$122,257	\$122,042
% Change	-2.689%	-2.630%	-6.848%	17.194%	0.176%	
City of Oak Forest EAV	\$648,100,850	\$451,471,150	\$470,725,243	\$517,060,345	\$438,344,805	\$442,392,190
Balance Of EAV Less TIF Parcels	\$647,974,388	\$451,341,193	\$470,591,776	\$516,917,067	\$438,222,548	\$442,270,148
% Change	43.566%	-4.091%	-8.962%	17.958%	-0.915%	
CPI	4.10%	8.00%	4.70%	1.20%	1.80%	

2. **Adjacent Deterioration:** The Act states that adjacent deterioration is deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

Various degrees of deterioration of site improvements were found to be present on parcels located primarily west of the Study Area, and most prominently immediately west of the Study Area at the former dilapidated Ace Hardware parcel.

3. **Obsolete Platting:** The Act provides that obsolete platting of vacant land is that which results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

As can be readily assessed through a review of the map shown in Appendix A, the Study Area is composed of a group of parcels that are partially bisected by an existing creek, which challenges redevelopment of these parcels if not combined with the existing parcels located to the west of the Study Area. The odd sizes and configurations of these parcels make them extremely difficult to coordinate for successful real estate development without the application of modern land use planning standards. More specifically, the existing platting is not suitable for the type of larger scale mixed use and/or residential land use that the City seeks for the Study Area.

Additional Stand Alone Factor for a Blighted Vacant Area

According to the Act, an area is found to be subject to chronic flooding if the redevelopment project area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real

property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

The Study Area qualifies under the TIF Act using the single stand-alone factor of Chronic Flooding in the TIF Act. According to _____, the Study Area is adversely impacted by the existence of chronic flooding due to the influence of an undesignated tributary related to Midlothian Creek, which flows through the easternmost portions of the Study Area parcels. _____ concludes that the Study Area experiences chronic flooding that causes adverse impacts such as (but not limited to) reduction of developable property, and the imposition of limitations related to the placement of stormwater drainage and storage facilities for the areas adjacent to the Study Area].

V. SUMMARY

Relevant qualification findings as related to the designation of the Study Area as a blighted vacant area are as follows:

1. The Study Area is contiguous to the TIF District;
2. The Study Area qualifies as a blighted vacant area as at least two eligibility factors are present to a meaningful extent and are distributed throughout the area;
3. All property in the Study Area would substantially benefit by the proposed redevelopment project improvements;
4. The growth of EAV for all taxing districts overlaying the area, including the City, has been impaired by the factors found present in the Study Area; and,
5. The Study Area would not be subject to redevelopment without the investment of public funds, including property tax increment.

In the judgement of Ryan, these findings provide the City with sufficient justification to consider designation of the Study Area for amendment into the TIF #6 District.

APPENDIX A: Boundary Map of Study Area

City of Oak Forest - Cicero Ave Tax Increment Financing (TIF) District

TIF District #6 – Boundary Map of Study Area



APPENDIX B: Engineer's Chronic Flooding Support Letter

December 6, 2024

Mr. Paul Ruane
Assistant Director of Community and Economic Development
City of Oak Forest
15440 South Central Avenue
Oak Forest, Illinois 60452-2195

Subject: TIF District 6 – Chronic Flooding Assessment

Dear Mr. Ruane:

We have reviewed available documentation regarding chronic flooding in the City's Tax Increment Financing District 6.

TIF District 6 generally straddles Cicero Avenue from north of the Rock Island Railroad to 151st Street, extending about ½ block east and west of Cicero. Land use is predominantly commercial with restaurants, shops and mixed-use buildings with a few residential properties. Most of the land is developed, with some parcels being recently cleared to allow for new developments.

Midlothian Creek runs along the easterly edge of the District and its floodplain encroaches into portions of the District near the southeast corner, as shown on the Federal Emergency Management Agency's Flood Insurance Rate Map Panel 17031C0726J dated August 19, 2008. This Map shows regulatory floodway and flood fringe associated with the one-percent-chance event (100-year flood) as well as areas inundated by the 0.2-percent-chance (500-year) flood. The entire TIF District drains into Midlothian Creek or Natalie Creek, one of its tributaries.

The U.S. Fish & Wildlife Service's National Wetlands Inventory map shows wetlands within the banks of Midlothian Creek.

A Web Soil Survey from the Natural Resources Conservation Service was reviewed. Over 90 percent of the soils in TIF District 6 are defined as "moderately well drained."

The TIF Act defines chronic flooding as "flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency, or surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding." A small portion of the District (the southeast corner) lies within the regulatory floodplain which adversely impacts that property. Since the entire District drains into Midlothian Creek, it contributes to flooding along the Creek. Redevelopments in the District will be required to provide

stormwater management under City code and the Metropolitan Water Reclamation District of Greater Chicago's Watershed Management Ordinance. These improvements will help reduce peak rates of runoff from the District so redevelopment will help alleviate flooding along Midlothian Creek. Therefore, the District is subject to chronic flooding as defined in the TIF Act.

If you have any questions or need any additional information, please let me know.

Sincerely,

BAXTER & WOODMAN, INC.
CONSULTING ENGINEERS



Stephen R. Amann, P.E., CFM
Development Services Manager

C: Tim Kristin, City Administrator